

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

February 9, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$26 million in loans to manufacturers of food, liquor, and tobacco products, \$12 million to the wholesale and retail trade, and \$49 million to unclassified borrowers were partly offset by increases of \$29 million in loans to sales finance companies, \$18 million to manufacturers of textiles, apparel, and leather products, and \$14 million to "other" types of business. The net decrease in commercial, industrial, and agricultural loans was \$20 million at weekly reporting member banks during the week ended February 2.

The increase in loans to manufacturers of textiles, apparel, and leather products was the largest weekly increase in this business category since March of last year and was reflected in all districts.

Changes in loans during the week and since year-end are shown below; the third column shows the changes during the comparable period last year:

<u>Business of Borrower</u>	Week ended Feb. 2 ^{p/}	Cumulative since year-end	
		Dec. 29, 1954 to Feb. 2, 1955 ^{p/}	Dec. 30, 1953 to Feb. 3, 1954
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	-26	-144	-111
Textiles, apparel, and leather	+18	+ 47	+ 27
Metals and metal products	+ 3	+ 9	-141
Petroleum, coal, chemicals, & rubber	+ 6	+ 6	-105
Other manufacturing and mining	- 2	- 12	- 35
Trade -- wholesale and retail	-12	-127	-139
Commodity dealers	- 5	- 87	- 36
Sales finance companies	+29	+ 34	-145
Public utilities and transportation	+ 9	--	- 15
Construction	- 5	- 1	- 13
Other types of business	+14	- 66	- 59
Classified changes - net	+29	-342	-772
Unclassified changes - net	-49	- 90	+ 30
Net change in commercial, industrial, and agricultural loans	-20	-432	-742

^{p/} Preliminary; see footnote on attached table.

In addition to the usual weekly table, a monthly table is attached showing changes during January compared with the preceding month and with January 1954, and also showing changes during the past twelve months.

In many respects, changes during January were the seasonal reversals of previous monthly trends and similar to changes in January 1954. Loans to manufacturers of food, liquor, and tobacco products showed the first monthly decrease since August and loans to commodity dealers showed the first monthly decrease since June, and "other" types of business showed the first decrease since July. Loans to manufacturers of textiles, apparel, and leather products, which had decreased during the previous three months, increased in January as they had in January 1954. The small increase in loans to manufacturers of metals and metal products was the first monthly increase in this business industry since last March.

Previous trends continued in some of the other business categories. Loans to the wholesale and retail trade decreased for the second consecutive month, loans to "other" manufacturing and mining decreased for the fourth consecutive month, and loans to the construction industry increased for the twelfth consecutive month.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, FEBRUARY 2, 1955

Business of Borrower	All Dis- tricts <u>p/</u>	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco <u>p/</u>
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	-25.5	+ 1.2	- 2.7	+ 2.0	+ .8	- .6	+ .4	-19.6	- 3.5	- 1.1	- .1	- .9	- 1.4
Textiles, apparel, and leather	+18.4	+ 1.2	+ 4.5	+ 1.4	+ .8	+ 1.5	+ 1.2	+ 1.6	+ 4.8	+ .1	+ .1	+ .8	+ .4
Metals and metal products (including machinery & transportation equipment)	+ 2.9	- 2.5	+ 3.4	+ 2.6	- 1.8	- .2	--	+ .2	+ .6	+ .1	+ .5	+ .2	- .2
Petroleum, coal, chemicals, and rubber	+ 5.7	- .2	+ 7.7	+ 1.0	- .6	+ .1	- .1	+ .7	+ .3	- .2	- .7	- 1.1	- 1.2
Other manufacturing and mining	- 2.0	+ .4	- 3.9	- .1	+ .2	+ .6	+ .4	- 1.1	+ .6	+ .1	--	+ .1	+ .7
Trade:													
Wholesale	(-11.9)	+ .2	- 4.6	+ 1.5	- 2.4	- 1.3	+ .7	+ .5	- 1.5	+ .5	+ 1.1	(+ .9)	+ 1.5
Retail		- 3.1	+ 6.4	- 5.6	- 1.7	+ .1	- .2	- 6.4	- .5	- .3	+ .3		+ 2.0
Commodity dealers	- 5.1	+ .5	- 5.0	--	- .8	- 2.9	- .3	+ 1.6	+ 4.3	+ 1.4	- .3	- 3.3	- .3
Sales finance companies	+28.8	+ 1.0	+ 9.2	+ 3.6	- 2.1	- 1.7	+ 2.4	+ 9.8	+ 3.2	+ .8	--	+ 1.0	+ 1.6
Public utilities (including transportation)	+ 9.1	- .2	+ 2.6	+ .2	- .3	+ .5	+ .6	+ .4	+ .5	+ .4	+ .3	+ .4	+ 3.7
Construction	- 4.8	+ .3	- 2.5	- 1.0	- .5	- .2	+ .2	+ 2.2	+ 1.5	+ .4	- 1.2	- 2.3	- 1.7
All other types of business	+13.8	+ .9	+ 5.0	- 1.4	+ .2	+ 1.5	+ 2.6	+ 4.0	+ 2.2	- 2.3	- 1.3	- 2.0	+ 4.4
Net change in classified loans <u>1/</u>	+29.4	- .3	+20.1	+ 4.2	- 8.2	- 2.6	+ 7.9	- 6.1	+12.5	- .1	- 1.3	- 6.2	+ 9.5
Unclassified changes - net	-49.4	+ 4.3	-55.1	+ 5.8	- .8	- .4	- .9	+ 1.1	+ .5	- 3.9	+ 2.3	- 1.8	- .5
Net change in commercial, industrial, and agricultural loans	-20.0	+ 4.0	-35.0	+10.0	- 9.0	- 3.0	+ 7.0	- 5.0	+13.0	- 4.0	+ 1.0	- 8.0	+ 9.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District final figures appear in a release of the Reserve Bank.

1/ About 220 weekly reporting member banks are reporting changes in their larger loans as to industry; these banks hold over 90 per cent of total commercial and industrial loans of all weekly reporting member banks and nearly 70 per cent of those of all commercial banks.

H.12(b)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY

Business of Borrower	4 weeks ended Jan. 26, 1955	5 weeks ended Dec. 29, 1954	4 weeks ended Jan. 27, 1954	12 months ended Jan. 26, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-118.5	+110.5	- 97.4	- 27.7
Textiles, apparel, and leather	+ 28.4	- 30.4	+ 13.8	+ 44.3
Metals and metal products (including machinery and transportation equipment)	+ 6.5	- 24.2	-151.6	-967.0
Petroleum, coal, chemicals, and rubber	- .2	+ 49.4	-103.9	+180.9
Other manufacturing and mining	- 10.1	- 16.6	- 31.2	- 42.0
Trade -- wholesale and retail	-115.5	- 67.9	-107.6	+ 71.7
Commodity dealers	- 81.6	+ 78.1	- 36.8	+130.4
Sales finance companies	+ 5.0	+228.2	-153.0	+ 14.9
Public utilities (including transportation)	- 9.4	+ 45.6	- 15.7	- 93.2
Construction	+ 3.8	+ 13.6	- 10.6	+167.1
All other types of business	- 79.8	+ 3.7	- 42.5	+236.1
Net change in classified loans <u>1/</u>	-371.4	+390.0	-736.5	-284.5
Unclassified changes - net	- 40.6	- 36.0	-141.5	-143.5
Net change in commercial, industrial, and agricultural loans	-412.0	+354.0	-878.0	-428.0

1/ See footnote on preceding table regarding current coverage.