

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 9, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$88 million in loans to sales finance companies, \$20 million to manufacturers of textiles, apparel, and leather products, \$16 million to the wholesale and retail trade, and \$12 million to the manufacturers of metals and metal products were the principal factors in the \$115 million increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended March 2. Partly offsetting decreases included \$26 million in loans to commodity dealers and \$9 million to the construction industry.

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

<u>Business of Borrower</u>	Week ended <u>Mar. 2<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 29, 1954</u> to <u>Mar. 2, 1955<sup>p/</sup></u>	<u>Dec. 30, 1953</u> to <u>Mar. 3, 1954</u>
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	- 2	-238	-192
Textiles, apparel, and leather	+ 20	+138	+ 60
Metals and metal products	+ 12	+ 47	-146
Petroleum, coal, chemicals, & rubber	+ 3	+111	- 96
Other manufacturing and mining	+ 4	- 3	- 34
Trade -- wholesale and retail	+ 16	- 86	-140
Commodity dealers	- 26	-154	- 89
Sales finance companies	+ 88	+ 96	-236
Public utilities and transportation	+ 9	- 11	- 49
Construction	- 9	+ 4	- 7
Other types of business	<u>+ 4</u>	<u>- 34</u>	<u>- 45</u>
Classified changes - net	+117	-130	-974
Unclassified changes - net	<u>- 2</u>	<u>- 5</u>	<u>+ 40</u>
Net change in commercial, industrial, and agricultural loans	+115	-135	-934

p/ Preliminary; see footnote on attached table.

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

The changes during February were similar to those during January and a year ago February in the following business categories: there were further increases in loans to manufacturers of textiles, apparel, and leather products, to manufacturers of metals and metal products and to the construction industry, and further repayments by manufacturers of food, liquor, and tobacco products, by commodity dealers, and by public utilities.

Loans to the wholesale and retail trade and to "other" types of business increased during February in contrast to decreases in the preceding month and in February a year ago. Loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products showed the largest monthly increase in this business category since the series was started in the spring of 1951; this large increase compares with small changes in both the preceding months and in February a year ago.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, MARCH 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
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	- 1.6	+ .1	+ 3.7	- .8	+ 2.6	+ .1	- .6	- 4.4	- .9	+ .1	- 1.5	--	
Textiles, apparel, and leather	+19.6	+ 3.4	+ 8.4	+ 2.0	- .4	+ 1.5	+ .9	+ 1.9	+ 1.1	+ .4	+ .3	+ .1	NOT
Metals and metal products (including machinery & transportation equipment)	+11.8	- .2	+ 1.7	+ .6	+ 1.3	+ .4	- .1	+ 4.8	+ 1.7	+ .9	- .6	+ 1.3	
Petroleum, coal, chemicals, and rubber	+ 2.6	+ 1.6	- 1.6	- .5	+ 1.0	- .3	+ 1.3	+ 1.0	+ .2	- .5	- 2.0	+ 2.4	
Other manufacturing and mining	+ 3.5	+ 1.2	+ .4	+ .2	+ 2.7	+ .5	- .5	- .7	+ .5	+ .2	- .7	- .3	AVAIL-
Trade:													
Wholesale	(+15.8)	+ .9	- .5	--	- .2	+ 1.0	+ 1.4	+ 3.0	+ .7	+ 1.2	+ 1.9	( + .7 )	
Retail		+ .5	+ 2.2	- .4	--	+ .1	- .4	+ .2	+ 1.9	+ 1.6	--		
Commodity dealers	-25.6	- 3.2	- 5.8	+ .1	+ .2	- .6	- .4	+ 1.4	-11.6	- 1.4	- 2.2	- 2.1	
Sales finance companies	+88.0	+ 2.7	+52.4	+ 7.0	+11.0	+ .1	+ 1.5	- 3.5	+ 7.4	+ 4.1	+ 1.3	+ 4.0	ABLE
Public utilities (including transportation)	+ 8.5	- .5	+ 8.6	- .9	- 2.9	- .1	+ .4	+ 4.1	- .8	+ .4	+ .6	- .4	
Construction	- 8.9	+ .3	- 1.1	- .9	+ .1	+ .5	+ 1.2	- 6.4	+ .4	- .8	- .7	- 1.5	
All other types of business	+ 3.7	- 7.3	+ 2.0	+ 1.9	+ 1.6	- 1.3	+ 3.2	+ 7.4	- .2	+ .3	+ .3	- 4.2	
Net change in classified loans <u>1/</u>	+117.4	- .5	+70.4	+ 8.3	+17.0	+ 1.9	+ 7.9	+ 8.8	+ .4	+ 6.5	- 3.3	--	--
Unclassified changes - net	- 2.4	+ 2.5	+ 7.6	- 2.3	- 6.0	+ 1.1	-11.9	+ 7.2	- 8.4	+ 1.5	- 3.7	- 4.0	+14.0
Net change in commercial, industrial, and agricultural loans	+115.0	+ 2.0	+78.0	+ 6.0	+11.0	+ 3.0	- 4.0	+16.0	- 8.0	+ 8.0	- 7.0	- 4.0	+14.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District 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.

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

Business of Borrower	4 weeks ended Feb. 23, 1955	4 weeks ended Jan. 26, 1955	4 weeks ended Feb. 24, 1954	12 months ended Feb. 23, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-118.1	-118.5	- 94.3	- 51.5
Textiles, apparel, and leather	+ 90.1	+ 28.4	+ 46.2	+ 88.2
Metals and metal products (including machinery and transportation equipment)	+ 28.5	+ 6.5	+ 5.6	-944.1
Petroleum, coal, chemicals, and rubber	+109.0	- .2	+ 7.9	+282.0
Other manufacturing and mining	+ 3.8	- 10.1	- 2.9	- 35.3
Trade -- wholesale and retail	+ 13.3	-115.5	- 32.2	+117.2
Commodity dealers	- 46.6	- 81.6	- 52.4	+136.2
Sales finance companies	+ 2.8	+ 5.0	- 82.6	+100.3
Public utilities (including transportation)	- 10.5	- 9.4	- 33.5	- 70.2
Construction	+ 9.0	+ 3.8	+ 3.4	+172.7
All other types of business	+ 42.3	- 79.8	- 2.3	+280.7
Net change in classified loans <u>1/</u>	+123.6	-371.4	-237.1	+ 76.2
Unclassified changes - net	+ 38.4	- 40.6	+181.1	-286.2
Net change in commercial, industrial, and agricultural loans	+162.0	-412.0	- 56.0	-210.0

1/ See footnote on preceding table regarding current coverage.