

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Increases of \$68 million in loans to sales finance companies, \$41 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$14 million to "other" manufacturing and mining, and \$12 million to the wholesale and retail trade were partly offset by decreases of \$34 million in loans to manufacturers of food, liquor, and tobacco products and \$37 million to unclassified borrowers which included the redemption of Commodity Credit Corporation certificates of interest. The net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended May 4 was \$62 million.

It is estimated that the redemption of Commodity Credit Corporation certificates of interest by weekly reporting member banks has amounted to about \$400 million since the first of the year; this is considerably larger than the decline in unclassified loans during this period shown in the second column below. In contrast, it is estimated that there was an increase in holdings of these certificates of around \$175 million by these banks during the comparable period last year.

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 May 4 ^{p/}	<u>Cumulative since year-end</u>	
		<u>Dec. 29, 1954</u> to <u>May 4, 1955^{p/}</u>	<u>Dec. 30, 1953</u> to <u>May 5, 1954</u>
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	-34	-443	- 416
Textiles, apparel, and leather	--	+185	+ 53
Metals and metal products	+ 1	+ 74	- 167
Petroleum, coal, chemicals, & rubber	+41	+312	- 33
Other manufacturing and mining	+14	+ 73	- 34
Trade -- wholesale and retail	+12	+ 61	- 62
Commodity dealers	- 7	-376	- 331
Sales finance companies	+68	+371	- 185
Public utilities and transportation	+ 1	+100	- 18
Construction	+ 2	+ 33	+ 35
Other types of business	+ 1	+ 31	+ 50
Classified changes - net	+99	+420	-1,109
Unclassified changes - net	-37	-236	- 126
Net change in commercial, industrial, and agricultural loans	+62	+184	-1,235

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

In addition to the weekly table, a monthly table is attached showing changes during April compared with the preceding month and with April 1954, and also showing changes during the past twelve months. In contrast to the preceding month when there were the usual large borrowings to pay quarterly income taxes, and to April 1954 when loan liquidation was heavy, the net change during April 1955 was relatively small.

However, the pattern of change during the current month was similar to those during March and a year ago April in the following business categories: There were further increases in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products, to the wholesale and retail trade, and to "other" types of business, and further repayments by manufacturers of food, liquor, and tobacco products and by commodity dealers.

The largest increase in April was in loans to sales finance companies; this category had also increased during March but had showed a small decrease in April of last year.

Following rather sizable increases during March, loans to manufacturers of metals and metal products, to manufacturers of textiles, apparel, and leather products and to public utilities declined in April but by smaller amounts than in April 1954.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MAY 4, 1955

Business of Borrower	All Dis- tricts ^{p/}	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco ^{p/}
	(In millions of dollars)												
Manufacturing and mining:													
Food, liquor, and tobacco	-34.4	- 2.3	-19.0	+ 1.7	- 2.4	- .9	--	-12.2	- .5	- 1.3	- .5	+ 5.5	- 2.5
Textiles, apparel, and leather	--	+ .4	- .9	- .4	+ .3	+ .2	+ 1.3	- 1.8	- .6	+ .1	+ .3	- .7	+ 1.8
Metals and metal products (including machinery & transportation equipment)	+ 1.4	+ .8	- 5.9	+ 1.5	+ .8	+ .3	+ 1.4	+ .7	- 1.1	- .2	+ .9	+ .4	+ 1.8
Petroleum, coal, chemicals, and rubber	+40.5	- .4	+34.1	- .3	+10.1	- .3	+ .7	- 6.2	--	+ .2	+ .1	+ 1.5	+ 1.0
Other manufacturing and mining	+13.8	+ .8	+13.4	- .4	- .2	+ .5	--	+ .9	- .7	- .1	+ .3	+ .2	- .9
Trade:													
Wholesale	(+11.9)	+ .5	+ 2.0	- 1.0	+ .3	--	- .2	+ 2.8	- .6	--	+ 2.0	(+ .7)	+ 4.3
Retail	(+11.9)	- .4	+ 4.2	- 3.6	--	- .4	+ .6	- 3.3	+ .5	+ .4	+ .7	(+ .7)	+ 2.4
Commodity dealers	- 7.2	- .7	+ 9.1	--	- 1.3	- .4	--	- 2.5	- 3.3	- 7.5	- .1	- 1.2	+ .7
Sales finance companies	+67.9	+ 3.4	+28.8	+ 1.0	+ 2.0	+ 2.4	+ 1.6	+21.6	- .8	+ .7	+ 5.2	+ 1.9	+ .1
Public utilities (including transportation)	+ 1.1	+ .3	- 4.9	+ .2	--	+ .1	+ .7	+ 2.2	+ 1.9	+ .2	+ .1	+ .1	+ .2
Construction	+ 2.1	+ 1.2	+ 1.9	- 1.7	+ .2	- .4	+ 2.0	+ 1.8	--	+ .6	- .5	- 2.6	- .4
All other types of business	+ 1.4	+ .3	+ 2.8	+ .6	+ 1.1	+ 1.1	- 3.4	- 1.5	+ 1.7	- .9	+ .2	+ 2.1	- 2.7
Net change in classified loans ^{1/}	+98.5	+ 3.9	+65.6	- 2.4	+10.9	+ 2.2	+ 4.7	+ 2.5	- 3.5	- 7.8	+ 8.7	+ 7.9	+ 5.8
Unclassified changes - net	-36.5	+ .1	-36.6	- 1.6	+ 1.1	+ 1.8	- 2.7	+ 3.5	+ 1.5	-16.2	- .7	+ 1.1	+12.2
Net change in commercial, industrial, and agricultural loans	+62.0	+ 4.0	+29.0	- 4.0	+12.0	+ 4.0	+ 2.0	+ 6.0	- 2.0	-24.0	+ 8.0	+ 9.0	+18.0

^{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.

Business of Borrower	4 weeks ended Apr. 27, 1955	5 weeks ended Mar. 30, 1955	4 weeks ended Apr. 28, 1954	12 months ended Apr. 27, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-130.2	- 42.2	-147.0	- 18.8
Textiles, apparel, and leather	- 6.1	+ 73.0	- 29.4	+155.6
Metals and metal products (including machinery and transportation equipment)	- 43.0	+ 80.1	-134.8	-905.5
Petroleum, coal, chemicals, and rubber	+ 76.1	+ 86.5	+ 23.4	+400.1
Other manufacturing and mining	+ 16.0	+ 49.2	- 9.4	+ 3.1
Trade -- wholesale and retail	+ 59.9	+ 91.1	+ 7.2	+188.8
Commodity dealers	-108.9	-131.9	- 87.8	+108.1
Sales finance companies	+198.2	+ 97.5	- 10.8	+390.4
Public utilities (including transportation)	- 7.8	+126.1	- 74.8	+ 17.8
Construction	+ 27.3	- 9.1	+ 15.0	+158.8
All other types of business	+ 18.2	+ 49.3	+ 33.5	<u>r</u> /+230.0
Net change in classified loans <u>1</u> /	+ 99.7	+469.6	-414.9	<u>r</u> /+728.4
Unclassified changes - net	-151.7	<u>r</u> /+ 19.4	-165.1	<u>r</u> /-366.4
Net change in commercial, industrial, and agricultural loans	- 52.0	<u>r</u> /+489.0	-580.0	<u>r</u> /+362.0

r/ Revised.1/ See footnote on preceding table regarding current coverage.