

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 13, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Decreases of \$38 million in loans to sales finance companies, \$36 million to manufacturers of metals and metal products, \$34 million to public utilities, \$19 million to manufacturers of food, liquor, and tobacco products, and \$66 million to unclassified borrowers, approximately the amount of the redemption of Commodity Credit Corporation certificates of interest, were the principal factors in the \$175 million decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended July 6. The principal offsetting increase was \$14 million in "other" types of business.

Loans to commodity dealers increased \$7 million during the week, the first weekly increase in this business category since December; seasonally, these borrowings usually begin to increase about this time of the 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 July 6 ^{p/}	<u>Cumulative since year-end</u>	
		Dec. 29, 1954 to July 6, 1955 ^{p/}	Dec. 30, 1953 to July 7, 1954
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 19	- 560	- 508
Textiles, apparel, and leather	+ 8	+ 227	+ 64
Metals and metal products	- 36	+ 140	- 610
Petroleum, coal, chemicals, & rubber	+ 5	+ 318	- 37
Other manufacturing and mining	- 4	+ 149	- 2
Trade -- wholesale and retail	- 6	+ 140	- 37
Commodity dealers	+ 7	- 454	- 347
Sales finance companies	- 38	+ 551	- 167
Public utilities and transportation	- 34	+ 350	+ 78
Construction	- 6	+ 128	+ 71
Other types of business	+ 14	+ 157	+ 79
Classified changes - net	-110	+1,147	-1,416
Unclassified changes - net	- 66	- 244	- 236
Net change in commercial, industrial, and agricultural loans	-175	+ 903	-1,652

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

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

The increases in loans to public utilities and to the construction industry were the largest monthly increases in these business categories since the series was inaugurated in 1951; and the increase in loans to sales finance companies was the largest since December 1952. The current increase in loans to manufacturers of metals and metal products was in contrast to a substantial decrease in June 1954.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, JULY 6, 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	-19.3	- .6	- 6.6	- 1.3	- 3.6	- 3.6	- .1	- 6.8	+ .7	- .2	+ .3	+ 2.1	+ .4
Textiles, apparel, and leather	+ 7.5	+ 1.3	+ .6	+ 1.5	+ .3	+ 1.2	+ .2	+ 2.9	- .2	+ .1	--	- .2	- .2
Metals and metal products (including machinery & transportation equipment)	-36.4	- 1.2	-27.1	- .7	- 6.2	+ .4	- .6	+ 2.0	- 1.4	+ .1	+ .2	- 1.4	- .5
Petroleum, coal, chemicals, and rubber	+ 5.3	+ .6	+ 7.5	+ .8	- .4	- .8	--	- 4.0	+ .2	- .7	+ .6	+ .8	+ .7
Other manufacturing and mining	- 3.5	+ 1.3	- 6.1	- .9	- 3.1	+ .4	+ .4	+ 2.1	+ .4	+ .2	+ .8	--	+ 1.0
Trade:													
Wholesale	(- 5.7)	- .7	+ 2.6	+ .1	- .5	+ .2	- .1	- .2	+ 1.6	+ 1.1	- 1.9	(+ 3.4)	+ 1.6
Retail	(- 5.7)	- .2	-14.5	+ .6	+ .8	+ .9	- .4	- .2	+ .5	+ .3	+ .1	(+ 3.4)	- .8
Commodity dealers	+ 6.6	+ .9	- 3.0	--	+ .4	+ 1.0	- 1.5	- 1.0	+ 5.3	+ 1.0	+ 3.0	+ .9	- .4
Sales finance companies	-38.1	- 6.3	-56.9	+ 5.8	+ 7.7	- .5	+ 5.4	+ 1.3	+ 3.0	+ .5	- 2.2	+ 2.2	+ 1.9
Public utilities (including transportation)	-33.8	+ .4	-20.3	- 1.1	- 7.3	- .4	- .3	- 6.9	+ .1	+ .1	+ .2	+ .6	+ 1.1
Construction	- 6.1	+ 1.2	- 5.4	+ .7	- .1	+ .7	- .2	- 1.8	+ .9	+ .4	- .6	- 1.4	- .5
All other types of business	+14.0	+ 1.1	+ 6.4	+ 1.2	- 1.0	+ 4.2	- 4.6	- 1.3	+ 3.2	+ .1	+ .2	+ 2.3	+ 2.2
Net change in classified loans ^{1/}	-109.5	- 2.2	-122.8	+ 6.7	-13.0	+ 3.7	- 1.8	-13.9	+14.3	+ 3.0	+ .7	+ 9.3	+ 6.5
Unclassified changes - net	-65.5	+ .2	- 9.2	- 2.7	+ 1.0	- 2.7	- 5.2	-46.1	-12.3	--	+ 3.3	- 3.3	+11.5
Net change in commercial, industrial, and agricultural loans	-175.0	- 2.0	-132.0	+ 4.0	-12.0	+ 1.0	- 7.0	-60.0	+ 2.0	+ 3.0	+ 4.0	+ 6.0	+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.

H.12(b)

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

Business of Borrower	5 weeks ended June 29, 1955	4 weeks ended May 25, 1955	5 weeks ended June 30, 1954	12 months ended June 29, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 29.2	-102.2	- 30.7	- 42.0
Textiles, apparel, and leather	+ 39.6	- 5.5	+ 5.4	+ 193.8
Metals and metal products (including machinery and transportation equipment)	+ 69.6	+ 34.8	-305.7	- 371.6
Petroleum, coal, chemicals, and rubber	+ 35.5	+ 6.0	- 18.4	+ 400.4
Other manufacturing and mining	+ 44.0	+ 49.7	+ 22.0	+ 90.7
Trade -- wholesale and retail	+ 43.2	+ 54.1	+ 2.1	+ 266.4
Commodity dealers	- 60.8	- 30.7	- 36.2	+ 78.1
Sales finance companies	+238.7	+ 46.6	+ 67.0	+ 620.6
Public utilities (including transportation)	+242.5	+ 43.2	+183.1	+ 159.0
Construction	+ 64.0	+ 38.7	+ 18.0	+ 215.3
All other types of business	+ 51.5	+ 61.8	+ 63.3	+ 275.5
Net change in classified loans <u>1/</u>	+738.6	+196.5	- 30.1	+1,886.2
Unclassified changes - net	+121.4	-100.5	+ 60.1	- 269.2
Net change in commercial, industrial, and agricultural loans	+860.0	+ 96.0	+ 30.0	+1,617.0

1/ See footnote on preceding table regarding current coverage.