

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

August 10, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Practically all industrial classifications participated in the increase of \$24 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended August 3. The principal offsetting decrease was \$135 million in loans to unclassified borrowers, which included the redemption of Commodity Credit Corporation certificates of interest on August 1.

Increases included \$89 million in loans to sales finance companies and \$32 million to manufacturers of textiles, apparel, and leather products. The latter was the largest weekly increase in this business category since last February. Loans to the construction industry decreased \$15 million in the Dallas District and a net of \$11 million.

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

<u>Business of Borrower</u>	Week ended Aug. 3 ^{p/}	<u>Cumulative since mid-year</u>	
		<u>June 29, 1955</u> to <u>Aug. 3, 1955^{p/}</u>	<u>June 30, 1954</u> to <u>Aug. 4, 1954</u>
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	+ 1	- 64	+ 21
Textiles, apparel, and leather	+ 32	+ 60	+ 41
Metals and metal products	+ 7	- 39	-154
Petroleum, coal, chemicals & rubber	+ 9	+ 27	- 56
Other manufacturing and mining	+ 6	+ 36	- 13
Trade -- wholesale and retail	+ 1	+ 31	- 27
Commodity dealers	+ 1	+ 66	+ 73
Sales finance companies	+ 89	+ 52	- 35
Public utilities and transportation	+ 4	+ 6	- 95
Construction	- 11	+ 24	+ 24
Other types of business	+ 21	+ 86	- 49
Classified changes - net	+159	+284	-270
Unclassified changes - net	-135	-235	-844
Net change in commercial, industrial, and agricultural loans	+ 24	+ 49	-1,114

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

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

Most industrial classifications showed increased borrowings in July in contrast to decreases in July 1954. The decrease of \$100 million in unclassified borrowers consisted largely of redemption of Commodity Credit Corporation certificates of interest.

The increase in loans to commodity dealers, amounting to \$66 million, was the first monthly increase since December 1954; however, loans to manufacturers of food, liquor, and tobacco products, which also usually begin their seasonal increase around mid-year, decreased for the seventh 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, AUGUST 3, 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	+ .8	- .4	- 5.5	- .9	+ .4	+ 1.1	- 1.0	+ 1.1	+ 1.8	+ .1	+ 2.3	- .3	+ 2.1
Textiles, apparel, and leather	+31.9	+ 3.8	+22.5	+ 2.3	- .2	+ .5	+ 1.6	--	+ .4	+ .2	- .3	+ 1.1	--
Metals and metal products (including machinery & transportation equipment)	+ 6.8	- 1.3	- 2.9	+ .5	- 2.9	+ 1.3	- .2	+14.7	- .6	- 1.9	- .8	+ .8	+ .1
Petroleum, coal, chemicals, and rubber	+ 9.1	+ .8	- 1.0	--	+ .3	--	- .2	+ 1.4	--	--	+ .5	+ 8.3	- 1.0
Other manufacturing and mining	+ 6.4	+ 1.6	+ 2.1	+ 2.6	+ .4	- .3	- 1.3	- .5	+ .3	--	+ .2	+ 1.6	- .3
Trade:													
Wholesale	(+ .9)	+ 2.3	+ .8	- 1.3	+ .7	+ .1	+ 1.3	+ 2.6	--	+ .3	+ .9	(+ 3.5)	+ .4
Retail	(+ .9)	- .3	- 6.7	+ .2	+ .7	+ 1.2	+ .4	- 1.5	+ 1.1	--	- 1.7	(+ 3.5)	- 4.1
Commodity dealers	+ .5	+ .7	- 5.6	- .6	+ 1.5	+ .8	- .5	+ .7	+ 1.8	+ 1.7	+ 1.4	- 1.6	+ .2
Sales finance companies	+88.9	+ 3.2	+58.5	- 2.6	+ 7.7	+ .4	+ 2.5	+14.4	+ 1.6	- .2	- 4.3	+ 7.1	+ .6
Public utilities (including transportation)	+ 4.1	- 1.2	+ 4.5	+ .1	- .8	+ .4	- .2	+ 2.2	+ .4	+ .1	- .2	+ .5	- 1.7
Construction	-11.4	+ .8	- 2.2	+ .1	+ .9	+ .3	- .2	+ 1.1	+ 1.8	--	+ 1.6	-14.8	- .8
All other types of business	+21.1	- .2	+22.3	- .1	- 1.6	- 3.0	- 2.0	+ 2.3	+ .8	+ .3	+ .3	+ .3	+ 1.7
Net change in classified loans <u>1/</u>	+159.1	+ 9.8	+86.8	+ .3	+ 7.1	+ 2.8	+ .2	+38.5	+ 9.4	+ .6	- .1	+ 6.5	- 2.8
Unclassified changes - net	-135.1	- 8.8	- 4.8	- 2.3	-30.1	+ .2	- 3.2	-49.5	-11.4	+ .4	-15.9	- 7.5	- 2.2
Net change in commercial, industrial, and agricultural loans	+24.0	+ 1.0	+82.0	- 2.0	-23.0	+ 3.0	- 3.0	-11.0	- 2.0	+ 1.0	-16.0	- 1.0	- 5.0

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.

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

Business of Borrower	4 weeks ended July 27, 1955	5 weeks ended June 29, 1955	4 weeks ended July 28, 1954	12 months ended July 27, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 64.7	- 29.2	+ 4.9	- 111.6
Textiles, apparel, and leather	+ 28.0	+ 39.6	+ 35.9	+ 185.9
Metals and metal products (including machinery and transportation equipment)	- 46.0	+ 69.6	-132.8	- 284.8
Petroleum, coal, chemicals, and rubber	+ 17.6	+ 35.5	- 64.4	+ 482.4
Other manufacturing and mining	+ 29.1	+ 44.0	- 12.7	+ 132.5
Trade -- wholesale and retail	+ 29.6	+ 43.2	- 26.6	+ 322.6
Commodity dealers	+ 65.8	- 60.8	+ 66.2	+ 77.7
Sales finance companies	- 36.5	+238.7	- 14.1	+ 598.2
Public utilities (including transportation)	+ 1.7	+242.5	- 87.8	+ 248.5
Construction	+ 35.5	+ 64.0	+ 15.7	+ 235.1
All other types of business	+ 64.8	+ 51.5	- 29.2	+ 369.5
Net change in classified loans <u>1/</u>	+124.9	+738.6	-244.9	+2,256.0
Unclassified changes - net	- 99.9	+121.4	-115.1	- 254.0
Net change in commercial, industrial, and agricultural loans	+ 25.0	+860.0	-360.0	+2,002.0

1/ See footnote on preceding table regarding current coverage.