

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

November 2, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Increases of \$44 million in loans to commodity dealers, \$31 million to manufacturers of food, liquor, and tobacco products, \$30 million to the wholesale and retail trade, and \$11 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products were the principal factors in the \$42 million net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended October 26. Partially offsetting decreases included \$29 million in loans to manufacturers of textiles, apparel, and leather products, \$24 million to sales finance companies, and \$12 million to manufacturers of metals and metal products.

The increase in loans to commodity dealers was the second largest weekly increase in this business category since seasonal borrowings began in June. The decrease in loans to manufacturers of textiles, apparel, and leather products was the largest weekly decrease in this business category since last October and was reflected in all but three districts.

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<br>ended<br><u>Oct. 26<sup>p/</sup></u> | <u>Cumulative since mid-year</u>                                |  |
|--|--|---|--|
|  |  | <u>June 29, 1955</u><br>to<br><u>Oct. 26, 1955<sup>p/</sup></u> | <u>June 30, 1954</u><br>to<br><u>Oct. 27, 1954</u> |
|  |  | (In millions of dollars)  |  |
| Manufacturing and mining:                                    |  |   |  |
| Food, liquor, and tobacco                                    | +31  | + 280   | +258   |
| Textiles, apparel, and leather                               | -29  | + 127   | + 49   |
| Metals and metal products                                    | -12  | - 7   | -475   |
| Petroleum, coal, chemicals, & rubber                         | +11  | + 78  | + 53   |
| Other manufacturing and mining                               | - 4  | + 56  | - 28   |
| Trade -- wholesale and retail                                | +30  | + 277   | +158   |
| Commodity dealers  | +44  | + 358   | +330   |
| Sales finance companies                                      | -24  | - 88  | -259   |
| Public utilities and transportation                          | - 1  | - 16  | -284   |
| Construction   | + 7  | + 80  | + 44   |
| Other types of business                                      | <u>- 9</u>                                   | <u>+ 261</u>  | <u>+114</u>  |
| Classified changes - net                                     | +46  | +1,405  | - 41   |
| Unclassified changes - net                                   | <u>- 4</u>                                   | <u>- 100</u>  | <u>-800</u>  |
| Net change in commercial, industrial, and agricultural loans | +42  | +1,305  | -841   |
| Loans reclassified on October 5                              |  | <u>+ 318</u>  |  |
| Total  |  | +1,623  |  |

<sup>p/</sup> Preliminary; see footnote on attached table.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, OCTOBER 26, 1955

| Business of Borrower  | All Dis-<br>tricts p/    | Boston | New<br>York | Phila-<br>delphia | Cleve-<br>land | Rich-<br>mond | Atlanta | Chicago | St.<br>Louis | Minne-<br>apolis | Kansas<br>City | Dallas  | San Fran-<br>cisco p/ |
|---|--------------------------|--------|-------------|-------------------|----------------|---------------|---------|---------|--------------|------------------|----------------|---------|-----------------------|
|   | (In millions of dollars) |        |             |                   |                |               |         |         |              |                  |                |         |                       |
| Manufacturing and mining:   |                          |        |             |                   |                |               |         |         |              |                  |                |         |                       |
| Food, liquor, and tobacco   | +31.4                    | - 1.4  | +16.1       | + .9              | + .6           | + 1.2         | + 1.0   | + 5.0   | + 2.2        | + .4             | + .8           | + 3.9   | + .7                  |
| Textiles, apparel, and leather  | -28.5                    | - 3.2  | -19.9       | - 1.3             | - 1.6          | - 1.3         | + 1.3   | - 1.4   | --           | - .2             | - .5           | + .2    | - .6                  |
| Metals and metal products (including<br>machinery & transportation equipment) | -11.9                    | - .8   | - 2.2       | - 1.1             | - .8           | + .4          | - .2    | - 6.4   | - .4         | - .3             | --             | + .4    | - .5                  |
| Petroleum, coal, chemicals, and rubber  | +10.9                    | + .6   | + 9.5       | + .2              | - .2           | - .3          | + 1.5   | - 1.0   | --           | - .2             | + 1.2          | + .4    | - .8                  |
| Other manufacturing and mining  | - 3.8                    | - 1.8  | - 2.8       | - .9              | - .5           | --            | + .6    | - 1.9   | - .1         | - .1             | + .3           | + 1.0   | + 2.4                 |
| Trade:  |                          |        |             |                   |                |               |         |         |              |                  |                |         |                       |
| Wholesale   | (+30.4)                  | - .2   | + .2        | - .1              | - .8           | + .4          | + .2    | --      | + 1.6        | + .1             | + .4           | (+ 1.5) | - .6                  |
| Retail  |                          | --     | +15.7       | - .4              | + .5           | + .1          | + 1.9   | - .5    | --           | --               | + 1.6          |         | + 8.8                 |
| Commodity dealers   | +44.3                    | + 2.1  | +24.8       | + 4.4             | + .3           | + .3          | + 1.0   | + 1.0   | + 6.8        | - 1.6            | + .3           | + 4.1   | + .8                  |
| Sales finance companies   | -23.6                    | - 1.3  | -12.5       | - 1.2             | + 1.1          | - .3          | - 1.8   | - 6.7   | --           | + 2.5            | - 2.8          | - .2    | - .4                  |
| Public utilities (including transportation)                                   | - .9                     | - 8.6  | + 1.3       | --                | + 1.5          | - .5          | + .7    | + 2.0   | - .5         | + .3             | + .3           | --      | + 2.6                 |
| Construction  | + 6.6                    | + .5   | + 1.2       | + .2              | + .1           | + .9          | + .1    | + .8    | + .7         | + .5             | - .6           | + 3.4   | - 1.2                 |
| All other types of business   | - 9.0                    | - .6   | -18.0       | + 2.3             | + .5           | + 1.5         | - .9    | - 4.2   | - .6         | + .4             | - 1.8          | + 6.6   | + 5.8                 |
| Net change in classified loans <u>1/</u>                                      | +45.9                    | -14.7  | +13.4       | + 3.0             | + .7           | + 2.4         | + 5.4   | -13.3   | + 9.7        | + 1.8            | - .8           | +21.3   | +17.0                 |
| Unclassified changes - net  | - 3.9                    | - .3   | - 7.4       | + 1.0             | - .7           | - 4.4         | + .6    | + 3.3   | - 1.7        | + .2             | - 2.2          | - 6.3   | +14.0                 |
| Net change in commercial, industrial,<br>and agricultural loans               | +42.0                    | -15.0  | + 6.0       | + 4.0             | --             | - 2.0         | + 6.0   | -10.0   | + 8.0        | + 2.0            | - 3.0          | +15.0   | +31.0                 |

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.

1/4 About 210 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.