

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

December 14, 1955

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Increases of \$96 million in loans to sales finance companies, \$22 million to manufacturers of metals and metal products, and \$21 million to manufacturers of food, liquor, and tobacco products were the principal factors in the \$103 million increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended December 7. Partly offsetting decreases included \$29 million in loans to public utilities and \$12 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products.

The increase in loans to manufacturers of metals and metal products was the sixth consecutive weekly increase in this business category; these loans have increased by \$101 million since the middle of the year as compared with a decrease of \$565 million during the corresponding period last year.

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 Dec. 7 ^{p/}	<u>Cumulative since mid-year</u>	
		June 29, 1955 to Dec. 7, 1955 ^{p/}	June 30, 1954 to Dec. 8, 1954
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	+ 21	+ 439	+473
Textiles, apparel, and leather	- 8	+ 62	- 21
Metals and metal products	+ 22	+ 101	-565
Petroleum, coal, chemicals, & rubber	- 12	+ 141	+ 84
Other manufacturing and mining	+ 1	+ 56	- 52
Trade -- wholesale and retail	+ 2	+ 373	+204
Commodity dealers	+ 4	+ 479	+506
Sales finance companies	+ 96	+ 319	-159
Public utilities and transportation	- 29	+ 29	-293
Construction	- 3	+ 99	+ 75
Other types of business	- 5	+ 307	+160
Classified changes - net	+ 89	+2,405	+411
Unclassified changes - net	+ 14	- 107	- 40
Net change in commercial, industrial, and agricultural loans	+103	+2,298	+371
Loans reclassified on October 5		+ 318	
Total		+2,616	

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

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

All industrial classifications except manufacturers of textiles, apparel, and leather products increased their borrowings in November. More than one-third of the increase in total classified loans during the month was to sales finance companies; these loans have accounted for about one-fourth of the increase in classified loans during the past year.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, DECEMBER 7, 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	+20.9	+ 2.3	+12.2	+ .9	+ 2.3	+ 1.0	+ .7	+ 4.4	- 2.4	- .4	+ 1.3	- 1.2	- .2
Textiles, apparel, and leather	- 7.6	- 1.0	- 5.8	- 1.3	+ .1	- .6	- .7	--	+ .8	--	- .1	+ .1	+ .9
Metals and metal products (including machinery & transportation equipment)	+21.6	- 1.9	+ 9.3	- 1.6	+10.4	- .1	+ .4	+ 6.5	- .8	- 1.0	+ .3	+ .1	--
Petroleum, coal, chemicals, and rubber	-12.1	+ .6	+ .8	+ .3	- 3.1	--	- .9	- 9.6	+ .1	- .1	- .2	- .9	+ .9
Other manufacturing and mining	+ 1.0	+ .6	+ 3.2	- .1	- .3	+ .1	+ .2	- .1	+ .3	- .2	+ .2	+ .5	- 3.4
Trade:													
Wholesale	(+ 2.3)	- .1	- .5	+ .3	+ .9	+ .2	- 2.2	+ 1.3	- .9	+ .8	+ .8	(- .7)	- .7
Retail		+ .2	- 1.2	+ .8	+ .8	- .1	+ 1.5	+ 1.6	- 1.5	- .4	+ .3		+ 1.1
Commodity dealers	+ 3.8	+ 1.5	- 1.9	- .2	+ .4	+ 1.3	- 1.4	+ 2.3	+ .6	- 2.1	+ .2	--	+ 3.1
Sales finance companies	+96.2	+ 7.4	+38.9	+10.1	+ 6.8	+ 4.1	+ 1.2	+13.8	- .1	+ 2.1	+ .9	+ 2.1	+ 8.9
Public utilities (including transportation)	-28.7	- 1.3	- 8.0	--	- 4.7	- 3.0	+ .4	- 9.2	- .1	- 3.3	+ .2	+ .3	--
Construction	- 2.8	- .5	+ .4	- 1.5	- .1	+ .8	+ 1.6	- .8	- .3	- .1	- 1.0	- .4	- .9
All other types of business	- 5.3	- .8	-13.2	+ .3	+ .7	+ 2.9	+ 4.3	- .2	+ .6	- .2	- 1.8	- .9	+ 3.0
Net change in classified loans <u>1/</u>	+89.3	+ 7.0	+34.2	+ 8.0	+14.2	+ 6.6	+ 5.1	+10.0	- 3.7	- 4.9	+ 1.1	- 1.0	+12.7
Unclassified changes - net	+13.7	+ 3.0	-12.2	--	- 2.2	+ 1.4	+ .9	- 5.0	- 2.3	- 2.1	+ .9	+ 5.0	+26.3
Net change in commercial, industrial, and agricultural loans	+103.0	+10.0	+22.0	+ 8.0	+12.0	+ 8.0	+ 6.0	+ 5.0	- 6.0	- 7.0	+ 2.0	+ 4.0	+39.0

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 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.

Business of Borrower	5 weeks ended Nov. 30, 1955	4 weeks ended Oct. 26, 1955	4 weeks ended Nov. 24, 1954	12 months ended Nov. 30, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+135.1	+160.5	+ 130.3	- 11.7
Textiles, apparel, and leather	- 56.8	- 54.6	- 44.3	+ 258.8
Metals and metal products (including machinery and transportation equipment)	+ 88.2	- .2	- 48.5	+ 231.4
Petroleum, coal, chemicals, and rubber	+ 76.1	+ 22.0	- 14.4	+ 515.0
Other manufacturing and mining	+ 2.4	- 12.5	- 17.7	+ 191.4
Trade -- wholesale and retail	+ 86.6	+162.5	+ 29.9	+ 448.9
Commodity dealers	+108.2	+159.0	+ 130.5	+ 92.9
Sales finance companies	+314.5	-204.3	+ 63.0	+1,039.5
Public utilities (including transportation)	+ 73.4	-108.7	+ 13.1	+ 487.7
Construction	+ 21.7	+ 16.5	+ 24.3	+ 248.6
All other types of business	+ 49.3	+ 40.0	+ 49.7	+ 424.6
Net change in classified loans ^{1/}	+898.7	+180.2	+ 315.9	+3,927.1
Unclassified changes - net	- 8.7	- 34.2	+ 773.1	- 363.1
Net change in commercial, industrial, and agricultural loans	+890.0	+146.0	+1,089.0	+3,564.0
Loans reclassified on October 5		+318.0		+ 318.0
Total		+464.0		+3,882.0

^{1/} See footnote on preceding table regarding current coverage.