

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

January 11, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$45 million in loans to manufacturers of food, liquor, and tobacco products, \$38 million to "other" types of business, \$32 million to the wholesale and retail trade, and \$60 million to unclassified borrowers were partly offset by increases of \$67 million in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$55 million to public utilities, and \$46 million to sale finance companies. The net decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended January 4 was \$30 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 Jan. 4 ^{p/}	<u>Cumulative since mid-year</u>	
		June 29, 1955 to Jan. 4, 1956 ^{p/}	June 30, 1954 to Jan. 5, 1955
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	-45	+ 435	+429
Textiles, apparel, and leather	- 4	+ 67	- 27
Metals and metal products	+ 1	+ 225	-545
Petroleum, coal, chemicals, & rubber	+67	+ 276	+ 97
Other manufacturing and mining	- 2	+ 61	- 69
Trade--wholesale and retail	-32	+ 295	+ 65
Commodity dealers	-10	+ 459	+515
Sales finance companies	+46	+ 751	+ 74
Public utilities and transportation	+55	+ 48	-229
Construction	- 8	+ 98	+ 81
Other types of business	<u>-38</u>	<u>+ 332</u>	<u>+ 95</u>
Classified changes - net	+30	+3,045	+485
Unclassified changes - net	<u>-60</u>	<u>- 221</u>	<u>-115</u>
Net change in commercial, industrial, and agricultural loans	-30	+2,824	+370
Loans reclassified on October 5		<u>+ 318</u>	
Total		+3,142	

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

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

All industrial classifications except wholesale and retail trade, commodity dealers, and public utilities increased their borrowings in December. The increase in loans to sales finance companies was the largest monthly increase in this industrial classification since the series was started in 1951, and the increase in loans to manufacturers of metals and metal products was the largest since March of 1953. Following ten monthly increases, the wholesale and retail trade decreased their borrowings.

The \$4 billion increase in commercial, industrial, and agricultural loans during 1955 is in contrast to a \$1 billion decrease at the banks in this series the year before.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, JANUARY 4, 1956

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	-45.1	- 2.5	-42.8	- .7	+ 3.0	+ 1.0	- .5	- 2.2	--	+ 1.0	- .2	- .9	- .3
Textiles, apparel, and leather	- 4.2	+ 2.2	- 4.6	- 1.0	--	- 1.9	+ .9	- 1.0	+ 1.6	- .7	+ .3	+ .3	- .3
Metals and metal products (including machinery & transportation equipment)	+ 1.0	+ .1	+ 2.3	+ .4	- 3.2	+ .6	+ 1.5	- 6.1	+ .9	+ .8	+ 1.7	+ .9	+ 1.1
Petroleum, coal, chemicals, and rubber	+67.2	+ .3	+12.2	- .7	- .8	+ .2	+ .4	+21.5	+ .7	+ 1.1	- 2.4	+35.7	- 1.0
Other manufacturing and mining	- 2.0	+ .6	- 1.5	+ 2.2	- .2	--	+ .5	- 4.9	--	+ .1	- .2	- 1.1	+ 2.5
Trade:													
Wholesale	(-32.4)	+ .1	+ 2.3	- 1.5	+ 1.4	- .3	- .8	+ 4.7	- 1.3	- .5	+ 1.5	(+ 2.1)	- 1.3
Retail		- 2.0	-18.6	+ 1.3	- 3.2	- 1.3	- 1.7	-11.8	- 1.8	+ .3	- .1		+ .1
Commodity dealers	- 9.8	- 1.6	- 4.5	+ .1	+ .3	- .8	- .9	- 4.3	+17.4	- 2.8	- .1	-15.8	+ 3.2
Sales finance companies	+46.4	+ 6.2	-29.9	+ 3.5	+13.6	+ 3.8	- .2	+15.8	+ 3.8	+ 1.8	+ 4.8	+ 4.7	+18.5
Public utilities (including transportation)	+54.8	+ 1.6	+38.9	+ 2.2	+ 1.6	- .1	+ .2	+ .2	+ 1.8	--	- .7	+ .6	+ 8.5
Construction	- 8.3	+ .1	- 1.0	- .7	+ .4	- .6	+ .2	+ 1.3	+ 1.6	+ .8	- 1.6	- 7.8	- 1.0
All other types of business	-37.8	+ 2.5	-33.8	- 3.3	- 1.1	- 4.1	- 1.4	- .5	+ .9	- .4	- .1	+ 3.6	- .1
Net change in classified loans <u>1/</u>	+29.8	+ 7.6	-81.0	+ 1.8	+11.8	- 3.5	- 1.8	+12.7	+25.6	+ 1.5	+ 2.9	+22.3	+29.9
Unclassified changes - net	-59.8	+ 3.4	-39.0	- 3.8	- 2.8	- 8.5	- 2.2	+ 4.3	+ .4	- 2.5	+ 5.1	-30.3	+16.1
Net change in commercial, industrial, and agricultural loans	-30.0	+11.0	-120.0	- 2.0	+ 9.0	-12.0	- 4.0	+17.0	+26.0	- 1.0	+ 8.0	- 8.0	+46.0

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	4 weeks ended Dec. 28, 1955	5 weeks ended Nov. 30, 1955	5 weeks ended Dec. 29, 1954	12 months ended Dec. 28, 1955
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+ 61.5	+135.1	+110.5	- 60.7
Textiles, apparel, and leather	+ 1.6	- 56.8	- 30.4	+ 290.8
Metals and metal products (including machinery and transportation equipment)	+145.2	+ 88.2	- 24.2	+ 400.8
Petroleum, coal, chemicals, and rubber	+ 55.6	+ 76.1	+ 49.4	+ 521.2
Other manufacturing and mining	+ 7.6	+ 2.4	- 16.6	+ 215.6
Trade -- wholesale and retail	- 43.8	+ 86.6	- 67.9	+ 473.0
Commodity dealers	- 6.8	+108.2	+ 78.1	+ 8.0
Sales finance companies	+481.9	+314.5	+228.2	+1,293.2
Public utilities (including transportation)	- 65.1	+ 73.4	+ 45.6	+ 377.0
Construction	+ 4.8	+ 21.7	+ 13.6	+ 239.8
All other types of business	+ 57.5	+ 49.3	- 31.3	+ 513.4
Net change in classified loans <u>1/</u>	+700.0	+898.7	+355.0	+4,272.1
Unclassified changes - net	- 41.0	- 8.7	- 64.0	- 340.1
Net change in commercial, industrial, and agricultural loans	+659.0	+890.0	+291.0	+3,932.0
Loans reclassified on October 5				+ 318.0
Total				+4,250.0

1/ See footnote on preceding table regarding current coverage.