

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$30 million in loans to manufacturers of metals and metal products, \$17 million to manufacturers of textiles, apparel, and leather products, \$11 million to public utilities, and \$31 million to unclassified borrowers were the principal factors in the \$44 million increase in commercial and industrial loans at weekly reporting member banks during the week ended February 1. The principal offsetting decreases were \$18 million in loans to manufacturers of food, liquor, and tobacco products, \$15 million to the wholesale and retail trade, and \$10 million to "other" types of business.

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 <u>Feb. 1<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 28, 1955</u> to <u>Feb. 1, 1956<sup>p/</sup></u>	<u>Dec. 29, 1954</u> to <u>Feb. 2, 1955</u>
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	-18	-131	-145
Textiles, apparel, and leather	+17	+ 23	+ 48
Metals and metal products	+30	+ 96	+ 11
Petroleum, coal, chemicals, & rubber	- 3	+ 45	+ 5
Other manufacturing and mining	+ 4	+ 14	- 12
Trade--wholesale and retail	-15	- 82	-126
Commodity dealers	+ 5	- 34	- 87
Sales finance companies	- 2	-223	+ 35
Public utilities and transportation	+11	+ 81	- 1
Construction	- 6	- 10	--
Other types of business	<u>-10</u>	<u>- 91</u>	<u>- 70</u>
Classified changes - net	+13	-314	-343
Unclassified changes - net	<u>+31</u>	<u>-108</u>	<u>1/-154</u>
Net change in commercial and industrial loans	+44	-422	<u>1/-497</u>

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

<sup>1/</sup> Prior to 1956, unclassified changes and total net change included changes in agricultural loans.

In addition to the usual weekly table, a monthly table is attached showing changes during January compared with the preceding month and with January 1955; and also showing changes during the past twelve months.

In some respects, changes during January were the reversals of the previous monthly trends and similar to changes in January 1955. Loans to manufacturers of food, liquor, and tobacco products showed the first monthly decrease since July; loans to the construction industry showed the first monthly decrease since March; and loans to "other" types of business showed the first decrease since January 1955. Loans to sales finance companies, which had increased substantially during the previous two months, decreased in January.

Previous trends continued in some of the other business categories. Loans to the wholesale and retail trade and to commodity dealers decreased, and loans to manufacturers of textiles, apparel, and leather products increased for the second consecutive month. Loans to manufacturers of metals and metal products and to other manufacturing and mining increased for the third consecutive month. Loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products increased for the twelfth 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, FEBRUARY 1, 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	-18.1	+ .4	+ 8.6	- .2	- 1.1	- .1	- .1	-22.8	+ .2	- .1	- .6	- .9	- 1.4
Textiles, apparel, and leather	+17.4	+ .5	+ 9.4	+ 1.8	+ .5	+ .5	- .3	+ 1.1	+ 2.9	--	+ .6	+ .3	+ .1
Metals and metal products (including machinery & transportation equipment)	+29.6	- .5	+12.7	- 8.1	+ 1.4	+ .3	+ .3	+17.4	+ .3	+ .5	+ 1.4	+ .2	+ 3.7
Petroleum, coal, chemicals, and rubber	- 2.7	- .9	- .1	+ .2	+ 3.4	+ .4	+ .4	- 1.1	+ .5	- .2	- .2	- 6.1	+ 1.0
Other manufacturing and mining	+ 4.1	- 1.5	--	- 1.1	+ .9	+ .6	+ .1	+ 2.8	+ 1.8	+ .1	- .7	+ .8	+ .3
Trade:													
Wholesale	(-14.6)	- .1	+ .1	- 1.2	--	+ .3	+ .1	+ .2	+ .1	+ .3	--	(+ .9)	- 3.2
Retail		+ .9	- 8.3	- 2.2	- 1.2	- .2	+ .7	- 3.7	- .8	+ .2	- .4		+ 2.9
Commodity dealers	+ 4.6	- .9	+ 4.7	- .4	- .4	- 1.2	- .2	--	- 4.0	+ 3.3	- .8	+ 1.0	+ 3.5
Sales finance companies	- 2.4	+ 1.5	+ 2.6	+ 1.7	- 4.6	- 5.4	- 3.5	+12.9	- 3.8	- .6	- .2	- .7	- 2.3
Public utilities (including transportation)	+11.3	- 1.6	+10.7	- 1.1	+ .1	+ .3	- .5	+ 1.6	- .7	--	--	- .1	+ 2.6
Construction	- 6.4	+ .2	--	- .9	+ .5	+ .4	- .6	- 2.6	- .7	+ 1.9	- 2.3	- 1.6	- .7
All other types of business	- 9.7	- 2.7	+ 6.8	- 4.2	- 2.1	+ .1	- 4.6	+ 1.4	- 2.2	- .8	+ 1.5	+ .3	- 3.2
Net change in classified loans <u>1/</u>	+13.1	- 4.7	+47.2	-15.7	- 2.6	- 4.0	- 8.2	+ 7.2	- 6.4	+ 4.6	- 1.7	- 5.9	+ 3.3
Unclassified changes - net	+30.9	+ 3.7	- 2.2	+ 1.7	+ 4.6	+ 1.0	+ .2	+ 2.8	+ .4	- .6	- .3	- 2.1	+21.7
Net changes in commercial and industrial loans	+44.0	- 1.0	+45.0	-14.0	+ 2.0	- 3.0	- 8.0	+10.0	- 6.0	+ 4.0	- 2.0	- 8.0	+25.0

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 Jan. 25, 1956	4 weeks ended Dec. 28, 1955	4 weeks ended Jan. 26, 1955	12 months ended Jan. 25, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-112.7	+ 61.5	-118.5	- 54.9
Textiles, apparel, and leather	+ 5.5	+ 1.6	+ 28.4	+ 267.9
Metals and metal products (including machinery and transportation equipment)	+ 66.1	+145.2	+ 6.5	+ 460.4
Petroleum, coal, chemicals, and rubber	+ 47.8	+ 55.6	- .2	+ 569.2
Other manufacturing and mining	+ 9.6	+ 7.6	- 10.1	+ 235.3
Trade -- wholesale and retail	- 67.7	- 43.8	-115.5	+ 520.8
Commodity dealers	- 38.2	- 6.8	- 81.6	+ 51.4
Sales finance companies	-221.0	+481.9	+ 5.0	+1,067.2
Public utilities (including transportation)	+ 69.2	- 65.1	- 9.4	+ 455.6
Construction	- 3.9	+ 4.8	+ 3.8	+ 232.1
All other types of business	- 81.4	+ 57.5	- 79.8	+ 511.8
Net change in classified loans <u>1/</u>	-326.7	+700.0	-371.4	+4,316.8
Unclassified changes - net	-139.3	- 41.0	- 57.6	- 421.8
Net change in commercial and industrial loans	-466.0	+659.0	-429.0	+3,895.0
Loans reclassified on October 5				+ 318.0
Total				+4,213.0

1/ See footnotes on preceding tables regarding coverage.