

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 7, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Most industrial classifications participated in the \$91 million increase in commercial and industrial loans at weekly reporting member banks during the week ended February 29. Offsetting decreases were \$31 million in loans to manufacturers of food, liquor, and tobacco products and \$15 million to public utilities.

The principal increases during the week were \$60 million in loans to manufacturers of metals and metal products, \$27 million to the wholesale and retail trade, \$25 million to sales finance companies, and \$15 million to manufacturers of textiles, apparel, and leather products.

The increase in loans to the wholesale and retail trade was the largest weekly increase in this business category since mid-November of last year and was reflected in all but three districts. Loans to commodity dealers increased contra-seasonally for the second consecutive week.

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 Feb. 29 <sup>p/</sup>	Cumulative since year-end	
		Dec. 28, 1955 to Feb. 29, 1956 <sup>p/</sup>	Dec. 29, 1954 to Mar. 2, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	- 31	-228	-246
Textiles, apparel, and leather	+ 15	+ 54	+139
Metals and metal products	+ 60	+314	+ 49
Petroleum, coal, chemicals, & rubber	+ 14	+ 93	+112
Other manufacturing and mining	+ 13	+ 69	- 2
Trade--wholesale and retail	+ 27	- 9	- 84
Commodity dealers	+ 8	- 27	-157
Sales finance companies	+ 25	-471	+103
Public utilities and transportation	- 15	+ 84	- 10
Construction	- 1	- 34	+ 2
Other types of business	+ 5	- 83	- 31
Classified changes - net	+120	-238	-126
Unclassified changes - net	- 29	-106	1/ - 56
Net change in commercial and industrial loans	+ 91	-344	1/ -182

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

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

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, FEBRUARY 29, 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	-30.7	-2.4	- 5.3	+2.9	- 2.0	- .3	+ 1.1	-11.1	- .5	-1.4	-1.1	-1.2	- 9.4
Textiles, apparel, and leather	+14.5	-1.4	+ 9.4	- .7	+ 1.6	+ .2	+ .2	+ .9	+ .4	+ .2	+ .1	+ .4	+ 3.2
Metals and metal products (including machinery & transportation equipment)	+60.2	+5.1	+ 28.1	+ .6	+ 1.8	+ .2	+ 1.2	+17.9	+ .7	+ .1	+1.8	- .3	+ 3.0
Petroleum, coal, chemicals, and rubber	+14.0	+1.8	+ 6.2	+ .3	+ 1.3	+ .8	+ 1.4	- .6	+ .2	+ .4	+ .5	- .8	+ 2.5
Other manufacturing and mining	+12.9	+ .2	+ 2.1	+2.7	- 2.8	+ .6	+ .4	+ 4.8	+ .2	+ .1	- .4	+ .8	+ 4.2
Trade:													
Wholesale	(+27.3)	+2.3	+ 9.9	+2.2	- 1.0	-1.0	+ .7	+ .3	+1.7	+1.0	+1.3	(-2.0)	+ 1.2
Retail		+1.3	+ 2.3	+ .3	+ 1.8	+ .2	+ 1.1	- .8	+ .9	+1.0	+ .9		+ 1.7
Commodity dealers	+ 8.0	+ .4	+ 10.9	+ .6	+ 1.7	- .5	+ .8	- 1.2	-2.5	+1.1	-1.1	-1.5	- .7
Sales finance companies	+25.1	-8.7	+ 57.2	-6.0	- 5.7	+ .5	- 3.9	- 9.3	-2.2	- .3	+1.4	+ .4	+ 1.7
Public utilities (including transportation)	-15.0	-2.8	+ 1.8	--	- 5.9	+ .3	+ 3.2	- 7.2	-1.4	- .2	- .1	- .1	- 2.6
Construction	- 1.1	+ .2	+ 1.1	+ .3	- .5	- .7	- .1	+ .7	-2.2	+ .3	-1.1	- .1	+ 1.0
All other types of business	+ 5.2	+6.0	+ 10.4	-1.7	+ 1.4	-1.3	+ 4.6	-14.5	+ .6	+ .2	+ .4	+ .6	- 1.5
Net change in classified loans <u>1/</u>	+120.4	+2.0	+134.1	+1.5	- 8.3	-1.0	+10.7	-20.1	-4.1	+2.5	+2.6	-3.8	+ 4.3
Unclassified changes - net	-29.4	+1.0	- 12.1	+ .5	- 4.7	-1.0	+ 1.3	+ 2.1	+ .1	- .5	+ .4	+1.8	-18.3
Net change in commercial and industrial loans	+91.0	+3.0	+122.0	+2.0	-13.0	-2.0	+12.0	-18.0	-4.0	+2.0	+3.0	-2.0	-14.0

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.