

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$49 million in loans to manufacturers of metals and metal products, \$42 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$36 million to "other" manufacturing and mining, and \$19 million to manufacturers of textiles, apparel, and leather products were the principal factors in the \$148 million increase in commercial and industrial loans at weekly reporting member banks during the week ended March 7. The principal offsetting decrease was \$26 million in loans to sales finance companies.

The increase in loans to "other" manufacturing and mining was the largest weekly increase in this business category since June of last year and was reflected in all but two districts. Following seven consecutive weekly decreases, loans to the construction industry increased \$4 million during the week.

Changes in loans during the week and since the year-end are shown below; the third column shows the changes during the comparative period last year:

<u>Business of Borrower</u>	Week ended Mar. 7 ^{p/}	<u>Cumulative since year-end</u>	
		Dec. 28, 1955 to Mar. 7, 1956 ^{p/}	Dec. 29, 1954 to Mar. 9, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	- 1	-234	-272
Textiles, apparel, and leather	+ 19	+ 73	+151
Metals and metal products	+ 49	+365	+ 64
Petroleum, coal, chemicals, & rubber	+ 42	+135	+110
Other manufacturing and mining	+ 36	+105	+ 1
Trade--wholesale and retail	+ 13	+ 2	- 73
Commodity dealers	- 10	- 40	-189
Sales finance companies	- 26	-505	+131
Public utilities and transportation	+ 16	+ 99	- 21
Construction	+ 4	- 29	+ 7
Other types of business	- 4	- 83	- 17
Classified changes - net	+136	-115	-108
Unclassified changes - net	+ 12	- 83	<u>1/- 50</u>
Net change in commercial and industrial loans	+148	-198	<u>1/-158</u>

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

1/ 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 February compared with the preceding month and with February 1955, and also showing changes during the past twelve months.

The changes during February were similar to those during January and a year ago February in the following categories; there were further increases in loans to manufacturers of textiles, apparel, and leather products, to manufacturers of metals and metal products, to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and to "other" manufacturing and mining, and further repayments by manufacturers of food, liquor, and tobacco products. The increase in manufacturers of metals and metal products was the largest monthly increase in this category since March 1952.

Loans to commodity dealers and to the wholesale and retail trade increased during February in contrast to decreases in January.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
 BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
 WEEK ENDED WEDNESDAY, MARCH 7, 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	- 1.4	- 3.8	+12.7	+ 1.6	- .7	- .6	+ .7	- 8.5	- .4	- .1	- .9	- .7	- .7
Textiles, apparel, and leather	+18.9	+ .5	+14.0	+ .8	+ 1.0	+ .1	+ 1.1	--	+ .1	--	--	+ .3	+ 1.0
Metals and metal products (including machinery & transportation equipment)	+48.6	+ 3.3	+19.9	+ 2.0	+ 8.0	+ 1.1	+ 1.2	+12.3	+ 1.7	+ 1.9	+ .4	+ .4	- 3.6
Petroleum, coal, chemicals, and rubber	+41.5	+ .5	+39.0	+ .2	+ 1.8	+ .6	- .4	- .5	- .2	+ .3	+ .3	+ .1	- .2
Other manufacturing and mining	+36.0	+ 1.0	+17.6	+ 2.2	+ .7	+ .9	+ .7	+ 8.8	+ 2.6	+ 2.8	+ .4	- 1.0	- .7
Trade:													
Wholesale	(+12.6)	- 1.9	+ 2.5	+ .8	+ 1.1	+ 1.1	- 1.3	+ 3.1	- 1.0	+ .3	+ 2.1	(+ .9)	- .8
Retail		- .3	+ .2	- .9	- .1	+ 1.0	+ .4	+ 2.9	+ .5	--	+ 1.3	(+ .9)	+ .7
Commodity dealers	- 9.9	+ 1.4	- 2.4	- .6	- .1	- .2	+ .6	- 1.8	+ 2.3	- 1.0	+ .1	- 4.3	- 3.9
Sales finance companies	-26.4	- 2.4	-27.1	+ 4.9	+ 6.4	+ 1.5	+ .3	+ .1	+ 1.8	- 2.7	+ 2.3	- 1.6	- 9.9
Public utilities (including transportation)	+16.3	+ .2	+14.3	+ 1.3	+ 2.9	+ .6	- .6	+ .2	--	- 8.1	+ 1.0	+ 1.9	+ 2.6
Construction	+ 3.8	+ .5	+ 3.5	--	+ .2	+ 1.2	- .3	+ .3	- .3	+ 1.0	+ 1.1	- 3.8	+ .4
All other types of business	- 3.7	- 3.6	- .6	+ 1.5	+ 2.1	+ .1	- 1.6	- 2.7	+ .1	- .3	+ .4	- .2	+ 1.1
Net change in classified loans <u>1/</u>	+136.3	- 4.6	+93.6	+13.8	+23.3	+ 7.4	+ .8	+14.2	+ 7.2	- 5.9	+ 8.5	- 8.0	-14.0
Unclassified changes - net	+11.7	+ 2.6	+ 6.4	- 1.8	- 5.3	+ 2.6	-10.8	+ .8	- .2	- 2.1	+ 3.5	+ 1.0	+15.0
Net change in commercial and industrial loans	+148.0	- 2.0	+100.0	+12.0	+18.0	+10.0	-10.0	+15.0	+ 7.0	- 8.0	+12.0	- 7.0	+ 1.0

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 Feb. 29, 1956	4 weeks ended Jan. 25, 1956	4 weeks ended Feb. 23, 1955	12 months ended Feb. 29, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-120.3	-112.7	-118.1	- 57.1
Textiles, apparel, and leather	+ 48.1	+ 5.5	+ 90.1	+ 225.9
Metals and metal products (including machinery and transportation equipment)	+249.8	+ 66.1	+ 28.5	+ 681.7
Petroleum, coal, chemicals, and rubber	+ 45.2	+ 47.8	+109.0	+ 505.4
Other manufacturing and mining	+ 59.3	+ 9.6	+ 3.8	+ 290.8
Trade -- wholesale and retail	+ 56.6	- 67.7	+ 13.3	+ 564.1
Commodity dealers	+ 8.2	- 38.2	- 46.6	+ 106.2
Sales finance companies	-257.2	-221.0	+ 2.8	+ 807.2
Public utilities (including transportation)	+ 13.0	+ 69.2	- 10.5	+ 479.1
Construction	- 29.1	- 3.9	+ 9.0	+ 194.0
All other types of business	+ 1.7	- 81.4	+ 42.3	+ 471.2
Net change in classified loans ^{1/}	+ 75.3	-326.7	+123.6	+4,268.5
Unclassified changes - net	+ 44.7	-139.3	- 9.6	- 367.5
Net change in commercial and industrial loans	+120.0	-466.0	+114.0	+3,901.0
Loans reclassified on October 5				+ 318.0
Total				+4,219.0

^{1/} See footnotes on preceding tables regarding coverage.