

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

A net decrease of \$188 million in loans to public utilities was the principal factor in the \$161 million decrease in commercial and industrial loans at weekly reporting member banks during the week ended April 4.

Other decreases included \$31 million to manufacturers of food, liquor, and tobacco products, \$17 million to commodity dealers, \$15 million to "other" types of business, and \$13 million to manufacturers of metals and metal products. Offsetting increases included \$64 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products and \$29 million to sales finance companies.

The increase in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was the largest weekly increase in this category since April 1955. The decrease in loans to public utilities was the largest weekly decrease in this classification since the series was inaugurated in 1951. The decrease in loans to manufacturers of metals and metal products followed twelve consecutive weekly increases.

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 Apr. 4 ^{p/}	Cumulative since year-end	
		Dec. 28, 1955 to Apr. 4, 1956 ^{p/}	Dec. 29, 1954 to Apr. 6, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	- 31	-222	-319
Textiles, apparel, and leather	+ 8	+146	+191
Metals and metal products	- 13	+813	+ 94
Petroleum, coal, chemicals, & rubber	+ 64	+268	+186
Other manufacturing and mining	+ 3	+217	+ 52
Trade--wholesale and retail	+ 6	+102	- 3
Commodity dealers	- 17	-119	-300
Sales finance companies	+ 29	-292	+172
Public utilities and transportation	-188	+117	+ 84
Construction	+ 2	- 28	+ 6
Other types of business	- 15	- 34	+ 18
Classified changes - net	-152	+967	+181
Unclassified changes - net	- 9	- 8	1/-154
Net change in commercial and industrial loans	-161	+959	1/+ 26

^{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 weekly table, a monthly table is attached showing changes during March compared with the preceding month and with March 1955, and also showing changes during the past twelve months.

All industrial classifications except commodity dealers increased borrowings in March. The increases in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products and to "other" manufacturing and mining were the largest monthly increases in these business categories since this series was started; and the increase in loans to manufacturers of metals and metal products was the largest since January 1952. The net decrease in loans to commodity dealers was the largest monthly decrease in this classification since last April.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, APRIL 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	-31.3	- 1.8	-17.6	- 1.5	- .5	- 1.7	- 1.2	+ 2.6	- 3.5	- .3	- .6	- 2.5	- 2.7
Textiles, apparel, and leather	+ 7.9	+ .5	+ 8.9	+ .2	+ .5	+ .3	--	+ .5	- 2.4	--	+ .2	- 1.3	+ .5
Metals and metal products (including machinery & transportation equipment)	-13.0	- 1.5	-15.6	+ 1.1	+ 3.9	- .1	+ .5	+ 2.6	- .7	+ .2	+ .1	- 2.8	- .7
Petroleum, coal, chemicals, and rubber	+64.1	+ .2	+37.2	--	+21.7	- .5	+ 1.0	+ 6.3	- .2	+ .5	- .1	- 3.9	+ 1.9
Other manufacturing and mining	+ 2.9	+ .1	+ 1.5	- .2	+ 2.6	- 1.1	+ 1.0	+ 1.4	- 1.1	--	+ .3	- 2.0	+ .4
Trade:													
Wholesale	(+ 5.9)	+ .4	- .2	- .6	- .3	+ .7	+ 2.2	- 2.5	+ .4	+ .8	--	(- 2.8)	+ 2.3
Retail	(+ 5.9)	- 2.4	+ .8	- 2.8	+ 1.3	+ .1	+ 1.5	+ 1.1	--	+ .8	+ 2.1	(- 2.8)	+ 3.0
Commodity dealers	-16.6	- .1	- 8.5	- 1.1	--	- 1.1	+ .1	- .4	- 1.1	- .5	- 1.7	- 2.8	+ .6
Sales finance companies	+28.6	- 6.0	-25.6	+14.1	+ 7.2	+ 1.9	+ 1.9	+ 8.5	+ 2.6	+ 4.0	+ .2	+ 3.8	+16.0
Public utilities (including transportation)	-187.9	- 5.2	-176.7	+ 1.9	- .6	+ .6	- .9	+ .3	+ 3.3	+ .1	- .9	- .1	- 9.7
Construction	+ 2.3	+ .7	- .6	- .1	+ .7	+ .3	- .5	+ 5.6	- 3.7	+ 1.3	+ .5	- .2	- 1.7
All other types of business	-15.0	+ .9	-31.5	+ 2.6	+ .8	- 3.3	+ 1.4	+15.1	- .7	+ 1.3	+ .9	- .7	- 1.8
Net change in classified loans <u>1/</u>	-152.1	-14.2	-227.9	+13.6	+37.3	- 3.9	+ 7.0	+41.1	- 7.1	+ 8.2	+ 1.0	-15.3	+ 8.1
Unclassified changes - net	- 8.9	- 1.8	-21.1	+ 1.4	- 3.3	- 4.1	--	- 1.1	- .9	- 4.2	+ 1.0	+ 2.3	+22.9
Net change in commercial and industrial loans	-161.0	-16.0	-249.0	+15.0	+34.0	- 8.0	+ 7.0	+40.0	- 8.0	+ 4.0	+ 2.0	-13.0	+31.0

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 Mar. 28, 1956	5 weeks ended Feb. 29, 1956	5 weeks ended Mar. 30, 1955	12 months ended Mar. 28, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+ 42.7	-120.3	- 42.2	+ 27.8
Textiles, apparel, and leather	+ 84.1	+ 48.1	+ 73.0	+ 237.0
Metals and metal products (including machinery and transportation equipment)	+ 509.6	+249.8	+ 80.1	+1,111.2
Petroleum, coal, chemicals, and rubber	+ 111.2	+ 45.2	+ 86.5	+ 530.1
Other manufacturing and mining	+ 145.1	+ 59.3	+ 49.2	+ 386.7
Trade -- wholesale and retail	+ 106.9	+ 56.6	+ 91.1	+ 579.9
Commodity dealers	- 72.6	+ 8.2	-131.9	+ 165.5
Sales finance companies	+ 157.5	-257.2	+ 97.5	+ 867.2
Public utilities (including transportation)	+ 226.2	+ 13.0	+126.1	+ 609.2
Construction	+ 2.9	- 29.1	- 9.1	+ 206.0
All other types of business	+ 60.4	+ 1.7	+ 49.3	+ 482.3
Net change in classified loans <u>1/</u>	+1,374.0	+ 75.3	+469.6	+5,202.9
Unclassified changes - net	+ 96.0	+ 44.7	+ 19.4	- 290.9
Net change in commercial and industrial loans	+1,470.0	+120.0	+489.0	+4,912.0
Loans reclassified on October 5				+ 318.0
Total				+5,230.0

1/ See footnotes on preceding tables regarding coverage.