

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

June 6, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Practically all industrial classifications participated in the \$308 million decrease in commercial and industrial loans at weekly reporting member banks during the week ended May 30.

The principal decreases were \$150 million in loans to manufacturers of metals and metal products, \$27 to sale finance companies, \$22 million to commodity dealers, \$15 million to manufacturers of textiles, apparel, and leather products, and \$14 million each to "other" manufacturing and mining and to the wholesale and retail trade.

The decrease in loans to manufacturers of metals and metal products, which included repayments by one large company from the proceeds of a bond issue, was the largest weekly decrease in this business category since the first week of June 1954; it was reflected in all but the Dallas District. Loans to the wholesale and retail trade decreased for the second consecutive week.

Changes in loans during the week and since 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>May 30<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 28, 1955</u> to <u>May 30, 1956<sup>p/</sup></u>	<u>Dec. 29, 1954</u> to <u>June 1, 1955</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 9	- 324	-521
Textiles, apparel, and leather	- 15	+ 176	+187
Metals and metal products	-150	+ 967	+ 77
Petroleum, coal, chemicals, & rubber	- 10	+ 254	+273
Other manufacturing and mining	- 14	+ 263	+111
Trade--wholesale and retail	- 14	+ 205	+102
Commodity dealers	- 22	- 289	-416
Sales finance companies	- 27	- 382	+389
Public utilities and transportation	- 9	+ 142	+167
Construction	- 3	+ 29	+ 82
Other types of business	+ 3	+ 66	+ 80
Classified changes - net	-270	+1,107	+530
Unclassified changes - net	- 38	+ 54	<u>1/-317</u>
Net changes in commercial and industrial loans	-308	+1,161	<u>1/+213</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.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, MAY 30, 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	- 8.8	- .9	+ .5	--	- 1.3	- 1.2	+ 1.6	- 2.2	- 2.8	- .5	- .3	+ .3	- 2.0
Textiles, apparel, and leather	- 14.6	- 6.6	- 7.0	- .7	--	- .4	- .4	+ .1	- 1.0	+ .2	--	- .5	+ 1.7
Metals and metal products (including machinery & transportation equipment)	- 150.4	- 12.3	- 74.1	- 6.8	- 16.6	- .4	- 1.8	- 27.5	- 2.4	- 2.2	- 1.1	+ .3	- 5.5
Petroleum, coal, chemicals, and rubber	- 9.8	- 1.7	+ .9	- .7	- 1.2	- .5	+ .3	- 7.2	- 1.4	+ .1	+ .6	+ .4	+ .6
Other manufacturing and mining	- 14.2	- .4	+ 3.2	- 5.1	- .1	- .6	- 3.2	- 1.0	- 1.5	- .5	- .7	- .9	- 3.4
Trade:													
Wholesale	( - 13.5 )	- 1.9	- .8	+ .2	- 1.5	- 1.1	+ .1	+ 3.9	+ 1.3	- .5	- 1.6	( - .6 )	- 4.1
Retail	( - 13.5 )	- .2	- .3	- .8	+ .5	- .2	+ .5	- 4.0	- .6	+ .2	- 1.6	( - .6 )	- .4
Commodity dealers	- 22.4	+ 1.9	- 9.7	- 2.4	- .9	- .2	- 2.0	- 2.1	- 1.8	- 4.6	- 1.3	- .5	+ 1.2
Sales finance companies	- 26.6	- 1.2	+ 9.1	- 10.3	- 7.6	- 2.3	- 1.5	+ 1.4	- 2.5	+ .5	- .8	- 1.0	- 10.4
Public utilities (including transportation)	- 9.2	+ .8	- 17.8	+ .9	- 4.3	+ .2	+ 1.2	+ 2.3	+ .5	+ .1	- .1	+ 1.0	+ 8.4
Construction	- 3.0	+ .2	+ 1.0	+ .9	- .9	- .3	- .7	+ 1.0	+ .1	+ .4	- .2	- 4.5	--
All other types of business	+ 2.9	- 2.5	+ 3.5	+ .9	+ .3	+ 1.5	+ 3.5	- 2.1	+ 1.2	+ .1	+ .7	- 5.5	+ 1.3
Net change in classified loans <u>1/</u>	- 269.6	- 24.8	- 91.5	- 23.9	- 33.6	- 5.5	- 4.8	- 37.4	- 10.9	- 6.7	- 6.4	- 11.5	- 12.6
Unclassified changes - net	- 38.4	- 4.2	- 16.5	- 1.1	- 1.4	+ 1.5	- .2	- 2.6	- 1.1	+ .7	- .6	- 3.5	- 9.4
Net change in commercial and industrial loans	- 308.0	- 29.0	- 108.0	- 25.0	- 35.0	- 4.0	- 5.0	- 40.0	- 12.0	- 6.0	- 7.0	- 15.0	- 22.0

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.