

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

June 20, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$114 million in loans to manufacturers of metals and metal products, \$77 million to public utilities, \$36 million to "other" types of business, \$29 million to "other" manufacturing and mining, \$24 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and \$48 million to unclassified borrowers were the principal factors in the \$277 million increase in commercial and industrial loans at weekly reporting member banks during the week ended June 13. Offsetting decreases included \$52 million in loans to the wholesale and retail trade, \$27 million to sales finance companies, and \$21 million to commodity dealers.

The increase in loans to manufacturers of metals and metal products was the largest weekly increase in this business category since the two weeks near the quarterly tax date in March. These loans have increased by \$1,109 million since the year-end as compared with an increase of \$183 million during the corresponding period last year and a decrease of \$464 million in the corresponding period of 1954. The decrease in loans to the wholesale and retail trade was the largest weekly decrease in this classification since the first week in January 1954; it was largely reflected in the Chicago District and represented repayments by retailers.

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 June 13 ^{p/}	<u>Cumulative since year-end</u>	
		<u>Dec. 28, 1955 to June 13, 1956^{p/}</u>	<u>Dec. 29, 1954 to June 15, 1955</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 16	- 330	- 524
Textiles, apparel, and leather	+ 18	+ 201	+ 211
Metals and metal products	+114	+1,109	+ 183
Petroleum, coal, chemicals, & rubber	+ 24	+ 437	+ 301
Other manufacturing and mining	+ 29	+ 326	+ 156
Trade--wholesale and retail	- 52	+ 158	+ 154
Commodity dealers	- 21	- 336	- 442
Sales finance companies	- 27	- 452	+ 569
Public utilities and transportation	+ 77	+ 247	+ 339
Construction	+ 16	+ 49	+ 116
Other types of business	+ 36	+ 120	+ 99
Classified changes - net	+230	+1,529	+1,163
Unclassified changes - net	+ 48	+ 100	<u>1/- 231</u>
Net change in commercial and industrial loans	+277	+1,629	<u>1/+ 932</u>

^{p/} 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, JUNE 13, 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	+ 16.4	+ .5	+ 16.8	+ .1	+ .3	- .2	+ .5	+ .6	-1.0	--	- .9	+ .6	- .9
Textiles, apparel, and leather	+ 17.7	+5.1	+ 4.2	+ 1.2	+ .5	+1.6	- .1	+ 3.3	+ .6	- .2	+ .4	+ .4	+ .7
Metals and metal products (including machinery & transportation equipment)	+114.3	+6.1	+ 48.2	+ 2.5	+ 7.6	+ .1	- .5	+27.2	+2.9	+1.7	+2.1	+ 2.5	+13.9
Petroleum, coal, chemicals, and rubber	+ 23.8	- .4	+ 8.3	+ 2.3	+ 2.2	- .7	+ .5	+ 6.5	--	--	+ .2	+ 3.2	+ 1.7
Other manufacturing and mining	+ 28.5	+1.2	+ 14.7	+ 1.2	+ .1	+ .8	+1.3	+ 3.4	+ .7	+ .9	+ .4	+ 3.1	+ .7
Trade:													
Wholesale	(- 52.3)	- .1	+ 6.1	+ 1.6	+ .1	- .1	- .2	+ 1.4	+2.2	- .5	+ .1	(+ 3.2)	+ .9
Retail		-8.8	- 9.9	- 8.4	-10.2	+1.4	-1.5	-28.9	- .2	+ .4	-1.8		+ .9
Commodity dealers	- 20.9	--	- 1.4	- 1.5	- .5	- .5	-2.1	- 2.7	-2.2	-2.1	- .2	- 3.7	- 4.0
Sales finance companies	- 27.1	-6.1	- 11.6	- .6	- 8.6	+1.7	+1.8	+ 4.5	- .4	+ .2	+ .7	+ .5	- 9.2
Public utilities (including transportation)	+ 77.1	- .8	+ 44.0	+18.8	+ 5.2	-2.1	+ .5	+ 7.3	+ .5	+1.9	- .2	- .8	+ 2.8
Construction	+ 15.7	- .1	+ 3.8	+ .3	+ 1.1	+1.1	+1.1	+ 2.5	+1.9	+ .8	+1.0	+ 2.6	- .4
All other types of business	+ 36.3	- .3	+ 18.8	+ 2.9	+ 3.6	+3.3	- .2	+ 6.5	--	+ .4	+1.5	+ .3	- .5
Net change in classified loans <u>1/</u>	+229.5	-3.7	+142.0	+20.4	+ 1.4	+6.4	+1.1	+31.6	+5.0	+3.5	+3.3	+11.9	+ 6.6
Unclassified changes - net	+ 47.5	+3.7	+ 10.0	+ 1.6	+ 6.6	- .4	-1.1	+ 2.4	-1.0	+1.5	- .3	- 2.9	+27.4
Net change in commercial and industrial loans	+277.0	--	+152.0	+22.0	+ 8.0	+6.0	--	+34.0	+4.0	+5.0	+3.0	+ 9.0	+34.0

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.