

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

August 1, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Changes in loans were mixed during the week ended July 25, resulting in a net decrease of \$35 million in commercial and industrial loans at weekly reporting member banks.

Decreases included \$66 million in loans to sales finance companies, the third consecutive week in which decreases had been reported for this category, \$16 million to manufacturers of food, liquor, and tobacco products, and \$12 million to manufacturers of metals and metal products, and \$25 million to unclassified borrowers. Net increases in loans were reported in only two categories, but one was \$88 million to commodity dealers, the largest weekly increase in this category since the series was started in 1951; and the other was \$21 million to manufacturers or producers of petroleum, coal, chemicals, and rubber products.

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 July 25 ^{p/}	Cumulative since year-end	
		Dec. 28, 1955 to July 25, 1956 ^{p/}	Dec. 29, 1954 to July 27, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	-16	- 403	- 605
Textiles, apparel, and leather	- 1	+ 267	+ 248
Metals and metal products	-12	+1,246	+ 131
Petroleum, coal, chemicals, & rubber	+21	+ 489	+ 331
Other manufacturing and mining	- 7	+ 444	+ 182
Trade--wholesale and retail	- 6	+ 167	+ 176
Commodity dealers	+88	- 244	- 395
Sales finance companies	-66	- 525	+ 552
Public utilities and transportation	- 1	+ 339	+ 386
Construction	- 2	+ 38	+ 169
Other types of business	- 8	+ 175	+ 208
Classified changes - net	-10	+1,992	+1,382
Unclassified changes - net	-25	+ 22	<u>1/</u> - 279
Net change in commercial and industrial loans	-35	+2,014	<u>1/</u> +1,103

^{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, JULY 25, 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	-15.9	- .8	-13.8	- 2.2	+1.7	+2.2	-1.1	-2.8	+1.3	-1.1	+2.6	-2.2	+ .3
Textiles, apparel, and leather	- .9	+ .6	- 3.3	+ .7	- .4	--	- .7	+ .4	+1.6	+ .1	+ .3	+ .1	- .3
Metals and metal products (including machinery & transportation equipment)	-11.9	-1.6	- 1.1	- .8	-4.6	+ .3	- .3	-2.2	- .2	+ .7	- .9	- .3	- .9
Petroleum, coal, chemicals, and rubber	+20.7	- .4	+26.2	- 1.8	- .6	--	+ .3	+1.9	- .2	- .6	-1.3	-1.9	- .9
Other manufacturing and mining	- 7.0	- .5	- 1.7	+ 1.2	- .9	- .3	-2.0	-1.5	- .7	- .1	+ .1	+ .2	- .8
Trade:													
Wholesale	(+ .2	- 4.4	- .9	-1.6	- .1	+ .7	- .7	- .9	--	+ .5	(- 2.3
Retail	- 5.5)	- .4	- .3	- .3	+2.1	+ .5	- .7	+1.1	- .8	+ .6	- .9	- .3)	+ 3.4
Commodity dealers	+87.6	+2.8	+69.4	+ 3.2	- .1	-1.5	+1.4	+5.0	+ .5	+3.8	--	+4.8	- 1.7
Sales finance companies	-66.0	-1.2	-44.6	- 2.1	+ .7	-3.4	-1.5	-6.4	-1.5	- .1	+2.3	-2.4	- 5.8
Public utilities (including transportation)	- .6	+ .4	--	- 4.0	+1.4	+ .2	+ .7	+6.5	-7.3	+ .1	+1.8	- .1	- .3
Construction	- 2.4	- .3	- 1.4	+ .1	+ .2	- .1	- .5	- .4	+ .7	- .6	- .6	-1.3	+ 1.8
All other types of business	- 8.2	+1.6	-11.0	- 1.6	- .5	+1.7	+1.7	-1.1	+ .5	+ .8	+ .1	+2.2	- 2.6
Net change in classified loans <u>1/</u>	-10.1	+ .4	+14.0	- 8.5	-2.6	- .5	-2.0	- .2	-7.0	+3.6	+4.0	-1.2	-10.1
Unclassified changes - net	-24.9	- .4	-12.0	- 1.5	-1.4	-1.5	-1.0	-1.8	-2.0	-1.6	-3.0	- .8	+ 2.1
Net change in commercial and industrial loans	-35.0	--	+ 2.0	-10.0	-4.0	-2.0	-3.0	-2.0	-9.0	+2.0	+1.0	-2.0	- 8.0

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.