

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

August 29, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$79 million in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$31 million each to manufacturers of food, liquor, and tobacco products and to "other" manufacturing and mining, \$29 million to sales finance companies, and \$20 million to public utilities were the principal factors in the \$147 million increase in commercial and industrial loans at weekly reporting member banks during the week ended August 22. Partially offsetting decreases included \$58 million in loans to manufacturers of metals and metal products and \$11 million to the wholesale and retail trade.

Loans to manufacturers of metals and metal products decreased for the eighth consecutive week; the current decrease was the largest weekly decline in this business category since the last week in May and was reflected in all but three districts.

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

<u>Business of Borrower</u>	<u>Week ended Aug. 22^{p/}</u>	<u>Cumulative since mid-year</u>	
		<u>June 27, 1956 to Aug. 22, 1956^{p/}</u>	<u>June 29, 1955 to Aug. 24, 1955</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 31	- 27	- 24
Textiles, apparel, and leather	+ 4	+ 79	+105
Metals and metal products	- 58	-237	- 25
Petroleum, coal, chemicals, & rubber	+ 79	+146	+ 24
Other manufacturing and mining	+ 31	+127	+ 52
Trade--wholesale and retail	- 11	- 13	+ 70
Commodity dealers	+ 7	+249	+ 83
Sales finance companies	+ 29	- 75	+180
Public utilities and transportation	+ 20	+ 31	+ 66
Construction	+ 9	- 6	+ 36
Other types of business	- 2	+108	+165
Classified changes - net	+140	+382	+730
Unclassified changes - net	+ 7	- 47	<u>1/-181</u>
Net change in commercial and industrial loans	+147	+335	<u>1/+549</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, AUGUST 22, 1956

Business of Borrower	All Dis- tricts p/	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco p/
	(In millions of dollars)												
Manufacturing and mining:													
Food, liquor, and tobacco	+ 30.7	+ .2	+ 7.0	+ .5	+ 1.2	+3.7	+1.4	+ 6.9	+2.0	+ 1.0	+ .1	+ .1	+ 6.6
Textiles, apparel, and leather	+ 4.3	- .5	+ 4.4	- .3	- .3	+ .2	+ .1	+ .3	- .7	--	+ .3	+ .4	+ .4
Metals and metal products (including machinery & transportation equipment)	- 57.7	-2.9	- 27.2	-2.0	- 2.8	+ .1	- .7	-22.0	-1.8	+ 2.7	-1.2	+2.0	- 1.9
Petroleum, coal, chemicals, and rubber	+ 79.4	+2.5	+ 52.8	+2.9	+ 3.4	- .1	+ .4	+ 8.2	+2.3	+ .6	+ .3	+3.7	+ 2.4
Other manufacturing and mining	+ 30.8	- .1	+ 22.0	--	+ 8.6	- .2	- .7	+ .5	+ .5	--	+ .1	+1.3	- 1.2
Trade:													
Wholesale	(- 10.5)	- .7	- 2.1	-1.1	- .7	-1.3	+ .7	- 1.9	- .5	- 1.6	+ .1	(-1.0)	- 1.6
Retail		- .2	+ 5.4	-1.6	+ .3	+ .5	- .2	+ 2.2	- .1	+ 1.1	- .4	(-1.0)	- 5.8
Commodity dealers	+ 6.8	-1.6	+ 14.0	--	+ 1.0	+1.3	- .8	- .5	-6.9	+ 5.4	-1.3	-3.0	- .8
Sales finance companies	+ 28.7	+5.7	+ 16.6	+3.3	+ 6.5	+ .9	+1.6	- 1.2	+1.3	- 1.6	+ .3	-3.1	- 1.6
Public utilities (including transportation)	+ 20.1	+1.2	+ 21.1	-1.1	+ 1.5	+1.2	- .2	- 2.4	+1.4	--	- .1	- .1	- 2.4
Construction	+ 9.2	+ .4	+ 1.2	+ .3	+ .5	+ .1	+1.2	+ 7.2	- .1	+ .8	- .8	- .8	- .8
All other types of business	- 2.2	+ .5	- 9.1	+3.8	+ 2.1	+ .8	- .1	+ 3.9	-5.3	+ .7	- .8	-3.5	+ 4.8
Net change in classified loans <u>1/</u>	+139.6	+4.5	+106.1	+4.7	+21.3	+7.2	+2.7	+ 1.2	-7.9	+ 9.1	-3.4	-4.0	- 1.9
Unclassified changes - net	+ 7.4	-1.5	- .1	+ .3	- 5.3	-2.2	+ .3	+ 1.8	- .1	+ 1.9	- .6	-1.0	+13.9
Net change in commercial and industrial loans	+147.0	+3.0	+106.0	+5.0	+16.0	+5.0	+3.0	+ 3.0	-8.0	+11.0	-4.0	-5.0	+12.0

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.