

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

September 12, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

An increase of \$174 million in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was the principal factor in the \$170 million increase in commercial and industrial loans at weekly reporting member banks during the week ended September 5.

Other relatively large increases during the week included \$24 million in loans to manufacturers of food, liquor, and tobacco products, \$17 million to public utilities, and \$15 million to commodity dealers.

The principal decreases were \$32 million in loans to manufacturers of metals and metal products and \$22 million to sales finance companies.

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>	Week ended Sept. 5 ^{p/}	Cumulative since mid-year	
		June 27, 1956 to Sept. 5, 1956 ^{p/}	June 29, 1955 to Sept. 7, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	+ 24	+ 38	+ 24
Textiles, apparel, and leather	+ 8	+ 84	+110
Metals and metal products	- 32	-292	- 21
Petroleum, coal, chemicals, & rubber	+174	+292	+ 28
Other manufacturing and mining	--	+135	+ 57
Trade--wholesale and retail	+ 11	+ 9	+ 75
Commodity dealers	+ 15	+264	+ 92
Sales finance companies	- 22	- 88	+ 67
Public utilities and transportation	+ 17	+ 41	+ 51
Construction	- 10	- 7	+ 39
Other types of business	- 7	+103	+189
Classified changes - net	+177	+579	+710
Unclassified changes - net	- 7	- 87	<u>1/</u> -131
Net change in commercial and industrial loans	+170	+492	<u>1/</u> +579

^{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 August compared with the preceding month and with August 1955, and also showing changes during the past twelve months.

All industrial classifications except loans to manufacturers of metals and metal products increased their borrowings in August; this was the second consecutive monthly decrease in the metals category, and the largest since September 1954.

The increase in loans to manufacturers of food, liquor, and tobacco products was the largest monthly increase in this category since November 1955. Loans to manufacturers of textiles, apparel, and leather products, and to "other" manufacturers and mining have increased in every month this year.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, SEPTEMBER 5, 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	+ 23.9	+ .1	+ 20.1	- .3	- .7	+2.4	+1.3	- 2.4	+ 1.6	- .3	-1.0	- .1	+ 3.2
Textiles, apparel, and leather	+ 7.6	+2.7	+ 6.6	--	- .4	- .4	- .8	+ 3.1	- 3.4	+ .3	+ .1	--	- .2
Metals and metal products (including machinery & transportation equipment)	- 32.3	-2.8	- 3.3	- 4.5	-1.5	- .1	-1.0	- 7.7	- 7.0	-2.7	+ .2	- 1.1	- .8
Petroleum, coal, chemicals, and rubber	+173.7	+1.2	+143.9	+ .2	+1.3	- .1	- .9	+20.3	--	--	+ .4	+ 7.2	+ .2
Other manufacturing and mining	- .2	+ .2	- 3.4	- .5	+ .9	+ .3	+1.0	+ 1.4	- .2	- .1	+ .1	- .4	+ .5
Trade:													
Wholesale	(+ 10.8)	- .3	+ 4.0	+ .2	-3.1	+ .7	+ .7	+ 3.2	- 1.1	+ .2	- .2	(+ 2.6)	- 3.9
Retail		-1.1	+ 5.6	+ 1.7	+1.0	-1.0	- .2	- .4	- 1.3	+ .7	+1.1		+ 1.7
Commodity dealers	+ 14.9	+ .7	+ 7.1	+ 2.7	+ .1	+1.1	+1.4	- 6.1	+ 2.4	+3.7	-1.1	+1.9	+ 1.0
Sales finance companies	- 21.8	+4.6	+ 3.2	- 6.1	-1.5	- .3	+ .6	-19.9	- 7.2	+ .2	+ .4	+ 3.8	+ .4
Public utilities (including transportation)	+ 17.1	-1.2	+ 13.1	- .5	+3.1	+ .1	+ .1	+ 1.7	--	--	+ .1	+ 6.1	- 5.5
Construction	- 10.4	- .2	- .1	- .3	- .7	- .9	-2.1	- 2.7	- .4	+ .2	- .5	- 2.1	- .6
All other types of business	- 6.6	+2.8	+ 2.1	- 1.3	+1.1	-1.9	+ .2	- 3.3	- .9	- .2	- .8	- .2	- 4.2
Net change in classified loans <u>1/</u>	+176.7	+6.7	+198.9	- 8.7	- .4	- .1	+ .3	-12.8	-17.5	+2.0	-1.2	+17.7	- 8.2
Unclassified changes - net	- 6.7	- .7	- 11.9	- 1.3	+ .4	-1.9	- .3	- 5.2	+ .5	-3.0	- .8	- .7	+18.2
Net change in commercial and industrial loans	+170.0	+6.0	+187.0	-10.0	--	-2.0	--	-18.0	-17.0	-1.0	-2.0	+17.0	+10.0

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.

	5 weeks ended Aug. 29, 1956	4 weeks ended July 25, 1956	5 weeks ended Aug. 31, 1955	12 months ended Aug. 29, 1956
			(In millions of dollars)	
Manufacturing and mining:				
Food, liquor, and tobacco	+114.9	-100.4	+ 59.8	+ 197.6
Textiles, apparel, and leather	+ 47.7	+ 28.6	+ 78.0	+ 279.6
Metals and metal products (including machinery and transportation equipment)	-138.8	-120.6	+ 32.6	+1,339.9
Petroleum, coal, chemicals, and rubber	+ 54.1	+ 64.0	+ 20.4	+ 712.7
Other manufacturing and mining	+ 59.8	+ 75.3	+ 16.6	+ 521.8
Trade -- wholesale and retail	+ 1.8	- 3.6	+ 30.5	+ 436.0
Commodity dealers	+107.6	+141.6	+ 29.3	+ 236.9
Sales finance companies	+137.2	-203.7	+274.4	+ 78.4
Public utilities (including transportation)	+ 52.0	- 28.1	+ 41.2	+ 373.0
Construction	+ 19.1	- 15.5	+ 1.6	+ 127.0
All other types of business	+ 85.9	+ 23.6	+120.3	+ 443.3
Net change in classified loans <u>1/</u>	+541.3	-138.8	+704.7	+4,746.2
Unclassified changes - net	+ 9.7	- 90.2	- 59.7	+ 36.8
Net change in commercial and industrial loans	+551.0	-229.0	+645.0	+4,783.0
Loans reclassified on October 5				+ 318.0
Total				+5,101.0

1/ See footnote on preceding table regarding current coverage.