

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$83 million in loans to manufacturers of food, liquor, and tobacco products, \$48 million to public utilities, \$41 million to commodity dealers, \$16 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and \$13 million to the wholesale and retail trade were the principal factors in the \$125 million increase in commercial and industrial loans at weekly reporting member banks during the week ended October 3. Offsetting decreases included \$47 million each in loans to manufacturers of metals and metal products and to salesfinance companies.

The increase in loans to manufacturers of food, liquor, and tobacco products was the largest weekly increase in this category since September 1953 and it was reflected in all but one district.

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 Oct. 3 ^{p/}	Cumulative since mid-year	
		June 27, 1956 to Oct. 3, 1956 ^{p/}	June 29, 1955 to Oct. 5, 1955
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 83	+ 294	+ 161
Textiles, apparel, and leather	- 1	+ 92	+ 183
Metals and metal products	- 47	- 290	- 15
Petroleum, coal, chemicals, & rubber	+ 16	+ 361	+ 78
Other manufacturing and mining	- 4	+ 151	+ 62
Trade--wholesale and retail	+ 13	+ 68	+ 131
Commodity dealers	+ 41	+ 371	+ 249
Sales finance companies	- 47	- 221	+ 118
Public utilities and transportation	+ 48	+ 129	+ 10
Construction	- 1	- 12	+ 66
Other types of business	+ 7	+ 143	+ 246
Classified changes - net	+109	+1,086	+1,290
Unclassified changes - net	+ 16	- 104	<u>1/</u> - 99
Net change in commercial and industrial loans	+125	+ 982	<u>1/</u> +1,191

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

Changes during September were in the same direction as in August and in September 1955, except in categories of manufacturers of metals and metal products, sales finance companies, and the construction industry. Loans to manufacturers of metals and metal products increased during September in contrast to decreases during August; they had also increased in September 1955. Loans to sales finance companies declined during September following increases during August; they had also declined in September 1955. Loans to the construction industry declined during September in contrast to increases last month and during September a year ago.

The increase in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was the largest monthly increase in this category since the series was inaugurated in 1951.

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CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, OCTOBER 3, 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	+ 83.4	+ 1.1	+ 41.4	+ 2.2	+ 1.3	+ .8	+ 2.6	+ 13.6	+ 2.7	- .5	+ .2	+ 4.6	+ 13.4
Textiles, apparel, and leather	- .7	- 2.1	+ 3.2	+ 1.0	- .4	+ 1.6	+ .1	- 4.7	- .6	- .3	- .4	+ .4	+ 1.5
Metals and metal products (including machinery & transportation equipment)	- 47.0	- 1.1	- 28.8	+ .5	- 2.7	+ .2	- .3	- 6.7	- 1.2	+ .1	- 1.5	+ 4.6	- 10.1
Petroleum, coal, chemicals, and rubber	+ 15.7	- 10.3	+ 21.9	- .9	- 1.4	+ .7	- .3	+ 1.9	- .3	+ .8	+ .9	+ 1.3	+ 1.4
Other manufacturing and mining	- 4.4	- 1.6	- 2.2	+ .6	- .9	--	- 1.2	+ .9	+ .4	- .5	+ .6	+ 1.1	- 1.6
Trade:													
Wholesale	(+ 13.0)	- .3	+ 5.9	- .7	+ 2.6	+ .1	+ 1.5	+ .5	+ .2	+ .4	- .5	(+ 4.6)	+ .3
Retail	(+ 13.0)	+ .4	+ 6.8	- .4	+ .3	+ .6	+ .9	- 11.6	- 1.1	- .1	+ 1.5	(+ 4.6)	+ 1.1
Commodity dealers	+ 41.4	+ 1.9	+ 13.2	+ .7	--	+ .6	+ 3.6	+ 3.4	+ 13.4	+ 3.5	+ 2.0	- .5	- .4
Sales finance companies	- 47.0	- .9	--	- 5.8	- .3	- .8	- 2.9	- 14.2	- 6.8	- 5.1	+ .9	- 4.4	- 6.7
Public utilities (including transportation)	+ 48.1	+ 5.1	+ 41.5	- .9	+ 2.7	+ .8	+ .3	+ 3.5	+ .3	+ .7	- .5	+ 1.7	- 7.1
Construction	- .6	- .3	- .2	- 1.5	+ .3	+ .6	- .4	+ .2	+ .1	- .3	- .8	- .8	+ 2.5
All other types of business	+ 7.0	+ 2.9	- 2.2	- 1.3	+ 1.9	--	+ .9	+ 1.8	- 1.1	- .1	- 4.1	+ 1.2	+ 7.1
Net change in classified loans <u>1/</u>	+ 108.9	- 5.2	+ 100.5	- 6.5	+ 3.4	+ 5.2	+ 4.8	- 11.4	+ 6.0	- 1.4	- 1.7	+ 13.8	+ 1.4
Unclassified changes - net	+ 16.1	- .8	- 8.5	- 1.5	+ 4.6	- 1.2	+ .2	+ 6.4	- 1.0	- .6	- .3	+ 2.2	+ 16.6
Net change in commercial and industrial loans	+ 125.0	- 6.0	+ 92.0	- 8.0	+ 8.0	+ 4.0	+ 5.0	- 5.0	+ 5.0	- 2.0	- 2.0	+ 16.0	+ 18.0

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.

Business of Borrower	4 weeks ended Sept. 26, 1956	5 weeks ended Aug. 29, 1956	4 weeks ended Sept. 28, 1955	12 months ended Sept. 26, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+196.0	+114.9	+127.5	+ 266.1
Textiles, apparel, and leather	+ 16.2	+ 47.7	+ 75.1	+ 220.7
Metals and metal products (including machinery and transportation equipment)	+ 16.3	-138.8	+ 4.5	+1,351.7
Petroleum, coal, chemicals, and rubber	+227.2	+ 54.1	+ 16.6	+ 923.3
Other manufacturing and mining	+ 19.8	+ 59.8	+ 19.8	+ 521.8
Trade -- wholesale and retail	+ 57.2	+ 1.8	+ 61.5	+ 431.7
Commodity dealers	+ 80.5	+107.6	+113.0	+ 204.4
Sales finance companies	-107.0	+137.2	-125.6	+ 97.0
Public utilities (including transportation)	+ 56.6	+ 52.0	+ 50.4	+ 379.2
Construction	- 14.9	+ 19.1	+ 26.0	+ 86.1
All other types of business	+ 26.9	+ 85.9	+ 38.2	+ 432.0
Net change in classified loans <u>1/</u>	+574.8	+541.3	+407.0	+4,914.0
Unclassified changes - net	- 39.8	+ 9.7	+ 82.0	- 85.0
Net change in commercial and industrial loans	+535.0	+551.0	+489.0	+4,829.0
Loans reclassified on October 5				+ 318.0
Total				+5,147.0

1/ See footnote on preceding table regarding current coverage.