

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H:12

(For Immediate Release)

November 7, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Most industrial classifications participated in the \$217 million increase in commercial and industrial loans at weekly reporting member banks during the week ended October 31. The larger increases were \$64 million in loans to manufacturers of metals and metal products, \$50 million to the wholesale and retail trade, \$44 million to commodity dealers, \$43 million to manufacturers of food, liquor, and tobacco products, \$34 million to sales finance companies, \$31 million to public utilities, and \$24 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products.

The only net decreases classified were \$30 million in loans to manufacturers of textiles, apparel, and leather products, \$6 million to "other" manufacturing and mining, and \$4 million to the construction industry. There was a net decrease of \$48 million in unclassified loans.

The increase in loans to manufacturers of metals and metal products followed five consecutive weekly decreases; it was the largest weekly increase in this business category since June and was largely in the New York and Cleveland Districts. The increase in loans to the wholesale and retail trade was its largest weekly increase since October 1955.

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. 31 ^{p/}	Cumulative since mid-year	
		June 27, 1956 to Oct. 31, 1956 ^{p/}	June 29, 1955 to Nov. 2, 1955
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 43	+ 499	+ 321
Textiles, apparel, and leather	- 30	+ 20	+ 99
Metals and metal products	+ 64	- 340	- 6
Petroleum, coal, chemicals, & rubber	+ 24	+ 397	+ 81
Other manufacturing and mining	- 6	+ 111	+ 50
Trade--wholesale and retail	+ 50	+ 224	+ 303
Commodity dealers	+ 44	+ 538	+ 411
Sales finance companies	+ 34	- 478	- 39
Public utilities and transportation	+ 31	+ 181	+ 32
Construction	- 4	- 37	+ 75
All other types of business	+ 17	+ 119	+ 279
Classified changes - net	+265	+1,234	+1,606
Unclassified changes - net	- 48	- 195	1/ - 122
Net change in commercial and industrial loans	+217	+1,039	1/ +1,484

^{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, OCTOBER 31, 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	+ 42.9	-1.1	+ 13.7	+2.2	+ 2.7	- .3	+ .7	+17.1	+ 2.0	+ .7	+ .5	--	+ 4.7
Textiles, apparel, and leather	- 30.0	- .8	- 19.2	+ .2	- 1.8	--	-2.2	- 2.9	- 2.0	--	- .1	- .1	- 1.1
Metals and metal products (including machinery & transportation equipment)	+ 63.9	-3.8	+ 45.9	+ .3	+18.3	+ .2	+ .1	+ .1	- 1.6	- .1	-1.1	+ .2	+ 5.4
Petroleum, coal, chemicals, and rubber	+ 23.7	+1.4	+ 25.0	+ .1	+ .1	--	- .1	--	- .1	+ .6	-1.2	-1.7	- .4
Other manufacturing and mining	- 5.9	-1.8	- 4.5	-1.9	- .6	- .4	- .9	- 1.4	- 1.6	- .2	- .1	- .1	+ 7.6
Trade:													
Wholesale	(+ 49.9)	- .9	+ .9	- .6	- .7	+ .8	+1.5	- 1.9	+ .8	- .4	- .5	(-2.7)	+ 2.9
Retail	(+ 49.9)	+2.6	+ 36.1	+1.0	+ 1.5	+1.8	+1.1	+ 3.2	- .5	- .2	+ .9	(-2.7)	+ 3.2
Commodity dealers	+ 43.7	+1.0	+ 20.8	+1.3	+ .4	- .1	+2.3	+ 1.1	+ 9.2	+ .7	- .2	+3.5	+ 3.7
Sales finance companies	+ 33.7	-4.9	+ 33.2	-2.4	- 2.9	-1.2	- .4	+10.0	+ 4.2	- .5	-1.4	- .3	+ .3
Public utilities (including transportation)	+ 30.8	+8.8	+ 12.7	+ .4	+ .6	+1.1	-2.0	+ 6.0	+ .1	+ .5	+ .9	- .2	+ 1.9
Construction	- 3.9	+ .3	- 1.5	- .1	- .4	+ .4	- .6	- 3.8	- 1.9	- .3	+ .3	+2.3	+ 1.4
All other types of business	+ 16.6	+1.5	+ 14.2	-3.4	- 1.6	-1.6	-1.9	+ .1	+ 1.8	+ .1	-1.1	-3.1	+11.6
Net change in classified loans <u>1/</u>	+265.4	+2.3	+177.3	-2.9	+15.6	+ .7	-2.4	+27.6	+10.4	+ .9	-3.1	-2.2	+41.2
Unclassified changes - net	- 48.4	+ .7	- 17.3	-3.1	- 3.6	-1.7	- .6	- 3.6	+ .6	+ .1	+ .1	+2.2	-22.2
Net change in commercial and industrial loans	+217.0	+3.0	+160.0	-6.0	+12.0	-1.0	-3.0	+24.0	+11.0	+1.0	-3.0	--	+19.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District final figures appear in a release of the Reserve Banks.

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.