

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

December 5, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$39 million in loans to the wholesale and retail trade, \$24 million to manufacturers of textiles, apparel, and leather products, \$20 million to the construction industry, and \$59 million to unclassified borrowers were partly offset by increases of \$58 million in loans to sales finance companies, \$23 million to commodity dealers, and \$11 million to manufacturers of food, liquor, and tobacco products. The net decrease in commercial and industrial loans at weekly reporting member banks during the week ended November 28 was \$45 million.

The decrease in loans to the construction industry was the largest weekly decrease in this business category since the series was started in 1951; it was reflected in all but the Cleveland 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 Nov. 28 <sup>p/</sup>	Cumulative since mid-year	
		June 27, 1956 to Nov. 28, 1956 <sup>p/</sup>	June 29, 1955 to Nov. 30, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	+11	+ 655	+ 418
Textiles, apparel, and leather	-24	- 8	+ 70
Metals and metal products	+ 8	- 224	+ 79
Petroleum, coal, chemicals, & rubber	+ 3	+ 485	+ 153
Other manufacturing and mining	- 8	+ 81	+ 55
Trade--wholesale and retail	-39	+ 256	+ 371
Commodity dealers	+23	+ 636	+ 475
Sales finance companies	+58	- 416	+ 223
Public utilities and transportation	+10	+ 214	+ 58
Construction	-20	- 57	+ 101
All other types of business	- 8	+ 152	+ 313
Classified changes - net	+14	+1,775	+2,316
Unclassified changes - net	-59	- 236	1/ - 121
Net change in commercial and industrial loans	-45	+1,539	1/ +2,195

<sup>p/</sup> Preliminary; see footnote on attached table.

1/ Prior to 1956, unclassified changes and total net change included changes in agricultural loans. These 1955 figures do not include the increase of \$318 million resulting from the reclassification of loans on October 5.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
 BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
 WEEK ENDED WEDNESDAY, NOVEMBER 28, 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	+11.4	- .4	- 2.4	-1.4	-1.0	- .5	- .1	+ .7	- .5	- .3	+2.5	+ 3.0	+11.8
Textiles, apparel, and leather	-23.6	-3.0	- 9.6	-1.6	- .8	+ .6	+ .5	- 7.4	- .4	--	- .2	- .1	- 1.6
Metals and metal products (including machinery & transportation equipment)	+ 7.7	-1.7	+ 6.1	- .5	+5.2	+ .3	--	+ 2.0	--	-2.4	--	- .1	- 1.2
Petroleum, coal, chemicals, and rubber	+ 2.6	- .9	+ 3.2	- .1	+1.1	+ .2	+ .4	+ 2.8	+ .1	- .1	- .1	- 5.4	+ 1.4
Other manufacturing and mining	- 7.6	-1.3	- 5.0	+ .1	- .2	+ .4	- .5	- 2.3	- .1	- .3	+ .2	+ .6	+ .8
Trade:													
Wholesale	(-39.4)	+1.3	+ .2	+ .3	+1.1	- .1	+1.1	-11.2	- .3	- .5	- .6	( + .9 )	+ 2.8
Retail		+ .1	- .3	-1.3	+ .7	--	+ .7	+ 2.8	- .6	- .7	- .1		-35.7
Commodity dealers	+22.6	+2.3	+ 2.6	+2.3	- .3	+ .6	+ .4	+ .6	+6.0	- .8	+ .3	+ 4.2	+ 4.4
Sales finance companies	+57.9	+1.9	+66.9	+1.6	-1.4	+ .2	-1.8	- 4.1	+1.1	+2.2	- .3	- .7	- 7.7
Public utilities (including transportation)	+10.1	+3.0	- 1.9	- .4	-1.3	+ .1	--	+ 6.4	+ .6	+1.3	+ .9	+ .1	+ 1.3
Construction	-20.0	- .1	- .1	-2.0	--	- .1	- .7	- 5.4	-1.6	- .6	-1.1	- 4.0	- 4.3
All other types of business	- 7.8	- .1	+ 9.3	+ .5	- .4	- .1	+1.8	- 6.1	- .3	- .2	-1.2	-10.3	- .7
Net change in classified loans <u>1/</u>	+13.9	+1.1	+69.0	-2.5	+2.7	+1.6	+1.8	-21.2	+4.0	-2.4	+ .3	-11.8	-28.7
Unclassified changes - net	-58.9	-2.1	-21.0	-2.5	-6.7	-4.6	+ .2	- 2.8	--	-2.6	+ .7	- 1.2	-16.3
Net change in commercial and industrial loans	-45.0	-1.0	+48.0	-5.0	-4.0	-3.0	+2.0	-24.0	+4.0	-5.0	+1.0	-13.0	-45.0

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.