

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

December 12, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$36 million in loans to manufacturers of food, liquor, and tobacco products, \$35 million to commodity dealers, \$19 million to sales finance companies, and \$17 million to public utilities were partly offset by decreases of \$11 million in loans to "other" types of business and \$13 million to unclassified borrowers. The net increase in commercial and industrial loans at weekly reporting member banks during the week ended December 5 was \$84 million.

Following five consecutive weekly increases, loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products decreased \$9 million.

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 <u>Dec. 5^{p/}</u>	Cumulative since mid-year	
		June 27, 1956 to <u>Dec. 5, 1956^{p/}</u>	June 29, 1955 to <u>Dec. 7, 1955</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+36	+ 690	+ 441
Textiles, apparel, and leather	- 7	- 15	+ 62
Metals and metal products	+ 7	- 217	+ 106
Petroleum, coal, chemicals, & rubber	- 9	+ 477	+ 141
Other manufacturing and mining	- 3	+ 76	+ 55
Trade--wholesale and retail	+ 8	+ 265	+ 377
Commodity dealers	+35	+ 670	+ 481
Sales finance companies	+19	- 399	+ 322
Public utilities and transportation	+17	+ 231	+ 29
Construction	+ 5	- 52	+ 99
All other types of business	<u>-11</u>	<u>+ 143</u>	<u>+ 308</u>
Classified changes - net	+97	+1,868	+2,421
Unclassified changes - net	<u>-13</u>	<u>- 245</u>	<u>1/ - 123</u>
Net change in commercial and industrial loans	+84	+1,623	<u>1/ +2,298</u>

^{p/} 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.

In addition to the weekly table, a monthly table is attached showing changes during November compared with the preceding month and with November 1955, and also showing changes during the past twelve months.

The changes during November were similar to those during October and a year ago November in that there were further increases in loans to manufacturers of food, liquor, and tobacco products, to manufacturers and producers of petroleum, coal, chemicals, and rubber products, to the wholesale and retail trade, to commodity dealers, and to public utilities, and further repayments by manufacturers of textiles, apparel, and leather products.

Loans to manufacturers of metals and metal products, to sales finance companies, and to "other" types of business increased during November in contrast to decreases in October. Loans to the construction industry decreased for the third consecutive month.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, DECEMBER 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	+35.7	+5.5	+28.0	+1.0	+ .1	+2.1	+1.5	+ 2.9	+1.0	+ .5	- .4	- .2	- 6.3
Textiles, apparel, and leather	- 6.9	-2.9	+ .5	- .7	- .3	- .8	-1.7	+ 1.0	-1.0	- .2	- .3	--	- .5
Metals and metal products (including machinery & transportation equipment)	+ 6.5	+ .5	+ .9	-1.0	+ .7	- .6	+1.0	+ 6.9	- .5	- .4	- .1	+1.1	- 2.0
Petroleum, coal, chemicals, and rubber	- 8.7	- .4	- 5.1	- .3	- .3	+ .1	- .5	- 3.1	+ .1	+ .3	+ .4	+1.1	- 1.0
Other manufacturing and mining	- 3.4	-1.5	+ 1.9	- .1	--	--	- .5	+ .9	- .2	- .4	-2.0	+ .1	- 1.6
Trade:													
Wholesale	(+ 7.9)	-1.6	+ 5.6	+1.7	--	+ .1	+ .6	+ 4.1	+1.7	+ .2	+ .3	(- .8)	- 1.1
Retail	(+ 7.9)	+1.0	+ 2.5	+1.8	- .4	- .2	+ .4	- 5.1	- .1	--	- .1	(- .8)	- 2.7
Commodity dealers	+35.3	- .9	+17.6	+ .5	- .9	+1.5	+3.2	- 4.8	+6.6	- .6	- .8	+ .5	+13.4
Sales finance companies	+19.0	+3.9	- 3.6	+1.3	+ 9.9	- .9	+ .6	+ 4.1	-3.4	--	+1.8	+ .2	+ 5.1
Public utilities (including transportation)	+17.4	+1.1	+ 7.8	--	+ 3.1	+ .4	+ .6	+ .1	- .3	--	- .2	+ .3	+ 4.5
Construction	+ 4.9	- .4	- 1.1	-1.0	- .8	+1.0	+ .4	+ 4.7	-2.8	+1.0	- .7	- .4	+ 5.0
All other types of business	-10.9	-1.9	-11.1	-1.3	+ 2.0	- .3	- .1	+ 3.6	- .5	+ .4	-1.2	+5.0	- 5.5
Net change in classified loans <u>1/</u>	+96.8	+2.4	+43.9	+1.9	+13.1	+2.4	+5.5	+15.3	+ .6	+ .8	-3.3	+6.9	+ 7.3
Unclassified changes - net	-12.8	-6.4	-29.9	+1.1	- 4.1	+ .6	- .5	- 4.3	+ .4	- .8	+ .3	+1.1	+29.7
Net change in commercial and industrial loans	+84.0	-4.0	+14.0	+3.0	+ 9.0	+3.0	+5.0	+11.0	+1.0	--	-3.0	+8.0	+37.0

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 Nov. 28, 1956	5 weeks ended Oct. 31, 1956	5 weeks ended Nov. 30, 1955	12 months ended Nov. 28, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+154.2	+289.6	+135.1	+ 414.3
Textiles, apparel, and leather	- 24.3	- 76.7	- 56.8	+ 231.1
Metals and metal products (including machinery and transportation equipment)	+116.3	- 96.7	+ 88.2	+1,283.3
Petroleum, coal, chemicals, and rubber	+ 88.7	+ 51.7	+ 76.1	+ 965.6
Other manufacturing and mining	- 30.2	- 45.4	+ 2.4	+ 456.3
Trade -- wholesale and retail	+ 31.2	+170.2	+ 86.6	+ 384.0
Commodity dealers	+ 96.5	+208.4	+108.2	+ 242.1
Sales finance companies	+ 60.0	-304.8	+314.5	- 258.0
Public utilities (including transportation)	+ 31.7	+101.6	+ 73.4	+ 547.8
Construction	- 21.7	- 24.3	+ 21.7	+ 1.9
All other types of business	+ 31.2	- 13.6	+ 49.3	+ 360.3
Net change in classified loans <u>1/</u>	+533.6	+260.0	+898.7	+4,628.7
Unclassified changes -- net	- 54.6	- 57.0	- 8.7	- 153.7
Net change in commercial and industrial loans	+479.0	+203.0	+890.0	+4,475.0

1/ See footnote on preceding table regarding current coverage.