

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

December 26, 1956

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Loans to sales finance companies accounted for over half of the \$445 million increase in commercial and industrial loans at weekly reporting member banks during the week ended December 19. The increase was the largest in this classification since the series was inaugurated in the spring of 1951. Other large increases were \$83 million in loans to manufacturers of metals and metal products and \$57 million in loans to manufacturers of food, liquor, and tobacco products.

The only decreases were \$54 million in loans to manufacturers and producers of petroleum, coal, chemicals and rubber products and \$38 million to the wholesale and retail trade.

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 Dec. 19 ^{p/}	<u>Cumulative since mid-year</u>	
		June 27, 1956 to Dec. 19, 1956 ^{p/}	June 29, 1955 to Dec. 21, 1955
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	+ 57	+ 820	+ 503
Textiles, apparel, and leather	+ 9	+ 4	+ 91
Metals and metal products	+ 83	- 66	+ 211
Petroleum, coal, chemicals, & rubber	- 54	+ 431	+ 177
Other manufacturing and mining	+ 3	+ 84	+ 66
Trade--wholesale and retail	- 38	+ 235	+ 379
Commodity dealers	+ 24	+ 721	+ 484
Sales finance companies	+256	- 90	+ 588
Public utilities and transportation	+ 35	+ 329	- 51
Construction	+ 3	- 53	+ 116
All other types of business	+ 35	+ 175	+ 332
Classified changes - net	+413	+2,589	+2,894
Unclassified changes - net	+ 32	- 191	1/ - 86
Net change in commercial and industrial loans	+445	+2,398	1/ +2,808

^{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.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, DECEMBER 19, 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
Manufacturing and mining:													
Food, liquor, and tobacco	+ 57.2	- .6	+ 41.0	+ .9	+ .9	+ 2.0	+ 2.7	+ 5.1	+ 1.7	+ .9	+ .9	+ 1.7	
Textiles, apparel, and leather	+ 9.0	- .9	+ 9.9	- .5	- .4	+ .3	- .4	+ .9	+ .4	--	- .3	--	
Metals and metal products (including machinery & transportation equipment)	+ 83.0	+2.9	+ 53.5	- 2.4	+ 5.3	--	+ 1.1	+16.5	+ 3.1	+2.2	+ .1	+ .7	NOT
Petroleum, coal, chemicals, and rubber	- 53.8	-7.4	- 34.5	- 3.0	+ 1.3	--	+ .5	-13.3	- 2.6	+ .7	+ 3.0	+1.5	
Other manufacturing and mining	+ 3.2	+ .3	+ 7.4	+ 2.9	- .8	- .2	- .5	- 1.4	- .4	-1.2	- 2.7	- .2	
Trade:													
Wholesale	(- 37.8)	-1.0	--	- 2.0	+ 1.0	+ .5	+ 1.2	- 3.5	- 1.4	-1.4	+ .7	(- .6)	AVAIL-
Retail		-1.2	- 23.2	+ 1.0	- 1.9	- .1	+ .3	- 3.7	- 3.2	- .1	+ .8		
Commodity dealers	+ 24.2	+ .4	+ 26.0	+ .9	- 1.3	+ .5	+ .1	- .5	- 1.6	+ .5	+ .2	-1.0	
Sales finance companies	+255.5	+1.8	+125.4	+12.0	+16.2	+ 3.6	+ 3.6	+61.7	+15.5	+7.8	+ 5.6	+2.3	
Public utilities (including transportation)	+ 34.6	+1.1	+ 19.3	+ 4.0	+ 3.8	+ .2	+ 1.9	+ 3.0	+ 1.0	+ .4	+ .3	- .4	ABLE
Construction	+ 2.8	+ .1	+ 5.3	- 1.1	+ .5	+ .4	+ 1.4	- 3.4	+ .3	- .8	- 1.0	+1.1	
All other types of business	+ 34.9	+1.5	+ .8	+ 3.9	+ 4.8	+ 2.7	+ 4.8	+14.7	- .4	- .2	+ .2	+2.1	
Net change in classified loans <u>1/</u>	+412.8	-3.0	+230.9	+16.6	+29.4	+ 9.9	+16.7	+76.1	+12.4	+8.8	+ 7.8	+7.2	--
Unclassified changes - net	+ 32.2	+6.0	- 1.9	- 3.6	- .4	+ 1.1	- .7	+ 2.9	+ 1.6	- .8	+ 4.2	-2.2	+26.0
Net change in commercial and industrial loans	+445.0	+3.0	+229.0	+13.0	+29.0	+11.0	+16.0	+79.0	+14.0	+8.0	+12.0	+5.0	+26.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District 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.