

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

January 9, 1957

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$111 million in loans to the wholesale and retail trade, \$105 million to manufacturers of food, liquor, and tobacco products, \$80 million to manufacturers of metals and metal products, \$30 million to manufacturers of textiles, apparel, and leather products, were the principal factors in the \$169 million decrease in commercial and industrial loans at weekly reporting member banks during the week ended January 2. Partly offsetting increases included \$76 million in loans to public utilities, \$72 million to sales finance companies, and \$42 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products.

The decreases in loans to manufacturers of food, liquor, and tobacco products and to the wholesale and retail trade were the largest weekly decreases in these categories since the series was started in 1951.

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>	<u>Week ended Jan. 2^p/</u>	<u>Cumulative since mid-year</u>	
		<u>June 27, 1956 to Jan. 2, 1957^p/</u>	<u>June 29, 1955 to Jan. 4, 1956</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	-105	+ 717	+ 432
Textiles, apparel, and leather	- 30	- 35	+ 67
Metals and metal products	- 80	- 151	+ 223
Petroleum, coal, chemicals, & rubber	+ 42	+ 470	+ 246
Other manufacturing and mining	- 16	+ 56	+ 61
Trade--wholesale and retail	-111	+ 68	+ 289
Commodity dealers	+ 5	+ 744	+ 458
Sales finance companies	+ 72	+ 170	+ 757
Public utilities and transportation	+ 76	+ 426	+ 81
Construction	--	- 66	+ 100
All other types of business	+ 24	+ 200	+ 337
Classified changes - net	-122	+2,598	+3,051
Unclassified changes - net	- 48	- 308	<u>1/ - 197</u>
Net change in commercial and industrial loans	-169	+2,290	<u>1/ +2,854</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 usual weekly table, a monthly table is attached showing changes during December compared with the preceding month and with December 1955; and also showing changes during the past twelve months.

The larger changes during December were increases, as they had been in the preceding month and in December 1955. For sales finance companies, it was the largest monthly increase in this category since the series was started in 1951.

Loans to the wholesale and retail trade and to manufacturers and producers of petroleum, coal, chemicals, and rubber products declined during December following increases during November; the decline in the latter was the first monthly decrease since May.

For the year, all business categories showed net increases in loans except sales finance companies and the construction industry.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, JANUARY 2, 1957

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>q/</u>
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	-105.1	- 2.6	- 76.7	-2.5	-1.9	- .6	- 1.6	-17.8	+1.1	- .3	- .4	- 2.5	+ .7
Textiles, apparel, and leather	- 29.5	- 2.5	- 17.1	-2.7	- .3	+ .2	- 1.0	- 4.2	- .8	- .3	- .2	- .3	- .3
Metals and metal products (including machinery & transportation equipment)	- 80.2	+ 1.3	- 70.2	+ .8	-4.0	- .7	+ .7	- 9.4	+ .9	- 3.5	- .7	- 1.6	+ 6.2
Petroleum, coal, chemicals, and rubber	+ 42.3	+ 2.8	+ 10.3	+ .9	+ .8	- .7	+ .4	+19.3	+ .1	+ .4	+3.8	+ 2.5	+ 1.7
Other manufacturing and mining	- 15.5	+ .8	+ .4	+ .2	-2.1	--	+ .6	-13.8	- .3	- .6	--	- 1.0	+ .3
Trade:													
Wholesale	(-110.7)	+ 3.1	- .4	-1.3	- .9	+ .3	- .1	- 3.4	-4.7	- 2.3	- .3	(- 3.5)	+ .9
Retail		- .8	- 61.2	-2.2	-2.2	- 5.4	- .9	-11.0	-2.6	- 1.5	-4.0	(- 3.5)	- 6.3
Commodity dealers	+ 5.2	+ .5	+ 12.1	+ .5	+2.1	+ .8	- .7	- 3.1	-8.4	- 3.2	+1.7	+ .6	+ 2.3
Sales finance companies	+ 71.7	+ 6.6	- 29.1	+6.8	+9.7	+ 8.1	+ 9.5	+25.0	+4.8	+ 1.3	+4.4	+ 6.8	+17.8
Public utilities (including transportation)	+ 76.2	+ 4.0	+ 57.6	+ .8	+2.0	+ 1.0	+ 3.0	+ 8.4	+1.9	+ .1	+ .3	- .9	- 2.0
Construction	--	+10.7	- 2.4	+2.3	-1.1	- .3	+ .6	- 2.1	-2.0	+ .7	- .7	- 4.5	- 1.2
All other types of business	+ 24.1	- 7.9	+ 3.7	+ .3	-2.2	+ 2.7	- 2.5	+ 5.8	+2.7	- 2.6	+3.8	+23.1	- 2.8
Net change in classified loans <u>1/</u>	-121.5	+16.0	-173.0	+3.9	- .1	+ 5.4	+ 8.0	- 6.3	-7.3	-11.8	+7.7	+18.7	+17.3
Unclassified changes - net	- 47.5	+11.0	- 39.0	-3.9	-8.9	+ 4.6	+ 2.0	+ 2.3	+ .3	- 2.2	-2.7	+ 1.3	-12.3
Net change in commercial and industrial loans	-169.0	+27.0	-212.0	--	-9.0	+10.0	+10.0	- 4.0	-7.0	-14.0	+5.0	+20.0	+ 5.0

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.

H.12(b)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY

Business of Borrower	4 weeks ended Dec. 26, 1956	4 weeks ended Nov. 28, 1956	4 weeks ended Dec. 28, 1955	12 months ended Dec. 26, 1956
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+167.6	+154.2	+ 61.5	+ 520.4
Textiles, apparel, and leather	+ 2.8	- 24.3	+ 1.6	+ 232.3
Metals and metal products (including machinery and transportation equipment)	+152.6	+116.3	+145.2	+1,290.7
Petroleum, coal, chemicals, and rubber	- 58.1	+ 88.7	+ 55.6	+ 851.9
Other manufacturing and mining	- 7.7	- 30.2	+ 7.6	+ 441.0
Trade -- wholesale and retail	- 78.4	+ 31.2	- 43.8	+ 349.4
Commodity dealers	+103.9	+ 96.5	- 6.8	+ 352.8
Sales finance companies	+516.3	+ 60.0	+481.9	- 223.6
Public utilities (including transportation)	+136.1	+ 31.7	- 31.1	+ 715.0
Construction	- 9.1	- 21.7	+ 4.8	- 12.0
All other types of business	+ 22.3	+ 31.2	+ 57.5	+ 325.1
Net change in classified loans <u>1/</u>	+948.3	+533.6	+734.0	+4,843.0
Unclassified changes - net	- 28.3	- 54.6	- 41.0	- 141.0
Net change in commercial and industrial loans	+920.0	+479.0	+693.0	+4,702.0

1/ See footnote on preceding table regarding current coverage.