

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

January 16, 1957

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

All industrial classifications participated in the decrease of \$377 million in commercial and industrial loans at weekly reporting member banks during the week ended January 9.

The principal decreases were \$131 million in loans to sales finance companies, \$39 million to "other" types of business, \$36 million to manufacturers of food, liquor, and tobacco products, \$30 million to the wholesale and retail trade, and \$70 million to unclassified borrowers.

The decrease of \$17 million in loans to commodity dealers was the first weekly decrease of as much as a million in this category since June 1956. The decreases in loans to sales finance companies and to public utilities were the first weekly decreases in these categories since the first week in November.

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<br>ended<br>Jan. 9 <sup>p/</sup> | <u>Cumulative since mid-year</u>                  |                                      |
|---|---------------------------------------|---|--------------------------------------|
|   |                                       | June 27, 1956<br>to<br>Jan. 9, 1957 <sup>p/</sup> | June 29, 1955<br>to<br>Jan. 11, 1956 |
|   |                                       | (In millions of dollars)                          |                                      |
| Manufacturing and mining:                     |                                       |   |                                      |
| Food, liquor, and tobacco                     | - 36                                  | + 679   | + 407                                |
| Textiles, apparel, and leather                | - 2                                   | - 37  | + 71                                 |
| Metals and metal products                     | - 10                                  | - 165   | + 261                                |
| Petroleum, coal, chemicals, & rubber          | - 11                                  | + 459   | + 252                                |
| Other manufacturing and mining                | - 11                                  | + 45  | + 71                                 |
| Trade--wholesale and retail                   | - 30                                  | + 33  | + 280                                |
| Commodity dealers                             | - 17                                  | + 727   | + 449                                |
| Sales finance companies                       | -131                                  | + 53  | + 534                                |
| Public utilities and transportation           | - 2                                   | + 430   | + 84                                 |
| Construction                                  | - 18                                  | - 86  | + 112                                |
| All other types of business                   | - 39                                  | + 163   | + 312                                |
| Classified changes - net                      | -307                                  | +2,300  | +2,833                               |
| Unclassified changes - net                    | - 70                                  | - 385   | <u>1/</u> - 231                      |
| Net change in commercial and industrial loans | -377                                  | +1,915  | <u>1/</u> +2,602                     |

<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, JANUARY 9, 1957

| Business of Borrower  | All Dis-<br>tricts <u>1/</u> | Boston | New<br>York | Phila-<br>delphia | Cleve-<br>land | Rich-<br>mond | Atlanta | Chicago | St.<br>Louis | Minne-<br>apolis | Kansas<br>City | Dallas | San Fran-<br>cisco <u>2/</u> |
|---|------------------------------|--------|-------------|-------------------|----------------|---------------|---------|---------|--------------|------------------|----------------|--------|------------------------------|
| (In millions of dollars)  |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Manufacturing and mining:   |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Food, liquor, and tobacco   | - 36.4                       | +2.3   | - 4.7       | +1.1              | -11.5          | - .5          | - .5    | -17.4   | - 1.3        | -1.4             | + .2           | - .1   | - 2.6                        |
| Textiles, apparel, and leather  | - 1.7                        | -2.2   | - 3.1       | +1.0              | + .7           | + .4          | --      | - .2    | - .3         | --               | + .1           | + .2   | + 1.7                        |
| Metals and metal products (including<br>machinery & transportation equipment) | - 10.2                       | - .6   | - .5        | -2.6              | - 2.9          | + .4          | + 2.9   | + .5    | + .6         | + .2             | - 1.1          | +2.7   | - 9.8                        |
| Petroleum, coal, chemicals, and rubber  | - 11.4                       | - .7   | + 4.4       | - .6              | + .5           | --            | - .6    | - 7.4   | + .2         | - .4             | - 3.5          | -3.1   | - .2                         |
| Other manufacturing and mining  | - 11.2                       | -1.1   | - 1.6       | - .4              | - .9           | + .7          | + .8    | - 4.6   | + .2         | + .3             | - .8           | + .1   | - 3.9                        |
| Trade:  |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Wholesale   | (- 29.9)                     | -2.6   | - 2.0       | - .5              | - .6           | - .9          | - .6    | - 1.5   | - 2.7        | - .5             | + .5           | (+2.1) | - .3                         |
| Retail  |                              | + .3   | - 10.7      | -2.2              | - 2.7          | -1.4          | - .1    | + .1    | - 1.3        | -1.2             | - .3           |        | - .8                         |
| Commodity dealers   | - 16.6                       | - .8   | - 10.5      | + .9              | + .6           | -1.5          | - 1.6   | - 3.8   | - 2.7        | +4.1             | - 1.4          | --     | + .1                         |
| Sales finance companies   | -130.6                       | -5.0   | - 68.1      | +3.1              | -14.1          | -1.1          | - 6.0   | -38.7   | - 3.0        | - .4             | - .4           | -2.0   | + 5.1                        |
| Public utilities (including transportation)                                   | - 1.5                        | +1.9   | + .9        | + .5              | - 2.4          | + .5          | + .4    | - 2.8   | - .3         | + .1             | + .1           | + .7   | - 1.1                        |
| Construction  | - 18.3                       | + .3   | - 2.5       | -1.3              | - .5           | -1.1          | - 1.1   | - 5.3   | - .6         | -1.6             | - .4           | -3.4   | - .8                         |
| All other types of business   | - 38.9                       | - .2   | - 13.0      | -2.6              | - .3           | -1.9          | - 1.8   | - 6.6   | - 1.6        | - .3             | - 4.1          | -1.5   | - 4.5                        |
| Net change in classified loans <u>1/</u>                                      | -306.7                       | -8.4   | -111.4      | -3.6              | -34.6          | -6.4          | - 8.2   | -87.7   | -12.8        | -1.1             | -11.1          | -4.3   | -17.1                        |
| Unclassified changes - net  | - 70.3                       | + .4   | - 26.6      | + .6              | - 2.4          | - .6          | - 2.8   | - 6.3   | - 1.2        | -3.9             | - .9           | -1.7   | -24.9                        |
| Net change in commercial and<br>industrial loans                              | -377.0                       | -8.0   | -138.0      | -3.0              | -37.0          | -7.0          | -11.0   | -94.0   | -14.0        | -5.0             | -12.0          | -6.0   | -42.0                        |

2/ 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.