

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

February 13, 1957

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$62 million in loans to public utilities, \$45 million to manufacturers of food, liquor, and tobacco products, \$22 million to commodity dealers, and \$14 million to the wholesale and retail trade were the principal factors in the \$90 million decrease in commercial and industrial loans at weekly reporting member banks during the week ended February 6.

Partially offsetting increases included \$18 million in loans to manufacturers of metals and metal products, \$16 million to "other" manufacturing and mining, \$15 million to manufacturers of textiles, apparel, and leather products, and \$10 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products.

Changes in loans during the week and since year-end are shown below; the third column shows the changes during the comparable period last year:

<u>Business of Borrower</u>	<u>Week ended Feb. 6^{p/}</u>	<u>Cumulative since year-end</u>	
		<u>Dec. 26, 1956 to Feb. 6, 1957^{p/}</u>	<u>Dec. 28, 1955 to Feb. 8, 1956</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	-45	- 299	-155
Textiles, apparel, and leather	+15	- 8	+ 33
Metals and metal products	+18	- 1	+124
Petroleum, coal, chemicals, & rubber	+10	+ 28	+ 50
Other manufacturing and mining	+16	- 6	+ 22
Trade--wholesale and retail	-14	- 247	- 66
Commodity dealers	-22	- 89	- 35
Sales finance companies	--	- 186	-358
Public utilities and transportation	-62	+ 39	+ 73
Construction	- 5	- 43	- 30
All other types of business	- 2	- 110	- 82
Classified changes - net	-90	- 923	-424
Unclassified changes - net	--	- 200	- 87
Net change in commercial and industrial loans	-90	-1,122	-511

^{p/} Preliminary; see footnote on attached table.

In addition to the usual weekly table, a monthly table is attached showing changes during January compared with the preceding month and with January 1956; and also showing changes during the past twelve months.

Some of the larger changes during January were reversals of the previous monthly trends and similar to changes in January 1956. Loans to manufacturers of food, liquor, and tobacco products showed the first monthly decrease since July; loans to commodity dealers showed the first monthly decrease since June; and loans to sales finance companies decreased, following a large increase in December.

Previous trends continued in some categories. Loans to the wholesale and retail trade decreased for the second consecutive month; loans to public utilities increased for the sixth consecutive month; and loans to the construction industry decreased for the fifth 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, FEBRUARY 6, 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>p/</u>
	(In millions of dollars)												
Manufacturing and mining:													
Food, liquor, and tobacco	-44.9	-1.3	-12.0	-3.5	-1.6	- .5	- .5	-12.4	-2.0	-1.1	-2.6	- 1.1	- 6.3
Textiles, apparel, and leather	+15.3	+2.4	+ 5.4	+2.0	- .3	+1.0	+ .4	+ 2.9	--	+ .2	+ .4	+ .3	+ .6
Metals and metal products (including machinery & transportation equipment)	+18.1	+4.1	+ 1.6	- .3	-2.1	+1.5	- .1	+10.0	+1.3	+ .3	+ .5	- .4	+ 1.7
Petroleum, coal, chemicals, and rubber	+ 9.9	+ .1	+ 7.4	--	+ .2	+ .4	- .8	+ 2.0	+ .2	+ .2	- .1	- .5	+ .8
Other manufacturing and mining	+15.6	+4.5	+ 2.7	- .7	- .2	+ .7	+1.6	+ 5.4	- .1	- .1	+ .2	+ .8	+ .8
Trade:													
Wholesale	(-13.9)	+ .5	- 4.7	- .9	+ .7	- .6	--	- .4	+1.5	+ .4	+ .5	(+ .8)	- .1
Retail		+ .7	- 7.4	+ .9	- .6	- .7	+ .4	- 2.0	+1.4	- .1	-1.2	(+ .8)	- 3.0
Commodity dealers	-21.7	- .2	- 1.8	- .5	-2.2	- .2	--	- 1.8	-6.2	-1.1	- .9	- 7.2	+ .4
Sales finance companies	+ .1	-8.0	- 3.0	- .6	+8.2	-1.9	-1.8	+10.6	- .2	-1.0	+ .5	- 1.0	- 1.7
Public utilities (including transportation)	-61.6	+ .5	-38.4	+ .2	+ .6	+ .1	-1.1	- 1.1	-2.1	+ .2	-1.7	- 1.0	-17.8
Construction	- 4.9	- .1	- .1	--	- .2	+1.1	- .2	- 2.3	- .3	- .2	- .4	--	- 2.2
All other types of business	- 1.8	- .2	+ 4.0	+4.9	+1.9	-1.5	-1.6	- 4.7	+1.3	+ .3	-2.3	- 1.9	- 2.0
Net change in classified loans <u>1/</u>	-89.8	+3.0	-46.3	+1.5	+4.4	- .6	-3.7	+ 6.2	-5.2	-2.0	-7.1	-11.2	-28.8
Unclassified changes - net	- .2	+1.0	+ 4.3	-1.5	-1.4	+1.6	- .3	- 1.2	+1.2	-1.0	- .9	- .8	- 1.2
Net change in commercial and industrial loans	-90.0	+4.0	-42.0	--	+3.0	+1.0	-4.0	+ 5.0	-4.0	-3.0	-8.0	-12.0	-30.0

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	5 weeks ended Jan. 30, 1957	4 weeks ended Dec. 26, 1956	4 weeks ended Jan. 25, 1956	12 months ended Jan. 30, 1957
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 254.1	+ 167.6	- 112.7	+ 379.0
Textiles, apparel, and leather	- 22.9	+ 2.8	+ 5.5	+ 203.9
Metals and metal products (including machinery and transportation equipment)	- 19.4	+ 152.6	+ 66.1	+1,205.2
Petroleum, coal, chemicals, and rubber	+ 17.6	- 58.1	+ 47.8	+ 821.7
Other manufacturing and mining	- 21.3	- 7.7	+ 9.6	+ 410.1
Trade -- wholesale and retail	- 233.3	- 78.4	- 67.7	+ 183.8
Commodity dealers	- 67.6	+ 103.9	- 38.2	+ 323.4
Sales finance companies	- 186.4	+ 516.3	- 221.0	- 189.0
Public utilities (including transportation)	+ 100.1	+ 136.1	+ 65.2	+ 749.9
Construction	- 37.6	- 9.1	- 3.9	- 45.7
All other types of business	- 107.8	+ 22.3	- 81.4	+ 298.7
Net change in classified loans ^{1/}	- 832.7	+ 948.3	- 330.7	+4,341.0
Unclassified changes - net	- 199.3	- 28.3	- 139.3	- 201.0
Net change in commercial and industrial loans	-1,032.0	+ 920.0	- 470.0	+4,140.0

^{1/} See footnote on preceding table regarding current coverage.