

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 13, 1957

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$81 million in loans to sales finance companies, \$50 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and \$42 million to manufacturers of metals and metal products were the principal factors in the \$136 million increase in commercial and industrial loans at weekly reporting member banks during the week ended March 6.

Partially offsetting decreases included \$20 million each in loans to commodity dealers and to "other" types of business.

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>	Week ended <u>Mar. 6^{p/}</u>	Cumulative since year-end	
		Dec. 26, 1956 to <u>Mar. 6, 1957^{p/}</u>	Dec. 28, 1955 to <u>Mar. 7, 1956</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 6	-338	-238
Textiles, apparel, and leather	+ 17	+ 78	+ 73
Metals and metal products	+ 42	+160	+368
Petroleum, coal, chemicals, & rubber	+ 50	+ 23	+140
Other manufacturing and mining	+ 18	+ 38	+105
Trade--wholesale and retail	- 1	-206	+ 3
Commodity dealers	- 20	-162	- 44
Sales finance companies	+ 81	- 75	-504
Public utilities and transportation	- 13	+ 37	+ 90
Construction	- 7	- 53	- 29
All other types of business	- 20	-161	- 85
Classified changes - net	+150	-660	-120
Unclassified changes - net	- 14	-181	- 82
Net change in commercial and industrial loans	+136	-841	-202

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

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

As in 1956, the net increase in commercial and industrial loans during February was relatively small in comparison with the January net decreases. In the industrial categories, the increase in loans to manufacturers of metals and metal products was the principal factor in the net increase in February of both years. Loans to sales finance companies showed a small increase in February 1957 in contrast to a substantial decrease during the corresponding month a year ago.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MARCH 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	+ 5.5	-3.1	- .4	-1.6	+3.8	- .4	+1.8	+ 1.4	+7.0	-1.0	-1.2	+1.9	- 2.7
Textiles, apparel, and leather	+ 16.5	+ .1	+ 11.5	-1.0	+1.6	+1.2	+1.1	+ 1.2	+ .1	--	+ .2	- .2	+ .7
Metals and metal products (including machinery & transportation equipment)	+ 41.6	+1.0	+ 10.8	+4.9	-1.2	--	+1.7	+17.3	+2.2	+1.2	--	--	+ 3.7
Petroleum, coal, chemicals, and rubber	+ 50.1	+ .8	+ 44.9	+3.2	- .4	+ .2	--	- .3	+ .7	+ .5	- .8	+1.6	- .3
Other manufacturing and mining	+ 17.5	+1.8	+ 6.0	+ .1	+ .7	- .3	+1.1	+ 5.5	+1.7	--	- .3	- .8	+ 2.0
Trade:													
Wholesale	(- 1.4)	- .9	- 8.1	+ .1	- .2	- .4	-1.7	+ 1.2	+1.1	+ .8	-1.1	(- .7)	--
Retail	(- 1.4)	-2.4	+ 2.9	- .8	+2.7	+3.5	+ .6	+ 2.9	+ .3	- .2	- .4	(- .7)	- .6
Commodity dealers	- 20.4	- .4	- 6.8	- .5	- .7	- .8	--	+ 1.1	-3.0	+ .2	- .3	-3.6	- 5.6
Sales finance companies	+ 81.4	+8.2	+ 68.0	+2.9	- .1	-2.7	--	+16.2	-3.0	-1.3	+ .4	+ .7	- 7.9
Public utilities (including transportation)	- 13.4	+1.5	- 6.8	- .8	- .7	-2.9	+5.2	- 2.0	- .4	+ .2	+ .1	+ .9	- 7.7
Construction	- 7.3	+ .2	- .4	--	- .7	- .2	-1.8	- 2.3	- .6	+2.4	- .5	-3.5	+ .1
All other types of business	- 20.4	--	- 4.7	- .1	--	-3.5	+ .9	- 6.2	-2.0	+ .6	+ .4	-2.3	- 3.5
Net change in classified loans <u>1/</u>	+149.7	+6.8	+116.9	+6.4	+4.8	-6.3	+8.9	+36.0	+4.1	+3.4	-3.5	-6.0	-21.8
Unclassified changes - net	- 13.7	+ .2	- 22.9	+1.6	- .8	- .7	+ .1	--	- .1	+ .6	+1.5	--	+ 6.8
Net change in commercial and industrial loans	+136.0	+7.0	+ 94.0	+8.0	+4.0	-7.0	+9.0	+36.0	+4.0	+4.0	-2.0	-6.0	-15.0

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 Feb. 27, 1957	5 weeks ended Jan. 30, 1957	5 weeks ended Feb. 29, 1956	12 months ended Feb. 27, 1957
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 89.5	- 254.1	-120.3	+ 409.8
Textiles, apparel, and leather	+ 84.1	- 22.9	+ 48.1	+ 239.9
Metals and metal products (including machinery and transportation equipment)	+137.8	- 19.4	+249.8	+1,093.2
Petroleum, coal, chemicals, and rubber	- 44.7	+ 17.6	+ 45.2	+ 731.8
Other manufacturing and mining	+ 41.8	- 21.3	+ 59.3	+ 392.6
Trade -- wholesale and retail	+ 28.7	- 233.3	+ 56.6	+ 155.9
Commodity dealers	- 74.2	- 67.6	+ 8.2	+ 241.0
Sales finance companies	+ 30.4	- 186.4	-257.2	+ 98.6
Public utilities (including transportation)	- 50.1	+ 100.1	+ 13.0	+ 686.8
Construction	- 8.1	- 37.6	- 29.1	- 24.7
All other types of business	- 33.1	- 107.8	+ 1.7	+ 263.9
Net change in classified loans <u>1/</u>	+ 23.1	- 832.7	+ 75.3	+4,288.8
Unclassified changes - net	+ 31.9	- 199.3	+ 44.7	- 213.8
Net change in commercial and industrial loans	+ 55.0	-1,032.0	+120.0	+4,075.0

1/ See footnote on preceding table regarding current coverage.