

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

June 12, 1957

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$77 million in loans to sales finance companies, \$23 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products were the principal factors in the \$89 million increase in commercial and industrial loans at weekly reporting member banks during the week ended June 5.

Partly offsetting net decreases included \$21 million to commodity dealers and \$11 million to manufacturers of food, liquor, and tobacco 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>	Week ended <u>June 5^{P/}</u>	<u>Cumulative since year-end</u>	
		<u>Dec. 26, 1956</u>	<u>Dec. 28, 1955</u>
		<u>to</u> <u>June 5, 1957^{P/}</u>	<u>to</u> <u>June 6, 1956</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	-11	-485	- 347
Textiles, apparel, and leather	+ 1	+108	+ 184
Metals and metal products	- 3	+637	+ 995
Petroleum, coal, chemicals, and rubber	+23	+112	+ 413
Other manufacturing and mining	+ 6	+122	+ 298
Trade--wholesale and retail	+ 1	- 48	+ 211
Commodity dealers	-21	-494	- 315
Sales finance companies	+77	+128	- 424
Public utilities and transportation	- 2	+160	+ 169
Construction	+ 3	- 37	+ 33
All other types of business	<u>+14</u>	<u>-126</u>	<u>+ 83</u>
Classified changes - net	+88	+ 77	+1,300
Unclassified changes - net	<u>+ 1</u>	<u>-175</u>	<u>+ 52</u>
Net change in commercial and industrial loans	+89	- 98	+1,352

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

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

The changes during May were similar to those during April and a year ago May in that there were further repayments in loans by manufacturers of food, liquor, and tobacco products and by commodity dealers, and a further increase in loans to the wholesale and retail trade. The May 1957 decrease in loans to commodity dealers was the largest monthly decrease in this category since May 1951.

Loans to sales finance companies decreased during the current month as they did in May 1956; in both years these decreases followed increases in April. Loans to manufacturers of metals and metal products and to public utilities increased in the current month, following decreases in April.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, JUNE 5, 1957

Business of Borrower	All Dis- tricts p/	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco p/
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	-10.5	+ .5	- 6.9	+ 1.8	+2.8	-1.9	-3.5	- 2.8	- .6	- .1	- .1	- .6	+ .9
Textiles, apparel, and leather	+ .8	- .3	- 1.2	+ .4	- .2	--	- .1	+ .8	+ .2	+ .1	--	+ .2	+ .9
Metals and metal products (including machinery & transportation equipment)	- 2.6	+1.0	- 2.5	- 2.7	- .1	+1.2	+1.1	+ 1.7	- .3	- .2	--	- .8	- 1.0
Petroleum, coal, chemicals, and rubber	+22.5	- .4	+18.8	+ .1	-1.0	- .2	+1.0	+ 1.8	- .8	+ .2	+ .2	+4.1	- 1.3
Other manufacturing and mining	+ 5.6	- .2	- 3.7	- .3	+1.4	-1.3	-1.3	+ 7.4	+ .5	+ .4	+ .8	- .2	+ 2.1
Trade:													
Wholesale	()	- .6	- 4.0	+ .4	+ .5	-1.4	+1.2	+ 2.5	-1.4	- .1	+ .1	()	--
Retail	(+ 1.2)	- .5	- .7	- .1	+2.1	- .6	- .1	+ 5.6	+1.5	- .4	-1.3	(+1.2)	- 2.7
Commodity dealers	-21.0	-1.0	- 6.4	+ .6	-1.8	- .8	-2.1	+ .6	-4.5	- .1	+ .3	-4.8	- 1.0
Sales finance companies	+76.8	+2.2	+37.6	+ 7.0	+5.8	+1.3	+3.4	+ 9.8	+3.6	+1.4	+ .8	+ .7	+ 3.2
Public utilities (including transportation)	- 2.0	-1.8	+11.2	+ 1.5	-2.6	+ .1	- .3	- 6.1	+ .6	+ .7	-1.1	-2.0	- 2.2
Construction	+ 3.4	+ .6	+ 2.2	--	-2.3	--	- .3	+ 1.7	- .4	+1.1	+ .2	-1.0	+ 1.6
All other types of business	+13.6	--	- .2	+ 2.1	+1.1	-2.0	+ .1	+11.0	+ .3	- .4	--	-1.1	+ 2.7
Net change in classified loans <u>1/</u>	+87.8	- .5	+44.2	+10.8	+5.7	-5.6	- .9	+34.0	-1.3	+2.6	- .1	-4.3	+ 3.2
Unclassified changes - net	+ 1.2	+4.5	- 9.2	- 1.8	- .7	+ .6	-1.1	+ 2.0	+ .3	-4.6	+1.1	-2.7	+12.8
Net change in commercial and industrial loans	+89.0	+4.0	+35.0	+ 9.0	+5.0	-5.0	-2.0	+36.0	-1.0	-2.0	+1.0	-7.0	+16.0

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 May 29, 1957	4 weeks ended Apr. 24, 1957	5 weeks ended May 30, 1956	12 months ended May 29, 1957
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 95.8	-73.8	- 81.3	+ 372.8
Textiles, apparel, and leather	- 35.3	+ 6.4	+ 37.9	+ 163.3
Metals and metal products (including machinery and transportation equipment)	+ 97.8	-19.0	+ 53.2	+ 965.0
Petroleum, coal, chemicals, and rubber	+ 7.1	+29.3	- 7.1	+ 687.2
Other manufacturing and mining	- 6.2	+10.9	+ 32.0	+ 294.2
Trade -- wholesale and retail	+ 10.4	+64.3	+ 20.0	+ 93.4
Commodity dealers	-137.1	-83.0	-107.1	+ 169.7
Sales finance companies	-176.3	+91.6	-101.3	+ 208.3
Public utilities (including transportation)	+ 61.2	-39.2	- 43.5	+ 733.5
Construction	- .8	+ 4.1	+ 32.8	- 83.1
All other types of business	+ 11.4	-18.3	+102.6	+ 123.1
Net change in classified loans <u>1/</u>	-263.6	-26.7	- 61.8	+3,727.4
Unclassified changes - net	- 3.4	-57.3	+ 4.8	- 373.4
Net change in commercial and industrial loans	-267.0	-84.0	- 57.0	+3,354.0

1/ See footnote on preceding table regarding current coverage.