

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 10, 1957-

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net decreases of \$123 million in loans to public utilities, \$32 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$28 million to manufacturers of metals and metal products, \$23 million to manufacturers of food, liquor, and tobacco products, and \$47 million to unclassified borrowers were the principal factors in the net decrease of \$196 million in commercial and industrial loans at weekly reporting member banks during the week ended July 3.

Partly offsetting increases included \$41 million in loans to sales finance companies and \$24 million 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>July 3<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 26, 1956</u> to <u>July 3, 1957<sup>p/</sup></u>	<u>Dec. 28, 1955</u> to <u>July 4, 1956</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 23	- 479	- 327
Textiles, apparel, and leather	+ 2	+ 150	+ 254
Metals and metal products	- 28	+ 907	+1,333
Petroleum, coal, chemicals, and rubber	- 32	+ 259	+ 445
Other manufacturing and mining	- 11	+ 203	+ 371
Trade--wholesale and retail	- 8	- 9	+ 175
Commodity dealers	+ 11	- 527	- 376
Sales finance companies	+ 41	+ 407	- 313
Public utilities and transportation	-123	+ 389	+ 365
Construction	- 2	- 14	+ 43
All other types of business	+ 24	- 30	+ 176
Classified changes - net	-149	+1,255	+2,147
Unclassified changes - net	- 47	- 195	+ 88
Net change in commercial and industrial loans	-196	+1,060	+2,235

<sup>p/</sup> Preliminary; see footnote on attached table.

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

All industrial classifications except commodity dealers increased their borrowings in June, with the result that the total net increase was about a third larger than in June 1956. The increase in loans to public utilities was the largest monthly increase in this business category since the series was started in 1951.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
 BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
 WEEK ENDED WEDNESDAY, JULY 3, 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	- 23.3	+ .5	- 4.2	-1.9	- 4.7	-2.7	+ .8	- 8.2	- .3	- .3	+1.1	- .1	- 3.3
Textiles, apparel, and leather	+ 2.4	+ .1	+ 1.9	--	- .4	+ .9	+ .2	+ .8	-2.1	+ .2	+ .2	+ .4	+ .2
Metals and metal products (including machinery & transportation equipment)	- 27.9	+2.1	+ 1.3	- .3	-10.8	+1.2	+ 2.0	-22.5	- .9	+ .6	-1.0	-1.8	+ 2.2
Petroleum, coal, chemicals, and rubber	- 31.8	- .3	-18.2	+ .1	+ 2.0	+ .1	+ .4	-17.4	+ .3	+ .5	-1.0	+ .7	+ 1.0
Other manufacturing and mining	- 11.2	--	+ 2.7	- .3	- 3.0	-1.6	+ .3	+ 2.1	+ .4	- .3	+ .5	-5.7	- 6.3
Trade:													
Wholesale	( - 7.7 )	-2.3	+ 6.7	+ .2	- .2	- .1	+ .4	+ 1.4	+ .6	+2.4	+ .2	( - )	+ 1.4
Retail	( - 7.7 )	-1.0	-16.9	-1.1	- .6	- .2	+ .9	+ .1	- .9	- .3	+ .1	( +2.5 )	- 1.0
Commodity dealers	+ 11.2	+1.0	+10.7	+ .7	- .8	-2.6	+ 1.5	+ 1.3	-2.7	+1.8	+ .2	- .4	+ .5
Sales finance companies	+ 41.0	- .3	+ 5.2	+5.7	+ .9	+3.2	+ .8	+ 5.8	+5.2	+1.2	+2.8	+6.3	+ 4.2
Public utilities (including transportation)	-123.4	+3.1	-126.5	-3.5	+ 2.8	- .8	+ .7	+ 8.1	+2.0	-1.6	- .1	+ .2	- 7.8
Construction	- 2.4	- .1	- 3.0	- .3	- .6	- .9	- .5	- 1.7	--	- .3	+1.1	+5.5	- 1.6
All other types of business	+ 24.3	--	+ 9.0	-1.3	+ 4.5	+3.0	+ 1.7	+ 5.5	+1.0	+1.3	+ .2	+ .9	- 1.5
Net change in classified loans <u>1/</u>	-148.8	+2.8	-131.3	-2.0	-10.9	- .5	+ 9.2	-24.7	+2.6	+5.2	+4.3	+8.5	-12.0
Unclassified changes - net	- 47.2	+2.2	- 27.7	-3.0	- .1	-5.5	+ .8	- .3	-1.6	- .2	-2.3	+ .5	-10.0
Net change in commercial and industrial loans	-196.0	+5.0	-159.0	-5.0	-11.0	-6.0	+10.0	-25.0	+1.0	+5.0	+2.0	+9.0	-22.0

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 June 26, 1957	5 weeks ended May 29, 1957	4 weeks ended June 27, 1956	12 months ended June 26, 1957
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+ 18.9	- 95.8	+ 25.3	+ 366.4
Textiles, apparel, and leather	+ 40.4	- 35.3	+ 61.6	+ 142.1
Metals and metal products (including machinery and transportation equipment)	+ 294.5	+ 97.8	+ 395.9	+ 863.6
Petroleum, coal, chemicals, and rubber	+ 201.1	+ 7.1	+ 170.2	+ 718.1
Other manufacturing and mining	+ 97.3	- 6.2	+ 105.9	+ 285.6
Trade -- wholesale and retail	+ 48.4	+ 10.4	- 35.4	+ 177.2
Commodity dealers	- 65.6	-137.1	- 95.9	+ 200.0
Sales finance companies	+ 314.9	-176.3	+ 59.4	+ 463.8
Public utilities (including transportation)	+ 350.9	+ 61.2	+ 221.9	+ 862.5
Construction	+ 28.7	- .8	+ 23.6	- 78.0
All other types of business	+ 85.3	+ 11.4	+ 86.4	+ 122.0
Net change in classified loans <u>1/</u>	+1,414.8	-263.6	+1,018.9	+4,123.3
Unclassified changes - net	+ 28.2	- 3.4	+ 63.1	- 408.3
Net change in commercial and industrial loans	+1,443.0	-267.0	+1,082.0	+3,715.0

1/ See footnote on preceding table regarding current coverage.