

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

January 15, 1958

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

All industrial classifications except loans to commodity dealers participated in the decrease of \$589 million in commercial and industrial loans at weekly reporting member banks during the week ended January 8.

The principal decreases were \$240 million in loans to sales finance companies, \$58 million to the wholesale and retail trade, \$57 million each to manufacturers of food, liquor, and tobacco products and to "other" types of business, and \$133 million to unclassified borrowers. The decrease in loans to sales finance companies was the largest weekly decrease in this category since the series was started in 1951.

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 ended <u>Jan. 8^{p/}</u>	<u>Cumulative since mid-year</u>	
		<u>June 26, 1957</u> to <u>Jan. 8, 1958^{p/}</u>	<u>June 27, 1956</u> to <u>Jan. 9, 1957</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 57	+274	+ 667
Textiles, apparel, and leather	- 1	-161	- 36
Metals and metal products	- 17	-513	- 165
Petroleum, coal, chemicals, and rubber	- 35	+116	+ 458
Other manufacturing and mining	- 1	-162	+ 44
Trade--wholesale and retail	- 58	- 65	+ 24
Commodity dealers	+ 30	+451	+ 724
Sales finance companies	-240	-348	+ 53
Public utilities and transportation	- 9	+174	+ 429
Construction	- 11	- 61	- 84
All other types of business	- 57	+ 1	+ 159
Classified changes - net	-456	-295	+2,274
Unclassified changes - net	-133	-590	- 365
Net change in commercial and industrial loans	-589	-885	+1,909

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

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

Most of the larger changes during December were in the same direction as in December 1956. However, loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products increased in contrast to a decrease during December 1956; and loans to manufacturers of food, liquor, and tobacco products, which had increased during December 1956, decreased during the current month.

Loans to the wholesale and retail trade showed the largest monthly decrease in this category since the series was started in 1951; conversely, loans to sales finance companies and to "other" types of business showed its largest monthly increases since the series was started.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT
WEEK ENDED WEDNESDAY, JANUARY 8, 1958

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	- 56.9	- 1.4	- 24.7	- 5.6	- 3.6	- .8	+ .3	-13.4	- 4.3	- .4	+ 2.3	+ 1.0	- 6.3
Textiles, apparel, and leather	- 1.3	- .5	+ .7	+ .4	+ .1	- 2.2	- .7	- .3	+ 1.5	--	- .4	+ .1	--
Metals and metal products (including machinery & transportation equipment)	- 16.7	- .8	- 18.4	- 1.9	+10.1	+ .2	+1.1	- 3.1	- .1	+ .6	- 1.8	- .8	- 1.8
Petroleum, coal, chemicals, and rubber	- 34.7	- 1.4	+ 11.5	+ .8	- 9.9	- 1.4	- .5	- 3.2	+ .1	- .2	-18.1	-10.7	- 1.7
Other manufacturing and mining	- 1.4	+ 4.2	- 2.1	+ .4	- .6	- .6	- .9	- 4.4	- .4	- .6	- .8	- 1.3	+ 5.7
Trade:													
Wholesale	(- 57.6)	- 3.8	- 4.8	- 4.5	- 1.4	- 1.0	-1.0	-10.2	- .1	--	--	(- 7.4)	+ .5
Retail		- 1.2	- 12.4	- 1.5	+ .2	- 1.2	- .1	+ .1	- 1.9	-1.2	- 2.3	(- 7.4)	- 2.4
Commodity dealers	+ 30.4	+ 2.7	+ 29.3	+ 1.0	- .9	+ 1.1	-1.0	- 3.7	+ 1.9	+ 1.9	- 4.2	+ 2.4	- .1
Sales finance companies	-240.1	- .4	-169.2	- 7.7	- 7.4	- 2.6	-1.6	-39.8	- 6.1	+ .8	- .7	- 5.2	- .2
Public utilities (including transportation)	- 9.2	- .9	- 16.2	- .2	+ 4.5	+ .1	+ .2	+ 4.6	+ 1.5	+ .4	+ .7	- .6	- 3.3
Construction	- 11.4	- 1.8	- .8	- 1.5	- .8	- .2	- .8	+ 1.4	- 1.2	-2.5	- .8	- .9	- 1.5
All other types of business	- 57.0	--	- 18.9	- .3	- .7	- 6.9	-3.6	+ 1.2	- 2.2	- .5	- 7.4	-17.4	- .3
Net change in classified loans <u>1/</u>	-455.9	- 5.3	-226.0	-20.6	-10.4	-15.5	-8.6	-70.8	-11.3	-1.7	-33.5	-40.8	-11.4
Unclassified changes - net	-133.1	-11.7	- 35.0	- 1.4	- 8.6	-10.5	- .4	-23.2	- 1.7	-4.3	- 2.5	- 1.2	-32.6
Net change in commercial and industrial loans	-589.0	-17.0	-261.0	-22.0	-19.0	-26.0	-9.0	-94.0	-13.0	-6.0	-36.0	-42.0	-44.0

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 Dec. 31, 1957	4 weeks ended Nov. 27, 1957	4 weeks ended Dec. 26, 1956	12 months ended Dec. 31, 1957
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 19.3	+ 62.8	+167.6	- 124.7
Textiles, apparel, and leather	- 20.1	- 25.4	+ 2.8	- 11.5
Metals and metal products (including machinery and transportation equipment)	+ 52.3	- 88.9	+152.6	+ 438.7
Petroleum, coal, chemicals, and rubber	+ 89.1	+ 48.5	- 58.1	+ 440.9
Other manufacturing and mining	- 65.3	- 42.2	- 7.7	+ 53.0
Trade -- wholesale and retail	-253.8	+ 51.7	- 78.4	- 8.8
Commodity dealers	+ 83.1	+ 67.6	+103.9	- 118.3
Sales finance companies	+569.1	-175.1	+516.3	+ 257.6
Public utilities (including transportation)	+200.2	+ 10.0	+136.1	+ 695.5
Construction	- 20.8	- 6.2	- 9.1	- 61.0
All other types of business	+135.1	- 66.1	+ 22.3	+ 3.4
Net change in classified loans <u>1/</u>	+749.6	-163.3	+948.3	+1,564.8
Unclassified changes - net	- 32.6	- 47.7	- 28.3	- 602.8
Net change in commercial and industrial loans	+717.0	-211.0	+920.0	+ 962.0

1/ See footnote on preceding table regarding current coverage.