

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 12, 1958

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

A net decrease of \$111 million in loans to sales finance companies was the principal factor in the net decrease of \$210 million in commercial and industrial loans at weekly reporting member banks during the week ended March 5.

Other net decreases included \$31 million in loans to public utilities, \$30 million to commodity dealers, \$18 million to manufacturers of food, liquor, and tobacco products, and \$52 million to unclassified borrowers. The larger offsetting net increase was \$25 million in loans to the wholesale and retail trade.

Changes in loans during the week and since the last Wednesday in December are shown below; the third column shows the changes during the comparable period last year.

<u>Business of Borrower</u>	Week ended <u>Mar. 5^{p/}</u>	Cumulative since year-end	
		<u>Dec. 25, 1957</u> to <u>Mar. 5, 1958^{p/}</u>	<u>Dec. 26, 1956</u> to <u>Mar. 6, 1957</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 18	- 490	-342
Textiles, apparel, and leather	+ 11	+ 91	+ 78
Metals and metal products	+ 9	+ 34	+160
Petroleum, coal, chemicals, and rubber	- 7	+ 11	+ 23
Other manufacturing and mining	+ 6	+ 7	+ 37
Trade--wholesale and retail	+ 25	- 338	-206
Commodity dealers	- 30	- 169	-165
Sales finance companies	-111	- 629	- 74
Public utilities and transportation	- 31	- 109	+ 30
Construction	- 12	- 42	- 54
All other types of business	--	- 29	-161
Classified changes - net	-158	-1,662	-675
Unclassified changes - net	- 52	- 395	-167
Net change in commercial and industrial loans	-210	-2,057	-841

^{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 1957, and also showing changes during the past twelve months.

Most of the larger changes during February were in the same direction as in February 1957, although the current month showed a net decline in commercial and industrial loans in contrast to a small increase last year. Loans to the wholesale and retail trade and to sales finance companies decreased in contrast to an increase during February 1957; and loans to "other" types of business, which decreased during February 1957, increased during the current month.

The decrease in loans to public utilities was the largest monthly decrease in this category since April 1956.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
 BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
 WEEK ENDED WEDNESDAY, MARCH 5, 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	- 18.1	- .6	+ 4.2	- .9	- .3	- .6	+ .1	-9.4	-1.6	+ .2	-1.7	- .9	- 6.4
Textiles, apparel, and leather	+ 10.5	-1.4	+ 9.6	- .2	+ .4	+ .4	+1.2	+ .1	-1.1	--	+ .1	+ .3	+ 1.1
Metals and metal products (including machinery & transportation equipment)	+ 9.0	+2.1	- 5.3	+1.0	+3.0	+ .3	+ .7	+5.4	+ .4	+ .3	- .5	- .4	+ 2.0
Petroleum, coal, chemicals, and rubber	- 7.4	+ .7	- 3.5	- .6	-4.4	+1.1	--	-3.3	+ .2	- .1	+2.1	+ .1	+ .3
Other manufacturing and mining	+ 5.8	+ .1	+ 3.0	--	- .3	+1.6	+ .2	+1.1	+1.6	--	+ .4	+ .1	- 2.0
Trade:													
Wholesale	{+ 24.8}	- .2	+ 6.0	- .8	- .3	+1.8	+ .5	- .3	+1.3	- .1	+ .1	{+ 6.4}	+ .7
Retail		- .9	+ .9	+ .2	+3.6	-2.5	+ .5	+8.2	+2.2	+ .4	- .1		- 2.8
Commodity dealers	- 29.7	-1.3	- 9.6	- .9	-1.2	-1.1	+ .7	-3.0	-9.2	+ .1	-1.2	- .6	- 2.4
Sales finance companies	-110.5	-1.6	-122.7	-6.2	+7.5	+3.5	-5.4	+9.1	+2.7	- .3	-2.5	+ 1.6	+ 3.8
Public utilities (including transportation)	- 30.6	+1.2	- 24.1	+2.3	-3.6	- .4	+ .3	-4.5	+1.1	+ .5	- .3	- 1.1	- 2.0
Construction	- 12.1	+ .2	- 1.2	+ .1	-1.5	+ .3	+ .5	+ .6	- .8	--	-1.3	- 7.3	- 1.7
All other types of business	+ .2	+9.0	+ 5.1	+1.3	+1.8	-3.1	-3.2	-2.3	+2.3	+ .5	- .7	- 7.0	- 3.5
Net change in classified loans <u>1/</u>	-158.1	+7.1	-137.6	-4.7	+4.7	+1.3	-3.9	+1.7	- .9	+1.5	-5.6	- 8.8	-12.9
Unclassified changes - net	- 51.9	+ .9	- 21.4	- .3	+1.3	+2.7	- .1	+1.3	+ .9	+1.5	-3.4	- 2.2	-33.1
Net change in commercial and industrial loans	-210.0	+8.0	-159.0	-5.0	+6.0	+4.0	-4.0	+3.0	--	+3.0	-9.0	-11.0	-46.0

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 about 95 per cent of total commercial and industrial loans of all weekly reporting member banks and about 75 per cent of those of all commercial banks.

Business of Borrower	4 weeks ended Feb. 26, 1958	4 weeks ended Jan. 29, 1958	4 weeks ended Feb. 27, 1957	12 months ended Feb. 26, 1958
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-126.1	- 227.3	- 89.5	-134.5
Textiles, apparel, and leather	+ 76.4	+ 24.9	+ 84.1	+ 28.6
Metals and metal products (including machinery and transportation equipment)	+110.9	- 43.7	+137.8	+387.5
Petroleum, coal, chemicals, and rubber	+ 4.0	- 22.2	- 44.7	+449.8
Other manufacturing and mining	+ 44.9	- 27.7	+ 41.8	+ 49.7
Trade -- wholesale and retail	- 50.8	- 207.4	+ 28.7	- 62.4
Commodity dealers	-125.0	- 9.7	- 74.2	-111.2
Sales finance companies	- 44.1	- 571.3	+ 30.4	-201.8
Public utilities (including transportation)	- 89.2	- 80.6	- 50.1	+475.7
Construction	+ 1.4	- 23.9	- 8.1	- 37.8
All other types of business	+ 42.8	- 130.4	- 33.1	+ 56.7
Net change in classified loans <u>1/</u>	-154.8	-1,319.3	+ 23.1	+900.3
Unclassified changes - net	- 40.2	- 280.7	+ 31.9	-765.3
Net change in commercial and industrial loans	-195.0	-1,600.0	+ 55.0	+135.0

1/ See footnote on preceding table regarding current coverage.