

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 9, 1958

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

The net decrease in commercial and industrial loans at weekly reporting member banks during the week ended July 2 amounted to \$14 million. The principal net decreases were \$132 million in loans to manufacturers of metals and metal products, \$72 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, \$31 million to manufacturers of food, liquor, and tobacco products, and \$26 million to public utilities. A substantial offsetting increase was \$270 million in loans to sales finance companies.

The decrease in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was the largest weekly decrease in this category since February 1957.

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>	<u>Week ended July 2^{p/}</u>	<u>Cumulative since year-end</u>	
		<u>Dec. 25, 1957 to July 2, 1958^{p/}</u>	<u>Dec. 26, 1956 to July 3, 1957</u>
		<u>(In millions of dollars)</u>	
Manufacturing and mining:			
Food, liquor, and tobacco	- 31	- 807	- 486
Textiles, apparel, and leather	+ 4	+ 67	+ 151
Metals and metal products	-132	- 28	+ 903
Petroleum, coal, chemicals, and rubber	- 72	- 175	+ 258
Other manufacturing and mining	+ 9	+ 151	+ 202
Trade--wholesale and retail	- 6	- 276	- 11
Commodity dealers	- 13	- 301	- 530
Sales finance companies	+270	- 486	+ 409
Public utilities and transportation	- 26	- 112	+ 392
Construction	- 4	+ 46	- 20
All other types of business	- 16	+ 111	- 26
Classified changes - net	- 17	-1,811	+1,243
Unclassified changes - net	+ 3	- 200	- 214
Net change in commercial and industrial loans	- 14	-2,011	+1,029

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

All industrial classifications except manufacturers of food, liquor, and tobacco products and commodity dealers showed net increases in loans in June; in all but one category the current increases were smaller than in June 1957, with the result that the total net increase in loans classified was about one third the increase of June 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, JULY 2, 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	- 31.0	- 1.6	- 21.6	- .2	- 2.7	- 2.3	- .1	- 4.1	- .3	- 1.2	+ 2.3	- .3	+ 1.1
Textiles, apparel, and leather	+ 3.8	- .7	--	+ 1.1	+ .3	+ 1.3	+ 1.0	+ 1.3	- .9	+ .2	+ .2	--	--
Metals and metal products (including machinery & transportation equipment)	- 132.3	- 6.4	- 77.8	- 4.6	- 12.5	+ .8	--	- 28.7	+ 2.0	- 1.8	- .3	- 1.3	- 1.7
Petroleum, coal, chemicals, and rubber	- 71.8	- 6.7	- 45.7	- .3	- 10.3	- 2.0	+ .1	- 4.6	- 1.4	+ .4	- 1.1	+ .2	- .4
Other manufacturing and mining	+ 9.2	- 1.4	+ 5.8	+ .2	- 1.0	- 1.8	- .3	+ 4.6	- .6	+ 4.0	--	+ 1.4	- 1.7
Trade:													
Wholesale	(- 6.2)	- 2.0	+ 8.7	+ .4	+ 1.3	- .6	+ .1	- 2.3	- 1.3	+ .2	+ .1	(- 3.5)	+ 1.7
Retail	(- 6.2)	- .9	--	- .9	+ .3	- 1.2	+ .2	- 4.5	- .9	--	- .1	(- 3.5)	- 1.0
Commodity dealers	- 12.8	- 1.3	- 5.2	- .1	+ .2	- 3.8	- .2	--	- 6.5	+ 1.5	- .2	+ 2.0	+ .8
Sales finance companies	+ 270.1	- 1.5	+ 209.4	+ 1.4	+ 14.0	+ .8	- .1	+ 36.0	+ 2.1	- 4.4	+ .2	+ 2.0	+ 10.2
Public utilities (including transportation)	- 26.3	- 1.0	- 21.4	+ 9.1	- .3	- .1	+ .1	- 8.7	+ .7	+ 1.0	- 2.4	- .5	- 2.8
Construction	- 3.7	+ .7	- 1.9	- .6	- 1.4	- .3	- .1	+ 2.3	+ .4	- 1.8	- .9	- 1.5	+ 1.4
All other types of business	- 15.7	+ 1.0	- 9.3	+ 1.0	+ 1.0	- 1.3	- 2.0	- 4.2	+ 2.7	+ .4	- .6	- 6.6	+ 2.2
Net change in classified loans <u>1/</u>	- 16.7	- 21.8	+ 41.0	+ 6.5	- 11.1	- 10.5	- 1.3	- 12.9	- 4.0	- 1.5	- 2.8	- 8.1	+ 9.8
Unclassified changes - net	+ 2.7	+ .8	- 16.0	- 1.5	- 1.9	+ 1.5	- 3.7	+ 6.9	+ 1.0	+ 2.5	+ 5.8	- .9	+ 8.2
Net change in commercial and industrial loans	- 14.0	- 21.0	+ 25.0	+ 5.0	- 13.0	- 9.0	- 5.0	- 6.0	- 3.0	+ 1.0	+ 3.0	- 9.0	+ 18.0

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 June 25, 1958	4 weeks ended May 28, 1958	4 weeks ended June 26, 1957	12 months ended June 25, 1958
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	--	- 81.2	+ 18.9	- 327.4
Textiles, apparel, and leather	+ 6.1	- 16.6	+ 40.4	- 75.4
Metals and metal products (including machinery and transportation equipment)	+135.9	+ 9.2	+ 294.5	- 349.9
Petroleum, coal, chemicals, and rubber	+ 31.1	- 87.0	+ 201.1	+ 10.3
Other manufacturing and mining	+ 56.7	+ 24.4	+ 97.3	- 3.6
Trade -- wholesale and retail	+ 11.4	- 14.5	+ 48.4	- 172.4
Commodity dealers	- 5.0	- 40.6	- 65.6	+ 137.2
Sales finance companies	+ 57.5	-132.9	+ 314.9	- 961.4
Public utilities (including transportation)	+ 72.5	-119.2	+ 350.9	+ 5.5
Construction	+ 29.5	+ 24.7	+ 28.7	+ 7.0
All other types of business	+ 77.9	+ 75.2	+ 85.3	+ 126.2
Net change in classified loans ^{1/}	+473.6	-358.5	+1,414.8	-1,603.9
Unclassified changes - net	+ 64.4	- 46.5	+ 21.2	- 637.1
Net change in commercial and industrial loans	+538.0	-405.0	+1,436.0	-2,241.0

^{1/} See footnote on preceding table regarding current coverage.