

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 11, 1959

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

A net increase of \$55 million in loans to sales finance companies was the principal factor in the \$46 million net increase in commercial and industrial loans at weekly reporting member banks during the week ended March 4. Other large net increases were \$29 million in loans to the wholesale and retail trade, \$17 million to manufacturers of textiles, apparel, and leather products, and \$12 million to commodity dealers.

The principal offsetting net decreases were \$22 million in loans to manufacturers of food, liquor, and tobacco products, \$21 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and \$20 million to manufacturers of metals and metal 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 March 4 ^{p/}	<u>Cumulative since year-end</u>	
		<u>Dec. 31, 1958</u> to <u>March 4, 1959^{p/}</u>	<u>Dec. 31, 1957</u> to <u>March 5, 1958</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	-22	- 243	- 371
Textiles, apparel, and leather	+17	+ 89	+ 112
Metals and metal products	-20	+ 224	+ 71
Petroleum, coal, chemicals, and rubber	-21	- 88	- 26
Other manufacturing and mining	+ 7	+ 13	+ 23
Trade--wholesale and retail	+29	- 31	- 237
Commodity dealers	+12	- 152	- 168
Sales finance companies	+55	- 304	- 726
Public utilities and transportation	+ 1	- 236	- 210
Construction	+ 2	- 12	- 34
All other types of business	+10	- 111	- 82
Classified changes - net	+71	- 849	-1,647
Unclassified changes - net	-25	- 224	- 355
Net change in commercial and industrial loans	+46	-1,073	-2,002

^{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 1958, and also showing changes during the past twelve months.

Most of the changes during February were in the same direction as in February 1958, although the current month showed no change in total commercial and industrial loans in contrast to a decrease last year. Loans to the wholesale and retail trade increased in contrast to a decrease during February 1958; and loans to "other" types of business, which increased during February 1958, decreased during the current month.

The current increase in loans to manufacturers of textiles, apparel, and leather products was the largest monthly increase in this category since February 1957 and the decrease in public utilities was the largest since October 1954.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MARCH 4, 1959

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	-21.5	+ 2.6	-10.2	- .3	- 1.5	+1.1	- .2	- 5.9	-3.2	- .6	+ .1	+ .2	- 3.6
Textiles, apparel, and leather	+17.3	+ 2.2	+ 9.0	+ 1.4	+ .9	- .3	+ .7	+ 2.2	+ .1	- .1	+ .1	+ .2	+ .9
Metals and metal products (including machinery & transportation equipment)	-19.8	+ 2.3	-24.5	- .5	- .6	+ .1	+ .5	+ .8	+ .6	+ .6	+1.8	+ .2	- 1.1
Petroleum, coal, chemicals, and rubber	-20.8	+ 1.2	-20.2	- .2	- 2.6	+ .3	+ 1.4	- 1.3	- .5	+1.1	--	- .8	+ .8
Other manufacturing and mining	+ 6.6	+ 1.6	- .7	- .7	+ 1.8	+1.5	+ .9	--	+ .7	+ .4	+1.2	+ .4	- .5
Trade:													
Wholesale	(+28.6)	- .8	+ 2.8	+ .5	+ .2	+1.1	+ 2.8	+ .7	+1.8	+ .1	+ .9	(+ 1.3)	+ 4.2
Retail		+ .9	+ 2.7	+ .3	--	+1.7	+ 2.0	+ 3.1	+ .9	+ .3	+ .9	(+ 1.3)	+ .2
Commodity dealers	+12.2	--	+12.9	- 1.0	- .2	- .3	- 1.8	+ 5.4	- .6	- .3	+ .1	- 2.6	+ .6
Sales finance companies	+55.1	+ 3.3	+26.7	+10.6	- 6.2	-2.3	+ .5	+ 7.2	+6.1	- .5	+1.5	+ 3.7	+ 4.5
Public utilities (including transportation)	+ 1.2	- 1.1	+ 1.4	- 1.2	- 5.4	- .9	- 1.2	- .9	- .4	+ .1	+ .1	+ 8.5	+ 2.2
Construction	+ 2.1	+ .8	+ .2	+ .3	- 1.9	+2.5	+ .8	+ 1.1	- .3	+ .2	- .2	+ 2.1	- 3.5
All other types of business	+ 9.6	-16.4	+21.3	+ 1.9	- 3.4	+ .7	+ 4.8	+ 1.1	+1.6	+ .3	- .5	+ .1	- 1.9
Net change in classified loans <u>1/</u>	+70.6	- 3.4	+21.4	+11.1	-18.9	+5.2	+11.2	+13.5	+6.8	+1.6	+6.0	+13.3	+ 2.8
Unclassified changes - net	-24.6	-20.6	-10.4	- .1	- 1.1	-5.2	+ .8	- 2.5	-1.8	+3.4	+1.0	+ 1.7	+10.2
Net change in commercial and industrial loans	+46.0	-24.0	+11.0	+11.0	-20.0	--	+12.0	+11.0	+5.0	+5.0	+7.0	+15.0	+13.0

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. 25, 1959	4 weeks ended Jan. 28, 1959	4 weeks ended Feb. 26, 1958	12 months ended Feb. 25, 1959
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 70.4	- 150.8	-126.1	- 3.7
Textiles, apparel, and leather	+ 83.7	- 11.8	+ 76.4	-177.3
Metals and metal products (including machinery and transportation equipment)	+183.2	+ 60.7	+110.9	-130.9
Petroleum, coal, chemicals, and rubber	+ 3.8	- 70.5	+ 4.0	-202.2
Other manufacturing and mining	+ 20.4	- 13.9	+ 44.9	+ 25.3
Trade -- wholesale and retail	+ 34.3	- 94.1	- 49.8	+200.8
Commodity dealers	-104.1	- 59.6	-125.0	+ 98.2
Sales finance companies	- 94.7	- 264.2	- 44.1	-302.7
Public utilities (including transportation)	-128.2	- 109.2	- 89.2	- 11.2
Construction	+ 9.3	- 22.9	+ 1.4	+115.1
All other types of business	- 8.8	- 111.6	+ 42.8	+398.0
Net change in classified loans ^{1/}	- 71.5	- 847.9	-153.8	+ 9.4
Unclassified changes - net	+ 71.5	- 271.1	- 40.2	-256.4
Net change in commercial and industrial loans	--	-1,119.0	-194.0	-247.0

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