

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

May 13, 1959

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$28 million in loans to sales finance companies, \$27 million to manufacturers of textiles, apparel, and leather products, \$24 million to the wholesale and retail trade, \$17 million to "other" manufacturing and mining concerns, and \$46 million to unclassified borrowers were the principal factors in the \$139 million net increase in commercial and industrial loans at weekly reporting member banks during the week ended May 6.

Offsetting net decreases included \$13 million in loans to the construction industry, \$12 million to manufacturers of metals and metal products, and \$10 million to commodity dealers.

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>	<u>Week ended May 6<sup>p/</sup></u>	<u>Cumulative since year-end</u>	
		<u>Dec. 31, 1958 to May 6, 1959<sup>p/</sup></u>	<u>Dec. 31, 1957 to May 7, 1958</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	--	-395	- 595
Textiles, apparel, and leather	+ 27	+167	+ 94
Metals and metal products	- 12	+524	- 6
Petroleum, coal, chemicals, and rubber	+ 9	- 96	- 92
Other manufacturing and mining	+ 12	+124	+ 86
Trade--wholesale and retail	+ 24	+241	- 143
Commodity dealers	- 10	-237	- 244
Sales finance companies	+ 28	+ 42	- 825
Public utilities and transportation	+ 12	-406	- 144
Construction	- 13	+ 9	+ 15
All other types of business	+ 17	- 61	- 54
Classified changes - net	+ 93	- 88	-1,908
Unclassified changes - net	+ 46	+ 54	- 229
Net change in commercial and industrial loans	+139	- 34	-2,137

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

In addition to the weekly table, a monthly table is attached showing changes during April compared with the preceding month and with April 1958, and also showing changes during the past twelve months.

Although most changes during April were in the same direction as in March, the total net increase in commercial and industrial loans was small compared with the preceding month when there were the usual large borrowings to pay quarterly income taxes. The current net increase, however, was in contrast to a substantial decrease during April 1958.

Loans to public utilities showed the largest monthly decrease since the series was started in 1951; the decline during the current month was in contrast to increases during the previous month and April 1958.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
 BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
 WEEK ENDED WEDNESDAY, MAY 6, 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	--	-4.1	- 6.2	+ 1.5	+ .6	- .8	- .3	+ 1.0	+4.7	- .9	--	+ 1.5	+ 3.0
Textiles, apparel, and leather	+ 26.8	-1.3	+22.8	+ .1	+ 1.2	+ .5	+ .7	+ 1.4	- 3	+ .1	+ .1	+ .4	+ 1.1
Metals and metal products (including machinery & transportation equipment)	- 11.9	+ .3	-12.6	+ 4.3	-12.5	- .4	+ .9	+ .7	-1.0	- .7	+1.4	+ 1.7	+ 6.0
Petroleum, coal, chemicals, and rubber	+ 9.2	+2.9	+ 6.2	- .1	- 1.3	+ .4	+1.2	- .7	- .1	--	+1.3	- .9	+ .3
Other manufacturing and mining	+ 12.4	-1.4	+11.4	+ .3	- .6	+ .6	- .3	+ 2.7	- .5	+ .1	+ .3	--	- .2
Trade:													
Wholesale	(+ 23.6)	+1.6	+ 2.2	+ 3.0	+ .4	+ .8	+ .4	+ .3	+ .8	-3.3	+ .3	(+ 1.0)	+ 4.6
Retail		+ .4	+ 1.7	+ .4	- 1.2	+ .8	- .9	+ 8.0	+1.1	- .1	+ .5	(+ 1.0)	+ .8
Commodity dealers	- 9.7	+ .2	+ 1.0	- .5	- .4	-1.8	+ .4	- 3.9	-2.5	+ .6	+ .2	- 1.1	- 1.9
Sales finance companies	+ 27.6	-4.1	- 3.4	+ 2.0	- .5	+1.1	+1.1	+25.0	+3.5	+1.4	+1.3	- .6	+ .8
Public utilities (including transportation)	+ 11.5	-1.8	+14.5	+ .5	- 2.0	- .4	+ .7	- 2.7	--	- .2	+ .8	- .2	+ 2.3
Construction	- 12.8	+ .7	- .4	+ 1.3	+ 1.5	+1.9	+ .4	- 4.0	+ .2	+1.6	+1.0	-11.7	- 5.3
All other types of business	+ 16.5	+1.7	+ 2.4	--	+ 1.0	- .7	-1.1	+ .1	+ .8	+ .8	- .2	+ 3.0	+ 8.7
Net change in classified loans <u>1/</u>	+ 93.2	-4.9	+39.6	+12.8	-13.8	+2.0	+3.2	+27.9	+6.7	- .6	+7.0	- 6.9	+20.2
Unclassified changes - net	+ 45.8	-1.1	+ 2.4	+ 1.2	+ 1.8	--	- .2	+ 2.1	+ .3	+1.6	+1.0	- .1	+36.8
Net change in commercial and industrial loans	+139.0	-6.0	+42.0	+14.0	-12.0	+2.0	+3.0	+30.0	+7.0	+1.0	+8.0	- 7.0	+57.0

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	5 weeks ended Apr. 29, 1959	4 weeks ended Mar. 25, 1959	5 weeks ended Apr. 30, 1958	12 months ended Apr. 29, 1959
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-127.8	- 46.4	-177.3	+ 45.7
Textiles, apparel, and leather	+ 11.7	+ 57.0	- 55.7	- 101.7
Metals and metal products (including machinery and transportation equipment)	+ 43.1	+249.2	-299.5	+ 227.8
Petroleum, coal, chemicals, and rubber	- 28.5	- 10.1	- 59.8	- 174.8
Other manufacturing and mining	+ 16.3	+ 88.3	- 32.4	+ 70.8
Trade — wholesale and retail	+125.3	+151.9	+ 24.4	+ 378.5
Commodity dealers	- 50.7	- 12.5	- 22.6	+ 137.7
Sales finance companies	+138.7	+234.5	-268.1	+ 232.9
Public utilities (including transportation)	-207.7	+ 27.4	+ 59.0	- 230.6
Construction	+ 17.2	+ 17.9	+ 15.8	+ 125.5
All other types of business	+ 19.5	+ 23.7	- 69.7	+ 438.2
Net change in classified loans <sup>1/</sup>	- 42.9	+780.9	-885.9	+1,150.0
Unclassified changes - net	+ 72.9	+135.1	+ 31.9	- 171.0
Net change in commercial and industrial loans	+ 30.0	+916.0	-854.0	+ 979.0

<sup>1/</sup> See footnote on preceding table regarding current coverage.