

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 8, 1959

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

A net increase of \$105 million in loans to sales finance companies was the principal factor in the \$9 million net increase in commercial and industrial loans at weekly reporting member banks during the week ended July 1. Other large net increases were \$32 million in loans to manufacturers of metals and metal products and \$14 million to public utilities.

The principal offsetting net decreases were \$60 million in loans to manufacturers of food, liquor, and tobacco products, \$27 million to the wholesale and retail trade, and \$21 million to manufacturers and producers of petroleum, coal, chemicals, and rubber 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>	<u>Week ended July 1^{p/}</u>	<u>Cumulative since year-end</u>	
		<u>Dec. 31, 1958 to July 1, 1959^{p/}</u>	<u>Dec. 31, 1957 to July 2, 1958</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	- 60	- 518	- 689
Textiles, apparel, and leather	+ 5	+ 218	+ 88
Metals and metal products	+ 32	+ 876	+ 16
Petroleum, coal, chemicals, and rubber	- 21	- 163	- 211
Other manufacturing and mining	- 12	+ 188	+ 166
Trade--wholesale and retail	- 27	+ 280	- 163
Commodity dealers	- 8	- 363	- 293
Sales finance companies	+105	+ 426	- 579
Public utilities and transportation	+ 14	- 143	- 207
Construction	+ 1	+ 105	+ 56
All other types of business	+ 4	+ 134	+ 56
Classified changes - net	+ 31	+1,039	-1,760
Unclassified changes - net	- 22	+ 162	- 172
Net change in commercial and industrial loans	+ 9	+1,201	-1,932

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

All industrial classifications except manufacturers of food, liquor, and tobacco products, manufacturers and producers of petroleum, coal, chemicals, and rubber products, and commodity dealers, showed net increases in loans in June; in all but one category the current increases were larger than in June 1958, with the result that the total net increase in commercial and industrial loans was about 75 per cent greater than that of 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 1, 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	- 59.6	+ .1	-40.1	--	- .6	-2.9	+ .3	- 9.4	-2.5	+ .2	- .6	- .9	- 3.2
Textiles, apparel, and leather	+ 4.5	- .8	- 3.8	+ 3.4	-1.1	+2.7	+1.1	+ 3.9	- .3	+ .2	- .1	- .3	- .4
Metals and metal products (including machinery & transportation equipment)	+ 31.7	+2.5	+12.4	+ 3.4	-1.3	+1.1	+ .2	+10.6	+1.1	+1.1	+1.7	- 1.6	+ .5
Petroleum, coal, chemicals, and rubber	- 21.0	+1.9	-17.1	- 1.5	- .6	-1.7	- .3	- .4	+ .3	+ .5	- .7	+ .5	- 1.9
Other manufacturing and mining	- 11.5	+2.4	- 2.9	- 1.8	-3.8	-2.8	+ .3	+ .9	+ .1	-3.0	- .1	- .2	- .6
Trade:													
Wholesale	(- 27.4)	+ .1	+ 7.9	+ 2.6	+ .7	-1.0	- .5	- 7.3	+ .8	- .3	+ .2	(- 5.5)	+ 3.3
Retail		-1.8	- 7.7	- .8	+ .4	-1.0	+ .4	-11.9	-1.7	--	-1.8	(- 5.5)	- 2.5
Commodity dealers	- 8.1	- .8	+ .9	- 2.2	- .4	- .5	-1.1	- 4.5	+ .9	- .1	+2.4	- 1.4	- 1.3
Sales finance companies	+104.5	+1.4	+92.6	- 2.9	- .5	+1.6	+3.6	+ 7.7	+1.5	- .2	+3.1	- 1.4	- 2.0
Public utilities (including transportation)	+ 13.8	-4.6	+31.6	-16.5	+6.3	+1.4	- .3	- 3.8	+ .7	- .4	- .3	- .5	+ .2
Construction	+ 1.0	- .9	- .1	+ 1.0	+ .5	+1.7	+1.5	+ 3.6	+ .3	+1.0	-1.4	- 5.5	- .7
All other types of business	+ 3.5	-2.3	+16.1	- 3.3	-2.5	-4.3	+2.4	+ .9	+4.3	+1.4	-1.7	-15.1	+ 7.6
Net change in classified loans <u>1/</u>	+ 31.4	-2.8	+89.8	-18.6	-2.9	-5.7	+7.6	- 9.7	+5.5	+ .4	+ .7	-31.9	- 1.0
Unclassified changes - net	- 22.4	+2.8	-36.8	- 3.4	+3.9	-2.3	+ .4	- .3	+ .5	+4.6	-1.7	- 1.1	+11.0
Net change in commercial and industrial loans	+ 9.0	--	+53.0	-22.0	+1.0	-8.0	+8.0	-10.0	+6.0	+5.0	-1.0	-33.0	+10.0

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 24, 1959	4 weeks ended May 27, 1959	4 weeks ended June 25, 1958	12 months ended June 24, 1959
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 57.2	- 6.2	--	+ 63.5
Textiles, apparel, and leather	+ 38.6	+ 34.2	+ 6.1	- 18.4
Metals and metal products (including machinery and transportation equipment)	+175.1	+132.8	+135.9	+ 390.6
Petroleum, coal, chemicals, and rubber	- 27.4	- 9.3	+ 31.1	- 155.6
Other manufacturing and mining	+ 43.7	+ 44.6	+ 56.7	+ 78.0
Trade -- wholesale and retail	+ 46.4	+ 43.1	+ 12.4	+ 469.1
Commodity dealers	- 47.5	- 80.2	- 5.0	+ 55.6
Sales finance companies	+336.2	- 29.5	+ 57.5	+ 615.0
Public utilities (including transportation)	+179.7	+ 81.7	+ 72.5	+ 77.5
Construction	+ 53.6	+ 29.2	+ 29.5	+ 154.1
All other types of business	+133.1	+ 74.2	+ 77.9	+ 492.4
Net change in classified loans <u>1/</u>	+874.3	+314.6	+474.6	+2,221.8
Unclassified changes - net	+ 69.7	+106.4	+ 64.4	- 12.8
Net change in commercial and industrial loans	+944.0	+421.0	+539.0	+2,209.0

1/ See footnote on preceding table regarding current coverage.