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FEDERAL RESERVE BANK
of KANSAS CITY

AUG 15 1957

BANKING AND MONETARY DEVELOPMENTS IN JULY 1957

RESEARCH LIBRARY

Summary. Total loans and investments at all commercial banks declined somewhat in July as reductions in loans, principally those to businesses, were offset only in part by bank purchases of U. S. Government securities. Demand deposit and currency holdings of businesses and individuals increased seasonally and time deposits rose further. Net borrowed reserves of member banks declined. In early August, the prime commercial loan rate was increased and rates on commercial paper and bankers' acceptances rose further. Effective August 9, four Federal Reserve Banks raised their discount rates to 3-1/2 per cent.

Bank credit. Preliminary estimates indicate that total loans and investments at all commercial banks declined \$400 million in July, as shown in Table 1. A \$900 million reduction in total loans and a small decline in holdings of municipal and corporate securities were offset in part by net purchases of \$600 million of U. S. Government securities. Holdings of U. S. Government securities increased sharply on July 3 when commercial banks acquired practically all of the new \$3 billion issue of tax bills. Subsequently, however, sales were heavy.

Last year in July, which included no Treasury financing, total credit declined \$1 billion, reflecting a smaller loan reduction accompanied by sales of U. S. Government and other securities. In most other recent years, total bank credit has increased during July.

Business loans at all commercial banks declined \$900 million in July offsetting over half the record \$1.6 billion rise in June associated with borrowing for mid-month tax payments. Banks in New York City, which had accounted for slightly over half of the June increase at weekly reporting banks, accounted for three-fifths of the decline at those banks in July. In July last year business loans had declined much less, \$300 million, about a fourth of last year's smaller June rise.

Not for publication

Table 1

Estimated Changes in Loans and Investments at All Commercial Banks
(In billions of dollars)

Item	1957	1956	1957	1956	Year ending:	
	June 27- July 31	July 1- July 25	Jan. 1- July 31	Jan. 1- July 25	1957 July 31	1956 July 25
<u>Total loans (excluding interbank)</u>	- 0.9	- 0.4	+ 1.5	+ 3.8	+ 5.3	+10.4
Business	- 0.9	- 0.3	+ 0.9	+ 2.6	+ 3.8	^{2/} + 6.7
Real estate	+ 0.1	+ 0.1	+ 0.2	+ 1.1	+ 0.8	^{2/} + 1.9
Security	- 0.2	- 0.1	- 0.6	- 0.7	- 0.6	- 0.2
Agricultural	+ 0.1	- 0.1	- 0.1	- 0.3	- 0.1	^{1/}
Consumer	^{1/}	+ 0.1	+ 0.8	+ 1.2	+ 1.1	+ 2.1
All other	+ 0.1	- 0.1	+ 0.1	+ 0.1	+ 0.4	+ 0.3
U. S. Government securities	+ 0.6	- 0.4	- 2.7	- 5.4	- 0.3	- 7.5
Other securities	- 0.1	- 0.3	+ 0.4	- 0.4	+ 0.4	- 0.4
Total loans and investments (less interbank)	- 0.4	- 1.0	- 0.9	- 2.0	+ 5.3	+ 2.5

Item	First seven months					
	1955	1954	1953	1952	1951	1950
<u>Total loans (excluding interbank)</u>	+ 5.0	- 0.8	+ 1.2	+ 1.7	+ 1.9	+ 2.8
Business	+ 2.2	- 1.4	- 0.4	- 0.8	+ 1.5	+ 0.2
Real estate	+ 1.6	+ 0.7	+ 0.6	+ 0.5	+ 0.7	+ 1.1
Security	^{1/}	- 0.3	- 0.2	+ 0.5	- 0.4	+ 0.5
Agricultural	- 1.0	+ 0.1	- 0.1	+ 0.4	+ 0.3	- 0.3
Consumer	+ 1.4	- 0.1	+ 1.3	+ 0.9	^{1/}	+ 1.0
All other	+ 0.7	+ 0.2	+ 0.2	+ 0.2	^{1/}	+ 0.3
U. S. Government securities	- 5.3	+ 0.9	- 0.1	+ 1.4	- 3.3	- 2.0
Other securities	+ 0.4	+ 1.0	+ 0.2	+ 0.8	+ 0.4	+ 1.2
Total loans and investments (less interbank)	+ 0.1	+ 1.1	+ 1.3	+ 3.9	- 1.0	+ 1.9

^{1/} Less than \$50 million.

^{2/} Level of business loans increased by, and real estate loans decreased by \$300 million at end of October 1955 to correct classification errors. No back figures revised; most of the misclassification probably occurred during 1955.

Note: Data for July 1957 are estimates and subject to error. Preliminary data for July will be shown in the Board's statement, "Assets and Liabilities of All Banks in the United States" available at the end of August.

Most business groups reduced their outstanding loans in July, as shown in Table 2. Sales finance companies accounted for over one-third of the total decline at city banks as they reduced their borrowings by almost as much as they had increased them in June. These companies, along with public utilities and metals manufacturers, had been the largest borrowers in June. Metals manufacturers also reduced their loans considerably in July--about three-quarters of the June increase. Loans to public utilities, however, which had increased somewhat more than any other business group in June, dropped only moderately in July. Loans to food processors continued to decline while those to commodity dealers began to increase as is usual in July.

So far this year, business loans at all commercial banks have increased \$900 million compared with \$2.6 billion last year. Business loans showed little over-all change during the first five months of 1957 whereas last year they had increased considerably; they rose more in the June tax period than last year, but subsequently have declined faster. Loans to food processors and commodity dealers have declined more this year than last following an unusually sharp rise in late 1956. Also, net borrowing by trade concerns has declined, whereas last year it increased. With the exception of sales finance companies and public utilities, growth in loans outstanding to other business groups has been considerably less than last year, and, in some cases, there have been declines. The larger growth in borrowing by public utilities this year reflected principally the unusually sharp increase in June. Loans to sales finance companies rose somewhat in the January-July period, whereas last year they had dropped substantially. Excluding loans to sales finance companies, business loans at city banks have increased less than a fifth as much as last year.

Real estate loans at all commercial banks may have increased somewhat in July; so far this year, growth in these loans has been small compared with over \$1 billion last year. Consumer loans probably showed little further change over the past month; expansion in these loans has been about two-thirds the rate of last year. Agricultural loans rose somewhat in July while security loans dropped to their lowest level of the year.

Not for publication

Table 2
Changes in Commercial and Industrial Loans ^{1/}
(In millions of dollars)

Business of Borrower	1957 June 27	1956 June 28	Change from end of December to last Wednesday in July					
	July 31	July 25	1957	1956	1955	1954	1953	1952
Food processors	- 85	- 100	- 541	- 402	- 605	- 500	- 740	- 891
Commodity dealers	+ 42	+ 142	- 497	- 244	- 395	- 297	- 608	- 575
Trade concerns	- 43	- 4	- 44	+ 167	+ 176	- 67	+ 192	- 138
Total	- 86	+ 38	-1,082	- 479	- 824	- 864	-1,156	-1,604
Sales finance	- 271	- 204	+ 95	- 525	+ 552	- 189	- 53	- 249
All other - total	- 303	+ 27	+1,736	+2,989	+1,655	- 506	+ 736	+1,119
Metals and products	- 224	- 121	+ 711	+1,241	+ 131	- 710	+ 395	+1,002
Textiles, apparel and leather	+ 19	+ 29	+ 167	+ 267	+ 248	+ 91	+ 185	- 52
Petroleum, coal, etc.	- 27	+ 64	+ 264	+ 488	+ 331	- 75	- 31	+ 205
Other manufacturing and mining	+ 6	+ 75	+ 220	+ 445	+ 182	- 14	+ 106	+ 82
Public utilities	- 82	- 28	+ 431	+ 337	+ 386	+ 38	+ 67	- 167
Construction	+ 8	- 16	+ 4	+ 39	+ 169	+ 87	+ 13	+ 24
All other types of business	- 3	+ 24	- 57	+ 172	+ 208	+ 77	+ 1	+ 25
Classified	- 659	- 139	+ 745	+1,985	+1,382	-1,559	- 473	- 735
Unclassified	- 128	- 90	- 283	+ 29	2/- 279	3/- 297	- 274	- 101
Total change	- 787	- 229	+ 462	+2,014	2/+1,103	3/-1,856	- 747	- 836

^{1/} Prior to week ending January 11, 1956, included changes in agricultural loans.

^{2/} CCC certificates of interest, which are included in data, may have declined \$620 million.

^{3/} CCC certificates of interest, which are included in data, may have increased \$25 million.

Note: Classified data are for a sample of about 210 banks reporting changes in their larger loans; these banks hold over 90 per cent of total commercial and industrial loans of all weekly reporting banks and nearly 70 per cent of those of all commercial banks. Data are preliminary for week of July 31.

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So far this year, total loans and investments at all commercial banks have declined \$900 million, about half as much as last year. While growth in total loans has been less than half as large, holdings of U. S. Government securities have declined much less, and holdings of other securities have increased whereas last year they declined. In most other recent years, total credit has increased during the first seven months of the year.

Deposits and currency. Preliminary estimates indicate that demand deposit and currency holdings of businesses and individuals increased about seasonally in July, as shown in Table 3. Demand deposits adjusted declined somewhat but currency outside banks rose. At the month-end, the seasonally adjusted money supply was less than one per cent above the year-ago level, as had also been the case in May and June. So far this year, seasonally adjusted demand deposits and currency have increased \$700 million, compared with \$900 million in the comparable period last year.

The rate of turnover of demand deposits, excluding interbank and U. S. Government deposits, at banks outside New York and other financial centers rose further during the second quarter of 1957, averaging 23.3. This was about 5 per cent above the fourth quarter 1956 level compared with a 7 per cent rise over the comparable period a year earlier.

Time deposits at commercial and mutual savings banks rose further in July. So far this year these deposits at commercial banks have increased \$3.8 billion compared with \$1.3 billion last year. Growth in 1957 has been about the same as the sharp wartime expansion in 1945 but substantially larger than in any other year. At mutual savings banks, deposit growth has been only slightly less this year than last.

U. S. Government deposits declined \$1 billion in July and total deposits and currency dropped \$300 million. As noted above, commercial bank credit declined \$400 million, and while Federal Reserve holdings of U. S. Government securities and loans at mutual savings banks increased and added to deposits, other miscellaneous factors reduced deposits.

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Table 3
Estimated Changes in Deposits and Currency
(In billions of dollars)

Item	1957	1956	1957	1956	Year ending:	
	June 27- July 31	July 1- July 25	Jan. 1- July 31	Jan. 1- July 25	1957 July 31	1956 July 25
<u>Seasonally adjusted data</u> ^{1/}						
Demand deposits adjusted	- 0.2	- 0.1	+ 0.3	+ 0.8	+ 0.4	+ 1.3
Currency outside banks	+ 0.2	- 0.1	+ 0.4	+ 0.1	+ 0.6	+ 0.3
Total	<u>2/</u>	<u>- 0.2</u>	<u>+ 0.7</u>	<u>+ 0.9</u>	<u>+ 1.0</u>	<u>+ 1.6</u>
<u>Unadjusted data</u> ^{1/}						
Demand deposits adjusted	+ 0.1	+ 0.5	- 5.8	- 4.7	+ 0.4	+ 1.3
Currency outside banks	+ 0.1	- 0.9	- 0.4	- 0.9	+ 0.5	+ 0.3
Total	<u>+ 0.2</u>	<u>- 0.4</u>	<u>- 6.2</u>	<u>- 5.6</u>	<u>+ 0.9</u>	<u>+ 1.6</u>
Time deposits	+ 0.5	+ 0.1	+ 4.7	+ 2.3	+ 6.2	+ 3.6
U. S. Government deposits	- 1.0	- 1.9	- 0.3	- 0.2	<u>2/</u>	<u>- 2.3</u>
Total	<u>- 0.3</u>	<u>- 2.2</u>	<u>- 1.8</u>	<u>- 3.5</u>	<u>+ 7.1</u>	<u>+ 2.9</u>
<u>Factors affecting deposits and currency</u>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. securities ^{3/}	- 0.9	- 0.8	+ 2.8	+ 4.6	+ 8.1	+12.4
Commercial	<u>- 1.0</u>	<u>- 0.6</u>	<u>+ 1.9</u>	<u>+ 3.4</u>	<u>+ 5.7</u>	<u>+10.0</u>
Mutual savings	+ 0.1	+ 0.2	+ 1.3	+ 1.5	+ 2.3	+ 2.5
Bank holdings of U. S. Government securities:	+ 1.1	- 0.8	- 4.4	- 7.0	- 1.0	- 8.9
Federal Reserve	<u>+ 0.4</u>	<u>- 0.4</u>	<u>- 1.6</u>	<u>- 1.4</u>	<u>2/</u>	<u>- 0.8</u>
Commercial	+ 0.6	- 0.4	- 2.7	- 5.4	- 0.3	- 7.5
Mutual saving and other	<u>2/</u>	<u>2/</u>	- 0.2	- 0.3	- 0.6	- 0.6
Gold stock and foreign deposits at F. R. Banks	+ 0.1	+ 0.1	+ 0.6	+ 0.3	+ 0.7	+ 0.3
Other factors	- 0.6	- 0.7	- 0.8	- 1.4	- 0.7	- 0.9

^{1/} Seasonally adjusted data are for last Wednesday throughout; unadjusted data are for last Wednesday except in case of June and December call dates, when available. Unadjusted data for July, 1957 and July, 1956 are not entirely comparable as the former are computed from the last Wednesday of June and the latter from the 30th of June. Demand deposits adjusted tend to decline, currency outside banks to increase, and time deposits to increase, between the last Wednesday of June and the 30th of June.

^{2/} Less than \$50 million.

^{3/} Total includes foreign loans on gold, holdings of bankers' acceptances at the Federal Reserve, and loans to foreign banks; changes in these items are generally relatively small. In addition even if there were no changes in these items, changes at commercial and mutual savings banks would not add to total change which is "net" because commercial banks exclude all interbank loans, domestic and foreign.

Note: Data for July 1957 are estimates and subject to error. Preliminary data for July will be shown in the Board's statement, "Assets and Liabilities of All Banks in the United States" available at the end of August. On June 26, 1957, preliminary seasonally adjusted data were: Demand deposits adjusted, \$107.2 billion; currency outside banks, \$27.9 billion; and the total \$135.1 billion.

Bank reserves. Net borrowed reserves of all member banks averaged \$385 million in July, somewhat below the \$510 million average in June, as shown in Table 4. Borrowings dropped to \$920 million and excess reserves rose to \$535 million. Most of the easing occurred at country banks, and to a lesser extent, at reserve city banks. Net borrowed reserves were about unchanged at central reserve city banks in New York and Chicago. On a few days late in the month, the effective rate on Federal funds dropped below 3 per cent for the first time since March.

Early in July, net borrowed reserves were relatively high, averaging \$680 million, well above the June level. Currency outflows, increases in required reserves associated with bank purchases of new Treasury bills, and reductions in Reserve Bank float drained more funds than were supplied through System purchases of U. S. Government securities. Subsequently, net borrowed reserves declined as reserves supplied through reductions in currency in circulation and in required reserves were absorbed only in part by other factors. During the last two weeks of the month, net borrowed reserves averaged only \$150 million. During the week of August 7, however, reductions in System holdings of U. S. Government securities, currency outflows, and changes in other factors absorbed funds and net borrowed reserves rose to an average level of \$580 million.

Over the month of July average System holdings of U. S. Government securities, both outright and under repurchase contracts, were \$360 million above the June average, as shown in Table 5. Purchases were heavy early in the month when reserve pressures were increasing. Outright purchases continued during the mid-month but repurchase contracts were reduced. In the latter part of July, outright bill holdings declined but a substantial volume of repurchase contracts were acquired prior to the Treasury refunding on August 1. Over the month of July, currency outflows and increases in required reserves absorbed only part of the funds provided through System purchases of U. S. Government securities and through small changes in other factors adding to reserves. Average net borrowed reserves declined \$125 million in July.

Interest rates. On August 6 and 7, leading banks in New York and other cities announced an increase in the prime rate--the minimum charged on short-term loans to business borrowers with the best credit rating--to 4-1/2 per cent from 4 per cent. The latter rate had been in effect since August 1956 when the rate had been increased 1/4 per

Not for publication

Table 4

Free Reserves
(Excess reserves minus member bank borrowings;
based on average of daily figures; in millions of dollars)

Period	All member	New York	Chicago	Reserve City	Country
1954: December	459	- 50	- 16	- 26	550
1955: December	- 245	- 161	- 83	- 338	338
1956: January	- 255	- 198	- 83	- 353	379
February	- 266	- 138	- 103	- 336	310
March	- 408	- 174	- 256	- 298	319
April	- 533	- 167	- 262	- 429	324
May	- 504	- 88	- 153	- 468	205
June	- 195	- 33	- 111	- 356	305
July	- 139	- 108	- 48	- 344	360
August	- 339	- 158	- 72	- 382	274
September	- 213	- 204	- 93	- 296	380
October	- 195	- 192	- 114	- 246	358
November	- 154	- 214	- 140	- 193	393
December	- 36	- 91	- 86	- 203	344
1957: January	117	- 41	- 40	- 172	369
February	- 126	- 123	- 53	- 249	299
March	- 316	- 101	- 253	- 242	280
April	- 505	- 300	- 210	- 263	269
May	- 444	- 104	- 165	- 367	192
June	- 508	- 185	- 48	- 488	210
July	- 384	- 181	- 27	- 455	280
<u>Quarterly averages</u>					
1955: First	254	- 29	- 75	- 99	457
Second	158	- 1	- 64	- 150	374
Third	- 127	- 112	- 67	- 323	375
Fourth	- 365	- 192	- 95	- 418	341
1956: First	- 310	- 170	- 147	- 329	336
Second	- 411	- 96	- 175	- 418	278
Third	- 230	- 157	- 71	- 341	338
Fourth	- 128	- 166	- 113	- 214	365
1957: First	- 108	- 88	- 115	- 221	316
Second	- 485	- 196	- 141	- 373	224
1957: June 26	- 457	- 217	- 25	- 458	243
July 3	- 723	- 169	- 101	- 571	118
10	- 636	- 267	- 45	- 647	323
17	- 494	- 279	- 12	- 517	314
24	- 134	- 121	- 25	- 365	377
31	- 164	- 29	- 1	- 246	112
Aug. 7	- 580	- 306	- 20	- 494	240

Note: Data for second half of July and August are preliminary.

cent. The recent increase represents the first change on record of a full $1\frac{1}{2}$ percentage point. Previous changes have been in steps of $1\frac{1}{4}$ percentage point. On August 7, the rate on 4-6 month prime commercial paper rose $1\frac{1}{8}$ per cent to 4 per cent and that on bankers' acceptances, $1\frac{1}{4}$ per cent to $3\frac{5}{8}$ per cent.

Effective August 9, with the approval of the Board of Governors, the discount rate was raised to $3\frac{1}{2}$ per cent from 3 per cent at the Federal Reserve Banks of Philadelphia, Chicago, Minneapolis, and Kansas City.

Not for publication

Table 5

Changes in Member Bank Reserves, with Relevant Factors
(Monthly average of daily figures; in millions of dollars)

Item	July		Jan. - July		Year ending July	
	1957	1956	1957	1956	1957	1956
<u>Member bank reserve balances</u>						
<u>Total</u>	+ 147	- 97	- 406	- 404	+ 293	+ 12
Required reserves ^{1/}	+ 111	- 122	- 287	- 409	+ 359	+ 32
Excess reserves ^{1/}	+ 36	+ 25	- 119	+ 5	- 66	- 20
<u>Principal factors</u>			(signs indicate effect on reserves)			
Currency in circulation	- 214	- 215	+ 659	+ 514	- 365	- 467
Gold stock and foreign accounts	+ 20	+ 46	+ 678	+ 296	+ 722	+ 269
Treasury operations	+ 25	- 30	+ 30	- 57	+ 119	- 1
Federal Reserve float	+ 5	+ 57	- 458	- 126	- 88	+ 323
Other factors	+ 40	+ 16	- 82	+ 98	- 48	+ 106
<u>Effect of above factors on reserves</u>	- 124	- 126	+ 827	+ 725	+ 340	+ 230
<u>Federal Reserve loans and investments:</u>						
<u>Total</u>	+ 271	+ 27	-1,231	-1,125	- 46	- 220
U. S. Govt. securities	+ 362	+ 58	-1,414	-1,022	- 229	- 387
Outright	+ 281	+ 87	-1,300	- 745	- 375	- 352
Repurchase agreements	+ 81	- 29	- 114	- 277	+ 146	- 35
Acceptances	+ 1	+ 1	- 28	- 1	+ 4	+ 5
Discounts and advances:						
To member banks	- 88	- 31	+ 229	- 101	+ 179	+ 211
To others	- 4	- 1	- 18	- 1	---	- 49

^{1/} Data for July 1957 are preliminary.

Note: Changes are based on data for June and July; December and July; and July of each year.

Not for publication

Loans and Investments at All Commercial Banks
(In billions of dollars)

Date	Loans and investments	U. S. Gov't. securities	Other securities	Total loans	Business	Real estate	Securities	Farm	Consumer	All other
1947: Dec. 31	116.2	69.2	9.0	37.9	18.3	9.4	2.1	1.7	3.8	2.9
1948: Dec. 31	114.2	62.6	9.2	42.4	18.9	10.8	2.3	2.9	4.8	3.1
1949: Dec. 31	120.1	67.0	10.2	42.9	17.1	11.5	2.6	3.1	5.8	3.4
1950: Dec. 31	126.6	62.0	12.4	52.2	21.9	13.5	2.9	2.9	7.4	4.2
1951: Dec. 31	132.5	61.5	13.3	57.6	25.9	14.6	2.6	3.4	7.5	4.5
1952: Dec. 31	141.5	63.3	14.1	64.0	27.9	15.7	3.2	3.9	9.4	4.9
1953: Dec. 31	145.5	63.4	14.7	67.4	27.2	16.7	3.6	5.0	10.9	5.1
1954: Dec. 31	155.7	69.0	16.3	70.4	26.9	18.4	4.5	5.2	10.9	5.6
1955: Mar. 30	152.4	64.2	17.0	71.2	27.4	19.0	4.1	4.9	11.2	5.8
June 30	154.8	63.3	16.8	74.8	28.9	19.8	4.5	4.4	12.1	6.2
Sept. 28	156.4	62.0	16.9	77.5	30.5	20.6	4.2	3.9	12.7	6.6
Dec. 31	160.3	61.6	16.7	82.0	<u>1/33.2</u>	<u>1/20.8</u>	5.0	4.5	13.2	6.5
1956: Jan. 25	158.3	60.9	16.5	80.9	32.7	20.9	4.6	4.4	13.3	6.4
Feb. 29	157.1	59.2	16.6	81.2	32.9	21.0	4.5	4.5	13.3	6.4
Mar. 28	158.5	58.6	16.6	83.3	34.5	21.2	4.5	4.4	13.5	6.5
Apr. 25	158.7	58.2	16.6	83.9	34.8	21.4	4.4	4.3	13.7	6.6
May 30	158.4	57.3	16.4	84.7	34.8	21.6	4.5	4.4	13.9	6.7
June 30	159.3	56.6	16.5	86.2	36.1	21.8	4.4	4.3	14.3	6.7
July 25	158.3	56.2	16.3	85.8	35.8	21.9	4.3	4.2	14.4	6.6
Aug. 29	159.8	57.2	16.4	86.3	36.4	22.1	4.0	4.0	14.4	6.7
Sept. 26	160.7	57.0	16.6	87.2	36.9	22.3	4.1	4.2	14.5	6.6
Oct. 31	161.4	57.5	16.3	87.6	37.2	22.4	4.1	4.0	14.5	6.7
Nov. 28	162.7	58.2	16.3	88.2	37.8	22.5	4.0	4.1	14.5	6.8
Dec. 31	164.5	58.6	16.3	89.7	38.7	22.5	4.3	4.2	14.7	6.9
1957: Jan. 30p	161.6	57.7	16.2	87.7	37.6	22.5	3.7	4.2	14.6	6.7
Feb. 27p	161.0	56.8	16.3	87.9	37.8	22.5	3.7	4.2	14.6	6.7
Mar. 27p	161.3	55.7	16.5	89.1	39.0	22.5	3.6	4.2	14.7	6.7
Apr. 24p	163.7	57.3	16.7	89.7	39.0	22.5	3.8	4.1	15.0	6.8
May 29p	163.6	56.9	16.8	89.9	38.9	22.6	3.8	4.1	15.3	6.8
June 26p	164.0	55.3	16.8	92.0	40.5	22.6	3.9	4.0	15.5	6.9
July 31e	163.6	55.9	16.7	91.1	39.6	22.7	3.7	4.1	15.5	7.0

p - Preliminary

e - Estimated

1/ Level of business loans increased by, and real estate loans decreased by \$300 million at the end of October 1955 to correct classification errors. No back figures revised; most of the misclassification probably occurred during 1955.

Note: Data exclude interbank loans. Total loans are after and types of loans before deductions for valuation reserves. Consumer and "other loans" are partly estimated for all dates. Other data are partly estimated on all but June and December dates. Data, by type of loan, have been revised slightly on basis of preliminary loan data for all member banks for June 6. Data for July 31, 1957, are estimates and subject to error.

Banking Section, Board of Governors

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