

# FEDERAL RESERVE statistical release



For Immediate Release  
September 28, 2000

E.2  
**SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 7-11, 2000**  
TABLE 1  
Commercial and Industrial loans made by all commercial banks<sup>1</sup>

Risk <sup>2</sup> and maturity/repricing interval <sup>3</sup> of loans	Weighted-Average Effective Loan Rate <sup>4</sup> (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity <sup>5</sup> Days	Percent of Amount of Loans				Most Common Base Pricing Rate <sup>6</sup>	
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment		
1 All C&I loans	8.28	114,271	756	393	41.6	11.4	24.9	72.4	Fed Funds	
2 Minimal risk	7.42	7,454	1,055	439	49.7	11.6	52.4	88.5	Fed Funds	
3 Low risk	7.55	16,581	1,213	378	15.1	13.3	38.6	80.8	Fed Funds	
4 Moderate risk	8.41	37,122	652	468	36.7	9.9	30.9	79.6	Foreign	
5 Other	8.95	24,071	591	409	39.5	11.4	12.3	69.2	Fed Funds	
6 Zero interval	9.46	21,648	434	439	54.2	14.5	3.5	58.6	Prime	
7 Minimal risk	8.49	598	293	508	35.7	30.1	7.1	97.1	Other	
8 Low risk	8.39	1,538	471	468	31.9	34.1	18.3	96.6	Prime	
9 Moderate risk	9.39	7,244	365	381	53.5	12.0	4.8	79.9	Prime	
10 Other	10.32	4,781	269	606	83.1	30.7	1.6	86.4	Prime	
11 Daily	7.74	42,606	1,107	231	35.4	13.3	28.7	68.3	Fed Funds	
12 Minimal risk	7.18	3,347	7,083	228	66.8	8.8	88.7	94.5	Fed Funds	
13 Low risk	7.35	8,360	3,968	308	6.2	8.4	42.0	75.7	Fed Funds	
14 Moderate risk	7.95	11,554	907	294	21.1	13.7	28.9	67.4	Fed Funds	
15 Other	8.28	7,193	637	178	21.0	8.2	1.9	50.2	Fed Funds	
16 2 to 30 days	8.18	18,994	1,173	299	28.9	10.6	25.4	69.0	Fed Funds	
17 Minimal risk	7.07	1,212	1,763	231	13.5	14.5	13.6	85.7	Fed Funds	
18 Low risk	7.63	3,187	2,283	375	21.1	21.0	21.5	77.5	Fed Funds	
19 Moderate risk	8.23	6,005	845	403	27.6	12.6	32.4	87.1	Foreign	
20 Other	8.84	5,577	1,026	268	28.4	2.0	17.1	48.3	Fed Funds	
21 31 to 365 days	8.13	26,249	878	508	42.3	4.3	39.8	93.8	Foreign	
22 Minimal risk	7.56	2,109	788	793	45.6	6.9	34.7	79.8	Foreign	
23 Low risk	7.57	3,207	574	431	20.0	8.3	56.3	90.3	Foreign	
24 Moderate risk	8.20	10,288	976	540	38.0	1.7	56.5	96.5	Foreign	
25 Other	8.72	6,048	1,383	617	34.4	8.1	28.5	96.1	Foreign	
				Months						
26 Over 365	8.84	3,467	245	52	85.8	4.7	6.0	58.0	Other	
27 Minimal risk	9.23	179	157	43	66.7	34.3	0.5	68.5	Prime	
28 Low risk	7.81	253	212	49	67.1	5.9	46.9	73.7	Foreign	
29 Moderate risk	9.16	1,613	288	58	89.0	4.2	0.6	25.8	Prime	
30 Other	9.49	291	277	63	62.9	3.9	20.9	79.3	Other	
Size and base rate				Weighted-Average Risk Rating <sup>2</sup>		Weighted-Average Maturity/Repricing Interval <sup>3</sup>				
				Days						
Size (\$thousands)										
31 1 - 99	10.36	2,474	3.3	169	83.4	29.0	2.9	76.2	Prime	
32 100 - 999	9.67	10,471	3.3	95	74.0	20.7	6.6	84.1	Prime	
33 1,000 - 9,999	8.56	36,737	3.2	52	46.9	11.0	20.2	77.6	Foreign	
34 10,000+	7.82	64,589	2.8	57	31.7	9.5	31.4	67.5	Fed Funds	
Base rate <sup>6</sup>										
35 Prime <sup>7</sup>	10.12	21,915	3.3	111	71.9	23.9	1.0	69.7	232	
36 Fed funds	7.43	31,455	2.8	5	35.3	9.1	13.6	54.0	8,338	
37 Other domestic	7.54	14,579	2.4	18	10.8	19.6	71.5	65.9	3,262	
38 Foreign	8.19	28,969	3.0	50	33.4	4.2	42.5	88.3	2,787	
39 Other	8.29	17,354	3.1	159	54.2	5.2	7.1	88.5	455	

Footnotes appear on the last page.

## SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 7-11, 2000

TABLE 2

Commercial and Industrial loans made by domestic banks<sup>1</sup>

Risk <sup>2</sup> and maturity/repricing interval <sup>3</sup> of loans	Weighted-Average Effective Loan Rate <sup>4</sup> (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity <sup>5</sup>	Percent of Amount of Loans				Most Common Base Pricing Rate <sup>6</sup>
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
				Days					
1 All C&I loans	8.60	74,661	522	564	45.4	16.0	25.5	76.2	Prime
2 Minimal risk	7.44	6,804	992	464	53.2	12.8	53.0	90.0	Fed Funds
3 Low risk	7.65	10,723	837	521	20.0	20.0	45.4	88.2	Domestic
4 Moderate risk	8.62	29,481	535	575	40.5	11.7	30.8	82.2	Foreign
5 Other	9.77	13,006	343	722	67.7	18.5	10.6	89.1	Prime
6 Zero interval	9.46	21,209	431	437	54.2	14.8	3.3	58.4	Prime
7 Minimal risk	8.49	598	293	508	35.7	30.1	7.1	97.1	Other
8 Low risk	8.44	1,480	458	484	33.0	35.4	15.6	96.6	Prime
9 Moderate risk	9.38	7,155	365	378	53.1	12.2	4.8	79.6	Prime
10 Other	10.32	4,488	259	604	85.1	32.7	1.5	88.7	Prime
11 Daily	7.95	23,606	647	410	40.3	22.5	39.9	77.9	Domestic
12 Minimal risk	7.16	3,109	7,831	246	71.9	9.5	89.8	99.7	Fed Funds
13 Low risk	7.36	5,002	2,655	458	10.3	13.8	64.8	85.6	Domestic
14 Moderate risk	8.11	8,192	670	413	28.1	17.2	39.8	75.3	Domestic
15 Other	9.25	2,714	252	344	51.4	15.2	4.6	74.4	Prime
16 2 to 30 days	8.49	10,886	738	506	39.5	18.5	20.1	91.1	Foreign
17 Minimal risk	7.05	1,073	1,676	245	10.9	16.3	10.9	83.9	Fed Funds
18 Low risk	7.70	2,286	1,887	475	29.0	29.2	20.3	91.7	Fed Funds
19 Moderate risk	8.52	4,344	647	555	36.2	17.4	34.6	94.9	Foreign
20 Other	10.14	2,275	462	602	67.7	5.0	4.8	98.2	Foreign
21 31 to 365 days	8.38	15,713	601	774	38.1	5.5	42.3	91.6	Foreign
22 Minimal risk	7.62	1,835	708	857	50.5	7.9	35.8	76.8	Foreign
23 Low risk	7.68	1,768	341	655	22.6	11.9	52.1	86.5	Foreign
24 Moderate risk	8.39	7,759	787	665	32.5	1.6	51.0	95.7	Foreign
25 Other	9.17	3,089	1,004	1,132	54.8	10.9	34.0	96.5	Foreign
				Months					
26 Over 365	9.18	2,454	175	56	81.1	6.7	2.9	40.6	Prime
27 Minimal risk	9.23	179	157	43	66.7	34.3	0.5	68.5	Prime
28 Low risk	8.50	151	127	64	44.7	9.9	10.9	55.8	Other
29 Moderate risk	9.16	1,613	288	58	89.0	4.2	0.6	25.8	Prime
30 Other	9.84	258	248	60	68.3	4.4	10.8	76.6	Other
Size and base rate									
				Weighted-Average Risk Rating <sup>2</sup>					
				Weighted-Average Maturity/Repricing Interval <sup>3</sup>					
				Days					
Size (\$thousands)									
31 1 - 99	10.38	2,433	3.2	171	83.8	29.3	2.8	76.1	Prime
32 100 - 999	9.82	9,300	3.2	101	77.1	21.6	5.0	83.5	Prime
33 1,000 - 9,999	8.94	24,429	3.2	54	50.1	14.4	16.7	76.0	Prime
34 10,000+	7.98	38,499	2.6	64	32.4	14.8	37.4	74.5	Foreign
									Average Size (\$thousands)
Base rate <sup>6</sup>									
35 Prime <sup>7</sup>	10.14	20,303	3.3	116	72.8	20.6	1.0	68.0	219
36 Fed funds	7.31	11,292	2.2	6	50.5	25.4	26.1	57.9	7,242
37 Other domestic	7.45	11,206	2.4	21	14.0	25.5	63.1	84.7	2,739
38 Foreign	8.46	19,638	3.0	43	37.3	5.8	38.7	84.1	2,435
39 Other	8.51	12,223	3.0	137	37.1	7.3	10.1	85.9	334

Footnotes appear on the last page.

## SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 7-11, 2000

TABLE 3

Commercial and Industrial loans made by large domestic banks<sup>1</sup>

Risk <sup>2</sup> and maturity/repricing interval <sup>3</sup> of loans	Weighted-Average Effective Loan Rate <sup>4</sup> (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity <sup>5</sup>	Percent of Amount of Loans				Most Common Base Pricing Rate <sup>6</sup>
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
				Days					
1 All C&I loans	8.43	64,598	945	559	41.3	12.5	28.6	76.0	Foreign
2 Minimal risk	7.30	6,388	5,396	450	51.5	12.9	56.5	92.6	Fed Funds
3 Low risk	7.44	8,885	2,580	501	12.0	13.2	54.0	88.6	Domestic
4 Moderate risk	8.43	25,873	1,010	566	37.1	9.0	33.9	85.2	Foreign
5 Other	9.67	10,215	443	731	60.6	8.6	11.8	88.5	Prime
6 Zero interval	9.28	16,190	775	447	51.0	5.7	2.5	52.9	Prime
7 Minimal risk	8.51	505	2,120	463	35.2	28.7	8.3	100.0	Other
8 Low risk	8.44	731	818	527	30.7	3.3	25.9	99.6	Prime
9 Moderate risk	9.09	5,251	619	374	56.6	8.7	2.7	90.1	Prime
10 Other	10.04	2,841	337	660	79.3	10.5	1.3	86.9	Prime
11 Daily	7.89	22,694	736	399	39.2	22.6	41.5	77.6	Domestic
12 Minimal risk	7.16	3,105	8,387	245	71.9	9.5	89.9	99.8	Fed Funds
13 Low risk	7.28	4,681	3,803	432	8.3	14.5	69.2	85.7	Domestic
14 Moderate risk	8.03	7,882	817	411	25.9	16.5	41.3	74.7	Domestic
15 Other	9.14	2,525	283	317	48.1	15.2	4.9	74.1	Prime
16 2 to 30 days	8.36	9,258	1,115	519	31.5	11.9	22.5	90.4	Foreign
17 Minimal risk	7.00	1,036	8,626	247	7.7	16.9	11.3	83.3	Fed Funds
18 Low risk	7.39	1,859	2,853	429	13.5	15.5	24.9	91.4	Fed Funds
19 Moderate risk	8.30	3,754	1,000	553	27.7	7.3	39.0	94.9	Foreign
20 Other	10.45	1,892	585	674	61.9	4.4	2.1	98.6	Foreign
21 31 to 365 days	8.27	13,928	3,020	802	33.6	2.8	46.8	94.4	Foreign
22 Minimal risk	7.34	1,665	5,969	928	46.9	8.4	39.5	82.5	Foreign
23 Low risk	7.45	1,484	3,104	695	11.3	9.7	60.1	90.2	Foreign
24 Moderate risk	8.31	7,323	3,514	676	29.4	0.9	53.4	98.8	Foreign
25 Other	9.21	2,586	1,948	1,133	48.8	1.2	38.3	96.2	Foreign
				Months					
26 Over 365	9.00	1,758	1,111	52	75.7	4.7	2.2	38.0	Prime
27 Minimal risk	8.23	67	502	30	11.2	87.1	1.2	97.6	Domestic
28 Low risk	8.03	95	966	60	20.4	4.5	10.3	68.9	Other
29 Moderate risk	9.10	1,249	1,991	54	86.8	0.8	0.6	18.3	Prime
30 Other	9.83	195	476	55	60.7	4.9	7.9	86.4	Other
Size and base rate									
				Weighted-Average Risk Rating <sup>2</sup>					
				Weighted-Average Maturity/Repricing Interval <sup>3</sup>					
				Days					
Size (\$thousands)									
31 1 - 99	10.21	1,209	3.5	43	84.1	33.2	3.1	85.9	Prime
32 100 - 999	9.74	6,259	3.3	50	72.0	17.7	5.2	86.0	Prime
33 1,000 - 9,999	8.76	19,893	3.1	52	46.5	7.9	19.8	76.5	Foreign
34 10,000+	7.97	37,238	2.6	64	32.0	13.4	38.0	73.8	Foreign
									Average Size (\$thousands)
Base rate <sup>6</sup>									
35 Prime <sup>7</sup>	10.00	14,604	3.3	132	71.0	13.1	0.9	67.3	289
36 Fed funds	7.23	10,346	2.2	5	50.0	19.0	28.4	54.2	9,554
37 Other domestic	7.42	10,988	2.4	16	12.4	25.9	64.3	85.1	8,988
38 Foreign	8.47	18,253	3.0	38	35.6	5.4	40.1	82.9	2,761
39 Other	8.41	10,407	3.0	95	31.6	3.4	9.8	88.3	1,165

Footnotes appear on the last page.





## NOTES

---

The Survey of Terms of Business Lending collects data on gross loan extensions made during the first full business week in the mid-month of each quarter. The authorized panel size for the survey is 348 domestically chartered commercial banks and 50 U.S. branches and agencies of foreign banks. The sample data are used to estimate the terms of loans extended during that week at all domestic commercial banks and all U.S. branches and agencies of foreign banks. Note that the terms on loans extended during the survey week may differ from those extended during other weeks of the quarter. The estimates reported here are not intended to measure the average terms on all business loans in bank portfolios.

---

1. As of December 31, 1996, assets of most of the large banks were at least \$7.0 billion. Median total assets for all insured banks were roughly \$62 million. Assets at all U.S. branches and agencies averaged \$1.3 billion.
2. A complete description of these risk categories is available from the Banking Analysis Section, mail stop 81, the Federal Reserve Board, Washington, DC 20551. The category "Moderate risk" includes the average loan, under average economic conditions, at the typical lender. The "Other" category includes loans rated "Acceptable" as well as special mention or classified loans. The weighted-average risk ratings published for loans in rows 31-39 are calculated by assigning a value of "1" to minimal risk loans, "2" to low risk loans, "3" to moderate risk loans, "4" to acceptable risk loans, and "5" to special mention and classified loans. These values are weighted by loan amount and exclude loans with no risk rating. Some of the loans in table rows 1, 6, 11, 16, 21, 26, and 31 to 39 are not rated for risk.
3. The "maturity/repricing" interval measures the period from the date the loan is made until it first may be repriced or matures. For floating-rate loans that are subject to repricing at any time--such as many prime-based loans--the "maturity/ repricing" interval is zero. For floating-rate loans that have a scheduled repricing interval, the "maturity/repricing" interval measures the number of days between the date the loan is made and the date on which it is next scheduled to reprice. For loans having rates that remain fixed until the loan matures (fixed-rate loans), the "maturity/repricing" interval measures the number of days between the date the loan is made and the date on which it matures. Loans that reprice daily mature or reprice on the business day after they are made. Owing to weekends and holidays, such loans may have "maturity/repricing" intervals in excess of one day; such loans are not included in the 2 to 30 day category.
4. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loans and weighted by loan amount. The standard error of the loan rate for all C&I loans in the current survey (line 1, column 1) is 0.17 percentage points. The chances are about two out of three that the average rate shown would differ by less than this amount from the average rate that would be found by a complete survey of the universe of all banks.
5. Average maturities are weighted by loan amount and exclude loans with no stated maturities.
6. The most common base pricing rate is that used to price the largest dollar volume of loans. Base pricing rates include the prime rate (sometimes referred to as a bank's "base" or "reference" rate), the federal funds rate; domestic money market rates other than the prime rate and the federal funds rate, foreign money market rates, and other base rates not included in the foregoing classifications.
7. For the current survey, the average reported prime rate, weighted by the amount of loans priced relative to a prime base rate, was 9.55 percent for all banks, 9.50 percent for large domestic banks, 9.68 percent for small domestic banks, and 9.50 percent for U.S. branches and agencies of foreign banks.