

FEDERAL RESERVE statistical release



For Immediate Release
October 5, 2001

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SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2001
TABLE 1
Commercial and Industrial loans made by all commercial banks¹

Risk ² and maturity/repricing interval ³ of loans	Weighted-Average Effective Loan Rate ⁴ (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity ⁵ Days	Percent of Amount of Loans				Most Common Base Pricing Rate ⁶
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
1 All C&I loans	5.61	103,101	692	399	36.1	10.0	36.4	73.7	Foreign
2 Minimal risk	4.50	3,747	531	138	17.1	14.0	31.6	50.5	Foreign
3 Low risk	4.81	25,632	1,689	400	21.2	10.9	46.4	85.7	Foreign
4 Moderate risk	5.57	29,296	540	578	40.8	8.3	37.0	83.5	Foreign
5 Other	6.16	22,335	474	336	44.9	6.0	38.3	80.4	Foreign
6 Zero interval	6.01	24,536	449	434	55.0	6.9	22.5	59.9	Prime
7 Minimal risk	5.99	323	174	321	52.5	6.6	16.9	94.2	Prime
8 Low risk	4.96	3,279	647	503	34.9	4.6	73.7	95.5	Domestic
9 Moderate risk	6.09	7,006	332	663	44.4	14.2	38.0	94.4	Prime
10 Other	7.39	3,139	149	553	74.5	16.3	12.4	91.5	Prime
11 Daily	5.15	28,828	710	243	28.1	6.8	40.1	65.3	Fed Funds
12 Minimal risk	4.02	1,557	1,651	32	3.0	5.3	34.4	40.6	Fed Funds
13 Low risk	4.50	6,423	3,823	259	13.4	10.3	47.7	69.2	Fed Funds
14 Moderate risk	5.13	9,597	726	322	29.8	4.4	37.4	75.2	Fed Funds
15 Other	5.87	6,629	533	178	50.5	5.3	28.9	66.8	Fed Funds
16 2 to 30 days	5.84	21,778	1,279	391	27.5	19.8	35.8	90.5	Foreign
17 Minimal risk	4.34	915	1,526	71	8.3	11.2	35.1	59.7	Foreign
18 Low risk	5.16	7,064	2,389	458	18.6	13.3	37.6	96.4	Foreign
19 Moderate risk	5.48	5,210	907	473	43.0	10.7	38.6	87.4	Foreign
20 Other	5.91	4,031	598	417	46.1	6.2	29.6	88.1	Foreign
21 31 to 365 days	5.42	24,189	1,010	404	26.9	3.3	51.6	87.1	Foreign
22 Minimal risk	4.83	915	299	229	34.4	33.4	28.7	43.3	Foreign
23 Low risk	4.73	7,921	1,921	403	15.7	3.0	47.1	94.1	Foreign
24 Moderate risk	5.31	5,514	654	612	40.6	2.0	45.9	93.9	Foreign
25 Other	5.94	8,053	2,260	264	25.5	1.1	61.8	83.6	Foreign
				Months					
26 Over 365	7.02	2,461	236	60	79.9	10.3	7.0	48.1	Prime
27 Minimal risk	7.47	29	53	103	92.7	18.5	36.0	25.1	Other
28 Low risk	6.64	153	120	48	69.9	5.3	22.5	57.2	Other
29 Moderate risk	6.86	1,778	383	59	80.7	9.8	2.4	40.9	Prime
30 Other	7.89	383	159	72	86.5	14.9	20.3	75.6	Other
Size and base rate				Weighted-Average Risk Rating ²		Weighted-Average Maturity/Repricing Interval ³			
				Days					
Size (\$thousands)									
31 1 - 99	7.73	2,566	3.3	151	84.7	26.2	3.6	81.6	Prime
32 100 - 999	6.89	9,816	3.3	109	72.8	17.3	10.5	83.3	Prime
33 1,000 - 9,999	5.62	31,731	3.1	47	37.9	7.2	36.5	72.4	Foreign
34 10,000+	5.30	58,988	2.8	50	26.9	9.6	42.1	72.5	Foreign
Base rate ⁶								Average Size (\$thousands)	
35 Prime ⁷	7.50	22,260	3.2	108	60.1	29.2	3.2	75.4	219
36 Fed funds	4.55	18,553	2.9	18	31.1	5.9	29.1	46.7	6,139
37 Other domestic	4.76	11,791	2.7	10	14.1	12.8	80.5	64.8	3,505
38 Foreign	5.33	35,768	2.9	39	27.3	1.5	52.0	88.8	3,096
39 Other	5.42	14,729	3.1	112	45.2	4.5	22.5	75.6	502

Footnotes appear on the last page.

SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2001

TABLE 2

Commercial and Industrial loans made by domestic banks¹

Risk ² and maturity/repricing interval ³ of loans	Weighted-Average Effective Loan Rate ⁴ (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity ⁵	Percent of Amount of Loans				Most Common Base Pricing Rate ⁶
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
				Days					
1 All C&I loans	5.68	65,900	464	578	43.2	10.0	29.5	79.8	Foreign
2 Minimal risk	4.99	1,894	273	266	33.8	27.8	28.1	63.6	Foreign
3 Low risk	4.79	19,269	1,341	470	27.8	11.1	45.1	91.5	Foreign
4 Moderate risk	5.73	22,155	424	747	47.1	9.5	33.6	86.6	Prime
5 Other	6.64	11,666	263	602	64.1	10.5	23.5	91.4	Prime
6 Zero interval	6.18	20,479	385	510	47.8	8.3	26.9	63.0	Prime
7 Minimal risk	5.91	308	166	321	55.1	7.0	17.7	93.9	Prime
8 Low risk	4.95	3,257	647	503	35.1	4.6	74.2	95.5	Domestic
9 Moderate risk	6.04	6,711	323	664	45.1	14.8	39.5	94.1	Prime
10 Other	7.36	2,999	146	548	76.2	16.9	13.0	91.3	Prime
11 Daily	5.63	14,907	380	487	46.7	13.2	35.2	88.7	Prime
12 Minimal risk	5.57	107	120	459	43.5	78.0	4.3	93.9	Domestic
13 Low risk	4.73	3,239	2,130	531	26.6	20.4	60.8	95.1	Domestic
14 Moderate risk	5.47	5,985	468	524	47.8	7.1	42.4	85.2	Prime
15 Other	6.48	3,380	283	362	65.2	10.5	21.0	84.0	Prime
16 2 to 30 days	5.19	13,691	887	514	34.2	6.2	33.6	92.6	Foreign
17 Minimal risk	4.39	638	1,141	90	11.8	16.1	42.0	75.5	Foreign
18 Low risk	4.75	6,113	2,207	477	21.5	4.8	39.4	96.1	Foreign
19 Moderate risk	5.28	4,009	776	565	42.4	5.5	33.8	87.2	Foreign
20 Other	6.48	2,356	378	683	63.4	6.1	23.9	97.6	Foreign
21 31 to 365 days	5.32	13,263	618	602	31.1	5.8	29.6	92.5	Foreign
22 Minimal risk	4.92	805	265	253	39.1	38.0	24.2	39.7	Domestic
23 Low risk	4.81	5,716	1,544	385	20.4	4.1	32.5	95.1	Foreign
24 Moderate risk	5.52	3,481	447	933	38.2	3.2	24.7	97.0	Foreign
25 Other	5.90	2,448	1,039	643	43.9	3.3	41.1	98.0	Foreign
				Months					
26 Over 365	7.02	2,461	236	60	79.9	10.3	7.0	48.1	Prime
27 Minimal risk	7.47	29	53	103	92.7	18.5	36.0	25.1	Other
28 Low risk	6.64	153	120	48	69.9	5.3	22.5	57.2	Other
29 Moderate risk	6.86	1,778	383	59	80.7	9.8	2.4	40.9	Prime
30 Other	7.89	383	159	72	86.5	14.9	20.3	75.6	Other
Size and base rate				Weighted-Average Risk Rating ²	Weighted-Average Maturity/Repricing Interval ³				
				Days					
Size (\$thousands)									
31 1 - 99	7.73	2,538	3.3	152	85.1	26.4	3.4	81.5	Prime
32 100 - 999	6.99	8,819	3.3	118	75.8	18.1	6.4	83.9	Prime
33 1,000 - 9,999	5.84	20,686	3.0	62	43.7	8.8	26.3	78.1	Foreign
34 10,000+	5.09	33,858	2.6	75	31.2	7.4	39.5	79.6	Foreign
Base rate ⁶									Average Size (\$thousands)
35 Prime ⁷	7.25	17,387	3.3	135	72.8	16.2	1.3	69.3	174
36 Fed funds	4.59	6,298	2.7	40	58.4	17.4	48.0	67.2	4,198
37 Other domestic	4.77	8,023	2.7	9	19.9	18.7	71.3	87.2	2,836
38 Foreign	5.20	22,803	2.6	40	28.8	2.3	31.7	85.6	2,587
39 Other	5.50	11,389	2.9	145	34.6	5.8	28.4	86.1	398

Footnotes appear on the last page.

SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2001

October 5, 2001

TABLE 3

Commercial and Industrial loans made by large domestic banks¹

Risk ² and maturity/repricing interval ³ of loans	Weighted-Average Effective Loan Rate ⁴ (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity ⁵	Percent of Amount of Loans				Most Common Base Pricing Rate ⁶
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
				Days					
1 All C&I loans	5.53	59,585	806	555	39.4	8.7	32.0	80.1	Foreign
2 Minimal risk	4.30	1,282	1,801	160	17.2	35.3	38.5	73.6	Foreign
3 Low risk	4.67	18,231	3,406	443	25.7	10.6	47.0	92.6	Foreign
4 Moderate risk	5.56	20,187	730	711	43.1	7.5	36.4	87.6	Prime
5 Other	6.50	9,937	396	581	60.1	7.6	26.3	92.0	Prime
6 Zero interval	6.03	17,970	747	524	43.3	6.0	30.2	59.7	Prime
7 Minimal risk	5.18	184	615	228	31.7	3.3	23.7	98.8	Prime
8 Low risk	4.75	2,921	3,762	490	32.1	3.6	82.4	99.6	Domestic
9 Moderate risk	5.86	5,928	564	688	40.2	11.5	44.2	94.6	Prime
10 Other	7.27	2,182	227	625	73.5	12.6	16.0	92.2	Prime
11 Daily	5.52	13,879	427	444	44.2	12.4	37.0	88.9	Prime
12 Minimal risk	4.80	77	525	68	22.1	79.5	--	99.6	Domestic
13 Low risk	4.59	2,962	3,178	434	24.7	20.8	64.2	95.5	Domestic
14 Moderate risk	5.33	5,598	524	482	44.9	6.2	44.9	85.5	Prime
15 Other	6.40	3,140	321	359	63.2	9.0	22.5	83.4	Prime
16 2 to 30 days	5.13	12,766	1,279	517	32.2	5.2	35.9	93.7	Foreign
17 Minimal risk	4.22	418	3,319	90	4.3	20.3	64.0	100.0	Foreign
18 Low risk	4.72	6,019	2,490	475	21.0	4.1	40.0	96.0	Foreign
19 Moderate risk	5.20	3,807	1,173	548	39.7	4.1	35.5	87.3	Foreign
20 Other	6.45	2,099	580	689	59.9	4.1	26.1	98.1	Foreign
21 31 to 365 days	5.14	12,132	3,078	596	26.8	4.9	31.9	94.8	Foreign
22 Minimal risk	3.98	591	6,095	179	19.8	49.7	30.9	43.3	Domestic
23 Low risk	4.69	5,456	5,686	378	17.4	3.2	34.0	96.2	Foreign
24 Moderate risk	5.33	3,219	1,915	885	34.4	2.8	25.5	99.0	Foreign
25 Other	5.86	2,272	2,577	663	41.7	1.2	44.3	98.9	Foreign
				Months					
26 Over 365	6.58	1,802	964	53	74.2	6.2	2.4	50.2	Prime
27 Minimal risk	--	--	--	--	--	--	--	--	--
28 Low risk	5.26	80	420	37	48.6	0.6	--	98.4	Other
29 Moderate risk	6.60	1,472	1,590	55	78.1	5.2	2.2	42.4	Prime
30 Other	7.28	181	345	47	73.2	19.5	2.8	77.4	Other
Size and base rate									
				Weighted-Average Risk Rating ²					
				Weighted-Average Maturity/Repricing Interval ³					
				Days					
Size (\$thousands)									
31 1 - 99	7.30	1,308	3.5	45	84.8	26.5	1.7	88.8	Prime
32 100 - 999	6.79	6,012	3.4	52	71.2	14.9	5.4	87.3	Prime
33 1,000 - 9,999	5.78	18,672	3.1	55	41.2	7.9	28.6	78.0	Foreign
34 10,000+	5.09	33,593	2.6	76	31.0	7.4	39.8	79.6	Foreign
									Average Size (\$thousands)
Base rate ⁶									
35 Prime ⁷	7.15	13,550	3.3	137	69.2	12.4	0.5	65.4	242
36 Fed funds	4.51	6,157	2.6	4	57.5	17.7	47.7	66.5	6,981
37 Other domestic	4.75	7,949	2.7	8	19.2	18.5	72.0	87.4	6,169
38 Foreign	5.20	22,004	2.6	39	28.0	2.3	32.8	85.3	2,980
39 Other	5.29	9,924	3.0	110	29.0	4.3	31.4	91.1	1,176

Footnotes appear on the last page.

SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2001

October 5, 2001

TABLE 4

Commercial and Industrial loans made by small domestic banks¹

Risk ² and maturity/repricing interval ³ of loans	Weighted-Average Effective Loan Rate ⁴ (percent)	Amount of Loans (\$ millions)	Average Loan Size (\$ thousands)	Weighted-Average Maturity ⁵	Percent of Amount of Loans				Most Common Base Pricing Rate ⁶
					Secured by Collateral	Callable	Subject to Prepayment Penalty	Made Under Commitment	
				Days					
1 All C&I loans	7.15	6,315	93	805	78.5	22.4	6.2	77.3	Prime
2 Minimal risk	6.43	613	99	496	68.6	12.1	6.2	42.8	Other
3 Low risk	6.80	1,039	115	968	65.4	18.7	10.9	70.8	Prime
4 Moderate risk	7.52	1,967	80	1,137	87.4	29.5	5.4	76.6	Prime
5 Other	7.46	1,729	89	730	87.0	27.2	7.7	87.9	Prime
6 Zero interval	7.27	2,509	86	392	80.2	24.7	3.6	87.0	Prime
7 Minimal risk	6.98	124	80	470	89.6	12.4	8.9	86.6	Prime
8 Low risk	6.69	336	79	646	60.7	13.2	2.9	59.3	Prime
9 Moderate risk	7.40	783	76	461	82.7	39.4	3.6	91.0	Prime
10 Other	7.63	817	74	341	83.7	28.2	5.0	88.9	Prime
11 Daily	7.16	1,028	154	1,077	79.4	23.1	9.8	86.6	Prime
12 Minimal risk	7.55	30	40	1,419	98.3	74.2	15.2	79.2	Prime
13 Low risk	6.27	277	470	1,684	47.8	15.8	24.4	90.0	Other
14 Moderate risk	7.47	387	184	1,150	89.8	19.2	6.4	80.4	Prime
15 Other	7.57	240	111	388	91.4	29.5	1.8	91.8	Prime
16 2 to 30 days	5.93	924	170	466	60.6	19.7	2.1	78.0	Foreign
17 Minimal risk	4.72	220	508	90	26.3	8.1	0.1	28.9	Other
18 Low risk	6.24	94	267	624	58.0	43.4	0.9	99.1	Prime
19 Moderate risk	6.77	202	105	894	94.2	32.0	1.6	85.2	Prime
20 Other	6.68	258	99	639	92.1	22.4	5.8	94.2	Prime
21 31 to 365 days	7.18	1,131	65	666	77.4	16.3	4.7	67.6	Other
22 Minimal risk	7.52	214	73	458	92.2	5.8	5.5	30.0	Other
23 Low risk	7.34	260	95	531	85.1	22.2	0.2	71.5	Prime
24 Moderate risk	7.77	262	43	1,528	85.0	8.6	15.1	71.8	Other
25 Other	6.40	176	119	296	73.0	30.1	0.2	87.7	Other
				Months					
26 Over 365	8.21	660	77	80	95.4	21.5	19.6	42.4	Other
27 Minimal risk	8.12	23	44	109	100.0	23.1	45.0	7.8	Other
28 Low risk	8.17	72	67	60	93.4	10.4	47.5	11.4	Other
29 Moderate risk	8.11	307	83	79	93.6	32.0	3.1	33.7	Prime
30 Other	8.43	202	107	93	98.5	10.9	35.9	73.9	Other
Size and base rate									
				Weighted-Average Risk Rating ²	Weighted-Average Maturity/Repricing Interval ³				
				Days					
Size (\$thousands)									
31 1 - 99	8.19	1,230	3.1	265	85.5	26.2	5.2	73.8	Prime
32 100 - 999	7.42	2,807	2.9	259	85.4	24.9	8.4	76.8	Prime
33 1,000 - 9,999	6.34	2,014	2.9	125	66.9	17.6	4.7	79.1	Prime
34 10,000+	--	--	--	--	--	--	--	--	--
									Average Size (\$thousands)
Base rate ⁶									
35 Prime ⁷	7.58	3,837	3.2	127	85.4	29.4	4.3	82.9	87
36 Fed funds	8.01	141	3.4	1,397	94.6	2.5	60.6	97.5	227
37 Other domestic	7.28	74	3.0	197	95.1	42.1	1.8	69.6	48
38 Foreign	5.31	799	2.8	68	51.6	2.6	2.9	93.1	558
39 Other	6.93	1,465	2.5	386	72.5	15.8	8.1	52.7	73

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 0.23 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 6.77 percent for all banks, 6.75 percent for large domestic banks, 6.88 percent for small domestic banks, and 6.75 percent for U.S. branches and agencies of foreign banks.