

E.2 SURVEY OF TERMS OF BUSINESS LENDING, NOVEMBER 1-5, 2004

For immediate release
December 22, 2004

2. Commercial and industrial loans made by domestic banks¹

Maturity/repricing interval ² and risk ³ of loans	Weighted- average effective loan rate ⁴ (percent)	Total value of loans (\$ millions)	Average loan size (\$ thousands)	Weighted- average maturity ⁵ Days	Percent of value of loans			Commitment status	
					Secured by collateral	Subject to prepayment penalty	Prime based	Percent made under commitment	Average months since loan terms set ⁶
1. All C&I loans	4.42	57,318	352	830	49.6	22.4	42.3	90.7	12.7
2. Minimal risk	3.39	1,278	356	499	65.8	1.9	34.0	80.8	8.8
3. Low risk	3.46	11,163	567	633	32.3	25.9	26.3	89.6	14.8
4. Moderate risk	4.17	21,617	397	653	47.2	38.3	43.2	89.6	9.5
5. Other	5.20	19,752	372	1,170	55.2	2.8	50.9	94.9	15.7
6. Zero interval	5.02	20,160	249	1,163	50.7	6.8	51.6	93.8	7.9
7. Minimal risk	4.00	429	235	338	61.7	.4	50.2	99.8	9.2
8. Low risk	4.04	3,297	304	625	57.0	6.7	65.2	91.3	9.6
9. Moderate risk	4.57	4,733	201	673	56.8	5.5	71.2	89.5	10.5
10. Other	5.64	9,602	375	1,758	37.0	1.0	38.6	96.6	5.6
11. Daily	3.64	7,169	498	475	33.6	33.4	23.7	79.8	24.1
12. Minimal risk	2.44	276	934	45	29.5	.8	32.1	30.8	11.5
13. Low risk	2.70	2,379	1,474	415	6.4	63.4	8.9	77.3	42.3
14. Moderate risk	3.59	3,586	498	566	41.2	24.2	25.2	81.6	16.9
15. Other	7.00	726	182	246	72.2	1.7	50.8	96.1	12.5
16. 2 to 30 days	3.88	16,658	504	551	39.9	36.0	29.9	95.1	7.7
17. Minimal risk	2.91	234	573	866	87.5	2.3	7.0	92.0	5.7
18. Low risk	3.40	4,385	1,748	745	22.6	21.1	8.6	95.7	7.9
19. Moderate risk	3.98	8,136	769	377	32.1	59.8	33.6	95.9	6.2
20. Other	4.28	3,634	203	703	72.4	3.0	46.8	93.7	11.2
21. 31 to 365 days	4.29	7,167	382	423	66.8	12.2	46.5	89.3	28.3
22. Minimal risk	3.35	198	338	233	91.8	3.9	42.2	95.1	11.8
23. Low risk	3.63	686	225	428	36.9	28.2	6.9	86.4	8.3
24. Moderate risk	4.09	2,265	317	641	53.5	24.0	21.2	83.4	11.8
25. Other	4.54	3,641	1,137	268	80.0	1.8	70.8	97.1	42.4
				Months					
26. More than 365 days	5.09	5,814	420	47	69.5	37.7	62.9	82.6	13.8
27. Minimal risk	4.42	123	274	56	73.0	6.1	24.0	79.7	6.6
28. Low risk	5.35	204	163	48	67.1	9.2	37.5	86.3	5.8
29. Moderate risk	4.85	2,802	552	50	75.8	61.9	62.9	86.0	7.0
30. Other	5.33	2,134	975	40	59.5	12.3	79.3	84.8	24.6
				Weighted- average maturity/ repricing interval ²					
	Size of loan (\$ thousands)		Weighted- average risk rating ³						
				Days					
31. 1 - 99	5.47	3,083	3.3	157	89.1	6.5	66.6	86.8	7.8
32. 100 - 999	5.02	10,262	3.2	139	77.6	8.0	72.6	88.3	10.3
33. 1,000 - 9,999	4.25	16,897	3.2	163	59.2	14.1	45.0	91.5	16.2
34. 10,000+	4.18	27,076	3.1	165	28.5	34.9	26.3	91.6	11.9
	Base rate of loan ⁷						Average size (\$ thousands)		
35. Prime ⁸	4.99	24,247	3.4	217	67.2	18.1	222	92.0	13.7
36. Other	4.00	33,071	3.0	118	36.7	25.6	622	89.8	11.9

... The number of loans was insufficient to provide a meaningful value.

Other footnotes appear on the last page.

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For immediate release
December 22, 2004

3. Commercial and industrial loans made by large domestic banks¹

Maturity/repricing interval ² and risk ³ of loans	Weighted- average effective loan rate ⁴ (percent)	Total value of loans (\$ millions)	Average loan size (\$ thousands)	Weighted- average maturity ⁵ Days	Percent of value of loans			Commitment status	
					Secured by collateral	Subject to prepayment penalty	Prime based	Percent made under commitment	Average months since loan terms set ⁶
1. All C&I loans	4.23	49,417	549	852	43.1	25.7	37.1	91.9	12.3
2. Minimal risk	3.08	1,095	597	435	62.5	1.6	28.2	81.4	8.6
3. Low risk	3.27	10,348	909	632	28.4	27.6	23.6	90.4	15.5
4. Moderate risk	4.01	19,776	691	618	43.5	41.6	40.2	91.3	9.9
5. Other	5.15	15,988	455	1,330	46.1	3.0	42.0	94.6	13.7
6. Zero interval	4.94	17,640	369	1,261	45.3	7.7	48.2	94.9	8.1
7. Minimal risk	3.69	350	292	364	57.1	.4	41.1	99.8	9.1
8. Low risk	3.81	2,946	400	610	53.0	7.4	63.2	94.3	10.0
9. Moderate risk	4.35	3,936	323	681	51.7	6.2	66.9	90.0	11.5
10. Other	5.64	9,035	541	1,841	33.8	.9	35.1	96.9	5.4
11. Daily	3.54	6,853	705	470	31.2	34.9	20.2	79.1	25.3
12. Minimal risk	2.35	271	3,027	42	29.4	.8	30.9	30.7	11.5
13. Low risk	2.66	2,347	2,097	415	5.1	64.3	7.7	77.1	43.0
14. Moderate risk	3.51	3,459	659	566	39.9	25.1	22.5	81.2	17.5
15. Other	7.26	593	260	165	68.1	1.6	39.8	95.9	14.8
16. 2 to 30 days	3.79	15,570	607	568	37.2	38.2	26.5	95.2	7.5
17. Minimal risk	2.77	215	746	897	86.5	2.5	1.3	94.6	5.0
18. Low risk	3.32	4,194	2,222	767	21.5	22.0	6.2	95.6	8.1
19. Moderate risk	3.96	8,027	925	377	31.3	60.6	32.9	96.0	6.3
20. Other	4.06	2,959	210	805	69.1	2.6	38.6	92.6	10.7
21. 31 to 365 days	3.73	5,013	1,746	408	55.8	16.8	35.1	92.9	28.4
22. Minimal risk	3.10	179	1,390	239	92.5	4.3	39.6	98.6	11.4
23. Low risk	3.03	531	1,375	470	20.1	34.3	3.6	85.8	9.4
24. Moderate risk	3.60	1,850	2,050	552	44.8	28.2	12.5	91.0	12.7
25. Other	4.04	2,288	2,028	300	69.6	2.9	62.2	96.8	46.7
				Months					
26. More than 365 days	4.75	3,993	1,597	46	56.7	53.5	59.3	86.9	11.4
27. Minimal risk	3.82	62	600	47	56.6	1.7	11.0	98.1	7.1
28. Low risk	3.95	118	573	39	43.8	4.0	38.6	92.9	7.5
29. Moderate risk	4.68	2,409	2,970	47	72.4	71.6	65.3	92.0	7.6
30. Other	5.19	1,098	1,377	44	23.5	21.5	67.1	75.7	22.4
				Weighted- average maturity/ repricing interval ²					
	Size of loan (\$ thousands)		Weighted- average risk rating ³						
				Days					
31. 1 - 99	4.84	1,810	3.4	36	87.8	9.4	65.3	93.7	8.7
32. 100 - 999	4.69	7,213	3.3	72	73.1	10.3	71.8	94.7	11.9
33. 1,000 - 9,999	4.07	14,405	3.1	134	54.4	16.2	40.5	91.6	15.4
34. 10,000+	4.15	25,990	3.1	161	25.5	36.4	23.5	91.3	11.0
	Base rate of loan ⁷						Average size (\$ thousands)		
35. Prime ⁸	4.76	18,313	3.3	203	59.5	23.5	302	94.6	12.6
36. Other	3.92	31,104	3.0	96	33.5	27.0	1,061	90.4	12.2

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E.2 SURVEY OF TERMS OF BUSINESS LENDING, NOVEMBER 1-5, 2004

For immediate release
December 22, 2004

4. Commercial and industrial loans made by small domestic banks¹

Maturity/repricing interval ² and risk ³ of loans	Weighted- average effective loan rate ⁴ (percent)	Total value of loans (\$ millions)	Average loan size (\$ thousands)	Weighted- average maturity ⁵	Percent of value of loans			Commitment status	
					Secured by collateral	Subject to prepayment penalty	Prime based	Percent made under commitment	Average months since loan terms set ⁶
Days									
1. All C&I loans	5.61	7,901	109	696	90.0	2.0	75.1	83.2	15.2
2. Minimal risk	5.27	182	104	842	85.6	3.5	68.8	77.2	9.9
3. Low risk	5.91	815	98	649	82.8	3.7	60.3	79.6	4.3
4. Moderate risk	5.85	1,841	71	1,024	87.3	2.7	75.3	70.7	4.0
5. Other	5.44	3,764	210	511	93.9	1.9	88.6	95.8	24.1
6. Zero interval	5.58	2,520	76	493	88.3	1.1	75.7	86.1	6.6
7. Minimal risk	5.43	78	126	238	82.4	.0	91.0	99.9	9.4
8. Low risk	6.01	351	101	742	91.3	.0	81.4	66.1	5.8
9. Moderate risk	5.67	797	70	635	82.2	2.2	92.3	86.9	5.4
10. Other	5.63	567	63	389	87.6	1.8	93.6	91.0	10.0
11. Daily	5.84	315	67	560	84.9	.9	99.1	93.0	1.5
12. Minimal risk	...	...	...	...	...	...	...	...	...
13. Low risk	5.82	32	64	460	99.2	.0	100.0	93.4	3.3
14. Moderate risk	5.77	127	65	559	74.7	.0	97.9	92.6	1.4
15. Other	5.80	133	78	539	90.7	2.2	100.0	97.0	1.1
16. 2 to 30 days	5.28	1,088	148	306	78.4	3.7	78.2	94.4	9.5
17. Minimal risk	...	...	...	...	...	...	...	...	...
18. Low risk	5.33	191	308	285	47.6	2.6	60.0	96.3	2.9
19. Moderate risk	5.44	108	57	418	88.2	1.9	81.5	84.7	3.5
20. Other	5.22	675	177	274	86.8	5.0	82.8	98.2	13.1
21. 31 to 365 days	5.61	2,155	136	459	92.4	1.6	72.9	81.0	27.7
22. Minimal risk	5.65	20	43	196	85.2	.0	65.6	62.6	17.6
23. Low risk	5.68	155	58	291	94.4	7.3	18.4	88.3	4.7
24. Moderate risk	6.26	415	67	1,036	92.1	5.3	59.9	49.3	3.9
25. Other	5.41	1,353	653	215	97.6	.1	85.5	97.6	35.2
Months									
26. More than 365 days	5.81	1,821	161	49	97.4	3.1	70.9	73.3	19.8
27. Minimal risk	...	...	...	...	...	...	...	...	...
28. Low risk	7.27	86	82	59	98.9	16.3	36.0	77.3	2.9
29. Moderate risk	5.90	393	92	67	96.5	2.2	48.4	49.5	.6
30. Other	5.48	1,036	745	36	97.6	2.5	92.3	94.4	26.5
Size of loan (\$ thousands)									
				Weighted- average risk rating ³	Weighted- average maturity/ repricing interval ²				
Days									
31. 1 - 99	6.37	1,273	3.2	323	90.8	2.3	68.4	77.0	6.2
32. 100 - 999	5.80	3,050	3.1	295	88.4	2.7	74.6	73.1	5.2
33. 1,000 - 9,999	5.26	2,492	4.2	329	87.2	1.9	71.0	91.3	21.3
34. 10,000+	5.00	1,086	4.4	274	100.0	.0	94.1	100.0	30.2
Base rate of loan ⁷							Average size (\$ thousands)		
35. Prime ⁸	5.71	5,935	3.8	260	90.8	1.4	122	83.8	17.9
36. Other	5.32	1,966	3.1	450	87.5	4.1	82	81.4	6.6

... The number of loans was insufficient to provide a meaningful value.

Other footnotes appear on the last page.

E.2 SURVEY OF TERMS OF BUSINESS LENDING, NOVEMBER 1-5, 2004

For immediate release
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5. Commercial and industrial loans made by U.S. branches and agencies of foreign banks¹

Maturity/repricing interval ² and risk ³ of loans	Weighted- average effective loan rate ⁴ (percent)	Total value of loans (\$ millions)	Average loan size (\$ thousands)	Weighted- average maturity ⁵ Days	Percent of value of loans			Commitment status	
					Secured by collateral	Subject to prepayment penalty	Prime based	Percent made under commitment	Average months since loan terms set ⁶
1. All C&I loans	3.39	28,815	6,054	337	20.9	43.5	5.7	57.4	6.6
2. Minimal risk	2.56	1,274	3,646	391	23.4	3.0	.3	100.0	.5
3. Low risk	4.85	4,611	7,307	1,523	8.7	22.7	3.1	91.1	1.1
4. Moderate risk	2.78	8,661	5,630	106	31.0	55.9	6.5	66.0	8.4
5. Other	3.53	11,960	6,361	101	21.9	38.7	7.8	44.0	10.3
6. Zero interval	6.15	3,499	4,852	2,015	23.8	.2	26.1	99.8	2.1
7. Minimal risk	...	...	...	...	...	...	...	...	...
8. Low risk	...	...	...	...	...	...	...	...	...
9. Moderate risk	4.93	163	567	917	82.9	1.7	91.1	100.0	17.7
10. Other	5.62	752	2,084	1,044	88.9	.5	100.0	99.0	5.1
11. Daily	2.89	16,780	10,585	8	12.6	49.8	1.4	39.4	7.7
12. Minimal risk	2.38	415	3,681	51	37.4	.0	.0	100.0	.0
13. Low risk	2.46	812	6,554	68	4.1	83.9	.0	59.6	.2
14. Moderate risk	2.50	4,852	9,567	10	18.1	48.6	4.4	59.8	5.5
15. Other	3.30	8,811	12,476	1	11.9	41.1	.3	31.9	12.5
16. 2 to 30 days	2.98	5,535	3,950	220	29.7	55.8	3.6	67.6	10.5
17. Minimal risk	2.49	511	5,039	373	8.4	7.1	.0	100.0	.7
18. Low risk	2.89	643	2,652	620	27.4	35.9	.0	87.2	3.9
19. Moderate risk	2.85	2,683	5,667	110	42.8	65.7	3.9	66.7	14.0
20. Other	3.38	1,449	3,227	200	18.8	58.3	6.5	57.7	12.3
21. 31 to 365 days	3.63	2,842	2,904	396	47.7	34.3	6.5	89.3	4.3
22. Minimal risk	2.73	326	3,046	866	29.6	.5	1.2	100.0	.1
23. Low risk	3.47	541	2,526	699	30.7	14.7	14.2	100.0	3.4
24. Moderate risk	3.50	904	3,647	415	51.5	72.9	4.3	88.7	5.0
25. Other	4.27	946	2,638	143	66.2	17.5	6.9	91.7	5.7
Months									
26. More than 365 days	...	...	...	...	...	...	...	...	...
27. Minimal risk	...	...	...	...	...	...	...	...	...
28. Low risk	...	...	...	...	...	...	...	...	...
29. Moderate risk	...	...	...	...	...	...	...	...	...
30. Other	...	...	...	...	...	...	...	...	...
Size of loan (\$ thousands)									
			Weighted- average risk rating ³	Weighted- average maturity/ repricing interval ²					
Days									
31. 1 - 99	4.66	20	3.2	48	51.5	15.6	46.2	91.6	8.3
32. 100 - 999	4.15	639	3.2	31	28.0	33.2	35.2	80.8	11.2
33. 1,000 - 9,999	3.18	8,016	3.0	43	16.0	38.3	10.6	71.6	8.0
34. 10,000+	3.45	20,139	3.4	6	22.5	46.0	2.8	51.0	5.5
							Average size (\$ thousands)		
Base rate of loan ⁷									
35. Prime ⁸	5.35	1,653	3.5	132	53.6	18.2	1,390	99.4	7.3
36. Other	3.27	27,162	3.3	10	18.9	45.1	7,607	54.8	6.5

... The number of loans was insufficient to provide a meaningful value.

Other footnotes appear on the last page.

E.2 SURVEY OF TERMS OF BUSINESS LENDING, NOVEMBER 1-5, 2004

For immediate release
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6. Commercial and industrial loans by time that pricing terms were set and by commitment

Time pricing terms were set and loan commitment status	Weighted-average effective loan rate ⁴ (percent)	Total value of loans (\$ millions)	Average loan size (\$ thousands)	Weighted-average risk rating ³	Weighted-average maturity/ repricing interval ² (days)	Percent of value of loans		
						Secured by collateral	Subject to prepayment penalty	Prime based
All commercial banks								
1. During survey week	4.01	40,193	820	3.4	119	28.8	32.5	16.8
2. Not under commitment	3.41	17,587	687	3.7	102	29.5	56.5	11.1
3. Informal commitment	2.96	7,597	542	3.2	30	13.5	14.4	13.5
4. Formal commitment	5.25	15,009	1,597	3.1	183	35.7	13.5	25.1
Before survey week ⁹								
5. Up to 90 days	4.27	12,874	427	2.9	119	36.3	42.1	39.9
6. 91 to 365 days	4.18	14,581	231	3.0	79	60.5	24.1	45.0
7. More than 365 days	3.99	18,414	755	3.4	116	50.5	18.5	40.2
Domestic banks								
8. During survey week	4.88	16,985	367	3.3	266	42.4	13.1	34.4
9. Not under commitment	4.27	5,312	217	2.9	328	47.7	10.0	36.6
10. Informal commitment	4.83	1,545	120	3.5	124	64.6	6.1	55.8
11. Formal commitment	5.21	10,127	1,131	3.5	255	36.2	15.7	29.9
Before survey week ⁹								
12. Up to 90 days	4.32	11,831	397	2.9	117	33.8	40.7	41.9
13. 91 to 365 days	4.26	12,896	207	3.0	86	65.3	20.8	48.9
14. More than 365 days	4.12	15,536	662	3.4	135	56.2	20.2	45.7
Large domestic banks								
15. During survey week	4.63	13,640	1,489	3.4	239	31.9	15.6	25.6
16. Not under commitment	3.58	3,983	633	2.9	240	33.8	12.6	24.7
17. Informal commitment	3.38	498	648	2.9	56	35.9	8.7	19.6
18. Formal commitment	5.15	9,159	4,363	3.6	248	30.8	17.3	26.4
Before survey week ⁹								
19. Up to 90 days	4.25	11,177	510	2.9	107	30.7	42.9	40.5
20. 91 to 365 days	4.09	11,325	272	2.9	73	61.8	23.2	46.6
21. More than 365 days	3.92	13,275	765	3.2	106	49.2	23.6	37.8
Small domestic banks								
22. During survey week	5.91	3,344	90	3.3	378	85.3	2.6	70.0
23. Not under commitment	6.33	1,329	73	2.9	593	89.2	2.3	72.4
24. Informal commitment	5.52	1,047	87	3.9	157	78.2	4.8	73.0
26. Formal commitment	5.75	968	141	2.9	323	87.6	.5	63.5
Before survey week ⁹								
26. Up to 90 days	5.42	654	83	3.1	286	86.3	1.8	66.3
27. 91 to 365 days	5.53	1,571	76	3.4	173	90.5	3.6	65.1
28. More than 365 days	5.29	2,261	370	4.4	308	97.7	.2	92.1
Foreign banks								
29. During survey week	3.38	23,208	8,498	3.4	11	18.8	46.7	3.9
30. Not under commitment	3.04	12,275	11,021	4.0	5	21.6	76.6	.1
31. Informal commitment	2.48	6,052	5,163	3.1	6	.5	16.5	2.8
32. Formal commitment	5.34	4,882	10,967	2.4	32	34.5	8.9	15.0
Before survey week ⁹								
33. Up to 90 days	3.68	1,043	3,494	2.8	147	64.9	58.6	17.3
34. 91 to 365 days	3.54	1,685	2,136	2.9	27	23.5	49.1	15.4
35. More than 365 days	3.26	2,878	3,058	3.5	12	19.8	9.4	10.5
Summary statistics								
	All commercial banks	Domestic banks	Large domestic banks	Small domestic banks	Foreign banks			
Average reported prime rate	4.79	4.79	4.75	4.91	4.75			
Standard error of loan rate ⁴	.15	.21	.20	.13	.41			

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Other 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 middle 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. 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 March 31, 2003, assets of the large banks were at least \$3.7 billion. Median total assets for all insured banks were approximately \$93 million. Assets at all U.S. branches and agencies averaged \$3.3 billion.
2. The "maturity/repricing" interval measures the period from the date the loan is made until it may be repriced or it 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. Because of weekends and holidays, such loans may have maturity/repricing intervals of more than one day; nevertheless, such loans appear in the daily category and are not included in the 2 to 30 day category.
3. A complete description of the risk categories is available in the survey instructions, available at "http://www.federalreserve.gov/boarddocs/reportforms/ReportDetail.cfm?WhichFormId=FR_2028a/s". 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 rows 1, 6, 11, 16, 21, 26, and 31–36 are not rated for risk.
4. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loans and weighted by loan amount. For the standard error of the loan rate for all C&I loans in the current survey (tables 1–5, line 1, column 1), see the summary statistics table. The chances are about two out of three that the average rate shown will differ by less than this amount from the average rate that would be found by a survey of the universe of banks.
5. Average maturities are weighted by loan amount and exclude loans with no stated maturities.
6. For loans made under formal commitments, the average time interval between the date on which the loan pricing was set and the date on which the loan was made, weighted by the loan amount. For loans under informal commitment, the time interval is zero.
7. Prime-based loans are based on the lending bank's own prime rate, any other lender's prime rate, a combination of prime rates, or a publicly reported prime rate. Loans with "other" base rates include loan rates expressed in terms of any other base rate (e.g., the federal funds rate or LIBOR) and loans for which no base rate is used to determine the loan rate.
8. See the summary statistics table for the average reported prime rate weighted by dollar value of loans priced relative to a prime rate.
9. For loans made under formal commitments.