

E.2 SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2012

For immediate release
September 25, 2012

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	3.21	39,169	324	763	62.0	23.1	42.1	87.6	11.2
2. Minimal risk	2.27	1,511	613	559	53.7	8.5	23.1	56.5	8.5
3. Low risk	2.58	8,312	546	484	37.1	5.9	26.7	89.8	13.9
4. Moderate risk	3.15	16,993	298	858	62.1	25.1	43.4	87.0	11.6
5. Other	3.85	9,913	262	837	78.8	25.6	53.1	89.5	9.6
6. Zero interval	3.42	19,675	352	860	67.1	24.7	59.6	95.2	12.3
7. Minimal risk	2.83	497	702	814	82.3	21.5	56.9	83.8	13.0
8. Low risk	2.97	2,231	465	796	56.8	11.6	58.0	89.8	13.1
9. Moderate risk	3.18	9,746	385	913	62.3	27.8	51.5	97.1	13.4
10. Other	3.90	6,394	298	814	73.9	22.9	69.0	95.0	10.6
11. Daily	2.57	4,267	743	221	19.5	8.8	27.4	83.2	14.8
12. Minimal risk	1.26	496	1,378	45	14.3	.0	7.1	14.1	1.8
13. Low risk	2.42	2,401	1,567	134	9.4	5.1	12.6	99.7	20.0
14. Moderate risk	2.80	1,089	411	510	28.2	20.1	56.2	75.6	4.1
15. Other	5.20	256	220	420	79.6	13.5	86.4	94.0	4.1
16. 2 to 30 days	3.11	8,274	200	540	72.6	18.7	32.9	70.2	9.2
17. Minimal risk	1.70	32	780	970	36.1	.1	.5	100.0	13.3
18. Low risk	2.41	2,118	347	580	52.0	3.0	21.4	73.6	9.9
19. Moderate risk	3.13	3,577	167	635	75.2	13.1	37.3	62.2	9.5
20. Other	3.71	2,006	176	352	85.3	28.0	24.7	73.7	8.9
21. 31 to 365 days	2.76	4,820	500	708	53.3	33.0	10.3	95.9	7.4
22. Minimal risk	2.28	307	377	440	46.6	6.3	5.0	93.0	2.6
23. Low risk	2.30	1,321	701	394	22.6	3.1	8.0	98.5	8.7
24. Moderate risk	2.84	1,886	466	677	50.6	41.0	10.6	94.1	8.8
25. Other	3.08	881	508	1,434	93.1	47.8	7.6	97.2	5.6
					Months				
26. More than 365 days	4.00	2,075	273	53	78.2	31.7	15.7	72.8	7.8
27. Minimal risk	3.58	177	353	43	99.0	1.3	8.4	27.2	11.7
28. Low risk	3.34	228	285	49	79.0	3.1	25.7	85.0	13.6
29. Moderate risk	4.15	678	200	56	74.4	14.6	30.0	70.5	9.2
30. Other	4.74	350	207	58	93.2	16.8	13.3	56.7	5.7
					Days				
Size of loan (\$ thousands)		Weighted- average risk rating ³		Weighted- average maturity/ repricing interval ²					
					Days				
31. 7.5 - 99	4.19	2,976	3.2	108	93.0	8.6	65.0	67.6	7.4
32. 100 - 999	3.76	10,232	3.2	94	86.4	17.9	62.6	80.7	10.8
33. 1,000 - 9,999	3.08	13,101	3.1	122	65.1	27.6	38.6	93.9	11.2
34. 10,000+	2.69	12,860	2.7	69	32.2	25.9	23.9	91.2	12.1
					Average size (\$ thousands)				
Base rate of loan ⁷									
35. Prime ⁸	4.25	16,472	3.2	34	75.1	8.7	217	82.7	10.7
36. Other	2.47	22,697	2.9	141	52.5	33.4	506	91.0	11.5

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Other footnotes appear on the last page.

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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	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	3.07	34,725	390	723	59.6	25.3	39.3	88.4	11.8
2. Minimal risk	1.83	1,218	1,279	445	42.8	10.5	23.2	58.1	10.0
3. Low risk	2.50	7,976	662	469	34.6	6.1	25.0	90.0	14.3
4. Moderate risk	3.00	15,399	347	861	59.2	27.3	41.0	88.1	12.2
5. Other	3.75	7,925	306	708	81.9	30.7	48.6	90.0	9.9
6. Zero interval	3.32	17,479	421	884	67.2	27.4	55.5	95.9	12.7
7. Minimal risk	2.54	455	736	738	80.7	23.5	52.9	82.3	14.2
8. Low risk	2.91	2,131	520	830	55.0	12.1	56.0	89.3	13.6
9. Moderate risk	3.09	8,955	449	947	60.3	30.0	48.4	98.3	13.9
10. Other	3.82	5,235	369	813	80.2	27.1	62.5	95.7	10.5
11. Daily	2.37	3,922	1,341	209	12.9	9.5	21.4	82.0	15.7
12. Minimal risk	1.21	488	2,420	41	12.8	.0	5.5	12.6	2.0
13. Low risk	2.38	2,356	2,387	131	7.7	5.1	10.9	99.9	20.2
14. Moderate risk	2.60	962	668	533	20.2	22.5	51.5	72.7	4.0
15. Other	4.71	92	355	604	48.3	37.4	63.8	87.4	3.5
16. 2 to 30 days	3.11	7,942	203	551	71.6	19.4	32.8	69.7	9.4
17. Minimal risk	1.68	32	1,051	971	35.4	.1	.0	100.0	13.5
18. Low risk	2.40	2,099	357	581	51.6	2.8	21.4	73.4	10.1
19. Moderate risk	3.10	3,442	169	662	74.4	13.6	37.2	62.1	9.8
20. Other	3.84	1,842	175	353	84.3	30.4	24.4	71.4	9.1
21. 31 to 365 days	2.44	4,145	1,065	509	46.8	37.2	8.6	97.8	8.3
22. Minimal risk	1.61	213	3,225	498	24.5	8.6	.1	99.7	3.1
23. Low risk	2.13	1,258	1,431	398	18.9	3.3	4.8	99.8	8.9
24. Moderate risk	2.56	1,697	838	649	46.5	45.0	8.8	96.0	9.4
25. Other	2.62	616	986	369	92.7	65.9	6.7	99.3	7.6
Months									
26. More than 365 days	3.46	1,224	772	49	65.9	45.6	11.3	92.0	9.9
27. Minimal risk	2.96	31	1,111	41	94.5	7.4	47.5	90.8	19.9
28. Low risk	2.96	124	625	39	66.1	5.1	28.1	93.3	20.6
29. Moderate risk	3.02	341	568	52	50.7	19.4	17.3	87.5	13.6
30. Other	4.45	138	462	52	87.6	10.7	21.1	82.7	9.7
Size of loan (\$ thousands)									
				Weighted- average risk rating ³	Weighted- average maturity/ repricing interval ²				
Days									
31. 7.5 - 99	3.82	2,151	3.2	27	94.5	9.9	65.3	62.9	8.4
32. 100 - 999	3.58	8,543	3.2	56	86.4	20.1	60.9	80.5	11.8
33. 1,000 - 9,999	2.97	11,906	3.1	84	62.5	29.7	37.2	95.9	11.9
34. 10,000+	2.67	12,125	2.7	54	31.8	27.4	21.4	91.2	12.0
Base rate of loan ⁷							Average size (\$ thousands)		
35. Prime ⁸	4.19	13,639	3.2	18	75.5	9.9	246	82.3	11.4
36. Other	2.34	21,086	2.8	92	49.4	35.3	626	92.4	12.0

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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 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	4.37	4,444	140	1,055	80.5	5.3	63.7	80.6	6.2
2. Minimal risk	4.08	293	194	1,026	98.9	.3	22.7	49.8	1.4
3. Low risk	4.43	336	106	815	94.5	1.9	66.2	85.7	4.6
4. Moderate risk	4.52	1,594	126	829	89.8	4.7	66.7	76.1	4.7
5. Other	4.25	1,988	166	1,337	66.7	5.3	71.1	87.4	8.1
6. Zero interval	4.23	2,195	153	672	65.9	3.4	91.9	89.7	8.7
7. Minimal risk	5.94	43	468	1,639	100.0	.0	99.3	99.8	2.4
8. Low risk	4.38	100	144	248	96.3	.0	99.8	98.9	3.8
9. Moderate risk	4.14	791	147	511	85.5	3.9	86.6	83.7	6.3
10. Other	4.27	1,159	160	818	45.6	3.7	98.5	91.6	11.1
11. Daily	4.88	344	122	353	94.1	.9	96.4	96.8	5.4
12. Minimal risk	...	...	...	...	...	...	...	...	...
13. Low risk	4.43	45	83	311	96.9	2.5	98.5	90.6	12.0
14. Moderate risk	4.31	127	105	389	88.7	1.5	91.7	97.5	4.7
15. Other	5.48	163	181	334	97.2	.0	99.2	97.8	4.5
16. 2 to 30 days	3.12	332	144	249	96.3	2.2	34.8	83.6	5.0
17. Minimal risk	...	...	...	...	...	...	...	...	...
18. Low risk	4.08	19	88	322	98.3	23.8	22.7	100.0	.9
19. Moderate risk	3.96	135	118	198	95.7	.6	38.7	63.9	2.5
20. Other	2.23	164	190	332	96.9	1.2	27.7	99.2	7.1
21. 31 to 365 days	4.73	675	117	1,880	93.4	7.5	20.6	84.5	1.4
22. Minimal risk	3.80	94	126	307	96.6	1.0	16.1	77.8	1.1
23. Low risk	5.76	63	63	302	97.1	.0	71.3	73.0	4.3
24. Moderate risk	5.33	188	93	908	87.9	4.3	26.3	77.4	1.9
25. Other	4.14	265	239	3,829	93.9	5.8	9.8	92.3	.7
				Months					
26. More than 365 days	4.76	851	142	59	95.9	11.6	21.9	45.3	1.0
27. Minimal risk	3.70	146	309	44	100.0	.0	.1	13.8	.3
28. Low risk	3.79	104	173	61	94.5	.6	22.8	75.2	3.1
29. Moderate risk	5.30	337	121	61	98.4	9.8	42.8	53.2	.2
30. Other	4.93	213	153	61	96.9	20.7	8.3	39.9	.2
				Weighted- average maturity/ repricing interval ²					
	Size of loan (\$ thousands)			Weighted- average risk rating ³					
				Days					
31. 7.5 - 99	5.15	825	3.3	324	89.2	5.2	64.0	79.9	5.3
32. 100 - 999	4.63	1,689	3.3	289	86.1	6.6	71.1	81.7	5.7
33. 1,000 - 9,999	4.19	1,196	3.2	505	91.5	6.8	52.4	73.7	2.2
34. 10,000+	...	...	...	...	...	...	...	...	...
	Base rate of loan ⁷						Average size (\$ thousands)		
35. Prime ⁸	4.51	2,832	3.4	112	73.1	3.3	137	85.0	7.7
36. Other	4.11	1,612	3.0	785	93.6	8.8	144	72.8	2.9

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Other footnotes appear on the last page.

E.2 SURVEY OF TERMS OF BUSINESS LENDING, AUGUST 6-10, 2012

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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	1.25	35,480	9,560	231	23.9	82.1	4.5	51.7	6.1
2. Minimal risk	.85	4,643	12,586	142	3.3	86.2	.0	48.4	.5
3. Low risk	1.08	5,246	11,123	390	2.4	92.4	3.6	99.4	2.5
4. Moderate risk	1.48	7,762	7,611	380	21.4	79.2	5.7	70.0	9.0
5. Other	1.50	10,576	8,445	188	58.0	69.3	5.1	32.6	8.2
6. Zero interval	4.91	1,507	1,763	1,374	35.9	1.0	73.5	100.0	10.2
7. Minimal risk	2.92	269	1,686	888	37.0	.0	.0	100.0	2.7
8. Low risk	3.61	151	2,800	1,314	7.9	.0	97.7	100.0	13.0
9. Moderate risk	4.20	393	1,678	1,304	40.8	3.8	97.9	100.0	16.2
10. Other	6.63	637	1,581	1,641	42.3	.0	81.5	100.0	8.5
11. Daily	.68	20,198	39,964	20	27.2	90.4	.2	22.8	1.1
12. Minimal risk	...	...	...	...	...	...	...	...	...
13. Low risk	.64	2,123	34,957	3	.0	99.9	1.8	99.9	.3
14. Moderate risk	.89	2,763	22,062	86	14.2	90.5	.2	30.4	2.6
15. Other	.69	7,443	70,394	21	68.5	77.5	.0	7.9	3.2
16. 2 to 30 days	1.19	8,351	8,475	281	11.9	88.8	.1	84.5	6.2
17. Minimal risk	.73	556	13,719	366	1.2	73.1	.0	100.0	.4
18. Low risk	1.01	1,744	10,526	408	3.5	92.0	.0	99.6	3.0
19. Moderate risk	1.16	2,935	8,777	341	17.6	89.1	.3	89.7	7.4
20. Other	2.02	1,357	4,258	222	18.5	76.4	.0	83.1	8.7
21. 31 to 365 days	2.32	4,900	4,254	629	25.3	65.5	2.5	95.1	8.3
22. Minimal risk	1.89	452	3,140	467	10.9	51.2	.0	92.0	.1
23. Low risk	1.62	1,227	6,418	926	4.3	91.6	.0	98.0	4.6
24. Moderate risk	2.35	1,636	5,595	710	33.9	59.8	.5	93.8	12.7
25. Other	3.36	1,108	2,985	428	44.9	44.8	.3	96.1	9.2
				Months					
26. More than 365 days	3.45	520	2,461	48	38.6	47.5	61.7	100.0	16.8
27. Minimal risk	...	...	...	...	...	...	...	...	...
28. Low risk	...	...	...	...	...	...	...	...	...
29. Moderate risk	4.02	35	1,042	42	100.0	95.9	95.9	100.0	47.6
30. Other	3.50	31	575	36	63.6	96.9	60.4	100.0	40.7
				Weighted- average risk rating ³					
	Size of loan (\$ thousands)			Weighted- average maturity/ repricing interval ²					
				Days					
31. 7.5 - 99	4.12	25	3.3	129	65.8	12.3	21.9	99.2	4.8
32. 100 - 999	3.17	498	3.0	126	41.3	43.9	29.8	93.3	10.4
33. 1,000 - 9,999	2.20	4,820	3.0	88	24.2	67.9	13.8	80.4	9.9
34. 10,000+	1.06	30,137	2.9	21	23.5	85.1	2.6	46.4	4.9
	Base rate of loan ⁷						Average size (\$ thousands)		
35. Prime ⁸	4.90	1,605	3.3	284	30.4	9.7	2,294	99.0	14.0
36. Other	1.08	33,876	2.9	19	23.6	85.6	11,249	49.5	5.3

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Other footnotes appear on the last page.

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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	1.60	35,136	799	2.9	66	36.9	69.2	13.9
2. Not under commitment	1.32	22,011	676	3.1	47	40.7	71.0	13.0
3. Informal commitment	.97	6,849	1,539	2.2	28	13.6	93.3	4.0
4. Formal commitment	3.25	6,276	900	3.0	172	49.2	36.7	27.7
Before survey week ⁹								
5. Up to 90 days	2.86	10,212	458	3.1	55	41.7	53.1	28.8
6. 91 to 365 days	2.82	12,616	329	3.1	61	58.5	33.4	32.9
7. More than 365 days	2.95	16,597	847	3.0	64	48.6	25.3	36.6
Domestic banks								
8. During survey week	3.62	9,121	216	2.9	233	77.4	14.1	49.7
9. Not under commitment	3.57	4,876	152	2.8	201	77.9	8.8	58.3
10. Informal commitment	4.06	503	124	2.8	279	92.3	11.2	51.8
11. Formal commitment	3.61	3,742	616	3.1	269	74.7	21.5	38.2
Before survey week ⁹								
12. Up to 90 days	3.40	6,656	306	3.1	61	60.0	36.1	42.6
13. 91 to 365 days	2.97	10,286	272	3.1	53	64.7	27.2	38.0
14. More than 365 days	3.03	13,018	693	2.9	41	49.8	19.5	39.5
Large domestic banks								
15. During survey week	3.35	7,234	252	2.9	123	73.1	16.0	50.8
16. Not under commitment	3.33	4,013	156	2.8	54	74.4	9.0	60.2
17. Informal commitment	3.45	200	232	2.9	279	99.0	8.5	34.6
18. Formal commitment	3.37	3,020	1,429	3.1	205	69.6	25.8	39.4
Before survey week ⁹								
19. Up to 90 days	3.22	5,857	376	3.1	46	56.3	40.3	38.3
20. 91 to 365 days	2.87	9,362	321	3.0	54	62.7	29.7	35.1
21. More than 365 days	2.98	12,273	789	2.9	42	51.0	20.4	36.2
Small domestic banks								
22. During survey week	4.64	1,887	141	3.0	654	94.0	7.0	45.3
23. Not under commitment	4.71	863	138	2.9	884	94.2	7.7	49.3
24. Informal commitment	4.47	302	95	2.8	280	87.8	13.0	63.2
26. Formal commitment	4.63	722	182	3.3	536	96.4	3.6	33.0
Before survey week ⁹								
26. Up to 90 days	4.70	799	130	3.2	171	87.4	5.5	74.3
27. 91 to 365 days	3.96	924	106	3.5	47	85.8	1.9	67.9
28. More than 365 days	3.94	745	232	3.7	15	31.1	4.7	95.4
Foreign banks								
29. During survey week	.89	26,014	14,039	2.8	7	22.7	88.5	1.3
30. Not under commitment	.68	17,134	30,264	3.2	4	30.1	88.7	.1
31. Informal commitment	.72	6,346	16,213	2.1	9	7.3	99.8	.2
32. Formal commitment	2.72	2,534	2,830	2.9	30	11.5	59.0	12.3
Before survey week ⁹								
33. Up to 90 days	1.85	3,557	6,615	2.9	44	7.5	85.0	2.8
34. 91 to 365 days	2.17	2,330	4,709	3.0	96	30.8	60.7	10.4
35. More than 365 days	2.67	3,579	4,335	3.1	150	44.2	46.6	25.8
Summary statistics								
	All commercial banks	Domestic banks	Large domestic banks	Small domestic banks	Foreign banks			
Average reported prime rate	3.38	3.40	3.37	3.52	3.22			
Standard error of loan rate ⁴	.24	.12	.13	.23	.51			

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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 June 30, 2012, assets of the large banks were at least \$4.5 billion. Median total assets for all insured banks were approximately \$153 million. Assets at all U.S. branches and agencies averaged \$8.8 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.