

FEDERAL RESERVE statistical release



G.19

For immediate release
November 13, 1985

CONSUMER INSTALLMENT CREDIT

Consumer installment credit outstanding, rose a seasonally adjusted \$10.6 billion in September, reflecting a record advance in automobile financing. The annual rate of growth in September was 24.9 percent, compared with the 15.0 percent pace in each of the preceding two months; for the third quarter as a whole, installment credit grew at an 18.6 percent annual rate, down a bit from the 20.8 percent first half average.

Automobile credit increased \$7.4 billion in September—mainly at finance companies which were offering concessionary interest rates—compared with \$2.5 billion in August. Revolving credit growth slowed in September to \$0.5 billion from \$0.9 billion during August. The \$2.8 billion increase in mobile home plus "other" installment credit was also below the \$2.9 billion gain in the preceding month.

FLOWS OF CREDIT Millions of dollars (seasonally adjusted)	Net Change in Amount Outstanding			Annual Rate of Growth (percent)		
	1985			1985		
	September	August	July	September	August	July
Total	10,633	6,312	6,247	24.9	15.0	15.0
Automobile	7,400	2,486	2,365	45.1	15.4	14.8
Revolving	461	936	856	5.1	10.5	9.6
Mobile home	231	206	324	10.7	9.7	15.4
Other	2,541	2,684	2,702	16.8	18.0	18.4

TERMS OF CREDIT (not seasonally adjusted)	1985				1984
	September	August	July	June	Sept.
Interest rates 2/					
Commercial banks 3/					
48-mo. new-car loan	n.a.	12.72	n.a.	n.a.	n.a.
24-mo. personal loan	n.a.	15.84	n.a.	n.a.	n.a.
120-mo. mobile home loan	n.a.	14.72	n.a.	n.a.	n.a.
Credit card plan	n.a.	18.62	n.a.	n.a.	n.a.
Auto finance companies 4/					
New-car loan	8.84	10.87	12.46	12.06	15.16
Used-car loan	17.31	17.57	17.49	17.77	18.10
Other terms at auto finance companies 4/					
Maturity (months)					
New-car loan	51.2	51.1	51.7	51.3	49.5
Used-car loan	41.4	41.6	41.5	41.3	39.9
Loan-to-value ratio (%)					
New-car loan	92	91	91	91	89
Used-car loan	95	95	95	94	93
Amount financed (\$)					
New-car loan	10,449	10,422	10,355	9,965	9,402
Used-car loan	6,097	6,139	6,146	6,116	5,792

CONSUMER INSTALLMENT CREDIT BY HOLDER AND TYPE
(Millions of dollars except as noted)

Installment credit holder and type	Net change during			Outstanding at end of			Change from end of	
	Sept. 1985 S.A.	Aug. 1985 S.A.	Sept. 1985 N.S.A.	Sept. 1985 S.A.	Sept. 1985 N.S.A.	Sept. 1984 N.S.A.	Sept. 1984 amount	percent
Total	10,633	6,312	11,445	522,709	524,428	437,469	86,959	19.9
By major holder								
Commercial banks 6/ Finance companies 1/ Credit unions	1,849 6,407 1,356	1,764 2,371 1,065	2,765 6,044 1,754	237,510 116,590 77,185	239,155 116,422 78,033	202,452 95,594 63,808	36,703 20,828 14,225	18.1 21.8 22.3
Retailers 5/ Savings and loans Gasoline companies Mutual savings banks	-27 924 -43 167	-99 969 103 139	-60 925 -121 138	38,222 39,435 4,116 9,651	37,421 39,421 4,346 9,630	35,595 27,880 4,328 7,812	1,826 11,541 18 1,818	5.1 41.4 0.4 23.3
By major credit type								
Automobile	7,400	2,486	7,534	204,154	205,584	167,231	38,353	22.9
Commercial banks Finance companies Credit unions	773 5,976 651	136 1,844 506	1,189 5,506 839	96,811 70,427 36,916	97,765 70,497 37,322	82,706 54,006 30,519	15,059 16,491 6,803	18.2 30.5 22.3
Revolving	461	936	897	108,790	108,481	90,231	18,250	20.2
Commercial banks Retailers 5/ Gasoline companies	558 -54 -43	968 -135 103	1,105 -87 -121	70,814 33,860 4,116	71,054 33,081 4,346	54,258 31,645 4,328	16,796 1,436 18	31.0 4.5 0.4
Mobile home	231	206	280	26,025	26,113	25,198	915	3.6
Commercial banks Finance companies Savings and loans Credit unions	113 -19 121 16	3 -13 204 12	102 7 152 19	9,573 9,143 6,491 818	9,652 9,170 6,465 826	9,761 10,065 4,697 675	-109 -895 1,768 151	-1.1 -8.9 37.6 22.4
Other	2,541	2,684	2,734	183,740	184,250	154,809	29,441	19.0
Commercial banks Finance companies 1/ Credit unions Retailers 5/ Savings and loans Mutual savings banks	405 450 689 27 803 167	657 540 547 36 765 139	369 531 896 27 773 138	60,312 37,020 39,451 4,362 32,944 9,651	60,684 36,755 39,885 4,340 32,956 9,630	55,727 31,523 32,614 3,950 23,183 7,812	4,957 5,232 7,271 390 9,773 1,818	8.9 16.6 22.3 9.0 42.2 23.3

1. Loans secured by real estate at finance companies —excluded from the above series— for September 1985 are estimated at \$27.7 billion, seasonally adjusted, and \$29.0 billion not seasonally adjusted.

2. Interest rates are annual percentage rates as specified by Regulation Z.

3. Commercial bank data are simple unweighted averages of each bank's "most common" rate charged during the first calendar week of the middle month of each quarter.

4. Finance company data from the subsidiaries of the three major U.S. automobile manufacturers are volume-weighted averages covering all loans of each type purchased during the month.

5. Includes auto dealers and excludes 30-day charge credit held by travel and entertainment companies.

6. The change in commercial bank installment credit between August and September may have been affected by the introduction of an enlarged reporting panel and an improved estimation procedure.

n.a.= Data not available. S.A.= Seasonally adjusted. N.S.A.= Not seasonally adjusted.

NOTE: The Board's series on amounts of credit covers most short- and intermediate-term credit extended to individuals through regular business channels, which are scheduled to be repaid (or with the option of repayment) in two or more installments.

The G.19 Statistical Release is issued about the middle of each month. The exact date and time of each monthly release will be announced, when the information is available, on (202) 452-3206.