

FEDERAL RESERVE statistical release



G.19

For immediate release
December 10, 1985

CONSUMER INSTALLMENT CREDIT

Consumer installment credit outstanding rose a seasonally adjusted \$6.6 billion in October, after increasing by an upward-revised record \$11.5 billion in September. The annual rate of growth in October was 15.2 percent, substantially below the 27 percent September pace which was heavily influenced by concessionary auto financing. The revised third quarter rate of advance was 18.8 percent compared with the 20.8 percent first half growth.

Automobile credit increased \$3.7 billion in October, little more than half the September gain—a substantial portion of which had reflected the interest rate concession programs at finance companies. Revolving credit growth slowed to \$1.5 billion in October from \$2.0 billion in September. The \$1.5 billion advance in "other" plus mobile home credit was also below the \$2.4 billion gain in the preceding month.

FLOWS OF CREDIT (seasonally adjusted)	Net Change in Amount Outstanding (millions of dollars)			Annual Rate of Growth (percent)		
	1985			1985		
	Oct.	Sept. ^r	Aug. ^r	Oct.	Sept. ^r	Aug. ^r
Total	6,628	11,531	5,726	15.2	27.1	13.6
Automobile	3,653	7,204	2,206	21.5	44.0	13.6
Revolving	1,519	1,974	936	16.5	21.9	10.5
Mobile home	168	168	199	7.8	7.8	9.3
Other	1,288	2,185	2,385	8.4	14.5	16.0

TERMS OF CREDIT (not seasonally adjusted)	1985				1984
	Nov.	Oct.	Sept.	Aug.	Nov.
Interest rates 2/ Commercial banks 3/					
48-mo. new-car loan	12.39	n.a.	n.a.	12.72	13.91
24-mo. personal loan	15.61	n.a.	n.a.	15.84	16.63
120-mo. mobile home loan	14.66	n.a.	n.a.	14.72	15.60
Credit card plan	18.57	n.a.	n.a.	18.62	18.82
Auto finance companies 4/					
New-car loan	n.a.	9.97	8.84	10.87	15.24
Used-car loan	n.a.	17.21	17.31	17.57	18.30
Other terms at auto finance companies 4/					
Maturity (months)					
New-car loan	n.a.	51.5	51.2	51.1	50.0
Used-car loan	n.a.	41.4	41.4	41.6	39.9
Loan-to-value ratio (%)					
New-car loan	n.a.	93	92	91	89
Used-car loan	n.a.	95	95	95	93
Amount financed (\$)					
New-car loan	n.a.	10,498	10,449	10,422	9,577
Used-car loan	n.a.	6,091	6,097	6,139	5,900

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	
	Oct. 1985 S.A.	Sept. ^r 1985 S.A.	Oct. 1985 N.S.A.	Oct. 1985 S.A.	Oct. 1985 N.S.A.	Oct. 1984 N.S.A.	Oct. 1984 amount	percent
Total	6,628	11,531	5,455	529,649	530,153	441,358	88,795	20.1
By major holder								
Commercial banks	1,462	3,748	1,190	240,871	242,220	204,582	37,638	18.4
Finance companies 1/	3,140	6,407	2,424	119,730	118,846	95,113	23,733	25.0
Credit unions	956	374	510	76,573	76,957	64,716	12,241	18.9
Retailers 5/	97	-27	363	38,319	37,784	35,908	1,876	5.2
Savings and loans	747	924	987	40,182	40,408	28,781	11,627	40.4
Gasoline companies	62	-43	-105	4,178	4,241	4,290	-49	-1.1
Mutual savings banks	164	148	86	9,796	9,697	7,968	1,729	21.7
By major credit type								
Automobile	3,653	7,204	3,019	207,331	208,121	168,923	39,198	23.2
Commercial banks	599	1,048	665	97,685	98,707	83,620	15,087	18.0
Finance companies	2,595	5,976	2,110	73,022	72,607	54,350	18,257	33.6
Credit unions	459	180	244	36,624	36,807	30,953	5,854	18.9
Revolving	1,519	1,974	1,501	111,822	111,442	91,505	19,937	21.8
Commercial banks	1,385	2,071	1,264	73,712	73,778	55,276	18,502	33.5
Retailers 5/	72	-54	342	33,932	33,423	31,939	1,484	4.6
Gasoline companies	62	-43	-105	4,178	4,241	4,290	-49	-1.1
Mobile home	168	168	144	26,123	26,187	24,573	1,614	6.6
Commercial banks	-15	61	-30	9,506	9,570	9,627	-57	-0.6
Finance companies	32	-19	7	9,175	9,177	9,470	-293	-3.1
Savings and loans	143	121	162	6,634	6,627	4,791	1,836	38.3
Credit unions	8	5	5	808	813	685	128	18.7
Other	1,288	2,185	791	184,373	184,403	156,357	28,046	17.9
Commercial banks	-507	568	-709	59,968	60,165	56,059	4,106	7.3
Finance companies 1/	513	450	307	37,533	37,062	31,293	5,769	18.4
Credit unions	489	189	261	39,141	39,337	33,078	6,259	18.9
Retailers 5/	25	27	21	4,387	4,361	3,969	392	9.0
Savings and loans	604	803	825	33,548	33,781	23,990	9,791	40.8
Mutual savings banks	164	148	86	9,796	9,697	7,968	1,729	21.7

1. Loans secured by real estate at finance companies --excluded from the above series-- for October 1985 are estimated at \$28.1 billion, seasonally adjusted, and \$29.4 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 month.

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.

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

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.