

FEDERAL RESERVE statistical release



G.19

For immediate release
July 8, 1987

CONSUMER INSTALLMENT CREDIT

Consumer installment credit outstanding decreased by \$0.56 billion in May, after rising \$3.68 billion in April. The 1.1 percent annual rate of decline in May was the largest since the 4.5 percent drop in July 1980. Growth of installment credit has slowed sharply to a 2-1/4 percent annual rate in the first five months of 1987 -- from a 10-1/2 percent rate in 1986 -- in part reflecting the popularity of home equity credit. Revolving credit outstanding increased in May but at a much slower pace than in April; automobile lending declined in May as did mobile home and "other" loans.

FLOWS OF CREDIT (seasonally adjusted)	Net change in amount outstanding (millions of dollars)			Annual rate of growth (percent)		
	1987			1987		
	May ^P	Apr. ^r	Mar.	May ^P	Apr. ^r	Mar.
Total	-557	3,681	322	-1.1	7.6	0.7
Automobile	-155	1,373	226	-0.8	6.7	1.1
Revolving	108	1,540	-496	0.9	13.7	-4.4
Mobile home	-142	12	-175	-6.7	0.6	-8.2
Other	-367	756	768	-2.5	5.2	5.4

TERMS OF CREDIT (not seasonally adjusted)	1987				1986
	May	Apr.	Mar.	Feb.	May
Interest rates 1/ Commercial banks 2/					
48-mo. new-car loan	10.24	n.a.	n.a.	10.35	11.44
24-mo. personal loan	14.00	n.a.	n.a.	14.11	14.89
120-mo. mobile home loan	13.19	n.a.	n.a.	13.42	13.97
Credit card plan	17.93	n.a.	n.a.	18.11	18.32
Auto finance companies 3/					
New-car loan	10.69	10.81	10.59	10.78	9.49
Used-car loan	14.45	14.49	14.40	14.56	16.56
Other terms at auto finance companies 3/					
Maturity (months)					
New-car loan	53.5	54.3	53.7	53.6	49.4
Used-car loan	45.2	45.0	44.9	44.7	42.5
Loan-to-value ratio (percent)					
New-car loan	93	94	94	94	89
Used-car loan	98	98	99	99	97
Amount financed (dollars)					
New-car loan	11,176	10,946	10,641	10,602	10,521
Used-car loan	7,373	7,234	7,145	7,075	6,393

CONSUMER INSTALLMENT CREDIT, BY HOLDER AND TYPE 4/
Millions of dollars except as noted

	Net change during month			Outstanding at end of month			Change from end of May 1986	
	Mayp	Apr.r	Mayp	Mayp	Mayp	May	Amount	Percent
	1987	1987	1987	1987	1987	1986		
	S.A.	S.A.	N.S.A.	S.A.	N.S.A.	N.S.A.		
Total	-557	3,681	1,435	583,037	580,091	543,891	36,200	6.7
Major holder								
Commercial banks	-287	1,501	27	263,146	261,973	251,195	10,778	4.3
Finance companies 5/	-693	1,041	337	136,398	135,466	121,646	13,820	11.4
Credit unions	300	685	520	79,555	79,109	73,311	5,798	7.9
Savings institutions	218	338	411	60,045	60,405	55,020	5,385	9.8
Retailers	-149	-2	26	40,318	39,739	39,315	424	1.1
Gasoline companies	54	117	114	3,576	3,399	3,404	-5	-0.1
Major credit type 6/								
Automobile	-155	1,373	n.a.	247,507	n.a.	n.a.	n.a.	n.a.
Commercial banks	298	253	439	102,079	101,528	94,427	7,101	7.5
Finance companies	-649	706	517	93,089	92,549	78,130	14,419	18.5
Credit unions	150	344	n.a.	39,880	n.a.	n.a.	n.a.	n.a.
Savings institutions	45	70	n.a.	12,459	n.a.	n.a.	n.a.	n.a.
Revolving 7/	108	1,540	n.a.	136,814	n.a.	n.a.	n.a.	n.a.
Commercial banks	147	1,362	76	87,075	86,431	81,369	5,062	6.2
Savings institutions	29	45	n.a.	7,980	n.a.	n.a.	n.a.	n.a.
Retailers	-130	-3	49	36,009	35,454	35,047	407	1.2
Gasoline companies	54	117	114	3,576	3,399	3,404	-5	-0.1
Credit unions	8	19	n.a.	2,174	n.a.	n.a.	n.a.	n.a.
Mobile home	-142	12	n.a.	25,483	n.a.	n.a.	n.a.	n.a.
Commercial banks	-141	-27	-121	8,556	8,474	9,145	-671	-7.3
Finance companies	-31	-7	-63	8,785	8,735	9,373	-638	-6.8
Savings institutions	30	46	n.a.	8,142	n.a.	n.a.	n.a.	n.a.
Other	-367	756	n.a.	173,232	n.a.	n.a.	n.a.	n.a.
Commercial banks	-591	-87	-367	65,435	65,540	66,254	-714	-1.1
Finance companies	-14	341	-117	34,524	34,182	34,143	39	0.1
Credit unions	141	323	n.a.	37,500	n.a.	n.a.	n.a.	n.a.
Savings institutions	114	177	n.a.	31,463	n.a.	n.a.	n.a.	n.a.
Retailers	-19	1	-23	4,310	4,285	4,268	17	0.4

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

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

3. 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.

4. The Board's series on amounts of credit covers most short- and intermediate-term credit extended to individuals that is scheduled to be repaid (or has the option of repayment) in two or more installments, excluding loans secured by real estate. Includes outstanding balances on some securitized consumer loans originated by financial institutions.

5. More detail for finance companies is available in the G.20 Statistical Release, Finance Companies.

6. Not seasonally adjusted data are unavailable by type of credit for certain holders. In these cases, the seasonally adjusted total for the holder group has been allocated among the components using the latest available benchmark information.

7. 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. p = preliminary.

The G.19 Statistical Release is issued around the fifth working day of each month. The exact date and time may be obtained by calling (202) 452-3206.