

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

September 2, 1953

SALES FINANCE COMPANIES

JULY 1953

Passenger car instalment credit held by sales finance companies amounted to an estimated 5,007 million dollars at the end of July, 171 million above the preceding month-end and 1,418 million above the year-ago level. The July increase continued an upward movement that has been uninterrupted since it began in April of last year. Total consumer instalment credit outstanding at sales finance companies at the month-end was estimated at 5,816 million dollars, 183 million above a month ago and 1,553 million above July of last year.

New extensions of credit on passenger cars continued in large volume during July, having been exceeded previously only by the record volume of June 1952. The July figure of 623 million dollars was about equally divided between new and used car financing. New car financing was above both a month ago and a year ago; used car financing was above the June volume but below a year ago.

Wholesale automotive credit outstanding at sales finance companies increased 32 million dollars to an estimated 888 million at the end of July. The month-end figure was about 80 per cent above that of a year ago. Holdings of retail paper on commercial vehicles were moderately below both the preceding month and July of last year.

Outstanding Credit Held by Sales Finance Companies
(In millions of dollars)

Type of credit	July 31, 1953	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>5,816</u>	+183	+1,553
Retail automotive (passenger cars)	5,007	+171	+1,418
Other consumer goods paper	367	+ 11	+ 86
Repair and modernization loans	75	- 1	+ 5
Personal loans	367	+ 2	+ 44
Business credit ^{1/}	<u>1,843</u>	- 5	+ 434
Retail automotive (commercial vehicles)	507	- 36	- 34
Wholesale automotive	888	+ 32	+ 395
Wholesale other than automotive	50	- 5	- 2
Other business credit	398	+ 4	+ 75

^{1/} Excludes some credit extended to business, such as credit arising from factoring operations.

Credit Extended by Sales Finance Companies
(In millions of dollars)

Type of credit	July 1953	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>717</u>	<u>+12</u>	<u>+ 43</u>
Retail automotive (passenger cars)	<u>623</u>	<u>+21</u>	<u>+ 58</u>
New	322	+10	+ 66
Used	301	+11	- 8
Other consumer goods paper	37	- 6	- 15
Repair and modernization loans	7	+ 1	0
Personal loans	50	- 4	0
Business credit <u>1/</u>	<u>987</u>	<u>+61</u>	<u>+344</u>
Retail automotive paper (commercial vehicles)	<u>38</u>	<u>- 4</u>	<u>- 17</u>
New	24	- 2	- 9
Used	14	- 2	- 8
Wholesale automotive paper	<u>842</u>	<u>+74</u>	<u>+359</u>
New (passenger and commercial)	778	+68	+366
Used (passenger and commercial)	64	+ 6	- 7
Wholesale other than automotive	18	- 1	- 7
Other business credit <u>1/</u>	89	- 8	+ 9

Number of Motor Vehicles Financed by Sales Finance Companies
(In thousands)

Type of vehicle	July 1953	Change from:	
		Month ago	Year ago
Total financed at retail	<u>529</u>	<u>+29</u>	<u>+ 50</u>
New passenger	178	+ 5	+ 38
Used passenger	313	+27	+ 21
New commercial	17	- 2	- 4
Used commercial	21	- 1	- 5
Total financed at wholesale	<u>413</u>	<u>+40</u>	<u>+168</u>
New (passenger and commercial)	355	+35	+172
Used (passenger and commercial)	58	+ 5	- 4

1/ Excludes some credit extended to business, such as credit arising from factoring operations.