

SALES FINANCE COMPANIES

JUNE 1954

Passenger car instalment paper held by sales finance companies increased 113 million dollars during June to an estimated 5,249 million at the end of the month. Compared with a year ago, outstanding balances were up 413 million dollars. Total consumer instalment credit outstanding amounted to an estimated 6,060 million, 153 million above the preceding month-end and 427 million above a year earlier.

The volume of credit extended by sales finance companies on passenger cars increased sharply during June reflecting the high level of automobile sales. Extensions of credit on new and used passenger cars amounted to 651 million dollars, an increase of 125 million from May and 49 million from June of last year. About 196 thousand new passenger cars and 295 thousand used passenger were financed during the month.

Wholesale automotive paper outstanding, which decreased 67 million dollars during June, amounted to an estimate of 955 million dollars at the month end. Outstanding balances on other wholesale paper and other business credit declined while retail paper on commercial vehicles rose slightly.

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

Type of credit	June 30, 1954	Increase or decrease during:		
		June 1954	June 1953	Year ended June 30, 1954
Consumer instalment credit	6,060	+116	+153	+427
Retail automotive (passenger cars)	5,249	+113	+142	+413
Other consumer goods paper	331	0	+ 5	- 25
Repair and modernization loans	83	0	- 2	+ 7
Personal loans	397	+ 3	+ 8	+ 32
Business credit ^{1/}	1,738	- 69	+ 9	-110
Retail automotive (commercial vehicles)	371	+ 2	+ 4	-172
Wholesale automotive	955	- 67	+ 4	+ 99
Wholesale other than automotive	46	- 3	- 4	- 9
Other business credit	366	- 1	+ 5	- 28

^{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	June 1954	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>747</u>	<u>+134</u>	<u>+ 42</u>
Retail automotive (passenger cars)	<u>651</u>	<u>+125</u>	<u>+ 49</u>
New	376	+ 83	+ 64
Used	275	+ 42	- 15
Other consumer goods paper	36	+ 6	- 7
Repair and modernization loans	4	0	- 2
Personal loans	56	+ 3	+ 2
Business credit <u>1/</u>	<u>928</u>	<u>+ 36</u>	<u>+ 2</u>
Retail automotive paper (commercial vehicles)	<u>37</u>	<u>+ 5</u>	<u>- 5</u>
New	25	+ 4	- 1
Used	12	+ 1	- 4
Wholesale automotive paper	<u>779</u>	<u>+ 22</u>	<u>+ 11</u>
New (passenger and commercial)	731	+ 18	+ 21
Used (passenger and commercial)	48	+ 4	- 10
Wholesale other than automotive	16	- 1	- 3
Other business credit <u>1/</u>	96	+ 10	- 1

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

Type of vehicle	June 1954	Change from:	
		Month ago	Year ago
Total financed at retail	<u>526</u>	<u>+ 89</u>	<u>+ 26</u>
New passenger	196	+ 42	+ 23
Used passenger	295	+ 42	+ 9
New commercial	17	+ 3	- 2
Used commercial	18	+ 2	- 4
Total financed at wholesale	<u>383</u>	<u>+ 17</u>	<u>+ 10</u>
New (passenger and commercial)	339	+ 14	+ 19
Used (passenger and commercial)	44	+ 3	- 9

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