



September 3, 1954

## SALES FINANCE COMPANIES

JULY 1954

Sales finance company holdings of instalment paper on passenger automobiles increased 122 million dollars during July, the fourth consecutive month of increase. Balances at the month-end amounted to an estimated 5,371 million dollars, 50 million above the previous high of last November. Total consumer instalment credit outstanding at sales finance companies was estimated at 6,189 million dollars on July 31, 129 million above the preceding month-end and 373 million above a year earlier.

The volume of credit extended on passenger cars by sales finance companies amounted to an estimated 626 million dollars in July. Although this is somewhat below the sharply expanded volume of the preceding month, 651 million, it is above the volume of any other month except the record of 655 million reached in June 1952. July's volume represented the financing of about 183 thousand new cars and 276 thousand used cars.

Wholesale automotive paper outstanding decreased 80 million dollars during the month to an estimated 875 million at the month-end. Other types of business credit outstanding showed smaller decreases.

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

Type of credit	July 31, 1954	Increase or decrease during:		
		July 1954	July 1953	Year ended July 31, 1954
Consumer instalment credit	6,189	+129	+183	+373
Retail automotive (passenger cars)	5,371	+122	+171	+364
Other consumer goods paper	335	+ 4	+ 11	- 32
Repair and modernization loans	82	- 1	- 1	+ 7
Personal loans	401	+ 4	+ 2	+ 34
Business credit <sup>1/</sup>	1,632	-106	- 5	-211
Retail automotive (commercial vehicles)	361	- 10	- 36	-146
Wholesale automotive	875	- 80	+ 32	- 13
Wholesale other than automotive	42	- 4	- 5	- 8
Other business credit	354	- 12	+ 4	- 44

<sup>1/</sup> 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 1954	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>727</u>	<u>- 20</u>	<u>+ 10</u>
Retail automotive (passenger cars)	<u>626</u>	<u>- 25</u>	<u>+ 3</u>
New	363	- 13	+ 41
Used	263	- 12	- 38
Other consumer goods paper	39	+ 3	+ 2
Repair and modernization loans	5	+ 1	- 2
Personal loans	57	+ 1	+ 7
Business credit <u>1/</u>	<u>820</u>	<u>-108</u>	<u>-167</u>
Retail automotive paper (commercial vehicles)	<u>32</u>	<u>- 5</u>	<u>- 6</u>
New	21	- 4	- 3
Used	11	- 1	- 3
Wholesale automotive paper	<u>686</u>	<u>- 93</u>	<u>-156</u>
New (passenger and commercial)	646	- 85	-132
Used (passenger and commercial)	40	- 8	- 24
Wholesale other than automotive	18	+ 2	0
Other business credit <u>1/</u>	84	- 12	- 5

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

Type of vehicle	July 1954	Change from:	
		Month ago	Year ago
Total financed at retail	<u>489</u>	<u>- 37</u>	<u>- 34</u>
New passenger	183	- 13	+ 5
Used passenger	276	- 19	- 31
New commercial	15	- 2	- 2
Used commercial	15	- 3	- 6
Total financed at wholesale	<u>334</u>	<u>- 49</u>	<u>- 79</u>
New (passenger and commercial)	297	- 42	- 58
Used (passenger and commercial)	37	- 7	- 21

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