

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

November 4, 1954

SALES FINANCE COMPANIES

SEPTEMBER 1954

Passenger car instalment paper held by sales finance companies continued upward during September for the sixth consecutive month. Balances at the end of the month amounted to an estimated 5,474 million dollars, 38 million above a month ago and 288 million above a year earlier. Total consumer instalment credit outstanding at sales finance companies was estimated at 6,294 million dollars at the end of September.

New extensions of credit on passenger cars during the month, estimated at 571 million dollars, were 19 million below the preceding month and about equal to the year-ago volume. An increase over a year ago in new car financing approximately offset a decrease in used car financing. Sales finance companies extended credit on about 176 thousand new cars and 249 thousand used cars during September.

Wholesale automotive paper outstanding dropped sharply during the month, reflecting decreased dealer stocks. Balances at the end of the month, estimated at 717 million dollars, were 141 million below the preceding month end. Commercial vehicle paper outstanding increased slightly while other business credit declined.

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

Type of credit	Sept. 30, 1954	Increase or decrease during:		
		Sept. 1954	Sept. 1953	Year ended Sept. 30, 1954
Consumer instalment credit	6,294	+ 38	+81	+289
Retail automotive (passenger cars)	5,474	+ 38	+78	+288
Other consumer goods paper	336	+ 1	+ 1	- 39
Repair and modernization loans	81	- 1	+ 2	+ 7
Personal loans	403	0	0	+ 33
Business credit ^{1/}	1,474	-144	-13	-359
Retail automotive (commercial vehicles)	362	+ 3	-11	-132
Wholesale automotive	717	-141	- 2	-174
Wholesale other than automotive	38	- 1	- 4	- 4
Other business credit	357	- 5	+ 4	- 49

^{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	Sept. 1954	Change from:	
		Month ago	Year ago
Consumer instalment credit	662	- 24	+ 6
Retail automotive (passenger cars)	571	- 19	+ 1
New	344	- 11	+ 38
Used	227	- 8	- 37
Other consumer goods paper	35	- 1	+ 4
Repair and modernization loans	5	0	- 2
Personal loans	51	- 4	+ 3
Business credit ^{1/}	677	-166	-171
Retail automotive paper (commercial vehicles)	37	+ 3	+ 1
New	25	+ 2	+ 2
Used	12	+ 1	- 1
Wholesale automotive paper	540	-165	-171
New (passenger and commercial)	502	-163	-157
Used (passenger and commercial)	38	- 2	- 14
Wholesale other than automotive	16	+ 1	+ 4
Other business credit ^{1/}	84	- 5	- 5

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

Type of vehicle	Sept. 1954	Change from:	
		Month ago	Year ago
Total financed at retail	460	- 11	- 23
New passenger	176	- 4	+ 6
Used passenger	249	- 9	- 29
New commercial	17	+ 1	0
Used commercial	18	+ 1	0
Total financed at wholesale	264	- 81	- 98
New (passenger and commercial)	230	- 79	- 85
Used (passenger and commercial)	34	- 2	- 13

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