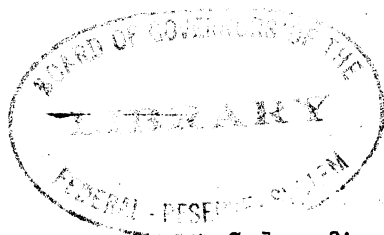


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

April 1, 1955



SALES FINANCE COMPANIES

FEBRUARY 1955

Sales finance company holdings of instalment paper on passenger automobiles increased 106 million dollars during February. This increase compares with a decline of 78 million in February of last year and an increase of 101 million in the same month of 1953. Balances outstanding at the end of the month, estimated at 5,709 million dollars, were 559 million above a year earlier. Total consumer instalment credit held by sales finance companies amounted to an estimated 6,570 million dollars.

Extensions of credit on passenger automobiles in February increased 65 million dollars to a monthly total of 601 million, reflecting increased financing of both new and used cars. The average amount of credit extended on new cars increased slightly during the month, while the average used car note showed a slight decrease. Sales finance companies financed about 175 thousand new cars and 238 thousand used cars during the month.

Wholesale automotive paper outstanding at the end of February amounted to an estimated 1,040 million dollars, 169 million above the preceding month end and 45 million above a year ago.

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

Type of credit	Feb. 28, 1955	Increase or decrease during:		
		Feb. 1955	Feb. 1954	Year ended Feb. 28, 1955
Consumer instalment credit	6,570	+108	- 88	+596
Retail automotive (passenger cars)	5,709	+106	- 78	+559
Other consumer goods paper	349	- 1	- 8	- 2
Repair and modernization loans	78	- 1	- 1	- 7
Personal loans	434	+ 4	- 1	+ 46
Business credit ^{1/}	1,774	+179	+ 41	- 36
Retail automotive (commercial vehicles)	345	0	- 12	- 49
Wholesale automotive	1,040	+169	+ 55	+ 45
Wholesale other than automotive	56	+ 17	+ 2	+ 18
Other business credit	333	- 7	- 4	- 50

^{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	Feb. 1955	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>693</u>	<u>+70</u>	<u>+229</u>
Retail automotive (passenger cars)	<u>601</u>	<u>+65</u>	<u>+210</u>
New	368	+39	+156
Used	233	+26	+ 54
Other consumer goods paper	32	+ 3	+ 8
Repair and modernization loans	3	0	- 1
Personal loans	57	+ 2	+ 12
Business credit <u>1/</u>	<u>1,161</u>	<u>+77</u>	<u>+347</u>
Retail automotive paper (commercial vehicles)	<u>30</u>	<u>+ 4</u>	<u>+ 3</u>
New	20	+ 2	+ 2
Used	10	+ 2	+ 1
Wholesale automotive paper	<u>1,028</u>	<u>+64</u>	<u>+338</u>
New (passenger and commercial)	981	+63	+334
Used (passenger and commercial)	47	+ 1	+ 4
Wholesale other than automotive	31	+13	+ 19
Other business credit <u>1/</u>	72	- 4	- 13

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

Type of vehicle	Feb. 1955	Change from:	
		Month ago	Year ago
Total financed at retail	<u>440</u>	<u>+48</u>	<u>+105</u>
New passenger	175	+16	+ 62
Used passenger	238	+29	+ 41
New commercial	13	+ 1	+ 1
Used commercial	14	+ 2	+ 1
Total financed at wholesale	<u>452</u>	<u>+14</u>	<u>+121</u>
New (passenger and commercial)	414	+15	+121
Used (passenger and commercial)	38	- 1	0

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