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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

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SALES FINANCE COMPANIES

APRIL 1955

Sales finance company holdings of instalment paper on passenger automobiles increased 262 million dollars during April to an estimated 6,207 million dollars at the end of the month. This increase brought balances outstanding 1,118 million above a year ago. Total consumer instalment credit held by sales finance companies amounted to an estimated 7,077 million dollars at the month end, 269 million above a month ago and 1,176 million above a year earlier.

Credit extended on passenger automobiles decreased 30 million dollars from March's record volume. The April total, estimated at 796 million dollars, was, however, 286 million above a year earlier. This year's larger volume reflected both the financing of a larger number of cars and a larger average instalment contract, particularly for new cars.

Wholesale automotive paper outstanding increased further as dealer stocks continued to increase. Balances outstanding at the end of the month, estimated at 1,275 million dollars, were 96 million above March and 258 million above April of last year. Other types of business credit outstanding showed small increases during the month.

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

Type of credit	Apr. 30, 1955	Increase or decrease during:		
		Apr. 1955	Apr. 1954	Year ended Apr. 30, 1955
Consumer instalment credit	7,077	+269	+ 9	+1,176
Retail automotive (passenger cars)	6,207	+262	+ 10	+1,118
Other consumer goods paper	348	0	- 4	+ 12
Repair and modernization loans	76	0	0	- 8
Personal loans	446	+ 7	+ 3	+ 54
Business credit ^{1/}	2,039	+114	- 6	+ 222
Retail automotive (commercial vehicles)	347	+ 8	- 5	- 30
Wholesale automotive	1,275	+ 96	- 6	+ 258
Wholesale other than automotive	70	+ 3	+ 3	+ 22
Other business credit	347	+ 7	+ 2	- 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	Apr. 1955	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>900</u>	<u>-34</u>	<u>+302</u>
Retail automotive (passenger cars)	<u>796</u>	<u>-30</u>	<u>+286</u>
New	507	-16	+226
Used	289	-14	+60
Other consumer goods paper	33	-2	+2
Repair and modernization loans	5	0	+1
Personal loans	66	-2	+13
Business credit <u>1/</u>	<u>1,406</u>	<u>-15</u>	<u>+482</u>
Retail automotive (commercial vehicles)	<u>40</u>	<u>+6</u>	<u>+9</u>
New	29	+6	+9
Used	11	0	0
Wholesale automotive paper	<u>1,245</u>	<u>-27</u>	<u>+462</u>
New (passenger and commercial)	<u>1,190</u>	<u>-18</u>	<u>+453</u>
Used (passenger and commercial)	55	-9	+9
Wholesale other than automotive	24	-6	+6
Other business credit <u>1/</u>	97	+12	+5

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

Type of vehicle	Apr. 1955	Change from:	
		Month ago	Year ago
Total financed at retail	<u>574</u>	<u>-12</u>	<u>+143</u>
New passenger	235	-9	+85
Used passenger	304	-8	+53
New commercial	19	+5	+5
Used commercial	16	0	0
Total financed at wholesale	<u>552</u>	<u>-14</u>	<u>+173</u>
New (passenger and commercial)	507	-4	+171
Used (passenger and commercial)	45	-10	+2

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