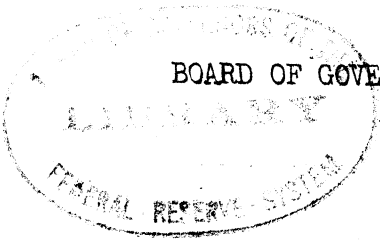


Miss Burgess

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20



SALES FINANCE COMPANIES

July 7, 1955

MAY 1955

Passenger car instalment paper held by sales finance companies continued upward during May. Balances outstanding at the end of the month, estimated at 6,512 million dollars, were 305 million above the preceding month and 1,376 million above a year earlier. Total consumer instalment credit held by sales finance companies amounted to an estimated 7,390 million dollars at the month end, 313 million above a month ago and 1,446 million above a year ago.

Credit extended on passenger cars increased 67 million dollars over April's large volume to a new record of 863 million dollars in May. About 256 thousand new cars and 315 thousand used cars were financed during the month.

Wholesale automotive paper outstanding showed a further increase of 109 million dollars during the month. Month-end balances amounted to an estimated 1,384 million. Small increases occurred in the other types of business credit outstanding.

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

Type of credit	May 31, 1955	Increase or decrease during		
		May 1955	May 1954	Year ended May 31, 1955
Consumer instalment credit	7,390	+313	+43	+1,446
Retail automotive (passenger cars)	6,512	+305	+47	+1,376
Other consumer goods paper	353	+ 5	- 5	+ 22
Repair and modernization loans	77	+ 1	- 1	- 6
Personal loans	448	+ 2	+ 2	+ 54
Business credit ^{1/}	2,170	+131	-10	+ 363
Retail automotive (commercial vehicles)	357	+ 10	- 8	- 12
Wholesale automotive	1,384	+109	+ 5	+ 362
Wholesale other than automotive	71	+ 1	+ 1	+ 22
Other business credit	358	+ 11	- 8	- 9

^{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	May 1955	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>968</u>	<u>+68</u>	<u>+355</u>
Retail automotive (passenger cars)	<u>863</u>	<u>+67</u>	<u>+337</u>
New	563	+56	+270
Used	300	+11	+ 67
Other consumer goods paper	38	+ 5	+ 8
Repair and modernization loans	6	+ 1	+ 2
Personal loans	61	- 5	+ 8
Business credit <u>1/</u>	<u>1,471</u>	<u>+65</u>	<u>+579</u>
Retail automotive (commercial vehicles)	<u>42</u>	<u>+ 2</u>	<u>+ 10</u>
New	32	+ 3	+ 11
Used	10	- 1	- 1
Wholesale automotive paper	<u>1,308</u>	<u>+63</u>	<u>+551</u>
New (passenger and commercial)	<u>1,249</u>	<u>+59</u>	<u>+536</u>
Used (passenger and commercial)	59	+ 4	+ 15
Wholesale other than automotive	27	+ 3	+ 10
Other business credit <u>1/</u>	94	- 3	+ 8

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

Type of vehicle	May 1955	Change from:	
		Month ago	Year ago
Total financed at retail	<u>605</u>	<u>+31</u>	<u>+168</u>
New passenger	256	+21	+102
Used passenger	315	+11	+ 62
New commercial	19	0	+ 5
Used commercial	15	- 1	- 1
Total financed at wholesale	<u>577</u>	<u>+25</u>	<u>+211</u>
New (passenger and commercial)	<u>530</u>	<u>+23</u>	<u>+205</u>
Used (passenger and commercial)	47	+ 2	+ 6

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