

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

November 4, 1955

SALES FINANCE COMPANIES

SEPTEMBER 1955

Passenger car instalment paper held by sales finance companies increased further during September, although by a smaller amount than in other recent months. Balances outstanding at the end of the month were estimated at 7,729 million dollars, 233 million above a month earlier and 2,255 million above a year ago. Total consumer instalment credit held by sales finance companies amounted to an estimated 8,667 million dollars at the end of September.

Credit extended on passenger automobiles, estimated at 868 million dollars during September, was 93 million below the preceding month's record volume. September's volume represented the financing of about 281 thousand new cars and 277 thousand used cars.

Wholesale automotive paper outstanding decreased 265 million dollars further to an estimated 958 million at the end of September. Other types of business credit showed slight increases.

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

Type of credit	Sept. 30, 1955	Increase or decrease during:		
		Sept. 1955	Sept. 1954	Year ended Sept. 30, 1955
Consumer instalment credit	<u>8,667</u>	<u>+245</u>	<u>+ 38</u>	<u>+2,373</u>
Retail automotive (passenger cars)	7,729	+233	+ 38	+2,255
Other consumer goods paper	392	+ 8	+ 1	+ 56
Repair and modernization loans	81	+ 1	- 1	0
Personal loans	465	+ 3	0	+ 62
Business credit ^{1/}	<u>1,802</u>	<u>-245</u>	<u>-144</u>	<u>+ 328</u>
Retail automotive (commercial vehicles)	415	+ 12	+ 3	+ 53
Wholesale automotive	958	-265	-141	+ 241
Wholesale other than automotive	54	+ 1	- 1	+ 16
Other business credit	375	+ 7	- 5	+ 18

^{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. 1955	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>980</u>	<u>-106</u>	<u>+318</u>
Retail automotive (passenger cars)	<u>868</u>	<u>- 93</u>	<u>+297</u>
New	610	- 64	+266
Used	258	- 29	+ 31
Other consumer goods paper	42	- 7	+ 7
Repair and modernization loans	6	- 1	+ 1
Personal loans	64	- 5	+ 13
Business credit <u>1/</u>	<u>1,024</u>	<u>-341</u>	<u>+347</u>
Retail automotive (commercial vehicles)	<u>49</u>	<u>- 4</u>	<u>+ 12</u>
New	37	- 3	+ 12
Used	12	- 1	0
Wholesale automotive paper	<u>860</u>	<u>-351</u>	<u>+320</u>
New (passenger and commercial)	809	-351	+307
Used (passenger and commercial)	51	0	+ 13
Wholesale other than automotive	24	- 1	+ 8
Other business credit <u>1/</u>	91	+ 15	+ 7

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

Type of vehicle	Sept. 1955	Change from:	
		Month ago	Year ago
Total financed at retail	<u>597</u>	<u>- 56</u>	<u>+137</u>
New passenger	281	- 24	+105
Used passenger	277	- 29	+ 28
New commercial	22	- 1	+ 5
Used commercial	17	- 2	- 1
Total financed at wholesale	<u>391</u>	<u>-146</u>	<u>+127</u>
New (passenger and commercial)	348	-147	+118
Used (passenger and commercial)	43	+ 1	+ 9

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