

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

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SALES FINANCE COMPANIES

JANUARY 1956

Passenger car instalment paper held by sales finance companies at the end of January, estimated at \$7,939 million, was unchanged from the December level. Similarly, little change occurred in their other holdings of consumer credit. Total consumer credit at sales finance companies amounted to an estimated \$8,936 million at the end of January.

The volume of credit extended on new and used passenger automobiles during January declined to \$633 million from December's \$722 million. January's volume, however, was \$97 million above a year earlier. About 179 thousand new cars and 219 thousand used cars were financed during the month.

Wholesale automotive balances increased \$133 million further to an estimated \$1,664 million at the month end. Retail paper on commercial vehicles was unchanged, while other types of business credit showed small increases.

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

Type of credit	Jan. 31, 1956	Increase or decrease during:		
		Jan. 1956	Jan. 1955	Year ended Jan. 31, 1956
Consumer instalment credit	8,936	- 2	+ 41	+2,474
Retail automotive (passenger cars)	7,939	0	+ 40	+2,336
Other consumer goods paper	412	- 4	- 1	+ 62
Repair and modernization loans	84	- 1	- 2	+ 5
Personal loans	501	+ 3	+ 4	+ 71
Business credit ^{1/}	2,564	+142	+144	+ 969
Retail automotive (commercial vehicles)	435	0	- 10	+ 90
Wholesale automotive	1,664	+133	+154	+ 793
Wholesale other than automotive	66	+ 6	+ 5	+ 27
Other business credit	399	+ 3	- 5	+ 59

^{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	Jan. 1956	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>736</u>	<u>-131</u>	<u>+113</u>
Retail automotive (passenger cars)	<u>633</u>	<u>- 89</u>	<u>+ 97</u>
New	412	- 79	+ 83
Used	221	- 10	+ 14
Other consumer goods paper	35	- 13	+ 6
Repair and modernization loans	4	- 2	+ 1
Personal loans	64	- 27	+ 9
Business credit <u>1/</u>	<u>1,293</u>	<u>-219</u>	<u>+209</u>
Retail automotive (commercial vehicles)	<u>37</u>	<u>- 4</u>	<u>+ 11</u>
New	27	- 3	+ 9
Used	10	- 1	+ 2
Wholesale automotive paper	<u>1,134</u>	<u>-220</u>	<u>+170</u>
New (passenger and commercial)	1,082	-216	+164
Used (passenger and commercial)	52	- 4	+ 6
Wholesale other than automotive	28	- 1	+ 10
Other business credit <u>1/</u>	94	+ 6	+ 18

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

Type of vehicle	Jan. 1956	Change from:	
		Month ago	Year ago
Total financed by retail	<u>427</u>	<u>- 44</u>	<u>+ 35</u>
New passenger	179	- 37	+ 20
Used passenger	219	- 4	+ 10
New commercial	15	- 2	+ 3
Used commercial	14	- 1	+ 2
Total financed at wholesale	<u>473</u>	<u>- 83</u>	<u>+ 35</u>
New (passenger and commercial)	432	- 84	+ 33
Used (passenger and commercial)	41	+ 1	+ 2

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