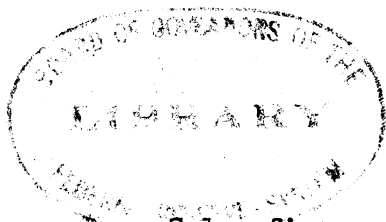


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

June 6, 1956.



SALES FINANCE COMPANIES

APRIL 1956

Sales finance company holdings of instalment paper on passenger automobiles increased \$48 million to an estimated \$8,074 million at the end of the month. This rise compares with increases of \$262 million and \$10 million in the same month of 1955 and 1954, respectively. Total holdings of consumer instalment credit by sales finance companies amounted to an estimated \$9,093 million at the end of April.

The volume of credit extended on passenger automobiles declined from March to April, although by less than the decline in automobile sales. April extensions, estimated at \$697 million, were \$45 million below March and \$99 million below a year ago. Approximately 196 thousand new cars and 244 thousand used cars were financed during the month.

Wholesale automotive paper outstanding declined slightly further during April to an estimated \$1,709 million at the month end. The other types of business credit increased during the month.

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

Type of credit	Apr. 30, 1956	Increase or decrease during:		
		Apr. 1956	Apr. 1955	Year ended Apr. 30, 1956
Consumer instalment credit	<u>9,093</u>	+ 56	+269	+2,016
Retail automotive (passenger cars)	8,074	+ 48	+262	+1,867
Other consumer goods paper	412	0	0	+ 64
Repair and modernization loans	82	0	0	+ 6
Personal loans	525	+ 8	+ 7	+ 79
Business credit <u>1/</u>	<u>2,693</u>	+ 14	+114	+ 654
Retail automotive (commercial vehicles)	452	+ 12	+ 8	+ 105
Wholesale automotive	1,709	- 19	+ 96	+ 434
Wholesale other than automotive	92	+ 4	+ 3	+ 22
Other business credit	440	+ 17	+ 7	+ 93

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. 1956	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>813</u>	- 56	- 87
Retail automotive (passenger cars)	<u>697</u>	- 45	- 99
New	449	- 32	- 58
Used	248	- 13	- 41
Other consumer goods paper	36	- 3	+ 3
Repair and modernization loans	5	+ 1	0
Personal loans	75	- 9	+ 9
Business credit <u>1/</u>	<u>1,199</u>	- 56	-207
Retail automotive (commercial vehicles)	<u>40</u>	+ 1	0
New	29	+ 1	0
Used	11	0	0
Wholesale automotive paper	<u>1,014</u>	- 63	-231
New (passenger and commercial)	958	- 61	-232
Used (passenger and commercial)	56	- 2	+ 1
Wholesale other than automotive	31	- 1	+ 7
Other business credit <u>1/</u>	114	+ 7	+ 17

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

Type of vehicle	Apr. 1956	Change from:	
		Month ago	Year ago
Total financed by retail	<u>470</u>	- 28	-104
New passenger	196	- 12	- 39
Used passenger	244	- 16	- 60
New commercial	15	0	- 4
Used commercial	15	0	- 1
Total financed at wholesale	<u>435</u>	- 22	-117
New (passenger and commercial)	390	- 19	-117
Used (passenger and commercial)	45	- 3	0

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