

Miss Burgess

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

May 3, 1957

SALES FINANCE COMPANIES

March 1957

Sales finance company holdings of retail passenger car instalment paper at the end of March were estimated at \$7,190 million. This represented no change from the previous month-end level, compared with March increases of \$55 million in 1956 and \$202 million in 1955. Total consumer instalment credit held by sales finance companies at the end of March 1957 amounted to an estimated \$9,048 million, an increase of \$13 million from the previous month.

Credit extended on passenger automobiles increased \$87 million from February's volume, reflecting increases in both new and used car financing. The March volume represented the financing at retail of approximately 142 thousand new passenger cars and 219 thousand used passenger cars.

Wholesale automotive paper outstanding increased during March by \$122 million to an estimated \$1,567 million, \$11 million below the level a year ago. All other types of business credit showed a net increase of \$28 million.

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

Type of credit	March 30, 1957	Increase or decrease during:		
		Mar. 1957	Mar. 1956	Year Ended March 30, 1957
Consumer instalment credit	<u>9,048</u>	<u>+ 13</u>	<u>+66</u>	<u>+522</u>
Retail automotive (passenger cars)	7,190	0	+55	+195
Other consumer goods paper	1,255	+ 8	0	+231
Repair and modernization loans	22	- 1	0	- 2
Personal loans	581	+ 6	+11	+ 98
Business credit ^{1/}	<u>2,838</u>	<u>+150</u>	<u>+13</u>	<u>+161</u>
Retail automotive (commercial vehicles)	530	- 2	+ 4	+ 1
Wholesale automotive	1,567	+122	-17	- 11
Wholesale other than automotive	155	+ 12	+11	+ 32
Other business credit	586	+ 18	+15	+139

^{1/} Excludes some credit extended to business, such as that extended by factoring subsidiaries.

Credit Extended by Sales Finances Companies
(In millions of dollars)

Type of Credit	March 1957	Change from:	
		Month ago	Year ago
Consumer instalment credit	821	+130	-- 1
Retail automotive (passenger cars)	<u>610</u>	<u>+ 87</u>	<u>- 35</u>
New	364	+ 50	- 52
Used	246	+ 37	+ 17
Other consumer goods paper	129	+ 33	+ 33
Repair and modernization loans	1	- 2	- 1
Personal loans	81	+ 12	+ 2
Business credit ^{1/}	<u>1,365</u>	<u>+ 66</u>	<u>+173</u>
Retail automotive (commercial vehicles)	<u>47</u>	<u>+ 5</u>	<u>0</u>
New	31	+ 3	- 3
Used	16	+ 2	+ 3
Wholesale automotive paper	<u>1,136</u>	<u>+ 45</u>	<u>+153</u>
New (passenger and commercial)	1,078	+ 36	+148
Used (passenger and commercial)	58	+ 9	+ 5
Wholesale other than automotive	52	- 5	+ 8
Other business credit ^{1/}	130	+ 21	+ 12

^{1/} Excludes some credit extended to business, such as that extended by factoring subsidiaries.

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

Type of vehicle	March 1957	Change from:	
		Month ago	Year ago
Total financed by retail	392	+51	-58
New passenger	142	+20	-33
Used passenger	219	+28	-23
New commercial	14	+ 1	- 2
Used commercial	17	+ 2	--
Total financed at wholesale	484	+22	+23
New (passenger and commercial)	437	+15	+24
Used (passenger and commercial)	47	+ 7	- 1

Credit Sales of New Passenger Cars as a Per Cent
of Total Number Sold at Retail 1/

Credit Sales	Per Cent
1957 - March	57
February	58
1956 - March	62

1/Based on new car instalment contracts acquired by banks, sales finance companies, other financial institutions, and automobile dealers. Data for prior months may be obtained by writing to the Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington 25, D. C.