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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

August 5, 1957

SALES FINANCE COMPANIES

June 1957

Sales finance company holdings of retail passenger car instalment paper increased by \$104 million to an estimated \$7,376 million at the end of June. This compares with June increases of \$100 million in 1956 and \$296 million in 1955.

Retail credit extended on passenger automobiles increased \$11 million from the volume in April, reflecting an increase in new car volume which was partly offset by a decline in used car volume. In June approximately 166 thousand new passenger cars and 237 thousand used passenger cars were financed at retail.

Wholesale automotive paper outstanding decreased by \$74 million to an estimated \$1,550 million, \$260 million above the year-ago level. All other types of business credit showed a net decline of \$3 million during the month.

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

Type of credit	June 30, 1957	Increase or decrease during:		
		June 1957	June 1956	Year Ended June 30, 1957
Consumer instalment credit	<u>9,300</u>	<u>+124</u>	<u>+124</u>	<u>+535</u>
Retail automotive (passenger cars)	7,376	+104	+100	+177
Other consumer goods paper	1,296	+ 11	+ 18	+257
Repair and modernization loans	22	0	0	- 2
Personal loans	606	+ 9	+ 6	+103
Business credit <u>1/</u>	<u>2,853</u>	<u>- 77</u>	<u>-150</u>	<u>+381</u>
Retail automotive (commercial vehicles)	539	+ 2	+ 8	- 28
Wholesale automotive	1,550	- 74	-160	+260
Wholesale other than automotive	140	- 13	- 9	+ 25
Other business credit	624	+ 8	+ 11	+124

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

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

Type of Credit	June 1957	Change from:	
		Month ago	Year ago
Consumer instalment credit	904	+ 18	+ 37
Retail automotive (passenger cars)	689	+ 11	+ 21
New	429	+ 21	- 10
Used	260	- 10	+ 31
Other consumer goods paper	128	+ 3	+ 21
Repair and modernization loans	2	0	0
Personal loans	85	+ 4	+ 15
Business credit <u>1/</u>	1,116	-178	+140
Retail automotive (commercial vehicles)	49	- 4	+ 1
New	34	- 2	- 1
Used	15	- 2	+ 2
Wholesale automotive paper	908	-145	+146
New (passenger and commercial)	856	-136	+143
Used (passenger and commercial)	52	- 9	+ 3
Wholesale other than automotive	36	- 5	- 2
Other business credit <u>1/</u>	123	- 24	- 5

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	June 1957	Change from:	
		Month ago	Year ago
Total financed by retail	433	- 4	-11
New passenger	166	+ 8	-15
Used passenger	237	- 9	+ 5
New commercial	14	- 1	- 1
Used commercial	16	- 2	0
Total financed at wholesale	397	-60	+32
New (passenger and commercial)	354	-54	+30
Used (passenger and commercial)	43	- 6	+ 2
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Credit Sales of New Passenger Cars as a Per Cent
of Total Number Sold at Retail 1/

Credit Sales	Per Cent
1957 - June	63
May	63
1956 - June	67

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.