

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

November 1, 1957

## SALES FINANCE COMPANIES

September 1957

Sales finance company holdings of retail passenger car instalment paper increased \$25 million in September to an estimated \$7,557 million at the end of the month. This compares with September increases of \$22 million in 1956 and \$203 million in 1955. Total consumer instalment credit at sales finance companies increased \$33 million during September to \$9,598 million.

Retail credit extended on passenger automobiles decreased \$58 million from August, reflecting declines in both new and used car paper extensions. In September about 162 thousand new passenger and 193 thousand used passenger cars were financed.

Wholesale automotive paper outstanding declined \$158 million to an estimated \$1,372 million while all other types of business credit showed a net increase of \$20 million.

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

Type of credit	Sept. 30, 1957	Increase or decrease during:		
		Sept. 1957	Sept. 1956	Year Ended September 30, 1957
Consumer instalment credit	<u>9,598</u>	<u>+ 33</u>	<u>+ 36</u>	<u>+609</u>
Retail automotive (passenger cars)	7,557	+ 25	+ 22	+191
Other consumer goods paper	1,389	+ 5	+ 10	+318
Repair and modernization loans	22	0	- 1	- 1
Personal loans	630	+ 3	+ 5	+101
Business credit <sup>1/</sup>	<u>2,702</u>	<u>-138</u>	<u>-234</u>	<u>+636</u>
Retail automotive (commercial vehicles)	554	+ 4	- 6	- 7
Wholesale automotive	1,372	-158	-255	+547
Wholesale other than automotive	100	- 8	- 2	- 7
Other business credit	676	+ 24	+ 29	+103

<sup>1/</sup> 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	Sept. 1957	Change from:	
		Month ago	Year ago
Consumer instalment credit	829	- 74	+107
Retail automotive (passenger cars)	623	- 58	+ 68
New	416	- 26	+ 50
Used	207	- 32	+ 18
Other consumer goods paper	125	- 11	+ 28
Repair and modernization loans	2	+ 1	+ 1
Personal loans	79	- 6	+ 10
Business credit <u>1/</u>	1,018	-192	+338
Retail automotive (commercial vehicles)	52	- 1	+ 6
New	36	0	+ 4
Used	16	- 1	+ 2
Wholesale automotive paper	791	-194	+325
New (passenger and commercial)	744	-188	+326
Used (passenger and commercial)	47	- 6	- 1
Wholesale other than automotive	36	- 10	- 2
Other business credit <u>1/</u>	139	+ 13	+ 9

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	Sept. 1957	Change from:	
		Month ago	Year ago
Total financed at retail	387	-39	+ 15
New passenger	162	- 7	+ 7
Used passenger	193	-30	+ 6
New commercial	16	0	+ 2
Used commercial	16	- 2	0
Total financed at wholesale	354	-86	-126
New (passenger and commercial)	313	-82	-126
Used (passenger and commercial)	41	- 4	0

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

Credit Sales	Per Cent
1957 - September	74
August	71
1956 - September	82

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.