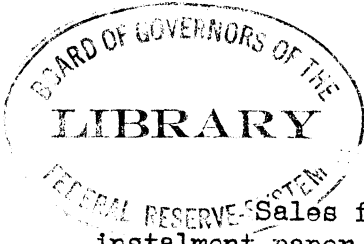


*Mrs Tyson*

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

April 4, 1958



SALES FINANCE COMPANIES

February 1958

Sales finance company holdings of retail passenger car instalment paper decreased \$126 million during January to an estimated \$7,237 million at the end of the month. This compares with a decrease of \$32 million in February 1957 and an increase of \$21 million in February 1956. Total consumer instalment credit at sales finance companies decreased \$59 million, somewhat more than usual for February, to \$9,405 million.

Retail credit extended on passenger automobiles declined \$95 million from January, reflecting declines in new and used passenger car extensions. In February about 90 thousand new and 173 thousand used passenger cars were financed at retail.

Wholesale automotive paper outstanding increased \$141 million to an estimated \$1,787 million. Other types of business credit showed a net decline of \$9 million.

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

Type of credit	Feb. 28, 1958	Increase or decrease during:		
		Feb. 1958	Feb. 1957	Year Ended February 28, 1958
Consumer instalment credit	<u>9,405</u>	<u>- 59</u>	<u>- 42</u>	<u>+370</u>
Retail automotive (passenger cars)	7,237	-126	- 32	+ 47
Other consumer goods paper <u>2/</u>	1,464	+ 60	- 14	+217
Repair and modernization loans	20	0	0	- 3
Personal loans	684	+ 7	+ 4	+109
Business credit <u>1/</u>	<u>3,089</u>	<u>+132</u>	<u>+228</u>	<u>+401</u>
Retail automotive (commercial vehicles)	508	- 14	- 8	- 24
Wholesale automotive	1,787	+141	+209	+342
Wholesale other than automotive	96	+ 5	+ 22	- 47
Other business credit	698	0	+ 5	+130

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

2/ Figures for February 1958 reflect in part a large transfer of paper from banks.

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

Type of credit	Feb. 1958	Change from:	
		Month ago	Year ago
Consumer instalment credit	642	- 78	- 49
Retail automotive (passenger cars)	427	- 95	- 96
New	235	- 69	- 79
Used	192	- 26	- 17
Other consumer goods paper	131	+ 19	+ 35
Repair and modernization loans	1	0	- 2
Personal loans	83	- 2	+ 14
Business credit <u>1/</u>	1,041	-155	-258
Retail automotive (commercial vehicles)	34	- 6	- 8
New	21	- 4	- 7
Used	13	- 2	- 1
Wholesale automotive paper	872	-145	-219
New (passenger and commercial)	811	-135	-231
Used (passenger and commercial)	61	- 10	+ 12
Wholesale other than automotive	33	+ 3	- 24
Other business credit <u>1/</u>	102	- 7	- 7

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	Feb. 1958	Change from:	
		Month ago	Year ago
Total financed by retail	<u>284</u>	<u>-51</u>	<u>-57</u>
New passenger	90	-26	-32
Used passenger	173	-21	-18
New commercial	7	- 2	- 6
Used commercial	14	- 2	- 1
Total financed at wholesale	<u>383</u>	<u>-58</u>	<u>-79</u>
New (passenger and commercial)	325	-52	-97
Used (passenger and commercial)	58	- 6	+18

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

Credit Sales	<u>Per Cent</u>
1958 - February	60
January	63
1957 - February	56

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.