

Miss Lyman

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

May 2, 1958

SALES FINANCE COMPANIES

March 1958

Sales finance company holdings of retail passenger car instalment paper decreased \$157 million during March to an estimated \$7,080 million at the end of the month. This compares with no change in March 1957 and an increase of \$55 million in March 1956. Total consumer instalment credit at sales finance companies decreased \$121 million to \$9,284 million at the month end.

Retail credit extended on passenger automobiles increased less than seasonally by \$27 million, reflecting increases in both new and used passenger car extensions. In March about 94 thousand new and 197 thousand used passenger cars were financed at retail.

Wholesale automotive paper outstanding increased \$8 million during March to an estimated \$1,795 million. This compares with an increase of \$122 million during the same period a year ago.

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

Type of credit	March 31, 1958	Increase or decrease during:		
		March 1958	March 1957	Year Ended March 31, 1958
Consumer instalment credit	<u>9,284</u>	<u>-121</u>	<u>+ 13</u>	<u>+236</u>
Retail automotive (passenger cars)	7,080	-157	0	-110
Other consumer goods paper	1,492	+ 28	+ 8	+237
Repair and modernization loans	19	- 1	- 1	- 3
Personal loans	693	+ 9	+ 6	+112
Business credit <u>1/</u>	<u>3,098</u>	<u>+ 9</u>	<u>+150</u>	<u>+260</u>
Retail automotive (commercial vehicles)	498	- 10	- 2	- 32
Wholesale automotive	1,795	+ 8	+122	+228
Wholesale other than automotive	104	+ 8	+ 12	- 51
Other business credit	701	+ 3	+ 18	+115

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

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

Type of credit	March 1958	Change from:	
		Month ago	Year ago
Consumer instalment credit	724	+82	- 97
Retail automotive (passenger cars)	454	+27	-156
New	243	+ 8	-121
Used	211	+19	- 35
Other consumer goods paper	177	+46	+ 48
Repair and modernization loans	1	0	0
Personal loans	92	+ 9	+ 11
Business credit <u>1/</u>	1,006	-35	-359
Retail automotive (commercial vehicles)	36	+ 2	- 11
New	22	+ 1	- 9
Used	14	+ 1	- 2
Wholesale automotive paper	823	-49	-313
New (passenger and commercial)	752	-59	-326
Used (passenger and commercial)	71	+10	+ 13
Wholesale other than automotive	38	+ 5	- 14
Other business credit <u>1/</u>	109	+ 7	- 21

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 1958	Change from:	
		Month ago	Year ago
Total financed by retail	316	+32	- 76
New passenger	94	+ 4	- 48
Used passenger	197	+24	- 22
New commercial	9	+ 2	- 5
Used commercial	16	+ 2	- 1
Total financed at wholesale	374	- 9	-110
New (passenger and commercial)	307	-18	-130
Used (passenger and commercial)	67	+ 9	+ 20

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

Credit Sales	Per Cent
1958 - March	55
February	60
1957 - March	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.