



Min Tyson

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

December 5, 1958

SALES FINANCE COMPANIES

October 1958

Sales finance company holdings of retail passenger car instalment paper decreased \$124 million during October to an estimated \$6,477 million at the end of the month. This compares with a decrease of \$20 million in October 1957 and \$33 million in October 1956. Total consumer instalment credit at sales finance companies declined \$114 million during the month to \$8,777 million.

Retail credit extended for purchases of passenger automobiles increased \$28 million reflecting increases in extensions of credit for both new and used passenger cars. About 104 thousand new cars and 201 thousand used passenger cars were financed at retail.

Wholesale automotive paper outstandings declined \$91 million at the end of October. This compares with a decrease of \$381 million during the same month a year ago. All other types of business credit showed a net increase of \$25 million.

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

Type of credit	Oct. 31, 1958	Increase or decrease during:		
		Oct. 1958	Oct. 1957	Year ended Oct. 31, 1958
Consumer instalment credit	<u>8,777</u>	<u>-114</u>	<u>- 13</u>	<u>- 808</u>
Retail automotive (passenger cars)	6,477	-124	- 20	-1,060
Other consumer goods paper	1,560	+ 9	+ 1	+ 170
Repair and modernization loans	19	- 1	+ 1	- 4
Personal loans	721	+ 2	+ 5	+ 86
Business credit <u>1/</u>	<u>2,009</u>	<u>- 66</u>	<u>-356</u>	<u>- 337</u>
Retail automotive (commercial vehicles)	477	- 2	+ 3	- 80
Wholesale automotive	656	- 91	-381	- 335
Wholesale other than automotive	99	+ 3	- 1	0
Other business credit	777	+ 24	+ 23	+ 78

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	Oct. 1958	Change from:	
		Month ago	Year ago
Consumer instalment credit	738	+ 82	-122
Retail automotive (passenger cars)	484	+ 28	-155
New	267	+ 10	-162
Used	217	+ 18	+ 7
Other consumer goods paper	159	+ 53	+ 24
Repair and modernization loans	5	0	+ 3
Personal loans	90	+ 1	+ 6
Business credit <u>1/</u>	749	+214	+ 31
Retail automotive (commercial vehicles)	42	- 1	- 8
New	30	- 1	- 4
Used	12	0	- 4
Wholesale automotive paper	514	+209	+ 30
New (passenger and commercial)	445	+207	+ 12
Used (passenger and commercial)	69	+ 2	+ 18
Wholesale other than automotive	43	+ 3	+ 1
Other business credit <u>1/</u>	150	+ 3	+ 8

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	Oct. 1958	Change from:	
		Month ago	Year ago
Total financed by retail	<u>330</u>	<u>+16</u>	<u>-56</u>
New passenger	<u>104</u>	<u>+ 2</u>	<u>-66</u>
Used passenger	201	+14	+15
New commercial	12	0	- 3
Used commercial	13	0	- 2
Total financed at wholesale	<u>245</u>	<u>+82</u>	<u>+19</u>
New (passenger and commercial)	<u>181</u>	<u>+81</u>	<u>+ 1</u>
Used (passenger and commercial)	64	+ 1	+18

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

Credit sales	Per Cent
1958 - October	73
September	80 <u>r</u> /
1957 - October	78 <u>r</u> /

1/ Based on new car instalment contracts acquired by banks, sales finance companies, other financial institutions, and automobile dealers.

r/ Estimates from January 1957 through September 1958 have been revised slightly as a result of revision of some of the components used in preparing the estimates. Revised data may be obtained by writing to the Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington 25, D. C.