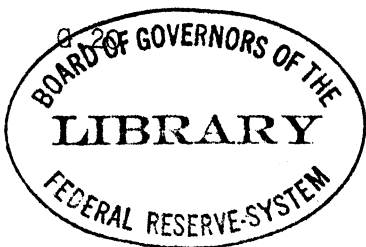


Mrs. Postler

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

January 7, 1959



SALES FINANCE COMPANIES

November 1958

Sales finance company holdings of retail passenger car instalment paper decreased \$82 million during November 1958 to an estimated \$6,395 million at the end of the month. This compares with decreases of \$27 million and \$28 million during the same month of 1957 and 1956 respectively. Total consumer instalment credit at sales finance companies declined \$69 million during the month to \$8,708 million.

Retail credit extended for purchases of passenger automobiles declined \$47 million reflecting decreases in extensions of credit for both new and used passenger cars. About 93 thousand new cars and 178 thousand used cars were financed at retail.

Wholesale automotive paper outstanding increased \$210 million during November. This compares with an increase of \$305 million during the same month a year ago. All other types of business credit on balance increased slightly.

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

Type of credit	Nov. 30, 1958	Increase or decrease during:		
		Nov. 1958	Nov. 1957	Year ended Nov. 30, 1958
Consumer instalment credit	8,708	- 69	- 21	- 856
Retail automotive (passenger cars)	6,395	- 82	- 27	-1,115
Other consumer goods paper	1,571	+ 11	- 2	+ 183
Repair and modernization loans	19	0	- 2	- 2
Personal loans	723	+ 2	+ 10	+ 78
Business credit ^{1/}	2,223	+214	+298	- 421
Retail automotive (commercial vehicles)	469	- 8	- 14	- 74
Wholesale automotive	866	+210	+305	- 430
Wholesale other than automotive	100	+ 1	0	+ 1
Other business credit	788	+ 11	+ 7	+ 82

^{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	Nov. 1958	Change from:	
		Month ago	Year ago
Consumer instalment credit	687	- 51	- 92
Retail automotive (passenger cars)	437	- 47	-129
New	242	- 25	-133
Used	195	- 22	+ 4
Other consumer goods paper	149	- 10	+ 27
Repair and modernization loans	5	0	+ 5
Personal loans	96	+ 6	+ 5
Business credit ^{1/}	1,073	+ 324	-244
Retail automotive (commercial vehicles)	36	- 6	0
New	25	- 5	0
Used	11	- 1	0
Wholesale automotive paper	864	+ 350	-252
New (passenger and commercial)	798	+ 353	-269
Used (passenger and commercial)	66	- 3	+ 17
Wholesale other than automotive	37	- 6	0
Other business credit ^{1/}	136	- 14	+ 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	Nov. 1958	Change from:	
		Month ago	Year ago
Total financed by retail	291	- 39	- 45
New passenger	93	- 11	- 50
Used passenger	178	- 23	+ 8
New commercial	10	- 2	- 1
Used commercial	10	- 3	- 2
Total financed at wholesale	377	+ 132	- 85
New (passenger and commercial)	317	+ 136	- 103
Used (passenger and commercial)	60	- 4	+ 18

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

Credit Sales	Per Cent
1958 - November	54
October	73
1957 - November	64

^{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.