



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

April 3, 1959

SALES FINANCE COMPANIES

February 1959

Sales finance company holdings of retail passenger car instalment paper increased \$3 million during February to an estimated \$6,394 million at the end of the month. During the same month of 1958 passenger car paper decreased \$126 million and in 1957 increased \$32 million. Total consumer instalment credit at sales finance companies declined \$9 million.

The number of retail passenger automobile contracts acquired in February was about the same as in the previous month. Compared with a year ago, 43 thousand more contracts were acquired reflecting increases in both new and used car contracts.

Wholesale automotive paper outstanding increased \$158 million during February. This compares with an increase of \$141 million during the same month last year. All other types of business credit on balance increased \$9 million.

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

Type of credit	Feb. 28, 1959	Increase or decrease during:		
		Feb. 1959	Feb. 1958	Year Ended February 28, 1959
Consumer instalment credit	<u>8,724</u>	<u>- 9</u>	<u>- 59</u>	<u>-681</u>
Retail automotive (passenger cars)	6,394	+ 3	-126	-843
Other consumer goods paper	1,548	- 18	+ 60	+ 84
Repair and modernization loans	19	0	0	- 1
Personal loans	763	+ 6	+ 7	+ 79
Business credit <u>1/</u>	<u>2,916</u>	<u>+167</u>	<u>+132</u>	<u>-173</u>
Retail automotive (commercial vehicles)	459	- 2	- 14	- 49
Wholesale automotive	1,553	+158	+141	-234
Wholesale other than automotive	114	+ 5	+ 5	+ 18
Other business credit	790	+ 6	0	+ 92

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	Feb. 1959	Change from:	
		Month ago	Year ago
Consumer instalment credit	723	- 30	+ 81
Retail automotive (passenger cars)	512	- 1	+ 85
New	285	- 6	+ 50
Used	227	+ 5	+ 35
Other consumer goods paper	113	- 28	- 18
Repair and modernization loans	4	0	+ 3
Personal loans	94	- 1	+ 11
Business credit <u>1/</u>	1,265	-106	+224
Retail automotive (commercial vehicles)	41	+ 2	+ 7
New	29	+ 1	+ 8
Used	12	+ 1	- 1
Wholesale automotive paper	1,064	-115	+192
New (passenger and commercial)	982	-117	+171
Used (passenger and commercial)	82	+ 2	+ 21
Wholesale other than automotive	37	- 2	+ 4
Other business credit <u>1/</u>	123	+ 9	+ 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	Feb. 1959	Change from:	
		Month ago	Year ago
Total financed by retail	329	0	+45
New passenger	108	- 2	+18
Used passenger	196	+ 1	+25
New commercial	11	0	+ 4
Used commercial	12	+ 1	- 2
Total financed at wholesale	461	-46	+78
New (passenger and commercial)	388	-44	+63
Used (passenger and commercial)	73	- 2	+15

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

Credit Sales	Per Cent
1959 - February	57
January	55
1958 - February	60

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.