

Mrs. Pottler

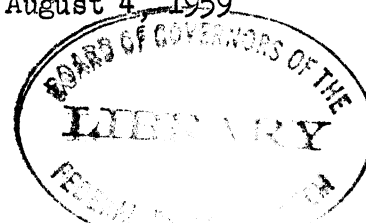
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

August 4, 1959

SALES FINANCE COMPANIES

June 1959



Sales finance company holdings of retail passenger car instalment paper continued to expand in June as outstandings increased \$205 million. Holdings of other consumer instalment paper increased \$42 million during the month.

Retail passenger automobile contracts acquired during June numbered 175 thousand new and 269 thousand used for a total dollar volume of 772 million, the largest for any month since August 1955. Compared with a year ago about 100 thousand more contracts were purchased.

Wholesale automotive paper outstanding increased \$33 million and at the month-end was \$425 million above a year ago. All other types of business credit increased \$49 million.

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

Type of credit	June 30, 1959	Increase or decrease during:		
		June 1959	June 1958	Year Ended June 30, 1959
Consumer instalment credit	9,350	+261	- 24	+245
Retail automotive (passenger cars)	6,884	+205	- 44	+ 40
Other consumer goods paper	1,647	+ 42	+ 12	+115
Repair and modernization loans	23	+ 1	0	+ 3
Personal loans	796	+ 13	+ 8	+ 87
Business credit <u>1/</u>	3,419	+ 82	-120	+659
Retail automotive (commercial vehicles)	530	+ 23	- 4	+ 49
Wholesale automotive	1,891	+ 33	-115	+425
Wholesale other than automotive	134	+ 3	- 2	+ 30
Other business credit	864	+ 23	+ 1	+155

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	June 1959	Change from:	
		Month ago	Year ago
Consumer instalment credit	1,074	+134	+298
Retail automotive (passenger cars)	<u>772</u>	<u>+109</u>	<u>+239</u>
New	467	+ 83	+170
Used	305	+ 26	+ 69
Other consumer goods paper	188	+ 13	+ 37
Repair and modernization loans	2	- 1	0
Personal loans	112	+ 13	+ 22
Business credit <u>1/</u>	<u>1,492</u>	<u>+101</u>	<u>+534</u>
Retail automotive (commercial vehicles)	<u>64</u>	<u>+ 8</u>	<u>+ 22</u>
New	50	+ 7	+ 20
Used	14	+ 1	+ 2
Wholesale automotive paper	<u>1,226</u>	<u>+ 80</u>	<u>+478</u>
New (passenger and commercial)	<u>1,132</u>	<u>+ 77</u>	<u>+453</u>
Used (passenger and commercial)	94	+ 3	+ 25
Wholesale other than automotive	50	+ 8	+ 14
Other business credit <u>1/</u>	152	+ 5	+ 20

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	June 1959	Change from:	
		Month ago	Year ago
Total financed by retail	475	+49	+106
New passenger	175	+30	+ 60
Used passenger	269	+16	+ 40
New commercial	18	+ 2	+ 6
Used commercial	13	+ 1	0
Total financed at wholesale	547	+33	+198
New (passenger and commercial)	459	+31	+177
Used (passenger and commercial)	88	+ 2	+ 21

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

Credit Sales	Per Cent
1959 - June	60
May	56
1958 - June	62

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.