



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

September 3, 1959

SALES FINANCE COMPANIES

July 1959

Retail passenger car instalment paper held by sales finance companies increased \$179 million during July to an estimated \$7,063 million at the end of the month. Holdings of other consumer goods paper and personal loans rose to record levels.

Retail credit extended for the purchase of passenger automobiles amounted to \$747 million, representing the financing of 175 thousand new and 251 thousand used cars. Compared with a year ago, nearly 90 thousand more retail passenger automobile contracts were purchased.

Wholesale automotive paper outstanding increased \$3 million during July and at the month-end was \$570 million above a year ago. All other types of business loans continued above a year ago.

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

Type of credit	July 31, 1959	Increase or decrease during:		
		July 1959	July 1958	Year Ended July 31, 1959
Consumer instalment credit	9,592	+242	+ 16	+471
Retail automotive (passenger cars)	7,063	+179	- 49	+268
Other consumer goods paper	1,695	+ 48	+ 60	+103
Repair and modernization loans	25	+ 2	+ 1	+ 4
Personal loans	809	+ 13	+ 4	+ 96
Business credit <u>1/</u>	3,451	+ 32	-142	+833
Retail automotive (commercial vehicles)	550	+ 20	+ 2	+ 67
Wholesale automotive	1,894	+ 3	-142	+570
Wholesale other than automotive	129	- 5	- 5	+ 30
Other business credit	878	+ 14	+ 3	+166

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	July 1959	Change from:	
		Month ago	Year ago
Consumer instalment credit	1,061	-13	+210
Retail automotive (passenger cars)	747	-25	+209
New	463	-4	+157
Used	284	-21	+ 52
Other consumer goods paper	199	+11	- 21
Repair and modernization loans	3	+ 1	- 1
Personal loans	112	0	+ 23
Business credit <sup>1/</sup>	1,443	-49	+515
Retail automotive (commercial vehicles)	62	- 2	+ 16
New	49	- 1	+ 16
Used	13	- 1	0
Wholesale automotive paper	1,186	-40	+464
New (passenger and commercial)	1,100	-32	+451
Used (passenger and commercial)	86	- 8	+ 13
Wholesale other than automotive	49	- 1	+ 12
Other business credit <sup>1/</sup>	146	- 6	+ 23

<sup>1/</sup> 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	July 1959	Change from:	
		Month ago	Year ago
Total financed by retail	457	-18	+ 93
New passenger	175	0	+ 56
Used passenger	251	-18	+ 32
New commercial	18	0	+ 5
Used commercial	13	0	0
Total financed at wholesale	525	-22	+182
New (passenger and commercial)	446	-13	+173
Used (passenger and commercial)	79	- 9	+ 9

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

Credit Sales	Per Cent
1959 - July	74
June	60
1958 - July	71

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.