

Mrs. Postles

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

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SALES FINANCE COMPANIES

September 1959

Retail passenger car instalment paper held by sales finance companies increased \$85 million during September to an estimated \$7,304 million at the end of the month. Other consumer goods paper increased \$38 million and personal loans expanded by \$13 million. Total outstanding consumer instalment credit at sales finance companies rose to a record \$9,925 million.

Sales finance companies during September acquired 155 thousand retail contracts on new passenger cars and 222 thousand on used passenger cars for a total dollar volume of \$648 million. Nearly 90 thousand more retail contracts were acquired in September than a year ago.

Wholesale automotive paper outstanding declined \$524 million during September. This compares with a decline of \$366 million for the same month last year. All other types of business credit increased during the month.

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

Type of credit	Sept. 30, 1959	Increase or decrease during:		
		Sept. 1959	Sept. 1958	Year ended Sept. 30, 1959
Consumer instalment credit	<u>9,925</u>	<u>+140</u>	<u>-192</u>	<u>+1,034</u>
Retail automotive (passenger cars)	7,304	+ 85	-129	+ 703
Other consumer goods paper	1,761	+ 38	- 61	+ 210
Repair and modernization loans	30	+ 4	- 3	+ 10
Personal loans	830	+ 13	+ 1	+ 111
Business credit <u>1/</u>	<u>2,765</u>	<u>-483</u>	<u>-343</u>	<u>+ 690</u>
Retail automotive (commercial vehicles)	573	+ 11	- 1	+ 94
Wholesale automotive	1,131	-524	-366	+ 384
Wholesale other than automotive	135	+ 4	0	+ 39
Other business credit	926	+ 26	+ 24	+ 173

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	Sept. 1959	Change from:	
		Month ago	Year ago
Consumer instalment credit	948	- 37	+292
Retail automotive (passenger cars)	648	- 49	+192
New	404	- 32	+147
Used	244	- 17	+ 45
Other consumer goods paper	188	+ 14	+ 82
Repair and modernization loans	4	+ 1	- 1
Personal loans	108	- 3	+ 19
Business credit <u>1/</u>	681	-430	+146
Retail automotive (commercial vehicles)	55	0	+ 12
New	42	0	+ 11
Used	13	0	+ 1
Wholesale automotive paper	416	-436	+111
New (passenger and commercial)	336	-433	+ 98
Used (passenger and commercial)	80	- 3	+ 13
Wholesale other than automotive	54	+ 4	+ 14
Other business credit <u>1/</u>	156	+ 2	+ 9

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	Sept. 1959	Change from:	
		Month ago	Year ago
Total financed by retail	406	- 24	+92
New passenger	155	- 12	+53
Used passenger	222	- 14	+35
New commercial	16	+ 1	+ 4
Used commercial	13	+ 1	0
Total financed at wholesale	224	-173	+61
New (passenger and commercial)	147	-171	+47
Used (passenger and commercial)	77	- 2	+14

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

Credit Sales	Per Cent
1959 - September	84
August	67
1958 - September	80

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.