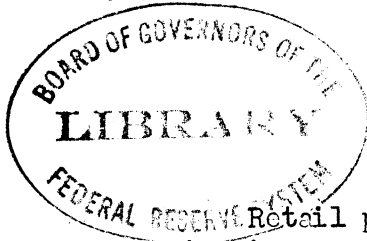


Mrs. Rostler

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

April 5, 1960



SALES FINANCE COMPANIES

February 1960

Retail passenger car instalment paper held by sales finance companies increased \$37 million during February to \$7,342 million at the end of the month. The increase compares with practically no change a year ago and a decline of \$126 million in 1958. Total outstanding consumer instalment credit at sales finance companies was \$10,276 million, \$1,552 million higher than a year ago.

Credit extended on new passenger cars increased \$54 million from January and credit extended for purchase of used cars increased \$23 million. New passenger cars financed by sales finance companies amounted to 133 thousand and used passenger 210 thousand.

Wholesale automotive paper outstanding increased \$342 million during February as 611 thousand cars were financed during the month. All other types of business credit outstanding increased slightly.

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

Type of credit	Feb. 29, 1960	Increase or decrease during:		
		Feb. 1960	Feb. 1959	Year ended Feb. 29, 1960
Consumer instalment credit	<u>10,276</u>	<u>+108</u>	<u>- 9</u>	<u>+1,552</u>
Retail automotive (passenger cars)	7,342	+ 37	+ 3	+ 948
Other consumer goods paper	1,982	+ 60	- 18	+ 434
Repair and modernization loans	37	+ 1	0	+ 18
Personal loans	915	+ 10	+ 6	+ 152
Business credit ^{1/}	<u>3,663</u>	<u>+387</u>	<u>+167</u>	<u>+ 747</u>
Retail automotive (commercial vehicles)	579	+ 3	- 2	+ 120
Wholesale automotive	1,867	+342	+158	+ 314
Wholesale other than automotive	154	+ 10	+ 5	+ 40
Other business credit	1,063	+ 32	+ 6	+ 273

^{1/} Excludes some credit extended to business, such as that extended by factoring subsidiaries.

G.20

- 2 -

Credit Extended by Sales Finance Companies
(In millions of dollars)

Type of credit	Feb. 1960	Change from:	
		Month ago	Year ago
Consumer instalment credit	860	+ 58	+137
Retail automotive (passenger cars)	589	+ 77	+ 77
New	346	+ 54	+ 61
Used	243	+ 23	+ 16
Other consumer goods paper	158	+ 25	+ 45
Repair and modernization loans	3	0	- 1
Personal loans	110	+ 6	+ 16
Business credit <u>1/</u>	1,663	+214	+398
Retail automotive (commercial vehicles)	51	+ 9	+ 10
New	38	+ 8	+ 9
Used	13	+ 1	+ 1
Wholesale automotive paper	1,408	+168	+344
New (passenger and commercial)	1,321	+155	+339
Used (passenger and commercial)	87	+ 13	+ 5
Wholesale other than automotive	49	+ 11	+ 12
Other business credit <u>1/</u>	155	+ 26	+ 32

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. 1960	Change from:	
		Month ago	Year ago
Total financed by retail	370	+46	+ 41
New passenger	133	+21	+ 25
Used passenger	210	+19	+ 12
New commercial	14	+ 3	+ 3
Used commercial	13	+ 3	+ 1
Total financed at wholesale	611	+68	+150
New (passenger and commercial)	534	+60	+146
Used (passenger and commercial)	77	+ 8	+ 4

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

Credit Sales	Per Cent
1960 - February	58
January	54r
1959 - February	58

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.

r - Revised