



Mrs. Postles

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

G.20

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SALES FINANCE COMPANIES

March 1960

Retail passenger car instalment paper held by sales finance companies increased \$65 million during March to \$7,407 million at the end of the month. The increase compares with an expansion of \$35 million a year ago and a decline of \$157 million in 1958. Total outstanding consumer instalment credit at sales finance companies increased \$81 million to \$10,357 million, \$1,577 million above March a year ago.

Credit extended on new passenger cars increased \$58 million from February and credit extended for purchase of used cars increased \$25 million. New passenger cars financed by sales finance companies amounted to 157 thousand and used passenger cars 236 thousand.

Wholesale automotive paper outstanding increased \$209 million during March as 633 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	March 31, 1960	Increase or decrease during:		
		Mar. 1960	Mar. 1959	Year ended March 31, 1960
Consumer instalment credit	<u>10,357</u>	<u>+ 81</u>	<u>+ 56</u>	<u>+1,577</u>
Retail automotive (passenger cars)	7,407	+ 65	+ 35	+ 978
Other consumer goods paper	1,988	+ 6	+ 13	+ 427
Repair and modernization loans	39	+ 2	+ 2	+ 18
Personal loans	923	+ 8	+ 6	+ 154
Business credit <u>1/</u>	<u>3,919</u>	<u>+256</u>	<u>+174</u>	<u>+ 829</u>
Retail automotive (commercial vehicles)	594	+ 15	+ 13	+ 122
Wholesale automotive	2,076	+209	+139	+ 384
Wholesale other than automotive	165	+ 11	+ 9	+ 42
Other business credit	1,084	+ 21	+ 13	+ 281

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	March 1960	Change from:	
		Month ago	Year ago
Consumer instalment credit	967	+107	+ 84
Retail automotive (passenger cars)	672	+ 83	+ 58
New	404	+ 58	+ 56
Used	268	+ 25	+ 2
Other consumer goods paper	172	+ 14	+ 11
Repair and modernization loans	3	0	0
Personal loans	120	+ 10	+ 15
Business credit ^{1/}	1,687	+ 24	+223
Retail automotive (commercial vehicles)	63	+ 12	+ 9
New	47	+ 9	+ 6
Used	16	+ 3	+ 3
Wholesale automotive paper	1,419	+ 11	+186
New (passenger and commercial)	1,322	+ 1	+185
Used (passenger and commercial)	97	+ 10	+ 1
Wholesale other than automotive	54	+ 5	+ 8
Other business credit ^{1/}	151	- 4	+ 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	March 1960	Change from:	
		Month ago	Year ago
Total financed by retail	425	+55	+29
New passenger	157	+24	+25
Used passenger	236	+26	- 1
New commercial	17	+ 3	+ 3
Used commercial	15	+ 2	+ 2
Total financed at wholesale	633	+22	+87
New (passenger and commercial)	545	+11	+89
Used (passenger and commercial)	88	+11	- 2

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

Credit Sales	Per Cent
1960 - March	58
February	58
1959 - March	57

^{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.