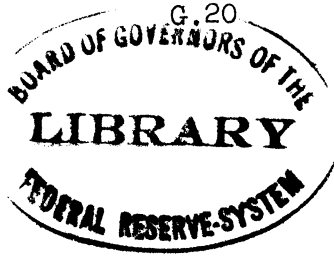


*Mrs. Postles*

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

November 3, 1960



SALES FINANCE COMPANIES

SEPTEMBER 1960

Retail passenger car instalment paper held by sales finance companies declined \$23 million in September to \$7,832 million. The decline compares with an expansion of \$88 million for the same month last year and a decline of \$129 million in 1958. Total consumer instalment paper at sales finance companies rose by \$12 million and was \$1,205 million higher than a year ago.

Retail passenger automobile paper acquired by sales finance companies in September amounted to \$552 million, a decline of \$93 million from the previous month. The number of new and used car contracts acquired declined during the month and, as in other recent months, was less than a year ago.

Business credit outstanding declined \$321 million as outstanding balances on automobile floor plan loans contracted by a similar amount.

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

Type of credit	Sept. 30, 1960	Increase or decrease during:		
		Sept. 1960	Sept. 1959	Year ended Sept. 30, 1960
Consumer instalment credit	<u>11,154</u>	<u>+ 12</u>	<u>+143</u>	<u>+1,205</u>
Retail automotive (passenger cars)	7,832	- 23	+ 88	+ 504
Other consumer goods paper	2,292	+ 32	+ 38	+ 531
Repair and modernization loans	60	+ 3	+ 4	+ 30
Personal loans	970	0	+ 13	+ 140
Business credit <u>1/</u>	<u>3,377</u>	<u>-321</u>	<u>-483</u>	<u>+ 609</u>
Retail automotive (commercial vehicles)	623	- 5	+ 11	+ 50
Wholesale automotive	1,349	-347	-524	+ 215
Wholesale other than automotive	140	- 4	+ 4	+ 5
Other business credit	1,265	+ 35	+ 26	+ 339

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. 1960	Change from:	
		Month ago	Year ago
Consumer instalment credit	879	-110	- 71
Retail automotive (passenger cars)	552	- 93	- 98
New	354	- 53	- 51
Used	198	- 40	- 47
Other consumer goods paper	214	- 3	+ 26
Repair and modernization loans	5	- 2	+ 1
Personal loans	108	- 12	0
Business credit <u>1/</u>	809	-257	+127
Retail automotive (commercial vehicles)	49	- 6	- 6
New	37	- 4	- 5
Used	12	- 2	- 1
Wholesale automotive paper	525	-257	+108
New (passenger and commercial)	455	-255	+119
Used (passenger and commercial)	70	- 2	- 11
Wholesale other than automotive	47	- 3	- 7
Other business credit <u>1/</u>	188	+ 9	+ 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	Sept. 1960	Change from:	
		Month ago	Year ago
Total financed by retail	353	-53	-55
New passenger	139	-18	-17
Used passenger	189	-31	-34
New commercial	14	- 1	- 2
Used commercial	11	- 3	- 2
Total financed at wholesale	267	-96	+42
New (passenger and commercial)	197	-97	+50
Used (passenger and commercial)	70	+ 1	- 8

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

Credit Sales	Per Cent
1960 - September	71
August	70
1959 - September	85

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.