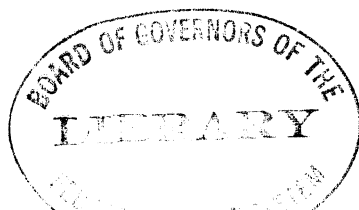




FEDERAL RESERVE

statistical release



Mrs. Pastler

G.20

December 6, 1961

SALES FINANCE COMPANIES

OCTOBER 1961

Sales finance companies on October 31 held \$6,994 million in retail passenger car paper, \$31 million less than at the end of September. This decline in October was slightly less than the \$36 million reduction in the corresponding month of 1960. Personal loans rose \$15 million, and other consumer goods paper declined slightly.

Extensions of retail instalment credit on passenger vehicles rose \$144 million in October and were about the same as a year earlier. Extensions of other types of consumer instalment credit showed a slight decline on balance.

The number of vehicles financed at retail by sales finance companies rose 65 thousand in October to 345 thousand. Financing of new passenger cars accounted for most of the increase. The number of new vehicles financed at wholesale rose 146 thousand.

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

| Type of credit | Oct. 31, 1961 | Increase or decrease during: | | |
|-----------------------------------------|------------------|------------------------------|--------------|-----------------------------|
| | | Oct. 1961 | Oct. 1960 | Year ended Oct. 31, 1961 |
| Consumer instalment credit | <u>10,671</u> | <u>-19</u> | <u>- 7</u> | <u>-476</u> |
| Retail automotive (passenger cars) | 6,994 | -31 | - 36 | -802 |
| Other consumer goods paper | 2,514 | - 4 | + 27 | +195 |
| Repair and modernization loans | 66 | + 1 | + 3 | + 3 |
| Personal loans | 1,097 | +15 | - 1 | +128 |
| Business credit <u>1/</u> | <u>3,211</u> | <u>- 7</u> | <u>+199</u> | <u>-365</u> |
| Retail automotive (commercial vehicles) | 539 | + 2 | - 10 | - 74 |
| Wholesale automotive | 1,125 | - 7 | +203 | -427 |
| Wholesale other than automotive | 137 | + 3 | - 4 | + 1 |
| Other business credit | 1,410 | - 5 | + 10 | +135 |

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 | Oct. 1961 | Change from: | |
|-----------------------------------------|--------------|--------------|-------------|
| | | Month ago | Year ago |
| Consumer instalment credit | 936 | +137 | + 56 |
| Retail automotive (passenger cars) | 562 | +144 | + 3 |
| New | 361 | +117 | - 14 |
| Used | 201 | + 27 | + 17 |
| Other consumer goods paper | 229 | - 24 | + 21 |
| Repair and modernization loans | 5 | 0 | 0 |
| Personal loans | 140 | + 17 | + 32 |
| Business credit <u>1/</u> | 1,333 | +390 | -160 |
| Retail automotive (commercial vehicles) | 51 | + 5 | + 5 |
| New | 38 | + 3 | + 4 |
| Used | 13 | + 2 | + 1 |
| Wholesale automotive paper | 1,062 | +380 | -163 |
| New (passenger and commercial) | 975 | +365 | -172 |
| Used (passenger and commercial) | 87 | + 15 | + 9 |
| Wholesale other than automotive | 49 | + 7 | + 6 |
| Other business credit <u>1/</u> | 171 | - 2 | - 8 |

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 | October 1961 | Change from: | |
|---------------------------------|-----------------|--------------|-------------|
| | | Month ago | Year ago |
| Total financed at retail | <u>345</u> | + 65 | + 2 |
| New passenger | <u>137</u> | + 42 | - 8 |
| Used passenger | 183 | + 19 | + 8 |
| New commercial | 14 | + 1 | + 1 |
| Used commercial | 11 | + 3 | + 1 |
| Total financed at wholesale | <u>466</u> | +158 | -63 |
| New (passenger and commercial) | <u>386</u> | +146 | -71 |
| Used (passenger and commercial) | 80 | + 12 | + 8 |

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

| Credit Sales | <u>Per cent</u> |
|----------------|-----------------|
| 1961 - October | 60 |
| September | 66 |
| 1960 - October | 60 |

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.