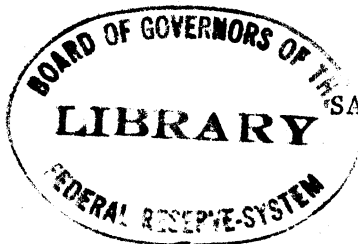




FEDERAL RESERVE

statistical release

G. 20



SALES FINANCE COMPANIES

AUGUST 1963

October 3, 1963

Mrs. Gostles

Consumer instalment credit at sales finance companies expanded \$99 million in August, to a total of \$12,906 million. Retail passenger automotive paper increased \$84 million, \$15 million less than during August 1962. Personal loans, up \$41 million, showed a greater than seasonal increase. Other consumer goods paper continued the down trend initiated early in 1962.

Extensions of consumer instalment credit slowed in August due to a reduction of \$76 million in the volume of new lending on passenger automobiles. The August total of \$1,094 million, however, was \$26 million more than in August 1962. Extensions of personal loans increased \$11 million.

Over the 12 months ending in August, consumer instalment credit has expanded 9 per cent, with retail passenger automotive paper accounting for nearly three quarters of the expansion.

Business credit outstanding at sales finance companies showed a drop of \$550 million centering entirely in wholesale automotive paper. This compares with a decline of \$318 million in August of last year.

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

Type of credit	August 31, 1963	Increase or decrease during:		
		Aug. 1963	Aug. 1962	Year ended Aug. 31, 1963
Consumer instalment credit	<u>12,906</u>	<u>+ 99</u>	<u>+114</u>	<u>+1,110</u>
Retail automotive (passenger cars)	8,153	+ 84	+ 99	+ 826
Other consumer goods paper	2,986	- 25	- 12	+ 17
Repair and modernization loans	161	- 1	0	- 10
Personal loans	1,606	+ 41	+ 27	+ 277
Business credit <u>1/</u>	<u>5,246</u>	<u>-550</u>	<u>-318</u>	<u>+ 405</u>
Retail automotive (commercial vehicles)	739	+ 11	+ 15	+ 122
Wholesale automotive	1,300	-582	-387	+ 91
Wholesale other than automotive	411	+ 4	+ 2	+ 78
Other business credit	2,796	+ 17	+ 52	+ 114

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	August 1963	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,094</u>	- 65	+ 26
Retail automotive (passenger cars)	<u>658</u>	- 76	+ 7
New	416	- 52	+ 3
Used	242	- 24	+ 4
Other consumer goods paper	218	0	- 14
Repair and modernization loans	9	0	- 3
Personal loans	209	+ 11	+ 36
Business credit ^{1/}	<u>1,205</u>	-799	- 73
Retail automotive (commercial vehicles)	<u>71</u>	- 1	+ 8
New	56	+ 1	+ 7
Used	15	- 2	+ 1
Wholesale automotive paper	<u>629</u>	-801	-108
New (passenger and commercial)	571	-796	- 83
Used (passenger and commercial)	58	- 5	- 25
Wholesale other than automotive	126	- 2	+ 1
Other business credit ^{1/}	379	+ 5	+ 26

^{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	August 1963	Change from:	
		Month ago	Year ago
Total financed at retail	<u>382</u>	<u>- 40</u>	<u>-12</u>
New passenger	152	- 20	- 3
Used passenger	205	- 16	- 9
New commercial	16	- 2	0
Used commercial	9	- 2	0
Total financed at wholesale	<u>280</u>	<u>-300</u>	<u>-52</u>
New (passenger and commercial)	229	-297	-29
Used (passenger and commercial)	51	- 3	-23

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

Credit Sales	<u>Per Cent</u>
1963 - August	74
July	r 70
1962 - August	75

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