



FEDERAL RESERVE

statistical release

Mrs. Postles

G. 20

November 19, 1964

SALES FINANCE COMPANIES

September 1964

Consumer instalment credit at sales finance companies rose \$78 million during September. This was the seventh consecutive month to show a greater than seasonal increase.

Major factors in the September expansion were increases in non-automotive consumer goods credit and in personal loans, and a smaller-than-seasonal decline in new-passenger automobile paper.

The increase of \$63 million in the non-automotive goods category includes purchases of \$33 million from other lenders. Apart from these purchases, the third-quarter rise in total credit outstanding at sales finance companies amounted to \$292 million this year as against \$171 million in the same quarter of 1963. While auto credit at \$131 million and personal loans at \$105 million contributed slightly less to the expansion in 1964 than they did in 1963, the non-automotive goods category increased \$58 million as compared with a decline of \$121 million the previous year.

Total acquisitions of consumer paper in September were down from August, a seasonal decline stemming from the retail passenger car market. Acquisitions of passenger car and other consumer goods paper were above the year-earlier total, however, by \$70 million and \$124 million respectively.

For the quarter as a whole, total acquisitions of \$3,556 million compared with \$3,208 million for the third quarter of 1963. All categories of consumer credit expanded except repair and modernization loans, which registered a slight decline.

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

Type of Credit	Sept 30, 1964	Increase or decrease during:		
		Sept. 1964	Sept. 1963	Year ended Sept. 30, 1964
Consumer instalment credit	14,553	+78	+167	+1,480
Retail automotive (passenger cars)	8,764	-35	-54	+665
Other consumer goods paper	3,706	+63	+171	+549
Repair and modernization loans	148	-1	0	-13
Personal loans	1,935	+51	+50	+279
Business credit 1/	5,794	+28	-88	+636
Retail automotive (commercial vehicles)	866	+8	+1	+126
Wholesale automotive	1,647	+6	-107	+454
Wholesale other than automotive	438	-7	-1	+28
Other business credit	2,843	+21	+19	+28

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

Type of credit	September 1964	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,142</u>	<u>- 30</u>	<u>+187</u>
Retail automotive (passenger cars)	<u>578</u>	<u>- 64</u>	<u>+ 70</u>
New	374	- 48	+ 71
Used	204	- 16	- 1
Other consumer goods paper	335	+ 31	+124
Repair and modernization loans	6	- 3	- 2
Personal loans	223	+ 6	- 5
Business credit <u>1/</u>	<u>1,709</u>	<u>+390</u>	<u>+506</u>
Retail automotive (commercial vehicles)	<u>80</u>	<u>+ 6</u>	<u>+ 18</u>
New	63	+ 3	+ 14
Used	17	+ 3	+ 4
Wholesale automotive paper	<u>1,057</u>	<u>+338</u>	<u>+427</u>
New (passenger and commercial)	1,005	+341	+426
Used (passenger and commercial)	52	- 3	+ 1
Wholesale other than automotive	139	+ 7	+ 21
Other business credit <u>1/</u>	<u>433</u>	<u>+ 39</u>	<u>+ 40</u>

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

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Number of Motor Vehicles Financed by Sales Finance Companies
(In thousands)

Type of vehicle	September 1964	Change from:	
		Month ago	Year ago
Total financed at retail	<u>327</u>	<u>- 26</u>	<u>+ 15</u>
New passenger	135	- 18	+ 23
Used passenger	165	- 12	- 9
New commercial	19	+ 3	+ 2
Used commercial	8	+ 1	- 1
Total financed at wholesale	<u>425</u>	<u>+115</u>	<u>+144</u>
New (passenger and commercial)	382	+119	+145
Used (passenger and commercial)	43	- 4	- 1

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

Credit Sales	Per Cent
1964 - September	67
August	75
1963 - September	74

^{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, D. C. 20551