



FEDERAL RESERVE

statistical release

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SALES FINANCE COMPANIES

MARCH 1965

Finance Companies
Sales

May 5, 1965

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Consumer instalment credit at sales finance companies rose \$49 million during March, after declining by \$15 million in February. The expansion for the first quarter as a whole amounted to \$69 million.

Demands for credit to purchase non-auto goods were strong in March. The \$10 million increase in this type of credit was somewhat more than the usual seasonal change. Auto paper, which customarily accounts for the larger part of the lending activities of sales finance companies, showed the normal seasonal advance in March despite some easing in auto sales. Personal loans were up \$11 million; this increase was slightly larger than the usual change and may have been related to borrowing for income tax purposes.

Business credit outstanding at sales finance companies increased \$233 million during the month. This gain was almost entirely accounted for by the wholesale automotive category.

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

Type of credit	March 31, 1965	Increase or decrease during:		
		March 1965	March 1964	Year ended March 31, 1965
Consumer instalment credit	<u>14,831</u>	<u>49</u>	<u>14</u>	<u>1,029</u>
Retail automotive (passenger cars)	8,723	30	38	458
Other consumer goods	3,897	10	- 32	294
Home repair and modernization	137	- 2	- 2	- 15
Personal loans	2,074	11	10	292
Business credit ^{1/}	<u>6,326</u>	<u>233</u>	<u>111</u>	<u>53</u>
Retail automotive (commercial vehicles)	856	11	16	77
Wholesale automotive	2,202	200	104	- 44
Wholesale other than automotive	484	24	13	26
Other business credit	2,784	- 2	- 22	- 6

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

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

Type of credit	March 1965	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,292</u>	<u>232</u>	<u>126</u>
Retail automotive (passenger cars)	<u>712</u>	<u>131</u>	<u>55</u>
New	450	87	44
Used	262	44	11
Other consumer goods	339	72	36
Home repair and modernization	6	0	1
Personal loans	235	29	36
Business credit ^{1/}	<u>2,592</u>	<u>437</u>	<u>442</u>
Retail automotive (commercial vehicles)	<u>84</u>	<u>11</u>	<u>4</u>
New	65	9	3
Used	19	2	1
Wholesale automotive paper	<u>1,936</u>	<u>312</u>	<u>396</u>
New (passenger and commercial)	1,865	302	394
Used (passenger and commercial)	73	10	4
Wholesale other than automotive	159	23	14
Other business credit ^{1/}	411	91	26

^{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	March 1965	Change from:	
		Month ago	Year ago
Total financed at retail	<u>377</u>	<u>69</u>	<u>10</u>
New passenger	160	32	13
Used passenger	190	32	- 7
New commercial	19	4	3
Used commercial	8	1	1
Total financed at wholesale	<u>735</u>	<u>124</u>	<u>128</u>
New (passenger and commercial)	679	115	129
Used (passenger and commercial)	56	9	- 1

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

Credit Sales	<u>Per Cent</u>
1965 - March	59
1965 - February	56
1964 - March	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, D. C. 20551.