



FEDERAL RESERVE

statistical release

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SALES FINANCE COMPANIES

AUGUST 1965

Consumer instalment credit at sales finance companies rose \$156 million over July, continuing the strong advances of previous months. As in July, retail automotive and other consumer goods accounted for the bulk of this increase. The rise in personal loans was the largest all year in this category, amounting to \$39 million.

Sales finance companies acquired \$25 million less paper in August than in July. This compares with a decrease of \$70 million for August 1964. The decline was due to a slow-down in retail automotive extensions. Purchases of other consumer goods paper rose \$19 million, while extensions of personal loans were up \$11 million.

Business credit continued to decline in August, reflecting a seasonal movement in the wholesale automotive area.

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

Type of credit	August 31, 1965	Increase or decrease during:		
		August 1965	August 1964	Year ending Aug. 31, 1965
Consumer instalment credit	<u>15,721</u>	<u>156</u>	<u>116</u>	<u>1,246</u>
Retail automotive (passenger cars)	9,235	61	58	436
Other consumer goods	4,125	58	29	482
Home repair and modernization	131	- 2	0	- 18
Personal loans	2,230	39	29	346
Business credit <u>1/</u>	<u>6,408</u>	<u>-311</u>	<u>-520</u>	<u>642</u>
Retail automotive (commercial vehicles)	910	7	3	52
Wholesale automotive	2,133	-335	-535	492
Wholesale other than automotive	502	12	- 2	57
Other business credit	2,863	5	14	41

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

G.20

-2-

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

Type of credit:	August 1965	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,293</u>	<u>- 25</u>	<u>121</u>
Retail automotive (passenger cars)	<u>683</u>	<u>- 55</u>	<u>41</u>
New	459	-38	37
Used	224	-17	4
Other consumer goods	355	19	51
Home repair and modernization	7	0	- 2
Personal loans	248	11	31
Business credit <u>1/</u>	<u>1,802</u>	<u>- 387</u>	<u>483</u>
Retail automotive (commercial vehicles)	<u>85</u>	<u>0</u>	<u>11</u>
New	66	1	6
Used	19	- 1	5
Wholesale automotive paper	<u>1,129</u>	<u>-443</u>	<u>410</u>
New (passenger and commercial)	1,072	-445	408
Used (passenger and commercial)	57	2	2
Wholesale other than automotive	159	29	27
Other business credit <u>1/</u>	429	27	35

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 1965	Change from:	
		Month ago	Year ago
Total financed at retail	<u>362</u>	<u>- 24</u>	<u>9</u>
New passenger	160	- 17	7
Used passenger	175	- 5	- 2
New commercial	18	- 1	2
Used commercial	9	- 1	2
Total financed at wholesale	<u>458</u>	<u>-165</u>	<u>148</u>
New (passenger and commercial)	410	-168	147
Used (passenger and commercial)	48	3	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 - August	81
1965 - July	75
1964 - 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, D. C. 20551.