



FEDERAL RESERVE

statistical release

October 5, 1966. 758

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SALES FINANCE COMPANIES — *Seget*

AUGUST 1966

Consumer instalment credit outstanding at sales finance companies rose \$147 million in August, with all types of credit except home repair and modernization loans contributing to the increase. This increase was somewhat less than for the same period last year.

Extensions of consumer instalment credit during August were \$71 million greater than in July. However, after allowing for seasonal variations, extensions were at approximately the same level as in June and July. Credit extended for the purchase of retail passenger cars registered a July to August increase for the first time since 1961.

Business credit outstanding continued to decline in August, dropping \$922 million from the July level. Most of the decrease was due to wholesale automotive paper, which registered its largest August drop on record. Business credit extensions were substantially lower than last month and a year ago, with the entire decrease attributed to wholesale automotive paper.

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

Type of credit	August 31, 1966	Increase or decrease during:		
		August 1966	August 1965	Year ended Aug. 31, 1966
Consumer instalment credit	<u>16,732</u>	<u>147</u>	<u>156</u>	<u>1,011</u>
Retail automotive (passenger cars)	9,498	41	61	263
Other consumer goods	4,632	53	58	507
Home repair and modernization	112	0	- 2	- 19
Personal loans	2,490	53	39	260
Business credit <u>1/</u>	<u>6,645</u>	<u>-922</u>	<u>-311</u>	<u>237</u>
Retail automotive (commercial vehicles)	1,050	23	7	140
Wholesale automotive	1,995	-921	-335	-138
Wholesale other than automotive	600	4	12	98
Other business credit	3,000	- 28	5	137

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	August 1966	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,336</u>	<u>71</u>	<u>43</u>
Retail automotive (passenger cars)	<u>685</u>	<u>24</u>	<u>2</u>
New	470	21	11
Used	215	3	- 9
Other consumer goods	374	26	19
Home repair and modernization	6	- 2	- 1
Personal loans	271	23	23
Business credit <u>1/</u>	<u>1,290</u>	<u>-679</u>	<u>-512</u>
Retail automotive (commercial vehicles)	<u>107</u>	<u>12</u>	<u>22</u>
New	82	7	16
Used	25	5	6
Wholesale automotive paper	<u>550</u>	<u>-753</u>	<u>-579</u>
New (passenger and commercial)	500	-751	-572
Used (passenger and commercial)	50	- 2	- 7
Wholesale other than automotive	166	33	7
Other business credit <u>1/</u>	467	29	38

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	August 1966	Change from:	
		Month ago	Year ago
Total financed at retail	<u>353</u>	<u>25</u>	<u>- 9</u>
New passenger	160	5	0
Used passenger	161	9	- 14
New commercial	19	6	1
Used commercial	13	5	4
Total financed at wholesale	<u>217</u>	<u>-306</u>	<u>-241</u>
New (passenger and commercial)	178	-302	-232
Used (passenger and commercial)	39	- 4	- 9

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

Credit Sales	<u>Per Cent</u>
1966 - August	86
1966 - July	r81
1965 - August	82

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.

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