

April 4, 1967

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SALES FINANCE COMPANIES

FEBRUARY 1967

Consumer instalment credit outstanding at sales finance companies was down \$118 million in February. This decrease was consistent with seasonal expectations. Automobile credit outstanding continued to decline somewhat, as the pattern of recent months continues.

The amount of paper acquired by sales finance companies was \$1,032 million, showing only slight change from a month ago. The decline in the auto sector was balanced by a rise, for this month, in other consumer goods.

Business credit outstanding increased \$147 million in January. The factors contributing to this were wholesale automotive paper, which continues to show increases, and other business credit.

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

Type of credit	Feb. 28, 1967	Increase or decrease during:		
		February 1967	February 1966	Year ended February 28, 1967
Consumer instalment credit	<u>16,696</u>	<u>-118</u>	<u>- 34</u>	<u>624</u>
Retail automotive (passenger cars)	9,215	- 70	0	28
Other consumer goods	4,773	- 44	- 37	350
Home repair and modernization	107	- 2	- 2	- 10
Personal loans	2,601	- 2	5	256
Business credit <u>1/</u>	<u>7,619</u>	<u>147</u>	<u>322</u>	<u>408</u>
Retail automotive (Commercial vehicles)	1,015	- 17	- 7	95
Wholesale automotive	2,928	109	256	159
Wholesale other than automotive	544	7	33	- 18
Other business credit	3,132	48	40	172

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

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

Type of credit	Feb. 1967	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,032</u>	<u>- 1</u>	<u>- 25</u>
Retail automotive (passenger cars)	<u>471</u>	<u>- 22</u>	<u>- 82</u>
New	291	- 17	- 56
Used	180	- 5	- 26
Other consumer goods	337	15	50
Home repair and modernization	5	0	1
Personal loans	219	6	6
Business credit ^{1/}	<u>1,977</u>	<u>-258</u>	<u>-288</u>
Retail automotive (commercial vehicles)	<u>85</u>	<u>0</u>	<u>11</u>
New	66	1	11
Used	19	- 1	0
Wholesale automotive paper	<u>1,311</u>	<u>-301</u>	<u>-313</u>
New (passenger and commercial)	1,260	-297	-305
Used (passenger and commercial)	51	- 4	- 8
Wholesale other than automotive	133	19	- 21
Other business credit ^{1/}	448	24	35

^{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	February 1967	Change from:	
		Month ago	Year ago
Total financed at retail	<u>244</u>	- 6	- 43
New passenger	96	- 5	- 24
Used passenger	121	- 4	- 24
New commercial	18	1	4
Used commercial	9	2	1
Total financed at wholesale	<u>470</u>	-90	-146
New (passenger and commercial)	431	-86	-140
Used (passenger and commercial)	39	- 4	- 6

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

Credit Sales	Per Cent
1967 - February	65
1967 - January	r60
1966 - February	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.

r - Revised.