



FEDERAL RESERVE

statistical release

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SALES FINANCE COMPANIES

*Finance Companies
Sales -*

SEPTEMBER 1967

Consumer instalment credit outstanding at sales finance companies decreased \$54 million in September to a level of \$16,701 million. This dip was due entirely to a decline in passenger car paper outstanding.

For the third quarter as a whole, consumer credit held by these companies declined \$20 million. A decrease of \$159 million in passenger car paper outstanding was largely offset by increases of \$63 million and \$75 million in other consumer goods and personal loans outstandings, respectively. This presents a different picture from the one shown for the third quarter of 1966 when consumer credit at sales finance companies showed an increase of \$305 million, with passenger car paper outstanding accounting for \$32 million, other consumer goods \$155 million, and personal loans \$117 million.

Sales finance companies acquired \$1,142 million of consumer instalment paper in September, off \$118 million from August. Passenger car paper accounted for the bulk of this decrease. This type of credit was also responsible for the decline of \$138 million in credit extended by sales finance companies from the third quarter of 1966 to the third quarter of 1967.

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

Type of credit	September 31, 1967	Increase or decrease during:		
		September 1967	September 1966	Year ended Sept. 31, 1967
Consumer instalment credit	<u>16,701</u>	- 54	<u>27</u>	- 58
Retail automotive (passenger cars)	9,079	-121	- 71	-348
Other consumer goods	4,824	43	61	131
Home repair and modernization	107	0	0	- 5
Personal loans	2,691	24	37	164
Business credit ^{1/}	<u>6,642</u>	<u>66</u>	-159	<u>156</u>
Retail automotive (commercial vehicles)	1,057	- 13	- 7	14
Wholesale automotive	1,794	74	- 47	-154
Wholesale other than automotive	529	- 14	- 5	- 66
Other business credit	3,262	19	-100	362

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

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

Type of credit	Sept. 1967	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,142</u>	-118	- 20
Retail automotive (passenger cars)	<u>461</u>	-115	- 70
New	307	- 80	- 47
Used	154	- 35	- 23
Other consumer goods	415	19	42
Home repair and modernization	8	2	1
Personal loans	258	- 24	7
Business credit <u>1/</u>	<u>1,899</u>	<u>572</u>	<u>237</u>
Retail automotive (commercial vehicles)	<u>90</u>	- 22	8
New	69	- 17	5
Used	21	- 5	3
Wholesale automotive paper	<u>1,173</u>	<u>654</u>	<u>243</u>
New (passenger and commercial)	1,128	661	246
Used (passenger and commercial)	45	- 7	- 3
Wholesale other than automotive	135	- 35	- 25
Other business credit <u>1/</u>	501	- 25	11

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	Sept. 1967	Change from:	
		Month ago	Year ago
Total financed at retail	<u>236</u>	- 55	- 46
New passenger	102	- 27	- 20
Used passenger	107	- 24	- 29
New commercial	20	2	5
Used commercial	7	- 6	- 2
Total financed at wholesale	<u>403</u>	<u>196</u>	<u>53</u>
New (passenger and commercial)	370	201	58
Used (passenger and commercial)	33	- 5	- 5

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

Credit Sales	<u>Per Cent</u>
1967 - September	69
1967 - August	r85
1966 - September	76

^{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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