



FEDERAL RESERVE

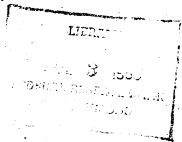
statistical release

Finance Companies - Sales -
~~MR. WALLACE~~

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July 1, 1968



SALES FINANCE COMPANIES

MAY 1968

During the month of May, sales finance companies continued their recovery from the slowdowns in which they found themselves most of last year. For the third consecutive month they registered an increase in passenger car paper outstanding which was more than the usual seasonal increase for the month. In addition, in other consumer goods paper and personal loans outstanding the increases over the past two months have been more than seasonal. Only repair and modernization loans outstanding continue to lag.

Passenger car and other consumer goods extensions in May showed moderately strong increases over the amounts acquired during April, but personal loan extensions declined from the amount purchased in the previous month. Sales finance companies acquired more paper in each of the three categories in May, however, than they did in May 1967.

Business credit outstanding at sales finance companies increased \$331 million in May. Wholesale automotive paper outstanding accounted for over two-thirds of this increase.

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

Type of credit	May 31, 1968	Increase or decrease during		
		May 1968	May 1967	Year ended May 31, 1968
Consumer instalment credit	<u>16,892</u>	<u>102</u>	<u>25</u>	<u>277</u>
Retail automotive (passenger cars)	9,004	73	22	-146
Other consumer goods	4,973	16	2	222
Home repair and modernization	83	- 3	1	- 22
Personal loans	2,832	16	-2/	223
Business credit <u>1/</u>	<u>8,492</u>	<u>331</u>	<u>65</u>	<u>799</u>
Retail automotive (commercial vehicles)	1,070	37	10	13
Wholesale automotive	3,176	229	21	333
Wholesale other than automotive	705	13	6	135
Other business credit	3,541	52	28	318

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

2/ Less than 0.5 million dollars.

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

Type of credit	May 1968.	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,373</u>	<u>37</u>	<u>95</u>
Retail automotive (passenger cars)	<u>703</u>	<u>25</u>	<u>57</u>
New	478	24	43
Used	225	1	14
Other consumer goods	389	26	19
Home repair and modernization	2	- 1	- 6
Personal loans	279	-13	25
Business credit ^{1/}	<u>3,174</u>	<u>348</u>	<u>716</u>
Retail automotive (commercial vehicles)	<u>130</u>	<u>21</u>	<u>20</u>
New	98	17	10
Used	32	4	10
Wholesale automotive paper	<u>2,115</u>	<u>271</u>	<u>428</u>
New (passenger and commercial)	2,063	270	433
Used (passenger and commercial)	52	1	- 5
Wholesale other than automotive	205	14	52
Other business credit	724	43	216

^{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	May 1968	Change from:	
		Month ago	Year ago
Total financed at retail	<u>331</u>	<u>8</u>	<u>9</u>
New passenger	151	6	6
Used passenger	143	$\frac{1}{3}$	$\frac{1}{1}$
New commercial	24	$\frac{3}{3}$	$\frac{1}{1}$
Used commercial	13	-1	2
Total financed at wholesale	<u>733</u>	<u>120</u>	<u>132</u>
New (passenger and commercial)	698	116	137
Used (passenger and commercial)	35	4	-5

1/Less than 0.5 million dollars.

The table presenting credit sales of new passenger cars as a per cent of total number sold at retail will no longer appear in this release. Information on number of cars sold on credit and average notes of major lenders appears in release G.26. Copies of this release can be obtained by writing to the Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D. C., 20551.