



FEDERAL RESERVE

statistical release

MR. WALLACE

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SALES FINANCE COMPANIES

JUNE 1968

Finance Companies
Sales -

Sales finance companies registered greater than seasonal increases in consumer instalment credit outstanding during June, reflecting, in part, repayments receding from high May levels. Extensions were also down somewhat from May, especially for passenger cars.

The second quarter of 1968 as a whole proved much stronger for sales finance companies than the same quarter of the preceding year. Consumer instalment credit outstanding increased \$395 million in the second quarter of this year, with passenger car paper accounting for 67 per cent of that gain. In contrast, the second quarter of 1967 showed an increase of \$128 million. More paper also was acquired this quarter than in 1967, with the exception of repair and modernization paper.

A similar pattern appears in a comparison of the first half of 1968 with the first half of 1967. Outstandings increased in the first half of this year whereas declines were registered in 1967. Extensions rose for all categories except repair and modernization.

Business credit outstanding climbed \$411 million in June with the bulk of the increase accounted for in the wholesale automotive area.

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

Type of credit	June 30, 1968	Increase or decrease during		
		June 1968	June 1967	Year ended June 30, 1968
Consumer instalment credit	<u>17,095</u>	<u>203</u>	<u>106</u>	<u>374</u>
Retail automotive (passenger cars)	9,130	126	88	- 108
Other consumer goods	5,028	55	10	267
Home repair and modernization	82	- 1	1	- 24
Personal loans	2,855	23	7	239
Business credit ^{1/}	<u>8,903</u>	<u>411</u>	- <u>37</u>	<u>1,247</u>
Retail automotive (commercial vehicles) —	1,085	15	14	14
Wholesale automotive	3,429	253	- 49	635
Wholesale other than automotive	710	5	- 12	152
Other business credit	3,679	138	10	446

^{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	June 1968	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,350</u>	- 23	- 17
Retail automotive (passenger cars)	<u>688</u>	- 15	- 16
New	475	- 3	- 12
Used	213	- 12	- 4
Other consumer goods	381	- 8	- 9
Home repair and modernization	2	2/	- 7
Personal loans	279	2/	15
Business credit <u>1/</u>	<u>2,919</u>	-255	507
Retail automotive (commercial vehicles)	<u>113</u>	- 17	- 1
New	90	- 8	1
Used	23	- 9	- 2
Wholesale automotive paper	<u>1,923</u>	-192	249
New (passenger and commercial)	1,877	-186	261
Used (passenger and commercial)	46	- 6	- 12
Wholesale other than automotive	171	- 34	27
Other business credit	712	- 12	232

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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Number of Motor Vehicles Financed by Sales Finance Companies
(In thousands)

Type of vehicle	June 1968	Change from:	
		Month ago	Year ago
Total financed at retail	<u>357</u>	<u>26</u>	<u>15</u>
New passenger	149	- 2	-12
Used passenger	172	29	25
New commercial	25	1	1
Used commercial	11	- 2	1
Total financed at wholesale	<u>661</u>	<u>-72</u>	<u>65</u>
New (passenger and commercial)	628	-70	76
Used (passenger and commercial)	33	- 2	-11