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Finance Companies - November 7, 1968 834

SALES FINANCE COMPANIES *Sales Collison*

SEPTEMBER 1968

Consumer instalment credit outstanding at sales finance companies increased \$1 million during September, as a seasonal decline in passenger car credit outstanding largely offset the usual increases in outstandings of other consumer goods and personal loans. Extensions of all types of credit declined from the August levels, with passenger car paper registering more than the expected seasonal drop. Except in the case of passenger cars, repayments were higher in September than in the previous month.

During the third quarter as a whole all categories of consumer instalment credit outstanding at sales finance companies (except repair and modernization loans) showed strong increases. Total consumer credit increased \$360 million compared with a \$20 million decline in the same quarter of last year. The current quarter's increase was the second largest spurt in outstandings registered for any third quarter in the 1960's. It was surpassed only by the \$430 million increase reported in the third quarter of 1965.

Sales finance companies acquired \$4,211 million of consumer instalment paper during the third quarter of 1968 while recording repayments of \$3,851 million. These acquisitions were \$586 million higher than the acquisitions of a year ago and \$152 million higher than recorded in the second quarter of 1968. Repayments were \$206 million greater than in the third quarter of 1967 and \$187 million greater than in the second quarter of 1968.

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

Type of credit	Sept. 30, 1968	Increase or decrease during:		
		Sept. 1968	Sept. 1967	Year ended Sept. 30, 1968
Consumer instalment credit:	<u>17,455</u>	<u>1</u>	- <u>54</u>	<u>754</u>
Retail automotive (passenger cars)	9,257	- 72	-121	178
Other consumer goods	5,139	41	43	315
Home repair and modernization	77	- 3	2/	- 30
Personal loans	2,982	35	24	291
Business credit <sup>1/</sup>	<u>7,879</u>	- <u>38</u>	<u>66</u>	<u>1,237</u>
Retail automotive (commercial vehicles)	1,131	- 1	- 13	74
Wholesale automotive	2,217	- 86	74	423
Wholesale other than automotive	689	- 15	- 14	160
Other business credit	3,842	64	19	580

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

Expressed in millions of dollars.

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

Type of credit	September 1968	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>1,264</u>	<u>-179</u>	<u>122</u>
Retail automotive (passenger cars)	<u>519</u>	<u>-157</u>	<u>58</u>
New	346	-121	39
Used	173	- 36	19
Other consumer goods	419	- 4	4
Home repair and modernization	3	2/	- 5
Personal loans	323	- 18	65
Business credit <sup>1/</sup>	<u>2,140</u>	<u>-348</u>	<u>241</u>
Retail automotive (commercial vehicles)	<u>103</u>	<u>- 15</u>	<u>13</u>
New	83	- 13	14
Used	20	- 2	- 1
Wholesale automotive paper	<u>1,087</u>	<u>412</u>	<u>- 86</u>
New (passenger and commercial)	1,049	415	- 79
Used (passenger and commercial)	38	- 3	- 7
Wholesale other than automotive	187	- 21	52
Other business credit	763	- 28	262

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

<sup>2/</sup>Less than 0.5 million dollars.

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

Type of vehicle	September 1968	Change from:	
		Month ago	Year ago
Total financed at retail	<u>261</u>	- <u>62</u>	<u>25</u>
New passenger	111	- 36	9
Used passenger	117	- 21	10
New commercial	22	- 4	2
Used commercial	11	- 1	4
Total financed at wholesale	<u>346</u>	<u>92</u>	- <u>57</u>
New (passenger and commercial)	317	95	- 53
Used (passenger and commercial)	29	- 3	- 4