



FEDERAL RESERVE

907

statistical release

G.20

November 12, 1970

2. FINANCE COMPANIES - Sales

SEPTEMBER 1970

The coverage of this release has been expanded to include all finance companies, including sales finance, consumer finance, and other finance companies--mainly business finance and industrial loan companies. As such, it replaces past releases G.20 (Sales Finance Companies) and G.22 (Consumer Credit at Consumer Finance Companies).

This regrouping of holder institutions is intended to align the data series with present industry practices. The widespread diversification of various types of finance companies into different lines of lending activity has reduced the significance and accuracy of the past division of finance company statistics into separate categories. Henceforth data from all companies formerly classified in various finance company groups will be combined, with the statistics sub-divided by type of receivable. Business receivables of finance companies are also included in this release, but are not included in consumer credit figures.

Regrouping holder categories is part of a long term program to update and improve consumer credit data. Beginning with this report, finance company statistics are obtained from a newly developed reporting panel. The new panel is designed to better reflect changes which have taken place in the industry, and to more adequately represent the activities of business finance companies. In addition, tabulation of data from the 1970 Quinquennial Survey of Finance Companies is currently underway at the Board of Governors and is expected to be completed late this year. Benchmark data from the Survey, in combination with the new information being collected on a monthly basis, will permit considerable expansion of the format of the G.20 release in early 1971. Not only will additional information be published each month for consumer instalment credit and business credit of finance companies, but selected liabilities of finance companies will also be shown. A detailed breakdown of finance company assets and liabilities outstanding at the end of each quarter will be included on G.20 releases for March, June, September and December of each year.

Back figures for the new finance company grouping are available on an interim basis only for consumer receivables for the past twelve months. They are included on page 4 of this release. When rebenchmarking is completed, revised historical figures will be prepared wherever possible.

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

Type of credit	Sept. 30, 1970	Increase or decrease during:		
		Sept. 1970	Sept. 1969	Year ending Sept. 30, 1970
Consumer instalment credit	<u>31,510</u>	<u>- 78</u>	<u>129</u>	<u>535</u>
Retail automotive (passenger cars)	10,619	-113	- 12	-253
Other consumer goods	6,568	39	50	157
Home repair and modernization	94	<u>2/</u>	<u>2/</u>	- 16
Personal loans	14,229	- 4	91	647
Business credit <u>1/</u>	<u>18,836</u>	<u>292</u>		
Retail automotive (commercial vehicles)	2,971	17	Not available at present due to revisions in reporting	
Wholesale automotive	3,769	51		
Other business credit	12,096	224		

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

2/Less than 0.5 million dollars

Credit Extended by Finance Companies
(In millions of dollars)

Type of credit	September 1970	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>2,300</u>	<u>-116</u>	<u>-190</u>
Retail automotive (passenger cars)	<u>578</u>	<u>- 62</u>	<u>- 99</u>
New	411	<u>3/</u>	<u>3/</u>
Used	167	<u>3/</u>	<u>3/</u>
Other consumer goods	452	- 4	- 38
Home repair and modernization	2	<u>2/</u>	- 3
Personal loans	1,268	- 50	- 50
Business credit <u>1/</u>	<u>3,860</u>	<u>869</u>	
Retail automotive (commercial vehicles)	175	- 25	Not available at present due to revisions in reporting
Wholesale automotive paper	1,695	704	
Other business credit	1,990	190	

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 Finance Companies
(In thousands)

Type of vehicle	September 1970
Total financed at retail	261
New passenger	122
Used passenger	98
New and used commercial	41

Consumer Credit of Finance Companies
(In millions of dollars)

		Passenger Car Paper		Other Retail Consumer Goods Paper	
		Outstanding	Extended	Outstanding	Extended
1969	September	10,872	677	6,411	490
	October	11,007	887	6,451	507
	November	11,041	687	6,460	448
	December	11,053	729	6,514	522
1970	January	10,964	606	6,515	435
	February	10,908	602	6,523	409
	March	10,876	687	6,489	450
	April	10,949	803	6,478	447
	May	10,990	748	6,505	472
	June	11,073	867	6,560	534
	July	10,771	814	6,499	535
	August	10,732	640	6,529	456

		Repair and Modernization Loans		Personal Loans	
		Outstanding	Extended	Outstanding	Extended
1969	September	110	5	13,582	1,318
	October	108	4	13,619	1,291
	November	107	4	13,782	1,379
	December	106	3	14,061	1,754
1970	January	106	2	13,986	1,136
	February	103	2	14,004	1,112
	March	102	2	13,966	1,252
	April	101	3	14,009	1,328
	May	99	2	14,001	1,281
	June	98	3	14,131	1,508
	July	96	2	14,195	1,380
	August	94	2	14,233	1,318