

# FEDERAL RESERVE

## statistical release

MR. WALLACE  
May 5, 1971

### FINANCE COMPANIES

MARCH 1971

*2) Finance Companies*  
*Sales*

Finance company holdings of consumer instalment paper declined for the third consecutive month reducing the total holdings to \$30.3 billion. Passenger car paper outstanding increased \$2 million but was offset by declines totaling \$187 million in the remaining three major categories. Compared to March 1970, personal loans outstanding showed the only increase, \$230 million.

Total credit extended to consumers in March was \$565 million more than the amount extended in February. This increase was reflected in all major categories of consumer credit. Extensions in nonautomotive consumer goods and personal loans reached their highest levels for the year--\$433 million and \$1,441 million, respectively, while extensions in passenger cars and repair and modernization reached their highest levels since July 1970 and August 1970, respectively.

Business credit outstanding at finance companies rose \$442 million in March bringing the total to \$20.4 billion. Commercial vehicles and other business credit outstanding declined a total of \$137 million but were offset by a \$579 million increase in wholesale automotive outstandings. The amount of business credit extensions increased \$786 million over last month, bringing the total to \$5.4 billion. Increases occurred in all major areas of business credit extensions.

The number of motor vehicles financed by finance companies increased 68,000 units from February to March bringing the total to 320,000 units. New passenger cars showed the largest gain, 37,000 units, while used passenger cars and new and used commercial vehicles showed increases of 26,000 and 5,000 units, respectively.

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

Type of credit	March 31, 1971	Increase or decrease during:		
		Mar. 1971	Mar. 1970	Year ending Mar. 31, 1971
Consumer instalment credit	<u>30,326</u>	-185	-105	-1,107
Retail automotive (passenger cars)	9,674	2	- 32	-1,202
Other consumer goods	6,363	-130	- 34	- 126
Home repair and modernization	93	2	- 1	- 9
Personal loans	14,196	- 57	- 38	230
Business credit <u>1/</u>	<u>20,379</u>	<u>442</u>		Not available at present due to revisions in reporting
Retail automotive (commercial vehicles)	2,977	- 15		
Wholesale automotive	5,286	579		
Other business credit	12,116	-122		

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

Type of credit	March 1971	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>2,686</u>	<u>565</u>	<u>295</u>
Retail automotive (passenger cars)	<u>808</u>	<u>187</u>	<u>121</u>
New	580	137	3/
Used	228	50	3/
Other consumer goods	433	61	- 17
Home repair and modernization	4	1	2
Personal loans	1,441	316	189
Business credit <sup>1/</sup>	<u>5,429</u>	<u>786</u>	Not available at present due to revisions in reporting
Retail automotive (commercial vehicles)	163	28	
Wholesale automotive paper	3,306	463	
Other business credit	1,960	295	

<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.

<sup>3/</sup>Not available due to revisions in reporting.

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

Type of vehicle	March 1971
Total financed at retail	<u>320</u>
New passenger	159
Used passenger	119
New and used commercial	42