



# FEDERAL RESERVE

939

## statistical release

G.20

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### FINANCE COMPANIES

DECEMBER 1971

Holdings of consumer instalment paper by finance companies continued to rise in the final month of the year bringing the total amount outstanding to over \$32 billion. The \$497 million increase in December reflected growth in all major types of consumer credit held by this sector. Since December 1970, total holdings have risen more than \$1 billion as a result of increases in three of the major credit categories. These gains more than offset a moderate decline in other consumer goods paper.

Total credit extended to consumers in December was \$355 million more than the amount extended in November. Extensions of both personal loans and other consumer goods credit showed large seasonal increases, but borrowing for retail automobile purchases was somewhat lower than in November.

Business credit outstanding at finance companies advanced by \$231 million in December, largely because of increases in wholesale automotive paper and "other" business credit. However, extensions of business credit decreased \$219 million from November.

The total number of motor vehicle contracts acquired by finance companies declined in December, the third consecutive monthly reduction. The number of commercial vehicles financed was unchanged from November, but the number of new and used passenger cars dropped 18,000 units and 2,000 units, respectively.

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

Type of credit	December 31, 1971	Increase or decrease during:		
		Dec. 1971	Dec. 1970	Year ending Dec. 31, 1971
Consumer instalment credit	<u>32,140</u>	<u>497</u>	<u>42</u>	<u>1,017</u>
Retail automotive (passenger cars)	10,279	31	-285	338
Other consumer goods	6,521	196	100	-127
Home repair and modernization	107	1	*	13
Personal loans	15,233	269	227	793
Business credit <u>1/</u>	<u>20,710</u>	<u>231</u>		Not available at present due to revisions in reporting
Retail automotive (commercial vehicles)	3,123	9		
Wholesale automotive	5,004	122		
Other business credit	12,583	100		

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

\* Less than 0.5 million dollars.

0.40

Credit Extended by Finance Companies  
(In millions of dollars)

Type of credit	Dec. 31, 1971	Change from:	
		Month ago	Year ago
Consumer instalment credit	<u>3,370</u>	<u>355</u>	<u>575</u>
Retail automotive (passenger cars)	<u>727</u>	<u>- 61</u>	<u>273</u>
New	547	- 56	N.A.
Used	180	- 5	N.A.
Other consumer goods	670	174	121
Home repair and modernization	6	2	4
Personal loans	1,967	240	177
Business credit <sup>1/</sup>	<u>5,776</u>	<u>-219</u>	Not available at present due to revisions in reporting
Retail automotive (commercial vehicles)	178	9	
Wholesale automotive paper	2,596	-513	
Other business credit	3,002	285	

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

N.A. Not available.

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

Type of vehicle	December 1971
Total financed at retail	<u>280</u>
New passenger	144
Used passenger	95
New and used commercial	41