



FEDERAL RESERVE

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statistical release

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FINANCE COMPANIES - JANUARY 1973

Consumer credit outstanding at finance companies rose \$89 million during January, reaching a total of over \$32 billion. The only category to show a decline was personal loans outstanding. Its smaller than seasonal drop of \$12 million was more than offset by increases in the remaining categories.

Extensions of consumer credit were \$733 million less than the amount extended last month. This was a result of smaller amounts of extensions in all but one of the major categories of credit.

Business credit outstanding increased \$371 million with outstandings of retail commercial vehicles showing the only decline. Extensions of business credit were \$1 billion over the amount extended in December. All but two of the major categories contributed to this increase.

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

| Type of credit | Jan. 31, 1973 | Increase or decrease (-) during: | | |
|------------------------------------|------------------|----------------------------------|-----------------|-----------------------------|
| | | January 1973 | January 1972 | Year ended Jan. 31, 1973 |
| Consumer instalment credit. | <u>32,177</u> | <u>89</u> | <u>-160</u> | <u>3,454</u> |
| Retail automotive (passenger cars) | 10,177 | 3 | -118 | 718 |
| Mobile homes | 2,928 | 12 | * | 367 |
| Other retail consumer goods | 3,644 | 55 | -10 | 602 |
| Home repair and modernization | 528 | 31 | 10 | 271 |
| Personal loans | 14,900 | -12 | -42 | 1,496 |

* Less than 0.5 million dollars.

Consumer Credit Extended and Repaid at Finance Companies (In millions of dollars)

| Type of credit | Extended by finance cos. | | | Repaid to finance cos. | | |
|------------------------------------|--------------------------|--------------|--------------|------------------------|--------------|--------------|
| | Jan. 1973 | Dec. 1972 | Jan. 1972 | Jan. 1973 | Dec. 1972 | Jan. 1972 |
| Consumer instalment credit | <u>3,033</u> | <u>3,766</u> | <u>2,434</u> | <u>2,944</u> | <u>3,105</u> | <u>2,594</u> |
| Retail automotive (passenger cars) | 699 | 695 | 555 | 696 | 547 | 673 |
| Mobile homes | 97 | 104 | 74 | 85 | 87 | 74 |
| Other retail consumer goods | 908 | 987 | 669 | 853 | 874 | 679 |
| Home repair and modernization | 46 | 57 | 22 | 15 | 12 | 12 |
| Personal loans | 1,283 | 1,923 | 1,114 | 1,295 | 1,585 | 1,156 |

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

| Type of credit | Jan. 31, 1973 | Increase or decrease (-) during: | | |
|--|------------------|----------------------------------|-----------------|-----------------------------|
| | | January 1973 | January 1972 | Year ended Jan. 31, 1973 |
| Business credit | <u>26,511</u> | <u>371</u> | <u>292</u> | <u>3,386</u> |
| Retail automotive (commercial vehicles) | 4,420 | -21 | 16 | 780 |
| Wholesale automotive | 5,534 | 129 | 57 | 335 |
| Retail paper on business, in- dustrial and farm equipment | 7,611 | 81 | 37 | 1,052 |
| Loans on commercial accounts receivable | 1,727 | 3 | 23 | 174 |
| Factored commercial accounts receivable | 1,431 | 109 | 161 | 42 |
| All other business credit | 5,788 | 70 | -2 | 1,003 |

Business Credit Extended and Repaid at Finance Companies
(In millions of dollars)

| Type of credit | Extended by finance cos. | | | Repaid to finance cos. | | |
|--|--------------------------|--------------|--------------|------------------------|--------------|--------------|
| | Jan. 1973 | Dec. 1972 | Jan. 1972 | Jan. 1973 | Dec. 1972 | Jan. 1972 |
| Business credit | <u>8,959</u> | <u>7,885</u> | <u>6,659</u> | <u>8,588</u> | <u>6,985</u> | <u>6,367</u> |
| Retail automotive (commercial vehicles) | 357 | 365 | 330 | 378 | 376 | 314 |
| Wholesale automotive | 3,294 | 3,017 | 2,458 | 3,165 | 2,588 | 2,401 |
| Retail paper on business, in- dustrial and farm equipment | 810 | 801 | 531 | 729 | 651 | 494 |
| Loans on commercial accounts receivable | 1,346 | 1,134 | 1,072 | 1,343 | 1,112 | 1,049 |
| Factored commercial accounts receivable | 1,960 | 1,160 | 1,356 | 1,851 | 1,156 | 1,195 |
| All other business credit | 1,192 | 1,408 | 912 | 1,122 | 1,102 | 914 |

Bank debt of finance companies registered a seasonal decline of \$226 million in January while commercial paper outstanding showed only a slight increase over December. A greater than seasonal increase in directly placed commercial paper was accompanied by an almost equally large and greater than seasonal decline in dealer placed paper.

Change in Extensions and Repayments
(In millions of dollars)

| Type of credit | Change in extensions from: | | Change in repayments from: | |
|---|----------------------------|--------------|----------------------------|--------------|
| | Month ago | Year ago | Month ago | Year ago |
| Consumer instalment credit | | | | |
| Retail automotive (passenger cars) | <u>-733</u> | <u>599</u> | <u>-161</u> | <u>350</u> |
| Mobile homes | 4 | 144 | 149 | 23 |
| Other retail consumer goods | -7 | 23 | -2 | 11 |
| Home repair and modernization | -79 | 239 | -21 | 174 |
| Personal loans | -11 | 24 | 3 | 3 |
| | -640 | 169 | -290 | 139 |
| Business credit | <u>1,074</u> | <u>2,300</u> | <u>1,603</u> | <u>2,221</u> |
| Retail automotive (commercial vehicles) | -8 | 27 | 2 | 64 |
| Wholesale automotive | 277 | 836 | 577 | 764 |
| Retail paper on business, industrial and farm equipment | 9 | 279 | 78 | 235 |
| Loans on commercial accounts receivable | 212 | 274 | 231 | 294 |
| Factored commercial accounts receivable | 800 | 604 | 695 | 656 |
| All other business credit | -216 | 280 | 20 | 208 |

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

| Type of vehicle | January 1973 | Change from: | |
|--------------------------|--------------|--------------|-----------|
| | | Month ago | Year ago |
| Total financed at retail | <u>310</u> | <u>-9</u> | <u>24</u> |
| New passenger | 123 | -6 | 26 |
| Used passenger | 111 | 8 | 2 |
| New and used commercial | 76 | -11 | -4 |

Selected Liabilities of Finance Companies
(In millions of dollars)

| Type of liability | Jan. 31, 1973 | Increase or decrease (-) during: | | |
|-------------------------------------|---------------|----------------------------------|---------------|--------------|
| | | January 1973 | December 1972 | January 1972 |
| Bank loans (excl. commercial paper) | 4,823 | -226 | 602 | -358 |
| Commercial paper | <u>18,096</u> | <u>19</u> | <u>254</u> | <u>37</u> |
| Directly placed | 16,433 | 319 | 295 | -123 |
| Dealer placed | 1,663 | -300 | -41 | 160 |