



# FEDERAL RESERVE

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## statistical release

April 1974

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### FINANCE COMPANIES - February 1974

In contrast to an unusually large increase of \$254 million last February, consumer instalment credit outstanding in February 1974 showed a slightly greater than seasonal rise of \$8 million. As in the past two months, retail passenger cars recorded a greater than seasonal decline, although the drop this month was not as large as that of January.

Both consumer credit extensions and repayments were less than last month. The drop of \$71 million in extensions was caused by declines in other retail consumer goods and personal loans. All the repayment categories except mobile homes were less than in January.

Business credit outstanding exhibited a seasonal increase of \$403 million. A smaller than seasonal increase of \$230 million in wholesale automotive paper made the largest contribution to the total increase, while most of the other categories showed slightly larger than seasonal increases. Retail commercial vehicles declined by a greater than seasonal \$85 million. Extensions of business credit were \$554

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

Type of credit	Feb. 28, 1974	Increase or decrease (-) during:		
		February 1974	February 1973	Year ended Feb. 28, 1974
Consumer instalment credit	<u>37,148</u>	<u>8</u>	<u>254</u>	<u>4,717</u>
Retail automotive (passenger cars)	11,710	-44	90	1,443
Mobile homes	3,406	14	-19	497
Other retail consumer goods	4,486	26	108	734
Home improvement loans	968	28	34	406
Personal loans	16,578	-16	41	1,637

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	Feb. 1974	Jan. 1974	Feb. 1973	Feb. 1974	Jan. 1974	Feb. 1973
Consumer instalment credit	<u>3,056</u>	<u>3,127</u>	<u>2,972</u>	<u>3,048</u>	<u>3,230</u>	<u>2,718</u>
Retail automotive (passenger cars)	555	522	717	599	695	627
Mobile homes	120	109	109	106	95	128
Other retail consumer goods	932	981	844	906	955	736
Home improvement loans	78	77	49	50	54	15
Personal loans	1,371	1,438	1,253	1,387	1,431	1,212

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

Type of credit	Feb. 28, 1974	Increase or decrease (-) during:		
		February 1974	February 1973	Year ended Feb. 28, 1974
Business credit	<u>29,552</u>	<u>403</u>	<u>596</u>	<u>2,445</u>
Retail automotive (commercial vehicles)	4,062	-85	-25	-333
Wholesale automotive	7,039	230	505	1,000
Retail paper on business, industrial and farm equipment	8,186	42	-49	624
Loans on commercial accounts receivable	2,102	56	24	351
Factored commercial accounts receivable	1,569	10	44	94
All other business credit	6,594	150	97	709

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	Feb. 1974	Jan. 1974	Feb. 1973	Feb. 1974	Jan. 1974	Feb. 1973
Business credit	<u>7,672</u>	<u>8,226</u>	<u>8,471</u>	<u>7,269</u>	<u>8,083</u>	<u>7,875</u>
Retail automotive (commercial vehicles)	295	345	354	380	382	379
Wholesale automotive	2,322	2,809	3,380	2,092	2,617	2,875
Retail paper on business, industrial and farm equipment	850	764	853	808	809	902
Loans on commercial accounts receivable	1,880	1,944	1,256	1,824	1,912	1,232
Factored commercial accounts receivable	1,253	1,261	1,463	1,243	1,294	1,419
All other business credit	1,072	1,103	1,165	922	1,069	1,068

million less than in January, while repayments were \$814 million less. These declines were of approximately the same magnitude as in February 1973. All the categories except retail paper on business, industrial and farm equipment contributed to the decrease in extensions, while all the repayment categories were less than last month.

Bank loans to finance companies decreased \$729 million during the month. On the other hand, total commercial paper increased \$320 million.

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	-71	84	-182	330
Retail automotive (passenger cars)	33	-162	-96	-28
Mobile homes	11	11	11	-22
Other retail consumer goods	-49	88	-49	170
Home improvement loans	1	29	-4	35
Personal loans	-67	118	-44	175
Business credit	-554	-799	-814	-606
Retail automotive (commercial vehicles)	-50	-59	-2	1
Wholesale automotive	-487	-1,058	-525	-783
Retail paper on business, industrial and farm equipment	86	-3	-1	-94
Loans on commercial accounts receivable	-64	624	-88	592
Factored commercial accounts receivable	-8	-210	-51	-176
All other business credit	-31	-93	-147	-146

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

Type of vehicle	Feb. 28, 1974	Change from:	
		Month ago	Year ago
Total financed at retail	244	2	-76
New passenger	88	2	-38
Used passenger	91	4	-22
New and used commercial	65	-4	-16

Selected Liabilities of Finance Companies  
(In millions of dollars)

Type of liability	Feb. 28, 1974	Increase or decrease (-) during:		
		February 1974	January 1974	February 1973
Bank loans (excl. commercial paper)	4,922	-729	-642	446
Commercial paper	21,819	320	1,293	270
Directly placed	20,369	492	1,168	604
Dealer placed	1,450	-172	125	-334