



# FEDERAL RESERVE

## statistical release

102-b

September 1974

### FINANCE COMPANIES - July 1974

Consumer instalment credit outstanding at finance companies rose 0.8 per cent during July. This slowing of the growth rate from the previous two months is a reflection of the smaller increase this month in retail passenger cars outstanding, as compared with that of May and June. Other major categories of consumer credit exhibited growth in July similar to the pattern established throughout the second quarter. Again, as in the preceding three months, personal loans accounted for the largest portion of the total increase.

Both extensions and repayments of consumer instalment credit were higher than in June. This pattern of monthly growth in extensions and repayments began in March but was interrupted last month when both extensions and repayments were smaller than in the previous month.

After an increase of 1.1 per cent in June, business credit outstanding showed a seasonal drop of 0.4 per cent in July. The only business credit category

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

Type of credit	July 31, 1974	Increase or decrease (-) during:		
		July 1974	July 1973	Year ended July 31, 1974
Consumer instalment credit	<u>38,479</u>	<u>320</u>	<u>653</u>	<u>3,459</u>
Retail automotive (passenger cars)	12,040	83	244	675
Mobile homes	3,505	56	51	373
Other retail consumer goods	4,664	38	101	561
Home improvement loans	1,118	4	39	385
Personal loans	17,152	139	218	1,465

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	July 1974	June 1974	July 1973	July 1974	June 1974	July 1973
Consumer instalment credit	<u>3,929</u>	<u>3,778</u>	<u>3,931</u>	<u>3,609</u>	<u>3,370</u>	<u>3,278</u>
Retail automotive (passenger cars)	893	826	890	810	679	646
Mobile homes	157	186	143	101	150	92
Other retail consumer goods	1,069	1,008	1,075	1,031	965	974
Home improvement loans	43	60	77	39	43	38
Personal loans	1,767	1,698	1,746	1,628	1,533	1,528

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

Type of credit	July 31, 1974	Increase or decrease (-) during:		
		July 1974	July 1973	Year ended July 31, 1974
Business credit	30,440	-135	-181	2,543
Retail automotive (commercial vehicles)	4,633	63	-45	167
Wholesale automotive	6,281	-492	-160	-72
Retail paper on business, in- dustrial and farm equipment	8,661	111	160	835
Loans on commercial accounts receivable	2,090	4	-49	199
Factored commercial accounts receivable	1,711	133	-89	207
All other business credit	7,064	46	2	1,207

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	July 1974	June 1974	July 1973	July 1974	June 1974	July 1973
Business credit	9,323	9,213	8,985	9,458	8,883	9,166
Retail automotive (commercial vehicles)	449	395	357	386	394	402
Wholesale automotive	2,891	2,937	3,131	3,383	3,009	3,291
Retail paper on business, in- dustrial and farm equipment	952	1,078	930	841	892	770
Loans on commercial accounts receivable	2,018	1,879	1,795	2,014	1,852	1,844
Factored commercial accounts receivable	1,700	1,492	1,466	1,567	1,400	1,555
All other business credit	1,313	1,432	1,306	1,267	1,336	1,304

that registered a decline was wholesale automotive paper, affected by the automobile industry's new model changeover period. Both extensions and repayments of total business credit were greater than in June.

The rate of increase of bank loans owed by finance companies slowed in July to 5.8 per cent from 11.5 per cent in June. On the other hand, total commercial paper outstanding rose 5.3 per cent for the month.

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	151	-2	239	331
Retail automotive (passenger car)	67	3	131	164
Mobile homes	-29	14	-49	9
Other retail consumer goods	61	-6	66	57
Home improvement loans	-17	-34	-4	1
Personal loans	69	21	95	100
Business credit	110	338	575	292
Retail automotive (commercial vehicles)	54	92	-8	-16
Wholesale automotive	-46	-240	374	92
Retail paper on business, industrial and farm equipment	-126	22	-51	71
Loans on commercial accounts receivable	139	223	162	170
Factored commercial accounts receivable	208	234	167	12
All other business credit	-119	7	-69	-37

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

Type of vehicle	July 31, 1974	Change from:	
		Month ago	Year ago
Total financed at retail	365	30	3
New passenger	145	13	-16
Used passenger	117	5	-3
New and used commercial	103	12	22

Selected Liabilities of Finance Companies  
(In millions of dollars)

Type of liability	July 31, 1974	Increase or decrease (-) during:		
		July 1974	June 1973	July 1973
Bank loans (excl. commercial paper)	-6,811	375	666	884
Commercial paper	21,832	1,096	-1,334	-232
Directly placed	20,661	1,118	-1,170	-676
Dealer placed	1,171	-22	-164	444