



# FEDERAL RESERVE

## statistical release

December 1974

### FINANCE COMPANIES - October 1974

Consumer instalment credit held by finance companies declined 0.1 per cent during October. Increases in credit for retail passenger cars and mobile homes were offset by decreases in other areas of consumer credit.

Both extensions and repayments of consumer credit were greater than in the previous month. Retail passenger car extensions, while showing the largest increase of all the major consumer credit areas during October, were much smaller than for the same period last year.

After a 5.8 per cent increase in September, business credit outstanding dropped 1.0 per cent during October. Credit for retail commercial vehicles continued to decline, as in the two previous months, and growth in wholesale automotive paper, which was quite strong during the previous month, slowed substantially in October. Both extensions and repayments of business credit were greater than in September.

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

Type of credit	October 31, 1974	Increase or decrease (-) during:		
		October 1974	October 1973	Year ended Oct. 31, 1974
Consumer instalment credit	<u>38,901</u>	<u>-20</u>	<u>372</u>	<u>2,536</u>
Retail automotive (passenger cars)	12,458	113	138	599
Mobile homes	3,597	24	34	328
Other retail consumer goods	4,658	-4	51	342
Home improvement loans	1,054	-19	38	207
Personal loans	17,134	-134	111	1,060

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	Oct. 1974	Sept. 1974	Oct. 1973	Oct. 1974	Sept. 1974	Oct. 1973
Consumer instalment credit	<u>3,293</u>	<u>3,128</u>	<u>3,765</u>	<u>3,313</u>	<u>3,150</u>	<u>3,393</u>
Retail automotive (passenger cars)	830	731	904	717	653	766
Mobile homes	128	132	146	104	98	112
Other retail consumer goods	896	857	1,052	900	875	1,001
Home improvement loans	19	20	89	38	44	51
Personal loans	1,420	1,388	1,574	1,554	1,480	1,463

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

Type of credit	Oct. 31, 1974	Increase or decrease (-) during:		
		October 1974	October 1973	Year ended Oct. 31, 1974
Business credit	<u>30,897</u>	<u>-311</u>	<u>499</u>	<u>2,938</u>
Retail automotive (commercial vehicles)	4,450	-47	6	197
Wholesale automotive	6,964	28	304	1,125
Retail paper on business, industrial and farm equipment	8,893	147	147	916
Loans on commercial accounts receivable	1,849	-277	30	-146
Factored commercial accounts receivable	1,548	-187	-57	-31
All other business credit	7,193	25	69	877

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

Type of credit	Extended by finance cos.			Repaid to finance cos.		
	Oct. 1974	Sept. 1974	Oct. 1973	Oct. 1974	Sept. 1974	Oct. 1973
Business credit	<u>10,548</u>	<u>9,200</u>	<u>10,948</u>	<u>10,859</u>	<u>7,489</u>	<u>10,449</u>
Retail automotive (commercial vehicles)	348	313	397	395	400	391
Wholesale automotive	3,901	3,116	3,892	3,873	1,475	3,588
Retail paper on business, industrial and farm equipment	1,213	961	1,550	1,066	902	1,403
Loans on commercial accounts receivable	2,207	2,040	2,401	2,484	2,319	2,371
Factored commercial accounts receivable	1,438	1,419	1,352	1,625	1,429	1,409
All other business credit	1,441	1,351	1,356	1,416	964	1,287

Bank loans to finance companies experienced an almost negligible increase during October. Total finance company commercial paper continued to grow, as it has since July. Both dealer- and directly-placed paper contributed to the increase.

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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	<u>165</u>	<u>-472</u>	<u>163</u>	<u>-80</u>
Retail automotive (passenger car)	99	-74	64	-49
Mobile homes	-4	-18	6	-8
Other retail consumer goods	39	-156	25	-101
Home improvement loans	-1	-70	-6	-13
Personal loans	32	-154	74	-91
Business credit	<u>1,348</u>	<u>-400</u>	<u>3,370</u>	<u>410</u>
Retail automotive (commercial vehicles)	35	-49	-5	4
Wholesale automotive	785	9	2,398	285
Retail paper on business, industrial and farm equipment	252	-337	164	-337
Loans on commercial accounts receivable	167	-194	165	113
Factored commercial accounts receivable	19	86	196	216
All other business credit	90	85	452	129

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

Type of vehicle	October 31, 1974	Change from:	
		Month ago	Year ago
Total financed at retail	<u>292</u>	<u>13</u>	<u>-68</u>
New passenger	133	12	-26
Used passenger	91	2	-25
New and used commercial	68	-1	-17

Selected Liabilities of Finance Companies  
(In millions of dollars)

Type of liability	October 31, 1974	Increase or decrease (-) during:		
		October 1974	September 1974	October 1973
Bank loans (excl. commercial paper)	6,551	1	80	-849
Commercial paper	<u>22,275</u>	<u>266</u>	<u>169</u>	<u>983</u>
Directly placed	<u>21,057</u>	<u>234</u>	<u>196</u>	<u>481</u>
Dealer placed	1,218	32	-27	502