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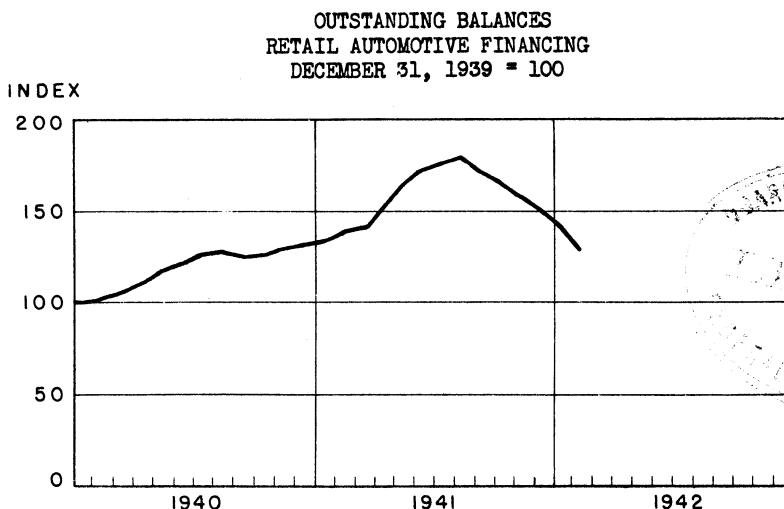
Current
Statistical
Service

SALES FINANCE COMPANIES
February 1942

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A decrease of 78 percent from January 1942 to February 1942 in the amount of new passenger car financing for both the number of cars and for the dollar volume of paper acquired was announced today by J. C. Capt, Director of the Census. This is identical to the percentage decrease for new cars from December 1941 to January 1942. For new commercial cars, the number financed and the volume of paper acquired were both down 71 percent. Used passenger and used commercial cars were down 23 percent each for the number of cars financed, and 27 percent and 19 percent respectively, for the volume of paper acquired.

Retail automotive outstandings were down 8 percent, as compared to a 7 percent decline during the previous month. The downward trend of retail automotive financing is indicated by the chart. The index, which had risen from 100 to a peak of 178 during the period from January 31, 1940 to August 31, 1941, has in six months dropped 50 points to 128.



The volume of paper acquired for the wholesale financing of new cars kept pace with that for January, but there was a drop of 33 percent in the volume of wholesale used car paper acquired. The outstanding balances for wholesale automotive, however, increased 19 percent, as compared to a 12 percent increase during the previous month.

The trends for diversified financing were mixed. Increases in the volume of retail paper acquired were registered in the financing of refrigerators, which were up 47 percent, miscellaneous retail, up 44 percent, household appliances, up 15 percent, and radios, pianos and other musical instruments, up 8 percent. Losses were registered in the volume of paper acquired for the financing of furniture, which was down 12 percent, and of residential building repair and modernization, which was down 8 percent. The volume of paper acquired for industrial, commercial, and farm equipment financings was up 57 percent. The volume of wholesale paper acquired for diversified financing (all commodities other than automotive) was up 54 percent.

The outstanding balances for retail financing of consumers' goods other than automotive, were down 3 percent, which is identical to the percentage decrease reported for the previous month. Outstanding balances for industrial, commercial, and farm equipment were up slightly as against a 2 percent decrease for the previous month. Wholesale diversified outstanding balances continued to pile up, showing a gain of 18 percent as compared with an increase of 7 percent last month.

The volume of retail automotive paper acquired during February is 3 percent of the outstanding balances as of February 28, 1942; the volume of retail paper acquired for consumers' goods other than automotive is 4 percent of the outstanding balances. For wholesale financings the ratio of the volume of paper acquired to the outstanding balances is much higher, being 27 percent and 42 percent for automotive and for diversified financing, respectively.

The compilation of these current trends is based on monthly reports from 292 sales finance companies in the United States. The data are published as reported without adjustment for seasonal or price fluctuations. Neither the dollar volumes reported nor the indices should be used to indicate the total amount of financing by all sales finance companies in the United States. This report differs from the report for January in that the month of January 1942 is used as the base for the indices on the number of cars financed and on the volume of paper acquired. The indices of outstanding balances for February were obtained by calculating the percentage changes from January to February, as shown by matched schedules, and by linking these percentages to the indices previously derived for January 1942.

SALES FINANCE COMPANIES

Table 1.-- Automotive and Diversified Financing ^{a/}
Index of Trends in Outstanding Balances by Class of Paper
December 31, 1939 = 100

Date	Total all sales financing	Retail automotive	Wholesale automotive	Wholesale other consumers' goods	Retail other consumers' goods	Industrial, commercial and farm equipment
1939 - Dec. 31.....	100	100	100	100	100	100
1940 - Dec. 31.....	136	132	169	119	129	97
1941 - Jan. 31.....	-	134	-	-	-	-
- Feb. 28.....	-	138	-	-	-	-
- Mar. 31.....	-	142	-	-	-	-
- Apr. 30.....	-	152	-	-	-	-
- May 31.....	-	163	-	-	-	-
- June 30.....	-	171	-	-	-	-
- July 31.....	-	176	-	-	-	-
- Aug. 31.....	-	178	-	-	-	-
- Sep. 30.....	-	170	-	-	-	-
- Oct. 31.....	-	164	-	-	-	-
- Nov. 30.....	-	157	-	-	-	-
- Dec. 31.....	152	149	175	217	148	93
1942 - Jan. 31.....	147	139	196	232	143	91
- Feb. 28.....	143	128	234	275	139	91

^{a/} Data for January 31, 1941 through November 30, 1941 are derived from the report "Automobile Financing" previously published by the Bureau of the Census. Data as of December 31 for the years of 1939, 1940, and 1941 are based on figures reported by sales finance companies on a supplementary report form which accompanied the regular monthly report form for January 1942. Data for 1942 are derived by calculating the percentage change of the outstanding balances for each month from the previous month, as shown by matched schedules, and by linking this percentage to the index for the previous month.

Table 2.-- Automotive Financing ^{a/}
Index of Trends in Number of Cars Financed, 1942
January 1942 = 100

Class of paper	January	February
Total retail automotive.....	100	70
New passenger cars.....	100	22
New trucks, buses, tractor-trailers...	100	29
Used passenger cars.....	100	77
Used trucks, buses, tractor-trailers..	100	77

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^{a/} Data are based on figures from matched schedules for January and for February of 1942. The index of the total for retail automotive is based on reports from all sales finance companies reporting this figure regardless of whether or not they could supply a breakdown.

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Table 3.-- Automotive Financing ^{a/}
Index of Trends in Volume of Paper Acquired, 1942
January 1942 = 100

Class of paper	January	February
Total retail automotive.....	100	62
New passenger cars.....	100	22
New trucks, buses, tractor-trailers.....	100	29
Used passenger cars.....	100	73
Used trucks, buses, tractor-trailers.....	100	81
Total wholesale automotive.....	100	93
New cars (passenger and commercial).....	100	100
Used cars (passenger and commercial).....	100	67

^{a/} Data are based on figures from matched schedules for January and for February of 1942. The index of the totals for retail automotive and for wholesale automotive are based on reports from all sales finance companies reporting these figures regardless of whether or not they could supply a breakdown.

Table 4.-- Diversified Financing ^{a/}
Index of Trends in Volume of Paper Acquired, 1942
January 1942 = 100

Class of paper	January	February
Total retail - other consumers' goods.....	100	103
Furniture.....	100	88
Radio, television sets, pianos and other musical instruments.....	100	108
Refrigerators, (gas and electric).....	100	147
Other household appliances.....	100	115
Residential building repair and modernization...	100	92
Miscellaneous retail.....	100	144
Total wholesale - other consumers' goods.....	100	154
Industrial, commercial, and farm equipment.....	100	157
Total diversified financing.....	100	127

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^{a/} Data are based on figures from matched schedules for January and for February of 1942. The index of "Total retail - other consumers' goods" is based on reports from all sales finance companies reporting this figure regardless of whether or not they could supply a breakdown.

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Table 5.-- Automotive and Diversified Financing
Volume of Paper Acquired During February 1942 and Balances Outstanding February 28, 1942

Class of paper	Dollar volume of paper acquired during February 1942		Outstanding balances February 28, 1942 <u>b/</u>	Ratio of paper acquired to outstanding balances
	By all companies <u>a/</u>	By all companies reporting outstanding balances <u>b/</u>		
Total retail automotive.....	\$33,484,533	\$32,724,357	\$1,071,894,006	3
Total wholesale automotive.....	94,872,747	94,003,844	342,710,554	27
Total wholesale - other consumers' goods...	4,780,983	4,725,041	11,174,021	42
Total retail - other consumers' goods.....	13,294,131	13,073,422	297,105,486	4
Industrial, commercial and farm equipment..	697,543	587,471	7,071,023	8
Total sales financings.....	\$147,129,937	\$145,114,135	\$1,729,955,090	8

a/ Data are based on reports from all sales finance companies regardless of whether or not they could supply a breakdown and whether or not they could report their outstanding balances.

b/ Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.

Table 6.-- Automotive Financing a/
Number of Cars Financed and Volume of Paper Acquired During February 1942

Class of paper	Number of cars		Volume	
	Number	Percent of total	Dollars	Percent of total
Total retail automotive.....	84,486	100	\$32,110,467 <u>b/</u>	100
New passenger cars.....	2,681	3	2,095,236	6
New trucks, buses, tractor-trailers.....	553	2	522,425	2
Used passenger cars.....	77,250	91	27,925,166	87
Used trucks, buses, tractor-trailers.....	4,002	4	1,567,640	5
Total wholesale automotive.....	-	-	\$79,565,804 <u>b/</u>	100
New cars (passenger and commercial).....	-	-	73,056,155	92
Used cars (passenger and commercial).....	-	-	6,509,649	8

a/ Data are based on reports from sales finance companies providing a breakdown of their retail and wholesale automotive financing.

b/ These amounts are less than those reported in column 1 of table 5 due to the inclusion in the latter table of the data from sales finance companies that could not provide a breakdown.

Table 7.-- Diversified Financing a/
Volume of Paper Acquired During February 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$303,005	3
Radio, television sets, pianos and other musical instruments.....	354,021	3
Refrigerators, (gas and electric).....	1,845,525	16
Other household appliances.....	824,141	7
Residential building repair and modernization...	2,556,945	21
Miscellaneous retail.....	462,288	4
Total retail - other consumers' goods.....	6,345,925 <u>b/</u>	54
Total wholesale - other consumers' goods.....	4,780,983	40
Industrial, commercial, and farm equipment.....	697,543	6
Total diversified financing.....	\$11,824,451	100

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a/ Data are based on reports from sales finance companies providing a breakdown of their retail financing of other consumers' goods.

b/ This amount is less than that reported in column 1 of table 5 due to the inclusion in the latter table of the data from sales finance companies that could not provide a breakdown.