

Immediate Release  
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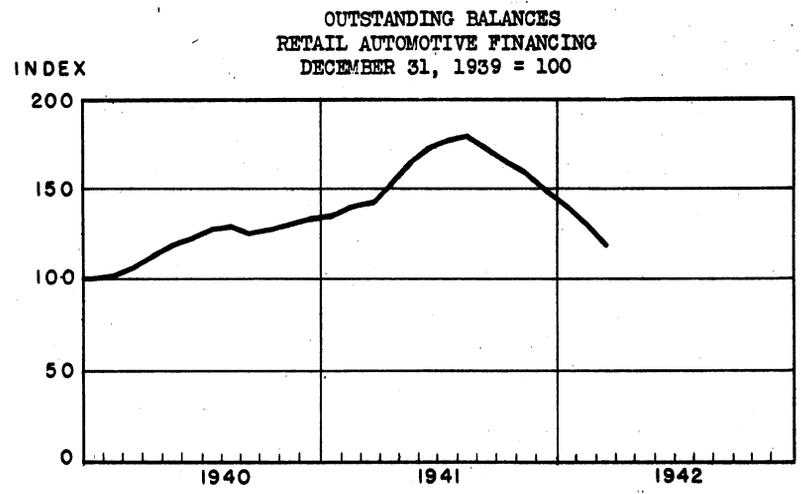
DEPARTMENT OF COMMERCE  
BUREAU OF THE CENSUS

Current Statistical Service

SALES FINANCE COMPANIES  
March 1942

An increase of 99 percent from February 1942 to March 1942 in the number of new passenger cars financed by sales finance companies was announced today by J. C. Capt, Director of the Census. The dollar volume of paper acquired in the financing of new passenger cars increased 108 percent. These gains are in sharp contrast to the trend in February when both the number and the dollar volume of new passenger car financings were down 78 percent from January 1942. For new commercial cars, the number financed and the volume of paper acquired increased 62 percent and 40 percent respectively. Used passenger car financing increased 8 percent for the number of cars and 11 percent for the dollar volume, while used commercial car financing decreased 6 percent in number and 9 percent in dollar volume.

Retail automotive outstandings held by sales finance companies decreased 9 percent during March 1942, compared to an 8 percent decline during the previous month. The steady downward trend of these outstanding balances since August 1941 is shown by the chart immediately below this paragraph.



From February to March of 1942 the volume of paper acquired by sales finance companies for the wholesale financing of new cars decreased 63 percent, while the wholesale financing of used cars registered only a slight loss. The outstanding balances for wholesale automotive decreased slightly during March after having increased substantially during January and February.

Increases were generally registered for March 1942 over February 1942 in the volume of paper acquired by sales finance companies for diversified financing (all commodities other than automotive). In retail financing the largest increase was 70 percent for refrigerators, followed by 47 percent for other household appliances, 39 percent for furniture, 31 percent for radios, pianos, and other musical instruments, 30 percent for residential building repair and modernization, and 24 percent for industrial, commercial, and farm equipment. The volume of wholesale paper acquired for diversified financing was down 36 percent contrasted to an increase of 54 percent for the previous month.

Diversified outstanding balances held by sales finance companies recorded moderate to negligible reductions during March. Retail outstanding balances for other consumers' goods were reduced 3 percent for the third successive month, while the balances for industrial, commercial, and farm equipment were maintained at approximately the same level as in February 1942 after having increased moderately during each of the last two months.

The ratios of the paper acquired during March 1942 to the outstanding balances as of March 31, 1942 are 4 for retail automotive, 6 for retail--other consumers' goods, 10 for wholesale automotive, 11 for industrial, commercial, and farm equipment, and 31 for wholesale--other than automotive.

The data on the current trends of sales financing for the month of March are based on reports from 293 sales finance companies. Neither the dollar volumes nor the indices should be used to indicate the total amount of financing by all sales finance companies in the United States. The data are published as reported without adjustment for seasonal or price fluctuations. The dollar volumes in tables 5, 6, and 7 of this release are not comparable to those published for January or February, since the reports compiled for the month of March are not in all cases from the same companies as were those compiled for the previous releases for January or February. All indices for March were obtained by calculating the percent changes from February to March, as shown by reports for February and March from companies reporting comparable data, and by linking these percentages to the indices previously derived for February 1942.

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## SALES FINANCE COMPANIES

Table 1.-- Automotive and Diversified Financing <sup>a/</sup>  
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 - 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
- Mar. 31....	135	116	233	242	135	91

<sup>a/</sup> 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 year 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 <sup>a/</sup>  
Index of Trends in Number of Cars Financed, 1942  
January 1942 = 100

Class of paper	January	February	March
Total retail automotive.....	100	70	78
New passenger cars.....	100	22	43
New trucks, buses, tractor-trailers.....	100	29	47
Used passenger cars.....	100	77	83
Used trucks, buses, tractor-trailers.....	100	77	73

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<sup>a/</sup> Data are based on figures reported monthly by those sales finance companies which had also reported their figures for the previous month. Data for March are derived by calculating the percentage changes in the number of cars financed from February to March and by linking these percentage changes to the indices for the previous month. The indices of the total for retail automotive are based on figures reported for this item regardless of whether or not a breakdown could be supplied.

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Table 3.-- Automotive Financing <sup>a/</sup>  
Index of Trends in Volume of Paper Acquired, 1942  
January 1942 = 100

Class of paper	January	February	March
Total retail automotive.....	100	62	73
New passenger cars.....	100	22	46
New trucks, buses, tractor-trailers.....	100	29	41
Used passenger cars.....	100	73	81
Used trucks, buses, tractor-trailers.....	100	81	73
Total wholesale automotive.....	100	93	39
New cars (passenger and commercial).....	100	100	37
Used cars (passenger and commercial).....	100	67	66

<sup>a/</sup> Data are based on figures reported monthly by those sales finance companies which had also reported their figures for the previous month. Data for March are derived by calculating the percentage changes in the volume of automotive paper acquired from February to March and by linking these percentage changes to the indices for the previous month. The indices of the totals for retail automotive and for wholesale automotive are based on figures reported for these items regardless of whether or not a breakdown could be supplied.

Table 4.-- Diversified Financing <sup>a/</sup>  
Index of Trends in Volume of Paper Acquired, 1942  
January 1942 = 100

Class of paper	January	February	March
Total retail - other consumers' goods.....	100	103	137
Furniture.....	100	88	122
Radio, television sets, pianos and other musical instruments.....	100	108	141
Refrigerators, (gas and electric).....	100	147	250
Other household appliances.....	100	115	169
Residential building repair and modernization.....	100	92	119
Miscellaneous retail.....	100	144	155
Total wholesale - other than automotive.....	100	154	99
Industrial, commercial, and farm equipment...	100	157	194
Total diversified financing.....	100	127	146

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<sup>a/</sup> Data are based on figures reported monthly by those sales finance companies which had also reported their figures for the previous month. Data for March are derived by calculating the percentage changes in the volume of diversified paper acquired from February to March and by linking these percentage changes to the indices for the previous month. The indices of "Total retail - other consumers' goods" are based on figures reported for these items regardless of whether or not a breakdown could be supplied.

## SALES FINANCE COMPANIES

Table 5.-- Automotive and Diversified Financing  
Volume of Paper Acquired During March 1942 and Balances Outstanding March 31, 1942

Class of paper	Dollar volume of paper acquired during March 1942		Outstanding balances March 31, 1942 <u>b/</u>	Ratio of paper acquired to outstanding balances <u>c/</u>
	By all companies <u>a/</u>	By all companies reporting outstanding balances <u>b/</u>		
Total retail automotive.....	\$39,515,671	\$39,012,548	\$989,532,229	4
Total wholesale automotive.....	39,923,585	39,846,851	385,499,463	10
Total wholesale - other than automotive....	3,252,912	3,180,846	10,254,869	31
Total retail - other consumers' goods.....	18,015,209	17,736,960	291,697,267	6
Industrial, commercial and farm equipment..	1,334,264	1,294,964	12,134,260	11
Total sales financings.....	\$102,041,641	\$101,072,169	\$1,689,118,088	6

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.

c/ Ratios obtained by dividing paper acquired by outstanding balances for an identical group of firms.

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

Class of paper	Number of cars		Volume	
	Number	Percent of total	Dollars	Percent of total
Total retail automotive.....	<u>93,092</u>	<u>100</u>	<u>\$38,911,602 <u>b/</u></u>	<u>100</u>
New passenger cars.....	5,048	5	3,959,475	10
New trucks, buses, tractor-trailers.....	1,332	2	2,540,456	7
Used passenger cars.....	81,907	88	30,480,843	78
Used trucks, buses, tractor-trailers.....	4,805	5	1,930,828	5
Total wholesale automotive.....	-	-	<u>\$37,535,000 <u>b/</u></u>	<u>100</u>
New cars (passenger and commercial).....	-	-	30,901,419	82
Used cars (passenger and commercial).....	-	-	6,633,581	18

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 that table of data from the sales finance companies that could not provide a breakdown.

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

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$361,635	3
Radio, television sets, pianos and other musical instruments.....	548,985	4
Refrigerators, (gas and electric).....	3,053,686	22
Other household appliances.....	1,184,238	9
Residential building repair and modernization...	3,352,413	24
Miscellaneous retail.....	716,801	5
Total retail - other consumers' goods.....	9,217,758 <u>b/</u>	67
Total wholesale - other than automotive.....	3,252,912	23
Industrial, commercial, and farm equipment.....	1,334,264	10
Total diversified financing.....	\$13,804,934	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 that table of data from the sales finance companies that could not provide a breakdown.

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