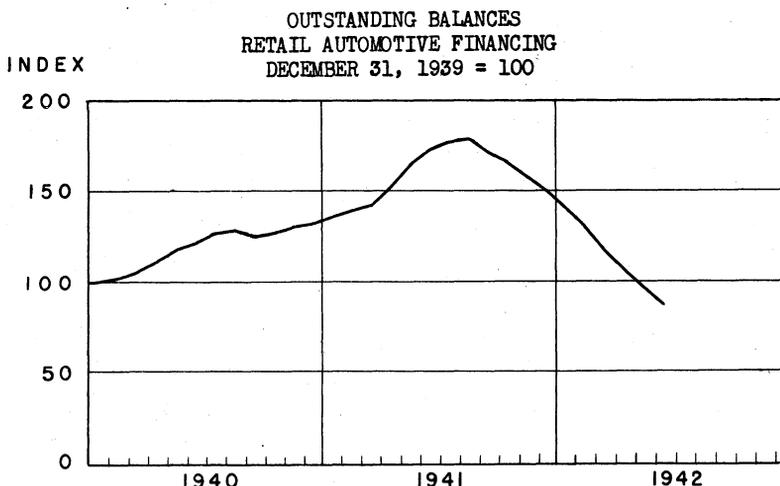


AUG -4 1942

Mr. Robert
Mr. Reel
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A decrease in the number of new passenger cars financed in June 1942 compared with the preceding month was shown by data reported by sales finance companies, according to an announcement released today by J. C. Capt, Director of the Census. The dollar volume of paper acquired in the financing of new passenger cars decreased 7 percent. In the financing of new commercial cars, the number increased 10 percent while the dollar volume increased 15 percent. For used passenger car financing, the number and the dollar volume gained 7 percent and 8 percent respectively. The number of used commercial cars financed during June 1942 was up 3 percent, the dollar volume 9 percent, compared with May 1942.

During June 1942, retail automotive outstandings held by sales finance companies decreased 10 percent. Outstanding balances were down 10 percent during May, 9 percent during March, 9 percent during April, 8 percent during February, and 7 percent during January. The steady downward trend of these balances since August 1941 is shown by the chart presented below.



The volume of paper acquired by sales finance companies in wholesale automotive financing decreased 31 percent for new cars and 21 percent for used cars from May to June of this year. The outstanding balances for wholesale automotive financing decreased 7 percent during June, continuing the downward trend from the high in February.

In retail diversified financing by sales finance companies for June 1942 compared with the preceding month, the largest decrease (42%) was in the volume of financing for household appliances, closely followed by a 40 percent drop in the financing of refrigerators. The financing of furniture and of radios, pianos, and other musical instruments decreased 24 percent and 10 percent respectively. The financing of residential building repairs and modernization decreased 23 percent, after having shown increases in the previous three months. Industrial, commercial, and farm equipment financing was down 42 percent. In wholesale diversified financing (other than automotive) the volume of paper acquired was down 23 percent for June compared with May 1942.

Diversified outstanding balances held by sales finance companies showed further reductions during June 1942. Outstanding balances were reduced 6 percent for retail financing of other consumers' goods, 3 percent for industrial, commercial, and farm equipment, and 15 percent for wholesale diversified financing (other than automotive).

The ratios of paper acquired during June 1942 to the outstanding balances as of June 30, 1942 were 4 percent for retail automotive, 4 percent for wholesale automotive, 14 percent for wholesale diversified (other than automotive), 4 percent for retail -- other consumers' goods, and 4 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing for the month of June were based on reports for May and for June from 280 sales finance companies. Neither the dollar volumes nor the indexes 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 data included in tables 5, 6, and 7 of this release are not comparable to those published for previous months, since monthly reports were not received each month from identical sales finance companies. All indexes for June were obtained by calculating the percent changes from May to June, as shown by data on reports for both months from the same sales finance companies, and by linking these percentages to the indexes previously derived for May 1942.

SALES FINANCE COMPANIES

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

Date	Total all sales financing	Retail automotive	Wholesale automotive	Wholesale other than automotive	Retail other consumers' goods	Industrial, commercial and farm equipment
1939 - Dec. 31....	100	100	100	100	100	100
1940 - Dec. 31....	136	132	169	140 ^{b/}	129	131 ^{b/}
1941 - 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	250 ^{b/}	148	147 ^{b/}
1942 - Jan. 31....	147	139	196	262 ^{b/}	143	144 ^{b/}
- Feb. 28....	143	128	234	293 ^{b/}	139	152 ^{b/}
- Mar. 31....	135	116	233	252 ^{b/}	135	155 ^{b/}
- Apr. 30....	125	105	222	191 ^{b/}	131	156 ^{b/}
- May 31....	115	95	208	153 ^{b/}	126	153 ^{b/}
- June 30....	105	86	193	130	118	148

^{a/} Indexes for May 31, 1941 through November 30, 1941 are derived from data in the "Automobile Financing" report previously published by the Bureau of the Census. Indexes 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. Indexes for 1942 are derived by calculating the percent changes of the outstanding balances reported by sales finance companies for each month from those reported by the same companies for the preceding month, and by linking these percentages to the indexes for the preceding month.

^{b/} Revised.

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

Class of paper	January	February	March	April	May	June
Total retail automotive.....	100	70	78	64	59	61
New passenger cars.....	100	22	43	40	58	52
New commercial cars.....	100	27 ^{b/}	45 ^{b/}	31 ^{b/}	23 ^{b/}	25
Used passenger cars.....	100	77	83	68	60	64
Used commercial cars.....	100	74 ^{b/}	69 ^{b/}	55 ^{b/}	45 ^{b/}	46

Bureau of the Census

Current Statistical Service

^{a/} Indexes are derived by calculating the percent changes in the number of cars financed by sales finance companies during each month from those financed by the same companies during the preceding month, and by linking these percentages to the indexes for the preceding month. The indexes for "Total retail automotive" are based on all figures reported for this item regardless of whether or not a breakdown could be supplied.

^{b/} Revised.

SALES FINANCE COMPANIES

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

Class of paper	January	February	March	April	May	June
Total retail automotive.....	100	62	73	57	55	57
New passenger cars.....	100	22	46	42	60	55
New commercial cars.....	100	28 <u>b/</u>	48 <u>b/</u>	34 <u>b/</u>	25 <u>b/</u>	29
Used passenger cars.....	100	73	81	62	55	60
Used commercial cars.....	100	76 <u>b/</u>	69 <u>b/</u>	58 <u>b/</u>	47 <u>b/</u>	51
Total wholesale automotive.....	100	93	39	19	16	12
New cars (pass. and comm.).....	100	100	37	17	14	10
Used cars (pass. and comm.).....	100	67	66	40	37	29

a/ Indexes are derived by calculating the percent changes in the volume of automotive paper acquired by sales finance companies during each month from the volume acquired by the same companies during the preceding month, and by linking these percentages to the indexes for the preceding month. The indexes for "Total retail automotive" and for "Total wholesale automotive" are based on all figures reported for these items regardless of whether or not breakdowns could be supplied.

b/ Revised.

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

Class of paper	January	February	March	April	May	June
Total retail, other consumers' goods...	100	103	137	123	108	80
Furniture.....	100	88	122	110	97	73
Radio, television sets, pianos and other musical instruments.....	100	108	141	72	37	33
Refrigerators, (gas and electric)...	100	147	250	132	105	63
Other household appliances.....	100	115	169	116	80	46
Residential building repair and modernization.....	100	92	119	127	128	98
Miscellaneous retail.....	100	144	155	131	131	142
Total wholesale - except automotive...	100	128 <u>b/</u>	106 <u>b/</u>	52 <u>b/</u>	24 <u>b/</u>	18
Industrial, commercial, and farm equipment.....	100	124 <u>b/</u>	158 <u>b/</u>	162 <u>b/</u>	85 <u>b/</u>	49
Total diversified financing...	100	111 <u>b/</u>	130 <u>b/</u>	107 <u>b/</u>	86 <u>b/</u>	62

Bureau of the Census

Current Statistical Service

a/ Indexes are derived by calculating the percent changes in the volume of diversified paper acquired by sales finance companies during each month from the volume acquired by the same companies during the preceding month, and by linking these percentages to the indexes for the preceding month. The indexes for "Total retail other consumers' goods" are based on all figures reported for this item regardless of whether or not a breakdown could be supplied.

b/ Revised

SALES FINANCE COMPANIES

Table 5.-- Automotive and Diversified Financing
Volume of Paper Acquired During June 1942 and Balances Outstanding June 30, 1942

Class of paper	Dollar volume of paper acquired during June 1942		Outstanding balances June 30, 1942 a/	Ratio of paper acquired to outstanding balances b/
	By all companies	By all companies reporting outstanding balances a/		
Total retail automotive.....	\$30,269,978	\$29,774,445	\$716,144,872	4
Total wholesale automotive.....	11,577,287	11,523,650	312,068,733	4
Total wholesale - other than automotive....	826,223	770,802	5,577,238	14
Total retail - other consumers' goods.....	9,536,519	9,339,158	231,593,138	4
Industrial, commercial and farm equipment..	667,884	659,800	17,530,902	4
Total sales financings.....	\$52,877,891	\$52,067,455	\$1,282,914,881	4

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

b/ Ratios obtained by dividing paper acquired (column 2) by outstanding balances (column 3).

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

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>72,193</u>	<u>100</u>	<u>\$28,947,027 a/</u>	<u>100</u>
New passenger cars.....	6,137	9	4,831,625	17
New commercial cars.....	578	1	688,109	2
Used passenger cars.....	62,508	86	22,167,819	77
Used commercial cars.....	2,972	4	1,259,474	4
Total wholesale automotive.....	-	-	<u>\$10,545,795 a/</u>	<u>100</u>
New cars (passenger and commercial)....	-	-	7,518,011	71
Used cars (passenger and commercial)....	-	-	3,027,784	29

a/ Data are based on reports from sales finance companies providing a breakdown of their retail and wholesale automotive financing. These amounts are less than those reported in column 1 of table 5 due to the inclusion in that table of data from some sales finance companies that could not provide a breakdown.

Table 7.-- Diversified Financing
Volume of Paper Acquired During June 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$241,878	4
Radio, television sets, pianos and other musical instruments.....	82,164	1
Refrigerators, (gas and electric).....	527,820	9
Other household appliances.....	165,705	3
Residential building repair and modernization...	2,749,827	45
Miscellaneous retail.....	<u>780,810</u>	<u>13</u>
Total retail - other consumers' goods.....	4,548,204 a/	75
Total wholesale - other than automotive.....	826,223	14
Industrial, commercial, and farm equipment.....	<u>667,884</u>	<u>11</u>
Total diversified financing.....	\$6,042,311	100

Bureau of the Census

Current Statistical Service

a/ Data are based on reports from sales finance companies providing a breakdown of their retail financing of other consumers' goods. This amount is less than that reported in column 1 of table 5 due to the inclusion in that table of data from some sales finance companies that could not provide a breakdown.