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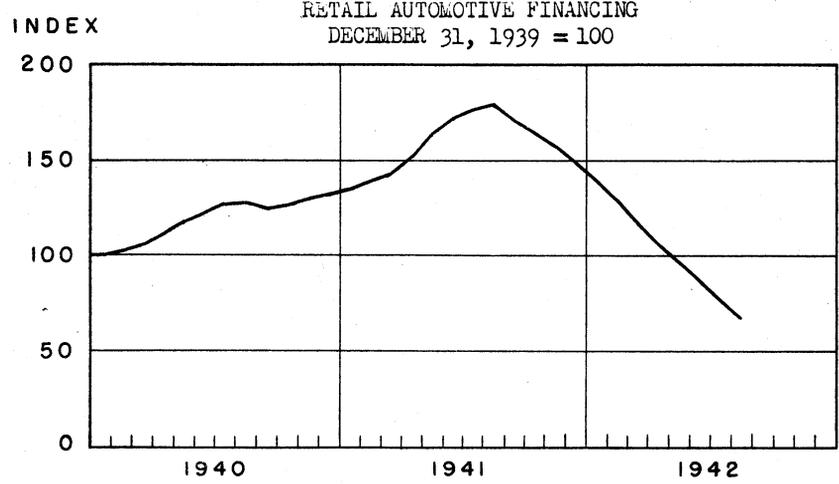
SALES FINANCE COMPANIES August 1942

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The number of passenger cars financed in August 1942 by sales finance companies decreased 6 percent from July of this year, according to an announcement released today by J. C. Capt, Director of the Census. The dollar volume of paper acquired in new passenger car financing, however, decreased only 4 percent. In used passenger car financing, the number of cars decreased 12 percent, the dollar volume of paper acquired, 10 percent. In new commercial car financing, month ago comparisons show that the number of cars decreased 13 percent, and the dollar volume of paper acquired, 7 percent; while the number and dollar volume of used commercial cars decreased 18 percent and 16 percent, respectively.

Retail automotive outstandings held by sales finance companies were reduced an average of 13 percent during August 1942. A year ago comparison shows a 62 percent drop in these outstanding balances, as shown by an index of 178 for August 31, 1941 and an index of 67 for August 31, 1942.

OUTSTANDING BALANCES RETAIL AUTOMOTIVE FINANCING DECEMBER 31, 1939 = 100



Month ago comparisons show that the volume of wholesale automotive paper acquired by sales finance companies decreased 17 percent for new cars and 3 percent for used cars. The outstanding balances for this type of paper decreased 14 percent during August 1942.

In retail diversified financing, month ago comparisons show increases in the financing of other household appliances (19%) and of radios and other musical instruments (3%); but decreases were recorded in the financing of refrigerators (34%), industrial, commercial, and farm equipment (33%), furniture (11%), and residential building repair and modernization (8%). In wholesale diversified financing, the volume of paper acquired was down 3 percent from July to August of this year.

During August 1942, diversified outstanding balances held by sales finance companies declined 6 percent for the retail financing of other consumers' goods, 4 percent for industrial, commercial, and farm equipment, and 12 percent for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during August 1942 to the outstanding balances as of August 31, 1942 were 5 percent for retail automotive, 4 percent for wholesale automotive, 11 percent for wholesale—other than automotive, 3 percent for retail—other consumers' goods, and 2 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during August 1942 were based on reports from 261 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 figures presented in tables 5, 6, and 7 of this release are not comparable to those published for previous months, since monthly reports have not been received each month from identical sales finance companies. All indexes for August were obtained by calculating the percent changes from July to August, 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 July 1942.

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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	129	131
1941 - July 31.....	-	176	-	-	-	-
- Aug. 31.....	-	178	-	-	-	-
- Sep. 30.....	-	170	-	-	-	-
- Oct. 31.....	-	164	-	-	-	-
- Nov. 30.....	-	157	-	-	-	-
- Dec. 31.....	152	149	175	250	148	147
1942 - Jan. 31.....	147	139	196	262	143	144
- Feb. 28.....	143	128	234	293	139	152
- Mar. 31.....	135	116	233	252	135	155
- Apr. 30.....	125	105	222	191	131	156
- May 31.....	115	95	208	153	126	153
- June 30.....	105	86	193	130	118	148
- July 31.....	95	77	175	110	110	140
- Aug. 31.....	84	67	151	97	103	134

a/ Indexes for July 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.

Table 2.— Automotive Financing
Index of Trends in Number of Cars Financed, 1942 a/
January 1942 = 100

Class of paper	Jan.	Feb.	March	April	May	June	July	August
Total retail automotive....	100	70	78	64	59	61	61	54
New passenger cars.....	100	22	43	40	58	52	53	50
New commercial cars.....	100	27	45	31	23	25	22	19
Used passenger cars.....	100	77	83	68	60	64	63	55
Used commercial cars.....	100	74	69	55	45	46	42	34

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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.

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

Class of paper	Jan.	Feb.	March	April	May	June	July	August
Total retail automotive.....	100	62	73	57	55	57	58	52
New passenger cars.....	100	22	46	42	60	55	57	54
New commercial cars.....	100	28	48	34	25	29	25	23
Used passenger cars.....	100	73	81	62	55	60	60	54
Used commercial cars.....	100	76	69	58	47	51	47	39
Total wholesale automotive....	100	93	39	19	16	12	12	10
New cars (pass. & comm.)....	100	100	37	17	14	10	8	7
Used cars (pass. & comm.)...	100	67	66	40	37	29	29	28

^{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.

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

Class of paper	Jan.	Feb.	March	April	May	June	July	August
Total retail, other consumers' goods..	100	103	137	123	108	80	59	54
Furniture.....	100	88	122	110	97	73	66	59
Radios, pianos, and other musical instruments.....	100	108	141	72	37	33	30	31
Refrigerators, (gas and electrical).	100	147	250	132	105	63	34	22
Other household appliances.....	100	115	169	116	80	46	31	37
Residential building repair and modernization.....	100	92	119	127	128	98	84	77
Miscellaneous retail.....	100	144	155	131	131	142	124	117
Total wholesale, except automotive....	100	128	106	52	24	18	12	11
Industrial, commercial, and farm equipment.....	100	124	158	162	85	49	46	31
Total diversified financing.....	100	111	130	107	86	62	47	42

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^{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.

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

Class of paper	Volume of paper acquired during August 1942		Outstanding balances August 31, 1942 ^{a/}	Ratio paper acquired to outstanding balances ^{b/}
	By all companies	By companies reporting outstanding balances ^{a/}		
Total retail automotive.....	\$26,428,684	\$25,782,102	\$553,728,339	5
Total wholesale automotive.....	9,279,079	9,108,411	242,876,949	4
Total wholesale - other than automotive.....	525,934	483,107	4,257,984	11
Total retail - other consumers' goods.....	6,341,674	6,096,798	201,429,776	3
Industrial, commercial, and farm equipment...	387,883	351,901	15,851,897	2
Total sales financings.....	\$42,963,254	\$41,822,319	\$1,018,144,945	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 August 1942

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>61,175</u>	<u>100</u>	<u>\$25,603,123</u> ^{a/}	<u>100</u>
New passenger cars.....	5,715	9	4,592,895	18
New commercial cars.....	428	1	540,368	2
Used passenger cars.....	52,843	86	19,502,015	76
Used commercial cars.....	2,189	4	967,845	4
Total wholesale automotive.....	-	-	<u>\$7,712,229</u> ^{a/}	<u>100</u>
New cars (passenger and commercial).....	-	-	5,329,404	69
Used cars (passenger and commercial).....	-	-	2,382,825	31

^{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 table 5 due to the exclusion of some data for which breakdowns were not available.

Table 7.— Diversified Financing
Volume of Paper Acquired During August 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$159,203	4
Radios, pianos, & other musical instruments.....	73,784	2
Refrigerators, (gas and electric).....	182,960	4
Other household appliances.....	127,110	3
Residential bldg. repair & modernization...	2,120,540	51
Miscellaneous retail.....	<u>588,814</u>	<u>14</u>
Total retail - other consumers' goods.....	\$3,252,411 ^{a/}	78
Total wholesale - other than automotive.....	525,934	13
Industrial, commercial, and farm equipment...	<u>387,883</u>	<u>9</u>
Total diversified financing.....	\$4,166,228	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. This amount is less than that reported in table 5 due to the exclusion of some data for which breakdowns were not available.

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