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Mack Burgess
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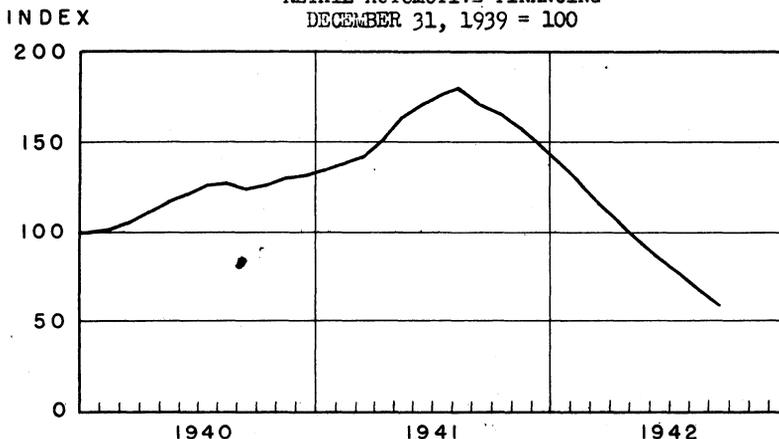
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SALES FINANCE COMPANIES
September 1942

The number of new passenger cars financed by sales finance companies decreased 20 percent in September 1942 compared with August 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 18 percent. In used passenger car financing, the number of cars decreased 22 percent, the dollar volume of paper acquired, 21 percent. In new commercial car financing, month ago comparisons show that the number of cars decreased 46 percent and the dollar volume of paper acquired, 52 percent, while the number and the dollar volume of used commercial car financing decreased 18 percent and 14 percent respectively.

As of September 30, 1942 the volume of retail automotive outstandings held by sales finance companies was 12 percent less than as of August 31, 1942. The index has now dropped to 59, showing that these outstanding balances have been reduced to approximately one-third of the volume held by sales finance companies on August 31, 1941, when the index had reached 178, an all-time high.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



The volume of wholesale automotive paper acquired by sales finance companies during September 1942, when compared with August 1942, showed that the wholesale financing of used passenger and used commercial cars decreased slightly but that the wholesale financing of new passenger and new commercial cars remained at approximately the same level as during August 1942. The volume of outstanding balances for this type of paper, however, decreased 10 percent from August 31, 1942 to September 30, 1942.

A comparison of the retail diversified financing by sales finance companies during September 1942 with their respective volumes recorded in August of this year showed furniture financing at approximately the same level, but decreases were registered in the volume of financing for residential building repair and modernization (2%), other household appliances (4%), radios and other musical instruments (10%), and refrigerators (14%). In wholesale diversified financing the volume of paper acquired by sales finance companies was 15 percent less in September than in August of this year.

As of September 30, 1942, compared with August 31, 1942, the volume of diversified outstanding balances held by sales finance companies decreased 7 percent for the retail financing of other consumers' goods, 8 percent for industrial, commercial, and farm equipment, and 12 percent for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during September 1942 to the outstanding balances as of September 30, 1942 were 4 percent for retail automotive, 4 percent for wholesale automotive, 12 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 September 1942 were based on reports from 264 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 September were obtained by calculating the percent changes from August to September, 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 August 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	129	131
1941 - 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
- Sep. 30.....	75	59	137	85	96	124

^{a/} Indexes for August 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	Sept.
Total retail automotive....	100	70	78	64	59	61	61	54	42
New passenger cars.....	100	22	43	40	58	52	53	50	40
New commercial cars.....	100	27	45	31	23	25	22	19	10
Used passenger cars.....	100	77	83	68	60	64	63	55	43
Used commercial cars.....	100	74	69	55	45	46	42	34	28

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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.

SALES FINANCE COMPANIES

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	Sept.
Total retail automotive.....	100	62	73	57	55	57	58	52	41
New passenger cars.....	100	22	46	42	60	55	57	54	45
New commercial cars.....	100	28	48	34	25	29	25	23	11
Used passenger cars.....	100	73	81	62	55	60	60	54	42
Used commercial cars.....	100	76	69	58	47	51	47	39	34
Total wholesale automotive....	100	93	39	19	16	12	12	10	10
New cars (pass. & comm.)....	100	100	37	17	14	10	8	7	7
Used cars (pass. & comm.)...	100	67	66	40	37	29	29	28	27

^{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	Aug.	Sept.
Total retail, other consumers' goods...	100	103	137	123	108	80	59	54	52
Furniture.....	100	88	122	110	97	73	66	59	59
Radios, pianos, and other musical instruments.....	100	108	141	72	37	33	30	31	28
Refrigerators, (gas and electric)....	100	147	250	132	105	63	34	22	19
Other household appliances.....	100	115	169	116	80	46	31	37	36
Residential building repair and modernization.....	100	92	119	127	128	98	84	77	76
Miscellaneous retail.....	100	144	155	131	131	142	124	117	135
Total wholesale, except automotive....	100	128	106	52	24	18	12	11	9
Industrial, commercial, and farm equipment.....	100	124	158	162	85	49	46	31	27
Total diversified financing.....	100	111	130	107	86	62	47	42	40

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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.

SALES FINANCE COMPANIES

Table 5.— Automotive and Diversified Financing
Volume of Paper Acquired during September 1942 and Balances Outstanding September 30, 1942

Class of paper	Volume of paper acquired during September 1942		Outstanding balances September 30, 1942 ^{a/}	Ratio paper acquired to outstanding balances ^{b/}
	By all companies	By companies reporting outstanding balances ^{a/}		
Total retail automotive.....	\$21,121,581	\$20,591,102	\$487,055,343	4
Total wholesale automotive.....	9,368,075	9,288,418	220,340,215	4
Total wholesale - other than automotive.....	481,322	444,122	3,677,553	12
Total retail - other consumers' goods.....	6,296,613	6,022,721	187,200,239	3
Industrial, commercial, and farm equipment...	344,279	315,313	14,890,550	2
Total sales financings.....	\$37,611,870	\$36,661,676	\$913,163,900	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 September 1942

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>47,924</u>	<u>100</u>	<u>\$20,329,802 ^{a/}</u>	<u>100</u>
New passenger cars.....	4,593	9	3,782,638	19
New commercial cars.....	238	1	270,751	1
Used passenger cars.....	41,291	86	15,436,480	76
Used commercial cars.....	1,802	4	839,933	4
Total wholesale automotive.....	-	-	<u>\$8,313,390 ^{a/}</u>	<u>100</u>
New cars (passenger and commercial).....	-	-	5,565,494	67
Used cars (passenger and commercial).....	-	-	2,747,896	33

^{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 September 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$205,053	5
Radios, pianos, & other musical instruments.....	65,989	2
Refrigerators, (gas and electric).....	161,734	4
Other household appliances.....	131,698	3
Residential bldg. repair & modernization...	2,135,702	50
Miscellaneous retail.....	705,774	17
Total retail - other consumers' goods.....	\$3,405,950 ^{a/}	81
Total wholesale - other than automotive.....	481,322	11
Industrial, commercial, and farm equipment...	344,279	8
Total diversified financing.....	\$4,231,551	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.