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DEPARTMENT OF COMMERCE
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SALES FINANCE COMPANIES

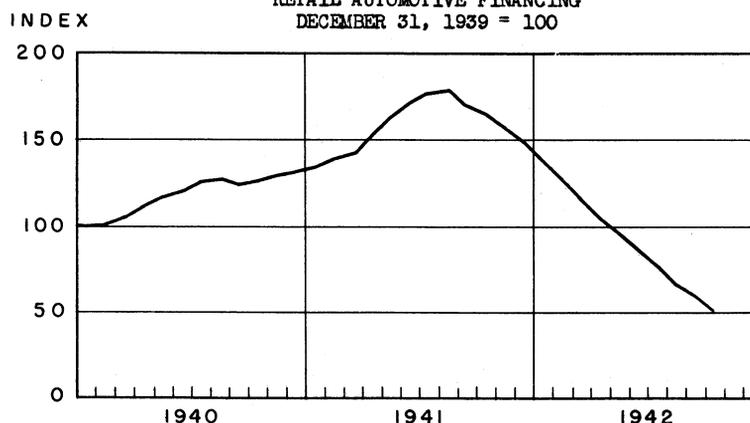
October 1942

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The number of new passenger cars financed by sales finance companies decreased 42 percent in October 1942 compared with September 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 was also off 42 percent. In used passenger car financing, the number of cars decreased 22 percent, while the dollar volume of paper acquired decreased only 20 percent. Compared with the preceding month, the number of new commercial cars financed was 24 percent less in October and the dollar volume of paper acquired, 17 percent. The number of used commercial cars financed decreased 24 percent, while the dollar volume of paper acquired was off only 19 percent.

The volume of retail automotive outstandings held by sales finance companies was 13 percent less as of October 31, than as of September 30, 1942, bringing the index down to 51. The index which stood at 164 at the end of October 1941, indicates the continuing steady reduction of outstanding balances.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



Wholesale automotive paper acquired during October 1942 by sales finance companies declined 14 percent in volume from September of this year for new passenger and new commercial cars, but increased 5 percent for used passenger and used commercial cars. The volume of outstanding balances for this type of paper decreased 9 percent from September 30, 1942 to October 31, 1942.

A comparison of the retail diversified financing by sales finance companies during October 1942 with their respective volumes recorded in September of this year showed an increase of 49 percent for industrial, commercial, and farm equipment; 20 percent for refrigerators; 17 percent for radios and other musical instruments; 10 percent for furniture; and 9 percent for residential building repair and modernization. The financing of other household appliances, however, fell off 21 percent. In October the volume of wholesale diversified paper acquired was 8 percent above that reported for September.

As of October 31, 1942, compared with September 30, 1942, the volume of diversified outstanding balances held by sales finance companies decreased 7 percent for the retail financing of other consumers' goods; 11 percent for industrial, commercial, and farm equipment; and 13 percent for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during October 1942 to the outstanding balances as of October 31, 1942 were 4 percent for retail automotive, 5 percent for wholesale automotive, 16 percent for wholesale — 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 during October 1942 were based on reports from 268 sales finance companies, and the dollar volumes should not 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 October were obtained by calculating the percent changes from September to October, 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 September 1942.

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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 - 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
- Oct. 31.....	67	51	124	74	89	110

^{a/} Indexes for September 30, 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	Aug.	Sept.	Oct.
Total retail automotive.....	100	70	78	64	59	61	61	54	42	32
New passenger cars.....	100	22	43	40	58	52	53	50	40	23
New commercial cars.....	100	27	45	31	23	25	22	19	10	8
Used passenger cars.....	100	77	83	68	60	64	63	55	43	34
Used commercial cars.....	100	74	69	55	45	46	42	34	28	21

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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.

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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	Aug.	Sept.	Oct.
Total retail automotive.....	100	62	73	57	55	57	58	52	41	32
New passenger cars.....	100	22	46	42	60	55	57	54	45	26
New commercial cars.....	100	28	48	34	25	29	25	23	11	9
Used passenger cars.....	100	73	81	62	55	60	60	54	42	34
Used commercial cars.....	100	76	69	58	47	51	47	39	34	28
Total wholesale automotive.....	100	93	39	19	16	12	12	10	10	9
New cars (pass. & comm.).....	100	100	37	17	14	10	8	7	7	6
Used cars (pass. & comm.).....	100	67	66	40	37	29	29	28	27	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.

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

Class of paper	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.
Total retail, other consumers' goods.....	100	103	137	123	108	80	59	54	52	60
Furniture.....	100	88	122	110	97	73	66	59	59	64
Radios, pianos, and other musical instruments.....	100	108	141	72	37	33	30	31	28	33
Refrigerators, (gas and electric).....	100	147	250	132	105	63	34	22	19	23
Other household appliances.....	100	115	169	116	80	46	31	37	36	28
Residential building repair and modernization.....	100	92	119	127	128	98	84	77	76	82
Miscellaneous retail.....	100	144	155	131	131	142	124	117	135	97
Total wholesale, except automotive.....	100	128	106	52	24	18	12	11	9	10
Industrial, commercial, and farm equipment.....	100	124	158	162	85	49	46	31	27	40
Total diversified financing.....	100	111	130	107	86	62	47	42	40	46

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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 October 1942 and Balances Outstanding October 31, 1942

Class of paper	Volume of paper acquired during October 1942		Outstanding balances October 31, 1942 ^{a/}	Ratio paper acquired to outstanding balances ^{b/}
	By all companies	By companies reporting outstanding balances ^{a/}		
Total retail automotive.....	\$16,727,109	\$16,353,869	\$427,592,052	4
Total wholesale automotive.....	9,940,744	9,870,262	201,518,935	5
Total wholesale - other than automotive.....	586,785	535,448	3,266,606	16
Total retail - other consumers' goods.....	7,570,729	7,364,068	174,684,018	4
Industrial, commercial, and farm equipment...	533,221	517,190	13,010,910	4
Total sales financings.....	\$35,358,588	\$34,640,837	\$820,072,521	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 October 1942

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	37,944	100	\$16,002,289 ^{a/}	100
New passenger cars.....	2,729	7	2,253,513	14
New commercial cars.....	181	1	223,320	2
Used passenger cars.....	33,683	89	12,848,856	80
Used commercial cars.....	1,351	3	676,600	4
Total wholesale automotive.....	-	-	\$9,361,949 ^{a/}	100
New cars (passenger and commercial).....	-	-	5,633,190	60
Used cars (passenger and commercial).....	-	-	3,728,759	40

^{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 October 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$405,841	8
Radios, pianos, & other musical instruments.....	79,358	2
Refrigerators, (gas and electric).....	194,747	4
Other household appliances.....	104,370	2
Residential bldg. repair & modernization...	2,326,462	47
Miscellaneous retail.....	690,844	14
Total retail - other consumers' goods.....	\$3,801,622 ^{a/}	77
Total wholesale - other than automotive.....	586,785	12
Industrial, commercial, and farm equipment...	533,221	11
Total diversified financing.....	\$4,921,628	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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