

*Mrs. Burgess*

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SALES FINANCE COMPANIES

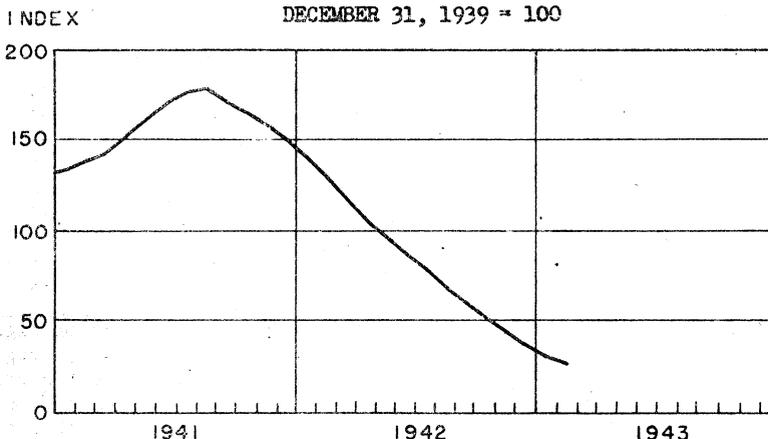
February 1943

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The number of new passenger cars financed in February 1943 by sales finance companies was 12 percent more than the number in January of this year, according to an announcement released today by J. C. Capt, Director of the Census. The dollar volume of paper acquired in this type of financing gained 19 percent. There was an increase of 17 percent in the number of used passenger cars financed, and 20 percent in the dollar volume of paper acquired. Compared with the preceding month, the number of new commercial cars financed was 27 percent more in February and the dollar volume of paper acquired, 37 percent. The number of used commercial cars financed increased 12 percent, while the dollar volume of paper acquired rose 23 percent.

As of February 28, 1943 the volume of retail automotive outstandings held by sales finance companies was 15 percent less than as of January 31, 1943, lowering the index to 27.

OUTSTANDING BALANCES  
RETAIL AUTOMOTIVE FINANCING  
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during February 1943, the volume for new passenger and new commercial cars remained at approximately the same level as in January, while the volume for used passenger and used commercial cars increased 37 percent. The volume of outstanding balances for this type of paper dropped 7 percent from January 31, 1943 to February 28, 1943.

For February 1943, month ago comparisons in retail diversified financing indicate a gain of 34 percent in the financing of radios and other musical instruments, but losses in all the other types of financing for which data are shown: Other household appliances (10%), residential building repair and modernization (19%), refrigerators (21%), furniture (22%), and industrial, commercial, and farm equipment (35%). In wholesale diversified financing, the volume of paper acquired increased 62 percent from January to February.

As of February 28, 1943 compared with January 31, 1943, the volume of diversified outstanding balances held by sales finance companies decreased 8 percent each for the retail financing of other consumers' goods and of industrial, commercial and farm equipment, and 10 percent for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during February 1943 to the outstanding balances as of February 28, 1943 were 5 percent for retail automotive, 4 percent for wholesale automotive, 10 percent for wholesale—other than automotive, 2 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 February 1943 were based on reports from 226 sales finance companies, and the dollar volumes should not be assumed to represent 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 February were obtained by calculating the percent changes from January to February, 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 January 1943.

## 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 - Dec. 31..... | 152                       | 149               | 175                  | 250                             | 148                           | 147  |
| 1942 - 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  |
| - Sept. 30.....     | 75                        | 59                | 137                  | 85                              | 96                            | 124  |
| - Oct. 31.....      | 67                        | 51                | 124                  | 74                              | 89                            | 110  |
| - Nov. 30.....      | 60                        | 44                | 118                  | 52                              | 83                            | 64   |
| - Dec. 31.....      | 53                        | 37                | 112                  | 40                              | 76                            | 61   |
| 1943 - Jan. 31..... | 48                        | 31                | 107                  | 34                              | 70                            | 60   |
| - Feb. 28.....      | 42                        | 27                | 100                  | 30                              | 64                            | 55   |

a/ 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. Succeeding indexes 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, 1942-1943 a/  
January 1942 = 100

| Class of paper           | 1942 |      |      |     |      |      |      |       |      |      |      | 1943 |      |
|--------------------------|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
|                          | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| Total retail automotive. | 70   | 78   | 64   | 59  | 61   | 61   | 54   | 42    | 32   | 27   | 20   | 18   | 21   |
| New passenger cars....   | 22   | 43   | 40   | 58  | 52   | 53   | 50   | 40    | 23   | 14   | 10   | 9    | 11   |
| New commercial cars...   | 27   | 45   | 31   | 23  | 25   | 22   | 19   | 10    | 8    | 6    | 3    | 4    | 5    |
| Used passenger cars...   | 77   | 83   | 68   | 60  | 64   | 63   | 55   | 43    | 34   | 28   | 21   | 19   | 22   |
| Used commercial cars..   | 74   | 69   | 55   | 45  | 46   | 42   | 34   | 28    | 21   | 16   | 12   | 13   | 15   |

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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, 1942-1943 <sup>a/</sup>  
January 1942 = 100

| Class of paper               | 1942 |      |      |     |      |      |      |       |      |      |      | 1943 |      |
|------------------------------|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
|                              | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| Total retail automotive..... | 62   | 73   | 57   | 55  | 57   | 58   | 52   | 41    | 32   | 25   | 19   | 17   | 21   |
| New passenger cars.....      | 22   | 46   | 42   | 60  | 55   | 57   | 54   | 45    | 26   | 16   | 11   | 11   | 13   |
| New commercial cars.....     | 28   | 48   | 34   | 25  | 29   | 25   | 23   | 11    | 9    | 8    | 4    | 5    | 6    |
| Used passenger cars.....     | 73   | 81   | 62   | 55  | 60   | 60   | 54   | 42    | 34   | 28   | 22   | 19   | 23   |
| Used commercial cars.....    | 76   | 69   | 58   | 47  | 51   | 47   | 39   | 34    | 28   | 22   | 17   | 20   | 24   |
| Total wholesale automotive.. | 93   | 39   | 19   | 16  | 12   | 12   | 10   | 10    | 9    | 6    | 5    | 5    | 6    |
| New cars (pass. & comm.)..   | 100  | 37   | 17   | 14  | 10   | 8    | 7    | 7     | 6    | 5    | 4    | 3    | 3    |
| Used cars (pass. & comm.)..  | 67   | 66   | 40   | 37  | 29   | 29   | 28   | 27    | 29   | 14   | 13   | 14   | 20   |

<sup>a/</sup> 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, 1942-1943 <sup>a/</sup>  
January 1942 = 100

| Class of paper  | 1942 |      |      |     |      |      |      |       |      |      |      | 1943 |      |
|---|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
|   | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| Total retail, other consumers' goods.                 | 103  | 137  | 123  | 108 | 80   | 59   | 54   | 52    | 60   | 52   | 60   | 30   | 26   |
| Furniture.....  | 88   | 122  | 110  | 97  | 73   | 66   | 59   | 59    | 64   | 55   | 71   | 62   | 48   |
| Radios, pianos, and other<br>musical instruments..... | 108  | 141  | 72   | 37  | 33   | 30   | 31   | 28    | 33   | 29   | 40   | 16   | 22   |
| Refrigerators (gas and electric)..                    | 147  | 250  | 132  | 105 | 63   | 34   | 22   | 19    | 23   | 15   | 11   | 7    | 6    |
| Other household appliances.....                       | 115  | 169  | 116  | 80  | 46   | 31   | 37   | 36    | 28   | 23   | 21   | 14   | 13   |
| Residential building repair and<br>modernization..... | 92   | 119  | 127  | 128 | 98   | 84   | 77   | 76    | 82   | 64   | 142  | 43   | 35   |
| Miscellaneous retail.....                             | 144  | 155  | 131  | 131 | 142  | 124  | 117  | 135   | 97   | 87   | 88   | 63   | 51   |
| Total wholesale, except automotive..                  | 128  | 106  | 52   | 24  | 18   | 12   | 11   | 9     | 10   | 6    | 3    | 2    | 3    |
| Industrial, commercial, and farm<br>equipment.....    | 124  | 158  | 162  | 85  | 49   | 46   | 31   | 27    | 40   | 30   | 59   | 42   | 27   |
| Total diversified financing....                       | 111  | 130  | 107  | 86  | 62   | 47   | 42   | 40    | 46   | 39   | 45   | 23   | 20   |

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<sup>a/</sup> 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 February 1943 and Balances Outstanding February 28, 1943

| Class of paper                                | Volume of paper acquired during February 1943 |  | Outstanding balances February 28, 1943 a/ | Ratio paper acquired to outstanding balances b/ |
|---|---|--|---|---|
|   | By all companies                              | By companies reporting outstanding balances a/ |   |   |
| Total retail automotive.....                  | \$10,886,570                                  | \$10,421,344                                   | \$218,371,600                             | 5   |
| Total wholesale automotive.....               | 6,772,029                                     | 6,663,660                                      | 160,441,259                               | 4   |
| Total wholesale - other than automotive.....  | 179,787                                       | 135,696  | 1,325,348                                 | 10  |
| Total retail - other consumers' goods.....    | 3,210,549                                     | 3,085,049                                      | 128,006,158                               | 2   |
| Industrial, commercial, and farm equipment... | 238,561                                       | 229,651  | 5,209,861                                 | 4   |
| Total sales financings.....                   | \$21,287,496                                  | \$20,535,400                                   | \$513,354,226                             | 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 February 1943

| Class of paper                            | Number of cars |                  | Paper acquired         |                  |
|---|----------------|------------------|------------------------|------------------|
|   | Number         | Percent of total | Dollar volume          | Percent of total |
| Total retail automotive.....              | <u>24,691</u>  | <u>100</u>       | <u>\$10,715,234 a/</u> | <u>100</u>       |
| New passenger cars.....                   | 1,317          | 5                | 1,226,558              | 11               |
| New commercial cars.....                  | 100            | 1                | 130,702                | 1                |
| Used passenger cars.....                  | 22,314         | 90               | 8,772,886              | 82               |
| Used commercial cars.....                 | 960            | 4                | 585,088                | 6                |
| Total wholesale automotive.....           | -              | -                | <u>\$5,549,415 a/</u>  | <u>100</u>       |
| New cars (passenger and commercial).....  | -              | -                | 3,011,918              | 54               |
| Used cars (passenger and commercial)..... | -              | -                | 2,537,497              | 46               |

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 February 1943

| Class of paper                                   | Dollar volume  | Percent of total |
|--|----------------|------------------|
| Retail - other consumers' goods:                 |                |                  |
| Furniture.....                                   | \$283,539      | 14               |
| Radios, pianos, & other musical instruments..... | 80,415         | 4                |
| Refrigerators (gas and electric).....            | 48,432         | 2                |
| Other household appliances.....                  | 42,008         | 2                |
| Residential bldg. repair & modernization...      | 826,260        | 40               |
| Miscellaneous retail.....                        | <u>368,427</u> | <u>18</u>        |
| Total retail - other consumers' goods:.....      | \$1,649,081 a/ | 80               |
| Total wholesale - other than automotive.....     | 179,787        | 9                |
| Industrial, commercial, and farm equipment...    | <u>238,561</u> | <u>11</u>        |
| Total diversified financing.....                 | \$2,067,429    | 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.