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DEPARTMENT OF COMMERCE
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Current
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SALES FINANCE COMPANIES

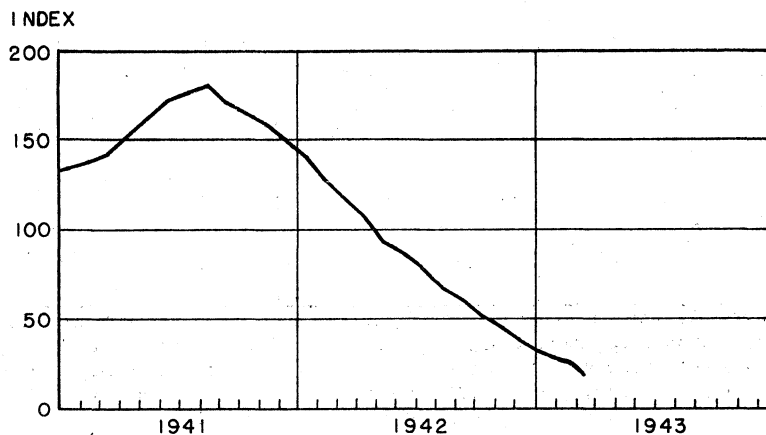
March 1943

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The number of new passenger cars financed in March 1943 by sales finance companies was 132 percent more than the number in February 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 122 percent. There was an increase of 58 percent in the number of used passenger cars financed and 63 percent in the dollar volume of paper acquired. Compared with the preceding month, the number of new commercial cars financed was 126 percent more in March and the dollar volume of paper acquired, 101 percent. The number of used commercial cars financed increased 8 percent, while the dollar volume of paper acquired remained at approximately the same level. Data contained in this report are based on a sample survey conducted by the Bureau of the Census.

As of March 31, 1943 the volume of retail automotive outstandings held by sales finance companies was 17 percent less than as of February 28, 1943. The index now stands at 22, compared with 116 for last March.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during March 1943, the volume for new passenger and new commercial cars rose 51 percent over that reported for February this year, while the volume for used passenger and used commercial cars gained 59 percent. The volume of outstanding balances for this type of paper dropped 9 percent from February 28, 1943 to March 31, 1943.

In retail diversified financing, for March 1943 compared with the preceding month, noteworthy increases were registered for industrial, commercial, and farm equipment (136%), refrigerators, household appliances (57%), and residential building repair and modernization (17%). The financing of furniture, radios, and musical instruments gained 3 percent. In wholesale diversified financing, however, the volume of paper acquired fell off 15 percent on a month-to-month comparison.

Diversified outstanding balances held by sales finance companies were further reduced in volume during March. The volume decreased 10 percent for the retail financing of other consumers' goods, 6 percent for industrial, commercial, and farm equipment, and 14 percent for wholesale diversified financing (other than automotive).

The ratios of the paper acquired during March 1943 to the outstanding balances as of March 31, 1943 were 10 percent for retail automotive, 7 percent for wholesale automotive, 11 percent for wholesale--other than automotive, 3 percent for retail--other consumers' goods, and 11 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during March 1943 were based on reports from 221 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 March were obtained by calculating the percent changes from February to March, 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 February 1943.

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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 - Dec. 31.....	152	149	175	250	148	147
1942 - 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
- Mar. 31.....	37	22	91	26	58	52

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		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total retail automotive.	78	64	59	61	61	54	42	32	27	20	18	21	33
New passenger cars....	43	40	58	52	53	50	40	23	14	10	9	11	24
New commercial cars...	45	31	23	25	22	19	10	8	6	3	4	5	10
Used passenger cars...	83	68	60	64	63	55	43	34	28	21	19	22	35
Used commercial cars..	69	55	45	46	42	34	28	21	16	12	13	15	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.

Table 3.--Automotive Financing
Index of Trends in Volume of Paper Acquired, 1942-1943 a/
January 1942 = 100

Class of paper	1942										1943		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total retail automotive.....	73	57	55	57	58	52	41	32	25	19	17	21	35
New passenger cars.....	46	42	60	55	57	54	45	26	16	11	11	13	30
New commercial cars.....	48	34	25	29	25	23	11	9	8	4	5	6	13
Used passenger cars.....	81	62	55	60	60	54	42	34	28	22	19	23	37
Used commercial cars.....	69	58	47	51	47	39	34	28	22	17	20	24	24
Total wholesale automotive..	39	19	16	12	12	10	10	9	6	5	5	6	9
New cars (pass. & comm.)..	37	17	14	10	8	7	7	6	5	4	3	3	5
Used cars (pass. & comm.)..	66	40	37	29	29	28	27	29	14	13	14	20	31

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, 1942-1943 a/
January 1942 = 100

Class of paper	1942											1943		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
Total retail, other consumers' goods.	137	123	108	80	59	54	52	60	52	60	30	26	28	
Furniture.....	122	110	97	73	66	59	59	64	55	71	62	48	35	
Radios, pianos, and other musical instruments.....	141	72	37	33	30	31	28	33	29	40	16	22		
Refrigerators (gas and electric)..	250	132	105	63	34	22	19	23	15	11	7	6	12	
Other household appliances.....	169	116	80	46	31	37	36	28	23	21	14	13		
Residential building repair and modernization.....	119	127	128	98	84	77	76	82	64	142	43	35	40	
Miscellaneous retail.....	155	131	131	142	124	117	135	97	87	88	63	51	65	
Total wholesale, except automotive..	106	52	24	18	12	11	9	10	6	3	2	3	3	
Industrial, commercial, and farm equipment.....	158	162	85	49	46	31	27	40	30	59	42	27	64	
Total diversified financing....	130	107	86	62	47	42	40	46	39	45	23	20	23	

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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 March 1943 and Balances Outstanding March 31, 1943

Class of paper	Volume of paper acquired during March 1943		Outstanding balances March 31, 1943 a/	Ratio paper acquired to outstanding balances b/
	By all companies	By companies reporting outstanding balances a/		
Total retail automotive.....	\$17,977,777	\$17,388,560	\$181,308,135	10
Total wholesale automotive.....	10,255,443	10,062,765	146,324,059	7
Total wholesale - other than automotive.....	154,275	118,486	1,128,365	11
Total retail - other consumers' goods.....	3,252,466	3,113,774	106,527,529	3
Industrial, commercial, and farm equipment...	546,242	529,960	4,617,191	11
Total sales financings.....	\$32,186,203	\$31,213,545	\$439,905,279	7

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 March 1943

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>39,330</u>	<u>100</u>	<u>\$17,666,159 a/</u>	<u>100</u>
New passenger cars.....	3,060	8	2,726,132	15
New commercial cars.....	224	1	261,056	2
Used passenger cars.....	35,030	89	14,104,432	80
Used commercial cars.....	1,016	2	574,539	3
Total wholesale automotive.....	<u>12,973</u>	<u>100</u>	<u>\$8,636,450 a/</u>	<u>100</u>
New cars (passenger and commercial).....	5,894	45	4,561,091	53
Used cars (passenger and commercial).....	7,079	55	4,075,359	47

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 March 1943

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$373,180	16
Radios, pianos, & other musical instruments.....		
Refrigerators (gas and electric).....		6
Other household appliances.....		22
Residential bldg. repair & modernization...	647,054	27
Miscellaneous retail.....	<u>512,047</u>	
Total retail - other consumers' goods.....	\$1,682,092 a/	71
Total wholesale - other than automotive.....	154,275	6
Industrial, commercial, and farm equipment...	<u>546,242</u>	23
Total diversified financing.....	\$2,382,609	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.