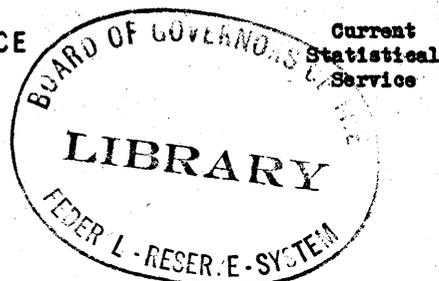


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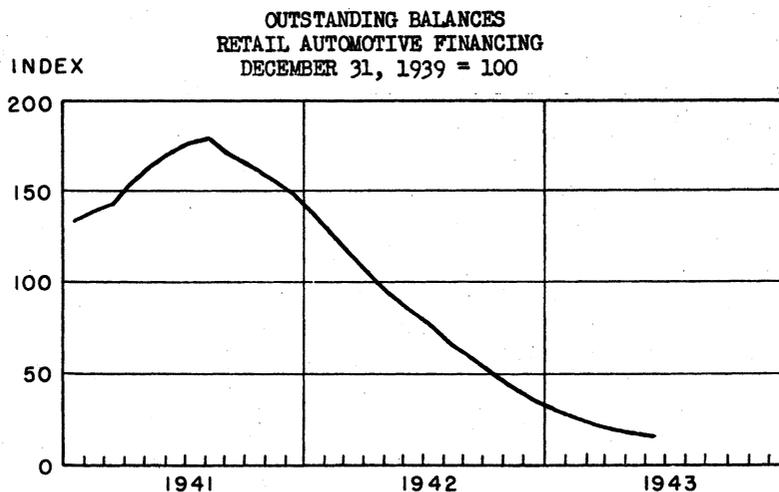
DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS



SALES FINANCE COMPANIES
June 1943

The number of new passenger cars financed by sales finance companies dropped 23 percent from that of May of this year, and the dollar volume of paper acquired in this type of financing fell off 21 percent, according to an announcement released today by J. C. Capt, Director of the Census. The number of used passenger cars financed, however, gained 3 percent, and the dollar volume of paper acquired, 6 percent. New commercial vehicles financed increased 19 percent in number and 33 percent in dollar volume of paper acquired, June compared with May 1943. On the other hand, the number of used commercial cars financed was off 54 percent and the dollar volume of paper acquired, 44 percent. Data contained in this report are based on a sample survey conducted by the Bureau of the Census.

The volume of retail automotive outstandings held by sales finance companies was 9 percent less as of June 30, 1943 than as of May 31, 1943. Last June the index was at 86 and has since declined to 16.



Of the wholesale automotive paper acquired by sales finance companies during June 1943, the volume for new passenger and commercial cars advanced 7 percent over that reported for the preceding month, and the volume of used passenger and commercial cars rose 53 percent. The volume of outstanding balances for this type of paper was 10 percent less on June 30 than on May 31, 1943.

In retail diversified financing, for June this year compared with the preceding month, residential building repair and modernization registered a gain of 42 percent; refrigerators and household appliances, 21 percent; and furniture, radios, and musical instruments, 6 percent. The financing of industrial, commercial, and farm equipment was off slightly (3%), and the volume of paper acquired in wholesale diversified financing dropped 25 percent from last month.

Diversified outstanding balances held by sales finance companies were moderately reduced in volume during June, declining 4 percent for industrial, commercial, and farm equipment, 6 percent for wholesale diversified financing (other than automotive), and 8 percent for the retail financing of other consumers' goods.

Paper acquired during June 1943 was 15 percent of the outstanding balances as of June 30, 1943 for retail automotive, 9 percent for wholesale automotive, 21 percent for wholesale--other than automotive, 6 percent for retail--other consumers' goods, and 5 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during June 1943 were based on reports from 213 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 4, 5, and 6 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 June were obtained by calculating the percent changes from May to June, 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 May 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 - 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
- Apr. 30.....	33	20	81	24	52	49
- May 31.....	30	18	70	12	47	46
- June 30.....	27	16	63	11	44	44

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.--Relative Importance of Loans made by Sales Finance Companies, June 1943
Volume of Paper Acquired during the Month and Outstanding Balances at the End of the Month

Class of paper	Paper acquired during month		Outstanding balances, end of month	
	Amount	Percent of total	Amount	Percent of total
Total, all classes of paper <u>a/</u>	\$60,500,749	100	\$262,648,773	100
Total loans.....	38,616,238	64	68,896,187	26
Small (personal) loans.....	5,200,586	9	27,301,523	10
Business loans.....	33,415,652	55	41,594,664	16
Total sales financings <u>a/</u>	21,884,511	36	193,752,586	74

Bureau of the Census

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a/ Included in this classification are only those firms which, in addition to their sales financing operations, reported loan activities.

SALES FINANCE COMPANIES

Table 3.—Automotive and Diversified Financing
Index of Trends, 1942-1943 ^{a/}
January 1942 = 100

Item	1942							1943					
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	61	61	54	42	32	27	20	18	21	33	36	35	34
Total volume of paper acquired.....	57	58	52	41	32	25	19	17	21	35	40	39	38
New passenger cars.....													
Number.....	52	53	50	40	23	14	10	9	11	24	33	30	23
Paper acquired....	55	57	54	45	26	16	11	11	13	30	39	36	28
New commercial cars.....													
Number.....	25	22	19	10	8	6	3	4	5	10	14	11	13
Paper acquired....	29	25	23	11	9	8	4	5	6	13	15	12	15
Used passenger cars.....													
Number.....	64	63	55	43	34	28	21	19	22	35	37	36	37
Paper acquired....	60	60	54	42	34	28	22	19	23	37	41	40	42
Used commercial cars.....													
Number.....	46	42	34	28	21	16	12	13	15	15	22	21	10
Paper acquired....	51	47	39	34	28	22	17	20	24	24	35	33	18
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	12	12	10	10	9	6	5	5	6	9	9	7	9
New cars (passenger and commercial).....	10	8	7	7	6	5	4	3	3	5	6	4	4
Used cars (passenger and commercial).....	29	29	28	27	29	14	13	14	20	31	32	22	33
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	62	47	42	40	46	39	45	23	20	23	24	29	31
Total retail, other consumers' goods.....	80	59	54	52	60	52	60	30	26	28	30	38	42
Furniture, radios, pianos, etc., Total.....	52	47	43	42	47	40	53	39	34	35	27	31	33
Furniture.....	73	66	59	59	64	55	71	62	48	35	27	31	33
Radios, pianos, other musical instruments.....	33	30	31	28	33	29	40	16	22				
Refrigerators & other household appliances, Total.....	57	32	26	23	24	17	13	9	8	12	18	22	26
Refrigerators (gas and electric).....	63	34	22	19	23	15	11	7	6	12	18	22	26
Other household appliances.....	46	31	37	36	28	23	21	14	13				
Residential building repair and modernization....	98	84	77	76	82	64	142	43	35	40	48	54	77
Miscellaneous retail.....	142	124	117	135	97	87	88	63	51	65	67	101	87
Total wholesale, except automotive.....	18	12	11	9	10	6	3	2	3	3	5	5	3
Industrial, commercial, and farm equipment.....	49	46	31	27	40	30	59	42	27	64	41	38	37

Bureau of the Census

Current Statistical Service

^{a/} Indexes are derived by calculating the percent changes in the number of cars financed or the volume of paper acquired by sales finance companies during each month from the number of cars financed or the volume of paper 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", "Total wholesale automotive", and "Total retail, other consumers' goods" are based on all figures reported for these items regardless of whether or not breakdowns could be supplied.

SALES FINANCE COMPANIES

Table 4.—Automotive and Diversified Financing
Volume of Paper Acquired during June 1943 and Balances Outstanding June 30, 1943

Class of paper	Volume of paper acquired during June 1943		Outstanding balances June 30, 1943 ^{a/}	Ratio paper acquired to outstanding balances ^{b/}
	By all companies	By companies reporting outstanding balances ^{a/}		
Total retail automotive.....	\$19,626,408	\$19,332,778	\$131,807,115	15
Total wholesale automotive.....	9,444,632	9,233,863	101,159,596	9
Total wholesale - other than automotive.....	193,849	157,417	764,468	21
Total retail - other consumers' goods.....	4,770,718	4,629,203	79,577,041	6
Industrial, commercial, and farm equipment...	382,970	369,122	7,079,459	5
Total sales financings.....	\$34,418,577	\$33,722,383	\$320,387,679	11

^{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 5.—Automotive Financing
Number of Cars Financed and Volume of Paper Acquired during June 1943

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>41,076</u>	<u>100</u>	<u>\$19,418,435 ^{a/}</u>	<u>100</u>
New passenger cars.....	2,842	7	2,575,274	13
New commercial cars.....	238	1	292,759	2
Used passenger cars.....	37,380	91	16,142,609	83
Used commercial cars.....	616	1	407,793	2
Total wholesale automotive.....	<u>12,022</u>	<u>100</u>	<u>\$8,269,616 ^{a/}</u>	<u>100</u>
New cars (passenger and commercial).....	4,872	41	3,679,799	44
Used cars (passenger and commercial).....	7,150	59	4,589,817	56

^{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 4 due to the exclusion of some data for which breakdowns were not available.

Table 6.—Diversified Financing
Volume of Paper Acquired during June 1943

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments..	\$1,062,487	20
Refrigerators, and other household appliances.....	378,666	7
Residential building repair and modernization.....	1,892,465	26
Miscellaneous retail.....	<u>1,411,997</u>	<u>36</u>
Total retail - other consumers' goods.....	\$4,745,615 ^{a/}	89
Total wholesale - other than automotive.....	193,849	4
Industrial, commercial, and farm equipment.....	<u>382,970</u>	<u>7</u>
Total diversified financing.....	\$5,322,434	100

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Current Statistical Service

^{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 4 due to the exclusion of some data for which breakdowns were not available.