

Immediate
Release
January 3, 1944

DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS

Current
Statistical
Service

JAN - 3 1944
LIBRARY

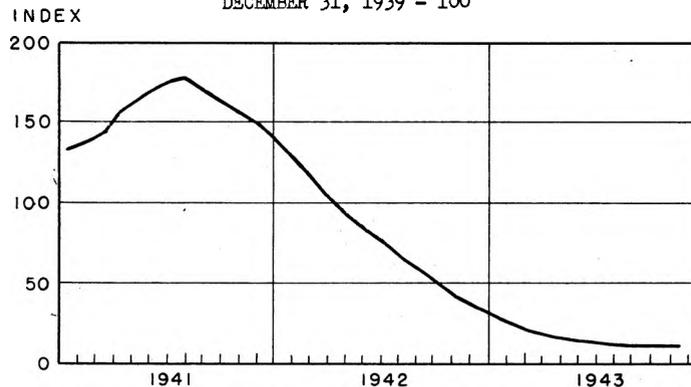
SALES FINANCE COMPANIES
NOVEMBER 1943

Copy I

The number of new passenger cars financed by sales finance companies in November 1943 was off 23 percent from that of October of this year, and the dollar volume of paper acquired in this type of financing decreased 22 percent, according to an announcement released today by J. C. Capt, Director of the Census. The number of used passenger cars financed in November this year was virtually unchanged from that of the previous month, with the volume of paper acquired also remaining substantially the same. New commercial vehicles financed declined 16 percent in number and 9 percent in dollar volume of paper acquired, from October of this year. The number of used commercial cars financed this November was 34 percent less than the number recorded for the preceding month, and the dollar volume of paper acquired was down 31 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 on November 30, 1943 was slightly (2%) less than that reported at the end of October 1943. The index remained at 14 for November this year.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 - 100



Of the wholesale automotive paper acquired by sales finance companies during November 1943, the volume of new passenger and commercial cars decreased 25 percent from that reported for the preceding month, while the volume for used passenger and commercial cars was approximately the same as in October 1943. Volume of outstanding balances for this type of paper was 6 percent less on November 30 than on October 31, 1943.

In retail diversified financing, for November this year compared with the preceding month, furniture, radios, and musical instruments registered a decline of 11 percent, while respective gains of 24 and 25 percent were noted for refrigerators, household appliances and residential building repairs and modernization. The financing of wholesale diversified paper increased 19 percent from October 1943, while paper acquired for industrial, commercial, and farm equipment rose 310 percent.

Diversified outstanding balances held by sales finance companies during November were reduced 6 percent in volume for retail financing of other consumers' goods, but rose slightly (2%) for wholesale diversified financing (other than automotive) and 4 percent for industrial, commercial, and farm equipment.

Paper acquired during November 1943 was 14 percent of the outstanding balances as of November 30, 1943 for retail automotive, 14 percent for wholesale automotive, 26 percent for wholesale--other than automotive, 9 percent retail--other consumers' goods, and 21 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during November 1943 were based on reports from 188 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 adjustments 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 November were obtained by calculating the percent changes from October to November 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 October 1943.

3-36057

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 - 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
- July 31.....	25	15	59	10	40	41
- Aug. 31.....	23	15	52	8	38	39
- Sept. 30.....	22	14	47	8	36	36
- Oct. 31.....	21	14	45	7	34	33
- Nov. 30.....	20	14	42	7	32	35

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, November 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>	\$59,622,871	100	\$238,087,683	100
Total loans.....	35,455,343	59	77,323,419	53
Small (personal) loans.....	5,009,031	8	37,229,807	16
Business loans.....	30,446,312	51	40,093,612	17
Total sales financing <u>a/</u>	24,167,528	41	160,764,264	67

Bureau of the Census

Current Statistical Service

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										
	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	27	20	18	21	33	36	35	34	33	34	33	29	28
Total volume of paper acquired.....	25	19	17	21	35	40	39	38	36	39	37	33	32
New passenger cars.....													
Number.....	14	10	9	11	24	33	30	23	19	18	11	11	8
Paper acquired.....	16	11	11	13	30	39	36	28	23	22	14	13	10
New commercial cars.....													
Number.....	6	3	4	5	10	14	11	13	9	9	25	20	17
Paper acquired.....	8	4	5	6	13	15	12	15	9	11	18	13	12
Used passenger cars.....													
Number.....	28	21	19	22	35	37	36	37	35	38	36	31	31
Paper acquired.....	28	22	19	23	37	41	40	42	41	44	44	38	38
Used commercial cars.....													
Number.....	16	12	13	15	15	22	21	10	13	13	6	14	9
Paper acquired.....	22	17	20	24	24	35	33	18	20	22	12	27	19
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	6	5	5	6	9	9	7	9	10	9	9	10	9
New cars (passenger and commercial).....	5	4	3	3	5	6	4	4	3	4	3	3	2
Used cars (passenger and commercial).....	14	13	14	20	31	32	22	33	47	37	39	50	50
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	39	45	23	20	23	24	29	31	28	30	33	30	41
Total retail, other consumers' goods.....	52	60	30	26	28	30	38	42	39	42	47	41	49
Furniture, radios, pianos, etc., Total.....	40	53	39	34	35	27	31	33	28	28	23	27	24
Furniture.....	55	71	62	48									
Radios, pianos, other musical instruments.....	29	40	16	22	35	27	31	33	28	28	23	27	24
Refrigerators & other household appliances, Total.....	17	13	9	8	12	18	22	26	15	14	12	12	15
Refrigerators (gas and electric).....	15	11	7	6									
Other household appliances.....	23	21	14	13	12	18	22	26	15	14	12	12	15
Residential building repair and modernization.....	64	142	43	35	40	48	54	77	81	89	94	92	115
Miscellaneous retail.....	87	88	63	51	65	67	101	87	78	86	125	75	94
Total wholesale, except automotive.....	6	3	2	3	3	5	5	3	2	2	2	2	2
Industrial, commercial, and farm equipment.....	30	59	42	27	64	41	38	37	22	28	27	38	157

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.

3-36057

SALES FINANCE COMPANIES

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

Class of paper	Volume of paper acquired during November 1943		Outstanding balances November 30, 1943 <u>a/</u>	Ratio paper acquired to outstanding balances <u>b/</u>
	By all companies	By companies reporting outstanding balances <u>a/</u>		
Total retail automotive.....	\$15,949,100	\$15,884,628	\$108,456,753	14
Total wholesale automotive.....	9,631,220	9,518,576	66,687,277	14
Total wholesale - other than automotive.....	136,388	128,842	499,933	26
Total retail - other consumers' goods.....	5,583,242	5,532,612	60,463,980	9
Industrial, commercial, and farm equipment...	<u>1,318,921</u>	<u>1,318,921</u>	<u>6,418,940</u>	<u>21</u>
Total sales financings.....	\$32,618,871	\$32,183,379	\$242,526,883	13

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 November 1943

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>31,813</u>	<u>100</u>	<u>\$15,679,487 a/</u>	100
New passenger cars.....	973	3	889,279	6
New commercial cars.....	385	1	599,723	4
Used passenger cars.....	29,867	94	13,781,818	88
Used commercial cars.....	588	2	408,667	2
Total wholesale automotive.....	<u>11,911</u>	<u>100</u>	<u>\$6,300,137 a/</u>	<u>100</u>
New cars (passenger and commercial).....	2,633	22	1,845,776	22
Used cars (passenger and commercial).....	9,278	78	6,454,361	78

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 November 1943

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments....	\$636,282	9
Refrigerators and other household appliances.....	210,191	3
Residential building repair and modernization.....	3,429,114	49
Miscellaneous retail.....	<u>1,295,906</u>	<u>18</u>
Total retail - other consumers' goods.....	\$5,571,493 <u>a/</u>	79
Total wholesale - other than automotive.....	136,388	2
Industrial, commercial, and farm equipment.....	<u>1,318,921</u>	<u>19</u>
Total diversified financing.....	\$7,026,802	100

Bureau of the Census

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.