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SALES FINANCE COMPANIES  
JANUARY 1944

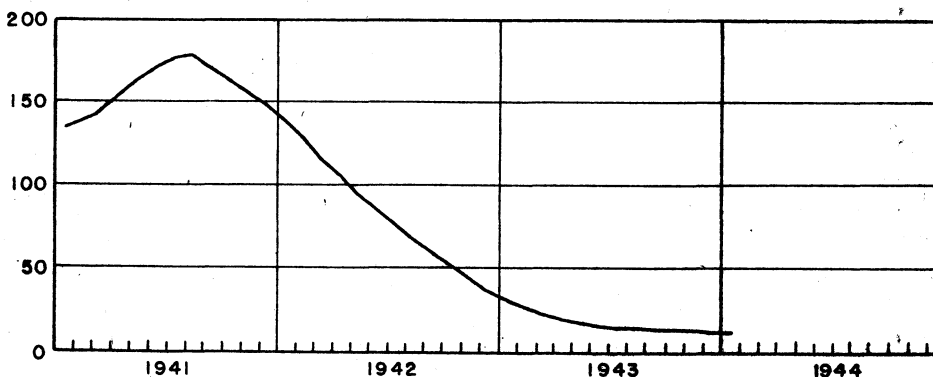
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The number of new passenger cars financed by sales finance companies rose 21 percent for January 1944 compared with the preceding month, and the dollar volume of paper acquired in this type of financing increased 24 percent, according to an announcement released today by J. C. Capt, Director of the Census. A drop of 18 percent in the number of used passenger cars financed was reported along with a decrease of 14 percent in dollar volume of paper acquired. New commercial vehicles gained 43 percent in number and 15 percent in dollar volume of paper acquired, from December 1943. The number of used commercial cars financed during the first month of 1944 was 20 percent short of the number recorded for the preceding month, and the dollar volume of paper acquired was down 38 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 January 31, 1944 was 4 percent less than that reported for the end of December 1943. The December 1943 index of 13 was unchanged in January 1944.

OUTSTANDING BALANCES  
RETAIL AUTOMOTIVE FINANCING  
DECEMBER 31, 1939 = 100

INDEX



Of the wholesale automotive paper acquired by sales finance companies during January 1944, the volume for new passenger and commercial cars rose 90 percent from that reported for December 1943, while the volume for used passenger and commercial cars increased only 9 percent. The volume of outstanding balances for this type of paper was 6 percent less at the end of January 1944 than at the close of December 1943.

For January 1944 compared with December 1943, in retail diversified financing, furniture, radios, and musical instruments registered a gain of 14 percent in paper acquired, and refrigerators and household appliances, 77 percent; while a decrease of 31 percent was noted for residential building repairs and modernization. The financing of wholesale diversified sales showed an outstanding gain of 179 percent, but the volume of paper acquired for industrial, commercial, and farm equipment was approximately the same as that acquired in December 1943.

Diversified outstanding balances held by sales finance companies at the end of January 1944 were reduced 5 percent in volume for retail financing of other consumers' goods and 6 percent for industrial, commercial, and farm equipment. Outstandings for wholesale diversified financing (other than automotive), however, increased 25 percent.

Paper acquired during January 1944 was 64 percent of the outstanding balances as of January 31, 1944 for wholesale—other than automotive, 20 percent for wholesale automotive, 13 percent for retail automotive, 10 percent for industrial, commercial, and farm equipment, and 8 percent for retail—other consumers' goods.

These data on the current trends of sales financing during January 1944 were based on reports from 200 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 January were obtained by calculating the percent changes from December 1943 to January 1944, from data on reports for both months from the same sales finance companies, and by linking these percentages to the indexes previously derived for December 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 - Dec. 31.....	53	37	112	40	76	61
1943 - Jan. 31.....	48	31	107	34	70	60
- Feb. 28.....	42	27	100	30	664	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
- Dec. 31.....	20	13	40	8	30	27
1944 - Jan. 31.....	19	13	38	10	29	26

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, January 1944  
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> .....	\$56,014,939	100	\$231,761,299	100
Total loans.....	32,331,287	58	77,299,526	33
Small (personal) loans.....	4,829,564	9	37,664,398	16
Business loans.....	27,501,723	49	39,635,128	17
Total sales financing <u>a/</u> .....	23,683,652	42	154,461,773	67

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

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

Item	1943												1944
	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	18	21	33	36	35	34	33	34	33	29	28	28	23
Total volume of paper acquired.....	17	21	35	40	39	38	36	39	37	33	32	32	28
New passenger cars.....Number.....	9	11	24	33	30	23	19	18	11	11	8	6	8
Paper acquired.....	11	13	30	39	36	28	23	22	14	13	10	8	10
New commercial cars.....Number.....	4	5	10	14	11	13	9	9	25	20	17	5	8
Paper acquired.....	5	6	13	15	12	15	9	11	18	13	12	8	9
Used passenger cars.....Number.....	19	22	35	37	36	37	35	38	36	31	31	32	26
Paper acquired.....	19	23	37	41	40	42	41	44	44	38	38	38	33
Used commercial cars.....Number.....	13	15	15	22	21	10	13	13	6	14	9	10	8
Paper acquired.....	20	24	24	35	33	18	20	22	12	27	19	27	16
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	5	6	9	9	7	9	10	9	9	10	9	9	11
New cars (passenger and commercial).....	3	3	5	6	4	4	3	4	3	3	2	2	4
Used cars (passenger and commercial).....	14	20	31	32	22	33	47	37	39	50	50	46	50
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	23	20	23	24	29	31	28	30	33	30	41	32	30
Total retail, other consumers' goods.....	30	26	28	30	38	42	39	42	47	41	49	42	37
Furniture, radios, pianos, etc., Total.....	39	34	35	27	31	33	28	28	23	27	24	26	30
Furniture.....	62	48											
Radios, pianos, other musical instruments.....	16	22	35	27	31	33	28	28	23	27	24	26	30
Refrigerators & other household appliances, Total.....	9	8	12	18	22	26	15	14	12	12	15	9	16
Refrigerators (gas and electric).....	7	6											
Other household appliances.....	14	13	12	18	22	26	15	14	12	12	15	9	16
Residential building repair and modernization.....	43	35	40	48	54	77	81	89	94	92	115	100	69
Miscellaneous retail.....	63	51	65	67	101	87	78	86	125	75	94	75	80
Total wholesale, except automotive.....	2	3	3	5	5	3	2	2	2	2	2	2	7
Industrial, commercial, and farm equipment.....	42	27	64	41	38	37	22	28	27	38	157	54	54

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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.

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## SALES FINANCE COMPANIES

Table 4.—Automotive and Diversified Financing  
Volume of Paper Acquired During January 1944 and Balances Outstanding January 31, 1944

Class of paper	Volume of paper acquired during January 1944		Outstanding balances January 31, 1944 a/	Ratio paper acquired to outstanding balances b/
	By all companies	By companies reporting outstanding balances a/		
Total retail automotive.....	\$14,381,049	\$14,018,951	\$105,530,638	13
Total wholesale automotive.....	12,206,459	12,080,284	60,513,012	20
Total wholesale - other than automotive.....	486,884	465,216	731,842	64
Total retail - other consumers' goods.....	4,508,510	4,291,753	56,671,502	8
Industrial, commercial, and farm equipment....	414,108	412,039	3,977,950	10
Total sales financings.....	\$31,997,010	\$31,268,243	\$227,424,944	14

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 January 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	27,600	100	\$14,190,491 a/	100
New passenger cars.....	929	3	905,384	6
New commercial cars.....	179	1	468,688	3
Used passenger cars.....	25,961	94	12,443,922	88
Used commercial cars.....	531	2	372,497	3
Total wholesale automotive.....	13,970	100	\$10,538,587 a/	100
New cars (passenger and commercial).....	4,623	33	3,819,682	36
Used cars (passenger and commercial).....	9,347	67	6,718,905	64

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 January 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments....	\$899,629	17
Refrigerators and other household appliances.....	225,237	4
Residential building repair and modernization.....	2,066,638	38
Miscellaneous retail.....	1,295,535	24
Total retail - other consumers' goods.....	\$4,487,039 a/	83
Total wholesale - other than automotive.....	486,884	9
Industrial, commercial, and farm equipment.....	414,108	8
Total diversified financing.....	\$5,388,031	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 4 due to the exclusion of some data for which breakdowns were not available.