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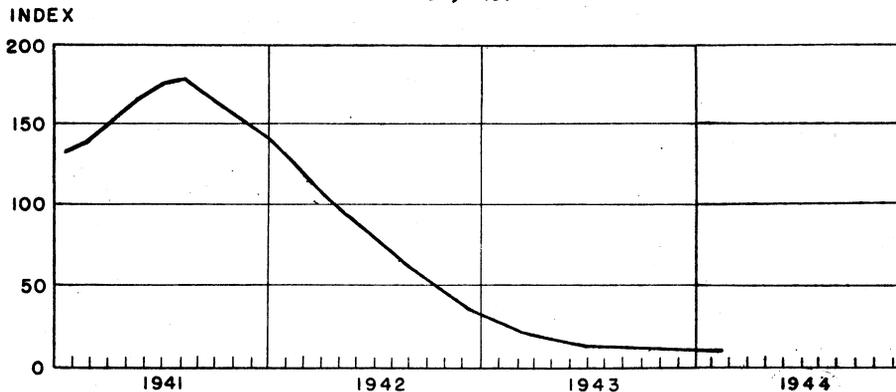
SALES FINANCE COMPANIES
FEBRUARY 1944

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The number of new passenger cars financed by sales finance companies dropped 23 percent for February 1944 compared with the preceding month, and the dollar volume of paper acquired in this type of financing decreased 24 percent, according to an announcement released today by J. C. Capt, Director of the Census. A rise of 13 percent in the number of used passenger cars financed was reported along with a gain of 14 percent in dollar volume of paper acquired. New commercial vehicles financed increased 59 percent in number and 26 percent in dollar volume of paper acquired, from January 1944. The number of used commercial cars financed during the second month of 1944 was slightly (3%) larger than the number recorded for the preceding month, and the dollar volume of paper acquired was up 8 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 February 29, 1944 was virtually the same as that reported at the end of January 1944. The index for retail automotive outstandings which stood at 13 for December 1943 and January 1944 remained unchanged in February this year.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during February 1944, the volume for new passenger and commercial cars was 35 percent less than that reported for January 1944, while the volume for used passenger and commercial cars increased 27 percent. The volume of outstanding balances for this type of paper was slightly (2%) smaller at the end of February 1944 than at the close of January 1944.

For February 1944 compared with January 1944, in retail diversified financing, residential building repairs and modernization registered a gain of 6 percent in paper acquired; while decreases of 31 and 45 percent were revealed for furniture, radios, and musical instruments and refrigerators, household appliances, respectively. The financing of industrial, commercial, and farm equipment showed a spectacular rise of 259 percent, but paper acquired for the wholesale diversified lines (other than automotive) dropped back 48 percent.

Diversified outstanding balances held by sales finance companies at the end of February 1944 were increased 19 percent in volume for industrial, commercial, and farm equipment and slightly (2%) for wholesale diversified financing, but a 4 percent decrease occurred in retail—other consumer outstandings.

Paper acquired during February 1944 was 28 percent of the outstanding balances as of February 29, 1944 for wholesale—other than automotive, 25 percent for industrial, commercial, and farm equipment, 22 percent for wholesale automotive, 15 percent for retail automotive, and 8 percent for retail—other consumers' goods.

These data on the current trends of sales financing during February 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 February were obtained by calculating the percent changes from January 1944 to February 1944 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 1944.

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 - 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
- Dec. 31.....	20	13	40	8	30	27
1944 - Jan. 31.....	19	13	38	10	29	26
- Feb. 29.....	18	13	37	10	27	31

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, February 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>	\$67,476,232	100	\$24,322,974	100
Total loans.....	40,963,230	61	85,873,292	35
Small (personal) loans.....	5,554,695	8	38,599,137	16
Business loans.....	35,408,535	53	47,274,155	19
Total sales financing <u>a/</u>	26,513,002	39	157,347,682	65

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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, 1943-1944 a/
January 1942 = 100

Item	1943												1944	
	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	
<u>RETAIL AUTOMOTIVE</u>														
Total number of cars financed.....	21	33	36	35	34	33	34	33	29	28	28	23	26	
Total volume of paper acquired.....	21	35	40	39	38	36	39	37	33	32	32	28	31	
New passenger cars.....														
Number.....	11	24	33	30	23	19	18	11	11	8	6	8	6	
Paper acquired.....	13	30	39	36	28	23	22	14	13	10	8	10	8	
New commercial cars.....														
Number.....	5	10	14	11	13	9	9	25	20	17	5	8	12	
Paper acquired.....	6	13	15	12	15	9	11	18	13	12	8	9	12	
Used passenger cars.....														
Number.....	22	35	37	36	37	35	38	36	31	31	32	26	29	
Paper acquired.....	23	37	41	40	42	41	44	44	38	38	38	33	38	
Used commercial cars.....														
Number.....	15	15	22	21	10	13	13	6	14	9	10	8	8	
Paper acquired.....	24	24	35	33	18	20	22	12	27	19	27	16	18	
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)														
Total volume of paper acquired.....	6	9	9	7	9	10	9	9	10	9	9	11	12	
New cars (passenger and commercial).....	3	5	6	4	4	3	4	3	3	2	2	4	3	
Used cars (passenger and commercial).....	20	31	32	22	33	47	37	39	50	50	46	50	64	
<u>DIVERSIFIED FINANCING</u> (Paper acquired)														
Total diversified financing.....	20	23	24	29	31	28	30	33	30	41	32	30	34	
Total retail, other consumers' goods.....	26	28	30	38	42	39	42	47	41	49	42	37	36	
Furniture, radios, pianos, etc., Total.....	34	35	27	31	33	28	28	23	27	24	26	30	21	
Furniture.....	48													
Radios, pianos, other musical instruments.....	22	35	27	31	33	28	28	23	27	24	26	30	21	
Refrigerators & other household appliances, Total.....	8	12	18	22	26	15	14	12	12	15	9	16	9	
Refrigerators (gas and electric).....	6													
Other household appliances.....	13	12	18	22	26	15	14	12	12	15	9	16	9	
Residential building repair and modernization.....	35	40	48	54	77	81	89	94	92	115	100	69	73	
Miscellaneous retail.....	51	65	67	101	87	78	86	125	75	94	75	80	88	
Total wholesale, except automotive.....	3	3	5	5	3	2	2	2	2	2	2	7	4	
Industrial, commercial, and farm equipment.....	27	64	41	38	37	22	28	27	38	157	54	54	194	

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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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Table 4.--Automotive and Diversified Financing
Volume of Paper Acquired During February 1944 and Balances Outstanding February 29, 1944

Class of paper	Volume of paper acquired during February 1944		Outstanding balances February 29, 1944 a/	Ratio paper acquired to outstanding balances b/
	By all companies	By companies reporting outstanding balances a/		
Total retail automotive.....	\$16,465,074	\$16,112,346	\$105,928,516	15
Total wholesale automotive.....	13,566,835	13,495,037	60,154,072	22
Total wholesale - other than automotive.....	257,889	214,967	754,740	28
Total retail - other consumers' goods.....	4,432,718	4,329,385	54,407,824	8
Industrial, commercial, and farm equipment...	<u>1,543,652</u>	<u>1,525,898</u>	<u>6,124,602</u>	<u>25</u>
Total sales financing.....	\$36,266,168	\$35,677,633	\$227,369,754	16

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 February 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>31,505</u>	<u>100</u>	<u>\$16,252,189 a/</u>	<u>100</u>
New passenger cars.....	727	2	690,144	4
New commercial cars.....	284	1	590,899	4
Used passenger cars.....	29,949	95	14,567,383	90
Used commercial cars.....	545	2	403,763	2
Total wholesale automotive.....	<u>14,827</u>	<u>100</u>	<u>\$11,332,846 a/</u>	<u>100</u>
New cars (passenger and commercial).....	3,377	23	2,562,556	23
Used cars (passenger and commercial).....	11,450	77	8,770,290	77

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 February 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments....	\$627,496	10
Refrigerators and other household appliances.....	124,668	2
Residential building repair and modernization.....	2,188,386	36
Miscellaneous retail.....	<u>1,436,019</u>	<u>23</u>
Total retail - other consumers' goods.....	\$4,376,569 a/	71
Total wholesale - other than automotive.....	257,889	4
Industrial, commercial, and farm equipment.....	<u>1,543,652</u>	<u>25</u>
Total diversified financing.....	\$6,178,110	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.

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