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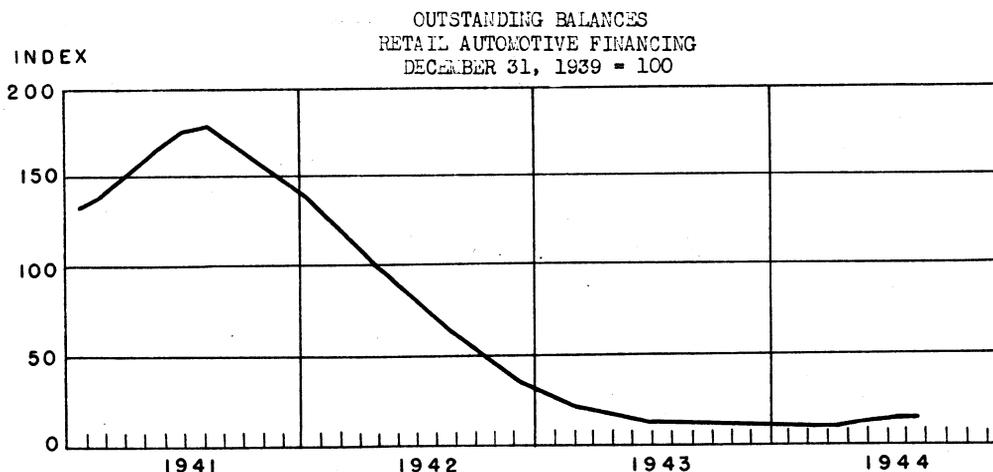
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SALES FINANCE COMPANIES  
 AUGUST 1944

COPY 1

Sales finance companies reported an increase of 4 percent in the number of new passenger cars financed in August 1944 compared with the number financed the preceding month, and the dollar volume of paper acquired in this type of financing also increased 4 percent, according to an announcement released today by J. C. Capt, Director of the Census. A 6 percent decrease in the number of used passenger cars financed was reported, and the dollar volume was down 8 percent. Twenty-two percent more new commercial vehicles were financed in August than in July this year, and the value of this paper was 23 percent over that recorded in July. The number of used commercial vehicles was up slightly (2%), but the dollar volume of such paper dropped slightly (3%). 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 August 31, 1944 was slightly (3%) larger than that reported at the end of July 1944. The index for these outstandings, which rose to 16 in July, remained at 16 for August.



Of the wholesale automotive paper acquired by sales finance companies during August 1944, the volume for new passenger and commercial cars was 13 percent over that reported for July 1944, and the volume for used passenger and commercial cars rose 26 percent. The volume of outstanding balances for this type of paper showed a 10 percent decrease from that held at the end of July 1944.

For August 1944 compared with July 1944, in retail diversified financing, residential, building repairs and modernization registered a 20 percent increase in paper acquired; refrigerators and household appliances gained 7 percent; and furniture, radios, and musical instruments showed a small (2%) increase. The financing of wholesale transactions (other than automotive) was 27 percent more than for July 1944, and the amount of industrial, commercial, and farm equipment paper dropped back 18 percent.

Diversified outstanding balances held by sales finance companies at the end of August 1944 were increased 4 percent for wholesale--other than automotive, were up slightly (2%) for retail--other consumers' goods, and were down 17 percent for industrial, commercial, and farm equipment. The index for total sales finance outstandings remained at 19 in August this year, showing no change for 4 consecutive months.

Paper acquired during August 1944 was 31 percent of the outstanding balances as of August 31, 1944 for wholesale automotive, 29 percent for wholesale--other than automotive, 18 percent for retail automotive, 14 percent for retail--other consumers' goods, and 6 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during August 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 August were obtained by calculating the percent changes from July 1944 to August 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 July 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 - 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
- Mar. 31.....	18	13	37	12	26	30
- Apr. 30.....	18	13	37	11	25	31
- May 31.....	19	14	36	11	24	32
- June 30.....	19	15	34	11	24	32
- July 31.....	19	16	29	10	24	33
- Aug. 31.....	19	16	26	10	24	27

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, August 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> .....	\$67,036,005	100	\$244,463,386	100
Total loans.....	32,974,994	49	78,520,236	32
Small (personal) loans.....	6,285,362	9	40,847,799	17
Business loans.....	26,689,632	40	37,672,437	15
Total sales financing <u>a/</u> .....	34,061,011	51	165,943,150	68

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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, 1943-1944 a/  
January 1942 = 100

Item	1943					1944							
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	34	33	29	28	28	23	26	32	31	39	39	39	37
Total volume of paper acquired.....	39	37	33	32	32	28	31	38	38	49	51	51	48
New passenger cars.....													
Number.....	18	11	11	8	6	8	6	6	6	9	9	6	6
Paper acquired...	22	14	13	10	8	10	8	9	8	12	13	8	8
New commercial cars.....													
Number.....	9	25	20	17	5	8	12	7	10	14	9	15	18
Paper acquired...	11	18	13	12	8	9	12	13	11	15	13	16	20
Used passenger cars.....													
Number.....	38	36	31	31	32	26	29	36	35	44	45	45	42
Paper acquired...	44	44	38	38	38	33	38	47	47	60	62	64	59
Used commercial cars.....													
Number.....	13	6	14	9	10	8	8	10	9	12	12	11	12
Paper acquired...	22	12	27	19	27	16	18	19	17	24	26	24	23
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	9	9	10	9	9	11	12	15	17	18	16	10	12
New cars (passenger and commercial).....	4	3	3	2	2	4	3	3	6	4	5	4	5
Used cars (passenger and commercial).....	37	39	50	50	46	50	64	77	79	88	74	40	51
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	30	33	30	41	32	30	34	27	29	35	37	35	43
Total retail, other consumers' goods.....	42	47	41	49	42	37	36	34	35	44	47	45	56
Furniture, radios, musical instruments.....	28	23	27	24	26	30	21	21	20	23	21	21	22
Refrigerators and other household appliances.....	14	12	12	15	9	16	9	11	16	15	17	17	18
Residential building repair and modernization.....	89	94	92	115	100	69	73	74	77	111	129	118	142
Miscellaneous retail.....	86	125	75	94	75	80	88	64	65	66	58	61	99
Total wholesale, except automotive.....	2	2	2	2	2	7	4	4	3	3	4	3	4
Industrial, commercial, and farm equipment.....	28	27	38	157	54	54	194	70	89	74	68	63	52

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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.

## SALES FINANCE COMPANIES

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

Class of paper	Volume of paper acquired during August 1944		Outstanding balances August 31, 1944 a/	Ratio paper acquired to outstanding balances b/
	By all companies reporting	By companies reporting outstanding balances a/		
Total retail automotive.....	\$24,791,476	\$24,373,508	\$132,079,180	18
Total wholesale automotive.....	13,058,757	12,981,371	42,372,008	31
Total wholesale - other than automotive.....	212,111	175,609	607,718	29
Total retail - other consumers' goods.....	7,046,549	6,907,674	48,836,174	14
Industrial, commercial, and farm equipment..	302,613	293,907	4,754,861	6
Total sales financing.....	\$45,411,506	\$44,732,069	\$228,649,941	20

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 August 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>43,865</u>	<u>100</u>	<u>\$24,504,865 a/</u>	<u>100</u>
New passenger cars.....	698	2	704,046	3
New commercial cars.....	431	1	984,892	4
Used passenger cars.....	42,012	95	22,328,444	91
Used commercial cars.....	724	2	487,483	2
Total wholesale automotive.....	<u>17,017</u>	<u>100</u>	<u>\$11,133,802 a/</u>	<u>100</u>
New cars (passenger and commercial).....	7,243	43	4,315,958	39
Used cars (passenger and commercial).....	9,774	57	6,817,844	61

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 August 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments..	\$697,147	9
Refrigerators and other household appliances.....	250,821	3
Residential building repair and modernization.....	4,356,936	58
Miscellaneous retail.....	1,715,558	23
Total retail - other consumers' goods.....	\$7,020,462 a/	93
Total wholesale - other than automotive.....	212,111	3
Industrial, commercial, and farm equipment.....	302,613	4
Total diversified financing.....	\$7,535,186	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.