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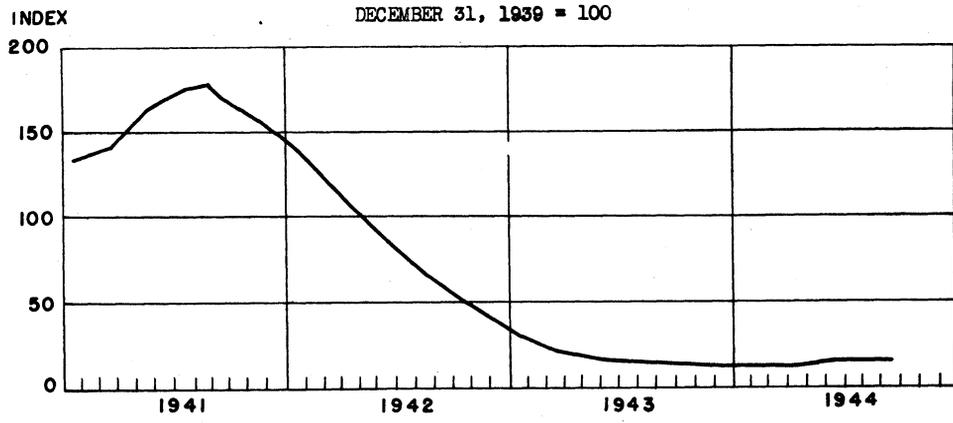
SALES FINANCE COMPANIES  
SEPTEMBER 1944

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Sales finance companies reported a decrease of 32 percent in the number of new passenger cars financed in September 1944 compared with the number financed the preceding month, and the dollar volume of paper acquired in this type of financing decreased 29 percent, according to an announcement released today by J. C. Capt, Director of the Census. A 19 percent decrease in the number of used passenger cars financed was reported, and the dollar volume was also down 19 percent. Sixty-nine percent more new commercial vehicles were financed in September than in August this year, and the value of this paper was 21 percent over that recorded in August. The number of used commercial vehicles was up 38 percent, and the dollar volume of such paper rose 36 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 September 30, 1944 was virtually the same as that reported at the end of August 1944. The index for these outstandings did not change, but remained at 16 for the third consecutive month.

OUTSTANDING BALANCES  
RETAIL AUTOMOTIVE FINANCING  
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during September 1944, the volume for used passenger and commercial cars was slightly (3%) over that reported for August 1944, while the volume for new passenger and commercial cars dropped 18 percent. The volume of outstanding balances for this type of paper showed a 5 percent decrease from that held at the end of August 1944.

For September 1944 compared with August 1944, in retail diversified financing, furniture, radios, and musical instruments registered a 7 percent increase in paper acquired; but residential building repairs and modernization fell off 7 percent, and refrigerators and household appliances decreased 27 percent. The financing of wholesale (other than automotive) transactions was 20 percent less than for August 1944, and the amount of industrial, commercial, and farm equipment paper dropped back 8 percent.

Diversified outstanding balances held by sales finance companies at the end of September 1944 were increased 14 percent for wholesale--other than automotive, were up slightly (2%) for retail--other consumers' goods, and showed almost no change for industrial, commercial, and farm equipment. The index for total sales finance outstandings remained at 19 in September this year, showing no change for the fifth consecutive month.

Paper acquired during September 1944 was 30 percent of the outstanding balances as of September 30, 1944 for wholesale automotive, 20 percent for wholesale--other than automotive, 15 percent for retail automotive, 14 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 September 1944 were based on reports from 190 sales finance companies, and the dollar volumes should not be assumed to represent the total amount of financing by all 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 September were obtained by calculating the percent changes from August 1944 to September 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 August 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 - 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
- Sept. 30.....	19	16	25	12	25	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, September 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> .....	\$63,865,429	100	\$244,570,602	100
Total loans.....	<u>32,842,755</u>	<u>52</u>	<u>79,109,444</u>	<u>33</u>
Small (personal) loans.....	6,145,773	10	40,436,214	17
Business loans.....	26,696,982	42	38,673,230	16
Total sales financing <u>a/</u> .....	31,022,674	48	165,461,158	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.

SALES FINANCE COMPANIES

Table 3.—Automotive and Diversified Financing  
Index of Trends, 1943-1944 a/  
January 1942 = 100

Item	1943				1944								
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	33	29	28	28	23	26	32	31	39	39	39	37	30
Total volume of paper acquired.....	37	33	32	32	28	31	38	38	49	51	51	48	40
New passenger cars.....													
Number.....	11	11	8	6	8	6	6	6	9	9	6	6	4
Paper acquired.....	14	13	10	8	10	8	9	8	12	13	8	8	6
New commercial cars.....													
Number.....	25	20	17	5	8	12	7	10	14	9	15	18	30
Paper acquired.....	18	13	12	8	9	12	13	11	15	13	16	20	24
Used passenger cars.....													
Number.....	36	31	31	32	26	29	36	35	44	45	45	42	34
Paper acquired.....	44	38	38	38	33	38	47	47	60	62	64	59	48
Used commercial cars.....													
Number.....	6	14	9	10	8	8	10	9	12	12	11	12	16
Paper acquired.....	12	27	19	27	16	18	19	17	24	26	24	23	31
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	9	10	9	9	11	12	15	17	18	16	10	12	12
New cars (passenger and commercial).....	3	3	2	2	4	3	3	6	4	5	4	5	4
Used cars (passenger and commercial).....	39	50	50	46	50	64	77	79	88	74	40	51	52
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	33	30	41	32	30	34	27	29	35	37	35	43	42
Total retail, other consumers' goods.....	47	41	49	42	37	36	34	35	44	47	45	56	56
Furniture, radios, musical instruments.....	23	27	24	26	30	21	21	20	23	21	21	22	23
Refrigerators and other household appliances.....	12	12	15	9	16	9	11	16	15	17	17	18	13
Residential building repair and modernization.....	94	92	115	100	69	73	74	77	111	129	118	142	131
Miscellaneous retail.....	125	75	94	75	80	88	64	65	66	58	61	99	115
Total wholesale, except automotive.....	2	2	2	2	7	4	4	3	3	4	3	4	3
Industrial, commercial, and farm equipment.....	27	38	157	54	54	194	70	89	74	68	63	52	48

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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 September 1944 and Balances Outstanding September 30, 1944

Class of paper	Volume of paper acquired during September 1944		Outstanding balances September 30, 1944 <sup>a/</sup>	Ratio paper acquired to outstanding balances <sup>b/</sup>
	By all companies reporting	By companies reporting outstanding balances <sup>a/</sup>		
Total retail automotive.....	\$20,520,084	\$19,927,256	\$129,184,500	15
Total wholesale automotive.....	12,319,270	12,008,684	39,532,048	30
Total wholesale - other than automotive.....	202,201	158,186	809,322	20
Total retail - other consumers' goods.....	6,948,360	6,710,605	49,429,872	14
Industrial, commercial, and farm equipment..	287,631	259,523	4,723,249	5
Total sales financing.....	\$40,277,546	\$39,084,234	\$223,678,991	17

<sup>a/</sup> Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.

<sup>b/</sup> 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 September 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>35,948</u>	<u>100</u>	<u>\$20,256,076 <sup>a/</sup></u>	<u>100</u>
New passenger cars.....	481	1	511,185	3
New commercial cars.....	725	2	1,191,424	6
Used passenger cars.....	33,789	94	17,948,461	88
Used commercial cars.....	953	3	605,008	3
Total wholesale automotive.....	<u>15,348</u>	<u>100</u>	<u>\$10,360,676 <sup>a/</sup></u>	<u>100</u>
New cars (passenger and commercial).....	5,288	34	3,816,418	34
Used cars (passenger and commercial).....	10,060	66	6,844,258	66

<sup>a/</sup> 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 September 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments..	\$740,773	10
Refrigerators and other household appliances.....	175,661	2
Residential building repair and modernization.....	4,042,858	54
Miscellaneous retail.....	<u>1,970,853</u>	<u>27</u>
Total retail - other consumers' goods.....	\$6,930,145 <sup>a/</sup>	93
Total wholesale - other than automotive.....	202,201	3
Industrial, commercial, and farm equipment.....	<u>287,631</u>	<u>4</u>
Total diversified financing.....	\$7,419,977	100

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<sup>a/</sup> 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.