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SALES FINANCE COMPANIES
NOVEMBER 1944

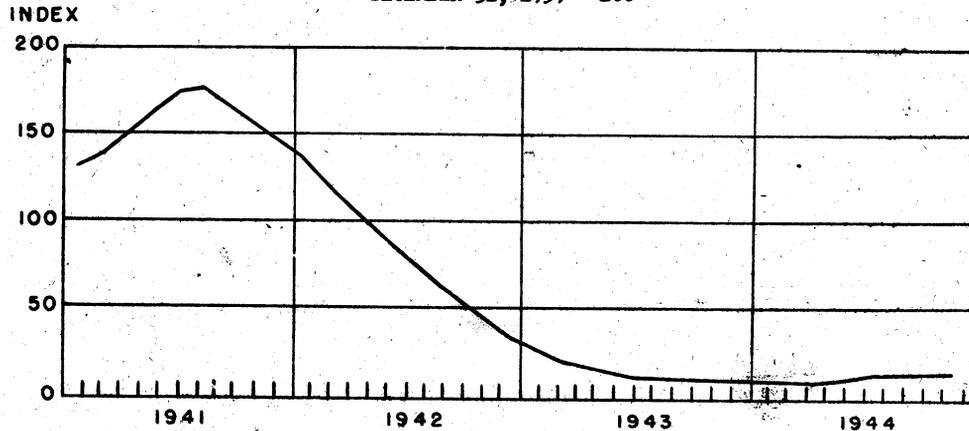
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The number of new passenger cars financed by sales finance companies dropped 12 percent for November 1944 compared with the preceding month, and the dollar volume of paper acquired in this type of financing decreased 13 percent, according to an announcement released today by J. C. Capt, Director of the Census. A drop of 10 percent in the number of used passenger cars financed was reported along with a decrease of 11 percent in dollar volume of paper acquired. New commercial vehicles financed in November 1944 were 18 percent short of the number recorded for October this year, and the dollar volume of such paper acquired decreased 12 percent. The number of used commercial cars financed during November 1944 was 13 percent less than the number recorded for October, and the dollar volume of paper acquired was down 17 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, 1944 was almost the same as that reported for the end of October 1944. The index for these outstandings remained at 16.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during November 1944, the volume for used passenger and commercial cars decreased 4 percent from that reported for October 1944, while the volume for new passenger and commercial cars decreased 8 percent. The amount of outstanding balances for this type of paper was 4 percent less at the end of November 1944 than at the close of October 1944.

For November 1944 compared with October 1944, in retail diversified financing, residential building repairs and modernization decreased slightly (2%) in paper acquired; refrigerators and household appliances dropped back 15 percent; and furniture, radios, and musical instruments were off 22 percent. The financing of wholesale (other than automotive) transactions gained 13 percent, but paper acquired for industrial, commercial, and farm equipment dropped 48 percent from that acquired in October 1944.

Diversified outstanding balances held by sales finance companies at the end of November 1944 were approximately the same as that recorded at the close of October this year for both wholesale—other than automotive and retail—other consumers' goods but were reduced 8 percent for industrial, commercial, and farm equipment. The index for total sales finance outstandings dropped from 19 in October to 18 for November 1944.

Paper acquired during November 1944 was 35 percent of the outstanding balances as of November 30, 1944 for wholesale automotive, 30 percent for wholesale—other than automotive, 14 percent for retail automotive, 13 percent for retail—other consumers' goods, and 4 percent for industrial, commercial, and farm equipment.

These data on the current trends of sales financing during November 1944 were based on reports from 187 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 1944 to November 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 October 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 - 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
- Oct. 31.....	19	16	24	10	25	27
- Nov. 30.....	18	16	23	10	26	25

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 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 a/.....	\$60,182,589	100	\$230,034,902	100
Total loans.....	30,480,318	50	67,834,080	30
Small (personal) loans.....	6,219,215	10	31,160,580	14
Business loans.....	24,261,103	40	36,773,510	16
Total sales financing a/.....	29,702,271	50	162,100,812	70

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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										
	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	28	28	23	26	32	31	39	39	39	37	30	32	29
Total volume of paper acquired.....	32	32	28	31	38	38	49	51	51	48	40	42	37
New passenger cars.....	8	6	8	6	6	6	9	9	6	6	4	4	4
Number.....													
Paper acquired..	10	8	10	8	9	8	12	13	8	8	6	6	5
New commercial cars.....	17	5	8	12	7	10	14	9	15	18	30	27	22
Number.....													
Paper acquired..	12	8	9	12	13	11	15	13	16	20	24	22	19
Used passenger cars.....	31	32	26	29	36	35	44	45	45	42	34	36	32
Number.....													
Paper acquired..	38	38	33	38	47	47	60	62	64	59	48	51	45
Used commercial cars.....	9	10	8	8	10	9	12	12	11	12	16	16	14
Number.....													
Paper acquired..	19	27	16	18	19	17	24	26	24	23	31	34	28
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	9	9	11	12	15	17	18	16	10	12	12	12	12
New cars (passenger and commercial).....	2	2	4	3	3	6	4	5	4	5	4	4	4
Used cars (passenger and commercial).....	50	46	50	64	77	79	88	74	40	51	52	57	55
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	41	32	30	34	27	29	35	37	35	43	42	45	44
Total retail, other consumers' goods.....	49	42	37	36	34	35	44	47	45	56	56	59	58
Furniture, radios, musical instruments.....	24	26	30	21	21	20	23	21	21	22	23	29	23
Refrigerators and other household appliances.....	15	9	16	9	11	16	15	17	17	18	13	17	14
Residential building repair and modernization....	115	100	69	73	74	77	111	129	118	142	131	136	133
Miscellaneous retail.....	94	75	80	88	64	65	66	58	61	99	115	113	139
Total wholesales, except automotive.....	2	2	7	4	4	3	3	4	3	4	3	4	5
Industrial, commercial, and farm equipment.....	157	54	54	194	70	89	74	68	63	52	48	68	35

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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 November 1944 and Balances Outstanding November 30, 1944

Class of Paper	Volume of paper acquired during November 1944		Outstanding balances November 30, 1944 ^{a/}	Ratio paper acquired to outstanding balances ^{b/}
	By all companies reporting	By companies reporting outstanding balances ^{a/}		
Total retail automotive.....	\$19,035,143	\$18,841,069	\$130,098,663	14
Total wholesale automotive.....	12,864,042	12,813,619	36,547,701	35
Total wholesale - other than automotive....	206,085	184,036	614,176	30
Total retail - other consumers' goods.....	5,545,884	5,477,174	43,830,214	13
Industrial, commercial, and farm equipment.	160,479	158,531	4,118,714	4
Total sales financing.....	\$37,811,633	\$37,271,419	\$215,009,468	17

^{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 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>34,373</u>	<u>100</u>	<u>\$18,775,093 a/</u>	<u>100</u>
New passenger cars.....	443	1	469,300	3
New commercial cars.....	524	2	637,415	3
Used passenger cars.....	32,595	95	17,128,954	91
Used commercial cars.....	811	2	539,424	3
Total wholesale automotive.....	<u>15,321</u>	<u>100</u>	<u>\$10,956,244 a/</u>	<u>100</u>
New cars (passenger and commercial).....	4,839	32	3,610,288	33
Used cars (passenger and commercial).....	10,482	68	7,345,976	67

^{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 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments.....	\$595,019	10
Refrigerators and other household appliances.....	184,173	3
Residential building repair and modernization.....	3,527,537	60
Miscellaneous retail.....	<u>1,207,389</u>	<u>21</u>
Total retail - other consumers' goods.....	<u>\$5,514,118 a/</u>	<u>94</u>
Total wholesale - other than automotive.....	206,088	3
Industrial, commercial, and farm equipment.....	<u>160,479</u>	<u>3</u>
Total diversified financing.....	\$5,880,682	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.