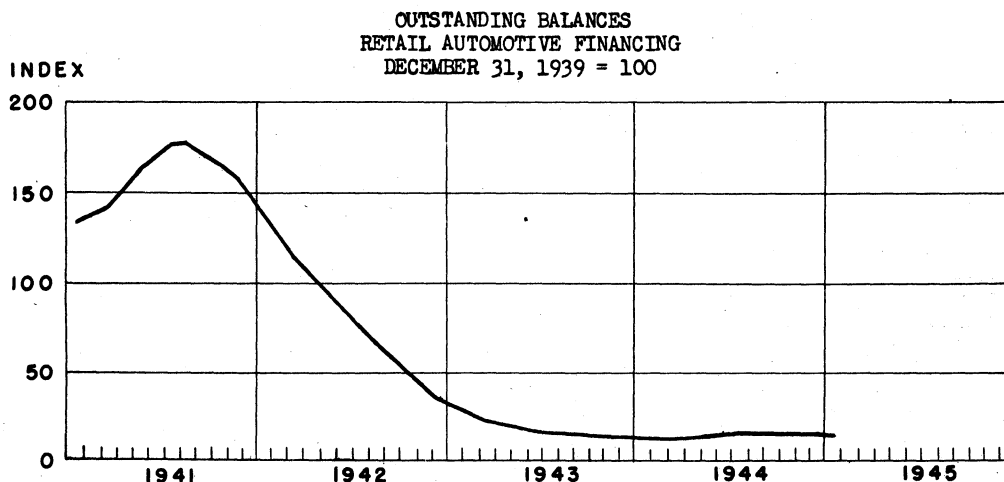


SALES FINANCE COMPANIES  
JANUARY 1945

Sales finance companies reported a decrease of 7 percent in the number of new passenger cars financed in January 1945 compared with the number financed the preceding month, and the dollar volume of paper acquired in this type of financing decreased 9 percent, according to an announcement released today by J. C. Capt, Director of the Census. A small (3%) drop in the number of used passenger cars financed was reported, along with a small (3%) decrease in the amount of paper acquired. Twenty-six percent fewer new commercial vehicles were financed in January 1945 than in December 1944, and the value of this paper was 17 percent under that recorded for December. The number of used commercial vehicles was down 24 percent, and the dollar volume of such paper dropped 21 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, 1945 was 4 percent less than that reported at the end of December 1944. The index for these outstandings, which dropped to 15 for the final month of 1944, remained at 15 for the first month of 1945.



Of the wholesale automotive paper acquired by sales finance companies during January 1945, the volume for new passenger and commercial cars was 26 percent over that reported for December 1944, and the volume for used passenger and commercial cars rose 10 percent. Outstanding balances for this type of paper showed a slight (3%) increase over that held at the end of December 1944.

For January 1945 compared with December 1944, in retail diversified financing, paper acquired on wholesale transactions (other than automotive) increased 171 percent, and paper in industrial, commercial, and farm equipment rose 38 percent. The financing of refrigerators and household appliances showed a gain of 21 percent, and paper on furniture, radios, and musical instruments rose 14 percent; while for residential building repairs and modernization a decrease of 13 percent was revealed.

Diversified outstanding balances held by sales finance companies at the end of January 1945 were increased 27 percent for wholesale—other than automotive and 16 percent for industrial, commercial, and farm equipment. Almost no change was noted in outstandings for retail—other consumers' goods. The index for outstanding balances of all sales financing in January 1945 (table 1, page 2) showed no change from December 1944, but remained at 18.

Paper acquired during January 1945 was 53 percent of the outstanding balances as of January 31, 1945 for wholesale—other than automotive, 44 percent for wholesale automotive, 13 percent for retail automotive, 11 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 January 1945 were based on reports from 181 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 1944 to January 1945 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 December 1944.

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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 - 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
- Dec. 31.....	18	15	24	11	26	23
1945 - Jan. 31.....	18	15	25	14	26	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, January 1945  
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> .....	\$62,504,401	100	\$232,995,785	100
Total loans.....	31,471,473	50	69,976,097	30
Small (personal) loans.....	5,613,897	9	31,314,775	13
Business loans.....	25,857,576	41	38,661,322	17
Total sales financing <u>a/</u> .....	31,032,928	50	163,019,688	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, 1944-1945 <sup>a/</sup>  
January 1942 = 100

ITEM	1944												1945
	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
<u>RETAIL AUTOMOTIVE</u>													
Total number of cars financed.....	23	26	32	31	39	39	39	37	30	32	29	25	24
Total volume of paper acquired.....	28	31	38	38	49	51	51	48	40	42	37	33	31
New passenger cars.....Number.....	8	6	6	6	9	9	6	6	4	4	4	3	3
Paper acquired...	10	8	9	8	12	13	8	8	6	6	5	5	4
New commercial cars.....Number.....	8	12	7	10	14	9	15	18	30	27	22	30	22
Paper acquired...	9	12	13	11	15	13	16	20	24	22	19	25	21
Used passenger cars.....Number.....	26	29	36	35	44	45	45	42	34	36	32	27	26
Paper acquired...	33	38	47	47	60	62	64	59	48	51	45	37	36
Used commercial cars.....Number.....	8	8	10	9	12	12	11	12	16	16	14	22	17
Paper acquired...	16	18	19	17	24	26	24	23	31	34	28	46	36
<u>WHOLESALE AUTOMOTIVE</u> (Paper acquired)													
Total volume of paper acquired.....	11	12	15	17	18	16	10	12	12	12	12	14	16
New cars (passenger and commercial).....	4	3	3	6	4	5	4	5	4	4	4	5	6
Used cars (passenger and commercial).....	50	64	77	79	88	74	40	51	52	57	55	65	71
<u>DIVERSIFIED FINANCING</u> (Paper acquired)													
Total diversified financing.....	30	34	27	29	35	37	35	43	42	45	44	45	44
Total retail, other consumers' goods.....	37	36	34	35	44	47	45	56	56	59	58	59	53
Furniture, radios, musical instruments.....	30	21	21	20	23	21	21	22	23	29	23	24	27
Refrigerators and other household appliances.....	16	9	11	16	15	17	17	18	13	17	14	14	17
Residential building repairs and modernization....	69	73	74	77	111	129	118	142	131	136	133	114	99
Miscellaneous retail.....	80	88	64	65	66	58	61	99	115	113	139	207	172
Total wholesale, except automotive.....	7	4	4	3	3	4	3	4	3	4	5	5	13
Industrial, commercial, and farm equipment.....	54	194	70	89	74	68	63	52	48	68	35	39	54

Bureau of the Census

Current Statistical Service

<sup>a/</sup> 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 January 1945 and Balances Outstanding January 31, 1945

Class of Paper	Volume of paper acquired during January 1945		Outstanding balances January 31, 1945 a/	Ratio paper acquired to outstanding balances b/
	By all companies reporting	By companies reporting outstanding balances a/		
Total retail automotive.....	\$15,919,134	\$15,502,339	\$121,563,000	13
Total wholesale automotive.....	17,463,416	17,414,904	39,903,763	44
Total wholesale - other than automotive....	580,473	488,955	922,758	53
Total retail - other consumers' goods.....	5,027,866	4,901,072	44,298,743	11
Industrial, commercial, and farm equipment.	252,410	218,880	4,487,737	5
Total sales financing.....	\$39,243,299	\$38,526,150	\$211,176,001	18

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 1945

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	28,577	100	\$15,721,464 a/	100
New passenger cars.....	352	1	375,204	2
New commercial cars.....	532	2	704,523	4
Used passenger cars.....	26,718	94	13,929,427	89
Used commercial cars.....	975	3	712,310	5
Total wholesale automotive.....	20,140	100	\$15,218,419 a/	100
New cars (passenger and commercial).....	5,981	30	5,356,860	35
Used cars (passenger and commercial).....	14,159	70	9,861,559	65

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 1945

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments.	\$714,730	12
Refrigerators and other household appliances.....	174,998	3
Residential building repairs and modernization.....	2,821,120	45
Miscellaneous retail.....	1,497,767	26
Total retail - other consumers' goods.....	\$5,008,615 a/	86
Total wholesale - other than automotive.....	580,473	10
Industrial, commercial, and farm equipment.....	252,410	4
Total diversified financing.....	\$5,841,498	100

Bureau of the Census

Current Statistical Service

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.