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APPENDIX C

Supplementary Tabulations for
Sales Finance Companies

TABLE C-1
 DISTRIBUTION OF SOURCES AND USES OF FUNDS OF SALES FINANCE COMPANIES, END OF YEAR, 1948-59
 (per cent)

Item	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Sources of funds:												
Debt, total	70.8	70.3	70.5	71.6	73.1	75.4	74.2	77.4	77.3	78.0	76.6	78.5
Short-term to banks	49.5	43.5	45.0	45.2	43.7	40.0	35.4	40.0	34.3	34.9	28.3	29.8
Other short-term	9.4	11.2	9.1	10.7	12.8	12.2	13.7	9.6	10.9	11.3	15.4	16.6
Senior long-term	7.9	7.4	8.4	8.7	8.0	13.7	15.1	17.7	21.6	21.5	22.0	21.0
Subordinated	4.0	8.2	8.0	7.0	8.6	9.5	10.0	10.1	10.5	10.3	10.9	11.1
Dealer reserves	1.7	2.6	2.5	2.3	2.4	2.3	2.4	2.2	2.1	2.0	1.9	1.8
Other liabilities	10.4	8.3	8.8	8.0	7.8	6.1	6.7	5.8	5.3	4.8	4.8	4.6
Total nonequity funds	82.9	81.2	81.8	81.9	83.3	83.8	83.3	85.4	84.7	84.8	83.3	84.9
Equity funds, total	17.1	18.8	18.2	18.1	16.7	16.2	16.7	14.6	15.3	15.2	16.7	15.1
Reserves	2.5	2.3	2.5	2.8	2.7	2.5	2.4	2.3	2.3	2.3	2.1	2.0
Preferred stock	2.3	3.7	4.3	3.6	2.4	2.2	2.2	2.7	3.1	2.9	3.4	2.7
Common stock and surplus	12.3	12.8	11.4	11.7	11.6	11.5	12.1	9.6	9.9	10.0	11.2	10.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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TABLE C-1 (concluded)

Item	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Uses of funds:												
Earning assets, gross	87.1	88.4	91.1	90.4	92.0	92.6	93.2	94.1	94.1	94.5	93.5	95.3
Consumer credit	65.6	71.6	74.4	72.2	76.9	77.4	79.6	79.6	80.4	78.5	77.2	78.3
Other	21.5	16.8	16.7	18.2	15.1	15.2	13.6	14.5	13.7	16.0	16.3	17.0
less												
Unearned income	3.5	4.7	5.0	4.6	5.6	5.4	5.7	5.9	6.2	6.4	6.4	6.7
Consumer credit	3.4	4.7	5.0	4.5	5.4	5.3	5.5	5.7	6.0	6.2	6.1	6.3
Other	.1	.1	.1	.1	.1	.1	.2	.2	.2	.2	.3	.4
Earning assets, net	83.6	83.7	86.1	85.8	86.4	87.2	87.5	88.2	87.9	88.1	87.1	88.6
Consumer credit	62.3	67.0	69.4	67.8	71.4	72.1	74.1	73.9	74.5	72.3	71.2	72.0
Automobile paper	51.7	55.0	58.2	54.9	57.8	57.8	59.4	60.7	59.2	55.0	51.5	52.9
Other goods paper	2.9	1.3	1.4	1.8	2.0	2.0	1.7	1.8	2.2	2.2	2.1	2.3
Personal loans	7.7	10.7	9.8	11.1	11.6	12.3	13.0	11.4	13.1	15.1	17.6	16.8
Other	21.3	16.7	16.7	18.0	15.0	15.1	13.4	14.3	13.4	15.8	15.9	16.6
Cash and bank balances	14.9	14.2	12.6	12.5	12.2	11.3	11.0	10.4	10.6	10.4	11.3	9.9
Other assets	1.5	2.1	1.3	1.7	1.4	1.5	1.5	1.4	1.5	1.5	1.6	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: All data are averages of ratios for ten sample companies. See Appendix A for a description of the sample and of the processing of the data. Detail may not add to totals because of rounding.

TABLE C-2
 DISTRIBUTION OF SOURCES AND USES OF FUNDS OF SALES FINANCE COMPANIES, AVERAGES OF
 BEGINNING AND END OF YEAR, 1949-59
 (per cent)

Item	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Sources of funds:											
Debt, total	70.4	70.4	71.1	72.5	74.4	74.8	76.1	77.3	77.7	77.4	77.7
Short-term to banks	45.3	44.4	45.2	44.4	41.7	37.6	38.2	37.1	34.6	31.6	29.2
Other short-term	11.1	10.0	9.9	11.9	12.4	13.0	11.3	10.2	11.1	13.4	16.0
Senior long-term	6.9	8.0	8.6	8.3	11.2	14.5	16.6	19.7	21.6	21.8	21.5
Subordinated	7.1	8.0	7.4	7.9	9.1	9.7	10.0	10.3	10.4	10.6	11.0
Dealer reserves	2.5	2.5	2.4	2.3	2.3	2.4	2.3	2.2	2.0	2.0	1.8
Other liabilities	8.5	8.6	8.4	7.9	6.9	6.4	6.2	5.6	5.1	4.8	4.7
Total nonequity funds	81.4	81.5	81.9	82.7	83.6	83.6	84.6	85.1	84.8	84.2	84.2
Equity funds, total	18.6	18.5	18.1	17.3	16.4	16.4	15.4	14.9	15.2	15.8	15.8
Reserves	2.2	2.4	2.7	2.7	2.6	2.4	2.3	2.3	2.3	2.2	2.1
Preferred stock	3.7	4.1	3.9	3.0	2.3	2.2	2.5	2.9	3.0	3.1	3.0
Common stock and surplus	12.7	12.0	11.5	11.6	11.5	11.8	10.6	9.7	9.9	10.5	10.7
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(continued)

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TABLE C-2 (concluded)

Item	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Uses of funds:											
Earning assets, gross	88.3	90.0	90.7	91.3	92.3	92.9	93.7	94.1	94.3	94.0	94.5
Consumer credit	70.6	73.2	73.2	74.8	77.1	78.5	79.6	80.1	79.4	77.9	77.9
Other	17.7	16.8	17.5	16.5	15.2	14.4	14.1	14.0	14.9	16.1	16.6
less											
Unearned income	4.7	4.9	4.8	5.1	5.5	5.5	5.7	6.0	6.3	6.4	6.5
Consumer credit	4.6	4.8	4.7	5.0	5.3	5.4	5.6	5.8	6.1	6.1	6.2
Other	.1	.1	.1	.1	.2	.1	.1	.2	.2	.3	.3
Earning assets, net	83.6	85.1	85.9	86.2	86.8	87.4	88.0	88.1	88.0	87.6	88.0
Consumer credit	66.0	68.3	68.5	69.8	71.8	73.1	74.0	74.2	73.3	71.7	71.7
Automobile paper	54.8	56.8	56.4	56.5	57.9	58.7	60.2	60.0	56.9	53.3	52.3
Other goods paper	1.4	1.4	1.6	1.9	1.9	1.8	1.8	2.0	2.2	2.1	2.2
Personal loans	9.8	10.1	10.5	11.4	12.0	12.6	12.0	12.2	14.2	16.3	17.2
Other	17.6	16.8	17.4	16.4	15.0	14.3	14.0	13.9	14.7	15.9	16.3
Cash and bank balances	14.3	13.3	12.6	12.3	11.7	11.1	10.6	10.5	10.5	10.8	10.5
Other assets	2.1	1.6	1.5	1.5	1.5	1.5	1.4	1.4	1.5	1.6	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: See source to Table C-1.

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TABLE C-3
DISTRIBUTION OF EARNINGS AND EXPENSES OF SALES FINANCE COMPANIES, 1949-59
(per cent)

Item	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Earnings	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Consumer credit	70.3	68.9	68.4	71.1	70.3	68.9	70.6	73.0	74.4	76.0	73.7
Other	29.7	31.1	31.6	28.9	29.7	31.1	29.4	27.0	25.6	24.0	26.3
Operating expenses	55.6	51.0	50.8	52.1	51.2	51.3	51.9	50.1	49.1	52.5	51.5
Consumer credit	40.3	34.2	32.6	35.3	37.7	38.3	38.7	37.6	37.3	42.6	41.0
Other	15.3	16.8	18.2	16.8	13.5	13.0	13.2	12.5	11.8	9.9	10.5
Net operating income	44.4	49.0	49.2	47.9	48.8	48.7	48.1	49.9	50.9	47.5	48.5
Consumer credit	30.0	34.7	35.8	35.8	32.7	30.6	32.0	35.5	37.1	33.5	32.8
Other	14.4	14.3	13.4	12.1	16.1	18.1	16.1	14.4	13.8	14.0	15.7
Cost of funds	14.6	13.7	16.0	17.1	20.0	19.5	20.4	24.8	26.9	25.7	27.3
Consumer credit	11.6	11.1	12.8	13.8	16.5	16.2	16.9	20.6	22.1	20.9	22.3
Other	3.0	2.6	3.2	3.3	3.5	3.3	3.5	4.2	4.8	4.8	5.0
Net profit before taxes	29.8	35.3	33.2	30.8	28.8	29.2	27.7	25.1	24.0	21.8	21.2
Consumer credit	18.4	23.6	23.0	22.0	16.2	14.4	15.0	14.9	15.0	12.6	10.5
Other	11.4	11.7	10.2	8.8	12.6	14.8	12.7	10.2	9.0	9.2	10.7
Provision for income taxes	11.2	14.8	15.7	15.0	14.4	14.7	13.4	11.7	10.8	9.4	9.0
Consumer credit	7.4	10.4	11.5	11.2	9.7	9.2	8.9	8.3	7.9	6.5	6.0
Other	3.8	4.4	4.2	3.8	4.7	5.5	4.5	3.4	2.9	2.9	3.0
Net profit	18.6	20.5	17.5	15.8	14.4	14.5	14.3	13.4	13.2	12.4	12.2
Consumer credit	11.0	13.2	11.5	10.7	6.5	5.2	6.2	6.6	7.1	6.0	4.5
Other	7.6	7.3	6.0	5.1	7.9	9.3	8.1	6.8	6.1	6.4	7.7
Dividends	7.4	8.2	7.7	8.8	7.2	7.4	7.7	7.2	6.9	7.3	7.0
Preferred	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.0
Common	6.3	7.0	6.5	7.6	6.0	6.2	6.5	6.0	5.7	6.1	6.0

Source: See source to Table C-1.

TABLE C-4

COMPONENTS OF GROSS FINANCE CHARGES ON CONSUMER CREDIT AT SALES FINANCE COMPANIES, 1949-59
(dollars per \$100 of average outstanding consumer credit)

Item	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Gross finance charges ^a	20.04	20.38	19.12	19.94	17.99	17.12	16.53	15.62	16.56	16.95	16.59
Dealer's share of gross finance charges	4.11	4.11	3.76	3.79	3.40	3.10	3.14	2.79	2.96	2.98	2.95
Lender's gross revenue	15.93	16.27	15.36	16.15	14.59	14.02	13.39	12.83	13.60	13.97	13.64
Operating expenses	9.45	8.46	7.56	8.37	8.04	8.03	7.52	6.78	7.03	8.06	7.74
Salaries	4.16	3.93	3.68	3.86	3.57	3.70	3.36	3.12	3.30	3.54	3.47
Occupancy costs	.43	.47	.41	.37	.40	.42	.40	.38	.39	.45	.43
Advertising	.22	.25	.27	.26	.26	.28	.27	.28	.28	.30	.31
Provision for losses	2.01	1.36	1.04	1.57	1.59	1.44	1.39	1.11	1.12	1.68	1.46
Actual losses ^b	(1.16)	(.73)	(.88)	(1.17)	(1.41)	(1.23)	(.83)	(.97)	(.95)	(1.77)	(1.11)
Other	2.63	2.45	2.16	2.31	2.22	2.19	2.10	1.89	1.94	2.09	2.07
Nonoperating expenses	6.48	7.81	7.80	7.78	6.55	5.99	5.87	6.05	6.57	5.91	5.90
Cost of nonequity funds	2.58	2.48	2.68	2.91	3.28	3.15	3.08	3.53	3.95	3.74	4.02
Income taxes	1.59	2.36	2.62	2.52	1.97	1.82	1.63	1.40	1.38	1.16	1.07
Cost of equity funds (lender's profit)	2.31	2.97	2.50	2.35	1.30	1.02	1.16	1.12	1.24	1.01	.81
Dividends	.97	1.09	1.00	1.16	.47	.42	.70	.57	.61	.59	.48
Retained	1.34	1.88	1.50	1.19	.83	.60	.46	.55	.63	.42	.33

Source: See source to Table C-1.

^aIncludes all finance charges and fees collected on consumer credit activities. Charges for insurance are not included and the cost of free insurance provided to borrowers was deducted.

^bNet of recoveries.

TABLE C-5
SELECTED RATIOS FOR SALES FINANCE COMPANIES, 1949-59
(per cent)

	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Ratios to total assets of:											
Earnings	15.7	16.4	15.6	15.9	15.1	14.9	14.1	13.2	13.5	13.1	13.4
Operating expenses	9.3	8.8	8.4	8.6	8.0	7.9	7.5	6.8	6.9	7.0	7.1
Net operating income	6.4	7.6	7.2	7.3	7.1	7.0	6.6	6.4	6.6	6.1	6.3
Cost of funds	2.1	2.1	2.3	2.5	2.9	2.8	2.8	3.2	3.4	3.3	3.5
Net profit before taxes	4.3	5.5	5.0	4.8	4.2	4.2	3.8	3.2	3.2	2.8	2.8
Provision for income taxes	1.6	2.3	2.4	2.4	2.1	2.1	1.8	1.5	1.4	1.2	1.2
Net profits	2.7	3.2	2.6	2.4	2.1	2.1	2.0	1.7	1.8	1.6	1.6
Ratios to equity funds of:											
Net profits before taxes	23.6	30.6	27.9	28.1	26.9	27.3	25.7	22.7	21.7	18.7	17.9
Net profits	14.7	17.6	14.4	14.1	13.4	13.5	13.2	12.1	11.9	10.5	10.3
Dividends	5.8	7.3	6.7	7.8	6.7	6.8	6.8	6.7	6.2	6.3	5.9
Ratios of earnings to earnings assets:											
Total earnings	18.2	18.6	17.4	18.0	17.3	16.7	15.6	14.2	14.8	15.2	14.7
Consumer credit earnings	15.9	16.3	15.4	16.2	14.6	14.0	13.4	12.8	13.6	14.0	13.6
Automobile paper ^a	15.5	15.5	14.3	14.7	13.2	12.1	11.4	10.9	11.9	12.0	11.7
Personal loans	25.0	23.7	23.3	24.1	23.5	23.3	24.1	22.0	22.1	21.3	21.5
Ratios of gross finance charges to consumer receivables for:											
All types of consumer credit	20.0	20.4	19.1	19.9	18.0	17.1	16.5	15.6	16.6	17.0	16.6
Automobile paper	20.4	20.4	18.9	19.4	17.5	16.0	15.0	14.3	15.7	16.0	15.8
Personal loans	25.0	23.7	23.3	24.1	23.5	23.3	24.1	22.0	22.1	21.3	21.5
Ratios of cost of nonequity funds to:											
Total debt	3.0	3.0	3.3	3.5	3.9	3.7	3.6	4.1	4.5	4.3	4.5
Total nonequity funds	2.6	2.6	2.9	3.1	3.4	3.3	3.3	3.7	4.1	3.9	4.2

Source: See source to Table C-1.
^a Excludes dealer participation.