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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

Annual Report pursuant to Section 15(d) of the Securities Exchange of 1934

For the fiscal year ended December 31, 1998

OR

Transition Report pursuant to Section 15(d) of the Securities
Exchange Act of 1934 [No Fee Required]

For the transition period from _____ to _____

Commission File Number 1-11416

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

Consumer Portfolio Services, Inc. 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the
address of its principal executive office:

Consumer Portfolio Services, Inc.
16355 Laguna Canyon Road
Irvine, CA 92618

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REQUIRED INFORMATION

I. Financial Statements.

Financial statements and schedules prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, together with independent auditors' report thereon.

II. Exhibits:

Consent of Independent Auditors.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

Consumer Portfolio Services, Inc. 401(k) Plan

Date: June 30, 1999

By: /s/ Doris F. Warren

Member, Administrative Committee

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN
Financial Statements and Supplemental Schedules
December 31, 1998 and 1997
(With Independent Auditors' Report Thereon)

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

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INDEPENDENT AUDITORS' REPORT

The Administrator
Consumer Portfolio Services, Inc. 401(k) Plan:

We have audited the accompanying statements of net assets available for Plan benefits of the Consumer Portfolio Services, Inc. 401(k) Plan (the Plan) as of December 31, 1998 and 1997 and the related statements of changes in net assets available for Plan benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for Plan benefits of the Plan as of December 31, 1998 and 1997 and the changes in net assets available for Plan benefits for the years then ended in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes and schedule of reportable transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Orange County, California
June 4, 1999

CONSUMER PORTFOLIO SERVICES, INC. 401(K) PLAN

Statements of Net Assets Available for Plan Benefits

December 31, 1998 and 1997

ASSETS	1998	1997
	-----	-----
Investments, at fair value:		
Money market fund	\$ 14,587	147,972
Guaranteed investment contract	209,836	126,085
Pooled separate accounts	1,605,032	858,206
Consumer Portfolio Services, Inc. common stock	558,372	260,664
Participant loans	91,537	31,475
	-----	-----
	2,479,364	1,424,402
Receivables:		
Employees' individual rollover	16,198	5,088
Employers' contributions	4,303	--
	-----	-----
	20,501	5,088
	-----	-----
Net assets available for Plan benefits	\$ 2,499,865	1,429,490
	=====	=====

See accompanying notes to financial statements.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Statements of Changes in Net Assets Available for Plan Benefits

Years ended December 31, 1998 and 1997

	1998	1997
	-----	-----
Additions to net assets attributed to:		
Interest	\$ 8,731	7,041
Net (depreciation) appreciation in fair value of investments	(306,893)	76,896
	-----	-----
	(298,162)	83,937
Contributions:		
Employer	296,183	111,070
Employees	1,044,497	612,906
Employees' individual rollover	143,839	23,487
	-----	-----
Total additions	1,186,357	831,400
Deductions from net assets attributed to - benefits paid to participants	115,982	154,521
	-----	-----
Net increase	1,070,375	676,879
Net assets available for Plan benefits:		
Beginning of year	1,429,490	752,611
	-----	-----
End of year	\$ 2,499,865	1,429,490
	=====	=====

See accompanying notes to financial statements.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(1) DESCRIPTION OF THE PLAN

(a) GENERAL

The Consumer Portfolio Services, Inc. (the Plan Sponsor or CPS) 401(k) Plan (the Plan) was established as a profit sharing plan with a cash or deferred arrangement on January 1, 1994. The Plan was restated as of January 1, 1996 to permit investment in the Plan Sponsor's common stock without regard to Section 407(a) of ERISA. The following description provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan which provides retirement benefits for eligible employees of the Plan Sponsor. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) ADMINISTRATION OF THE PLAN

The Plan is administered by the Human Resources Department (the Plan Administrator) of the Plan Sponsor. The Plan Administrator consults with the Board of Directors and other key management of the Plan Sponsor when managing the operations and the administration of the Plan. The assets of the Plan are held in a nondiscretionary trust by Charles Schwab Trust Company (Trustee) and Aetna Life Insurance and Annuity Company (Insurance Company) and are administered under an agreement which requires that the Trustee and Insurance Company hold, administer and distribute the funds of the Plan in accordance with the text of the Plan and the instructions of the Plan Administrator or its designees.

(c) CONTRIBUTIONS

All employees of the Plan Sponsor are eligible to participate in the Plan after they have completed 90 days of service. Each year participants may contribute up to 15% of their compensation, contributions are subject to certain limitations as defined in the Plan. Participants may roll over into the Plan amounts representing distributions from other qualified plans.

Each quarter the Plan Sponsor makes a matching contribution equal to 100% of the participant's pretax contributions not to exceed \$600 for the Plan year. Matching contributions shall be made in the form of the Plan Sponsor's common stock.

(d) PARTICIPANT ACCOUNTS

Each participant's account is credited with the participant's contributions, allocations of the Plan Sponsor's matching contributions and the Plan's earnings and losses. Allocations are based on participant earnings or account balances, as defined. Forfeitures are reallocated to other Plan participants who contributed to the Plan in the Plan year of allocation. Reallocations shall be made on a pro-rata basis, based on each participant's pretax contributions for the Plan year. For the year ended December 31, 1998 and 1997, participant forfeitures totaled \$27,567 and \$27,486, respectively.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(e) VESTING

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Plan Sponsor's matching contributions plus actual earnings thereon is based on years of continuous service. A participant vests at the rate of 20% after two years of credited service and 20% each year thereafter until 100% is reached after six years of credited service.

(f) INVESTMENT OPTIONS

Contributions may be invested at the participant's direction into the following options:

CPS Stock Fund - The fund provides Plan participants with an opportunity to invest in Consumer Portfolio Services, Inc. common stock.

Aetna Bond VP, formerly Aetna Income Shares - Seeks to maximize total return over the long-term by investing primarily in long-term debt securities.

Aetna Fixed Account - Guarantees a minimum rate of interest.

Aetna Growth and Income VP, formerly Aetna Variable Fund - Seeks to maximize long-term total return by investing in a portfolio of common stocks and securities convertible to common stock.

Aetna Balanced VP, formerly Aetna Investment Advisers Fund - Seeks to maximize investment return consistent with reasonable safety of principal by investing in a combination of asset classes.

Aetna Money Market VP, formerly Aetna Variable Encore Fund - Seeks a high current return, consistent with the preservation of capital and liquidity by investing in high-quality money market instruments.

Portfolio Partners MFS Emerging Equities Portfolio - Seeks long-term capital appreciation by investing in companies with market capitalization.

Fidelity VIP Equity-Income Portfolio - Seeks reasonable income by investing primarily in income-producing equity securities.

Fidelity VIP Growth Portfolio - Seeks capital appreciation by investing primarily in common stock.

Fidelity VIP Overseas Portfolio - Seeks long-term growth of capital primarily through investments in foreign securities.

Portfolio Partners Scudder International Growth Portfolio - Seeks long-term growth of capital, primarily through diversified holdings of marketable foreign equity investments.

Portfolio Partners MFS Research Growth Portfolio - Seeks capital growth over time by investing primarily in common stock considered by management to have better-than-average prospects for appreciation.

(g) PARTICIPANTS LOANS

Participants may borrow from their fund accounts. Loan transactions are treated as a transfer to (from) the investment funds. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. Loans are limited to the lesser of \$50,000 or 50% of the participants vested account balance. Principal and interest are paid ratably through payroll deductions.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

- (h) **PAYMENTS OF BENEFITS**
Upon termination of service, a participant may elect to receive either a single sum payment in cash equal to the value of the vested interest in his or her account, or a series of substantially equal annual or more frequent installments over a period not to exceed the participant's life expectancy.
- (i) **PLAN TERMINATION**
Although they have not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.
- (2) **SIGNIFICANT ACCOUNTING POLICIES**
- (a) **BASIS OF ACCOUNTING**
The financial statements of the Plan have been prepared on the accrual basis of accounting.
- (b) **INVESTMENTS**
Publicly traded securities are carried at fair value based on the published market quotations. The pooled separate account reflects amounts which have been deposited with Aetna Life Insurance and Annuity Company for which the carrying value of the investments are adjusted to market value based upon quoted prices determined by Aetna Life Insurance and Annuity Company at the end of each year, and the investment return is reflected in the ending balance of the investment. The guaranteed investment contract is valued at fair value adjusted for changes in investment value plus credited interest. Participant loans are valued at cost, which approximates fair value. Purchases and sales of investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.
- (c) **ADMINISTRATIVE EXPENSES**
All administrative costs of the Plan are paid by the Plan Sponsor.
- (d) **USE OF ESTIMATES**
The Plan Administrator has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Accordingly, actual results may differ from those estimates.
- (e) **BENEFITS DUE TO TERMINATED PARTICIPANTS**
Fund balances for employees that have been terminated but have yet to be paid have been included in net assets available for plan benefits. They will be reflected in the statements of changes in net assets available for plan benefits when actually paid. At December 31, 1998 and 1997, the amount due to terminated employees is \$211,364 and \$21,520, respectively.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(3) NET ASSETS AVAILABLE FOR PLAN BENEFITS

The following presents net assets available for Plan benefits for each fund as of December 31, 1998:

	PARTICIPANT DIRECTED							
	AETNA BOND VP	AETNA FIXED ACCOUNT	AETNA GROWTH AND INCOME VP	AETNA BALANCED VP	AETNA MONEY MARKET VP	PORTFOLIO PARTNERS MFS EMERGING EQUITIES PORTFOLIO	FIDELITY VIP EQUITY- INCOME PORTFOLIO	FIDELITY VIP GROWTH PORTFOLIO
Assets								
Investments at fair value:								
Money Market fund	\$ --	--	--	--	--	--	--	--
Guaranteed investment contract	--	209,836	--	--	--	--	--	--
Pooled separate accounts	49,419	--	264,217	176,910	64,280	269,277	190,224	365,402
Consumer Portfolio Services, Inc. common stock	--	--	--	--	--	--	--	--
Participant loans	--	--	--	--	--	--	--	--
	49,419	209,836	264,217	176,910	64,280	269,277	190,224	365,402
Receivables:								
Employees' individual rollover	5,343	--	10,151	235	--	--	--	234
Employers' contributions	--	--	--	--	--	--	--	--
	5,343	--	10,151	235	--	--	--	234
Net assets available for Plan benefits	\$ 54,762	209,836	274,368	177,145	64,280	269,277	190,224	365,636

(Continued from Above)

	PARTICIPANT DIRECTED						
	FIDELITY VIP OVERSEAS PORTFOLIO	PORTFOLIO PARTNERS SCUDDER INTER- NATIONAL GROWTH PORTFOLIO	PORTFOLIO PARTNERS MFS RESEARCH GROWTH PORTFOLIO	CPS STOCK FUND	PARTICIPANT LOANS	NON- PARTICIPANT DIRECTED CPS STOCK FUND	TOTAL
Assets							
Investments at fair value:							
Money Market fund	\$ --	--	--	7,136	--	7,451	14,587
Guaranteed investment contract	--	--	--	--	--	--	209,836
Pooled separate accounts	62,949	90,279	72,075	--	--	--	1,605,032
Consumer Portfolio Services, Inc. common stock	--	--	--	338,885	--	219,487	558,372
Participant loans	--	--	--	--	91,537	--	91,537
	62,949	90,279	72,075	346,021	91,537	226,938	2,479,364
Receivables:							
Employees' individual rollover	--	--	--	235	--	--	16,198
Employers' contributions	--	--	--	--	--	4,303	4,303
	--	--	--	235	--	4,303	20,501
Net assets available for Plan benefits	\$ 62,949	90,279	72,075	346,256	91,537	231,241	2,499,865

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

The following presents net assets available for Plan benefits for each fund as of December 31, 1997:

	PARTICIPANT DIRECTED							
	AETNA INCOME SHARES	AETNA FIXED ACCOUNT	AETNA VARIABLE FUND	AETNA INVESTMENT ADVISERS FUND	AETNA VARIABLE ENCORE FUND	PORTFOLIO PARTNERS MFS EMERGING EQUITIES PORTFOLIO	FIDELITY VIP EQUITY - INCOME PORTFOLIO	FIDELITY VIP GROWTH PORTFOLIO
Assets								
Investments at fair value:								
Money market fund	\$ --	--	--	--	--	--	--	--
Guaranteed investment contract	--	126,085	--	--	--	--	--	--
Pooled separate accounts	27,859	--	159,039	113,050	39,311	157,453	88,216	157,318
Consumer Portfolio Services, Inc. common stock	--	--	--	--	--	--	--	--
Participant loans	--	--	--	--	--	--	--	--
	27,859	126,085	159,039	113,050	39,311	157,453	88,216	157,318
Receivables - employees' individual rollover	--	--	1,696	--	--	--	--	--
Net assets available for Plan benefits	\$ 27,859	126,085	160,735	113,050	39,311	157,453	88,216	157,318

(Continued from Above)

	PARTICIPANT DIRECTED						
	FIDELITY VIP OVERSEAS PORTFOLIO	PORTFOLIO PARTNERS SCUDDE INTER- NATIONAL GROWTH PORTFOLIO	PORTFOLIO PARTNERS MFS RESEARCH GROWTH PORTFOLIO	CPS STOCK FUND	PARTICIPANT LOANS	NON- PARTICIPANT DIRECTED ----- CPS STOCK FUND	TOTAL
Assets							
Investments at fair value:							
Money market fund	\$ --	--	--	76,508	--	71,464	147,972
Guaranteed investment contract	--	--	--	--	--	--	126,085
Pooled separate accounts	29,716	48,318	37,926	--	--	--	858,206
Consumer Portfolio Services, Inc. common stock	--	--	--	159,726	--	100,938	260,664
Participant loans	--	--	--	--	31,475	--	31,475
	29,716	48,318	37,926	236,234	31,475	172,402	1,424,402
Receivables - employees' individual rollover	--	--	--	3,392	--	--	5,088
Net assets available for Plan benefits	\$ 29,716	48,318	37,926	239,626	31,475	172,402	1,429,490

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(4) CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

The following presents changes in net assets available for Plan benefits for each fund for the year ended December 31, 1998:

	PARTICIPANT DIRECTED							
	AETNA BOND VP	AETNA FIXED ACCOUNT	AETNA GROWTH AND INCOME VP	AETNA BALANCED VP	AETNA MONEY MARKET VP	PORTFOLIO PARTNERS MFS EMERGING EQUITIES PORTFOLIO	FIDELITY VIP EQUITY- INCOME PORTFOLIO	FIDELITY VIP GROWTH PORTFOLIO
Additions to net assets attributed to:								
Interest	\$ --	8,731	--	--	--	--	--	--
Net appreciation (depreciation) in fair value of investments	2,604	--	23,001	20,493	2,525	50,067	13,039	84,504
	2,604	8,731	23,001	20,493	2,525	50,067	13,039	84,504
Contributions:								
Employer	--	--	--	--	--	--	--	--
Employees	24,578	66,746	116,410	61,181	34,261	90,297	85,635	153,550
Employees' individual rollover	7,479	4,496	46,211	8,264	1,319	22,159	23,730	10,048
Total additions	34,661	79,973	185,622	89,938	38,105	162,523	122,404	248,102
Deductions from net assets attributed to - benefits paid to participants	--	--	--	--	--	--	--	--
Interfund transfer	(7,758)	3,778	(71,989)	(25,843)	(13,136)	(50,699)	(20,396)	(39,784)
Net increase	26,903	83,751	113,633	64,095	24,969	111,824	102,008	208,318
Net assets available for Plan benefits:								
Beginning of year	27,859	126,085	160,735	113,050	39,311	157,453	88,216	157,318
End of year	\$ 54,762	209,836	274,368	177,145	64,280	269,277	190,224	365,636

(Continued from Above)

	PARTICIPANT DIRECTED						
	FIDELITY VIP OVERSEAS PORTFOLIO	PORTFOLIO PARTNERS SCUDDER INTER- NATIONAL GROWTH PORTFOLIO	PORTFOLIO PARTNERS MFS RESEARCH GROWTH PORTFOLIO	CPS STOCK FUND	PARTICIPANT LOANS	NON- PARTICIPANT DIRECTED CPS STOCK FUND	TOTAL
Additions to net assets attributed to:							
Interest	\$ --	--	--	--	--	--	8,731
Net appreciation (depreciation) in fair value of investments	3,404	9,025	9,709	(294,760)	5,064	(235,568)	(306,893)
	3,404	9,025	9,709	(294,760)	5,064	(235,568)	(298,162)
Contributions:							
Employer	--	--	--	--	--	296,183	296,183
Employees	43,036	45,929	39,111	283,763	--	--	1,044,497
Employees' individual rollover	1,506	1,169	272	17,186	--	--	143,839
Total additions	47,946	56,123	49,092	6,189	5,064	60,615	1,186,357

Deductions from net assets attributed to - benefits paid to participants	--	--	--	106,508	5,411	4,063	115,982
Interfund transfer	(14,713)	(14,162)	(14,943)	206,949	60,409	2,287	--
	-----	-----	-----	-----	-----	-----	-----
Net increase	33,233	41,961	34,149	106,630	60,062	58,839	1,070,375
Net assets available for Plan benefits:							
Beginning of year	29,716	48,318	37,926	239,626	31,475	172,402	1,429,490
	-----	-----	-----	-----	-----	-----	-----
End of year	\$ 62,949	90,279	72,075	346,256	91,537	231,241	2,499,865
	=====	=====	=====	=====	=====	=====	=====

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

The following presents changes in net assets available for Plan benefits for each fund for the year ended December 31, 1997:

	PARTICIPANT DIRECTED							
	AETNA INCOME SHARES	AETNA FIXED ACCOUNT	AETNA VARIABLE FUND	AETNA INVESTMENT ADVISERS FUND	AETNA VARIABLE ENCORE FUND	PORTFOLIO PARTNERS MFS EMERGING EQUITIES PORTFOLIO	FIDELITY VIP EQUITY - INCOME PORTFOLIO	FIDELITY VIP GROWTH PORTFOLIO
Additions to net assets attributed to:								
Interest	\$ --	5,431	--	--	--	--	--	--
Net appreciation (depreciation) in fair value of investments	1,426	--	29,189	17,012	1,445	16,995	14,882	22,035
	1,426	5,431	29,189	17,012	1,445	16,995	14,882	22,035
Contributions:								
Employer	--	--	--	--	--	--	--	--
Employees	13,277	46,007	57,457	39,723	20,242	89,333	48,689	98,643
Employees' individual rollover	408	1,309	2,909	824	941	2,892	1,799	5,066
Total additions	15,111	52,747	89,555	57,559	22,628	109,220	65,370	125,744
Deductions from net assets attributed to - benefits paid to participants								
Interfund transfer	(327)	2,162	(14,176)	(9,938)	(9,967)	(85,584)	(12,830)	(42,124)
Net increase (decrease)	14,784	54,909	75,379	47,621	12,661	23,636	52,540	83,620
Net assets available for Plan benefits:								
Beginning of year	13,075	71,176	85,356	65,429	26,650	133,817	35,676	73,698
End of year	\$ 27,859	126,085	160,735	113,050	39,311	157,453	88,216	157,318

(Continued from Above)

	PARTICIPANT DIRECTED						
	FIDELITY VIP OVERSEAS PORTFOLIO	PORTFOLIO PARTNERS SCUDDER INTER- NATIONAL GROWTH PORTFOLIO	PORTFOLIO PARTNERS MFS RESEARCH GROWTH PORTFOLIO	CPS STOCK FUND	PARTICIPANT LOANS	NON- PARTICIPANT DIRECTED CPS STOCK FUND	TOTAL
Additions to net assets attributed to:							
Interest	\$ --	--	--	--	1,610	--	7,041
Net appreciation (depreciation) in fair value of investments	294	2,703	(2,505)	(24,680)	--	(1,900)	76,896
	294	2,703	(2,505)	(24,680)	1,610	(1,900)	83,937
Contributions:							
Employer	--	--	--	--	--	111,070	111,070
Employees	21,503	33,584	25,538	118,910	--	--	612,906
Employees' individual							

rollover	--	48	48	7,243	--	--	23,487
Total additions	21,797	36,335	23,081	101,473	1,610	109,170	831,400
Deductions from net assets attributed to - benefits paid to participants	--	--	--	143,688	4,276	6,557	154,521
Interfund transfer	489	(15,237)	(24,982)	175,625	32,638	4,251	--
Net increase (decrease)	22,286	21,098	(1,901)	133,410	29,972	106,864	676,879
Net assets available for Plan benefits:							
Beginning of year	7,430	27,220	39,827	106,216	1,503	65,538	752,611
End of year	\$ 29,716	48,318	37,926	239,626	31,475	172,402	1,429,490

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(Continued)

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(5) INVESTMENTS

In accordance with the terms of the Plan Document and determined by the Plan Administrator, the Plan offers 12 investment options. Plan participants select the options they prefer and allocate their contributions between options as they deem appropriate.

Participant loans are included in the statements of net assets available for Plan benefits at cost, which approximates fair value of the notes. The notes are payable through payroll deductions in installments of principal plus interest at rates of 10.00% - 10.50%, with final payments due between May 1999 and December 2013, and are secured by the participants' vested account balances.

The fair value of investments that represent 5% or more of the Plan's net assets consisted of:

INVESTMENT	1998	1997
CPS Stock Fund	\$ 558,372	260,664
Schwab Advantage Money Market Fund	14,587	147,972
Aetna Growth and Income VP, formerly Aetna Variable Fund	264,217	159,039
Aetna Balanced VP, formerly Aetna Investment Advisers Fund	176,910	113,050
Aetna Fixed Account	209,836	126,085
Portfolio Partners MFS Emerging Equities Portfolio	269,277	157,453
Fidelity VIP Growth Portfolio	365,402	157,318
Fidelity VIP Equity-Income Portfolio	190,224	88,216
	\$ 2,048,825	1,209,797

(6) TAX STATUS

The Internal Revenue Service has determined and informed the Plan Sponsor by a letter dated February 7, 1996, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

(7) RELATED PARTY TRANSACTIONS

Certain Plan investments are units of a Variable Annuity Account managed by Aeltus Investment Management, Inc., an affiliate of Aetna Life Insurance and Annuity Company. Aetna Life Insurance and Annuity Company is defined as an insurance company by ERISA Section 403(b) and, therefore, these transactions qualify as party-in-interest. Fees for the investment management services are paid by the Plan Sponsor. In addition, the Plan held 144,096 and 27,082 shares of common stock of Consumer Portfolio Services, Inc. at December 31, 1998 and 1997, respectively.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

(8) NET (DEPRECIATION) APPRECIATION IN FAIR VALUE OF INVESTMENTS

Included in net (depreciation) appreciation in fair value of investments is \$530,328 depreciation relating to the non-participant and participant directed CPS Stock Funds. The plan held 144,096 and 27,082 shares of CPS common stock which had a market value of approximately \$3.88 and \$9.62 per share at December 31, 1998 and 1997, respectively. At June 4, 1999, CPS common stock had a market value of approximately \$1.66 per share.

(9) LIQUIDITY OF THE PLAN SPONSOR

The Plan Sponsor's business requires substantial cash to support its operating activities. The Plan Sponsor's primary sources of cash from operating activities are amounts borrowed under its various warehouse lines, servicing fees on portfolios of contracts previously sold, proceeds from the sales of contracts, customer payments on contracts held for sale, interest earned on contracts held for sale and releases of cash from spread accounts. The Plan Sponsor's primary uses of cash are the purchases of contracts, repayment of amounts borrowed under its various warehouse lines, operating expenses such as employee, interest and occupancy expenses, the establishment of and further contributions to spread accounts and income taxes. As a result, the Plan Sponsor is dependent on its warehouse lines of credit and its residual financing facility in order to finance its continued operations. If the Plan Sponsor's principal lenders decided to terminate or not to renew any of these credit facilities with the Plan Sponsor, the loss of borrowing capacity would have a material adverse effect on the Plan Sponsor's results of operations unless the Plan Sponsor found a suitable alternative source. Subsequent to December 31, 1998, one of the Plan Sponsor's principal lenders has terminated its credit facility with the Plan Sponsor.

The servicing agreements call for the requisite levels of the various spread accounts to increase if the related receivables experience delinquencies, repossessions or net losses in excess of certain predetermined levels. At December 31, 1998, 18 of the Plan Sponsor's 22 securitized pools were at higher than original requisite levels due to the delinquency, repossession or net loss performance of 13 of the 22 securitized pools. Such spread account balances therefore included approximately \$24.3 million more than would have been required at the original requisite levels. The higher requisite spread account levels ranged from 30% to 100% of the related outstanding balance of the securitized pools. In April 1999, the Plan Sponsor entered into an amendment with the certificate insurer of the Plan Sponsor's asset-backed securities to cap the amount of cash retained in the spread accounts at 21% of the outstanding securities balance for 19 of the Plan Sponsor's 22 securitized pools. The effectiveness of the amendment is contingent upon approval of certain subordinated certificateholders. This new cap on the spread accounts described above is expected to provide cash flows to the Plan Sponsor during 1999. The amendment is subject to certain performance measures that may result in an increase in the cap from 21% to 25%. There can be no assurance that such cash flows will occur. In addition to requiring higher spread account levels, the servicing agreements provide the certificate insurer with certain other rights and remedies, which have been waived on a monthly basis by the certificate insurer.

On April 15, 1999, the Plan Sponsor issued \$5.0 million of subordinated promissory notes to Levine Leichtman Capital Partners, Inc. and received proceeds (net of \$250,000 of capitalized issuance costs) of approximately \$4.75 million. The debt includes certain covenants one of which is the infusion of \$15.0 million of debt during 1999 by Stanwich Financial Services Corp. (SFSC). SFSC's commitment in turn has been collateralized by certain assets pledged by the chairman of the Plan Sponsor's board of directors and the president of the Plan Sponsor. Additionally, the \$5.0 million has been personally guaranteed by the chairman of the Plan Sponsor's board of directors and the president of the Plan Sponsor.

The Plan Sponsor did not sell any contracts in the first quarter of 1999. During the second quarter of 1999 the Plan Sponsor sold \$234 million of the Plan Sponsor's contracts in a whole loan sale.

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Notes to Financial Statements

December 31, 1998 and 1997

In the event the Plan Sponsor incurs a net loss in two consecutive quarters it would be in default of its agreements for the residual line. Unless waived by the lender, the default could result in acceleration of the residual line and a cross default on the warehouse lines. The lender would receive any releases from spread accounts to retire outstanding principal and interest. The Plan Sponsor believes that the lender would waive the default. In the event the lender does not waive the default, the Plan Sponsor believes that cash flows from operations would be sufficient to fund its obligations as they become due and payable. There can be no assurance, however, that the lender would waive the default or that other cash flows will be sufficient to fund the Plan Sponsor's operations.

(10) SUBSEQUENT EVENT

On April 1, 1999 the net assets available for plan benefits were transferred from the Trustee and the Insurance Company to Prudential Securities, Incorporated (the New Trustee) who will hold, administer and distribute the funds of the Plan in accordance with the text of the Plan and the instructions of the Plan Administrator or its designees.

SCHEDULE 1

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1998

IDENTITY OF ISSUER BORROWER, LESSOR OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	COST	CURRENT VALUE
* Consumer Portfolio Services, Inc.	144,096 shares common stock	\$ 1,115,845	558,372
* Charles Schwab Institutional	Schwab Advantage Money Market Fund, 14,587 units	14,587	14,587
* Aetna Life Insurance and Annuity Company	Aetna Growth and Income VP, 11,678 units	264,217	264,217
* Aetna Life Insurance and Annuity Company	Aetna Money Market VP, 5,046 units	64,280	64,280
* Aetna Life Insurance and Annuity Company	Aetna Bond VP, 3,799 units	49,419	49,419
* Aetna Life Insurance and Annuity Company	Aetna Balanced VP, 9,019 units	176,910	176,910
* Aetna Life Insurance and Annuity Company	Aetna Fixed Account, 15,990 units	209,836	209,836
* Aetna Life Insurance and Annuity Company	Portfolio Partners Scudder International Growth Portfolio, 5,980 units	90,279	90,279
* Aetna Life Insurance and Annuity Company	Portfolio Partners MFS Research Growth Portfolio, 5,360 units	72,075	72,075
* Aetna Life Insurance and Annuity Company	Portfolio Partners MFS Emerging Equities Portfolio, 13,453 units	269,277	269,277
* Aetna Life Insurance and Annuity Company	Fidelity VIP Overseas Portfolio, 4,413 units	62,949	62,949
* Aetna Life Insurance and Annuity Company	Fidelity VIP Equity-Income Portfolio, 8,480 units	190,224	190,224
* Aetna Life Insurance and Annuity Company	Fidelity VIP Growth Portfolio, 13,862 units	365,402	365,402
* Participant loans	Participant loans; interest rate between 10.00% and 10.50%; maturing between May 1999 and December 2013	91,537	91,537
		\$ 3,036,837	2,479,364

* Denotes a party-in-interest.

See accompanying independent auditors' report.

SCHEDULE 2

CONSUMER PORTFOLIO SERVICES, INC. 401(k) PLAN

Item 27d - Schedule of Reportable Transactions

Year ended December 31, 1998

IDENTITY OF PARTY INVOLVED	DESCRIPTION NET GAIN	PURCHASE PRICE	SELLING/ REDEMPTION PRICE	LEASE RENTAL
* Consumer Portfolio Services, Inc.	CPS Stock Fund series of 27 purchases	\$ 835,708	--	--
* Schwab Advantage Money Market Fund	Money market fund series of 53 purchases	810,760	--	--
* Schwab Advantage Money Market Fund	Money market fund series of 44 sales	--	955,406	--
* Aetna Life Insurance and Annuity Company	Aetna Growth and Income VP series of 63 purchases	157,323	--	--
* Aetna Life Insurance and Annuity Company	Aetna Growth and Income VP series of 18 sales	--	75,146	--
* Aetna Life Insurance and Annuity Company	Aetna Balanced VP series of 63 purchases	77,672	--	--
* Aetna Life Insurance and Annuity Company	Aetna Balanced VP series of 16 sales	--	34,305	--
* Aetna Life Insurance and Annuity Company	Aetna Fixed Account series of 59 purchases	91,662	--	--
* Aetna Life Insurance and Annuity Company	Aetna Fixed Account series of 15 sales	--	16,642	--
* Aetna Life Insurance and Annuity Company	Portfolio Partners MFS Emerging Equities Portfolio series of 59 purchases	115,997	--	--
* Aetna Life Insurance and Annuity Company	Portfolio Partners MFS Emerging Equities Portfolio series of 15 sales	--	50,791	--
* Aetna Life Insurance and Annuity Company	Fidelity VIP Equity-Income Portfolio series of 62 purchases	110,729	--	--
* Aetna Life Insurance and Annuity Company	Fidelity VIP Equity-Income Portfolio series of 16 sales	--	21,351	--
* Aetna Life Insurance and Annuity Company	Fidelity VIP Growth Portfolio series of 62 purchases	167,710	--	--
* Aetna Life Insurance and Annuity Company	Fidelity VIP Growth Portfolio series of 15 sales	--	40,630	--

(Continued from Above)

IDENTITY OF PARTY INVOLVED	EXPENSE INCURRED WITH TRANSACTION	COST OF ASSET	CURRENT VALUE OF ASSET ON TRANSACTION DATE	NET GAIN (LOSS)
* Consumer Portfolio Services, Inc.	4,753	--	835,708	--
* Schwab Advantage Money Market Fund	--	--	810,760	--
* Schwab Advantage Money Market Fund	--	955,406	--	--
* Aetna Life Insurance and Annuity Company	--	--	157,323	--
* Aetna Life Insurance and Annuity Company	--	75,146	--	--
* Aetna Life Insurance and Annuity Company	--	--	77,672	--
* Aetna Life Insurance and Annuity Company	--	34,305	--	--
* Aetna Life Insurance and Annuity Company	--	--	91,662	--
* Aetna Life Insurance and Annuity Company	--	16,642	--	--
* Aetna Life Insurance and Annuity Company	--	--	115,997	--
* Aetna Life Insurance and Annuity Company	--	50,791	--	--
* Aetna Life Insurance and Annuity Company				

	--	--	110,729	--
* Aetna Life Insurance and Annuity Company	--	21,351	--	--
* Aetna Life Insurance and Annuity Company	--	--	167,710	--
* Aetna Life Insurance and Annuity Company	--	40,630	--	--
	=====	=====	=====	=====

* Denotes a party-in-interest.

See accompanying independent auditors' report.

Independent Auditors' Consent

The Administrative Committee
Consumer Portfolio Services, Inc. 401(k) Plan

We consent to the incorporation by reference in the Registration Statement on Form S-8 (file no. 333-58199) of Consumer Portfolio Services, Inc. of our report dated June 4, 1999, relating to the statements of net assets available for plan benefits and the statements of changes in net assets available for plan benefits of the Consumer Portfolio Services, Inc. 401(k) Plan as of and for the years ended December 31, 1998 and 1997 and all related schedules, which report appears in the December 31, 1998 annual report on Form 11-K of the Consumer Portfolio Services, Inc. 401(k) Plan.

/s/ KPMG LLP

Orange County, California
June 30, 1999