

Not for publication

L.4.2

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

November 9, 1959

DECONTROLLED AFTER SIX MONTHS

MATURITIES ON AUTOMOBILE INSTALMENT LOANS
SEPTEMBER 1959 AND AUGUST 1959

(Percentage distribution of contracts)

Maturities	Total		Purchased Paper		Direct loans	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
New cars						
24 months or less	24.4	25.7	18.6	19.5	41.1	40.7
25-30 months	10.3	11.3	8.4	8.8	15.9	17.4
31-36 months	65.0	62.5	72.6	71.1	43.0	41.7
Over 36 months	0.3	0.5	0.4	0.6	*	0.2
Total	100.0	100.0	100.0	100.0	100.0	100.0
Used cars ^{1/}						
12 months or less	15.8	15.8	11.4	12.7	28.0	24.8
13-18 months	16.7	15.8	14.0	12.6	24.3	24.9
19-24 months	42.7	41.6	44.3	42.7	38.3	38.6
Over 24 months	24.8	26.8	30.3	32.0	9.4	11.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

*Less than one-tenth of one per cent.

^{1/}Figures are predominately for late model used cars but include data from a few banks for all used cars.

NOTE: Distributions are based on tabulations of data from 138 banks for August and September and are not intended to be estimates for all commercial banks. In September reports covered about 32,000 contracts on new cars, 24,000 purchased and 8,000 direct, and 18,000 contracts on used cars, 13,000 purchased and 5,000 direct. Since composition of the group of banks changes from month to month, data are not comparable with previous releases.

For distribution according to maturities and contract balance as a percentage of dealer cost, see following pages.

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DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALLMENT LOANS

SEPTEMBER 1959 AND AUGUST 1959

NEW CARS

(Percentage distribution of contracts)

Contract balance as percentage of dealer cost 1/	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	11.6	13.0	3.3	2.9	15.8	14.3	*	*	30.7	30.2
81% to 90%	3.2	2.9	2.1	2.3	16.5	16.2	0.1	0.1	21.9	21.5
91% to 100%	2.6	3.1	1.8	2.3	26.3	23.2	*	0.1	30.7	28.7
101% to 110%	0.6	0.7	1.2	1.1	9.7	12.5	*	*	11.5	14.3
Over 110%	0.5	0.3	0.3	0.2	4.4	4.8	*	*	5.2	5.3
Total	18.5	20.0	8.7	8.8	72.7	71.0	0.1	0.2	100.0	100.0
DIRECT LOANS										
80% or less	28.2	27.9	8.9	8.9	15.6	13.2	0.1	*	52.8	50.0
81% to 90%	5.4	7.5	5.0	5.2	9.3	8.9	*	*	19.7	21.6
91% to 100%	6.6	4.0	3.4	4.3	10.6	8.2	*	0.1	20.6	16.6
101% to 110%	1.2	0.8	0.7	0.8	3.4	2.8	*	*	5.3	4.4
Over 110%	0.5	2.2	0.4	1.0	0.7	4.2	*	*	1.6	7.4
Total	41.9	42.4	18.4	20.2	39.6	37.3	0.1	0.1	100.0	100.0
TOTAL										
80% or less	15.2	16.9	4.5	4.4	15.8	14.0	*	*	35.5	35.3
81% to 90%	3.7	4.1	2.7	3.1	14.9	14.3	0.1	*	21.4	21.5
91% to 100%	3.5	3.3	2.1	2.8	22.9	19.4	*	0.1	28.5	25.6
101% to 110%	0.7	0.7	1.1	1.0	8.4	10.0	*	*	10.2	11.7
Over 110%	0.5	0.8	0.3	0.5	3.6	4.6	*	*	4.4	5.9
Total	23.6	25.8	10.7	11.8	65.6	62.3	0.1	0.1	100.0	100.0

1/ Contract balance does not include finance and insurance charges.

* Less than one-tenth of one per cent.

NOTE: Distributions are based on tabulations of data from 82 banks for August and September and are not intended to be estimates for all commercial banks. In September reports covered about 17,000 contracts on new cars, 13,000 purchased and 4,000 direct. Since composition of the group of banks changes from month to month, data are not comparable with previous releases.

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DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS (continued)

SEPTEMBER 1959 AND AUGUST 1959

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value 1/ 2/	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	4.1	5.0	3.2	3.1	7.7	7.1	3.0	4.1	18.0	19.3
81% to 90%	1.9	1.9	2.2	2.1	7.6	7.3	5.3	5.4	17.0	16.7
91% to 100%	1.7	1.8	2.6	2.5	11.3	10.7	10.1	9.1	25.7	24.1
101% to 110%	2.0	2.3	1.9	2.1	8.0	7.8	6.3	7.3	18.2	19.5
Over 110%	<u>1.4</u>	<u>1.7</u>	<u>2.7</u>	<u>2.3</u>	<u>10.6</u>	<u>9.3</u>	<u>6.4</u>	<u>7.1</u>	<u>21.1</u>	<u>20.4</u>
Total	11.1	12.7	12.6	12.1	45.2	42.2	31.1	33.0	100.0	100.0
DIRECT LOANS										
80% or less	21.5	18.4	11.7	13.3	16.0	11.8	2.1	3.0	51.3	46.5
81% to 90%	3.4	1.9	3.6	3.2	7.8	7.4	2.4	2.1	17.2	14.6
91% to 100%	4.2	3.1	4.8	4.9	8.2	8.3	2.2	2.6	19.4	18.9
101% to 110%	1.1	1.7	2.2	2.1	3.6	4.7	0.8	0.7	7.7	9.2
Over 110%	<u>0.7</u>	<u>1.2</u>	<u>1.0</u>	<u>1.7</u>	<u>2.3</u>	<u>6.1</u>	<u>0.4</u>	<u>1.8</u>	<u>4.4</u>	<u>10.8</u>
Total	30.9	26.3	23.3	25.2	37.9	38.3	7.9	10.2	100.0	100.0
TOTAL										
80% or less	9.1	8.7	5.7	5.9	10.1	8.4	2.7	3.8	27.6	26.8
81% to 90%	2.3	1.9	2.6	2.4	7.7	7.3	4.5	4.5	17.1	16.1
91% to 100%	2.5	2.2	3.2	3.2	10.4	10.0	7.8	7.3	23.9	22.7
101% to 110%	1.7	2.1	2.0	2.1	6.7	7.0	4.7	5.5	15.1	16.7
Over 110%	<u>1.2</u>	<u>1.6</u>	<u>2.2</u>	<u>2.1</u>	<u>8.2</u>	<u>8.4</u>	<u>4.7</u>	<u>5.6</u>	<u>16.3</u>	<u>17.7</u>
Total	16.8	16.5	15.7	15.7	43.1	41.1	24.4	26.7	100.0	100.0

1/ Contract balance does not include finance and insurance charges.

2/ Wholesale value represents "average wholesale," "as is," "or buying value" as indicated by used car guides.

NOTE: Distributions are based on tabulations of data from 69 banks for August and September and are not intended to be estimates for all commercial banks. In September reports covered about 10,000 contracts on used cars, 7,000 purchased and 3,000 direct. Since composition of the group of banks changes from month to month, data are not comparable with previous releases.