

Not for publication

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2.

February 10, 1964.

AUTOMOBILE INSTALMENT LOANS AT COMMERCIAL BANKS  
DECONTROLLED AFTER SIX MONTHS

MATURITIES -- DECEMBER 1963 AND NOVEMBER 1963

(Percentage distribution of contracts)

| Maturities              | Total       |             | Purchased<br>paper |             | Direct<br>Loans |             |
|-------------------------|-------------|-------------|--------------------|-------------|-----------------|-------------|
|                         | Dec.        | Nov.        | Dec.               | Nov.        | Dec.            | Nov.        |
| New cars                |             |             |                    |             |                 |             |
| 24 months or less       | 24.4        | 25.8        | 18.6               | 19.6        | 35.8            | 38.3        |
| 25-30 months            | 5.9         | 6.1         | 4.8                | 5.0         | 8.0             | 8.4         |
| 31-36 months            | 69.2        | 67.6        | 75.9               | 74.8        | 55.9            | 53.0        |
| Over 36 months          | <u>0.5</u>  | <u>0.5</u>  | <u>0.7</u>         | <u>0.6</u>  | <u>0.3</u>      | <u>0.3</u>  |
| Total                   | 100.0       | 100.0       | 100.0              | 100.0       | 100.0           | 100.0       |
| Used cars <sup>1/</sup> |             |             |                    |             |                 |             |
| 12 months or less       | 15.3        | 14.7        | 10.8               | 11.0        | 23.9            | 22.0        |
| 13-18 months            | 12.7        | 13.3        | 11.1               | 11.7        | 15.9            | 16.4        |
| 19-24 months            | 35.7        | 35.9        | 34.7               | 34.5        | 37.6            | 38.7        |
| Over 24 months          | <u>36.3</u> | <u>36.1</u> | <u>43.4</u>        | <u>42.8</u> | <u>22.6</u>     | <u>22.9</u> |
| Total                   | 100.0       | 100.0       | 100.0              | 100.0       | 100.0           | 100.0       |

<sup>1/</sup> Figures are predominantly 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 123 banks for November and December and are not intended to be estimates for all commercial banks. In December, reports covered about 36,000 contracts on new cars, 24,000 purchased and 12,000 direct, and 25,000 contracts on used cars, 17,000 purchased and 8,000 direct. Data are not comparable with previous releases since composition of the group of banks changes from month to month.

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

Not for publication

- 2 -

L.4.2.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS

DECEMBER 1963 AND NOVEMBER 1963

## NEW CARS

(Percentage distribution of contracts)

| Contract balance<br>as percentage of<br>dealer cost <u>1/</u> | Maturities           |            |                 |            |                 |            |                   |            |            |            |
|---|----------------------|------------|-----------------|------------|-----------------|------------|-------------------|------------|------------|------------|
|   | 24 months<br>or less |            | 25-30<br>months |            | 31-36<br>months |            | Over 36<br>months |            | Total      |            |
|   | Dec.                 | Nov.       | Dec.            | Nov.       | Dec.            | Nov.       | Dec.              | Nov.       | Dec.       | Nov.       |
| PURCHASED PAPER   |                      |            |                 |            |                 |            |                   |            |            |            |
| 80% or less   | 9.7                  | 10.3       | 1.7             | 1.9        | 16.1            | 16.3       | 0.1               | 0.1        | 27.5       | 28.6       |
| 81% to 90%  | 2.4                  | 2.4        | 1.0             | 1.1        | 15.1            | 15.3       | *                 | *          | 18.5       | 18.9       |
| 91% to 100%   | 3.6                  | 4.3        | 1.0             | 1.3        | 25.4            | 24.5       | 0.2               | 0.2        | 30.1       | 30.3       |
| 101% to 110%  | 1.4                  | 1.4        | 0.7             | 0.5        | 14.2            | 13.3       | 0.1               | 0.2        | 16.4       | 15.3       |
| Over 110%   | <u>0.5</u>           | <u>0.5</u> | <u>0.2</u>      | <u>0.1</u> | <u>6.6</u>      | <u>6.1</u> | <u>*</u>          | <u>0.1</u> | <u>7.4</u> | <u>6.9</u> |
| Total   | 17.6                 | 19.0       | 4.6             | 4.8        | 77.2            | 75.5       | 0.5               | 0.5        | 100.0      | 100.0      |
| DIRECT LOANS  |                      |            |                 |            |                 |            |                   |            |            |            |
| 80% or less   | 17.0                 | 20.7       | 3.0             | 3.6        | 16.7            | 15.1       | *                 | 0.1        | 36.8       | 39.6       |
| 81% to 90%  | 6.5                  | 7.0        | 1.6             | 2.0        | 11.3            | 11.0       | *                 | 0.1        | 19.4       | 20.0       |
| 91% to 100%   | 9.6                  | 9.2        | 3.9             | 3.7        | 19.1            | 16.9       | 0.1               | 0.1        | 32.6       | 29.9       |
| 101% to 110%  | 1.7                  | 1.4        | 0.6             | 0.8        | 5.6             | 5.2        | 0.1               | *          | 7.9        | 7.3        |
| Over 110%   | <u>0.6</u>           | <u>0.5</u> | <u>0.2</u>      | <u>0.2</u> | <u>2.5</u>      | <u>2.5</u> | <u>*</u>          | <u>*</u>   | <u>3.3</u> | <u>3.2</u> |
| Total   | 35.4                 | 38.8       | 9.3             | 10.2       | 55.1            | 50.6       | 0.2               | 0.4        | 100.0      | 100.0      |
| TOTAL   |                      |            |                 |            |                 |            |                   |            |            |            |
| 80% or less   | 11.4                 | 12.8       | 2.0             | 2.3        | 16.2            | 16.0       | 0.1               | 0.1        | 29.7       | 31.3       |
| 81% to 90%  | 3.4                  | 3.5        | 1.2             | 1.3        | 14.2            | 14.3       | *                 | 0.1        | 18.7       | 19.1       |
| 91% to 100%   | 5.0                  | 5.5        | 1.7             | 1.9        | 23.9            | 22.7       | 0.2               | 0.2        | 30.7       | 30.2       |
| 101% to 110%  | 1.5                  | 1.4        | 0.6             | 0.5        | 12.1            | 11.4       | 0.1               | 0.1        | 14.4       | 13.4       |
| Over 110%   | <u>0.6</u>           | <u>0.5</u> | <u>0.2</u>      | <u>0.2</u> | <u>5.6</u>      | <u>5.3</u> | <u>*</u>          | <u>*</u>   | <u>6.5</u> | <u>6.0</u> |
| Total   | 21.8                 | 23.7       | 5.7             | 6.2        | 72.0            | 69.6       | 0.4               | 0.5        | 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 69 banks for November and December and are not intended to be estimates for all commercial banks. In December, reports covered about 19,000 contracts on new cars, 15,000 purchased and 4,000 direct. Data are not comparable with previous releases since composition of the group of banks changes from month to month.

Details may not add to totals because of rounding.

Not for publication

- 3 -

L.4.2

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

DECEMBER 1963 AND NOVEMBER 1963

## USED CARS

(Percentage distribution of contracts)

| Contract balance<br>as percentage of<br>wholesale value 1/ 2/ | Maturities           |      |                 |      |                 |      |                   |      |       |       |
|---|----------------------|------|-----------------|------|-----------------|------|-------------------|------|-------|-------|
|   | 12 months<br>or less |      | 13-18<br>months |      | 19-24<br>months |      | Over 24<br>months |      | Total |       |
|   | Dec.                 | Nov. | Dec.            | Nov. | Dec.            | Nov. | Dec.              | Nov. | Dec.  | Nov.  |
| PURCHASED PAPER   |                      |      |                 |      |                 |      |                   |      |       |       |
| 80% or less   | 4.1                  | 4.1  | 2.6             | 3.0  | 6.1             | 6.2  | 5.8               | 5.7  | 18.6  | 19.0  |
| 81% to 90%  | 1.1                  | 1.0  | 1.5             | 1.7  | 5.2             | 5.6  | 6.7               | 7.2  | 14.6  | 15.5  |
| 91% to 100%   | 1.6                  | 1.8  | 2.0             | 2.1  | 9.3             | 9.2  | 11.4              | 10.5 | 24.3  | 23.7  |
| 101% to 110%  | 1.2                  | 1.3  | 1.4             | 1.6  | 5.8             | 6.0  | 7.2               | 6.5  | 15.5  | 15.4  |
| Over 110%   | 2.1                  | 2.0  | 2.9             | 3.0  | 9.2             | 8.9  | 12.9              | 12.5 | 27.1  | 26.4  |
| Total   | 10.2                 | 10.2 | 10.3            | 11.3 | 35.6            | 36.0 | 43.9              | 42.4 | 100.0 | 100.0 |
| DIRECT LOANS  |                      |      |                 |      |                 |      |                   |      |       |       |
| 80% or less   | 13.5                 | 10.6 | 7.4             | 7.3  | 13.4            | 11.9 | 6.2               | 6.0  | 40.5  | 35.8  |
| 81% to 90%  | 2.7                  | 2.8  | 2.7             | 2.8  | 6.3             | 6.5  | 2.8               | 2.9  | 14.6  | 14.9  |
| 91% to 100%   | 3.8                  | 3.8  | 4.0             | 5.6  | 10.7            | 12.0 | 4.3               | 5.4  | 22.9  | 26.8  |
| 101% to 110%  | 1.5                  | 1.6  | 1.8             | 1.8  | 3.7             | 4.3  | 2.5               | 2.3  | 9.5   | 10.0  |
| Over 110%   | 2.8                  | 2.1  | 2.2             | 2.6  | 4.9             | 5.0  | 2.7               | 2.8  | 12.5  | 12.5  |
| Total   | 24.3                 | 21.0 | 18.1            | 20.0 | 39.1            | 39.7 | 18.6              | 19.3 | 100.0 | 100.0 |
| TOTAL   |                      |      |                 |      |                 |      |                   |      |       |       |
| 80% or less   | 6.7                  | 5.9  | 3.9             | 4.2  | 8.1             | 7.8  | 5.9               | 5.8  | 24.5  | 23.6  |
| 81% to 90%  | 1.5                  | 1.5  | 1.8             | 2.0  | 5.5             | 5.8  | 5.6               | 5.9  | 14.5  | 15.3  |
| 91% to 100%   | 2.2                  | 2.3  | 2.5             | 3.1  | 9.6             | 10.0 | 9.4               | 9.1  | 23.8  | 24.5  |
| 101% to 110%  | 1.3                  | 1.4  | 1.5             | 1.7  | 5.2             | 5.5  | 5.9               | 5.3  | 13.9  | 13.9  |
| Over 110%   | 2.3                  | 2.0  | 2.7             | 2.9  | 8.0             | 7.8  | 10.1              | 9.8  | 23.0  | 22.4  |
| Total   | 14.0                 | 13.2 | 12.4            | 13.8 | 36.4            | 36.9 | 36.9              | 35.8 | 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 tabulation of data from 65 banks for November and December and are not intended to be estimates for all commercial banks. In December, reports covered about 13,000 contracts on used cars, 9,000 purchased and 4,000 direct. Data are not comparable with previous releases since composition of the group of banks changes from month to month.

Details may not add to totals because of rounding.