## Not for publication

BOARD OF GOVERNORS OF THE EED:RÁT RESERVE SYSTEM

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Februariy 1965
DECONTROLLED AFTER SIX MONTESTRECT AUTO LOANS BY COMMERCIAL BANKS


NEW CAR CONTRACTS

Per cent of contracts written for:
Under 36 months
40.4
40.5
40.0
44.7

36 months
Over 36 months
59.0
59.3
59.6
.4
55.0
.6
.2
. 3
Contracts written for 36 months:
Most frequent loan/value ratio 1/
Per cent of contracts with ratios above 94 per cent

94
34.4

94
94
93
37.2
36.4
34.4

USED CAR CONTRACTS

| Per cent of contracts written for: |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Under 19 months | 35.7 | 35.7 | 34.9 | 37.0 |
| 19-24 months | 38.1 | 38.1 | 38.9 | 37.2 |
| 25-36 months | 26.2 | 26.2 | 26.2 | 25.8 |
| Contracts written for 24 months or less: |  |  |  |  |
| Most frequent loan/value ratio 1/ | 94 | 92 | 94 | 94 |
| Per cent of contracts with | 36.3 | 33.9 | 36.3 | 35.6 |

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## gitized for FRASER

L.4.2 DEALER AUTO LOANS BY COMMBTHCIAL BANKS (FURCHASED PAPER)

| 1964 | Three months <br> ending December |
| :---: | :---: |
| Dec. | Nov. |

NEW CAR CONTRACTS

Per cent of contracts written for:

Under 36 months
22.9
21.2
21.6
23.2 36 months
Over 36 months
Contracts written for 36 months:
Most frequent loan/value ratio 1/
Per eent of contracts with ratios above 94 per cent
75.7
78.0
. 8
77.5
. 9
76.1
. 7
1.4

94
95
95
95
47.3
48.2
47.5
45.8

UJID CAR CONTRACTS

Per cent of contracts written for:

Under 19 months
19-24 months
25-36 months
21.4
32.6
46.0

95
95
21.2
21.6
33.3
45.1
22.7
34.0
44.8
35.0
42.3

Contracts written for 24 months or less:

| Most frequent loan/value ratio 1/ <br> Per cent of contracts with <br> ratios above 95 per cent | 95 | 95 | 95 | 95 |
| :--- | :--- | :--- | :--- | :--- |

1/ Computed mode of ratios, based on dealer-cost values for new cars and wholesale prices for used cars as 100 per cent. A loan of $90-95$ per cent of dealer cost generally amounts to around $70-80$ per cent of list price.

Not for publication

> L.4.2 AUTOMOBILE INSTALMENT LOANS AT COMMBRGIA\# BANKS
> MATURITIES *- DECGMBER 1964 AND NOVEMBER 1964
> (Percentage distribution of contracts)

| Maturities | Total |  | Purchased paper |  | Direct loans |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Dec. | Nov. | Dec | Nov. | Dec. | Nov. |
| New cars |  |  |  |  |  |  |
| 24 months or less | 23.6 | 21.8 | 18.5 | 16.9 | 33.4 | 33.3 |
| 25-30 months | 5.3 | 5.2 | 4.4 | 4.3 | 7.0 | 7.2 |
| 31-36 months | 69.9 | 72.4 | 75.7 | 78.0 | 59.0 | 59.3 |
| Over 36 months | 1.2 | 0.6 | 1.4 | 0.8 | 0.6 | 0.2 |
| Total | 100.0 | 100.0 | 100.90 | 100.0 | 100.0 | 100.0 |
| Used cars 1/ |  |  |  |  |  |  |
| 12 months or less | 14.4 | 13.9 | 10.8 | 10.2 | 21.2 | 21.4 |
| 13-18 months | 12.0 | 12.1 | 10.6 | 11.0 | 14.5 | 14.3 |
| 19-24 months | 34.5 | 35.3 | 32.6 | 34.0 | 38.1 | 38.1 |
| Over 24 months | 39.1 | 38.7 | 46.0 | 44.8 | 26.2 | 26.2 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

1/ Figures are predominentely 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 115 banks for December and November and are not intended to be estimates for all commercial banks. In November, reports covered about 40,000 contracts on new cars, 26,000 purchased and 14,000 direct and 25,000 contracts on used cars, 16,000 purchased and 9,000 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.

## Digitized for FRASER

 htip://fraser.stlouisfed.org/DEALER COST RATIOS AND MATURITIES ON AUTOMOBILE INSTALMENT LOANS

DECEMBER 1964 aND NOVENBER 1964

> NEW CARS
> (Percentage distribution of contracts)

| Contract balance as percentage of dealer cost 1/ | Maturities |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 24 months or less |  | $\begin{array}{r} 25-30 \\ \text { months } \end{array}$ |  | $\begin{array}{r} 31-36 \\ \text { months } \end{array}$ |  | $\begin{aligned} & \text { Over } 36 \\ & \text { months } \end{aligned}$ |  | Total |  |
|  | Dec. | Nov. | Dec. 1 | Nov. | Dec. | Nov, | Dec. | Nov | Dec. | Nov. |
|  | PURCHASEED PAPER |  |  |  |  |  |  |  |  |  |
| 80\% or less | 9.4 | 9.1 | 1.5 | 1.5 | \|13.6| | 14.7 | 0.1 | 0.1 | 24.7 | 25.4 |
| 81\% to 90\% | 2.3 | 2.3 | 0.8 | 0.9 | 16.1 | 15.6 | 0.1 | * | 19.2 | 18.8 |
| 91\% to 100\% | 4.4 | 3.3 | 1.1 | 0.9 | 27.6 | 26.5 | 0.2 | 0.2 | 33.3 | 31.0 |
| 101\% to 110\% | 1.6 | 1.5 | 0.4 | 0.6 | 13.4 | 15.4 | * | * | 15.4 | 17.5 |
| Over 110\% | 0.6 | 0.3 | 0.2 | 0.2 | 6.6 | 6.8 | * |  | 7.4 | 7.3 |
| Total | 18.3 | 16.5 | 4.01 | 4.1 | 77.31 | 79.0 | 0.4 | 0.31 | 100.0 | 100.0 |
|  | DIRECT LOANS |  |  |  |  |  |  |  |  |  |
| 80\% or less | 18.2 | 19.1 | 2.7 | 2.7 | $19.0 \mid$ | 17.2 | 0.4 | 0.1 | 40.3 | 39.1 |
| 81\% to 90\% | 6.5 | 6.0 | 2.0 | 2.0 | 12.1 | 11.5 | 0.1 | * | 20.7 | 19.6 |
| 91\% to $100 \%$ | 6.3 | 6.5 | 2.2 | 2.5 | 18.8 | 20.2 | * | 0.2 | 27.4 | 29.3 |
| 101\% to 110\% | 1.6 | 1.2 | 0.6 | 0.3 | 6.5 | 5.8 | 0.1 | $\stackrel{*}{*}$ | 8.8 | 7.3 |
| Over 110\% | 0.3 | 0.5 | 0.2 | 0.3 | 2.4 | 3.9 | * | * | 2.8 | 4.7 |
| Total | 32.9 | 33.3 | 7.7 | 7.7 | 58.8 | 58.6 | 0.6 | 0.31 | 100.0 | 100.0 |
|  | TOTAL |  |  |  |  |  |  |  |  |  |
| 80\% or less | 21.6 | 11.3 | 1.8 | 1.8 | 15.01 | 15.3 | 0.2 | 0.1 | 28.6 | 28.6 |
| 81\% to $90 \%$ | 3.4 | 3.1 | 1.1 | 1.1 | 15.0 | 14.8 | 0.1 | 0.1 | 19.6 | 19.1 |
| 91\% to 100\% | 4.9 | 4.0 | 1.4 | 1.2 | 25.4 | 25.5 | 0.2 | 0.3 | 31.8 | 30.9 |
| 101\% to 110\% | 1.6 | 1.5 | 0.5 | 0.5 | 11.6 | 13.6 | * | * | 13.7 | 15.6 |
| Over 110\% | 0.5 | 0.3 | 0.2 | 0.3 | 5.7 | 6.3 | * | * | 6.3 | 6.8 |
| Total | 22.0 | 20.2 | 4.9 | 4.9 | 72.7 | 75.5 | 0.4 | 0.4 | 100.0 | 100.0 |
| $\begin{aligned} & 1 / \text { Contract bal } \\ & * \text { Less than on } \end{aligned}$ |  | $\begin{aligned} & \text { s not ir } \\ & \text { of one } \end{aligned}$ | nclud per | efin | $\overline{a c e}$ | dins | nce | arge |  |  |

NOTE: Distributions are based on tabulations of data from 61 banks for December and November and are not intended to be estimates for all commercial banks. In Decembeir reports covered about 19,000 contracts on new cars, 14,000 purchased and 5,00 direct. Data are not comparable with previous releases since composition of the group of banks changes from month to month.

DEALER COST RATIOS AND MATURITIES ON AUTOMOBILE INSTALIENT LONN (continued)

DECEMBER 1964 AND NOVIMBIR 1964

## USED CARS

(Percentage distribution of contracts)

| Contract balance as percentage of wholesale value 1/2/ | Maturities |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & 12 \text { months } \\ & \text { or less } \end{aligned}$ |  | $\begin{aligned} & 13-18 \\ & \text { months } \end{aligned}$ |  | $\begin{aligned} & 19-24 \\ & \text { months } \end{aligned}$ |  | $\begin{gathered} \text { Sover } 24 \\ \text { months } \end{gathered}$ |  | Total |  |
|  | Dec, | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | IDec. | Nov. |
|  | PURCHASED PAPER |  |  |  |  |  |  |  |  |  |
| 80\% or less | 3.9 | 3.0 | 2.31 | 2.2 | 5.0 | 4.9 | 4.7 | 4.7 | 15.9 | 14.8 |
| 81\% to 9C\% | 1.3 | 1.3 | 1.6 | 1.5 | 5.6 | 5.8 | 7.3 | 6.7 | 15.9 | 15.2 |
| 91\% to 100\% | 2.1 | 1.9 | 2.2 | 2.7 | 9.4 | 10.4 | 12.9 | 12.0 | 26.5 | 27.1 |
| 101\% to 110\% | 1.1 | 1.4 | 1.4 | 1.8 | 5.2 | 6.2 | 8.2 | 8.0 | 15.8 | 17.4 |
| Over 110\% | 1.9 | 1.8 | 2.7 | 2.9 | 9.5 | 9.7 | 11.8 | 11.2 | 25.9 | 25.6 |
| Total | 10.2 | 9.4 | 10.2 | 11.1 | 34.8\| | 37.0 | 44.9 | 42.5 | 100.0 | 100.0 |
|  |  |  |  |  | IRECT | LOANS |  |  |  |  |
| 80\% or less | 12.9 | 14.3 | 6.61 | 6.9 | 12.6 | 12.0 | 5.2 | 4.6 | 37.3 | 37.7 |
| 81\% to 90\% | 2.1 | 2.6 | 2.1 | 2.8 | 7.2 | 8.1 | 3.9 | 4.3 | 15.3 | 17.8 |
| 91\% to 100\% | 4.0 | 2.9 | 3.9 | 2.7 | 10.8 | 9.0 | 5.6 | 4.9 | 24.3 | 19.5 |
| 101\% to 110\% | 1.9 | 2.0 | 2.0 | 2.1 | 4.6 | 4.4 | 2.5 | 2.7 | 11.1 | 11.3 |
| Over 110\% | 1.8 | 1.8 | 2.4 | 2.0 | 5.1 | 5.7 | 2.7 | 4.1 | 12.0 | 13.7 |
| Total | 22.7 | 23.6 | 17.1\| | 16 | 40.3 | 39.3 | 19.9 | 20.6 | 100.0 | 100.0 |
|  |  |  |  |  | TOTA |  |  |  |  |  |
| 80\% or less | 6.6 | 6.1 | 3.61 | 3.5 | 7.3 | 6.9 | 4.91 | 4.6 | 22.4 | 21.1 |
| 81\% to 90\% | 1.6 | 1.7 | 1.8 . | 1.8 | 6.1 | 6.4 | 6.3 | 6.0 | 15.7 | 15.9 |
| 91\% to 10c\% | 2.6 | 2.2 | 2.7 | 2.7 | 9.9 | 10.0 | 10.7 | 10.0 | 25.9 | 24.9 |
| 101\% to 110\% | 1.3 | 1.6 | 1.6 | 1.9 | 5.0 | 5.7 | 6.5 | 6.6 | 14.4 | 15.8 |
| Over 110\% | 1.9 | 1.8 | 2.6 | 2.6 | 8.2 | 8.6 | 9.0 | 9.3 | 21.6 | $\underline{22.3}$ |
| Total | 14.0 | 13.3 | 12.3 | 12.6 | 36.5 | 37.6 | 37.3 | 36.5 | 100.0 | $10 \cap .0$ |

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 59 banks for December and November and are not intended to be estimates for all commercial hanks. December reports covered about 11,000 contracts on used cars, 8,000 purcrasea añ $5 ; 000$ direct. Data are not comparable with previous releases since composition of the group of banks changes from month to month.


[^0]:    1 Computed mode of ratios, based on dealer-cost values for new cars and wholesale prices for used cars as 100 per cent. A loan of $90-95$ per cent of dealer cost generally amounts to around $70-80$ per cent of list price.

