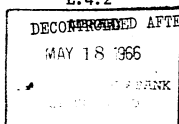


Not for publicationBOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

May 12, 1966.

DIRECT AUTO *Consumer - installment* LOANS BY COMMERCIAL BANKS

March 1966	February 1966	Three months ending March*	
		1966	1965

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	29.4	29.7	29.8	32.3
25-30 months	6.1	6.4	6.5	7.4
31-36 months	64.2	63.7	63.4	59.7
Over 36 months	0.3	0.2	0.3	0.6

Contracts written for 36 months:

Median loan/value ratio	83.9	85.2	88.6	88.7
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.2	18.6	18.5	19.5
13-18 months	12.5	12.3	12.2	14.2
19-24 months	37.0	36.9	36.2	37.4
Over 24 months	32.3	32.2	33.1	28.9

All used car contracts:

Median loan/value ratio	87.7	87.9	89.5	86.5
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\*Unweighted arithmetic mean of the three monthly ratios.

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## L.4.2 DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

March 1966	February 1966	Three months ending March*	
		1966	1965

## NEW CAR CONTRACTS

## Per cent of contracts written for:

24 months or less	15.4	15.5	15.9	17.0
25-30 months	4.3	4.4	4.4	4.2
31-36 months	79.5	79.2	78.7	78.1
Over 36 months	0.8	0.9	1.0	0.7

## Contracts written for 36 months:

Median loan/value ratio	93.4	93.8	93.6	93.0
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## USED CAR CONTRACTS

## Per cent of contracts written for:

12 months or less	9.8	9.0	9.2	9.6
13-18 months	8.9	8.2	8.4	9.4
19-24 months	29.3	29.4	29.0	31.3
Over 24 months	52.0	53.4	53.4	49.7

## All used car contracts:

Median loan/value ratio	100.1	98.7	98.4	97.1
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\*Unweighted arithmetic mean of the three monthly ratios.

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L.4.2

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS

MARCH 1966 AND FEBRUARY 1966

NEW CARS

(Percentage distribution of contracts)

Contract balance as percentage of dealer cost <sup>1/</sup>	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.
PURCHASED PAPER										
80% or less	9.2	7.9	1.7	1.3	15.9	15.8	0.1	0.1	26.9	25.0
81% to 90%	1.8	1.9	0.7	1.0	14.6	14.3	0.1	0.1	17.1	17.3
91% to 100%	2.6	3.4	1.6	1.6	26.8	26.5	0.5	0.3	31.5	31.8
101% to 110%	1.2	1.1	0.6	0.7	13.9	14.6	0.1	*	15.7	16.5
Over 110%	0.4	0.5	0.1	0.2	8.1	8.9	0.1	*	8.8	9.5
Total	15.2	14.7	4.7	4.7	79.2	80.1	0.8	0.5	100.0	100.0
DIRECT LOANS										
80% or less	17.4	17.3	3.6	3.3	28.3	27.5	0.1	0.4	49.4	48.5
81% to 90%	3.4	4.0	1.0	1.3	9.5	8.7	*	*	14.0	14.0
91% to 100%	5.5	5.1	1.8	2.2	16.6	16.9	0.1	0.1	24.0	24.3
101% to 110%	1.6	1.8	0.4	0.5	6.7	7.2	*	*	8.7	9.6
Over 110%	0.5	0.5	0.1	0.1	3.0	3.0	0.3	*	4.0	3.6
Total	28.4	28.7	6.9	7.5	64.1	63.3	0.5	0.5	100.0	100.0
TOTAL										
80% or less	11.2	10.3	2.1	1.8	19.0	18.8	0.1	0.2	32.4	31.0
81% to 90%	2.2	2.4	0.8	1.1	13.3	12.9	*	0.1	16.4	16.4
91% to 100%	3.3	3.9	1.7	1.7	24.3	24.0	0.4	0.2	29.6	29.9
101% to 110%	1.3	1.3	0.6	0.7	12.1	12.7	0.1	*	14.0	14.7
Over 110%	0.4	0.5	0.1	0.1	6.9	7.4	0.1	*	7.6	8.0
Total	18.5	18.3	5.3	5.4	75.5	75.8	0.7	0.5	100.0	100.0

<sup>1/</sup> Contract balance excludes finance and insurance charges.

\* Less than one-tenth of one per cent.

NOTE: Distributions for March and February are derived from reports of 113 banks, 72 of which reported dealer cost ratios as well as maturities. The March maturity distribution for new cars shown on pages 1 and 2 is based on 51,000 contracts, 35,000 purchased and 16,000 direct. The cross-classification on this page is based on 29,000 contracts, 21,000 purchased and 8,000 direct. The data are not intended to be estimates for all commercial banks and 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.

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L.4.2

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

MARCH 1966 AND FEBRUARY 1966

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value <u>1/2/</u>	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.
PURCHASED PAPER										
80% or less	3.1	2.9	1.7	1.7	4.4	4.7	5.8	6.7	15.1	16.1
81% to 90%	1.0	1.1	1.5	1.2	4.1	4.4	7.8	8.6	14.4	15.3
91% to 100%	1.4	1.4	1.6	1.6	6.5	6.8	10.8	11.5	20.3	21.3
101% to 110%	1.1	1.2	1.2	1.0	4.5	4.0	10.3	10.9	17.1	17.1
Over 110%	2.1	1.6	2.4	2.3	8.9	8.8	19.6	17.5	33.1	30.2
Total	8.8	8.2	8.4	7.8	28.5	28.7	54.3	55.3	100.0	100.0
DIRECT LOANS										
80% or less	11.4	10.6	5.8	6.7	13.7	13.4	9.8	10.5	40.8	41.3
81% to 90%	2.1	1.6	1.2	1.4	5.3	5.3	3.4	2.8	12.0	11.0
91% to 100%	3.8	4.6	3.5	3.3	8.2	9.6	6.0	6.2	21.5	23.6
101% to 110%	1.5	1.6	1.5	1.1	4.2	3.7	4.0	5.1	11.3	11.5
Over 110%	1.7	1.6	2.0	1.8	5.3	4.3	5.3	4.9	14.4	12.6
Total	20.6	20.0	14.1	14.2	36.8	36.2	28.5	29.5	100.0	100.0
TOTAL										
80% or less	5.4	5.2	2.8	3.1	6.9	7.3	6.9	7.8	22.0	23.4
81% to 90%	1.3	1.3	1.4	1.2	4.4	4.6	6.6	6.9	13.8	14.1
91% to 100%	2.1	2.3	2.1	2.1	6.9	7.6	9.5	10.0	20.6	22.0
101% to 110%	1.2	1.3	1.3	1.0	4.5	3.9	8.6	9.2	15.5	15.5
Over 110%	2.0	1.6	2.3	2.2	8.0	7.5	15.8	13.9	28.0	25.1
Total	12.0	11.6	9.9	9.6	30.7	30.9	47.3	47.8	100.0	100.0

1/Contract balance excludes finance and insurance charges.

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

NOTE: Distributions for March and February are derived from reports of 113 banks, 69 of which reported dealer cost ratios as well as maturities. The March maturity distribution for used cars shown on pages 1 and 2 is based on 37,000 contracts, 26,000 purchased and 11,000 direct. The cross-classification on this page is based on 21,000 contracts, 15,000 purchased and 6,000 direct. The data are not intended to be estimates for all commercial banks and 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.