

Not for publication

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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 JUN 17 1966
 FEDERAL RESERVE BANK
 DECONTROLLED AFTER SIX MONTHS

*Loans, Consumer -
Installment*

June 16, 1966.

L.4.2

DIRECT AUTO LOANS BY COMMERCIAL BANKS

DECONTROLLED

April 1966	March 1966	Three months ending April*	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	28.2	29.4	29.2	31.2
25-30 months	6.4	6.1	6.3	7.3
31-36 months	65.2	64.2	64.2	60.9
Over 36 months	0.2	0.3	0.3	0.6

Contracts written for 36 months:

Median loan/value ratio	85.6	83.9	86.9	89.0
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.0	18.2	18.4	19.1
13-18 months	13.1	12.5	12.6	13.8
19-24 months	36.5	36.8	36.8	37.8
Over 24 months	32.4	32.5	32.2	29.3

All used car contracts:

Median loan/value ratio	87.9	87.6	88.9	87.1
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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)

April 1966	March 1966	Three months ending April*	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	15.2	15.5	15.5	16.3
25-30 months	4.1	4.3	4.3	4.1
31-36 months	79.9	79.1	79.3	79.0
Over 36 months	0.8	1.1	0.9	0.6

Contracts written for 36 months:

Median loan/value ratio	93.5	93.5	93.6	93.0
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.5	9.3	9.4	9.4
13-18 months	8.7	8.9	8.6	9.3
19-24 months	30.6	29.8	29.9	30.9
Over 24 months	51.2	52.0	52.1	50.4

All used car contracts:

Median loan/value ratio	99.5	99.9	98.9	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

APRIL 1966 AND MARCH 1966

NEW CARS

(Percentage distribution of contracts)

Contract balance as percentage of dealer cost <u>1/</u>	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.
	PURCHASED PAPER									
80% or less	8.5	9.0	1.4	1.7	15.7	15.5	*	0.1	25.6	26.2
81% to 90%	1.8	1.8	0.8	0.7	15.1	14.6	*	0.1	17.8	17.2
91% to 100%	2.8	2.7	1.8	1.7	26.6	26.9	0.3	0.4	31.4	31.7
101% to 110%	1.3	1.4	0.6	0.6	15.1	14.2	*	0.1	17.0	16.3
Over 110%	0.5	0.4	0.1	0.1	7.6	7.9	*	0.1	8.2	8.6
Total	14.9	15.3	4.6	4.8	80.0	79.1	0.3	0.7	100.0	100.0
	DIRECT LOANS									
80% or less	17.3	17.4	3.4	3.5	26.3	28.3	0.1	0.1	47.1	49.3
81% to 90%	3.7	3.5	1.3	1.1	10.8	9.6	*	*	15.8	14.2
91% to 100%	5.1	5.5	2.0	1.8	17.5	16.5	0.1	0.1	24.7	23.9
101% to 110%	1.4	1.6	0.3	0.4	7.0	6.6	*	*	8.7	8.7
Over 110%	0.4	0.5	0.1	0.2	3.2	3.0	*	0.3	3.7	3.9
Total	27.8	28.4	7.1	6.9	64.8	64.1	0.3	0.5	100.0	100.0
	TOTAL									
80% or less	10.7	11.0	1.9	2.1	18.3	18.6	*	0.1	30.9	31.8
81% to 90%	2.3	2.2	0.9	0.8	14.1	13.4	*	*	17.3	16.4
91% to 100%	3.4	3.4	1.8	1.7	24.3	24.4	0.2	0.4	29.7	29.8
101% to 110%	1.3	1.4	0.5	0.6	13.1	12.4	*	0.1	14.9	14.5
Over 110%	0.5	0.5	0.1	0.1	6.5	6.7	*	0.1	7.1	7.5
Total	18.1	18.5	5.2	5.4	76.3	75.4	0.3	0.7	100.0	100.0

1/ Contract balance excludes finance and insurance charges.

* Less than one-tenth of one per cent.

NOTE: Distributions for April and March are derived from reports of 116 banks, 72 of which reported dealer cost ratios as well as maturities. The April maturity distribution for new cars shown on pages 1 and 2 is based on 46,000 contracts, 32,000 purchased and 14,000 direct. The cross-classification on this page is based on 24,000 contracts, 18,000 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.

L.4.2

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

APRIL 1966 AND MARCH 1966

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value $\frac{1}{2}$ /	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.
	PURCHASED PAPER									
80% or less	3.9	3.1	2.0	1.7	4.5	4.4	5.2	5.8	15.6	15.0
81% to 90%	1.1	1.1	1.4	1.6	5.1	4.2	7.4	7.7	15.0	14.6
91% to 100%	1.6	1.5	1.4	1.6	6.9	6.7	10.5	10.7	20.4	20.6
101% to 110%	1.2	1.2	1.1	1.2	4.5	4.6	10.4	10.2	17.2	17.2
Over 110%	<u>1.7</u>	<u>2.0</u>	<u>2.4</u>	<u>2.4</u>	<u>8.7</u>	<u>8.8</u>	<u>19.0</u>	<u>19.4</u>	<u>31.8</u>	<u>32.6</u>
Total	9.6	8.9	8.4	8.5	29.6	28.7	52.4	53.8	100.0	100.0
	DIRECT LOANS									
80% or less	10.0	11.3	6.6	5.7	13.7	13.8	9.1	9.8	39.5	40.6
81% to 90%	2.2	2.3	2.0	1.4	5.1	5.3	4.0	3.4	13.3	12.4
91% to 100%	4.3	3.8	3.2	3.5	8.8	8.2	6.3	6.0	22.5	21.6
101% to 110%	1.3	1.5	1.4	1.5	3.7	4.2	4.5	4.0	10.9	11.2
Over 110%	<u>2.0</u>	<u>1.7</u>	<u>2.2</u>	<u>2.0</u>	<u>4.3</u>	<u>5.3</u>	<u>5.3</u>	<u>5.2</u>	<u>13.8</u>	<u>14.2</u>
Total	19.9	20.6	15.3	14.2	35.6	36.8	29.1	28.4	100.0	100.0
	TOTAL									
80% or less	5.5	5.3	3.3	2.8	6.9	6.9	6.2	6.9	21.9	21.9
81% to 90%	1.4	1.4	1.6	1.5	5.1	4.5	6.4	6.5	14.5	14.0
91% to 100%	2.3	2.1	1.9	2.1	7.4	7.1	9.4	9.5	21.0	20.8
101% to 110%	1.2	1.3	1.2	1.3	4.3	4.5	8.8	8.5	15.6	15.6
Over 110%	<u>1.8</u>	<u>1.9</u>	<u>2.3</u>	<u>2.3</u>	<u>7.5</u>	<u>7.9</u>	<u>15.4</u>	<u>15.6</u>	<u>27.0</u>	<u>27.7</u>
Total	12.3	12.1	10.2	10.0	31.2	30.9	46.2	46.9	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 April and March are derived from reports of 116 banks, 69 of which reported dealer cost ratios as well as maturities. The April maturity distribution for used cars shown on pages 1 and 2 is based on 34,000 contracts, 24,000 purchased and 10,000 direct. The cross-classification on this page is based on 19,000 contracts, 14,000 purchased and 5,000 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.