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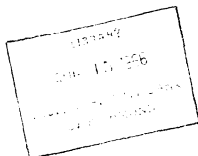
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

August 12, 1966.

DECONTROLLED AFTER SIX MONTHS

Loans Consumer - Installment



DIRECT AUTO LOANS BY COMMERCIAL BANKS

| June 1966 | May 1966 | Three months ending June* | |
|--------------|-------------|------------------------------|------|
| | | 1966 | 1965 |

NEW CAR CONTRACTS

Per cent of contracts written for:

| | | | | |
|-------------------|------|------|------|------|
| 24 months or less | 26.6 | 28.6 | 27.8 | 28.6 |
| 25-30 months | 6.3 | 6.2 | 6.3 | 6.3 |
| 31-36 months | 67.0 | 65.1 | 65.7 | 64.8 |
| Over 36 months | 0.1 | 0.1 | 0.2 | 0.3 |

Contracts written for 36 months:

| | | | | |
|-------------------------|------|------|------|------|
| Median loan/value ratio | 83.2 | 86.0 | 84.3 | 90.0 |
|-------------------------|------|------|------|------|

USED CAR CONTRACTS

Per cent of contracts written for:

| | | | | |
|-------------------|------|------|------|------|
| 12 months or less | 18.7 | 17.8 | 18.2 | 18.6 |
| 13-18 months | 12.6 | 12.5 | 12.7 | 14.0 |
| 19-24 months | 38.2 | 36.3 | 37.0 | 37.9 |
| Over 24 months | 30.5 | 33.4 | 32.1 | 29.5 |

All used car contracts:

| | | | | |
|-------------------------|------|------|------|------|
| Median loan/value ratio | 88.3 | 87.1 | 87.8 | 88.8 |
|-------------------------|------|------|------|------|

*Unweighted arithmetic mean of the three monthly ratios.

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

| June 1966 | May 1966 | Three months ending June* | |
|--------------|-------------|------------------------------|------|
| | | 1966 | 1965 |

NEW CAR CONTRACTS

Per cent of contracts written for:

| | | | | |
|-------------------|------|------|------|------|
| 24 months or less | 14.2 | 14.3 | 14.6 | 15.5 |
| 25-30 months | 4.5 | 4.6 | 4.4 | 3.9 |
| 31-36 months | 80.2 | 80.1 | 80.0 | 79.9 |
| Over 36 months | 1.1 | 1.0 | 1.0 | 0.7 |

Contracts written for 36 months:

| | | | | |
|-------------------------|------|------|------|------|
| Median loan/value ratio | 93.7 | 93.4 | 93.6 | 93.1 |
|-------------------------|------|------|------|------|

USED CAR CONTRACTS

Per cent of contracts written for:

| | | | | |
|-------------------|------|------|------|------|
| 12 months or less | 8.6 | 8.9 | 9.0 | 9.4 |
| 13-18 months | 9.0 | 8.9 | 8.9 | 9.4 |
| 19-24 months | 30.5 | 30.1 | 30.4 | 31.1 |
| Over 24 months | 51.9 | 52.1 | 51.7 | 50.1 |

All used car contracts:

| | | | | |
|-------------------------|-------|-------|-------|------|
| Median loan/value ratio | 100.3 | 100.2 | 100.0 | 97.8 |
|-------------------------|-------|-------|-------|------|

*unweighted arithmetic mean of the three monthly ratios.

L.4.2

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

JUNE 1966 AND MAY 1966

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 | |
| | June | May | June | May | June | May | June | May | June | May |
| PURCHASED PAPER | | | | | | | | | | |
| 80% or less | 7.7 | 8.0 | 1.6 | 1.7 | 15.0 | 15.7 | 0.1 | 0.1 | 24.4 | 25.5 |
| 81% to 90% | 2.0 | 1.9 | 0.9 | 0.9 | 15.2 | 15.2 | * | * | 18.1 | 18.1 |
| 91% to 100% | 2.5 | 2.6 | 1.6 | 1.8 | 27.2 | 26.1 | 0.3 | 0.4 | 31.6 | 30.8 |
| 101% to 110% | 1.3 | 1.3 | 0.8 | 0.9 | 14.6 | 14.6 | * | 0.1 | 16.7 | 16.8 |
| Over 110% | 0.4 | 0.4 | 0.2 | 0.2 | 8.6 | 8.2 | * | * | 9.3 | 8.8 |
| Total | 13.8 | 14.1 | 5.1 | 5.4 | 80.6 | 79.8 | 0.5 | 0.6 | 100.0 | 100.0 |
| DIRECT LOANS | | | | | | | | | | |
| 80% or less | 16.5 | 17.3 | 3.5 | 3.4 | 29.4 | 28.3 | 0.1 | 0.1 | 49.4 | 49.0 |
| 81% to 90% | 3.2 | 3.4 | 1.0 | 1.2 | 9.4 | 9.8 | * | * | 13.6 | 14.4 |
| 91% to 100% | 4.4 | 5.4 | 3.4 | 2.1 | 16.8 | 16.4 | * | * | 24.7 | 23.9 |
| 101% to 110% | 1.5 | 1.4 | 0.6 | 0.6 | 5.3 | 6.7 | 0.1 | * | 7.6 | 8.7 |
| Over 110% | 0.5 | 0.5 | 0.2 | 0.1 | 4.0 | 3.3 | * | * | 4.7 | 4.0 |
| Total | 26.1 | 28.0 | 8.7 | 7.3 | 64.9 | 64.4 | 0.2 | 0.2 | 100.0 | 100.0 |
| TOTAL | | | | | | | | | | |
| 80% or less | 9.8 | 10.3 | 2.1 | 2.1 | 18.3 | 18.9 | 0.1 | 0.1 | 30.2 | 31.4 |
| 81% to 90% | 2.3 | 2.3 | 0.9 | 1.0 | 13.9 | 13.9 | * | * | 17.1 | 17.2 |
| 91% to 100% | 2.9 | 3.3 | 2.0 | 1.9 | 24.8 | 23.6 | 0.3 | 0.3 | 30.0 | 29.1 |
| 101% to 110% | 1.3 | 1.3 | 0.7 | 0.8 | 12.5 | 12.6 | 0.1 | * | 14.6 | 14.7 |
| Over 110% | 0.4 | 0.4 | 0.2 | 0.2 | 7.5 | 6.9 | * | * | 8.2 | 7.6 |
| Total | 16.7 | 17.6 | 5.9 | 5.9 | 76.9 | 76.0 | 0.4 | 0.5 | 100.0 | 100.0 |

^{1/} Contract balance excludes finance and insurance charges.

* Less than one-tenth of one per cent.

NOTE: Distributions for June and May are derived from reports of 112 banks, 71 of which reported dealer cost ratios as well as maturities. The June maturity distribution for new cars shown on pages 1 and 2 is based on 48,000 contracts, 34,000 purchased and 14,000 direct. The cross-classification on this page is based on 26,000 contracts, 20,000 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)

JUNE 1966 AND MAY 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 | |
| | June | May | June | May | June | May | June | May | June | May |
| PURCHASED PAPER | | | | | | | | | | |
| 80% or less | 2.7 | 3.3 | 1.9 | 1.9 | 4.3 | 4.5 | 6.1 | 6.0 | 15.1 | 15.8 |
| 81% to 90% | 1.1 | 1.2 | 1.6 | 1.4 | 4.2 | 4.4 | 7.6 | 7.0 | 14.5 | 14.0 |
| 91% to 100% | 1.4 | 1.3 | 2.0 | 1.6 | 7.1 | 6.5 | 9.8 | 10.4 | 20.3 | 19.8 |
| 101% to 110% | 1.1 | 1.0 | 1.3 | 1.4 | 4.4 | 4.7 | 8.9 | 9.6 | 15.6 | 16.7 |
| Over 110% | <u>2.1</u> | <u>2.0</u> | <u>2.3</u> | <u>2.6</u> | <u>9.6</u> | <u>9.4</u> | <u>20.5</u> | <u>19.7</u> | <u>34.4</u> | <u>33.6</u> |
| Total | 8.3 | 8.8 | 9.0 | 8.9 | 29.7 | 29.5 | 52.9 | 52.7 | 100.0 | 100.0 |
| DIRECT LOANS | | | | | | | | | | |
| 80% or less | 10.6 | 10.6 | 5.3 | 6.3 | 14.7 | 14.7 | 9.9 | 10.6 | 40.6 | 42.2 |
| 81% to 90% | 1.9 | 1.9 | 1.3 | 1.2 | 4.8 | 4.2 | 3.3 | 3.7 | 11.3 | 11.0 |
| 91% to 100% | 4.0 | 4.4 | 3.5 | 3.7 | 10.4 | 8.6 | 6.6 | 6.8 | 24.5 | 23.5 |
| 101% to 110% | 1.7 | 1.7 | 1.5 | 1.5 | 4.5 | 4.0 | 3.6 | 4.3 | 11.2 | 11.5 |
| Over 110% | <u>1.6</u> | <u>1.4</u> | <u>1.7</u> | <u>1.4</u> | <u>4.1</u> | <u>3.8</u> | <u>5.0</u> | <u>5.2</u> | <u>12.4</u> | <u>11.9</u> |
| Total | 19.8 | 20.1 | 13.3 | 14.1 | 38.4 | 35.2 | 28.4 | 30.6 | 100.0 | 100.0 |
| TOTAL | | | | | | | | | | |
| 80% or less | 4.9 | 5.3 | 2.8 | 3.1 | 7.2 | 7.3 | 7.2 | 7.2 | 22.2 | 22.9 |
| 81% to 90% | 1.3 | 1.4 | 1.5 | 1.4 | 4.4 | 4.3 | 6.4 | 6.1 | 13.6 | 13.2 |
| 91% to 100% | 2.1 | 2.1 | 2.4 | 2.2 | 8.0 | 7.1 | 8.9 | 9.4 | 21.5 | 20.8 |
| 101% to 110% | 1.2 | 1.2 | 1.3 | 1.4 | 4.4 | 4.5 | 7.4 | 8.2 | 14.4 | 15.3 |
| Over 110% | <u>2.0</u> | <u>1.9</u> | <u>2.1</u> | <u>2.3</u> | <u>8.0</u> | <u>7.9</u> | <u>16.2</u> | <u>15.7</u> | <u>28.3</u> | <u>27.8</u> |
| Total | 11.5 | 11.8 | 10.2 | 10.3 | 32.1 | 31.1 | 46.1 | 46.7 | 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 June and May are derived from reports of 112 banks, 68 of which reported dealer cost ratios as well as maturities. The June maturity distribution for used cars shown on pages 1 and 2 is based on 35,000 contracts, 24,000 purchased and 11,000 direct. The cross-classification on this page is based on 20,000 contracts, 14,000 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.