

Not for publication

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

September 14, 1966.

DECONTROLLED AFTER SIX MONTHS

Loans Consumer - Installment

DIRECT AUTO LOANS BY COMMERCIAL BANKS

July 1966	June 1966	Three months ending July*	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.3	26.7	27.5	27.6
25-30 months	6.1	6.2	6.2	6.0
31-36 months	66.3	67.0	66.1	66.0
Over 36 months	0.3	0.1	0.2	0.4

Contracts written for 36 months:

Median loan/value ratio	86.0	82.8	84.5	88.8
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.8	18.8	18.4	18.4
13-18 months	13.5	12.6	12.9	14.1
19-24 months	37.9	38.2	37.5	38.3
Over 24 months	29.8	30.4	31.2	29.2

All used car contracts:

Median loan/value ratio	88.3	88.3	88.0	88.7
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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)

July 1966	June 1966	Three months ending July *	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.0	14.3	13.8	14.8
25-30 months	3.4	4.4	4.2	3.7
31-36 months	82.6	80.2	81.0	80.8
Over 36 months	1.0	1.1	1.0	0.7

Contracts written for 36 months:

Median loan/value ratio	93.5	93.7	93.6	92.9
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	8.7	8.6	8.7	9.5
13-18 months	9.1	9.0	9.0	9.5
19-24 months	30.5	30.5	30.4	32.0
Over 24 months	51.7	51.9	51.9	49.0

All used car contracts:

Median loan/value ratio	100.3	100.1	100.3	97.7
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*Unweighted arithmetic mean of the three monthly ratios.

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DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

JULY 1966 AND JUNE 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	
	July	June	July	June	July	June	July	June	July	June
PURCHASED PAPER										
80% or less	6.7	7.8	1.1	1.6	16.6	15.1	*	0.1	24.4	24.5
81% to 90%	1.6	2.0	0.6	0.9	16.1	15.2	*	*	18.3	18.1
91% to 100%	2.2	2.4	1.2	1.5	27.5	27.0	0.2	0.3	31.1	31.3
101% to 110%	0.8	1.3	0.4	0.8	15.8	14.7	*	*	17.0	16.8
Over 110%	<u>0.4</u>	<u>0.4</u>	<u>0.2</u>	<u>0.2</u>	<u>8.5</u>	<u>8.7</u>	<u>*</u>	<u>*</u>	<u>9.2</u>	<u>9.3</u>
Total	11.8	13.9	3.4	5.0	84.5	80.6	0.3	0.5	100.0	100.0
DIRECT LOANS										
80% or less	15.8	16.6	2.9	3.5	28.6	29.7	0.1	0.1	47.3	49.9
81% to 90%	3.3	3.2	1.0	1.0	8.9	9.4	*	*	13.2	13.6
91% to 100%	5.1	4.4	1.7	3.3	18.5	16.7	*	*	25.4	24.5
101% to 110%	1.0	1.5	0.6	0.6	7.7	5.3	*	0.1	9.4	7.6
Over 110%	<u>0.4</u>	<u>0.5</u>	<u>0.2</u>	<u>0.2</u>	<u>4.1</u>	<u>3.6</u>	<u>0.1</u>	<u>*</u>	<u>4.7</u>	<u>4.4</u>
Total	25.6	26.3	6.4	8.6	67.8	64.8	0.2	0.2	100.0	100.0
TOTAL										
80% or less	8.7	9.8	1.5	2.1	19.2	18.5	*	0.1	29.4	30.4
81% to 90%	2.0	2.3	0.7	0.9	14.5	13.9	*	*	17.2	17.0
91% to 100%	2.8	2.9	1.3	1.9	25.5	24.6	0.2	0.3	29.8	29.7
101% to 110%	0.8	1.3	0.4	0.7	14.1	12.6	*	0.1	15.4	14.7
Over 110%	<u>0.4</u>	<u>0.4</u>	<u>0.2</u>	<u>0.2</u>	<u>7.6</u>	<u>7.5</u>	<u>*</u>	<u>*</u>	<u>8.2</u>	<u>8.2</u>
Total	14.8	16.7	4.0	5.8	80.9	77.0	0.3	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 July and June are derived from reports of 110 banks, 69 of which reported dealer cost ratios as well as maturities. The July maturity distribution for new cars shown on pages 1 and 2 is based on 43,000 contracts, 32,000 purchased and 11,000 direct. The cross-classification on this page is based on 23,000 contracts, 18,000 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.

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

JULY 1966 AND JUNE 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	
	July	June	July	June	July	June	July	June	July	June
PURCHASED PAPER										
80% or less	2.9	2.8	2.1	1.9	4.5	4.4	5.6	6.2	15.1	15.2
81% to 90%	1.1	1.1	1.4	1.5	3.9	4.2	7.7	7.6	14.1	14.3
91% to 100%	1.3	1.4	2.0	2.0	6.8	7.0	10.1	9.6	20.3	20.0
101% to 110%	1.1	1.1	1.3	1.3	4.2	4.5	10.2	8.9	16.8	15.8
Over 110%	2.3	2.1	2.3	2.3	9.4	9.6	19.7	20.7	33.7	34.7
Total	8.7	8.4	9.1	9.0	28.8	29.6	53.3	52.9	100.0	100.0
DIRECT LOANS										
80% or less	10.0	10.8	5.5	5.3	14.8	14.8	10.2	10.0	40.5	40.9
81% to 90%	1.8	1.9	1.6	1.3	4.8	4.7	3.3	3.1	11.5	11.0
91% to 100%	4.7	4.0	3.2	3.6	9.8	10.5	7.3	6.7	25.1	24.8
101% to 110%	1.1	1.7	1.0	1.5	3.5	4.5	4.8	3.5	10.4	11.2
Over 110%	1.6	1.6	1.6	1.7	4.0	4.0	5.3	4.8	12.6	12.1
Total	19.1	20.0	13.0	13.3	36.9	38.4	31.0	28.2	100.0	100.0
TOTAL										
80% or less	4.7	5.0	3.0	2.9	7.2	7.2	6.8	7.2	21.7	22.3
81% to 90%	1.3	1.3	1.4	1.5	4.1	4.3	6.6	6.3	13.4	13.4
91% to 100%	2.2	2.1	2.3	2.4	7.6	7.9	9.4	8.8	21.5	21.3
101% to 110%	1.1	1.2	1.2	1.3	4.0	4.5	8.8	7.5	15.1	14.5
Over 110%	2.1	2.0	2.2	2.1	8.0	8.1	16.0	16.3	28.3	28.5
Total	11.4	11.6	10.1	10.2	30.9	32.1	47.6	46.1	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 July and June are derived from reports of 110 banks, 65 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 30,000 contracts, 22,000 purchased and 8,000 direct. The cross-classification on this page is based on 16,000 contracts, 12,000 purchased and 4,000 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.