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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

February 20, 1967.

L.4.2

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

consumer - Instalment

December 1966	November 1966	Three months ending December*	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	32.2	31.7	31.5	30.2
25-30 months	6.5	6.6	6.7	6.7
31-36 months	61.1	61.6	61.6	62.9
Over 36 months	0.2	0.1	0.2	0.2

Contracts written for 36 months:

Median loan/value ratio	86.2	85.8	86.5	89.2
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.3	17.0	18.4	18.4
13-18 months	13.2	12.6	13.4	13.2
19-24 months	37.3	37.5	37.4	36.8
Over 24 months	32.2	32.9	30.8	31.6

All used car contracts:

Median loan/value ratio	90.7	89.4	89.4	88.9
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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)

December 1966	November 1966	Three months ending December*	
		1966	1965

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	16.8	17.8	16.7	16.7
25-30 months	4.4	3.8	3.9	4.1
31-36 months	78.0	77.4	78.5	78.4
Over 36 months	0.8	1.0	0.9	0.8

Contracts written for 36 months:

Median loan/value ratio	92.4	92.2	92.6	93.4
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.1	9.2	9.4	9.3
13-18 months	8.9	9.3	9.2	9.3
19-24 months	29.9	29.9	29.7	30.3
Over 24 months	52.1	51.6	51.7	51.1

All used car contracts:

Median loan/value ratio	95.8	95.7	96.6	97.3
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*Unweighted arithmetic mean of the three monthly ratios.

L.4.2

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS
DECEMBER 1966 AND NOVEMBER 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	
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
PURCHASED PAPER										
80% or less	8.7	10.0	1.5	1.3	16.9	17.7	*	*	27.2	29.1
81% to 90%	2.5	2.3	0.8	0.5	16.5	16.0	*	*	19.8	18.8
91% to 100%	3.4	3.6	1.6	1.3	25.1	24.3	0.1	0.1	30.2	29.4
101% to 110%	1.2	1.4	0.6	0.3	12.9	12.9	*	*	14.7	14.6
Over 110%	0.4	0.5	0.3	0.2	7.5	7.4	*	*	8.1	8.1
Total	16.2	17.8	4.7	3.7	78.8	78.3	0.2	0.2	100.0	100.0
DIRECT LOANS										
80% or less	19.0	19.2	2.9	2.9	21.0	23.8	*	*	42.9	45.9
81% to 90%	5.8	5.9	1.4	1.3	13.7	10.1	*	*	21.0	17.4
91% to 100%	6.4	6.6	3.2	2.1	16.0	16.4	0.1	0.1	25.6	25.1
101% to 110%	1.1	1.4	0.5	0.4	5.6	5.2	*	*	7.2	7.1
Over 110%	0.5	0.4	0.1	0.2	2.8	3.9	*	*	3.3	4.5
Total	32.8	33.6	8.1	6.8	59.0	59.4	0.2	0.1	100.0	100.0
TOTAL										
80% or less	11.1	12.0	1.8	1.7	17.8	19.0	*	*	30.7	32.8
81% to 90%	3.3	3.1	0.9	0.7	15.9	14.8	*	*	20.0	18.5
91% to 100%	4.1	4.3	1.9	1.5	23.0	22.6	0.1	0.1	29.2	28.4
101% to 110%	1.2	1.4	0.5	0.3	11.2	11.2	*	*	13.0	13.0
Over 110%	0.4	0.5	0.2	0.2	6.4	6.6	*	*	7.1	7.3
Total	20.0	21.2	5.4	4.3	74.3	74.2	0.2	0.2	100.0	100.0

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

* Less than one-tenth of one per cent.

NOTE: Distributions for December and November are derived from reports of 99 banks, 61 of which reported dealer cost ratios as well as maturities. The December maturity distribution for new cars shown on pages 1 and 2 is based on 30,000 contracts, 21,000 purchased and 9,000 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.

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

DECEMBER 1966 AND NOVEMBER 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	
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
PURCHASED PAPER										
80% or less	3.2	2.9	2.1	2.5	5.5	5.0	6.1	6.9	16.9	17.2
81% to 90%	1.1	1.3	1.6	1.6	5.2	4.6	12.3	12.5	20.3	20.0
91% to 100%	1.7	1.7	1.9	1.9	6.7	7.7	11.7	11.2	22.0	22.5
101% to 110%	0.8	0.9	0.9	0.9	3.7	3.3	8.5	7.9	13.9	13.0
Over 110%	<u>1.7</u>	<u>1.9</u>	<u>2.3</u>	<u>2.5</u>	<u>7.7</u>	<u>7.5</u>	<u>15.2</u>	<u>15.4</u>	<u>26.9</u>	<u>27.3</u>
Total	8.5	8.7	8.7	9.3	28.9	28.0	53.8	53.9	100.0	100.0
DIRECT LOANS										
80% or less	8.6	8.6	5.0	5.0	12.1	13.0	9.9	11.3	35.6	38.0
81% to 90%	2.1	1.8	2.1	1.9	4.7	4.9	3.5	4.2	12.4	12.8
91% to 100%	4.4	5.3	3.9	4.0	11.4	10.4	8.1	9.0	27.8	28.6
101% to 110%	1.1	1.7	1.0	0.7	3.7	3.1	3.1	3.0	8.8	8.5
Over 110%	<u>1.9</u>	<u>1.6</u>	<u>2.4</u>	<u>1.7</u>	<u>5.5</u>	<u>4.5</u>	<u>5.6</u>	<u>4.4</u>	<u>15.4</u>	<u>12.1</u>
Total	18.1	18.9	14.3	13.3	37.4	35.9	30.2	31.9	100.0	100.0
TOTAL										
80% or less	4.6	4.3	2.8	3.1	7.2	7.0	7.1	8.0	21.6	22.4
81% to 90%	1.4	1.4	1.7	1.7	5.1	4.7	10.1	10.5	18.3	18.2
91% to 100%	2.4	2.6	2.4	2.4	7.9	8.4	10.8	10.7	23.5	24.1
101% to 110%	0.9	1.1	0.9	0.9	3.7	3.2	7.1	6.6	12.6	11.8
Over 110%	<u>1.8</u>	<u>1.8</u>	<u>2.3</u>	<u>2.3</u>	<u>7.2</u>	<u>6.7</u>	<u>12.8</u>	<u>12.7</u>	<u>24.0</u>	<u>23.5</u>
Total	11.0	11.2	10.1	10.3	31.0	30.0	47.8	48.4	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 December and November are derived from reports of 99 banks, 59 of which reported dealer cost ratios as well as maturities. The December maturity distribution for used cars shown on pages 1 and 2 is based on 22,000 contracts, 15,000 purchased and 7,000 direct. The cross-classification on this page is based on 12,000 contracts, 9,000 purchased and 3,000 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.