

Not for publication

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

March 27, 1967.

DECONTROLLED AFTER SIX MONTHS

LIBRARY

MAR 29 1967

DIRECT AUTO LOANS BY COMMERCIAL BANKS

Consumer - Installment

January 1967	December 1966	Three months ending January*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	30.2	31.7	31.6	30.2
25-30 months	6.6	6.7	6.6	6.9
31-36 months	63.0	61.3	61.6	62.7
Over 36 months	0.2	0.3	0.2	0.2

Contracts written for 36 months:

Median loan/value ratio	85.6	86.2	86.7	90.1
-------------------------	------	------	------	------

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.6	18.8	17.8	18.1
13-18 months	12.6	13.3	12.8	12.6
19-24 months	36.6	36.8	37.0	36.0
Over 24 months	32.2	31.1	32.4	33.3

All used car contracts:

Median loan/value ratio	87.0	89.1	89.4	89.1
-------------------------	------	------	------	------

*Unweighted arithmetic mean of the three monthly ratios.

Not for publication

-2-

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

January 1967	December 1966	Three months ending January*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	15.6	17.0	16.8	17.0
25-30 months	4.2	4.3	4.1	4.2
31-36 months	78.7	77.2	78.0	77.9
Over 36 months	1.5	1.5	1.1	0.9

Contracts written for 36 months:

Median loan/value ratio	93.3	92.8	92.7	93.5
-------------------------	------	------	------	------

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.1	9.2	9.2	9.1
13-18 months	9.6	8.8	9.2	8.7
19-24 months	29.3	29.8	29.7	29.3
Over 24 months	52.0	52.2	51.9	52.9

All used car contracts:

Median loan/value ratio	98.2	96.4	96.7	97.3
-------------------------	------	------	------	------

*Unweighted arithmetic mean of the three monthly ratios.

Not for publication

-3-

L.4.2

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS
JANUARY 1967 AND DECEMBER 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	
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	9.0	9.1	1.6	1.6	17.0	16.7	0.1	0.1	27.7	27.5
81% to 90%	1.7	2.4	0.7	0.8	14.5	15.7	0.1	*	17.0	18.9
91% to 100%	3.0	3.4	1.3	1.4	26.0	24.8	0.2	0.2	30.4	29.8
101% to 110%	1.0	1.2	0.4	0.6	13.9	13.5	0.1	0.1	15.4	15.3
Over 110%	0.5	0.4	0.3	0.2	8.7	7.8	*	0.1	9.5	8.5
Total	15.1	16.5	4.3	4.6	80.1	78.4	0.5	0.5	100.0	100.0
DIRECT LOANS										
80% or less	16.5	18.9	3.3	3.1	24.2	21.1	0.3	0.2	44.3	43.3
81% to 90%	5.5	5.7	1.4	1.4	12.1	13.1	*	*	19.0	20.1
91% to 100%	5.9	6.5	2.9	3.0	16.5	15.9	0.1	0.3	25.4	25.8
101% to 110%	1.0	1.1	0.4	0.6	4.9	5.6	*	*	6.3	7.3
Over 110%	0.5	0.5	0.2	0.2	4.3	2.8	*	*	5.0	3.5
Total	29.3	32.7	8.3	8.3	62.0	58.6	0.4	0.4	100.0	100.0
TOTAL										
80% or less	10.6	11.3	2.0	1.9	18.5	17.7	0.1	0.1	31.1	31.0
81% to 90%	2.5	3.1	0.8	0.9	14.0	15.1	*	*	17.4	19.2
91% to 100%	3.6	4.1	1.6	1.8	24.0	22.8	0.2	0.2	29.4	28.9
101% to 110%	1.0	1.2	0.4	0.6	12.0	11.7	0.1	0.1	13.5	13.5
Over 110%	0.5	0.4	0.3	0.2	7.8	6.7	*	*	8.6	7.4
Total	18.1	20.2	5.2	5.4	76.3	73.9	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 January and December are derived from reports of 111 banks, 69 of which reported dealer cost ratios as well as maturities. The January maturity distribution for new cars shown on pages 1 and 2 is based on 29,000 contracts, 20,000 purchased and 9,000 direct. The cross-classification on this page is based on 15,000 contracts, 12,000 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.

L.4.2

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS (continued)
JANUARY 1967 AND DECEMBER 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	
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	3.3	3.6	2.7	2.1	5.2	5.5	6.8	5.7	18.1	16.9
81% to 90%	1.1	1.1	1.5	1.6	4.5	4.9	8.3	11.3	15.4	19.0
91% to 100%	1.3	1.6	1.6	1.9	6.2	6.8	11.1	11.9	20.2	22.1
101% to 110%	1.0	0.8	1.2	0.9	4.2	3.9	9.4	9.4	15.8	15.0
Over 110%	<u>2.1</u>	<u>1.6</u>	<u>2.6</u>	<u>2.1</u>	<u>8.0</u>	<u>7.5</u>	<u>17.9</u>	<u>15.7</u>	<u>30.5</u>	<u>27.0</u>
Total	8.8	8.8	9.7	8.6	28.1	28.6	53.4	54.0	100.0	100.0
DIRECT LOANS										
80% or less	12.8	12.6	7.3	5.4	12.7	12.2	9.1	9.0	41.9	39.3
81% to 90%	2.1	2.1	1.7	1.9	5.1	4.5	2.8	3.2	11.6	11.8
91% to 100%	4.6	4.4	3.8	3.8	9.9	10.9	6.9	7.4	25.2	26.5
101% to 110%	1.2	1.0	0.9	1.0	3.5	3.4	3.5	2.9	9.2	8.4
Over 110%	<u>1.6</u>	<u>1.7</u>	<u>1.4</u>	<u>2.2</u>	<u>4.3</u>	<u>5.1</u>	<u>4.8</u>	<u>5.1</u>	<u>12.1</u>	<u>14.0</u>
Total	22.3	21.8	15.0	14.4	35.5	36.1	27.1	27.6	100.0	100.0
TOTAL										
80% or less	5.9	6.0	4.0	3.0	7.3	7.3	7.4	6.6	24.5	22.9
81% to 90%	1.3	1.4	1.6	1.7	4.7	4.8	6.8	9.2	14.4	17.1
91% to 100%	2.2	2.4	2.2	2.4	7.2	7.9	9.9	10.6	21.6	23.3
101% to 110%	1.0	0.9	1.1	0.9	4.0	3.8	7.8	7.7	14.0	13.2
Over 110%	<u>1.9</u>	<u>1.7</u>	<u>2.3</u>	<u>2.2</u>	<u>7.0</u>	<u>6.9</u>	<u>14.3</u>	<u>12.8</u>	<u>25.5</u>	<u>23.5</u>
Total	12.4	12.3	11.1	10.2	30.2	30.6	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 January and December are derived from reports of 111 banks, 65 of which reported dealer cost ratios as well as maturities. The January maturity distribution for used cars shown on pages 1 and 2 is based on 26,000 contracts, 18,000 purchased and 8,000 direct. The cross-classification on this page is based on 14,000 contracts, 10,000 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.