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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

May 15, 1967.

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

Loans, consumer - installment

March 1967	February 1967	Three months ending March*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.9	30.0	29.2	29.8
25-30 months	6.5	6.4	6.5	6.5
31-36 months	64.3	62.6	63.5	63.4
Over 36 months	1.3	1.0	0.8	0.3

Contracts written for 36 months:

Median loan/value ratio	89.3	89.5	87.2	88.6
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	19.8	21.3	19.7	18.5
13-18 months	12.9	13.1	12.9	12.2
19-24 months	35.9	34.0	35.8	36.2
Over 24 months	31.4	31.6	31.6	33.1

All used car contracts:

Median loan/value ratio	88.3	88.8	86.1	89.5
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*Unweighted arithmetic mean of the three monthly ratios.

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DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

March 1967	February 1967	Three months ending March*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.4	14.9	14.6	15.9
25-30 months	3.7	4.2	4.0	4.4
31-36 months	81.6	79.6	80.0	78.7
Over 36 months	1.3	1.3	1.4	1.0

Contracts written for 36 months:

Median loan/value ratio	93.0	93.2	93.1	93.6
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.7	9.6	9.5	9.2
13-18 months	9.7	9.3	9.5	8.4
19-24 months	29.5	29.8	29.6	29.0
Over 24 months	51.1	51.3	51.4	53.4

All used car contracts:

Median loan/value ratio	98.4	98.0	98.3	98.4
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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

MARCH 1967 AND FEBRUARY 1967

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	
	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.
PURCHASED PAPER										
80% or less	8.1	8.7	1.3	1.5	17.1	16.0	0.1	0.1	26.6	26.3
81% to 90%	1.7	2.0	0.7	0.8	15.8	15.4	0.2	0.1	18.3	18.2
91% to 100%	2.2	2.7	1.2	1.2	27.2	27.8	0.3	0.4	30.9	32.1
101% to 110%	0.8	1.0	0.3	0.3	13.1	13.1	0.2	0.1	14.4	14.4
Over 110%	<u>0.6</u>	<u>0.4</u>	<u>0.1</u>	<u>0.3</u>	<u>8.9</u>	<u>8.3</u>	<u>0.1</u>	<u>0.1</u>	<u>9.8</u>	<u>9.0</u>
Total	13.3	14.7	3.6	4.1	82.1	80.5	0.9	0.7	100.0	100.0
DIRECT LOANS										
80% or less	16.2	17.2	3.0	2.4	20.3	21.2	0.3	0.3	39.8	41.0
81% to 90%	5.2	4.6	1.2	1.2	11.7	10.5	0.1	0.4	18.2	16.8
91% to 100%	6.7	6.7	2.1	2.4	21.0	21.6	0.2	0.1	30.0	30.8
101% to 110%	1.3	1.1	0.4	0.4	5.5	5.7	0.1	0.2	7.3	7.4
Over 110%	<u>0.5</u>	<u>0.5</u>	<u>0.2</u>	<u>0.1</u>	<u>3.8</u>	<u>3.3</u>	<u>0.1</u>	<u>0.1</u>	<u>4.7</u>	<u>4.0</u>
Total	29.9	30.2	7.0	6.5	62.3	62.2	0.7	1.0	100.0	100.0
TOTAL										
80% or less	9.8	10.4	1.7	1.7	17.8	17.0	0.1	0.1	29.4	29.1
81% to 90%	2.4	2.5	0.8	0.9	14.9	14.5	0.1	0.1	18.3	17.9
91% to 100%	3.1	3.5	1.4	1.4	25.9	26.6	0.3	0.3	30.7	31.8
101% to 110%	0.9	1.0	0.4	0.4	11.5	11.6	0.1	0.1	12.9	13.1
Over 110%	<u>0.6</u>	<u>0.4</u>	<u>0.1</u>	<u>0.2</u>	<u>7.9</u>	<u>7.3</u>	<u>0.1</u>	<u>0.1</u>	<u>8.7</u>	<u>8.1</u>
Total	16.8	17.7	4.4	4.5	77.9	77.0	0.8	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 March and February are derived from reports of 109 banks, 70 of which reported dealer cost ratios as well as maturities. The March maturity distribution for new cars shown on pages 1 and 2 is based on 36,000 contracts, 25,000 purchased and 11,000 direct. The cross-classification on this page is based on 20,000 contracts, 16,000 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)

MARCH 1967 AND FEBRUARY 1967

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	
	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.	Mar.	Feb.
PURCHASED PAPER										
80% or less	3.2	3.8	2.2	2.1	4.5	5.0	5.9	5.6	15.7	16.5
81% to 90%	1.2	1.4	1.5	1.6	4.9	4.3	9.1	8.4	16.8	15.7
91% to 100%	1.5	1.5	1.5	1.7	6.6	7.1	11.3	12.1	20.9	22.3
101% to 110%	0.8	0.9	0.9	1.0	4.0	4.2	9.5	9.9	15.1	16.0
Over 110%	2.3	2.2	2.6	2.4	8.6	7.9	18.1	17.1	31.5	29.5
Total	8.9	9.8	8.7	8.8	28.5	28.4	53.8	53.0	100.0	100.0
DIRECT LOANS										
80% or less	10.4	10.8	5.6	5.2	11.5	11.1	7.9	8.2	35.4	35.3
81% to 90%	3.2	3.5	2.1	2.2	6.3	5.3	6.0	5.8	17.6	16.8
91% to 100%	3.6	4.2	3.7	3.8	9.3	9.8	7.1	7.9	23.8	25.7
101% to 110%	0.8	1.1	1.0	0.8	3.4	2.7	3.0	3.6	8.3	8.2
Over 110%	1.2	1.3	1.8	2.0	5.9	5.2	6.1	5.5	14.9	14.0
Total	19.2	20.9	14.3	14.0	36.3	34.2	30.2	30.9	100.0	100.0
TOTAL										
80% or less	5.2	5.7	3.1	3.0	6.4	6.7	6.4	6.3	21.1	21.7
81% to 90%	1.7	2.0	1.7	1.8	5.3	4.6	8.3	7.6	17.0	16.0
91% to 100%	2.1	2.3	2.1	2.3	7.4	7.8	10.1	10.9	21.7	23.3
101% to 110%	0.8	1.0	0.9	0.9	3.8	3.8	7.7	8.1	13.2	13.8
Over 110%	2.0	1.9	2.3	2.3	7.8	7.1	14.9	13.8	27.0	25.2
Total	11.7	12.9	10.2	10.2	30.6	30.0	47.4	46.8	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 March and February are derived from reports of 109 banks, 66 of which reported dealer cost ratios as well as maturities. The March maturity distribution for used cars shown on pages 1 and 2 is based on 32,000 contracts, 22,000 purchased and 10,000 direct. The cross-classification on this page is based on 18,000 contracts, 13,000 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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Federal Reserve Bank of St. Louis