

*Loane, consumer - installment*BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

August 21, 1967

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

LIBRARY AUG 24 1967 FEDERAL RESERVE BANK OF ST. LOUIS	June 1967	May 1967	Three months ending June*	
			1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.3	27.1	27.2	27.8
25-30 months	6.1	5.9	6.0	6.3
31-36 months	67.1	65.5	65.5	65.7
Over 36 months	1.5	1.5	1.3	0.2

Contracts written for 36 months:

Median loan/value ratio	85.2	83.7	84.2	84.3
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.1	19.3	19.0	18.2
13-18 months	12.4	12.3	12.5	12.7
19-24 months	37.3	37.6	37.0	37.0
Over 24 months	32.2	30.8	31.5	32.1

All used car contracts:

Median loan/value ratio	89.3	88.0	88.3	87.8
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*Unweighted arithmetic mean of the three monthly ratios.

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DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

June 1967	May 1967	Three months ending June*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.4	14.4	14.1	14.6
25-30 months	3.3	3.8	3.6	4.4
31-36 months	81.9	80.7	81.1	80.0
Over 36 months	1.4	1.1	1.2	1.0

Contracts written for 36 months:

Median loan/value ratio	93.0	92.9	92.9	93.6
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.4	8.9	9.1	9.0
13-18 months	9.1	9.1	9.2	8.9
19-24 months	31.7	30.7	31.1	30.4
Over 24 months	49.8	51.3	50.6	51.7

All used car contracts:

Median loan/value ratio	99.3	99.8	99.4	100.0
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*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

JUNE 1967 AND MAY 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	
	June	May	June	May	June	May	June	May	June	May
PURCHASED PAPER										
80% or less	8.3	8.6	1.3	1.5	17.7	17.7	0.1	0.1	27.4	28.0
81% to 90%	1.6	1.7	0.5	0.6	15.4	15.2	0.1	0.1	17.7	17.5
91% to 100%	1.9	2.0	0.8	1.2	28.0	27.8	0.2	0.2	31.0	31.3
101% to 110%	0.9	0.9	0.3	0.3	13.7	13.2	0.1	*	15.0	14.4
Over 110%	0.5	0.6	0.2	0.2	8.2	7.9	0.1	0.1	8.9	8.8
Total	13.2	13.8	3.2	3.9	83.0	81.8	0.6	0.5	100.0	100.0
DIRECT LOANS										
80% or less	15.0	17.0	2.7	3.3	27.5	28.9	0.1	0.1	45.3	49.3
81% to 90%	3.6	4.5	0.9	1.1	12.6	9.8	0.1	*	17.3	15.5
91% to 100%	4.4	4.8	2.0	1.8	18.1	16.2	*	0.1	24.6	22.7
101% to 110%	1.3	1.0	0.4	0.5	5.3	6.0	0.1	0.1	7.2	7.6
Over 110%	0.8	0.6	0.2	0.2	4.5	4.0	0.1	*	5.6	4.9
Total	25.2	27.7	6.3	7.0	68.1	65.0	0.4	0.3	100.0	100.0
TOTAL										
80% or less	9.9	10.7	1.6	2.0	20.0	20.5	0.1	0.1	31.7	33.2
81% to 90%	2.1	2.4	0.6	0.7	14.7	13.9	0.1	0.1	17.6	17.0
91% to 100%	2.5	2.7	1.1	1.3	25.7	24.9	0.2	0.2	29.5	29.2
101% to 110%	1.0	0.9	0.4	0.4	11.7	11.4	0.1	*	13.1	12.8
Over 110%	0.6	0.6	0.2	0.2	7.3	7.0	0.1	*	8.1	7.8
Total	16.1	17.3	3.9	4.6	79.4	77.7	0.6	0.4	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 110 banks, 69 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 45,000 contracts. 31,000 purchased and 14,000 direct. The cross-classification on this page is based on 24,000 contracts, 18,000 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.

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

JUNE 1967 AND MAY 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	
	June	May	June	May	June	May	June	May	June	May
PURCHASED PAPER										
80% or less	3.3	3.1	2.0	2.2	4.5	4.6	5.3	5.9	15.2	15.8
81% to 90%	1.0	1.1	1.4	1.1	4.5	4.3	6.7	7.2	13.6	13.8
91% to 100%	1.7	1.4	1.7	1.7	8.3	7.7	11.3	11.2	22.9	21.9
101% to 110%	1.1	1.2	1.2	1.0	4.4	4.0	8.7	9.2	15.4	15.4
Over 110%	2.4	1.9	2.4	2.6	9.9	9.3	18.3	19.3	32.9	33.1
Total	9.4	8.6	8.6	8.6	31.6	29.9	50.4	52.9	100.0	100.0
DIRECT LOANS										
80% or less	10.2	10.0	5.2	6.0	12.3	13.8	10.1	11.2	37.8	41.0
81% to 90%	2.1	1.8	2.0	1.7	6.1	4.8	2.8	2.8	13.1	11.2
91% to 100%	3.8	3.9	3.4	3.7	10.4	10.8	7.6	6.3	25.2	24.7
101% to 110%	0.8	0.9	0.9	0.9	3.4	3.3	3.7	3.1	8.8	8.1
Over 110%	1.8	2.0	2.0	1.8	5.3	5.1	5.9	6.1	15.1	15.0
Total	18.8	18.6	13.6	14.2	37.5	37.8	30.1	29.4	100.0	100.0
TOTAL										
80% or less	5.3	5.0	2.9	3.3	6.7	7.2	6.6	7.4	21.5	22.8
81% to 90%	1.3	1.3	1.6	1.3	5.0	4.5	5.6	6.0	13.5	13.1
91% to 100%	2.3	2.1	2.1	2.3	8.9	8.5	10.2	9.8	23.6	22.7
101% to 110%	1.0	1.1	1.1	1.0	4.1	3.8	7.3	7.5	13.5	13.3
Over 110%	2.2	2.0	2.3	2.4	8.6	8.1	14.8	15.6	27.9	28.1
Total	12.1	11.4	10.0	10.2	33.3	32.1	44.6	46.3	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 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 32,000 contracts, 22,000 purchased and 10,000 direct. The cross-classification on this page is based on 17,000 contracts, 12,000 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.