

Loans, consumer - Installment

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

DECONTROLLED AFTER SIX MONTHS

October 9, 1967

DIRECT AUTO LOANS BY COMMERCIAL BANKS

August 1967	July 1967	Three months ending August*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.5	25.0	25.3	26.9
25-30 months	5.9	5.8	6.0	6.2
31-36 months	67.3	68.0	67.4	66.7
Over 36 months	1.3	1.2	1.3	0.2
Contracts written for 36 months:				
Median loan/value ratio	87.6	86.1	86.1	86.6

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	20.7	19.6	19.2	18.6
13-18 months	13.2	12.9	12.9	13.4
19-24 months	37.1	36.6	37.3	37.7
Over 24 months	29.0	30.9	30.6	30.3
All used car contracts:				
Median loan/value ratio	87.5	88.3	88.8	89.0
*Unweighted arithmetic mean of the three monthly ratios.				

DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

August 1967	July 1967	Three months ending August*	
		1967	1966

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.6	13.2	13.1	13.4
25-30 months	3.3	3.3	3.3	3.8
31-36 months	83.2	82.4	82.3	81.7
Over 36 months	0.9	1.1	1.3	1.1

Contracts written for 36 months:

Median loan/value ratio	93.4	93.2	93.1	93.6
-------------------------	------	------	------	------

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.8	9.3	9.5	8.9
13-18 months	9.8	9.4	9.4	9.3
19-24 months	31.9	31.7	31.9	30.8
Over 24 months	48.5	49.6	49.2	51.0

All used car contracts:

Median loan/value ratio	97.3	98.4	98.7	100.1
-------------------------	------	------	------	-------

*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

AUGUST 1967 AND JULY 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	
	Aug.	July	Aug.	July	Aug.	July	Aug.	July	Aug.	July
PURCHASED PAPER										
80% or less	8.1	7.9	1.3	1.2	17.7	17.8	0.1	0.1	27.2	27.0
81% to 90%	1.3	1.3	0.5	0.6	13.9	14.5	*	*	15.8	16.6
91% to 100%	2.2	2.2	1.0	0.9	29.1	29.5	0.2	0.2	32.5	32.8
101% to 110%	0.7	0.8	0.3	0.3	14.5	13.7	0.1	0.2	15.7	15.0
Over 110%	<u>0.4</u>	<u>0.6</u>	<u>0.2</u>	<u>0.1</u>	<u>8.0</u>	<u>7.7</u>	<u>0.1</u>	<u>0.2</u>	<u>8.8</u>	<u>8.6</u>
Total	12.8	12.8	3.4	3.2	83.2	83.2	0.6	0.8	100.0	100.0
DIRECT LOANS										
80% or less	14.0	14.0	2.9	3.1	25.4	27.3	0.3	0.1	42.6	44.6
81% to 90%	2.8	3.2	0.9	0.9	11.1	11.1	0.2	0.1	15.1	15.4
91% to 100%	5.1	4.8	2.4	2.4	18.4	18.6	0.2	0.2	26.3	26.0
101% to 110%	0.8	1.1	0.4	0.5	6.0	6.6	*	*	7.4	8.3
Over 110%	<u>1.0</u>	<u>0.8</u>	<u>0.7</u>	<u>0.2</u>	<u>6.7</u>	<u>4.6</u>	<u>0.1</u>	<u>0.1</u>	<u>8.6</u>	<u>5.7</u>
Total	23.9	24.1	7.5	7.1	67.6	68.2	1.0	0.6	100.0	100.0
TOTAL										
80% or less	9.4	9.3	1.7	1.6	19.4	20.0	0.1	0.1	30.6	31.0
81% to 90%	1.7	1.7	0.6	0.7	13.3	13.7	0.1	*	15.7	16.3
91% to 100%	2.8	2.8	1.4	1.2	26.8	27.0	0.2	0.2	31.2	31.3
101% to 110%	0.7	0.8	0.4	0.3	12.6	12.1	0.1	0.2	13.8	13.4
Over 110%	<u>0.5</u>	<u>0.7</u>	<u>0.3</u>	<u>0.2</u>	<u>7.7</u>	<u>7.0</u>	<u>0.1</u>	<u>0.2</u>	<u>8.7</u>	<u>8.0</u>
Total	15.1	15.4	4.4	4.1	79.8	79.8	0.7	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 August and July are derived from reports of 111 banks, 69 of which reported dealer cost ratios as well as maturities. The August maturity distribution for new cars shown on pages 1 and 2 is based on 37,000 contracts, 26,000 purchased and 11,000 direct. The cross-classification on this page is based on 19,000 contracts, 15,000 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.

L.4.2

-4-

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

AUGUST 1967 AND JULY 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	
	Aug.	July	Aug.	July	Aug.	July	Aug.	July	Aug.	July
PURCHASED PAPER										
80% or less	3.8	3.6	2.6	1.8	5.1	4.5	5.3	5.2	16.9	15.0
81% to 90%	1.6	1.3	1.4	1.6	6.1	5.4	9.0	7.9	18.1	16.2
91% to 100%	1.4	1.6	1.9	2.0	7.2	7.9	10.0	10.9	20.5	22.5
101% to 110%	1.2	1.1	1.5	1.2	4.7	4.4	8.7	9.9	16.1	16.7
Over 110%	2.1	2.2	2.6	2.7	8.4	8.2	15.3	16.5	28.4	29.6
Total	10.1	9.8	10.0	9.3	31.6	30.4	48.3	50.5	100.0	100.0
DIRECT LOANS										
80% or less	11.1	9.4	6.4	5.5	11.8	12.2	8.3	9.0	37.6	36.2
81% to 90%	3.5	3.5	1.9	2.4	6.4	5.5	4.7	5.2	16.5	16.6
91% to 100%	3.8	4.7	3.6	3.9	9.1	10.2	5.7	6.4	22.3	25.1
101% to 110%	0.8	0.7	1.0	0.6	3.1	2.9	2.8	3.2	7.7	7.4
Over 110%	2.1	2.1	2.2	2.0	6.7	5.0	4.9	5.6	15.9	14.7
Total	21.4	20.4	15.1	14.4	37.1	35.8	26.4	29.4	100.0	100.0
TOTAL										
80% or less	6.0	5.3	3.7	2.9	7.2	6.8	6.2	6.3	23.2	21.3
81% to 90%	2.2	2.0	1.5	1.8	6.2	5.4	7.7	7.1	17.6	16.3
91% to 100%	2.1	2.5	2.4	2.6	7.8	8.6	8.7	9.6	21.1	23.3
101% to 110%	1.1	1.0	1.3	1.0	4.2	4.0	6.9	7.9	13.5	13.9
Over 110%	2.1	2.2	2.5	2.5	7.9	7.3	12.1	13.3	24.6	25.2
Total	13.6	13.0	11.6	10.8	33.2	32.0	41.6	44.2	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: Distribution for August and July are derived from reports of 111 banks, 65 of which reported dealer cost ratios as well as maturities. The August maturity distribution for used cars shown on pages 1 and 2 is based on 28,000 contracts, 19,000 purchased and 9,000 direct. The cross-classification on this page is based on 15,000 contracts, 10,000 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.