

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

November 16, 1967

DECONTROLLED AFTER SIX MONTHS

*loans, consumer - installment*

## DIRECT AUTO LOANS BY COMMERCIAL BANKS

September 1967	August 1967	Three months ending September*	
		1967	1966

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.5	25.5	26.0	27.1
25-30 months	6.4	5.9	6.1	6.3
31-36 months	64.7	67.2	66.6	66.3
Over 36 months	1.4	1.4	1.3	0.3

Contracts written for 36 months:

Median loan/value ratio	89.1	87.4	87.4	87.6
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	20.0	20.4	19.8	18.5
13-18 months	14.0	13.4	13.4	13.8
19-24 months	36.6	37.0	37.1	37.2
Over 24 months	29.4	29.2	29.7	30.5

All used car contracts:

Median loan/value ratio	89.9	89.8	89.0	89.2
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\*Unweighted arithmetic mean of the three monthly ratios.

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## DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

September 1967	August 1967	Three months ending September*	
		1967	1966

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.8	12.6	13.2	12.9
25-30 months	3.1	3.2	3.2	3.6
31-36 months	82.1	83.3	82.4	82.5
Over 36 months	1.0	0.9	1.1	1.0

Contracts written for 36 months:

Median loan/value ratio	93.5	93.4	13.3	93.6
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.9	9.9	9.7	9.5
13-18 months	9.5	9.7	9.6	9.7
19-24 months	31.8	32.2	31.9	30.9
Over 24 months	48.8	48.2	48.8	49.9

All used car contracts:

Median loan/value ratio	97.4	98.0	98.0	99.8
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\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS

SEPTEMBER 1967 AND AUGUST 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	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	8.6	7.9	1.3	1.3	16.7	17.2	0.1	0.1	26.7	26.6
81% to 90%	1.6	1.5	0.5	0.5	15.0	15.1	*	0.1	17.2	17.2
91% to 100%	2.3	2.0	0.8	0.9	27.7	28.1	0.2	0.2	31.0	31.3
101% to 110%	0.7	0.7	0.3	0.3	14.0	14.1	0.1	0.1	15.2	15.2
Over 110%	0.5	0.5	0.2	0.2	9.2	9.0	0.1	0.1	9.9	9.7
Total	13.7	12.6	3.1	3.2	82.6	83.5	0.6	0.7	100.0	100.0
DIRECT LOANS										
80% or less	14.1	13.4	2.7	2.9	23.3	25.0	0.4	0.2	40.7	41.7
81% to 90%	5.0	3.6	1.1	0.9	10.5	12.0	0.1	0.2	16.8	16.7
91% to 100%	5.4	5.2	2.2	2.4	21.3	18.8	0.2	0.2	29.0	26.6
101% to 110%	1.0	0.8	0.6	0.4	6.0	5.8	0.2	0.1	7.9	7.1
Over 110%	0.7	0.9	0.2	0.6	4.6	6.2	*	0.1	5.6	7.9
Total	26.2	24.0	7.0	7.3	65.7	67.8	1.1	0.9	100.0	100.0
TOTAL										
80% or less	9.8	9.2	1.6	1.7	18.2	18.9	0.1	0.1	29.8	29.9
81% to 90%	2.4	2.0	0.7	0.6	14.0	14.4	0.1	0.1	17.1	17.1
91% to 100%	3.0	2.7	1.1	1.2	26.3	26.0	0.2	0.2	30.7	30.2
101% to 110%	0.8	0.7	0.4	0.3	12.2	12.2	0.2	0.1	13.5	13.4
Over 110%	0.5	0.5	0.2	0.3	8.1	8.4	0.1	0.1	8.9	9.4
Total	16.5	15.1	4.0	4.2	78.8	80.0	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 September and August are derived from reports of 111 banks, 70 of which reported dealer cost ratios as well as maturities. The September maturity distribution for new cars shown on pages 1 and 2 is based on 30,000 contracts, 22,000 purchased and 8,000 direct. The cross-classification on this page is based on 17,000 contracts, 13,000 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.

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

SEPTEMBER 1967 AND AUGUST 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	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	3.8	3.7	2.6	2.4	5.7	4.9	5.6	5.2	17.7	16.2
81% to 90%	1.2	1.5	1.7	1.3	5.0	5.7	7.6	8.2	15.5	16.7
91% to 100%	1.7	1.5	1.7	2.1	8.0	7.9	11.2	10.0	22.6	21.5
101% to 110%	1.1	1.1	1.1	1.4	4.0	4.6	8.3	7.9	14.5	15.1
Over 110%	2.3	2.3	2.7	2.7	8.9	9.2	15.8	16.3	29.7	30.5
Total	10.1	10.1	9.8	9.9	31.6	32.3	48.5	47.7	100.0	100.0
DIRECT LOANS										
80% or less	10.4	10.6	5.4	6.1	12.1	11.9	8.4	8.8	36.3	37.4
81% to 90%	2.8	3.3	2.4	1.8	5.9	6.2	4.7	4.6	15.9	15.9
91% to 100%	3.9	4.0	5.2	4.0	10.7	9.6	7.8	6.2	27.5	23.9
101% to 110%	0.8	0.8	1.0	0.9	2.9	2.9	3.1	2.7	7.8	7.3
Over 110%	1.5	2.0	2.0	2.2	4.3	6.3	4.7	5.0	12.5	15.5
Total	19.4	20.7	16.0	15.0	35.9	36.9	28.7	27.4	100.0	100.0
TOTAL										
80% or less	5.8	5.8	3.5	3.5	7.7	7.0	6.5	6.3	23.5	22.6
81% to 90%	1.7	2.0	1.9	1.5	5.3	5.8	6.7	7.1	15.6	16.5
91% to 100%	2.4	2.2	2.8	2.7	8.9	8.4	10.1	8.9	24.2	22.2
101% to 110%	1.0	1.0	1.1	1.3	3.6	4.1	6.7	6.3	12.4	12.7
Over 110%	2.1	2.2	2.5	2.6	7.4	8.3	12.3	12.9	24.3	26.0
Total	13.0	13.3	11.8	11.6	32.9	33.6	42.3	41.5	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 September and August are derived from reports of 111 banks, 66 of which reported dealer cost ratios as well as maturities. The September maturity distribution for used cars shown on pages 1 and 2 is based on 26,000 contracts, 17,000 purchased and 9,000 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.