

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

February 19, 1968

L.4.2

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FEB 20 1968

## DIRECT AUTO LOANS BY COMMERCIAL BANKS

*loans, consumer - installment*

December 1967	November 1967	Three months ending December*	
		1967	1966

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	28.8	30.4	29.2	31.5
25-30 months	6.5	5.8	6.3	6.7
31-36 months	64.4	63.4	64.1	61.6
Over 36 months	0.3	0.4	0.4	0.2

Contracts written for 36 months:

Median loan/value ratio	84.7	85.5	84.7	86.5
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.4	16.9	17.3	18.4
13-18 months	12.9	12.6	12.7	13.4
19-24 months	36.6	37.3	37.0	37.4
Over 24 months	32.1	33.2	33.0	30.8

All used car contracts:

Median loan/value ratio	88.8	88.5	88.4	89.4
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\*Unweighted arithmetic mean of the three monthly ratios.

## L.4.2

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

December 1967	November 1967	Three months ending December *	
		1967	1966

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	16.0	16.4	16.1	16.7
25-30 months	3.5	3.3	3.3	3.9
31-36 months	78.7	79.0	79.2	78.5
Over 36 months	1.8	1.3	1.4	0.9

Contracts written for 36 months:

Median loan/value ratio	93.1	93.0	93.3	92.6
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	8.5	9.5	8.8	9.4
13-18 months	8.3	8.9	8.6	9.2
19-24 months	29.4	28.7	29.2	29.7
Over 24 months	53.8	52.9	53.4	51.7

All used car contracts:

Median loan/value ratio	97.4	96.6	97.2	96.6
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\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS  
DECEMBER 1967 AND NOVEMBER 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	
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
PURCHASED PAPER										
80% or less	8.8	9.2	1.3	1.3	17.7	17.7	0.1	0.1	27.9	28.3
81% to 90%	1.8	1.8	0.6	0.5	13.9	14.4	0.1	0.1	16.5	16.7
91% to 100%	3.2	3.2	1.4	1.0	26.6	26.7	0.5	0.2	31.7	31.1
101% to 110%	1.0	1.1	0.3	0.4	12.7	12.7	0.1	0.1	14.1	14.3
Over 110%	<u>0.7</u>	<u>0.7</u>	<u>0.2</u>	<u>0.1</u>	<u>8.9</u>	<u>8.7</u>	<u>0.1</u>	<u>0.1</u>	<u>9.8</u>	<u>9.6</u>
Total	15.4	16.0	3.8	3.3	79.8	80.2	1.0	0.5	100.0	100.0
DIRECT LOANS										
80% or less	16.6	16.9	3.0	3.0	26.5	25.3	*	0.1	46.1	45.3
81% to 90%	4.9	5.3	1.4	1.1	11.5	11.9	0.2	*	18.0	18.4
91% to 100%	5.3	4.6	2.2	2.2	17.6	16.6	*	0.1	25.2	23.5
101% to 110%	0.9	1.3	0.5	0.4	4.6	5.0	*	0.1	6.0	6.8
Over 110%	<u>0.9</u>	<u>0.9</u>	<u>0.1</u>	<u>0.2</u>	<u>3.6</u>	<u>4.8</u>	<u>*</u>	<u>0.1</u>	<u>4.7</u>	<u>6.0</u>
Total	28.7	29.1	7.1	6.9	63.8	63.6	0.4	0.4	100.0	100.0
TOTAL										
80% or less	10.9	11.3	1.7	1.8	20.1	19.8	0.1	0.1	32.9	33.1
81% to 90%	2.6	2.8	0.8	0.6	13.2	13.6	0.2	0.1	16.9	17.2
91% to 100%	3.8	3.6	1.6	1.3	24.1	23.8	0.4	0.2	29.9	28.9
101% to 110%	1.0	1.2	0.4	0.4	10.5	10.5	0.1	0.1	11.9	12.2
Over 110%	<u>0.7</u>	<u>0.8</u>	<u>0.2</u>	<u>0.1</u>	<u>7.4</u>	<u>7.5</u>	<u>0.1</u>	<u>0.1</u>	<u>8.4</u>	<u>8.6</u>
Total	19.1	19.7	4.7	4.3	75.5	75.4	0.7	0.6	100.0	100.0

1/Contract balance excludes finance and insurance charges.

\* Less than one-tenth of one per cent.

NOTE: Distributions for December and November are derived from reports of 111 banks, 69 of which reported dealer cost ratios as well as maturities. The December maturity distribution for new cars shown on pages 1 and 2 is based on 29,000 contracts, 19,000 purchased and 10,000 direct. The cross-classification on this page is based on 15,000 contracts, 11,000 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)

DECEMBER 1967 AND NOVEMBER 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	
	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.	Dec.	Nov.
PURCHASED PAPER										
80% or less	3.4	4.0	2.4	2.3	5.4	4.8	7.8	6.9	19.1	18.0
81% to 90%	1.0	1.1	1.3	1.5	4.6	4.4	6.6	9.9	13.4	16.9
91% to 100%	1.5	2.0	1.7	2.0	7.6	7.6	12.9	11.3	23.8	23.0
101% to 110%	0.7	0.9	1.0	0.9	3.8	4.3	8.9	9.4	14.5	15.5
Over 110%	2.0	1.7	2.2	2.4	7.6	7.4	17.4	15.0	29.2	26.6
Total	8.7	9.8	8.6	9.0	29.1	28.6	53.6	52.6	100.0	100.0
DIRECT LOANS										
80% or less	10.1	10.4	5.7	5.9	12.3	13.0	10.8	10.8	39.0	40.1
81% to 90%	2.3	2.3	1.9	1.7	5.0	4.7	3.2	2.9	12.4	11.6
91% to 100%	5.2	6.3	4.2	4.4	10.1	11.9	8.7	7.7	28.3	30.2
101% to 110%	0.6	0.8	0.7	0.7	3.3	3.1	3.0	2.8	7.6	7.4
Over 110%	2.0	1.5	1.4	1.9	4.7	3.6	4.6	3.7	12.7	10.7
Total	20.3	21.2	13.9	14.6	35.5	36.3	30.3	27.9	100.0	100.0
TOTAL										
80% or less	5.7	6.1	3.5	3.4	7.7	7.4	8.8	8.2	25.7	25.1
81% to 90%	1.5	1.5	1.5	1.6	4.7	4.5	5.4	7.7	13.1	15.2
91% to 100%	2.7	3.4	2.6	2.8	8.5	9.0	11.5	10.2	25.3	25.3
101% to 110%	0.7	0.8	0.9	0.8	3.6	3.9	6.9	7.3	12.2	12.9
Over 110%	2.0	1.7	1.9	2.2	6.7	6.2	13.1	11.4	23.7	21.5
Total	12.6	13.4	10.4	10.8	31.2	31.0	45.8	44.8	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 December and November are derived from reports of 111 banks, 65 of which reported dealer cost ratios as well as maturities. The December maturity distribution for used cars shown on pages 1 and 2 is based on 23,000 contracts, 15,000 purchased and 8,000 direct. The cross-classification on this page is based on 12,000 contracts, 8,000 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.