

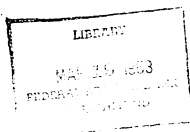
## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

March 15, 1968

DECONTROLLED AFTER SIX MONTHS

## DIRECT AUTO LOANS BY COMMERCIAL BANKS

*loans, consumer -  
installment*

January 1968	December 1967	Three months ending January*	
		1968	1967

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	28.7	28.8	29.2	31.6
25-30 months	6.6	6.5	6.4	6.6
31-36 months	64.1	64.4	64.0	6.6
Over 36 months	0.6	0.3	0.4	0.2

Contracts written for 36 months:	88.1	85.0	85.1	86.7
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Median loan/value ratio

## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	16.6	18.5	17.5	17.8
13-18 months	12.2	12.7	12.7	12.8
19-24 months	37.9	36.5	36.9	37.0
Over 24 months	33.3	32.3	32.9	32.4

All used car contracts:

Median loan/value ratio	90.6	88.8	88.6	89.4
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\*Unweighted arithmetic mean of the three monthly ratios.

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

January 1968	December 1967	Three months ending January*	
		1968	1967

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	15.3	16.0	15.9	16.8
25-30 months	3.6	3.7	3.5	4.1
31-36 months	79.7	78.6	79.1	78.0
Over 36 months	1.4	1.7	1.5	1.1

Contracts written for 36 months:

Median loan/value ratio	93.5	93.2	93.3	92.7
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	8.7	8.5	9.0	9.2
13-18 months	8.0	8.2	8.4	9.2
19-24 months	28.7	29.7	28.9	29.7
Over 24 months	54.6	53.6	53.7	51.9

All used car contracts:

Median loan/value ratio	98.2	97.3	97.5	96.7
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\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS

JANUARY 1968 AND DECEMBER 1967

NEW CARS

(Percentage distribution of contracts)

Contract balance as percentage of dealer cost 1/	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	8.3	8.8	1.4	1.4	16.8	17.7	0.1	0.1	26.6	28.0
81% to 90%	1.6	1.8	0.7	0.6	14.6	13.7	*	0.1	16.9	16.2
91% to 100%	3.1	3.2	1.1	1.3	26.1	26.3	0.4	0.5	30.7	31.4
101% to 110%	1.0	1.0	0.3	0.3	14.1	13.2	0.1	0.1	15.5	14.6
Over 110%	0.6	0.7	0.4	0.2	9.2	8.8	0.1	0.1	10.3	9.8
Total	14.6	15.5	3.8	3.9	80.8	79.7	0.8	0.9	100.0	100.0
DIRECT LOANS										
80% or less	15.3	16.4	2.2	3.0	18.1	26.3	0.6	*	36.2	45.7
81% to 90%	7.0	4.9	3.2	1.4	15.9	11.4	0.2	0.2	26.4	17.9
91% to 100%	5.0	5.1	1.9	2.4	17.0	17.8	*	*	24.0	25.5
101% to 110%	0.9	0.9	0.2	0.5	5.5	4.7	*	*	6.7	6.1
Over 110%	0.7	0.9	0.5	0.1	5.5	3.7	0.1	*	6.7	4.8
Total	29.0	28.4	8.0	7.4	62.0	63.9	1.0	0.3	100.0	100.0
TOTAL										
80% or less	10.1	10.9	1.6	1.8	17.1	20.0	0.2	0.1	29.1	32.9
81% to 90%	3.0	2.7	1.3	0.8	14.9	13.1	0.1	0.1	19.4	16.7
91% to 100%	3.6	3.7	1.3	1.6	23.6	24.0	0.3	0.4	28.9	29.7
101% to 110%	1.0	0.9	0.3	0.4	11.8	10.8	0.1	0.1	13.2	12.3
Over 110%	0.7	0.7	0.4	0.2	8.2	7.4	0.1	0.1	9.4	8.4
Total	18.4	19.0	4.9	4.9	75.8	75.3	0.9	0.8	100.0	100.0

1/Contract balance excludes finance and insurance charges.

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

NOTE: Distributions for January and December are derived from reports of 112 banks, 71 of which reported dealer cost ratios as well as maturities. The January maturity distribution for new cars shown on pages 1 and 2 is based on 31,000 contracts, 21,000 purchased and 10,000 direct. The cross-classification on this page is based on 16,000 contracts, 12,000 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)

JANUARY 1968 AND DECEMBER 1967

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value <u>1/2/</u>	Maturities									
	12 months		13-18		19-24		Over 24		Total	
	or less		months		months		months			
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	3.5	3.5	2.2	2.3	5.3	5.4	6.9	7.9	17.9	19.1
81% to 90%	1.0	1.0	1.2	1.3	3.9	4.7	7.3	6.5	13.4	13.5
91% to 100%	1.5	1.5	1.9	1.8	7.4	7.8	12.1	12.7	22.9	23.7
101% to 110%	0.8	0.7	0.8	1.0	4.2	4.0	10.3	8.9	16.1	14.6
Over 110%	2.0	1.9	2.3	2.1	8.1	7.7	17.3	17.3	29.7	29.1
Total	8.8	8.6	8.4	8.5	28.9	29.5	53.9	53.4	100.0	100.0
DIRECT LOANS										
80% or less	10.1	10.2	4.9	5.7	13.0	12.4	9.9	10.9	37.9	39.3
81% to 90%	1.7	2.3	1.4	1.8	5.2	4.8	3.0	3.3	11.4	12.2
91% to 100%	4.2	5.2	3.8	4.0	10.6	9.9	8.1	8.9	26.7	27.9
101% to 110%	0.4	0.6	0.9	0.7	3.6	3.4	3.3	3.1	8.3	7.8
Over 110%	1.6	2.0	1.8	1.4	5.8	4.7	6.5	4.7	15.7	12.8
Total	18.1	20.3	12.8	13.6	38.2	35.2	30.9	30.9	100.0	100.0
TOTAL										
80% or less	5.6	5.7	3.0	3.5	7.7	7.7	7.9	8.9	24.1	25.8
81% to 90%	1.2	1.5	1.3	1.4	4.3	4.7	6.0	5.4	12.8	13.1
91% to 100%	2.3	2.7	2.5	2.5	8.4	8.4	10.8	11.5	24.1	25.1
101% to 110%	0.7	0.7	0.9	0.9	4.0	3.8	8.1	7.0	13.6	12.3
Over 110%	1.9	2.0	2.1	1.9	7.4	6.7	14.0	13.2	25.4	23.7
Total	11.7	12.5	9.8	10.2	31.8	31.4	46.7	45.9	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 January and December are derived from reports of 112 banks, 67 of which reported dealer cost ratios as well as maturities. The January 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 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.