BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
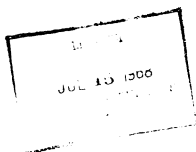
L.4.2   July 11, 1968

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS   *Loans, Consumer-*
Instalment

	May 1968	April 1968	Three months ending May*	
			1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	26.3	27.3	26.9	28.0
25-30 months	5.6	5.7	5.8	6.2
31-36 months	67.9	66.3	66.9	64.5
Over 36 months	0.2	0.7	0.4	1.3

Contracts written for 36 months:

Median loan/value ratio	85.5	85.3	85.3	85.6

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	15.1	16.5	15.9	19.6
13-18 months	12.3	12.9	12.7	12.7
19-24 months	38.9	37.3	37.7	36.5
Over 24 months	33.7	33.3	33.7	31.2

All used car contracts:

Median loan/value ratio	87.9	86.8	88.7	88.0

*Unweighted arithmetic mean of the three monthly ratios.

L.4.2   -2-

DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

	May 1968	April 1968	Three months ending May* 1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

	May 1968	April 1968	1968	1967
24 months or less	14.2	14.2	14.1	14.1
25-30 months	3.3	3.2	3.4	3.8
31-36 months	81.4	80.7	80.8	81.0
Over 36 months	1.1	1.9	1.7	1.1

Contracts written for 36 months:

	May 1968	April 1968	1968	1967
Median loan/value ratio	92.1	92.1	92.5	92.9

USED CAR CONTRACTS

Per cent of contracts written for:

	May 1968	April 1968	1968	1967
12 months or less	8.4	8.6	8.6	9.2
13-18 months	8.0	8.9	8.5	9.4
19-24 months	31.1	29.9	30.3	30.4
Over 24 months	52.5	52.6	52.6	51.0

All used car contracts:

	May 1968	April 1968	1968	1967
Median loan/value ratio	97.0	97.8	98.3	99.1

*Unweighted arithmetic mean of the three monthly ratios.

L.4.2   -3-

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

MAY 1968 AND APRIL 1968

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	
	May	Apr.	May	Apr.	May	Apr.	May	Apr.	May	Apr.
PURCHASED PAPER										
80% or less	8.4	8.5	1.4	1.3	20.3	20.1	0.1	0.4	30.2	30.4
81% to 90%	1.6	1.4	0.4	0.4	14.9	15.1	0.1	0.2	17.1	17.1
91% to 100%	2.2	2.1	0.8	1.0	26.8	26.6	0.3	0.7	30.2	30.4
101% to 110%	1.2	0.6	0.3	0.3	12.3	12.1	0.1	0.3	13.8	13.2
Over 110%	0.9	0.7	0.3	0.2	7.5	7.6	*	0.4	8.7	8.9
Total	14.3	13.4	3.3	3.1	81.8	81.5	0.6	2.0	100.0	100.0
DIRECT LOANS										
80% or less	13.5	14.9	2.5	2.8	24.7	23.4	0.1	0.5	40.7	41.7
81% to 90%	6.7	6.7	1.4	1.2	16.7	18.3	0.1	0.1	24.8	26.5
91% to 100%	4.3	3.9	1.6	1.7	18.0	17.4	0.1	0.2	24.0	23.3
101% to 110%	1.1	0.5	0.2	0.2	5.3	4.2	*	0.1	6.6	5.0
Over 110%	0.6	0.5	0.3	0.2	3.0	2.4	*	0.4	3.9	3.5
Total	26.2	26.7	5.9	6.2	67.6	65.9	0.3	1.2	100.0	100.0
TOTAL										
80% or less	9.9	10.4	1.7	1.7	21.6	21.1	0.1	0.4	33.3	33.7
81% to 90%	3.1	3.0	0.7	0.7	15.4	16.0	0.1	0.2	19.3	19.8
91% to 100%	2.8	2.6	1.1	1.2	24.2	24.0	0.3	0.6	28.4	28.4
101% to 110%	1.1	0.6	0.3	0.2	10.3	9.8	*	0.2	11.7	10.8
Over 110%	0.8	0.7	0.3	0.2	6.2	6.1	*	0.4	7.3	7.3
Total	17.7	17.2	4.0	4.0	77.8	77.0	0.5	1.8	100.0	100.0

1/Contract balance excludes finance and insurance charges.
* Less than one-tenth of one per cent.

NOTE: Distributions for May and April are derived from reports of 114 banks, 74 of which reported dealer cost ratios as well as maturities. The May maturity distribution for new cars shown on pages 1 and 2 is based on 47,000 contracts, 31,000 purchased and 16,000 direct. The cross-classification on this page is based on 25,000 contracts, 18,000 purchased and 7,000 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)

MAY 1968 AND APRIL 1968

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value 1/2/	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	May	Apr.	May	Apr.	May	Apr.	May	Apr.	May	Apr.
PURCHASED PAPER										
80% or less	3.5	3.4	2.1	2.3	5.9	5.8	7.5	6.9	19.0	18.4
81% to 90%	1.3	1.1	1.3	1.1	5.5	5.3	8.1	8.2	16.2	15.7
91% to 100%	1.2	1.4	1.5	1.5	6.9	6.4	11.5	11.1	21.1	20.3
101% to 110%	1.0	0.8	1.1	0.9	4.2	4.0	8.7	8.8	14.9	14.5
Over 110%	1.8	2.3	1.9	3.0	9.2	8.4	15.9	17.3	28.8	31.1
Total	8.8	9.0	7.9	8.9	31.6	29.8	51.7	52.3	100.0	100.0
DIRECT LOANS										
80% or less	8.8	9.1	5.2	6.1	13.7	13.7	10.1	10.8	37.8	39.6
81% to 90%	3.1	2.8	2.0	2.0	5.7	5.6	4.8	4.9	15.5	15.3
91% to 100%	3.4	4.0	3.8	4.0	10.8	9.8	8.4	7.6	26.5	25.3
101% to 110%	0.7	0.8	0.9	0.8	3.6	2.7	3.5	3.4	8.8	7.7
Over 110%	1.0	1.7	1.2	1.7	4.8	4.5	4.4	4.1	11.4	12.1
Total	17.0	18.4	13.2	14.6	38.6	36.3	31.2	30.7	100.0	100.0
TOTAL										
80% or less	5.1	5.2	3.0	3.5	8.2	8.3	8.2	8.1	24.5	25.0
81% to 90%	1.8	1.6	1.5	1.4	5.6	5.4	7.1	7.2	16.0	15.6
91% to 100%	1.8	2.2	2.2	2.3	8.0	7.4	10.6	10.0	22.7	21.9
101% to 110%	0.9	0.8	1.0	0.9	4.0	3.6	7.2	7.1	13.1	12.4
Over 110%	1.6	2.1	1.7	2.6	7.9	7.2	12.5	13.1	23.7	25.1
Total	11.2	12.0	9.5	10.6	33.7	31.9	45.6	45.5	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: Distributions for May and April are derived from reports of 114 banks, 70 of which reported dealer cost ratios as well as maturities. The May maturity distribution for used cars shown on pages 1 and 2 is based on 36,000 contracts, 24,000 purchased and 12,000 direct. The cross-classification on this page is based on 19,000 contracts, 13,000 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.