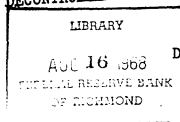


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

August 14, 1968

DECONTROLLED AFTER SIX MONTHS



DIRECT AUTO LOANS BY COMMERCIAL BANKS

loans, Consumer -
Installment

June 1968	May 1968	Three months ending June*	
		1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.7	26.6	26.4	27.2
25-30 months	5.0	5.6	5.4	6.0
31-36 months	69.1	67.6	67.8	65.5
Over 36 months	0.2	0.2	0.4	1.3

Contracts written for 36 months:

Median loan/value ratio	81.4	84.3	84.1	84.2
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	16.4	15.1	15.8	19.0
13-18 months	12.5	12.4	12.6	12.5
19-24 months	39.0	39.4	38.4	37.0
Over 24 months	32.1	33.1	33.2	31.5

All used car contracts:

Median loan/value ratio	85.7	88.1	87.9	88.3
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*Unweighted arithmetic mean of the three monthly ratios.

DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

June 1968	May 1968	Three months ending June*	
		1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.2	14.3	13.9	14.1
25-30 months	3.6	3.3	3.4	3.6
31-36 months	82.1	81.4	81.1	81.1
Over 36 months	1.1	1.0	1.6	1.2

Contracts written for 36 months:

Median loan/value ratio	92.0	92.0	92.2	92.9
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.1	8.5	8.7	9.1
13-18 months	9.1	8.1	8.6	9.2
19-24 months	30.3	31.7	30.4	31.1
Over 24 months	51.5	51.7	52.3	50.6

All used car contracts:

Median loan/value ratio	98.2	97.1	98.3	99.4
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*Unweighted arithmetic mean of the three monthly ratios.

L.4.2

-3-

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

JUNE 1968 AND MAY 1968

NEW CARS

(Percentage distribution of contracts)

Contract balance as percentage of dealer cost $\frac{1}{2}$	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	June	May	June	May	June	May	June	May	June	May
PURCHASED PAPER										
80% or less	7.5	8.4	1.3	1.4	20.3	20.5	0.1	0.1	29.2	30.5
81% to 90%	1.5	1.6	0.6	0.4	15.9	15.2	0.1	0.1	18.0	17.2
91% to 100%	2.5	2.2	0.9	0.8	26.9	26.6	0.3	0.4	30.6	29.9
101% to 110%	1.1	1.2	0.4	0.3	12.2	12.2	0.1	0.1	13.7	13.8
Over 110%	0.4	0.9	0.1	0.3	7.8	7.3	0.1	*	8.5	8.6
Total	12.9	14.2	3.4	3.3	83.1	81.8	0.6	0.7	100.0	100.0
DIRECT LOANS										
80% or less	15.3	14.0	2.6	2.6	33.3	26.0	0.1	0.1	51.4	42.7
81% to 90%	4.5	6.8	0.8	1.4	11.0	17.1	*	0.1	16.3	25.3
91% to 100%	4.0	4.2	1.4	1.7	17.5	16.5	*	0.1	23.0	22.5
101% to 110%	1.0	1.0	0.2	0.2	4.9	4.3	*	*	6.1	5.6
Over 110%	0.4	0.6	0.1	0.3	2.7	2.9	0.1	*	3.2	3.9
Total	25.2	26.7	5.0	6.2	69.6	66.8	0.2	0.3	100.0	100.0
TOTAL										
80% or less	9.7	10.0	1.7	1.8	24.1	22.1	0.1	0.1	35.7	34.0
81% to 90%	2.4	3.1	0.6	0.7	14.4	15.7	*	0.1	17.5	19.6
91% to 100%	2.9	2.8	1.1	1.1	24.2	23.7	0.2	0.3	28.4	27.8
101% to 110%	1.0	1.1	0.3	0.3	10.1	9.9	0.1	*	11.5	11.4
Over 110%	0.4	0.8	0.1	0.3	6.3	6.1	0.1	*	6.9	7.2
Total	16.5	17.8	3.9	4.1	79.1	77.5	0.5	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 June and May are derived from reports of 107 banks, 70 of which reported dealer cost ratios as well as maturities. The June maturity distribution for new cars shown on pages 1 and 2 is based on 42,000 contracts, 28,000 purchased and 14,000 direct. The cross-classification on this page is based on 22,000 contracts, 16,000 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.

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

JUNE 1968 AND MAY 1968

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	
	June	May	June	May	June	May	June	May	June	May
PURCHASED PAPER										
80% or less	2.9	3.6	2.1	2.2	5.2	6.0	6.4	7.6	16.7	19.5
81% to 90%	1.1	1.2	1.3	1.2	5.6	5.5	7.7	7.2	15.7	15.1
91% to 100%	1.4	1.2	1.8	1.6	6.4	7.2	11.9	11.8	21.6	21.8
101% to 110%	1.2	1.0	1.4	1.0	4.3	4.2	8.7	8.4	15.5	14.7
Over 110%	2.8	1.9	2.6	2.0	8.7	9.6	16.4	15.3	30.5	28.9
Total	9.3	9.0	9.3	8.1	30.1	32.5	51.2	50.3	100.0	100.0
DIRECT LOANS										
80% or less	9.6	9.5	5.4	5.5	15.7	14.8	13.1	10.7	43.8	40.6
81% to 90%	1.8	2.2	1.3	1.8	5.1	5.1	2.6	2.6	10.8	11.6
91% to 100%	3.9	3.7	4.6	4.1	10.7	11.2	6.6	8.3	25.9	27.3
101% to 110%	1.5	0.8	0.9	1.0	4.0	3.7	2.5	3.3	8.9	8.8
Over 110%	1.4	1.1	1.5	1.4	4.0	4.9	3.7	4.4	10.6	11.7
Total	18.3	17.3	13.8	13.7	39.5	39.7	28.4	29.3	100.0	100.0
TOTAL										
80% or less	4.8	5.3	3.1	3.2	8.3	8.6	8.4	8.5	24.6	25.6
81% to 90%	1.3	1.5	1.3	1.4	5.4	5.3	6.2	5.9	14.3	14.1
91% to 100%	2.2	1.9	2.6	2.3	7.7	8.3	10.4	10.8	22.9	23.4
101% to 110%	1.3	1.0	1.2	1.0	4.2	4.1	6.9	6.9	13.6	12.9
Over 110%	2.4	1.7	2.3	1.8	7.3	8.2	12.7	12.2	24.6	24.0
Total	12.0	11.4	10.6	9.7	32.9	34.6	44.5	44.3	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 June and May are derived from reports of 107 banks, 66 of which reported dealer cost ratios as well as maturities. The June maturity distribution for used cars shown on pages 1 and 2 is based on 30,000 contracts, 20,000 purchased and 10,000 direct. The cross-classification on this page is based on 16,000 contracts, 11,000 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.