

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

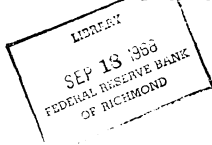
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September 16, 1968

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

Loans, Consumer-  
Installment



July 1968	June 1968	Three months ending July*	
		1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.0	25.8	25.7	25.8
25-30 months	5.1	5.1	5.2	6.0
31-36 months	69.5	68.8	68.8	66.8
Over 36 months	0.4	0.3	0.3	1.4

Contracts written for 36 months:

Median loan/value ratio	79.1	81.9	82.0	84.8
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.4	16.4	16.3	18.7
13-18 months	12.6	12.5	12.5	12.6
19-24 months	37.9	38.9	38.6	37.5
Over 24 months	32.1	32.2	32.6	31.2

All used car contracts:

Median loan/value ratio	85.8	87.7	86.5	89.0
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\*Unweighted arithmetic mean of the three monthly ratios.

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

July 1968	June 1968	Three months ending July*	
		1968	1967

## NEW CAR CONTRACTS

## Per cent of contracts written for:

24 months or less	12.8	12.9	13.4	13.7
25-30 months	3.1	3.2	3.3	3.5
31-36 months	82.9	82.8	82.2	81.5
Over 36 months	1.2	1.1	1.1	1.3

## Contracts written for 36 months:

Median loan/value ratio	91.6	92.2	91.9	92.9
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## USED CAR CONTRACTS

## Per cent of contracts written for:

12 months or less	9.2	9.0	8.9	9.2
13-18 months	8.6	8.8	8.6	9.2
19-24 months	31.3	30.3	30.9	31.5
Over 24 months	50.9	51.9	51.6	50.1

## All used car contracts:

Median loan/value ratio	97.4	97.9	97.5	99.3
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\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS

JULY 1968 AND JUNE 1968

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	
	July	June	July	June	July	June	July	June	July	June
	PURCHASED PAPER									
80% or less	7.6	7.1	1.2	1.2	20.7	19.9	0.1	0.1	29.6	28.2
81% to 90%	1.6	1.6	0.5	0.6	16.7	15.9	0.1	0.1	19.0	18.1
91% to 100%	2.2	2.6	1.0	1.0	25.8	27.4	0.4	0.3	29.3	31.2
101% to 110%	1.2	1.1	0.5	0.4	12.6	12.4	0.1	0.1	14.5	13.9
Over 110%	<u>0.5</u>	<u>0.4</u>	<u>0.1</u>	<u>0.1</u>	<u>6.9</u>	<u>7.9</u>	<u>0.1</u>	<u>0.1</u>	<u>7.6</u>	<u>8.6</u>
Total	13.1	12.7	3.3	3.3	82.8	83.4	0.8	0.6	100.0	100.0
	DIRECT LOANS									
80% or less	15.9	15.3	2.7	2.5	35.6	32.5	0.4	0.1	54.7	50.5
81% to 90%	4.7	4.7	1.1	0.8	9.8	11.1	*	*	15.7	16.7
91% to 100%	3.6	4.2	1.2	1.5	16.5	17.7	0.1	*	21.3	23.4
101% to 110%	0.6	0.9	0.3	0.2	4.1	4.8	0.1	*	5.0	6.0
Over 110%	<u>0.2</u>	<u>0.3</u>	<u>0.2</u>	<u>0.1</u>	<u>2.9</u>	<u>2.9</u>	<u>*</u>	<u>0.1</u>	<u>3.3</u>	<u>3.4</u>
Total	25.1	25.4	5.4	5.1	69.0	69.2	0.5	0.3	100.0	100.0
	TOTAL									
80% or less	9.9	9.4	1.6	1.6	24.8	23.5	0.2	0.1	36.5	34.7
81% to 90%	2.5	2.5	0.7	0.7	14.8	14.5	0.1	0.1	18.1	17.7
91% to 100%	2.6	3.0	1.0	1.1	23.2	24.5	0.3	0.2	27.1	28.9
101% to 110%	1.0	1.0	0.5	0.3	10.3	10.2	0.1	0.1	11.9	11.6
Over 110%	<u>0.4</u>	<u>0.4</u>	<u>0.1</u>	<u>0.1</u>	<u>5.8</u>	<u>6.5</u>	<u>*</u>	<u>0.1</u>	<u>6.4</u>	<u>7.1</u>
Total	16.4	16.3	3.9	3.8	78.9	79.4	0.8	0.5	100.0	100.0

1/Contract balance excludes finance and insurance charges.

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

NOTE: Distributions for July and June are derived from reports of 107 banks, 69 of which reported dealer cost ratios as well as maturities. The July maturity distribution for new cars shown on pages 1 and 2 is based on 46,000 contracts, 31,000 purchased and 15,000 direct. The cross-classification on this page is based on 24,000 contracts, 17,000 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)

JULY 1968 AND JUNE 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	
	July	June	July	June	July	June	July	June	July	June
PURCHASED PAPER										
80% or less	3.3	2.8	2.0	2.0	5.8	5.1	6.7	6.4	17.8	16.3
81% to 90%	1.1	1.2	1.2	1.3	5.7	5.8	7.4	7.9	15.5	16.1
91% to 100%	1.4	1.5	1.6	1.9	7.2	6.6	12.3	12.3	22.5	22.2
101% to 110%	1.2	1.1	1.3	1.4	4.5	4.3	9.3	8.9	16.4	15.8
Over 110%	2.3	2.7	2.6	2.6	8.3	8.5	14.6	15.9	27.8	29.6
Total	9.4	9.3	8.7	9.2	31.5	30.2	50.4	51.3	100.0	100.0
DIRECT LOANS										
80% or less	11.4	9.5	5.4	5.2	15.8	15.1	10.9	11.7	43.5	41.5
81% to 90%	1.7	1.8	1.6	1.3	5.1	5.0	2.9	2.8	11.3	11.0
91% to 100%	4.4	4.0	3.9	4.6	12.4	10.7	6.8	7.4	27.6	26.6
101% to 110%	1.0	1.6	0.7	0.9	2.4	4.2	2.4	2.9	6.5	9.7
Over 110%	1.7	1.5	1.7	1.6	3.6	4.1	4.1	4.0	11.1	11.2
Total	20.2	18.5	13.2	13.6	39.4	39.2	27.2	28.7	100.0	100.0
TOTAL										
80% or less	5.7	4.8	3.0	2.9	8.7	8.1	7.9	8.0	25.3	23.9
81% to 90%	1.3	1.4	1.3	1.3	5.5	5.5	6.1	6.4	14.3	14.6
91% to 100%	2.3	2.2	2.3	2.7	8.7	7.8	10.7	10.8	24.0	23.5
101% to 110%	1.1	1.3	1.1	1.3	3.9	4.3	7.3	7.1	13.5	13.9
Over 110%	2.1	2.4	2.3	2.3	6.9	7.2	11.5	12.3	22.9	24.1
Total	12.5	12.0	10.1	10.5	33.8	32.9	43.6	44.6	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 July and June are derived from reports of 107 banks, 66 of which reported dealer cost ratios as well as maturities. The July maturity distribution for used cars shown on pages 1 and 2 is based on 32,000 contracts, 22,000 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.