

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

LIBRARY

November 19, 1968

NOV 20 1968  
DECONTROLLED AFTER 36 MONTHS  
FEDERAL RESERVE BANK  
OF RICHMOND

DIRECT AUTO LOANS BY COMMERCIAL BANKS

September 1968	August 1968	Three months ending September*	
		1968	1967

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.9	24.3	25.2	26.0
25-30 months	5.9	6.0	5.6	6.1
31-36 months	67.9	69.4	68.9	66.6
Over 36 months	0.3	0.3	0.3	1.3

Contracts written for 36 months:

Median loan/value ratio	81.8	83.1	81.3	87.4
-------------------------	------	------	------	------

USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	16.8	16.6	17.0	19.8
13-18 months	13.2	13.4	13.1	13.4
19-24 months	36.4	37.5	37.3	37.1
Over 24 months	33.6	32.5	32.6	29.7

All used car contracts:

Median loan/value ratio	82.3	85.5	84.5	89.0
-------------------------	------	------	------	------

\*Unweighted arithmetic mean of the three monthly ratios.

L.4.2

-2-

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

September 1968	August 1968	Three months ending September*	
		1968	1967

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.5	13.1	12.3	13.3
25-30 months	3.3	3.6	3.1	3.2
31-36 months	82.9	82.0	83.4	82.4
Over 36 months	1.3	1.3	1.2	1.1

Contracts written for 36 months:

Median loan/value ratio	92.6	91.9	92.0	93.3
-------------------------	------	------	------	------

## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.9	9.6	9.4	9.7
13-18 months	10.0	9.3	9.2	9.6
19-24 months	32.0	31.2	31.5	31.9
Over 24 months	48.1	49.9	49.9	48.8

All used car contracts:

Median loan/value ratio	98.3	98.4	97.7	98.0
-------------------------	------	------	------	------

\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS  
SEPTEMBER 1968 AND AUGUST 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	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	7.4	7.3	1.4	1.2	20.7	19.4	0.1	0.1	29.6	28.1
81% to 90%	1.4	1.7	0.5	0.7	14.6	18.0	*	0.5	16.5	20.9
91% to 100%	1.8	1.6	0.7	0.8	26.9	24.5	0.4	0.2	29.9	27.1
101% to 110%	0.7	0.8	0.2	0.3	13.3	14.1	0.1	0.1	14.4	15.3
Over 110%	0.6	0.4	0.1	0.1	8.8	8.0	0.1	0.1	9.6	8.6
Total	11.8	11.9	3.0	3.1	84.4	84.0	0.8	1.0	100.0	100.0
DIRECT LOANS										
80% or less	14.9	13.2	3.3	2.6	32.2	30.2	*	0.1	50.5	46.3
81% to 90%	4.1	5.6	1.0	1.4	10.3	14.4	*	0.1	15.4	21.5
91% to 100%	4.3	3.6	1.9	1.8	17.1	16.5	0.1	0.1	23.4	22.0
101% to 110%	1.1	0.8	0.2	0.3	3.9	4.2	0.1	0.1	5.3	5.3
Over 110%	0.6	0.6	0.3	0.5	4.3	3.7	0.1	0.1	5.4	4.9
Total	25.1	23.8	6.7	6.7	67.9	69.2	0.3	0.3	100.0	100.0
TOTAL										
80% or less	9.2	8.8	1.9	1.6	23.5	22.1	0.1	0.1	34.6	32.6
81% to 90%	2.0	2.7	0.6	0.8	13.5	17.1	*	0.4	16.2	21.0
91% to 100%	2.4	2.1	1.0	1.1	24.5	22.5	0.4	0.1	28.4	25.9
101% to 110%	0.8	0.8	0.2	0.3	11.1	11.6	0.1	0.1	12.2	12.8
Over 110%	0.6	0.5	0.2	0.2	7.7	6.9	0.1	0.1	8.6	7.7
Total	15.0	14.9	3.9	4.0	80.4	80.3	0.7	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 September and August are derived from reports of 110 banks, 71 of which reported dealer cost ratios as well as maturities. The September maturity distribution for new cars shown on pages 1 and 2 is based on 36,000 contracts, 26,000 purchased and 10,000 direct. The cross-classification on this page is based on 20,000 contracts, 15,000 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.

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

SEPTEMBER 1968 AND AUGUST 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	
	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.	Sept.	Aug.
PURCHASED PAPER										
80% or less	3.7	3.4	2.7	1.9	5.9	5.8	6.2	6.0	18.5	17.0
81% to 90%	1.2	1.1	1.8	1.4	5.4	5.3	6.7	6.8	15.1	14.6
91% to 100%	1.4	1.4	1.9	1.8	5.9	6.8	10.5	11.9	19.7	22.0
101% to 110%	1.2	1.2	1.2	1.1	4.4	4.7	8.2	9.2	15.0	16.2
Over 110%	2.5	2.5	2.9	2.9	9.8	8.5	16.5	16.4	31.7	30.2
Total	9.9	9.6	10.5	9.0	31.5	31.1	48.1	50.3	100.0	100.0
DIRECT LOANS										
80% or less	11.5	10.1	5.4	5.6	14.8	14.8	15.8	11.2	47.6	41.7
81% to 90%	1.4	2.3	1.5	2.5	4.0	6.4	3.4	3.9	10.3	15.1
91% to 100%	3.8	3.2	4.1	4.5	9.9	9.7	6.4	6.5	24.1	23.9
101% to 110%	0.8	1.1	0.9	0.9	2.8	3.1	2.6	2.5	7.1	7.6
Over 110%	1.1	1.4	1.7	1.5	3.9	4.2	4.2	4.6	10.9	11.7
Total	18.6	18.2	13.6	15.0	35.3	38.1	32.5	28.7	100.0	100.0
TOTAL										
80% or less	6.1	5.3	3.5	2.9	8.7	8.4	9.2	7.5	27.6	24.1
81% to 90%	1.2	1.5	1.7	1.7	5.0	5.6	5.7	6.0	13.6	14.7
91% to 100%	2.2	1.9	2.6	2.5	7.1	7.7	9.2	10.4	21.1	22.5
101% to 110%	1.1	1.2	1.1	1.0	3.9	4.2	6.5	7.3	12.5	13.7
Over 110%	2.0	2.2	2.5	2.5	8.0	7.3	12.7	13.0	25.2	25.0
Total	12.7	12.1	11.4	10.7	32.6	33.1	43.3	44.1	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 September and August are derived from reports of 110 banks, 68 of which reported dealer cost ratios as well as maturities. The September maturity distribution for used cars shown on pages 1 and 2 is based on 28,000 contracts, 19,000 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.