

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

LIBRARY

January 24, 1969

DECONTROLLED AFTER SIX MONTHS  
 FEDERAL RESERVE BANK  
 OF RICHMOND

DIRECT AUTO LOANS BY COMMERCIAL BANKS

*loans, Consumer -  
 Instalment*

November 1968	October 1968	Three months ending November*	
		1968	1967

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	26.9	27.4	26.8	28.9
25-30 months	5.9	6.0	5.9	6.2
31-36 months	66.9	66.3	67.0	64.2
Over 36 months	0.3	0.3	0.3	0.7

Contracts written for 36 months:

Median loan/value ratio	80.2	80.5	80.7	86.1
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	15.2	16.6	16.2	17.8
13-18 months	12.7	12.7	12.8	13.0
19-24 months	37.4	37.6	37.2	37.0
Over 24 months	34.7	33.1	33.8	32.2

All used car contracts:

Median loan/value ratio	83.3	83.3	83.0	88.7
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\*Unweighted arithmetic mean of the three monthly ratios.

L.4.2

-2-

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

November 1968	October 1968	Three months ending November*	
		1968	1967

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	14.6	14.0	13.5	15.4
25-30 months	3.4	3.2	3.3	3.2
31-36 months	80.3	81.4	81.7	80.3
Over 36 months	1.7	1.4	1.5	1.1

Contracts written for 36 months:

Median loan/value ratio	91.9	91.7	92.1	93.5
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.7	10.0	9.9	9.3
13-18 months	8.6	8.7	9.1	9.0
19-24 months	30.1	30.8	31.1	30.0
Over 24 months	51.6	50.5	49.9	51.7

All used car contracts:

Median loan/value ratio	97.9	96.5	97.5	97.2
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\*Unweighted arithmetic mean of the three monthly ratios.

DEALER COST RATIOS AND MATURITIES  
ON AUTOMOBILE INSTALMENT LOANS  
NOVEMBER 1968 AND OCTOBER 1968

NEW CARS

(Percentage distribution of contracts)

Contract balance percentage of dealer cost <u>1/</u>	Maturities									
	24 months or less		25-30 months		31-36 months		Over 36 months		Total	
	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.
PURCHASED PAPER										
80% or less	8.1	7.9	1.1	1.1	20.4	21.2	0.1	0.2	29.7	30.5
81% to 90%	1.7	1.7	0.6	0.5	15.5	16.2	0.1	0.1	17.9	18.6
91% to 100%	2.9	2.1	1.0	0.9	26.3	24.6	0.8	0.4	31.1	27.9
101% to 110%	0.8	0.7	0.3	0.3	11.6	12.8	0.1	0.2	12.8	14.0
Over 110%	0.4	0.5	0.2	0.1	7.7	8.2	0.2	0.1	8.5	9.0
Total	13.9	12.9	3.2	3.0	81.6	83.1	1.3	1.0	100.0	100.0
DIRECT LOANS										
80% or less	14.7	16.3	3.2	2.5	33.5	32.9	0.1	0.1	51.5	51.9
81% to 90%	4.5	5.1	0.9	1.2	10.5	9.8	0.1	*	16.1	16.2
91% to 100%	5.3	4.2	2.1	1.7	17.2	15.9	0.2	0.1	24.8	22.0
101% to 110%	0.9	0.8	0.2	0.2	3.6	4.1	*	*	4.8	5.2
Over 110%	0.2	0.5	0.1	0.3	2.4	3.8	0.1	0.1	2.8	4.7
Total	25.7	27.1	6.5	5.8	67.4	66.7	0.4	0.4	100.0	100.0
TOTAL										
80% or less	10.1	10.2	1.7	1.5	24.2	24.4	0.1	0.2	36.1	36.4
81% to 90%	2.5	2.6	0.7	0.7	14.0	14.5	0.1	0.1	17.4	17.9
91% to 100%	3.6	2.7	1.3	1.1	23.6	22.2	0.6	0.3	29.3	26.3
101% to 110%	0.8	0.7	0.3	0.3	9.3	10.4	0.1	0.2	10.4	11.6
Over 110%	0.4	0.5	0.1	0.2	6.2	7.0	0.1	0.1	6.8	7.8
Total	17.4	16.8	4.1	3.7	77.5	78.7	1.0	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 November and October are derived from reports of 106 banks, 67 of which reported dealer cost ratios as well as maturities. The November maturity distribution for new 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.

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

NOVEMBER 1968 AND OCTOBER 1968

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value $\frac{1}{2}$ /	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.	Nov.	Oct.
PURCHASED PAPER										
80% or less	3.6	3.8	1.9	2.2	5.7	6.2	6.5	6.2	17.7	18.4
81% to 90%	1.3	1.5	1.5	1.7	5.6	5.5	7.8	10.2	16.3	18.9
91% to 100%	1.7	1.6	1.9	1.7	5.6	6.1	11.1	10.3	20.3	19.7
101% to 110%	1.0	1.0	0.9	1.0	4.1	4.3	9.4	9.5	15.4	15.8
Over 110%	1.9	1.9	2.2	2.5	9.3	8.2	17.0	14.5	30.3	27.2
Total	9.4	9.8	8.4	9.0	30.3	30.4	51.9	50.8	100.0	100.0
DIRECT LOANS										
80% or less	9.5	11.0	7.1	6.4	16.0	15.9	13.5	13.4	46.2	46.7
81% to 90%	1.6	1.4	1.3	1.3	4.8	4.3	3.8	3.0	11.5	10.0
91% to 100%	3.8	3.3	4.2	4.3	10.0	10.6	8.2	7.1	26.2	25.3
101% to 110%	1.0	1.2	0.9	0.9	3.5	3.2	2.1	2.5	7.5	7.7
Over 110%	0.6	1.6	1.0	1.9	3.7	3.0	3.3	3.8	8.6	10.3
Total	16.6	18.4	14.4	14.7	38.2	37.0	30.8	29.9	100.0	100.0
TOTAL										
80% or less	5.5	6.1	3.6	3.5	9.0	9.2	8.7	8.5	26.8	27.3
81% to 90%	1.4	1.5	1.5	1.6	5.4	5.1	6.5	7.9	14.7	16.1
91% to 100%	2.4	2.1	2.6	2.5	7.0	7.5	10.2	9.3	22.2	21.5
101% to 110%	1.0	1.0	0.9	0.9	3.9	3.9	7.1	7.3	12.9	13.3
Over 110%	1.5	1.8	1.8	2.3	7.5	6.6	12.6	11.1	23.4	21.8
Total	11.7	12.5	10.3	10.8	32.8	32.4	45.2	44.3	100.0	100.0

$\frac{1}{2}$ /Contract balance excludes finance and insurance charges.

$\frac{2}{2}$ /Wholesale value represents "average wholesale," "as is," or "buying value" as indicated by used car guides.

NOTE: Distributions for November and October are derived from reports of 106 banks, 64 of which reported dealer cost ratios as well as maturities. The November 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 13,000 contracts, 9,000 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.

<http://fraser.stlouisfed.org/>

Federal Reserve Bank of St. Louis