BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

## Loans, ConsumesInstallment

DECONTROLLED AFTER SIX MONTHS


NEW CAR CONTRACTS

Per cent of contracts written for:

| 24 months or less | 28.2 | 26.9 | 27.5 | 29.2 |
| :--- | ---: | ---: | ---: | ---: |
| $25-30$ months | 5.9 | 5.9 | 5.9 | 6.3 |
| $31-36$ months | 65.6 | 67.0 | 66.3 | 64.1 |
| Over 36 months | 0.3 | 0.2 | 0.3 | 0.4 | .

Contracts written for 36 months:
Median loan/value ratio
79.2
80.3
79.8
84.7

USED CAR CONTRACTS

Per cent of contracts written for:

| 12 months or less | 17.3 | 15.1 | 16.3 | 17.3 |
| :--- | :--- | :--- | :--- | :--- |
| $13-18$ months | 12.6 | 12.8 | 12.6 | 12.7 |
| $19-24$ months | 36.7 | 37.7 | 37.4 | 37.0 |
| Over 24 months | 33.4 | 34.4 | 33.7 | 33.0 |

All used car contracts:
$\begin{array}{lllll}\text { Median loan/value ratio } & 82.7 & 83.4 & 83.1 & 88.4\end{array}$
*Unweighted arithmetic mean of the three monthly ratios.

DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

| December <br> 1968 | November <br> 1968 | Three months <br> ending December* |  |
| :---: | :---: | :---: | :---: |
|  | 1968 | 1967 |  |

NEW CAR CONTRACTS

Per cent of contracts written for:
24 months or less
25-30 months 31-36 months Over 36 months

Contracts written for 36 months:
Median loan/value ratio
92.2
92.0
92.0
93.3

USED CAR CONTRACTS

Per cent of contracts written for:
12 months or less
9.7
8.5
29.4

19-24 months
Over 24 months
52.4

All used car contracts:
Median loan/value ratio
97.8
97.4
97.3
97.2
*Unweighted arithmetic mean of the three monthly ratios.

## Digitized for FRASER

DEALER COST RATIOS AND MATURITIES ON AUTOMOB ILE INSTALMENT LOANS

DECEMBER 1968 AND NOVEMBER 1968

## NEW CARS <br> (Percentage distribution of contracts)

| Contract balance percentage of dealer cost 1/ | Maturities |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 24 months or less |  | $\begin{array}{r} 25-30 \\ \text { months. } \end{array}$ |  | $\begin{array}{r} 31-36 \\ \text { months } \\ \hline \end{array}$ |  | Over 36 months |  | Total |  |
|  | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. |
|  | PURCHASED PAPER |  |  |  |  |  |  |  |  |  |
| 80\% or less | 8.2 | 8.1 | 1.2 | 1.1 | 19.1 | \|20.1 | 0.1 | 0.1 | 28.5 | 29.4 |
| 81\% to 90\% | 1.7 | 1.7 | 0.5 | 0.6 | 15.8 | 15.5 | 0.1 | 0.1 | 18.1 | 17.9 |
| 91\% to $100 \%$ | 2.8 | 2.9 | 1.0 | 1.0 | 26.8 | 26.7 | 0.6 | 0.8 | 31.2 | 31.4 |
| 101\% to 110\% | 1.0 | 0.7 | 0.5 | 0.3 | 11.7 | 11.3 | 0.1 | 0.1 | 13.3 | 12.4 |
| Over 110\% | 0.5 | 0.4 | 0.2 | 0.2 | 8.0 | 8.1 | 0.1 | 0.2 | 8.9 | 8.9 |
| Total | 14.2 | 13.9 | 3.4 | 3.1 | 81.4 | 81.8 | 1.0 | 1.2 | - 100.0 | 100.0 |
|  | DIRECT LOANS |  |  |  |  |  |  |  |  |  |
| 80\% or less | 16.8 | 14.7 | 3.2 | 3.1 | 133.1 | \| 33.4 | 0.2 | 0.1 | 53.5 | 51.5 |
| $81 \%$ to $90 \%$ | 4.6 | 4.5 | 0.8 | 0.9 | 9.4 | 10.7 | 0.1 | 0.1 | 14.8 | 16.2 |
| 91\% to $100 \%$ | 5.4 | 5.2 | 1.7 | 2.1 | 16.0 | 17.2 | 0.1 | 0.2 | 23.2 | 24.8 |
| 101\% to $110 \%$ | 0.8 | 0.9 | 0.4 | 0.2 | 3.5 | 3.6 | * | * | 4.7 | 4.7 |
| Over 11J\% | 1.0 | 0.2 | 0.4 | 0.1 | 2.2 | 2.4 | 0.1 | 0.1 | 3.8 | 2.8 |
| Total | 28.6 | 25.7 | 6.5 | 6.4 | 64.4 | 67.5 | 0.5 | 0.4 | 100.0 | 100.0 |
|  |  |  |  |  | total |  |  |  |  |  |
| 80\% o = less | 10.6 | 10.0 | 1.8 | 1.7 | 23.1 | 23.9 | 0.1 | 0.1 | 35.6 | 35.8 |
| 81\% to $90 \%$ | 2.5 | 2.5 | 0.6 | 0.7 | 14.0 | 14.1 | 0.1 | 0.1 | 17.1 | 17.4 |
| 91\% to $100 \%$ | 3.5 | 3.6 | 1.2 | 1.3 | 23.8 | 24.0 | 0.4 | 0.6 | 28.9 | 29.4 |
| 101\% to 110\% | 0.9 | 0.8 | 0.5 | 0.3 | 9.4 | 9.1 | 0.1 | 0.1 | 10.9 | 10.2 |
| Over 110\% | 0.7 | 0.4 | $\underline{-0.3}$ | 0.2 | 6.4 | 6.5 | 0.1 | 0.1 | 7.5 | 7.2 |
| Total | 18.3 | 17.3 | 4.3 | 4.1 | 76.5 | 77.6 | 0.9 | 1.0 | 100.0 | 100.0 |

1/ Contract balance excludes finance and insurance charges.
Less than one-tenth of one per cent.
NOTE: Distributions for December and November are derived from reports of 108 banks, 69 of which reported dealer cost ratios as well as maturities. The December maturity distribution for new cars shown on pages 1 and 2 is based on 35,000 contracts, 24,000 purchased and 11,000 direct. The cross-classification on this page is based on 19,000 contracts, 14,000 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)

DECEMBER 1968 AND NOVEMBER 1968
USED CARS
(Percentage distribution of contracts)

| Contract balance as percentage of wholesale value $\underline{1} / \underline{2} /$ | Maturities |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & 12 \text { months } \\ & \text { or less } \\ & \hline \end{aligned}$ |  | $\begin{array}{r} \text { 13-18 } \\ \text { months } \end{array}$ |  | $\begin{array}{r} 19-24 \\ \text { months } \end{array}$ |  | Over 24 months |  | Total |  |
|  | Dec. | Nov. | Dec. | 1 Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. |
|  | PURCHASED PAPER |  |  |  |  |  |  |  |  |  |
| 80\% or less | 3.4 | 3.5 | 1.8 | 1.9 | 5.8 | 5.7 | 6.8 | 6.4 | 17.8 | 17.6 |
| 81\% to 90\% | 1.5 | 1.3 | 1.4 | 1.6 | 4.9 | 5.6 | 6.8 | 7.7 | 14.6 | 16.2 |
| 91\% to $100 \%$ | 2.1 | 1.7 | 2.0 | 1.9 | 6.4 | 6.2 | 12.1 | 12.1 | 22.7 | 21.9 |
| 101\% to 110\% | 1.1 | 0.9 | 1.0 | 0.8 | 4.2 | 4.0 | 9.4 | 9.0 | 15.7 | 14.8 |
| Over 110\% | 2.0 | 1.8 | 2.1 | 2.1 | 8.6 | 9.3 | 16.5 | 16.3 | 29.2 | 29.5 |
| Total | 10.1 | 9.3 | 8.3 | 8.3 | 29.9 | 30.9 | 51.7 | 51.5 | 100.0 | 100.0 |
|  | DIRECT LOANS |  |  |  |  |  |  |  |  |  |
| 80\% or less | 10.9 | 9.5 | 6.2 | 7.0 | 16.6 | 16.4 | 12.5 | 13.3 | 46.3 | 46.1 |
| 81\% to $90 \%$ | 2.1 | 1.6 | 1.6 | 1.3 | 5.7 | 5.0 | 4.3 | 3.7 | 13.6 | 11.6 |
| 91\% to 100\% | 4.0 | 3.8 | 3.7 | 4.2 | 8.9 | 10.3 | 7.2 | 8.1 | 23.9 | 26.4 |
| 101\% to 110\% | 1.0 | 1.0 | 1.1 | 0.9 | 2.2 | 3.4 | 2.4 | 2.1 | 6.6 | 7.4 |
| Over 110\% | 1.3 | 0.6 | 1.3 | 1.0 | 3.8 | 3.7 | 3.2 | 3.2 | 9.6 | 8.5 |
| Total | 19.3 | 16.4 | 13.8 | 14.4 | 37.2 | 38.8 | 29.7 | 30.4 | 100.0 | 100.0 |
|  |  |  |  |  | TOTAL |  |  |  |  |  |
| 80\% or 1ess | 5.7 | 5.4 | 3.2 | 3.5 | 9.1 | 9.0 | 8.6 | 8.6 | 26.6 | 26.5 |
| 81\% to 90\% | 1.7 | 1.4 | 1.5 | 1.5 | 5.1 | 5.4 | 6.0 | 6.4 | 14.3 | 14.7 |
| 91\% to $100 \%$ | 2.7 | 2.3 | 2.5 | 2.6 | 7.2 | 7.5 | 10.6 | 10.8 | 23.1 | 23.3 |
| 101\% to 110\% | 1.1 | 0.9 | 1.0 | 0.8 | 3.6 | 3.8 | 7.2 | 6.9 | 12.9 | 12.5 |
| Over 110\% | 1.8 | 1.4 | 1.8 | 1.8 | 7.1 | 7.5 | 12.4 | 12.2 | 23.1 | 23.0 |
| Total | 13.0 | 11.5 | 10.0 | 10.3 | 32.2 | 33.3 | 44.8 | 44.9 | 100.0 | 100.0 |

1/Contract balance excludes finance and insurance charges.
$\underline{\underline{2}} /$ Wholesale value represents "average wholesale," "as is," or "buying value"
as indicated by used car guides.
NOTE: Distributions for December and November are derived from reports of 108 banks, 66 of which reported dealer cost ratios as well as maturities. The December 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.

