

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

LIBRARY

April 14, 1969

DECONTROLLED AFTER SIX MONTHS
FEDERAL RESERVE BANK
OF RICHMOND

DIRECT AUTO LOANS BY COMMERCIAL BANKS

loans, Consumer -
Installment

February 1969	January 1969	Three months ending February*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	26.5	27.0	27.2	28.1
25-30 months	5.8	5.5	5.7	6.2
31-36 months	67.1	67.1	66.6	65.3
Over 36 months	0.7	0.4	0.5	0.4

Contracts written for 36 months:

Median loan/value ratio	86.7	86.3	83.6	87.3
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.4	15.7	16.8	17.0
13-18 months	12.4	12.1	12.4	12.6
19-24 months	35.1	37.1	36.3	37.1
Over 24 months	35.1	35.0	34.5	33.3

All used car contracts:

Median loan/value ratio	90.8	90.4	86.6	89.5
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

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DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

February 1969	January 1969	Three months ending February*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.8	14.6	14.4	14.9
25-30 months	3.1	3.6	3.4	3.5
31-36 months	81.4	80.0	80.5	80.1
Over 36 months	1.6	1.8	1.7	1.5

Contracts written for 36 months:

Median loan/value ratio	93.2	93.2	92.8	93.3
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.2	9.2	9.3	8.4
13-18 months	9.2	8.7	8.8	8.2
19-24 months	29.5	30.1	29.6	28.9
Over 24 months	52.2	52.0	52.3	54.5

All used car contracts:

Median loan/value ratio	101.0	101.1	99.1	97.8
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

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DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

FEBRUARY 1969 AND JANUARY 1969

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	
	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.
PURCHASED PAPER										
80% or less	7.5	8.0	1.0	1.1	17.6	16.8	0.1	0.2	26.2	26.2
81% to 90%	1.6	2.0	0.5	0.6	15.5	16.5	0.1	0.2	17.6	19.3
91% to 100%	2.1	2.2	0.7	0.7	26.6	25.0	0.3	0.3	29.8	28.1
101% to 110%	1.0	0.8	0.3	0.4	14.0	14.4	0.1	0.1	15.5	15.6
Over 110%	0.7	0.8	0.1	0.2	9.5	9.7	0.6	0.1	10.9	10.8
Total	12.9	13.7	2.7	3.0	83.2	82.4	1.1	0.8	100.0	100.0
DIRECT LOANS										
80% or less	15.9	14.2	2.4	2.4	21.0	21.5	0.4	0.1	39.7	38.2
81% to 90%	6.2	8.2	1.3	1.2	16.7	15.9	0.3	0.2	24.5	25.5
91% to 100%	4.1	4.5	1.3	1.2	17.3	15.3	0.1	0.1	22.8	21.1
101% to 110%	0.9	1.7	0.4	0.4	5.8	6.4	*	0.2	7.1	8.7
Over 110%	1.4	1.7	0.2	0.2	3.5	3.9	0.2	0.4	5.3	6.2
Total	28.4	30.3	5.6	5.4	64.3	62.9	1.0	0.9	100.0	100.0
TOTAL										
80% or less	9.3	9.3	1.3	1.4	18.3	17.8	0.2	0.2	29.0	28.7
81% to 90%	2.5	3.3	0.7	0.7	15.7	16.4	0.1	0.2	19.1	20.6
91% to 100%	2.5	2.6	0.9	0.8	24.7	23.0	0.2	0.2	28.3	26.7
101% to 110%	1.0	1.0	0.3	0.4	12.3	12.7	0.1	0.1	13.7	14.1
Over 110%	0.9	1.0	0.2	0.2	8.2	8.5	0.5	0.2	9.8	9.9
Total	16.1	17.2	3.3	3.5	79.3	78.3	1.1	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 February and January are derived from reports of 106 banks, 54 of which reported dealer cost ratios as well as maturities. The February maturity distribution for new cars shown on pages 1 and 2 is based on 30,000 contracts, 21,000 purchased and 9,000 direct. The cross-classification on this page is based on 13,000 contracts, 10,000 purchased and 3,000 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)

FEBRUARY 1969 AND JANUARY 1969

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	
	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.
PURCHASED PAPER										
80% or less	3.4	3.2	1.8	2.0	4.4	4.7	5.4	5.5	15.0	15.3
81% to 90%	0.9	0.9	1.3	1.0	4.1	4.6	6.4	6.2	12.6	12.8
91% to 100%	1.7	1.8	1.5	1.7	5.8	6.0	11.4	10.3	20.3	19.8
101% to 110%	1.2	1.0	1.3	1.2	4.8	5.0	10.2	10.6	17.6	17.8
Over 110%	2.2	2.2	3.1	2.7	10.7	10.8	18.5	18.6	34.6	34.3
Total	9.4	9.1	9.0	8.6	29.8	31.0	51.8	51.2	100.0	100.0
DIRECT LOANS										
80% or less	10.5	10.0	5.1	4.1	10.2	11.7	6.9	6.4	32.7	32.2
81% to 90%	2.6	2.1	1.7	2.1	5.8	7.6	5.9	5.3	16.0	17.2
91% to 100%	3.8	3.5	3.0	2.7	11.3	10.4	7.5	7.1	25.6	23.7
101% to 110%	1.2	1.3	1.0	1.8	3.9	4.2	4.2	4.3	10.3	11.6
Over 110%	1.5	1.8	1.8	1.6	5.6	5.6	6.5	6.1	15.4	15.2
Total	19.6	18.8	12.6	12.4	36.8	39.6	31.0	29.2	100.0	100.0
TOTAL										
80% or less	5.2	5.0	2.7	2.5	5.8	6.5	5.8	5.7	19.5	19.7
81% to 90%	1.3	1.2	1.4	1.3	4.5	5.4	6.2	6.0	13.5	13.9
91% to 100%	2.2	2.2	1.9	2.0	7.2	7.1	10.4	9.5	21.7	20.8
101% to 110%	1.2	1.1	1.2	1.3	4.6	4.8	8.7	9.0	15.7	16.2
Over 110%	2.0	2.1	2.8	2.4	9.4	9.5	15.4	15.4	29.7	29.4
Total	12.0	11.6	9.9	9.6	31.6	33.3	46.5	45.5	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 February and January are derived from reports of 106 banks, 51 of which reported dealer cost ratios as well as maturities. The February maturity distribution for used cars shown on pages 1 and 2 is based on 27,000 contracts, 18,000 purchased and 9,000 direct. The cross-classification on this page is based on 12,000 contracts, 9,000 purchased and 3,000 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.