

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

LIBRARY

August 11, 1969

DECONTROLLED AFTER SIX MONTHS TO 1969
 FEDERAL RESERVE SYSTEM
 DIRECT AUTO LOANS BY COMMERCIAL BANKS

Consumer -
 installment

June 1969	May 1969	Three months ending June*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	23.7	25.0	24.6	26.4
25-30 months	5.6	5.7	5.5	5.4
31-36 months	70.3	68.8	69.4	67.8
Over 36 months	0.4	0.5	0.4	0.4

Contracts written for 36 months:

Median loan/value ratio	86.7	87.5	87.2	84.1
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	15.4	15.4	16.0	15.8
13-18 months	13.3	12.8	13.1	12.6
19-24 months	35.3	35.9	35.3	38.4
Over 24 months	36.1	35.9	35.6	33.2

All used car contracts:

Median loan/value ratio	92.0	91.4	91.8	87.9
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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)

June 1969	May 1969	Three months ending June*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.0	13.1	12.7	13.9
25-30 months	2.8	2.7	2.9	3.4
31-36 months	83.5	82.7	82.9	81.1
Over 36 months	1.7	1.5	1.6	1.6

Contracts written for 36 months:

Median loan/value ratio	92.8	92.1	92.3	92.2
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.5	9.3	9.5	8.7
13-18 months	8.7	8.4	8.6	8.6
19-24 months	29.5	30.1	30.2	30.4
Over 24 months	52.2	52.1	51.7	52.3

All used car contracts:

Median loan/value ratio	99.5	99.8	99.5	98.3
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

DEALER COST RATIOS AND MATURITIES
ON AUTOMOBILE INSTALMENT LOANS

JUNE 1969 AND MAY 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	
	June	May	June	May	June	May	June	May	June	May
	PURCHASED PAPER									
80% or less	7.0	7.5	1.1	1.3	18.4	19.2	0.3	0.1	26.8	28.1
81% to 90%	1.6	1.9	0.7	0.7	16.4	17.0	0.3	0.2	19.0	19.9
91% to 100%	1.8	1.7	0.9	0.6	24.3	24.2	0.6	0.4	27.5	26.9
101% to 110%	0.9	1.1	0.3	0.3	15.0	13.8	0.2	0.3	16.4	15.5
Over 110%	0.7	0.8	0.1	0.2	9.0	8.3	0.5	0.3	10.2	9.6
Total	12.0	13.0	3.0	3.1	83.1	82.6	1.8	1.3	100.0	100.0
	DIRECT LOANS									
80% or less	12.1	13.1	3.0	2.5	21.5	20.5	0.1	0.2	36.7	36.3
81% to 90%	6.0	7.2	2.3	1.9	19.5	17.5	0.1	0.1	28.0	26.7
91% to 100%	3.2	3.9	1.7	1.5	19.9	19.9	0.1	0.1	24.8	25.4
101% to 110%	0.7	0.6	0.4	0.3	3.7	5.5	*	0.1	4.8	6.5
Over 110%	0.5	0.4	0.4	0.5	4.2	3.5	0.1	0.2	5.2	4.6
Total	22.6	25.4	7.9	6.8	69.1	67.1	0.4	0.7	100.0	100.0
	TOTAL									
80% or less	8.2	8.8	1.6	1.6	19.1	19.5	0.3	0.1	29.1	30.0
81% to 90%	2.6	3.1	1.1	1.0	17.2	17.1	0.2	0.2	21.1	21.4
91% to 100%	2.2	2.2	1.0	0.8	23.2	23.3	0.5	0.3	26.9	26.6
101% to 110%	0.9	1.0	0.3	0.3	12.4	11.9	0.2	0.2	13.7	13.4
Over 110%	0.6	0.7	0.2	0.3	7.9	7.2	0.4	0.3	9.1	8.5
Total	14.5	15.8	4.2	3.9	79.9	79.1	1.5	1.2	100.0	100.0

$\frac{1}{100}$ Contract balance excludes finance and insurance charges.

* Less than one-tenth of one per cent.

NOTE: Distributions for June and May are derived from reports of 103 banks, 54 of which reported dealer cost ratios as well as maturities. The June maturity distribution for new cars shown on pages 1 and 2 is based on 41,000 contracts, 27,000 purchased and 14,000 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.

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Federal Reserve Bank of St. Louis

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

JUNE 1969 AND MAY 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	
	June	May	June	May	June	May	June	May	June	May
PURCHASED PAPER										
80% or less	3.9	3.4	1.8	2.2	5.1	5.3	6.2	5.7	16.9	16.6
81% to 90%	1.1	1.2	1.2	1.1	4.6	5.1	7.0	6.0	14.0	13.5
91% to 100%	1.9	1.8	1.5	1.7	6.5	5.8	10.3	11.1	20.2	20.3
101% to 110%	1.2	1.4	1.3	1.1	4.3	4.6	9.4	10.1	16.2	17.1
Over 110%	2.4	2.6	2.9	2.7	8.9	9.7	18.4	17.6	32.6	32.6
Total	10.6	10.3	8.7	8.7	29.4	30.5	51.3	50.4	100.0	100.0
DIRECT LOANS										
80% or less	8.2	7.6	5.0	4.7	9.7	12.4	7.2	7.7	30.2	32.4
81% to 90%	2.0	2.2	2.7	2.1	7.0	6.8	4.9	4.3	16.5	15.4
91% to 100%	4.3	4.6	3.5	3.6	12.7	11.4	9.1	7.7	29.6	27.3
101% to 110%	1.7	1.6	1.3	1.9	3.4	4.3	4.2	3.4	10.5	11.3
Over 110%	1.5	1.5	2.3	2.0	5.3	5.6	4.1	4.5	13.3	13.6
Total	17.7	17.5	14.8	14.3	38.1	40.5	29.4	27.6	100.0	100.0
TOTAL										
80% or less	4.9	4.4	2.5	2.8	6.2	7.1	6.4	6.1	20.1	20.5
81% to 90%	1.3	1.4	1.6	1.3	5.2	5.5	6.5	5.6	14.6	13.9
91% to 100%	2.5	2.4	1.9	2.1	8.0	7.1	10.0	10.3	22.4	22.0
101% to 110%	1.3	1.4	1.3	1.3	4.1	4.5	8.2	8.5	14.9	15.7
Over 110%	2.2	2.3	2.8	2.5	8.0	8.7	14.9	14.4	28.0	28.0
Total	12.3	12.1	10.1	10.1	31.5	33.0	46.1	44.9	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 June and May are derived from reports of 103 banks, 50 of which reported dealer cost ratios as well as maturities. The June maturity distribution for used cars shown on pages 1 and 2 is based on 29,000 contracts, 20,000 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.