

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

UNCONTROLLED AFTER SIX MONTHS

OF DIRECT AUTO LOANS BY COMMERCIAL BANKS

December 10, 1969

Loans, Consumer - installment

October 1969	September 1969	Three months ending October*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.8	27.0	26.1	26.0
25-30 months	5.7	6.0	6.1	5.9
31-36 months	65.8	66.5	67.1	67.8
Over 36 months	0.7	0.5	0.7	0.3

Contracts written for 36 months:

Median loan/value ratio	87.9	87.3	87.7	81.6
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	16.1	16.6	16.3	16.7
13-18 months	13.1	13.2	13.3	13.1
19-24 months	34.9	36.2	35.6	37.3
Over 24 months	35.8	34.0	34.8	32.9

All used car contracts:

Median loan/value ratio	89.8	89.4	89.9	83.7
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

L.4.2

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DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

October 1969	September 1969	Three months ending October*	
		1969	1968

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.6	11.5	12.2	12.5
25-30 months	2.9	2.6	2.7	3.1
31-36 months	81.8	84.8	83.7	83.1
Over 36 months	1.7	1.1	1.4	1.3

Contracts written for 36 months:

Median loan/value ratio	92.4	92.7	92.8	92.1
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.7	10.3	9.8	9.7
13-18 months	9.8	9.9	9.6	9.3
19-24 months	32.3	33.0	32.6	31.4
Over 24 months	48.2	46.8	48.0	49.6

All used car contracts:

Median loan/value ratio	97.7	98.9	98.8	97.3
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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

OCTOBER 1969 AND SEPTEMBER 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	
	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.
	PURCHASED PAPER									
80% or less	7.9	7.0	1.1	1.1	17.9	19.6	0.3	0.1	27.2	27.8
81% to 90%	2.0	1.6	0.8	0.6	17.1	16.2	0.2	0.1	20.1	18.5
91% to 100%	2.1	1.4	0.7	0.5	23.5	25.0	1.0	0.2	27.3	27.2
101% to 110%	1.1	0.8	0.4	0.2	13.1	15.3	0.3	0.2	14.9	16.5
Over 110%	0.6	0.8	0.2	0.2	9.6	8.8	0.2	0.3	10.5	10.1
Total	13.7	11.4	3.3	2.7	81.1	84.9	1.9	1.0	100.0	100.0
	DIRECT LOANS									
80% or less	13.7	15.2	1.9	2.7	20.3	21.1	0.1	0.5	36.0	39.4
81% to 90%	7.6	6.4	1.6	1.4	14.9	14.1	0.1	0.2	24.2	22.1
91% to 100%	4.7	4.8	1.4	1.6	18.8	18.0	0.3	0.3	25.2	24.6
101% to 110%	1.4	1.2	0.7	0.6	5.8	5.1	0.1	0.1	7.9	7.0
Over 110%	1.3	2.1	0.3	0.3	3.7	4.1	0.3	0.1	5.6	6.5
Total	29.1	29.7	5.8	6.5	64.2	62.7	1.0	1.1	100.0	100.0
	TOTAL									
80% or less	9.1	8.7	1.3	1.4	18.4	19.9	0.3	0.2	29.0	30.2
81% to 90%	3.2	2.6	1.0	0.8	16.6	15.8	0.1	0.1	20.9	19.2
91% to 100%	2.7	2.1	0.9	0.7	22.5	23.6	0.9	0.3	26.9	26.6
101% to 110%	1.2	0.9	0.4	0.3	11.6	13.2	0.2	0.2	13.4	14.5
Over 110%	0.7	1.0	0.2	0.2	8.4	7.9	0.2	0.2	9.5	9.3
Total	16.9	15.2	3.8	3.5	77.6	80.3	1.7	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 October and September are derived from reports of 104 banks, 52 of which reported dealer cost ratios as well as maturities. The October maturity distribution for new cars shown on pages 1 and 2 is based on 40,000 contracts, 28,000 purchased and 12,000 direct. The cross-classification on this page is based on 18,000 contracts, 14,000 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.

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

OCTOBER 1969 AND SEPTEMBER 1969

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	
	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.
PURCHASED PAPER										
80% or less	3.5	4.3	2.2	1.9	6.8	6.2	5.5	5.3	18.1	17.7
81% to 90%	1.3	0.9	1.2	1.4	5.9	5.5	7.2	6.7	15.6	14.5
91% to 100%	1.7	1.6	2.2	1.7	6.9	6.8	10.5	10.0	21.2	20.1
101% to 110%	1.1	1.2	1.5	1.4	5.1	6.2	9.7	8.8	17.5	17.5
Over 110%	2.1	2.1	2.8	3.1	8.1	10.0	14.6	15.1	27.6	30.2
Total	9.7	10.1	10.0	9.5	32.9	34.6	47.4	45.7	100.0	100.0
DIRECT LOANS										
80% or less	10.1	10.4	5.3	4.7	9.9	13.4	7.3	7.6	32.6	36.2
81% to 90%	2.4	2.1	2.5	1.8	7.5	6.5	5.4	4.4	17.8	14.7
91% to 100%	3.5	2.9	3.3	3.3	13.2	12.3	8.4	8.4	28.4	26.9
101% to 110%	1.0	1.1	1.0	1.0	3.8	4.5	2.5	3.4	8.3	10.0
Over 110%	1.6	1.2	1.9	2.2	4.5	4.7	4.9	4.1	12.8	12.2
Total	18.8	17.8	13.9	13.0	38.8	41.4	28.5	27.8	100.0	100.0
TOTAL										
80% or less	5.2	5.9	3.0	2.6	7.6	8.1	6.0	5.9	21.8	22.5
81% to 90%	1.6	1.2	1.6	1.5	6.3	5.7	6.7	6.1	16.2	14.5
91% to 100%	2.2	1.9	2.4	2.1	8.5	8.2	9.9	9.6	23.1	21.9
101% to 110%	1.1	1.1	1.4	1.3	4.8	5.7	7.9	7.4	15.1	15.5
Over 110%	2.0	1.9	2.6	2.9	7.2	8.6	12.1	12.2	23.8	25.5
Total	12.0	12.1	11.0	10.4	34.4	36.4	42.6	41.1	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 October and September are derived from reports of 104 banks, 49 of which reported dealer cost ratios as well as maturities. The October 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.