

Loans, Consumer - 570 Instalment

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

March 16, 1970

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

January 1970	December 1969	Three months ending January*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.2	29.0	28.0	27.4
25-30 months	6.1	5.6	5.7	5.8
31-36 months	66.2	65.1	65.9	66.5
Over 36 months	0.6	0.2	0.4	0.3

Contracts written for 36 months:

Median loan/value ratio	86.7	86.7	86.6	81.5
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	16.7	17.8	16.4	16.1
13-18 months	12.8	13.1	12.6	12.5
19-24 months	35.6	35.6	36.1	37.1
Over 24 months	34.8	33.4	34.8	34.4

All used car contracts:

Median loan/value ratio	88.0	89.6	88.7	84.1
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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)

January 1970	December 1969	Three months ending January*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.9	13.7	13.6	14.7
25-30 months	3.4	3.1	3.2	3.5
31-36 months	81.5	81.5	81.5	80.1
Over 36 months	2.3	1.7	1.8	1.7

Contracts written for 36 months:

Median loan/value ratio	93.1	92.7	92.2	92.4
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	9.9	10.2	10.1	9.5
13-18 months	9.1	9.9	9.5	8.6
19-24 months	30.5	31.7	31.3	29.8
Over 24 months	50.5	48.2	49.2	52.1

All used car contracts:

Median loan/value ratio	97.7	98.1	97.0	98.1
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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

JANUARY 1970 AND DECEMBER 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	
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	7.0	7.3	1.2	1.0	15.0	16.3	0.2	0.3	23.5	24.9
81% to 90%	1.8	2.4	0.6	0.8	17.7	18.2	0.3	0.2	20.5	21.6
91% to 100%	2.2	2.2	0.8	0.8	26.5	24.7	0.6	0.3	30.1	28.1
101% to 110%	0.9	1.1	0.7	0.4	14.5	14.3	0.6	0.2	16.8	15.9
Over 110%	0.4	0.7	0.2	0.1	7.9	8.6	0.5	0.2	9.1	9.6
Total	12.5	13.7	3.6	3.1	81.7	82.1	2.3	1.1	100.0	100.0
DIRECT LOANS										
80% or less	14.7	13.9	2.6	1.9	23.4	21.6	0.1	*	40.8	37.4
81% to 90%	5.6	7.5	0.9	1.6	15.1	16.1	0.1	0.1	21.7	25.3
91% to 100%	3.3	5.5	1.9	1.6	19.7	19.5	0.2	0.1	25.1	26.7
101% to 110%	0.9	0.9	0.6	0.4	6.1	5.0	*	0.1	7.6	6.4
Over 110%	1.0	1.4	0.2	0.2	2.5	2.5	0.7	*	4.3	4.1
Total	25.5	29.2	6.3	5.8	67.0	64.7	1.2	0.4	100.0	100.0
TOTAL										
80% or less	8.7	8.9	1.5	1.2	16.8	17.4	0.2	0.2	27.2	27.7
81% to 90%	2.6	3.5	0.7	1.0	17.2	17.6	0.2	0.2	20.7	22.4
91% to 100%	2.5	3.0	1.0	1.0	25.0	23.5	0.5	0.3	29.0	27.8
101% to 110%	0.9	1.0	0.7	0.4	12.7	12.2	0.5	0.1	14.9	13.8
Over 110%	0.5	0.8	0.2	0.1	6.7	7.3	0.6	0.1	8.0	8.3
Total	15.3	17.3	4.2	3.7	78.5	78.0	2.1	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 January and December are derived from reports of 104 banks, 54 of which reported dealer cost ratios as well as maturities. The January maturity distribution for new cars shown on pages 1 and 2 is based on 25,000 contracts, 18,000 purchased and 7,000 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.

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

JANUARY 1970 AND DECEMBER 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	
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
PURCHASED PAPER										
80% or less	3.6	3.4	2.1	2.0	5.5	5.0	5.4	5.5	16.5	15.9
81% to 90%	1.3	1.5	1.7	1.5	5.3	5.5	7.3	7.6	15.6	16.2
91% to 100%	2.0	1.8	1.7	1.9	6.8	7.0	12.9	11.3	23.4	22.0
101% to 110%	1.4	1.4	1.2	1.6	4.8	5.5	9.4	10.2	16.8	18.8
Over 110%	1.8	2.0	2.4	2.6	8.0	8.1	15.3	14.1	27.6	26.8
Total	10.1	10.1	9.1	9.7	30.5	31.3	50.3	49.0	100.0	100.0
DIRECT LOANS										
80% or less	9.5	10.1	4.9	4.9	13.1	11.2	9.0	8.5	36.5	34.6
81% to 90%	2.4	2.4	2.5	1.6	7.4	6.6	4.6	5.5	16.9	16.1
91% to 100%	3.5	3.6	2.6	3.1	11.7	11.7	8.7	7.8	26.4	26.2
101% to 110%	1.3	1.6	1.7	1.6	3.9	5.6	3.3	3.6	10.4	12.4
Over 110%	1.2	1.6	1.1	1.4	3.9	3.3	3.6	4.4	9.8	10.7
Total	17.9	19.2	12.8	12.5	40.1	38.5	29.3	29.8	100.0	100.0
TOTAL										
80% or less	5.1	5.2	2.8	2.8	7.5	6.7	6.4	6.3	21.8	21.0
81% to 90%	1.6	1.7	1.9	1.5	5.9	5.8	6.5	7.1	15.9	16.2
91% to 100%	2.4	2.3	1.9	2.2	8.1	8.4	11.7	10.3	24.1	23.2
101% to 110%	1.4	1.4	1.3	1.6	4.6	5.6	7.7	8.4	15.0	17.1
Over 110%	1.6	1.9	2.0	2.3	6.9	6.8	12.1	11.6	22.7	22.6
Total	12.2	12.6	10.1	10.5	33.1	33.3	44.6	43.7	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 January and December are derived from reports of 104 banks, 52 of which reported dealer cost ratios as well as maturities. The January maturity distribution for used cars shown on pages 1 and 2 is based on 21,000 contracts, 14,000 purchased and 7,000 direct. The cross-classification on this page is based on 9,000 contracts, 7,000 purchased and 2,000 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.