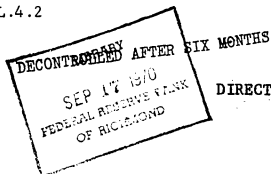


Wallace 594
August 1st
S. M. L. L.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

September 15, 1970



DIRECT AUTO LOANS BY COMMERCIAL BANKS

Loans, Consumer,
Installment

July 1970	June 1970	Three months ending July*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.1	26.0	25.7	24.2
25-30 months	5.8	6.4	6.2	5.8
31-36 months	68.5	67.3	67.7	69.5
Over 36 months	0.5	0.3	0.3	0.4

Contracts written for 36 months:

Median loan/value ratio	87.3	86.8	86.9	87.2
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.1	17.3	16.5	15.4
13-18 months	13.3	13.6	13.5	13.3
19-24 months	35.2	34.7	35.1	35.6
Over 24 months	34.3	34.4	34.9	35.7

All used car contracts:

Median loan/value ratio	87.3	87.4	87.5	91.2
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

July 1970	June 1970	Three months ending July*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.6	13.2	12.7	12.3
25-30 months	2.7	2.8	2.9	2.8
31-36 months	83.3	83.0	83.3	83.5
Over 36 months	1.3	1.0	1.1	1.5

Contracts written for 36 months:

Median loan/value ratio	91.8	91.2	92.0	92.5
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	11.6	11.1	10.8	9.6
13-18 months	11.1	10.0	10.2	8.7
19-24 months	30.5	30.5	30.2	30.2
Over 24 months	46.8	48.4	48.8	51.5

All used car contracts:

Median loan/value ratio	97.7	98.0	98.6	100.1
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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

JULY 1970 AND JUNE 1970

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	
	July	June	July	June	July	June	July	June	July	June
PURCHASED PAPER										
80% or less	7.5	8.3	0.9	1.1	18.0	18.5	0.2	0.1	26.6	28.1
81% to 90%	2.0	2.1	0.8	0.8	19.1	19.7	0.1	0.2	22.0	22.8
91% to 100%	2.1	1.7	0.7	0.8	22.5	21.9	0.6	0.5	25.9	24.9
101% to 110%	1.2	0.9	0.3	0.4	13.8	13.2	0.2	0.2	15.4	14.7
Over 110%	0.8	0.7	0.1	0.1	8.9	8.5	0.2	0.2	10.0	9.5
Total	13.5	13.8	2.8	3.2	82.3	81.8	1.4	1.2	100.0	100.0
DIRECT LOANS										
80% or less	11.9	12.0	3.1	2.8	21.1	21.3	0.3	0.2	36.4	36.3
81% to 90%	6.5	7.1	1.5	2.0	17.5	17.6	0.1	*	25.6	26.7
91% to 100%	4.2	3.8	1.2	1.5	19.9	19.9	0.2	0.1	25.5	25.4
101% to 110%	1.0	1.2	0.7	1.0	5.1	5.0	*	0.1	6.8	7.3
Over 110%	0.9	1.1	0.1	0.3	2.5	2.4	*	*	3.5	3.9
Total	25.0	25.3	6.7	7.7	67.6	66.5	0.7	0.5	100.0	100.0
TOTAL										
80% or less	8.6	9.3	1.5	1.6	18.8	19.2	0.3	0.2	29.1	30.3
81% to 90%	3.1	3.4	0.9	1.1	18.7	19.2	0.1	0.1	22.9	23.8
91% to 100%	2.6	2.3	0.9	1.0	21.8	21.3	0.5	0.4	25.8	25.0
101% to 110%	1.1	1.0	0.4	0.5	11.6	11.0	0.2	0.1	13.3	12.7
Over 110%	0.8	0.8	0.1	0.2	7.3	6.9	0.2	0.2	8.4	8.0
Total	16.4	16.8	3.8	4.4	78.6	77.7	1.2	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 July and June are derived from reports of 99 banks, 52 of which reported dealer cost ratios as well as maturities. The July maturity distribution for new cars shown on pages 1 and 2 is based on 33,000 contracts, 22,000 purchased and 11,000 direct. The cross-classification on this page is based on 15,000 contracts, 11,000 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)

JULY 1970 AND JUNE 1970

(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	
	July	June	July	June	July	June	July	June	July	June
PURCHASED PAPER										
80% or less	3.9	3.5	2.2	2.4	5.9	5.0	5.6	6.2	17.6	17.0
81% to 90%	2.2	1.9	1.8	1.5	5.5	6.1	6.5	7.9	16.0	17.5
91% to 100%	3.1	2.8	1.9	1.9	6.0	5.5	10.3	9.2	21.4	19.4
101% to 110%	1.0	1.0	1.5	1.7	4.7	5.2	9.6	8.6	16.9	16.5
Over 110%	2.1	2.5	3.3	3.1	8.2	8.1	14.5	16.0	28.1	29.7
Total	12.4	11.7	10.7	10.6	30.4	29.9	46.5	47.8	100.0	100.0
DIRECT LOANS										
80% or less	7.6	9.3	4.6	4.8	13.4	11.9	9.5	8.0	35.2	34.0
81% to 90%	4.1	3.5	2.3	3.1	7.7	9.1	6.1	5.8	20.2	21.6
91% to 100%	3.0	3.6	3.8	3.8	10.4	10.8	7.8	7.7	24.9	25.9
101% to 110%	1.9	1.4	0.9	1.2	3.6	3.6	3.0	4.0	9.4	10.3
Over 110%	3.2	2.9	1.1	1.1	3.4	1.8	2.6	2.5	10.3	8.3
Total	19.9	20.7	12.7	14.0	38.4	37.2	28.9	28.1	100.0	100.0
TOTAL										
80% or less	5.0	5.3	2.9	3.1	8.1	7.1	6.7	6.7	22.8	22.2
81% to 90%	2.8	2.4	1.9	2.0	6.2	7.0	6.4	7.3	17.3	18.7
91% to 100%	3.1	3.0	2.5	2.4	7.3	7.1	9.6	8.8	22.4	21.3
101% to 110%	1.3	1.1	1.3	1.6	4.4	4.7	7.7	7.2	14.7	14.6
Over 110%	2.4	2.6	2.6	2.5	6.8	6.2	11.0	11.9	22.9	23.2
Total	14.6	14.4	11.3	11.6	32.7	32.1	41.3	41.8	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 July and June are derived from reports of 99 banks, 48 of which reported dealer cost ratios as well as maturities. The July maturity distribution for used cars shown on pages 1 and 2 is based on 23,000 contracts, 15,000 purchased and 8,000 direct. The cross-classification on this page is based on 9,000 contracts, 6,000 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.