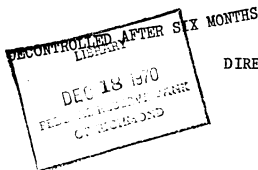


BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

December 11, 1970



DIRECT AUTO LOANS BY COMMERCIAL BANKS

October 1970	September 1970	Three months ending October*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.2	25.1	25.7	26.1
25-30 months	6.6	6.3	6.3	6.1
31-36 months	65.9	68.3	67.7	67.1
Over 36 months	0.3	0.4	0.3	0.7

Contracts written for 36 months:

Median loan/value ratio	89.1	88.9	88.7	87.7
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.1	17.7	18.0	16.3
13-18 months	14.6	14.0	14.3	13.3
19-24 months	35.6	36.7	35.7	35.6
Over 24 months	31.6	31.6	31.9	34.8

All used car contracts:

Median loan/value ratio	89.6	89.5	89.8	89.9
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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)

October 1970	September 1970	Three months ending October*	
		1970	1969

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	13.3	12.2	12.6	12.2
25-30 months	3.1	3.0	3.1	2.7
31-36 months	82.4	83.2	83.1	83.7
Over 36 months	1.2	1.6	1.3	1.4

Contracts written for 36 months:

Median loan/value ratio	92.4	93.1	92.7	92.8
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	14.3	14.5	13.6	9.8
13-18 months	11.3	11.6	11.3	9.6
19-24 months	29.7	30.5	30.4	32.6
Over 24 months	44.7	43.4	44.7	48.0

All used car contracts:

Median loan/value ratio	97.9	98.0	97.9	98.8
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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 1970 AND SEPTEMBER 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	
	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.
PURCHASED PAPER										
80% or less	7.9	7.3	1.0	1.0	17.7	16.4	0.1	0.2	26.7	24.9
81% to 90%	1.8	1.7	0.9	0.8	17.6	17.5	0.2	0.2	20.5	20.3
91% to 100%	1.8	1.6	0.9	0.8	24.7	25.2	0.5	0.6	27.8	28.2
101% to 110%	1.0	0.8	0.5	0.4	13.9	15.6	0.2	0.3	15.6	17.1
Over 110%	0.8	0.7	0.2	0.2	8.3	8.4	0.1	0.3	9.4	9.5
Total	13.3	12.2	3.4	3.1	82.3	83.1	1.0	1.7	100.0	100.0
DIRECT LOANS										
80% or less	12.7	12.2	2.5	2.4	19.6	21.5	0.2	0.3	35.0	36.3
81% to 90%	5.4	5.2	1.9	1.1	14.5	14.0	0.1	0.1	21.9	20.4
91% to 100%	5.2	4.3	1.7	2.0	20.4	20.5	0.1	0.1	27.4	26.9
101% to 110%	1.0	1.0	1.1	1.3	5.0	6.2	0.1	*	7.2	8.5
Over 110%	1.2	1.0	0.4	0.3	3.9	3.6	0.1	0.1	5.6	4.9
Total	26.0	24.4	7.8	7.1	65.6	67.9	0.6	0.6	100.0	100.0
TOTAL										
80% or less	9.0	8.5	1.4	1.3	18.1	17.6	0.1	0.2	28.6	27.6
81% to 90%	2.7	2.5	1.1	0.9	16.8	16.7	0.2	0.2	20.8	20.3
91% to 100%	2.6	2.2	1.1	1.1	23.6	24.1	0.4	0.5	27.7	27.9
101% to 110%	1.0	0.9	0.6	0.6	11.7	13.3	0.2	0.3	13.5	15.1
Over 110%	0.9	0.8	0.2	0.2	7.2	7.2	0.1	0.3	8.4	8.4
Total	16.4	15.0	4.5	4.1	78.2	79.5	0.9	1.4	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 100 banks, 51 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 33,000 contracts, 23,000 purchased and 10,000 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.

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Federal Reserve Bank of St. Louis

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

OCTOBER 1970 AND SEPTEMBER 1970

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	3.8	4.1	2.3	2.2	5.1	5.3	5.6	5.2	16.8	16.8
81% to 90%	1.6	2.1	1.7	1.9	4.6	4.2	5.6	5.6	13.5	13.8
91% to 100%	6.3	7.1	2.0	2.0	6.1	6.3	10.7	9.0	25.1	24.3
101% to 110%	1.2	1.3	2.0	1.8	4.5	5.0	9.5	9.0	17.3	17.1
Over 110%	2.1	2.4	2.6	3.5	9.0	8.9	13.6	13.1	27.3	27.9
Total	15.0	17.0	10.6	11.4	29.3	29.8	45.1	41.8	100.0	100.0
DIRECT LOANS										
80% or less	7.2	8.0	5.9	5.2	11.3	11.1	7.3	6.7	31.8	31.0
81% to 90%	4.1	4.6	2.6	2.0	8.0	8.7	4.3	4.8	19.0	20.1
91% to 100%	4.3	3.3	4.3	3.9	11.5	11.6	7.1	7.0	27.2	25.9
101% to 110%	1.3	1.3	1.2	0.8	3.9	4.2	3.4	2.9	9.8	9.2
Over 110%	3.2	3.3	2.4	3.3	4.0	4.3	2.5	3.0	12.2	13.8
Total	20.1	20.5	16.4	15.2	38.7	39.8	24.7	24.5	100.0	100.0
TOTAL										
80% or less	4.8	5.3	3.4	3.1	7.0	7.1	6.2	5.7	21.4	21.1
81% to 90%	2.3	2.9	2.0	1.9	5.6	5.6	5.2	5.3	15.2	15.7
91% to 100%	5.7	5.9	2.7	2.6	7.7	7.9	9.6	8.4	25.8	24.8
101% to 110%	1.2	1.3	1.8	1.5	4.4	4.8	7.6	7.1	15.0	14.7
Over 110%	2.4	2.7	2.5	3.4	7.5	7.5	10.2	10.0	22.7	23.6
Total	16.5	18.1	12.4	12.6	32.1	32.8	38.9	36.5	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 October and September are derived from reports of 100 banks, 48 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 22,000 contracts, 14,000 purchased and 8,000 direct. The cross-classification on this page is based on 10,000 contracts, 7,000 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.