

# 2. Loans, Consumer- Installment

622



L.4.2

April 9, 1971

DIRECT AUTO LOANS BY COMMERCIAL BANKS

DECONTROLLED AFTER SIX MONTHS

February 1971	January 1971	Three months ending February*	
		1971	1970

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	28.7	27.5	27.8	27.8
25-30 months	6.7	8.3	7.3	6.0
31-36 months	64.0	63.5	64.3	65.9
Over 36 months	0.6	0.7	0.6	0.4

Contracts written for 36 months:

Median loan/value ratio	89.4	88.6	88.8	87.0
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	18.2	19.6	19.2	16.9
13-18 months	13.4	13.2	14.1	12.7
19-24 months	35.2	34.6	34.2	35.5
Over 24 months	33.3	32.7	32.5	34.8

All used car contracts:

Median loan/value ratio	89.3	89.2	89.0	88.8
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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)

February 1971	January 1971	Three months ending February*	
		1971	1970

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.7	13.3	13.0	13.3
25-30 months	3.3	3.3	3.3	3.2
31-36 months	82.0	81.6	82.0	81.6
Over 36 months	1.9	1.7	1.7	1.9

Contracts written for 36 months:

Median loan/value ratio	93.2	92.9	93.1	92.8
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	15.7	16.4	16.0	10.1
13-18 months	12.0	11.6	11.5	9.6
19-24 months	27.1	28.2	28.1	30.9
Over 24 months	45.2	43.8	44.4	49.4

All used car contracts:

Median loan/value ratio	96.8	97.0	96.9	97.9
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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

FEBRUARY 1971 AND JANUARY 1971

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	
	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.
	PURCHASED PAPER									
80% or less	6.8	7.8	1.1	1.3	15.6	16.3	0.2	0.2	23.6	25.6
81% to 90%	2.0	2.1	0.9	0.7	17.6	17.7	0.1	0.1	20.7	20.6
91% to 100%	2.2	2.1	0.8	0.7	24.1	23.0	0.7	0.6	27.8	26.4
101% to 110%	1.4	1.0	0.6	0.5	15.9	14.8	0.3	0.3	18.3	16.6
Over 110%	0.8	0.8	0.2	0.2	8.3	9.3	0.2	0.2	9.5	10.4
Total	13.2	13.8	3.6	3.4	81.6	81.4	1.6	1.4	100.0	100.0
	DIRECT LOANS									
80% or less	12.1	12.3	3.5	4.7	17.2	19.3	0.3	0.4	33.1	36.7
81% to 90%	5.6	5.4	1.2	1.7	16.0	13.8	0.3	0.1	23.1	21.0
91% to 100%	5.1	4.2	1.1	1.5	18.2	18.8	0.3	0.3	24.8	24.8
101% to 110%	0.9	1.1	1.2	1.5	4.7	3.9	*	0.1	6.8	6.5
Over 110%	1.4	1.4	0.2	0.7	3.0	1.5	*	0.1	4.6	3.7
Total	26.9	26.1	7.7	10.6	64.5	62.2	1.0	1.1	100.0	100.0
	TOTAL									
80% or less	8.2	9.0	1.7	2.2	16.0	17.0	0.2	0.2	26.1	28.5
81% to 90%	3.0	3.0	1.0	1.0	17.2	16.7	0.2	0.1	21.3	20.7
91% to 100%	3.0	2.6	0.9	0.9	22.6	21.9	0.6	0.5	27.0	26.0
101% to 110%	1.3	1.0	0.7	0.7	13.0	11.9	0.3	0.2	15.3	14.0
Over 110%	1.0	0.9	0.2	0.3	6.9	7.2	0.1	0.2	8.2	8.7
Total	16.9	17.0	4.7	5.3	77.0	76.4	1.4	1.3	100.0	100.0

1/Contract balance excludes finance and insurance charges.

\* Less than one-tenth of one per cent.

NOTE: Distributions for February and January are derived from reports of 102 banks, 54 of which reported dealer cost ratios as well as maturities. The February maturity distribution for new 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 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

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

FEBRUARY 1971 AND JANUARY 1971

USED CARS

(Percentage distribution of contracts)

Contract balance as percentage of wholesale value 1/2/	Maturities									
	12 months or less		13-18 months		19-24 months		Over 24 months		Total	
	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.	Feb.	Jan.
PURCHASED PAPER										
80% or less	4.3	4.4	2.3	2.2	4.7	5.7	6.4	5.1	17.6	17.4
81% to 90%	1.3	1.2	1.8	1.7	4.5	5.0	7.7	6.7	15.3	14.6
91% to 100%	6.3	6.9	1.9	1.9	5.9	6.3	11.1	10.8	25.2	25.9
101% to 110%	1.3	1.4	1.7	1.7	4.2	4.9	10.8	10.1	18.0	18.1
Over 110%	1.7	1.8	2.6	2.1	6.5	7.2	13.0	12.3	23.8	23.5
Total	14.8	15.8	10.4	9.7	25.8	29.2	49.0	45.3	100.0	100.0
DIRECT LOANS										
80% or less	8.5	8.3	5.0	5.3	11.9	12.8	8.2	8.0	33.5	34.5
81% to 90%	3.7	4.0	1.9	1.8	7.0	6.3	5.3	4.8	17.8	16.9
91% to 100%	4.1	5.4	4.0	4.3	12.0	11.1	8.8	8.2	29.0	29.0
101% to 110%	1.0	1.5	0.9	0.9	2.2	2.5	3.7	3.6	7.7	8.4
Over 110%	2.1	2.1	2.0	2.3	4.8	3.6	3.1	3.1	12.0	11.2
Total	19.4	21.4	13.7	14.5	37.8	36.3	29.1	27.7	100.0	100.0
TOTAL										
80% or less	5.7	5.7	3.2	3.3	7.1	8.1	7.0	6.1	23.0	23.1
81% to 90%	2.1	2.2	1.8	1.8	5.4	5.4	6.9	6.0	16.2	15.4
91% to 100%	5.6	6.4	2.6	2.7	8.0	7.9	10.3	10.0	26.5	26.9
101% to 110%	1.2	1.4	1.4	1.4	3.5	4.1	8.4	7.9	14.5	14.8
Over 110%	1.8	1.9	2.4	2.2	5.9	6.0	9.7	9.2	19.8	19.4
Total	16.4	17.7	11.5	11.3	29.9	31.6	42.2	39.4	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 February and January are derived from reports of 102 banks, 50 of which reported dealer cost ratios as well as maturities. The February 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.

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