

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

L.4.2

LIBRARY

JUN 15 1971

FEDERAL RESERVE BANK
OF ST. LOUIS

DECONTROLLED AFTER SIX MONTHS

DIRECT AUTO LOANS BY COMMERCIAL BANKS

April 1971	March 1971	Three months ending April*	
		1971	1970

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	27.1	26.9	27.5	26.6
25-30 months	5.3	6.1	6.0	6.2
31-36 months	67.1	66.4	65.8	66.8
Over 36 months	0.5	0.6	0.6	0.4

Contracts written for 36 months:

Median loan/value ratio	88.4	87.9	88.6	87.1
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.5	17.7	17.8	16.0
13-18 months	13.8	12.9	13.3	12.4
19-24 months	35.9	34.4	35.2	35.4
Over 24 months	32.8	35.0	33.7	36.2

All used car contracts:

Median loan/value ratio	89.8	87.7	88.9	88.4
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*Unweighted arithmetic mean of the three monthly ratios.

Details may not add to totals because of rounding.

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DEALER AUTO LOANS BY COMMERCIAL BANKS (PURCHASED PAPER)

April 1971	March 1971	Three months ending April*	
		1971	1970

NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.4	12.8	12.6	12.9
25-30 months	2.8	2.8	3.0	3.3
31-36 months	83.1	82.5	82.5	82.4
Over 36 months	1.7	1.9	1.9	1.4

Contracts written for 36 months:

Median loan/value ratio	92.4	93.5	93.0	92.3
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USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	13.9	13.6	14.4	10.4
13-18 months	11.6	11.7	11.8	9.8
19-24 months	28.6	28.6	28.1	29.9
Over 24 months	45.9	46.2	45.8	49.9

All used car contracts:

Median loan/value ratio	97.1	97.2	97.0	98.7
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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

APRIL 1971 AND MARCH 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	
	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.
	PURCHASED PAPER									
80% or less	7.3	7.1	0.9	0.9	17.7	16.4	0.1	0.1	26.1	24.5
81% to 90%	1.9	2.8	0.7	0.7	17.4	16.0	0.2	0.2	20.2	19.7
91% to 100%	1.8	1.6	0.8	0.7	25.4	25.7	0.7	0.6	28.7	28.6
101% to 110%	1.1	1.0	0.4	0.5	14.1	16.2	0.6	0.3	16.2	18.0
Over 110%	0.8	0.7	0.2	0.2	7.7	8.3	0.2	0.1	8.9	9.3
Total	12.9	13.1	3.0	2.9	82.4	82.6	1.8	1.4	100.0	100.0
	DIRECT LOANS									
80% or less	11.7	11.5	2.3	2.1	20.2	20.0	0.2	0.6	34.4	34.2
81% to 90%	5.1	5.6	1.2	1.5	16.7	17.4	0.2	0.2	23.2	24.8
91% to 100%	4.1	4.1	1.1	1.1	17.5	17.1	0.1	0.1	22.8	22.4
101% to 110%	0.5	0.4	0.3	0.2	4.6	4.3	*	0.1	5.5	5.0
Over 110%	1.0	1.3	0.4	0.3	2.7	2.2	*	0.1	4.1	3.9
Total	25.2	25.6	5.7	5.8	68.3	67.5	0.9	1.1	100.0	100.0
	TOTAL									
80% or less	8.4	8.2	1.2	1.2	18.3	17.3	0.1	0.2	28.1	26.9
81% to 90%	2.7	3.5	0.8	0.9	17.2	16.4	0.2	0.2	20.9	21.0
91% to 100%	2.3	2.2	0.9	0.8	23.5	23.5	0.5	0.5	27.2	27.0
101% to 110%	0.9	0.8	0.4	0.4	11.8	13.2	0.5	0.2	13.6	14.7
Over 110%	0.9	0.8	0.2	0.2	6.5	6.7	0.2	0.1	7.7	7.9
Total	15.9	16.3	3.6	3.6	78.9	78.8	1.5	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 April and March are derived from reports of 101 banks, 52 of which reported dealer cost ratios as well as maturities. The April maturity distribution for new cars shown on pages 1 and 2 is based on 39,000 contracts, 26,000 purchased and 13,000 direct. The cross-classification on this page is based on 21,000 contracts, 16,000 purchased and 5,000 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)

APRIL 1971 AND MARCH 1971

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	
	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.	Apr.	Mar.
PURCHASED PAPER										
80% or less	3.3	3.4	2.3	2.4	5.3	4.9	6.8	6.3	17.8	17.1
81% to 90%	1.1	1.4	1.3	1.3	4.8	5.1	8.0	8.1	15.2	15.8
91% to 100%	1.5	1.6	1.6	1.4	8.2	7.7	12.5	13.1	23.8	23.8
101% to 110%	1.2	1.3	1.3	1.4	5.3	4.9	11.6	10.7	19.4	18.3
Over 110%	1.6	1.7	2.0	2.2	6.6	6.8	13.5	14.3	23.8	25.0
Total	8.8	9.3	8.5	8.7	30.3	29.4	52.4	52.6	100.0	100.0
DIRECT LOANS										
80% or less	7.4	8.5	5.7	4.8	11.7	12.5	8.2	10.7	33.0	36.6
81% to 90%	1.6	2.1	2.5	2.6	7.7	7.5	5.6	5.3	17.4	17.5
91% to 100%	3.0	3.2	3.1	3.3	11.5	11.8	9.4	9.9	27.1	28.2
101% to 110%	1.0	0.7	1.2	0.7	3.2	2.8	3.0	4.3	8.4	8.5
Over 110%	0.7	0.5	0.6	0.9	3.8	3.6	4.1	4.3	9.2	9.2
Total	14.2	15.0	13.6	12.2	39.6	38.3	32.7	34.5	100.0	100.0
TOTAL										
80% or less	4.6	5.1	3.4	3.2	7.4	7.4	7.2	7.8	22.6	23.5
81% to 90%	1.3	1.6	1.6	1.7	5.7	5.9	7.3	7.2	15.9	16.4
91% to 100%	2.0	2.1	2.1	2.0	9.2	9.0	11.5	12.0	24.8	25.2
101% to 110%	1.1	1.1	1.3	1.2	4.7	4.2	8.9	8.6	16.0	15.1
Over 110%	1.3	1.3	1.6	1.8	5.7	5.7	10.6	11.0	19.2	19.9
Total	10.5	11.2	10.1	9.9	33.2	32.3	46.2	46.7	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 April and March are derived from reports of 101 banks, 49 of which reported dealer cost ratios as well as maturities. The April maturity distribution for used cars shown on pages 1 and 2 is based on 30,000 contracts, 19,000 purchased and 11,000 direct. The cross-classification on this page is based on 12,000 contracts, 8,000 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.