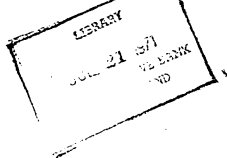


## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

July 19, 1971

DECONTROLLED AFTER 36 MONTHS DIRECT AUTO LOANS BY COMMERCIAL BANKS



May 1971	April 1971	Three months ending May*	
		1971	1970

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	25.4	27.1	26.4	26.2
25-30 months	5.5	5.3	5.6	6.2
31-36 months	68.7	67.0	67.4	67.3
Over 36 months	0.5	0.6	0.6	0.3

Contracts written for 36 months:

Median loan/value ratio	89.4	88.3	88.6	86.8
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	17.5	17.5	17.6	15.4
13-18 months	12.6	13.8	13.1	12.6
19-24 months	34.4	35.9	34.9	35.3
Over 24 months	35.4	32.7	34.4	36.6

All used car contracts:

Median loan/value ratio	86.0	89.9	87.8	88.1
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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)

May 1971	April 1971	Three months ending May*	
		1971	1970

## NEW CAR CONTRACTS

Per cent of contracts written for:

24 months or less	12.2	12.4	12.5	12.7
25-30 months	2.9	2.8	2.9	3.2
31-36 months	83.3	83.0	82.9	83.0
Over 36 months	1.6	1.7	1.8	1.1

Contracts written for 36 months:

Median loan/value ratio	92.4	92.4	92.8	92.1
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## USED CAR CONTRACTS

Per cent of contracts written for:

12 months or less	13.9	14.0	13.8	10.3
13-18 months	11.9	11.6	11.7	9.8
19-24 months	28.6	28.6	28.6	29.7
Over 24 months	45.6	45.8	45.9	50.2

All used car contracts:

Median loan/value ratio	97.5	97.1	97.3	99.2
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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

MAY 1971 AND APRIL 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	
	May	Apr.	May	Apr.	May	Apr.	May	Apr.	May	Apr.
PURCHASED PAPER										
80% or less	6.7	7.3	1.0	0.9	17.9	17.7	0.1	0.1	25.7	26.1
81% to 90%	1.7	1.9	0.5	0.7	18.2	17.4	0.2	0.2	20.7	20.2
91% to 100%	1.3	1.8	0.7	0.8	25.1	25.4	0.7	0.7	27.8	28.7
101% to 110%	1.1	1.1	0.3	0.4	15.7	14.1	0.4	0.6	17.6	16.2
Over 110%	0.9	0.8	0.2	0.2	7.0	7.7	0.1	0.2	8.3	8.9
Total	11.8	12.9	2.7	3.0	83.9	82.4	1.5	1.8	100.0	100.0
DIRECT LOANS										
80% or less	11.0	11.7	1.8	2.2	18.6	20.1	0.2	0.2	31.7	34.3
81% to 90%	5.7	5.1	1.1	1.2	16.9	16.8	0.1	0.2	23.8	23.3
91% to 100%	3.2	4.2	1.5	1.1	17.8	17.4	0.2	0.1	22.7	22.7
101% to 110%	1.2	0.5	0.5	0.3	4.3	4.6	*	*	5.9	5.4
Over 110%	1.4	1.0	0.1	0.4	3.0	2.8	0.3	*	4.8	4.2
Total	24.6	25.3	5.5	5.6	69.0	68.2	0.9	0.9	100.0	100.0
TOTAL										
80% or less	7.9	8.4	1.2	1.2	18.1	18.3	0.1	0.1	27.3	28.1
81% to 90%	2.7	2.7	0.7	0.8	17.9	17.3	0.2	0.2	21.5	21.0
91% to 100%	1.8	2.4	0.9	0.9	23.2	23.5	0.6	0.5	26.4	27.2
101% to 110%	1.2	0.9	0.4	0.4	12.7	11.8	0.3	0.5	14.5	13.5
Over 110%	1.1	0.9	0.2	0.2	6.0	6.5	0.2	0.2	7.4	7.7
Total	15.1	15.9	3.5	3.6	80.0	78.9	1.4	1.6	100.0	100.0

1/Contract balance excludes finance and insurance charges.

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

NOTE: Distributions for May and April are derived from reports of 104 banks, 57 of which reported dealer cost ratios as well as maturities. The May maturity distribution for new cars shown on pages 1 and 2 is based on 37,000 contracts, 24,000 purchased and 13,000 direct. The cross-classification on this page is based on 21,000 contracts, 15,000 purchased and 6,000 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)

MAY 1971 AND APRIL 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	
	May	Apr.	May	Apr.	May	Apr.	May	Apr.	May	Apr.
PURCHASED PAPER										
80% or less	3.7	3.3	2.1	2.3	4.9	5.3	6.3	6.8	17.1	17.8
81% to 90%	1.3	1.1	1.3	1.3	4.9	4.8	8.1	8.0	15.6	15.2
91% to 100%	1.6	1.5	1.9	1.6	7.1	8.2	12.5	12.5	23.1	23.8
101% to 110%	1.1	1.2	1.6	1.3	5.3	5.3	11.7	11.6	19.8	19.4
Over 110%	1.8	1.6	2.1	2.0	7.0	6.6	13.5	13.5	24.5	23.8
Total	9.5	8.8	9.1	8.5	29.2	30.3	52.2	52.4	100.0	100.0
DIRECT LOANS										
80% or less	8.6	7.4	5.9	5.6	13.2	11.7	11.1	8.2	38.8	32.8
81% to 90%	2.3	1.7	2.0	2.5	7.6	7.7	6.8	5.6	18.7	17.4
91% to 100%	2.7	3.0	3.1	3.1	11.7	11.5	9.4	9.4	26.9	27.0
101% to 110%	0.5	1.0	0.7	1.2	2.4	3.2	4.1	3.0	7.6	8.4
Over 110%	0.8	0.7	0.8	0.6	3.4	3.9	2.9	4.3	8.0	9.5
Total	14.9	14.2	12.5	13.5	38.3	39.6	34.3	32.7	100.0	100.0
TOTAL										
80% or less	5.2	4.6	3.3	3.3	7.5	7.4	7.8	7.2	24.0	22.5
81% to 90%	1.6	1.3	1.5	1.7	5.7	5.7	7.7	7.3	16.6	15.9
91% to 100%	1.9	2.0	2.3	2.1	8.6	9.2	11.5	11.5	24.3	24.8
101% to 110%	0.9	1.1	1.3	1.3	4.4	4.7	9.3	8.9	15.9	15.9
Over 110%	1.5	1.3	1.7	1.6	5.8	5.8	10.2	10.6	19.2	19.3
Total	11.2	10.5	10.2	10.1	32.1	33.2	46.5	46.2	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 May and April are derived from reports of 104 banks, 53 of which reported dealer cost ratios as well as maturities. The May maturity distribution for used cars shown on pages 1 and 2 is based on 27,000 contracts, 17,000 purchased and 10,000 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.