

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**
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FILER

FORD CREDIT AUTO RECEIVABLES TWO L P

CIK: **1008949** | IRS No.: **383295857** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **10-K** | Act: **34** | File No.: **333-40421** | Film No.: **99574032**
SIC: **6189** Asset-backed securities

Mailing Address
*THE AMERICAN ROAD
P O BOX 6044
DEARBORN MI 48121*

Business Address
*THE AMERICAN ROAD
P O BOX 6044
DEARBORN MI 48121
3133223000*

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

XX ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
----EXCHANGE ACT OF 1934 (FEE REQUIRED)

For the fiscal year ended DECEMBER 31, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
----SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

For the transition period from _____ to _____

Commission file number 333-40421

FORD CREDIT AUTO OWNER TRUST 1998-A
(Ford Credit Auto Receivables Two L.P. - Originator)

(Exact name of registrant as specified in its charter)

State of Incorporation: Delaware

Employer Identification No.: 38-3295857

Address of principal executive offices: The American Road
Dearborn, Michigan 48121

Registrant's telephone number, including area code: (313)322-3000

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(c) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past

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PART I.

ITEM 1. BUSINESS

For a discussion of the business of the Issuer see (i) the Prospectus dated February 17, 1998 filed as Exhibit 19.12 to this Report and incorporated herein by reference and (ii) the Distribution Date Statements filed as Exhibits 19.1 through 19.11 to this Report and incorporated herein by reference.

ITEM 2. PROPERTIES

For a discussion of the properties of the Issuer see (i) the Prospectus and Prospectus Supplement dated February 17, 1998 and February 19, 1998, respectively, filed as Exhibit 19.12 to this Report and incorporated herein by reference and (ii) the Distribution Date Statements filed as Exhibits 19.1 through 19.11 to this Report and incorporated herein by reference.

ITEM 3. LEGAL PROCEEDINGS

Nothing to report.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Nothing to report.

ITEM II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

There were no holders of Class A-1 5.545% Asset Backed Notes, 14 holders of Class A-2 5.60% Asset Backed Notes, 53 holders of Class A-3 5.65% Asset Backed Notes, 6 holders of Class A-4 5.70% Asset Backed Notes, and no holders of Class B 5.95% Asset Backed Notes as of January 26, 1999. There is no established public trading market for the Notes.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Nothing to report.

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PART III

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(1) Title of Class	(2) Name and Address of beneficial owner*	(3) Amount at original issuance and nature of beneficial ownership (in thousands)	(4) Percent of Class
5.60% Asset Backed Notes Class A-2	Chase Manhattan Bank 4 New York Plaza 13th Floor New York, NY 10004	\$359,000	67.1%
5.60% Asset Backed Notes Class A-2	Citibank, NA P. O. Box 30576 Tampa, FL 33630	\$ 29,000	5.4%
5.60% Asset	PNC Bank, National Association 1835 Market Street 11 Penn Center, 15th Fl. Philadelphia, PA 19103	\$ 98,500	18.4%
5.65% Asset Backed Notes Class A-3	Bank of New York (The) 925 Patterson Plank Road Secaucus, NJ 07094	\$ 68,150	9.8%
5.65% Asset Backed Notes Class A-3	Bankers Trust Company c/o BT Services Tennessee Inc. 648 Grassmere Park Drive Nashville, TN 37211	\$136,290	19.7%
5.65% Asset Backed Notes Class A-3	Boston Safe Deposit and Trust Company c/o Mellon Bank N.A. Three Mellon Bank Center Room 153-3015 Pittsburgh, PA 15259	\$ 53,604	7.7%
5.65% Asset Backed Notes Class A-3	Citibank, NA P. O. Box 30576 Tampa, FL 33630	\$ 71,000	10.3%
5.65% Asset Backed Notes Class A-3	Chase Manhattan Bank 4 New York Plaza 13th Floor New York, NY 10004	\$ 65,770	9.5%
5.65% Asset Backed Notes Class A-3	State Street Bank and Trust Company Global Corp Action Dept JAB5W	\$127,710	18.5%

P. O. Box 1631
Boston, MA 02105-1631

5.65% Asset Backed Notes Class A-3	Northern Trust Company 801 S. Canal C-IN Chicago, IL 60607	\$ 45,515	6.6%
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5.70% Asset Backed Notes Class A-4	Boston Safe Deposit and Trust Company c/o Mellon Bank N.A. Three Mellon Bank Center Room 153-3015 Pittsburgh, PA 15259	\$ 60,000	20.0%
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ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND
MANAGEMENT (CONT)

(1) Title of of Class	(2) Name and Address of beneficial owner*	(3) Amount at orig- inal issuance and nature of beneficial ownership (in thousands)	(4) Percent of Class
5.70% Asset Backed Notes Class A-4	Chase Manhattan Bank 4 New York Plaza 13th Floor New York, NY 10004	\$130,000	43.3%
5.70% Asset Backed Notes Class A-4	Citibank, N.A. P. O. Box 30576 Tampa, FL 33630	\$ 90,000	30.0%

*As of January 26, 1999

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Nothing to report.

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ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS
ON FORM 8-K.

(a)3. Exhibits

Designation -----	Description -----	Method of Filing -----
Exhibit 3.1	Certificate of Limited Partnership of Ford Credit Auto Receivables Two L.P. (the "Limited Partnership").	Filed as Exhibit 3.1 to the Limited Partnership's Registration Statement on Form S-3 (33-1245) and incorporated herein by reference.
Exhibit 3.2	Amended and Restated Limited Partnership Agreement between Ford Credit Auto Receivables Two, Inc. ("General Partner") and Ford Motor Credit Company ("Ford Credit").	Filed as Exhibit 3.2 to Ford Credit Auto Owner Trust 1996-A's Current Report on Form 8-K dated June 20, 1996 and incorporated herein by reference.
Exhibit 3.3	Certificate of Incorporation of the General Partner.	Filed as Exhibit 3.3 to the Limited Partnership's Registration Statement on Form S-3 (33-1245) and incorporated herein by reference.
Exhibit 3.4	By-Laws of the General Partner.	Filed as Exhibit 3.4 to the Limited Partnership's Registration Statement on Form S-3 (33-1245) and incorporated herein by reference.
Exhibit 4.1	Conformed copy of Indenture dated as of February 1, 1998 between Ford Credit Auto Owner Trust 1998-A (the "Trust") and The Chase Manhattan Bank, as ("Indenture Trustee")	Filed as Exhibit 4.1 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 26, 1998 and incorporated herein by reference.
Exhibit 4.2	Conformed copy of Amended and Restated Trust Agreement between the Limited Partnership and PNC Bank, Delaware ("Owner Trustee")	Filed as Exhibit 4.2 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 26, 1998 and incorporated

herein by reference.

Exhibit 19.1	Distribution Date Statement for Collection Period ended February 28, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 28, 1998 and incorporated herein by reference.
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Designation -----	Description -----	Method of Filing -----
Exhibit 19.2	Distribution Date Statement for Collection Period ended March 31, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated March 31, 1998 and incorporated herein by reference.
Exhibit 19.3	Distribution Date Statement for Collection Period ended April 30, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated April 30, 1998 and incorporated herein by reference.
Exhibit 19.4	Distribution Date Statement for Collection Period ended May 31, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated May 31, 1998 and incorporated herein by reference.
Exhibit 19.5	Distribution Date Statement for Collection Period ended June 30, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated June 30, 1998 and incorporated herein by reference.
Exhibit 19.6	Distribution Date Statement for Collection Period ended July 31, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K

dated July 31, 1998
and incorporated herein
by reference.

Exhibit 19.7 Distribution Date Statement
 for Collection Period
 ended August 31, 1998.

Filed as Exhibit 19 to
Ford Credit Auto Owner
Trust 1998-A Current
Report on Form 8-K
dated August 31, 1998
and incorporated herein
by reference.

Exhibit 19.8 Distribution Date Statement
 for Collection Period
 ended September 30, 1998.

Filed as Exhibit 19 to
Ford Credit Auto Owner
Trust 1998-A Current
Report on Form 8-K
dated September 30, 1998
and incorporated herein
by reference.

Exhibit 19.9 Distribution Date Statement
 for Collection Period
 ended October 31, 1998.

Filed as Exhibit 19 to
Ford Credit Auto Owner
Trust 1998-A Current
Report on Form 8-K
dated October 31, 1998
and incorporated herein
by reference.

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ITEM 14. (Continued)

Designation -----	Description -----	Method of Filing -----
Exhibit 19.10	Distribution Date Statement for Collection Period ended November 30, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated November 30, 1998 and incorporated herein by reference.
Exhibit 19.11	Distribution Date Statement for Collection Period ended December 31, 1998.	Filed as Exhibit 19 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated December 31, 1998 and incorporated herein by reference.

Exhibit 19.12	Prospectus dated February 17, 1998 and Prospectus Supplement dated February 19, 1998 relating to the issuance of the Class A-1, Class A-2, Class A-3, Class B Notes and the Asset Backed Certificates.	Filed with the Commission pursuant to Rule 424(b) (2) on February 23, 1998 and incorporated herein by reference.
Exhibit 99.1	Conformed copy of Sale and Servicing Agreement dated as of February 1, 1998 among the Limited Partnership, Ford Credit and the Trust.	Filed as Exhibit 99.1 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 26, 1998 and incorporated herein by reference.
Exhibit 99.2	Conformed copy of Administration Agreement dated as of February 1, 1998 among Ford Credit, as administrator, the Indenture Trustee and the Owner Trustee.	Filed as Exhibit 99.2 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 26, 1998 and incorporated herein by reference.
Exhibit 99.3	Conformed copy of Purchase Agreement dated as of February 1, 1998 between Ford Credit and the Limited Partnership.	Filed as Exhibit 99.3 to Ford Credit Auto Owner Trust 1998-A Current Report on Form 8-K dated February 26, 1998 and incorporated herein by reference.

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ITEM 14. (Continued)

Designation -----	Description -----	Method of Filing -----
Exhibit 99.4	Selected Information Relating to the Receivables.	Filed with this report.

(b) Reports on Form 8-K

Date of Report	Item
October 31, 1998	Item 5 - Other Events
November 30, 1998	Item 5 - Other Events
December 31, 1998	Item 5 - Other Events

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ford Credit Auto Receivables Two L.P.
(Registrant)

By: Ford Credit Auto Receivables
Two, Inc., General Partner

Date: March 26, 1999

By:/s/R. P. Conrad

Assistant Secretary

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EXHIBIT INDEX

Exhibit Number -----	Description of Exhibit -----	Method of Filing -----
Exhibit 3.1	Certificate of Limited Partnership of Ford Credit Auto Receivables Two L.P. (the "Limited Partnership").	*
Exhibit 3.2	Amended and Restated Limited Partnership Agreement between Ford Credit Auto Receivables Two, Inc. ("General Partner") and Ford Motor Credit Company ("Ford Credit").	*
Exhibit 3.3	Certificate of Incorporation of the General Parnter.	*
Exhibit 3.4	By-Laws of the General Parnter.	*
Exhibit 4.1	Conformed copy of Indenture dated as of February 1, 1998 between Ford Credit Auto Owner Trust 1998-A (the "Trust") and The Chase Manhattan Bank, as	*

successor trustee to Chemical Bank ("Indenture Trustee")

Exhibit 4.2	Conformed copy of Amended and Restated Trust Agreement between the Limited Partnership and PNC Bank, Delaware ("Owner Trustee")	*
Exhibit 19.1	Distribution Date Statement for Collection Period ended February 28, 1998.	
Exhibit 19.2	Distribution Date Statement for Collection Period ended March 31, 1998.	*
Exhibit 19.3	Distribution Date Statement for Collection Period ended April 31, 1998.	*
Exhibit 19.4	Distribution Date Statement for Collection Period ended May 31, 1998.	*
Exhibit 19.5	Distribution Date Statement for Collection Period ended June 30, 1998.	*
Exhibit 19.6	Distribution Date Statement for Collection Period ended July 31, 1998.	*
Exhibit 19.7	Distribution Date Statement for Collection Period ended August 31, 1998.	*
Exhibit 19.8	Distribution Date Statement for Collection Period ended September 30, 1998.	*

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ITEM 14. (Continued)

Designation	Description	Method of Filing
-----	-----	-----
Exhibit 19.9	Distribution Date Statement for Collection Period ended October 31, 1998.	*

- | | | |
|---------------|--|-------------------------|
| Exhibit 19.10 | Distribution Date Statement
for Collection Period
ended November 30, 1998. | * |
| Exhibit 19.11 | Distribution Date Statement
for Collection Period
ended December 31, 1998. | * |
| Exhibit 19.12 | Prospectus dated February 17, 1998
and Prospectus Supplement dated
February 19, 1998 relating to the
issuance of the Class A-1,
Class A-2, Class A-3,
Class B Notes and
Asset Backed Certificates. | * |
| Exhibit 99.1 | Conformed copy of Sale and
Servicing Agreement dated as of
February 1, 1998 among the
Limited Partnership, Ford
Credit and the Trust. | * |
| Exhibit 99.2 | Conformed copy of Administration
Agreement dated as of February 1, 1998
among Ford Credit, as
administrator, the Indenture
Trustee and the Owner Trustee. | * |
| Exhibit 99.3 | Conformed copy of Purchase
Agreement dated as of
February 1, 1998 between Ford
Credit and the Limited
Partnership. | * |
| Exhibit 99.4 | Selected Information
Relating to the Receivables. | Filed with this report. |

*Previously Filed

Selected Information
 Ford Credit Auto Owner Trust 1998-A
 through December 31, 1998

<TABLE>
 <CAPTION>

	Class A-1 5.545% Asset Backed Notes -----	Class A-2 5.60% Asset Backed Notes -----	Class A-3 5.65% Asset Backed Notes -----	Class A-4 5.70% Asset Backed Notes -----	Class B 5.95% Asset Backed Notes -----
<S>	<C>	<C>	<C>	<C>	<C>
Principal Paid	\$647,000,000.00	\$130,423,075.95	\$	\$	\$
Interest Paid	\$ 12,335,015.84	\$ 23,747,978.76	\$ 31,364,327.08	\$ 13,727,500.00	\$ 3,845,104.83

Total Servicing Fees Paid:	\$ 16,371,716.16				

</TABLE>