

National Credit Default Rates Continue to Increase in October 2014 According to the S&P/Experian Consumer Credit Default Indices

Three of the Five Cities Saw Default Rates Increase in October 2014

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NEW YORK, Nov. 18, 2014 /[PRNewswire](#)/ -- Data through October 2014, released today by S&P Dow Jones Indices and Experian for the S&P/Experian Consumer Credit Default Indices, a comprehensive measure of changes in consumer credit defaults, continued to show an increase in default rates. The national composite posted 1.06% in October, up two basis points from September 2014. For the third consecutive month, the first mortgage default rate rose, to 0.96% in October. Despite the rise, the second mortgage default rate declined to 0.47%. The bank card rate continued its decline for the fourth consecutive month, declining by 3 basis points to a historical low of 2.60%.

"With the continued increase in the composite default rates, the overall movements have still been very small. The continued six month upward trend in auto loan default rates does coincide with strong automobile sales over the same period. Despite the small increases in default rates, bank card and second mortgage default rates are currently at historical lows," says David M. Blitzer, Managing Director and Chairman of the Index Committee for S&P Dow Jones Indices. "Even with the increases, default rates are still much lower from their October 2013 rates."

"Dallas, Los Angeles and Miami all reported rate increases, with Dallas posting a default rate of 0.98%, its highest rate since March 2014. Miami saw its first default rate increase since December 2013, up 5 basis points from September 2014 to 1.26%. Los Angeles continued its default rate increase for the third consecutive month, posting a rate of 0.84%, up 7 basis points from September 2014. New York however, for the third straight month, posted a 6 basis point decrease to a historical low of 0.99%. Despite the recent trend of composite rate increases, all five cities – Chicago, Dallas, Los Angeles, Miami and New York – still remain below default rates seen a year ago."

The table below summarizes the October 2014 results for the S&P/Experian Credit Default Indices. These data are not seasonally adjusted and are not subject to revision.

S&P/Experian Consumer Credit Default Indices

National Indices

Index	October 2014 Index Level	September 2014 Index Level	October 2013 Index Level
Composite	1.06	1.04	1.38
First Mortgage	0.96	0.93	1.30
Second Mortgage	0.47	0.52	0.72
Bank Card	2.60	2.63	2.97
Auto Loans	1.05	1.01	1.14

Source: S&P/Experian Consumer Credit Default Indices
Data through October 2014

The table below provides the S&P/Experian Consumer Default Composite Indices for the five MSAs:

Metropolitan Statistical Area	October 2014 Index Level	September 2014 Index Level	October 2013 Index Level
New York	0.99	1.05	1.27
Chicago	1.12	1.14	1.66
Dallas	0.98	0.79	1.35
Los Angeles	0.84	0.77	1.25
Miami	1.26	1.21	2.11

Source: S&P/Experian Consumer Credit Default Indices
Data through October 2014

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Jointly developed by S&P Dow Jones Indices LLC and Experian, the S&P/Experian Consumer Credit Default Indices are published on the third Tuesday of each month at 9:00 am ET. They are constructed to track the default experience of consumer balances in four key loan categories: auto, bankcard, first mortgage lien and second mortgage lien. The Indices are calculated based on data extracted from Experian's consumer credit database. This database is populated with individual consumer loan and payment data submitted by lenders to Experian every month. Experian's base of data contributors includes leading banks and mortgage companies, and covers approximately \$11 trillion in outstanding loans sourced from 11,500 lenders.

For more information, please visit: www.consumercreditindices.standardandpoors.com.

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