S&P/Experian Consumer Credit Default Indices Show The Composite Default Rate Increasing For Third Consecutive Month In September 2017

Bank Card Default Rate Drops to Lowest Level of 2017

NEW YORK, Oct. 17, 2017 /PRNewswire/ -- S&P Dow Jones Indices and Experian released today data through September 2017 for the S&P/Experian Consumer Credit Default Indices. The indices represent a comprehensive measure of changes in consumer credit defaults and show that the composite rate increased two basis points from last month to 0.88%. The bank card default rate continued to fall, down four basis points to 3.15%. Auto loan defaults increased 10 basis points to 1.05%. The first mortgage default rate increased one basis point from August to 0.66%.

Four of the five major cities saw their default rates increase in the month of September. Chicago and Miami had the largest increases, each up six basis points to 1.00% and 1.19%, respectively. New York came in at 0.97%, an increase of two basis points from August. Dallas reported an increase of four basis points to 0.78%. Los Angeles was the only major city reporting a decrease with a one basis point drop to 0.65%.

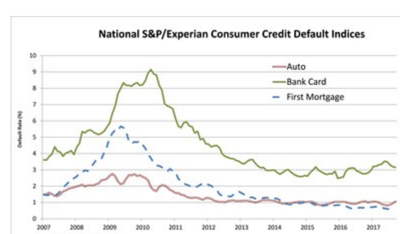
The national bank card default rate continued to fall, dropping to its lowest level so far in 2017. As in August, bank cards were the only loan type to see a decrease in default rates in September 2017. After increasing nine basis points in August, the auto loan default rate increased 10 basis points in September. These are the two largest month-over-month increases since December 2011.

The auto and first mortgage default rates are both within one basis point of their levels from one year ago. Despite recent decreases, the bank card default rate remains nearly 40 basis points higher than its level one year ago.

"While the composite consumer credit default rate eased higher in the last three months, it is even with the level of one year ago," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "Looking at the components, we see that moves among mortgages, bank cards and autos have tended to offset one another over the past year. As a result, no sector is currently showing substantial increases or signs that consumers are facing renewed financial stress. Other economic indicators through the summer echo consumers' favorable condition: debt service as a proportion of income is modest while consumer credit and mortgage borrowing continues to see moderate expansion."

"Consumers in some parts of the country may face other challenges that could shift the consumer credit default picture. Hurricanes Harvey and Irma wreaked havoc across the south and southeastern United States; more recent wild fires in California and the west are creating further damage and loss. Estimates of hurricane damages suggest a total cost of $70 billion including the loss of possibly one million automobiles. Damage estimates for the fires are still being determined. Even after insurance coverage and government aid programs, many consumers will face very large unexpected expenses stressing their personal financial situations. Increased consumer credit default rates over the next several months are likely."

The table below summarizes the September 2017 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	September 2017 Index Level	August 2017 Index Level	September 2016 Index Level

Composite	0.88	0.86	0.84
First Mortgage	0.66	0.65	0.67
Second Mortgage	0.53	0.50	0.56
Bank Card	3.15	3.19	2.76
Auto Loans	1.05	0.95	1.05

Source: S&P/Experian Consumer Credit Default Indices
Data through September 2017

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

Metropolitan Statistical Area	September 2017 Index Level	August 2017 Index Level	September 2016 Index Level
New York	0.97	0.95	0.86
Chicago	1.00	0.94	0.87
Dallas	0.78	0.74	0.74
Los Angeles	0.65	0.66	0.59
Miami	1.19	1.13	1.12

Source: S&P/Experian Consumer Credit Default Indices
Data through September 2017

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

ABOUT THE S&P/EXPERIAN CONSUMER CREDIT DEFAULT INDICES

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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