All Five Cities Seeing Lower Default Rates Compared To Last Year In The S&P/Experian Consumer Credit Default Indices

Miami Consistently Has Highest Composite Default Rate in 2016

NEW YORK, Dec. 20, 2016 /PRNewswire/ -- Data through November 2016, 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, shows the composite rate and first mortgage default rate both unchanged from last month at 0.87% and 0.7%, respectively, in November. Auto loan defaults recorded a 1.00% default rate, down eight basis points from October. The bank card default rate came in at 2.81%, up five basis points from the previous month.

Three of the five major cities saw their default rates decrease in the month of November. Dallas had the largest decrease, reporting 0.66%, down 10 basis points from October. New York saw its default rate decrease by two basis points to 0.91% in November, and Chicago reported a decrease to 0.96%, down one basis point from the previous month. Los Angeles saw its default rate increase, up eight basis points to 0.70%. Miami's default rate spiked to 1.44%, up 38 basis points in November and setting a 12 month high. The default rate increase of 38 basis points is unmatched in Miami since January 2013. A historical review of Miami's basis points movement in November shows increases since 2005, suggesting a seasonal up-trend in defaults for the month of November.

"Recent data paint a picture of a strong economy, and lower consumer credit defaults reflect this," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "Default rates are modestly lower than a year ago, even as continued strength in home sales, auto sales, and retail sales are supporting expanded use of consumer credit. Money market rates rose after Election Day, the Fed raised the target range for the Fed funds rate last week, and has indicated that further increases lie ahead. The favorable default trends are likely to be tested in 2017 as interest rates rise.

"Among the five cities regularly tracked in this report, Miami has consistently shown the highest default rate. One factor may be that home prices rising in Miami and mortgages are the largest portion of the city composite rate. While Dallas home prices are rising faster than Miami, Dallas prices fell far less in the housing bust and have rebounded to new all-time highs Miami home prices remain more than 20% below the highs set in 2006."

The table below summarizes the November 2016 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	November 2016 Index Level	October 2016 Index Level	November 2015 Index Level
Composite	0.87	0.87	0.97
First Mortgage	0.70	0.70	0.82
Second Mortgage	0.48	0.58	0.67
Bank Card	2.81	2.76	2.91
Auto Loans	1.00	1.08	1.04

Source: S&P/Experian Consumer Credit Default Indices
Data through November 2016

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

	November 2016	October 2016	

Metropolitan Statistical Area	Index Level	Index Level	November 2015 Index Level
New York	0.91	0.93	0.95
Chicago	0.96	0.97	1.03
Dallas	0.66	0.76	0.88
Los Angeles	0.70	0.62	0.74
Miami	1.44	1.06	1.48

Source: S&P/Experian Consumer Credit Default Indices
Data through November 2016

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

ABOUT S&P DOW JONES INDICES
S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than based on any other provider in the world. With over 1,000,000 indices and more than 120 years of experience constructing innovative and transparent solutions, S&P Dow Jones Indices defines the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit www.spdji.com.

About Experian
We are the leading global information services company, providing data and analytical tools to our clients around the world. We help businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. We also help people to check their credit report and credit score and protect against identity theft. In 2015, we were named one of the "World's Most Innovative Companies" by Forbes magazine.

We employ approximately 17,000 people in 37 countries and our corporate headquarters are inDublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended March 31, 2016, was US$4.6 billion.

To find out more about our company, please visithttp://www.experianplc.com or watch our documentary, "Inside Experian."

Experian and the Experian marks used herein are trademarks or registered trademarks of Experian Information Solutions, Inc. Other product and company names mentioned herein are the property of their respective owners.

FOR MORE INFORMATION:

David Blitzer
Managing Director and Chairman of Index Committee
New York, USA
(+1) 212 438 3907
david.blitzer@spglobal.com

Luke Shane
Manager Communications
New York, USA
(+1) 212 438 8184
luke.shane@spglobal.com

Matt Tatham
Experian Public Relations
917 446 7227
matt.tatham@experian.com

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 .

SOURCE S&P Dow Jones Indices

---

https://press.spglobal.com/2016-12-20-All-Five-Cities-Seeing-Lower-Default-Rates-Compared-To-Last-Year-In-The-S-P-Experian-Consumer-Credit-Default-Indices