S&P/Experian Consumer Credit Default Indices Show Increased Bank Card Default Rates In All Census Divisions In October 2017

Composite Default Rate Driven Higher For Fourth Consecutive Month

NEW YORK, Nov. 21, 2017 /PRNewswire/ -- S&P Dow Jones Indices and Experian released today data through October 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 0.90%. The bank card default rate rose 13 basis points to 3.28%. Auto loan defaults rose six basis points to 1.11%. The first mortgage default rate increased one basis point from September to 0.67%.

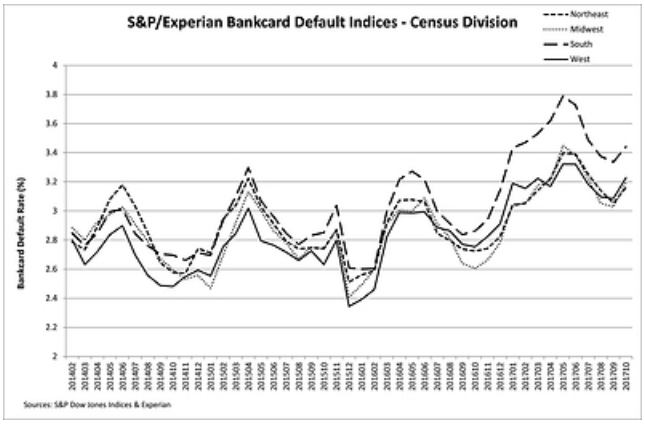
Three of the five major cities saw their composite default rates rise in the month of October. Chicago had the largest increase, up eight basis points to 1.08%. Los Angeles increased seven basis points to 0.72%, while New York came in at 1.00%, up three basis points from September. The default rate for Dallas was unchanged at 0.78%, while Miami dropped to 1.06%, representing a 13 basis point monthly decrease.

The uptick in the national bank card default rate was the first monthly increase since May 2017. All four census divisions recorded a rise in bank card default rates in October. The Midwest, where the rate increased 17 basis points to 3.20%, represented the largest monthly increase. This was followed by the West which came in at 3.23%, a 15 basis points increase. The bank card default rate in the Northeast rose 11 basis points from last month to 3.16%, while the rate in the South jumped 10 basis points to 3.44%.

The auto and first mortgage default rates are both within three basis points of their levels from one year ago; however, the bank card default rate is now more than 50 basis points higher than the rate from one year ago.

"For the first time since January 2017, the default rates for autos, bank cards and mortgages all rose together," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "The economy is doing well, with 3% GDP growth in the third quarter, stable inflation, low unemployment and retail sales growing at a 4% annual rate. Auto sales jumped in September after drifting lower for most of the summer and then pulled back slightly in October. The data does not suggest any unusual financial stress facing consumers which would explain the small, but across the board, increases in the default rates."

"Looking more closely at consumers, monthly measures of consumer sentiment and expectations remain strong. People are spending: auto sales, retail numbers and discretionary items such as restaurants are all gaining. Total consumer credit outstanding is growing at a 6.6% annual rate while revolving credit outstanding is rising at a 7.7% annual rate. The one concerning item, which might explain the default numbers, is recent softness in real disposable personal income. If a widening spread between income and spending appears, defaults may fill the gap."



The table below summarizes the October 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	**October 2017 Index Level**	**September 2017 Index Level**	**October 2016 Index Level**
Composite	0.90	0.88	0.87
First Mortgage	0.67	0.66	0.70
Second Mortgage	0.79	0.53	0.58
Bank Card	3.28	3.15	2.76
Auto Loans	1.11	1.05	1.08

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

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

Metropolitan Statistical Area	**October 2017 Index Level**	**September 2017 Index Level**	**October 2016 Index Level**
New York	1.00	0.97	0.93
Chicago	1.08	1.00	0.97
Dallas	0.78	0.78	0.76
Los Angeles	0.72	0.65	0.62
Miami	1.06	1.19	1.06

Source: S&P/Experian Consumer Credit Default Indices
Data through October 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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We have more than 16,000 people operating across 37 countries and every day we're investing in new technologies, talented people and innovation to help all our clients maximize every opportunity. We are listed on the London Stock Exchange (EXPN) and are a constituent of the FTSE 100 Index.

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