S&P/Experian Consumer Credit Default Indices Show Stable Default Rates In January 2019

Default Rates For All Loan Types Lower Than One Year Ago

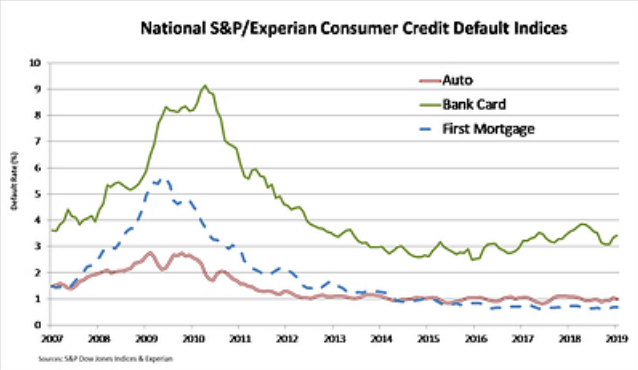
NEW YORK, Feb. 20, 2019 /PRNewswire/ -- S&P Dow Jones Indices and Experian released today data through January 2019 for the S&P/Experian Consumer Credit Default Indices. The indices represent a comprehensive measure of changes in consumer credit defaults and show that the composite rate rose one basis point from last month to 0.90%. The bank card default rate rose eight basis points to 3.42%. The auto loan default rate fell four basis points to 0.99%. The first mortgage default rate was two basis points higher at 0.69%.

Three of the major MSAs showed higher default rates compared to last month. The rate for Miami increased 26 basis points to 2.19% while the rate for Dallas rose four basis points to 0.89%. The default rate for New York was up three basis points to 0.99%. The rate for Chicago was unchanged at 0.88%, while the rate for Los Angeles decreased three basis points to 0.49%.

Following a month where default rates for all loan types increased, the January 2019 data shows default rates little changed from the prior month. The longer term trend shows that default rates have mostly stabilized. The composite rate has fluctuated within a narrow band – the last time this rate was more than 10 basis points off of the current level was nearly four years ago in March 2015.

"The uptick in the bank card default rate combined with a decline in the auto default rate reflects volatility in the consumer economy," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "Coming off some swings in market sentiment and recovering from the government shut down, there was a sharp drop in December retail sales and a pullback in January automobiles sales. Consumer sentiment has also bounced around, but has recovered in the latest reports. Consumers and investors are both trying to discern which trends will shape the 2019 economy.

"Despite continuing uncertainty about economic policy, two factors favorable to the economy persist: low inflation and a strong labor market. These trends should support the economy and limit any increase in consumer credit default rates. The risks facing the economy in the first half of 2019 are in trade where tariffs or Brexit could upset things, and in the financial sector where worries about corporate earnings and anxiety of possible Fed rate hikes could spook the markets."



The table below summarizes the January 2019 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	**January 2019 Index Level**	**December 2018 Index Level**	**January 2018 Index Level**
Composite	0.90	0.89	0.95
First Mortgage	0.69	0.67	0.72
Bank Card	3.42	3.34	3.57
Auto Loans	0.99	1.03	1.07

Source: S&P/Experian Consumer Credit Default Indices

Data through January 2019

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

Metropolitan Statistical Area	January 2019 Index Level	December 2018 Index Level	January 2018 Index Level
New York	0.99	0.96	0.95
Chicago	0.88	0.88	1.23
Dallas	0.89	0.85	0.87
Los Angeles	0.49	0.52	0.77
Miami	2.19	1.93	1.27

Source: S&P/Experian Consumer Credit Default Indices
Data through January 2019

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: https://www.spindices.com/indices/indicators/sp-experian-consumer-credit-default-composite-index.

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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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