News Release Archive

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

Composite Default Rate Driven Higher For Fifth Consecutive Month

NEW YORK, March 19, 2019 /PRNewswire/ -- S&P Dow Jones Indices and Experian released today data through February 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 two basis point from last month to 0.92%. The bank card default rate rose six basis points to 3.48%. The auto loan default rate remained unchanged at 0.99%. The first mortgage default rate was one basis point higher at 0.70%.

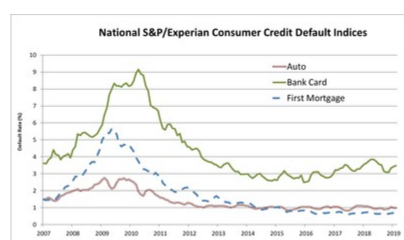
Four of the major MSAs showed higher default rates compared to last month. The rate for New York increased 6 basis points to 1.05%, while the rate for Chicago rose four basis points to 0.92%. The default rate for Los Angeles was up two basis points to 0.51%. The rate for Dallas was one basis point higher at 0.90%, while the rate for Miami decreased 12 basis points to 2.07%.

After seven straight months of decline, bank card default rates have now increased for three consecutive months. This upward trend has been the primary contributing factor to the concurrent increase in the composite default rate, which has seen its rate increase for five straight months. All default rates are lower compared to 12 months ago.

"This month's data show that four of the five cities tracked as well as all consumer credit default categories were higher in February," says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "This is more of a seasonal shift than a sign of rising default rates. Over the last several years, December, January and February have all experienced increases in default rates across cities and loan categories. Further, none of the figures suffered large increases compared to their levels of one year ago. Retail sales saw strong gains in January and auto sales continued at an annual rate of about 16.5 million vehicles. Any upward pressure on mortgage defaults stemming from the rise in home prices over the last few years is being offset by weakened sales of new and existing homes.

"The overall economy is not expected to put any pressure on consumers' financial condition. Employment and job growth continue to be quite strong and wages have recently seen some gains. The economy is settling into a stable growth path with anticipated GDP gains of 2% to 2.5% by most analysts in 2019. Two perennial sources of anxiety for economists and consumers are inflation and the unemployment rate. Inflation remains around 2% and the unemployment rate is at or below 4% in recent data. As long as these figures remain steady, the Fed isn't likely to shift interest rates and consumers should not have difficulty paying their bills, which could keep default rates close to current levels."

The table below summarizes the February 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	**February 2019 Index Level**	**January 2019 Index Level**	**February 2018 Index Level**
Composite	0.92	0.90	0.96
First Mortgage	0.70	0.69	0.72
Bank Card	3.48	3.42	3.64
Auto Loans	0.99	0.99	1.09

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

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

Metropolitan Statistical Area	February 2019 Index Level	January 2019 Index Level	February 2018 Index Level
New York	1.05	0.99	0.94
Chicago	0.92	0.88	1.15
Dallas	0.90	0.89	0.89
Los Angeles	0.51	0.49	0.64
Miami	2.07	2.19	1.54

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