

S&P/Experian Consumer Credit Default Indices Show Composite Rate Unchanged In March 2019

Higher Bank Card Defaults Offset by Lower Auto Loan Defaults

NEW YORK, April 16, 2019 /PRNewswire/ -- S&P Dow Jones Indices and Experian released today data through March 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 was unchanged from last month at 0.92%. The bank card default rate rose 20 basis points to 3.68%. The auto loan default rate dropped five basis points to 0.94%. The first mortgage default rate was unchanged at 0.70%.

Four of the major MSAs showed higher default rates compared to last month. Los Angeles showed the largest increase, up 19 basis points to 0.70%. The default rate for Dallas rose four basis points to 0.94%, while the rate for Chicago increased three basis points to 0.95%. New York showed a default rate of 1.06%, up one basis point from last month. Miami was the only city with a decrease, down 49 basis points to 1.58%.

March 2019 was the fourth consecutive month where bank card default rates increased, though the rate still remains lower than it was one year ago. Auto loans defaults have been flat or decreasing since December 2018, resulting in composite levels which have been little changed in first three months of 2019.

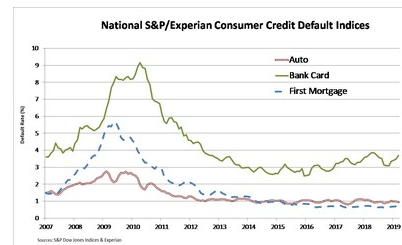
"The economy and consumer spending are experiencing moderate growth with few significant consumer credit risks," says David M. Blitzler, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. "Sales of existing and new homes slowed in 2018 and mortgage rates pulled back slightly; mortgage defaults should continue at their currently low levels. Earlier concerns about auto loan defaults are behind us as seen in stable to lower default rates. Most analysts, as well as the Federal Reserve, expect economic growth to continue at about 2%, somewhat slower than 2018 with minimal chance of a recession this year."

"The movements of bank card credit defaults since 2015 exhibit a weak seasonal pattern: default rates tend to peak in the second quarter and then decline slightly with a trough in the second half of the year. There is also a modest uptrend in default rates since late 2015. In the 2015 fourth quarter, bank card defaults were 2.72% rising to 3.33% in the 2017 fourth quarter. Last year's fourth quarter dipped to 3.17% before the rise resumed with 3.53% in the first quarter this year. While this pattern is becoming clear, there is not enough data yet to confirm the seasonal pattern statistically."

The table below summarizes the March 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	March 2019 Index Level	February 2019 Index Level	March 2018 Index Level
Composite	0.92	0.92	0.96
First Mortgage	0.70	0.70	0.72
Bank Card	3.68	3.48	3.78
Auto Loans	0.94	0.99	1.05

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



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

Metropolitan Statistical Area	March 2019 Index Level	February 2019 Index Level	March 2018 Index Level
New York	1.06	1.05	0.95
Chicago	0.95	0.92	1.04

Dallas	0.94	0.90	0.91
Los Angeles	0.70	0.51	0.60
Miami	1.58	2.07	2.13

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