

U.S. Economic Update – Consumer Credit

Consumer credit continues to expand at an above historical rate while the consumer manages debt in a responsible manner. Default rates in consumer credit, mortgage, auto related default all improved, but bank credit card defaults remained high on a short term historical level.

Mortgage default rates dropped to 0.62%, down from 0.66% a year ago while autos dropped to 0.86% from 0.93%, a 0.07 point improvement. Bank credit card defaults remained unchanged for the month at 3.31%, but are 0.39 points higher than a year ago.

Overall, all consumer credit defaults remained flat at 0.83% from last month and at the same rate that was evident in 2016. While overall consumer debt has increased the default rate has remained unchanged.

