Trends in Household Borrowing and Delinquency

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CDIAC, October 2 2018

The views presented here are those of the authors and do not necessarily reflect those of the Federal Reserve Bank of New York, or the Federal Reserve System
New York Fed Consumer Credit Panel (CCP)

- Acquired in 2008 in response to financial crisis
- Based on Equifax credit reports
- Features of credit report data
  - 5% representative sample of US credit report holders in any given quarter. 1999Q1-2018Q2. (now 13.4 million individuals)
  - Little reporting lag
  - Comprehensive look at consumer debts, delinquency, collections, bankruptcy.
  - Includes:
    - Mortgage
    - HELOC
    - Auto
    - Credit Cards
    - Student Loans
  - Includes borrower age, location
Quarterly Report on Household Debt & Credit

- Quarterly, comprehensive look at picture of household borrowing, delinquency, and other credit report outcomes from New York Fed’s Center for Microeconomic Data

- Released only 6 weeks after quarter ends;
  - Q3 2018 to be released November 15
  - [www.newyorkfed.org/microeconomics/hhdc.html](http://www.newyorkfed.org/microeconomics/hhdc.html)

- Some measures at the state and regional level are available at lower frequencies on our website

- Report is based on data from our Consumer Credit Panel
Total Debt Increasing after Post-Recession Deleveraging

Source: New York Fed Consumer Credit Panel/Equifax
New Composition: Housing Debt is $900B Below 2008 Peak
Student and Auto Debt up $700B and $375B

Total Debt by Type

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2008</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$8.1T</td>
<td>$12.7T</td>
<td>$13.1T</td>
</tr>
<tr>
<td>Auto Loan</td>
<td>8.7%</td>
<td>6.8%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Student Loan</td>
<td>8.7%</td>
<td>5.0%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Credit Card</td>
<td>3.1%</td>
<td>5.0%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Other</td>
<td>5.6%</td>
<td>3.3%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Trillions of Dollars

- % of Total Debt
  - Housing: 73.9%
  - Auto Loan: 78.6%
  - Student Loan: 70.9%
Mortgage Originations by Credit Score*

Source: New York Fed Consumer Credit Panel/Equifax
* Credit Score is Equifax Riskscore 3.0
Auto Loan Originations by Credit Score*

Source: New York Fed Consumer Credit Panel/Equifax
* Credit Score is Equifax Riskscore 3.0
Mortgage Underwriting Tight; Contrast with Autos

Credit Score at Origination

Mortgages

Auto Loans

Source: New York Fed Consumer Credit Panel/Equifax

* Credit Score is Equifax Riskscore 3.0;
Growth Trends Vary in Non-Housing Debt

Trillions of Dollars

Source: New York Fed Consumer Credit Panel/Equifax
Student Debt Grows Among Older and Younger Borrowers Alike

Total student debt by age group

**Age:**
- up to 29
- 30 to 39
- 40 to 49
- 50 to 59
- 60+

**Source:** New York Fed Consumer Credit Panel/Equifax
Transition into Serious Delinquency (90+) by Loan Type

Note: 4 Quarter Moving Sum

Student loan data are not reported prior to 2004 due to uneven reporting.

Source: New York Fed Consumer Credit Panel/Equifax
Number of Consumers with New Foreclosures and Bankruptcies

Thousands

Source: New York Fed Consumer Credit Panel/Equifax
Percent of Mortgage Balance 90+ Days Late

Source: FRBNY Consumer Credit Panel / Equifax
Percent of Auto Balance 90+ Days Late

Source: FRBNY Consumer Credit Panel / Equifax
Percent of Credit Card Balance 90+ Days Late

Source: FRBNY Consumer Credit Panel / Equifax