The Outlook, Policy Choices and Our Mandate

Charts presented by William C. Dudley, President and Chief Executive Officer
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Home Prices and Nonprime Mortgages

Nonprime Share of First Mortgage Originations (left axis)

CoreLogic House Price Index (right axis)

Source: Inside Mortgage Finance and CoreLogic
Home Prices and Owners’ Equity as Percent of Home Values

Percent
Index, January 2000 = 100

Source: Federal Reserve Board and CoreLogic

Owners’ Equity as Percent of Home Values (left axis)

Long-Term Average: 65.2

CoreLogic House Price Index (right axis)

Note: Long-Term Average is of Owners’ Equity as Percent of Home Values.
Personal Saving Rate and Net Worth as Percent of Disposable Income

Source: Federal Reserve Board and Bureau of Economic Analysis
Consumption and Residential Investment as Percent of GDP

Source: Bureau of Economic Analysis
Personal Saving Rate

Source: Bureau of Economic Analysis
Composite Housing Affordability Index

Note: Index = 100 when median family income qualifies for an 80% mortgage on a median priced existing single-family home.

Source: National Associate of Realtors
Household Balance Sheet

Source: Federal Reserve Board

Note: Household liabilities equal home mortgages and consumer credit.
Household Financial Obligation Ratio

Source: Federal Reserve Board
Mortgage Debt by Delinquency Status

Source: Equifax

Note: Data cover first mortgages, second mortgages, and home equity lines of credit.
Transition of Mortgage Accounts from 30-60 Days Late

Source: FRBNY Equifax Panel Dataset
Non-Mortgage Debt by Delinquency

Percent

Source: Equifax
Senior Loan Officers Survey

Net Percent

Banks Tightening C&I Loans

Tightening Standards for Residential Mortgages

Tightening Standards for Consumer Credit Cards

Tightening Standards for Commercial Real Estate

Source: Federal Reserve Board
NFIB Survey: Most Important Problem

Source: National Federation of Independent Business
Reference Charts
### Total Debt by Payment Status

**Billions of Dollars**

<table>
<thead>
<tr>
<th>Status</th>
<th>2005-Q1 Amount of Total Debt</th>
<th>Percent of Total Debt</th>
<th>2008-Q3 Amount of Total Debt</th>
<th>Percent of Total Debt</th>
<th>Percent Change from 2005Q1</th>
<th>2010-Q2 Amount of Total Debt</th>
<th>Percent of Total Debt</th>
<th>Percent Change from 2008Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>8,700.0</td>
<td>95.9%</td>
<td>11,400.0</td>
<td>91.4%</td>
<td>31.0%</td>
<td>10,340.0</td>
<td>88.6%</td>
<td>-9.3%</td>
</tr>
<tr>
<td>30 Days Late</td>
<td>136.0</td>
<td>1.5%</td>
<td>289.0</td>
<td>2.3%</td>
<td>112.5%</td>
<td>234.8</td>
<td>2.0%</td>
<td>-18.8%</td>
</tr>
<tr>
<td>60 Days Late</td>
<td>37.4</td>
<td>0.4%</td>
<td>138.0</td>
<td>1.1%</td>
<td>269.0%</td>
<td>106.3</td>
<td>0.9%</td>
<td>-23.0%</td>
</tr>
<tr>
<td>90+ Days Late</td>
<td>197.9</td>
<td>2.2%</td>
<td>641.5</td>
<td>5.1%</td>
<td>224.2%</td>
<td>985.6</td>
<td>8.4%</td>
<td>53.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,071.3</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>12,468.5</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>37.4%</strong></td>
<td><strong>11,666.7</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>-6.4%</strong></td>
</tr>
</tbody>
</table>

Source: FRBNY Equifax Panel Dataset
## Total Debt by Equifax Risk Score Quintile

### Billions of Dollars

<table>
<thead>
<tr>
<th>Median Equifax Risk Score of Quintile</th>
<th>Total Debt 2005-Q1</th>
<th>Percent of Total Debt 2005-Q1</th>
<th>Total Debt 2008-Q3</th>
<th>Percent of Total Debt 2008-Q3</th>
<th>Percent Change from 2005Q1</th>
<th>Total Debt 2010-Q2</th>
<th>Percent of Total Debt 2010-Q2</th>
<th>Percent Change from 2008Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>807</td>
<td>2,021.8</td>
<td>22.3%</td>
<td>2,286.8</td>
<td>18.3%</td>
<td>13.1%</td>
<td>2,120.5</td>
<td>18.1%</td>
<td>-7.3%</td>
</tr>
<tr>
<td>767</td>
<td>2,329.4</td>
<td>25.6%</td>
<td>3,105.5</td>
<td>24.7%</td>
<td>33.3%</td>
<td>2,919.5</td>
<td>25.0%</td>
<td>-6.0%</td>
</tr>
<tr>
<td>708</td>
<td>2,362.2</td>
<td>26.0%</td>
<td>3,451.7</td>
<td>27.6%</td>
<td>46.1%</td>
<td>3,174.0</td>
<td>27.1%</td>
<td>-8.0%</td>
</tr>
<tr>
<td>631</td>
<td>1,444.4</td>
<td>15.9%</td>
<td>2,281.9</td>
<td>18.4%</td>
<td>58.0%</td>
<td>2,034.7</td>
<td>17.4%</td>
<td>-10.8%</td>
</tr>
<tr>
<td>539</td>
<td>928.0</td>
<td>10.2%</td>
<td>1,086.5</td>
<td>8.8%</td>
<td>17.1%</td>
<td>1,007.6</td>
<td>8.6%</td>
<td>-7.3%</td>
</tr>
<tr>
<td>Missing Equifax Risk Score</td>
<td>0.0</td>
<td>0.0%</td>
<td>288.8</td>
<td>2.2%</td>
<td>N/A</td>
<td>435.8</td>
<td>3.7%</td>
<td>50.9%</td>
</tr>
<tr>
<td>Total</td>
<td>9,085.9</td>
<td>100.0%</td>
<td>12,501.1</td>
<td>100.0%</td>
<td>37.6%</td>
<td>11,692.2</td>
<td>100.0%</td>
<td>-6.5%</td>
</tr>
</tbody>
</table>

Source: FRBNY Equifax Panel Dataset