

## **CONSUMER CREDIT DEFAULTS STEADY ACCORDING TO THE S&P/EXPERIAN CONSUMER CREDIT DEFAULT INDICES**

### **Three of the Five Cities Report Slight Default Rate Increases in June 2016**

**New York, July 19, 2016** – Data through June 2016, released today by S&P Dow Jones Indices and Experian for the S&P/Experian Consumer Credit Default Indices, a comprehensive measure of changes in consumer credit defaults, shows a composite rate of 0.82% in June, up one basis point from the previous month. The first mortgage default rate reported was 0.65% in June, up two basis points from the prior month. Auto loan defaults recorded a 0.91% default rate, down one basis point from May. The bank card default rate remained unchanged in June, recording a default rate of 3.11% for the second month in a row.

Three of the five major cities saw their overall default rates increase during the month of June. Dallas reported a default rate of 0.74%, up five basis points from May. Miami's default rate increased for the fourth consecutive month, up four basis points with a default rate of 1.31%. Chicago's default rate increased three basis points from the prior month, posting a default rate of 1.01%. New York recorded a default rate of 0.83%, down six basis points for the month. Los Angeles reported a default rate of 0.67%, unchanged from May.

“Looking at the economy and credit conditions, American consumers are in good shape” says David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices. “The S&P/Experian Consumer Credit Default Indices covering mortgages and auto loans are within a few basis points of the lowest levels seen in 12 years, while the bank card default index is only 62 basis points above its low. Economic conditions are also favorable with continued low inflation and low interest rates, declining unemployment, a rising stock market and modest economic growth. Consumers recognize the positive environment: consumer confidence is high and retail sales were up in June.

“Despite the low default rates and positive economic conditions, some factors hint of future default rate increases. First, the bank card default rates have risen over the last 11 months and consumers continue to apply for additional accounts. Second, personal income growth is weak, only slightly ahead of inflation. At some point, inflation will move back to the Fed's two percent target or higher and interest rates could even creep up – events that could strain consumers unless gains in wages accelerate.”

The table below summarizes the June 2016 results for the S&P/Experian Credit Default Indices. These data are not seasonally adjusted and are not subject to revision.

<b>S&amp;P/Experian Consumer Credit Default Indices</b>			
<b>National Indices</b>			
<b>Index</b>	<b>June 2016 Index Level</b>	<b>May 2016 Index Level</b>	<b>June 2015 Index Level</b>
Composite	0.82	0.81	0.93
First Mortgage	0.65	0.63	0.80
Second Mortgage	0.48	0.51	0.55
Bank Card	3.11	3.11	2.88
Auto Loans	0.91	0.92	0.85

Source: S&P/Experian Consumer Credit Default Indices  
Data through June 2016

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

<b>Metropolitan Statistical Area</b>	<b>June 2016 Index Level</b>	<b>May 2016 Index Level</b>	<b>June 2015 Index Level</b>
New York	0.83	0.89	0.91
Chicago	1.01	0.98	1.04
Dallas	0.74	0.69	0.68
Los Angeles	0.67	0.67	0.88
Miami	1.31	1.27	1.42

Source: S&P/Experian Consumer Credit Default Indices  
Data through June 2016

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

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We are the leading global information services company, providing data and analytical tools to our clients around the world. We help businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. We also help people to check their credit report and credit score and protect against identity theft. In 2015, we were named one of the “World’s Most Innovative Companies” by Forbes magazine.

We employ approximately 17,000 people in 37 countries and our corporate headquarters are in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended March 31, 2016, was US\$4.6 billion.

To find out more about our company, please visit <http://www.experianplc.com> or watch our documentary, “Inside Experian.”

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### FOR MORE INFORMATION:

#### **David Blitzler**

Managing Director and Chairman of Index Committee

New York, USA

(+1) 212 438 3907

[david.blitzer@spglobal.com](mailto:david.blitzer@spglobal.com)

#### **Soogyung Jordan**

Global Head of Communications

New York, USA

(+1) 212 438 2297

[soogyung.jordan@spglobal.com](mailto:soogyung.jordan@spglobal.com)

#### **Matt Tatham**

Experian Public Relations

917 446 7227

[matt.tatham@experian.com](mailto:matt.tatham@experian.com)

### PRESS RELEASE

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: [www.consumercreditindices.standardandpoors.com](http://www.consumercreditindices.standardandpoors.com) .