



US National Consumer Credit Trends Report: Auto Portfolio

DATA AS OF
June 2019

July 20, 2019

CREDIT TRENDS PORTFOLIO: TOTAL AUTO LOANS AND LEASES



Total Auto Portfolio Observations

as of June 2019:

- ▶ Total outstanding balances on auto loans and leases have increased 3.9% year-over-year to \$1.31 trillion. The number of outstanding accounts has increased 2.5% over a year ago to 88.9 million.
- ▶ Ten years ago in June 2009, total auto balances stood at \$763.7 billion and there were 63.6 million loans and leases outstanding accounts.
- ▶ The severe delinquency rate (share of balances 60+ DPD) in June is 0.93%, which is 4 bps higher than June of last year. Auto write-offs was at 21.6 bps down from 21.7 of the prior year.
- ▶ On the total auto portfolio, delinquency rates appear to have stabilized years with regular seasonal variations, and they remain moderate. In May this year, delinquency rate stops declining and begins going up in June. The Great Recession peak severe delinquency on auto loans and leases occurred in January 2009 at a rate of 1.53% of balances. The peak monthly write-off occurred in March 2009 at 46.4 basis points.

Total Auto Dashboard

Not Seasonally Adjusted; Write-off Rates Are 3-Month Moving Averages, Not Annualized

Jun-18 Jul-18 Aug-18 Sep-18 Oct-18 Nov-18 Dec-18 Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19

TOTAL AUTO ACCOUNTS IN

MILLIONS	86.7	86.9	87.4	87.7	87.8	88.0	88.2	88.3	88.3	88.5	88.4	88.6	88.9
% Prior Month	0.8%	0.3%	0.5%	0.4%	0.1%	0.3%	0.3%	0.1%	0.0%	0.1%	0.0%	0.2%	0.3%
% Year Ago	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.3%	3.2%	3.4%	3.2%	3.0%	2.5%

TOTAL AUTO BALANCES IN

\$BILLIONS	\$1,260	\$1,265	\$1,274	\$1,281	\$1,283	\$1,287	\$1,291	\$1,292	\$1,292	\$1,293	\$1,295	\$1,301	\$1,309
% Prior Month	0.9%	0.4%	0.7%	0.5%	0.2%	0.3%	0.3%	0.1%	0.0%	0.1%	0.2%	0.5%	0.6%
% Year Ago	4.6%	4.5%	4.7%	4.6%	4.6%	4.6%	4.5%	4.5%	4.2%	4.5%	4.3%	4.2%	3.9%

TOTAL AUTO 60+ DOLLAR

DELINQUENCY RATE	0.89%	0.92%	0.97%	1.00%	1.04%	1.04%	1.08%	1.14%	1.13%	1.01%	0.86%	0.88%	0.93%
% Prior Month	6.0%	3.6%	6.0%	2.1%	4.5%	0.1%	3.5%	5.5%	-0.2%	-10.9%	-15.0%	2.8%	4.8%
% Year Ago	-2.5%	-1.1%	-1.8%	-4.1%	0.4%	1.1%	3.4%	2.9%	0.2%	1.1%	6.1%	5.5%	4.3%

TOTAL AUTO WRITE-OFF

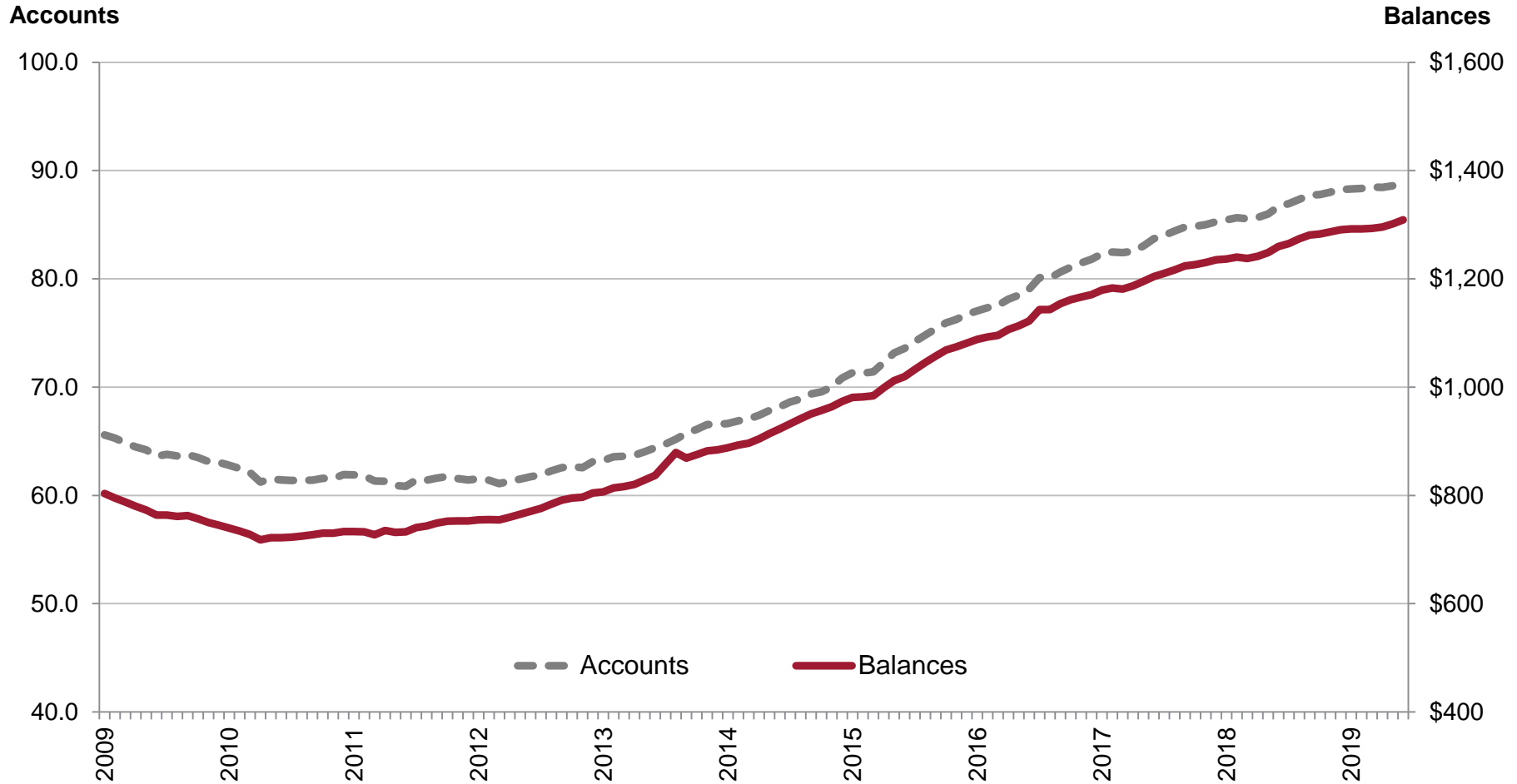
DOLLAR RATE IN BASIS POINTS	21.7	21.5	21.6	22.5	23.2	23.4	23.8	24.3	25.1	24.9	24.0	22.7	21.6
% Prior Month	-3.8%	-1.0%	0.4%	4.3%	3.1%	0.9%	1.5%	2.3%	3.2%	-1.0%	-3.6%	-5.4%	-4.7%
% Year Ago	-3.8%	-2.4%	-5.2%	-2.3%	-3.6%	-1.5%	-1.0%	1.0%	2.3%	2.9%	2.0%	0.4%	-0.5%

Source: Equifax Inc.

Data as of June 2019

Outstanding Loans & Leases

Number of Accounts in Millions; NSA
Balances in \$Billions; NSA



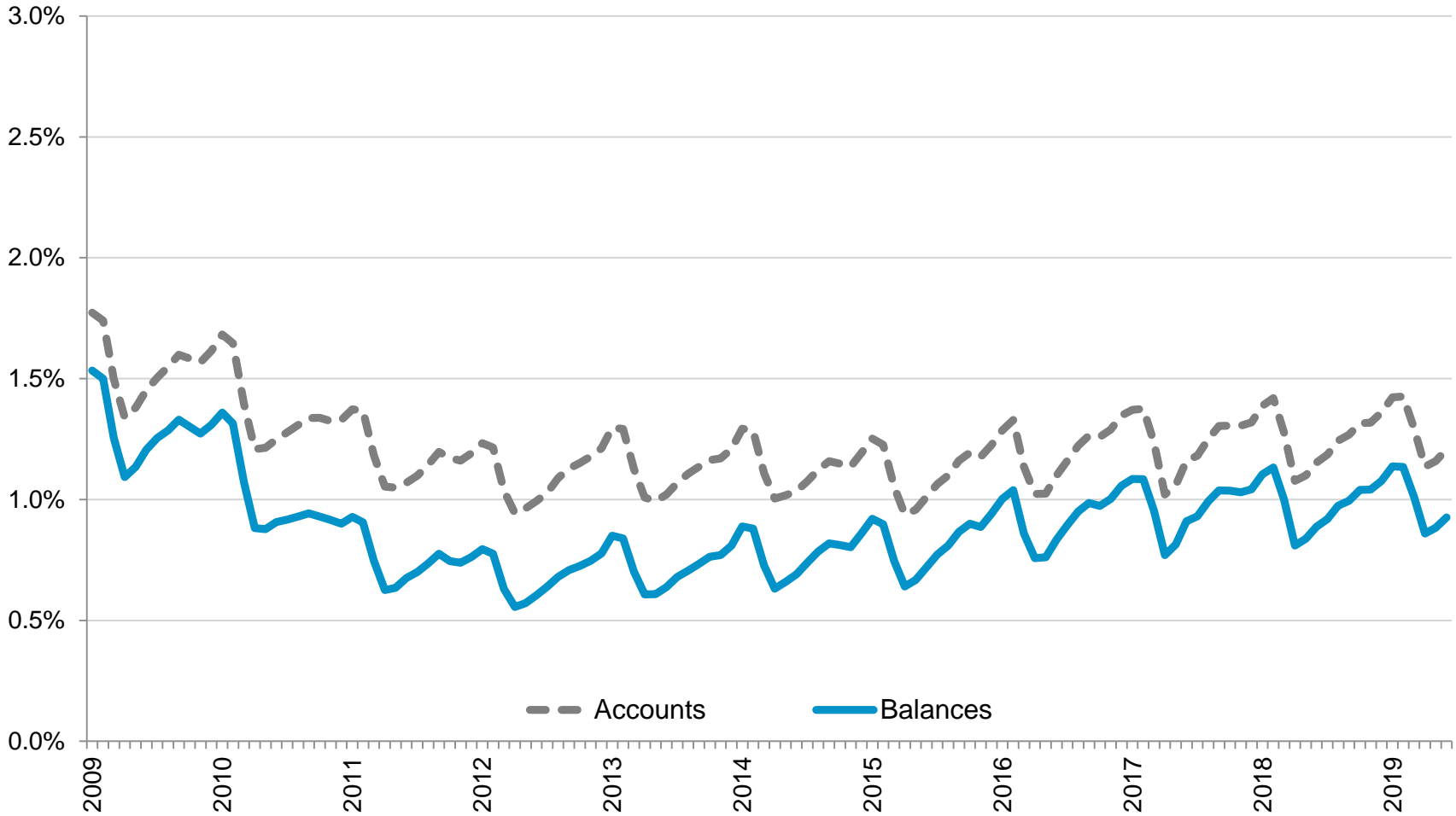
Source: Equifax Inc.

Data as of June 2019

Severe Delinquency Rate

60+ Days Past Due

Percent of Accounts and Balances; NSA; Excludes Severe Derogatory and Bankruptcy

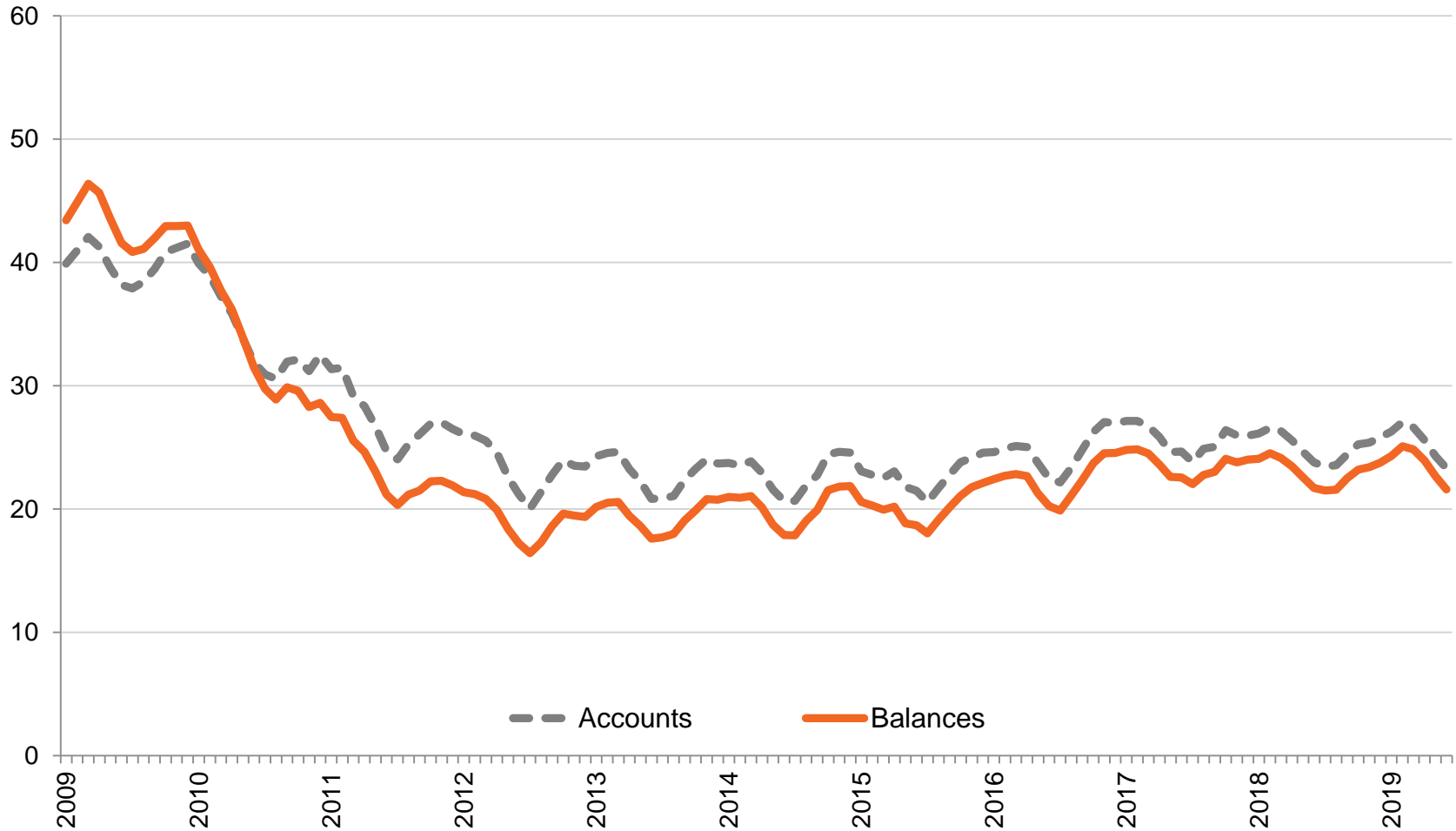


Source: Equifax Inc.

Data as of June 2019

Write-Off Rates

Accounts terminated in Bankruptcy or Severe Derogatory status
 Share of Accounts and Balances in Basis Points; 3-Month Moving Average, NSA; Not Annualized



Source: Equifax Inc.

Data as of June 2019

CREDIT TRENDS PORTFOLIO: AUTO LEASES



Auto Lease Portfolio Observations

as of June 2019:

- › The number of outstanding auto lease accounts has increased 1.3% over a year ago to 10.9 million.
- › Total outstanding balances on auto leases have increased 4.5% year-over-year to \$95.5 billion.
- › The severe delinquency rate (share of balances 60+ DPD) in June is 0.31%, which is a decrease of 4 bps from the previous year. Overall, lease delinquency rates have been rising slowly over the past four years, but declined as of late. Relative to historical values delinquencies were still low, and now equated to rates last seen in mid-2010.
- › Auto lease write-offs are at 16.8 bps, up from 18.2 bps last year. Unlike delinquency rates, write-off rates held relatively steady between 2012 and mid-2016 and rises modestly in the past 3 years with recent decline.

Note: Auto lease balance amounts reported to Equifax are not the full value of the account, only the portion due if paid as agreed in the consumer contract. Financial reporting on leases by auto lenders often includes vehicle residual values to reflect financial position of the lenders in reporting to investors and regulators.

Auto Lease Dashboard

Not Seasonally Adjusted; Write-off Rates Are 3-Month Moving Averages, Not Annualized

Jun-18 Jul-18 Aug-18 Sep-18 Oct-18 Nov-18 Dec-18 Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19

AUTO LEASE ACCOUNTS IN

MILLIONS	10.72	10.72	10.76	10.79	10.85	10.89	10.92	10.97	10.98	10.94	10.89	10.85	10.85
% Prior Month	1.9%	0.0%	0.4%	0.3%	0.5%	0.4%	0.2%	0.5%	0.0%	-0.4%	-0.4%	-0.4%	0.1%
% Year Ago	5.1%	4.6%	4.3%	3.7%	3.4%	3.6%	3.4%	3.9%	3.9%	3.7%	3.7%	3.0%	1.3%

AUTO LEASE BALANCES IN

\$BILLIONS	\$91.4	\$91.3	\$92.0	\$92.5	\$92.6	\$93.0	\$93.1	\$94.0	\$94.2	\$94.0	\$94.3	\$94.6	\$95.5
% Prior Month	1.3%	-0.1%	0.8%	0.5%	0.2%	0.4%	0.1%	1.0%	0.2%	-0.2%	0.3%	0.4%	0.9%
% Year Ago	4.4%	3.7%	3.9%	3.6%	3.3%	3.5%	3.4%	4.7%	4.7%	4.6%	4.9%	4.9%	4.5%

AUTO LEASE 60+ DOLLAR

DELINQUENCY RATE	0.35%	0.36%	0.37%	0.38%	0.39%	0.37%	0.38%	0.41%	0.40%	0.36%	0.31%	0.29%	0.31%
% Prior Month	1.5%	3.3%	4.7%	1.1%	2.1%	-4.7%	3.9%	7.6%	-2.0%	-11.7%	-12.7%	-4.8%	4.3%
% Year Ago	-7.3%	-9.6%	-12.5%	-15.1%	-15.6%	-15.6%	-14.0%	-16.0%	-15.7%	-19.5%	-11.2%	-13.2%	-10.9%

AUTO LEASE DOLLAR WRITE-

OFF RATE IN BASIS POINTS	18.2	17.9	16.7	17.3	17.8	18.6	18.3	18.5	18.7	19.4	18.8	17.7	16.8
% Prior Month	-1.2%	-1.5%	-6.7%	3.5%	2.7%	4.7%	-1.7%	1.3%	1.1%	3.2%	-2.8%	-6.0%	-4.8%
% Year Ago	18.8%	12.4%	9.2%	7.2%	3.7%	7.9%	8.3%	8.8%	9.1%	9.4%	5.2%	-4.0%	-7.5%

Source: Equifax Inc.

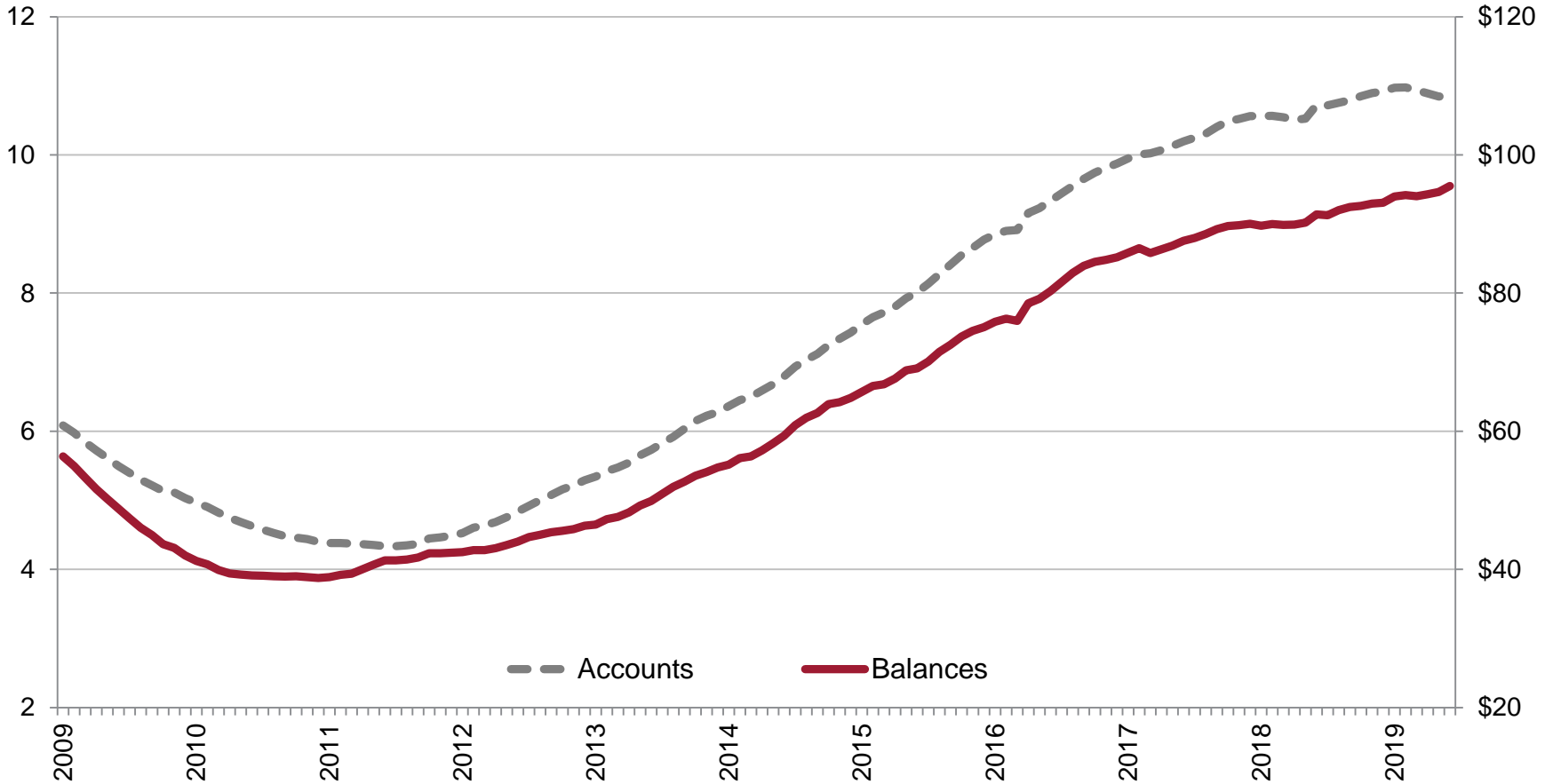
Data as of June 2019

Outstanding Leases

Number of Accounts in Millions; NSA
Balances in \$Billions; NSA

Accounts

Balances



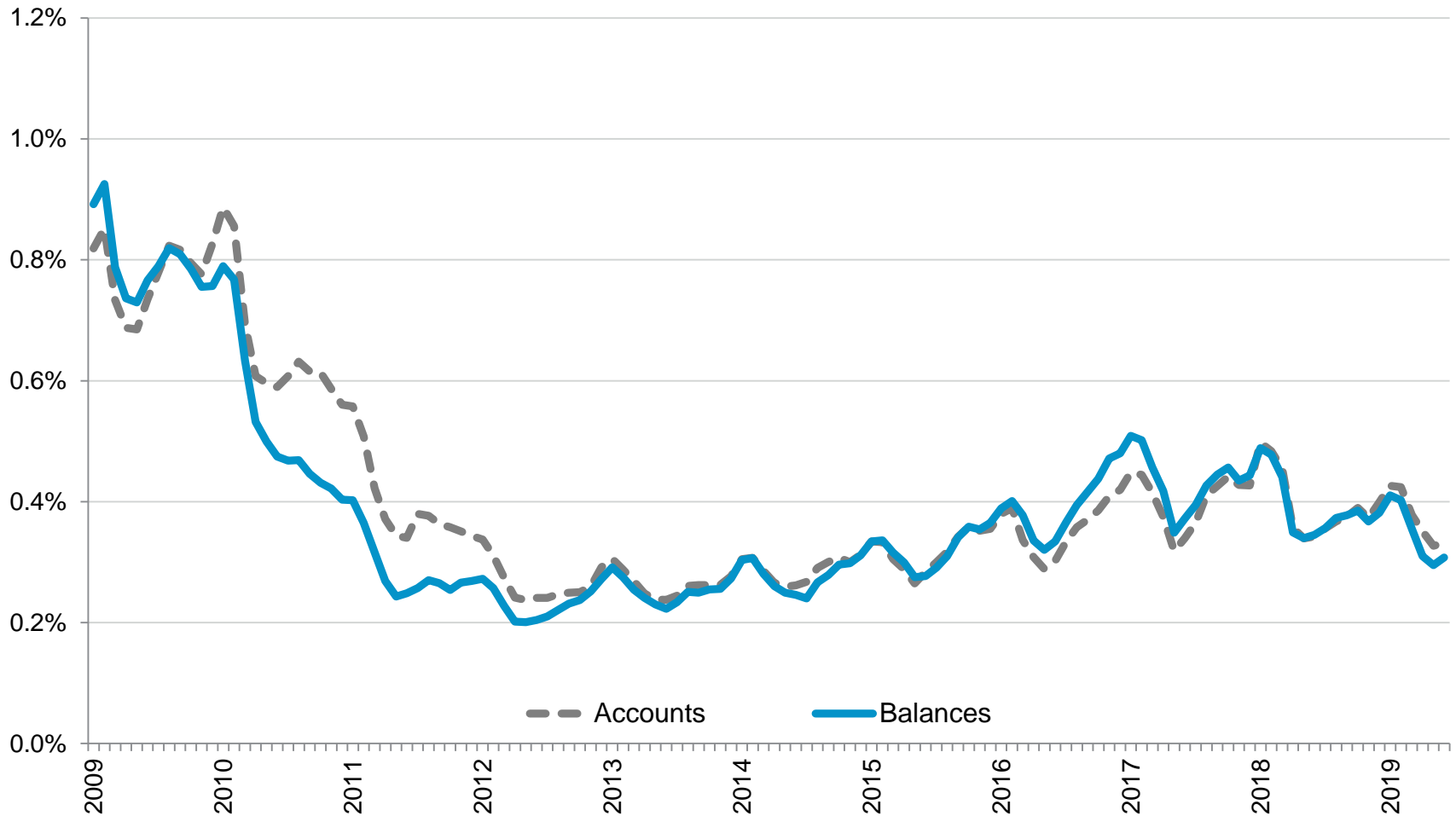
Source: Equifax Inc.

Data as of June 2019

Severe Delinquency Rate

60+ Days Past Due

Percent of Accounts and Balances; NSA; Excludes Severe Derogatory and Bankruptcy

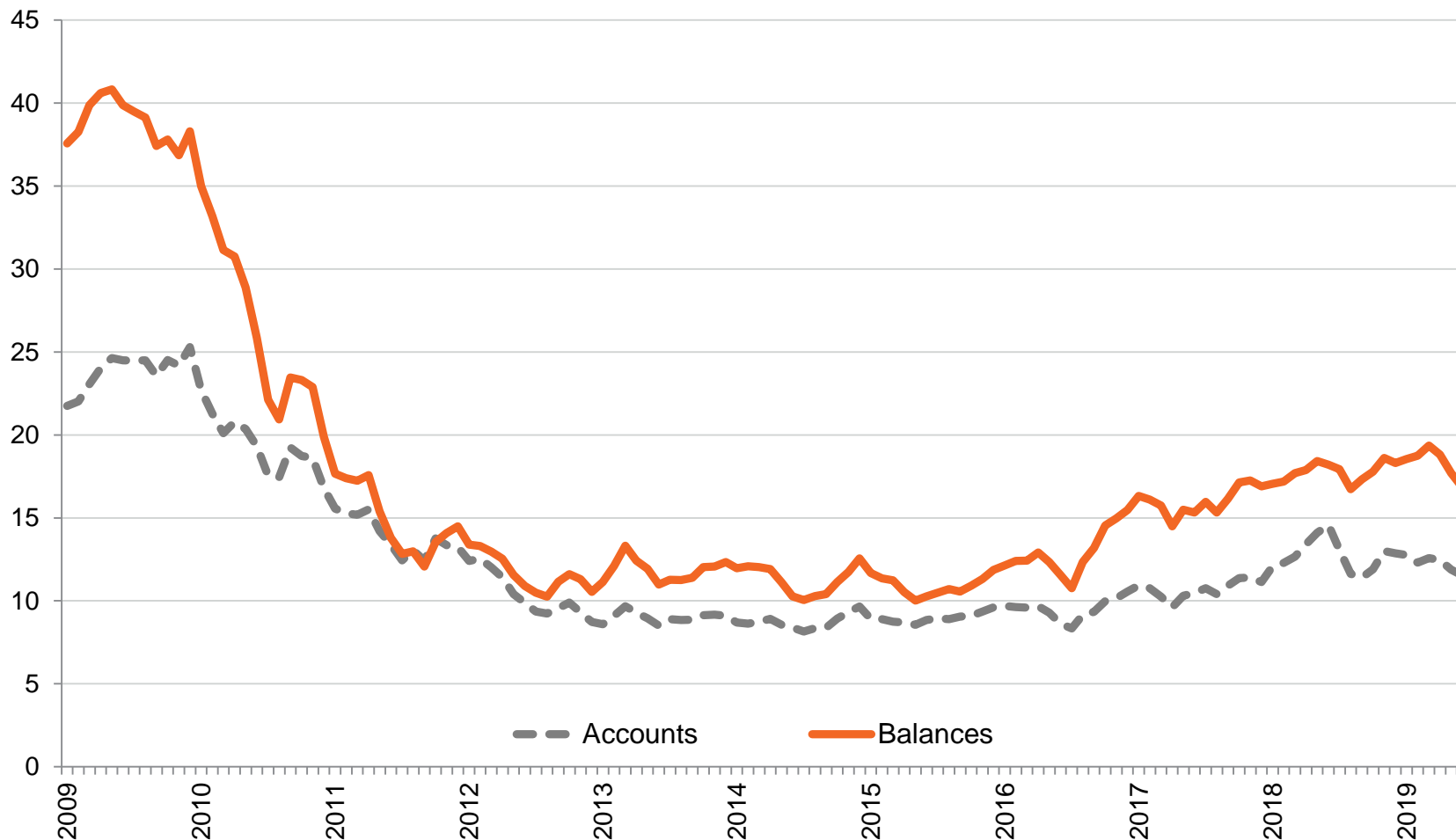


Source: Equifax Inc.

Data as of June 2019

Write-Off Rates

Accounts terminated in Bankruptcy or Severe Derogatory status
 Share of Accounts and Balances in Basis Points; 3-Month Moving Average, NSA; Not Annualized



Source: Equifax Inc.

Data as of June 2019

CREDIT TRENDS PORTFOLIO: AUTO LOANS



Auto Loan Portfolio Observations

as of June 2019:

- › The number of outstanding auto loan accounts has increased 2.7% over a year ago to 78.0 million. CTP Mini=>
- › Total outstanding balances on auto loans have increased 3.9% year-over-year to \$1.21 trillion.
- › The severe delinquency rate (share of balances 60+ DPD) in June is 0.98%, up 5 bps from June of last year. Overall, delinquency rates have been rising slowly over the past six years with regular seasonal variations. Relative to historical values delinquencies are still low, less than rates seen in the first quarter of 2010. The recession peak delinquency rate was 1.58% in January 2009.
- › Auto loan write-offs are at 22.0 bps which is about the same level as a year ago.

Auto Loan Dashboard

Not Seasonally Adjusted; Write-off Rates Are 3-Month Moving Averages, Not Annualized

Jun-18 Jul-18 Aug-18 Sep-18 Oct-18 Nov-18 Dec-18 Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19

AUTO LOAN ACCOUNTS IN

MILLIONS	75.96	76.22	76.60	76.95	76.94	77.12	77.32	77.33	77.36	77.53	77.56	77.75	78.02
% Prior Month	0.7%	0.3%	0.5%	0.5%	0.0%	0.2%	0.3%	0.0%	0.0%	0.2%	0.0%	0.3%	0.3%
% Year Ago	3.3%	3.3%	3.4%	3.5%	3.5%	3.5%	3.5%	3.3%	3.1%	3.4%	3.2%	3.0%	2.7%

AUTO LOAN BALANCES IN

\$BILLIONS	\$1,168	\$1,174	\$1,182	\$1,188	\$1,190	\$1,194	\$1,198	\$1,198	\$1,198	\$1,199	\$1,201	\$1,207	\$1,213
% Prior Month	0.9%	0.5%	0.7%	0.5%	0.2%	0.3%	0.3%	0.0%	0.0%	0.1%	0.2%	0.5%	0.5%
% Year Ago	4.6%	4.6%	4.8%	4.7%	4.7%	4.7%	4.6%	4.5%	4.2%	4.5%	4.3%	4.2%	3.9%

AUTO LOAN 60+ DOLLAR

DELINQUENCY RATE	0.93%	0.96%	1.02%	1.04%	1.09%	1.09%	1.13%	1.20%	1.19%	1.06%	0.90%	0.93%	0.98%
% Prior Month	6.6%	3.6%	6.0%	2.1%	4.6%	0.2%	3.5%	5.5%	-0.1%	-10.9%	-15.1%	3.0%	4.9%
% Year Ago	-2.3%	-0.9%	-1.5%	-3.8%	0.8%	1.6%	3.9%	3.5%	0.7%	1.8%	7.1%	6.5%	4.8%

AUTO LOAN DOLLAR WRITE- OFF RATE IN BASIS POINTS

	22.0	21.8	22.0	22.9	23.6	23.8	24.2	24.8	25.6	25.3	24.4	23.1	22.0
% Prior Month	-4.0%	-0.9%	0.9%	4.3%	3.2%	0.6%	1.7%	2.3%	3.4%	-1.2%	-3.7%	-5.3%	-4.7%
% Year Ago	-2.4%	-6.8%	-6.0%	-2.8%	-4.0%	-2.1%	-1.5%	0.5%	1.9%	2.5%	1.9%	0.8%	0.1%

Source: Equifax Inc.

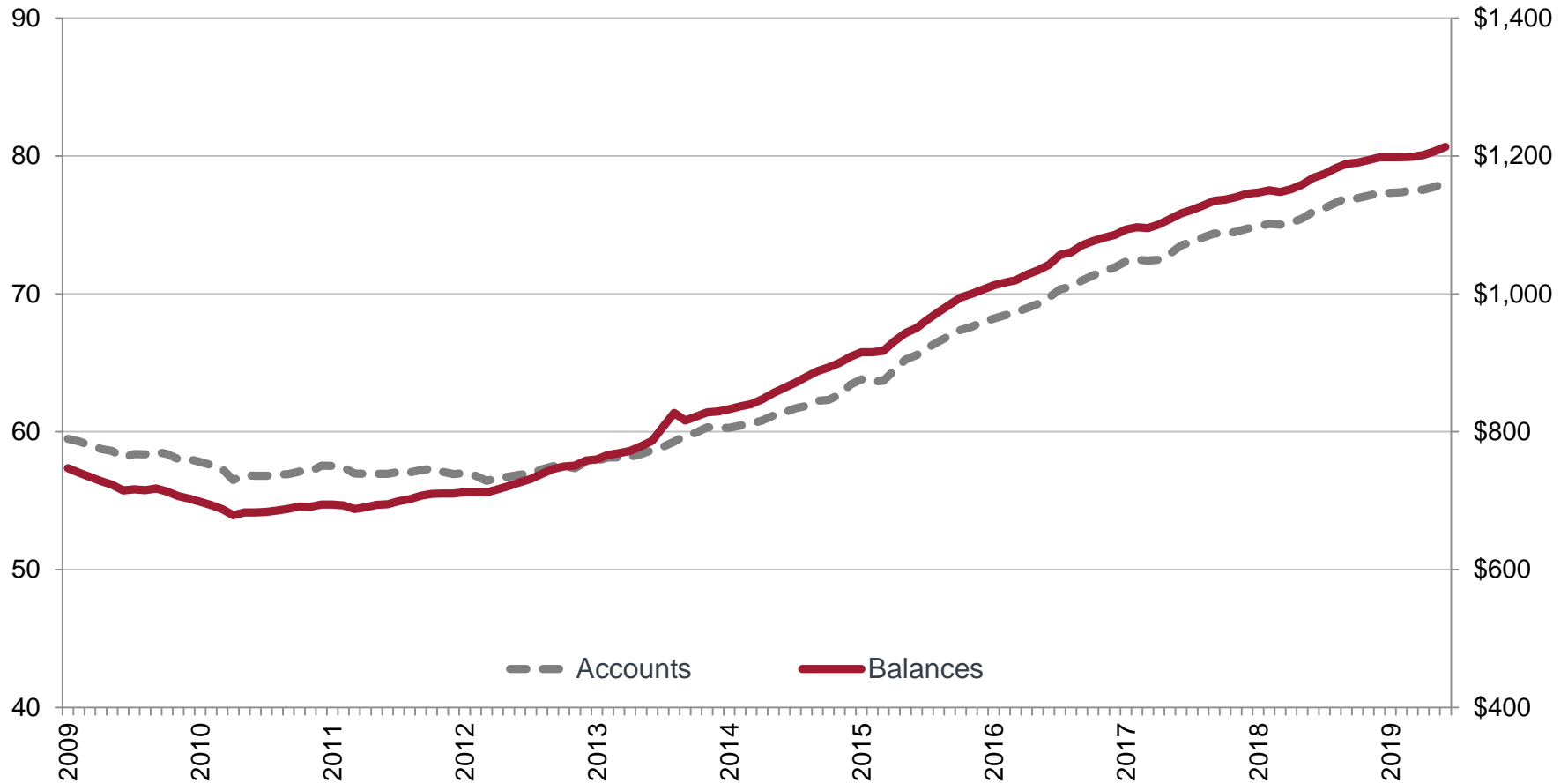
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Outstanding Loans

Number of Accounts in Millions; NSA
Balances in \$Billions; NSA

Accounts

Balances



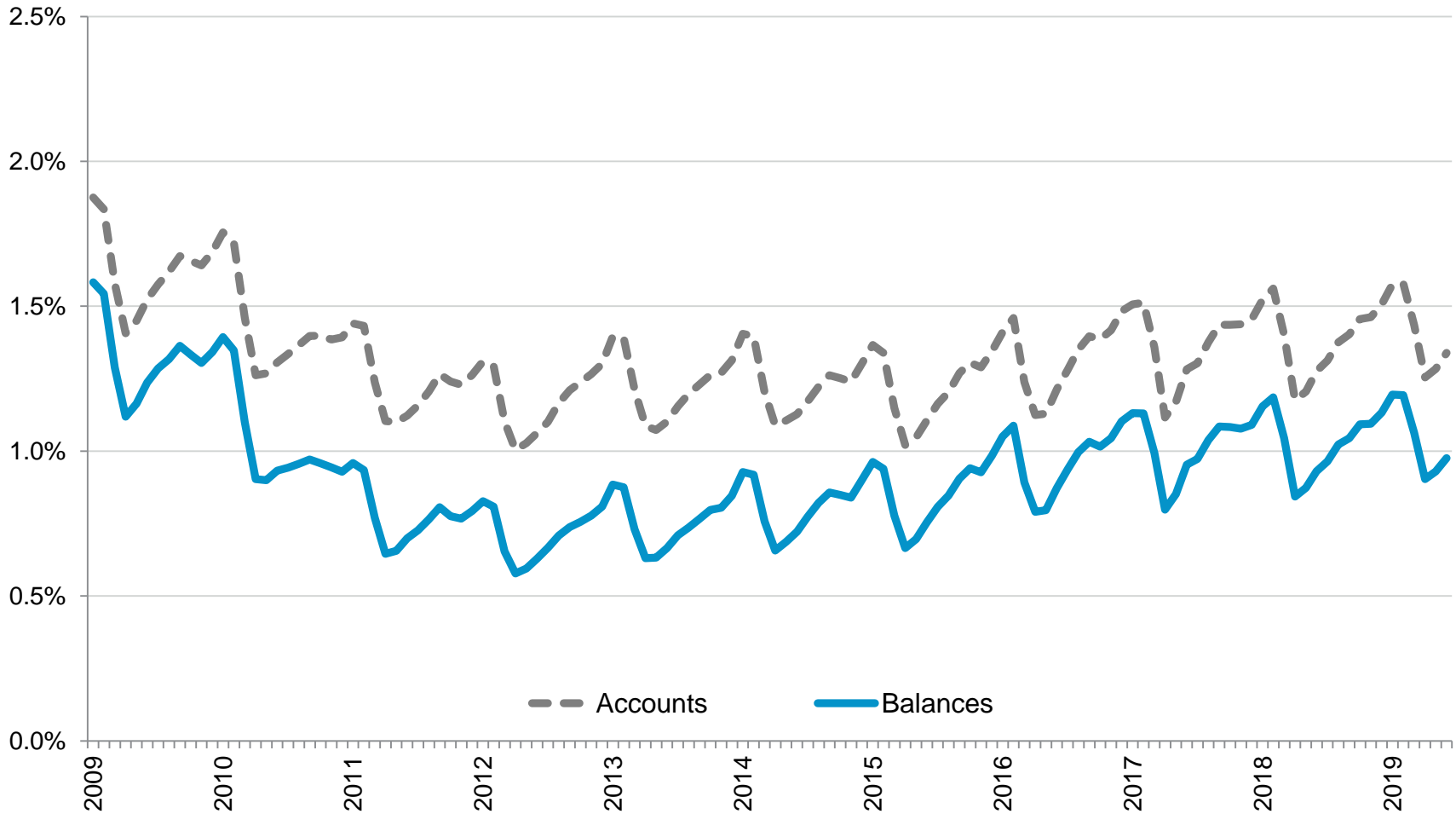
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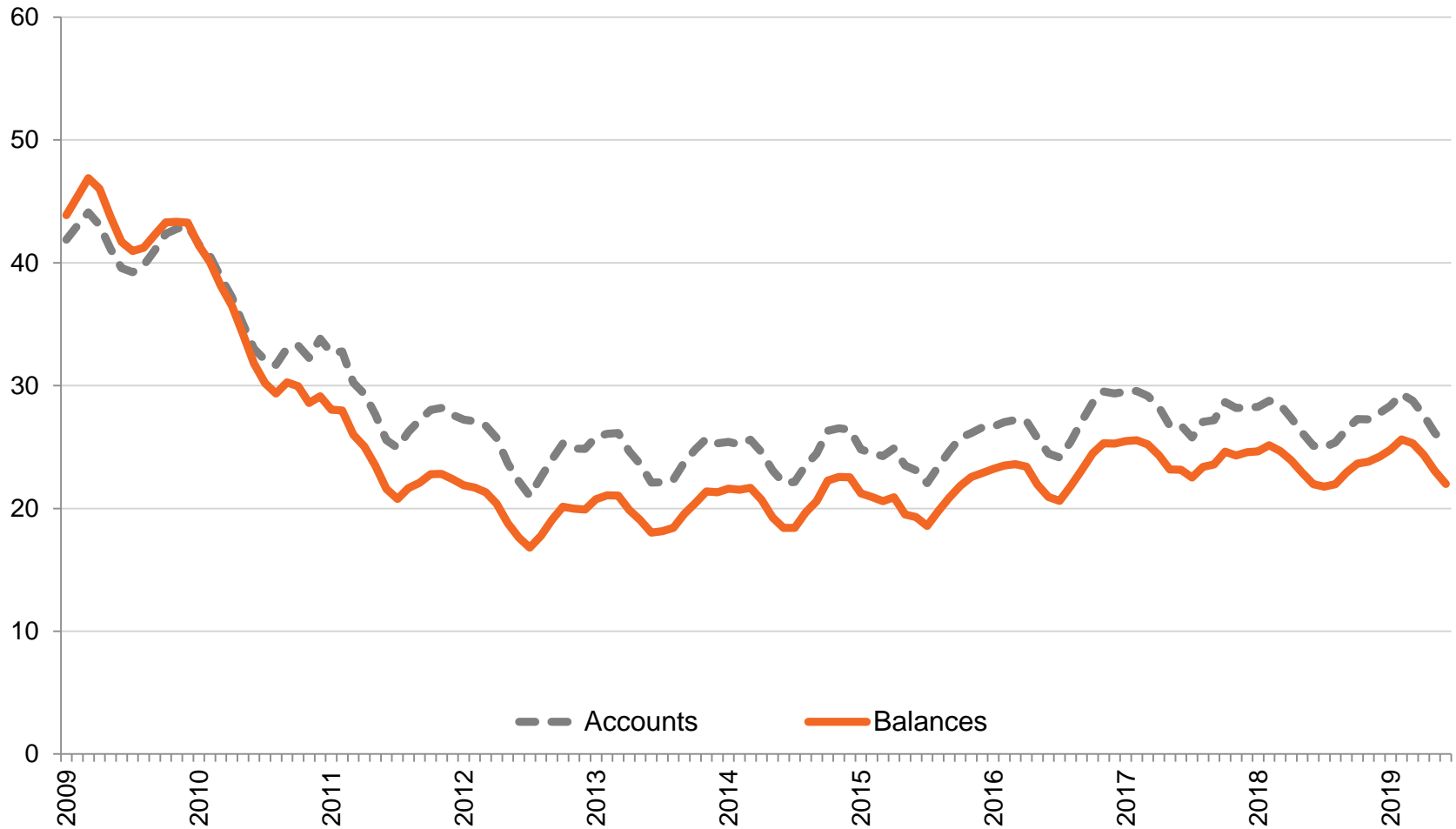


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Source: Equifax Inc.

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