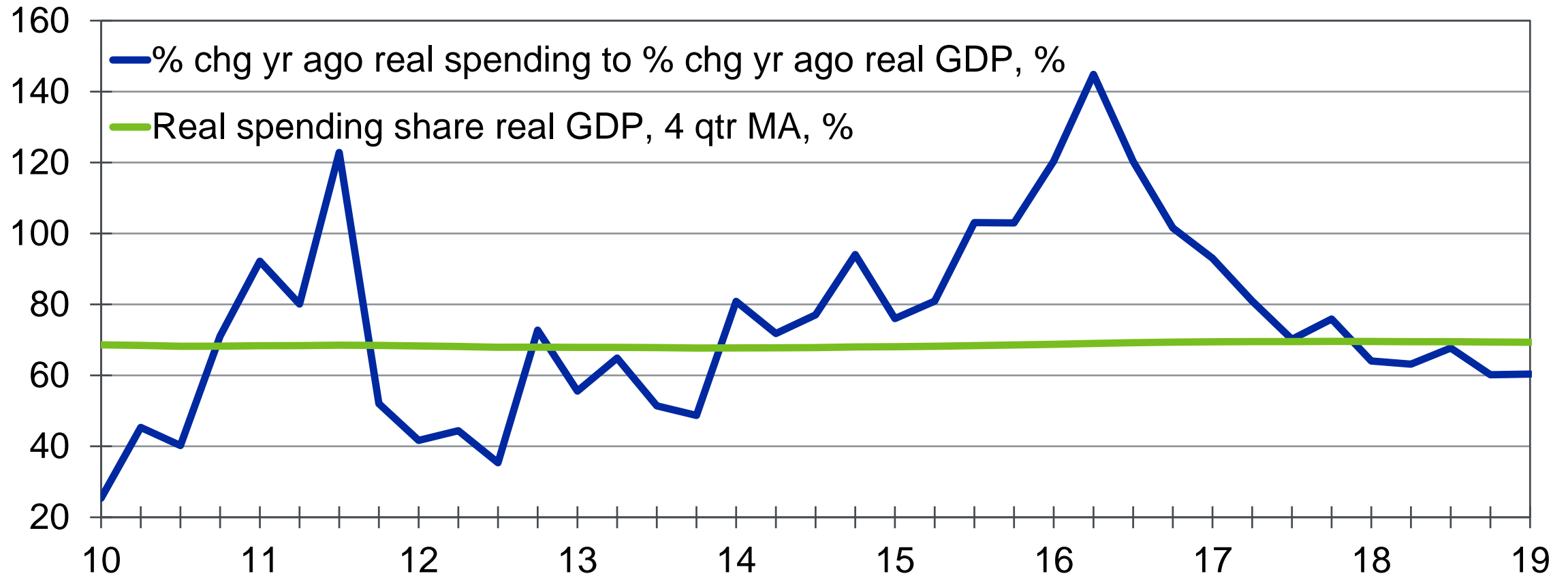


U.S. Consumer Credit Outlook

Scott Hoyt, Senior Director
Deniz Tudor, Senior Director

June 13, 2019

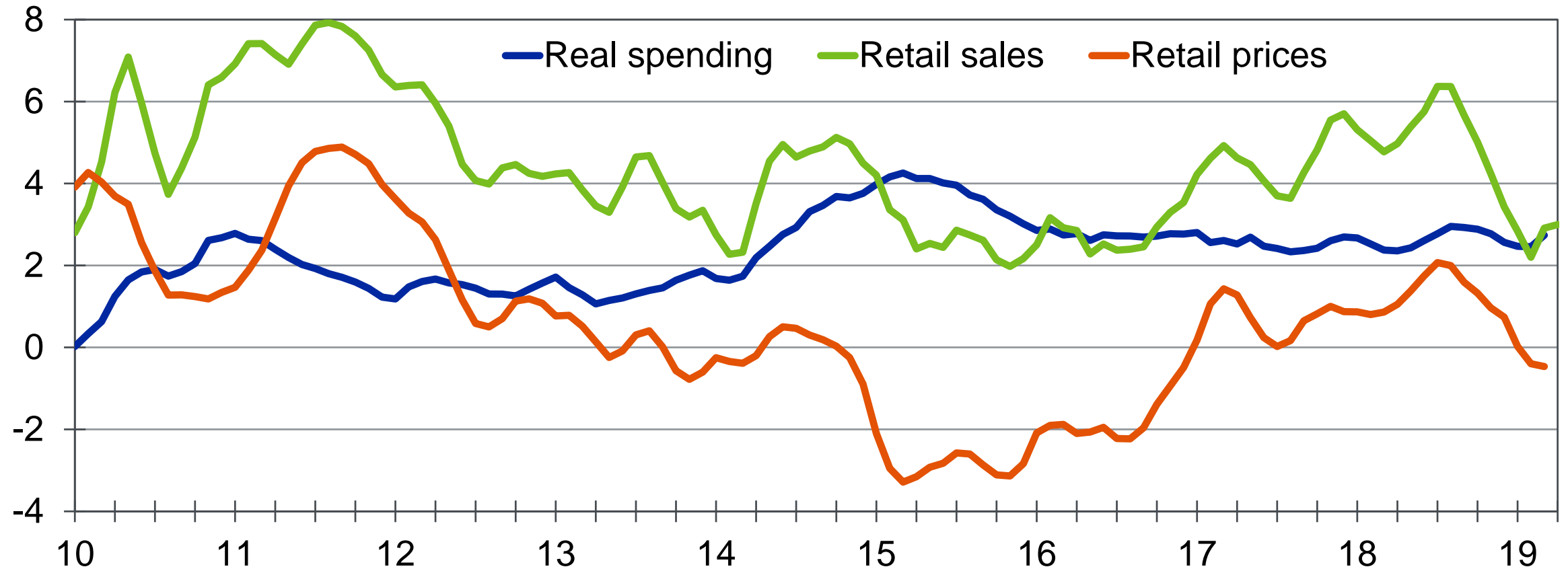
Spending Key to Economic Recovery



Sources: BEA, Moody's Analytics

Retail Has Not Kept Up Due to Pricing

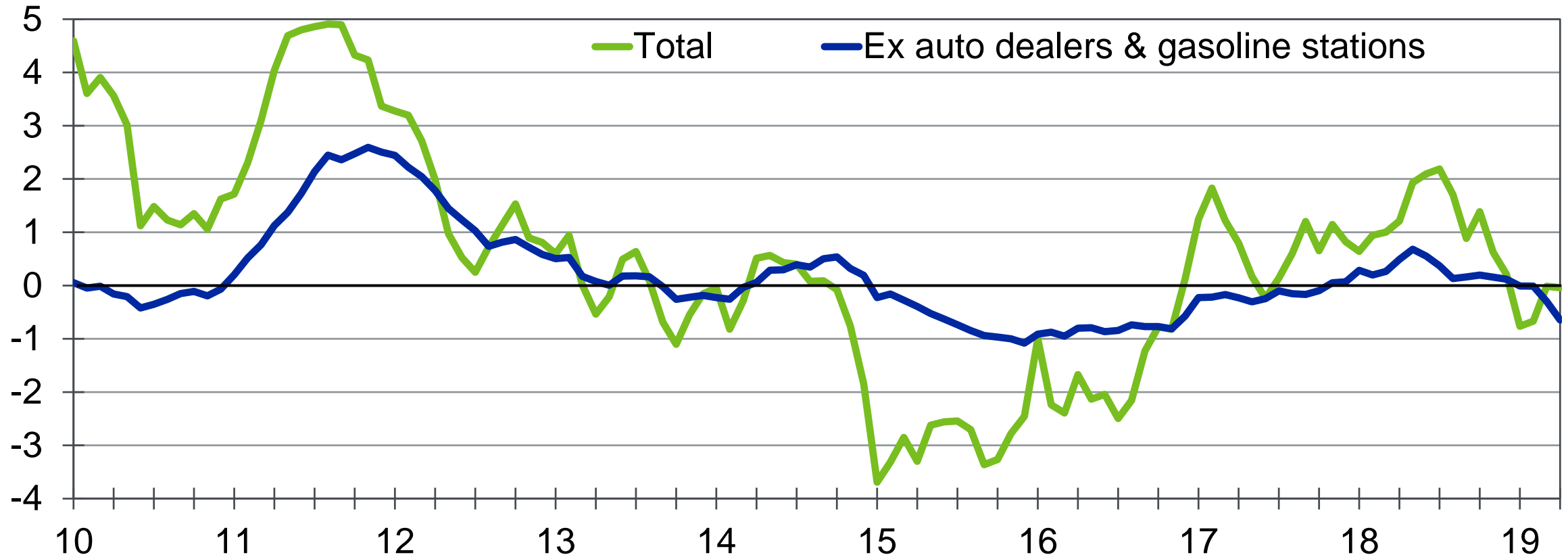
% change yr ago, 3-mo MA



Sources: BEA, Census Bureau, Moody's Analytics

It Is Not Just Energy

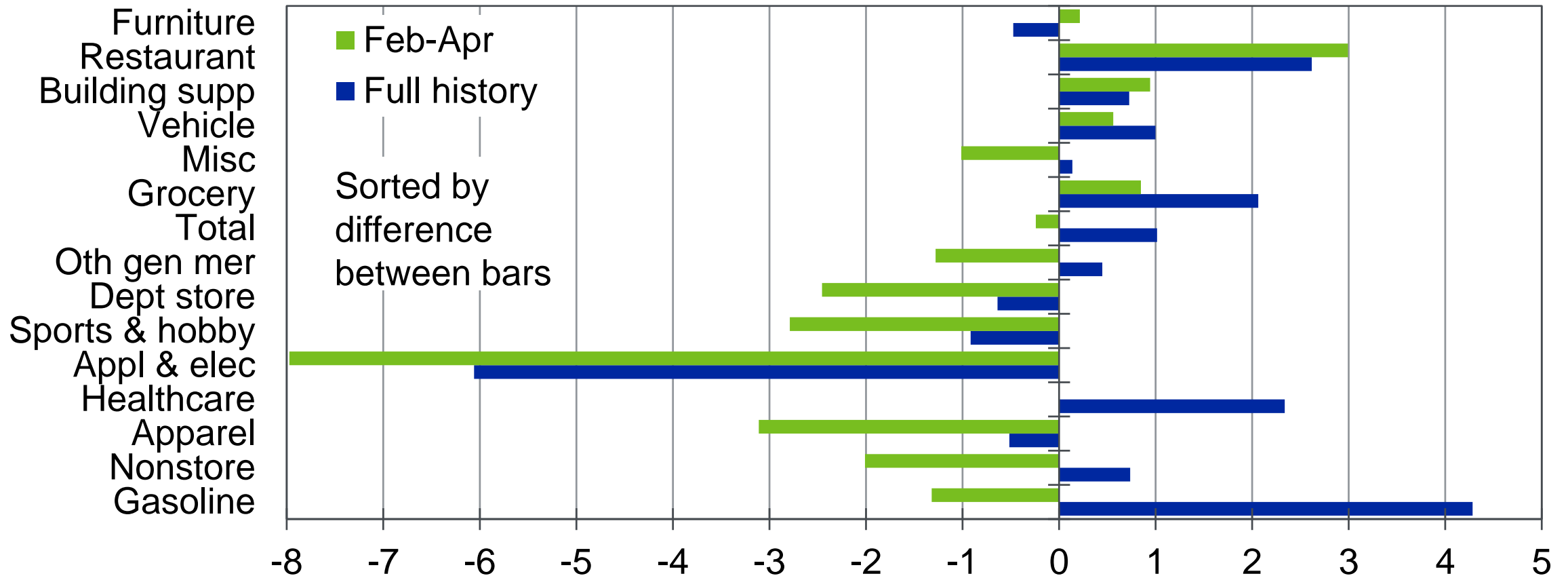
Retail deflator, % change from prior yr



Sources: BEA, Moody's Analytics

Retail Pricing Pressures Pervasive

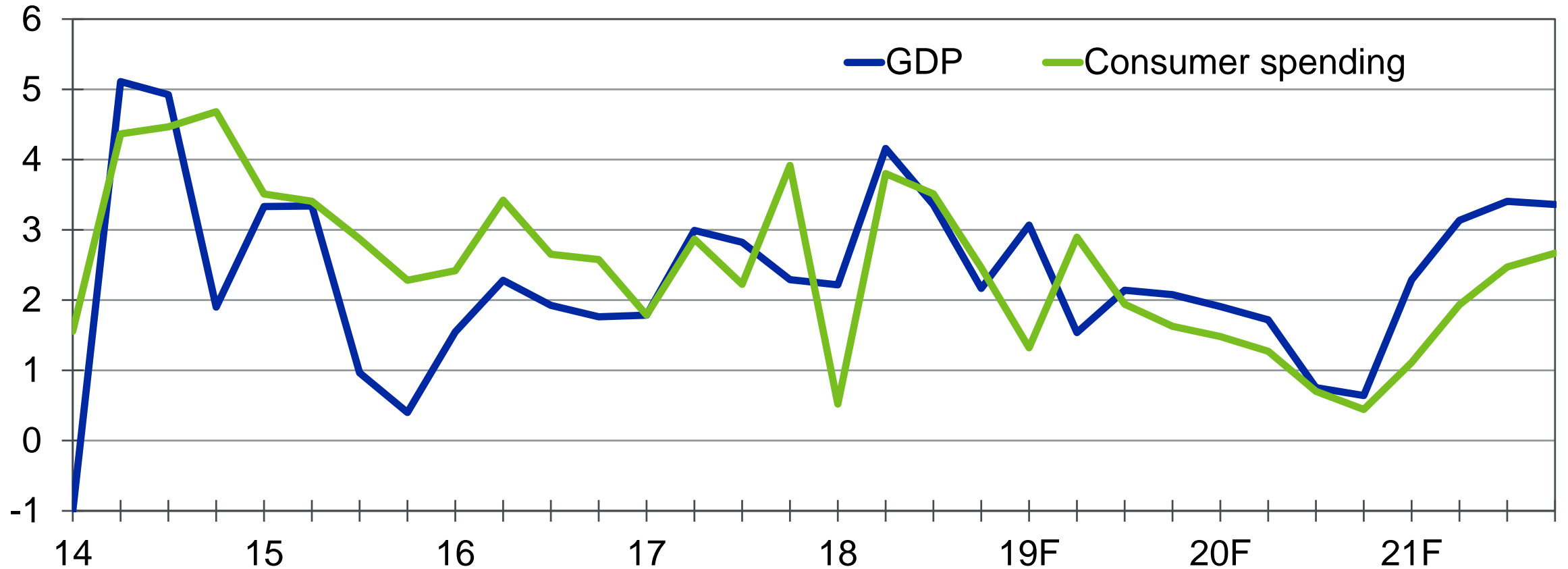
Retail deflator, % change yr ago, avg



Sources: BEA, Moody's Analytics

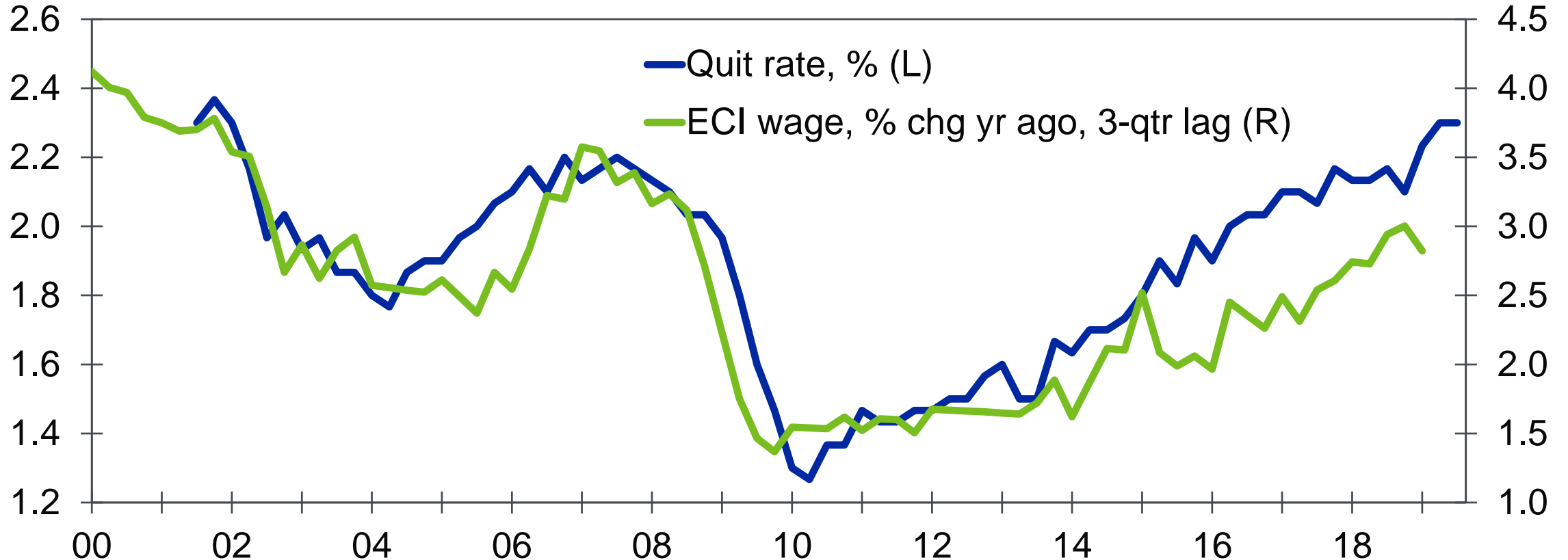
Prospects Are Modest

Real, % change annual rate



Sources: BEA, Moody's Analytics

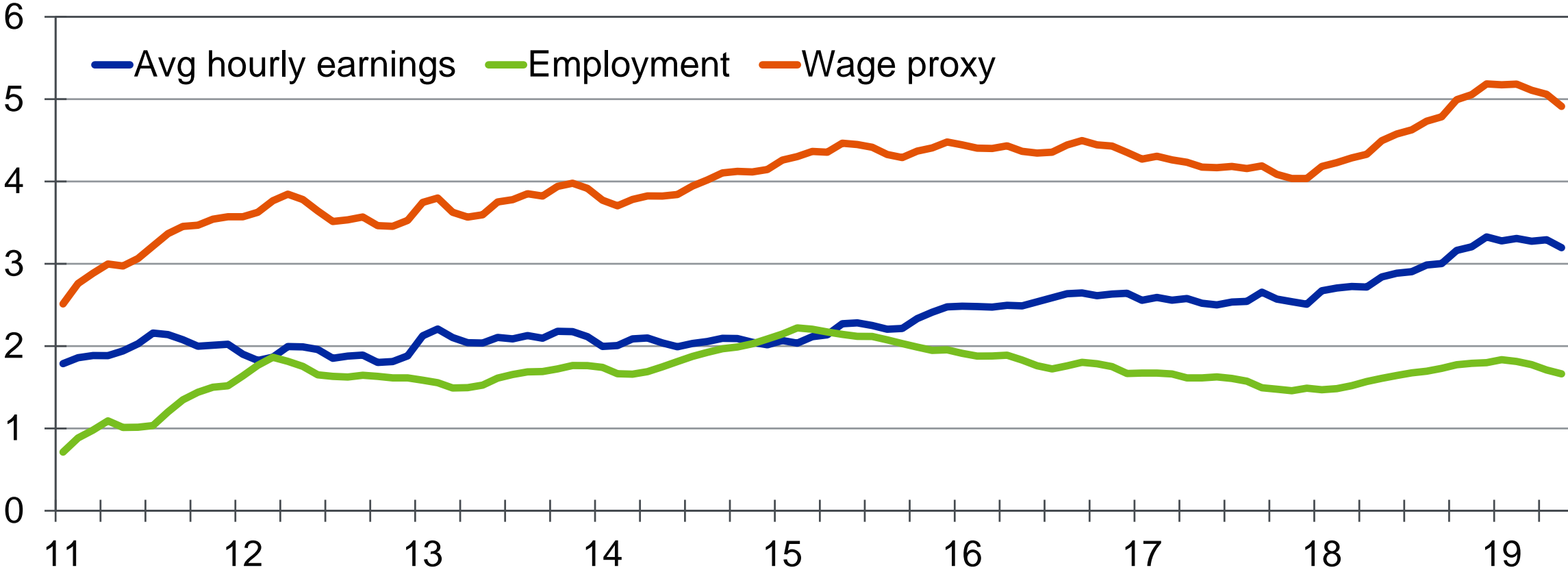
Wage Growth Should Rise Further



Sources: BLS, Moody's Analytics

Jobs Matter Also

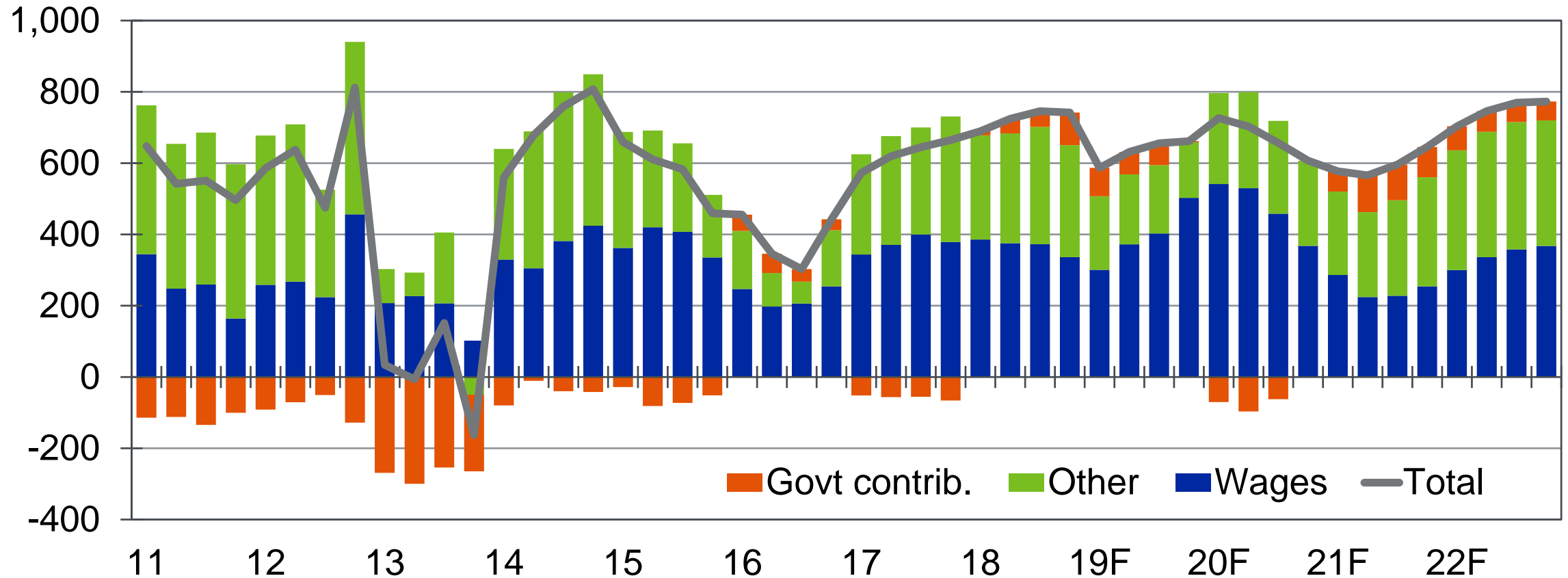
% change yr ago, 3-mo MA



Sources: BLS, Moody's Analytics

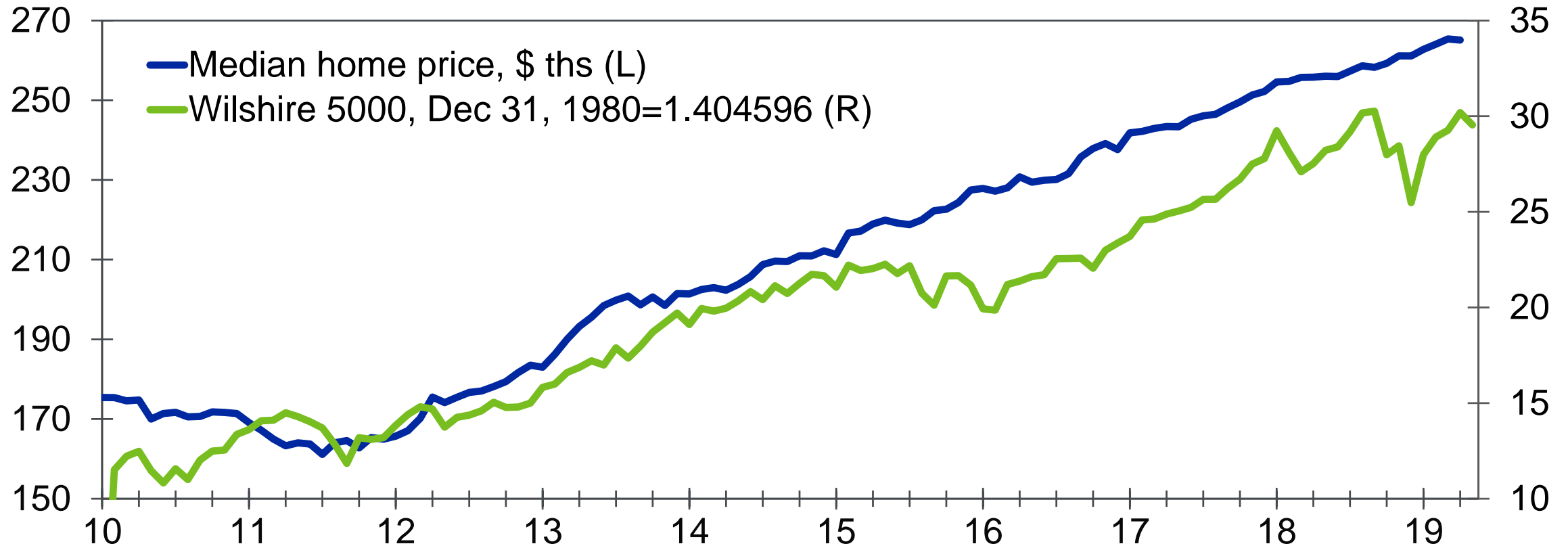
Overall Income Growth Past Its Peak

Disposable income, \$ bil, change yr ago



Sources: BEA, Moody's Analytics

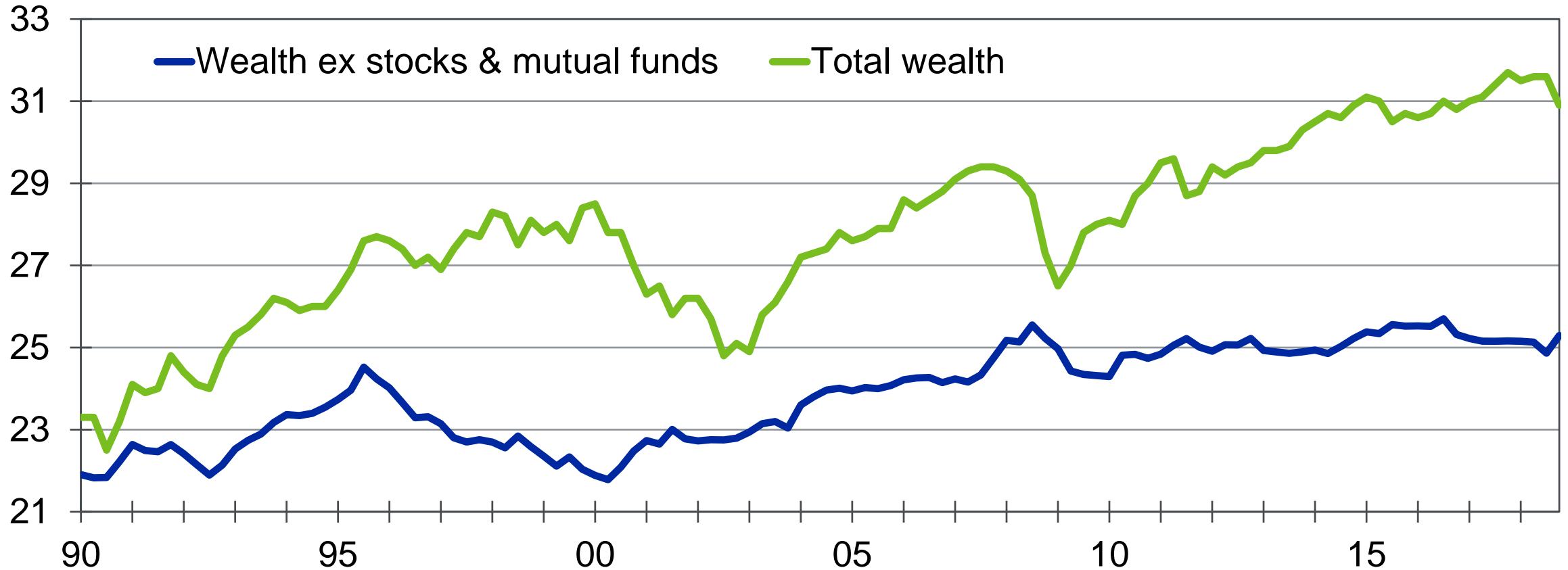
Asset Price Growth Weakens



Sources: NAR, SIX Financial Information, Moody's Analytics

Stock Market Key for Wealthiest

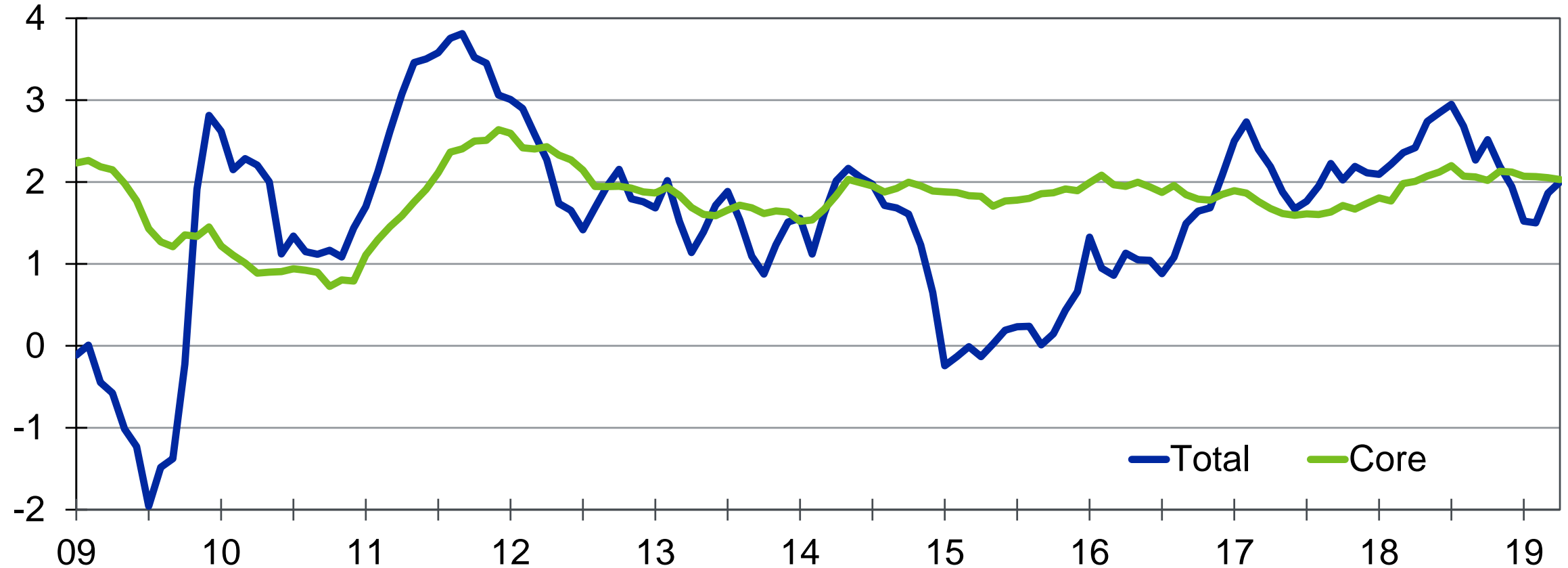
Share of wealth of top 1% of wealth distribution, %



Sources: Federal Reserve, Moody's Analytics

Inflation a Threat

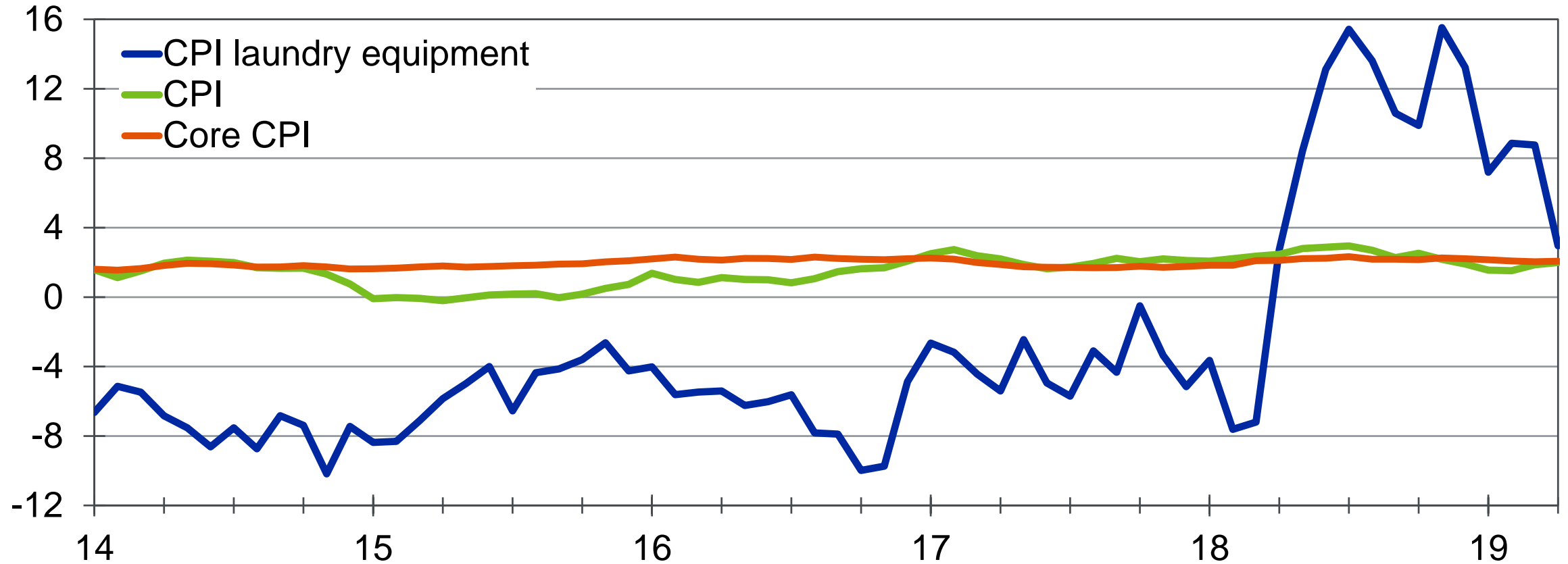
Consumer price indexes, % change yr ago



Sources: BLS, Moody's Analytics

Tariffs Can Matter

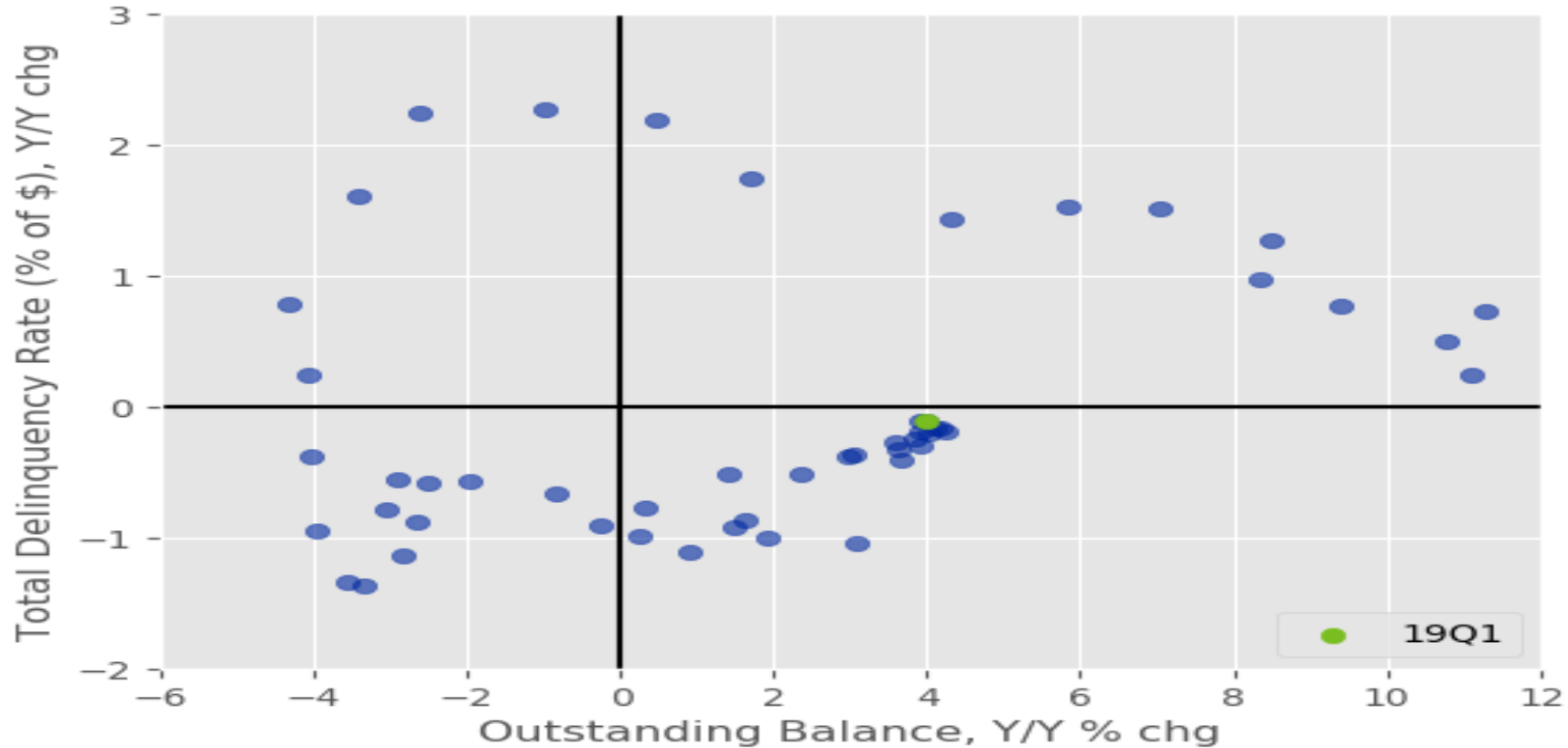
CPI, % change yr ago



Sources: BEA, BLS, Moody's Analytics

Consumer Credit Cycle Still in Check

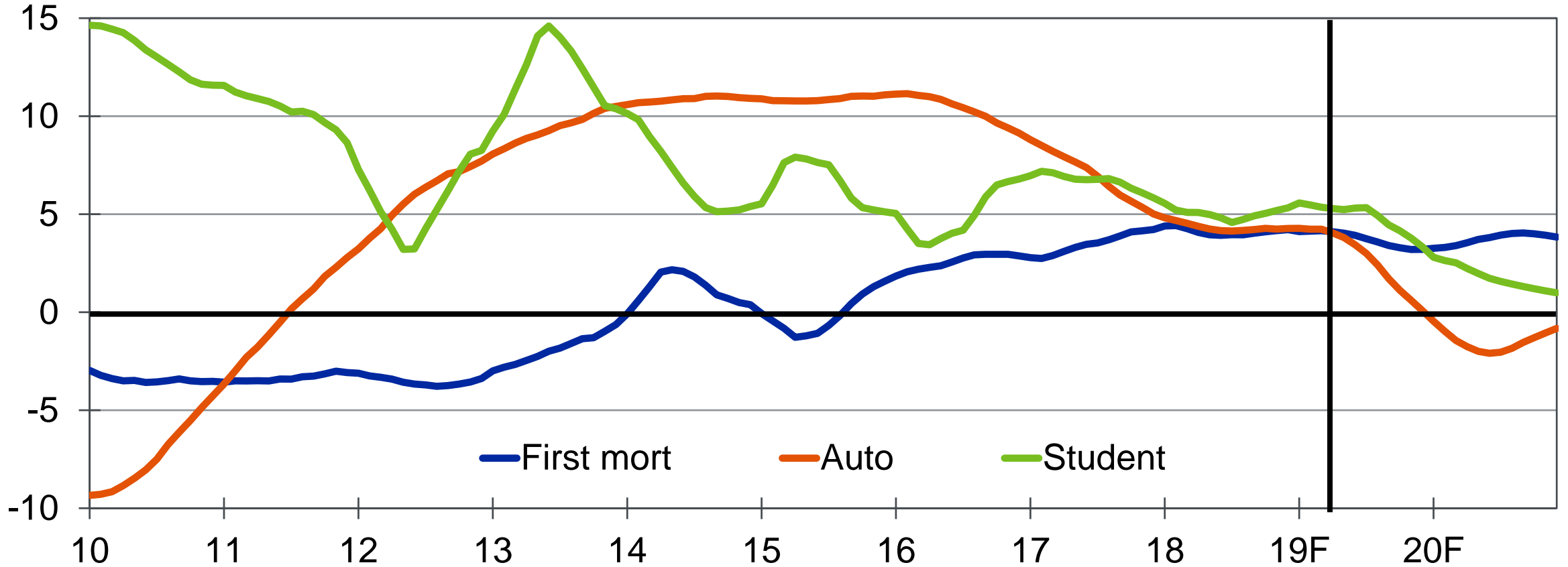
2015Q3-2019Q1



Sources: CreditForecast.com, Moody's Analytics

Consumer Credit Growth to Be Mixed...

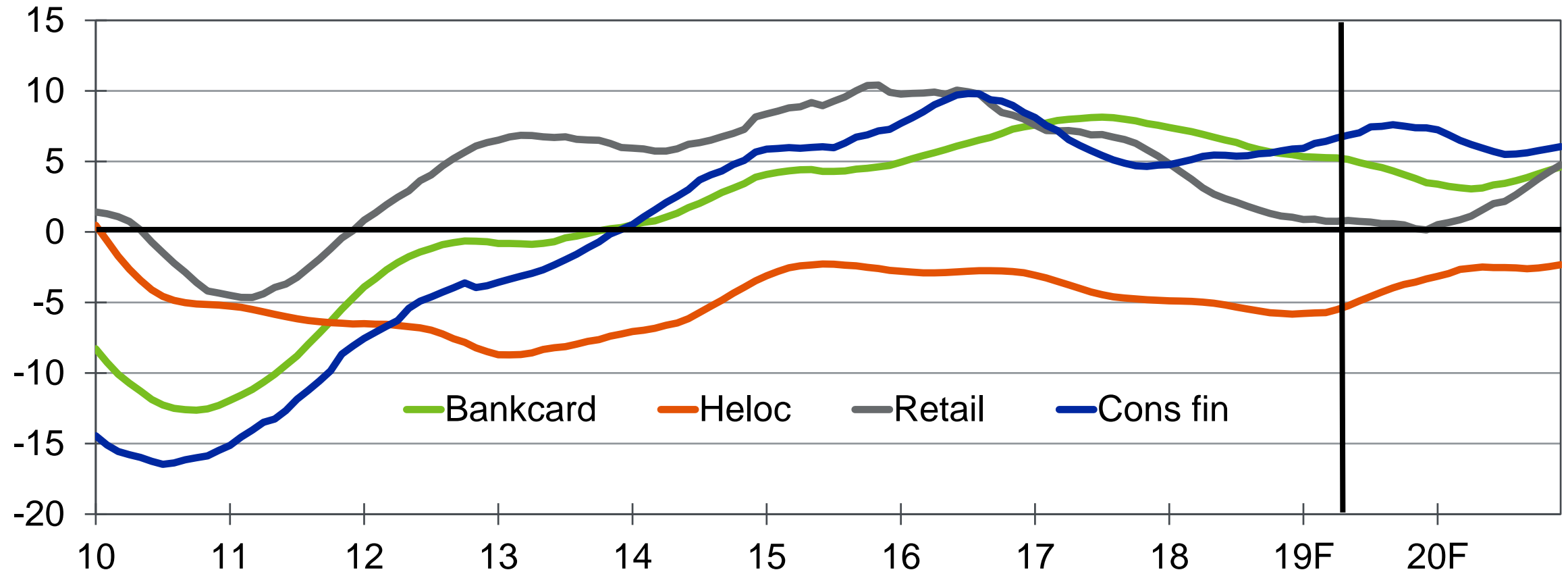
Balances on open accounts, % change yr ago, 6-mo MA



Sources: Equifax, Moody's Analytics

...Across Product Lines

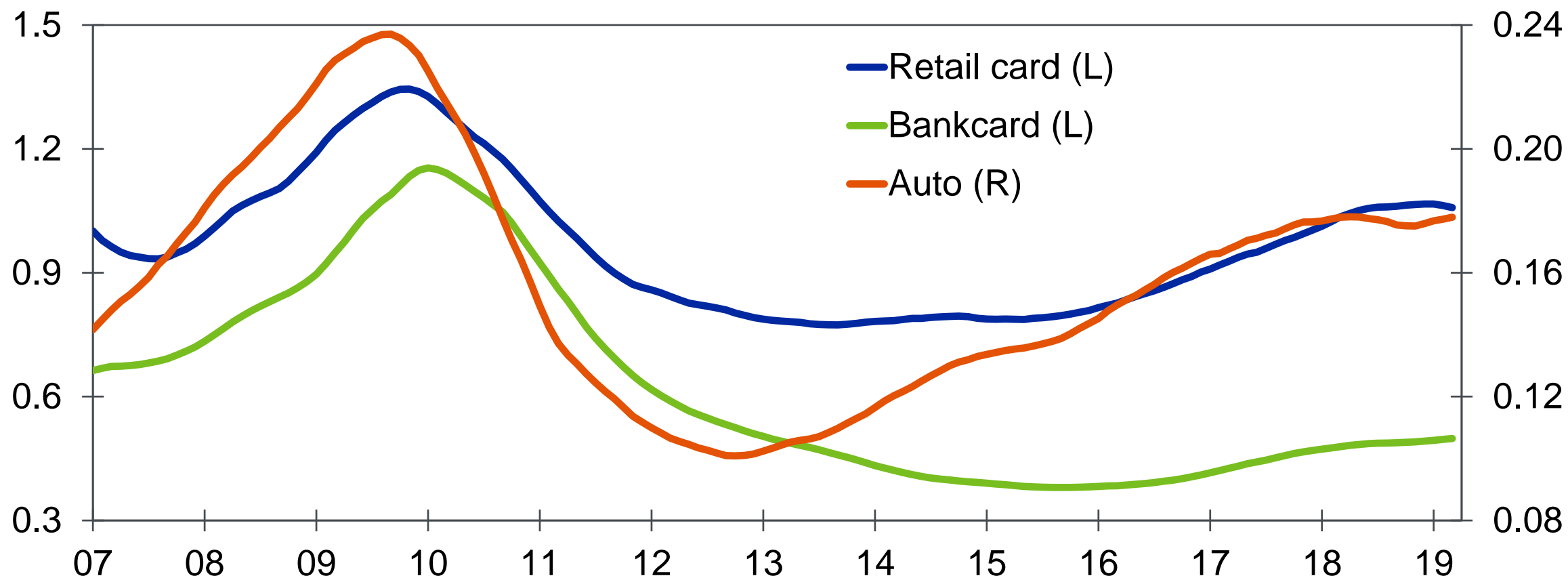
Balances on open accounts, % change yr ago, 6-mo MA



Sources: Equifax, Moody's Analytics

Some Products Riskier...

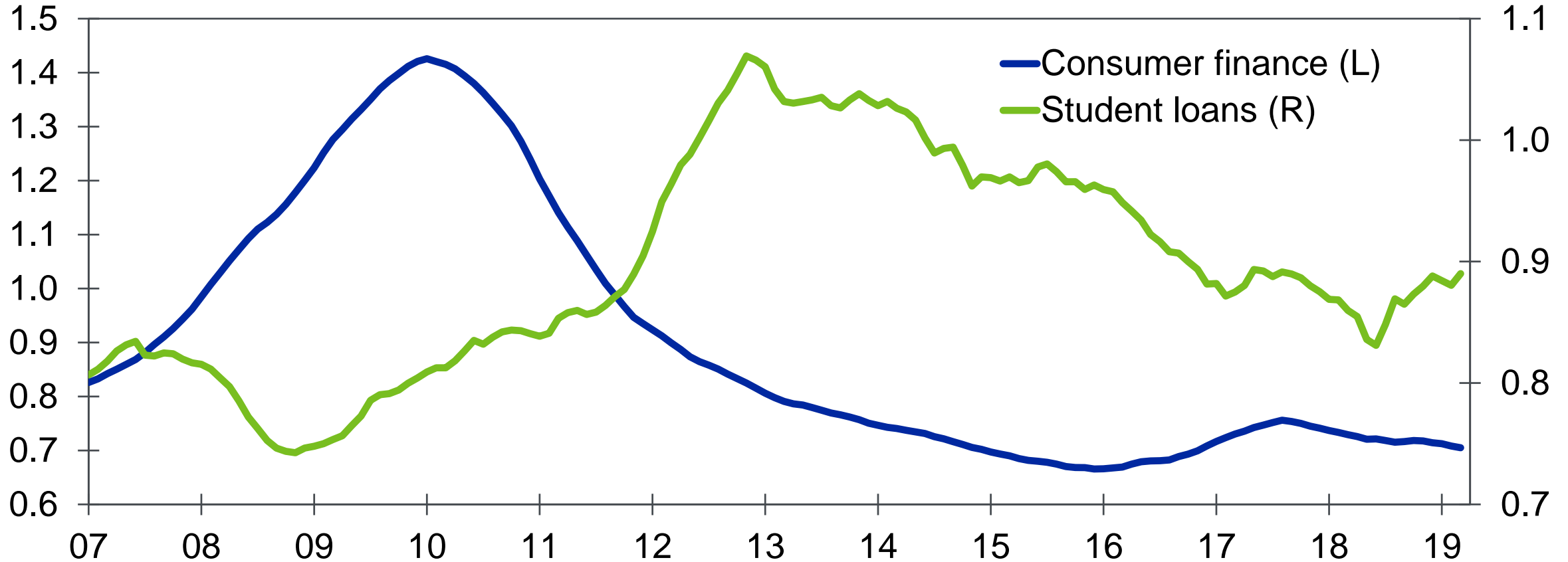
90 days delinquent, % of outstanding balance, 12-mo MA



Sources: Equifax, Moody's Analytics

...Than Others and...

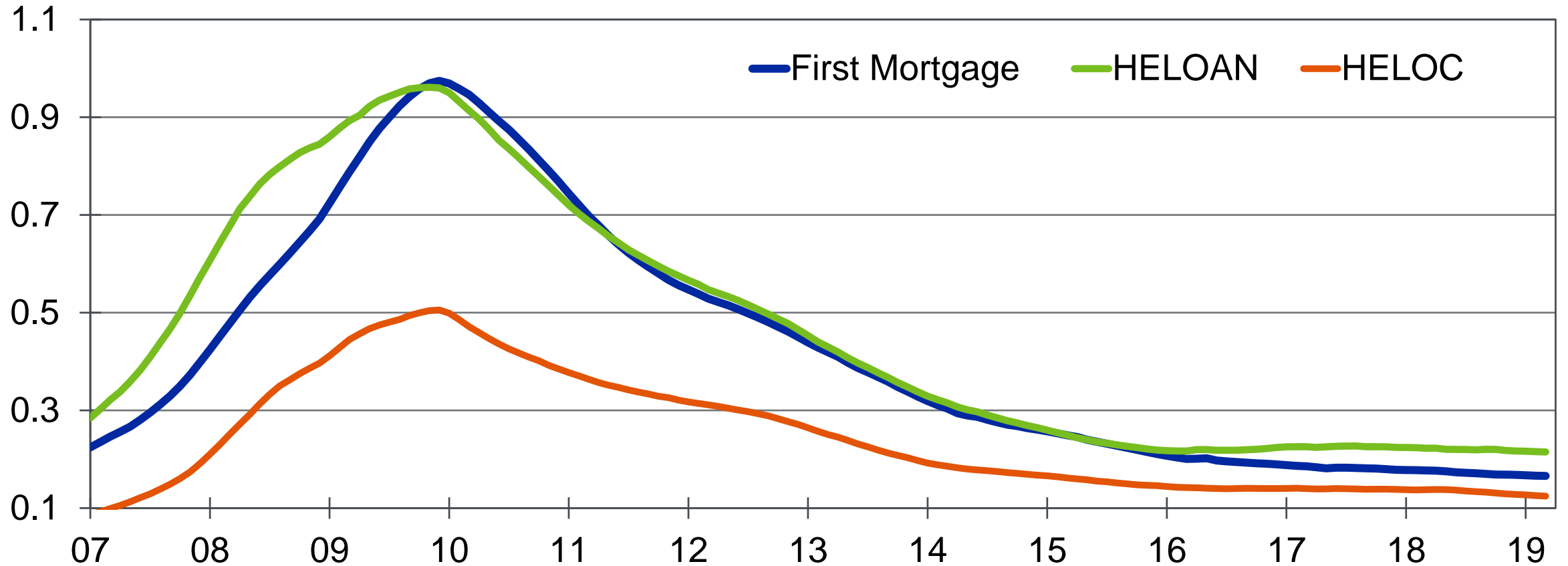
90 days delinquent, % of outstanding balance, 12-mo MA



Sources: Equifax, Moody's Analytics

...Some Are Safe

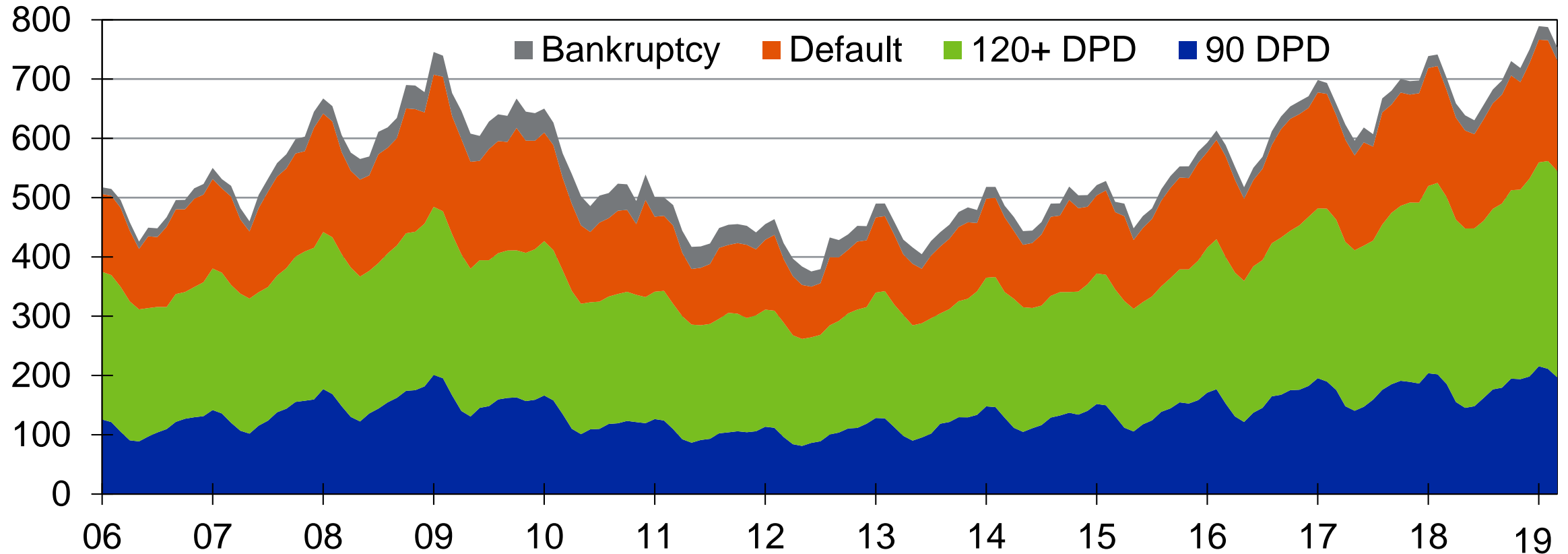
90 days delinquent, % of outstanding balance, 12-mo MA



Sources: Equifax, Moody's Analytics

Are Auto Loan Borrowers in Trouble?

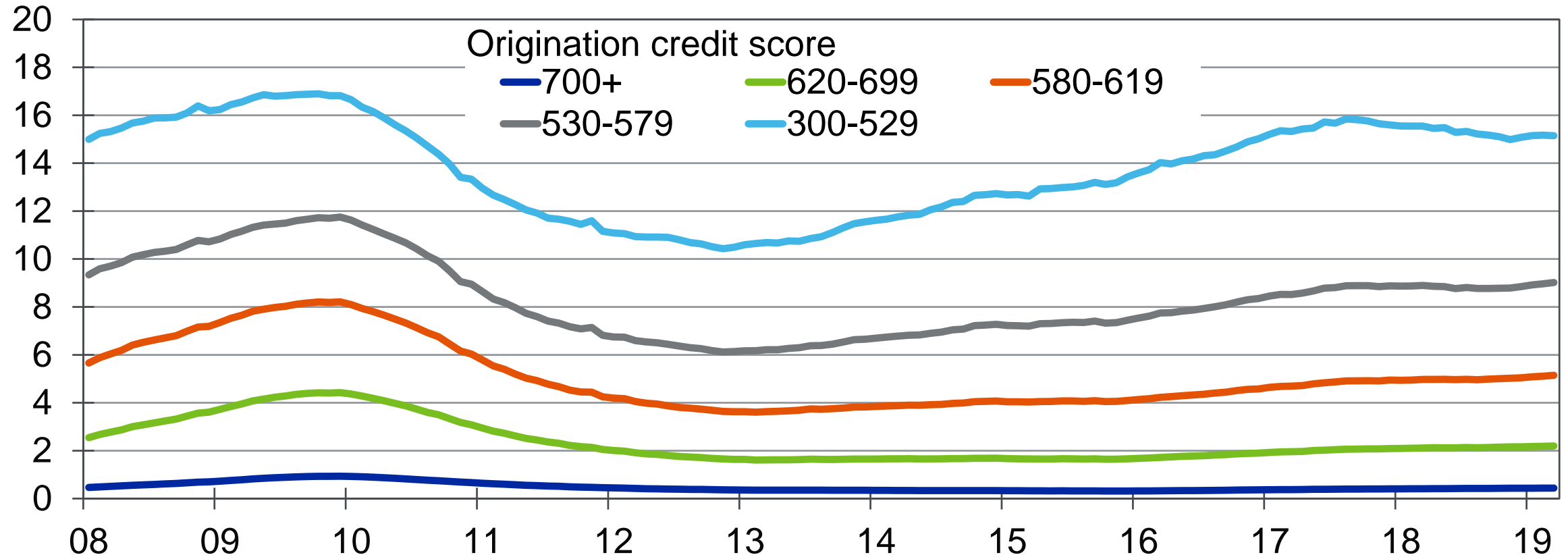
Total number of accounts, \$ ths



Sources: CreditForecast.com, Moody's Analytics

Auto Defaults Stabilizing for Riskiest

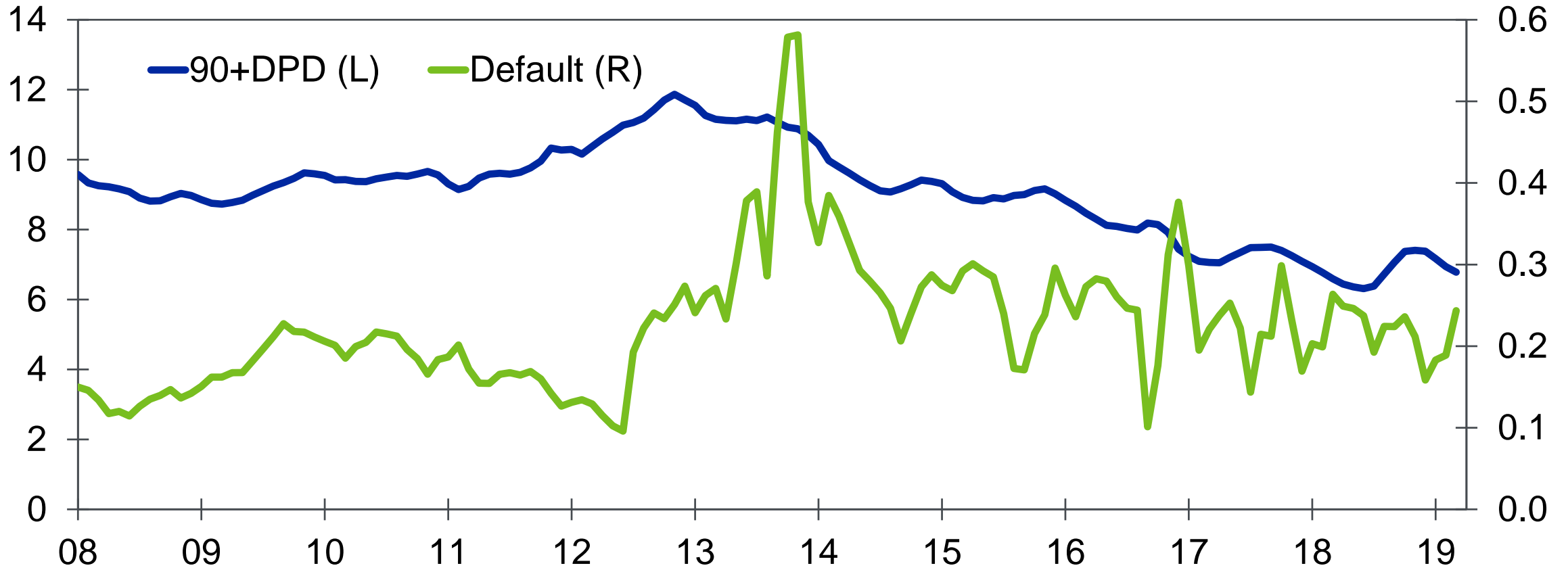
Auto default rate, % of dollar volume, 12-mo MAAR



Sources: Equifax, Moody's Analytics

Student Loan Performance Is Good

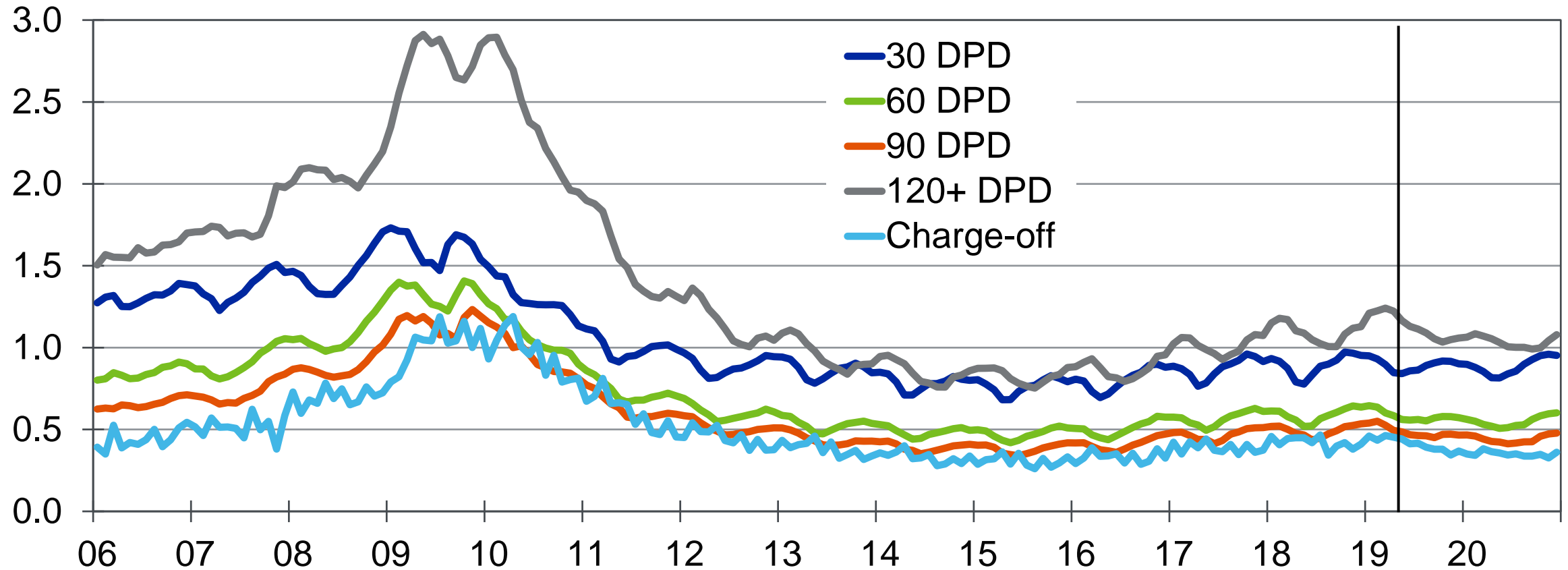
Non-deferred, % of outstanding balances, 3-mo MA



Sources: CreditForecast.com, Moody's Analytics

Bankcard Performance to Stabilize

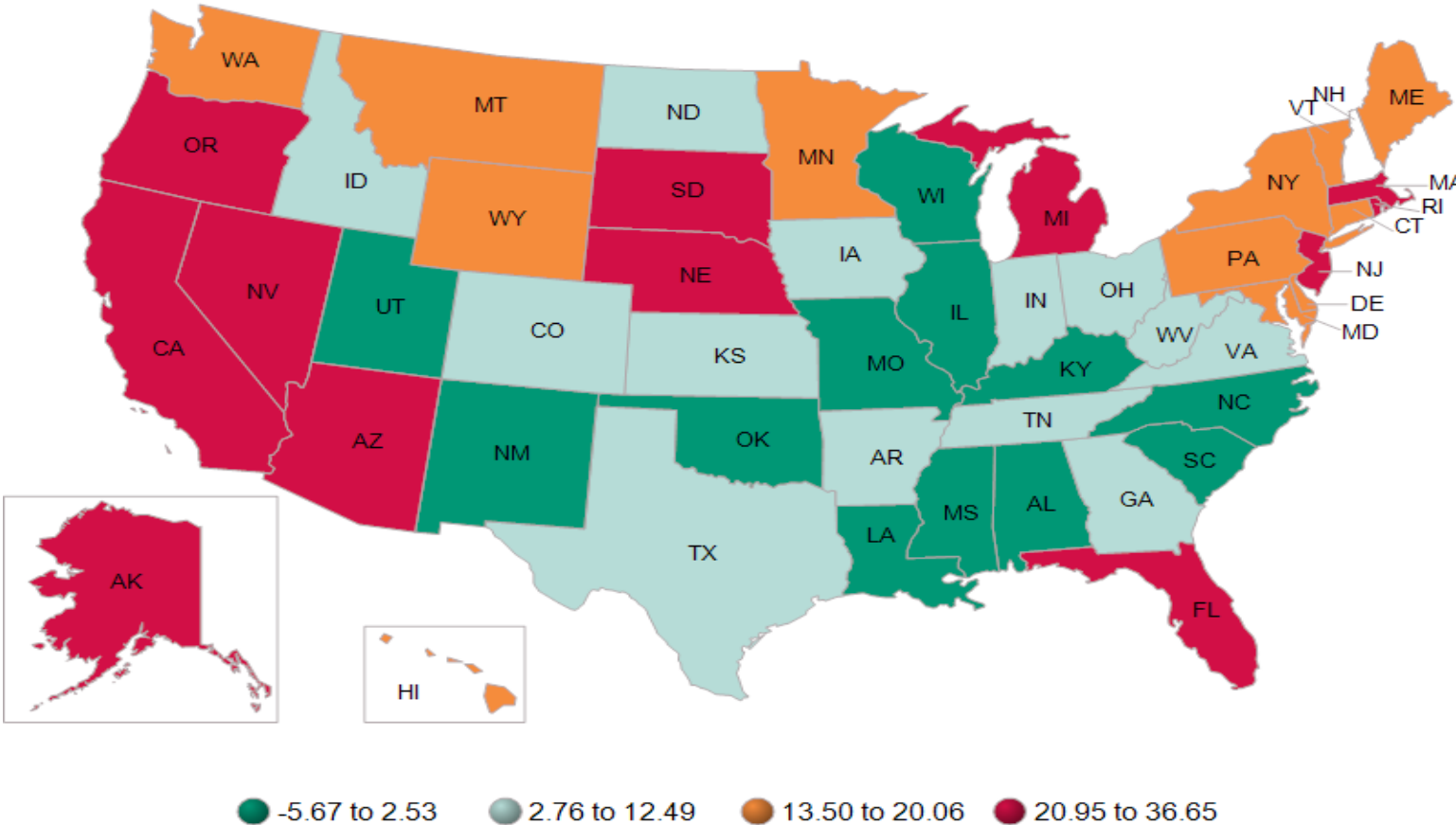
% of \$ volume



Sources: Equifax, Moody's Analytics

Opportunities in Personal Loans Space

Originations, % change yr ago, 2018Q4



Sources: Equifax, Moody's Analytics

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