

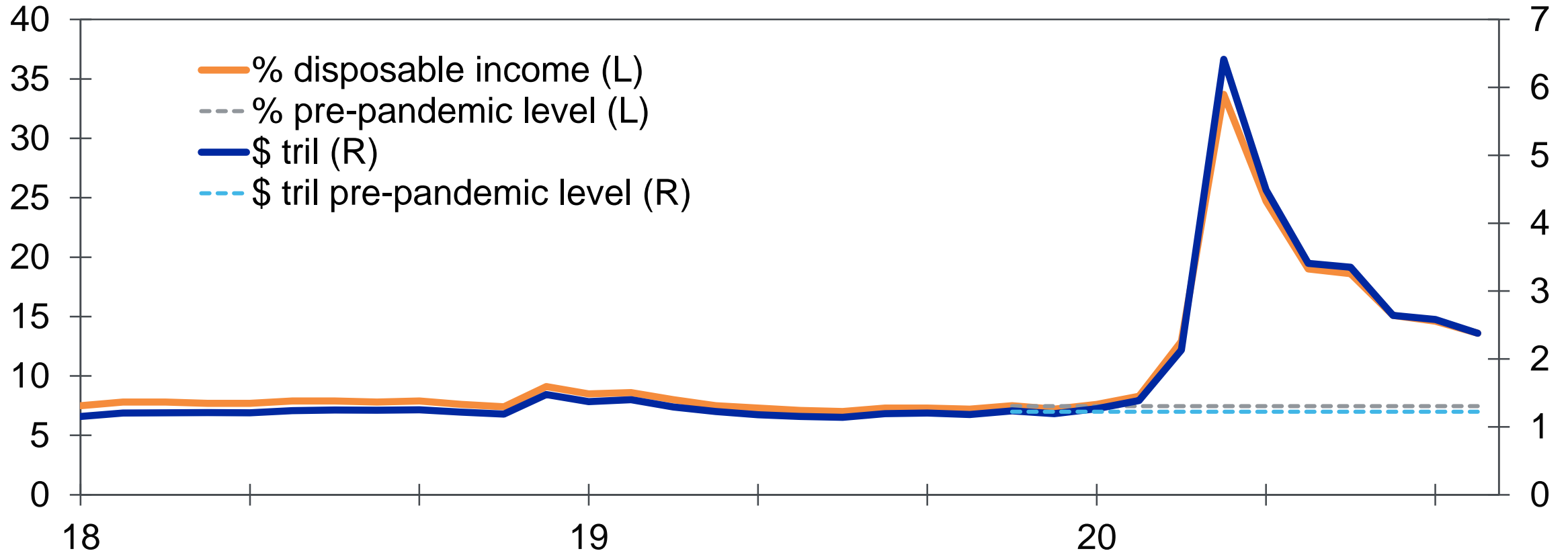
Consumer Credit Outlook

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Scott Hoyt, Senior Director, Economics

December, 2020

Consumers Are Saving

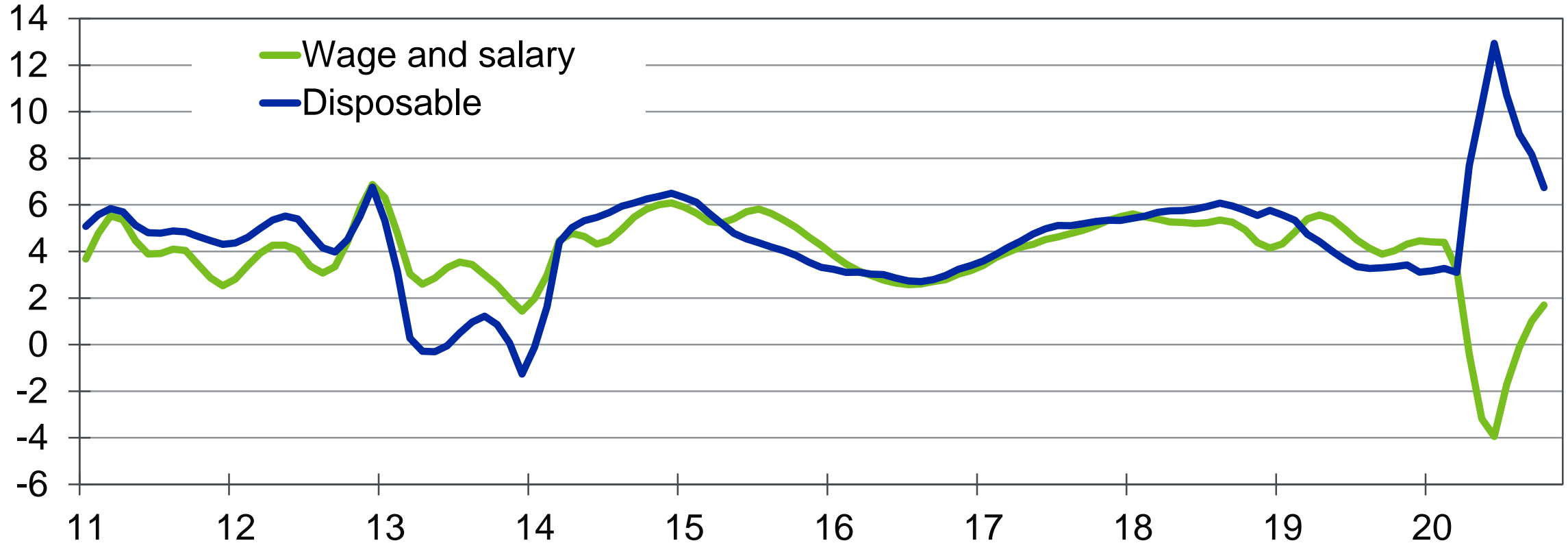
Personal saving, annual rate



Sources: BEA, Moody's Analytics

Income Dichotomy

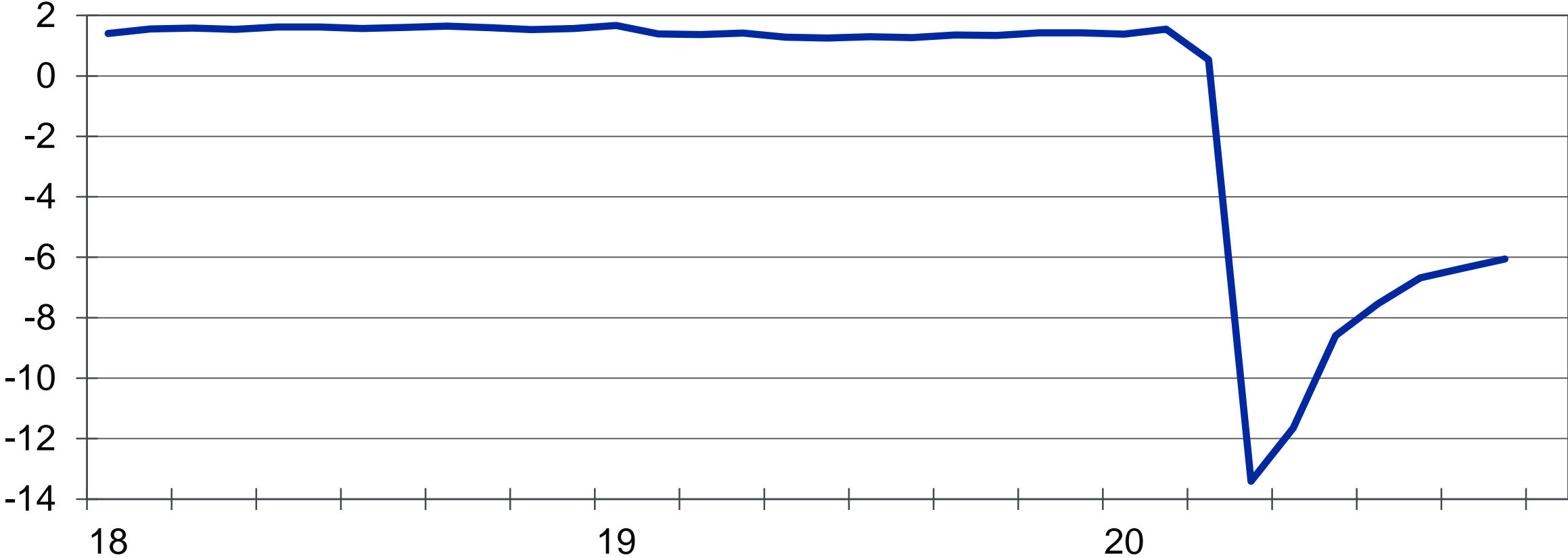
Income, 3-mo MA, % change yr ago



Sources: BEA, Moody's Analytics

Jobs Still Missing

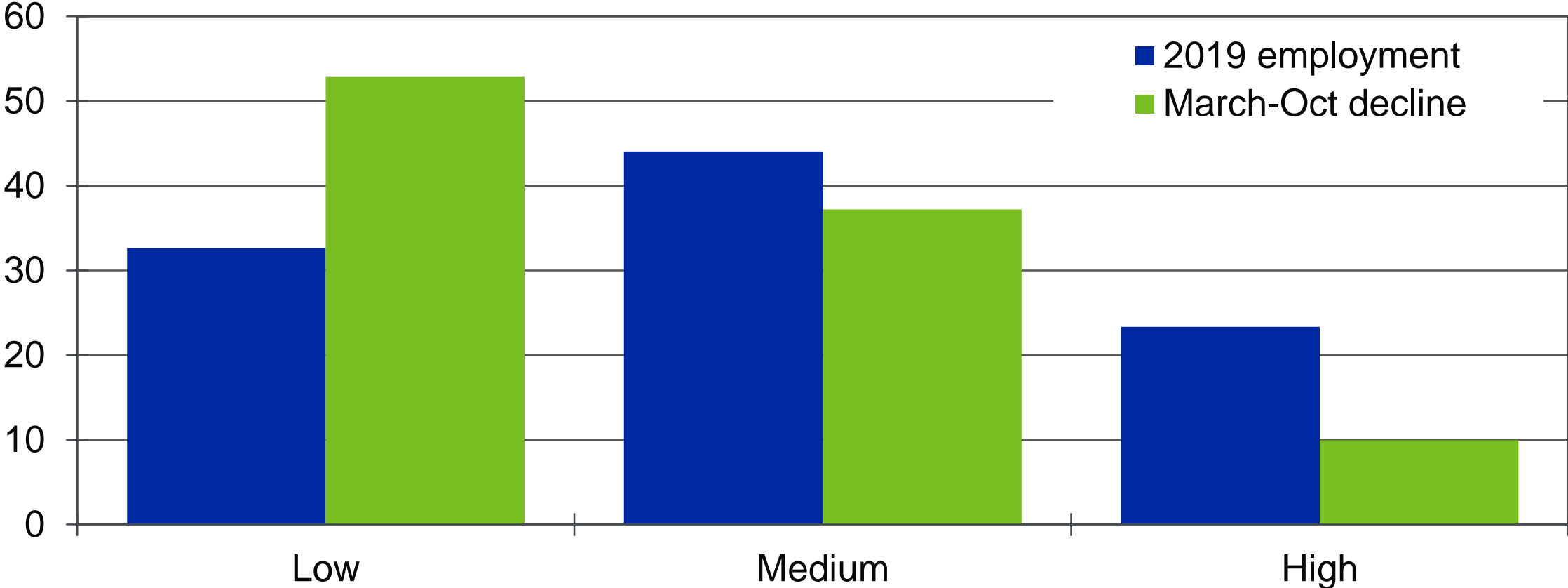
Employment, % change yr ago



Sources: BLS, Moody's Analytics

Job Losses Mainly Low Pay

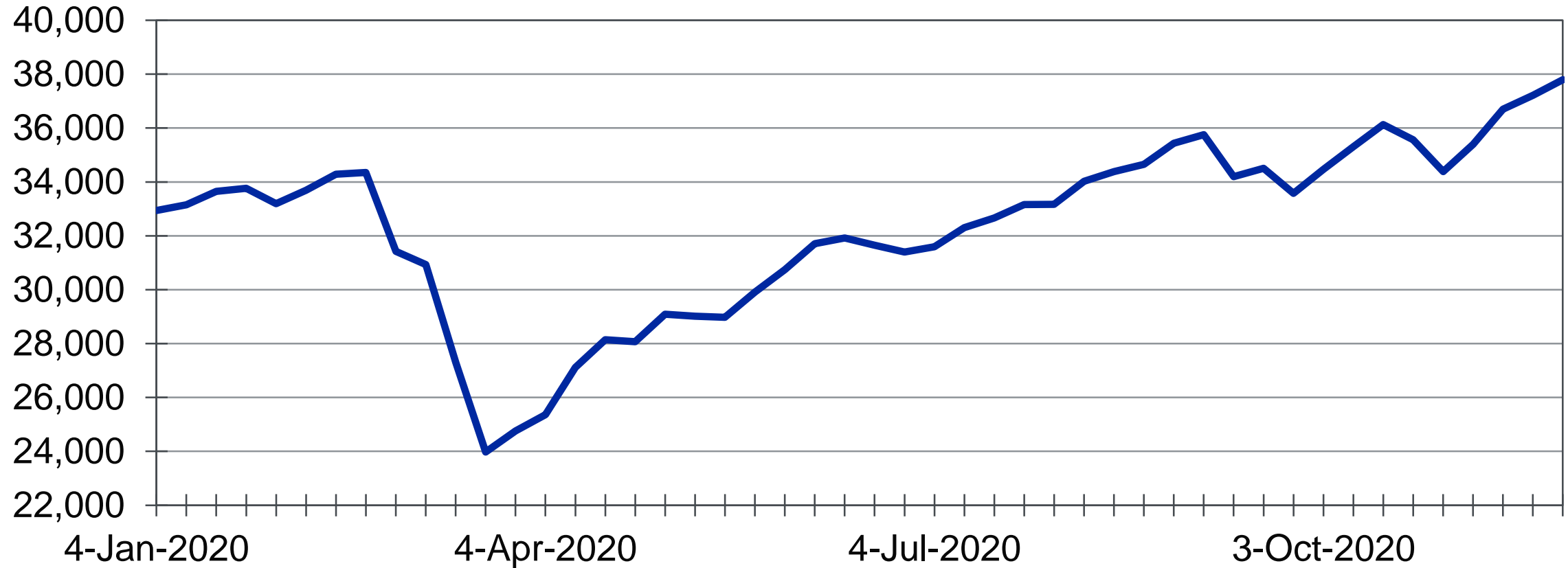
Share of jobs by wage tier, %



Sources: BLS, Moody's Analytics

Stock Market Recovers

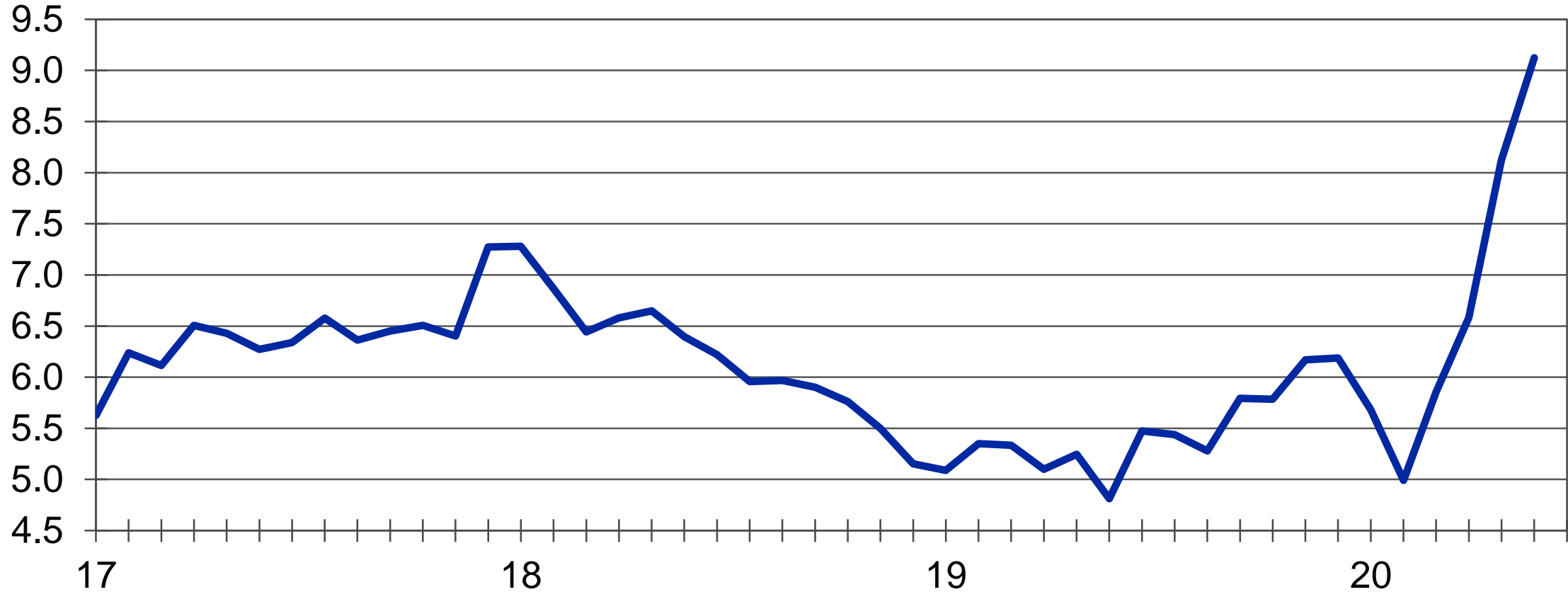
Wilshire 5000 Index, daily close, avg, 31Dec80 = 1404.596 bil



Sources: SIX Financial Information, Moody's Analytics

House Prices Surge

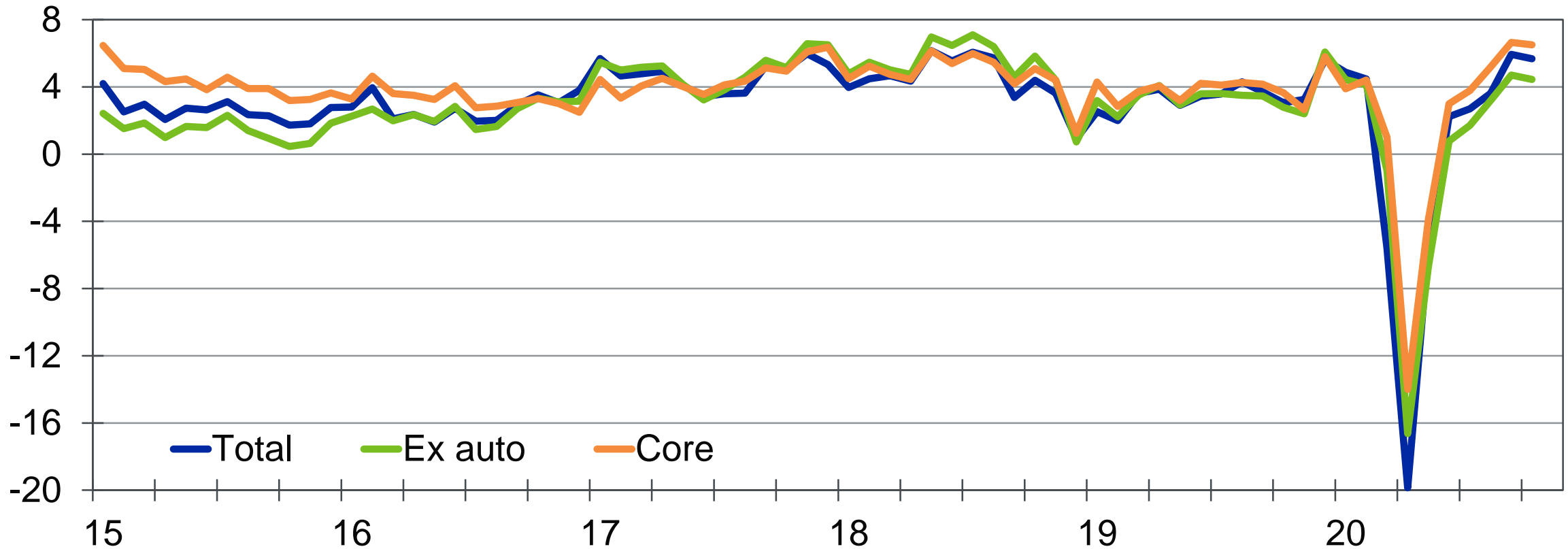
FHFA purchase-only home price index, % change yr ago



Sources: SIX Financial Information, Moody's Analytics

Retail Sales Strong

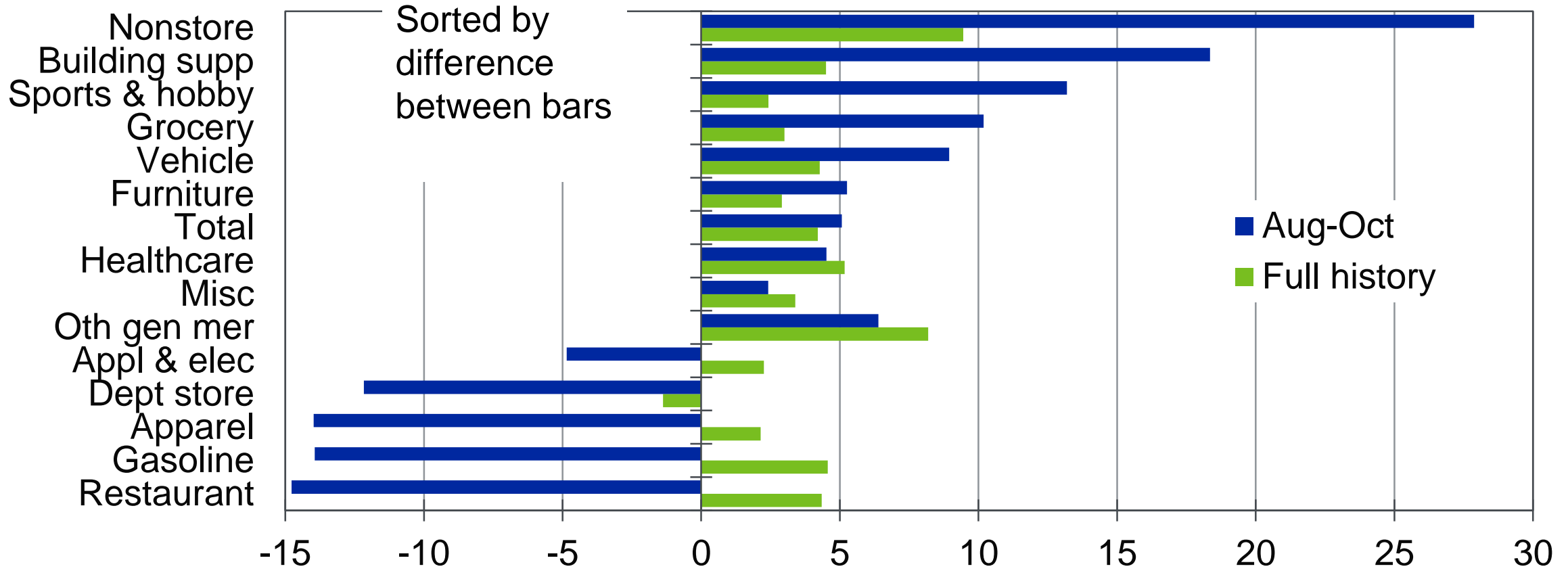
Retail sales, % change yr ago



Sources: Census Bureau, Moody's Analytics

Retail Performance Varies by Segment

Retail sales, % change yr ago, average



Sources: Census Bureau, Moody's Analytics

Retail Is Only a Third of Spending

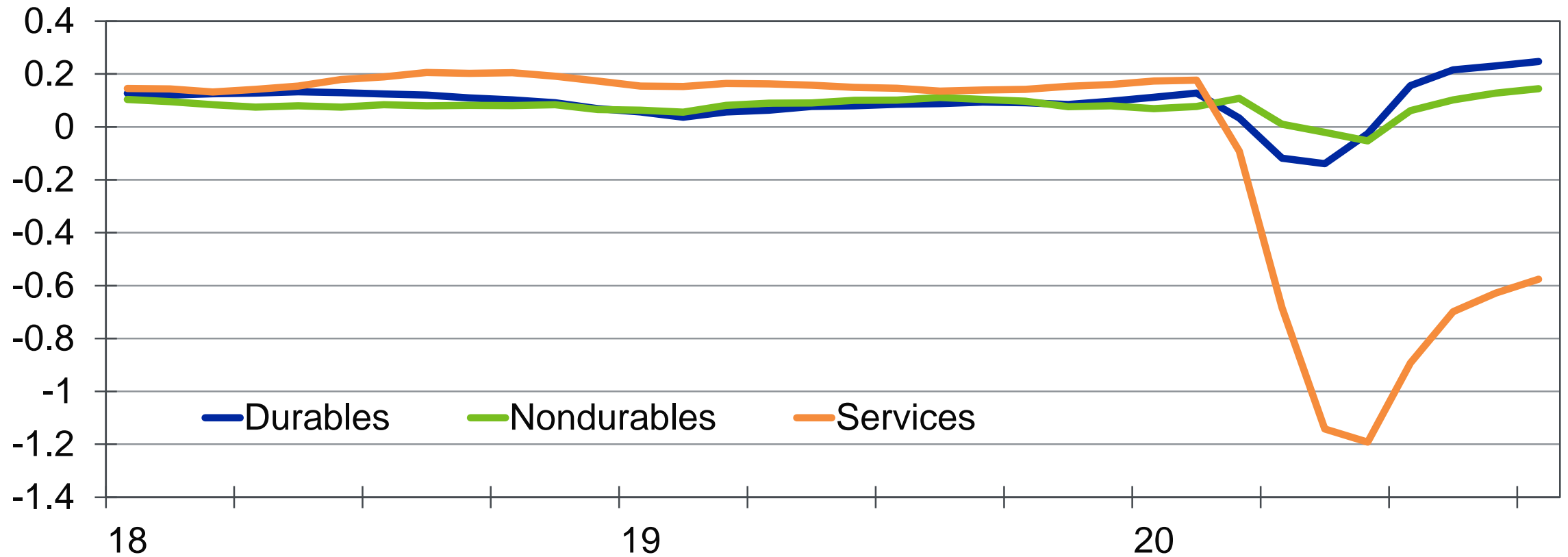
% change yr ago



Sources: Census Bureau, Moody's Analytics

Services Atypically Suffering

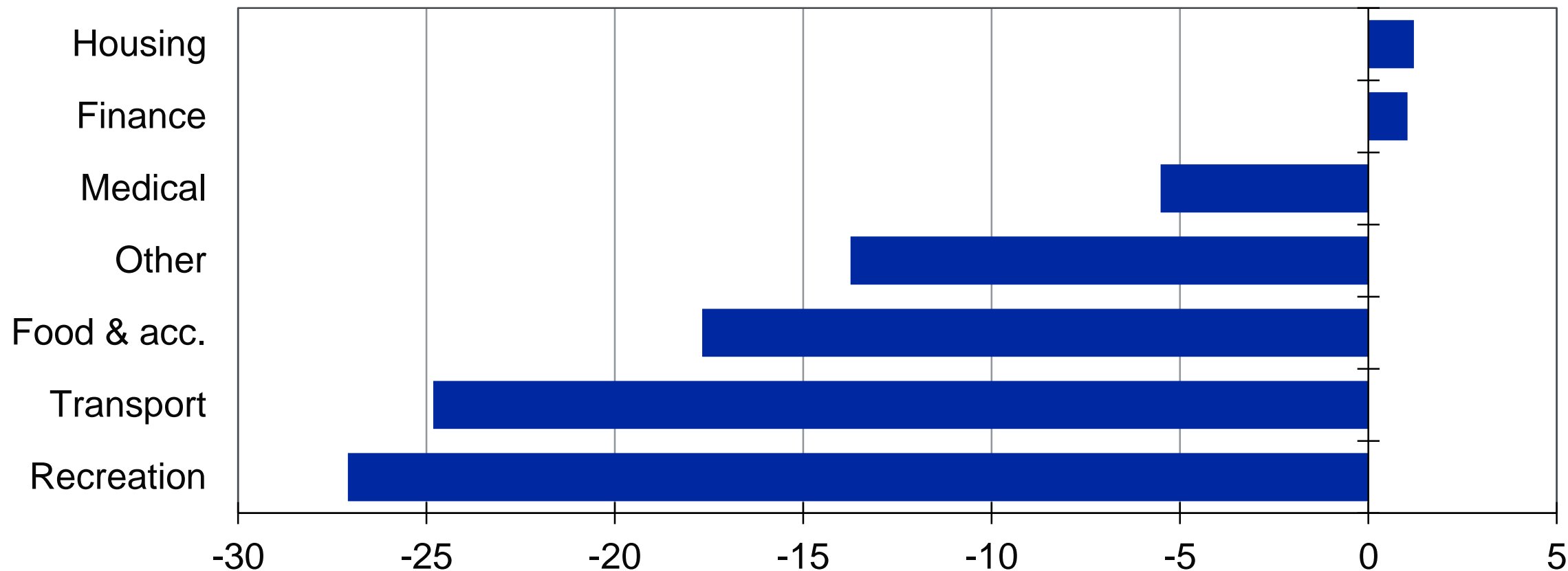
Real spending, 3-mo MA, \$ tril, change from yr ago



Sources: Census Bureau, Moody's Analytics

Services Mostly Suffer

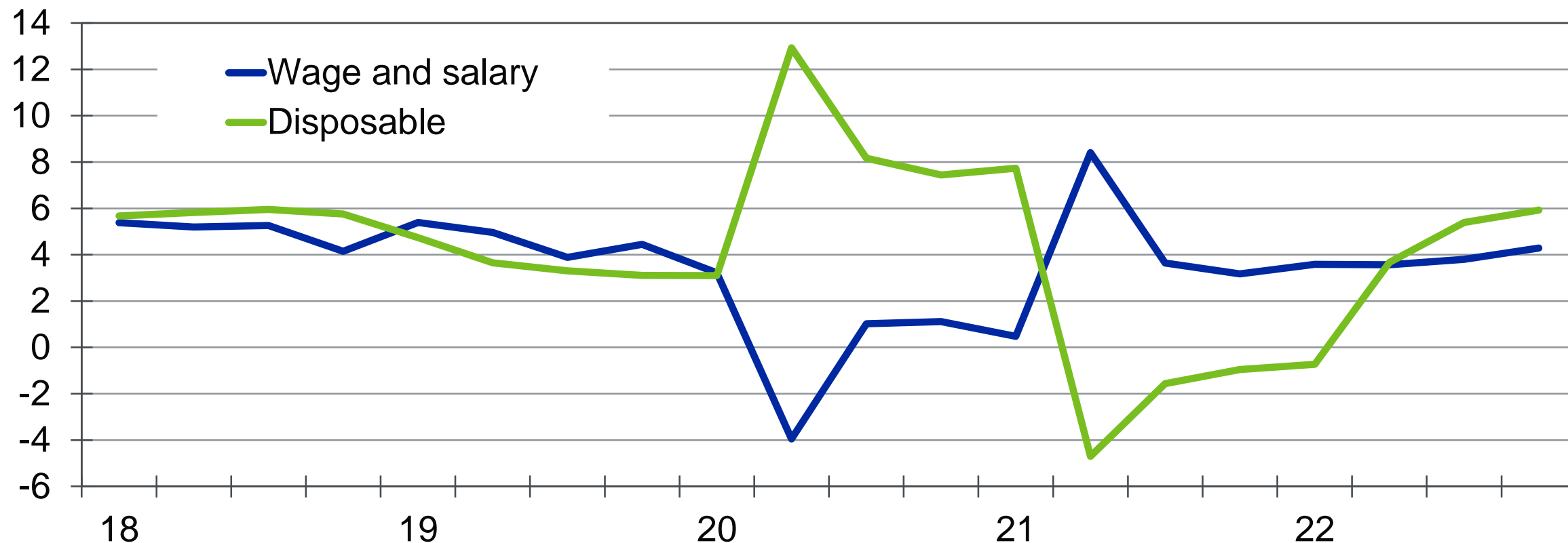
Real service spending, % change, Feb-Oct 2020



Sources: BEA, Moody's Analytics

Outlook Depends on Stimulus

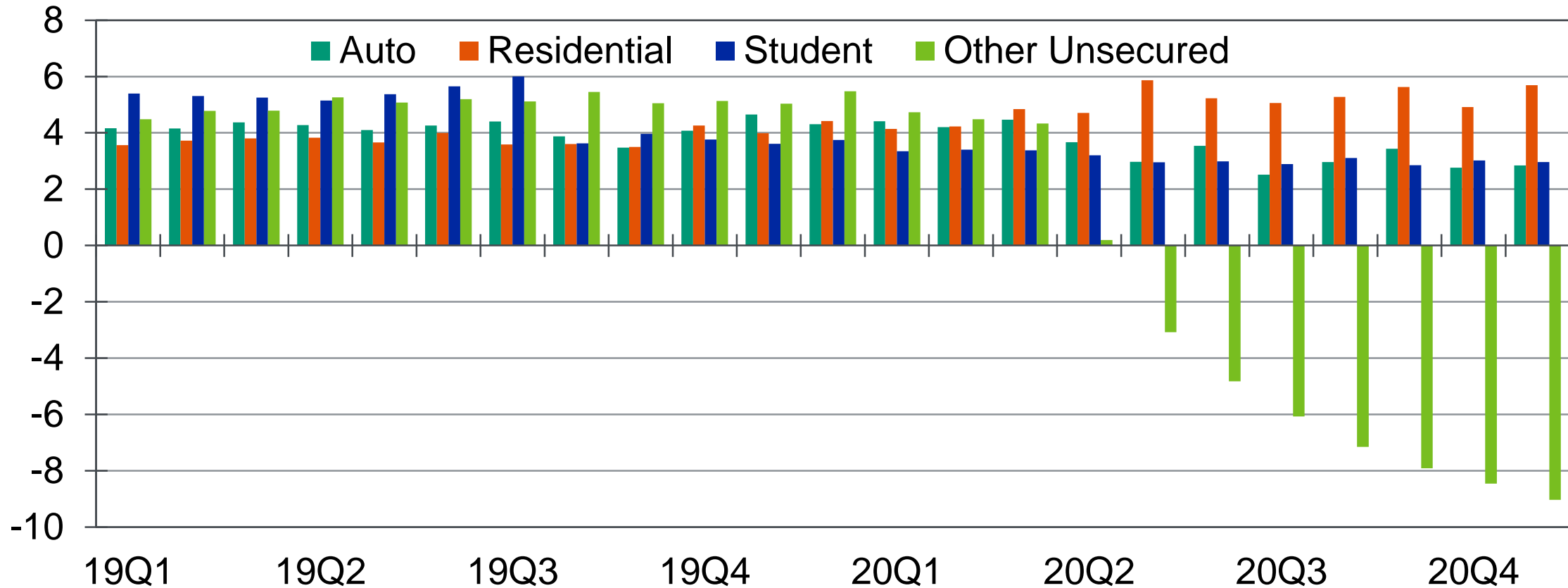
Income, % change yr ago



Sources: BEA, Moody's Analytics

Unsecured Debt Still Finding Its Bottom

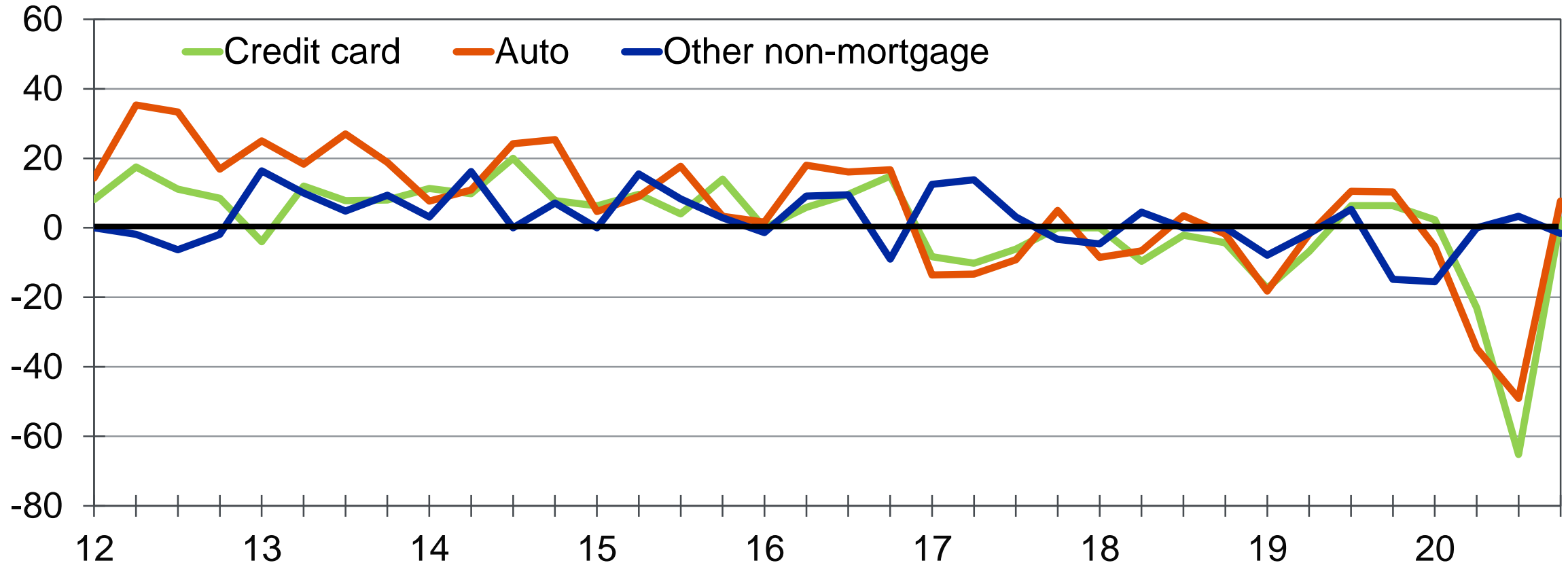
Outstanding balances, % change yr ago



Sources: CreditForecast.com, Moody's Analytics

Demand Stabilizes

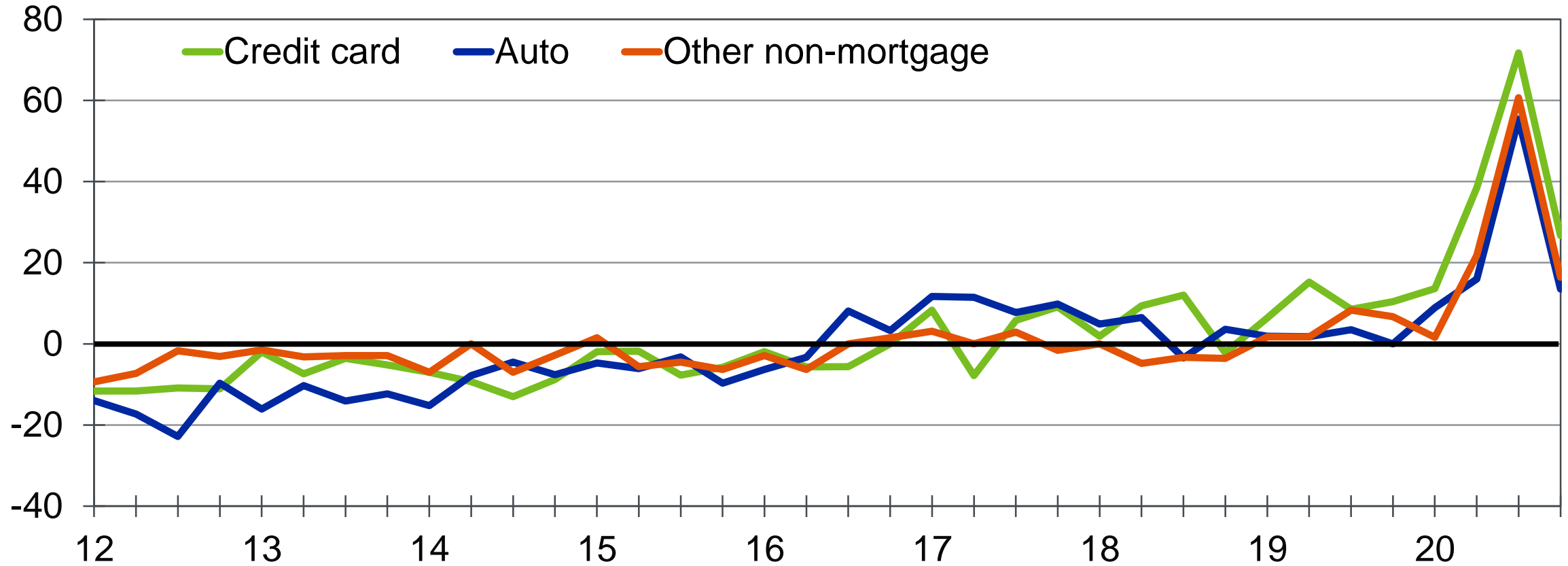
Net % increase in demand, October, Senior Loan Officer Survey



Sources: Federal Reserve, Moody's Analytics

Lending Standards Continue Tightening ...

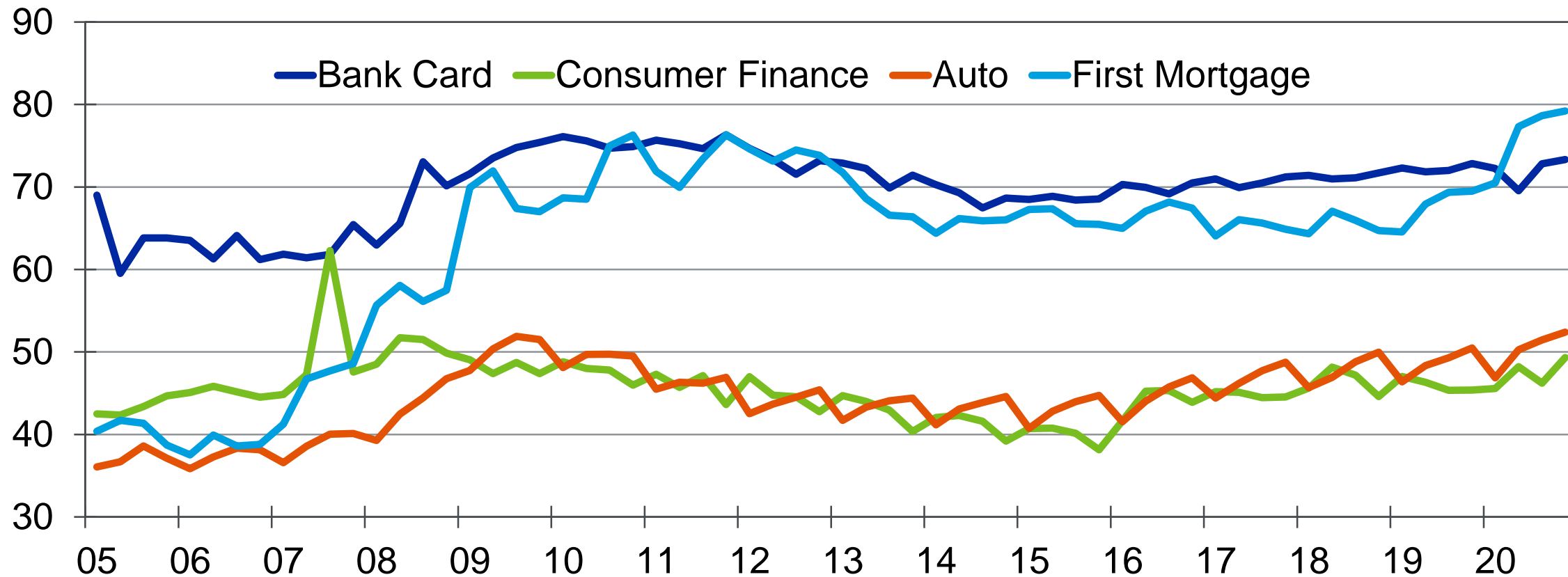
Net % tightening, October, Senior Loan Officer Survey



Sources: Federal Reserve, Moody's Analytics

... Modestly

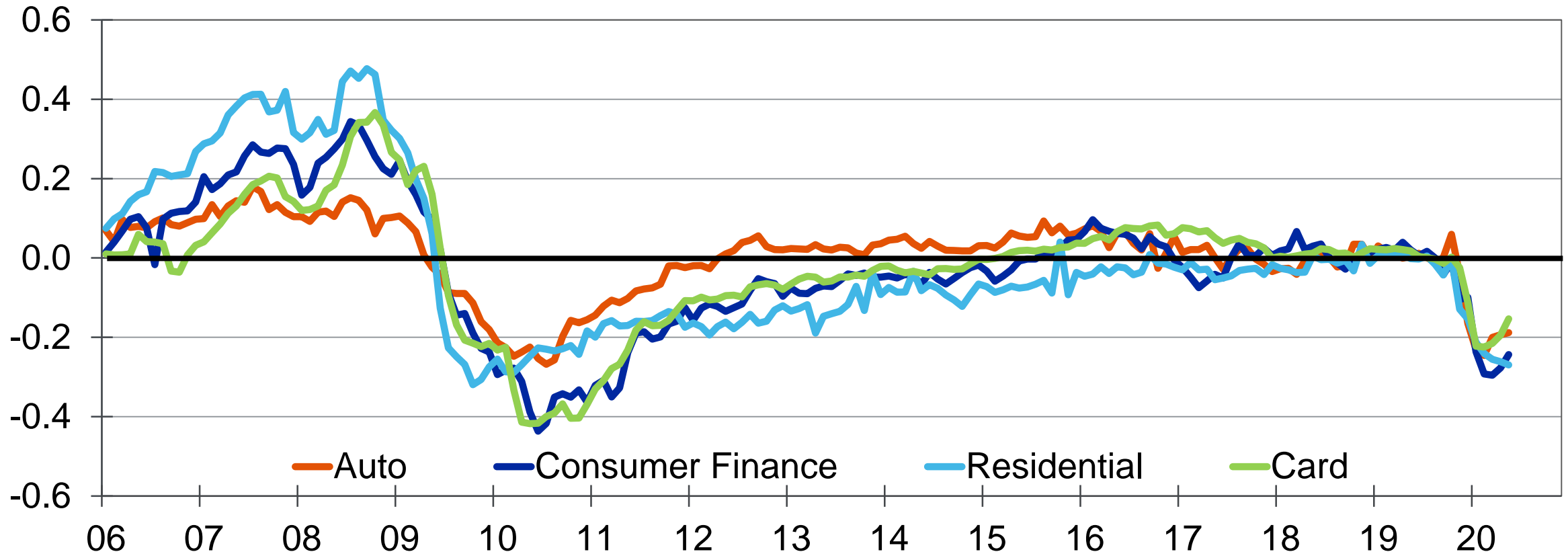
Origination share with credit score > 720, % of \$



Sources: CreditForecast.com, Moody's Analytics

Delinquency Rates Below Pre-Pandemic Level

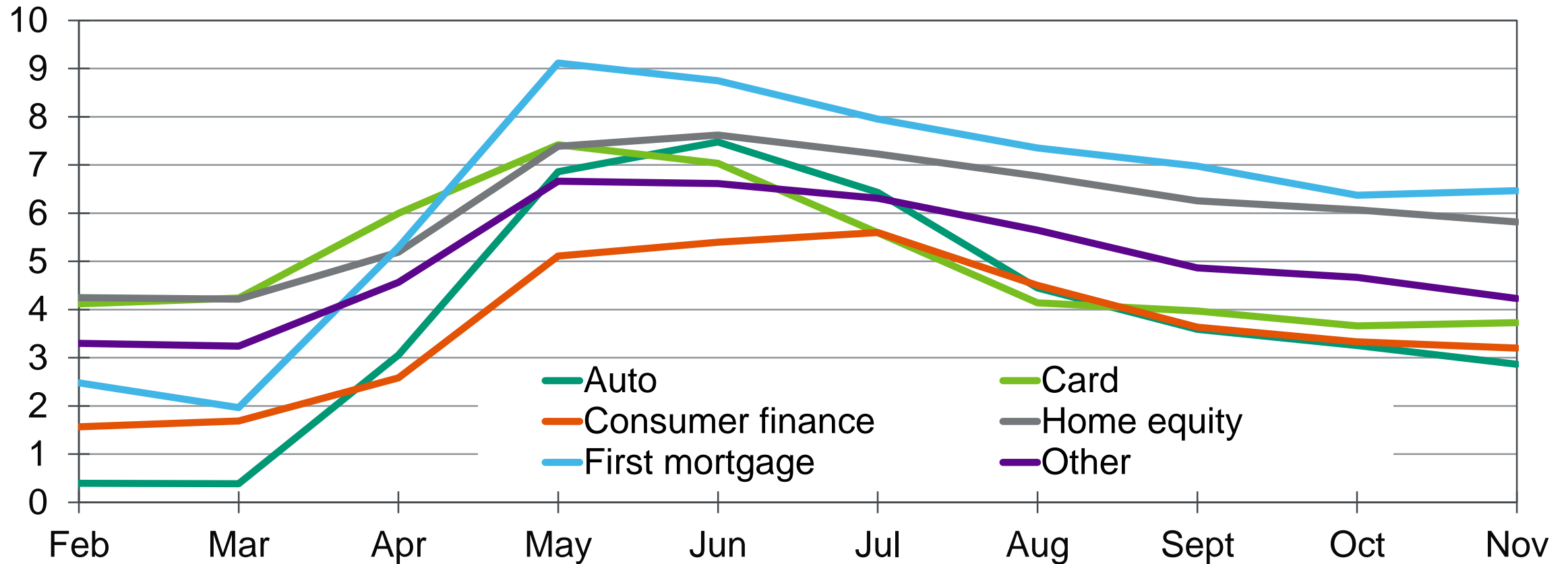
60 days delinquent, % of outstanding balance, YoY Diff



Sources: CreditForecast.com, Moody's Analytics

Secured Accommodations Remain Elevated

Possible accommodations, % of \$



Sources: Equifax, Moody's Analytics

Delinquency Expectations Reach New Low

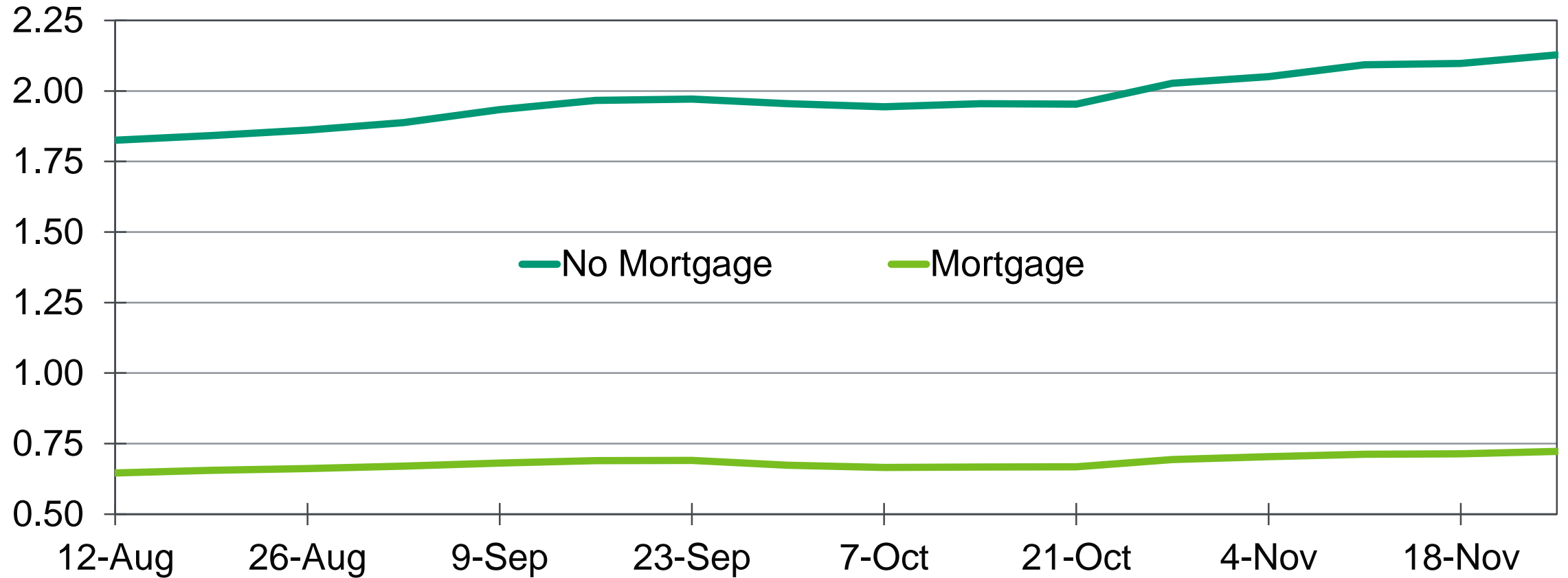
% expecting to miss debt payment in three months, (% , NSA)



Sources: Survey of Consumer Expectations (SCE), Moody's Analytics

Weekly Data Shows Flat Delinquencies for Home Owners

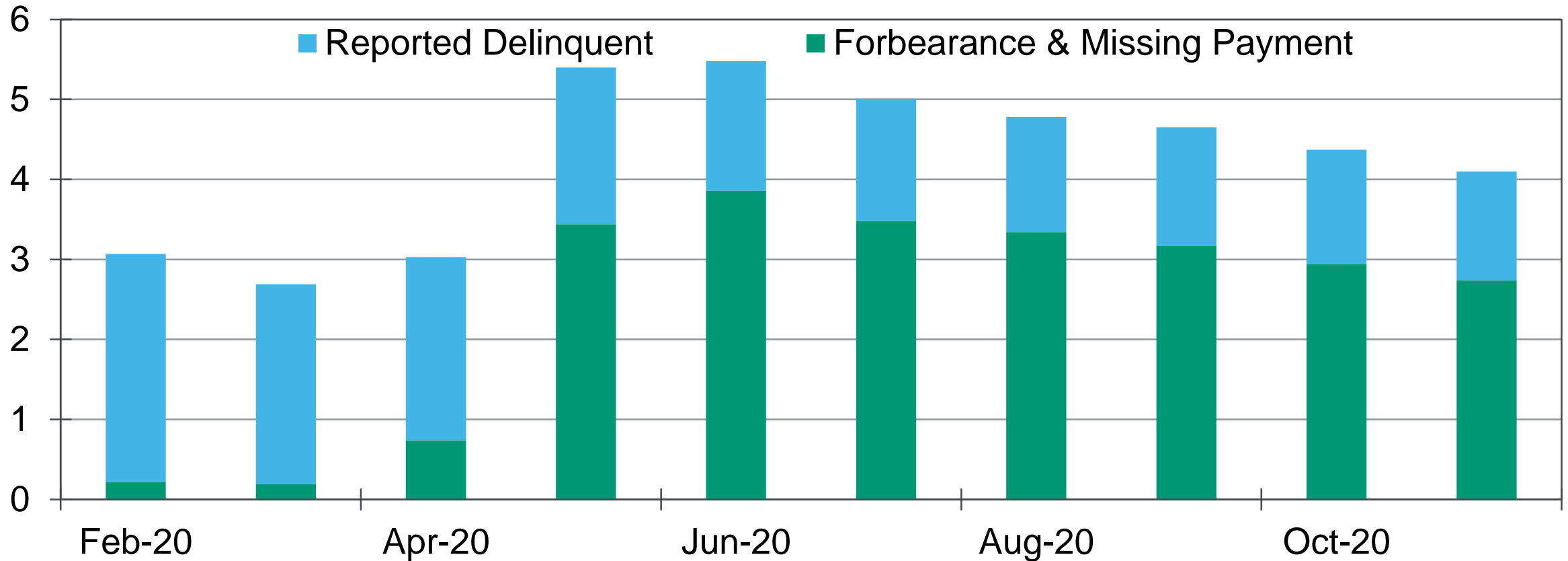
Auto, 30 days delinquent, % of \$



Sources: CreditForecast.com, Moody's Analytics

Homeowners Managing Payments

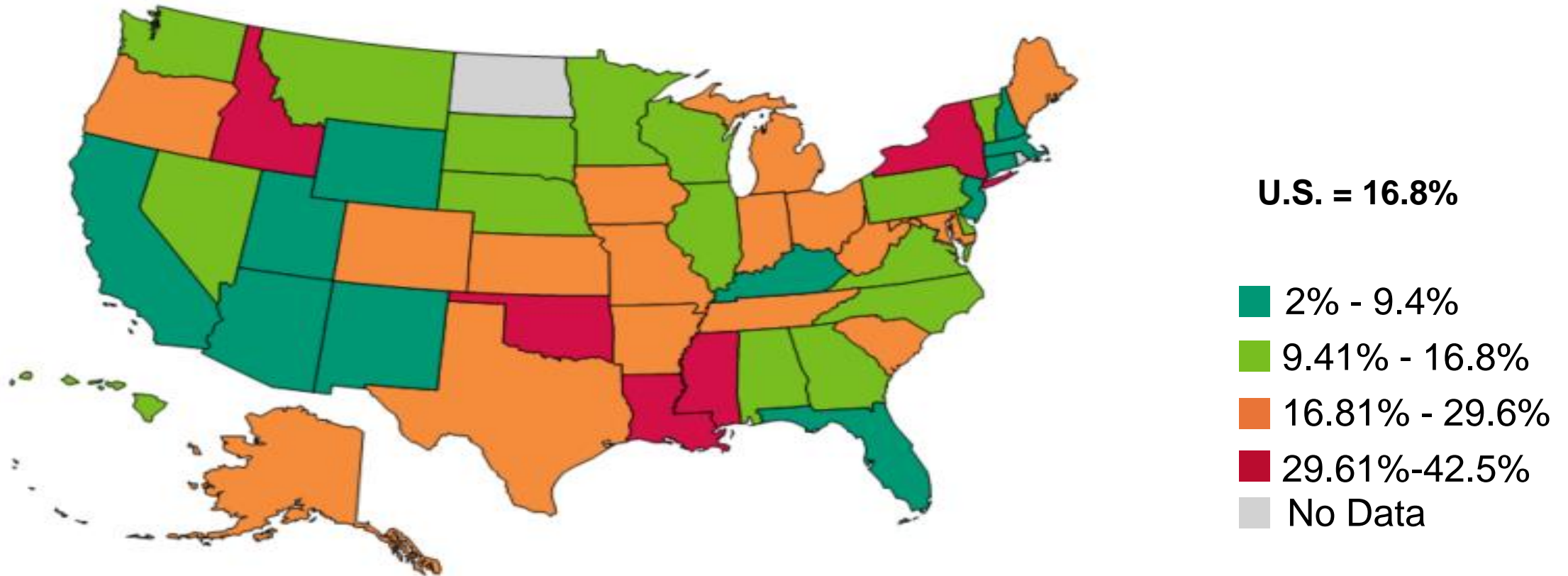
First mortgage accounts, % of unit



Sources: Equifax, Moody's Analytics

Eviction Risk Varies By Region

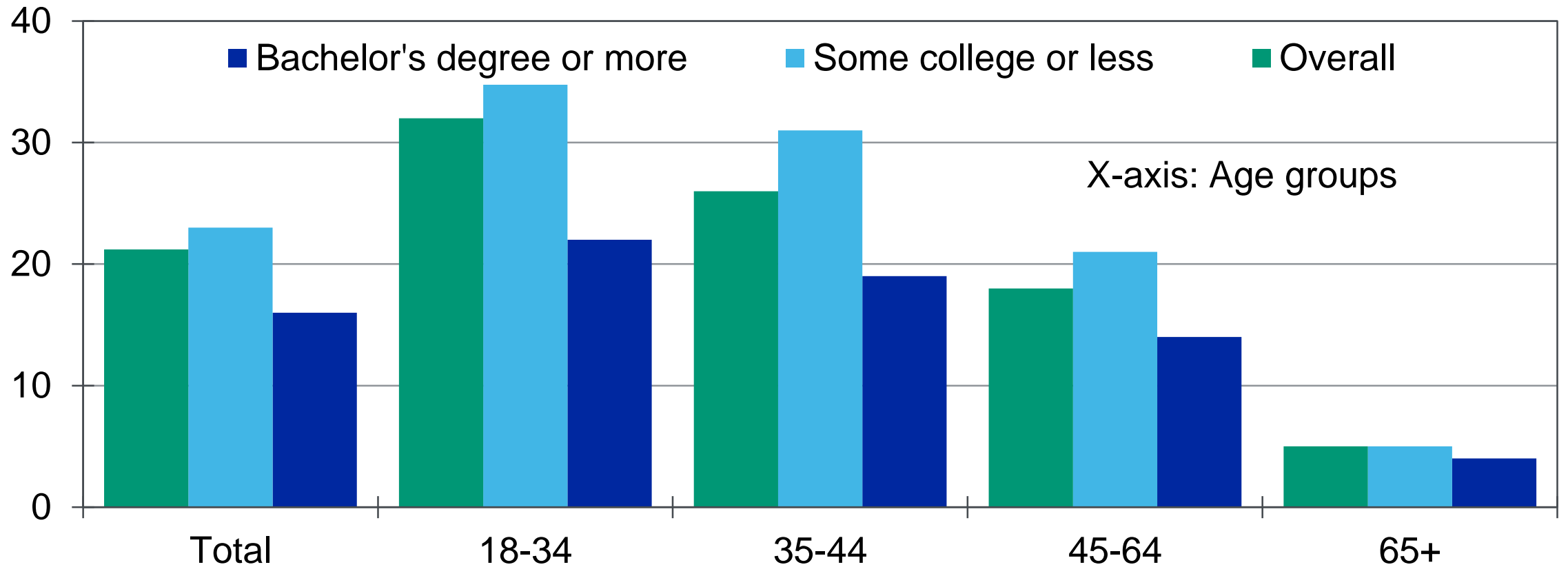
% renters expecting eviction in the next two months: Nov 2020



Sources: Census Bureau, Moody's Analytics

Uneven Job Loss & Financial Hit

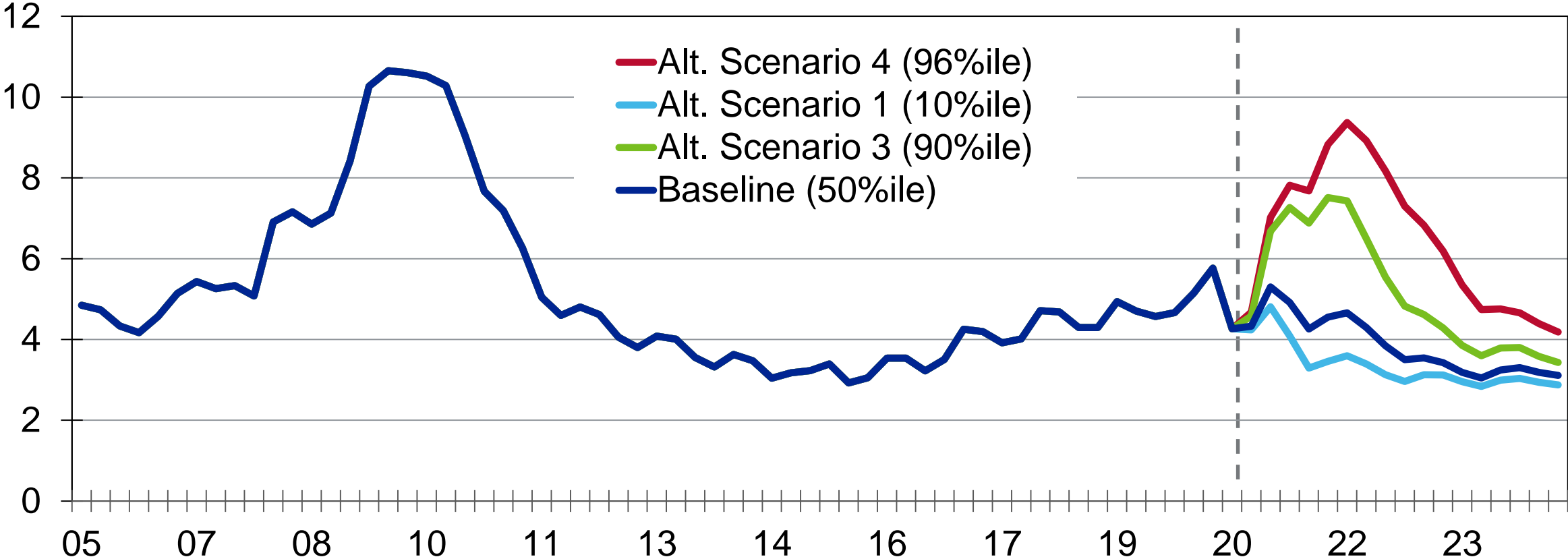
% not confident to make minimum mortgage/rent payment: Sept 2020



Sources: Morning Consult, Moody's Analytics

Forecast Uncertainty Remains

Bank card, default rate, % of \$, annualized, September scenarios



Sources: CreditForecast.com, Moody's Analytics



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