



Consumer Credit Conditions

June 2015



Prepared by the
Community Development Department
Federal Reserve Bank of Dallas

Consumer Credit Conditions, June 2015

The Consumer Credit Conditions update for the Eleventh Federal Reserve District presents maps and charts showing consumer loan balances and delinquencies by county, state, loan type and risk score. The data are drawn from the Federal Reserve Bank of New York Consumer Credit Panel/Equifax. While the Eleventh District includes Texas, northern Louisiana and southern New Mexico, portions of the update present data for all of Louisiana and New Mexico.

Overview

Aggregate consumer debt in the Eleventh District climbed 5.7 percent, or \$42.5 billion, in the year ended June 2015. While the expansion was less robust than during the prior year, it nonetheless exceeded the national rate of 1.8 percent.

The number of consumers with a credit report in the district rose 2.9 percent from a year ago. Auto loans rose 12.5 percent, and retail loans increased 9.8 percent. Student loans grew more slowly (5.4 percent versus 12.8 percent a year ago) and bankcard debt rose more quickly (6.7 percent versus 1.8 percent). Mortgage debt didn't increase as rapidly as in the prior year but was up 3.9 percent, a rate that exceeded the nation's 0.4 percent. Home equity installment loans declined 1 percent regionally, while home equity lines of credit rose 2.9 percent.

Texas consumer debt performance, because of its relative regional size, dominates district results. Northern Louisiana and southern New Mexico diverged from the overall district trends. Both areas experienced smaller increases than Texas in consumer loans, auto loans, bankcard balances, consumer finance loans, first mortgages and retail loans. In southern New Mexico, home equity installment loans decreased 7.4 percent, a larger decline than in the rest of the district. Home equity lines of credit also went down, by 3.4 percent, while rising slightly elsewhere in the district.

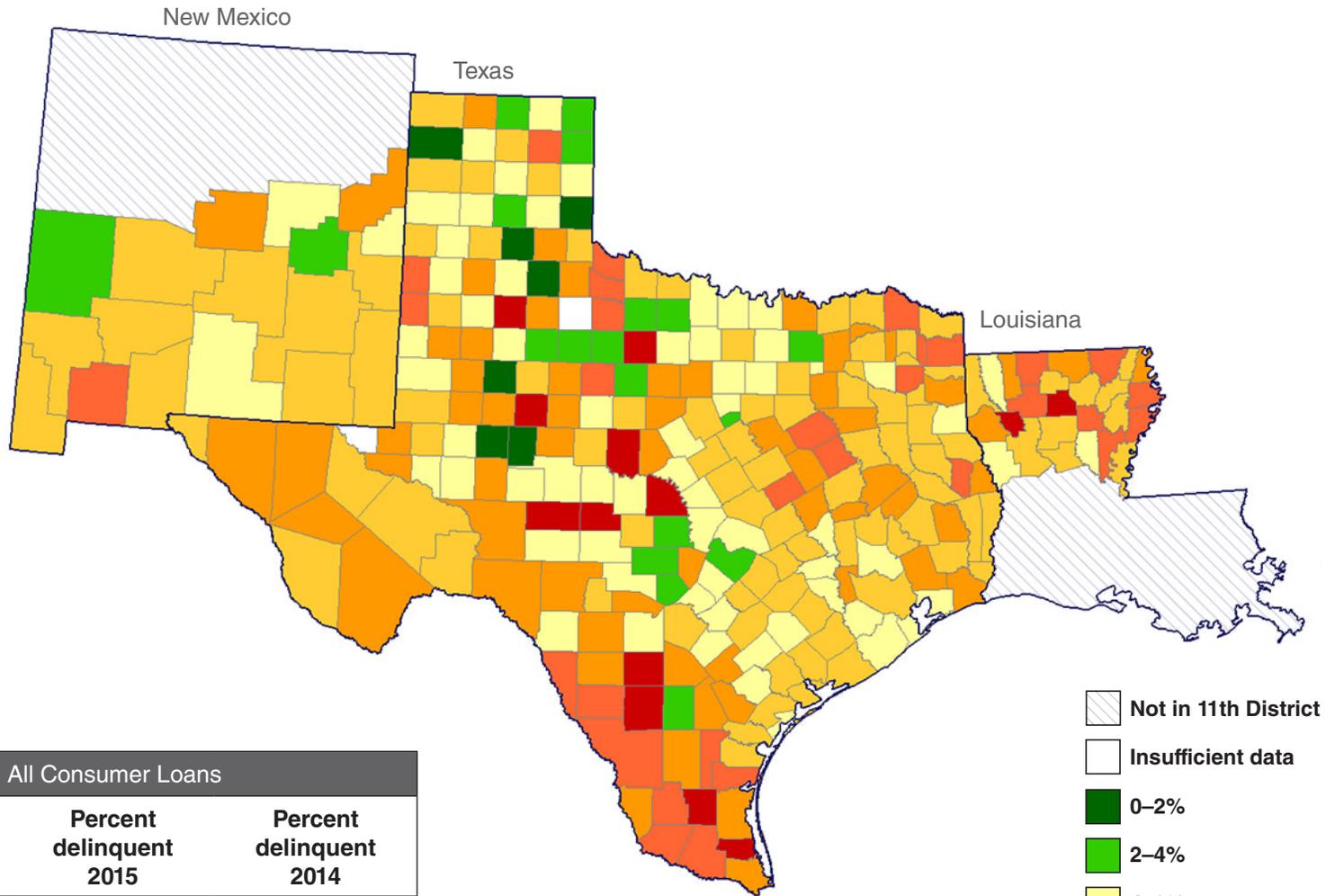
Mortgage debt as a share of total debt declined, to 58.8 percent in June 2015 from 59.8 percent in June 2014, for the average district consumer with a credit report. The auto loan share of debt rose to 15.7 percent from 14.8 percent, and the student loan share remained at about 11 percent.

Overall consumer loan performance in the district improved slightly from the prior year. Mortgage delinquencies dropped, to 3.6 percent in June 2015 from 4.2 percent in June 2014. Serious delinquencies also went down, to 1.5 percent from 1.9 percent. Accompanying an expansion of auto loans, auto loan delinquencies rose slightly at 0.2 percentage points to 7.1 percent, and serious delinquencies dipped 0.3 percentage points to 3.9 percent.

Bankcard delinquencies and serious delinquencies increased by 0.8 and 0.7 percentage points, respectively. Student loan delinquencies remained at 13.7 percent in the district, but serious delinquencies rose slightly from the year before, to 13.3 percent from 13 percent. Southern New Mexico and northern Louisiana student loan delinquency rates exceeded those of Texas.

The district serious delinquency rate was little changed from June 2014 at 4.2 percent; the national rate stood at 4 percent. Rates of serious delinquency in the district were higher for auto loans, 3.9 versus 3.4 percent nationally; for student loans, 13.4 versus 11.4 percent; for bankcard debt, 9.1 versus 8.5 percent; and for retail loans, 8.4 versus 7.9 percent. The rates were lower for first mortgages, 1.5 percent versus 2.5 percent nationally, and for home equity lines of credit, 2.8 percent versus 3.1 percent.

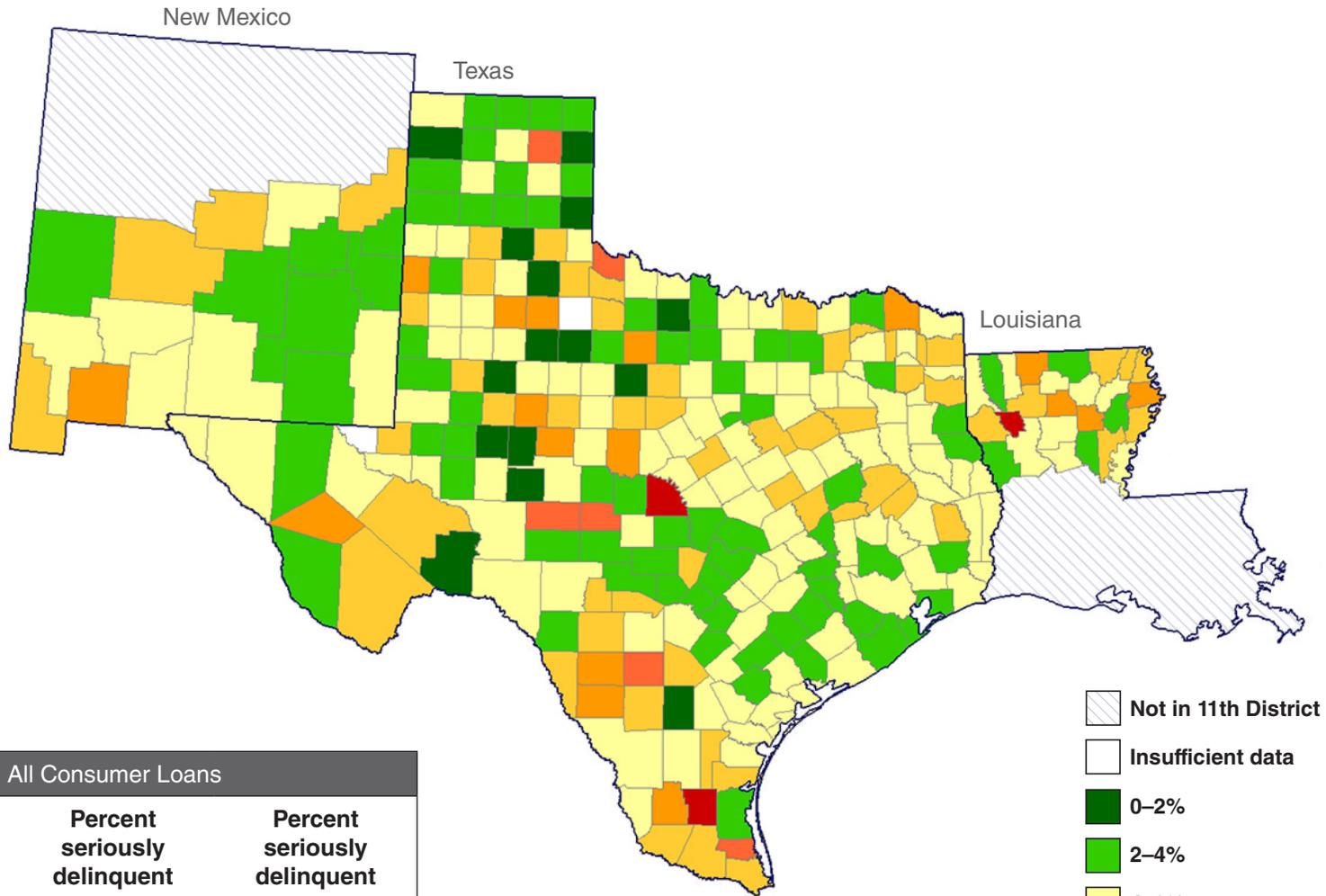
Delinquent All Consumer Loans in the Eleventh Federal Reserve District, June 2015



All Consumer Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	7.45	6.97
New Mexico	6.85	7.02
Texas	5.97	6.28
11th District	6.03	6.32
U.S.	5.58	6.23

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

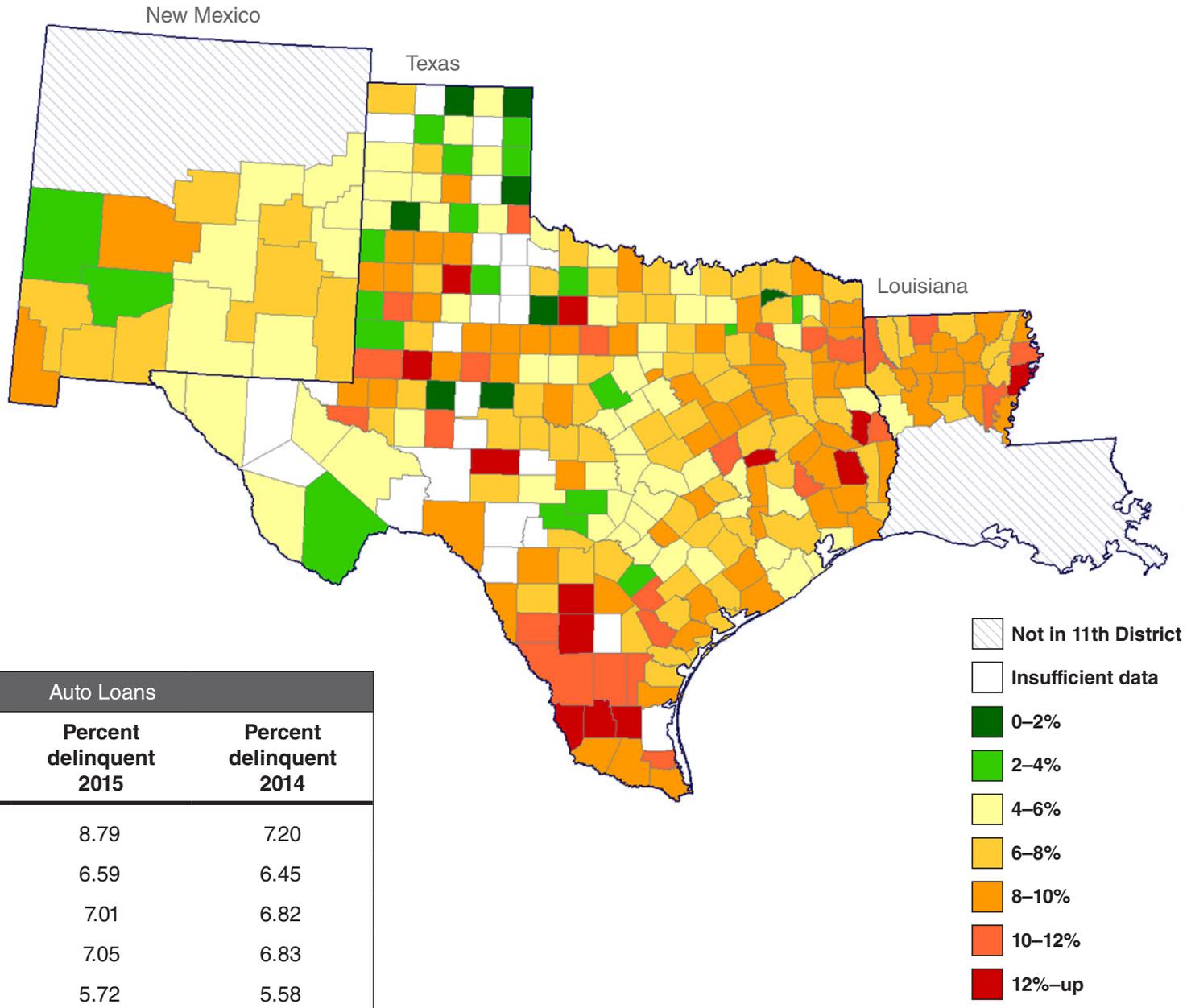
Seriously Delinquent All Consumer Loans in the Eleventh Federal Reserve District, June 2015



All Consumer Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	4.70	4.70
New Mexico	5.05	5.05
Texas	4.22	4.22
11th District	4.24	4.24
U.S.	3.98	4.49

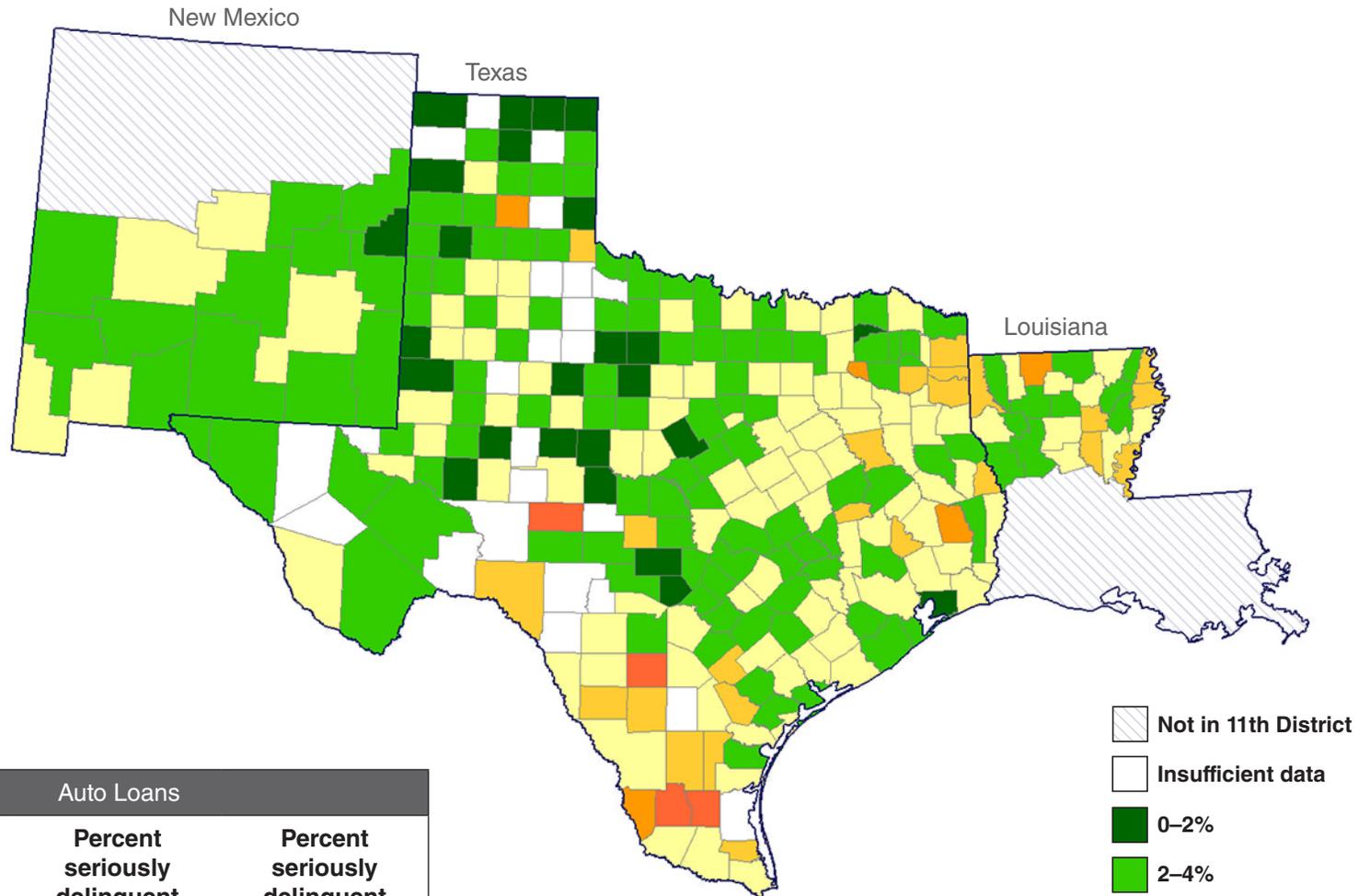
SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Delinquent Auto Loans in the Eleventh Federal Reserve District, June 2015



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

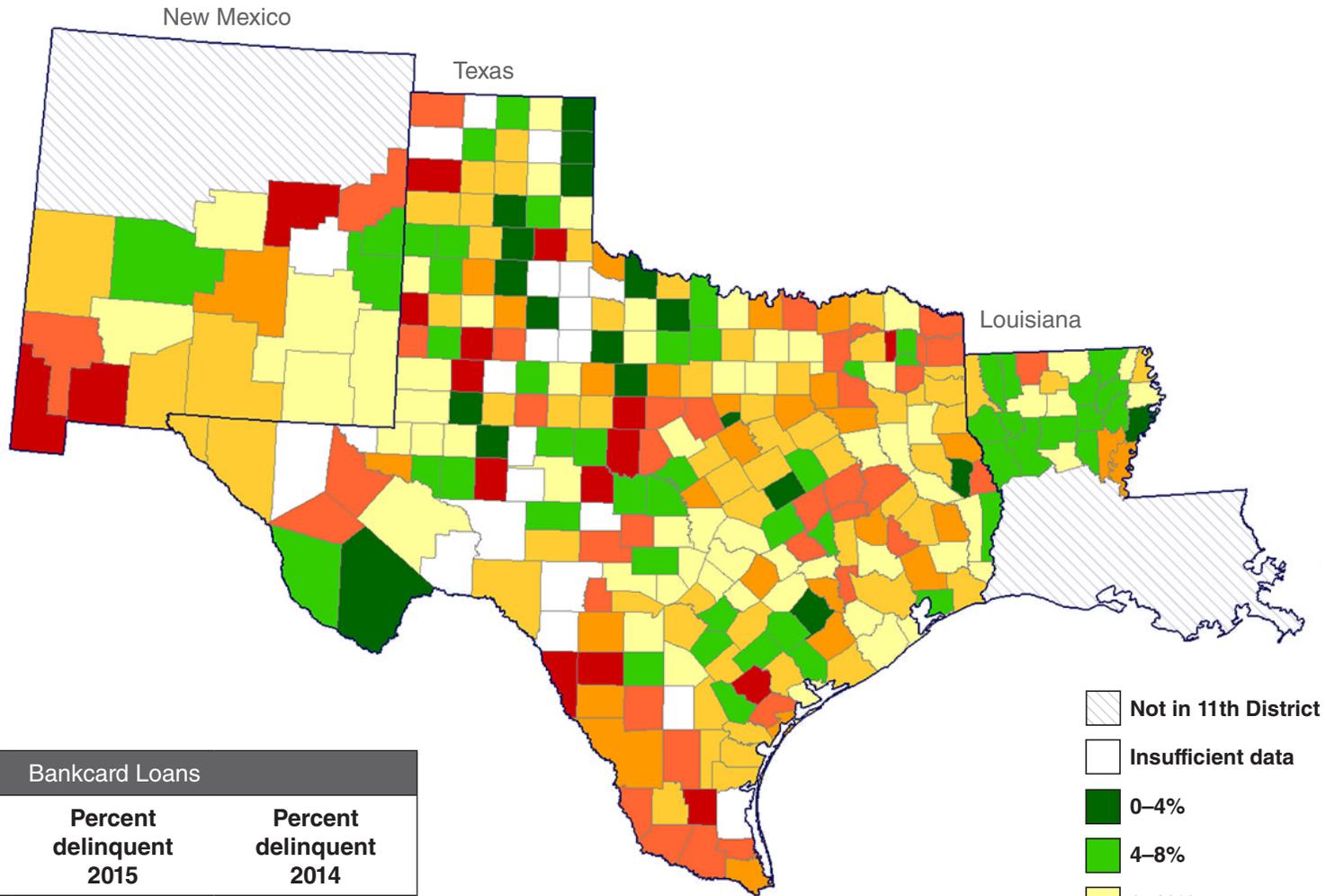
Seriously Delinquent Auto Loans in the Eleventh Federal Reserve District, June 2015



Auto Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	4.85	3.76
New Mexico	3.50	3.57
Texas	3.89	4.12
11th District	3.89	4.24
U.S.	3.38	3.29

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

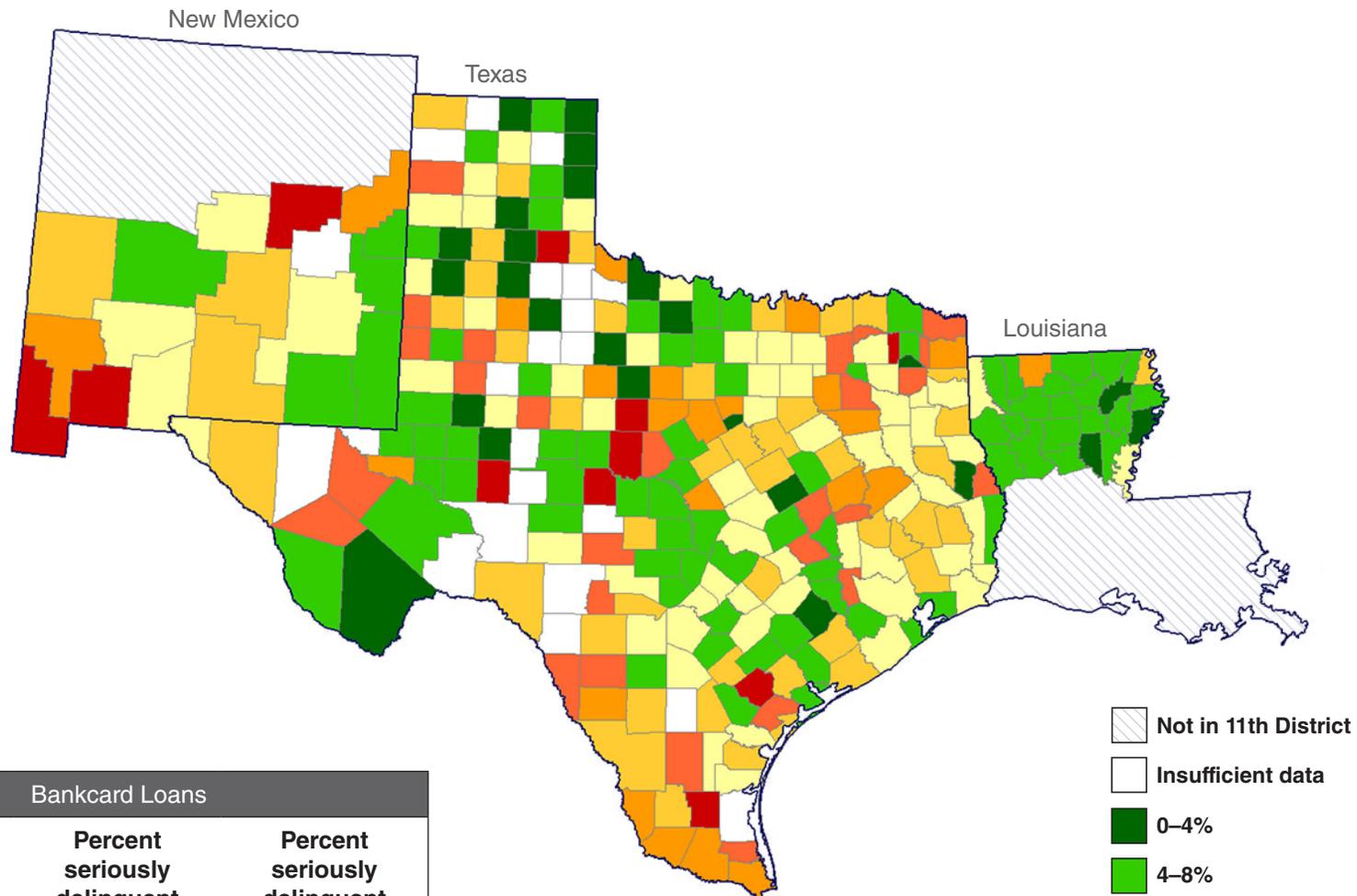
Delinquent Bankcard Loans in the Eleventh Federal Reserve District, June 2015



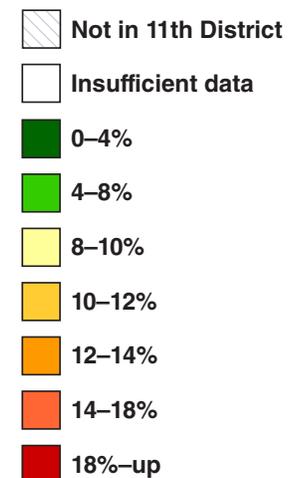
Bankcard Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	8.50	8.29
New Mexico	10.84	9.46
Texas	10.22	9.45
11th District	10.19	9.42
U.S.	9.51	9.00

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Seriously Delinquent Bankcard Loans in the Eleventh Federal Reserve District, June 2015

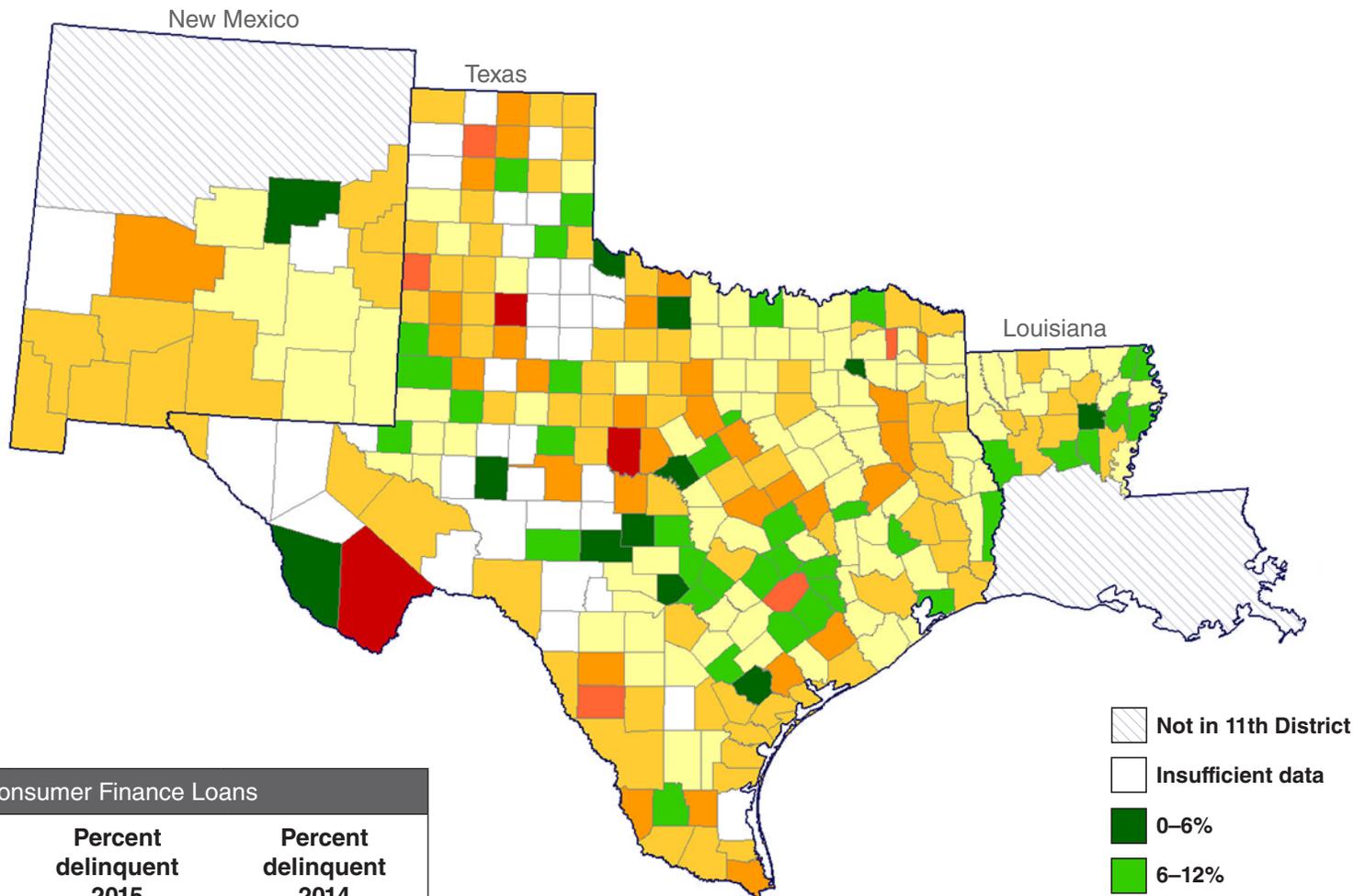


Bankcard Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	7.29	6.89
New Mexico	9.75	7.95
Texas	9.12	8.42
11th District	9.08	8.37
U.S.	8.47	7.91

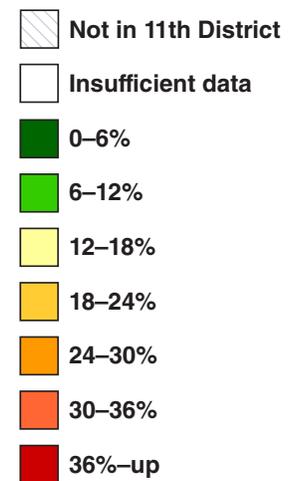


SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Delinquent Consumer Finance Loans in the Eleventh Federal Reserve District, June 2015

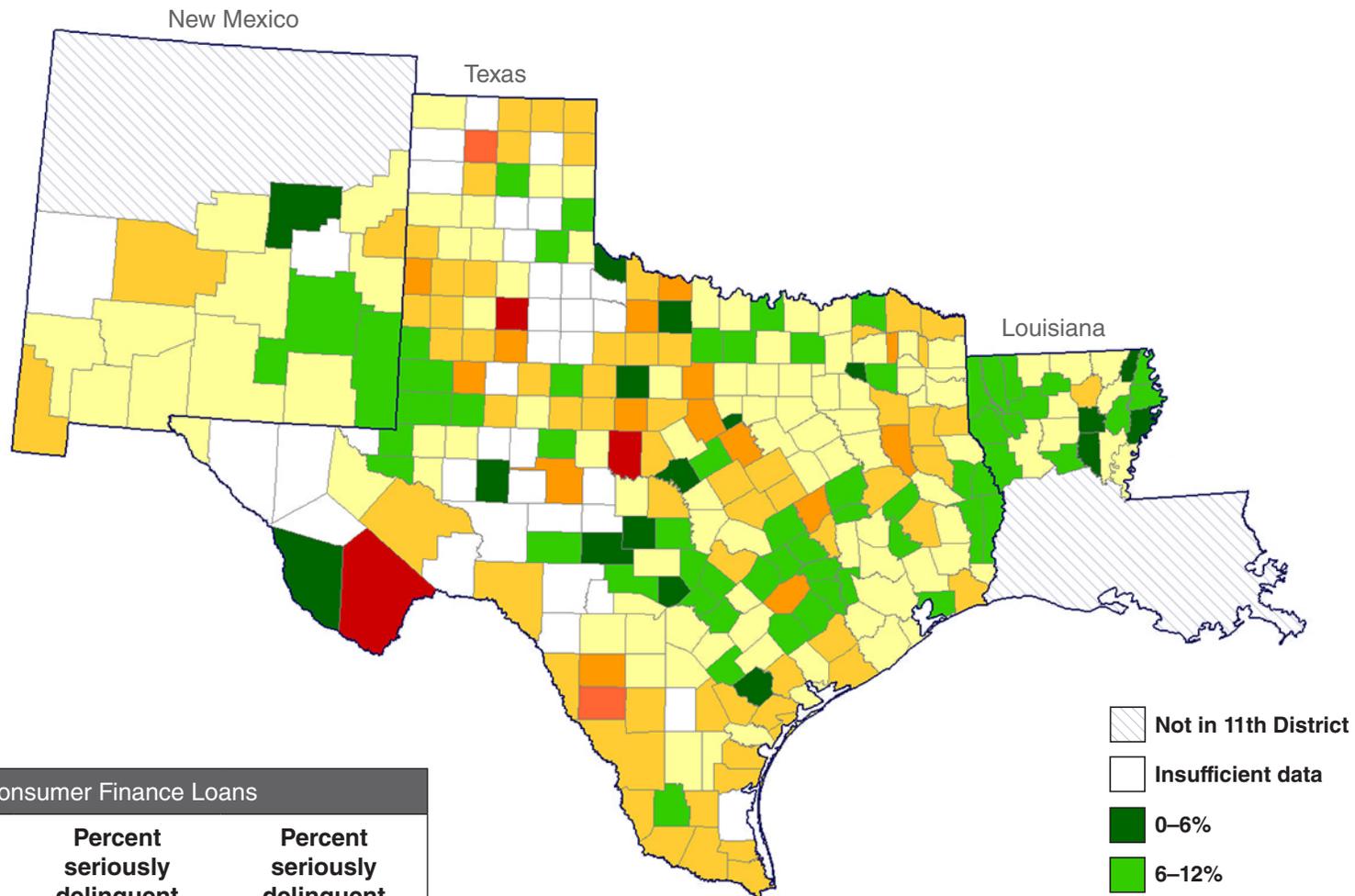


Consumer Finance Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	17.79	15.56
New Mexico	18.04	20.97
Texas	18.96	21.49
11th District	18.75	21.21
U.S.	14.55	18.28



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

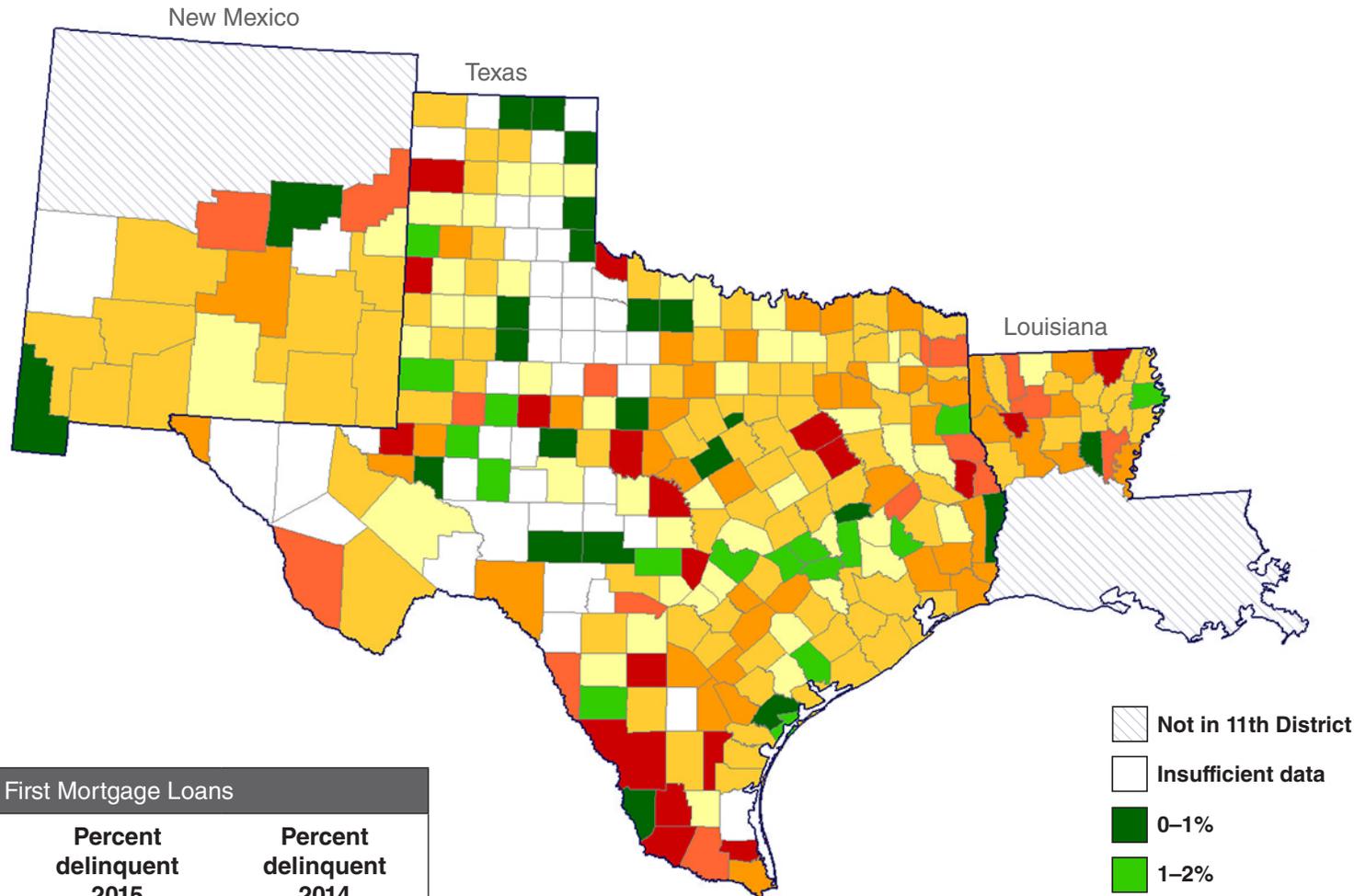
Seriously Delinquent Consumer Finance Loans in the Eleventh Federal Reserve District, June 2015



Consumer Finance Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	12.11	13.18
New Mexico	14.86	18.33
Texas	16.75	19.44
11th District	16.50	19.12
U.S.	12.68	16.46

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

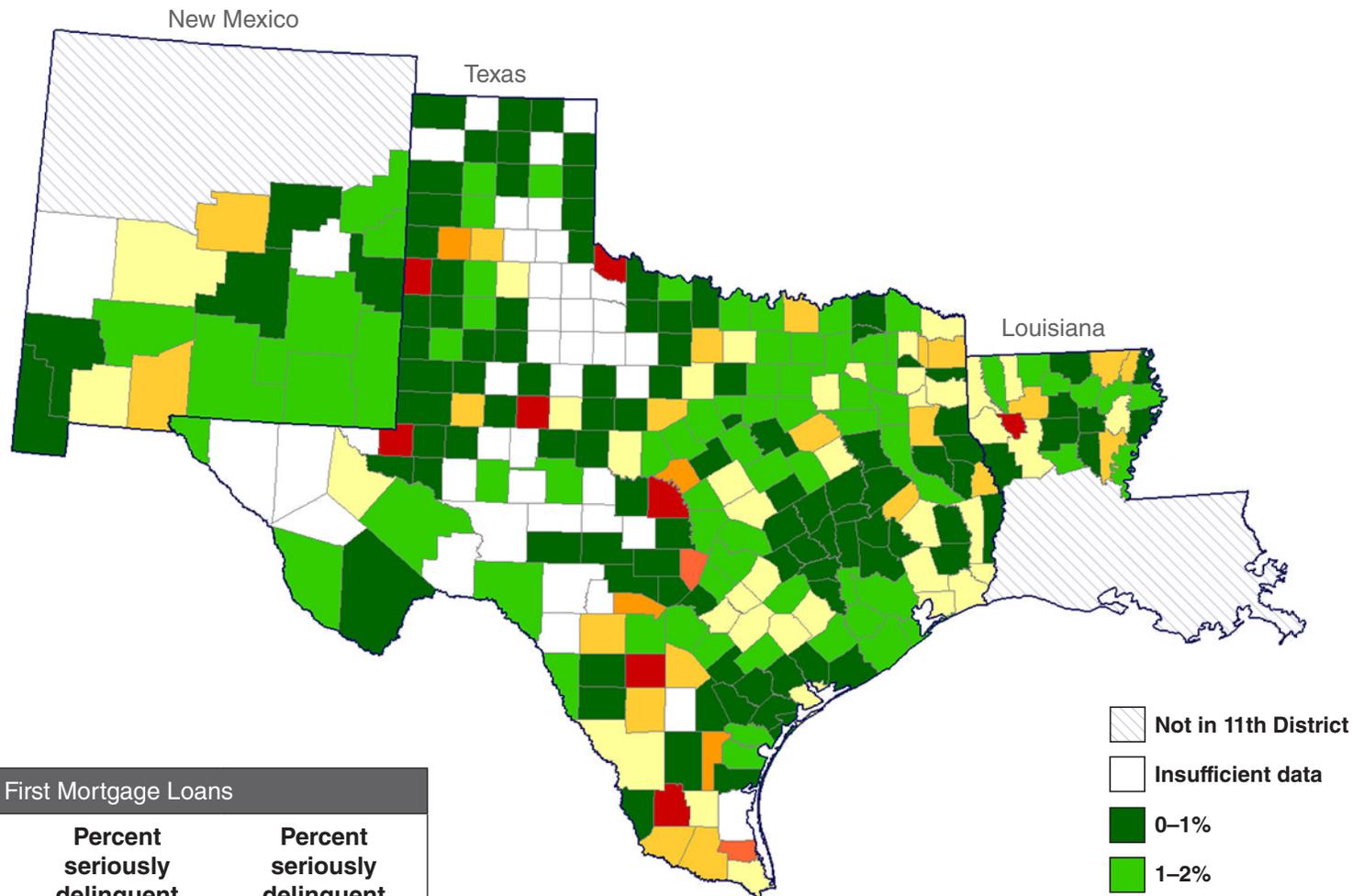
Delinquent First Mortgage Loans in the Eleventh Federal Reserve District, June 2015



First Mortgage Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	4.70	4.52
New Mexico	4.18	4.49
Texas	3.56	4.22
11th District	3.60	4.23
U.S.	4.32	5.31

- Not in 11th District
- Insufficient data
- 0-1%
- 1-2%
- 2-3%
- 3-5%
- 5-7%
- 7-9%
- 9%-up

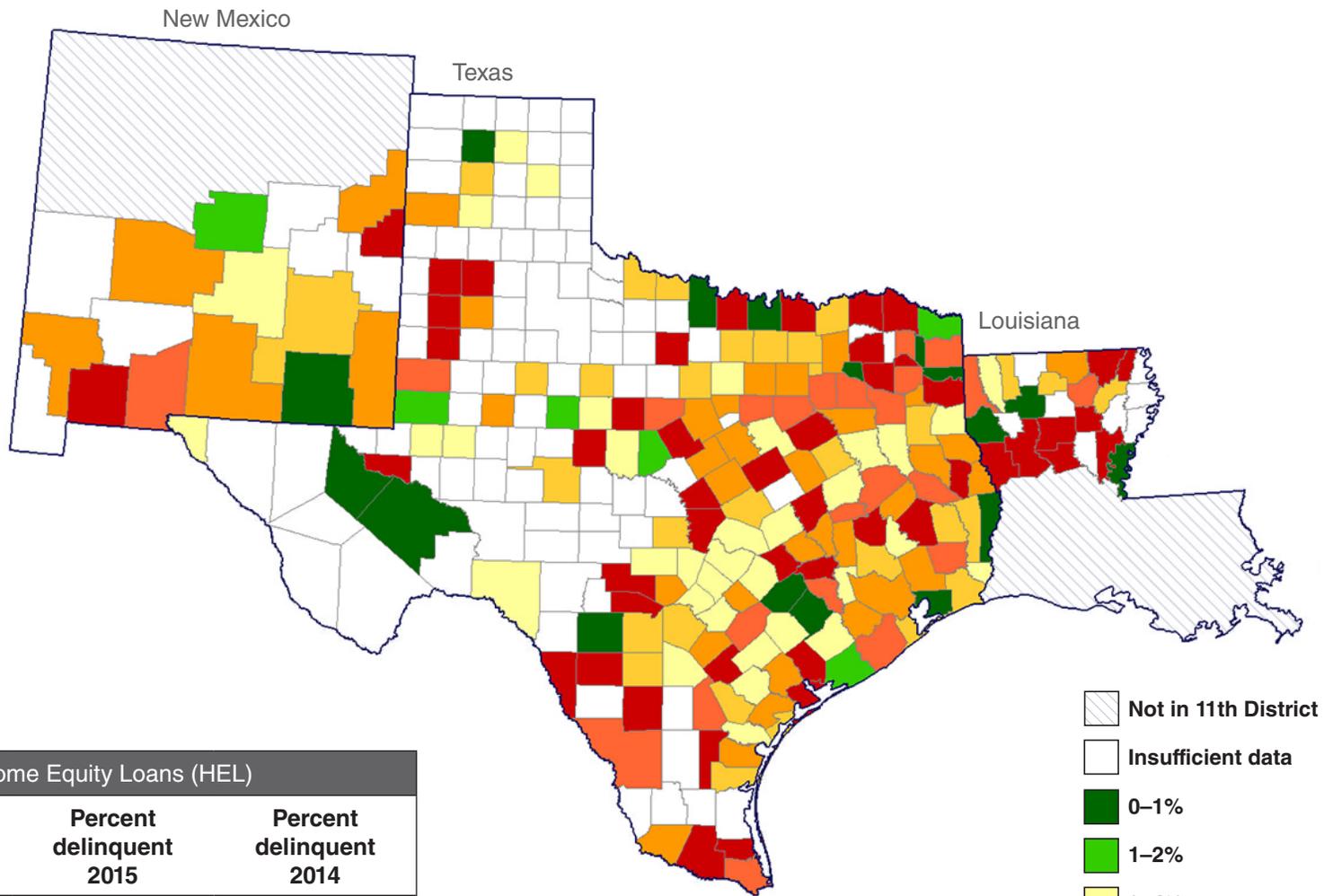
Seriously Delinquent First Mortgage Loans in the Eleventh Federal Reserve District, June 2015



First Mortgage Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	1.90	1.96
New Mexico	2.02	2.38
Texas	1.48	1.87
11th District	1.49	1.88
U.S.	2.51	3.34

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

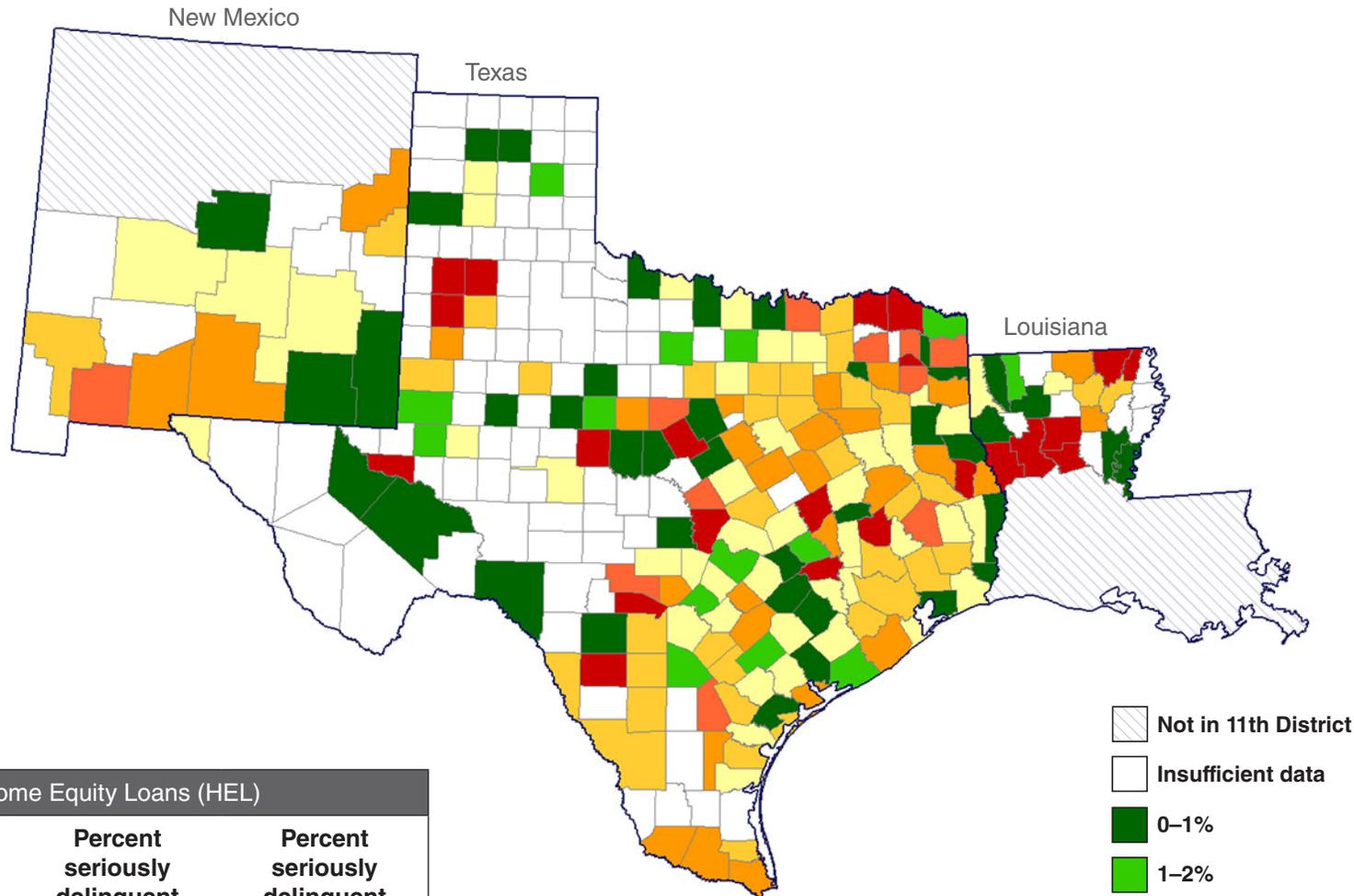
Delinquent Home Equity Loans in the Eleventh Federal Reserve District, June 2015



Home Equity Loans (HEL)		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	7.84	9.59
New Mexico	6.53	6.17
Texas	5.90	6.51
11th District	5.95	6.57
U.S.	5.89	7.99

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

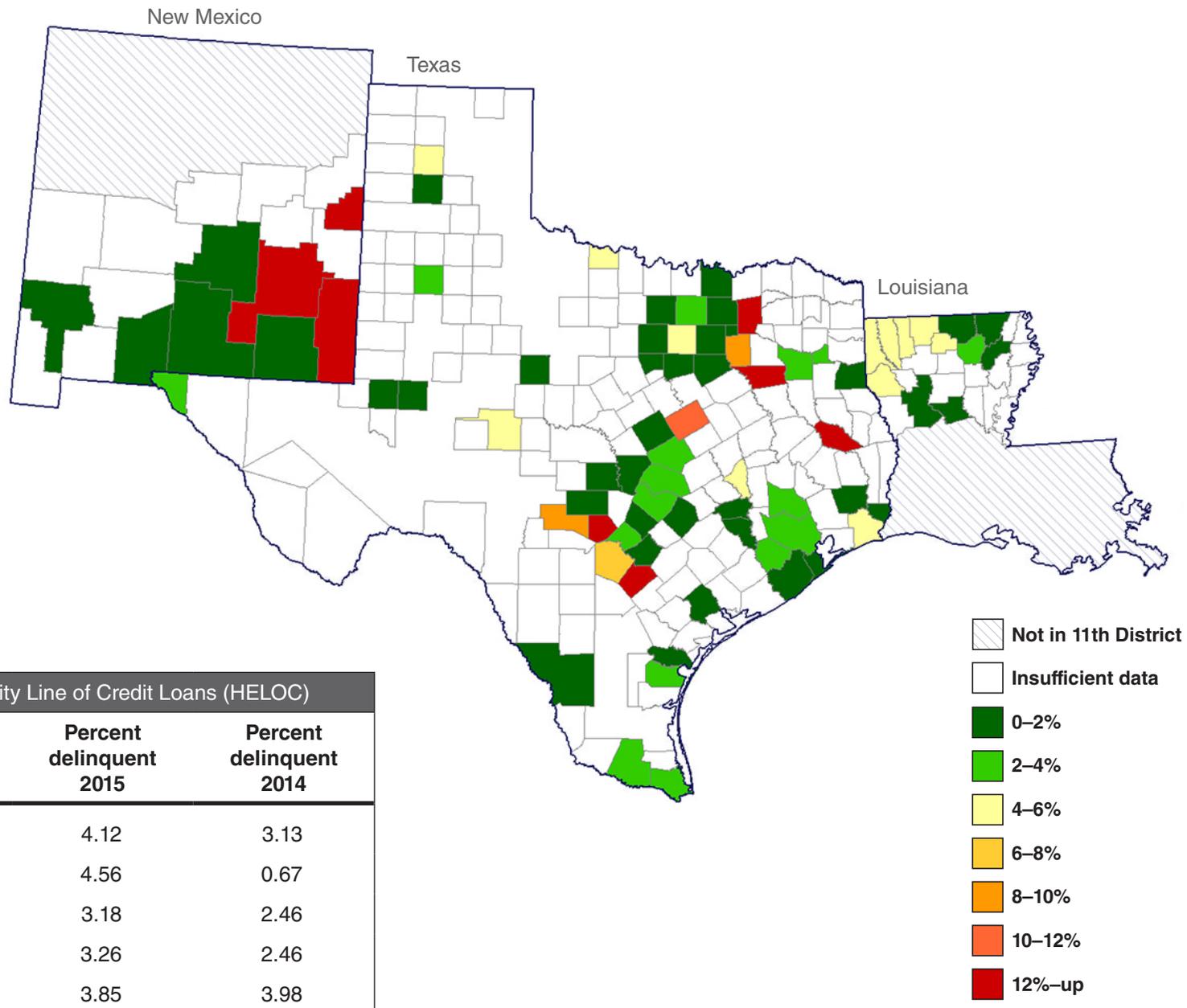
Seriously Delinquent Home Equity Loans in the Eleventh Federal Reserve District, June 2015



Home Equity Loans (HEL)		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	4.26	5.86
New Mexico	4.01	3.84
Texas	3.93	4.17
11th District	3.95	4.19
U.S.	4.17	6.01

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

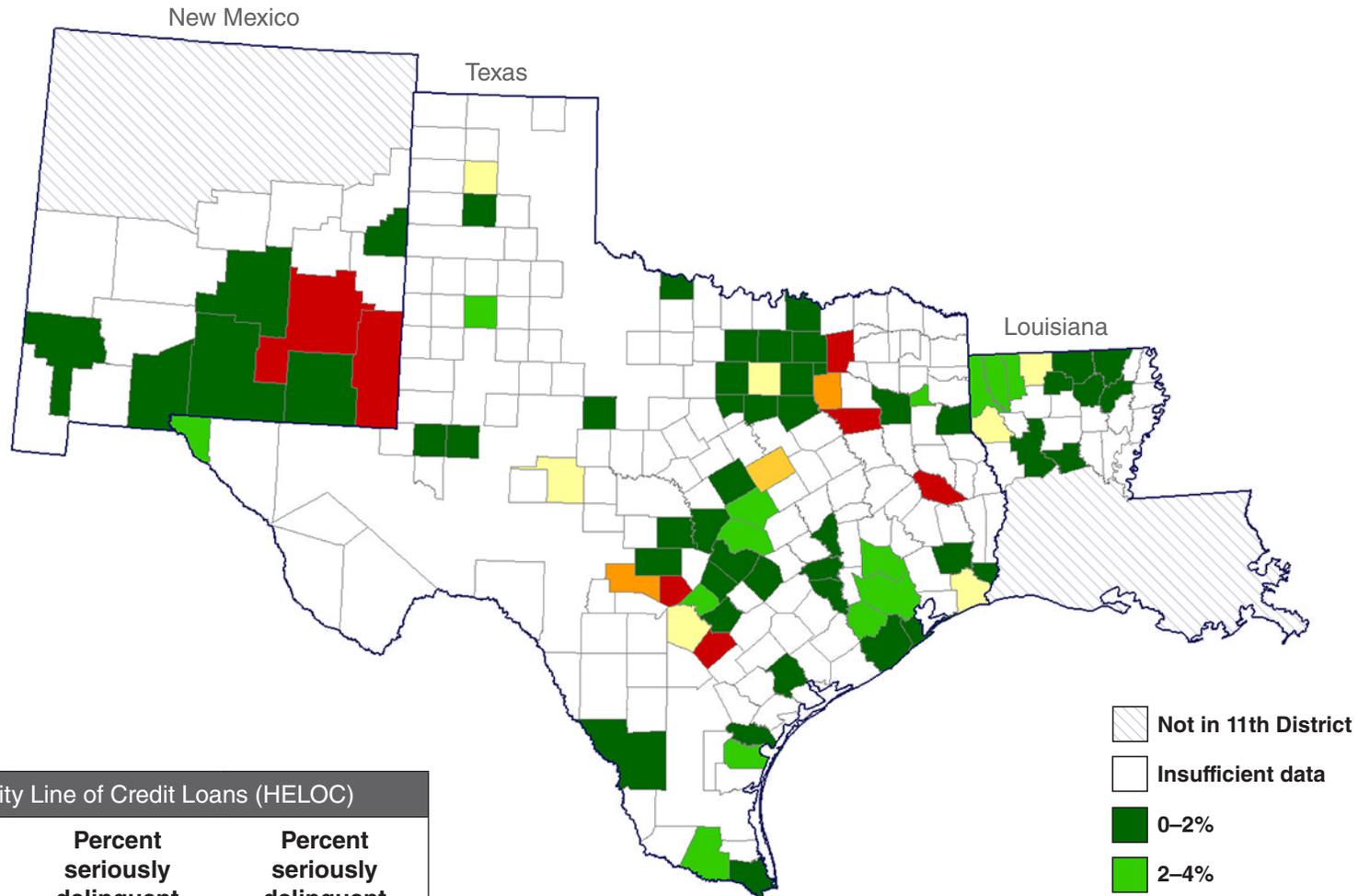
Delinquent Home Equity Line of Credit Loans in the Eleventh Federal Reserve District, June 2015



Home Equity Line of Credit Loans (HELOC)		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	4.12	3.13
New Mexico	4.56	0.67
Texas	3.18	2.46
11th District	3.26	2.46
U.S.	3.85	3.98

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

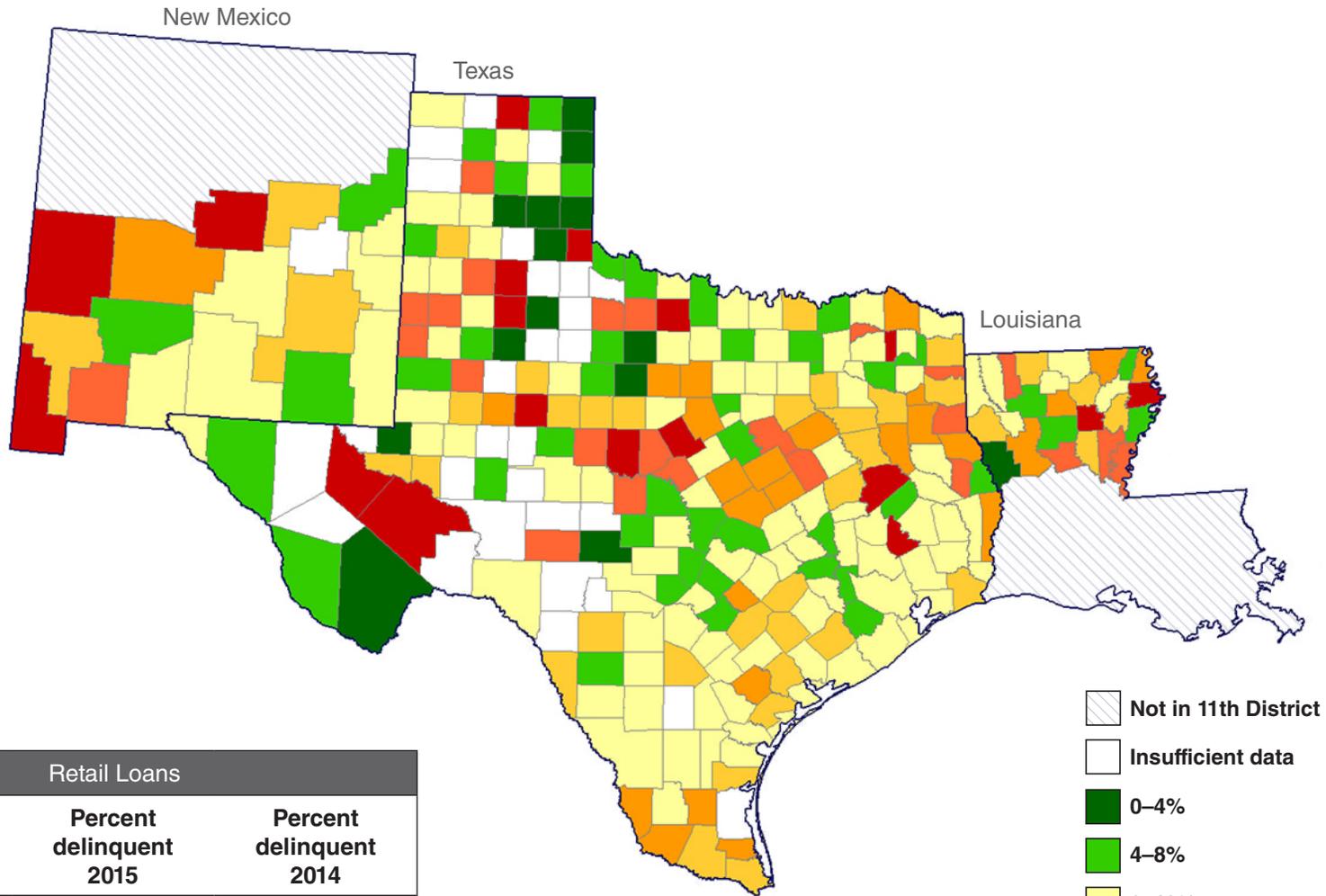
Seriously Delinquent Home Equity Line of Credit Loans in the Eleventh Federal Reserve District, June 2015



Home Equity Line of Credit Loans (HELOC)		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	2.31	2.30
New Mexico	3.21	0.38
Texas	2.79	2.01
11th District	2.77	2.00
U.S.	3.13	3.13

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

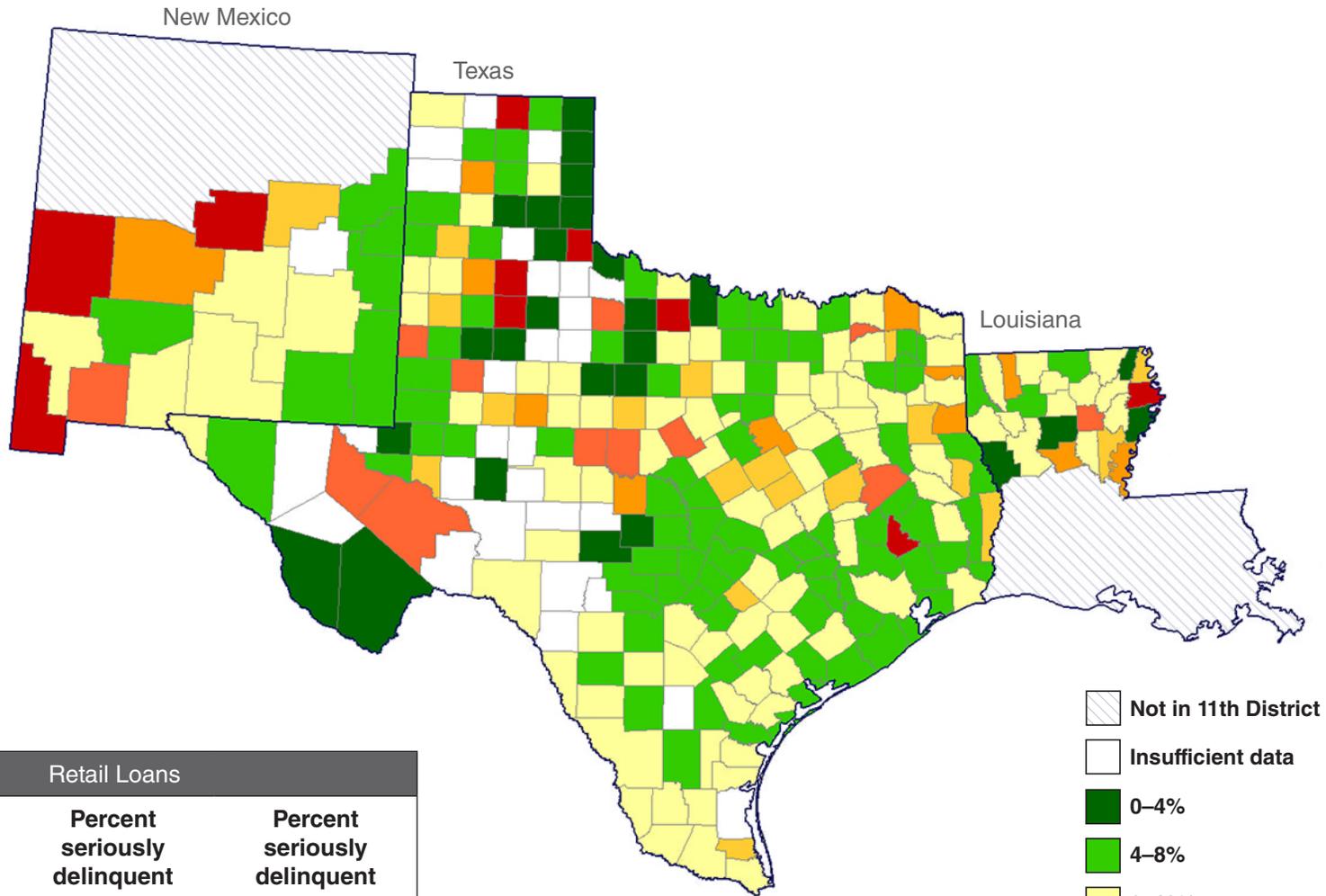
Delinquent Retail Loans in the Eleventh Federal Reserve District, June 2015



Retail Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	12.05	11.93
New Mexico	11.20	12.51
Texas	10.67	10.67
11th District	10.72	10.74
U.S.	10.32	10.40

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

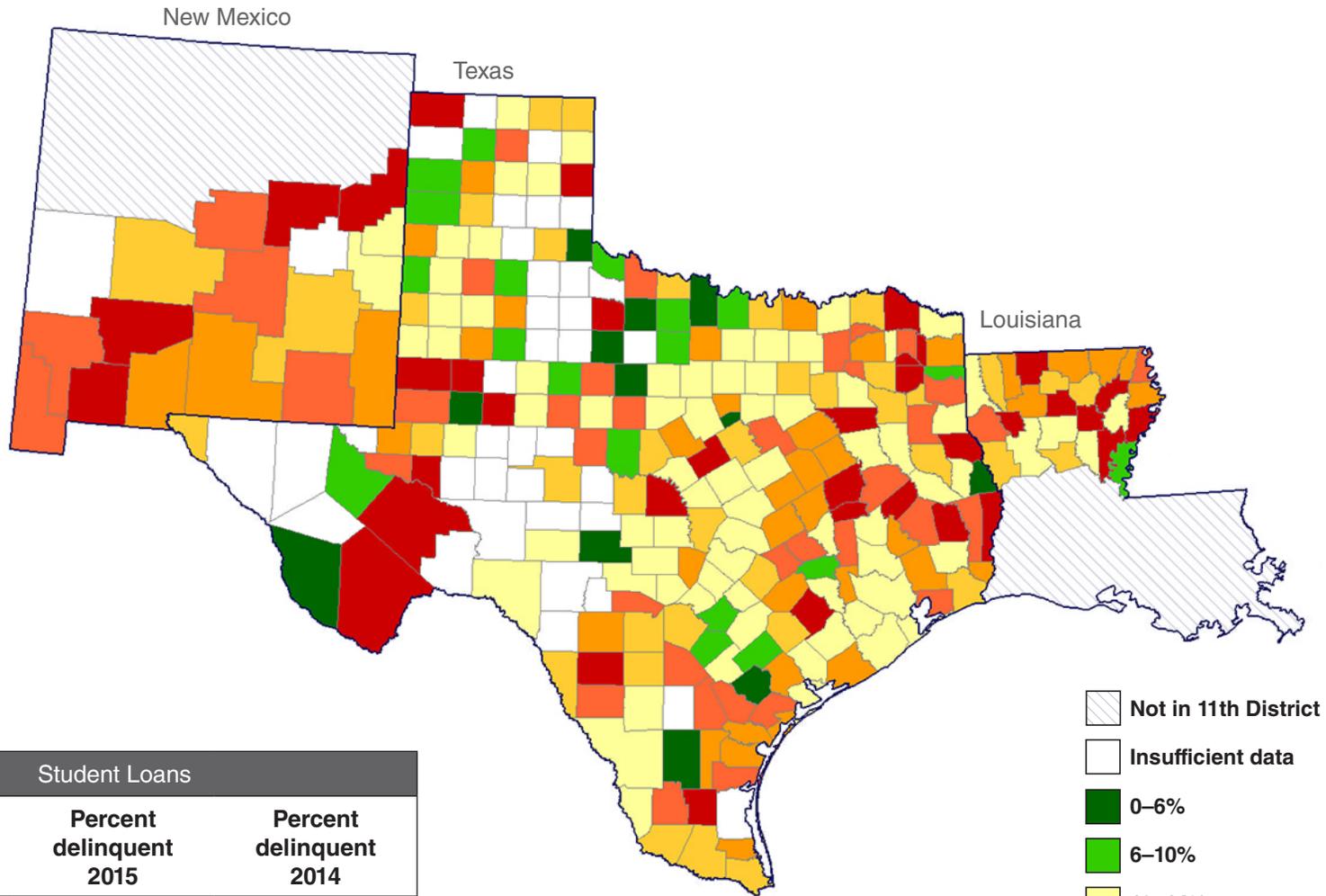
Seriously Delinquent Retail Loans in the Eleventh Federal Reserve District, June 2015



Retail Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	8.96	8.90
New Mexico	8.70	10.16
Texas	8.38	8.47
11th District	8.41	8.52
U.S.	7.89	8.00

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

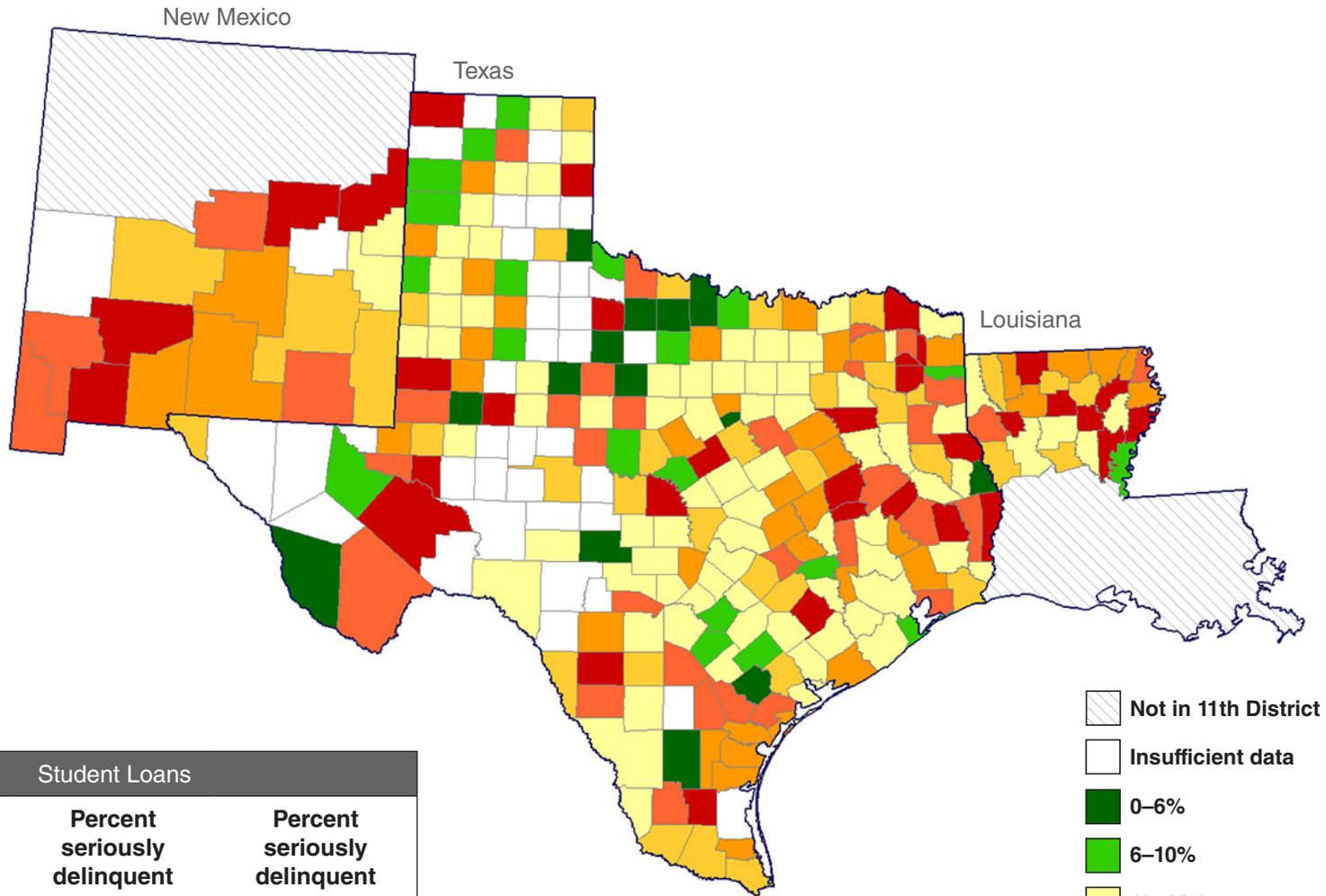
Delinquent Student Loans in the Eleventh Federal Reserve District, June 2015



Student Loans		
	Percent delinquent 2015	Percent delinquent 2014
Louisiana	15.41	15.01
New Mexico	18.05	18.36
Texas	13.49	13.49
11th District	13.65	13.65
U.S.	11.62	11.42

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Seriously Delinquent Student Loans in the Eleventh Federal Reserve District, June 2015



Student Loans		
	Percent seriously delinquent 2015	Percent seriously delinquent 2014
Louisiana	15.31	14.33
New Mexico	17.63	17.67
Texas	13.18	12.83
11th District	13.34	12.99
U.S.	11.38	10.88

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Consumer Loan Balances in Eleventh District and U.S., June 2015 and 2014

2015 All Consumer Loans	
	Total balance (millions of dollars)
Louisiana	22,758
New Mexico	14,935
Texas	751,208
11th District	788,900
U.S.	11,679,555

2014 All Consumer Loans	
	Total balance (millions of dollars)
Louisiana	21,881
New Mexico	14,489
Texas	710,008
11th District	746,378
U.S.	11,476,566

2015 Auto Loans	
	Total balance (millions of dollars)
Louisiana	3,845
New Mexico	2,585
Texas	117,645
11th District	124,074
U.S.	993,189

2014 Auto Loans	
	Total balance (millions of dollars)
Louisiana	3,535
New Mexico	2,372
Texas	104,345
11th District	110,252
U.S.	896,551

2015 Bankcard Loans	
	Total balance (millions of dollars)
Louisiana	1,418
New Mexico	1,061
Texas	53,403
11th District	55,882
U.S.	696,438

2014 Bankcard Loans	
	Total balance (millions of dollars)
Louisiana	1,365
New Mexico	1,018
Texas	49,973
11th District	52,355
U.S.	666,267

2015 Consumer Finance Loans	
	Total balance (millions of dollars)
Louisiana	417
New Mexico	226
Texas	8,853
11th District	9,496
U.S.	76,343

2014 Consumer Finance Loans	
	Total balance (millions of dollars)
Louisiana	403
New Mexico	219
Texas	8,084
11th District	8,707
U.S.	72,413

2015 First Mortgage Loans	
	Total balance (millions of dollars)
Louisiana	11,711
New Mexico	8,237
Texas	443,833
11th District	463,781
U.S.	7,873,484

2014 First Mortgage Loans	
	Total balance (millions of dollars)
Louisiana	11,433
New Mexico	8,079
Texas	426,810
11th District	446,321
U.S.	7,839,836

Consumer Loan Balances in Eleventh District and U.S., June 2015 and 2014

2015 Home Equity Loans	
	Total balance (millions of dollars)
Louisiana	281
New Mexico	214
Texas	12,513
11th District	13,008
U.S.	131,936

2014 Home Equity Loans	
	Total balance (millions of dollars)
Louisiana	281
New Mexico	231
Texas	12,632
11th District	13,145
U.S.	139,894

2015 Home Equity Line of Credit Loans	
	Total balance (millions of dollars)
Louisiana	504
New Mexico	168
Texas	7,380
11th District	8,052
U.S.	497,826

2014 Home Equity Line of Credit Loans	
	Total balance (millions of dollars)
Louisiana	486
New Mexico	174
Texas	7,116
11th District	7,827
U.S.	510,850

2015 Retail Loans	
	Total balance (millions of dollars)
Louisiana	221
New Mexico	144
Texas	7,146
11th District	7,511
U.S.	73,460

2014 Retail Loans	
	Total balance (millions of dollars)
Louisiana	212
New Mexico	137
Texas	6,489
11th District	6,839
U.S.	68,490

2015 Student Loans	
	Total balance (millions of dollars)
Louisiana	3,225
New Mexico	1,654
Texas	82,293
11th District	87,171
U.S.	1,160,382

2014 Student Loans	
	Total balance (millions of dollars)
Louisiana	3,094
New Mexico	1,691
Texas	77,914
11th District	82,699
U.S.	1,116,418

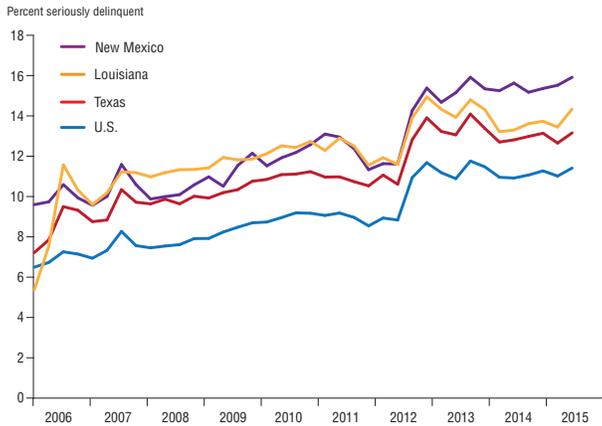
2015 Other Loans	
	Total balance (millions of dollars)
Louisiana	1,135
New Mexico	647
Texas	18,143
11th District	19,925
U.S.	176,498

2014 Other Loans	
	Total balance (millions of dollars)
Louisiana	1,071
New Mexico	569
Texas	16,594
11th District	18,234
U.S.	165,847

NOTE: Loan balances for Louisiana and New Mexico include only the portions of those states that fall within the Eleventh District of the Federal Reserve.
SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

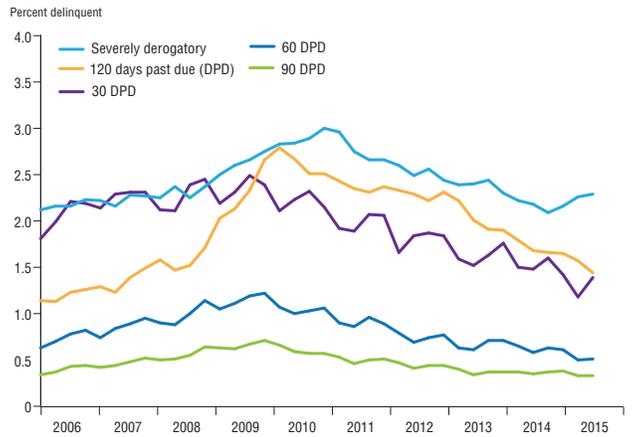
Charts of Consumer Credit Conditions

Seriously Delinquent Student Loans by State



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

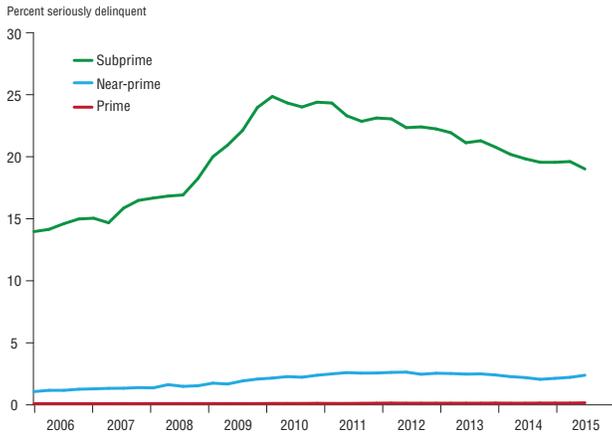
Texas Consumer Loan Delinquencies by Delinquency Status



NOTE: Severely derogatory includes those loans with reports of a repossession, charge off to bad debt or foreclosure, at any number of days past due.

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

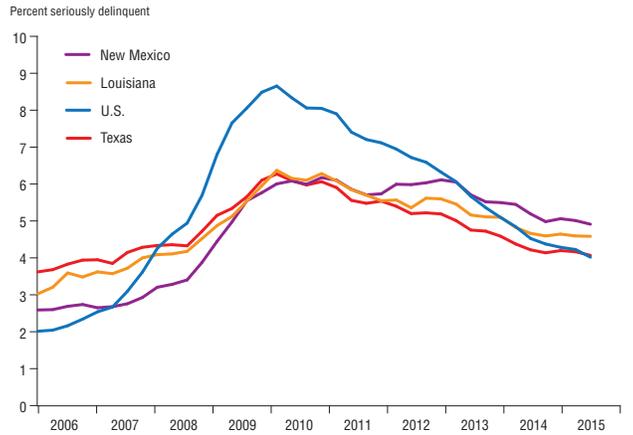
Seriously Delinquent Loans in Texas by Risk Score



NOTE: Equifax Risk Scores fall into the following categories: prime, 680 and above; near-prime, 620-679; subprime, 619 and below.

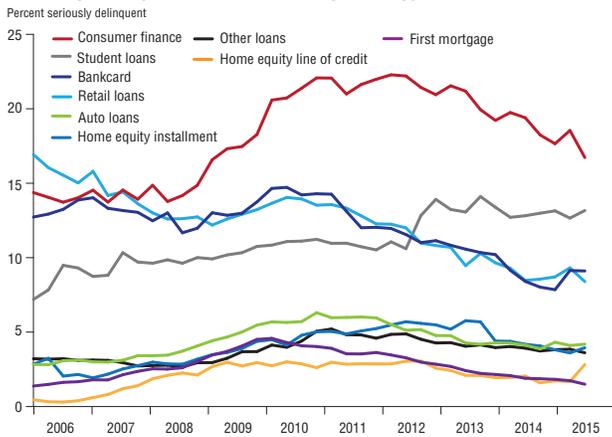
SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Seriously Delinquent Loans by State



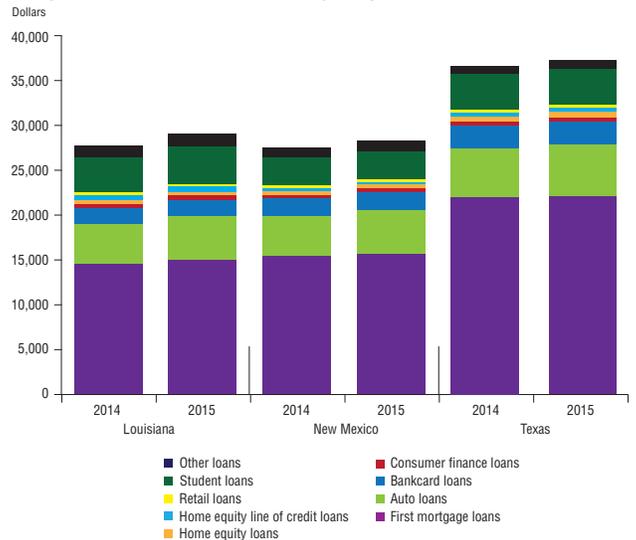
SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Seriously Delinquent Loans in Texas by Loan Type



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Composition of Debt Balances Per Capita by State, June 2014 and 2015



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

About the Data

The Federal Reserve Bank of New York Consumer Credit Panel/Equifax consists of detailed Equifax credit report data in quarterly increments from 1999 to the present for a unique longitudinal panel of individuals and households. The panel is a nationally representative 5 percent random sample of all individuals with a Social Security number and a credit report; it is also matched to individuals living at the same address as the primary sample members. The resulting database includes approximately 40 million individuals in each quarter.

More technical background about the data is available on the [New York Fed website](#). For conditions nationally, visit the [New York Fed's Household Debt and Credit Report webpage](#).

The Bank's Quarterly Report on Household Debt and Credit provides data and reports on consumer debt for the U.S. and select states (including Texas). The data include bankruptcies, per capita debt levels, total debt levels and composition of debt, new originations of installment loans, total balance by delinquency status, foreclosures and new delinquencies by loan type. The report aims to help community groups, small businesses, state and local government agencies and the public to better understand, monitor and respond to trends in borrowing and indebtedness at the household level.

In the Consumer Credit Conditions update, charged-off and foreclosed loans are accounted for in totals in the Equifax data until they are no longer reported by the lender.

Glossary

- **Delinquency status**

- Current—Paid as agreed
- 30 days late—Between 30 and 59 days late; not more than 2 payments past due
- 60 days late—Between 60 and 89 days late; not more than 3 payments past due
- 90 days late—Between 90 and 119 days late; not more than 4 payments past due
- 120 days late—At least 120 days past due; 5 or more payments past due or collections
- Severely derogatory—Any of the previous states, combined with reports of repossession, charge-off to bad debt or foreclosure

Not all creditors provide updated information on payment status, especially after accounts have been derogatory for a longer period. Thus, the payment performance profiles obtained from our data may to some extent reflect the reporting practices of creditors.

- **Seriously delinquent loans**

Loans that are 90 days late, 120 days late or severely derogatory

- **Equifax Risk Score**

Equifax Risk Score 3.0 was developed by credit scoring agency Equifax and predicts the likelihood of a consumer becoming seriously delinquent (90+ days past due). The score ranges from 300 to 850 (the lower the score, the greater the delinquency risk). In the charts, Equifax Risk Scores fall into the following categories: Prime, 680 and above; near prime, 620–679; and subprime, 619 and below.

- **Loan types**

The types of accounts in the analysis include mortgage loans, home equity installment loans (HEL), home equity line of credit accounts (HELOC), auto loans, bankcard accounts, student loans, consumer finance loans (sales financing, personal) and retail loans (clothing, grocery, department store, home furnishings, gas, etc.).

- **Data dictionary**