Loan Delinquencies Start to Climb After Falling with Stimulus and Relief

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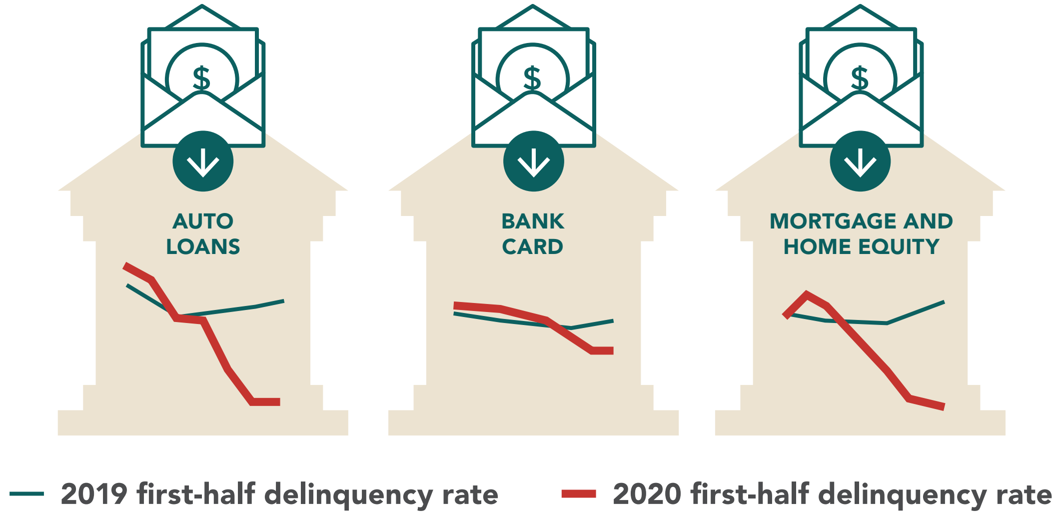
COVID-19 stimulus and loan relief helped Texas borrowers avoid falling behind on loan payments in 2020's second quarter.



However, as fiscal aid and loan relief started to decrease, some delinquency rates ticked up in Texas.

	Auto	Bank card	Mortgage/home
DELINQUENCY RATES IN JULY	1.8%	1.0%	0.9%
DELINQUENCY RATES IN OCTOBER	**2.1%**	**1.3%**	**0.9%**
ESTIMATED SHARE OF DEBT STILL BENEFITING FROM LOAN RELIEF NATIONWIDE*	**4%**	**3%**	**7%**

*Debt balances subject to pandemic relief have declined since June but as of October were still more than double the March level for all types of loans.

NOTES: Delinquencies here are loans past due for 30 to 89 days and do not include serious delinquencies. Equifax considers loans in accommodation to be subject to various forms of relief, including deferral, forbearance, modification, partial payment or without a scheduled payment. Federal student loan payments are suspended until Jan. 31, 2021. Survey data suggest that consumers receiving stimulus money used 35 percent of the proceeds to pay down debt.
SOURCES: Federal Reserve Bank of New York Consumer Credit Panel/Equifax; Federal Reserve Bank of New York Survey of Consumer Expectations; Equifax Credit Trends.