

# Banking Watch

## US

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Economic Analysis

US

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## Consumer Credit: Monthly Situation Report

- November's seasonally-adjusted (SA) consumer credit increase of \$12.3bn was less than expected but implies a continued upward trend, consistent with ongoing revolving and non-revolving patterns. Non-revolving jumped \$11.9bn while revolving gained a modest \$0.5bn.
- On a non-seasonally adjusted (NSA) basis, credit issued by savings institutions increased a sharp \$21.4bn in November after remaining flat for the majority of the year. Credit issued from commercial banks dropped \$8.2bn while the federal government portion rose \$6.0bn.

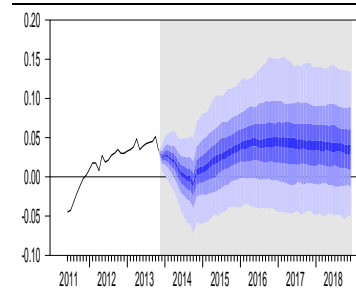
### Breakdown of the Recent Data

Total outstanding consumer credit continued to increase in November, up a seasonally-adjusted \$12.3bn, but marking the slowest pace in nearly seven months. Although the SA data were weaker, revolving credit on a non-SA basis jumped \$10.9bn, the biggest gain since December 2012. The opposite was true for non-revolving: the NSA increase was much less pronounced at only \$6.9bn.

### Consumer Credit Outlook

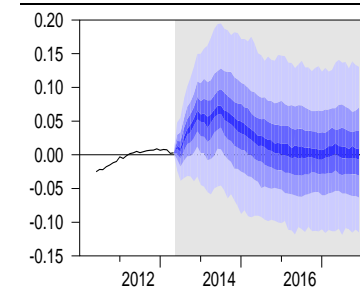
NSA revolving credit boosted the overall consumer credit figure in November but we do not expect the same drastic increase in December. The increase in credit issued by depository institutions is a positive sign that Americans have regained confidence to borrow. As per usual, non-revolving credit in the form of auto loans and student debt will be the consistent driver over the coming months.

Chart 1  
Commercial Banks, YoY%, NSA



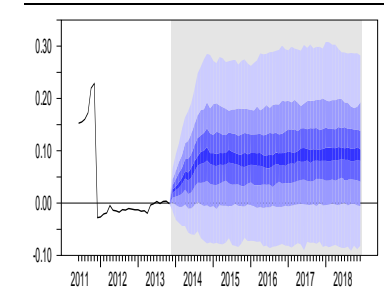
Source: BBVA Research. Note: FASB-adjusted

Chart 2  
ABS Issuers, YoY%, NSA



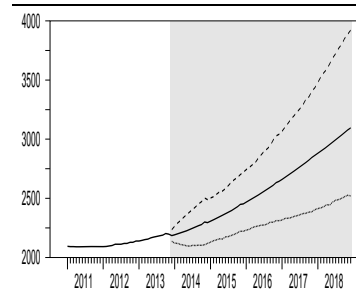
Source: BBVA Research. Note: FASB-adjusted

Chart 3  
Finance Companies, YoY%, NSA



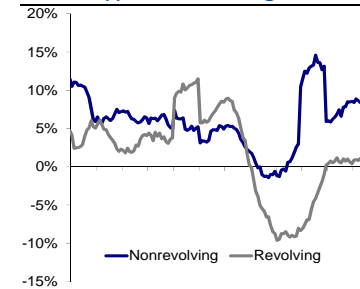
Source: BBVA Research. Note: FASB-adjusted

Chart 4  
Consumer Credit Ex Gov't, in \$bn



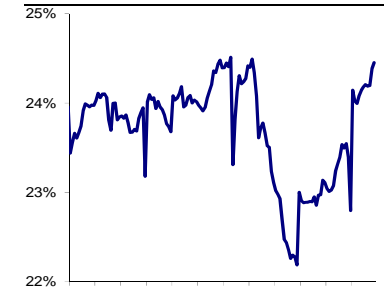
Source: BBVA Research. Note: FASB-adjusted

Chart 5  
Credit Type Outstanding, YoY%, SA



Source: Federal Reserve & BBVA Research

Chart 6  
Consumer Debt-to-Income Ratio



Source: BEA, Federal Reserve, BBVA Research

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