

# Equifax Reports Home Finance, Credit Card Balances Increase for Third Consecutive Month

ATLANTA, Feb. 26, 2014 (GLOBE NEWSWIRE) -- According to the latest Equifax (NYSE:EFX) *National Consumer Credit Trends Report*, January 2014 was the first time in more than three years that the total outstanding balances of home finance and bank and retail-issued cards increased for three consecutive months. Home finance includes first mortgage, home equity installment and home equity revolving balances.

The total outstanding balances include:

- Home finance: \$8.59 trillion;
- Bank-issued credit cards: \$555.4 billion; and
- Retail-issued credit cards: \$62.2 billion.

"Home purchase transactions, in which first time homebuyers take on entirely new mortgage debt and move up buyers increase their existing mortgage debt, have finally overtaken foreclosures and accelerating pay-downs, resulting in increases home finance balances," said Amy Crews Cutts, Equifax Chief Economist. "American consumers have shed more than \$1.5 trillion in mortgage debt since the start of the financial crisis and only now seem interested in investing in housing again. On the credit card front, they have also slimmed down their debt, shedding \$176 billion in balances on retail credit cards and general purpose bank cards. Balances on retail cards have been trending up for some time now while bank card balances have continued trending down, perhaps because consumers want to compartmentalize large purchases or take advantage of special deals tied to cards offered by retailers."

Other highlights from the most recent Equifax data include:

## **Home Finance:**

- The total balance of home finance write-off balances in 2013 (\$149.7 billion) is a six-year low and a decrease of more than 30% from 2012 totals;
- From January 2013-2014, first mortgage balances increased 2.5%, from \$7.7 billion to \$7.9 billion, the largest year-over-year increase in more than 36 months;
- In that same time, total home equity balances fell more than 6%, from \$664.3 billion to \$622.3 billion;
- From January 2013-2014, first mortgage delinquencies (30-or-more days past due or in foreclosure) decreased 22.8%;
- In that same time, home equity installment delinquencies decreased 22%, while home equity revolving delinquencies decreased 10.6%.

## **Bank-issued Credit Card:**

- The total number of loans outstanding is more than 315 million, the highest since October 2009;
- The total limit of new bank card credit originated January-November 2013 is \$184.4, a five-year high and an increase of 12.5% from same time a year ago;
- Similarly, the total number of new card accounts issued in that same time is 39.6 million, also a five-year high and an increase of 9.5% from same time a year ago;
- Additionally, write-offs on bank card accounts have decreased 14.4% (from 4.49% to 3.85% of balances).

#### **Retail-issued Credit Card:**

- The total number of loans outstanding is more than 190 million, a 53-month high;
- The total limit of new retail card credit originated from January-November 2013 is \$67.2 billion, a five-year high and increase of more than 10% from same time a year ago;
- Similarly, the total number of new retail card accounts issued in that same time is 35.9 million, the highest since 2007 and an 8.9% increase from the same time a year ago.

#### **About Equifax Inc.**

Equifax (NYSE:EFX) is a global leader in consumer, commercial and workforce information solutions that provide businesses of all sizes and consumers with insight and information they can trust. Equifax organizes and assimilates data on more than 600 million consumers and 81 million businesses worldwide. The company's significant investments in differentiated data, its expertise in advanced analytics to explore and develop new multi-source data solutions, and its leading-edge proprietary technology enable it to create and deliver unparalleled customized insights that enrich both the performance of businesses and the lives of consumers.

Headquartered in Atlanta, Equifax operates or has investments in 18 countries and is a member of Standard & Poor's (S&P) 500® Index. Its common stock is traded on the New York Stock Exchange (NYSE) under the symbol EFX. In 2013, Equifax was named a Bloomberg BusinessWeek Top 50 company, was #3 in Fortune's Most Admired list in its category, and was named to InfoWeek 500 as well as the FinTech 100. For more information, please visit [www.equifax.com](http://www.equifax.com).

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