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Equifax Reports Improving Delinquency Rates, Rising New Credit Mid-Way Through 2013

ATLANTA, July 25, 2013 (GLOBE NEWSWIRE) -- According to Equifax's latest *National Consumer Credit Trends Report*, consumer payment behavior and delinquencies are improving and new credit is increasing across nearly all verticals year-to-date in June 2013.

For home finance, year-over-year serious delinquency rates (90-days or more past due or in foreclosure) declined sharply as a percentage of total balances outstanding:

- First mortgage: decreased more than 27% (from 5.70% to 4.14%);
- Home equity revolving: decreased nearly 24% (from 2.30% to 1.75%); and
- Home equity installment: decreased more than 20% (from 4.16% to 3.31%).

In addition, year-over-year changes in the 60-day-plus delinquency rates for other verticals include:

- Bankcard: decreased more than 16% (from 2.17% to 1.82%); and
- Auto: decreased more than 11% (from 1.24% to 1.09%).

"The turnaround in home price trends over the past year is having a substantial impact on mortgage delinquency rates. As more and more homeowners find themselves back in positive equity, the incentive to default is strongly tempered," said Equifax Chief Economist Amy Crews Cutts. "While performance in other sectors is improving with the gradual economic recovery, we are seeing a strikingly different trend with student loan debt, which is both the fastest growing consumer debt segment and the only segment in which we're seeing rising severe delinquency rates and accelerating write-off rates."

Other highlights from the most recent data include:

Home Equity Revolving:

- The total balance of new credit opened between January-April 2013 increased more than 17% compared to the same time period in 2012, from \$24.1 billion to \$28.4 billion;
- During the same time period, the total number of new loans also increased more than 11%, from 266,600 to 297,600; and
- Both new loans and new credit year-to-date in April 2013 are four-year highs.

Bankcard:

- At \$62.3 billion, the total limit of new credit issued between January-April 2013 is a five-year high for that year-to-date period and an increase of 74% over the recession low of \$35.8 billion for the same time during 2010;

- The total number of new loans year-to-date in 2013 is a five-year high for that time period and an increase of more than 6% from the same time a year ago, from 12.4 million to 13.2 million; and
- Compared to the first four months of the year in 2012, the year-to-date total limits of new credit increased more than 7%, from \$58 billion to \$62.3 billion.

Auto:

- The total balance of new credit issued between January-April 2013 is \$152.7 billion, an eight-year high for that time period and an increase of more than 13% from January-April 2012;
- Year-over-year, total outstanding balances increased more than 9% from \$745.1 billion in June 2012 to \$816.4 billion in June 2013;
- The total number of new loans year-to-date in April 2013 increased more than 10% from the same time a year ago, from 7.0 million to 7.7 million; and
- By source, bank funded auto loans increased more than 19% year-over-year for the first four months of 2013, from \$64.3 billion to \$76.9 billion, while auto finance company funded loans increased more than 8% in that same time, from \$70 billion to \$75.8 billion.

Student Loan:

- Year-over-year, the total balance of loans outstanding increased more than 11% from June 2012-2013, from \$791.2 billion to \$880.3 billion;
- The total balance of new credit year-to-date in April 2013 is \$19.3 billion, an increase of nearly 14% from same time a year ago; and
- Conversely, the total number of new loans originated during this same time decreased 1.9%, from 3.4 million to 3.3 million, a five-year low for the first 4 months of the year.

About Equifax, Inc.

Equifax 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 500 million consumers and 81 million businesses worldwide, and uses advanced analytics and proprietary technology to create and deliver 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. For more information, please visit www.equifax.com.

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