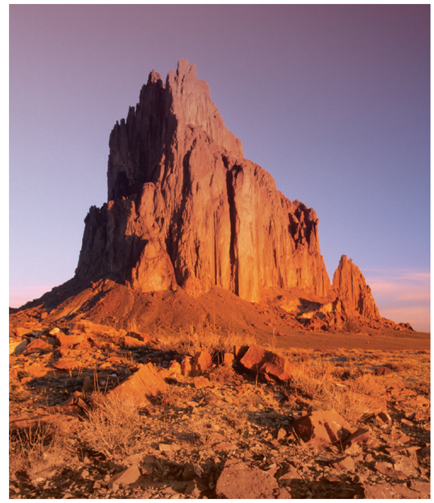
Consumer Credit Report New Mexico



3rd Quarter 2011 | **Federal Reserve Bank *of* Kansas City**

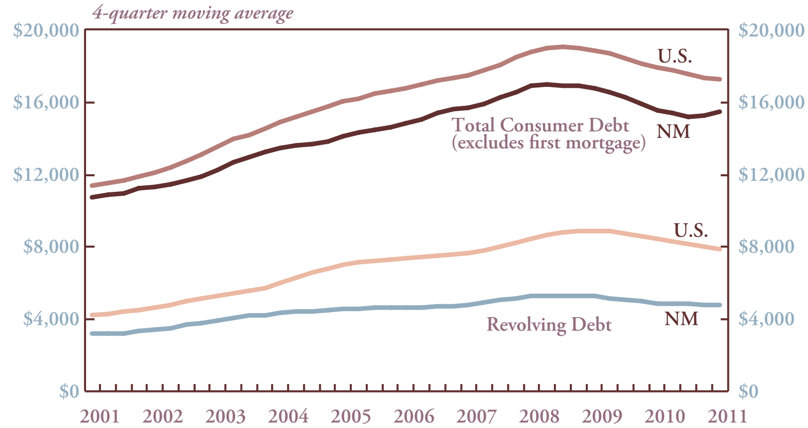
Debt Burden

The capacity to pay back debt is a critical gauge of consumer credit conditions. On a short-term basis, this capacity is best measured by the minimum monthly payments due on debts as a share of monthly household income.

In New Mexico, 11.9 percent of disposable income is required to cover the minimum payments due on debt, such as mortgages, credit cards, and auto loans. This burden is substantially lower than the comparable Tenth District and U.S. figures of 12.5 percent and 13.2 percent, respectively. New Mexico debt service burden was significantly lower than the burden in 2006 (12.5 percent), despite a considerable increase in the amount of debt carried by the average consumer. The total amount of debt (including mortgages) held by the average New Mexico consumer over the period rose to $57.700 from about $49,700, but falling interest rates managed to push debt burdens lower. Should interest rates rise appreciably from their current historically low rates, debt service will likely become a much greater burden for New Mexico households. For more information, see the Tenth District Consumer Credit Report.

Chart 1: Average Debt Per Consumer

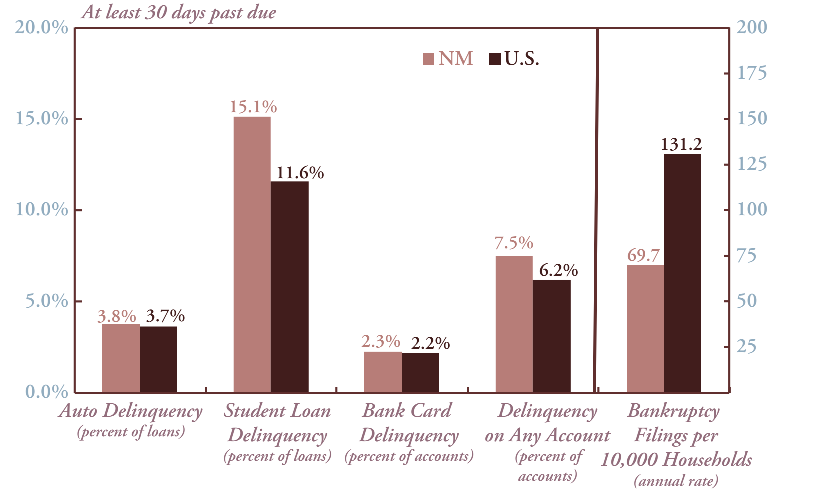
4-quarter moving average



Source: Federal Reserve Bank of New York Consumer Credit Panel/Equifax
Note: A first mortgage represents the primary note on the home and typically is not used to purchase consumer goods.

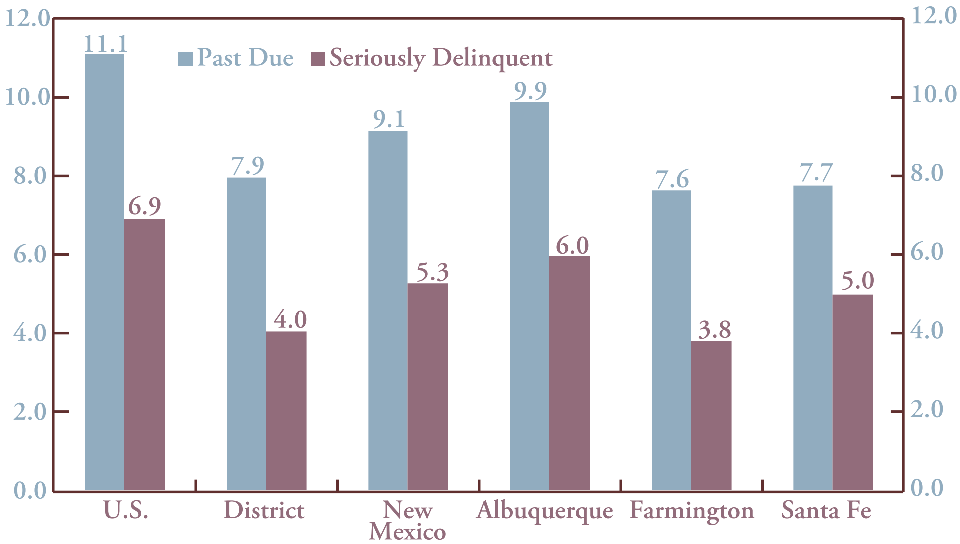
Chart 2: Average Consumer Delinquency Rates

At least 30 days past due



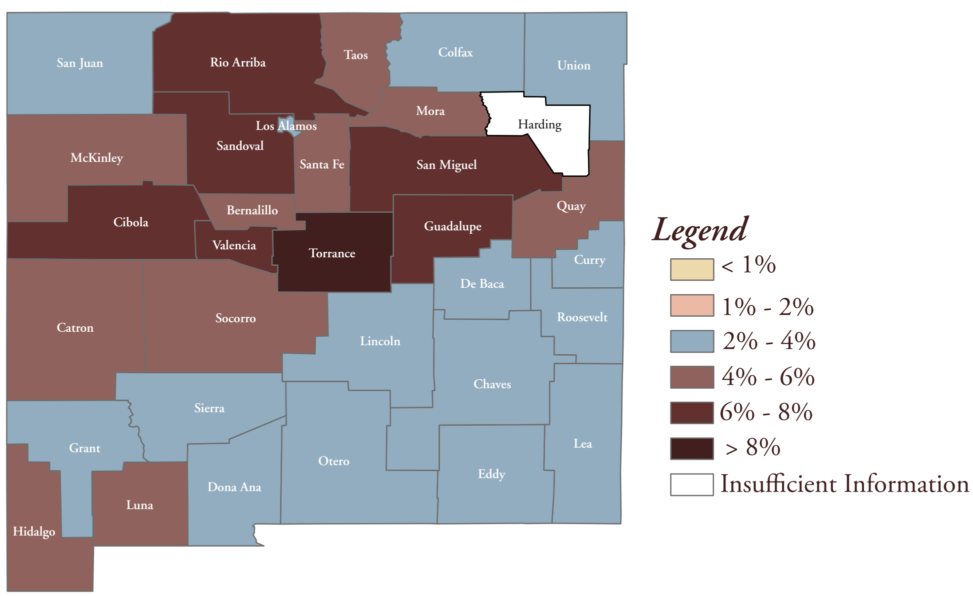
Sources: Federal Reserve Bank of New York Consumer Credit Panel/Equifax and the Administrative Office of the U.S. Courts
Note: Due to changes in the way variables were reported and a larger sample, delinquency figures are not comparable to those from the second quarter. Any Account" includes accounts not otherwise reported in the chart.

Chart 3: Mortgage Delinquencies



Source: Lender Processing Services, Inc.
Notes: The figures represent the share of outstanding mortgages. Past due represents mortgages that are 30 or more days delinquent, including those in foreclosure. Serious delinque pncies represent mortgages that are 90 or more days past due or in some stage of the foreclosure process.

Map: Serious Delinquency Rates by County



Source: Lender Processing Services, Inc.
Note: Serious delinquencies represent mortgages that are 90 or more days past due or in some stage of the foreclosure process.

Notes

The Consumer Credit Report series is published quarterly by the Federal Reserve Bank of Kansas City to provide a summary view of consumer credit standing in each Tenth District state. For questions or comments, contact Kelly Edmiston, senior economist, at *kelly.edmiston@kc.frb.org.*