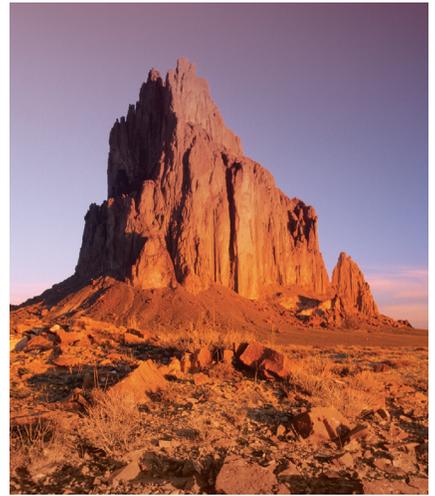


# Consumer Credit Report New Mexico



3RD QUARTER 2012

FEDERAL RESERVE BANK of KANSAS CITY

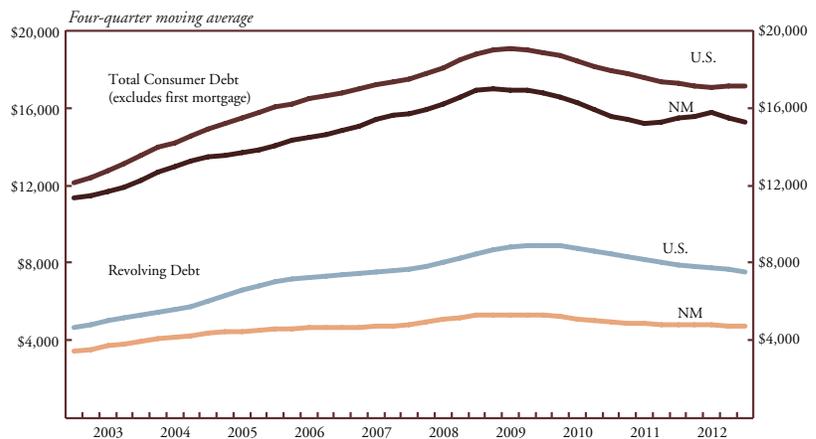
## Summary

Average consumer debt in New Mexico in the third quarter fell moderately by about \$250 to \$15,300 (Chart 1). One pattern in New Mexico has largely been of decreasing debt. In the fourth quarter of 2008, average consumer debt in New Mexico was about \$17,050. Consumer debt in New Mexico is near the Tenth District average, but significantly below the national average of \$17,140 (Chart 2). The overall consumer credit delinquency rate in New Mexico (4.4 percent, Chart 3) falls below the U.S. average, but that is largely due to lower mortgage delinquencies (relative to the nation). Delinquencies on most credit instruments are near national averages. Mortgage delinquencies are relatively high in New Mexico compared with other Tenth District states (Chart 4). Delinquencies are especially high in several counties in and around the Albuquerque and Santa Fe areas (Map).

### In This Issue: A Look at Debt Burden

In the previous four quarters, minimum debt payments for New Mexico consumers absorbed 16.4 percent of disposable income (including mortgages), the highest in the District by a significant amount (Chart 5). Furthermore, contrary to trends in most states, the burden has increased substantially in 2012 relative to 2009. Debt is lower now than in 2009, and interest rates are low, so the pattern is surprising. Unfortunately, the New Mexico economy is very weak, and incomes have fallen, which likely explains much of the increase in debt service burden. High delinquency rates, and their associated higher interest rates, could also be a factor.

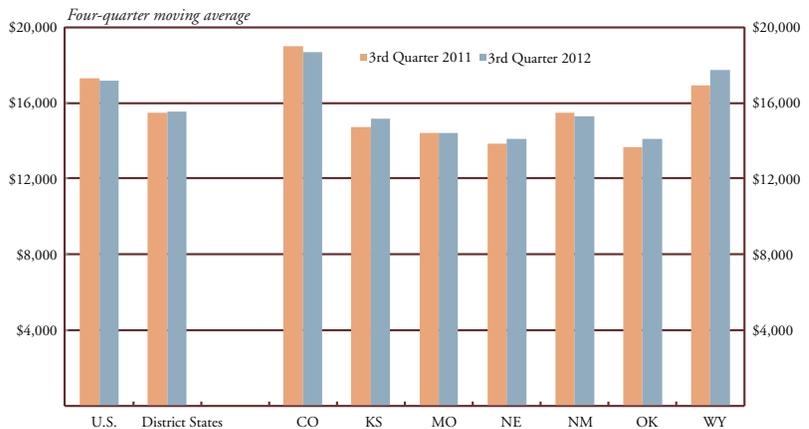
### Chart 1: Average Debt Per Consumer



Source: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Notes: Excludes first mortgage. A first mortgage represents the primary note on the home and typically is not used to purchase consumer goods.

### Chart 2: Average Debt Per Consumer

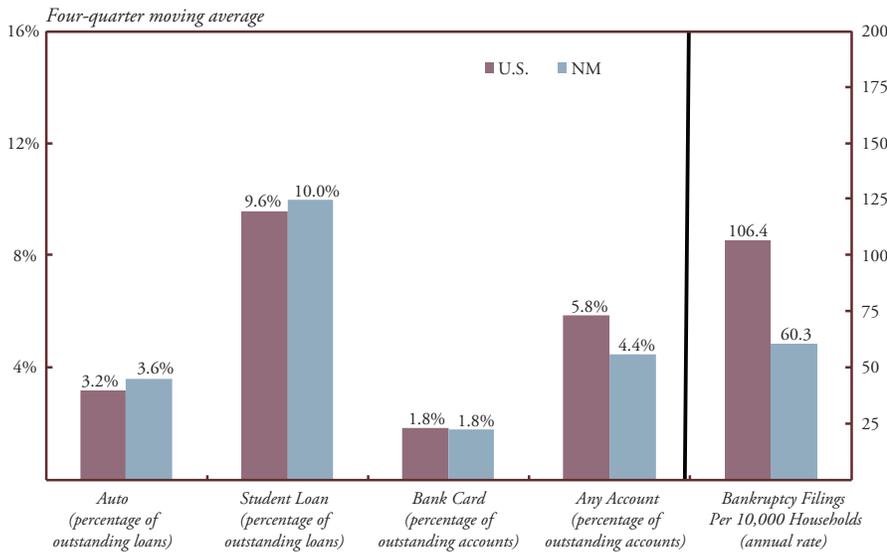


Source: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

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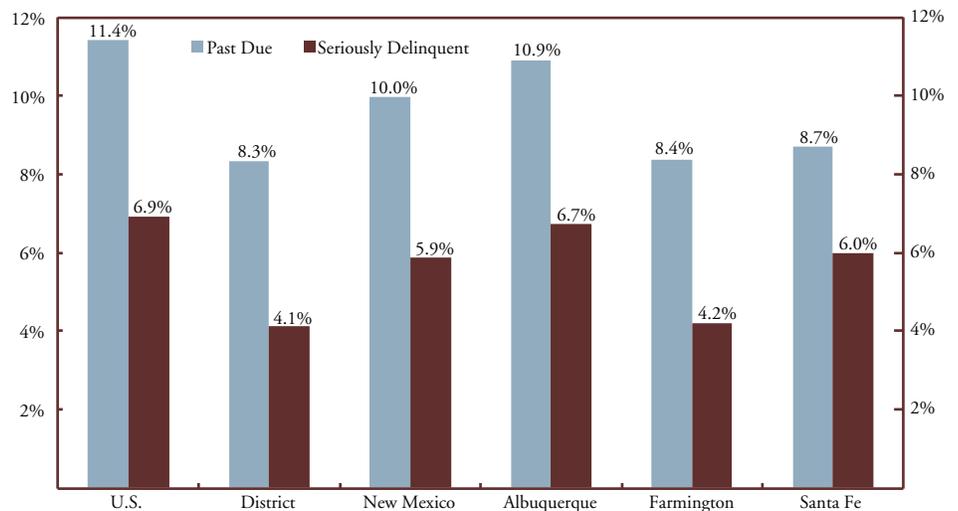
**Chart 3: Average Consumer Delinquency Rates**



Sources: Federal Reserve Bank of New York Consumer Credit Panel/Equifax and the Administrative Office of the U.S. Courts.

Notes: At least 30 days past due. "Any Account" includes accounts not otherwise reported in the chart, such as first mortgages.

**Chart 4: Mortgage Delinquencies**

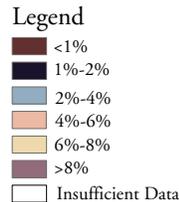
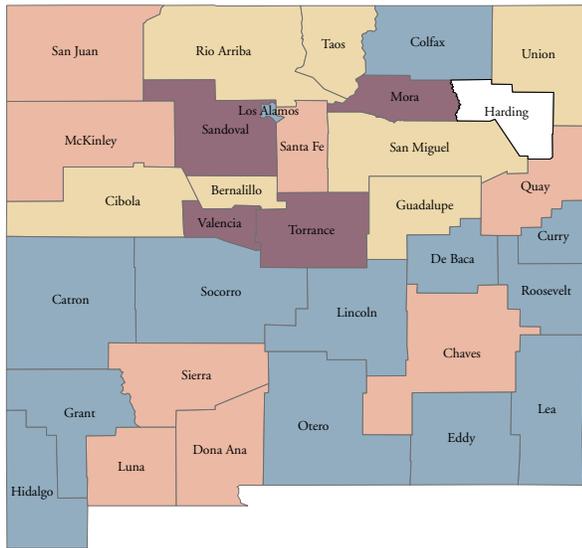


Source: Lender Processing Services Inc.

Notes: Figures represent the share of outstanding mortgages. "Past due" represents mortgages that are 30 days or more delinquent, including those in foreclosure. "Serious delinquencies" represent mortgages that are 90 days or more past due or in some stage of the foreclosure process.

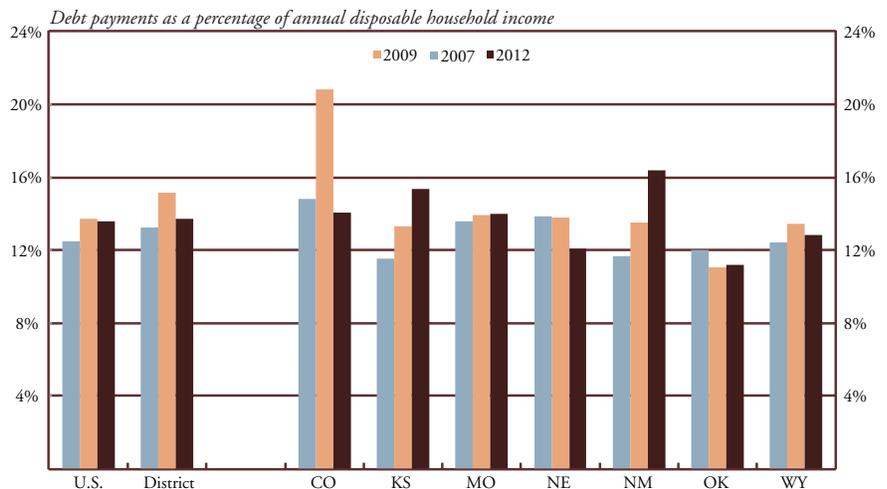


*Map:* Serious Delinquency Rates by County



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.

*Chart 5:* Debt Burden



Source: Federal Reserve Bank of New York Consumer Credit Panel/Equifax; U.S. Census Bureau.

The Consumer Credit Report series is published quarterly by the Federal Reserve Bank of Kansas City to provide a summary of consumer credit standing in each state of the Tenth District, which comprises Colorado, Kansas, western Missouri, Nebraska, northern New Mexico, Oklahoma and Wyoming. For questions or comments, contact Kelly Edmiston, senior economist, at [kelly.edmiston@kc.frb.org](mailto:kelly.edmiston@kc.frb.org).

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