Summary

Average consumer debt in Nebraska continued its rising trend in the first quarter of 2013, increasing sharply by $300 to $14,620 (Chart 1). Still, Nebraska consumer debt remained among the lowest in the District states, second only to modestly lower Oklahoma (Chart 2). Revolving debt fell moderately to $4,920, implying that installment debt, made up largely of auto and student loans, increased substantially. Consumer delinquencies in Nebraska were considerably lower than those in the U.S. across all categories, but the overall rate (“Any Account”) rose from 2.1 percent to 2.3 percent (Chart 3). Delinquencies declined in most other states. Mortgage delinquencies also remained well below both District and U.S. rates (Chart 4). Omaha delinquencies were only moderately higher than the state rates, while in most states larger cities tend to have much higher rates than state averages. Across rural counties, serious mortgage delinquency rates varied substantially, with especially high rates in some rural areas (Map).

In This Issue: A Dynamic Look at Student Loan Debt and Delinquencies

Average student loan debt has been increasing steadily in Nebraska, as in the nation as a whole, but lies well below the District and U.S. average at $21,490 ($25,180 in U.S.) (Chart 5). Median debt also has closely followed U.S. trends. In the most recent quarter, half of Nebraskans with student loan debt had debt less than $12,870, while half had more. The steady increase in per-borrower debt is explained in the District report. Contrary to national trends, the student loan delinquency rate rose through much of the moderate economic recovery, and is now approaching U.S. levels (Chart 6). Recently however, the delinquency rate has turned downward.
Chart 3: Average Consumer Delinquency Rates

Four-quarter moving average

Notes: At least 30 days past due. "Any Account" includes accounts not otherwise reported in the chart, such as first mortgages. Estimates of households are updated in the second quarter.

Chart 4: Mortgage Delinquencies

Share of mortgages outstanding

Source: Lender Processing Services Inc.
Notes: "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 days or more past due or in some stage of the foreclosure process.

Chart 5: Inflation-Adjusted Average Outstanding Student Loan Debt per Consumer Holding Student Loan Debt

Source: Author’s calculations using data from The Federal Reserve Bank of New York Consumer Credit Panel/Equifax.
Chart 6: Share of Outstandign Student Loans 30 or More Days Past Due (including those in forbearance and deferrment)

Source: Author’s calculations using data from The Federal Reserve Bank of New York Consumer Credit Panel/Equifax.
Note: Excludes loans classified as “severe derogatory,” which have had balances charged-off.

The Consumer Credit Report series is published quarterly by the Federal Reserve Bank of Kansas City to provide a summary of consumer credit 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.