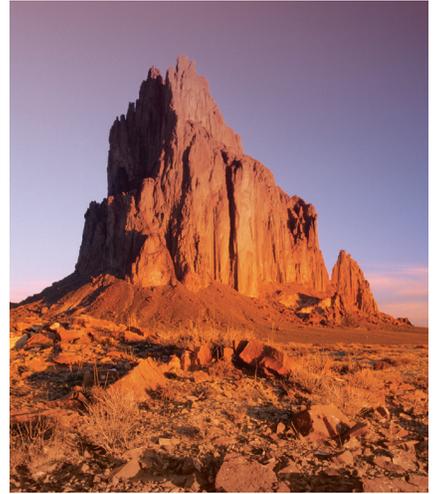


Consumer Credit Report New Mexico



3rd QUARTER 2014

FEDERAL RESERVE BANK of KANSAS CITY

Summary

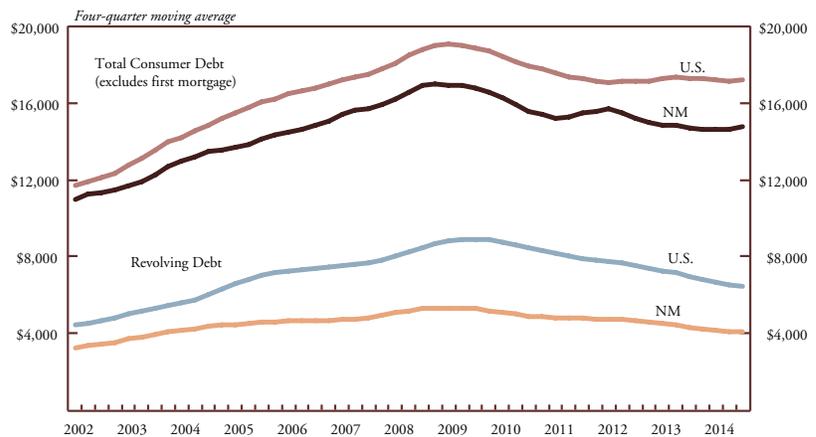
Average consumer debt in New Mexico increased by \$115 to \$14,773 in the third quarter (Chart 1). While consumer debt in other District states has climbed over the last several quarters, New Mexico consumer debt had been in decline prior to the second quarter of 2014. Average consumer debt in New Mexico was the lowest in the District in the third quarter (Chart 2). Revolving debt continued to fall in the third quarter and has fallen 23.2 percent from its 2008 peak. A relatively more substantial decline in revolving debt than total debt implies that installment debt, made up largely of student loans and auto loans, has been increasing.

The delinquency rate for any account in New Mexico was down sharply from the previous quarter to 5.7 percent, on par with the national delinquency rate (Chart 3). The personal bankruptcy filing rate fell and was far below the U.S. rate despite higher delinquency rates. The past-due mortgage rate increased to 7.7 percent from 7.5 percent in the first quarter (Chart 4). Mortgage delinquency rates were especially high in and around Albuquerque (Map).

In This Issue: Developments in the Automobile Credit Market

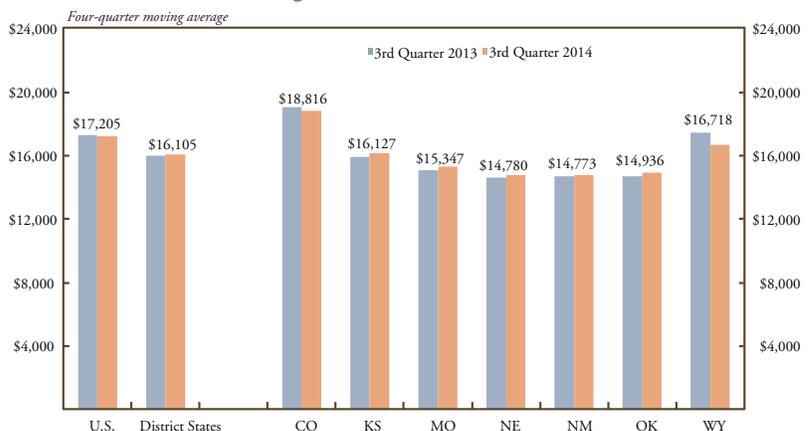
The rise in automobile sales following the recession has led to a rise in auto debt, as 73 percent of U.S. auto sales are financed. Average outstanding balance has also increased in both New Mexico and the U.S. (Chart 5). While auto loan balances have increased, delinquencies have declined. Finance company debt is much more likely to be delinquent than bank debt, with third quarter rates at 19.8 percent and 3.7 percent, respectively, in New Mexico—the former being very high in comparison to the large majority of states (Chart 6).

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.

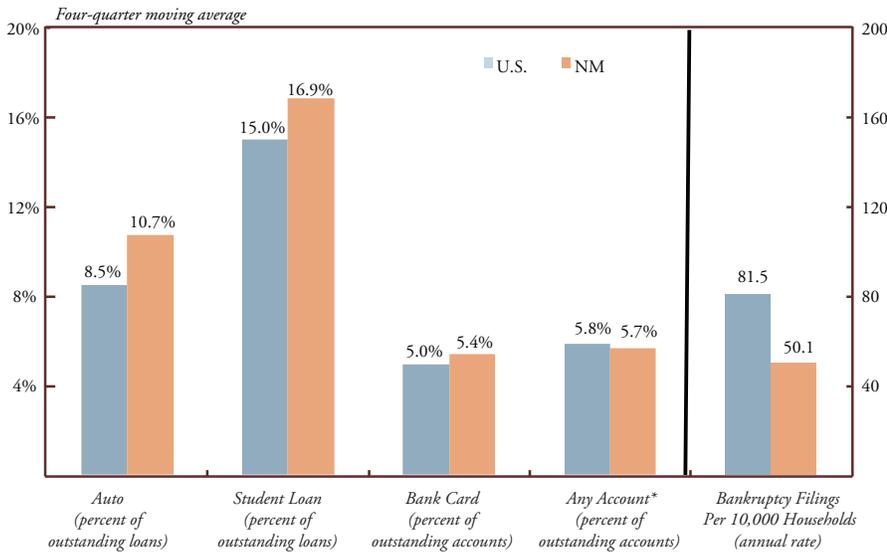
Chart 2: Average Debt Per Consumer



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



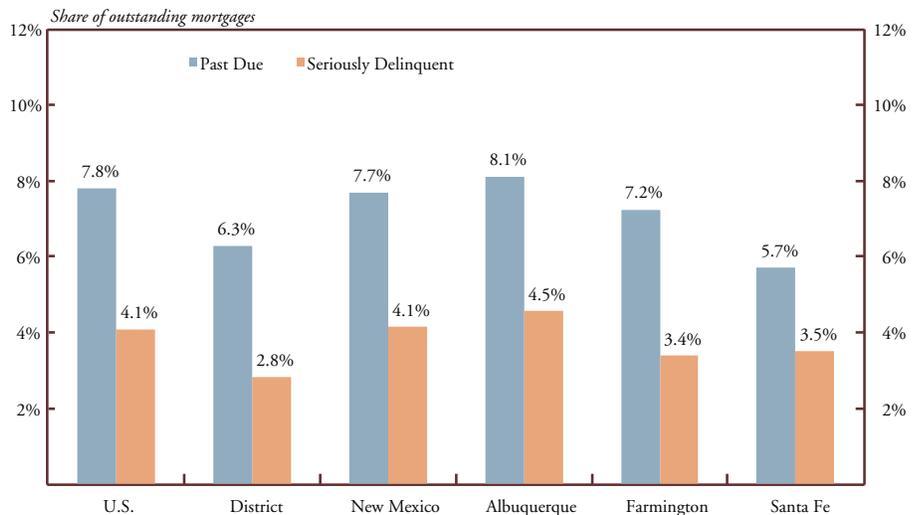
Chart 3: Average Consumer Delinquency Rates



*"Any Account" includes accounts not otherwise reported in the chart, such as first mortgages.
 Sources: Federal Reserve Bank of New York Consumer Credit Panel/Equifax; the Administrative Office of the U.S. Courts.

Notes: At least 30 days past due. Beginning in the first quarter, "severe derogatory" accounts are included in the calculation of delinquency rates, which makes delinquency rates higher than in other quarters, all else being equal. Thus, these delinquency rates are not comparable to delinquency rates provided in reports prior to 2014. Severe derogatory debt has been charged off by the lender (not through bankruptcy) but is still owed by the borrower.

Chart 4: Mortgage Delinquencies



Source: Lender Processing Services Inc.
 Notes: "Past due" represents mortgages that are 30 days or more delinquent, including those in foreclosure. "Seriously delinquent" represents mortgages that are 90 days or more past due or in foreclosure.



Map: Seriously Delinquent Rates By County

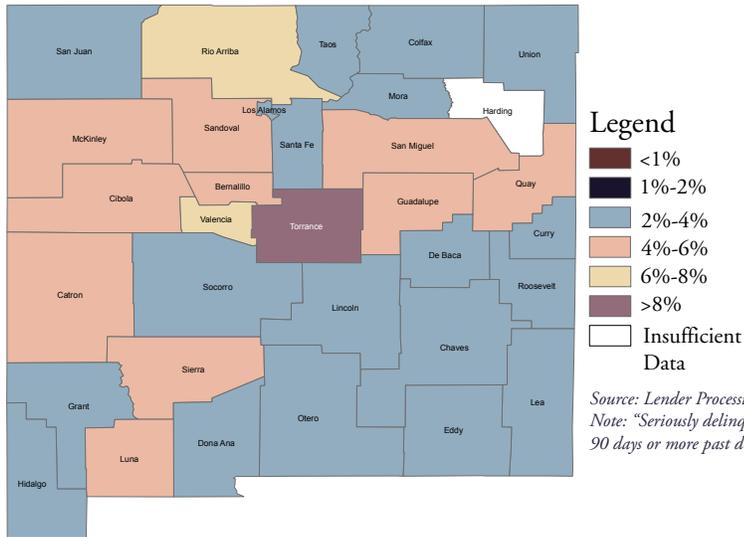
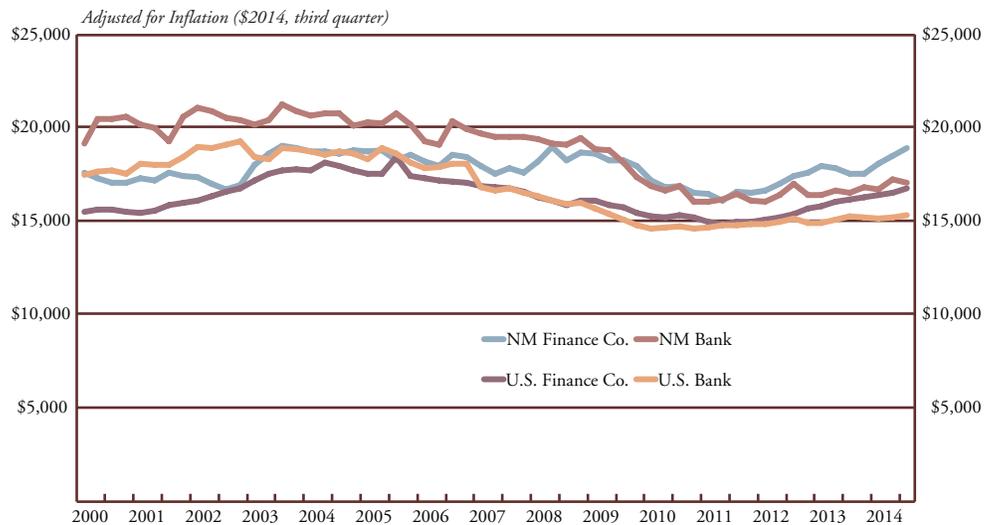


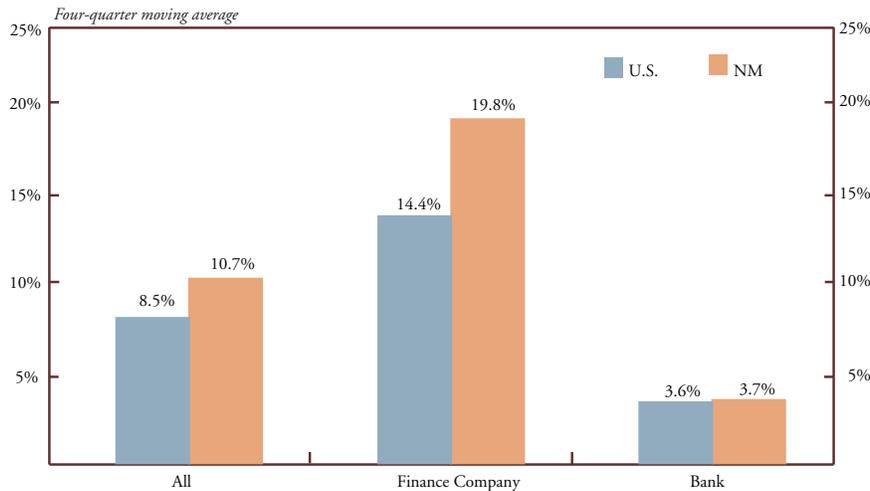
Chart 5: Outstanding Auto Loan Balance by Issuer Type



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



Chart 6: Auto Loan Delinquencies



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

The Consumer Credit Report series is published biannually 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.

