

Economics Group

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Consumer Credit Accelerates Slightly in March

Total consumer credit increased \$16.4 billion in March. Revolving credit growth was tepid in Q1, consistent with the slow pace of consumer spending growth and the rise in the personal saving rate during this period.

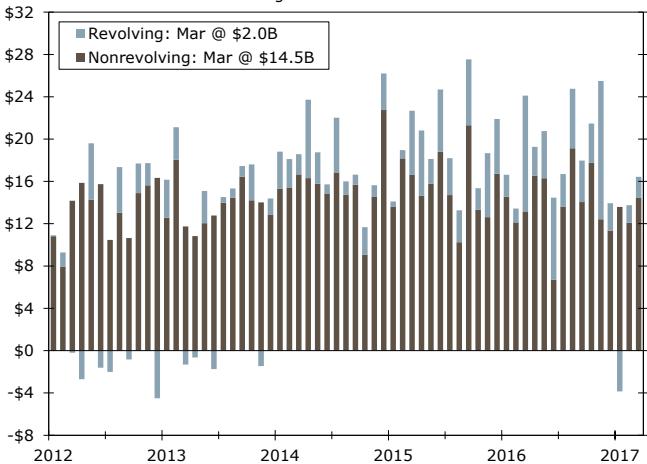
Revolving Credit Growth Slows

- Consumer credit rose a trend-like \$16.4 billion in March. After peaking at a 6.8 percent year-over-year growth in November, revolving credit has decelerated in the subsequent months.
- Real personal consumption in Q1 grew at the slowest annual rate since 2009. Coupled with a 0.7 percentage point increase in the personal saving rate between December and March, the slowdown is not altogether surprising.

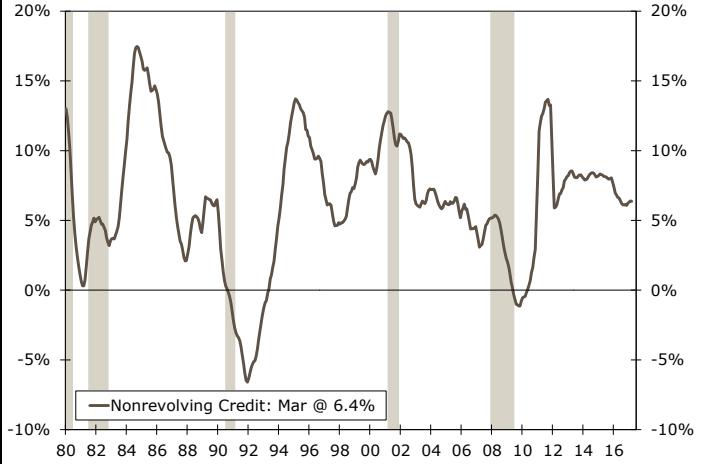
Nonrevolving Credit Resilient

- Through Q1, nonrevolving credit growth remained fairly steady, despite the slowdown in auto sales seen through the first few months of the year.
- A breakdown of nonrevolving credit growth into its subcomponents is not yet available for Q1, but it is possible that a jump in student loan borrowing during the quarter helped offset the autos slowdown.

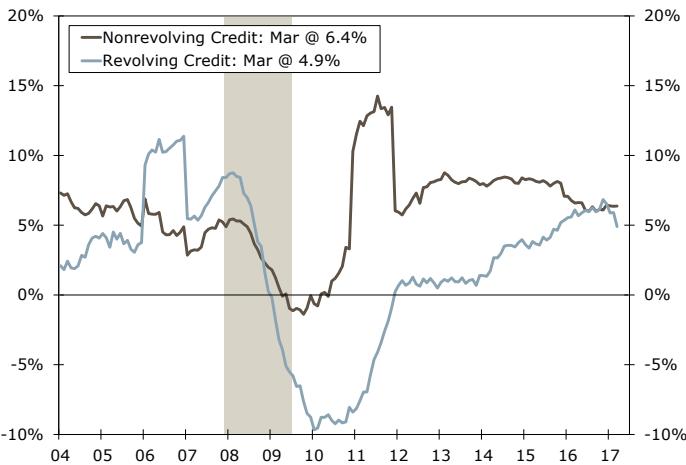
Total Consumer Credit
Change in Billions of Dollars



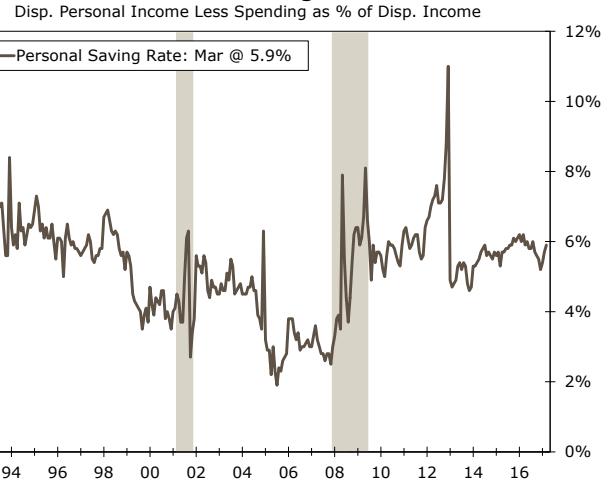
Nonrevolving Consumer Credit
Year-over-Year Percent Change, 3-Month Moving Average



Consumer Credit
Year-over-Year Percent Change



Personal Saving Rate



Source: Federal Reserve Board, U.S. Department of Commerce and Wells Fargo Securities

Wells Fargo Securities Economics Group

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