

## Americas Consumer Finance: Master trust - February findings: DQ's mixed while losses underperform

**High level thoughts: February credit metrics were mixed, as card 30D+ DQ's decreased -1bps MoM to 4.13%, broadly in-line with LT seasonality of -3bps while NCO's increased +47bps MoM to 6.07%, underperforming seasonality (LT expectations of +11bps). Loans were in-line, as EOP loan growth continues to slow on a YoY basis (up +2.3% in February vs. +2.9% in January) while MoM loan growth came in better than seasonality and overall was -1.8% vs -2.4% expected. Overall, while NCO results point to the potential for some misses in 1Q vs. consensus, we continue to see the DQ trends as supportive for declining full year loss rates versus 2024. Lastly, auto metrics appear solid and losses could be tracking better than expected for both COF and ALLY.**

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**Mixed DQ results while YoY formations stable:** Across issuers in February, DQ's results were mixed with **DFS** (-9bps MoM to 3.78%; -7bps vs. expectations) outperforming, while **SYF** (+0bps to 4.70%; -1bps vs. expectations), **AXP** (+0bps MoM to 1.45%; -2bps vs. expectations), **COF** (-9bps MoM to 4.52%; +2bps vs. expectations), were in-line, and **BFH** (+11bps MoM to 6.22%; +14bps vs. expectations) underperformed. Overall while trends were mixed in February, the YoY change in DQ rates held steady at -24bps (vs. -24bps in January) though we note all issuers saw continued declines in the YoY DQ rates in February excluding BFH.

**NCO's underperform driven by less days YoY and could be due to shifting seasonality:** NCO's performance across the issuers was worse than expected, with **BFH** (+81bps MoM to 8.62%; +90bps vs. expectations), **COF** (+23bps MoM to 6.35%; +34bps vs. expectations), and **DFS** (+55bps MoM to 6.03%; +27bps vs. expectations) seeing the largest misses, while **SYF** (+60bps MoM to 6.80%; +15bps vs. expectations) and **AXP** (+18bps MoM to 2.53%; +13bps vs. expectations) saw lower underperformance. While NCO's underperformed versus seasonality in February, we would note that COF has flagged a shift in seasonality given the changes in the tax withholding rules, which has led to fewer tax refunds and lower refund payments, and are likely contributing to changing seasonal credit patterns in the card business. Given this, when looking at 2024 performance vs. seasonality, the issuers saw ~40bps of underperformance in February 2024 with a reversion to more normal performance of -3bps of underperformance in March of 2024 and +11bps of outperformance in April.

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## Table of Contents

Master Trust Implication: Pointing to higher card NCOs, lower loan balances and better auto NCOs in 1Q	3
Monthly data: Summary of February stats	5
Credit metrics mixed as DQ's in-line with seasonality but loss rates underperform	10
Appendix - Monthly credit trends in the last twelve months	13
Disclosure Appendix	17

**Loan growth remains soft:** Loan growth was mixed across issuers, with **BFH** (-2.3% to \$17.9bn; +1.2% vs. expectations), **AXP** (-2.3% to \$118.0bn; +0.8% vs. expectations) seeing outperformance, while **SYF** (-2.1% MoM to \$100.1bn; +0.5% vs. expectations) and **DFS** (-1.4% to \$99.2bn; +0.4% vs. expectations) saw moderate outperformance and **COF** (-2.2% MoM to \$148.4bn; +0% vs. expectations) was in-line.

**QTD trends vs. consensus expectations:** QTD NCO's are underperforming expectations by ~+19bps, and we note in order for issuers to hit consensus expectations in aggregate, NCOs would need to outperform seasonality by -13bps. Within the data, we see **SYF** and **BFH** as best positioned to meet or outperform consensus expectations while **COF** and **DFS** need to see the largest outperformance vs. seasonality to meet consensus expectations. For loan growth, the bar is high across the issuers with +3.5% of growth needed in March to reach consensus expectations.

**Finding a bright spot - auto trends look solid:** In terms of auto, **COF's** auto 30D+ DQs were down -61bps MoM to 5.02% (vs. seasonality of -103bps) while losses declined 47bps MoM to 1.48% (U/P seasonality by ~26bps). QTD, COF's auto NCOs have outperformed seasonality by ~22bps and given their historical correlation with **ALLY's** retail auto NCO's, we see the potential for declining retail auto NCO rates in 1Q25 (both QoQ and YoY) vs. consensus expectations for relatively flat vs. 4Q24. More specifically, consensus is looking for retail auto NCOs at **ALLY** of ~2.30% and based on 2 months of data and factoring in March seasonality, losses seem to be tracking <2%.

## Master Trust Implication: Pointing to higher card NCOs, lower loan balances and better auto NCOs in 1Q

### Sizing the path for card issuers to reach 1Q25 consensus expectations:

Quarter-to-date monthly card NCO metrics are trending higher than expected (-16bps of outperformance in January and +35bps of underperformance in February). In order to hit consensus' card NCOs for the issuers, card net charge-offs would need to decrease by -18bps MoM vs. typically down -4bps MoM in March. Within the issuers, SYF (-6bps implied decrease vs. typical seasonality of -30bps) and BFH (+22bps implied increase at BFH vs. typical seasonality of -6bps) appear best positioned to hit or outperform consensus while COF (-11bps implied decrease vs. seasonality of +18bps) and DFS (-94bps implied decrease vs. seasonality of -15bps) have the highest bars to clear.

**Exhibit 1: In order to hit consensus' card NCO's for the issuers, card NCO's would need to decrease by -18bps vs. seasonality of -4bps**

Implied March NCO to meet consensus 1Q25 card NCO expectations						
in \$ millions	AXP	BFH	COF	DFS	SYF	Avg.
Month 1 (Jan)	2.35%	7.82%	6.12%	5.48%	6.20%	5.59%
MoM chg. (bps)	17 bps	-35 bps	-16 bps	7 bps	-50 bps	-15 bps
Month 2 (Feb)	2.53%	8.62%	6.35%	6.03%	6.80%	6.07%
MoM chg. (bps)	18 bps	81 bps	23 bps	55 bps	60 bps	47 bps
Implied Month 3 (Mar)	2.54%	8.84%	6.24%	5.09%	6.74%	5.89%
1Q25 consensus card NCOs	2.47%	8.43%	6.24%	5.53%	6.58%	5.85%
MoM chg.	1 bps	22 bps	-11 bps	-94 bps	-6 bps	-18 bps
LT historical seasonality	12 bps	-6 bps	18 bps	-15 bps	-30 bps	-4 bps
Versus historical seasonality	-11 bps	28 bps	-28 bps	-79 bps	24 bps	-13 bps

Source: Company data, Goldman Sachs Global Investment Research, Visible Alpha Consensus Data

We have seen YTD loan balances slightly outperform historical seasonality, however, in order to hit consensus' average loan growth expectations, issuers would need to grow loans by 3.5% in March vs. LT seasonality of -1.7%. Within the issuers, the bar appears high across all names but we see BFH as best positioned relative to consensus expectations while SYF is the farthest.

**Exhibit 2: We estimate that balances would need to grow by ~3.5% MoM in order to meet consensus 1Q25 average loan growth expectations**

Required March growth to reach 1Q25 consensus loan growth expectations						
(\$mn)	AXP	BFH	COF	DFS	SYF	Average
4Q24 average card loans	119,367	18,156	150,290	101,059	102,476	--
Month 1 (Jan.)	120,900	18,530	151,668	101,400	102,800	--
MoM growth (%)	-0.2%	-0.6%	-1.2%	-1.1%	-1.1%	-0.8%
Month 2 (Feb.)	118,800	18,141	149,427	100,100	101,000	--
MoM growth (%)	-1.7%	-2.1%	-1.5%	-1.3%	-1.8%	-1.7%
Implied Month 3 (Mar.)	123,989	17,995	156,478	104,201	106,076	--
1Q25E cons avg card loans	121,230	18,222	152,524	101,900	103,292	--
Implied March growth	4.4%	-0.8%	4.7%	4.1%	5.0%	3.5%
March seasonality (long term)	-0.6%	-2.2%	-2.2%	-1.7%	-1.7%	-1.7%
Recent perf. vs seasonality	0.4%	-0.2%	0.1%	0.0%	-0.5%	-0.1%
Vs. seasonality and recent O/P	4.5%	1.6%	6.9%	5.9%	7.2%	5.2%

AXP monthly balances show avg Card Member Loans. Consensus has been adj. to excl. int'l  
COF shows average domestic card balances; recent performance on a T6M basis

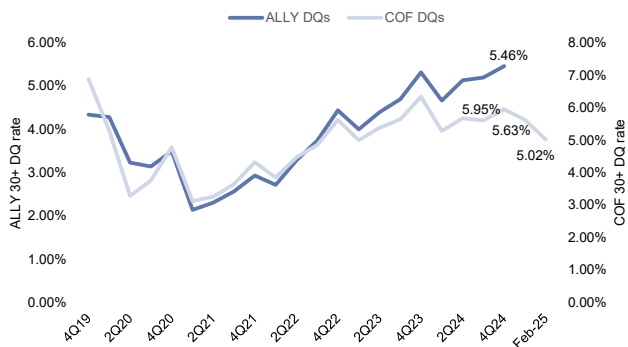
Source: Company data, Visible Alpha Consensus Data, Goldman Sachs Global Investment Research

**COF auto metrics point to improvement at ALLY**

COF auto and ALLY NCO's have historically been correlated, with both DQ's and NCO's tracking in-line with each other over time. QTD COF's auto NCO's have outperformed seasonality by ~22bps, and assuming seasonal trends in March hold, points to an 1Q25 NCO rate of 1.55% or a ~44bps decline vs. 1Q24. Given COF's auto trends, we think this could point to a better than expected loss rate for ALLY in 1Q25 as consensus

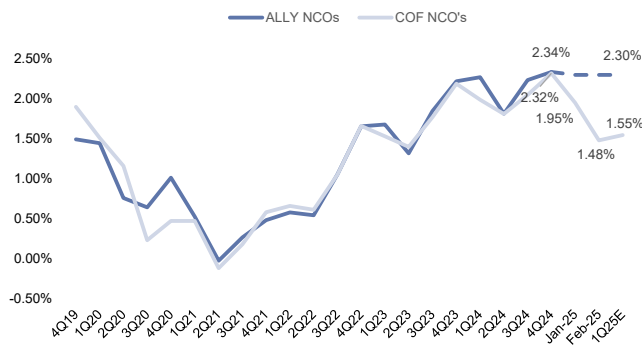
assumes a relatively stable NCO rate in 1Q25 vs. 1Q24. **More specifically, consensus is looking for NCOs of ~2.30% in 1Q and based on the first two months for COF, we believe ALLY's losses could be <2% for 1Q25.**

**Exhibit 3: COF auto DQ's have historically tracked in line with ALLY's DQs...**



Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 4: ...as well as NCO's**



Source: Company data, Goldman Sachs Global Investment Research

## Monthly data: Summary of February stats

Below we summarize the monthly data for NCOs, 30D+ DQs, and loan growth and look at it relative to seasonality on a per issuer basis.

### Exhibit 5: DQs decreased -1bp on average to 4.13% vs seasonality of -3bps MoM

30+ DQs	30+ DQs - Feb	12 months before	YoY (%)	30+ DQs - Jan	MoM (%)	LT Seasonality	2015-2019 avg	Delta vs LT seasonality	Delta vs '15-'19 seasonality
AXP	1.45%	1.50%	-5 bp	1.45%	0 bp	2 bp	1 bp	-2 bp	-1 bp
BFH	6.22%	6.66%	-44 bp	6.12%	11 bp	-4 bp	-1 bp	14 bp	11 bp
COF	4.52%	4.72%	-20 bp	4.61%	-9 bp	-11 bp	-15 bp	2 bp	6 bp
DFS	3.78%	4.01%	-23 bp	3.87%	-9 bp	-2 bp	-4 bp	-7 bp	-5 bp
SYF	4.70%	5.00%	-30 bp	4.70%	0 bp	1 bp	2 bp	-1 bp	-2 bp
Average	4.13%	4.38%	-24 bp	4.15%	-1 bp	-3 bp	-3 bp	1 bp	2 bp

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 6: February NCOs came in at 6.07% up +47bps MoM compared to seasonality of +11bps MoM**

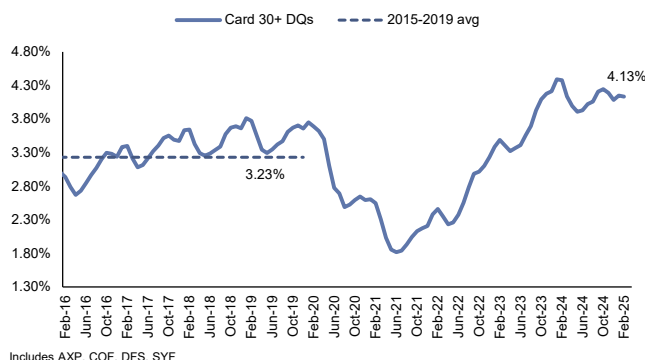
Net charge-offs (%)	NCOs- Feb	12 months before	YoY (%)	NCOs- Jan	MoM (%)	LT Seasonality	2015-2019 avg	Delta vs LT seasonality	Delta vs '15-'19 seasonality
AXP	2.53%	2.38%	15 bp	2.35%	18 bp	5 bp	20 bp	13 bp	-3 bp
BFH	8.62%	8.92%	-29 bp	7.82%	81 bp	-10 bp	-12 bp	90 bp	92 bp
COF	6.35%	5.95%	40 bp	6.12%	23 bp	-11 bp	-3 bp	34 bp	26 bp
DFS	6.03%	5.86%	17 bp	5.48%	55 bp	28 bp	39 bp	27 bp	16 bp
SYF	6.80%	6.50%	30 bp	6.20%	60 bp	45 bp	64 bp	15 bp	-4 bp
Average	6.07%	5.92%	15 bp	5.59%	47 bp	11 bp	22 bp	36 bp	26 bp

Source: Company data. Goldman Sachs Global Investment Research

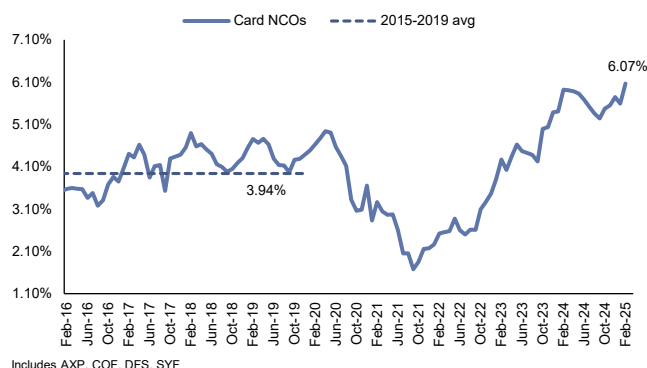
**Exhibit 7: MoM loan growth in February was -1.8% compared to -2.4% of seasonality**

EOP loans growth	EOP loans-Feb	12 months before	YoY (%)	EOP loans-Jan	MoM (%)	LT Seasonality	2015-2019 avg	Delta vs LT seasonality	Delta vs '15-'19 seasonality
AXP	118,000	106,900	10.4%	119,500	-1.3%	-2.1%	-2.2%	0.8%	1.0%
BFH	17,949	18,391	-2.4%	18,366	-2.3%	-3.4%	-2.1%	1.2%	-0.2%
COF	148,397	142,823	3.9%	151,703	-2.2%	-2.1%	-2.7%	0.0%	0.6%
DFS	99,200	99,900	-0.7%	100,600	-1.4%	-1.8%	-1.6%	0.4%	0.2%
SYF	100,100	100,000	0.1%	102,200	-2.1%	-2.5%	-2.1%	0.5%	0.0%
<b>Average</b>			<b>2.3%</b>		<b>-1.8%</b>	<b>-2.4%</b>	<b>-2.2%</b>	<b>0.6%</b>	<b>0.3%</b>

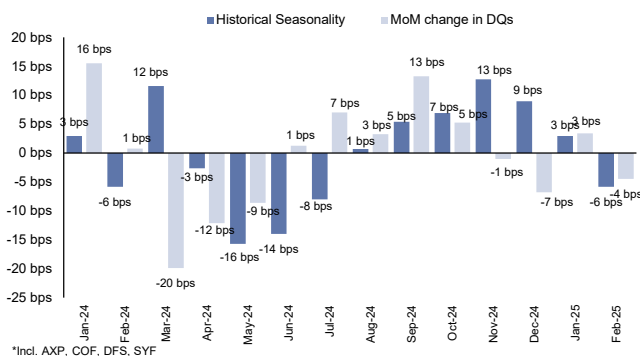
Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 8: Card DQs continued to track higher than the peak DQs seen in 2015-2019 cycle but are starting to move closer to seasonal patterns**

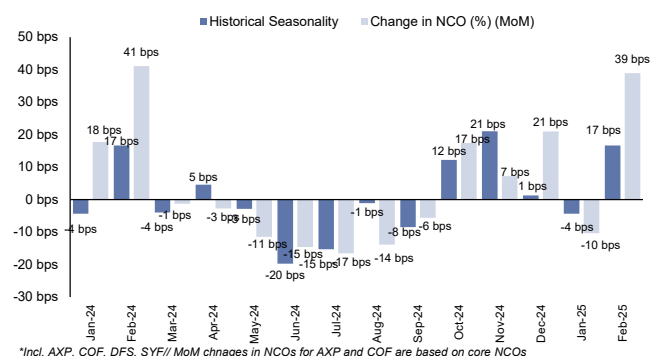
Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 9: Card NCOs increased ~47bps to 6.07% and remain above pre-pandemic levels of 3.94%**

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 10: Monthly DQ's (ex-BFH) continued their trend of outperformance relative to seasonality, decreasing -4bps MoM vs -6bps LT seasonality**

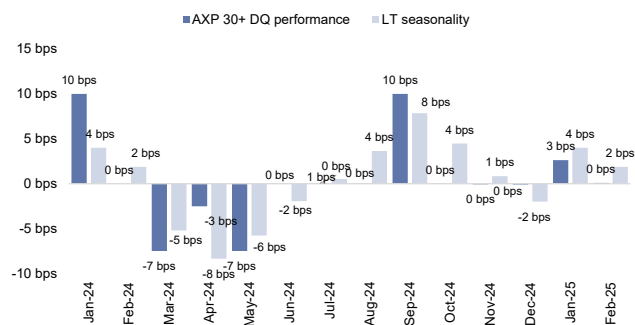
Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 11: Monthly NCOs increased ~39bps MoM (ex-BFH) compared to LT seasonality of +17bps MoM**

Source: Company data, Goldman Sachs Global Investment Research

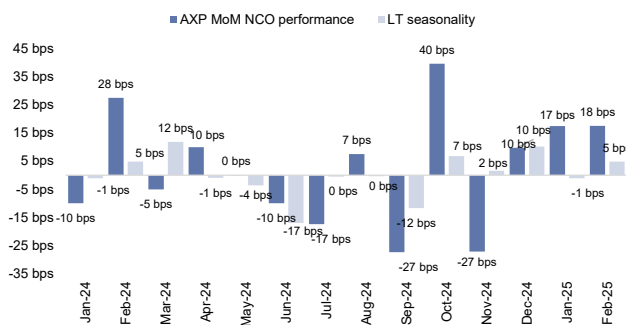
## AXP: DQs in line with seasonality while NCOs underperformed

Exhibit 12: AXP 30+ DQ performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 13: AXP NCO performance vs. seasonality

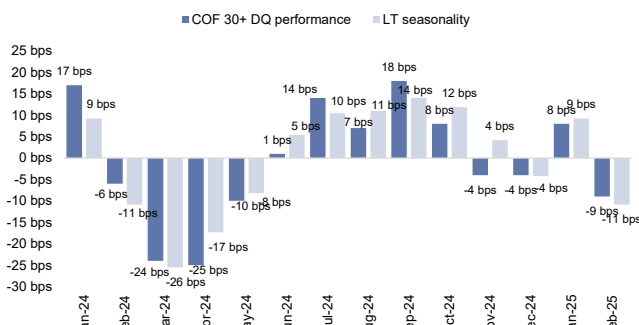


MoM NCOs during Nov 23 - Jan 2024 are based on GSe core NCOs

Source: Company data, Goldman Sachs Global Investment Research

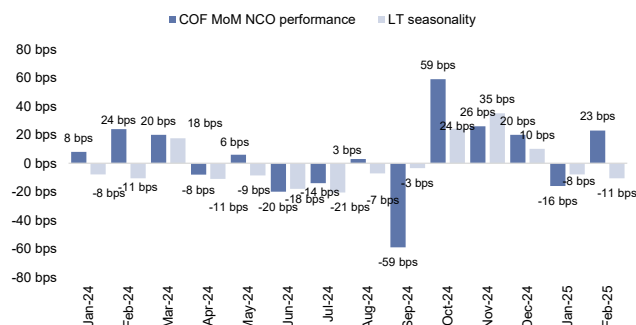
## COF: DQs in-line with seasonality while NCOs underperform following January's outperformance

Exhibit 14: COF 30+ DQ performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 15: COF NCO performance vs. seasonality

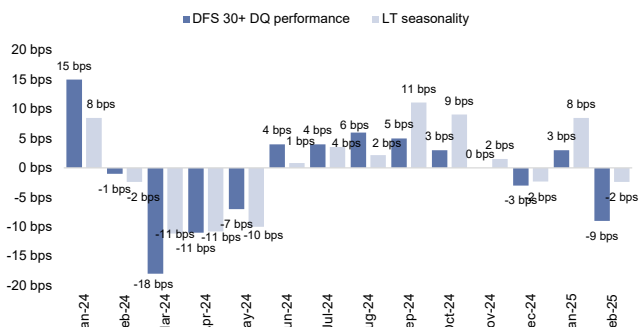


\*MoM NCOs during Dec 23- Jan 2024 are based on core NCOs of 5.63% in December

Source: Company data, Goldman Sachs Global Investment Research

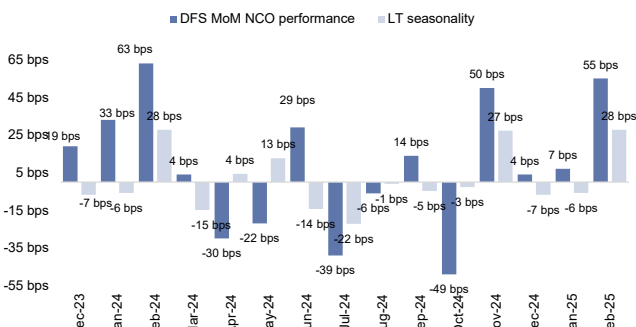
## DFS: DQ's outperform in February after 6 months of outperformance while NCO's continued to be mixed

Exhibit 16: DFS 30+ DQ performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

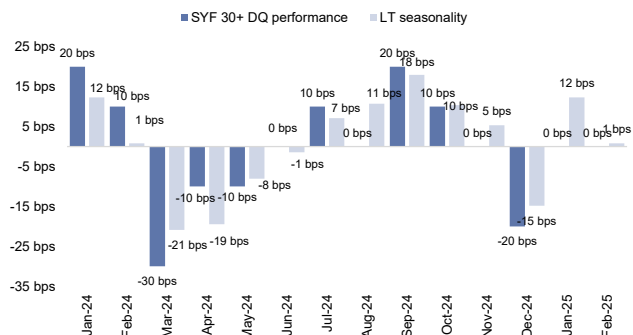
Exhibit 17: DFS NCO performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

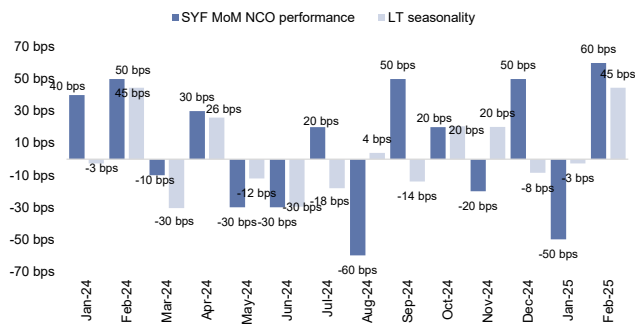
## SYF: February DQ's in-line after 3 months of outperformance while NCO's underperform

Exhibit 18: SYF 30+ DQ performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

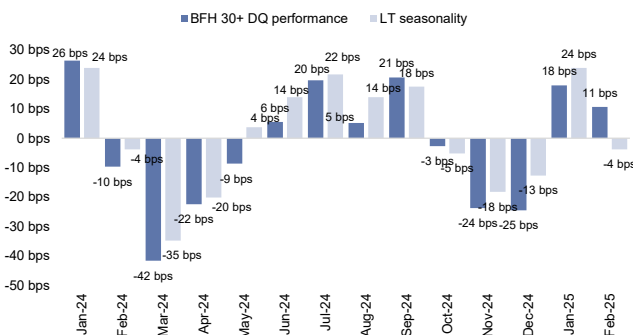
Exhibit 19: SYF NCO performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

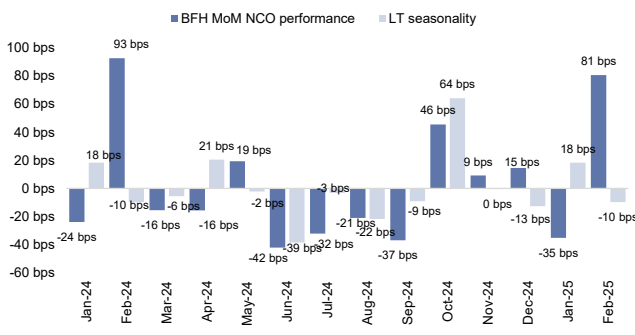
## BFH: DQs underperformed in February after three months of outperformance while NCO's underperformed

Exhibit 20: BFH 30+ DQ performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 21: BFH NCO performance vs. seasonality



Source: Company data, Goldman Sachs Global Investment Research

## COF's auto monthly metrics - DQ's and NCO's underperform seasonality and loan growth



## higher vs. seasonality with continued acceleration in YoY growth

### Exhibit 22: COF auto 30d+ delinquencies vs. seasonality

Auto 30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	3yr avg	MOM	Delta vs. LT avg
Jan-25	5.63%	6.29%	-66 bp	-6 bp	-31 bp	5 bp	-32 bp	-1 bp
Feb-25	5.02%	5.51%	-49 bp	-92 bp	-103 bp	-59 bp	-61 bp	42 bp
Mar-24	5.28%	5.00%	28 bp	-32 bp	-23 bp	-45 bp	-22 bp	1 bp
Apr-24	5.24%	5.10%	14 bp	20 bp	8 bp	-14 bp	-4 bp	-12 bp
May-24	5.40%	5.39%	1 bp	12 bp	33 bp	39 bp	16 bp	-17 bp
Jun-24	5.67%	5.38%	29 bp	7 bp	12 bp	13 bp	26 bp	14 bp
Jul-24	5.97%	5.63%	34 bp	38 bp	33 bp	21 bp	30 bp	-3 bp
Aug-24	5.68%	5.80%	-12 bp	4 bp	10 bp	22 bp	-29 bp	-39 bp
Sep-24	5.61%	5.64%	-2 bp	-6 bp	2 bp	-9 bp	-7 bp	-9 bp
Oct-24	5.80%	6.06%	-26 bp	25 bp	18 bp	37 bp	19 bp	1 bp
Nov-24	5.56%	6.12%	-56 bp	-3 bp	3 bp	14 bp	-24 bp	-27 bp
Dec-24	5.95%	6.34%	-39 bp	37 bp	39 bp	20 bp	39 bp	0 bp

Source: Company data, Goldman Sachs Global Investment Research

### Exhibit 23: COF auto net charge offs vs. seasonality

Auto NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	3yr avg	MOM	Delta vs. LT avg
Jan-25	1.95%	2.36%	-41 bp	3 bp	-11 bp	17 bp	-59 bp	-48 bp
Feb-25	1.48%	1.95%	-47 bp	-74 bp	-73 bp	-41 bp	-47 bp	26 bp
Mar-24	1.66%	1.30%	36 bp	-30 bp	-27 bp	-34 bp	-29 bp	-2 bp
Apr-24	1.65%	1.16%	49 bp	8 bp	-26 bp	-17 bp	-1 bp	25 bp
May-24	1.69%	1.35%	34 bp	3 bp	15 bp	24 bp	4 bp	-11 bp
Jun-24	2.08%	1.69%	39 bp	35 bp	40 bp	20 bp	39 bp	-1 bp
Jul-24	2.11%	1.71%	40 bp	14 bp	19 bp	6 bp	3 bp	-16 bp
Aug-24	2.10%	1.82%	28 bp	10 bp	17 bp	13 bp	-1 bp	-18 bp
Sep-24	1.94%	1.79%	15 bp	5 bp	-1 bp	3 bp	-16 bp	-15 bp
Oct-24	2.34%	2.26%	8 bp	20 bp	24 bp	37 bp	40 bp	16 bp
Nov-24	2.10%	2.13%	-3 bp	-13 bp	-6 bp	0 bp	-24 bp	-18 bp
Dec-24	2.54%	2.18%	36 bp	16 bp	29 bp	13 bp	44 bp	15 bp

Source: Company data, Goldman Sachs Global Investment Research

### Exhibit 24: COF EOP auto loans vs. seasonality

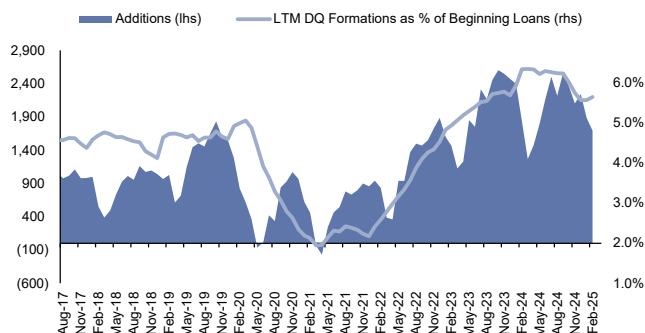
Auto EOP. Loans	Current	12 months before	YoY	2015-2019 avg	LT avg	3yr avg	MOM	Delta vs. LT avg
Jan-25	77,013	73,805	4.3%	0.6%	1.0%	-0.1%	0.2%	-0.8%
Feb-25	77,023	73,561	4.7%	0.2%	-0.6%	0.6%	0.0%	0.6%
Mar-24	73,801	76,652	-3.7%	1.4%	0.2%	0.5%	0.3%	0.1%
Apr-24	73,984	76,345	-3.1%	1.1%	0.2%	0.5%	0.2%	0.0%
May-24	74,158	76,097	-2.5%	0.9%	0.0%	0.5%	0.2%	0.3%
Jun-24	74,385	75,841	-1.9%	0.9%	0.0%	0.5%	0.3%	0.3%
Jul-24	74,736	75,744	-1.3%	1.1%	0.0%	0.5%	0.5%	0.5%
Aug-24	74,976	75,757	-1.0%	1.1%	0.2%	0.5%	0.3%	0.2%
Sep-24	75,505	75,456	0.1%	0.6%	-0.1%	0.5%	0.7%	0.8%
Oct-24	75,737	75,053	0.9%	0.7%	-0.2%	0.5%	0.3%	0.5%
Nov-24	75,955	74,644	1.8%	0.5%	-0.3%	0.5%	0.3%	0.6%
Dec-24	76,829	74,075	3.7%	0.3%	-0.5%	0.5%	1.2%	1.6%

Source: Company data, Goldman Sachs Global Investment Research

# Credit metrics mixed as DQ's in-line with seasonality but loss rates underperform

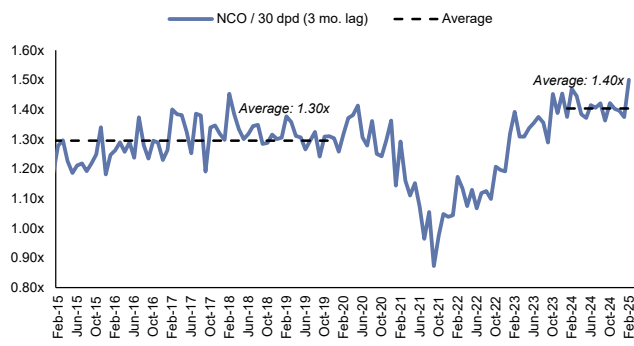
## Delinquencies remain above pre-pandemic levels but the pace of YoY change has continued to moderate

**Exhibit 25: DQ formation declined in 4Q and into January, but saw a moderate uptick in February**



Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 27: Flow to loss increased MoM driving NCO underperformance at some issuers and we would note February typically sees a MoM increase in flow to loss**



Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 26: But remains above pre-pandemic levels for all issuers**

Ticker	DQ formation		Current DQ formation				LTM vs. history			
%	Pre-pandemic	Avg	Jan %	Feb %	3 mo. %	LTM %	vs pre-pandemic	vs avg	% above pre-pandemic	% above avg
BFH	6.68%	6.64%	8.34%	8.18%	8.79%	8.09%	141bp	145bp	21%	22%
AXP	1.86%	1.78%	2.25%	2.30%	2.41%	2.56%	70bp	78bp	38%	44%
COF	4.67%	4.41%	5.47%	4.07%	5.61%	6.14%	147bp	173bp	31%	39%
DFS	2.89%	3.16%	4.78%	4.29%	4.97%	5.23%	234bp	207bp	81%	66%
SYF	4.79%	4.66%	4.74%	5.56%	5.23%	6.17%	137bp	151bp	29%	32%
Average	4.18%	4.13%	5.12%	4.88%	5.40%	5.64%	146bp	151bp	40%	41%

Pre-pandemic: Jan-12 to Jan-20, pandemic Feb-20 to Dec-21

Shown as a % of BOP receivables

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 28: DQ's overall tracked relatively in-line with seasonality in 2024, but are tracking modestly worse than seasonality in 2025 YTD**

DQ underperformance vs. seasonality						
%	AXP	COF	DFS	SYF	BFH	Avg
Jan-24	6 bps	8 bps	7 bps	8 bps	2 bps	6 bps
Feb-24	-2 bps	5 bps	1 bps	9 bps	-6 bps	2 bps
Mar-24	-2 bps	2 bps	-7 bps	-9 bps	-7 bps	-5 bps
Apr-24	6 bps	-8 bps	0 bps	9 bps	-2 bps	1 bps
May-24	-2 bps	-2 bps	3 bps	-2 bps	-12 bps	-3 bps
Jun-24	2 bps	-4 bps	3 bps	1 bps	-8 bps	-1 bps
Jul-24	0 bps	4 bps	0 bps	3 bps	-2 bps	1 bps
Aug-24	-4 bps	-4 bps	4 bps	-11 bps	-9 bps	-5 bps
Sep-24	2 bps	4 bps	-6 bps	2 bps	3 bps	1 bps
Oct-24	-4 bps	-4 bps	-6 bps	0 bps	3 bps	-2 bps
Nov-24	-1 bps	-8 bps	-2 bps	-5 bps	-6 bps	-4 bps
Dec-24	2 bps	0 bps	-1 bps	-5 bps	-12 bps	-3 bps
2024 U/P vs. seasonality	0 bps	-1 bps	0 bps	0 bps	-5 bps	-1 bps
Jan-25	-1 bps	-1 bps	-5 bps	-12 bps	-6 bps	-5 bps
Feb-25	-2 bps	2 bps	-7 bps	-1 bps	14 bps	1 bps

BFH froze DQs in FEMA affected zones from hurricanes Helene and Milton in October and November

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 29: NCOs on average underperformed seasonality in 2024, with trends mixed YTD**

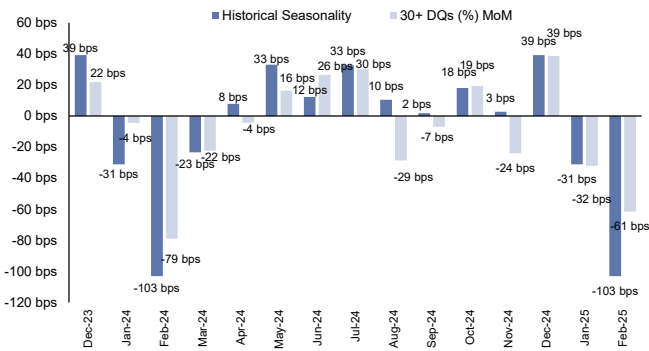
NCO underperformance vs. seasonality						
%	AXP	COF	DFS	SYF	BFH	Avg
Jan-24	-9 bps	16 bps	39 bps	43 bps	-42 bps	9 bps
Feb-24	23 bps	35 bps	35 bps	5 bps	102 bps	40 bps
Mar-24	-17 bps	2 bps	19 bps	20 bps	-10 bps	3 bps
Apr-24	11 bps	3 bps	-34 bps	4 bps	-36 bps	-11 bps
May-24	4 bps	15 bps	-35 bps	-18 bps	22 bps	-3 bps
Jun-24	7 bps	-2 bps	43 bps	0 bps	-4 bps	9 bps
Jul-24	-17 bps	7 bps	-17 bps	38 bps	-29 bps	-4 bps
Aug-24	8 bps	10 bps	-5 bps	-64 bps	1 bps	-10 bps
Sep-24	-16 bps	-56 bps	19 bps	64 bps	-28 bps	-3 bps
Oct-24	33 bps	35 bps	-46 bps	0 bps	-19 bps	0 bps
Nov-24	-29 bps	-9 bps	23 bps	-40 bps	10 bps	-9 bps
Dec-24	0 bps	10 bps	11 bps	58 bps	27 bps	21 bps
2024 U/P vs. seasonality	0 bps	5 bps	4 bps	9 bps	-1 bps	4 bps
Jan-25	19 bps	-8 bps	13 bps	-47 bps	-54 bps	-16 bps
Feb-25	13 bps	34 bps	27 bps	15 bps	90 bps	36 bps

*BFH froze DQs in FEMA affected zones from hurricanes Helene and Milton in October and November*

Source: Company data, Goldman Sachs Global Investment Research

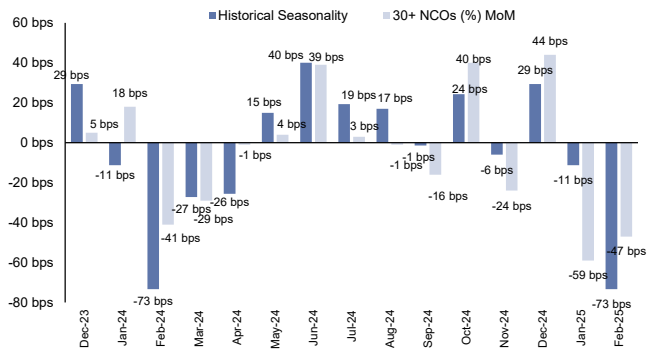
Auto - DQ's and NCO's underperform in February

Exhibit 30: Following in-line results in January, DQ's declined in February but underperformed seasonality



Source: Company data, Goldman Sachs Global Investment Research

Exhibit 31: Following January outperformance, NCO's declined in February but underperformed seasonality



Source: Company data, Goldman Sachs Global Investment Research

## Appendix - Monthly credit trends in the last twelve months

### AXP: DQs performed in-line with seasonality while NCOs underperformed

**Exhibit 32: AXP monthly DQ trends**

30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	1.45%	1.50%	-5 bp	6 bp	4 bp	7 bp	3 bp	-1 bp
Feb-25	1.45%	1.50%	-5 bp	1 bp	2 bp	3 bp	0 bp	-2 bp
Mar-24	1.43%	1.10%	33 bp	-1 bp	-5 bp	-3 bp	-7 bp	-2 bp
Apr-24	1.40%	1.10%	30 bp	-9 bp	-8 bp	-7 bp	-3 bp	6 bp
May-24	1.33%	1.10%	23 bp	-1 bp	-6 bp	-2 bp	-7 bp	-2 bp
Jun-24	1.33%	1.12%	20 bp	4 bp	-2 bp	-3 bp	0 bp	2 bp
Jul-24	1.33%	1.12%	20 bp	1 bp	1 bp	0 bp	0 bp	0 bp
Aug-24	1.33%	1.20%	13 bp	1 bp	4 bp	7 bp	0 bp	-4 bp
Sep-24	1.43%	1.28%	15 bp	6 bp	8 bp	8 bp	10 bp	2 bp
Oct-24	1.43%	1.30%	13 bp	2 bp	4 bp	2 bp	0 bp	-4 bp
Nov-24	1.43%	1.38%	5 bp	0 bp	1 bp	3 bp	0 bp	-1 bp
Dec-24	1.42%	1.40%	2 bp	0 bp	-2 bp	4 bp	0 bp	2 bp

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 33: AXP monthly NCO trends**

NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	2.35%	2.10%	25 bp	-4 bp	-1 bp	5 bp	17 bp	19 bp
Feb-25	2.53%	2.38%	15 bp	20 bp	5 bp	2 bp	18 bp	13 bp
Mar-24	2.33%	1.63%	70 bp	5 bp	12 bp	-2 bp	-5 bp	-17 bp
Apr-24	2.42%	1.48%	95 bp	-1 bp	-1 bp	-6 bp	10 bp	11 bp
May-24	2.43%	1.62%	80 bp	-2 bp	-4 bp	8 bp	0 bp	4 bp
Jun-24	2.33%	1.78%	55 bp	-17 bp	-17 bp	-9 bp	-10 bp	7 bp
Jul-24	2.15%	1.80%	35 bp	14 bp	0 bp	0 bp	-17 bp	-17 bp
Aug-24	2.23%	1.72%	50 bp	0 bp	0 bp	-4 bp	7 bp	8 bp
Sep-24	1.95%	1.70%	25 bp	-16 bp	-12 bp	-7 bp	-27 bp	-16 bp
Oct-24	2.35%	1.92%	42 bp	14 bp	7 bp	17 bp	40 bp	33 bp
Nov-24	2.08%	1.77%	30 bp	3 bp	2 bp	3 bp	-27 bp	-29 bp
Dec-24	2.17%	2.43%	-25 bp	7 bp	10 bp	18 bp	10 bp	0 bp

Source: Company data, Goldman Sachs Global Investment Research

## BFH: NCOs and DQs both underperform seasonality

**Exhibit 34: BFH monthly DQ trends**

30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	6.12%	6.76%	-64 bp	25 bp	24 bp	29 bp	18 bp	-6 bp
Feb-25	6.22%	6.66%	-44 bp	-1 bp	-4 bp	7 bp	11 bp	14 bp
Mar-24	6.25%	5.71%	53 bp	-30 bp	-35 bp	-32 bp	-42 bp	-7 bp
Apr-24	6.02%	5.49%	53 bp	-14 bp	-20 bp	-28 bp	-22 bp	-2 bp
May-24	5.93%	5.53%	40 bp	16 bp	4 bp	-1 bp	-9 bp	-12 bp
Jun-24	5.99%	5.54%	45 bp	15 bp	14 bp	16 bp	6 bp	-8 bp
Jul-24	6.19%	5.73%	46 bp	19 bp	22 bp	23 bp	20 bp	-2 bp
Aug-24	6.24%	5.93%	31 bp	8 bp	14 bp	29 bp	5 bp	-9 bp
Sep-24	6.45%	6.26%	19 bp	18 bp	18 bp	30 bp	21 bp	3 bp
Oct-24	6.42%	6.48%	-6 bp	-2 bp	-5 bp	2 bp	-3 bp	2 bp
Nov-24	6.18%	6.50%	-32 bp	-14 bp	-18 bp	-1 bp	-24 bp	-6 bp
Dec-24	5.94%	6.50%	-56 bp	-5 bp	-13 bp	6 bp	-25 bp	-12 bp

October and November DQs affected by frozen DQs due to hurricanes Helene and Milton

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 35: BFH monthly NCO trends**

NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	7.82%	7.99%	-17 bp	115 bp	18 bp	-4 bp	-35 bp	-54 bp
Feb-25	8.62%	8.92%	-29 bp	-12 bp	-10 bp	62 bp	81 bp	90 bp
Mar-24	8.76%	6.71%	205 bp	-14 bp	-6 bp	-23 bp	-16 bp	-10 bp
Apr-24	8.60%	7.74%	86 bp	26 bp	21 bp	40 bp	-16 bp	-36 bp
May-24	8.80%	8.42%	38 bp	-19 bp	-2 bp	54 bp	19 bp	22 bp
Jun-24	8.38%	7.69%	68 bp	-45 bp	-39 bp	-68 bp	-42 bp	-4 bp
Jul-24	8.06%	7.38%	67 bp	22 bp	-3 bp	-57 bp	-32 bp	-29 bp
Aug-24	7.84%	6.77%	107 bp	-7 bp	-22 bp	0 bp	-21 bp	1 bp
Sep-24	7.47%	6.71%	76 bp	-33 bp	-9 bp	-29 bp	-37 bp	-28 bp
Oct-24	7.93%	7.96%	-3 bp	94 bp	64 bp	98 bp	46 bp	-19 bp
Nov-24	8.02%	7.91%	11 bp	-16 bp	0 bp	12 bp	9 bp	10 bp
Dec-24	8.17%	8.23%	-6 bp	-31 bp	-13 bp	26 bp	15 bp	27 bp

October and November NCOs affected by frozen NCOs due to hurricanes Helene and Milton

Source: Company data, Goldman Sachs Global Investment Research

## COF: Monthly DQ's were inline while NCO's underperformed

Exhibit 36: COF monthly DQ trends

30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	4.61%	4.78%	-17 bp	12 bp	9 bp	19 bp	8 bp	-1 bp
Feb-25	4.52%	4.72%	-20 bp	-15 bp	-11 bp	5 bp	-9 bp	2 bp
Mar-24	4.48%	3.66%	82 bp	-30 bp	-26 bp	-15 bp	-24 bp	2 bp
Apr-24	4.23%	3.57%	66 bp	-20 bp	-17 bp	-18 bp	-25 bp	-8 bp
May-24	4.13%	3.64%	49 bp	-5 bp	-8 bp	-4 bp	-10 bp	-2 bp
Jun-24	4.14%	3.74%	40 bp	12 bp	5 bp	7 bp	1 bp	-4 bp
Jul-24	4.28%	3.95%	33 bp	14 bp	10 bp	15 bp	14 bp	4 bp
Aug-24	4.35%	4.09%	26 bp	13 bp	11 bp	14 bp	7 bp	-4 bp
Sep-24	4.53%	4.31%	22 bp	15 bp	14 bp	19 bp	18 bp	4 bp
Oct-24	4.61%	4.48%	13 bp	16 bp	12 bp	17 bp	8 bp	-4 bp
Nov-24	4.57%	4.55%	2 bp	7 bp	4 bp	10 bp	-4 bp	-8 bp
Dec-24	4.53%	4.61%	-8 bp	-5 bp	-4 bp	9 bp	-4 bp	0 bp

Source: Company data, Goldman Sachs Global Investment Research

Exhibit 37: COF monthly NCO trends

NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	6.12%	5.71%	41 bp	4 bp	-8 bp	20 bp	-16 bp	-8 bp
Feb-25	6.35%	5.95%	40 bp	-3 bp	-11 bp	21 bp	23 bp	34 bp
Mar-24	6.15%	4.16%	199 bp	21 bp	18 bp	-10 bp	20 bp	2 bp
Apr-24	6.07%	4.26%	181 bp	-7 bp	-11 bp	5 bp	-8 bp	3 bp
May-24	6.13%	4.50%	163 bp	-25 bp	-9 bp	13 bp	6 bp	15 bp
Jun-24	5.93%	4.38%	155 bp	-27 bp	-18 bp	-18 bp	-20 bp	-2 bp
Jul-24	5.79%	4.48%	131 bp	-12 bp	-21 bp	-14 bp	-14 bp	7 bp
Aug-24	5.82%	4.55%	127 bp	-1 bp	-7 bp	-6 bp	3 bp	10 bp
Sep-24	5.23%	4.16%	107 bp	-20 bp	-3 bp	-21 bp	-59 bp	-56 bp
Oct-24	5.82%	5.08%	74 bp	31 bp	24 bp	52 bp	59 bp	35 bp
Nov-24	6.08%	5.19%	89 bp	43 bp	35 bp	31 bp	26 bp	-9 bp
Dec-24	6.28%	5.78%	50 bp	16 bp	10 bp	32 bp	20 bp	10 bp

Source: Company data, Goldman Sachs Global Investment Research

## DFS: DQ's in-line while NCO's outperform

Exhibit 38: DFS monthly DQ trends

30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	3.87%	4.02%	-15 bp	8 bp	8 bp	13 bp	3 bp	-5 bp
Feb-25	3.87%	4.01%	-14 bp	-4 bp	-2 bp	1 bp	0 bp	2 bp
Mar-24	3.83%	2.76%	107 bp	-5 bp	-11 bp	-5 bp	-18 bp	-7 bp
Apr-24	3.72%	2.75%	97 bp	-6 bp	-11 bp	-7 bp	-11 bp	0 bp
May-24	3.65%	2.77%	88 bp	-3 bp	-10 bp	-6 bp	-7 bp	3 bp
Jun-24	3.69%	2.86%	83 bp	0 bp	1 bp	2 bp	4 bp	3 bp
Jul-24	3.73%	3.00%	73 bp	4 bp	3 bp	7 bp	4 bp	1 bp
Aug-24	3.79%	3.15%	64 bp	4 bp	2 bp	9 bp	6 bp	4 bp
Sep-24	3.84%	3.41%	43 bp	9 bp	11 bp	16 bp	5 bp	-6 bp
Oct-24	3.87%	3.61%	26 bp	7 bp	9 bp	13 bp	3 bp	-6 bp
Nov-24	3.87%	3.76%	11 bp	2 bp	1 bp	11 bp	0 bp	-1 bp
Dec-24	3.84%	3.87%	-3 bp	1 bp	-2 bp	11 bp	-3 bp	-1 bp

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 39: DFS monthly NCO trends**

NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	5.48%	5.23%	25 bp	4 bp	-6 bp	26 bp	7 bp	13 bp
Feb-25	5.48%	5.86%	-38 bp	39 bp	26 bp	48 bp	0 bp	-26 bp
Mar-24	5.90%	3.13%	277 bp	-31 bp	-15 bp	-33 bp	4 bp	19 bp
Apr-24	5.60%	3.56%	204 bp	9 bp	5 bp	18 bp	-30 bp	-35 bp
May-24	5.38%	3.67%	171 bp	1 bp	13 bp	6 bp	-22 bp	-35 bp
Jun-24	5.67%	3.80%	187 bp	-5 bp	-14 bp	-12 bp	29 bp	43 bp
Jul-24	5.28%	3.77%	151 bp	-21 bp	-22 bp	-19 bp	-39 bp	-17 bp
Aug-24	5.22%	4.16%	106 bp	0 bp	-1 bp	12 bp	-6 bp	-5 bp
Sep-24	5.36%	4.15%	121 bp	8 bp	-5 bp	-4 bp	14 bp	19 bp
Oct-24	4.87%	4.42%	45 bp	1 bp	-2 bp	9 bp	-49 bp	-47 bp
Nov-24	5.37%	4.71%	66 bp	17 bp	28 bp	26 bp	50 bp	22 bp
Dec-24	5.41%	4.90%	51 bp	2 bp	-7 bp	10 bp	4 bp	11 bp

Source: Company data, Goldman Sachs Global Investment Research

**SYF: DQ's in-line while NCO's underperform seasonality****Exhibit 40: SYF monthly DQ trends**

30+ del	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	4.70%	4.90%	-20 bp	29 bp	12 bp	17 bp	0 bp	-12 bp
Feb-25	4.70%	5.00%	-30 bp	2 bp	1 bp	3 bp	0 bp	-1 bp
Mar-24	4.70%	3.80%	90 bp	-30 bp	-21 bp	-17 bp	-30 bp	-9 bp
Apr-24	4.60%	3.70%	90 bp	-24 bp	-19 bp	-20 bp	-10 bp	9 bp
May-24	4.50%	3.80%	70 bp	-4 bp	-8 bp	-3 bp	-10 bp	-2 bp
Jun-24	4.50%	3.80%	70 bp	4 bp	-1 bp	-3 bp	0 bp	1 bp
Jul-24	4.60%	4.00%	60 bp	4 bp	7 bp	13 bp	10 bp	3 bp
Aug-24	4.60%	4.10%	50 bp	12 bp	11 bp	17 bp	0 bp	-11 bp
Sep-24	4.80%	4.40%	40 bp	24 bp	18 bp	20 bp	20 bp	2 bp
Oct-24	4.90%	4.60%	30 bp	10 bp	10 bp	13 bp	10 bp	0 bp
Nov-24	4.90%	4.70%	20 bp	4 bp	5 bp	13 bp	0 bp	-5 bp
Dec-24	4.70%	4.70%	0 bp	-12 bp	-15 bp	3 bp	-20 bp	-5 bp

Source: Company data, Goldman Sachs Global Investment Research

**Exhibit 41: SYF monthly NCO trends**

NCO ratio	Current	12 months before	YoY	2015-2019 avg	LT avg	Trailing 3yr avg	MOM	Delta vs. LT avg
Jan-25	6.20%	6.00%	20 bp	23 bp	-3 bp	40 bp	-50 bp	-47 bp
Feb-25	6.80%	6.50%	30 bp	64 bp	45 bp	60 bp	60 bp	15 bp
Mar-24	6.40%	4.50%	190 bp	-28 bp	-30 bp	-3 bp	-10 bp	20 bp
Apr-24	6.70%	4.70%	200 bp	18 bp	26 bp	-13 bp	30 bp	4 bp
May-24	6.40%	4.90%	150 bp	-20 bp	-12 bp	17 bp	-30 bp	-18 bp
Jun-24	6.10%	4.70%	140 bp	-38 bp	-30 bp	-27 bp	-30 bp	0 bp
Jul-24	6.30%	4.70%	160 bp	-18 bp	-18 bp	15 bp	20 bp	38 bp
Aug-24	5.70%	4.70%	100 bp	-12 bp	4 bp	10 bp	-60 bp	-64 bp
Sep-24	6.20%	4.40%	180 bp	0 bp	-14 bp	-30 bp	50 bp	64 bp
Oct-24	6.40%	5.60%	80 bp	22 bp	20 bp	63 bp	20 bp	0 bp
Nov-24	6.20%	5.60%	60 bp	24 bp	20 bp	20 bp	-20 bp	-40 bp
Dec-24	6.70%	5.60%	110 bp	-2 bp	-8 bp	-13 bp	50 bp	58 bp

Source: Company data, Goldman Sachs Global Investment Research



# Disclosure Appendix

## Reg AC

We, Ryan M. Nash, CFA, Lucas Haimes and Michael Mayer, hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities. We also certify that no part of our compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

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## Company-specific regulatory disclosures

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

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Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution				Investment Banking Relationships		
	Buy	Hold	Sell		Buy	Hold	Sell
Global	48%	34%	18%		64%	57%	43%

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