

Macro Roundup Article

Headline: [Don't Be Deceived By The Headlines, Consumer Credit Markets Are Decidedly Normal](#)

Article Link: <https://www.briefingbook.info/p/dont-be-deceived-by-the-headlines>

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Publication	Briefing Book
Publication Date	February 05, 2024

Tweet: In 2023 credit card balances per person were 6.3% of mean income, below the 7.3% historical average and fairly close to the 5.2% low in 2021. @nealemahoney @Scott_L_Fulford

Summary: Adjusting for inflation, credit card balances are fairly typical. Although they have increased since 2022, aggregate credit card balances are roughly back to their 2019 level and close to their average over 2003 to 2023. Moreover, compared to incomes, credit card balances are well below their historical average. The figure shows credit card balances per person as a percentage of mean income. At 6.3%, the percentage is below its historical average (7.3%) and fairly close to the series low (5.2% in 2021). The pattern is similar if we use other income or population measures. Related: Excess No More? Dwindling Pandemic Savings and Not Such A Cruel Summer and Credit Card Delinquencies Continue to Rise—Who Is Missing Payments?

Primary Topic: Business Cycle

Topics: Business Cycle, GDP, Op-Ed/Blog Post

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