

Macro Roundup Article

Headline: April Flowers, Not Showers

Article Link: <https://institute.bankofamerica.com/content/dam/bank-of-america-institute/economic-insights/consumer-checkpoint-may-2024.pdf>

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Publication	Bank of America
Publication Date	May 10, 2024

Tweet: An analysis of @BankofAmerica internal data indicates that the mean monthly customer payment for home and auto insurance is up 25% since 2019, and represented around 4.5% of household income in the 12 months to March 2024.

Summary: We use Bank of America internal data across payment channels to examine how households' overall property insurance payments are changing. While we cannot distinguish in the data between auto or home insurance payments, we can use our data to gauge the impact of rising aggregate property insurance costs across different groups of consumers. The average insurance payment is up 23% relative to 2019 and the average customer payment is up 25%. The difference between these two numbers reflects the fact that some customers will make more than one insurance payment in any month. Compared with 2023, our data shows a rapid increase in these costs for customers over the past year – with the three-month average April 2024 YoY rise at 11%.

Related Articles: As Texas Burns, Property Insurance Costs Soar and In Southwest Florida, High Home Insurance Rates Are Driving Away Would-Be Buyers and A Hidden Crisis In US Housing

Primary Topic: Housing

Topics: Database, Financial Markets, GDP, Housing, Op-Ed/Blog Post

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