

## Macro Roundup Article

**Headline:** [Americans Fall Behind on Car Payments at Higher Rate Than in 2009](#)

**Article Link:** <https://www.bloomberg.com/news/articles/2023-01-27/car-repossessions-grow-as-inflation-slams-consumers?sref=U3dOGIDF>

Author(s)	Claire Ballentine
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**Tweet:** As rates rise the percentage of subprime auto borrowers who are delinquent on their bills rose to 5.7%, higher than the Great Recession peak of 5.0% in January 2009. Though repossessions are still under pre-pandemic levels. @Bloomberg

**Summary:** In December, the percentage of subprime auto borrowers who were at least 60 days late on their bills rose to 5.67%, up from a seven-year low of 2.58% in April 2021, according to Fitch Ratings. That compares to 5.04% in January 2009, the peak during the Great Recession. Higher interest rates are making it even more difficult to make the monthly payments. The average new auto loan rate was 8.02% in December, up from 5.15% a year earlier, according to Cox Automotive. The rate can be much higher for subprime borrowers. While the number of vehicle repossessions is rising, it's still below pre-pandemic levels. At Manheim, an auto auction company, the number of repossessed cars increased 11% in 2022 compared to the prior year, but that was still down 26% from 2019.

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**Primary Topic:** Business Cycle

**Topics:** Business Cycle, Factoid, GDP, News article, Sell-by Date

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