

## 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 |
| Publication      | Bloomberg         |
| Publication Date | January 27, 2023  |

**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.

**Primary Topic:** Business Cycle

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

**Permalink:** <https://www.edwardconard.com/macro-roundup/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?view=detail>

**Featured Image**

**Link:** <https://www.edwardconard.com/wp-content/uploads/2023/01/Car-Loans.png>