SUMMARY & OVERVIEW

This note looks at data provided by the country's largest publicly traded banks in their 4Q25 earnings reports to make assessments about the health of the US consumer. The banks' quarterly earnings releases provide a treasure trove of valuable economic data, and specifically for our purposes here, they include card spend (both credit and if they have it, debit), card loan growth, as well as loan delinquency and charge off rates. Given their size and scale, their data is very significant in assessing the state of the US economy in general and of the US consumer in particular. For reference, our list of subject banks this quarter includes:

- JPMorgan Chase (Ticker: JPM)
- Bank of America (Ticker: BAC)
- Wells Fargo (Ticker: WFC)
- Citigroup (Ticker: C)
- American Express (Ticker: AXP)

Note that given the choppiness in the data created by the merger between Capital One (Ticker: COF) and Discover (Former Ticker: DFS), we're excluding these two for now. Once that subsides and comparisons become cleaner again, we'll include the new COF again too.

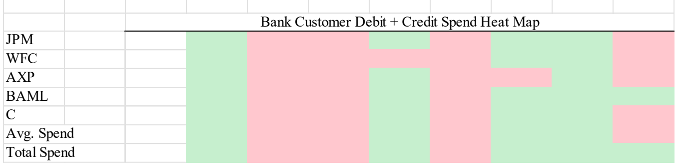
The bottom line takeaway from this analysis is that the consumer remains in good shape. While year-over-year card spending growth slowed modestly compared to 3Q, absolute growth was still very solid. It's also true that card delinquency rates have risen above pre-COVID levels, but the level of increase above pre-COVID levels seems tolerable, with 30 and 90 day card rates up 17 and 33 bps vs. 4Q19 respectively (see chart on page 3). Additionally, when viewed in context of where they've been the last two years, DQ rates in general seem stable. Other data suggests [auto loan DQ rates have been rising in aggregate] (only JPM and WFC disclose these rates in our group, and the data here indicates more stability), but it's similarly not clear if the absolute level of rates is alarming or just a new level of stabilization. [Home loan DQ rates meanwhile remain well below pre-COVID levels] (JPM and WFC data supports this too, see page 4), likely due to the "lock-in" effect from so many consumers having low rates achieved before or during COVID. In aggregate, DQ rates appear to be "flashing yellow", but may be flashing less brightly than they were a couple quarters ago in totality.

Lastly, and for the second time since the early COVID period, **credit card spending growth exceeded credit card loan growth.** This suggests that consumers are living more within their means and also that current (solid) levels of consumer spending may be sustainable. It also potentially suggests that absent a large increase in unemployment, DQ rates may continue to improve in coming quarters as well.

THE STATE OF THE CONSUMER ACCORDING TO US BANKS – 4Q25

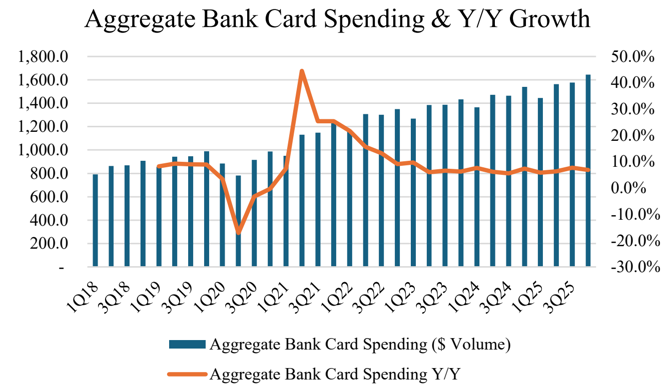
Let's start with a table showing card spend by bank, as well as simple and weighted averages. Card spend growth decelerated this quarter for almost every bank, with the exception being BAC. That said, absolute levels of card spend growth remained near post-COVID highs. Consumers might be cranky but they're not letting it affect their credit cards.

	Bank Customer Debit + Credit Spend Y/Y Chgs								
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
JPM	7.5%	8.9%	7.3%	6.6%	8.6%	6.7%	7.4%	8.7%	7.3%
WFC	7.0%	9.0%	7.7%	6.6%	5.3%	4.9%	5.2%	6.3%	6.2%
AXP	7.3%	7.8%	6.2%	5.7%	9.0%	7.1%	6.9%	9.4%	8.7%
BAML	2.7%	4.5%	3.4%	3.0%	5.2%	4.1%	4.5%	5.7%	5.7%
C	3.4%	4.3%	3.2%	3.0%	4.6%	3.5%	3.7%	5.2%	4.8%
Avg. Spend	5.6%	6.9%	5.6%	5.0%	6.5%	5.3%	5.5%	7.1%	6.6%
Total Spend	3.0%	4.4%	3.0%	2.9%	4.6%	3.1%	3.8%	4.8%	6.9%

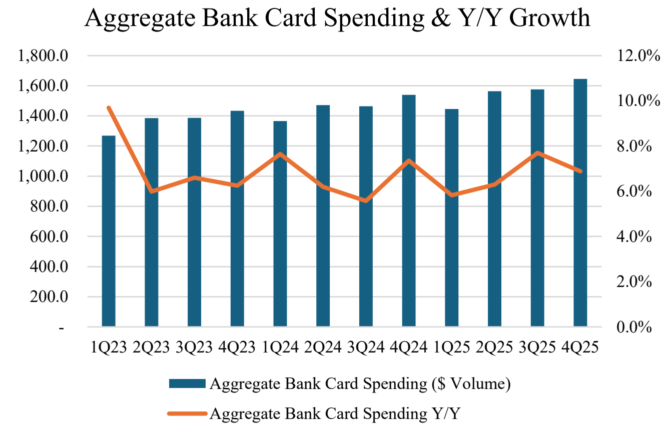


Source: Company Data and *The Curb Economist*

Now here is a chart showing aggregate spending and year-over-year growth. We'll also show the same chart beginning with 1Q23 for ease of viewing's sake to try and take out some of the large dips and spikes during COVID. Notice the stability in the second chart, with nominal spending between 5.5-7.5%, and closer to the high end of that range again this quarter.

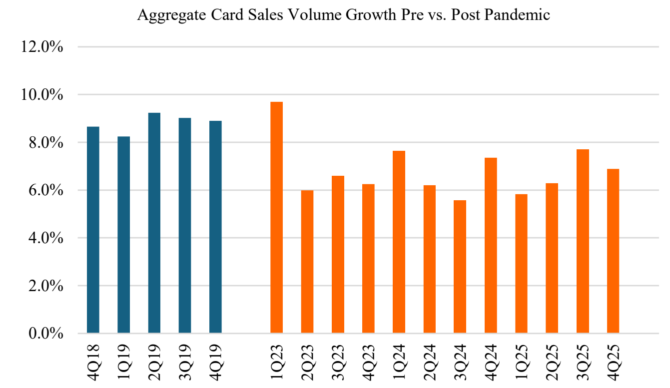


Source: Company Data and *The Curb Economist*



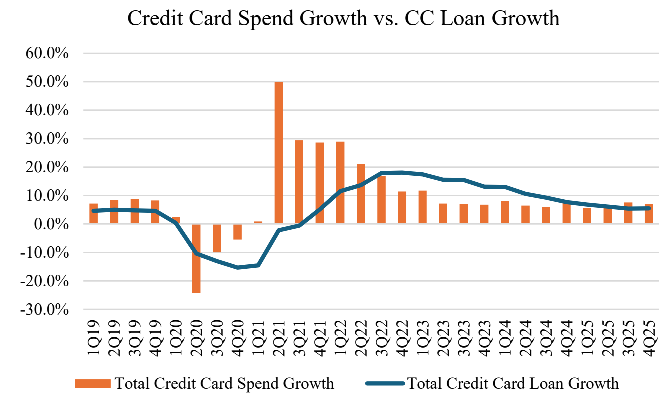
Source: Company Data and *The Curb Economist*

For perspective, however, it's worth showing that while card spend growth rates remained solid, they still remain below pre-COVID levels.



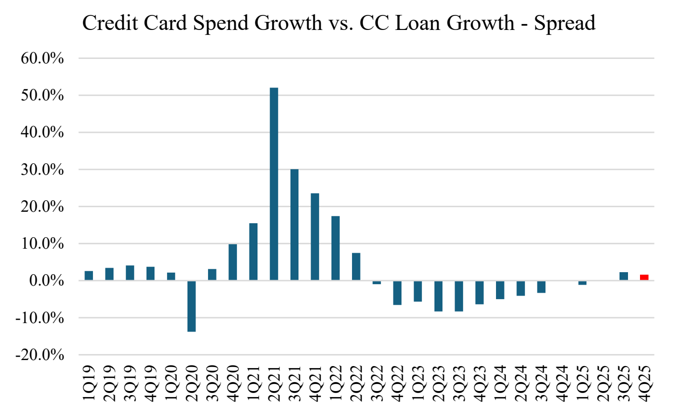
Source: Company Data and *The Curb Economist*

While absolute levels of card spend growth remain below pre-COVID levels, card spend growth in aggregate increased at a rate faster than credit card *loan* growth did in aggregate for the second straight quarter. This suggests both that consumers are living more within their means and also that current levels of spending may be sustainable. The below chart shows credit card spend growth (bars) versus credit card loan growth (line).



Source: Company Data and *The Curb Economist*

The chart below shows the same data as the chart above, just on a spread base for ease of viewing. We'll have to see if this sustains itself in positive territory (where it was pre-COVID), but the directional trend suggests this may very well be on the horizon.



Source: Company Data and *The Curb Economist*

Now let's turn to delinquency rates. First, let's look at similar tables and heat maps as we showed above for 30 and 90 day credit card delinquency rates. We'll again break down the tables at the individual bank level, as well by simple and weighted averages (weighted averages are based on the amounts of credit card loans outstanding, for reference).

The first table (30 day DQs) suggests things modestly worsened this quarter, but on a weighted average basis, DQ rates were actually flat. The simple average was actually flat Q/Q as well.

	Bank Delinquency Rates & Heat Map - 30 Day CC								
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
30 Day Credit Card									
JPM	2.14%	2.23%	2.08%	2.20%	2.17%	2.21%	2.06%	2.14%	2.16%
WFC	2.80%	2.92%	2.71%	2.87%	2.91%	2.82%	2.64%	2.69%	2.80%
AXP	1.40%	1.40%	1.30%	1.40%	1.40%	1.40%	1.30%	1.40%	1.30%
BAML	3.07%	3.62%	3.88%	3.70%	3.79%	4.05%	3.82%	3.46%	3.40%
C	1.03%	1.01%	0.94%	1.06%	1.04%	1.03%	0.97%	1.05%	1.10%
Avg.	2.09%	2.24%	2.18%	2.25%	2.26%	2.30%	2.16%	2.15%	2.15%
Wtd Avg.	2.03%	2.17%	2.11%	2.17%	2.17%	2.22%	2.07%	2.08%	2.08%
JPM									
WFC									
AXP									
BAML									
C									
Avg.									
Wtd Avg.									

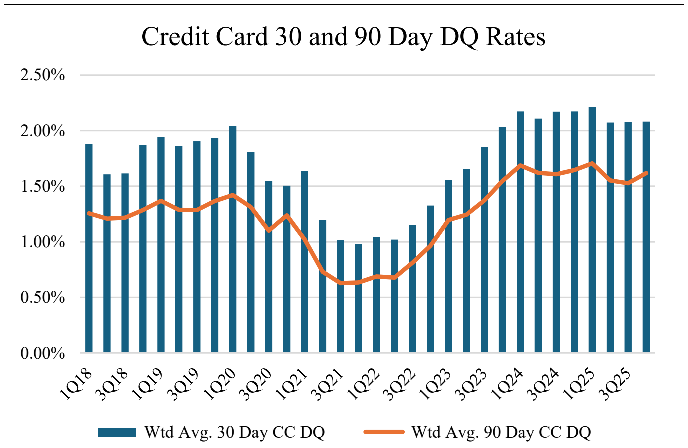
Source: Company Data and *The Curb Economist*

The second table shows 90 day DQ rates, which worsened across the board in 4Q. They also worsened on a simple and weighted average basis as well. As we'll show in a moment, viewed in the context of where they've been the last two years, however, it's unclear how worrisome this is.

	Bank Delinquency Rates & Heat Map - 90 Day CC								
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
90 Day Credit Card									
JPM	1.05%	1.16%	1.07%	1.10%	1.14%	1.16%	1.07%	1.07%	1.10%
WFC	1.41%	1.55%	1.40%	1.43%	1.51%	1.46%	1.32%	1.34%	1.43%
AXP	2.50%	2.80%	2.90%	2.60%	2.60%	3.00%	2.60%	2.40%	2.70%
BAML	2.37%	2.48%	2.43%	2.54%	2.55%	2.50%	2.36%	2.41%	2.46%
C	1.07%	1.19%	1.09%	1.09%	1.16%	1.18%	1.09%	1.07%	1.13%
Avg.	1.68%	1.84%	1.78%	1.75%	1.79%	1.86%	1.69%	1.66%	1.76%
Wtd Avg.	1.55%	1.69%	1.62%	1.61%	1.65%	1.71%	1.55%	1.53%	1.62%
JPM									
WFC									
AXP									
BAML									
C									
Avg.									
Wtd Avg.									

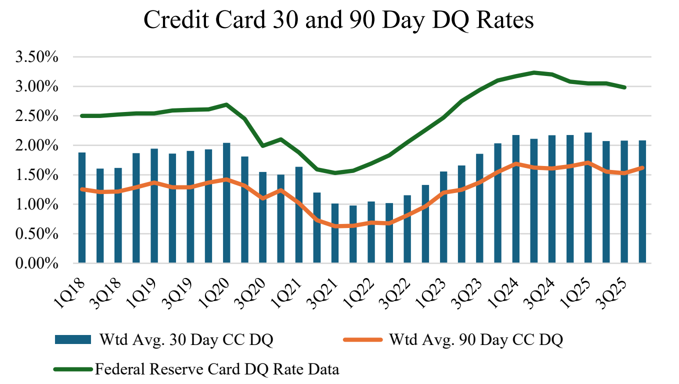
Source: Company Data and *The Curb Economist*

The next chart shows 30 and 90 day DQ rates in aggregate on top of one another. This chart indicates that DQ rates are above pre-COVID levels, but not significantly so. As mentioned earlier, 30 day DQ rates in our bank group are 17 bps higher in 4Q25 than they were in 4Q19, while 90 day DQ rates are up 33 bps. While not ideal, it does not seem to be a huge cause for concern, especially given the directional stabilization that we've seen in recent quarters that the chart shows as well.



Source: Company Data and *The Curb Economist*

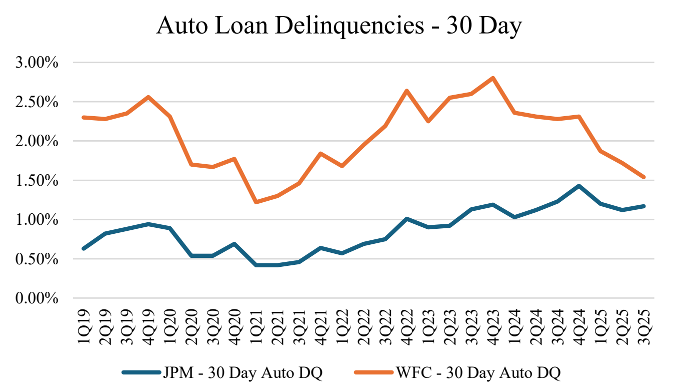
The next chart shows the same data overlaid with the [aggregate credit card delinquency data] from the Federal Reserve Board (green line). For what it's worth, while we don't have 4Q data yet, our publicly traded bank group historically correlates well with the government data. The government data too indicates that 1) DQ rates are above pre-COVID levels 2) they seem to be stabilizing.



Source: Company Data and *The Curb Economist*

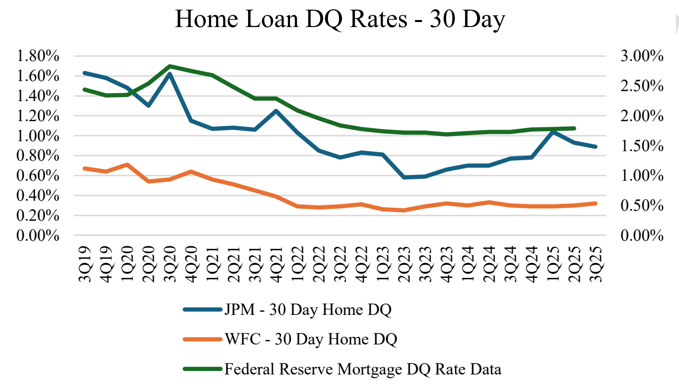
Let's close by looking at auto and home loan delinquencies. From our group of five banks, unfortunately only JPM and WFC give us either mortgage or auto loan data as well as their corresponding 30 day delinquency rates for those loan types. Below are two charts showing both.

As you can see from the first chart, the directional trend in auto delinquencies from WFC has decoupled from that of JPM (the latter of which looks more like [the rest of the industry]). Given the size of WFC, this has pressured the weighted average figure, and perhaps made it less valuable.



Source: Company Data and *The Curb Economist*

The corresponding chart for home loan delinquencies indicates DQs remain in good shape. The trends at JPM and WFC also seem to generally mirror the [Federal Reserve's data] as well, especially now that JPM's home DQ rates have started to move lower again.



Source: Company Data and *The Curb Economist*

CONCLUSION

The key conclusion from our analysis in this note is that the consumer remains in good shape. Spending growth remained solid in the fourth quarter, and very much in-line with trends in the "normalized" post-COVID era. Additionally, the fact that spending growth exceeded card loan growth for the second quarter in a row is also very encouraging.

On the delinquency front, as we've highlighted, things are a bit more complicated, but generally speaking, it's not unfair to say things remain stable at worst and solid at best here too. Yes, DQ rates for credit cards are above pre-COVID levels, and yes, DQ rates appear to be rising for auto loans (at the industry level anyway; the large banks seem to be stable to falling), but looked at in the context of the last two years, things seem stable. Home loan rates remain in very good shape. In totality then, we may be "flashing yellow" in the delinquencies area, but perhaps the flashing is less bright than it was a few quarters ago.

For more on the consumer, check back for our [retail sales] and [broader consumer update] notes in coming weeks.