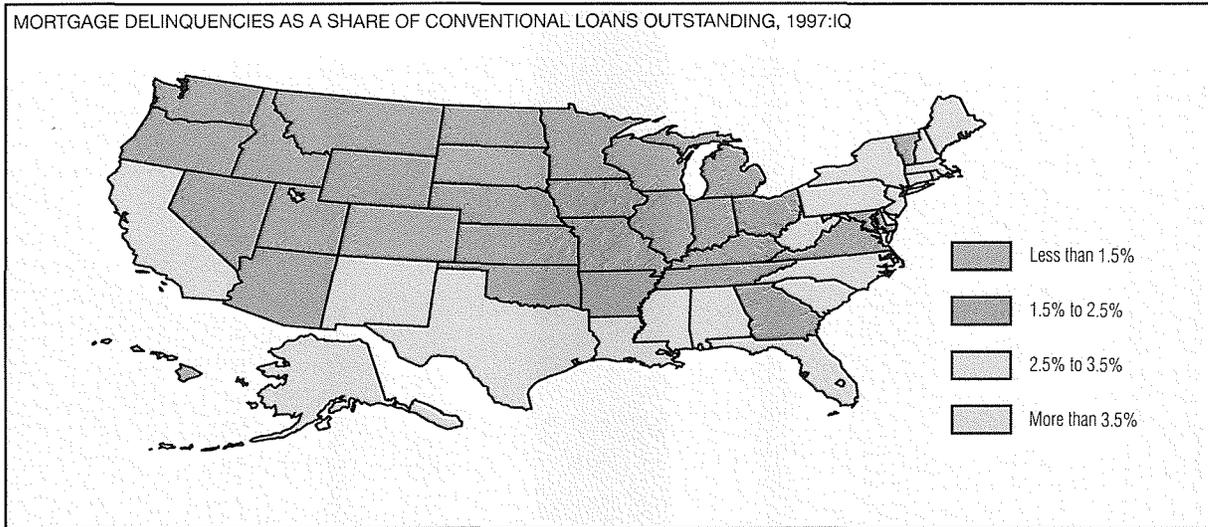
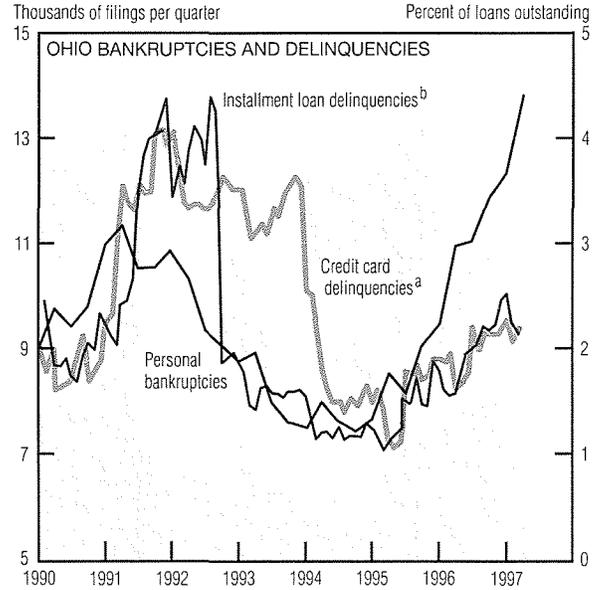
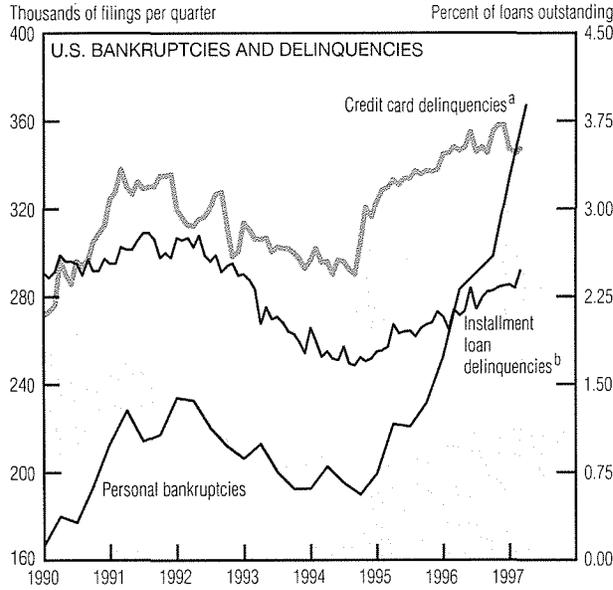


# Consumer Bankruptcies



a. "Bank credit card" data. U.S. data are seasonally adjusted; state data are not.  
 b. "Summary of accounts (closed-end only)" data. U.S. data are seasonally adjusted; state data are not.  
 SOURCES: Administrative Office of the U.S. Courts; American Bankers Association, *Consumer Credit Delinquency Bulletin*; and Mortgage Bankers Association of America, National Delinquency Survey.

The recent rise in consumer bankruptcies continued in the second quarter, with more than 367,000 new filings nationwide. This represents nearly a 10% increase over the first-quarter level and almost a 30% rise compared to 1996:IIQ. Ohio bankruptcies have mirrored national trends, with 13,815 filings in the second quarter, a 12% advance from the first three months of the year.

Despite these record-setting statistics, many analysts are becoming

less concerned about households' near-term financial outlook. Both MasterCard International and Visa U.S.A. are predicting that bankruptcy filings will grow at a slower pace in 1997 than they did last year. Furthermore, recent evidence suggests that consumer delinquency rates may have peaked. In particular, credit card delinquencies dropped to 3.51% of all accounts outstanding in March, down from a high of 3.72% in November and December 1996.

Mortgage delinquencies also appear to be moderating. In the first quarter of 1997, 2.88% of all conventional mortgage loans outstanding were in arrears, down slightly from the 2.90% recorded in 1996:IQ. The geographic distribution of mortgage delinquencies seems to be continuing its recent pattern, with the highest delinquency rates occurring in the South and East, and the lowest rates occurring in the Midwest, Great Plains, and Mountain states.