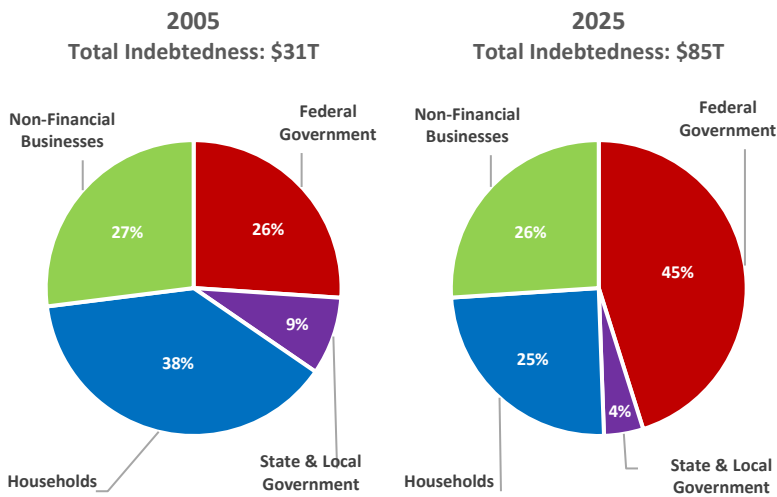


**Briefing**

- Household debt is all debt owed by households. Consumer debt is household debt minus home-secured debt, business loans taken by households and unsecured investment debt. Debts at least 90 days past due are classified as seriously delinquent—one step away from default. At the end of 2025, almost 13% of household credit card debt (a component of consumer debt) was seriously delinquent. That's 1.6 times what it was at the end of 2022. The fraction of seriously delinquent mortgage debt is also more than double what it was in mid-2022 (**Figure 1**).
- Of households earning less than \$50,000, 15% expect to be unable to make minimum debt payments at some point over the next three months (the lowest level since late 2023). Of those earning between \$50,000 and \$100,000, it's 12% (steady since mid-2024). For households earning over \$100,000, it's 5% (the lowest level since early 2023). Consumer debt service payments as a fraction of after-tax income have held steady for the past two years following a three-year rise starting in early 2021 (**Figure 2**).
- Total U.S. public and private debt is currently 270% of gross domestic product (GDP). That's the lowest level since 2019 but up from 230% of GDP in 2005 (**Figure 3**).

**Chart of the Week: American Indebtedness**



**Commentary**

From 2005 to 2008, total U.S. indebtedness—public and private combined—rose from 2.3 to 2.7 times U.S. GDP. Apart from COVID, total indebtedness as a fraction of GDP has held relatively constant since then (**Figure 3**).

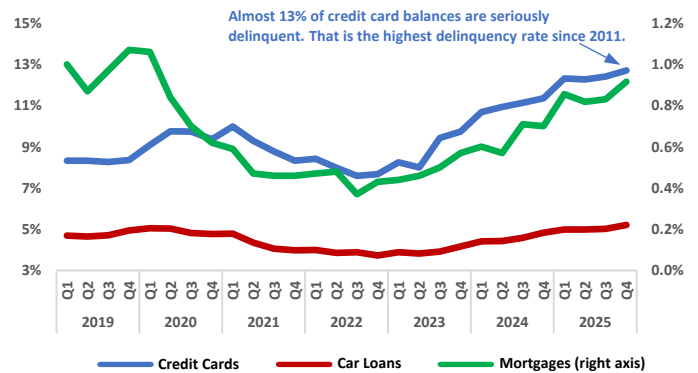
What changed is the composition of that indebtedness. In 2005, gross federal debt was 26% of all U.S. debt. State and local government debt was another 9%. U.S. households and non-financial businesses owed the remaining 65% (**Chart of the Week**).

Over the past 20 years, indebtedness has shifted from private to public. By 2025, 49% of total indebtedness was due to government borrowing, with the federal government accounting for more than 90% of that portion. State and local government debt declined to less than 5% of GDP. Business borrowing held steady at around 26%. Household debt declined from almost 40% to 25%.

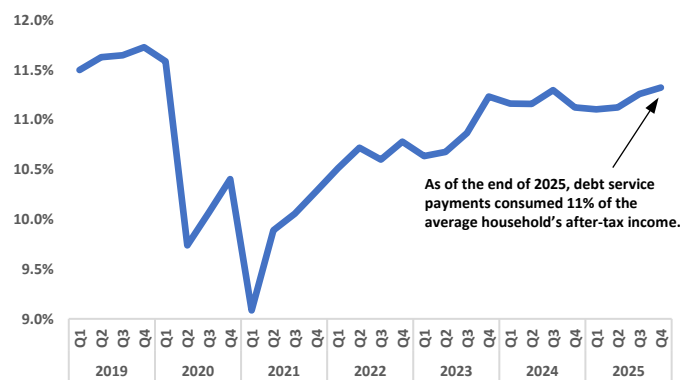
Ultimately, almost all U.S. debt is paid by U.S. households. Households pay for government debt in the form of higher taxes, reduced services or inflation. Households pay for business debt in the form of higher prices, lower wages or lesser investment returns.

**Snapshots**

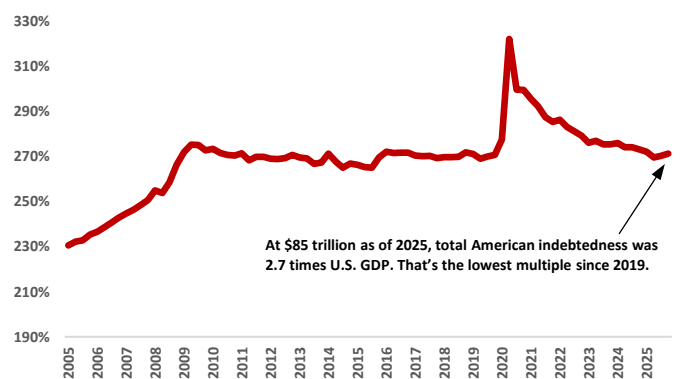
**Figure 1. Household Loan Balances 90+ Days Delinquent**



**Figure 2. Debt Service Payments per Disposable Income**



**Figure 3. US Debt (Public and Private) per GDP**



**The Economic & Financial Research Team**



John Suter, VP



Antony Davies, Director



Sam Kem, Sr. Analyst

Email: [EconomicResearch@nrucfc.coop](mailto:EconomicResearch@nrucfc.coop)

**Key Indicators**

INTEREST RATES <sup>1</sup>	2026				2027	
	Current	Q2	Q3	Q4	Q1	Q2
Fed Funds Target <sup>2</sup> (%)	3.75	3.75	3.75	3.75	3.75	3.75
SOFR (%)	3.66	3.52	3.42	3.36	3.32	3.26
2Y UST (%)	3.85	3.63	3.58	3.56	3.53	3.51
5Y UST (%)	3.98	3.83	3.80	3.79	3.79	3.80
10Y UST (%)	4.33	4.28	4.24	4.23	4.22	4.23
30Y UST (%)	4.89	4.86	4.83	4.81	4.79	4.79

ECONOMY	2026				2027	
	Current	Q2	Q3	Q4	Q1	Q2
PCE Inflation (YoY %)	2.8	3.9	2.3	2.4	2.4	2.2
CPI Inflation (YoY %)	2.4	4.7	2.2	2.5	2.5	2.2
Real GDP (QoQ %)	0.7	1.8	1.8	2.0	2.1	2.1
Unemployment (%)	4.3	4.5	4.5	4.4	4.4	4.4
Consumer Spending (QoQ %)	2.0	1.5	1.7	1.8	2.0	2.0
Industrial Production (YoY %)	1.4	1.2	1.1	1.9	1.8	1.8

**Equities & Currency**

	Current	Year ago	YoY Δ
DJIA	46,563	37,965	22.7%
Nasdaq	21,962	15,603	40.8%
S&P 500	6,605	5,062	30.5%
US Dollar Index	\$1,212.84	\$1,271.56	(4.1%)

**Commodities**

	Current	Year ago	YoY Δ
Crude Oil (Per Barrel)	\$110.76	\$60.70	82.5%
Natural Gas (Per MMBtu)	\$3.33	\$3.66	(9.0%)
Coal (Per Short Ton)	\$13.79	\$9.75	38.7%
Gold (Per Ounce)	\$4,714.60	\$2,973.60	58.6%
Corn (Per Bushel)	\$4.53	\$4.71	(3.9%)
Soybean (Per Bushel)	\$11.65	\$9.83	18.5%

**Industry**

	Current	Year ago	YoY Δ
Natural Gas Storage (Billion Cubic Feet)	1,865	1,769	5.4%
U.S. Daily Power Consumption (MWh)	9,677,298	9,973,340	(3.0%)
World Container Index (Per 40ft)	\$2,287	\$2,208	3.6%

<sup>1</sup> Unless otherwise indicated, forecasts are from the Blue Chip Professional Forecasters.  
<sup>2</sup> Target rate forecast is based on futures market contracts.

Source: © Oxford Economics, Blue Chip Financial Forecasts, Trading Economics, Moody's Analytics, Statista, Oxford Economics, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, U.S. Energy Information Administration, U.S. Treasury Department, Federal Reserve Bank of Atlanta, Federal Reserve Bank of New York, Federal Reserve Bank of St. Louis, International Monetary Fund, World Bank, University of Michigan, The Conference Board.

Disclaimer: These materials are being provided to you as a service to our members for informational purposes only and are not advice or recommendations of any kind. By receiving these materials, you agree not to share the materials outside of you cooperative, that CFC is not providing any representation or warranty regarding the information in these materials, and that CFC is not responsible for the consequences of any decisions made or actions taken in reliance on these materials. SOFR and EFR are subject to the Terms of Use posted at [newyorkfed.org](http://newyorkfed.org). The New York Fed is not responsible for publication of SOFR or EFR by CFC, does not sanction or endorse any particular republication, and has no liability for your use.

**Forecasts**

