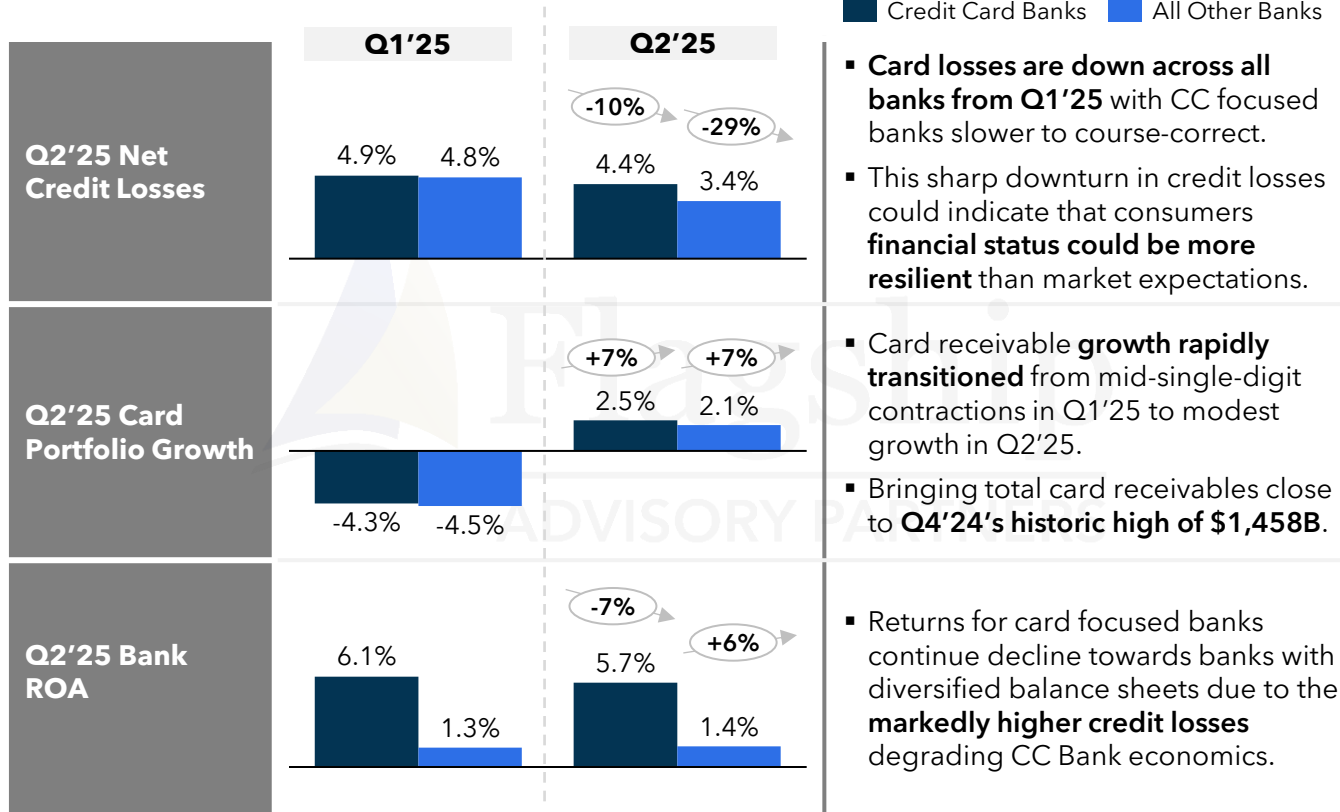


Credit Card Issuing Industry KPIs Q2'25

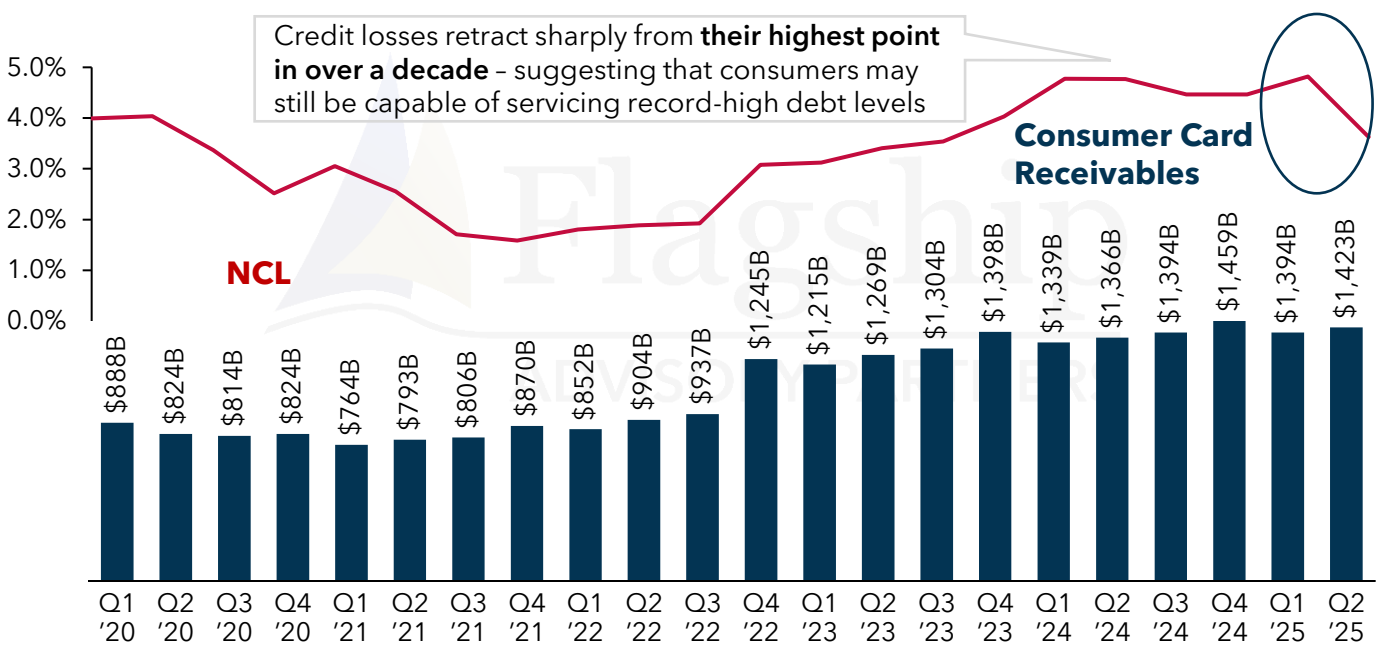
Bank Card Programs Defy Expectations and Drive Stronger Profitability

1 Non Credit Card Banks Vs Credit Card Banks Key Metric Comparison (Q1'25 vs. Q2'25 consumer receivables)



Source: Bank Call Reports

2 Market Size and Credit Loss Performance (Q1'20 vs. Q2'25 consumer receivables)












Source: Bank Call Reports

3

Key Player Performance

(consumer receivables)

| | EOP Receivables | Net Loss Rate | After-Tax ROA |
|-------------------------|-----------------|---------------|---------------|
| Weighted Avg. (PV: Pd.) | \$1.020B | 4.46% | 1.87% |
| YoY Change(vs. 2Q24) | 13.15% | -23 bps | 11 bps |
| QoQ Change(vs. 1Q25) | 12.12% | -34 bps | -2 bps |

| Issuer | Rec. (\$B) 2Q25 | YoY Change | QoQ Change | Net Loss R. 2Q25 | YoY Change | QoQ Change | AT ROA 2Q25 | YoY Change | QoQ Change |
|------------------------------------------------------------------------------------|-----------------|------------|------------|------------------|------------|------------|-------------|------------|------------|
| Top Card Issuing Banks | | | | | | | | | |
|  * | 246 | 43% | 42% | 1.5% | | | -1.0% | | |
| JPMorganChase | 202 | 7% | 4% | 3.0% | -18 bps | -40 bps | 1.4% | -21 bps | -1 bps |
|  | 167 | 2% | 3% | 4.1% | -25 bps | -48 bps | 0.8% | 2 bps | -3 bps |
|  | 101 | 2% | 1% | 3.7% | -10 bps | -31 bps | 1.1% | 7 bps | 1 bps |
|  | 55 | 2% | 1% | 4.4% | -22 bps | -35 bps | 1.4% | 16 bps | 13 bps |
| Most Card-Focused Banks | | | | | | | | | |
|  | 105 | 6% | 2% | 2.3% | -31 bps | -40 bps | 3.9% | 54 bps | -33 bps |
|  | 88 | -1% | 0% | 5.7% | -71 bps | -75 bps | 2.7% | 86 bps | 54 bps |
|  | 32 | 5% | 3% | 3.5% | -104 bps | -61 bps | 1.4% | 44 bps | -8 bps |
|  | 17 | 0% | -1% | 8.0% | -30 bps | -27 bps | 3.4% | -46 bps | -173 bps |
|  | 6 | 38% | 41% | 6.2% | | | 0.6% | | |

Note: *Capital One Bank acquired Discover in Q2 2025. **Merrick Bank acquired Ally Bank's credit card division in Q2 2025
Source: Bank Call Reports

General Commentary & Highlights

- The sharp decline in Net Credit Losses across both credit card banks (-10% QoQ) and other banks (-29%) signals that U.S. consumers are continuing to service record-high debt levels effectively.
- After several quarters of muted growth, card portfolio receivables grew +7% QoQ - back towards the historic \$1.458T range. This could suggest renewed appetite for revolving credit as the economy stabilizes, and rate cuts begin to filter into consumer sentiment.
- Bank ROA declined modestly for credit card banks (-7% QoQ) compared to diversified peers (+6%), reflecting how a high credit loss environment and narrower spreads are degrading credit card-centric issuers.
- Even as the prime rate eased to 7.5% in Q4'25, average APRs currently remain near 24.5%, showing that issuers have been slow to reprice portfolios downward. This could indicate higher margins for issuers or could be caused by issuers retaining wider spreads to offset rising program costs.
- High spread environments create an opening for aggressive issuers or fintech challengers to win share through rate-led acquisition offers while incumbents lag in repricing.
- The largest and most highly credit focused banks are showing appetite for increasing scale through inorganic acquisition – with both Capital One and Merrick Bank acquiring card assets that doubled their scale in Q2'25.

NAVIGATING FINTECH INNOVATION

Flagship Advisory Partners is a boutique strategy and M&A advisory firm focused on payments and fintech. We serve clients globally and have a team of 50+ professionals who have a unique depth of knowledge in payments and fintech.



For any questions, please do not hesitate to contact the author(s):



Ryan McDonald
Manager

Ryan.McDonald@FlagshipAP.com



Abigail Karl
Senior Analyst

Abby@FlagshipAP.com

Read some of our featured insights:



**In-House vs. Outsourced Program Management:
Time to Rethink the Lines in the Sand**

September 2025



**Ledger-as-a-Service: An Emerging infrastructure
Layer Powering Fintech Innovation**

July 2025



**Webinar: Inside Issuing - Insights to Evolve Your
Card Programme**

June 2025



**Issuer Processing Competition Intensifies But
Banks Remain Cautious**

February 2025