

U.S. household debt hits record

By Christopher S. Rugaber, AP

U.S. household debt reached a record high in the first three months of this year, topping the previous peak reached in 2008, when the financial crisis plunged the economy into a deep recession.

Americans have stepped up borrowing over the past three years, yet the nature of what Americans owe has changed since the Great Recession. Student and auto loans make up a larger proportion of household debt, while mortgages – the epicenter of the financial crisis – and credit card debt remain below pre-recession levels.

Those changes suggest households are still cautious about taking on debt to fuel day-to-day consumption.

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