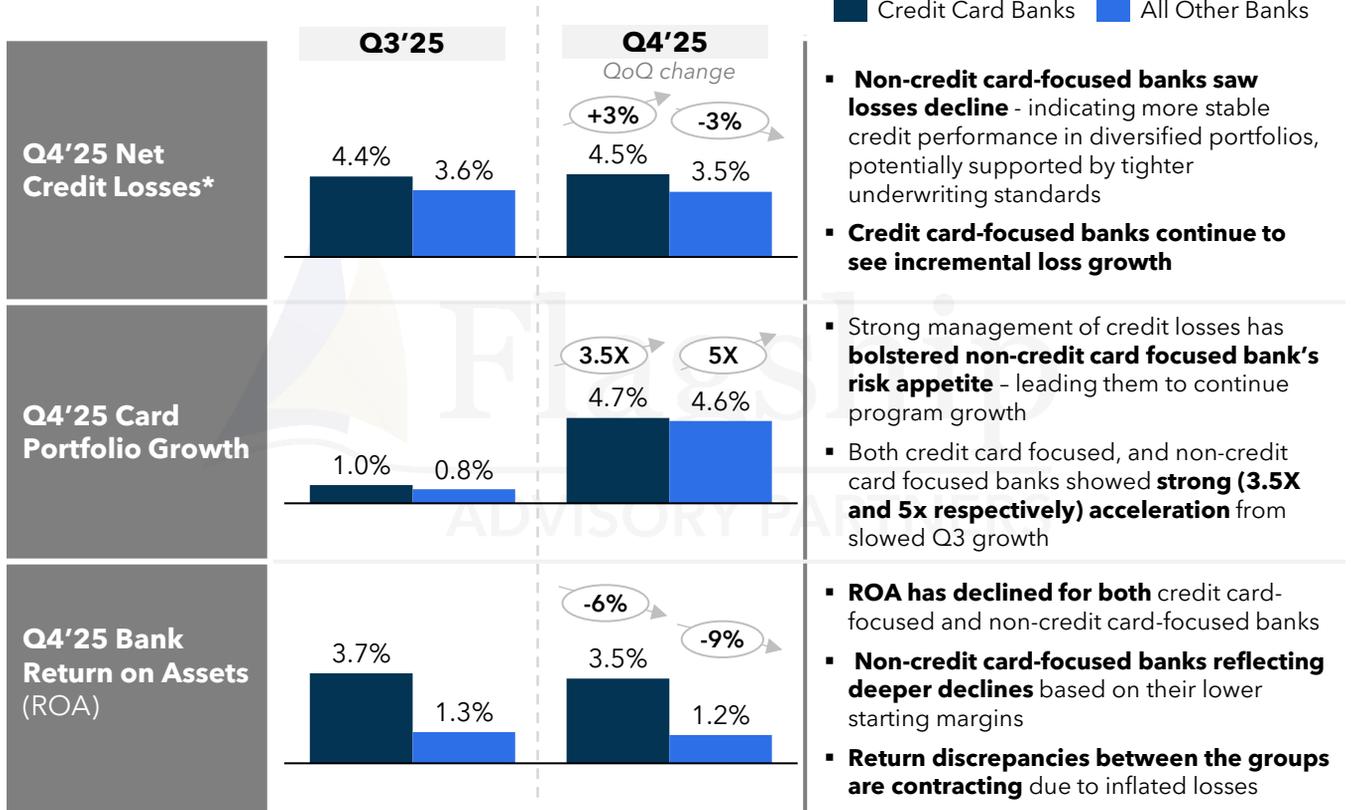


# Credit Card Issuing Industry KPIs Q4'25

Underwriting discipline continues to hold credit losses at bay

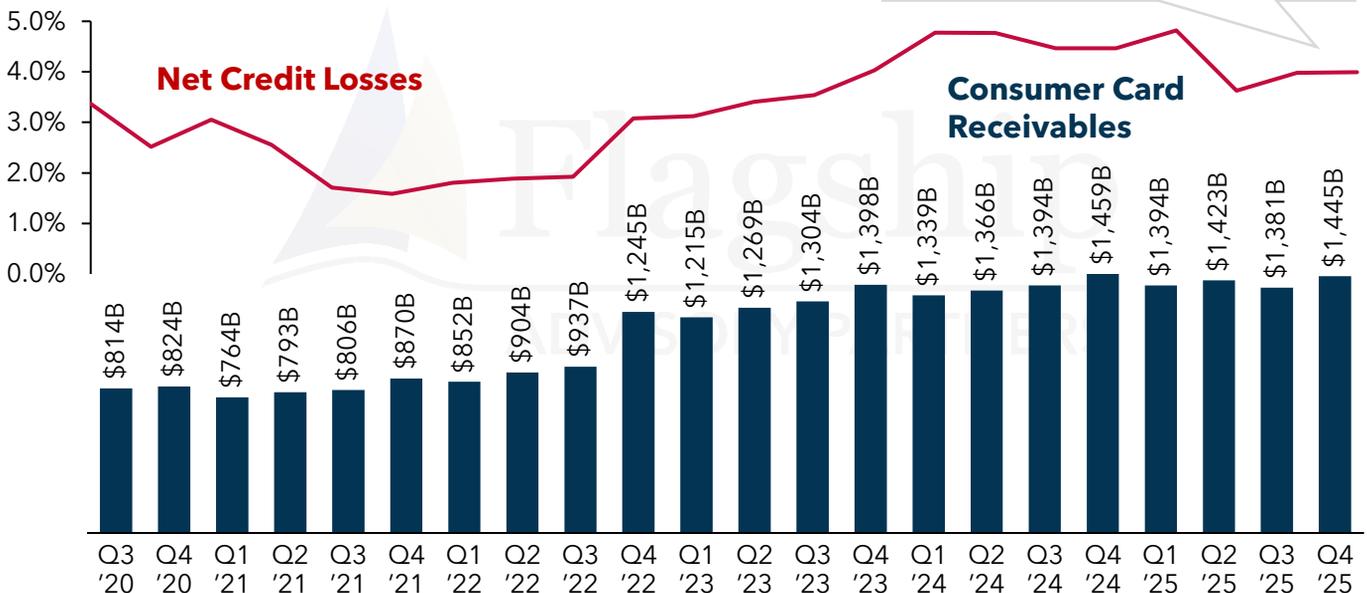
## 1 Non-Credit Card Banks Vs Credit Card Banks Key Metric Comparison (Q3'25 vs. Q4'25 consumer receivables)



Note: \*The total losses a credit card issuer experiences from unpaid balances after accounting for amounts later recovered  
Source: Bank Call Reports

## 2 Market Size and Credit Loss Performance (Q3'20 vs. Q4'25 consumer receivables)

Issuers are showing underwriting strength by holding losses at bay while continuing to grow their receivables



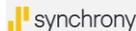
Source: Bank Call Reports

## 3

## Key Player Performance

(consumer credit card receivables)

	End of Period Receivables	Net Loss Rate	After-Tax Return on Assets
Weighted Average	\$1,084B	3.94%	1.47%
YoY Change (vs. 4Q24)	2.9%	-34 bps	-8 bps
QoQ Change (vs. 3Q25)	4.7%	+3 bps	+4 bps

Issuer	Rec. (\$B) 4Q25	YoY Change	QoQ Change	Net Loss R. 4Q25	YoY Change	QoQ Change	Bank ROA 4Q25*	YoY Change	QoQ Change
<b>Top Card Issuing Banks</b>									
 Capital One**	\$256		3.6%	4.9%		21 bps	0.5%		35 bps
JPMorganChase	\$216	5.8%	6.0%	2.9%	-14 bps	-9 bps	1.3%	-16 bps	-4 bps
 citi	\$173	1.3%	3.8%	3.8%	-37 bps	-14 bps	0.8%	6 bps	-3 bps
 Bank of America	\$106	1.9%	3.8%	3.3%	-36 bps	-12 bps	1.2%	9 bps	1 bp
 WELLS FARGO	\$60	5.3%	4.5%	3.9%	-53bps	-8 bps	1.4%	9 bps	-1 bp
<b>Most Card-Focused Banks</b>									
 AMERICAN EXPRESS	\$114	6.6%	7.0%	2.5%	20 bps	28 bps	3.9%	22 bps	-9 bps
 synchrony	\$93	0.03%	4.0%	5.3%	-108 bps	7 bps	2.9%	74 bps	-12 bps
 BARCLAYS	\$36	9.8%	4.9%	3.3%	-77 bps	-1 bp	0.9%	-21 bps	-20 bps
 comenity <small>from bread financial</small>	\$18	-0.9%	6.3%	7.3%	-57 bps	-8 bps	2.8%	-92 bps	-45 bps
 Merrick Bank***	\$6		2.9%	12.3%		23 bps	1.2%		18 bps

Note: \*After-Tax Return on Assets. \*\*Capital One Bank acquired Discover in Q2 2025. \*\*\*Merrick Bank acquired Ally Bank's credit card division in Q2 2025  
Source: Bank Call Reports: Consumer Credit card Receivables, Consumer Credit Card Net Charge offs, Bank-wide After Tax Return on Assets

## 4

## Klarna's BNPL Performance

Klarna.	Total Consumer Receivables	Allowance for Credit Losses	Implied Credit Loss Rate
2024 YE	\$8.5B	\$332M	3.9%
2025 YE	\$10.9B	\$492M	4.5%
Change	+29%	+48%	+60bps

## General Commentary &amp; Highlights

- As signs of consumer fragility continue to grow, banks have effectively managed credit losses while still maintaining portfolio growth.
- Both banks and fintech lenders have experienced sharp investor pullbacks in reaction to small but measurable changes in KPIs. For instance, in the days following recent quarterly results, Klarna's share price declined 32%, Affirm declined 16%, and Capital One declined 8%, in all cases due in part to concerns of declining credit quality even alongside impressive revenue growth.
- Affirm's fiscal year concludes in June, but mid year reporting indicates their loans held for investment are remaining near their historic loss rates of ~5.5%-5.75%

# 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):

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