

New Amex cardholders and international growth drove strong Q4

Article

The news: American Express' total revenues net of interest expense jumped 9% YoY in Q4, versus 11% a year ago, per its earnings release.

Strong cardholder spending drove revenues, as did higher net interest income from revolving loan balances and card fees.

- Amex's US consumer network volume increased 9% YoY, up from [7% growth in Q4 2023](#).
- Overall loan and card member receivables grew 9% YoY, compared to 13% last year.
- And net card fees climbed 19% YoY, versus 17% last year.

What propelled card spend:

- **Travel and entertainment (T&E) billed business shot up 10% YoY.** This was led by airline spend which grew 13% YoY, compared to just 6% YoY the prior year.
- **“Robust holiday spend” boosted overall growth,** Amex CEO Steve Squeri said—across both goods and services (G&S) and T&E. We [forecast that total US holiday retail sales](#) grew 4.3% YoY.
- **International business is Amex's fastest-growing segment,** per Squeri, growing 15% YoY during the quarter. In Q4, Amex reached an average of 80% coverage across its top 12 international countries. It's also been investing heavily in international card acquisitions, Squeri said.
- **Amex boasted a record 13 million new card acquisitions in 2024.** Millennials and Gen Zers made up more than half of these accounts and currently compose one-third of total balances. Much of this growth is directly related to increasing marketing spend (up 30% for 2024) and adding welcome incentives, CFO Christophe Le Caillec said.

How Amex consumers are faring: Amex's delinquencies and charge-offs are still below pre-pandemic levels. The company has been able to maintain this—unlike [other issuers](#)—thanks to its largely premium cardholder base.

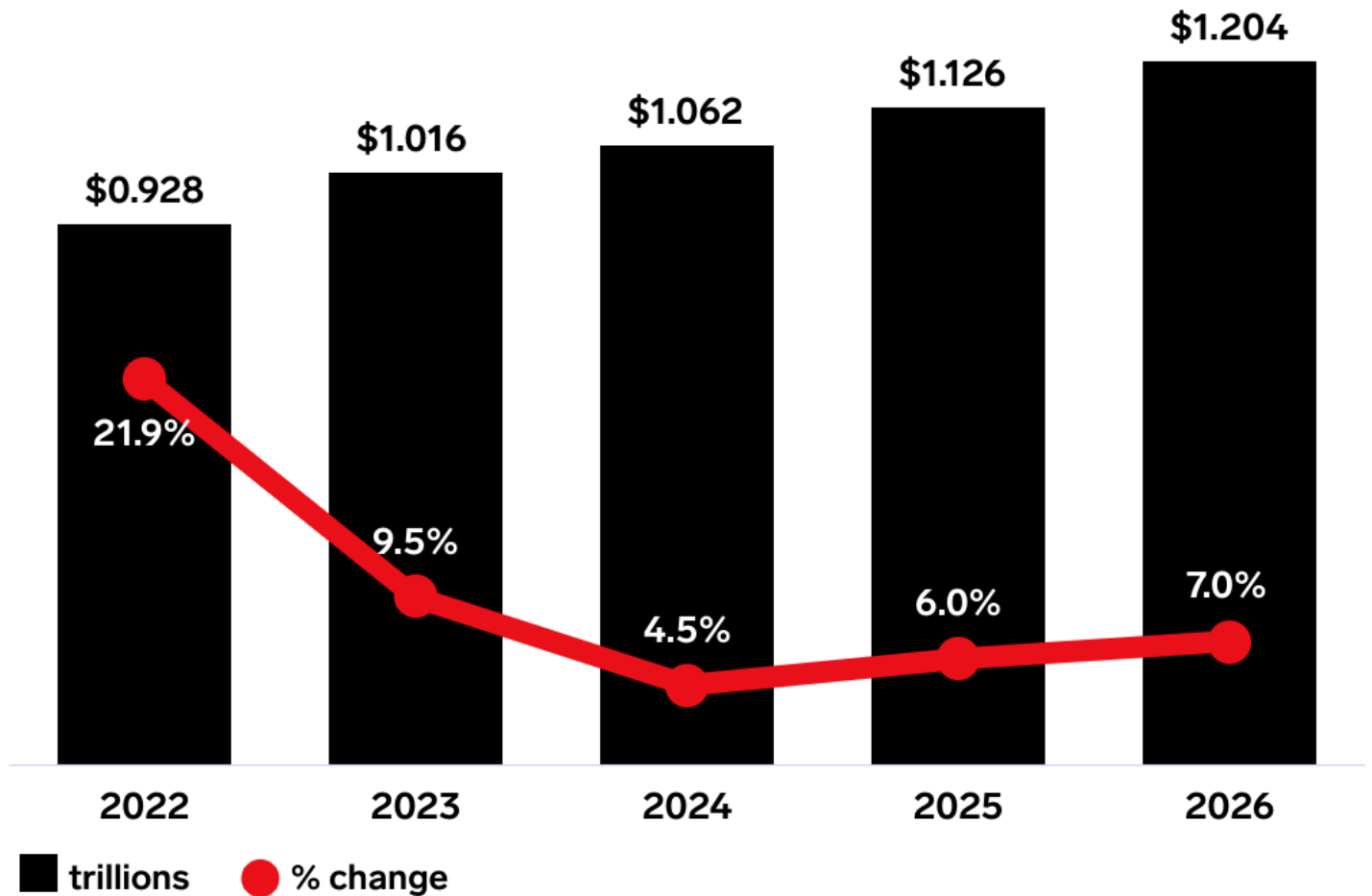
- The 30-day delinquency rate in Q4 was 1.3%. In Q4 2019, the rate was 1.5%.
- The net charge-off rate in Q4 was 1.9%, versus 2.2% before the pandemic.

Our take: Amex is heading into 2025 in a strong position. We expect [Amex's card network transaction value will grow 6% YoY](#) in 2025, per our forecasts.

- Big investments in international acceptance and marketing are paying off.
- And it has escaped much of the concerns around consumer financial health and elevated delinquencies thanks to its higher income clientele.

American Express Network Card Transaction Value

US, 2022-2026



Note: represents the aggregate dollar amount of purchases made with American Express-branded cards; includes consumer and commercial cards; excludes returns, balance transfers, cash advances and other activity; American Express figures include cash advances and value of other payment products

Source: EMARKETER Forecast, January 2025

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