Morning Interest
Your morning track through cards, credit and capital
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Synchrony and Bread Financial card charge-offs fall from a year earlier

Bread Financial Chief Financial Officer Perry Beberman said the company could seek a national bank charter, and JPMorganChase will use OpenAI's coding agents.

TOP 3

1. Card charge-offs at Synchrony and Bread Financial fell in October from a year earlier, and Capital One said its delinquencies and charge-offs are stable.[1–3]
2. JPMorganChase will use OpenAI's Codex agents to write and review code and use OpenAI models for cybersecurity, OpenAI President Greg Brockman said Nov. 5.[4,5]
3. Fiserv plans to sell or wind down one of its two debit networks, Star or Accel, after moving clients onto the other over the next few quarters.[6]

BY THE NUMBERS

4.4%
SYNCHRONY 30+ DAY DELINQUENCY, OCT.
▼ vs. 4.5% a year earlier
8-K, Nov. 10

74%
USE CHATGPT, CLAUDE OR GEMINI FOR BANKING
Among consumers who use AI for banking
McKinsey survey

6.69%
BREAD NET LOSS RATE, OCT.
▼ vs. 7.50% a year earlier
8-K, Nov. 10

THE BIG STORY: CARD ISSUERS AT KBW

Overview

Card issuers at the KBW Fintech Ecosystem Conference this week said credit is holding up. October charge-offs at Synchrony and Bread Financial fell below year-earlier levels, and Capital One said its delinquencies and charge-offs are stable. Bread pushed back on proposed rate caps, and Synchrony said it would engage legislators on them.[1–3,7,8]

Capital One

Capital One's delinquencies and charge-offs are stable after improving for several quarters, Chief Financial Officer Andrew Young said Wednesday. Asked about the bank's capital, which a moderator put at more than 13%, Young said 11% is what Capital One needs, not a target. The bank has returned $10 billion to shareholders over the last four quarters.

Young said the Discover network "does not yet have parity with Visa and Mastercard," so the bank is focused on acceptance, especially for international travelers. He also said Capital One has blocked outside AI agents from working inside its systems in these early days, citing fraud, data loss and other risks to customers.[3]

THE BIG STORY: CARD ISSUERS AT KBW continued

Synchrony

Synchrony's net charge-off rate fell to 4.4% in October from 5.0% a year earlier. Its 30-day-plus delinquency rate slipped to 4.4% from 4.5%. October had fewer charge-off cycle dates than September, a difference that can move the monthly rate. With recoveries spread evenly across the quarter, the adjusted net charge-off rate was flat with September. Chief Financial Officer Brian Wenzel said Tuesday that delinquencies and charge-offs were in line with seasonal patterns. Asked about a path to double-digit earnings-per-share growth next year, he pointed to maturing assets, normalizing payment rates and operating leverage, and said Synchrony will discuss its outlook in January.

Wenzel said Synchrony will engage legislators on proposed interest rate caps "to explain how the marketplace works." Synchrony's Walmart program with OnePay has finished its first year of originations, and Wenzel said the next step is adding the program at Walmart's front-end checkout.[1,7]

Bread Financial

Bread Financial's net principal loss rate dropped to 6.69% in October from 7.50% a year earlier, and its 30-day-plus delinquency rate also fell. Chief Financial Officer Perry Beberman said Wednesday the company aims to bring losses down to about 6%.

Beberman said Bread could seek a national bank charter, mainly as protection from state rules, and that if it does, the next two years would be the time. On proposed rate caps, he said, "You cannot reduce APRs to 10% and think you can underwrite almost anybody."[2,8]

AI

OpenAI contract

OpenAI President Greg Brockman said Nov. 5 that JPMorganChase signed a contract with OpenAI. The bank will use OpenAI's Codex agents to write and review code and use OpenAI models for cybersecurity. A JPMorganChase spokeswoman declined to give terms and said the bank will keep using a variety of tools.[4,5,9]

Spending

JPMorganChase Chief Financial Officer Jeremy Barnum said on the bank's October earnings call that its AI expense had been "something like $700 million annually," well below a $2 billion figure an analyst cited. He described the bank's AI strategy as "minimizing lock-in and maximizing optionality," which includes using open-weight and open-source models, some of which the bank runs in its own data center.[4,10]

Customers

In its Global Banking Annual Review, McKinsey surveyed about 46,000 retail banking customers worldwide and found 62% of AI users would rather get AI services and advice from their primary bank. Yet 74% of those who use AI for banking go through ChatGPT, Claude or Gemini, about twice the share using their bank's chatbot. Roughly half say they may turn to a third-party financial app if their bank does not offer capable AI.[11]

CARDS & PAYMENTS

Fiserv debit

Fiserv is moving clients onto one of its two debit networks, Star or Accel, CEO Takis Georgakopoulos said Tuesday. It will sell the other network if it gets a suitable offer or wind it down if not. He said the move will wrap up over the next few quarters and didn't say which network Fiserv will keep. Banks including Bank of America and JPMorganChase held preliminary talks with Fiserv about a network sale, according to a July Wall Street Journal report.[6]

Global Payments

Worldpay plans a new $699 annual fee for its merchants starting with December statements, according to a company letter posted by merchant consultant Matt Rej. Global Payments, which bought Worldpay less than a year ago for $24.25 billion, didn't immediately respond to a request for comment. It is reportedly weighing a sale to private equity firm GTCR, one of its largest shareholders, and investment firm Clayton, Dubilier & Rice. William Blair put the odds of a deal at less than even, citing about $22 billion of debt.[12]

Western Union-Intermex

On Nov. 10, California's Department of Financial Protection and Innovation conditionally approved Western Union's roughly $500 million deal for Intermex. The conditions include fraud and anti-money laundering controls and a bar on materially reducing agent locations. Western Union called the conditions "unacceptable" and ended the deal the same day, the deadline for either side to exit. Intermex rejected the termination Wednesday and said it stands ready to complete the transaction.[13,14]

Allegiant card

Allegiant Travel and Bank of America extended their co-branded Allways Rewards Visa card program, which launched in 2016, the companies said Thursday. They called the extension long-term, running well into the next decade, and did not disclose financial terms.[15]

BANKS & CHARTERS

MAX-First Financial

MAX Credit Union of Montgomery, Ala., agreed to buy Bessemer-based First Financial Bank, which has $245 million in assets, for an undisclosed cash sum. The deal adds eight branches and is expected to close in 2027. It is the ninth bank purchase by a credit union this year, compared with 16 in 2025 and a record 22 in 2024.[16]

Chime

Chime will launch a line of credit soon and plans to offer an unsecured credit card in 2027, CEO Chris Britt said Wednesday. He expects regulators to approve Chime's purchase of partner bank Stride Bank in the first half of next year, letting Chime fund short-term credit with member deposits.[17]

Bank of America suit

In a Nov. 9 filing, Bank of America and customers who sued it in 2023 told a federal judge in North Carolina they had reached a settlement in principle. The suit claims the bank opened credit cards and other products in their names without permission. The parties didn't disclose terms and asked for a Jan. 11 deadline to seek preliminary approval. Bank of America declined to comment. The suit followed 2023 CFPB and OCC actions requiring the bank to pay more than $250 million in refunds and penalties over practices including unauthorized card accounts.[18,19]

ON THE CALENDAR

All times ET.

THURSDAY, NOV. 12	
8:30 a.m.	Weekly jobless claims (forecast 195,000, prior 189,000).[20]
9 a.m.	Cleveland Fed President Beth Hammack speaks.[20]
10 a.m.	October existing home sales (forecast 3.9 million, prior 4.0 million).[20]
10 a.m.	Fed Governor Michael Barr speaks on AI and inequality.[21]
11:15 a.m.	Chicago Fed President Austan Goolsbee speaks.[22]
12:25 p.m.	Atlanticus CEO Jeff Howard presents at the KBW Fintech Ecosystem Conference.[23]
1:10 p.m.	San Francisco Fed President Mary Daly speaks.[20]
6:30 p.m.	New York Fed President John Williams joins a panel discussion.[20]
FRIDAY, NOV. 13	
8:30 a.m.	October producer price index (forecast up 0.4%).[20,24]
10:50 a.m.	Fed Vice Chair for Supervision Michelle Bowman discusses supervision and regulation.[21]
noon	San Francisco Fed President Mary Daly speaks in a moderated discussion.[20]
7 p.m.	Fed Vice Chair Philip Jefferson speaks on productivity.[21]

WORTH A READ

Agents and credit In their Giving AI Credit report, PYMNTS Intelligence and Thredd found 63% of U.S. consumers would let an AI agent compare credit offers but fewer than half would let one apply. The report is worth reading for its age split: Gen Z is more than twice as willing as baby boomers to let an agent submit an application.[25]

SOURCES

1 Synchrony 8-K: October 2026 credit metrics
2 Bread Financial 8-K: October 2026 credit (Nov 10)
3 Investing.com: Capital One at KBW (Nov 11)
4 American Banker: JPMorganChase-OpenAI (Nov 10)
5 FStech: OpenAI partners with JPMorgan (Nov 9)
6 Payments Dive: Fiserv debit networks (Nov 11)
7 Investing.com: Synchrony at KBW (Nov 10)
8 Investing.com: Bread Financial at KBW (Nov 11)
9 Brockman on X: JPMorganChase deal (Nov 5)
10 JPMorganChase: 3Q26 call transcript (Oct 13)
11 McKinsey: Global Banking Annual Review (Nov 10)
12 Payments Dive: Global Payments pricing (Nov 9)
13 Payments Dive: Western Union-Intermex (Nov 11)
14 California DFPI: Western Union-Intermex
15 Allegiant: Bank of America card extension (Nov 12)
16 Banking Dive: MAX-First Financial (Nov 10)
17 Investing.com: Chime at KBW (Nov 11)
18 American Banker: BofA settles suit (Nov 11)
19 CFPB: Bank of America order (July 11, 2023)
20 TD Economics: Release calendar (Nov 6)
21 Federal Reserve: November 2026 calendar
22 Chicago Fed: Goolsbee at Yahoo Finance Invest (Nov 12)
23 Atlanticus: KBW conference release (Nov 3)
24 BLS release schedule, November 2026
25 PYMNTS and Thredd: Giving AI Credit (Oct 2026)

Compiled from public sources. Check figures against the original filings before relying on them.