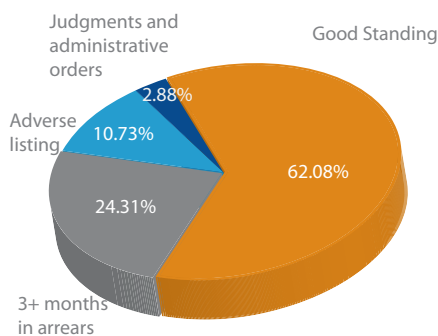


Credit Bureau Monitor

First Quarter | March 2022

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Credit standing of consumers: March 2022



For further information on credit provision, please access the Consumer Credit Market Report on www.ncr.org.za

The information reflected in this edition of the Credit Bureau Monitor covers the period from the quarter ended March 2018 to March 2022, and is based on data held by registered credit bureaus in terms of the National Credit Act No 34 of 2005.

Summary

Credit bureaus create consumer credit profiles based on credit information received from credit providers, courts and utility service providers. The National Credit Regulator (NCR) regulates and monitors registered credit bureaus and the quality of their data.

As at the end of March 2022:

- Credit bureaus held records for 26.48 million credit-active consumers, an increase of 0.38% when compared to the 26.38 million in the previous quarter ended December 2021 and a decrease of 3.83% year-on-year.
- Consumers classified in good standing decreased by 61,703 to 16.44 million consumers.
- The number of consumers with impaired records increased by 161,381, to 10.04 million, this was an increase of 1.63% quarter-on-quarter and a decrease of 4.52% year-on-year.
- The number of accounts increased from 83.62 million in the previous quarter to 84.73 million.
- The number of impaired accounts increased from 19.54 million to 19.59 million when compared to the previous quarter, an increase of 46,197 or 0.24% quarter-on-quarter and a decrease of 584,294 or 2.90% year-on-year.
- A total of 619.91 million enquiries were made on consumer credit records. Enquiries initiated by consumers accounted for 16.21 million of all enquiries, an increase of 71.57% quarter-on-quarter and 46.70% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 39.54%, enquiries from retailers accounted for 13.22% and enquiries from telecommunication providers accounted for 8.76%.
- The number of credit reports issued to consumers increased from 648,280 in the previous quarter to 685,815 of the total credit reports issued, 97.42% (668,131) were issued free of charge, and the remaining 2.58% (17,684) were issued at a cost.
- There were 42,250 disputes lodged on information held on consumer credit records for the quarter ended March 2022, an increase of 17.63% quarter-on-quarter and 66.31% year-on-year.

Introduction

The information reflected in this Credit Bureau Monitor covers the period from the quarter ended March 2018 to March 2022.

Comparisons in this report: "quarter-on-quarter" refers to a comparison between the December 2021 and March 2022 quarters, and "year-on-year" refers to a comparison between the March 2021 and March 2022 quarters.

Credit-active consumers

There were 26.48 million credit-active consumers as at the end of March 2022

From the credit active consumers, 26.48 million (47.98%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers increased by 99,679 quarter-on-quarter and by 1,053,173 year-on-year.

The percentage of consumers in good standing decreased during the quarter

Consumers classified in good standing decreased by 61,703 to 16.44 million consumers. Of the total 26.48 million credit-active consumers, 62.08% were in good standing.

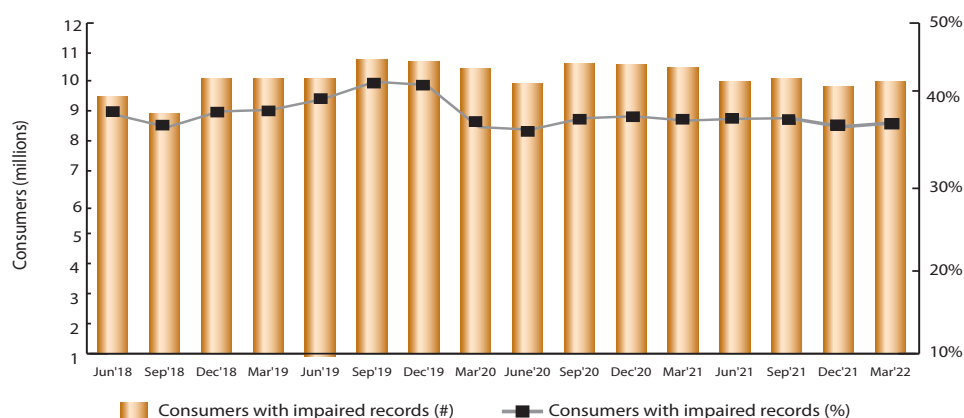
The number of consumers with impaired records (the inverse of those in good standing) increased by 161,381 to 10.04 million. The percentage of credit-active consumers with impaired records increased to 37.92%, comprising of 24.31% of consumers in three months or more in arrears, 10.73% of consumers with adverse listings, and 2.88% of consumers with judgments and administration orders.

A detailed breakdown of the nature of impairments is provided in Table 1 and Figure 1.

Table 1: Credit standing of consumers

	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22
Good standing (#)	14.87m	14.35m	14.49m	17.52m	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m	16.50m	16.44m
Good standing (%)	59.25	57.06	57.50	62.58	62.90	61.52	61.28	61.80	61.59	61.51	62.55	62.08
Current (%)	47.89	45.92	45.72	53.44	53.33	52.41	52.12	53.08	53.60	53.79	54.64	53.93
1-2 months in arrears (%)	11.36	11.14	11.78	9.15	9.57	9.11	9.17	8.72	7.99	7.72	7.91	8.15
Impaired records (#)	10.23m	10.80m	10.71m	10.47m	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m	9.88m	10.04m
Impaired records (%)	40.75	42.94	42.50	37.42	37.10	38.48	38.72	38.20	38.41	38.49	37.45	37.92
3+ months in arrears (%)	22.99	23.75	24.77	23.23	22.90	23.75	23.41	22.84	23.34	24.27	24.07	24.31
Adverse listings (%)	12.68	14.20	12.88	10.92	10.89	11.47	12.07	12.17	12.04	11.26	10.46	10.73
Judgments and administration orders (%)	5.08	4.99	4.85	3.27	3.31	3.26	3.24	3.19	3.03	2.96	2.92	2.88
Credit-active consumers (#)	25.10m	25.14m	25.20m	27.99m	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m	26.38m	26.48m

Figure 1: Consumers with impaired records



Consumer accounts

There were 84.73 million accounts on record at the bureaus as at the end of March 2022

At the end of the reporting quarter there were 84.73 million accounts recorded at registered credit bureaus. This was an increase of 1.33% quarter-on-quarter and decrease of 0.42% year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 84.73 million accounts, 65.14 million (76.88%) were classified as in good standing, a positive variance of 1.66% quarter-on-quarter and 0.35% year-on-year.

As at the end of March 2022:

- 70.53% of accounts were classified as current (decreased quarter-on-quarter by 0.06% and increased year-on-year by 0.88%).
- 6.35% had missed one or two instalments (increased quarter-on-quarter by 0.31% and decreased year-on-year by 0.29%).
- 17.50% had missed three or more instalments (decreased quarter-on-quarter by 0.14% and increased year-on-year by 0.34%).
- 4.69% had adverse listings (decreased quarter-on-quarter by 0.08% and year-on-year by 0.86%).
- 0.93% had judgments or administration orders (decreased quarter-on-quarter by 0.03% and year-on-year by 0.07%).

See Table 2 and Figures 2 and 3 for detailed breakdown.

Table 2: Credit standing of accounts

	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22
Good standing (#)	58.95m	59.67m	60.09m	66.12m	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m	64.08m	65.14m
Good standing (%)	73.58	73.19	73.25	76.88	75.76	73.09	73.66	76.29	76.66	76.30	76.63	76.88
Current (%)	64.46	63.94	63.63	68.73	67.77	65.96	66.70	69.95	70.47	70.25	70.59	70.53
1-2 months in arrears (%)	9.13	9.25	9.62	8.16	7.99	7.13	6.96	6.64	6.19	6.05	6.04	6.35
Impaired records (#)	21.16m	21.86m	21.95m	19.88m	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m	19.54m	19.59m
Impaired records (%)	26.42	26.81	26.75	23.12	24.24	26.91	26.34	23.71	23.34	23.70	23.37	23.12
3+ months in arrears (%)	19.19	19.76	19.71	15.91	17.07	17.05	16.47	17.16	16.98	17.78	17.64	17.50
Adverse listings (%)	6.10	5.98	6.03	6.50	6.28	9.01	9.06	5.55	5.38	4.96	4.77	4.69
Judgments and administration orders (%)	1.13	1.07	1.01	0.70	0.88	0.84	0.80	1.00	0.98	0.96	0.96	0.93
Consumer accounts (#)	80.12m	81.53m	82.04m	85.99m	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m	83.62m	84.73m

Figure 2: Accounts with impaired records

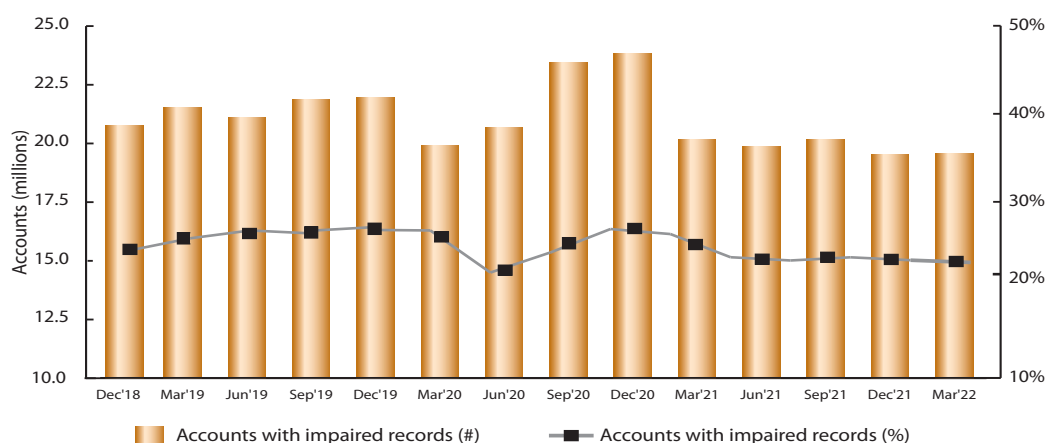
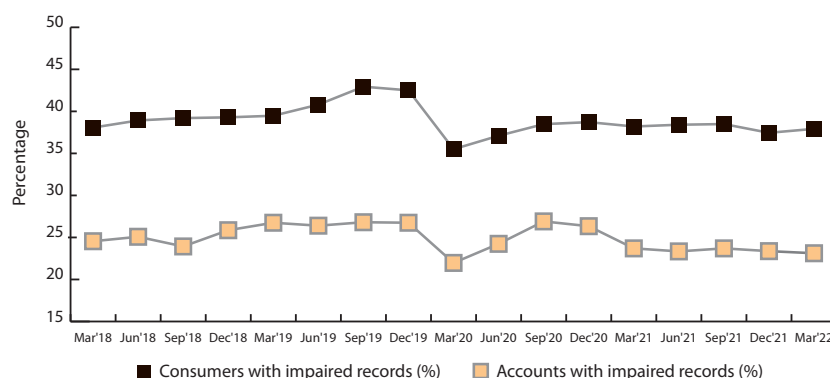


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records increased for the quarter

There were 619.91 million enquiries made in the quarter ended March 2022. This was a increase of 0.25% quarter-on-quarter and a decrease of 8.60% year-on-year. Enquiries done in bulk by banks and other financial institutions formed the largest portion of all enquiries.

- 16.21 million enquiries were made due to consumers seeking credit (increased by 71.57% quarter-on-quarter and 46.70% year-on-year).
- 5.99 million enquiries were related to telecommunication services (decreased by 49.17% quarter-on-quarter and increased by 64.73% year-on-year).
- 108.77 million enquiries were made for tracing/debt collection purposes (increased by 52.06% quarter-on-quarter and by 74.98% year-on-year).
- 488.94 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (decreased by 6.97% quarter-on-quarter and decreased by 18.70% year-on-year).

Refer to Table 3 and Figures 4 and 5 for detailed breakdown.

Table 3: Enquiries

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Consumers seeking credit	11.04	12.10	9.08	12.92	11.05	10.19	9.94	9.45	16.21	9.62	-25.01	42.40	-14.52	-7.73	-2.45	-5.01	71.57
Telecommunication services	5.08	3.66	2.60	3.65	3.64	3.81	4.20	11.79	5.99	-27.94	-28.88	40.45	-0.42	4.60	10.24	180.57	-49.17
Tracing/debt collection purposes	82.03	59.14	57.18	63.08	62.16	62.48	36.42	71.14	108.77	-27.91	-3.32	10.33	-1.45	0.51	-41.71	95.33	52.06
Other	715.07	693.71	1 021.87	650.49	601.42	1 158.46	414.40	526.00	488.94	-2.99	47.31	36.34	-7.54	92.62	-64.23	26.93	-6.97
Total	813.22	768.61	1 090.73	730.15	678.27	1 234.94	464.96	618.37	619.91	-5.49	41.91	-33.06	-7.11	82.07	-62.35	32.99	0.25

Figure 4: Enquiries due to consumers seeking credit

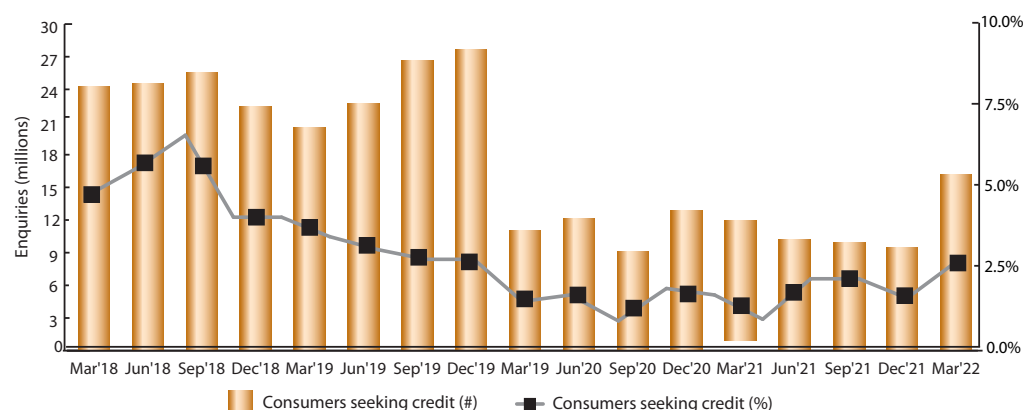
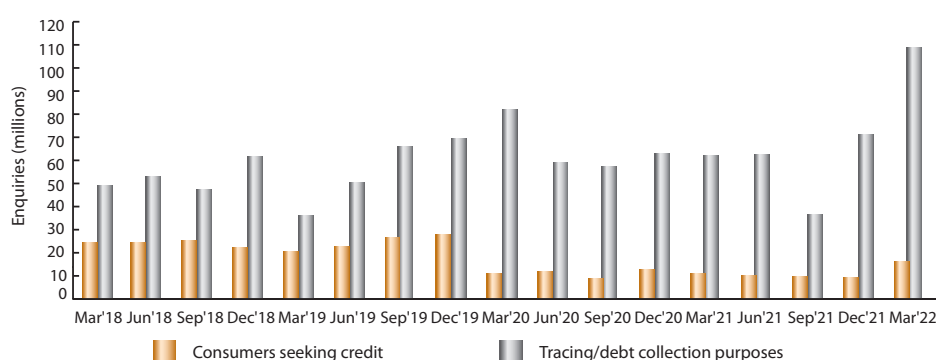


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 245.14 million enquiries made by banks and other financial institutions in the quarter ended March 2022, a decrease of 19.94% quarter-on-quarter and 33.30% year-on-year. Retailers made 81.98 million enquiries on consumer records, which was an increase of 29.88% quarter-on-quarter and 30.13% year-on-year. Enquiries made by telecommunication providers decreased by 13.00% quarter-on-quarter and increased by 10.00% year-on-year, to 54.33 million in the March 2022 quarter. Enquiries made by debt collection agencies increased by 37.34% quarter-on-quarter and by 2433.32% year-on-year. Enquiries made by all other entities increased by 23.98% quarter-on-quarter and decreased by 15.29% year-on-year, to 165.57 million.

Refer to Tables 4 to 7 and Figure 6 for a detailed breakdown.

Table 4: All enquiries – distribution according to sectors

Enquiries by:	Number of enquiries (millions)									Percentage change (%)							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 19 to Sep 19	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Banks and other financial institutions	574.04	319.65	600.30	416.76	367.54	449.48	276.12	306.18	245.14	-44.32	87.80	-30.58	-11.81	22.29	-38.57	10.89	-19.94
Retailers	28.46	51.63	27.05	70.59	62.99	57.18	55.71	63.12	81.98	81.41	-47.62	160.89	-10.72	-9.23	-2.57	13.30	29.88
Telecommunication providers	67.15	94.94	50.15	49.46	49.39	52.16	24.05	62.45	54.33	41.38	-47.18	-1.37	-0.14	5.59	-53.89	159.63	-13.00
Debt collection agencies	15.56	0.27	2.38	3.25	2.88	2.35	2.28	53.08	72.90	-98.26	778.43	36.52	-11.25	-18.31	-2.98	2225.20	37.34
All other entities	128.00	302.12	410.85	190.13	195.46	673.77	106.80	133.54	165.57	136.03	35.99	-53.72	2.81	247.71	-84.15	25.04	23.98
Total	813.22	768.61	1 090.73	730.15	678.27	1 234.94	464.96	618.37	619.91	-5.49	41.91	-33.06	-7.11	82.07	-62.35	32.99	0.25

Figure 6: All enquiries – distribution according to sectors

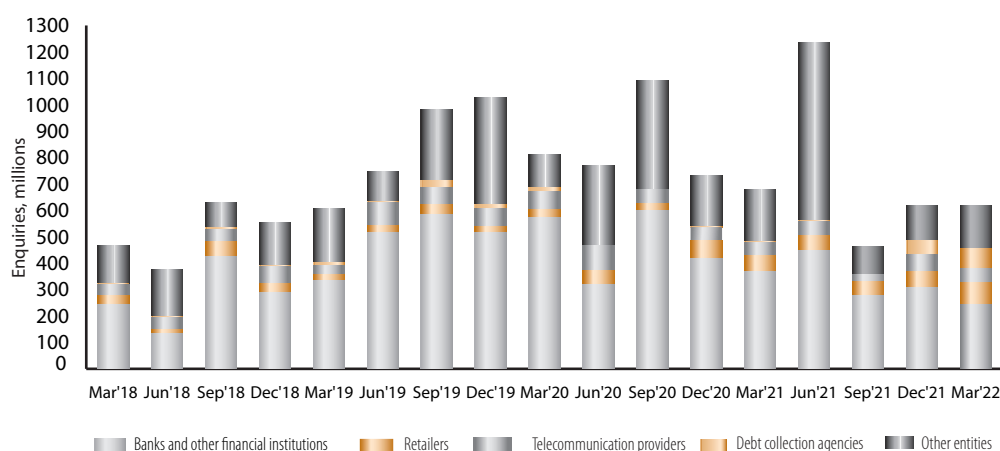


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Consumers seeking credit	8.45	10.31	6.66	10.23	8.69	7.51	6.80	6.32	13.05	21.97	-35.42	53.62	-15.05	-13.61	-9.45	-7.08	106.52
Tracing/debt collection purposes	10.36	0.77	0.95	4.47	5.57	4.42	10.84	8.29	20.48	-92.52	22.27	327.29	24.71	-20.78	145.25	-23.58	147.15
Other purposes	555.23	308.56	592.69	402.06	353.28	437.55	258.47	291.58	211.61	-44.43	92.08	-32.16	26.78	23.86	-40.93	12.81	-27.43
Banks and other financial institutions	574.04	319.65	600.30	416.76	367.54	449.48	276.12	306.18	245.14	-44.32	87.80	-30.58	-11.81	22.29	-38.57	10.89	-19.94

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Consumers seeking credit	2.56	1.79	2.42	2.69	2.36	2.69	3.15	3.13	3.16	-30.75	34.94	11.49	-12.51	13.95	20.69	-0.56	1.00
Tracing/debt collection purposes	1.16	0.27	0.76	0.71	0.65	1.89	0.59	1.13	24.12	-76.89	182.65	5.03	-10.23	192.64	-68.78	91.46	2027.95
Other purposes	24.72	49.58	23.87	67.15	59.99	52.60	51.97	58.85	54.69	100.57	51.85	181.28	-10.66	-12.32	-1.20	13.25	-7.07
Retailers	28.46	51.63	27.05	70.56	62.99	57.18	55.71	63.12	81.98	81.41	-47.62	160.89	-10.72	-9.23	-2.57	13.30	29.88

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 19 to Dec 19	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Telecommunication services	5.08	3.66	2.60	3.65	3.64	3.81	4.20	11.79	5.99	27.94	-28.88	40.45	-0.42	4.60	10.24	180.57	-49.17
Tracing/debt collection purposes	55.52	45.68	43.98	42.13	40.94	42.15	14.60	44.24	40.64	-17.72	-3.27	-4.20	-2.82	2.95	-65.36	204.34	-8.52
Other purposes	6.55	45.60	3.57	3.68	4.81	6.20	5.25	6.23	7.70	595.68	-92.17	3.00	30.87	28.81	-15.32	18.61	23.56
Telecommunication providers	67.15	94.94	50.15	49.46	49.39	52.16	24.05	62.45	54.33	41.38	-47.18	-1.37	-0.14	5.59	-53.86	159.63	-13.00

Credit bureau activity

Demand for credit reports increased for the quarter

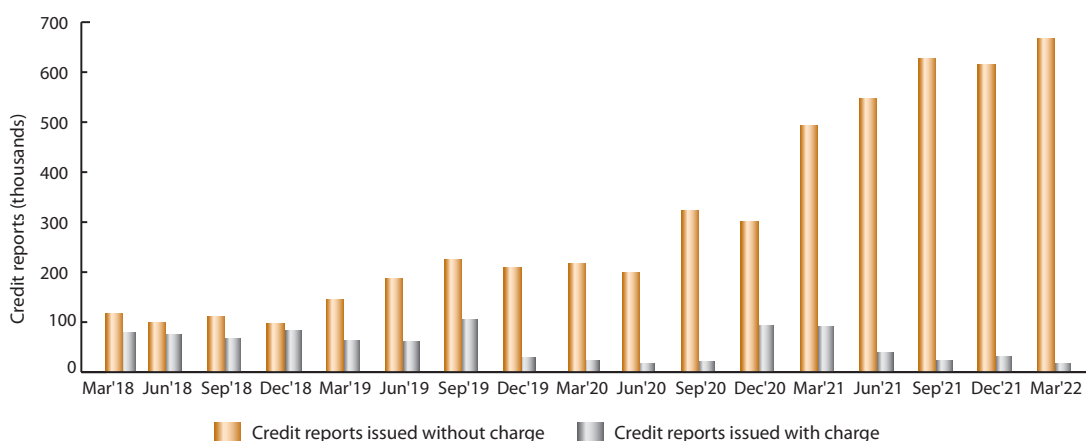
Of the total 685,815 credit reports issued to consumers at their request during the quarter ended March 2022, 97.42% (668,131) were issued without charge, and the remaining 2.58% (17,684) were issued with charge. The total number of credit reports issued increased by 5.79% quarter-on-quarter and 17.35% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Number of credit reports											Percentage change (%)								
Credit reports:	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Dec 19 to Mar 20	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Issued without charge	208,855	216,872	199,997	324,256	301,992	493,538	548,150	626,994	616,404	668,131	3.84	-7.79	62.15	-6.87	63.43	11.07	14.38	-1.69	8.39
Issued with charge	28,648	23,816	17,776	21,380	92,466	90,899	39,868	23,456	31,876	17,684	-16.87	-25.40	20.34	322.49	-1.69	-56.14	-41.17	35.90	-44.52
Total issued	237,503	240,688	217,743	345,636	394,458	584,437	588,018	650,450	648,280	685,815	-1.34	-9.53	58.74	14.13	48.16	0.61	10.62	-0.33	5.79

Figure 7: Credit reports issued



Consumer disputes

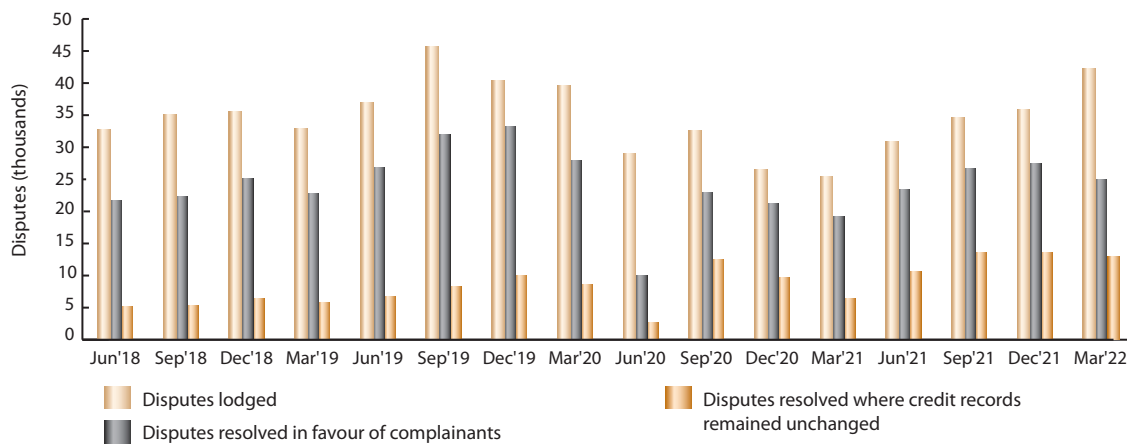
There were 42,250 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended March 2022. This was an increase of 17.63% quarter-on-quarter and 66.31% year-on-year. More disputes were resolved in favour of complainants (25,040) as compared to disputes where credit records remained unchanged (12,960).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Mar 20 to Jun 20	Jun 20 to Sep 20	Sep 20 to Dec 20	Dec 20 to Mar 21	Mar 21 to Jun 21	Jun 21 to Sep 21	Sep 21 to Dec 21	Dec 21 to Mar 22
Lodged	39,573	29,017	32,629	26,600	25,404	30,844	34,701	35,919	42,250	-26.67	12.45	-18.48	-4.50	21.41	12.50	3.51	17.63
Resolved in favour of complainants	27,910	9,978	22,912	21,257	19,165	23,430	26,666	27,388	25,040	-64.25	129.63	-7.22	-9.85	22.25	13.81	2.71	-8.57
Resolved where credit record remained unchanged	8,526	2,704	12,513	9,688	6,496	10,683	13,533	13,610	12,960	-68.29	362.76	-22.58	-32.95	64.46	26.68	0.57	-4.78

Figure 8: Disputes



Definitions

Terms used in this report	Definitions
Credit-active consumers	Consumers obligated to pay credit providers and/or service providers, etc. These obligations result in transactional entries on the consumer's credit record at the credit bureaus.
Impaired record	A record on which a consumer and/or any of the accounts, are either classified as three or more payments or months in arrears, or which has an "adverse listing", or that reflects a judgment or administration order.
Good standing	An account or consumer showing as current or on which the client has not missed more than one or two instalments, which has no adverse listings and has no judgments.
Adverse listing	Accounts with adverse classifications such as 'handed over' and/or 'written-off'.
Current	A consumer or account is up-to-date with payments and has not missed any instalment over the period of the credit agreement.

Notes

1. Where values have been rounded off, the percentage calculations and summed totals are calculated off the unrounded values.
2. Refer to the NCR website for complete tables from from March 2009 to March 2022.