

Consumer Credit Report

Executive Summary

This report and its appendix represents the disclosure and analyses of quarterly data on the South African credit market since the National Credit Regulator commenced compiling statistics in terms of the National Credit Act.

The value of total consumer credit granted declined consistently over the seven quarters from December 2007 (R102.37 billion) to June 2009 (R50.93 billion), an overall reduction of 50.25%.

The biggest decline was in mortgages granted, which declined by 66.77% between December 2007 and June 2009. The contribution of mortgages to total credit granted decreased from 56.55% of credit granted to 39.65% in the June 2009 quarter. Secured credit, consisting primarily of motor vehicle finance and furniture finance, now represents the largest component (42.16%) of the total value of credit granted.

The aggregate value of the outstanding debtors book decreased by 0.92% between the March 2009 and June 2009 quarters. The mortgages book was the largest contributor to the overall decline in the gross book with a quarter-on-quarter decline of R7.98 billion. The number of accounts that make up the debtors book declined by 0.50% on a quarter-on-quarter basis and 3.39% year-on-year.

Individuals who earn a gross monthly income of more than R15,000 per month received on average 80% of the mortgages granted over the period June 2008 to June 2009.

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Introduction

The Consumer Credit Report is issued by the National Credit Regulator. It is based upon returns which credit providers are required to submit in terms of the National Credit Act (NCA). The statistics presented in this report cover five quarters: 01 April 2008 to 30 June 2008 (2008-Q2); 01 July 2008 to 30 September 2008 (2008-Q3), 01 October 2008 to 31 December 2008 (2008-Q4); 01 January 2009 to 31 March 2009 (2009-Q1), and 01 April 2009 to 30 June 2009 (2009-Q2).

The reporting requirements of the NCA differentiate between small credit providers, defined as credit providers for whom annual disbursements are less than R15 million, and larger credit providers. Credit providers with annual disbursements of more than R15 million are required to submit quarterly returns. Credit providers with annual disbursements of less than R15 million are only required to submit annual returns. This report is based on the quarterly returns from the most significant credit providers, representing an estimated 90% of the consumer credit market in South Africa. Estimates of the remainder of the market are not included. The basis of reporting will be expanded in future reports and will provide sufficient information to enable analysis of trends and comparison between different periods.

The statistics included in the report follow the scope and definitions in the NCA. The report thus reflects all consumer credit, as well as agreements with juristic persons with a turnover or net assets of less than R1 million. It excludes all other juristic persons. It includes credit provided by banks as well as by any other registered credit provider but excludes credit providers that are not required to register with the NCR (e.g. where the entity has fewer than 100 agreements or less than R500,000 in outstanding credit).

"Secured credit" as referred to in this report refers to transactions which were classified as "Other credit agreements" in the previous Consumer Credit Reports. It includes a range of secured credit agreements, such as pension-backed loans, insurance-backed loans, retail furniture accounts and motor vehicle accounts and consists of all credit that is secured, other than mortgages and credit facilities.

The abbreviation "year-on-year (y-o-y)" as used in this report refers to a comparison of the quarter ended June 2008 to the quarter ended June 2009 and "quarter-on-quarter (q-o-q)" refers to a comparison of the quarter ended March 2009 to the quarter ended June 2009.

1. Market overview

1.1 Credit granted

There was a continued decline in the value of credit transactions concluded for the period under review, from R76.98 billion for the quarter ended June 2008 to R44.54 billion for the quarter ended June 2009. This was a year-on-year decline of 42.14%, and a quarter-on-quarter decline of 2.37%. The value of credit facilities approved increased by 2.08% q-o-q. This was the first positive change in approved credit facilities since June 2008.

The number of credit transactions concluded for the quarter ended June 2009 improved slightly by 0.59% q-o-q while the corresponding number of credit facilities increased by 38.83%. The number of credit facilities approved reported by credit providers includes both new facilities approved and limit increases on existing accounts.

Table 1.1: Credit granted

Agreement	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	% Change (Q2/Q1)	% Change (Y/Y)
Credit transactions	76,984,033	64,718,684	58,842,301	45,621,993	44,540,824	-2.37%	-42.14%
Credit facilities	8,639,240	7,608,777	7,232,955	6,254,582	6,384,971	2.08%	-26.09%
Total	85,623,273	72,327,461	66,075,256	51,876,575	50,925,795	-1.83%	-40.52%

Table 1.2: Credit granted - number of agreements

Agreement	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Number of credit transactions	2,187	2,228	2,401	1,934	1,946	0.59%	-11.05%
Number of credit facilities	2,258	2,181	2,504	2,003	2,781	38.83%	23.18%
Total	4,445	4,409	4,905	3,938	4,727	20.04%	6.34%

The number of applications received (for both credit transactions and credit facilities) declined in all quarters except December 2008. The number of applications for credit declined by 13.75% y-o-y. The percentage of applications rejected remained fairly stable over the period.

Table 1.3: Number of applications received and rejected

Agreement	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Number of applications received	6,474	6,305	6,576	5,702	5,584	-2.07%	-13.75%
Number of applications rejected	2,879	2,825	2,911	2,505	2,476	-1.17%	-14.00%
% of applications rejected	44.46%	44.82%	44.27%	43.93%	44.33%	-	-

The rand value of mortgages granted continued its downward trend with a q-o-q decline of 6.72%; and a y-o-y decline of 58.63%. Mortgages declined more sharply than any other category of credit for the period under review.

Table 1.4: Credit granted – credit type

Agreement	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Mortgages	42,692,789	33,765,929	27,187,876	18,932,756	17,660,598	39.65%	-6.72%	-58.63%
Secured credit	25,783,112	22,283,521	22,651,917	19,008,912	18,780,113	42.16%	-1.20%	-27.16%
Unsecured credit	7,595,574	7,656,295	7,971,227	6,792,704	7,171,291	16.10%	5.57%	-5.59%
Short-term credit	912,558	1,012,940	1,031,281	887,622	928,822	2.09%	4.64%	1.78%
Total	76,984,033	64,718,684	58,842,301	45,621,993	44,540,824	100.00%	-2.37%	-42.14%

Table 1.5: Credit granted – percentage distribution

	2008-Q2 % Distribution	2008-Q3 % Distribution	2008-Q4 % Distribution	2009-Q1 % Distribution	2009-Q2 % Distribution
Mortgages	55.46%	52.17%	46.20%	41.50%	39.65%
Secured credit	33.49%	34.43%	38.50%	41.67%	42.16%
Unsecured credit	9.87%	11.83%	13.55%	14.89%	16.10%
Short-term credit	1.19%	1.57%	1.75%	1.95%	2.09%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

Credit agreements are differentiated as per the definitions contained in the NCA Regulations. "Secured credit" (Other credit agreements) consists of all credit that is secured, other than mortgages and credit facilities. Unsecured credit transactions include all transactions in respect of which the lender does not have any security (other than credit facilities or short-term credit). Short-term credit is unsecured credit agreements of less than R8,000, repayable over periods shorter than 6 months.

The gross debtors book contracted by 0.92% q-o-q, but increased on a year-on-year basis by 2.39%. The mortgages book, which comprises 64.03% of the value of the total book, was the largest contributor to the q-o-q decline of 0.92%. Except for unsecured credit, all categories of credit reflected q-o-q decline in the value of outstanding debtors.

Table 1.6: Gross debtors book - credit type

Agreement	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Mortgages	706,464,782	723,916,040	733,630,923	740,115,437	732,132,609	64.03%	-1.08%	3.63%
Secured credit	231,152,871	224,970,845	226,787,196	222,898,530	220,399,369	19.28%	-1.12%	-4.65%
Credit facilities	133,196,005	135,162,414	137,743,172	141,290,512	140,184,817	12.26%	-0.78%	5.25%
Unsecured credit	45,232,372	46,089,989	47,922,104	49,088,605	50,132,041	4.38%	2.13%	10.83%
Short-term credit	660,539	703,840	689,808	612,995	594,490	0.05%	-3.02%	-10.00%
Total	1,116,706,569	1,130,843,128	1,146,773,202	1,154,006,080	1,143,443,326	100.00%	-0.92%	2.39%

Banks accounted for 89.58% (R1.024 trillion) of the total value of the debtors book at the end of 2009-Q2. The decline of approximately R10.9 billion in the value of the banks book was offset by growth in the books of retailers and other credit providers. "Other credit providers" category as per Table 1.7 includes pension-backed lenders, insurers, non-bank mortgage lenders and securitized debt.

Table 1.7: Gross debtors book - industry type

Industry	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Banks	975,832,971	1,015,573,351	1,028,914,926	1,035,287,082	1,024,340,863	89.58%	-1.06%	4.97%
Retailers	35,203,942	34,810,265	37,197,823	37,968,573	38,290,338	3.35%	0.85%	8.77%
Non-bank vehicle financiers	62,864,250	37,084,384	37,744,640	37,395,359	37,006,781	3.24%	-1.04%	-41.13%
Other credit providers	42,805,405	43,375,128	42,915,813	43,355,066	43,805,344	3.83%	1.04%	2.34%
Total	1,116,706,569	1,130,843,128	1,146,773,202	1,154,006,080	1,143,443,326	100.00%	-0.92%	2.39%

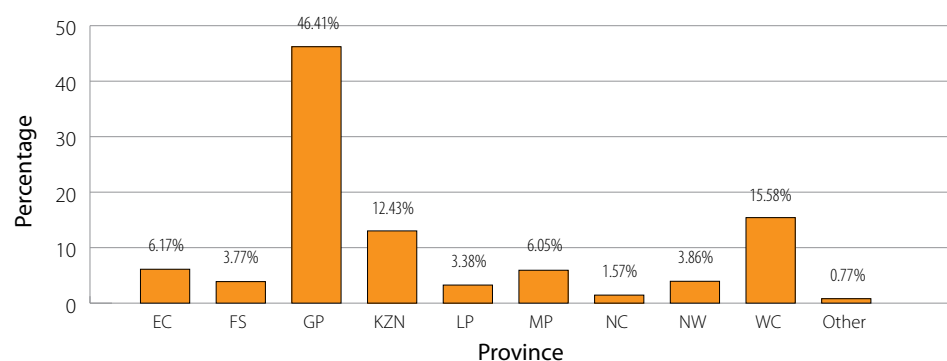
The number of accounts that constitute the gross debtors book declined for all credit types for the quarter ended June 2009, to 34.64 million accounts. The total number of accounts declined by 0.50% quarter-on-quarter and 3.39% year-on-year.

Table 1.8: Gross debtors book – number of accounts

Agreement	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Mortgages	1,837	1,839	1,840	1,839	1,822	5.26%	-0.93%	-0.78%
Secured credit	5,845	5,578	5,576	5,495	5,430	15.68%	-1.19%	-7.11%
Credit facilities	22,853	22,782	23,420	22,089	22,008	63.54%	-0.36%	-3.70%
Unsecured credit	4,896	4,967	5,112	5,035	5,034	14.53%	-0.02%	2.81%
Short-term credit	421	423	417	352	342	0.99%	-2.68%	-18.79%
Total	35,852	35,589	36,364	34,809	34,636	100.00%	-0.50%	-3.39%

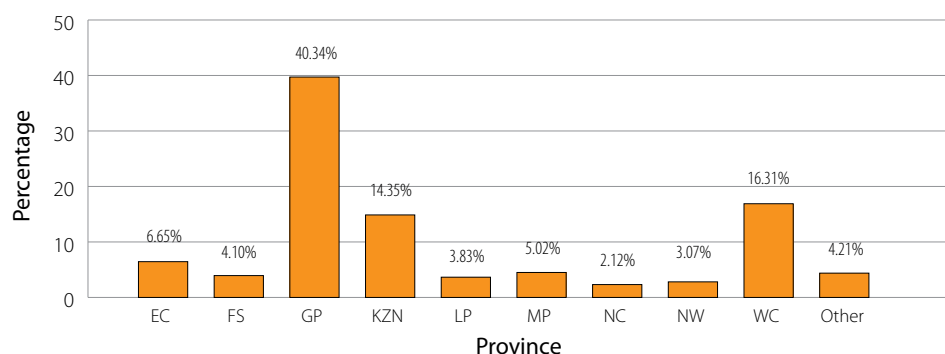
R20.67 billion (46.41%) of the total disbursements for credit transactions of R44.54 billion in 2009-Q2 was to borrowers in the Gauteng Province. The second largest share of credit granted went to the Western Cape with R6.94 billion (15.58%) while KwaZulu-Natal received R5.53 billion (12.43%) of credit transactions granted. The overall provincial percentage distribution for credit transactions has been fairly consistent between June 2008 and June 2009. The category "Other" as per Figure 1.1 relates to credit transactions entered into with persons with addresses outside the Republic of South Africa and the same applies to figure 1.2 (for a detailed breakdown of figures 1.1 and 1.2 refer to Tables 1 and 2 of the Appendix).

Figure 1.1: Provincial distribution of credit transactions granted - 2009-Q2



R2.57 billion (40.34%) of the R6.38 billion in credit facilities approved during 2009-Q2 was to borrowers in the Gauteng Province, followed by the Western Cape with R1.04 billion (16.31 %).

Figure 1.2: Provincial distribution – credit facilities approved – 2009-Q2



2. Mortgage agreements

2.1 Mortgages granted

Small mortgages (less than R150k) continued to decline and declined more than large mortgage agreements. Mortgage agreements of up to R50k declined by 15.69% quarter-on-quarter while mortgage agreements greater than R700k declined by 5.89%.

Table 2.1: Mortgages granted - size of agreements

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0-R50K	174,160	142,073	115,634	89,914	75,805	0.43%	-15.69%	-56.47%
R51K-R100K	686,398	541,861	430,829	294,650	263,766	1.49%	-10.48%	-61.57%
R101K-R150K	798,904	643,127	505,144	354,952	298,544	1.69%	-15.89%	-62.63%
R151K-R350K	5,152,515	4,317,738	3,360,208	2,293,230	2,140,326	12.12%	-6.67%	-58.46%
R351K-R700K	12,075,755	9,771,145	7,856,589	5,375,363	4,977,353	28.18%	-7.40%	-58.78%
>R700K	23,805,056	18,349,985	14,919,471	10,524,648	9,904,802	56.08%	-5.89%	-58.39%
Total	42,692,789	33,765,929	27,187,876	18,932,756	17,660,598	100.00%	-6.72%	-58.63%

The declines in the number and value of mortgage agreements granted for the June 2009 quarter were of a similar magnitude. The quarter-on-quarter decline in the number of small mortgages (agreements below R150k) was higher than the decline in the number of larger mortgages.

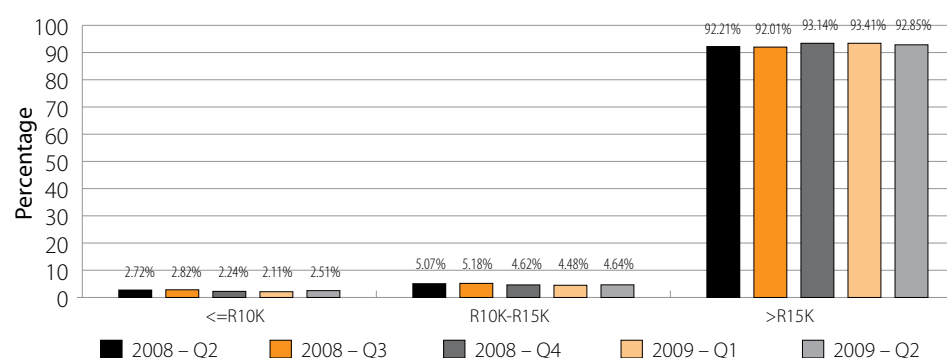
Table 2.2: Mortgages granted - number of agreements by size

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0-R50K	5,166	4,369	3,598	2,852	2,339	7.04%	-17.99%	-54.72%
R51K-R100K	8,317	6,660	5,279	3,631	3,240	9.75%	-10.77%	-61.04%
R101K-R150K	6,088	4,915	3,867	2,698	2,280	6.86%	-15.49%	-62.55%
R151K-R350K	20,637	17,151	13,250	9,097	8,506	25.59%	-6.50%	-58.78%
R351K-R700K	23,652	19,261	15,359	10,617	9,858	29.65%	-7.15%	-58.32%
>R700K	17,327	13,332	10,781	7,654	7,023	21.12%	-8.24%	-59.47%
Total	81,187	65,688	52,134	36,549	33,246	100.00%	-9.04%	-59.05%

2.2 Mortgages granted by level of income

More than 92% of the rand value of mortgages granted during 2009-Q2 went to individuals with a gross monthly income in excess of R15,000. This ratio has been fairly stable over the last five quarters (refer figure 2.1 below). By number of agreements, 80% of mortgages were to individuals earning more than R15,000 per month.

Figure 2.1: Mortgage granted - gross monthly income of individuals



2.3 Gross debtors book – mortgages

In the quarter ended June 2009, the mortgages book recorded a q-on-q decline in both rand value and number of accounts for the first time since the publication of NCR data. The gross value of the book declined by 1.08% to R732.13 billion while the number of accounts declined by 0.93% to 1.82 million accounts. Despite this, the y-o-y value of the book still increased by 3.63% while the number of accounts declined by 0.78%.

Table 2.3: Gross debtors book – mortgages

Agreements	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Gross debtors book	R 706,464,782	R 723,916,040	R 733,630,923	R 740,115,437	R 732,132,609	-1.08%	3.63%
Number of accounts	1,837	1,839	1,840	1,839	1,822	-0.93%	-0.78%

2.4 Age analysis of gross debtors book - mortgages

The number of accounts reported as “current” in the mortgages book remained around 87% over the last five quarters. On a year-on-year basis the rand value of the book in “current” declined by 2.14%. (For a detailed break-down of figures 2.2 and 2.3 see tables 15 and 16 of the Appendix).

Figure 2.2: Age analysis of gross debtors book - mortgages (*number of accounts classified as "current"*)

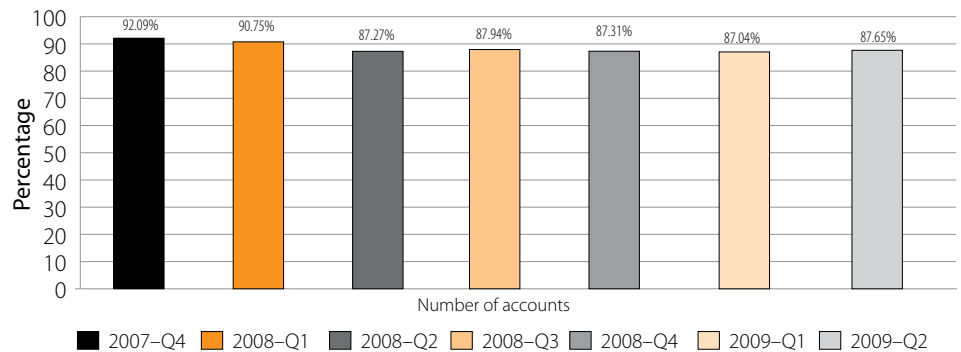
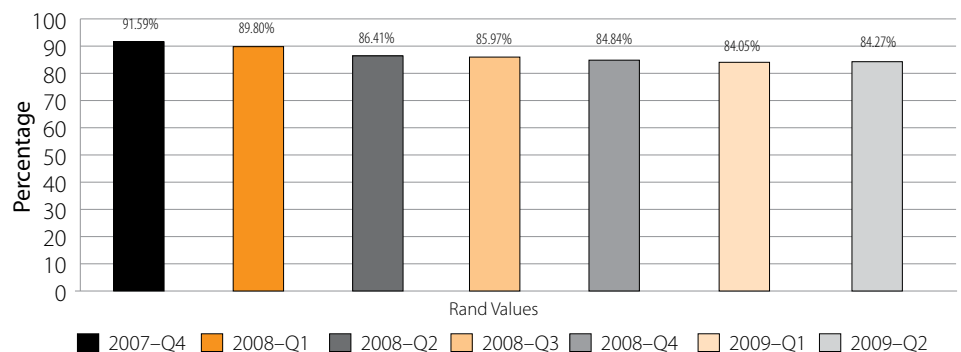


Figure 2.3: Age analysis of gross debtors book - mortgages (*rand value classified as "current"*)



3. Secured credit

3.1 Secured credit granted

In terms of the Regulations, the category "Other credit agreements" (herein referred to as Secured credit agreements) consists of all agreements which do not fall in any of the other categories. It comprises secured agreements other than mortgages and credit facilities. Approximately 80% of this category is made up of motor vehicle finance and the balance includes items such as furniture finance and loans secured against a pension fund, provident fund or insurance policy.

The value of secured credit granted declined by 1.20% q-o-q. However on a year-on-year basis the rand value of credit granted declined by 27.16%. Agreements of R60,000 and above accounted for 86.66% (see tables 3 and 4 in the Appendix) of secured credit granted during 2009-Q2. Table 3.1 indicates that the rand value of credit secured against motor vehicles constituted 82.60% of the total secured credit granted during 2009-Q2 with furniture and other durables as the second largest category of secured credit.

Table 3.1: Secured credit granted - type of security (rand value)

Type of security	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Vehicle	21,358,367	18,586,990	18,034,207	15,257,800	15,511,886	82.60%	1.67%	-27.37%
Retirements benefits	447,670	443,513	451,537	344,830	359,467	1.91%	4.24%	-19.70%
Insurance policy	107,551	121,316	61,041	148,993	50,615	0.27%	-66.03%	-52.94%
Furniture & other durable	1,565,409	1,559,686	2,414,640	1,765,311	1,705,811	9.08%	-3.37%	8.97%
Other security	2,304,114	1,572,016	1,690,492	1,491,978	1,152,333	6.14%	-22.76%	-49.99%
Total	25,783,112	22,283,521	22,651,917	19,008,912	18,780,113	100.00%	-1.20%	-27.16%

The number of secured credit agreements concluded during 2009-Q2 declined by 3.83% on a quarter-on-quarter basis to 441,985 agreements and declined by 12.94% on a year-on-year basis. Furniture and other durables were the largest category in number terms at 72.23%, followed by vehicles at 23.74%.

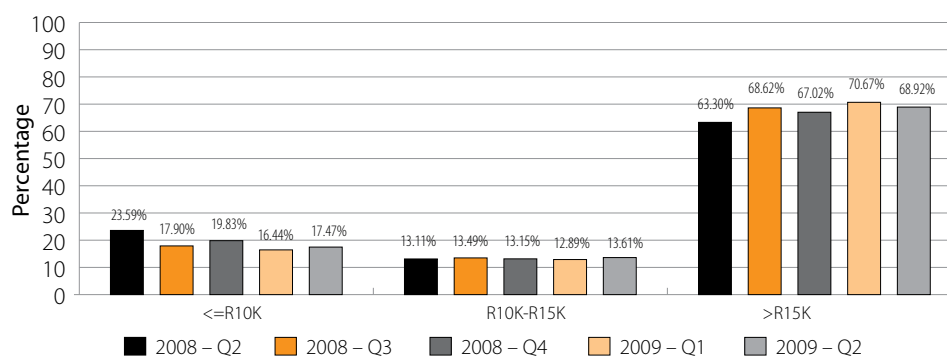
Table 3.2: Secured credit granted - type of security (number)

Security	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Vehicle	150,374	133,964	128,159	105,663	104,938	23.74%	-0.69%	-30.22%
Retirements benefits	9,166	9,632	9,428	6,887	7,252	1.64%	5.30%	-20.88%
Insurance policy	7,449	6,726	5,179	8,735	4,902	1.11%	-43.88%	-34.19%
Furniture & other durable	328,812	311,533	445,774	330,899	319,252	72.23%	-3.52%	-2.91%
Other security	11,903	9,587	10,058	7,382	5,641	1.28%	-23.58%	-52.61%
Total	507,704	471,442	598,598	459,566	441,985	100.00%	-3.83%	-12.94%

3.2 Secured credit granted by level of income

An average of 67.70% of the secured credit granted since June 2008 was to persons with gross monthly incomes above R15 000. The balance of 19.04% falls in the category of less than R10 000 and 13.25% in the category of between R10 000 - R15 000 (For a detailed breakdown of figure 3.1 refer to tables 7 and 8 of the Appendix).

Figure 3.1: Secured credit granted-gross monthly income of individuals



3.3 Gross debtors book - secured credit

The secured credit debtors book declined by 1.12% q-o-q while the corresponding number of accounts decreased by 1.19%. The year-on-year comparison shows a contraction of 4.65% in value and 7.11% in number of accounts.

Table 3.3: Gross debtors book - secured credit

Agreements	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Gross debtors book	R 231,152,871	R 224,970,845	R 226,787,196	R 222,898,530	R 220,399,369	-1.12%	-4.65%
Number of accounts	5,845	5,578	5,576	5,495	5,430	-1.19%	-7.11%

3.4 Age analysis of gross debtors book - secured credit

The percentage of the debtors book for secured credit in "current" improved marginally, between the quarter ended March 2009 and the quarter ended June 2009 (from 86.19% to 86.24%). The number of accounts in "current" increased from 71.77% to 72.27% over the same period, indicating that fewer accounts are in arrears. (For a detailed breakdown of figures 3.2 and 3.3 refer to tables 17 and 18 of the Appendix).

Figure 3.2: Age analysis of gross debtors book – secured credit (number of accounts classified as "current")

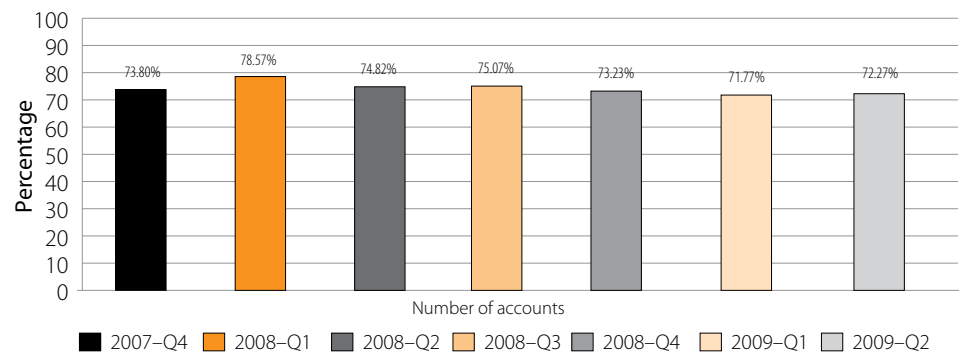
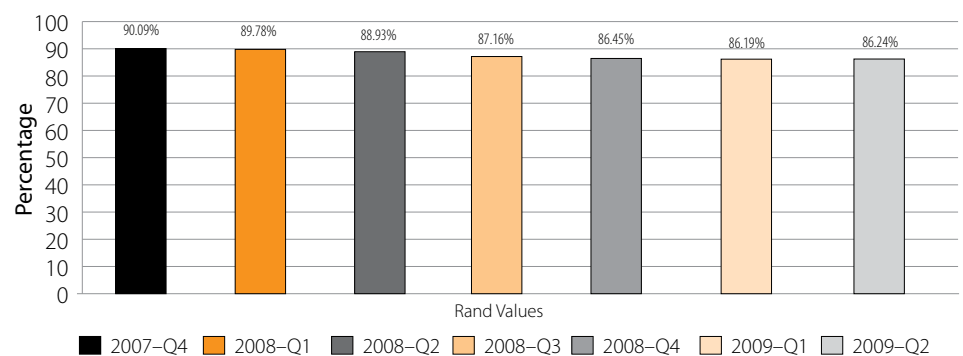


Figure 3.3: Age analysis of gross debtors book – secured credit (rand value classified as "current")



4. Credit facilities

4.1 Credit facilities approved

The value of credit facility approvals (new facilities and increases on existing facility limits) increased by 2.08% q-o-q during 2009-Q2. The year-on-year facility approvals declined by 26.09%. Store cards were the only credit facility type to show positive growth both on a quarter-on-quarter and year-on-year basis. Credit and garage cards accounted for the largest portion of approved credit facilities in rand terms, at 35.73% for 2009-Q2, followed by store cards at 34.44%.

Table 4.1: Credit facilities approvals – rand value

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Credit/Garage card	4,332,554	3,393,450	2,646,003	2,338,130	2,281,236	35.73%	-2.43%	-47.35%
Bank overdraft	1,262,541	1,223,348	1,151,267	1,218,862	1,065,526	16.69%	-12.58%	-15.60%
Services and other	325,418	192,019	169,350	109,373	143,392	2.25%	31.10%	-55.94%
Store cards	1,789,069	1,907,954	2,596,689	1,729,498	2,198,915	34.44%	27.14%	22.91%
Other facility	929,658	892,006	669,645	858,719	695,901	10.90%	-18.96%	-25.14%
Total	8,639,240	7,608,777	7,232,955	6,254,582	6,384,971	100.00%	2.08%	-26.09%

The number of approved credit facilities increased by 38.83% quarter-on-quarter, to 2.78 million accounts. This is reflective of the contribution of store cards, which accounted for 87.57% of the total number of accounts approved, increasing by 50.75% q-o-q and by 59.04% y-o-y.

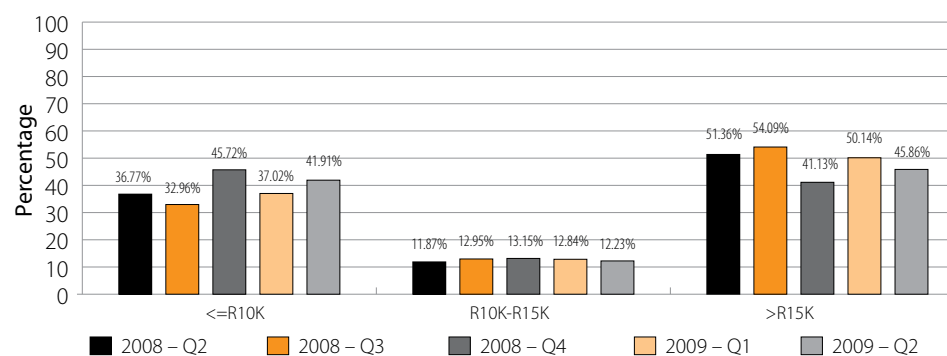
Table 4.2: Credit facilities approved - number of approvals

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
Credit/Garage card	537,654	254,986	248,025	234,945	236,614	8.51%	0.71%	-55.99%
Bank overdraft	79,883	79,393	64,877	85,485	45,183	1.62%	-47.15%	-43.44%
Services and other	59,288	34,619	36,279	22,451	25,963	0.93%	15.64%	-56.21%
Store cards	1,531,452	1,759,634	2,099,851	1,615,708	2,435,607	87.57%	50.75%	59.04%
Other facility	49,551	52,789	55,036	44,778	37,936	1.36%	-15.28%	-23.44%
Total	2,257,828	2,181,421	2,504,068	2,003,367	2,781,303	100.00%	38.83%	23.18%

4.2 Credit facilities approved by level of income

The percentage of credit facilities approved to individuals with a gross monthly income of less than R10,000 increased from 37.02% in 2009-Q1 to 41.91% in 2009-Q2. This increase is predominantly attributable to limit increases on existing accounts by retailers and banks on products that are utilised by lower income groups. (For a detailed breakdown of figure 4.1 refer to tables 9 and 10 of the Appendix).

Figure 4.1: Credit facilities - gross monthly income of individuals



4.3 Gross debtors book- credit facilities

The credit facilities debtors book showed a slight downward trend with a q-o-q decline of 0.78%. The corresponding number of accounts reflects a decline of 0.36%. On a year-on-year basis the gross value of the book increased by 5.25% while the number of accounts declined by 3.70%.

Table 4.3: Gross debtors book - credit facilities

Agreements	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Gross debtors book	R 133,196,005	R 135,162,414	R 137,743,172	R 141,290,512	R 140,184,817	-0.78%	5.25%
Number of accounts	22,853	22,782	23,420	22,089	22,008	-0.36%	-3.70%

4.4 Age analysis of gross debtors book – credit facilities

Figure 4.2 below illustrates that the number of credit facilities reported as “current” improved consistently from the quarter ended December 2007 to the quarter ended December 2008 and then declined to over the next 2 quarters to 73.25% by June 2009. The rand value of outstanding credit facilities (see figure 4.3 below) reported as “current” declined constantly from the quarter ended December 2007 (78.05%) to the quarter ended September 2008 (73.70%) with a slight improvement for the quarter ended December 2008 (74.62%). Subsequently, there has been a marginal improvement. (For a detailed breakdown of figures 4.2 and 4.3 refer to tables 19 and 20 of the Appendix).

Figure 4.2: Age analysis of gross debtors book - credit facilities (number of accounts classified as “current”)

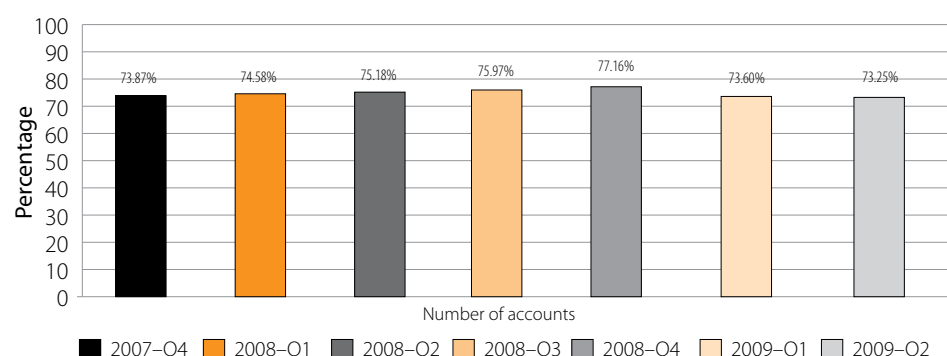
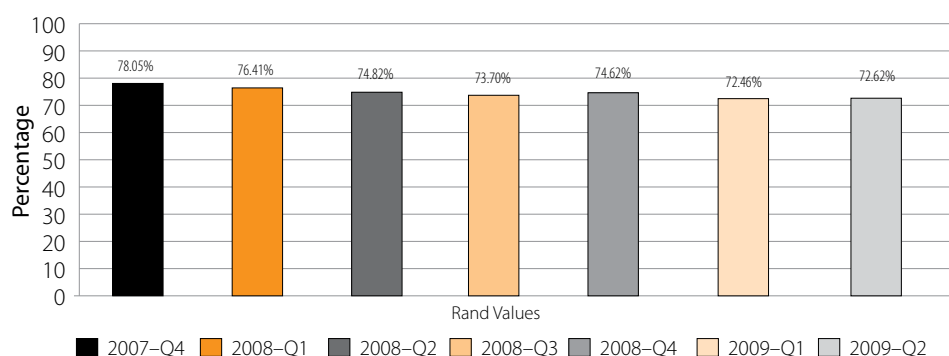


Figure 4.3: Age analysis of gross debtors book - credit facilities (*rand value classified as "current"*)

5. Unsecured credit transactions

5.1 Unsecured credit granted

Unsecured credit transactions include all transactions in respect of which the lender does not have any security (excluding credit facilities and short-term credit). The value of unsecured credit granted increased from R6.79 billion for 2009-Q1 to R7.17 billion for 2009-Q2, a q-o-q increase of 5.57%. However the y-o-y comparison reflects a decline of 5.59%. Table 5.1 represents the distribution of unsecured credit granted across different repayment terms. Most unsecured credit agreements granted had repayment periods of between 19 and 60 months.

Table 5.1: Unsecured credit granted - term of loan

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
<= 6 Months	263,544	202,180	119,092	103,446	67,069	0.94%	-35.17%	-74.55%
7-12 Months	662,308	704,315	791,708	624,318	659,998	9.20%	5.72%	-0.35%
13-18 Months	353,451	362,285	408,024	296,904	341,932	4.77%	15.17%	-3.26%
19-24 Months	1,342,098	1,376,996	1,416,061	1,150,327	1,329,448	18.54%	15.57%	-0.94%
25-36 Months	2,633,798	2,811,502	2,939,134	2,255,183	2,134,359	29.76%	-5.36%	-18.96%
3.1-5 Years	2,155,878	2,033,470	2,143,209	2,208,986	2,467,364	34.41%	11.70%	14.45%
5.1-10 +Years	184,496	165,547	154,000	153,540	171,123	2.39%	11.45%	-7.25%
Total	7,595,574	7,656,295	7,971,227	6,792,704	7,171,291	100.00%	5.57%	-5.59%

A total of 663,750 unsecured credit agreements was concluded during 2009-Q2. This was a q-o-q decrease of 0.65%. As mentioned above, a significant proportion (67.01 %) of the number of unsecured credit agreements concluded during 2009-Q2 had repayment periods of 19 months and 60 months (Table 5.2). The number of unsecured credit agreements concluded during 2009-Q2 declined by 16.57% year-on-year.

Table 5.2: Number of unsecured credit agreements – term of agreement

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
<= 6 Months	91,201	88,284	80,754	33,705	11,958	1.80%	-64.52%	-86.89%
7-12 Months	164,172	175,675	199,331	150,864	156,007	23.50%	3.41%	-4.97%
13-18 Months	52,590	53,565	61,155	43,148	47,644	7.18%	10.42%	-9.40%
19-24 Months	154,685	158,969	167,497	137,820	156,798	23.62%	13.77%	1.37%
25-36 Months	222,286	234,702	253,446	190,245	168,460	25.38%	-11.45%	-24.21%
3.1-5 Years	107,455	98,502	105,187	109,335	119,527	18.01%	9.32%	11.23%
5.1-10 + Years	3,206	2,610	2,740	2,946	3,356	0.51%	13.92%	4.68%
Total	795,595	812,307	870,110	668,063	663,750	100.00%	-0.65%	-16.57%

The majority of unsecured credit granted (70.71%) for 2009-Q2 was in the category of “more than R10,000”. Only 3.00% of total unsecured credit granted during 2009-Q2 was in the category “up to R3,000”. The “greater than R15,000” loan category experienced the largest q-o-q change, with a 13.38% increase in value.

Table 5.3: Unsecured credit granted - size of agreement

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0K-R3K	237,187	249,203	276,482	208,291	215,081	3.00%	3.26%	-9.32%
R3.1K-R5K	474,881	481,072	553,576	451,324	471,636	6.58%	4.50%	-0.68%
R5.1K-R8K	776,950	803,009	910,215	724,880	763,210	10.64%	5.29%	-1.77%
R8.1K-R10K	735,696	717,064	755,200	659,908	650,652	9.07%	-1.40%	-11.56%
R10.1K-R15K	1,991,017	2,022,481	1,977,782	1,566,885	1,463,713	20.41%	-6.58%	-26.48%
> R15.1K	3,379,843	3,383,466	3,497,972	3,181,416	3,607,000	50.30%	13.38%	6.72%
Total	7,595,574	7,656,295	7,971,227	6,792,704	7,171,291	100.00%	5.57%	-5.59%

Table 5.4 shows that the number of unsecured loans concluded for 2009-Q2 was relatively evenly distributed when grouped according to the size of the loans. The category of loans “up to R3,000” showed the largest quarter-on-quarter and year-on-year declines at 12.41% and 38.83% respectively.

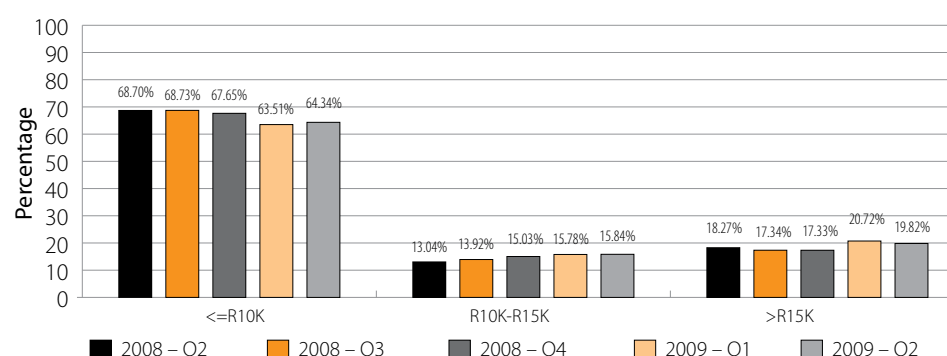
Table 5.4: Number of unsecured credit granted – size of loan

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0K-R3K	192,317	196,831	205,738	134,298	117,634	17.72%	-12.41%	-38.83%
R3.1K-R5K	116,321	119,739	138,921	114,377	118,805	17.90%	3.87%	2.14%
R5.1K-R8K	121,624	127,529	145,655	118,831	124,346	18.73%	4.64%	2.24%
R8.1K-R10K	78,326	77,108	81,834	70,521	69,592	10.48%	-1.32%	-11.15%
R10.1K-R15K	158,725	162,606	161,150	123,049	114,059	17.18%	-7.31%	-28.14%
> R15.1K	128,282	128,494	136,812	106,987	119,314	17.98%	11.52%	-6.99%
Total	795,595	812,307	870,110	668,063	663,750	100.00%	-0.65%	-16.57%

5.2 Unsecured credit granted by level of income

The percentage of unsecured credit granted to individuals with a gross monthly income of up to R10,000 improved slightly, from 63.51% for 2009-Q1 to 64.34% for 2009-Q2. In comparison, unsecured credit granted to individuals with a gross monthly income greater than R15,000 declined slightly, to 19.82% for 2009-Q2 from 20.72% for 2009-Q1 (For a detailed breakdown of Figure 5.1 refer to tables 11 and 12 of the Appendix).

Figure 5.1: Unsecured credit granted - gross monthly income of individuals



5.3 Gross debtors book – unsecured credit

The gross debtors book for unsecured credit reflected continuous growth from 2008-Q2 to 2009-Q2. In rand value terms, the book increased by 2.13% q-o-q and by 10.83% y-o-y. The number of accounts declined by 0.02% q-o-q, and increased 2.81% y-o-y.

Table 5.5: Gross debtors book – unsecured credit

Agreements	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Gross debtors book	R 45,232,372	R 46,089,989	R 47,922,104	R 49,088,605	R 50,132,041	2.13%	10.83%
Number of accounts	4,896	4,967	5,112	5,035	5,034	-0.02%	2.81%

5.4 Age analysis of gross debtors book - unsecured credit

The number of unsecured accounts classified as “current” declined from 2008-Q3 (71.51%) to 2009-Q2 (69.31%). The rand value of the book reflects a similar trend, with the value of the book reported as “current” declining from 76.11% for 2008-Q3 to 71.08% for 2009-Q2. (For a detailed breakdown of figures 5.2 and 5.3 refer to tables 21 and 22 of the Appendix).

Figure 5.2: Age analysis of gross debtors book – unsecured credit (number of accounts classified as “current”)

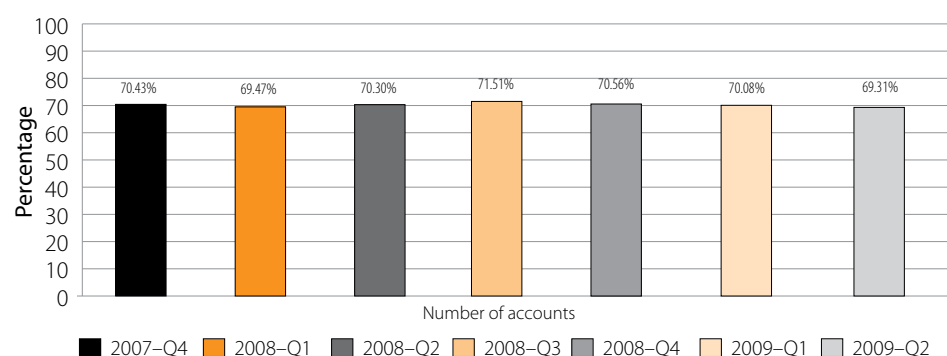
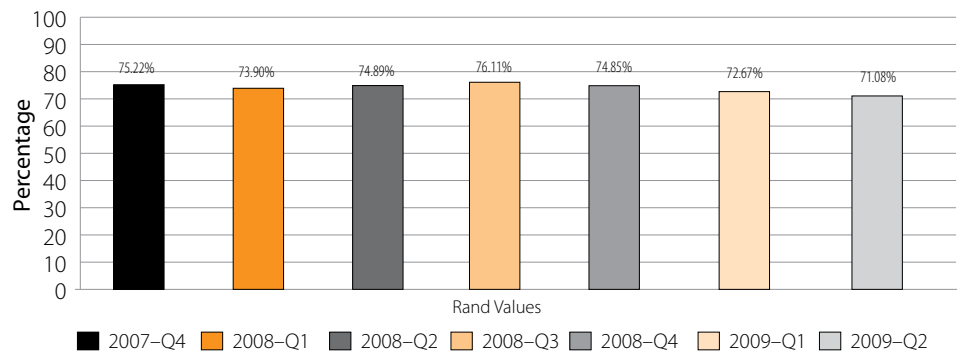


Figure 5.3: Age analysis of gross debtors book – unsecured credit (*rand value classified as “current”*)

6. Short-term credit transactions

6.1 Short term credit granted

'Short-term credit' is unsecured credit agreements of less than R8,000, repayable over periods shorter than 6 months. The short-term figures in this report reflect only data reported by entities that submit quarterly returns. The majority of short-term lenders are smaller entities which report on an annual basis and are therefore excluded from these figures. The value of short-term credit granted showed a q-o-q improvement of 4.64%. The majority of short-term credit granted had a repayment term of a month or less, and constituted 56.47% of the value of total short-term credit granted for the 2009-Q2 quarter.

Table 6.1: Short -term credit granted – repayment term

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
1 Month	472,115	529,843	565,432	507,430	524,465	56.47%	3.36%	11.09%
2-3 Months	247,854	290,364	285,103	228,192	251,482	27.08%	10.21%	1.46%
4-6 Months	192,589	192,733	180,746	152,000	152,874	16.46%	0.58%	-20.62%
Total	912,558	1,012,940	1,031,281	887,622	928,822	100.00%	4.64%	1.78%

The number of short-term transactions with a repayment period of “up to one month” increased by 3.88% q-o-q, from 624,326 to 648,527. The “2-3 months” loan category reflected the largest q-o-q increase at 11.36%. The total number of short-term loans granted during the 2009-Q2 quarter increased marginally by 0.47% y-o-y.

Table 6.2: Short term credit granted - repayment term (number)

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
1 Month	621,117	686,442	698,724	624,326	648,527	80.39%	3.88%	4.41%
2-3 Months	115,475	127,599	119,139	94,907	105,692	13.10%	11.36%	-8.47%
4-6 Months	66,374	64,503	62,311	50,962	52,508	6.51%	3.03%	-20.89%
Total	802,966	878,544	880,174	770,195	806,727	100.00%	4.74%	0.47%

Tables 6.3 and 6.4 indicate that the majority of short-term credit granted relates to loans not exceeding R2,000, at 56.53% of the rand value of credit granted, while 86.08% of the number of accounts were for the same category of loans.

Table 6.3: Short term credit granted - size of loan

Agreements	2008-Q2 R000	2008-Q3 R000	2008-Q4 R000	2009-Q1 R000	2009-Q2 R000	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0-R1000	265,590	288,398	287,704	252,907	266,775	28.72%	5.48%	0.45%
R1001-R2000	250,092	270,634	279,754	240,831	258,277	27.81%	7.24%	3.27%
R2001-R3000	143,378	160,095	169,579	145,776	145,233	15.64%	-0.37%	1.29%
R3001-R5000	149,691	170,319	173,844	145,806	150,119	16.16%	2.96%	0.29%
R5001-R8000	103,806	123,494	120,400	102,301	108,418	11.67%	5.98%	4.44%
Total	912,558	1,012,940	1,031,281	887,622	928,822	100.00%	4.64%	1.78%

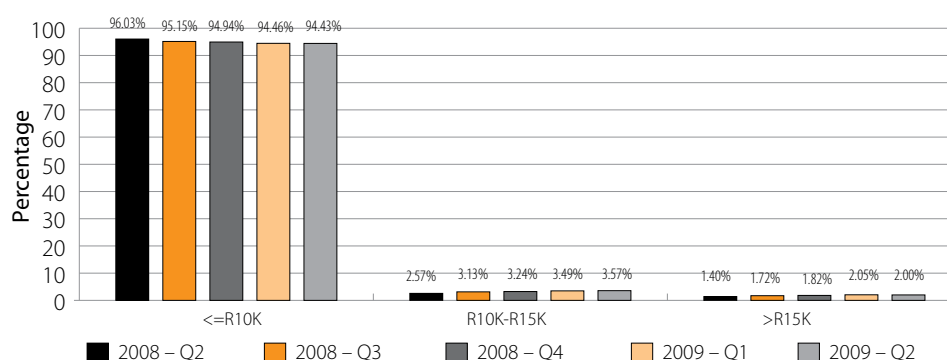
Table 6.4: Short term credit granted - size of loan (number)

Agreements	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2	2009-Q2 % Distribution	% Change (Q2/Q1)	% Change (Y/Y)
R0-R1000	526,699	575,203	566,340	500,509	523,038	64.83%	4.50%	-0.70%
R1001-R2000	165,612	178,072	184,263	159,533	171,406	21.25%	7.44%	3.50%
R2001-R3000	56,236	62,599	66,320	56,890	57,032	7.07%	0.25%	1.42%
R3001-R5000	38,465	43,667	44,552	37,407	38,495	4.77%	2.91%	0.08%
R5001-R8000	15,954	19,003	18,699	15,856	16,756	2.08%	5.68%	5.03%
Total	802,966	878,544	880,174	770,195	806,727	100.00%	4.74%	0.47%

6.2 Short term credit granted by level of income

Short-term credit transactions were predominantly utilised by low income persons with 94.43% of the short-term credit granted during 2009-Q2 being to individuals with a gross monthly income of up to R10,000 (Figure 6.1). Only 2.00% of short-term credit granted was to people with a gross monthly income above R15,000. (For a detailed breakdown of figure 6.1 refer to tables 13 and 14 of the Appendix).

Figure 6.1: Short term credit granted - gross monthly income of individuals



6.3 Gross debtors book - short term credit

The short-term debtors book declined from R612,99 million (2009-Q1) to R594,49 million at the end of the 2009-Q2, a decrease of 3.02%. The number of accounts decreased by 2.68% over the same period. The value of the gross debtors book contracted by 10,00% y-on-y, with the number of accounts declining by 18.79%.

Table 6.5: Gross debtors book - short term credit

Agreements	2008-Q2 000	2008-Q3 000	2008-Q4 000	2009-Q1 000	2009-Q2 000	% Change (Q2/Q1)	% Change (Y/Y)
Gross debtors book	R 660,539	R 703,840	R 689,808	R 612,995	R 594,490	-3.02%	-10.00%
Number of accounts	421	423	417	352	342	-2.68%	-18.79%

6.4 Age analysis of gross debtors book - short term credit

The percentage of the number of accounts reported as “current” in short-term credit showed a q-o-q improvement of 1.96% to 81.48%. The rand value of the book showed a similar trend where the value of the book in “current” improved by 1.69% from 71.07% to 72.76% q-o-q. (For a detailed breakdown of figures 6.2 and 6.3 refer to tables 23 and 24 of the Appendix).

Figure 6.2: Age analysis of gross debtors book – short term credit (number of accounts classified as “current”)

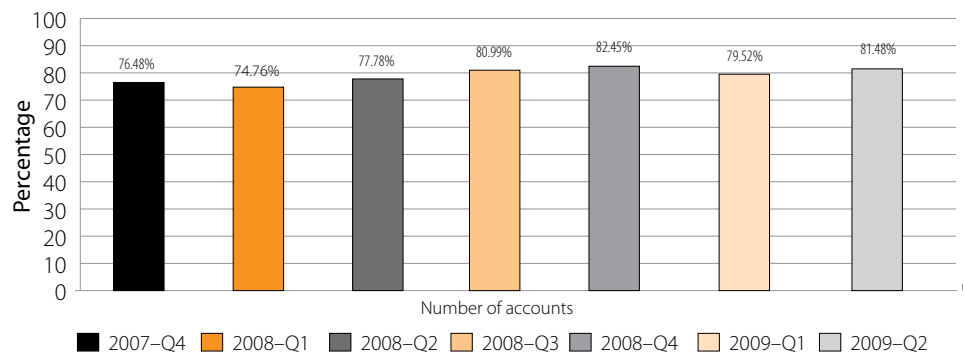
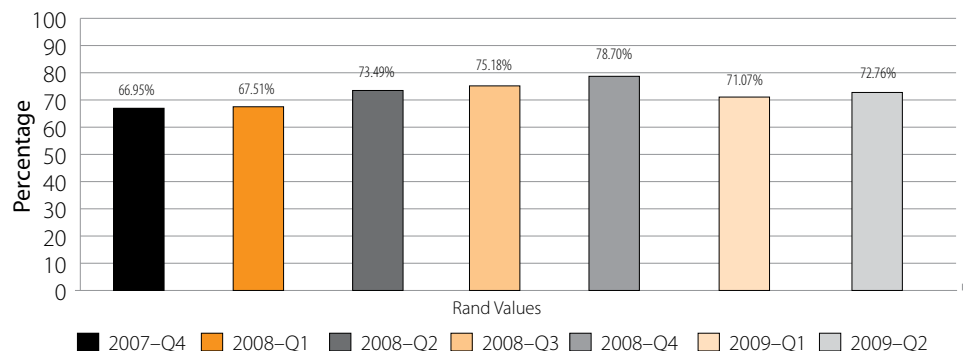


Figure 6.3: Age analysis of gross debtors book – short term credit (rand value classified as “current”)



Commentary by Econometrix on credit demand data

Growth in total credit granted improved marginally in quarter two, rising to -40.5% y/y from -41.7% in quarter one 2009. However, the y/y decline is indicative of the depressed credit market during the current recession. Credit granted declined further across all categories on a y/y basis, with only other credit granted showing some improvement in growth from -32.5% in quarter one to -27.2% y/y in quarter two.

Despite the decline in the value of credit granted, the number of credit accounts rose by 6.3% y/y in quarter two, following a y/y increase of 9.4% in y/y in quarter one. Much of the growth was due to an increase in the number of credit facilities, which increased by 23.2% y/y in quarter two, whilst the number of credit transactions declined by -11%.

The above indicates that household balance sheets remain depressed, despite the cumulative -4.5% interest rate decline to the end of June. Although consumer price inflation has been on the decline, food inflation remained high in quarter two, at an average of 11.9%, significantly contributing to the erosion of disposable income. This coupled with household over-indebtedness indicates that household budgets remain tight.

The rising share of short term credit and unsecured credit in both quarter one and quarter two, whilst the shares of secured credit and mortgages declined, further highlights the financial strain on households.

The age analysis on credit granted shows further weakness in the first half of the year in the large credit amount categories, mortgage credit and secured credit. In both these categories, the share of credit granted in 120 or more days in arrears increased, marking the sixth consecutive rise in each. One suspects that households are sacrificing or postponing payments on large ticket items in order to account for more immediately required expenditure. Conversely, the unsecured credit and short-term credit categories saw some improvement, with the share of credit paid in the current period increasing in both of these categories potentially indicates lower stress levels.

The downturn in the South African economy initially appeared as the result of the global downturn. Quarter one's GDP growth rate was a clear indication of the depth of its effect on the domestic economy. Although the economy is beginning to see some signs of recovery, one should not ignore the extent of the current downturn, which is likely to contribute significantly to a slower recovery than initially anticipated. Without a doubt, domestic factors, including notably higher interest rates in 2008, household over-indebtedness, rising electricity prices and a surprisingly stronger Rand, have contributed to the further weakening in domestic economic activity than initially anticipated, which is why there has been minimal benefit from the recovering global economy. Declining GDP in quarter two in the retail, wholesale accommodation, transport communication, financial, business and insurance sectors, is evidence of depressed domestic demand, and lower employment levels recorded in quarter two is likely to further slow the recovery in domestic demand, crowding out the benefit of lower interest rates and rising wage rates.

On a more positive note, insolvencies declined by an average of -39.1% y/y in quarter two, whilst the growth in liquidations declined significantly to 26.6% y/y in quarter two from 46.7% in quarter one. The effect of the decline in interest rates still working its way through the system together with remuneration increases will assist in easing debt stress levels in the months ahead. One can also gain some encouragement from the decline in credit use in the economy. Finally, the current green shoots recovery should lead to a reasonable economic recovery in 2010 assisted by the continued build up to the World Cup. These factors should contribute positively to the easing of household debt levels going into 2010. However, those persons working in the sectors most affected by the downturn could find relief slow in coming, as it is not expected that these sectors will have a fast recovery. The main threats to employment levels, and hence debt stress, remain in the mining and manufacturing sectors. A fairly wide spectrum of individuals dependent

on variable incomes cannot expect any early returns to full income expectations particularly in the above sectors. It can be anticipated that retail sales this Christmas would be more muted than is customary.

In conclusion, it would be unwise to fuel income expectations and encourage an excessive increase in consumption when unfortunately the state of the economy is calling for consumption that is more modest and a priority being given to a reduction in debt. In addition, there is still a strongly held view that the current global recovery will be followed by another period of weakness before the world would be able to return to a

more sustainable growth path. South Africa could follow the same pattern with a potential downturn in late 2011 and 2012. Under these circumstances an interest rate reduction is unlikely, rather there could be upward pressure on interest rates. In this regard it needs to be borne in mind that firstly real interest rates are at a decade-long low already, secondly there is the prospect of electricity tariffs increasing by 45% in each of the next three years and finally there is a tendency for interest rates to be increasing in the rest of the world.



7. Definitions

Terms used in the report	Definition
Applications received	Includes solicited and unsolicited applications for credit.
Credit facilities	An agreement that meets all the criteria as set out in section 8 (3) of the NCA. The values (rand value and number of accounts) reported for credit facility includes both new credit facilities and limit increases under existing credit facility agreements. These values represent the potential exposure of the credit providers and not usage by consumers. This does not apply to the gross value of the debtors' book values where actual credit usage by consumers is reported.
Credit transactions	An agreement that meets all the criteria as set out in section 8 (4) of the NCA. Includes all types of credit agreements except credit facility agreements.
Gross debtors book	The outstanding balances as at the end of the period including fees and interest that have been earned and capitalized to the debtors' book.
Mortgage transactions	A pledge of immovable property that serves as security for mortgage agreements.
Secured credit transactions	Credit transactions that do not fall within the other named categories in the NCA. It includes pension-backed loans, insurance-backed loans, retail furniture accounts and motor vehicle accounts.
Short term credit transactions	An agreement that meets all the criteria as set out in section 39 (2) of the National Credit Regulations
Unsecured credit transactions	An agreement that meets all the criteria as set out in section 39 (3) of the National Credit Regulations.

8. Appendix Tables

A: Provincial Distribution

Table 1: Provincial distribution - credit transactions granted

Provincial	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Eastern Cape	5,634,213,151	4,093,840,692	4,004,435,242	3,690,813,754	3,597,041,759	2,738,444,756	2,749,687,612
Free State	3,608,275,568	2,728,559,264	2,608,869,454	2,339,755,561	2,281,471,066	1,769,191,092	1,680,579,297
Gauteng	45,358,658,060	41,744,761,130	39,545,589,991	32,607,816,006	27,188,249,270	21,469,350,777	20,673,001,762
Kwazulu-Natal	11,282,330,606	8,917,365,902	8,526,980,173	7,202,184,526	7,659,216,990	5,797,906,863	5,536,351,791
Limpopo	2,972,154,289	2,259,292,216	2,195,382,443	1,856,808,925	1,915,381,156	1,554,309,506	1,504,353,895
Mpumalanga	4,709,804,133	4,347,637,367	4,262,583,308	4,022,487,240	3,489,591,650	2,721,100,837	2,694,220,263
Northern Cape	1,485,951,446	1,034,263,155	1,023,816,029	908,532,453	856,125,194	780,761,953	700,033,202
North West	3,725,891,492	2,592,778,308	2,567,103,387	2,360,422,165	2,318,538,481	1,739,388,527	1,717,502,743
Western Cape	14,449,144,847	12,466,426,109	11,708,641,068	9,316,707,994	9,067,884,606	6,741,529,438	6,941,500,185
Other	748,394,596	527,090,382	540,631,587	413,155,351	468,801,054	310,009,683	343,592,828
Grand Total	93,974,818,188	80,712,014,524	76,984,032,682	64,718,683,975	58,842,301,226	45,621,993,432	44,540,823,578

Table 2: Provincial distribution – credit facilities approved

Provincial	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Eastern Cape	457,924,163	412,585,482	480,237,383	504,510,656	501,407,760	395,768,784	424,330,430
Free State	294,278,290	266,261,255	322,414,273	313,441,394	319,473,959	266,887,292	261,853,249
Gauteng	3,969,358,874	3,702,984,891	3,615,445,534	2,930,665,786	2,872,900,624	2,388,366,658	2,575,574,005
Kwazulu-Natal	1,159,441,958	981,783,230	1,052,477,564	1,037,101,638	1,075,649,704	933,899,265	916,435,508
Limpopo	250,228,929	234,701,714	264,752,168	273,518,172	264,104,448	238,894,359	244,281,826
Mpumalanga	336,782,785	338,854,602	396,970,486	337,501,365	325,619,894	277,698,965	320,443,908
Northern Cape	130,206,600	122,468,215	147,602,782	136,376,939	167,988,209	138,558,721	135,495,043
North West	221,050,812	225,324,276	274,346,628	302,385,645	203,067,481	185,955,612	196,257,245
Western Cape	1,300,723,070	1,250,585,655	1,466,141,847	1,197,220,384	1,185,780,927	940,539,129	1,041,532,006
Other	276,034,661	679,466,902	618,851,004	576,054,523	316,961,501	488,013,502	268,767,832
Grand Total	8,396,030,142	8,215,016,222	8,639,239,669	7,608,776,502	7,232,954,507	6,254,582,287	6,384,971,052

B: Secured Credit Granted

Table 3: Secured credit granted – size of agreement

Agreements	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
<=R1500	34,373,513	33,163,090	25,939,795	21,829,189	20,159,537	17,290,125	21,036,591
R1500-R3000	364,281,866	263,701,184	242,255,308	198,150,747	230,591,186	173,841,734	149,381,614
R3.1K-R5K	874,146,503	493,446,874	444,461,779	426,066,225	645,301,289	484,680,722	465,569,961
R5.1K-R10K	1,220,525,814	602,393,426	557,055,702	571,436,358	933,745,827	675,804,329	677,023,756
R10.1K-R20K	503,370,810	304,146,478	251,150,373	281,750,110	453,582,461	338,962,615	329,535,377
R20.1K-R40K	477,118,158	403,189,890	337,084,916	325,051,157	368,344,958	340,837,867	282,685,671
R40.1K-R60K	1,093,225,841	950,906,691	866,219,050	805,314,296	790,350,419	678,495,890	579,516,567
R60.1K-R100K	4,508,485,760	4,012,208,968	3,656,206,016	3,283,663,018	3,101,181,725	2,413,185,889	2,324,782,644
R101K-R150K	6,846,000,053	6,080,030,043	5,327,328,644	4,637,519,077	4,387,352,472	3,533,821,059	3,529,143,076
R151K-R200K	4,173,971,392	4,036,076,564	3,765,828,295	3,383,227,343	3,368,832,765	2,693,504,754	2,703,852,699
R201K-R400K	7,884,398,109	7,171,012,885	6,376,659,129	5,702,423,947	5,809,981,956	5,036,965,831	5,257,625,002
>R400K	4,033,966,964	3,792,020,212	3,932,922,848	2,647,089,336	2,542,492,854	2,621,521,230	2,459,960,150
Grand Total	32,013,864,783	28,142,296,307	25,783,111,855	22,283,520,803	22,651,917,449	19,008,912,045	18,780,113,108

Table 4: Secured credit granted – number of agreements

Agreements	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
<=R1500	30,275	31,180	23,740	19,706	18,225	15,765	19,167
R1500-R3000	165,931	118,197	102,522	85,848	97,531	73,903	63,581
R3.1K-R5K	223,391	130,998	113,473	109,875	163,876	123,413	117,983
R5.1K-R10K	182,183	90,351	81,036	84,043	136,852	99,169	98,670
R10.1K-R20K	39,661	23,634	18,814	21,319	34,686	25,572	25,139
R20.1K-R40K	16,214	13,688	11,213	11,084	12,536	11,510	9,610
R40.1K-R60K	21,588	18,788	17,043	15,848	15,580	13,390	11,392
R60.1K-R100K	56,283	50,109	45,603	41,135	38,744	30,254	29,072
R101K-R150K	55,658	49,558	43,443	37,825	35,787	28,898	28,781
R151K-R200K	24,469	23,592	22,009	19,673	19,589	15,724	15,755
R201K-R400K	29,700	27,174	24,051	21,483	21,701	18,704	19,456
>R400K	5,122	4,656	4,757	3,603	3,491	3,264	3,379
Grand Total	850,475	581,925	507,704	471,442	598,598	459,566	441,985

C: Analysis of credit granted by level of income

Table 5: Mortgages granted by income category – Rand value

Agreement	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
R0-R3500	34,076,629	21,614,057	23,081,394	20,662,417	11,557,123	5,479,937	8,696,652
R3501-R5500	131,115,918	100,472,152	107,423,763	104,501,038	49,100,318	36,719,220	34,957,067
R5501-R7500	397,673,634	321,824,872	306,649,564	242,322,281	156,901,500	98,944,465	108,708,205
R7501-R10K	1,034,946,957	791,165,312	691,176,264	546,139,673	370,450,117	245,756,224	278,591,553
R10.1K-R15K	3,261,858,100	2,576,972,692	2,100,253,817	1,677,940,509	1,210,666,930	821,320,462	797,579,203
>R15K	46,951,534,158	39,547,567,288	38,193,814,888	29,829,328,813	24,403,291,329	17,135,906,355	15,946,543,001
Total	51,811,205,396	43,359,616,373	41,422,399,690	32,420,894,731	26,201,967,317	18,344,126,663	17,175,075,681

Table 6: Mortgages granted by income category – Number

Agreement	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
R0-R3500	416	360	315	257	189	69	79
R3501-R5500	1,491	1,133	1,007	884	531	314	262
R5501-R7500	3,173	2,549	2,304	1,816	1,224	766	706
R7501-R10K	6,053	4,808	4,210	3,355	2,312	1,542	1,518
R10.1K-R15K	13,909	11,383	9,649	7,831	5,878	4,109	3,854
>R15K	74,684	63,340	62,424	50,127	41,089	29,114	26,345
Total	99,726	83,573	79,909	64,270	51,223	35,914	32,764

Table 7: Secured credit granted by income category – Rand value

Agreement	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
R0-R3500	1,700,175,870	1,487,285,454	944,993,756	901,367,411	1,293,395,594	912,420,638	823,934,071
R3501-R5500	1,161,868,375	1,242,915,724	1,267,181,350	643,077,829	778,908,594	507,579,409	536,361,198
R5501-R7500	1,407,067,131	1,456,700,361	1,529,883,130	887,081,344	902,551,011	588,714,626	698,860,069
R7501-R10K	1,995,041,498	2,050,516,662	1,873,453,653	1,452,382,066	1,431,548,156	1,079,776,516	1,182,799,008
R10.1K-R15K	3,443,205,436	3,352,646,905	3,121,955,321	2,926,584,029	2,923,101,850	2,420,510,333	2,525,876,712
>R15K	19,429,533,442	16,323,297,256	15,071,449,677	14,890,356,412	14,891,870,376	13,273,744,342	12,788,713,550
Total	29,136,891,753	25,913,362,362	23,808,916,888	21,700,849,090	22,221,375,581	18,782,745,864	18,556,544,608

Table 8: Secured credit granted by income category – Number

Agreement	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
R0-R3500	392,878	226,737	194,140	194,879	266,088	194,227	182,028
R3501-R5500	132,066	87,161	74,545	60,096	88,947	65,286	63,372
R5501-R7500	63,115	50,665	44,248	30,936	44,860	30,634	34,535
R7501-R10K	54,189	46,589	40,411	34,122	41,784	33,340	33,596
R10.1K-R15K	56,704	48,453	43,808	43,659	51,273	42,594	42,496
>R15K	137,475	110,885	101,143	105,359	103,635	92,339	85,232
Total	836,426	570,491	498,295	469,051	596,587	458,420	441,259

Table 9: Credit facilities approved by income category – Rand value

Agreement	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
R0-R3500	983,114,756	805,871,935	1,206,986,177	862,404,889	1,753,965,343	1,033,752,058	1,372,685,818
R3501-R5500	573,235,113	499,514,900	605,821,093	472,390,282	496,783,374	392,879,833	415,781,922
R5501-R7500	502,983,469	499,661,005	636,306,334	470,154,114	409,828,550	345,852,577	343,161,042
R7501-R10K	618,486,309	491,429,300	626,823,244	501,446,477	550,873,734	482,517,488	488,049,594
R10.1K-R15K	833,647,573	835,385,672	992,814,804	906,209,960	923,450,864	781,967,035	764,736,867
>R15K	4,530,861,686	4,751,708,354	4,297,002,440	3,784,375,764	2,889,111,865	3,054,386,690	2,866,954,986
Total	8,042,328,905	7,883,571,167	8,365,754,093	6,996,981,486	7,024,013,730	6,091,355,681	6,251,370,229

Table 10: Credit facilities approved by income category – Number

Agreement	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
R0-R3500	879,965	576,674	990,291	692,429	1,603,058	1,197,527	1,804,972
R3501-R5500	224,810	167,283	270,789	200,502	268,870	218,491	292,631
R5501-R7500	120,099	97,480	170,031	125,277	146,988	124,251	163,052
R7501-R10K	110,924	74,926	137,341	105,693	130,989	120,792	148,135
R10.1K-R15K	101,042	80,126	167,198	117,665	132,218	124,541	144,930
>R15K	202,788	169,483	328,905	208,910	217,276	213,474	224,346
Total	1,639,628	1,165,971	2,064,555	1,450,476	2,499,399	1,999,076	2,778,066

Table 11: Unsecured credit granted by income category – Rand value

Agreement	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
R0-R3500	2,584,314,175	2,017,094,214	2,431,730,599	2,577,708,950	2,664,119,368	2,008,484,167	2,274,997,025
R3501-R5500	1,145,099,857	996,473,527	1,101,759,123	1,053,471,675	1,073,285,562	837,571,193	841,465,466
R5501-R7500	846,752,565	820,289,532	844,462,214	818,612,793	827,165,726	725,733,376	738,714,765
R7501-R10K	898,391,477	865,189,104	834,338,187	791,127,697	821,449,578	736,675,800	757,965,522
R10.1K-R15K	1,054,652,562	1,048,336,367	989,124,940	1,061,808,955	1,196,353,697	1,070,449,553	1,135,533,893
>R15K	1,399,505,857	1,399,563,013	1,386,071,219	1,322,521,562	1,379,585,856	1,405,390,270	1,421,014,558
Total	7,928,716,493	7,146,945,757	7,587,486,282	7,625,251,633	7,961,959,787	6,784,304,359	7,169,691,229

Table 12: Unsecured credit granted by income category – Number

Agreement	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
R0-R3500	418,351	343,603	362,773	376,839	408,789	293,551	311,306
R3501-R5500	150,335	134,241	133,515	132,263	137,716	102,863	97,248
R5501-R7500	85,773	81,120	80,613	80,389	82,788	67,365	63,618
R7501-R10K	80,560	75,889	71,692	70,167	73,112	59,780	55,084
R10.1K-R15K	76,892	74,008	71,657	78,783	88,274	73,389	70,951
>R15K	68,304	70,742	75,241	73,852	79,422	71,099	65,542
Total	880,215	779,603	795,491	812,293	870,101	668,047	663,749

Table 13: Short term credit granted by income category – Rand value

Agreement	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
R0-R3500	657,905,923	581,157,642	669,865,723	752,925,112	766,798,005	641,916,324	666,390,657
R3501-R5500	104,145,908	94,636,435	109,937,697	99,666,823	98,803,472	90,729,293	96,746,846
R5501-R7500	56,811,940	55,036,793	63,309,760	63,944,759	64,368,974	59,832,324	63,944,936
R7501-R10K	30,484,124	28,867,650	33,214,731	47,240,123	49,114,150	45,951,001	50,025,405
R10.1K-R15K	22,495,307	21,190,954	23,457,767	31,706,361	33,463,833	31,018,339	33,122,776
>R15K	11,353,775	11,473,834	12,772,387	17,456,450	18,732,351	18,174,280	18,591,046
Total	883,196,977	792,363,308	912,558,065	1,012,939,628	1,031,280,785	887,621,561	928,821,666

Table 14: Short term credit granted by income category – Number

Agreement	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
R0-R3500	643,698	576,615	632,196	679,776	674,553	577,619	601,915
R3501-R5500	86,181	81,154	89,674	90,273	93,742	88,283	92,832
R5501-R7500	40,062	38,924	43,027	49,035	50,249	46,856	50,572
R7501-R10K	18,673	17,676	19,281	31,665	32,534	30,642	33,089
R10.1K-R15K	12,506	11,882	12,756	18,419	19,268	17,635	18,867
>R15K	5,969	5,564	6,032	9,376	9,828	9,160	9,452
Total	807,089	731,815	802,966	878,544	880,174	770,195	806,727

D: Age analysis of debtors book

Table 15: Age analysis of gross debtors book – mortgages

Ageing	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Current	602,263,639,831	612,521,283,601	610,449,119,956	622,321,314,445	622,422,361,957	622,101,361,261	616,946,405,369
30 Days	24,983,774,217	26,201,658,765	41,065,333,273	38,301,723,142	35,181,508,349	29,579,893,649	27,859,954,751
31-60 Days	9,083,980,860	13,430,877,347	17,826,002,525	16,440,419,724	18,030,031,955	17,876,144,475	12,545,449,628
61-90 Days	4,481,939,844	7,372,284,591	8,060,096,039	10,074,699,620	10,964,979,964	11,319,522,023	8,872,387,042
91-120 Days	3,307,320,530	5,928,106,020	8,712,997,130	11,290,598,239	13,860,885,792	17,052,138,185	16,726,307,992
120+ Days	13,471,369,488	16,677,982,085	20,351,233,478	25,487,285,203	33,171,154,809	42,186,377,734	49,182,104,448
Grand Total	657,592,024,770	682,132,192,409	706,464,782,401	723,916,040,373	733,630,922,826	740,115,437,327	732,132,609,230

Table 16: Age analysis of accounts – mortgages

Ageing	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
Current	1,670,785	1,655,683	1,602,706	1,616,909	1,606,133	1,600,947	1,597,252
30 Days	69,352	71,379	120,134	93,426	86,781	73,455	66,749
31-60 Days	22,298	31,157	37,900	36,823	38,553	37,738	27,501
61-90 Days	10,278	16,035	17,156	20,725	22,182	22,608	18,254
91-120 Days	6,677	10,734	15,390	20,740	25,415	30,727	29,344
120+ Days	34,896	39,467	43,236	49,928	60,455	73,782	83,105
Grand Total	1,814,286	1,824,455	1,836,522	1,838,551	1,839,519	1,839,257	1,822,205

Table 17: Age analysis of gross debtors book – secured credit

Ageing	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Current	201,963,004,361	206,092,695,604	205,571,021,431	196,079,738,856	196,063,305,798	192,120,400,777	190,069,197,910
30 Days	11,482,177,187	11,641,554,526	12,409,496,902	13,656,955,025	14,283,131,311	12,608,467,095	11,431,910,061
31-60 Days	3,896,948,887	4,052,486,174	4,356,075,300	5,107,277,167	5,190,491,061	5,637,262,770	4,951,498,482
61-90 Days	1,805,334,714	2,014,273,202	2,186,558,841	2,403,962,175	2,544,618,348	2,596,424,781	2,657,365,874
91-120 Days	1,225,051,186	1,517,829,695	1,528,607,423	1,765,015,967	1,951,005,654	2,447,591,451	2,741,456,109
120+ Days	3,794,969,844	4,246,238,513	5,101,110,889	5,957,895,689	6,754,643,506	7,488,383,258	8,547,940,329
Grand Total	224,167,486,180	229,565,077,713	231,152,870,786	224,970,844,879	226,787,195,678	222,898,530,132	220,399,368,765

Table 18: Age analysis of accounts – secured credit

Ageing	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
Current	4,367,082	4,630,622	4,373,120	4,187,172	4,083,036	3,943,614	3,923,897
30 Days	642,086	465,458	531,653	481,106	520,062	453,337	422,259
31-60 Days	320,191	249,302	282,523	279,042	282,293	281,958	250,521
61-90 Days	185,604	163,106	182,724	168,870	170,674	177,230	165,202
91-120 Days	122,761	130,335	127,319	116,055	119,000	140,165	120,274
120+ Days	279,671	254,727	347,733	345,750	400,553	498,513	547,442
Grand Total	5,917,395	5,893,549	5,845,071	5,577,995	5,575,618	5,494,817	5,429,595

Table 19: Age analysis of gross debtors book – credit facilities

Ageing	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Current	98,311,207,885	99,362,694,835	99,657,247,295	99,618,905,697	102,787,736,477	102,381,936,910	101,799,996,829
30 Days	11,083,206,260	11,459,787,677	11,829,126,810	13,132,117,085	11,396,233,942	12,463,866,031	11,642,507,505
31-60 Days	3,617,238,490	4,600,998,319	3,883,420,778	3,717,557,258	3,884,084,054	4,726,686,248	4,252,783,597
61-90 Days	2,169,651,844	3,702,302,736	3,068,532,932	2,812,012,786	2,958,491,637	2,802,791,134	2,743,905,487
91-120 Days	1,448,917,949	1,546,431,171	1,616,306,370	1,772,722,911	2,193,357,641	2,066,654,034	2,020,329,598
120+ Days	9,328,402,435	9,372,457,137	13,141,370,445	14,109,098,323	14,523,268,051	16,848,577,183	17,725,293,586
Grand Total	125,958,624,863	130,044,671,875	133,196,004,630	135,162,414,060	137,743,171,802	141,290,511,540	140,184,816,602

Table 20: Age analysis of accounts – credit facilities

Ageing	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
Current	16,352,955	16,429,299	17,180,093	17,307,813	18,071,489	16,256,793	16,121,927
30 Days	2,789,894	2,482,835	2,348,452	2,366,970	2,331,632	2,418,309	2,268,667
31-60 Days	1,009,172	1,072,932	925,405	841,195	806,251	1,018,170	916,337
61-90 Days	612,188	614,582	578,912	510,371	481,185	588,747	589,137
91-120 Days	357,253	356,404	409,910	338,767	328,120	344,857	420,431
120+ Days	1,015,383	1,072,895	1,410,622	1,416,566	1,401,279	1,461,971	1,691,813
Grand Total	22,136,845	22,028,947	22,853,394	22,781,682	23,419,956	22,088,847	22,008,312

Table 21: Age analysis of gross debtors book – unsecured credit

Ageing	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Current	30,802,281,488	30,983,562,561	33,875,148,654	35,077,781,248	35,869,743,199	35,671,814,278	35,634,083,532
30 Days	2,048,904,759	2,209,615,468	2,031,777,760	2,094,365,606	2,752,540,551	3,058,001,596	3,155,572,882
31-60 Days	961,332,672	1,041,480,602	1,045,717,339	1,222,055,634	1,141,262,154	1,428,157,454	1,303,711,289
61-90 Days	734,387,045	776,109,054	834,673,427	898,450,011	904,729,691	1,035,340,535	1,075,212,737
91-120 Days	553,290,557	553,568,868	652,693,101	776,410,467	744,500,747	817,646,531	901,931,946
120+ Days	5,847,296,538	6,364,476,185	6,792,361,749	6,020,926,126	6,509,327,850	7,077,645,098	8,061,529,043
Grand Total	40,947,493,059	41,928,812,738	45,232,372,030	46,089,989,092	47,922,104,192	49,088,605,492	50,132,041,429

Table 22: Age analysis of accounts – unsecured credit

Ageing	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
Current	3,456,344	3,361,219	3,442,254	3,551,822	3,606,499	3,528,557	3,489,011
30 Days	277,872	289,470	255,509	251,656	296,798	311,582	310,378
31-60 Days	163,750	163,674	150,952	158,401	152,742	167,717	156,093
61-90 Days	129,531	125,839	119,534	119,291	119,128	119,953	123,412
91-120 Days	96,309	90,150	91,624	88,638	91,940	84,393	89,149
120+ Days	783,396	808,325	836,312	797,279	844,435	822,716	865,944
Grand Total	4,907,202	4,838,677	4,896,185	4,967,087	5,111,542	5,034,918	5,033,987

Table 23: Age analysis of gross debtors book – short term credit

Ageing	2007-Q4 (R)	2008-Q1 (R)	2008-Q2 (R)	2008-Q3 (R)	2008-Q4 (R)	2009-Q1 (R)	2009-Q2 (R)
Current	456,670,900	450,326,050	485,419,109	529,174,914	542,901,850	435,673,008	432,530,131
30 Days	53,758,352	40,336,312	26,590,601	23,296,617	20,564,974	42,589,561	39,415,340
31-60 Days	24,413,064	26,457,011	20,033,837	17,755,075	17,484,287	22,431,233	16,440,676
61-90 Days	17,718,671	19,914,033	15,775,662	14,773,022	13,651,112	19,011,084	14,580,640
91-120 Days	7,636,002	8,636,836	7,364,363	8,316,140	6,001,129	5,788,926	5,611,418
120+ Days	121,946,512	121,384,552	105,355,114	110,523,961	89,204,487	87,501,635	85,911,904
Grand Total	682,143,501	667,054,794	660,538,686	703,839,729	689,807,839	612,995,447	594,490,109

Table 24: Age analysis of accounts – short term credit

Ageing	2007-Q4	2008-Q1	2008-Q2	2008-Q3	2008-Q4	2009-Q1	2009-Q2
Current	339,427	320,189	327,635	342,922	344,139	279,505	278,739
30 Days	21,128	23,063	16,150	12,446	11,431	13,009	10,429
31-60 Days	11,786	14,224	11,919	9,000	9,107	10,753	8,808
61-90 Days	9,450	9,856	9,273	7,462	6,641	7,813	7,464
91-120 Days	4,355	4,098	4,033	2,592	1,742	1,857	2,381
120+ Days	57,685	56,833	52,201	48,990	44,338	38,563	34,259
Grand Total	443,831	428,263	421,211	423,412	417,398	351,500	342,080

