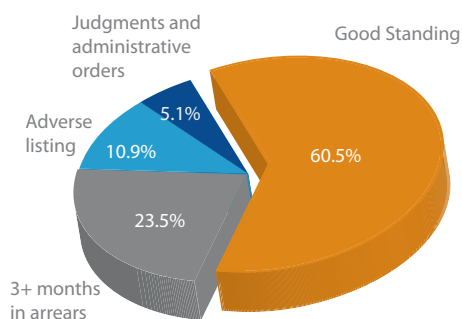


# Credit Bureau Monitor

First Quarter | March 2019

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## Credit standing of consumers: March 2019



For further information on credit provision, please access the Consumer Credit Market Report on [www.ncr.org.za](http://www.ncr.org.za)

The information reflected in this edition of the Credit Bureau Monitor covers the period from the quarter ended March 2015 to March 2019, 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 2019:

- Credit bureaus held records for 25.70 million credit-active consumers, a decrease of 0.6% when compared to the 25.85 million in the previous quarter. Consumers classified in good standing decreased by 141,425 to 15.55 million consumers. As a percentage of the total number of credit-active consumers, this reflects a decrease of 0.9% quarter-on-quarter and 1.4% year-on-year.
- The number of consumers with impaired records decreased by 10,428, to 10.15 million.
- The number of accounts increased from 80.31 million in the previous quarter to 80.49 million. The number of impaired accounts increased from 20.77 million to 21.53 million when compared to the previous quarter, an increase of 763,904 quarter-on-quarter and 2,113,916 year-on-year.
- A total of 607.95 million enquiries were made on consumer credit records, an increase of 9.48% quarter-on-quarter and 38.3% year-on-year. Enquiries initiated by consumers accounted for 20.53 million of all enquiries, a decrease of 8.5% quarter-on-quarter and 15.5% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 54.9%, enquiries from retailers accounted for 3.7% and enquiries from telecommunication providers accounted for 5.6%. Banks and other financial institutions' enquiries increased by 15.9% from the previous quarter, retailers decreased by 36.4% and telecommunication providers decreased by 45.8%.
- The number of credit reports issued to consumers increased from 181,603 in the previous quarter to 208,771. Of the total credit reports issued, 70.0% (146,132) were issued without charge, and the remaining 30.0% (62,639) were issued with charge.
- There were 32,963 disputes lodged on information held on consumer credit records for the quarter ended March 2019, a decrease of 7.3% quarter-on-quarter and an increase of 6.8% year-on-year.

## Introduction

The information reflected in this Credit Bureau Monitor covers the period from the quarter ended March 2015 to March 2019.

Comparisons in this report: “quarter-on-quarter” refers to a comparison between the March 2019 and December 2018 quarters, and “year-on-year” refers to a comparison between the March 2019 and March 2018 quarters.

## Credit-active consumers

**There were 25.70 million credit-active consumers as at the end of March 2019**

Credit bureaus held records for more than 52.61 million individuals on their databases as at the end of March 2019. From these records, 25.70 million (48.8%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers decreased by 151,853 quarter-on-quarter and increased by 233,100 year-on-year.

### The percentage of consumers in good standing decreased this quarter

Consumers classified in good standing decreased by 141,000 to 15.55 million consumers. As a percentage of the total number of credit-active consumers, this reflects a decrease of 0.9% quarter-on-quarter and 1.4% year-on-year. Of the total 25.70 million credit-active consumers, 60.5% were in good standing.

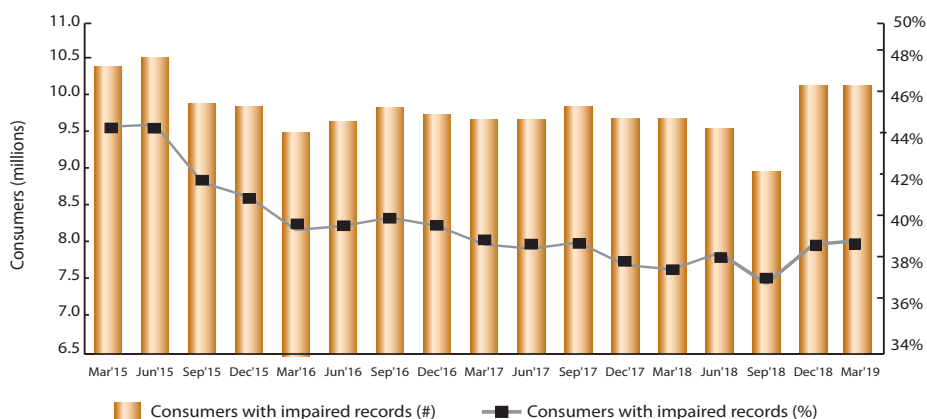
The number of consumers with impaired records (the inverse of those in good standing) decreased by 10,400 to 10.1 million. The percentage of credit-active consumers with impaired records increased to 39.5%, comprising of 23.5% of consumers in three months or more in arrears, 10.9% of consumers with adverse listings, and 5.1% 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 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Good standing (#)	14.41m	14.40m	14.55m	14.99m	15.10m	15.21m	15.62m	15.77m	15.02m	15.07m	15.69m	15.55m
Good standing (%)	59.8%	59.4%	59.9%	60.7%	60.9%	60.6%	61.7%	61.9%	61.1%	62.7%	60.7%	60.5%
Current (%)	48.3%	47.6%	47.6%	48.2%	49.2%	49.2%	49.9%	49.6%	49.4%	50.9%	48.1%	48.1%
1-2 months in arrears (%)	11.6%	11.8%	12.3%	12.5%	11.7%	11.4%	11.8%	12.4%	11.7%	11.8%	12.6%	12.4%
Impaired records (#)	9.67m	9.85m	9.76m	9.69m	9.69m	9.87m	9.70m	9.69m	9.57m	8.98m	10.16m	10.15m
Impaired records (%)	40.2%	40.6%	40.2%	39.3%	39.1%	39.4%	38.3%	38.1%	38.9%	37.4%	39.3%	39.5%
3+ months in arrears (%)	22.1%	22.3%	21.8%	21.7%	22.0%	22.1%	21.7%	21.9%	22.7%	22.3%	24.1%	23.5%
Adverse listings (%)	10.7%	11.3%	11.8%	11.4%	11.2%	11.4%	11.1%	10.7%	10.6%	9.5%	10.1%	10.9%
Judgments and administration orders (%)	7.3%	6.9%	6.6%	6.2%	5.9%	5.8%	5.5%	5.5%	5.5%	5.6%	5.1%	5.1%
Credit-active consumers (#)	24.08m	24.25m	24.31m	24.68m	24.78m	25.08m	25.31m	25.46m	24.59m	24.05m	25.85m	25.70m

Figure 1: Consumers with impaired records



## Consumer accounts

There were 80.49 million accounts on record at the bureaus as at the end of March 2019

At the end of the reporting quarter there were 80.49 million accounts recorded at registered credit bureaus. This was an increase of 0.2% quarter-on-quarter and an increase of 1.8% year-on-year.

### The percentage of accounts in good standing decreased this quarter

Of the 80.49 million accounts, 58.95 million (73.2%) were classified as in good standing, a negative variance of 1.0% quarter-on-quarter and 1.2% year-on-year.

As at the end of March 2019:

- 62.8% of accounts were classified as current (decreased quarter-on-quarter by 1.5% and year-on-year by 5.0%).
- 10.5% had missed one or two instalments (increased quarter-on-quarter by 0.7% and year-on-year by 2.8%).
- 19.6% had missed three or more instalments (remained unchanged quarter-on-quarter and increased year-on-year by 1.2%).
- 6.0% had adverse listings (increased quarter-on-quarter by 0.9% and increased year-on-year by 1.3%).
- 1.2% had judgments or administration orders (decreased quarter-on-quarter by 0.1% and year-on-year by 0.3%).

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

Table 2: Credit standing of accounts

	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
Good standing (#)	64.32m	63.44m	62.41m	62.73m	60.04m	58.25m	59.64m	59.66m	56.95m	57.51m	59.54m	58.95m
Good standing (%)	76.1%	75.7%	75.7%	76.1%	75.0%	74.3%	75.0%	75.4%	74.9%	75.5%	74.1%	73.2%
Current (%)	69.1%	68.5%	68.4%	68.8%	68.1%	67.2%	67.8%	67.8%	67.6%	68.0%	64.3%	62.8%
1-2 months in arrears (%)	7.0%	7.2%	7.3%	7.3%	7.0%	7.1%	7.3%	7.6%	7.3%	7.5%	9.8%	10.5%
Impaired records (#)	20.24m	20.37m	20.01m	19.70m	19.97m	20.19m	19.84m	19.42m	19.07m	18.66m	20.77m	21.53m
Impaired records (%)	23.9%	24.3%	24.3%	23.9%	25.0%	25.7%	25.0%	24.6%	25.1%	24.5%	25.9%	26.8%
3+ months in arrears (%)	17.8%	18.1%	17.9%	17.8%	18.3%	18.9%	18.4%	18.4%	18.8%	18.4%	19.6%	19.6%
Adverse listings (%)	4.5%	4.6%	4.9%	4.6%	5.1%	5.2%	5.1%	4.7%	4.8%	4.7%	5.0%	6.0%
Judgments and administration orders (%)	1.6%	1.6%	1.6%	1.5%	1.6%	1.6%	1.5%	1.5%	1.5%	1.4%	1.2%	1.2%
Consumer accounts (#)	84.56m	83.81m	82.42m	82.43m	80.02m	78.43m	79.49m	79.08m	76.02m	76.17m	80.31m	80.49m

Figure 2: Accounts with impaired records

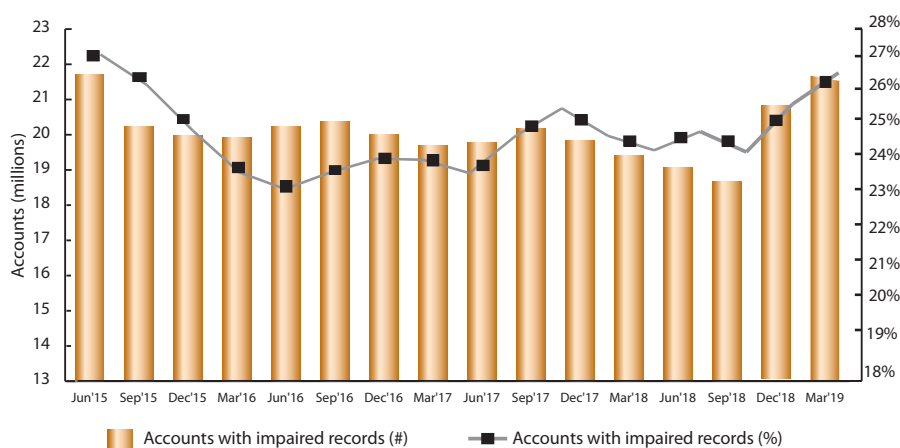
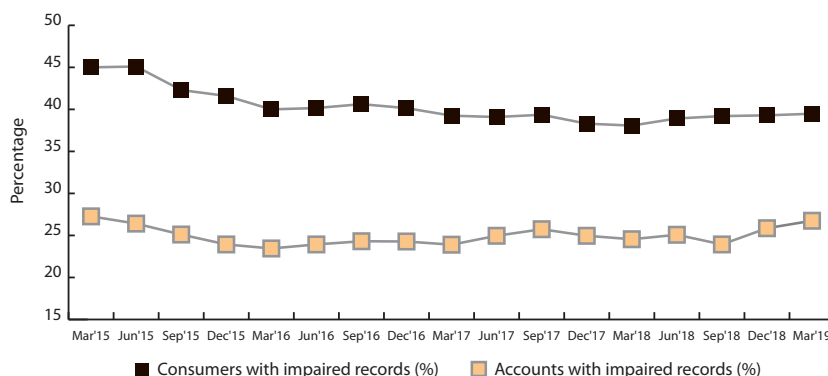


Figure 3: Consumers and accounts with impaired records



## Credit market activity

### Enquiries made on consumer records decreased for the quarter

There were 607.95 million enquiries made in the quarter ended March 2019. This was an increase of 9.5% quarter-on-quarter and an increase of 38.3% year-on-year. Enquiries done in bulk by banks and other financial institutions formed the largest portion of all enquiries.

- 20.53 million enquiries were made due to consumers seeking credit (decreased by 8.5% quarter-on-quarter and 15.5% year-on-year).
- 2.37 million enquiries were related to telecommunication services (decreased by 82.9% quarter-on-quarter and increased by 109.9% year-on-year).
- 36.23 million enquiries were made for tracing/debt collection purposes (decreased by 41.1% quarter-on-quarter and 26.5% year-on-year).
- 548.82 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (increased by 20.0% quarter-on-quarter and increased by 50.4% 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 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Consumers seeking credit	18.49	18.42	21.93	23.98	24.29	24.52	25.52	22.44	20.53	-0.4%	19.0%	9.4%	1.3%	0.9%	4.1%	-12.1%	-8.5%
Telecommunication services	1.05	1.28	1.42	1.58	1.13	4.71	10.78	13.84	2.37	21.5%	11.2%	11.3%	-28.5%	316.7%	129.1%	28.4%	-82.9%
Tracing/debt collection purposes	21.00	24.11	31.46	47.35	49.32	52.89	47.57	61.52	36.23	14.8%	30.5%	50.5%	4.1%	7.2%	-10.0%	29.4%	-41.1%
Other	395.90	436.16	327.49	457.20	364.95	297.78	546.67	457.53	548.82	10.2%	-24.9%	39.6%	-20.2%	-18.4%	83.6%	-16.3%	20.0%
<b>Total</b>	<b>436.44</b>	<b>479.97</b>	<b>382.29</b>	<b>530.11</b>	<b>439.69</b>	<b>379.89</b>	<b>630.54</b>	<b>555.32</b>	<b>607.95</b>	<b>10.0%</b>	<b>-20.4%</b>	<b>38.67%</b>	<b>-17.1%</b>	<b>-13.60%</b>	<b>66.0%</b>	<b>-11.9%</b>	<b>9.48%</b>

Figure 4: Enquiries due to consumers seeking credit

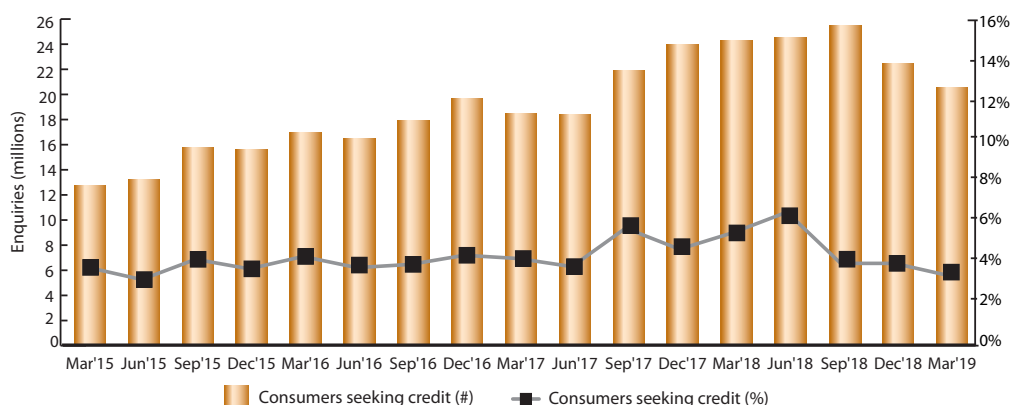
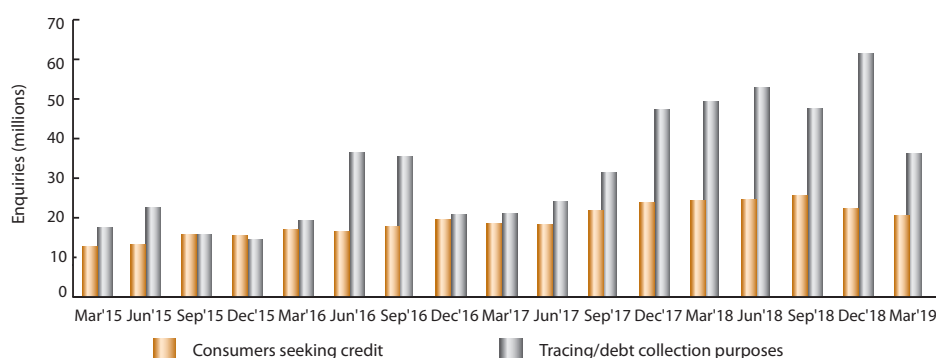


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



**Enquiry sectoral analysis**

There were 333.76 million enquiries made by banks and other financial institutions in the quarter ended March 2019, an increase of 15.9% quarter-on-quarter and 36.6% year-on-year. Retailers made 22.64 million enquiries on consumer records, which was a decrease of 36.4% quarter-on-quarter and 29.5% year-on-year. Enquiries made by telecommunication providers decreased by 45.8% quarter-on-quarter and 23.2% year-on-year, to 33.85 million in the March 2019 quarter. Enquiries made by debt collection agencies increased by 70.7% quarter-on-quarter and by 326.7% year-on-year, to 11.77 million in March 2019 quarter. Enquiries made by all other entities increased by 26.9% quarter-on-quarter and 77.0% year-on-year, to 205.93 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 17	June 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to June 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Banks and other financial institutions	280.10	269.75	161.36	309.95	244.36	134.31	424.18	288.08	333.76	-3.7%	-40.2%	92.1%	-21.2%	-45.0%	215.8%	-32.1%	15.9%
Retailers	30.01	25.43	33.06	35.48	32.36	15.63	58.13	35.58	22.64	-15.3%	30.0%	7.3%	-8.8%	-51.3%	271.8%	-38.8%	-36.4%
Telecommunication providers	26.23	35.62	40.65	40.54	44.10	46.17	46.37	62.45	33.85	35.8%	14.1%	-0.3%	8.8%	4.7%	0.4%	34.7%	-45.8%
Debt collection agencies	5.26	3.00	6.64	3.81	2.76	2.55	4.76	6.89	11.77	-43.0%	121.6%	-42.5%	-27.7%	-7.7%	87.1%	44.8%	70.7%
All other entities	94.84	146.17	140.59	140.33	116.10	176.66	97.11	162.32	205.93	54.1%	-3.8%	-0.2%	1.0%	51.8%	-46.4%	67.1%	26.9%
<b>Total</b>	<b>436.44</b>	<b>479.97</b>	<b>382.29</b>	<b>530.11</b>	<b>439.69</b>	<b>375.32</b>	<b>630.54</b>	<b>555.32</b>	<b>607.95</b>	<b>10.0%</b>	<b>-20.4%</b>	<b>38.7%</b>	<b>-17.1%</b>	<b>-14.6%</b>	<b>65.98</b>	<b>-11.9%</b>	<b>9.48%</b>

Figure 6: All enquiries – distribution according to sectors

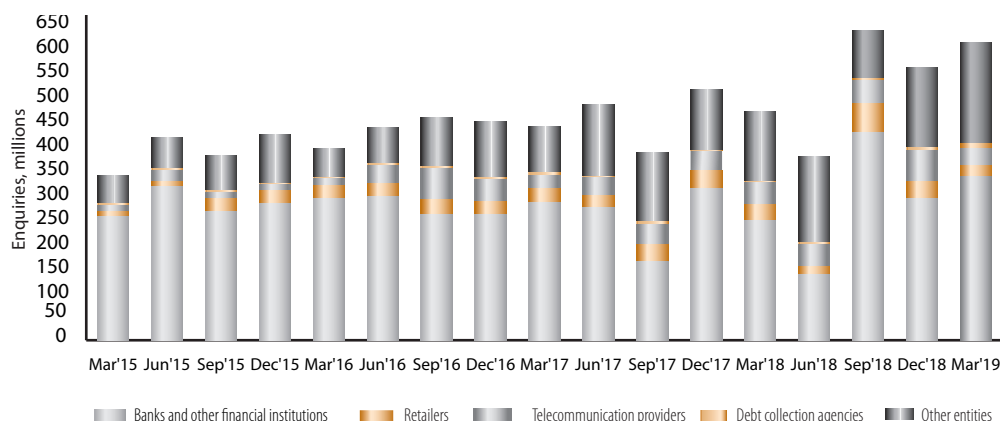


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Consumers seeking credit	16.03	15.89	19.27	20.91	21.79	21.84	22.59	19.68	18.21	-0.9%	21.3%	8.5%	4.2%	0.3%	3.4%	-12.9%	-7.4%
Tracing/debt collection purposes	1.92	2.37	2.77	2.77	2.56	3.20	2.13	3.24	2.10	22.9%	16.9%	0.2%	-7.5%	24.5%	-33.5%	53.8%	-35.2%
Other purposes	262.14	251.49	139.32	286.26	220.01	109.27	399.46	265.16	313.44	-4.1%	-44.6%	105.5%	-23.1%	-50.3%	265.6%	86.7%	18.2%
<b>Banks and other financial institutions</b>	<b>280.10</b>	<b>269.75</b>	<b>161.36</b>	<b>309.95</b>	<b>244.36</b>	<b>134.31</b>	<b>424.18</b>	<b>288.08</b>	<b>333.76</b>	<b>-3.7%</b>	<b>-40.2%</b>	<b>92.1%</b>	<b>-21.2%</b>	<b>-45.0%</b>	<b>215.8%</b>	<b>-32.1%</b>	<b>15.9%</b>

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Consumers seeking credit	2.46	2.53	2.65	3.07	2.51	2.68	2.94	2.76	2.31	3.1%	4.7%	15.7%	-18.4%	6.9%	9.7%	-6.1%	-16.1%
Tracing/debt collection purposes	1.02	0.42	0.73	1.85	1.27	2.00	3.21	1.99	1.58	-58.9%	74.8%	152.8%	-31.6%	58.5%	60.0%	-38.0%	-20.6%
Other purposes	26.54	22.48	29.68	30.56	28.32	10.95	51.98	30.83	18.74	-15.3%	32.0%	3.0%	-7.3%	-61.3%	374.8%	-40.7%	-39.2%
<b>Retailers</b>	<b>30.01</b>	<b>25.43</b>	<b>33.06</b>	<b>35.48</b>	<b>32.09</b>	<b>15.63</b>	<b>58.13</b>	<b>35.57</b>	<b>22.64</b>	<b>-15.3%</b>	<b>30.0%</b>	<b>7.3%</b>	<b>-9.6%</b>	<b>-51.3%</b>	<b>271.8%</b>	<b>-38.8%</b>	<b>-39.2%</b>

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 17 to Mar 19
Telecommunication services	1.05	1.28	1.42	1.58	1.13	4.71	10.78	13.84	2.37	21.5%	11.2%	11.3%	-28.5%	316.7%	129.1%	28.4%	-82.9%
Tracing/debt collection purposes	10.11	16.72	19.13	22.64	36.15	34.52	26.97	29.85	20.66	65.3%	14.4%	18.3%	59.7%	-4.5%	-21.9%	10.7%	-30.7%
Other purposes	15.06	17.63	20.10	16.33	6.83	6.95	8.62	18.77	10.82	-17.1%	14.0%	-18.8%	-58.2%	1.8%	24.1%	117.6%	-42.3%
<b>Telecommunication providers</b>	<b>26.23</b>	<b>35.62</b>	<b>40.65</b>	<b>40.54</b>	<b>44.10</b>	<b>46.17</b>	<b>46.38</b>	<b>62.45</b>	<b>33.85</b>	<b>-35.8%</b>	<b>14.1%</b>	<b>-0.3%</b>	<b>8.8%</b>	<b>4.7%</b>	<b>0.4%</b>	<b>34.7%</b>	<b>-45.8%</b>

## Credit bureau activity

### Demand for credit reports increased for the quarter

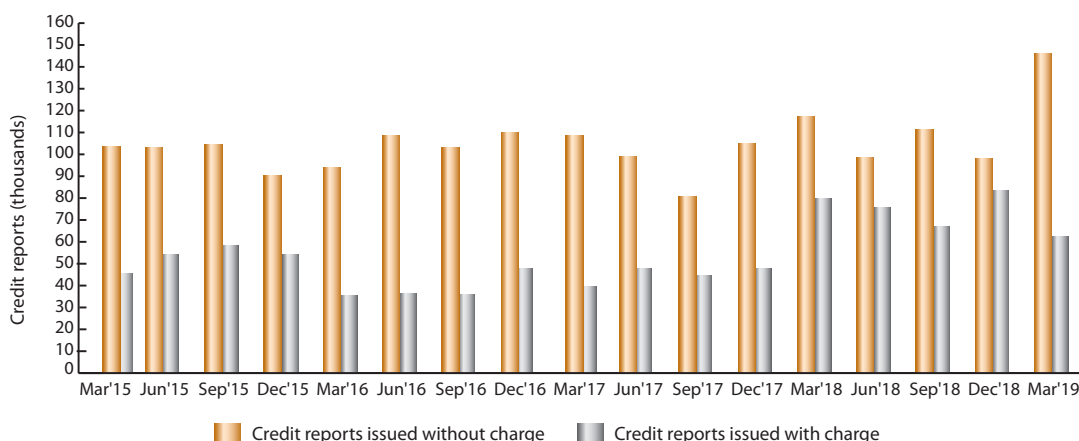
Of the total 208,771 credit reports issued to consumers at their request during the quarter ended March 2019, 70.0% (146,132) were issued without charge, and the remaining 30.0% (62,639) were issued with charge. The total number of credit reports issued increased by 15.0% quarter-on-quarter and 6.0% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Credit reports:	Number of credit reports										Percentage change								
	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Dec 16 to Mar 17	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 18 to Jun 18	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Issued without charge	109,797	108,695	98,964	80,735	105,083	117,272	98,523	111,485	98,195	146,132	-1.0%	-9.0%	-18.4%	30.2%	11.6%	-16.0%	13.2%	-11.9%	48.8%
Issued with charge	47,934	39,803	48,025	44,820	47,607	79,648	75,855	67,156	83,408	62,639	-17.0%	20.7%	-6.7%	6.2%	67.3%	-4.8%	11.5%	24.2%	-24.9%
<b>Total issued</b>	<b>157,731</b>	<b>148,498</b>	<b>146,989</b>	<b>125,555</b>	<b>152,690</b>	<b>196,920</b>	<b>174,378</b>	<b>178,641</b>	<b>181,603</b>	<b>208,771</b>	<b>-5.9%</b>	<b>-1.0%</b>	<b>-14.6%</b>	<b>21.6%</b>	<b>29.0%</b>	<b>11.4%</b>	<b>2.4%</b>	<b>1.7%</b>	<b>15.0%</b>

Figure 7: Credit reports issued



### Consumer disputes

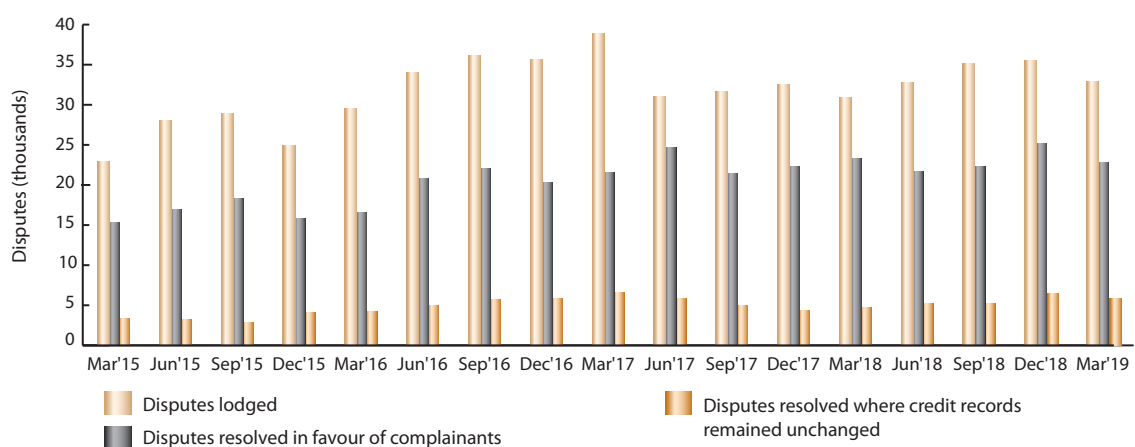
There were 32,963 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended March 2019. This was an increase of 7.3% quarter-on-quarter and a decrease of 6.8% year-on-year. More disputes were resolved in favour of complainants (22,814) as compared to disputes where credit records remained unchanged (5,802).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change							
	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19	Mar 17 to Jun 17	Jun 17 to Sep 17	Sep 17 to Dec 17	Dec 17 to Mar 18	Mar 17 to Jun 17	Jun 18 to Sep 18	Sep 18 to Dec 18	Dec 18 to Mar 19
Lodged	38,882	31,092	31,631	32,509	30,853	32,727	35,155	35,651	32,963	-20.0%	1.7%	2.8%	-5.1%	6.1%	7.4%	1.2%	7.3%
Resolved in favour of complainants	21,594	24,621	21,483	22,349	23,342	21,724	22,320	25,188	22,814	14.0%	-12.7%	4.0%	4.4%	-6.9%	2.7%	12.8%	-9.4%
Resolved where credit record remained unchanged	6,573	5,877	5,012	4,352	4,714	5,222	5,283	6,434	5,802	-10.6%	-14.7%	-13.2%	8.3%	10.8%	1.2%	21.8%	-9.8%

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 of forty quarters from December 2008 to March 2019.