

## **Consumer credit demand slowing as credit performance stabilises**

*For Immediate Release*

*July 2010*

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

As at the end of March 2010, credit bureaus had records for 18.21 million credit-active consumers:

Of the 18.21 million credit-active consumers, 54.0% (9.84m) were classified as in good standing. The number of consumers with impaired records continued to increase reaching 8.37 million this quarter. This indicated a deterioration in the credit records of 191 000 consumers quarter-on-quarter and 915 000 year-on-year. Adverse listings and judgments contributed more in this category as compared to the category of 3 or more months in arrears.

The percentage of impaired accounts has increased more moderately than the percentage of consumers with impaired records, from 25.6% in the previous quarter to 25.9%. The increase is lower over the last two quarters, than in the quarters preceding September 2009. This appears to indicate some level of stabilisation in credit performance.

A total of 124.84 million enquiries were made on consumer credit records, a decline of 15.0% quarter-on-quarter and an increase of 26.2% year-on-year. The decline quarter-on-quarter may be due to seasonal factors rather than the overall credit market activity. Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 42.5%, enquiries from retailers accounted for 15.0% and enquiries from telecommunications providers accounted for 20.6%.

The number of credit reports issued to consumers increased to 78,632. Of the total credit reports issued, 86% (67,694) were issued without charge, and the remaining 14% (10,938) were issued with charge. There were 12,530 disputes lodged on information held on consumer credit records for the quarter ended March 2010, which was an increase of 18.5% quarter-on-quarter and 49.1% year-on-year.

*Issued by:*  
Bullion PR & Communication  
Lola Lazarus

*On behalf of:*  
National Credit Regulator  
Lebogang Selibi  
Tel: (011) 554-2722