

An ongoing upward trend in the level of debt-stress

For Immediate Release

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Credit bureaus update consumer credit profiles based on credit information received from credit providers on a monthly basis. The National Credit Regulator (NCR) regulates and monitors registered credit bureaus. From the credit bureau reports submitted to the NCR for the quarter ended September 2009, the following is apparent:-

Credit bureaus held records for 18.01 million credit-active consumers. Since June 2007 there has been an ongoing deterioration in the number of consumers in good standing (current or in 1 to 2 months in arrears). The percentage of consumers in good standing decreased to 55.1% (9.92 million consumers) of total credit-active consumers.

The number of consumers with impaired records increased, to 8.09 million. This reflects a deterioration in the credit records of 244 000 consumers quarter-on-quarter and 990 000 consumers year-on-year.

There were 145.96 million enquiries made on consumer credit records. This increase of 20.2% quarter-on-quarter and 28.4% year-on-year was largely due to bulk enquiries conducted by various stakeholders for marketing, collections and other purposes. Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 33.6%, enquiries from retailers accounted for 14.7% and enquiries from telecommunications providers accounted for 27.9%.

The number of credit reports issued to consumers increased to 59,532. There were 52,973 free reports issued and the balance of 6,559 was charged for. 10,278 disputes were lodged on consumer credit records. This was a quarter-on-quarter increase of 45.3% and a year-on-year increase of 4.2%.

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