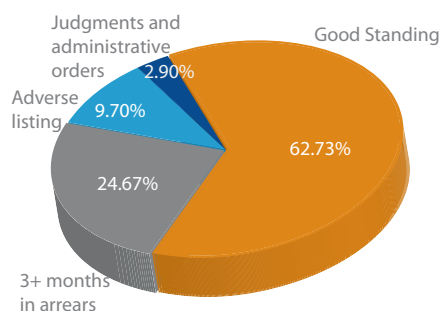


Credit Bureau Monitor

Second Quarter | June 2022

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Credit standing of consumers:
June 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 June 2018 to June 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 June 2022:

- Credit bureaus held records for 26.52 million credit-active consumers, an increase of 0.15% when compared to the 26.48 million in the previous quarter ended March 2022 and an increase of 1.14% year-on-year.
- Consumers classified in good standing increased by 197,993 to 16.63 million consumers.
- The number of consumers with impaired records decreased by 158,825, to 9.88 million, this was a decrease of 1.58% quarter-on-quarter and 1.88% year-on-year.
- The number of accounts increased from 84.73 million in the previous quarter to 85.49 million.
- The number of impaired accounts decreased from 19.59 million to 19.26 million when compared to the previous quarter, a decrease of 327,075 or 1.67% quarter-on-quarter and of 598,021 or 3.01% year-on-year.
- A total of 466.72 million enquiries were made on consumer credit records. Enquiries initiated by consumers accounted for 15.30 million of all enquiries, a decrease of 5.58% quarter-on-quarter and 27.25% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 44.36%, enquiries from retailers accounted for 14.83% and enquiries from telecommunication providers accounted for 7.75%.
- The number of credit reports issued to consumers increased from 685,815 in the previous quarter to 741,037 of the total credit reports issued, 90.43% (670,154) were issued free of charge, and the remaining 9.57% (70,883) were issued at a cost.
- There were 40,674 disputes lodged on information held on consumer credit records for the quarter ended June 2022, a decrease of 3.73% quarter-on-quarter and an increase of 31.87% year-on-year.

Introduction

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

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

Credit-active consumers

There were 26.52 million credit-active consumers as at the end of June 2022

From the credit active consumers, 26.52 million (54.63%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers increased by 39,169 quarter-on-quarter and by 300,025 year-on-year.

The percentage of consumers in good standing increased during the quarter

Consumers classified in good standing increased by 197,993 to 16.63 million consumers. Of the total 26.52 million credit-active consumers, 62.73% were in good standing.

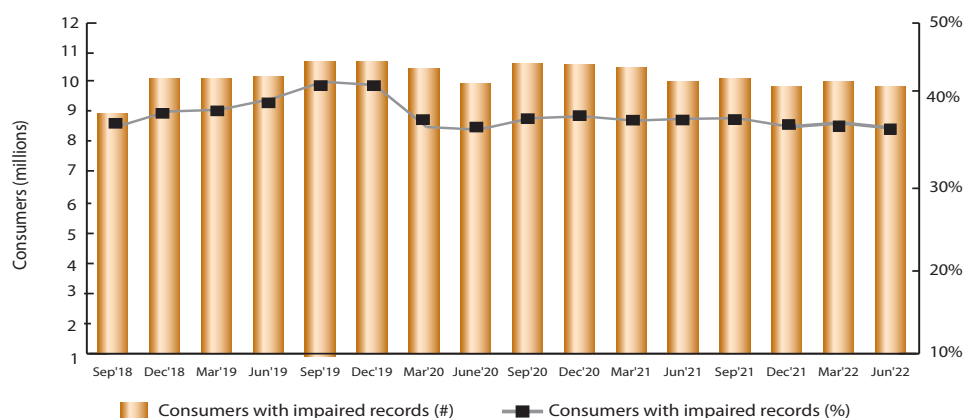
The number of consumers with impaired records (the inverse of those in good standing) decreased by 158,825 to 9.88 million. The percentage of credit-active consumers with impaired records decreased to 37.27%, comprising of 24.67% of consumers in three months or more in arrears, 9.70% of consumers with adverse listings, and 2.90% 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

	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Good standing (#)	14.35m	14.49m	17.52m	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m	16.50m	16.44m	16.63m
Good standing (%)	57.06	57.50	62.58	62.90	61.52	61.28	61.80	61.59	61.51	62.55	62.08	62.73
Current (%)	45.92	45.72	53.44	53.33	52.41	52.12	53.08	53.60	53.79	54.64	53.93	54.80
1-2 months in arrears (%)	11.14	11.78	9.15	9.57	9.11	9.17	8.72	7.99	7.72	7.91	8.15	7.94
Impaired records (#)	10.80m	10.71m	10.47m	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m	9.88m	10.04m	9.88m
Impaired records (%)	42.94	42.50	37.42	37.10	38.48	38.72	38.20	38.41	38.49	37.45	37.92	37.27
3+ months in arrears (%)	23.75	24.77	23.23	22.90	23.75	23.41	22.84	23.34	24.27	24.07	24.31	24.67
Adverse listings (%)	14.20	12.88	10.92	10.89	11.47	12.07	12.17	12.04	11.26	10.46	10.73	9.70
Judgments and administration orders (%)	4.99	4.85	3.27	3.31	3.26	3.24	3.19	3.03	2.96	2.92	2.88	2.90
Credit-active consumers (#)	25.14m	25.20m	27.99m	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m	26.38m	26.48m	26.52m

Figure 1: Consumers with impaired records



Consumer accounts

There were 85.49 million accounts on record at the bureaus as at the end of June 2022

At the end of the reporting quarter there were 85.49 million accounts recorded at registered credit bureaus. This was an increase of 0.90% quarter-on-quarter and of 0.48% year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 85.49 million accounts, 66.23 million (77.47%) were classified as in good standing, a positive variance of 1.67% quarter-on-quarter and 1.54% year-on-year.

As at the end of June 2022:

- 71.44% of accounts were classified as current (increased quarter-on-quarter by 0.91% and year-on-year by 0.97%).
- 6.03% had missed one or two instalments (decreased quarter-on-quarter by 0.32% and year-on-year by 0.16%).
- 17.21% had missed three or more instalments (decreased quarter-on-quarter by 0.30% and increased year-on-year by 0.22%).
- 4.39% had adverse listings (decreased quarter-on-quarter by 0.29% and year-on-year by 0.99%).
- 0.93% had judgments or administration orders (remained unchanged quarter-on-quarter and decreased year-on-year by 0.05%).

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

Table 2: Credit standing of accounts

	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22
Good standing (#)	59.67m	60.09m	66.12m	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m	64.08m	65.14m	66.23m
Good standing (%)	73.19	73.25	76.88	75.76	73.09	73.66	76.29	76.66	76.30	76.63	76.88	77.47
Current (%)	63.94	63.63	68.73	67.77	65.96	66.70	69.95	70.47	70.25	70.59	70.53	71.44
1-2 months in arrears (%)	9.25	9.62	8.16	7.99	7.13	6.96	6.64	6.19	6.05	6.04	6.35	6.03
Impaired records (#)	21.86m	21.95m	19.88m	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m	19.54m	19.59m	19.26m
Impaired records (%)	26.81	26.75	23.12	24.24	26.91	26.34	23.71	23.34	23.70	23.37	23.12	22.53
3+ months in arrears (%)	19.76	19.71	15.91	17.07	17.05	16.47	17.16	16.98	17.78	17.64	17.50	17.21
Adverse listings (%)	5.98	6.03	6.50	6.28	9.01	9.06	5.55	5.38	4.96	4.77	4.69	4.39
Judgments and administration orders (%)	1.07	1.01	0.70	0.88	0.84	0.80	1.00	0.98	0.96	0.96	0.93	0.93
Consumer accounts (#)	81.53m	82.04m	85.99m	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m	83.62m	84.73m	85.49m

Figure 2: Accounts with impaired records

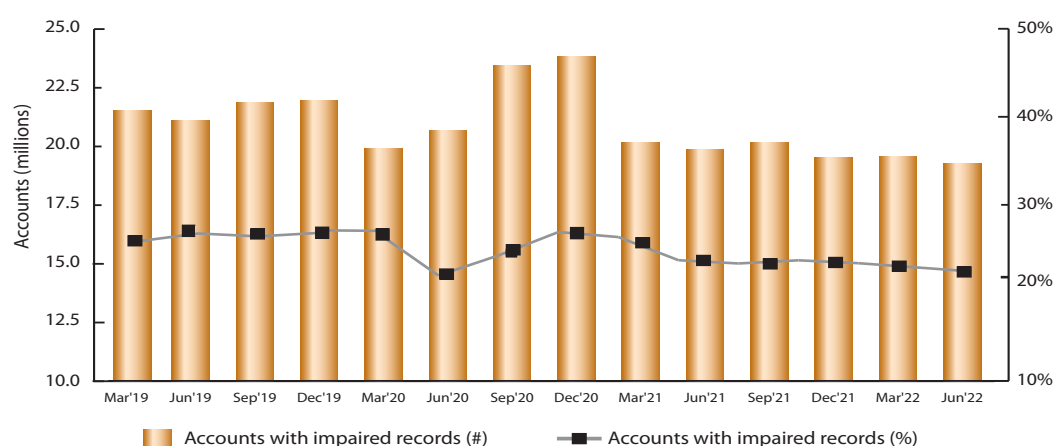
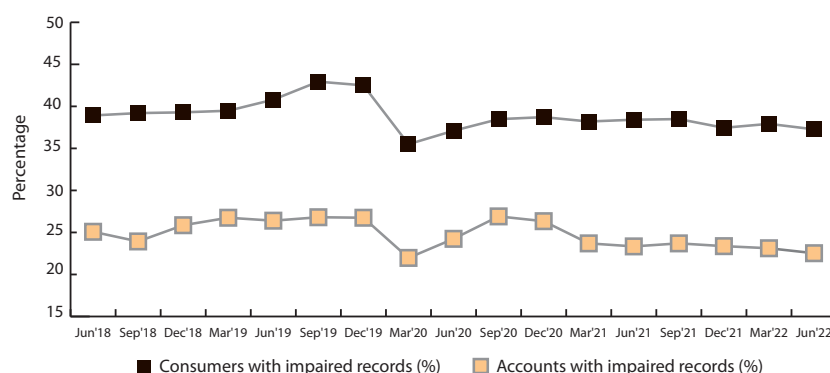


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records increased for the quarter

There were 466.72 million enquiries made in the quarter ended June 2022. This was a decrease of 24.71% quarter-on-quarter and of 21.71% year-on-year. Enquiries done in bulk by banks and other financial institutions formed the largest portion of all enquiries.

- 15.30 million enquiries were made due to consumers seeking credit (decreased by 5.58% quarter-on-quarter and increased by 27.25% year-on-year).
- 3.08 million enquiries were related to telecommunication services (decreased by 48.60% quarter-on-quarter and by 19.06% year-on-year).
- 62.92 million enquiries were made for tracing/debt collection purposes (decreased by 42.15% quarter-on-quarter and increased by 1.39% year-on-year).
- 385.42 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (decreased by 21.17% quarter-on-quarter and by 25.63% 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 (%)							
	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Consumers seeking credit	12.10	9.08	12.92	11.05	10.19	9.94	9.45	16.21	15.30	-25.01	42.40	-14.52	-7.73	-2.45	-5.01	71.57	-5.58
Telecommunication services	3.66	2.60	3.65	3.64	3.81	4.20	11.79	5.99	3.08	-28.88	40.45	-0.42	4.60	10.24	180.57	-49.17	-48.60
Tracing/debt collection purposes	59.14	57.18	63.08	62.16	62.48	36.42	71.14	108.77	62.92	-3.32	10.33	-1.45	0.51	-41.71	95.33	52.06	-42.15
Other	693.71	1 021.87	650.49	601.42	1 158.46	414.40	526.00	488.94	385.42	47.31	36.34	-7.54	92.62	-64.23	26.93	-6.97	-21.17
Total	768.61	1 090.73	730.15	678.27	1 234.94	464.96	618.37	619.91	466.72	41.91	-33.06	-7.11	82.07	-62.35	32.99	0.25	-24.71

Figure 4: Enquiries due to consumers seeking credit

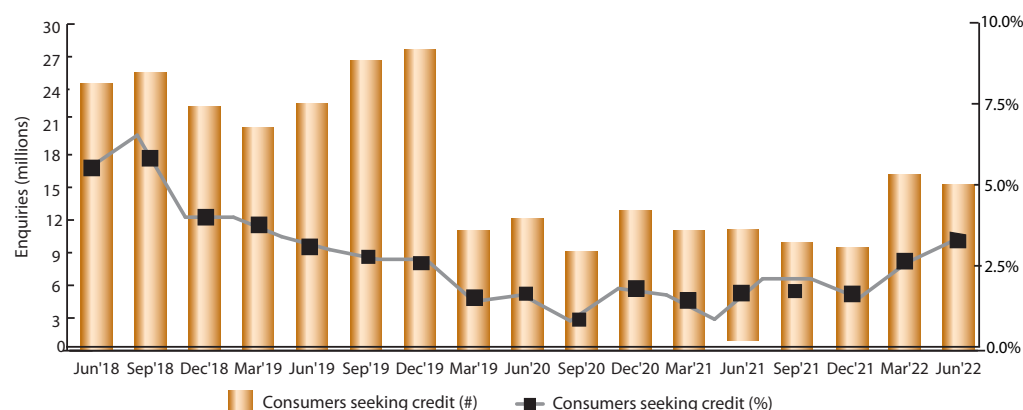
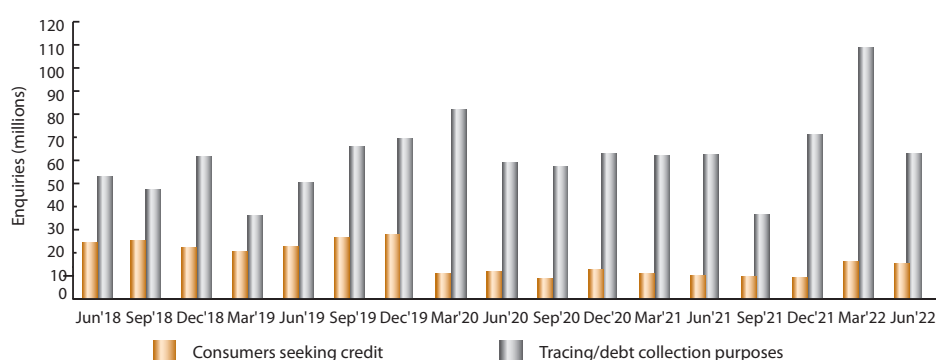


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 207.06 million enquiries made by banks and other financial institutions in the quarter ended June 2022, a decrease of 15.53% quarter-on-quarter and 54.15% year-on-year. Retailers made 69.22 million enquiries on consumer records, which was a decrease of 15.56% quarter-on-quarter and an increase of 23.68% year-on-year. Enquiries made by telecommunication providers decreased by 33.44% quarter-on-quarter and by 30.66% year-on-year, to 36.16 million in the June 2022 quarter. Enquiries made by debt collection agencies decreased by 77.63% quarter-on-quarter and increased by 747.42% year-on-year. Enquiries made by all other entities decreased by 16.67% quarter-on-quarter and by 391.24% year-on-year, to 137.97 million.

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

Table 4: All enquiries – distribution according to sectors

Number of enquiries (millions)										Percentage change (%)							
Enquiries by:	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Banks and other financial institutions	319.65	600.30	416.76	367.54	449.48	276.12	306.18	245.14	207.06	87.80	-30.58	-11.81	22.29	-38.57	10.89	-19.94	-15.53
Retailers	51.63	27.05	70.59	62.99	57.18	55.71	63.12	81.98	69.22	-47.62	160.89	-10.72	-9.23	-2.57	13.30	29.88	-15.56
Telecommunication providers	94.94	50.15	49.46	49.39	52.16	24.05	62.45	54.33	36.16	-47.18	-1.37	-0.14	5.59	-53.89	159.63	-13.00	-33.44
Debt collection agencies	0.27	2.38	3.25	2.88	2,35	2.28	53.08	72.90	16.31	778.43	36.52	-11.25	-18.31	-2.98	2225.20	37.34	-77.63
All other entities	302.12	410.85	190.13	195.46	673.77	106.80	133.54	165.57	137.97	35.99	-53.72	2.81	247,71	-84.15	25.04	23.98	-16.67
Total	768.61	1 090.73	730.15	678.27	1 234.94	464.96	618.37	619.91	466.72	41.91	-33.06	-7.11	82.07	-62.35	32.99	0.25	-24.71

Figure 6: All enquiries – distribution according to sectors

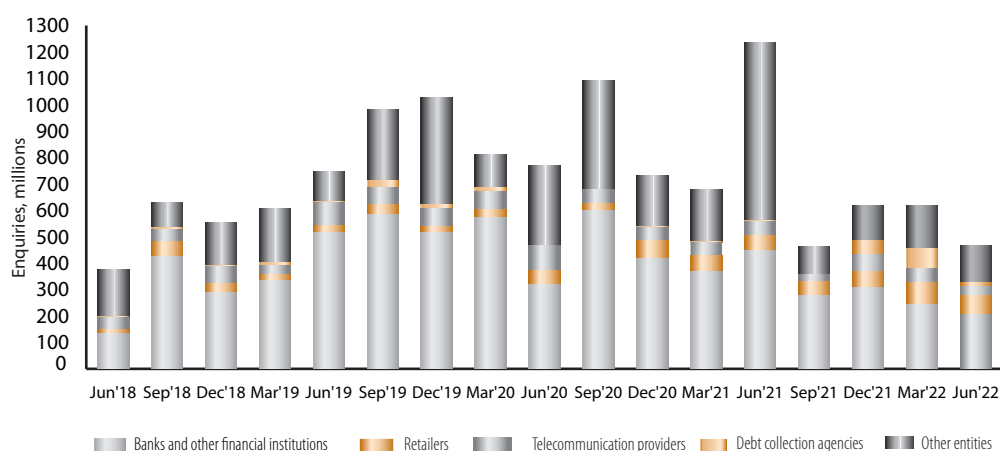


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Consumers seeking credit	10.31	6.66	10.23	8.69	7.51	6.80	6.32	13.05	11.83	-35.42	53.62	-15.05	-13.61	-9.45	-7.08	106.52	-9.31
Tracing/debt collection purposes	0.77	0.95	4.47	5.57	4.42	10.84	8.29	20.48	4.72	22.27	327.29	24.71	-20.78	145.25	-23.58	147.15	-76.95
Other purposes	308.56	592.69	402.06	353.28	437.55	258.47	291.58	211.61	190.51	92.08	-32.16	26.78	23.86	-40.93	12.81	-27.43	-9.97
Banks and other financial institutions	319.65	600.30	416.76	367.54	449.48	276.12	306.18	245.14	207.06	87.80	-30.58	-11.81	22.29	-38.57	10.89	-19.94	-15.53

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Consumers seeking credit	1.79	2.42	2.69	2.36	2.69	3.15	3.13	3.16	3.47	34.94	11.49	-12.51	13.95	20.69	-0.56	1.00	9.82
Tracing/debt collection purposes	0.27	0.76	0.71	0.65	1.89	0.59	1.13	24.12	13.13	182.65	5.03	-10.23	192.64	-68.78	91.46	2027.95	-45.56
Other purposes	49.58	23.87	67.15	59.99	52.60	51.97	58.85	54.69	52.62	51.85	181.28	-10.66	-12.32	-1.20	13.25	-7.07	-3.79
Retailers	51.63	27.05	70.56	62.99	57.18	55.71	63.12	81.98	69.22	-47.62	160.89	-10.72	-9.23	-2.57	13.30	29.88	-15.56

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Telecommunication services	3.66	2.60	3.65	3.64	3.81	4.20	11.79	5.99	3.08	-28.88	40.45	-0.42	4.60	10.24	180.57	-49.17	-48.60
Tracing/debt collection purposes	45.68	43.98	42.13	40.94	42.15	14.60	44.24	40.64	26.74	-3.27	-4.20	-2.82	2.95	-65.36	204.34	-8.52	-34.21
Other purposes	45.60	3.57	3.68	4.81	6.20	5.25	6.23	7.70	6.35	-92.17	3.00	30.87	28.81	-15.32	18.61	23.56	-17.56
Telecommunication providers	94.94	50.15	49.46	49.39	52.16	24.05	62.45	54.33	36.16	-47.18	-1.37	-0.14	5.59	-53.86	159.63	-13.00	-33.44

Credit bureau activity

Demand for credit reports increased for the quarter

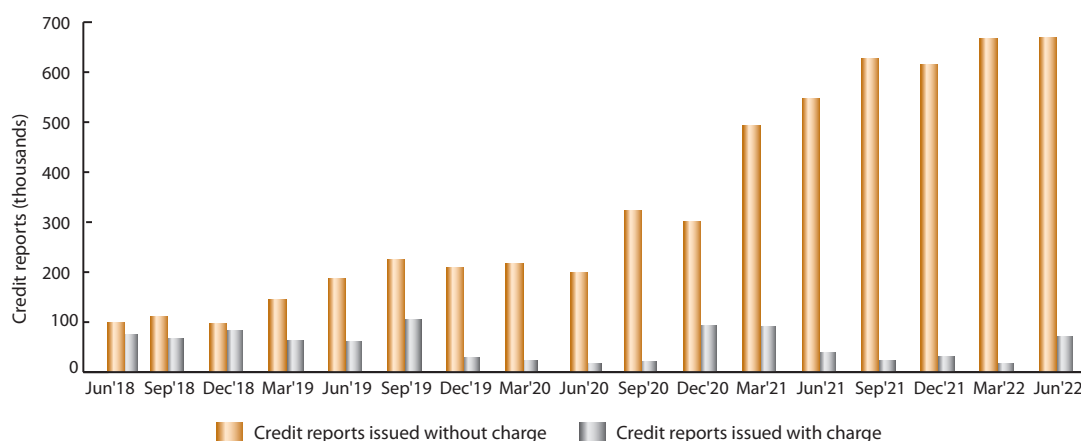
Of the total 741,037 credit reports issued to consumers at their request during the quarter ended June 2022, 90.43% (670,154) were issued without charge, and the remaining 9.57% (70,883) were issued with charge. The total number of credit reports issued increased by 8.05% quarter-on-quarter and 26.02% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Credit reports:	Number of credit reports										Percentage change (%)								
	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 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	Mar 22 to Jun 22
Issued without charge	216,872	199,997	324,256	301,992	493,538	548,150	626,994	616,404	668,131	670,154	-7.79	62.15	-6.87	63.43	11.07	14.38	-1.69	8.39	0.30
Issued with charge	23,816	17,776	21,380	92,466	90,899	39,868	23,456	31,876	17,684	70,883	-25.40	20.34	322.49	-1.69	-56.14	-41.17	35.90	-44.52	300.83
Total issued	240,688	217,743	345,636	394,458	584,437	588,018	650,450	648,280	685,815	741,037	-9.53	58.74	14.13	48.16	0.61	10.62	-0.33	5.79	8.05

Figure 7: Credit reports issued



Consumer disputes

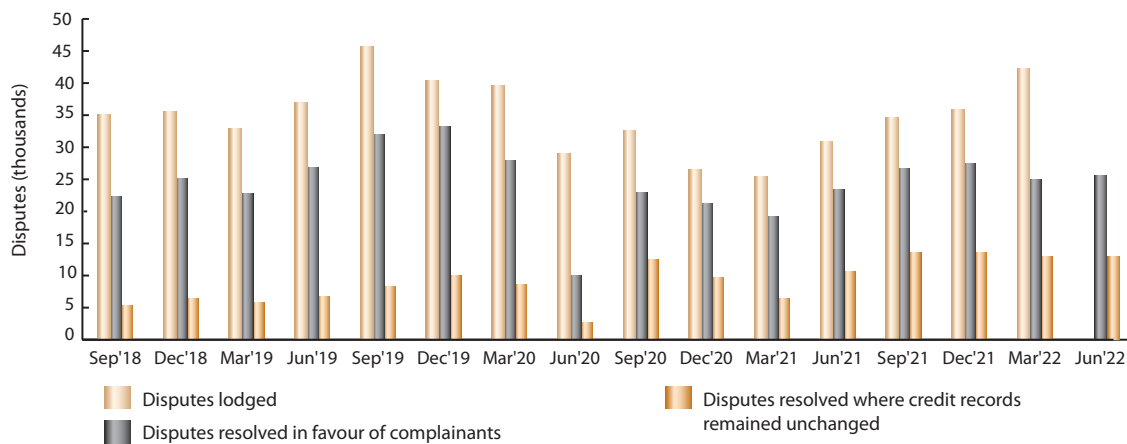
There were 40,674 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended June 2022. This was a decrease of 3.73% quarter-on-quarter and an increase of 31.87% year-on-year. More disputes were resolved in favour of complainants (25,524) as compared to disputes where credit records remained unchanged (12,957).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	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	Mar 22 to Jun 22
Lodged	29,017	32,629	26,600	25,404	30,844	34,701	35,919	42,250	40,674	12.45	-18.48	-4.50	21.41	12.50	3.51	17.63	-3.73
Resolved in favour of complainants	9,978	22,912	21,257	19,165	23,430	26,666	27,388	25,040	25,524	129.63	-7.22	-9.85	22.25	13.81	2.71	-8.57	1.93
Resolved where credit record remained unchanged	2,704	12,513	9,688	6,496	10,683	13,533	13,610	12,960	12,957	362.76	-22.58	-32.95	64.46	26.68	0.57	-4.78	-0.02

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 June 2007 to June 2022.