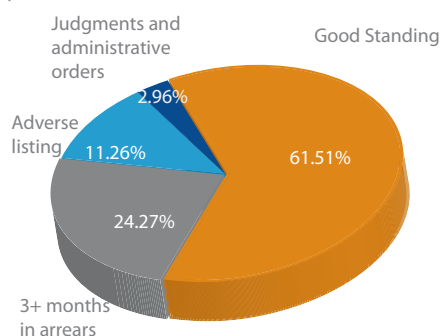


Credit Bureau Monitor

Third Quarter | September 2021

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Credit standing of consumers: September 2021



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 September 2017 to September 2021, 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 September 2021:

- Credit bureaus held records for 26.42 million credit-active consumers, an increase of 0.78% when compared to the 26.22 million in the previous quarter ended June 2021 and a decrease of 4.49% year-on-year.
- Consumers classified in good standing increased by 104,713 to 16.25 million consumers.
- The number of consumers with impaired records increased by 98,892, to 10.17 million, this was an increase of 0.98% quarter-on-quarter and a decrease of 4.46% year-on-year.
- The number of accounts decreased from 85.08 million in the previous quarter to 85.07 million.
- The number of impaired accounts increased from 19.86 million to 20.16 million when compared to the previous quarter, an increase of 0.3 million or 1.50% quarter-on-quarter and a decrease of 3.28 million or 13.99% year-on-year.
- A total of 464.96 million enquiries were made on consumer credit records. Enquiries initiated by consumers accounted for 9.94 million of all enquiries, a decrease of 62.35% quarter-on-quarter and 57.35% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 59.38%, enquiries from retailers accounted for 11.98% and enquiries from telecommunication providers accounted for 5.17%.
- The number of credit reports issued to consumers increased from 588,018 in the previous quarter to 650,450 of the total credit reports issued, 96.39% (626,994) were issued free of charge, and the remaining 3.61% (23,456) were issued at a cost.
- There were 34,701 disputes lodged on information held on consumer credit records for the quarter ended September 2021, an increase of 12.50% quarter-on-quarter and 6.35% year-on-year.

Introduction

The information reflected in this Credit Bureau Monitor covers the period from the quarter ended September 2017 to September 2021.

Comparisons in this report: "quarter-on-quarter" refers to a comparison between the June 2021 and September 2021 quarters, and "year-on-year" refers to a comparison between the September 2020 and September 2021 quarters.

Credit-active consumers

There were 26.42 million credit-active consumers as at the end of September 2021

From the credit active consumers, 26.42 million (54.95%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers decreased by 203,606 quarter-on-quarter and by 1,242,579 year-on-year.

The percentage of consumers in good standing decreased during the quarter

Consumers classified in good standing increased by 104,713 to 16.25 million consumers. Of the total 26.42 million credit-active consumers, 61.51% were in good standing.

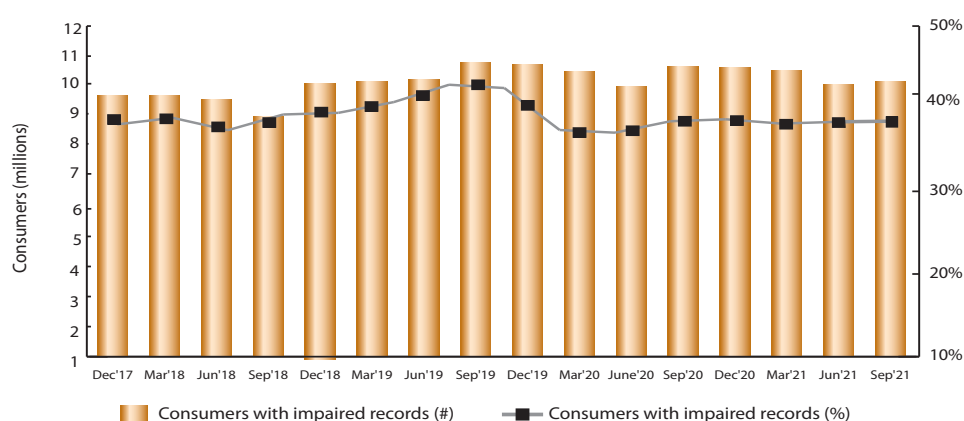
The number of consumers with impaired records (the inverse of those in good standing) increased by 98,892 to 10.17 million. The percentage of credit-active consumers with impaired records increased to 38.49%, comprising of 24.27% of consumers in three months or more in arrears, 11.26% of consumers with adverse listings, and 2.96% 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

	Dec 18	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21
Good standing (#)	15.69m	15.55m	14.87m	14.35m	14.49m	17.52m	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m
Good standing (%)	60.71	60.52	59.25	57.06	57.50	62.58	62.90	61.52	61.28	61.80	61.59	61.51
Current (%)	48.09	48.11	47.89	45.92	45.72	53.44	53.33	52.41	52.12	53.08	53.60	53.79
1-2 months in arrears (%)	12.62	12.41	11.36	11.14	11.78	9.15	9.57	9.11	9.17	8.72	7.99	7.72
Impaired records (#)	10.16m	10.15m	10.23m	10.80m	10.71m	10.47m	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m
Impaired records (%)	39.29	39.48	40.75	42.94	42.50	37.42	37.10	38.48	38.72	38.20	38.41	38.49
3+ months in arrears (%)	24.15	23.55	22.99	23.75	24.77	23.23	22.90	23.75	23.41	22.84	23.34	24.27
Adverse listings (%)	10.06	10.87	12.68	14.20	12.88	10.92	10.89	11.47	12.07	12.17	12.04	11.26
Judgments and administration orders (%)	5.08	5.07	5.08	4.99	4.85	3.27	3.31	3.26	3.24	3.19	3.03	2.96
Credit-active consumers (#)	25.85m	25.70m	25.10m	25.14m	25.20m	27.99m	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m

Figure 1: Consumers with impaired records



Consumer accounts

There were 85.07 million accounts on record at the bureaus as at the end of September 2021

At the end of the reporting quarter there were 85.07 million accounts recorded at registered credit bureaus. This was a decrease of 0.01% quarter-on-quarter and 0.17% year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 85.07 million accounts, 64.91 million (76.30%) were classified as in good standing, a negative variance of 0.35% quarter-on-quarter and 3.21% year-on-year.

As at the end of September 2021:

- 70.25% of accounts were classified as current (decreased quarter-on-quarter by 0.22% and increased year-on-year by 4.29%).
- 6.05% had missed one or two instalments (decreased quarter-on-quarter by 0.14% and year-on-year by 1.08%).
- 17.78% had missed three or more instalments (increased quarter-on-quarter by 0.80% and year-on-year by 0.73%).
- 4.96% had adverse listings (decreased quarter-on-quarter by 0.43% and a decreased year-on-year by 4.06%).
- 0.96% had judgments or administration orders (decreased quarter-on-quarter by 0.02% and increased year-on-year by 0.12%).

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

Table 2: Credit standing of accounts

	Dec 18	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21
Good standing (#)	59.54m	58.95m	58.95m	59.67m	60.09m	66.12m	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m
Good standing (%)	74.14	73.25	73.58	73.19	73.25	76.88	75.76	73.09	73.66	76.29	76.66	76.30
Current (%)	64.34	62.79	64.46	63.94	63.63	68.73	67.77	65.96	66.70	69.95	70.47	70.25
1-2 months in arrears (%)	9.80	10.46	9.13	9.25	9.62	8.16	7.99	7.13	6.96	6.64	6.19	6.05
Impaired records (#)	20.77m	21.53m	21.16m	21.86m	21.95m	19.88m	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m
Impaired records (%)	25.86	26.75	26.42	26.81	26.75	23.12	24.24	26.91	26.34	23.71	23.34	23.70
3+ months in arrears (%)	19.58	19.57	19.19	19.76	19.71	15.91	17.07	17.05	16.47	17.16	16.98	17.78
Adverse listings (%)	5.05	6.00	6.10	5.98	6.03	6.50	6.28	9.01	9.06	5.55	5.38	4.96
Judgments and administration orders (%)	1.23	1.18	1.13	1.07	1.01	0.70	0.88	0.84	0.80	1.00	0.98	0.96
Consumer accounts (#)	80.31m	80.49m	80.12m	81.53m	82.04m	85.99m	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m

Figure 2: Accounts with impaired records

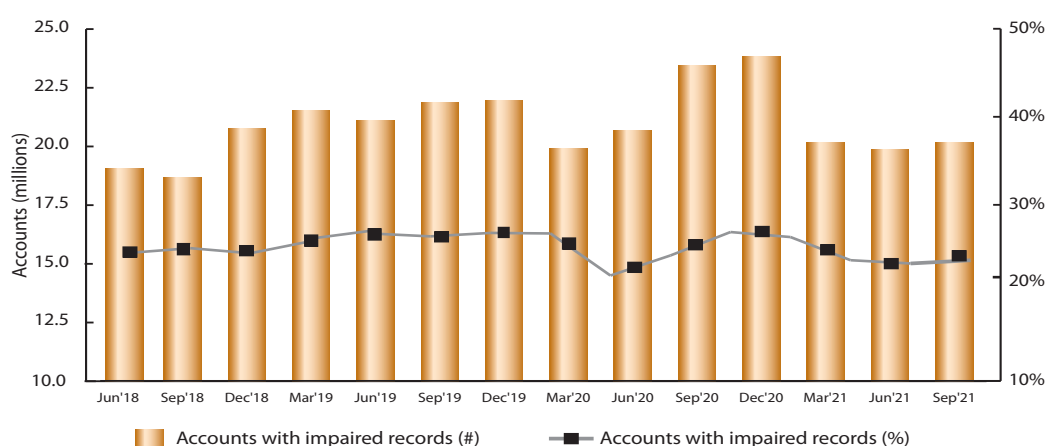
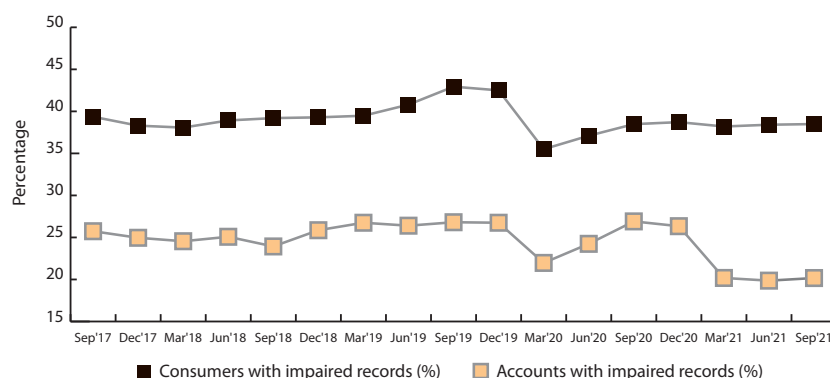


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records increased for the quarter

There were 0.46 million enquiries made in the quarter ended September 2021. This was a decrease of 62.35% quarter-on-quarter and 57.37% year-on-year. Enquiries done in bulk by banks and other financial institutions formed the largest portion of all enquiries.

- 9.94 million enquiries were made due to consumers seeking credit (decreased by 2.45% quarter-on-quarter and increased by 9.47% year-on-year).
- 4.20 million enquiries were related to telecommunication services (increased by 10.24% quarter-on-quarter and by 61.54% year-on-year).
- 36.42 million enquiries were made for tracing/debt collection purposes (decreased by 41.71% quarter-on-quarter and by 36.31% year-on-year).
- 0.46 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (decreased by 64.23% quarter-on-quarter and 59.45% 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 (%)							
	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	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
Consumers seeking credit	26.66	27.70	11.04	12.10	9.08	12.92	11.05	10.19	9.94	3.90	-60.14	9.62	-25.01	42.40	-14.52	-7.73	-2.45
Telecommunication services	9.23	10.07	5.08	3.66	2.60	3.65	3.64	3.81	4.20	9.12	-49.58	-27.94	-28.88	40.45	-0.42	4.60	10.24
Tracing/debt collection purposes	65.83	69.35	82.03	59.14	57.18	63.08	62.16	62.48	36.42	5.35	18.29	-27.91	-3.32	10.33	-1.45	0.51	-41.71
Other	878.49	919.70	715.07	693.71	1 021.87	650.49	601.42	1 158.46	414.40	4.69	-22.25	-2.99	47.31	36.34	-7.54	92.62	-64.23
Total	980.21	1 026.82	813.22	768.61	1 090.73	730.15	678.27	1 234.94	464.96	4.75	-20.80	-5.49	41.91	-33.06	-7.11	82.07	-62.35

Figure 4: Enquiries due to consumers seeking credit

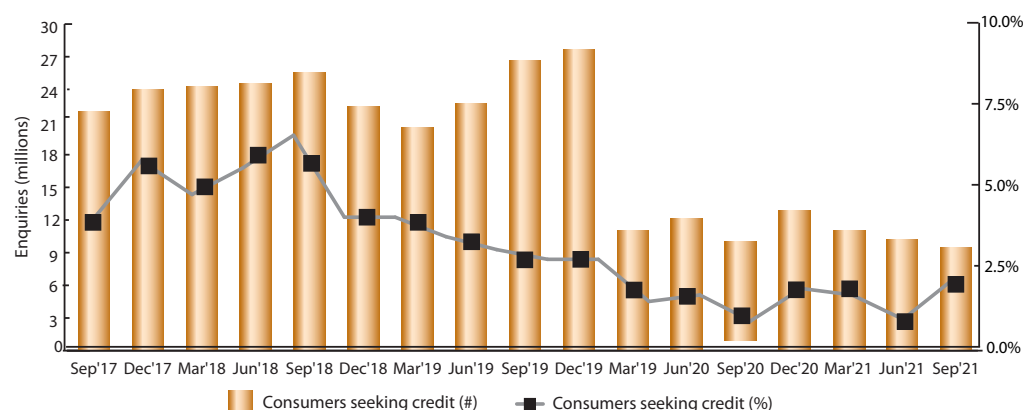
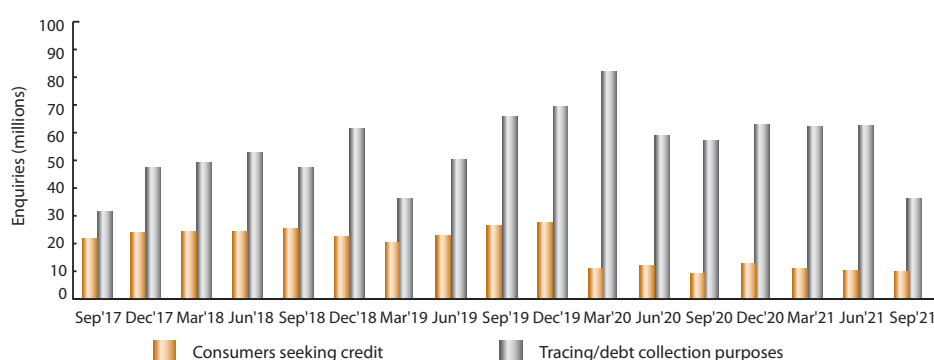


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 276.12 million enquiries made by banks and other financial institutions in the quarter ended September 2021, a decrease of 38.57% quarter-on-quarter and 54.00% year-on-year. Retailers made 55.71 million enquiries on consumer records, which was a decrease of 2.57% quarter-on-quarter and an increase of 105.95% year-on-year. Enquiries made by telecommunication providers decreased by 53.89% quarter-on-quarter and by 52.04% year-on-year, to 24.05 million in the September 2021 quarter. Enquiries made by debt collection agencies decreased by 2.98% quarter-on-quarter and by 4.20% year-on-year, its a decrease from 0.10 million in September 2020 quarter to 2.28 million in the September 2021 quarter. Enquiries made by all other entities decreased by 84.15% quarter-on-quarter and by 74.01% year-on-year, to 106.80 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 (%)							
	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	Mar 20 to Jun 20	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
Banks and other financial institutions	584.93	517.68	574.04	319.65	600.30	416.76	367.54	449.48	276.12	-11.50	10.89	-44.32	87.80	-30.58	-11.81	22.29	-38.57
Retailers	38.68	22.65	28.46	51.63	27.05	70.59	62.99	57.18	55.71	-41.44	25.65	81.41	-47.62	160.89	-10.72	-9.23	-2.57
Telecommunication providers	62.11	66.66	67.15	94.94	50.15	49.46	49.39	52.16	24.05	7.33	0.74	41.38	-47.18	-1.37	-0.14	5.59	-53.89
Debt collection agencies	26.08	15.98	15.56	0.27	2.38	3.25	2.88	2.35	2.28	-38.70	-2.66	-98.26	778.43	36.52	-11.25	-18.31	-2.98
All other entities	268.41	403.84	128.00	302.12	410.85	190.13	195.46	673.77	106.80	50.46	-68.30	136.03	35.99	-53.72	2.81	247.71	-84.15
Total	980.21	1 026.82	813.22	768.61	1 090.73	730.15	678.27	1 234.94	464.96	4.75	-20.80	-5.49	41.91	-33.06	-7.11	82.07	-62.35

Figure 6: All enquiries – distribution according to sectors

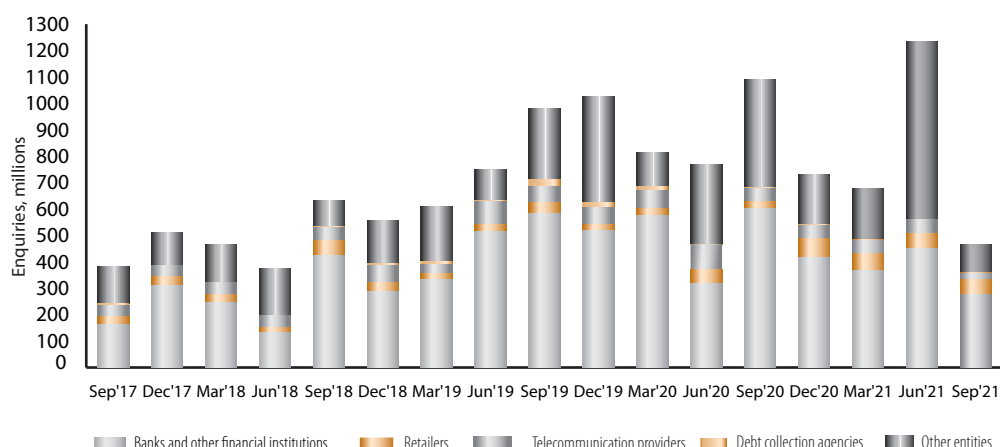


Table 5: Enquiries by banks and other financial institutions

Number of enquiries (millions)										Percentage change (%)							
Enquiry purpose:	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	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
Consumers seeking credit	23.17	24.46	8.45	10.31	6.66	10.23	8.69	7.51	6.80	5.56	-65.44	21.97	-35.42	53.62	-15.05	-13.61	-9.45
Tracing/debt collection purposes	2.34	2.03	10.36	0.77	0.95	4.47	5.57	4.42	10.84	-13.18	409.73	-92.52	22.27	327.29	24.71	-20.78	145.25
Other purposes	559.42	491.19	555.23	308.56	592.69	402.06	353.28	437.55	258.47	-12.20	13.04	-44.43	92.08	-32.16	26.78	23.86	-40.93
Banks and other financial institutions	584.93	517.68	574.04	319.65	600.30	416.76	367.54	449.48	276.12	-11.50	10.89	-44.32	87.80	-30.58	-11.81	22.29	-38.57

Table 6: Enquiries by retailers

Number of enquiries (millions)										Percentage change (%)							
Enquiry purpose:	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	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
Consumers seeking credit	3.49	3.24	2.56	1.79	2.42	2.69	2.36	2.69	3.15	-7.17	-20.09	-30.75	34.94	11.49	-12.51	13.95	20.69
Tracing/debt collection purposes	1.59	1.36	1.16	0.27	0.76	0.71	0.65	1.89	0.59	-14.37	-14.93	-76.89	182.65	5.03	-10.23	192.64	-68.78
Other purposes	33.61	18.05	24.72	49.58	23.87	67.15	59.99	52.60	51.97	-46.28	36.91	100.57	51.85	181.28	-10.66	-12.32	-1.20
Retailers	38.68	22.65	28.46	51.63	27.05	70.56	62.99	57.18	55.71	-41.44	25.65	81.41	-47.62	160.89	-10.72	-9.23	-2.57

Table 7: Enquiries by telecommunication providers

Number of enquiries (millions)										Percentage change							
Enquiry purpose:	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	Mar 20 to Jun 20	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
Telecommunication services	9.23	10.07	5.08	3.66	2.60	3.65	3.64	3.81	4.20	9.12	49.58	27.94	-28.88	40.45	-0.42	4.60	10.24
Tracing/debt collection purposes	36.00	30.92	55.52	45.68	43.98	42.13	40.94	42.15	14.60	-14.13	79.58	-17.72	-3.27	-4.20	-2.82	2.95	-65.36
Other purposes	16.88	25.67	6.55	45.60	3.57	3.68	4.81	6.20	5.25	52.14	-74.47	595.68	-92.17	3.00	30.87	28.81	-15.32
Telecommunication providers	62.11	66.66	67.15	94.94	50.15	49.46	49.39	52.16	24.05	7.33	0.74	41.38	-47.18	-1.37	-0.14	5.59	-53.86

Credit bureau activity

Demand for credit reports increased for the quarter

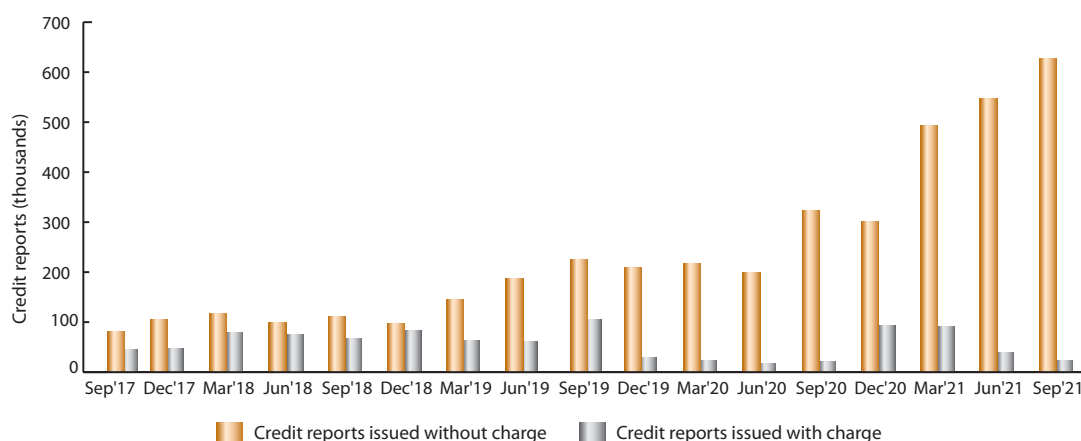
Of the total 650,450 credit reports issued to consumers at their request during the quarter ended September 2021, 96.39% (626,994) were issued without charge, and the remaining 3.61% (23,456) were issued with charge. The total number of credit reports issued increased by 10.62% quarter-on-quarter and by 88.19% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Number of credit reports											Percentage change (%)								
Credit reports:	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Jun 19 to Sep 19	Sep 19 to Dec 19	Dec 19 to Mar 20	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
Issued without charge	188,094	226,167	208,855	216,872	199,997	324,256	301,992	493,538	548,150	626,994	20.24	-7.65	3.84	-7.79	62.15	-6.87	63.43	11.07	14.38
Issued with charge	60,691	104,450	28,648	23,816	17,776	21,380	92,466	90,899	39,868	23,456	72.10	-72.57	-16.87	-25.40	20.34	322.49	-1.69	-56.14	-41.17
Total issued	248,785	330,617	237,503	240,688	217,743	345,636	394,458	584,437	588,018	650,450	32.89	-28.16	-1.34	-9.53	58.74	14.13	48.16	0.61	10.62

Figure 7: Credit reports issued



Consumer disputes

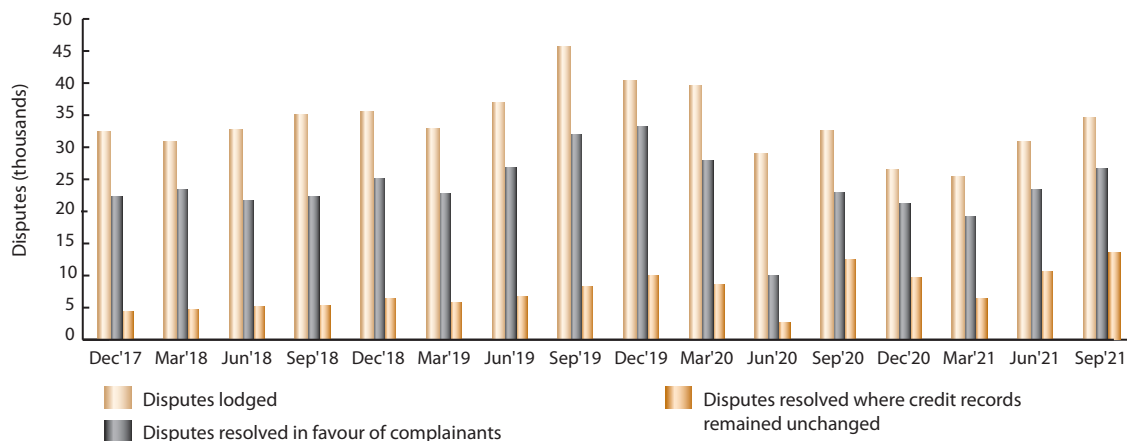
There were 34,701 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended September 2021. This was an increase of 12.50% quarter-on-quarter and 6.35% year-on-year. More disputes were resolved in favour of complainants (26,666 as compared to disputes where credit records remained unchanged 13,533).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Sep 19 to Dec 19	Dec 19 to Mar 20	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 20 to Sep 20
Lodged	45,719	40,343	39,573	29,017	32,629	26,600	25,404	30,844	34,701	-11.77	-1.89	-26.67	12.45	-18.48	-4.50	21.41	12.50
Resolved in favour of complainants	31,998	33,275	27,910	9,978	22,912	21,257	19,165	23,430	26,666	3.99	-16.11	-64.25	129.63	-7.22	-9.85	22.25	13.81
Resolved where credit record remained unchanged	8,369	9,975	8,526	2,704	12,513	9,688	6,496	10,683	13,533	19.19	-14.53	-68.29	362.76	-22.58	-32.95	64.46	26.68

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

- Where values have been rounded off, the percentage calculations and summed totals are calculated off the unrounded values.
- Refer to the NCR website for complete tables from March 2009 to September 2021.