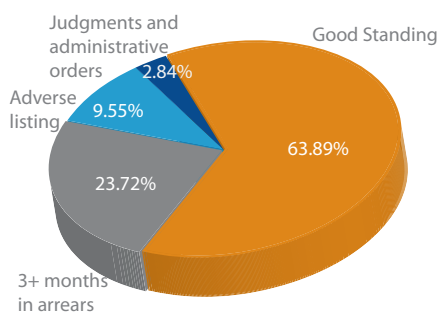


Credit Bureau Monitor

Fourth Quarter | December 2022

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

- Credit bureaus held records for 26.90 million credit-active consumers, an increase of 0.95% when compared to the 26.65 million in the previous quarter ended September 2022 and an increase of 1.99% year-on-year.
- Consumers classified in good standing increased by 304,197 to 17.19 million consumers.
- The number of consumers with impaired records decreased by 50,214, to 9.71 million, this was a decrease of 0.51% quarter-on-quarter and 1.67% year-on-year.
- The number of accounts increased from 86.77 million in the previous quarter to 89.37 million.
- The number of impaired accounts decreased from 19.17 million to 19.09 million when compared to the previous quarter, a decrease of 87,991 or 0.46% quarter-on-quarter and of 985,568 or 2.34% year-on-year.
- A total of 528.83 million enquiries were made on consumer credit records. Enquiries initiated by consumers seeking credit accounted for 13.35 million of all enquiries, a decrease of 14.30% quarter-on-quarter and an increase of 41.36% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 33.54%, enquiries from retailers accounted for 12.83% and enquiries from telecommunication providers accounted for 6.32%.
- The number of credit reports issued to consumers increased from 667,674 in the previous quarter to 711,351 of the total credit reports issued, 97.18% (691,274) were issued free of charge, and the remaining 2.82% (20,077) were issued at a cost.
- There were 38,255 disputes lodged on information held on consumer credit records for the quarter ended December 2022, an increase of 2.89% quarter-on-quarter and 6.50% year-on-year.

Introduction

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

Comparisons in this report: “quarter-on-quarter” refers to a comparison between the September 2022 and December 2022 quarters, and “year-on-year” refers to a comparison between the December 2021 and December 2022 quarters.

Credit-active consumers

There were 26.90 million credit-active consumers as at the end of December 2022

From the credit active consumers, 26.90 million (50.35%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers increased by 253,983 quarter-on-quarter and by 524,335 year-on-year.

The percentage of consumers in good standing increased during the quarter

Consumers classified in good standing increased by 304,197 to 17.19 million consumers. Of the total 26.90 million credit-active consumers, 63.89% were in good standing.

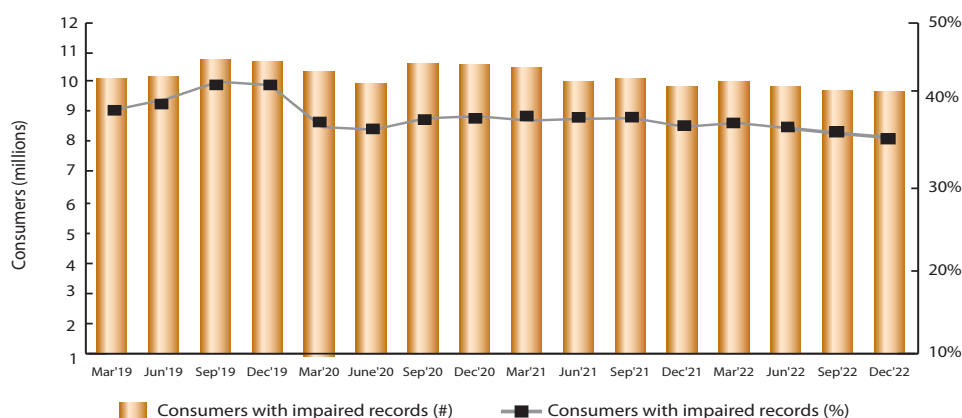
The number of consumers with impaired records (the inverse of those in good standing) decreased by 50,214 to 9.71 million. The percentage of credit-active consumers with impaired records decreased to 36.11%, comprising of 23.72% of consumers in three months or more in arrears, 9.55% of consumers with adverse listings, and 2.84% 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

	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Good standing (#)	17.52m	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m	16.50m	16.44m	16.63m	16.88m	17.19m
Good standing (%)	62.58	62.90	61.52	61.28	61.80	61.59	61.51	62.55	62.08	62.73	63.36	63.89
Current (%)	53.44	53.33	52.41	52.12	53.08	53.60	53.79	54.64	53.93	54.80	55.60	55.81
1-2 months in arrears (%)	9.15	9.57	9.11	9.17	8.72	7.99	7.72	7.91	8.15	7.94	7.75	8.08
Impaired records (#)	10.47m	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m	9.88m	10.04m	9.88m	9.76m	9.71m
Impaired records (%)	37.42	37.10	38.48	38.72	38.20	38.41	38.49	37.45	37.92	37.27	36.64	36.11
3+ months in arrears (%)	23.23	22.90	23.75	23.41	22.84	23.34	24.27	24.07	24.31	24.67	24.16	23.72
Adverse listings (%)	10.92	10.89	11.47	12.07	12.17	12.04	11.26	10.46	10.73	9.70	9.59	9.55
Judgments and administration orders (%)	3.27	3.31	3.26	3.24	3.19	3.03	2.96	2.92	2.88	2.90	2.89	2.84
Credit-active consumers (#)	27.99m	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m	26.38m	26.48m	26.52m	26.65m	26.90m

Figure 1: Consumers with impaired records



Consumer accounts

There were 89.37 million accounts on record at the bureaus as at the end of December 2022

At the end of the reporting quarter there were 89.37 million accounts recorded at registered credit bureaus. This was an increase of 2.99% quarter-on-quarter and of 6.87% year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 89.37 million accounts, 70.28 million (72.62%) were classified as in good standing, a positive variance of 4.18% quarter-on-quarter and 9.68% year-on-year.

As at the end of December 2022:

- 72.62% of accounts were classified as current (increased quarter-on-quarter by 0.65% and year-on-year by 2.04%).
- 6.02% had missed one or two instalments (increased quarter-on-quarter by 0.09% and decreased year-on-year by 0.02%).
- 16.24% had missed three or more instalments (decreased quarter-on-quarter by 0.54% and year-on-year by 1.40%).
- 4.24% had adverse listings (decreased by 0.16 quarter-on-quarter and year-on-year by 0.53%).
- 0.88% had judgments or administration orders (decreased by 0.04 quarter-on-quarter and year-on-year by 0.08%).

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

Table 2: Credit standing of accounts

	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Good standing (#)	66.12m	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m	64.08m	65.14m	66.23m	67.60m	70.28m
Good standing (%)	76.88	75.76	73.09	73.66	76.29	76.66	76.30	76.63	76.88	77.47	77.90	78.64
Current (%)	68.73	67.77	65.96	66.70	69.95	70.47	70.25	70.59	70.53	71.44	71.97	72.62
1-2 months in arrears (%)	8.16	7.99	7.13	6.96	6.64	6.19	6.05	6.04	6.35	6.03	5.93	6.02
Impaired records (#)	19.88m	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m	19.54m	19.59m	19.26m	19.17m	19.09m
Impaired records (%)	23.12	24.24	26.91	26.34	23.71	23.34	23.70	23.37	23.12	22.53	22.10	21.36
3+ months in arrears (%)	15.91	17.07	17.05	16.47	17.16	16.98	17.78	17.64	17.50	17.21	16.78	16.24
Adverse listings (%)	6.50	6.28	9.01	9.06	5.55	5.38	4.96	4.77	4.69	4.39	4.40	4.24
Judgments and administration orders (%)	0.70	0.88	0.84	0.80	1.00	0.98	0.96	0.96	0.93	0.93	0.92	0.88
Consumer accounts (#)	85.99m	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m	83.62m	84.73m	85.49m	86.77m	89.37m

Figure 2: Accounts with impaired records

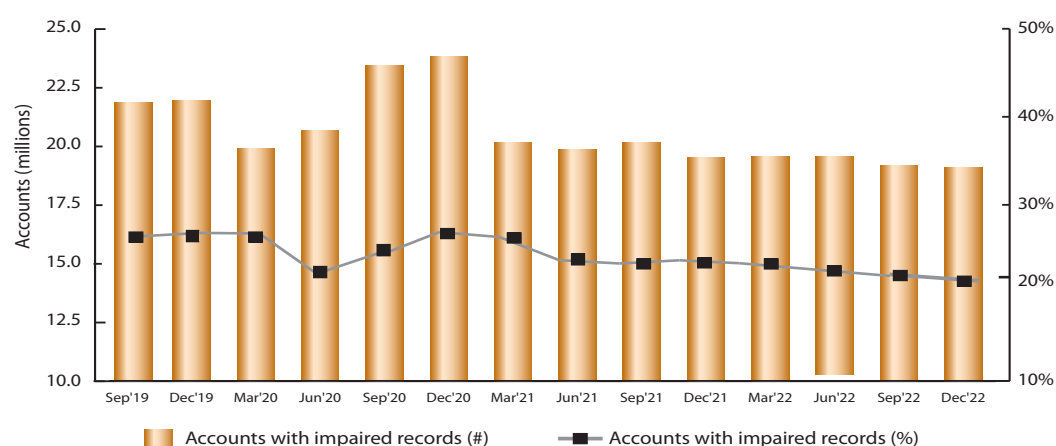
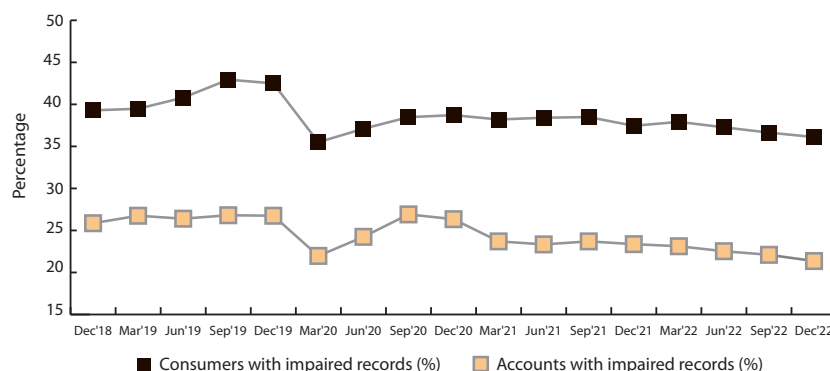


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records decreased for the quarter

There were 528.83 million enquiries made in the quarter ended December 2022. This was a decrease of 3.32% quarter-on-quarter and of 14.48% year-on-year. Enquiries done in bulk by Other entities formed the largest portion of all enquiries.

- 13.35 million enquiries were made due to consumers seeking credit (decreased by 14.30% quarter-on-quarter and increased by 41.36% year-on-year).
- 4.97 million enquiries were related to telecommunication services (decreased by 24.14% quarter-on-quarter and by 57.88% year-on-year).
- 45.63 million enquiries were made for tracing/debt collection purposes (decreased by 40.87% quarter-on-quarter and by 36.21% year-on-year).
- 464,88 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (increased by 3.84% quarter-on-quarter and decreased by 11.55% 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 (%)							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Consumers seeking credit	12.92	11.05	10.19	9.94	9.45	16.21	15.30	15.58	13.35	-14.52	-7.73	-2.45	-5.01	71.57	-5.58	1.82	-14.30
Telecommunication services	3.65	3.64	3.81	4.20	11.79	5.99	3.08	6.55	4.97	-0.42	4.60	10.24	180.57	-49.17	-48.60	112.53	-24.14
Tracing/debt collection purposes	63.08	62.16	62.48	36.42	71.14	108.77	62.92	77.17	45.63	-1.45	0.51	-41.71	95.33	52.06	-42.15	22.64	-40.87
Other	650.49	601.42	1 158.46	414.40	526.00	488.94	385.42	447.68	464.88	-7.54	92.62	-64.23	26.93	-6.97	-21.17	16.15	3.84
Total	730.15	678.27	1 234.94	464.96	618.37	619.91	466.72	546.97	528.83	-7.11	82.07	-62.35	32.99	0.25	-24.71	17.19	-3.32

Figure 4: Enquiries due to consumers seeking credit

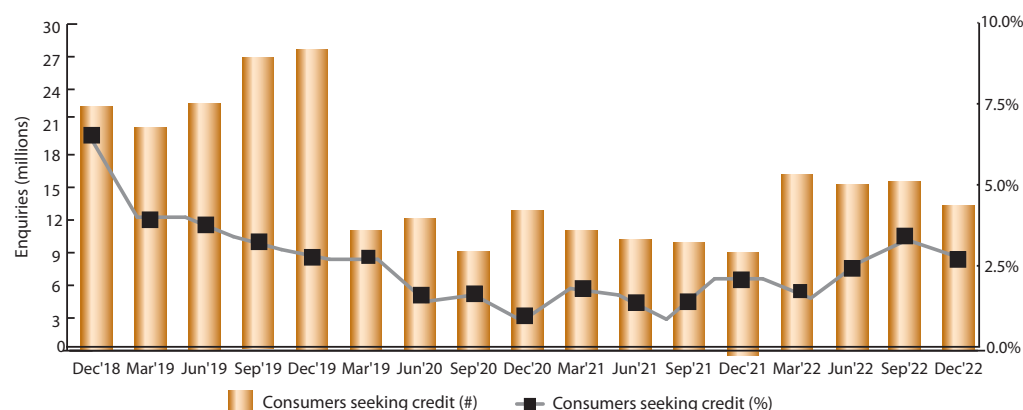
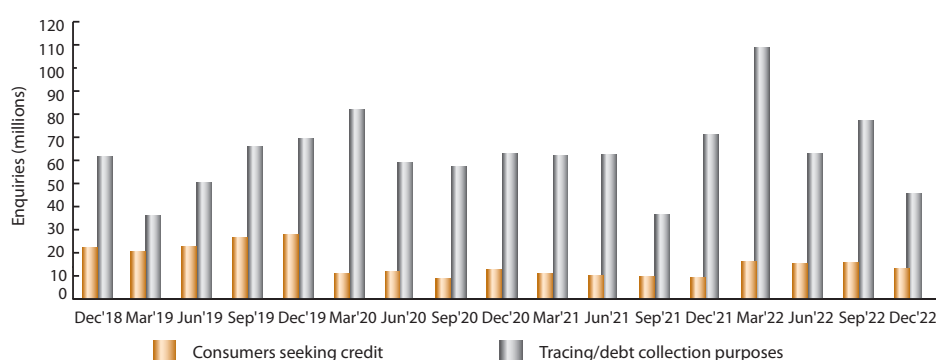


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 177.39 million enquiries made by banks and other financial institutions in the quarter ended December 2022, a decrease of 28.23% quarter-on-quarter and of 42.06% year-on-year. Retailers made 67.86 million enquiries on consumer records, which was a decrease of 5.56% quarter-on-quarter and an increase of 7.52% year-on-year. Enquiries made by telecommunication providers decreased by 19.25% quarter-on-quarter and by 46.51% year-on-year, to 33.40 million in the December 2022 quarter. Enquiries made by debt collection agencies decreased by 58.88% quarter-on-quarter and by 78.70% year-on-year, to 11.30 million. Enquiries made by all other entities increased by 50.15% quarter-on-quarter and by 78.70% year-on-year, to 238.87 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 (%)							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Banks and other financial institutions	416.76	367.54	449.48	276.12	306.18	245.14	207.06	247.17	177.39	-11.81	22.29	-38.57	10.89	-19.94	-15.53	19.37	-28.23
Retailers	70.59	62.99	57.18	55.71	63.12	81.98	69.22	71.86	67.86	-10.72	-9.23	-2.57	13.30	29.88	-15.56	3.80	-5.56
Telecommunication providers	49.46	49.39	52.16	24.05	62.45	54.33	36.16	41.37	33.40	-0.14	5.59	-53.89	159.63	-13.00	-33.44	14.39	-19.25
Debt collection agencies	3.25	2.88	2.35	2.28	53.08	72.90	16.31	27.49	11.30	-11.25	-18.31	-2.98	2225.20	37.34	-77.63	68.55	-58.88
All other entities	190.13	195.46	673.77	106.80	133.54	165.57	137.97	159.09	238.87	2.81	247.71	-84.15	25.04	23.98	-16.67	15.31	50.15
Total	730.15	678.27	1234.94	464.96	618.37	619.91	466.72	546.97	528.83	-7.11	82.07	-62.35	32.99	0.25	-24.71	17.19	-3.32

Figure 6: All enquiries – distribution according to sectors

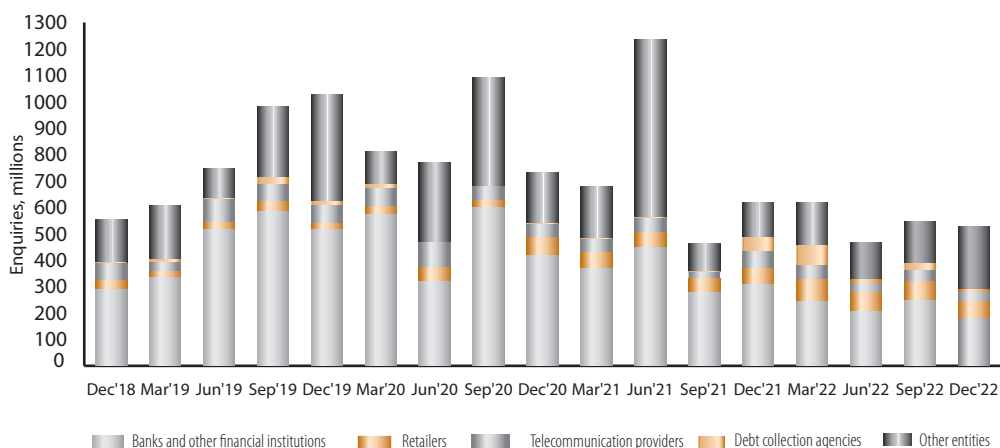


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Consumers seeking credit	10.23	8.69	7.51	6.80	6.32	13.05	11.83	11.78	9.59	-15.05	-13.61	-9.45	-7.08	106.52	-9.31	-0.41	-18.61
Tracing/debt collection purposes	4.47	5.57	4.42	10.84	8.29	20.48	4.72	6.66	3.92	24.71	-20.78	145.25	-23.58	147.15	-76.95	41.23	-41.25
Other purposes	402.06	353.28	437.55	258.47	291.58	211.61	190.51	228.72	163.88	26.78	23.86	-40.93	12.81	-27.43	-9.97	20.06	-28.35
Banks and other financial institutions	416.76	367.54	449.48	276.12	306.18	245.14	207.06	247.17	177.38	-11.81	22.29	-38.57	10.89	-19.94	-15.53	19.37	-28.23

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Consumers seeking credit	2.69	2.36	2.69	3.15	3.13	3.16	3.47	3.80	3.76	-12.51	13.95	20.69	-0.56	1.00	9.82	9.43	-0.92
Tracing/debt collection purposes	0.71	0.65	1.89	0.59	1.13	24.12	13.13	13.41	11.03	-10.23	192.64	-68.78	91.46	2027.95	-45.56	2.10	-17.75
Other purposes	67.15	59.99	52.60	51.97	58.85	54.69	52.62	54.65	53.07	-10.66	-12.32	-1.20	13.25	-7.07	-3.79	3.86	-2.89
Retailers	70.56	62.99	57.18	55.71	63.12	81.98	69.22	71.86	67.86	-10.72	-9.23	-2.57	13.30	29.88	-15.56	3.80	-5.56

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Telecommunication services	3.65	3.64	3.81	4.20	11.79	5.99	3.08	6.55	4.97	-0.42	4.60	10.24	180.57	-49.17	-48.60	112.53	-24.14
Tracing/debt collection purposes	42.13	40.94	42.15	14.60	44.24	40.64	26.74	27.75	19.70	-2.82	2.95	-65.36	204.34	-8.52	-34.21	3.79	29.01
Other purposes	3.68	4.81	6.20	5.25	6.23	7.70	6.35	7.07	8.74	30.87	28.81	-15.32	18.61	23.56	-17.56	11.41	23.60
Telecommunication providers	49.46	49.39	52.16	24.05	62.45	54.33	36.16	41.37	33.40	-0.14	5.59	-53.86	159.63	-13.00	-33.44	14.39	19.25

Credit bureau activity

Demand for credit reports decreased for the quarter

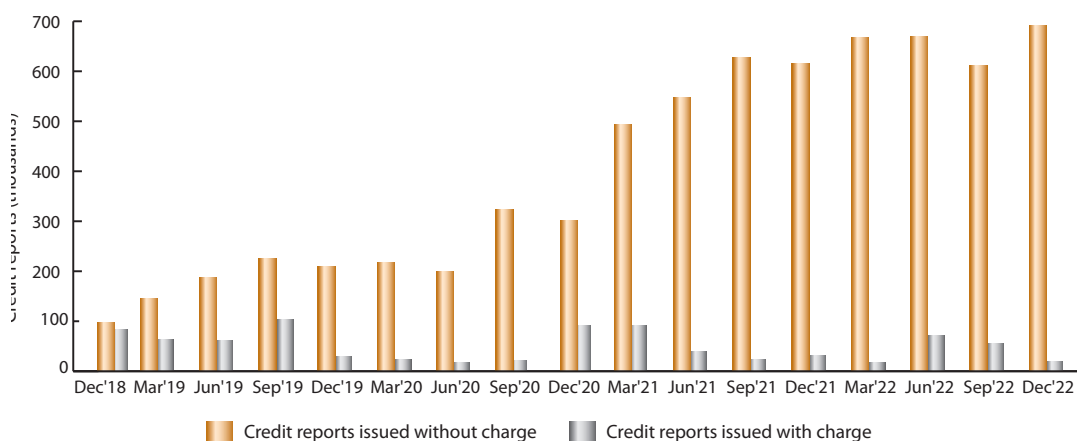
Of the total 711,351 credit reports issued to consumers at their request during the quarter ended December 2022, 97.18% (691,274) were issued without charge, and the remaining 2.82% (20,007) were issued with charge. The total number of credit reports issued increased by 6.54% quarter-on-quarter and 9.73% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Credit reports:	Number of credit reports										Percentage change (%)								
	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Issued without charge	324,256	301,992	493,538	548,150	626,994	616,404	668,131	670,154	612,417	691,274	-6.87	63.43	11.07	14.38	-1.69	8.39	0.30	-8.62	12.88
Issued with charge	21,380	92,466	90,899	39,868	23,456	31,876	17,684	70,883	55,257	20,007	322.49	-1.69	-56.14	-41.17	35.90	-44.52	300.83	-22.04	-63.67
Total issued	345,636	394,458	584,437	588,018	650,450	648,280	685,815	741,037	667,674	711,351	14.13	48.16	0.61	10.62	-0.33	5.79	8.05	-9.90	6.54

Figure 7: Credit reports issued



Consumer disputes

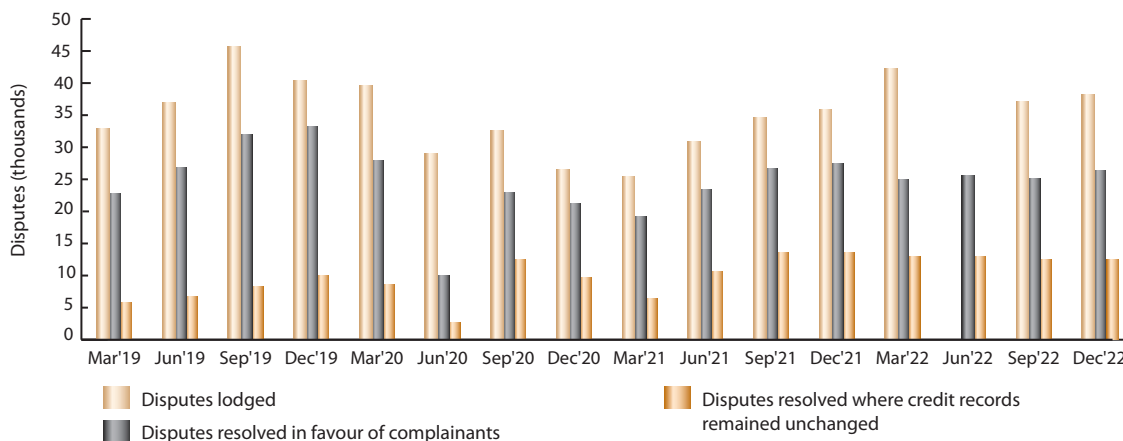
There were 38,255 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended December 2022. This was an increase of 2.89% quarter-on-quarter and of 6.50% year-on-year. More disputes were resolved in favour of complainants (26,377) as compared to disputes where credit records remained unchanged (12,570).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	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	Jun 22 to Sep 22	Sep 22 to Dec 22
Lodged	26,600	25,404	30,844	34,701	35,919	42,250	40,674	37,182	38,255	-4.50	21.41	12.50	3.51	17.63	-3.73	-8.59	2.89
Resolved in favour of complainants	21,257	19,165	23,430	26,666	27,388	25,040	25,524	25,074	26,377	-9.85	22.25	13.81	2.71	-8.57	1.93	-1.76	5.20
Resolved where credit record remained unchanged	9,688	6,496	10,683	13,533	13,610	12,960	12,957	12,544	12,570	-32.95	64.46	26.68	0.57	-4.78	-0.02	-3.19	0.21

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 September 2007 to December 2022.