

Credit Bureau Monitor

First Quarter | March 2023

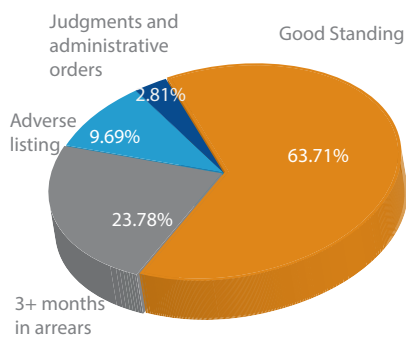
- Credit-active consumers..... 2
- Consumer accounts 3
- Credit market activity 4
- Credit bureau activity..... 7
- Definitions 8

The information reflected in this edition of the Credit Bureau Monitor covers the period from the quarter ended March 2019 to March 2023, 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.

Credit standing of consumers: March 2023



As at the end of March 2023:

- Credit bureaus held records for 27.07 million credit-active consumers, an increase of 0.62% (165,856) when compared to the 26.90 million in the previous quarter ended December 2022 and an increase of 2.23% (590,511) year-on-year.
- Consumers classified in good standing increased by 57,664 to 17.25 million consumers.
- The number of consumers with impaired records increased by 108,192 to 9.82 million, this was an increase of 1.11% quarter-on-quarter and a decrease of 2.18% year-on-year.
- The number of accounts increased by 1.07 million from 89.37 million in the previous quarter to 90.44 million.
- The number of impaired accounts increased from 19.09 million to 19.13 million when compared to the previous quarter, an increase of 45,143 or 0.24% quarter-on-quarter and a decrease of 459,116 or 2.34% year-on-year.
- A total of 461.73 million enquiries were made on consumer credit records. Enquiries initiated by consumers seeking credit accounted for 12.88 million of all enquiries, a decrease of 3.54% quarter-on-quarter and of 20.52% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 29.41%, enquiries from retailers accounted for 14.09% and enquiries from telecommunication providers accounted for 2.63%.
- The number of credit reports issued to consumers increased from 711,351 in the previous quarter to 757,445. Of the total credit reports issued, 97.12% (735,619) were issued free of charge and the remaining 2.88% (21,826) were issued at a cost.
- There were 41,562 disputes lodged on information held on consumer credit records for the quarter ended March 2023, an increase of 8.64% quarter-on-quarter and a decrease of 1.63% year-on-year.



For further information on credit provision, please access the Consumer Credit Market Report on www.ncr.org.za

Introduction

The information reflected in this Credit Bureau Monitor covers the period from the quarter ended March 2019 to March 2023.

Comparisons in this report: “quarter-on-quarter” refers to a comparison between the December 2022 and March 2023 quarters, and “year-on-year” refers to a comparison between the March 2022 and March 2023 quarters.

Credit-active consumers

There were 27.07 million credit-active consumers as at the end of March 2023

From the credit active consumers, 27.07 million (50.97%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers increased by 165,856 quarter-on-quarter and by 590,511 year-on-year.

The percentage of consumers in good standing decreased during the quarter

Consumers classified in good standing increased by 57,664 to 17.25 million consumers. Of the total 27.07 million credit-active consumers, 63.71% were in good standing.

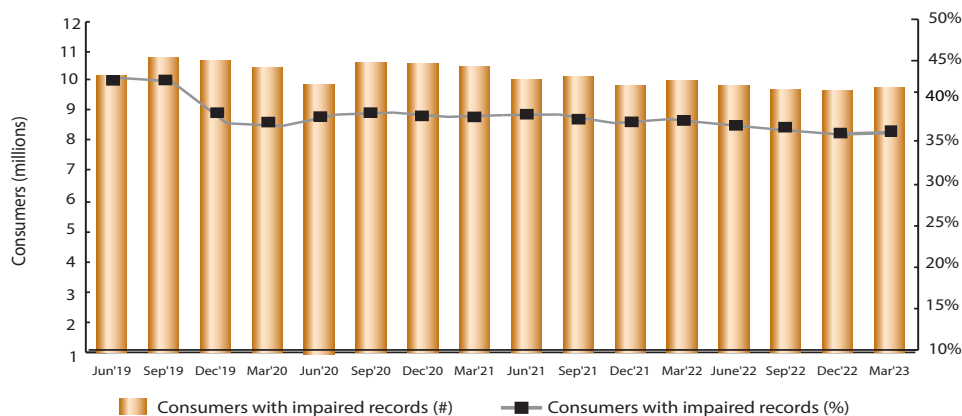
The number of consumers with impaired records (the inverse of those in good standing) increased by 108,192 to 9.82 million. The percentage of credit-active consumers with impaired records increased to 36.29%, comprising of 23.78% of consumers in three months or more in arrears, 9.69% of consumers with adverse listings and 2.81% 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

	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23
Good standing (#)	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m	16.50m	16.44m	16.63m	16.88m	17.19m	17.25m
Good standing (%)	62.90	61.52	61.28	61.80	61.59	61.51	62.55	62.08	62.73	63.36	63.89	63.71
Current (%)	53.33	52.41	52.12	53.08	53.60	53.79	54.64	53.93	54.80	55.60	55.81	55.47
1-2 months in arrears (%)	9.57	9.11	9.17	8.72	7.99	7.72	7.91	8.15	7.94	7.75	8.08	8.24
Impaired records (#)	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m	9.88m	10.04m	9.88m	9.76m	9.71m	9.82m
Impaired records (%)	37.10	38.48	38.72	38.20	38.41	38.49	37.45	37.92	37.27	36.64	36.11	36.29
3+ months in arrears (%)	22.90	23.75	23.41	22.84	23.34	24.27	24.07	24.31	24.67	24.16	23.72	23.78
Adverse listings (%)	10.89	11.47	12.07	12.17	12.04	11.26	10.46	10.73	9.70	9.59	9.55	9.69
Judgments and administration orders (%)	3.31	3.26	3.24	3.19	3.03	2.96	2.92	2.88	2.90	2.89	2.84	2.81
Credit-active consumers (#)	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m	26.38m	26.48m	26.52m	26.65m	26.90m	27.07m

Figure 1: Consumers with impaired records



Consumer accounts

There were 90.44 million accounts on record at the bureaus as at the end of March 2023

At the end of the reporting quarter there were 90.44 million accounts recorded at registered credit bureaus. This was an increase of 1.20% (1.07million) quarter-on-quarter and of 9.74% (0.60 million) year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 90.44 million accounts, 71.31 million (78.85%) were classified as in good standing, a positive variance of 1.47% quarter-on-quarter and 9.47% year-on-year.

As at the end of March 2023:

- 72.57% of accounts were classified as current (decreased quarter-on-quarter by 0.05% and year-on-year by 2.04%).
- 6.28% had missed one or two instalments (increased quarter-on-quarter by 0.26% and decreased year-on-year by 0.07%).
- 16.05% had missed three or more instalments (decreased quarter-on-quarter by 0.19% and year-on-year by 1.45%).
- 4.25% had adverse listings (increased by 0.01 quarter-on-quarter and decreased year-on-year by 0.44%).
- 0.86% had judgments or administration orders (decreased by 0.02 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

	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23
Good standing (#)	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m	64.08m	65.14m	66.23m	67.60m	70.28m	71.31m
Good standing (%)	75.76	73.09	73.66	76.29	76.66	76.30	76.63	76.88	77.47	77.90	78.64	78.85
Current (%)	67.77	65.96	66.70	69.95	70.47	70.25	70.59	70.53	71.44	71.97	72.62	72.57
1-2 months in arrears (%)	7.99	7.13	6.96	6.64	6.19	6.05	6.04	6.35	6.03	5.93	6.02	6.28
Impaired records (#)	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m	19.54m	19.59m	19.26m	19.17m	19.09m	19.13m
Impaired records (%)	24.24	26.91	26.34	23.71	23.34	23.70	23.37	23.12	22.53	22.10	21.36	21.15
3+ months in arrears (%)	17.07	17.05	16.47	17.16	16.98	17.78	17.64	17.50	17.21	16.78	16.24	16.05
Adverse listings (%)	6.28	9.01	9.06	5.55	5.38	4.96	4.77	4.69	4.39	4.40	4.24	4.25
Judgments and administration orders (%)	0.88	0.84	0.80	1.00	0.98	0.96	0.96	0.93	0.93	0.92	0.88	0.86
Consumer accounts (#)	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m	83.62m	84.73m	85.49m	86.77m	89.37m	90.44

Figure 2: Accounts with impaired records

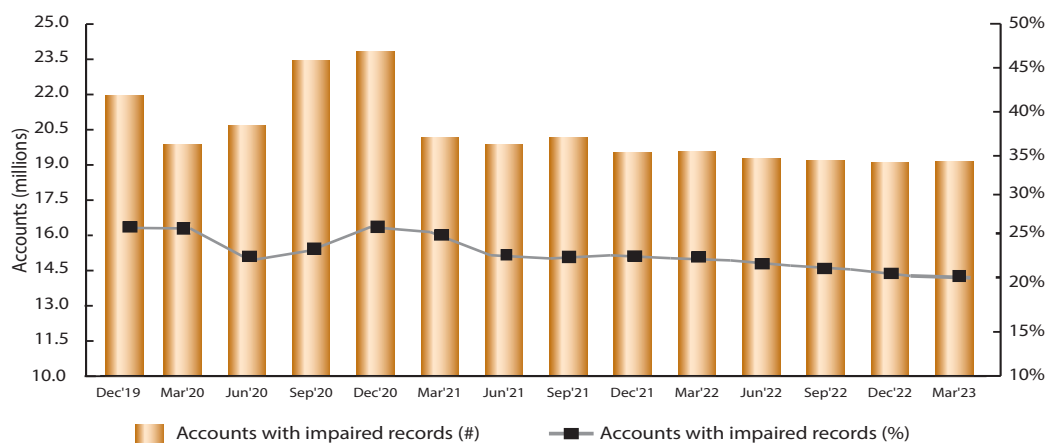
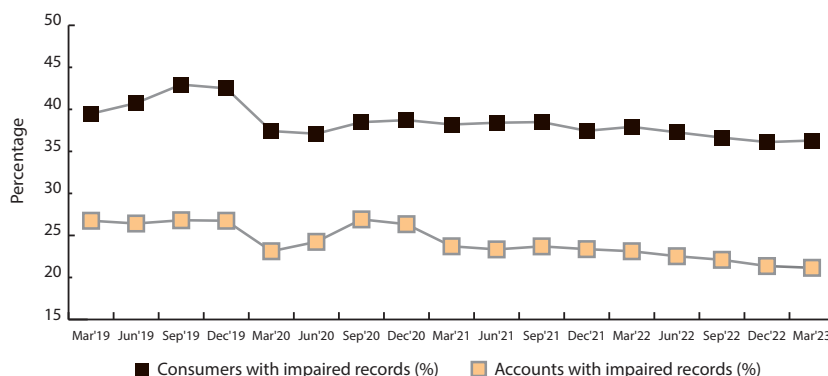


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records decreased for the quarter

There were 461.73 million enquiries made in the quarter ended March 2023. This was a decrease of 12.69% quarter-on-quarter and of 25.52% year-on-year. Enquiries done in bulk by other entities formed the largest portion of all enquiries.

- 12.88 million enquiries were made due to consumers seeking credit (decreased by 3.54% quarter-on-quarter and by 20.52% year-on-year).
- 4.19 million enquiries were related to telecommunication services (decreased by 15.71% quarter-on-quarter and by 30.16% year-on-year).
- 42.02 million enquiries were made for tracing/debt collection purposes (decreased by 7.92% quarter-on-quarter and by 61.37% year-on-year).
- 402,64 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (decreased by 12.69% quarter-on-quarter and by 17.65% 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 (%)							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Consumers seeking credit	11.05	10.19	9.94	9.45	16.21	15.30	15.58	13.35	12.88	-7.73	-2.45	-5.01	71.57	-5.58	1.82	-14.30	-3.54
Telecommunication services	3.64	3.81	4.20	11.79	5.99	3.08	6.55	4.97	4.19	4.60	10.24	180.57	-49.17	-48.60	112.53	-24.14	-15.71
Tracing/debt collection purposes	62.16	62.48	36.42	71.14	108.77	62.92	77.17	45.63	42.02	0.51	-41.71	95.33	52.06	-42.15	22.64	-40.87	-7.92
Other	601.42	1 158.46	414.40	526.00	488.94	385.42	447.68	464.88	402.64	92.62	-64.23	26.93	-6.97	-21.17	16.15	3.84	-13.39
Total	678.27	1 234.94	464.96	618.37	619.91	466.72	546.97	528.83	461.73	82.07	-62.35	32.99	0.25	-24.71	17.19	-3.32	-12.69

Figure 4: Enquiries due to consumers seeking credit

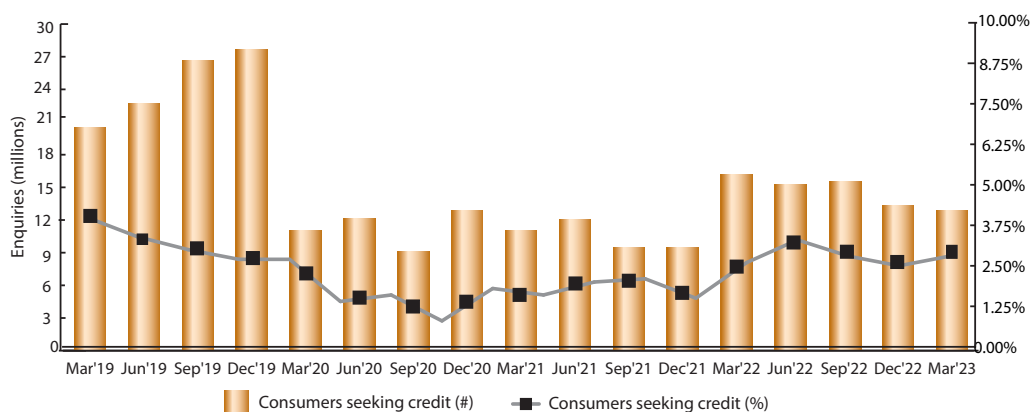
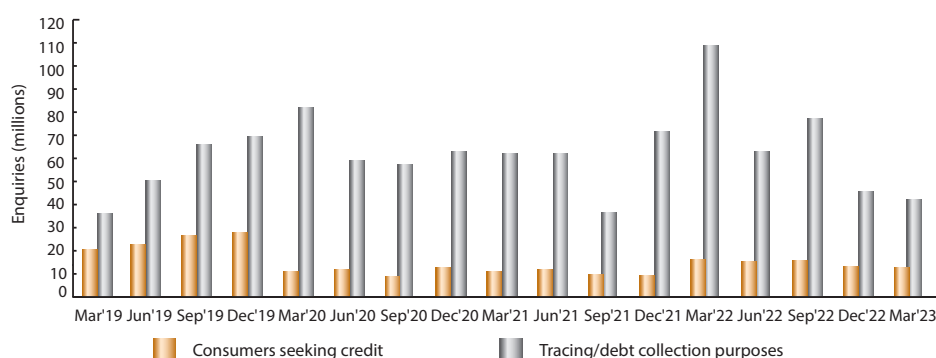


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 135.80 million enquiries made by banks and other financial institutions in the quarter ended March 2023, a decrease of 23.44% quarter-on-quarter and of 44.60% year-on-year. Retailers made 65.07 million enquiries on consumer records, which was a decrease of 4.11% quarter-on-quarter and of 20.62% year-on-year. Enquiries made by telecommunication providers decreased by 5.87% quarter-on-quarter and by 42.13% year-on-year, to 31.44 million in the March 2023 quarter. Enquiries made by debt collection agencies decreased by 18.34% quarter-on-quarter and by 86.10% year-on-year, to 10.14 million. Enquiries made by all other entities decreased by 6.28% quarter-on-quarter and increased by 32.44% year-on-year, to 219.28 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 (%)							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Banks and other financial institutions	367.54	449.48	276.12	306.18	245.14	207.06	247.17	177.39	135.80	22.29	-38.57	10.89	-19.94	-15.53	19.37	-28.23	-23.44
Retailers	62.99	57.18	55.71	63.12	81.98	69.22	71.86	67.86	65.07	-9.23	-2.57	13.30	29.88	-15.56	3.80	-5.56	-4.11
Telecommunication providers	49.39	52.16	24.05	62.45	54.33	36.16	41.37	33.40	31.44	5.59	-53.89	159.63	-13.00	-33.44	14.39	-19.25	-5.87
Debt collection agencies	2.88	2.35	2.28	53.08	72.90	16.31	27.49	12.41	10.14	-18.31	-2.98	2225.20	37.34	-77.63	68.55	-54.85	-18.34
All other entities	195.46	673.77	106.80	133.54	165.57	137.97	159.09	237.76	219.28	247.71	-84.15	25.04	23.98	-16.67	15.31	49.46	-6.28
Total	678.27	1 234.94	464.96	618.37	619.91	466.72	546.97	528.83	461.73	82.07	-62.35	32.99	0.25	-24.71	17.19	-3.32	-12.06

Figure 6: All enquiries – distribution according to sectors

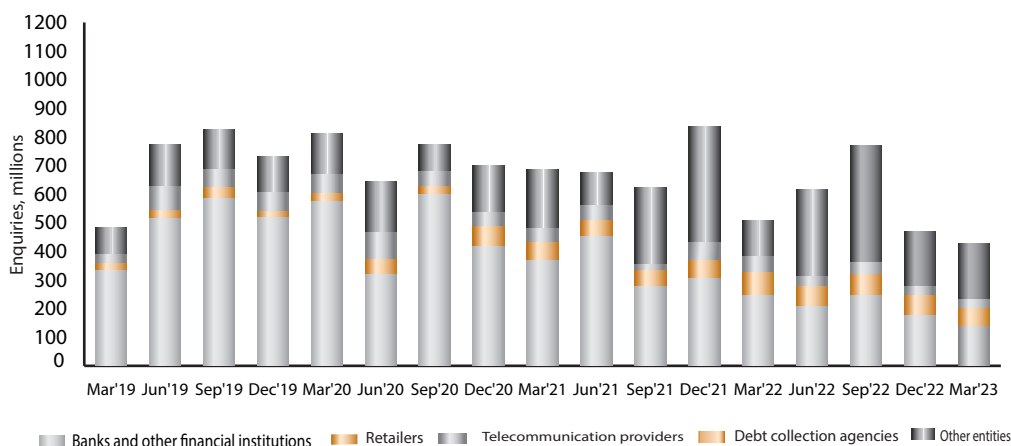


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Consumers seeking credit	8.69	7.51	6.80	6.32	13.05	11.83	11.78	9.59	9.27	-13.61	-9.45	-7.08	106.52	-9.31	-0.41	-18.61	-3.34
Tracing/debt collection purposes	5.57	4.42	10.84	8.29	20.48	4.72	6.66	3.92	3.79	-20.78	145.25	-23.58	147.15	-76.95	41.23	-41.25	-3.29
Other purposes	353.28	437.55	258.47	291.58	211.61	190.51	228.72	163.88	122.74	23.86	-40.93	12.81	-27.43	-9.97	20.06	-28.35	-3.41
Banks and other financial institutions	367.54	449.48	276.12	306.18	245.14	207.06	247.17	177.38	135.80	22.29	-38.57	10.89	-19.94	-15.53	19.37	-28.23	-23.44

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Consumers seeking credit	2.36	2.69	3.15	3.13	3.16	3.47	3.80	3.76	3.61	13.95	20.69	-0.56	1.00	9.82	9.43	-0.92	-4.02
Tracing/debt collection purposes	0.65	1.89	0.59	1.13	24.12	13.13	13.41	11.03	10.01	192.64	-68.78	91.46	2027.95	-45.56	2.10	-17.75	-9.19
Other purposes	59.99	52.60	51.97	58.85	54.69	52.62	54.65	53.07	51.45	-12.32	-1.20	13.25	-7.07	-3.79	3.86	-2.89	-3.06
Retailers	62.99	57.18	55.71	63.12	81.98	69.22	71.86	67.86	65.07	-9.23	-2.57	13.30	29.88	-15.56	3.80	-5.56	-4.11

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Telecommunication services	3.64	3.81	4.20	11.79	5.99	3.08	6.55	4.97	4.19	4.60	10.24	180.57	-49.17	-48.60	112.53	-24.14	-15.71
Tracing/debt collection purposes	40.94	42.15	14.60	44.24	40.64	26.74	27.75	19.70	19.37	2.95	-65.36	204.34	-8.52	-34.21	3.79	29.01	-1.68
Other purposes	4.81	6.20	5.25	6.23	7.70	6.35	7.07	8.74	7.89	28.81	-15.32	18.61	23.56	-17.56	11.41	23.60	-9.73
Telecommunication providers	49.39	52.16	24.05	62.45	54.33	36.16	41.37	33.40	31.44	5.59	-53.86	159.63	-13.00	-33.44	14.39	19.25	5.87

Credit bureau activity

Demand for credit reports increased for the quarter

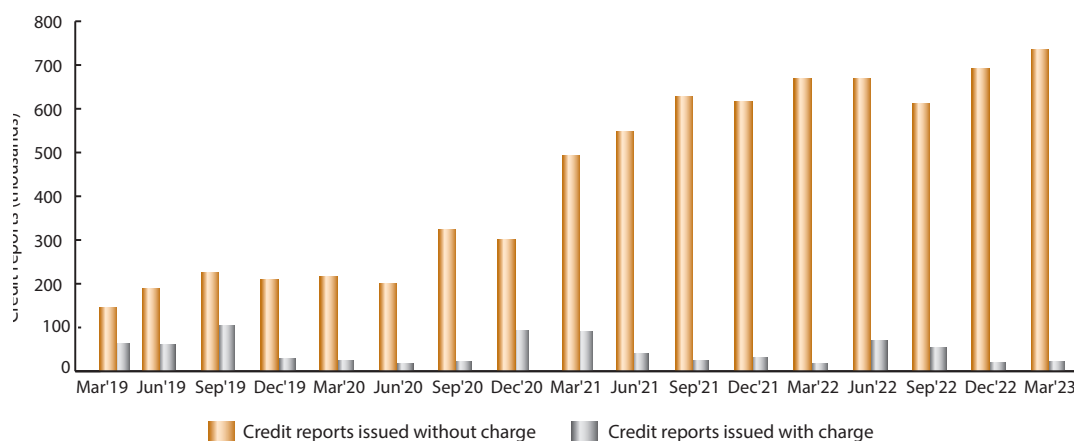
Of the total 757,445 credit reports issued to consumers at their request during the quarter ended March 2023, 97.12% (735,619) were issued without charge, and the remaining 2.88% (21,826) were issued with charge. The total number of credit reports issued increased by 6.48% quarter-on-quarter and 10.44% year-on-year.

See Table 8 and Figure 7 for details.

Table 8: Credit reports issued

Credit reports:	Number of credit reports										Percentage change (%)								
	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Issued without charge	301,992	493,538	548,150	626,994	616,404	668,131	670,154	612,417	691,274	735,619	63.43	11.07	14.38	-1.69	8.39	0.30	-8.62	12.88	6.41
Issued with charge	92,466	90,899	39,868	23,456	31,876	17,684	70,883	55,257	20,007	21,826	-1.69	-56.14	-41.17	35.90	-44.52	300.83	-22.04	-63.67	8.71
Total issued	394,458	584,437	588,018	650,450	648,280	685,815	741,037	667,674	711,351	757,445	48.16	0.61	10.62	-0.33	5.79	8.05	-9.90	6.54	6.48

Figure 7: Credit reports issued



Consumer disputes

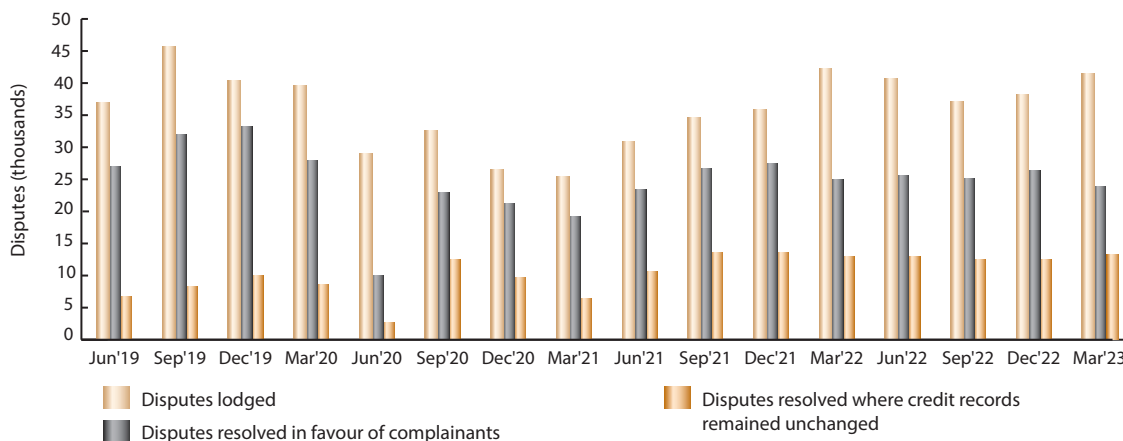
There were 41,562 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended March 2023. This was an increase of 8.64% quarter-on-quarter and a decrease of 1.63% year-on-year. More disputes were resolved in favour of complainants (23,829) as compared to disputes where credit records remained unchanged (13,290).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23	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	Dec 22 to Mar 23
Lodged	25,404	30,844	34,701	35,919	42,250	40,674	37,182	38,255	41,562	21.41	12.50	3.51	17.63	-3.73	-8.59	2.89	8.64
Resolved in favour of complainants	19,165	23,430	26,666	27,388	25,040	25,524	25,074	26,377	23,829	22.25	13.81	2.71	-8.57	1.93	-1.76	5.20	-9.66
Resolved where credit record remained unchanged	6,496	10,683	13,533	13,610	12,960	12,957	12,544	12,570	13,290	64.46	26.68	0.57	-4.78	-0.02	-3.19	0.21	5.73

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 March 2023.