

Recession may affect consumers badly

Statistics South Africa (StatsSA) has announced that the South African economy has moved into recession, this after a decrease of 0.7% in Gross Domestic Product (GDP) was reported during the first quarter of 2017, following a 0.3% contraction in the fourth quarter of 2016. “This announcement indicates a glooming picture ahead for consumers”, says Ms Mpho Ramapala, Manager Education and Communication at the National Credit Regulator (NCR).

The National Credit Regulator would like to caution consumers about taking unnecessary debt during these trying times. “We would like to reiterate our advice to consumers on how to attain financial well-being, and in this regard we recommend that consumers should scale down on unnecessary and luxury expenditures and to live within their means. Consumers should also continuously assess their financial position in order to make realistic financial decisions”, says Ramapala.

“Consumers who are debt stressed should not despair, and should communicate with their credit providers for solutions into their situations. Over-indebted consumers can also seek advice from registered debt counsellors or alternative dispute resolution agents”, added Ramapala.

Credit providers are reminded to lend responsibly to consumers in compliance with the affordability assessment provisions of the National Credit Act.

For additional information, as well as a comprehensive list of registered entities such as credit providers, debt counsellors and alternative dispute resolution agents, consumers can visit the NCR’s website: www.ncr.org.za, or contact the NCR on 0860 627 627 and info@ncr.org.za.

Ends

Issued by:

National Credit Regulator
Lebogang Selibi
Telephone: (011)554 -2722
Email: lselibi@ncr.org.za
[Website: www.ncr.org.za](http://www.ncr.org.za)