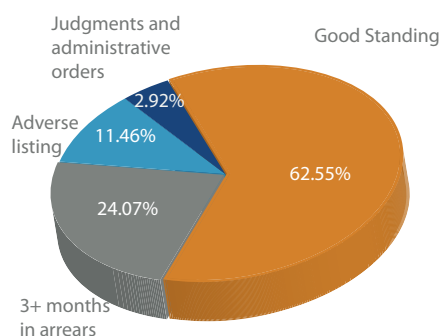


Credit Bureau Monitor

Fourth Quarter | December 2021

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Credit standing of consumers: December 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 December 2017 to December 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 December 2021:

- Credit bureaus held records for 26.38 million credit-active consumers, a decrease of 0.16% when compared to the 26.42 million in the previous quarter ended September 2021 and a decrease of 3.77% year-on-year.
- Consumers classified in good standing increased by 248,058 to 16.50 million consumers.
- The number of consumers with impaired records decreased by 290,486, to 9.88 million, this was a decrease of 2.86% quarter-on-quarter and 6.91% year-on-year.
- The number of accounts decreased from 85.07 million in the previous quarter to 83.62 million.
- The number of impaired accounts decreased from 20.16 million to 19.54 million when compared to the previous quarter, a decrease of 0.62 million or 3.05% quarter-on-quarter and 4.28 million or 17.97% year-on-year.
- A total of 618.37 million enquiries were made on consumer credit records. Enquiries initiated by consumers accounted for 9.45 million of all enquiries, a decrease of 5.01% quarter-on-quarter and 26.91% year-on-year.
- Of the total enquiries made on consumer records, enquiries from banks and other financial institutions accounted for 49.51%, enquiries from retailers accounted for 10.21% and enquiries from telecommunication providers accounted for 10.10%.
- The number of credit reports issued to consumers decreased from 650,450 in the previous quarter to 648,280 of the total credit reports issued, 95.08% (616,404) were issued free of charge, and the remaining 4.92% (31,876) were issued at a cost.
- There were 35,919 disputes lodged on information held on consumer credit records for the quarter ended December 2021, an increase of 3.51% quarter-on-quarter and 35.03% year-on-year.

Introduction

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

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

Credit-active consumers

There were 26.38 million credit-active consumers as at the end of December 2021

From the credit active consumers, 26.38 million (54.63%) were credit-active and the remaining records contained only identification information and no credit activity. The number of credit-active consumers decreased by 42,428 quarter-on-quarter and by 1,291,272 year-on-year.

The percentage of consumers in good standing increased during the quarter

Consumers classified in good standing increased by 248,058 to 16.50 million consumers. Of the total 26.38 million credit-active consumers, 62.55% were in good standing.

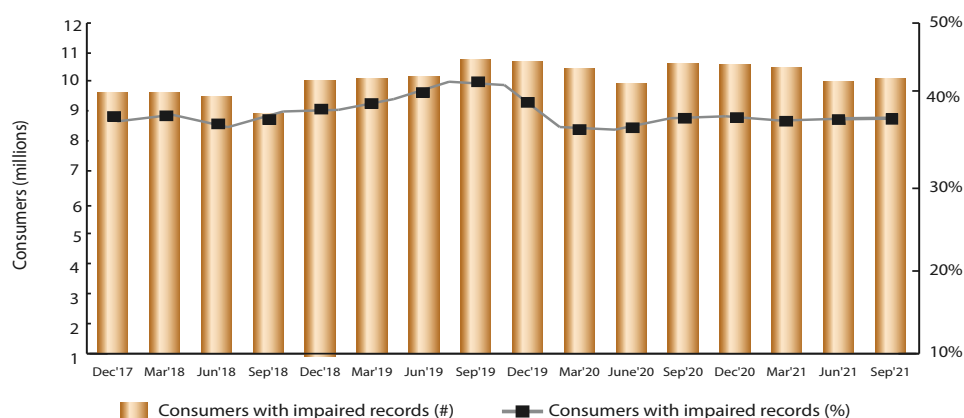
The number of consumers with impaired records (the inverse of those in good standing) decreased by 290,486 to 9.88 million. The percentage of credit-active consumers with impaired records decreased to 37.45%, comprising of 24.07% of consumers in three months or more in arrears, 10.46% of consumers with 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

	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21
Good standing (#)	15.55m	14.87m	14.35m	14.49m	17.52m	16.96m	17.02m	16.80m	17.01m	16.14m	16.25m	16.50m
Good standing (%)	60.52	59.25	57.06	57.50	62.58	62.90	61.52	61.28	61.80	61.59	61.51	62.55
Current (%)	48.11	47.89	45.92	45.72	53.44	53.33	52.41	52.12	53.08	53.60	53.79	54.64
1-2 months in arrears (%)	12.41	11.36	11.14	11.78	9.15	9.57	9.11	9.17	8.72	7.99	7.72	7.91
Impaired records (#)	10.15m	10.23m	10.80m	10.71m	10.47m	10.00m	10.64m	10.61m	10.53m	10.07m	10.17m	9.88m
Impaired records (%)	39.48	40.75	42.94	42.50	37.42	37.10	38.48	38.72	38.20	38.41	38.49	37.45
3+ months in arrears (%)	23.55	22.99	23.75	24.77	23.23	22.90	23.75	23.41	22.84	23.34	24.27	24.07
Adverse listings (%)	10.87	12.68	14.20	12.88	10.92	10.89	11.47	12.07	12.17	12.04	11.26	10.46
Judgments and administration orders (%)	5.07	5.08	4.99	4.85	3.27	3.31	3.26	3.24	3.19	3.03	2.96	2.92
Credit-active consumers (#)	25.70m	25.10m	25.14m	25.20m	27.99m	26.96m	27.66m	27.41m	27.53m	26.22m	26.42m	26.38m

Figure 1: Consumers with impaired records



Consumer accounts

There were 83.62 million accounts on record at the bureaus as at the end of December 2021

At the end of the reporting quarter there were 83.62 million accounts recorded at registered credit bureaus. This was a decrease of 1.70% quarter-on-quarter and 7.56% year-on-year.

The percentage of accounts in good standing increased this quarter

Of the 83.62 million accounts, 64.08 million (76.63%) were classified as in good standing, a negative variance of 0.33% quarter-on-quarter and 2.96% year-on-year.

As at the end of December 2021:

- 70.59% of accounts were classified as current (increased quarter-on-quarter by 0.33% and year-on-year by 3.89%).
- 6.04% had missed one or two instalments (decreased quarter-on-quarter by 0.01% and year-on-year by 0.92%).
- 17.64% had missed three or more instalments (decreased quarter-on-quarter by 0.15% and increased year-on-year by 1.17%).
- 4.77% had adverse listings (decreased quarter-on-quarter by 0.18% and year-on-year by 4.29%).
- 0.96% had judgments or administration orders (no variance on-quarter and increased year-on-year by 0.16%).

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

Table 2: Credit standing of accounts

	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21
Good standing (#)	58.95m	58.95m	59.67m	60.09m	66.12m	64.57m	63.68m	66.64m	64.91m	65.22m	64.91m	64.08m
Good standing (%)	73.25	73.58	73.19	73.25	76.88	75.76	73.09	73.66	76.29	76.66	76.30	76.63
Current (%)	62.79	64.46	63.94	63.63	68.73	67.77	65.96	66.70	69.95	70.47	70.25	70.59
1-2 months in arrears (%)	10.46	9.13	9.25	9.62	8.16	7.99	7.13	6.96	6.64	6.19	6.05	6.04
Impaired records (#)	21.53m	21.16m	21.86m	21.95m	19.88m	20.66m	23.44m	23.83m	20.18m	19.86m	20.16m	19.54m
Impaired records (%)	26.75	26.42	26.81	26.75	23.12	24.24	26.91	26.34	23.71	23.34	23.70	23.37
3+ months in arrears (%)	19.57	19.19	19.76	19.71	15.91	17.07	17.05	16.47	17.16	16.98	17.78	17.64
Adverse listings (%)	6.00	6.10	5.98	6.03	6.50	6.28	9.01	9.06	5.55	5.38	4.96	4.77
Judgments and administration orders (%)	1.18	1.13	1.07	1.01	0.70	0.88	0.84	0.80	1.00	0.98	0.96	0.96
Consumer accounts (#)	80.49m	80.12m	81.53m	82.04m	85.99m	85.23m	87.12m	90.47m	85.09m	85.08m	85.07m	83.62m

Figure 2: Accounts with impaired records

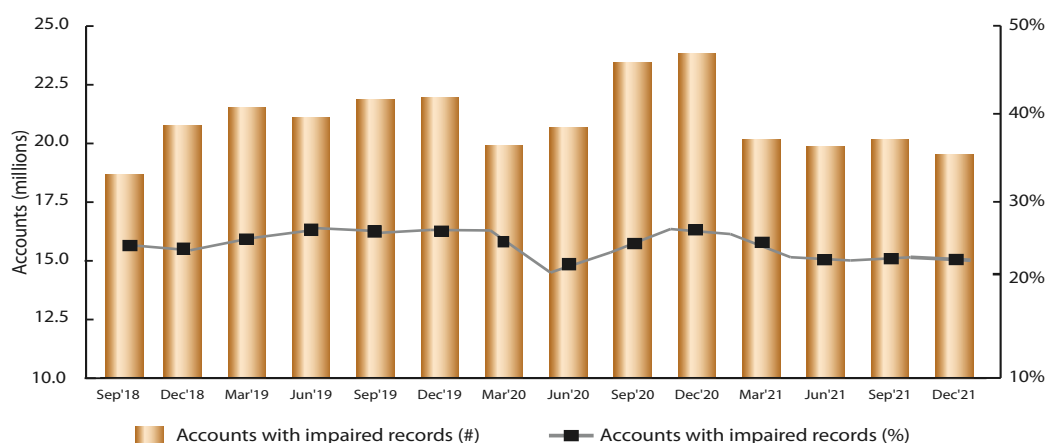
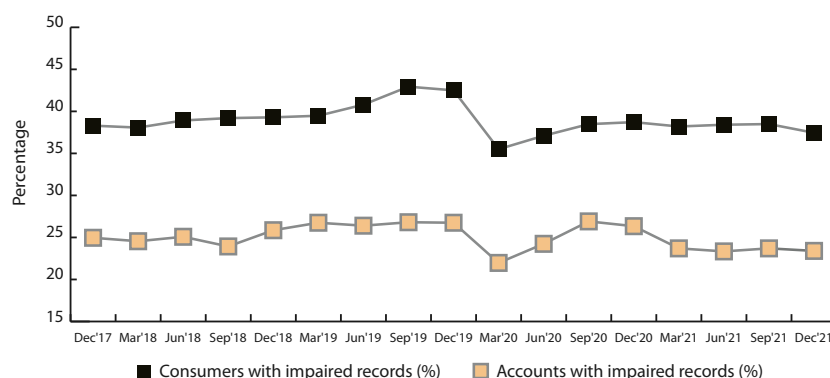


Figure 3: Consumers and accounts with impaired records



Credit market activity

Enquiries made on consumer records increased for the quarter

There were 618.37 million enquiries made in the quarter ended December 2021. This was a increase of 32.09% quarter-on-quarter and a decrease of 26.91% year-on-year. Enquiries done in bulk by banks and other financial institutions formed the largest portion of all enquiries.

- 9.45 million enquiries were made due to consumers seeking credit (decreased by 5.01% quarter-on-quarter and 26.91% year-on-year).
- 11.79 million enquiries were related to telecommunication services (increased by 180.57% quarter-on-quarter and by 222.74% year-on-year).
- 71.14 million enquiries were made for tracing/debt collection purposes (increased by 95.33% quarter-on-quarter and by 12.77% year-on-year).
- 526.00 million enquiries were made for other purposes – excluding those purposes mentioned above, e.g. account management and contact information update (increased by 26.93% quarter-on-quarter and decreased by 19.14% 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 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Consumers seeking credit	27.70	11.04	12.10	9.08	12.92	11.05	10.19	9.94	9.45	-60.14	9.62	-25.01	42.40	-14.52	-7.73	-2.45	-5.01
Telecommunication services	10.07	5.08	3.66	2.60	3.65	3.64	3.81	4.20	11.79	-49.58	-27.94	-28.88	40.45	-0.42	4.60	10.24	180.57
Tracing/debt collection purposes	69.35	82.03	59.14	57.18	63.08	62.16	62.48	36.42	71.14	18.29	-27.91	-3.32	10.33	-1.45	0.51	-41.71	95.33
Other	919.70	715.07	693.71	1021.87	650.49	601.42	1158.46	414.40	526.00	-22.25	-2.99	47.31	36.34	-7.54	92.62	-64.23	26.93
Total	1026.82	813.22	768.61	1090.73	730.15	678.27	1234.94	464.96	618.37	-20.80	-5.49	41.91	-33.06	-7.11	82.07	-62.35	32.99

Figure 4: Enquiries due to consumers seeking credit

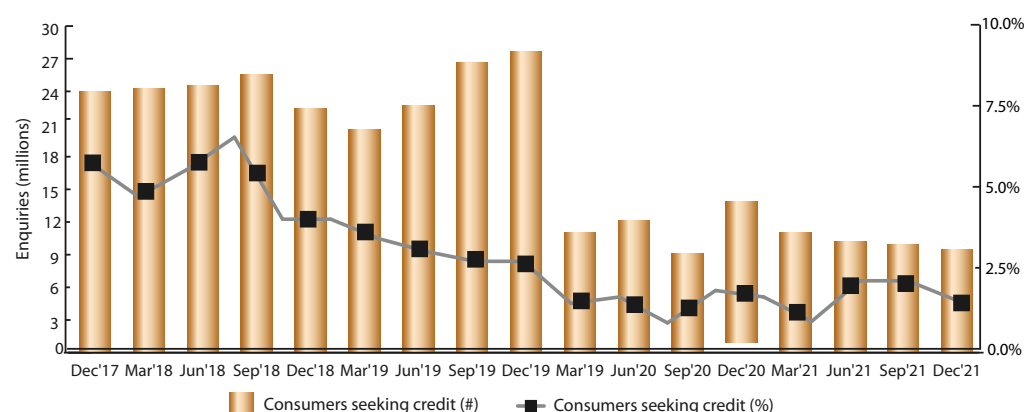
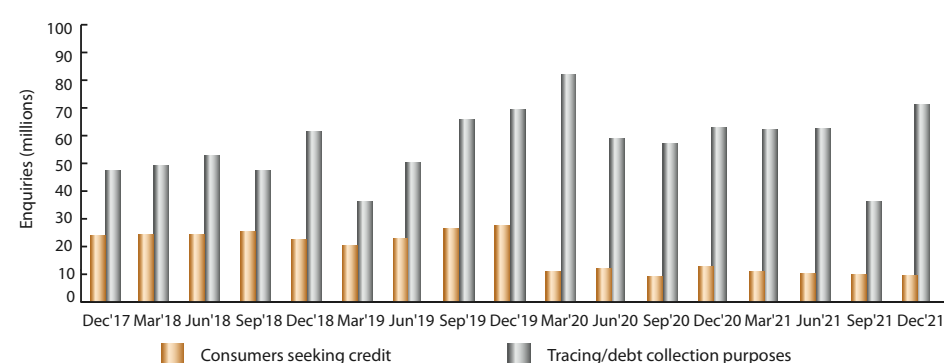


Figure 5: Enquiries due to consumers seeking credit and enquiries for tracing/debt collection purposes



Enquiry sectoral analysis

There were 306.18 million enquiries made by banks and other financial institutions in the quarter ended December 2021, an increase of 10.89% quarter-on-quarter and a decrease of 26.53% year-on-year. Retailers made 63.12 million enquiries on consumer records, which was an increase of 13.30% quarter-on-quarter and a decrease of 10.55% year-on-year. Enquiries made by telecommunication providers increased by 159.63% quarter-on-quarter and by 26.26% year-on-year, to 62.45 million in the December 2021 quarter. Enquiries made by debt collection agencies increased by 2225.20% quarter-on-quarter and by 1532.20% year-on-year, its an increase from 2.28 to 53.08 million in the December 2021 quarter. Enquiries made by all other entities increased by 25.04% quarter-on-quarter and decreased by 29.76% year-on-year, to 133.54 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 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Banks and other financial institutions	517.68	574.04	319.65	600.30	416.76	367.54	449.48	276.12	306.18	10.89	-44.32	87.80	-30.58	-11.81	22.29	-38.57	10.89
Retailers	22.65	28.46	51.63	27.05	70.59	62.99	57.18	55.71	63.12	25.65	81.41	-47.62	160.89	-10.72	-9.23	-2.57	13.30
Telecommunication providers	66.66	67.15	94.94	50.15	49.46	49.39	52.16	24.05	62.45	0.74	41.38	-47.18	-1.37	-0.14	5.59	-53.89	159.63
Debt collection agencies	15.98	15.56	0.27	2.38	3.25	2.88	2.35	2.28	53.08	-2.66	-98.26	778.43	36.52	-11.25	-18.31	-2.98	2225.20
All other entities	403.84	128.00	302.12	410.85	190.13	195.46	673.77	106.80	133.54	-68.30	136.03	35.99	-53.72	2.81	247.71	-84.15	25.04
Total	1 026.82	813.22	768.61	1 090.73	730.15	678.27	1 234.94	464.96	618.37	-20.80	-5.49	41.91	-33.06	-7.11	82.07	-62.35	32.99

Figure 6: All enquiries – distribution according to sectors

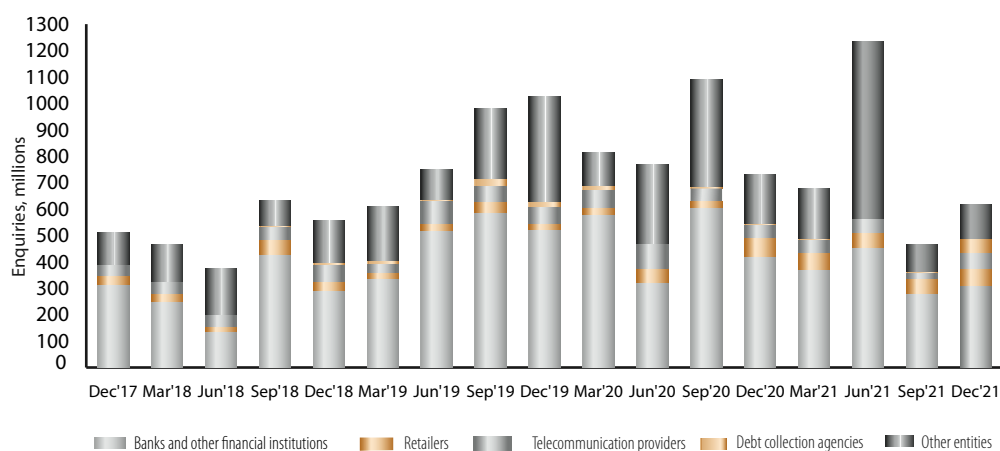


Table 5: Enquiries by banks and other financial institutions

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Consumers seeking credit	24.46	8.45	10.31	6.66	10.23	8.69	7.51	6.80	6.32	-65.44	21.97	-35.42	53.62	-15.05	-13.61	-9.45	-7.08
Tracing/debt collection purposes	2.03	10.36	0.77	0.95	4.47	5.57	4.42	10.84	8.29	409.73	-92.52	22.27	327.29	24.71	-20.78	145.25	-23.58
Other purposes	491.19	555.23	308.56	592.69	402.06	353.28	437.55	258.47	291.58	13.04	-44.43	92.08	-32.16	26.78	23.86	-40.93	12.81
Banks and other financial institutions	517.68	574.04	319.65	600.30	416.76	367.54	449.48	276.12	306.18	10.89	-44.32	87.80	-30.58	-11.81	22.29	-38.57	10.89

Table 6: Enquiries by retailers

Enquiry purpose:	Number of enquiries (millions)									Percentage change (%)							
	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Consumers seeking credit	3.24	2.56	1.79	2.42	2.69	2.36	2.69	3.15	3.13	-20.09	-30.75	34.94	11.49	-12.51	13.95	20.69	-0.56
Tracing/debt collection purposes	1.36	1.16	0.27	0.76	0.71	0.65	1.89	0.59	1.13	-14.93	-76.89	182.65	5.03	-10.23	192.64	-68.78	91.46
Other purposes	18.05	24.72	49.58	23.87	67.15	59.99	52.60	51.97	58.85	36.91	100.57	51.85	181.28	-10.66	-12.32	-1.20	13.25
Retailers	22.65	28.46	51.63	27.05	70.56	62.99	57.18	55.71	63.12	25.65	81.41	-47.62	160.89	-10.72	-9.23	-2.57	13.30

Table 7: Enquiries by telecommunication providers

Enquiry purpose:	Number of enquiries (millions)									Percentage change							
	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Telecommunication services	10.07	5.08	3.66	2.60	3.65	3.64	3.81	4.20	11.79	49.58	27.94	-28.88	40.45	-0.42	4.60	10.24	180.57
Tracing/debt collection purposes	30.92	55.52	45.68	43.98	42.13	40.94	42.15	14.60	44.24	79.58	-17.72	-3.27	-4.20	-2.82	2.95	-65.36	204.34
Other purposes	25.67	6.55	45.60	3.57	3.68	4.81	6.20	5.25	6.23	-74.47	595.68	-92.17	3.00	30.87	28.81	-15.32	18.61
Telecommunication providers	66.66	67.15	94.94	50.15	49.46	49.39	52.16	24.05	62.45	0.74	41.38	-47.18	-1.37	-0.14	5.59	-53.86	159.63

Credit bureau activity

Demand for credit reports decreased for the quarter

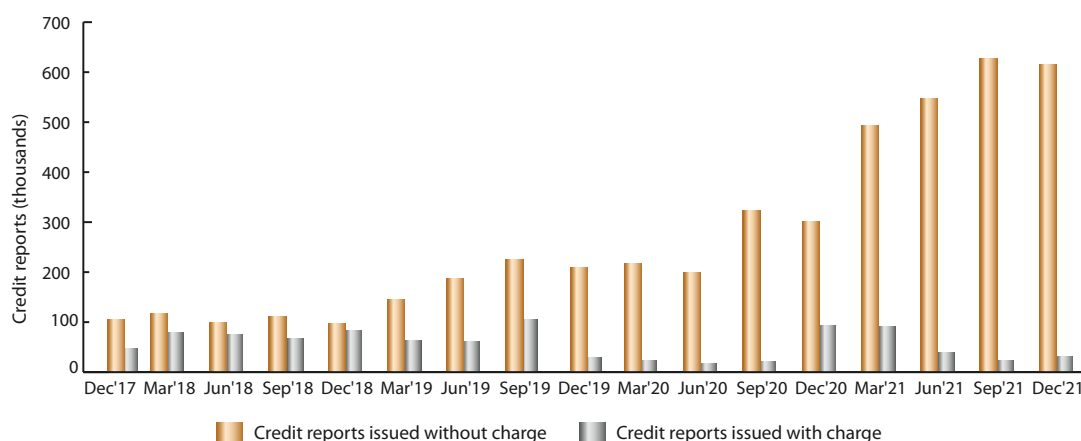
Of the total 648,280 credit reports issued to consumers at their request during the quarter ended December 2021, 95.08% (616,404) were issued without charge, and the remaining 4.92% (31,876) were issued with charge. The total number of credit reports issued decreased by 0.33% quarter-on-quarter and increased by 64.35% 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 19	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 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	Sep 21 to Dec 21
Issued without charge	226,167	208,855	216,872	199,997	324,256	301,992	493,538	548,150	626,994	616,404	-7.65	3.84	-7.79	62.15	-6.87	63.43	11.07	14.38	-1.69
Issued with charge	104,450	28,648	23,816	17,776	21,380	92,466	90,899	39,868	23,456	31,876	-72.57	-16.87	-25.40	20.34	322.49	-1.69	-56.14	-41.17	35.90
Total issued	330,617	237,503	240,688	217,743	345,636	394,458	584,437	588,018	650,450	648,280	-28.16	-1.34	-9.53	58.74	14.13	48.16	0.61	10.62	-0.33

Figure 7: Credit reports issued



Consumer disputes

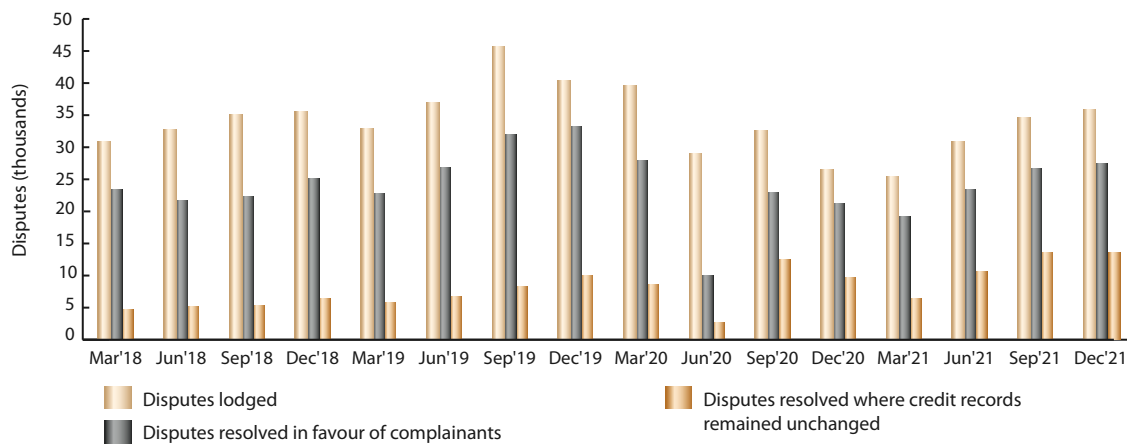
There were 35,919 disputes lodged in respect of the accuracy of the information recorded on consumer credit records in the quarter ended December 2021. This was an increase of 3.51% quarter-on-quarter and 35.03% year-on-year. More disputes were resolved in favour of complainants (27,388) as compared to disputes where credit records remained unchanged (13,610).

See Table 9 and Figure 8 for details.

Table 9: Disputes

Disputes:	Number of disputes									Percentage change (%)							
	Dec 19	Mar 20	Jun 20	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	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	Sep 21 to Dec 21
Lodged	40,343	39,573	29,017	32,629	26,600	25,404	30,844	34,701	35,919	-1.89	-26.67	12.45	-18.48	-4.50	21.41	12.50	3.51
Resolved in favour of complainants	33,275	27,910	9,978	22,912	21,257	19,165	23,430	26,666	27,388	-16.11	-64.25	129.63	-7.22	-9.85	22.25	13.81	2.71
Resolved where credit record remained unchanged	9,975	8,526	2,704	12,513	9,688	6,496	10,683	13,533	13,610	-14.53	-68.29	362.76	-22.58	-32.95	64.46	26.68	0.57

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 from March 2009 to December 2021.