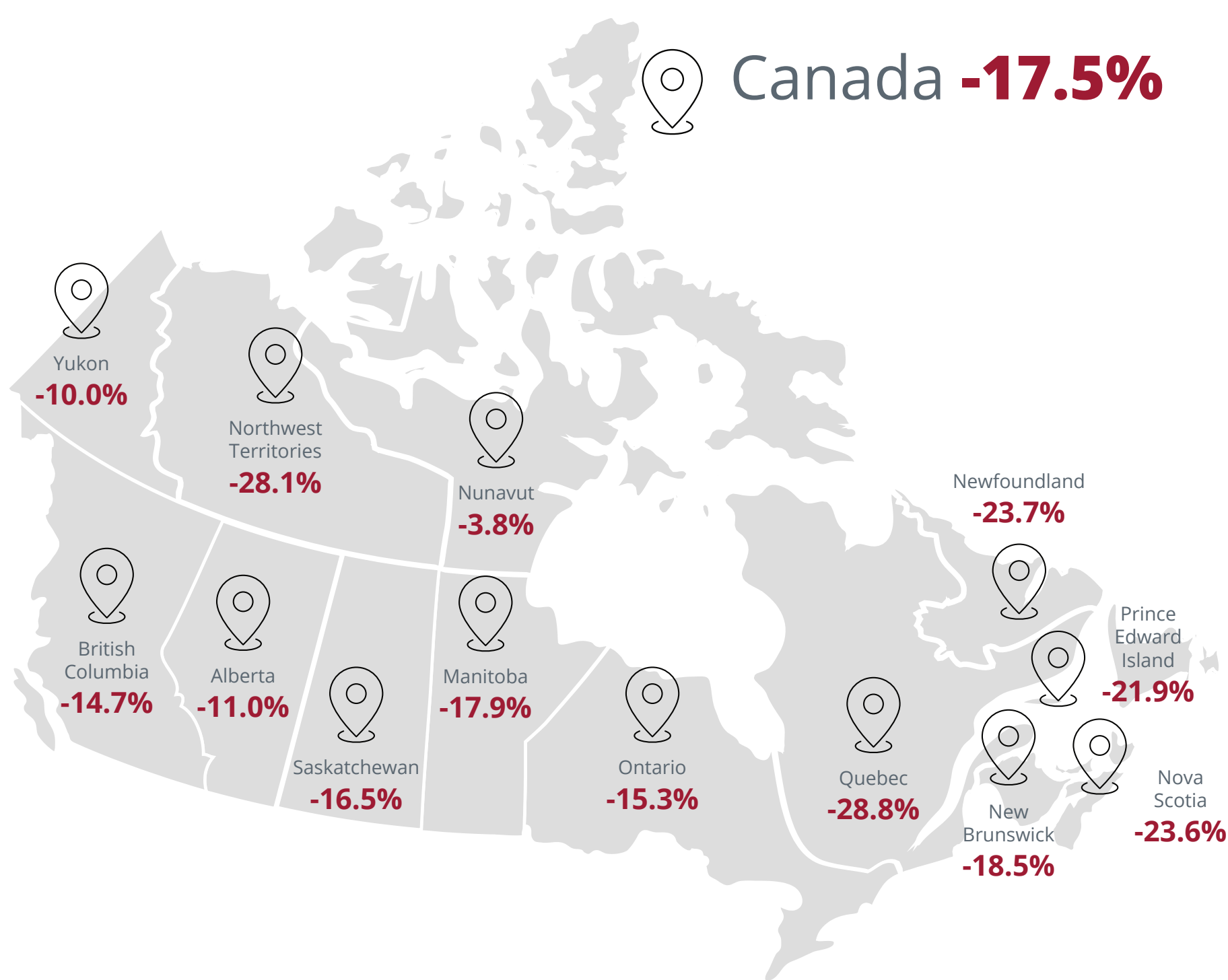




Equifax Q4 2020 Credit Trends Insights

The Q4 2020 Credit Trends Insights Report found that government relief measures and lender deferral programs were instrumental in Canada's economic recovery. Credit card balance reductions, a positive consumer shift, have helped lower consumer debt overall. However, with COVID-19 deferral programs now ending, new economic uncertainty looms for some.

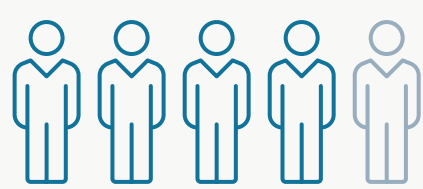
90+ Day Delinquency Rate YoY Changes for Non-Mortgage Debt



"Delinquency rates remain lower than pre-pandemic levels across all provinces but the numbers suggest recovery may be uneven. When we look at early delinquency levels, where consumers have missed only one or two months of payments, some areas are doing well whereas others are not. Quebec, for example, has seen early non-mortgage delinquency continue to fall despite consumers leaving deferral programs, whereas Alberta has the highest increase in consumers missing mortgage payments. The support mechanisms across Canada remain pivotal in the prevention of further increased delinquency levels."

Rebecca Oakes, AVP, Advanced Analytics

Deferrals



4 out of 5

consumers who took advantage of lender deferral programs since the pandemic started had exited those programs by the end of 2020



22%

of these consumers are showing signs of early delinquency since exiting the program



80%

of those who have started missing payments after the deferral ended were already financially stressed prior to COVID

Delinquencies

As deferral programs come to an end, early signs of stress are visible across various segments

90+ day delinquencies remained low but quarterly increases were seen in many provinces

Q4-20 over Q3-20 90+ day delinquency levels

ON	3.3%	NL	0.5%	NT	-7.5%
QC	-13.3%	AB	2.6%	NU	11.2%
NS	3.7%	MB	0.4%	YT	-8.2%
NB	6.6%	SK	1.4%		
PE	6.8%	BC	4.0%		

Mortgages

New mortgage activity and rising house prices drove up overall consumer debt in Q4

Lower interest rates and increased savings during the pandemic helped many first time home buyers enter the housing market

Mortgage changes by Age Group Q4-20

Age Group	Average New Mortgage	YoY Change (Average New Mortgage)	YoY Change (New Mortgage Volumes)
00-25	\$275,123	8.70%	14.35%
26-35	\$365,018	12.55%	30.06%
36-45	\$363,611	14.72%	26.45%
46-55	\$326,689	14.59%	18.13%
56-65	\$275,878	12.77%	15.43%
65+	\$244,409	14.67%	14.90%
Grand Total	\$330,788	14.39%	22.11%



SOURCE: Market, Vitality and Credit Trends Reports

For more information, please reach out to your Equifax Account Representative.

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