



# Global Credit Trends

Glossary of Common Terms and Sources

We hope this resource helps define terms from the [Global Credit Trends Report](#) and provides useful sources for expanding knowledge on key topic areas.

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## Sources

[Argentina](#)  
[Australia](#)  
[Canada](#)  
[Europe](#)  
[New Zealand](#)  
[Spain](#)  
[United Kingdom](#)  
[United States of America](#)  
[Consumer Price Index](#)  
[Gross Domestic Product](#)  
[Unemployment Rate](#)

# Auto Loan

A secured, installment loan for a vehicle. Installment loans are a type of credit account repayable in installments, usually set monthly amounts.



## Resources

- [Buying a New Car with a Cosigner](#)
- [Buying a Car with Poor or No Credit History](#)
- [What to Know About Financing a Used Car](#)
- [Comparing Auto Loans: New Car Loans vs Used Car Loans](#)
- [Buying a Car on a Budget: Four Things to Know](#)
- [Should I Refinance My Car?](#)

# BNPL (Buy Now, Pay Later)

A type of installment loan that divides a purchase into equal payments with the first due at checkout.



## News & Resources

### News:

- [5/9/22 - Buy Now, Pay Later Credit Reporting](#)
- [5/16/22 Infographic: The Typical 'Buy Now, Pay Later' Consumer Profile](#)

### Resources:

- [What is Afterpay, Klarna and Affirm? How "Buy Now, Pay Later" Impacts Your Credit](#)

# Credit

**Credit Limit** is the total amount of credit extended to consumers to you to spend. It applies to revolving accounts such as credit cards, retail store cards, personal lines of credit or home equity lines of credit.

**Credit Utilization Rate** refers to the amount of money a consumers owes in relations to the total amount of credit available to them. Also referred to as Credit Card or Bank Card Utilization.



## Resources

### Credit Limit:

- [What Does That Mean? A Guide to Equifax Credit Report Terminology](#)

### Credit Utilization Rate:

- [What is a Credit Utilization Ratio?](#)

# U.S. Credit Score Ranges

Score Category	Credit Score Range
U.S. Super-prime	720 and above
U.S. Prime	660-719
U.S. Near-prime	620-659
U.S. Subprime	580-619
U.S. Deep Subprime	Below 580



## Resources

- [What are the different ranges of credit scores?](#)

# Debt/Negative Data

**Debt** is money borrowed by consumers at a point in time. Debt on credit reports refers to amortized limit or outstanding balance depending on data collected from each region, except Spain, which reports just defaulted assets because the Spanish Bureau manages negative data only.

**Negative Data** in credit reports refers to items such as late payments on loans and credit cards, delinquent accounts, charge-offs, accounts that have been sent to collection, bankruptcies, short sales, deeds in lieu of foreclosure, and foreclosures.



## Resources

[What are the different kinds of debt?](#)

# Debt Collections

**Also “Collections”** - a term used by a business when referring to money owed to that business by a customer. When a customer does not pay the business within the terms specified, the amount of the bill becomes past due and is sometimes submitted to a collection agency.



## Resources

- [What Can a Debt Collection Agency Do?](#)
- [What to Know About Debt Sold to Collection Agencies](#)
- [Collection Accounts and Your Credit Scores](#)
- [Can I Negotiate with Debt Collectors?](#)
- [When is it Best to Bypass Debt Collectors and Go Back to Your Original Creditor](#)



# Delinquency

**Delinquency** - the date of a missed payment.

**Delinquency Rate** - refers to the percentage of loans that are 90 or more days past due.



## Resources

- [When Does a Late Credit Card Payment Show Up on Credit Reports?](#)

# Financially Vulnerable/Insolvency

**Financially Vulnerable** - a status of financial instability or a situation to the exposure of financial risk and shock, such as the loss of an income.

**Insolvency** - the state of being unable to pay one's debt.



## Resources

[You ask, Equifax answers: How can I stay in good standing with lenders and creditors?](#)

[I can't pay my mortgage. What are my options?](#)

# Loan Types

**Personal Loan** - is an unsecured, consumer loan to be used at their discretion.

**Secured Installment Loan** - Loans with property as collateral. For example, a mortgage, home equity loan or auto loan.



## Resources

### Personal Loans

- [How to get a personal loan and how they work?](#)
- [Personal Loans: Five things to consider before you borrow](#)
- [Finding the right personal loan for borrowers with good credit](#)

### Secured Installment Loan

- [What are the different kinds of debt?](#)

# Mortgage Types

**Fixed Rate Mortgage** - a home loan with a specific interest rate for the entire term of the loan.

**Variable Rate Mortgage** - a type of home loan in which the interest rate is not fixed. Instead, interest payments will be adjusted at a level above a specific benchmark or reference rate, such as the Prime Rate + 2 points.



## Resources

[What are the different types of debt?](#)

# Mortgage Terms

**Mortgage Inquiries** - when a lender requests to review a consumer's credit report when they have applied for a mortgage.

**New Mortgages** - new mortgage applications, not including mortgage refinance applications.

**Mortgage Refinances** - when a homeowner gets a new mortgage loan to replace their current loan.



## Resources

[Understanding Hard Inquiries on Your Credit Report](#)

[Does refinancing your mortgage impact your credit scores?](#)

# Non-Mortgage Debt/Inquiries

**Non-Mortgage Debt** - debt from Buy Now Pay Later, credit cards, installment loans, personal loans and automobile loans.

**Non-Mortgage Inquiries** - include Buy Now Pay Later, credit cards, installment loans, personal loans and automobile loans.



# Sources

# Argentina - Australia - New Zealand

## Argentina

- [Argentina Statistic Agency](#)
- [BCRA](#) - Central Bank of Argentina

## Australia

- [Australian Bureau of Statistics](#)

## New Zealand

- [Reserve Bank of New Zealand](#)





# Canada

**Canada's Prime Interest Rate** - the annual interest rate Canada's major banks and financial institutions use to set interest rates for variable loans and lines of credit, including variable-rate mortgages.

- [Bank of Canada](#)
- [Statistics Canada](#) - Statistics Canada is the national statistical office. The agency ensures Canadians have the key information on Canada's economy, society and environment that they require to function effectively as citizens and decision makers.

# United Kingdom - Europe - Spain

**Bank of England's Base Rate** - the interest rate the Bank of England pays commercial banks to hold their money. This rate is set by the Monetary Policy Committee. For more information, see the [Bank of England](#).

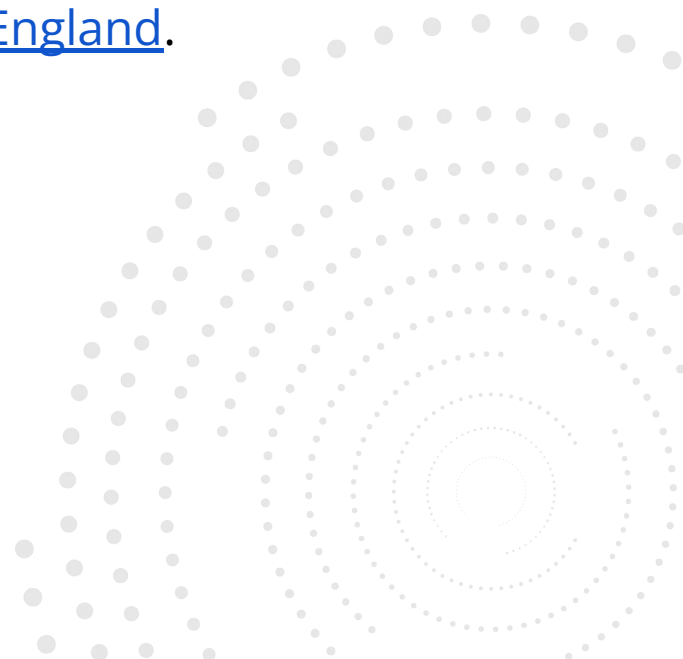
- [U.K. House of Commons Library](#)
- [U.K. National Statistics Institute](#)

Europe:

- [European Commission](#)

Spain

- [Spain National Statistics Institute](#)



# United States of America

## **Consumer Price Index (CPI) -**

a measure of the average change over time in the prices paid by urban consumers for a market basket of goods and services

**Gross Domestic Product (GDP) -** the standard measure of the value added created through the production of goods and services in a country during a certain period

**Unemployment Rate -** In the U.S., it is the number of people 16 and older searching for a job as a percent of the total labor force.

- [Equifax Market Pulse](#)
- [U.S. Bureau of Economic Analysis](#)
- [U.S. Bureau of Labor Statistics](#)



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