

Monthly credit aggregates, August 2021

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Household borrowing

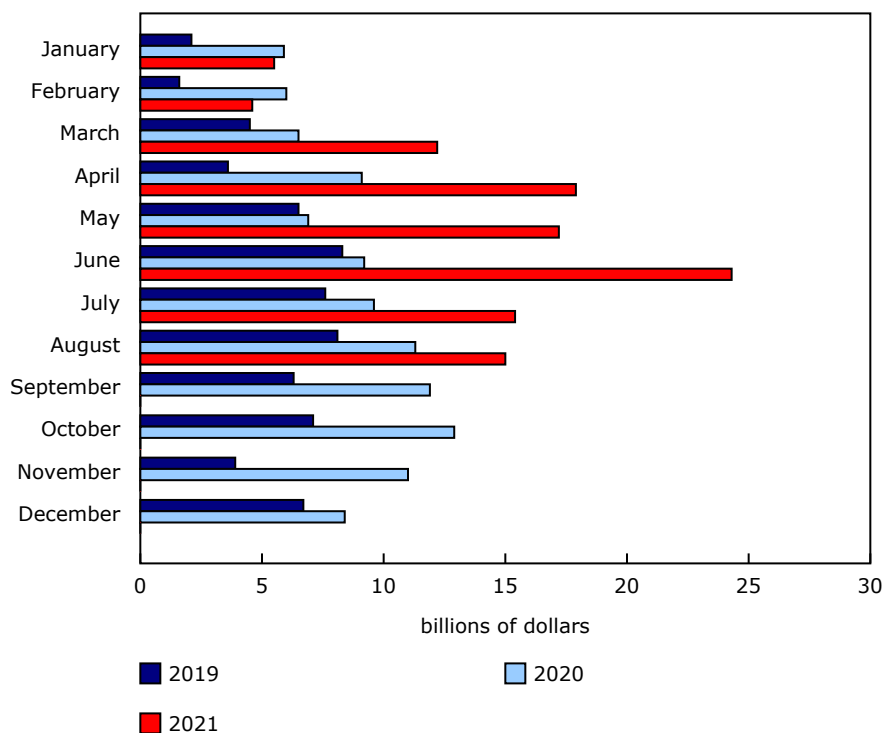
Household sector borrowing is divided into financing in the form of non-mortgage loans, or funds principally for consumption, and mortgage loans, or debt acquired to finance the purchase of a property.

Household mortgage debt rose 0.9% again in the month of August, a rise of \$15.0 billion from the previous month. While growth remained relatively strong, it has eased from previous quarters, when the pace of borrowing reached record levels. The slower pace of mortgage borrowing was accompanied by a fifth consecutive monthly decline in the volume of existing home sales. However, compared with August 2020, mortgage borrowing was up 9.7% as households added more mortgage debt in the first 8 months of 2021 than in all 12 months of 2020.

Non-mortgage debt grew 0.6% in August to reach \$798.2 billion. Credit card debt and lines of credit with chartered banks were the main contributors to the increase. With credit card debt reaching \$78.3 billion at the end of August, this form of debt continued to move closer to the outstanding balance of \$88.7 billion that households had before the pandemic began. Lines of credit rose by \$1.9 billion, but the increase was mainly attributable to strength in home equity lines of credit.

Overall, the total credit liabilities of households reached \$2,568.7 billion in August, a 0.8% increase from July. Real estate secured debt, composed of both mortgage debt and home equity lines of credit, rose 0.8% (+\$16.8 billion) to reach \$2,039.0 billion.

Chart 1
Month-over-month change in household mortgage loans



.. not available for a specific reference period.

Source(s): Table 36-10-0639-01.

Private non-financial corporation borrowing

In August, total non-mortgage loan liabilities of private non-financial corporations declined \$3.8 billion. Non-mortgage loans provided by chartered banks and those provided by non-banks both fell 0.5%, as loans with chartered banks declined \$2.4 billion, while non-bank balances decreased \$1.4 billion.

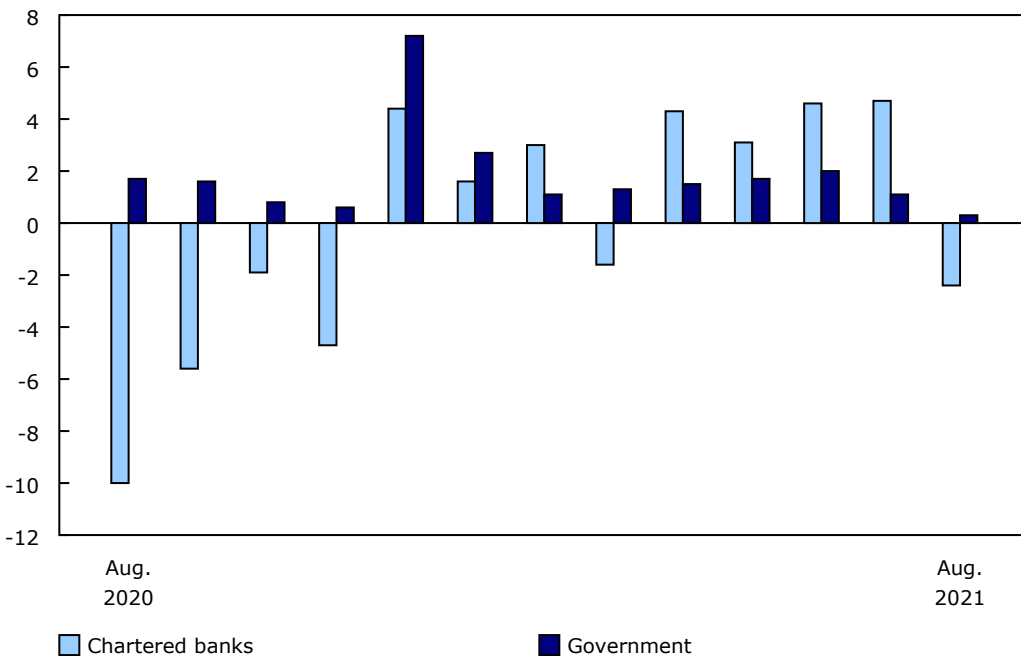
The pace of government lending to private corporations has slowed considerably from previous months, with growth of 0.4% in August (+\$0.3 billion). Federal government support programs for businesses continued to account for the small increase. However, the Canada Emergency Business Account, one of the larger programs associated with business lending, closed for applications at the end of June.

In terms of debt securities, private non-financial corporations recorded net issuances of debt securities of \$5.8 billion in August, mainly as a result of new issuances of long-term instruments (i.e., bonds).

Private non-financial corporations' mortgage debt rose 0.6% (+\$2.3 billion) to reach \$354.2 billion. Overall, total credit liabilities of private non-financial corporations grew by 0.4% (+\$10.6 billion) in August.

Chart 2
Changes in stock of non-mortgage loans to private non-financial corporations, by lender

billions of dollars



Source(s): Table 36-10-0640-01.

Note to readers

Overview of the monthly credit aggregates

The monthly credit aggregates break down a portion of the quarterly National Balance Sheet Accounts (NBSA) by month. They provide details on lending to households and non-financial corporations—in other words, the stock of these sectors' outstanding liabilities from the debtor perspective—across a range of credit instruments, including mortgage loans, non-mortgage loans, and debt and equity securities. The aggregates cover all lending sectors, including chartered banks, non-bank deposit-taking institutions, other financial corporations, government and other lenders. The estimates are presented as booked-in-Canada to capture activity within Canada with either domestic or non-resident lenders. In addition, amounts are reported on an end-of-period basis (i.e., the value of the stock of an asset on the final day of the month). The third month of each quarter is benchmarked to the corresponding quarterly release of the NBSA.

The NBSA are composed of the balance sheets of all sectors and subsectors of the economy. The main sectors are households, non-profit institutions serving households, financial corporations, non-financial corporations, government and non-residents. The NBSA cover all national non-financial assets and all financial asset-liability claims outstanding in all sectors and—similarly—they present stocks as of the end of each quarter.

Estimates are available on a seasonally adjusted basis to improve the interpretability of period-to-period changes in debt. For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

For more information on the concepts, methodologies and classifications used to compile these monthly estimates, please see the document "[Guide to the Monthly Credit Aggregates](#)."

Next release

Data on the monthly credit aggregates for September will be released on November 19, 2021.

Available tables: [36-10-0639-01](#) to [36-10-0641-01](#) , [36-10-0666-01](#) and [36-10-0670-01](#).

Definitions, data sources and methods: survey numbers [1804](#), [1806](#) and [5334](#).

The document "[Guide to the Monthly Credit Aggregates](#)," which is part of *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)), is available.

The document "[An overview of revisions to the Financial and Wealth Accounts, 1990 to 2020](#)," which is part of *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)), is available.

The data visualization product "[Financial accounts on a from-whom-to-whom basis, selected financial instruments](#)," which is part of *Statistics Canada – Data Visualization Products* ([71-607-X](#)), is available.

The data visualization product "[Distributions of Household Economic Accounts, Wealth: Interactive tool](#)," which is part of *Statistics Canada – Data Visualization Products* ([71-607-X](#)), is available.

The data visualization product "[Securities statistics](#)," which is part of *Statistics Canada – Data Visualization Products* ([71-607-X](#)), is available.

The [Economic Accounts Statistics](#) Portal, accessible from the *Subjects* module of the Statistics Canada website, provides an up-to-date portrait of national and provincial economies and their structure.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is available.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).