

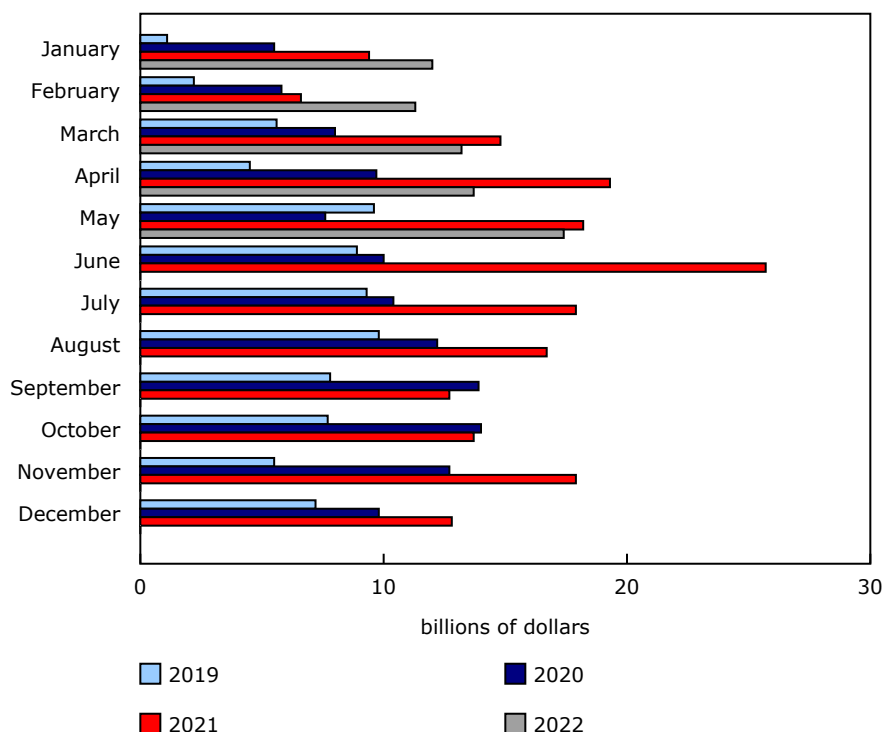
Monthly credit aggregates, May 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, July 20, 2022

Household borrowing

Household mortgage debt rose 0.9% to reach \$2,021.5 billion in May, an increase of \$17.4 billion from April. The primary contributors were increased mortgage debt with chartered banks (+\$14.4 billion) and credit unions (+\$2.3 billion). On a seasonally adjusted basis, household mortgage debt was up 0.8% in May, slightly higher than the 0.7% increases recorded over each of the previous two months.

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



.. not available for a specific reference period

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

The volume of existing home sales decreased by 2.0% in May, a smaller drop compared with the 13.9% decrease recorded in the previous month. Furthermore, the average sales price fell in May to roughly \$707,000, marking the third consecutive monthly decline. However, the [New Housing Price Index](#) recorded growth in new home prices for Canada in May (+0.5%) and April (+0.3%). This was coupled with a string of seven consecutive monthly increases in [investment in building construction](#) (seasonally adjusted with current dollar values), which ended in April. By May, construction activity had edged down 0.2% as labour strikes delayed projects in Ontario. The [policy interest rate](#) remained at 1.0% throughout May, after increasing by 50 basis points in April.

Non-mortgage loan debt increased by \$6.4 billion (+0.9%) in May to reach \$712.4 billion. The main contributors to this rise were credit card debt and home equity lines of credit with chartered banks. Credit card debt with banks rose \$2.4 billion (+2.9%) in May, a fourth consecutive monthly increase. Meanwhile, an [advance estimate of retail](#)



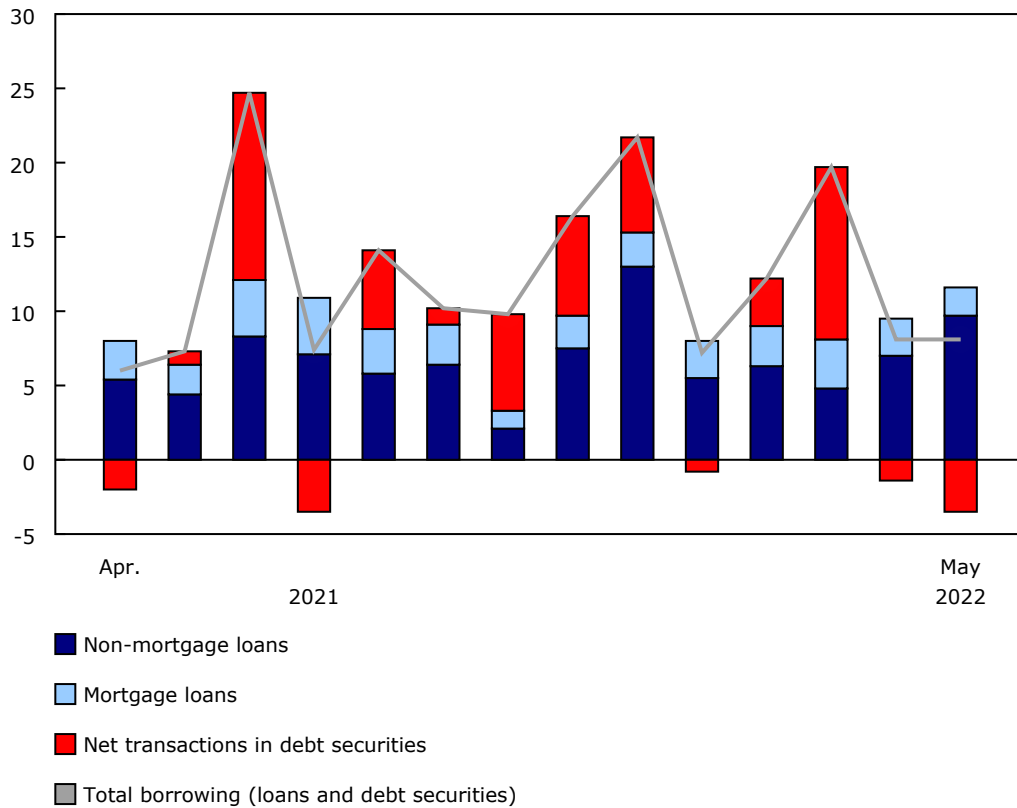
sales suggested that sales increased 1.6% in May, following a 0.9% increase in April. On a seasonally adjusted basis, credit card balances recorded in May had nearly returned to the levels recorded at the end of 2019. Home equity lines of credit grew by \$2.3 billion (+1.4%) to reach \$171.2 billion in May 2022.

Overall, the total credit liabilities of households was \$2,733.8 billion in May, up 0.9% (+\$23.8 billion) from April. On a seasonally adjusted basis, total credit liabilities increased by 0.7% in May, a slight growth from the previous month. Real estate secured debt, composed of both mortgage debt and home equity lines of credit, rose by 0.9% (+\$19.7 billion) to reach \$2,192.6 billion.

Private non-financial corporation borrowing

Chart 2
Private non-financial corporation borrowing

billions of dollars



Note(s): Borrowing is defined as the month-to-month difference in the stock of outstanding loan liabilities plus the net transactions in debt securities.
Source(s): Tables 36-10-0640-01 and 36-10-0670-01.

In May, total non-mortgage loan liabilities of private non-financial corporations rose \$9.7 billion (+1.2%) to \$827.2 billion, the largest monthly increase since December 2021. On a seasonally adjusted basis, these liabilities rose 0.9%. Non-mortgage loans from chartered banks drove the increase with growth of 1.9% (+\$10.6 billion), while those from non-banks edged down 0.3% (-\$0.9 billion).

Government non-mortgage loans to private non-financial corporations decreased 0.3% for the second consecutive month to \$62.9 billion in May, but was 3.6% higher than the outstanding balance recorded in May 2021. The mortgage debt of private non-financial corporations rose 0.5% (+\$1.9 billion) to reach \$356.5 billion in May 2022, the smallest monthly increase since October 2021.

In terms of debt securities, private non-financial corporations recorded net retirements in both long-term (i.e., bonds) and short-term (i.e., commercial paper) instruments for an overall total of \$3.5 billion in May, after recording overall net retirements in April.

Overall, total credit liabilities (i.e., loans and debt securities) of private non-financial corporations reached \$1,862.8 billion, an increase of 0.3% (+\$4.9 billion) in May. On a seasonally adjusted basis, total credit liabilities of private non-financial corporations edged up 0.1%.

Note to readers

Unless otherwise stated, this release presents data not adjusted for seasonality.

Revisions

This release of the monthly credit aggregates for the month of May 2022 includes revised estimates from January 2021 to April 2022. These data incorporate new and revised data, as well as updated data on seasonal trends.

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.

Household sector borrowing is divided into financing in the form of non-mortgage loans (i.e., funds principally for consumption) and mortgage loans (i.e., debt acquired to finance the purchase of a property, whether residential or non-residential in nature). Household borrowing in the form of mortgage debt and home equity lines of credit is referred to as real estate secured debt, and presents a further delineation of household liabilities associated with residential and non-residential properties.

As with the household sector, non-financial corporation borrowing is divided into non-mortgage and mortgage loans. However, overall credit liabilities of non-financial corporations also include their borrowing in the form of debt securities, with terms to maturity that are both short term and long term in duration.

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 at 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 June will be released on August 19.

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](#).

As a complement to this release, the documents "[Guide to the Monthly Credit Aggregates](#)" and "[An overview of revisions to the Financial and Wealth Accounts, 1990 to 2020](#)," which are part of *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)), are available.

As a complement to this release, the data visualization products "[Financial accounts on a from-whom-to-whom basis, selected financial instruments](#)," "[Distributions of Household Economic Accounts, Wealth: Interactive tool](#)" and "[Securities statistics](#)," which are part of *Statistics Canada – Data Visualization Products* ([71-607-X](#)), are also 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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).