

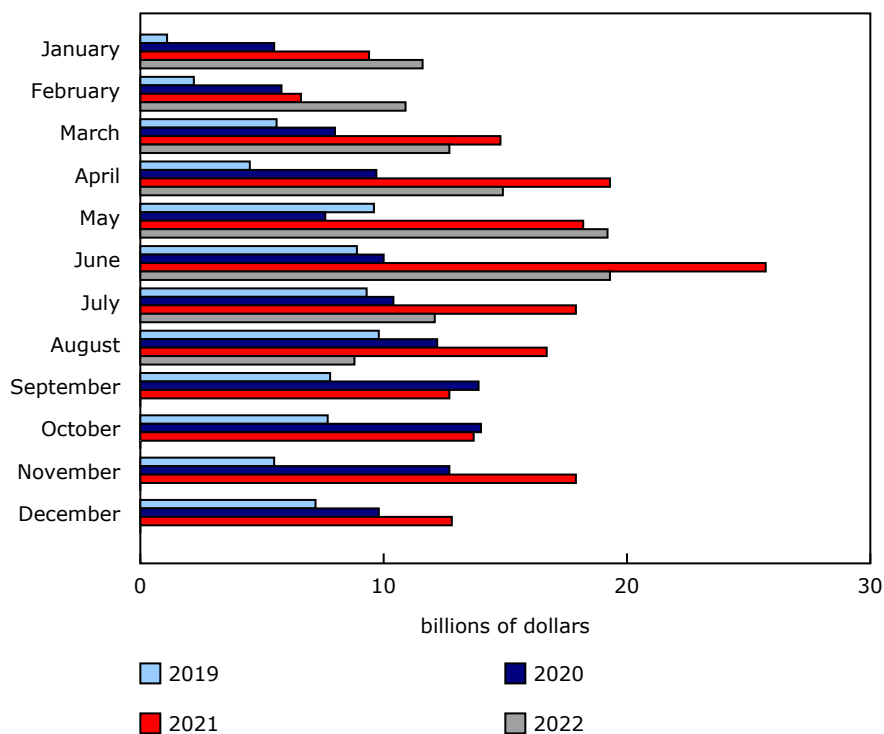
# Monthly credit aggregates, August 2022

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

## Household borrowing

In August, the total credit liabilities of households grew \$11.0 billion (+0.4%) to reach \$2,780.6 billion. Real estate secured debt, composed of both mortgage debt and home equity lines of credit, increased \$9.0 billion (+0.4%) to reach \$2,231.2 billion. Starting with this release, all data are adjusted for seasonality unless otherwise stated.

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



.. not available for a specific reference period

**Note(s):** These data are unadjusted for seasonality.

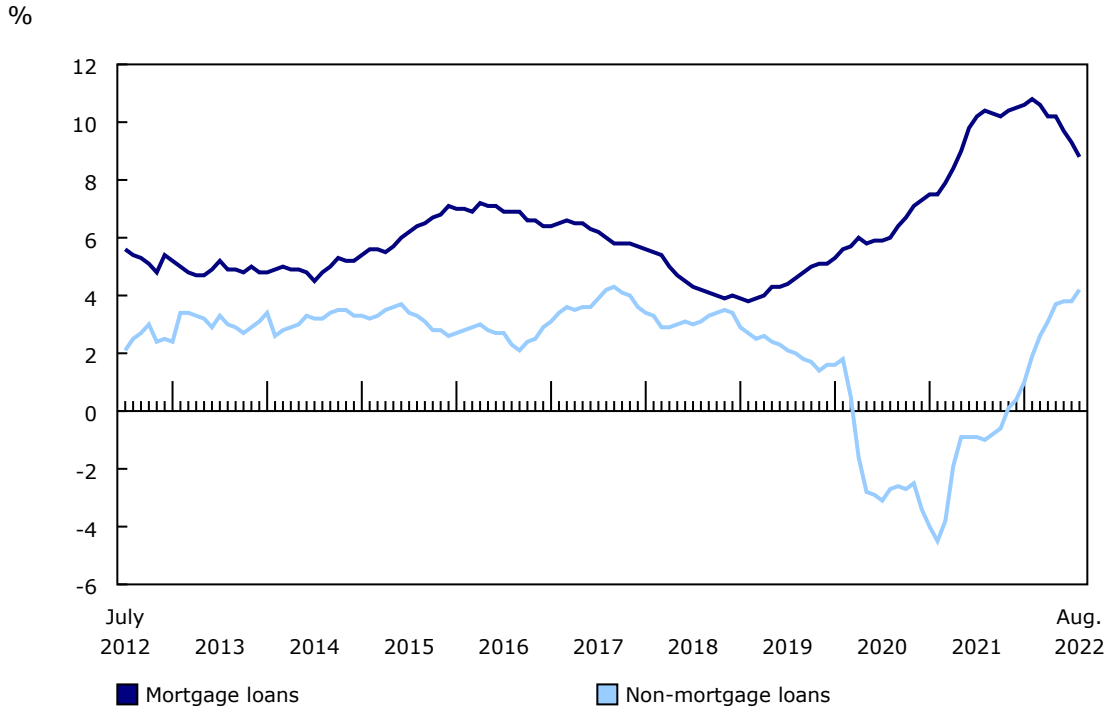
**Source(s):** Table 36-10-0639-01.

Household mortgage debt increased 0.4% to reach \$2,059.1 billion in August, the third consecutive month of slowed growth. The monthly rise of \$8.3 billion from July to August was the smallest increase since July 2020. On an unadjusted basis, household mortgage debt increased 8.8% in August 2022 compared with the same month of the previous year.

The volume of existing home sales declined for the sixth consecutive month in August, down 1.0% after recording a 5.7% decrease in July. The average sale price rebounded to roughly \$675,000 following five consecutive monthly decreases. According to the [New Housing Price Index](#), which is not seasonally adjusted, new home prices for Canada edged up 0.1% for the second consecutive month. The [policy interest rate](#) remained at 2.5%, after increasing by 100 basis points in July.



**Chart 2**  
**Year-over-year growth in household mortgage and non-mortgage loans**



**Note(s):** These data are unadjusted for seasonality.  
**Source(s):** Table 36-10-0639-01.

In August, non-mortgage loan debt grew 0.4% (+\$2.7 billion) to reach \$721.5 billion. Credit card debt with chartered banks rose at a faster pace than in June and July, rising 1.0% (+\$0.8 billion), while an [advance estimate of retail sales](#) indicated a sales increase of 0.4% in August after a decline of 2.5% in the previous month. Credit card balances climbed to 96.8% of their level recorded in February 2020, before the COVID-19 pandemic hit. Home equity lines of credit also rose at a faster pace, posting an increase of 0.5% (+\$0.8 billion) to reach \$172.1 billion. This represents the eleventh consecutive monthly increase; however, this form of borrowing sits at 86.5% of its peak level recorded in December 2012.

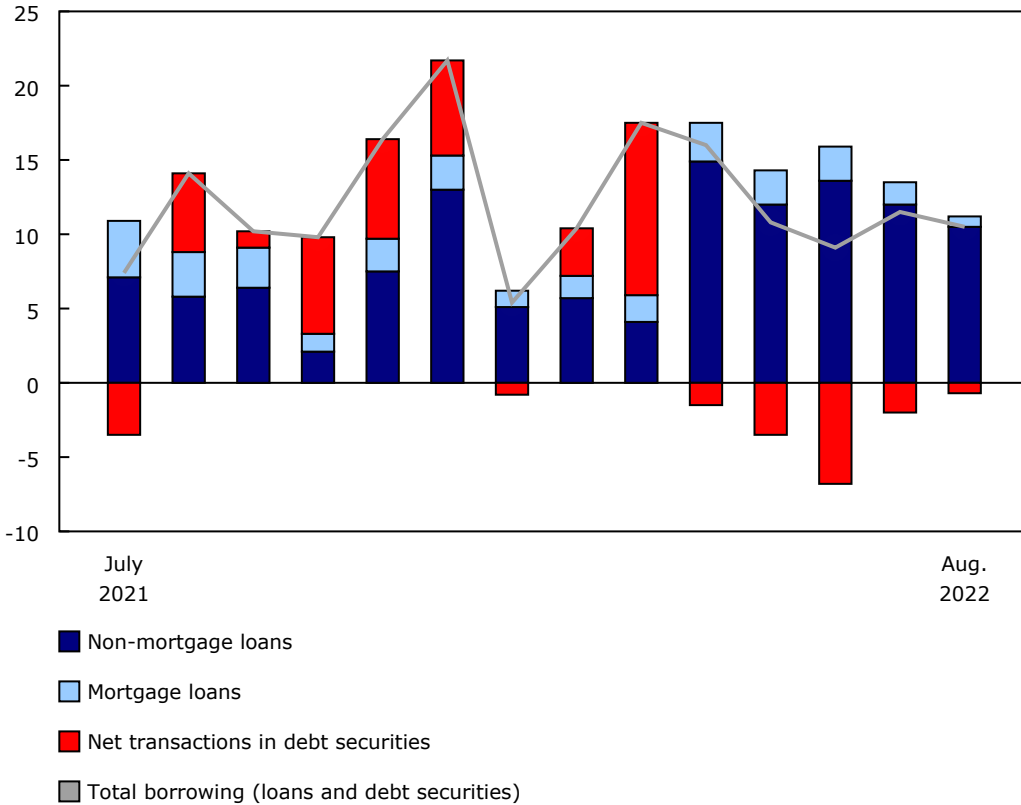
### Private non-financial corporation borrowing

In August, total credit liabilities (i.e., loans and debt securities) of private non-financial corporations reached \$1,907.5 billion, an increase of 1.2% (+\$22.3 billion).

Total non-mortgage loan liabilities of private non-financial corporations rose 1.8% (+\$15.6 billion) to reach \$869.5 billion at the end of the month. Non-mortgage loans from chartered banks increased 2.3% (+\$13.3 billion) while non-mortgage loans from non-banks increased 0.9% (+\$2.4 billion), both cases outpacing the growth from July.

**Chart 3**  
**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. These data are unadjusted for seasonality.

**Source(s):** Tables 36-10-0640-01 and 36-10-0670-01.

Government non-mortgage loans to private non-financial corporations decreased 0.4% (-\$0.2 billion) to reach \$62.7 billion on continued net repayments and forgiven amounts related to the Canadian Emergency Business Account program. The mortgage debt of private non-financial corporations edged up 0.2% (+\$0.7 billion) in the month to reach \$357.1 billion, a deceleration from the 0.4% increase in the previous month.

Private non-financial corporations recorded net retirements in debt securities for the fifth consecutive month (on an unadjusted basis). Net issuances of long-term instruments (+\$1.5 billion) were more than offset by net retirements of short-term instruments (-\$2.2 billion).

On an unadjusted basis, the increase in loans coupled with the net retirements of debt securities resulted in overall borrowing by private non-financial corporations of \$10.5 billion at the end of August. Since the start of 2022, there was \$0.5 billion in net retirements of debt securities, while loans expanded by \$91.7 billion. By comparison, from the end of December 2020 to August 2021, loans increased \$66.7 billion.

## Note to readers

Unless otherwise stated, this release presents data adjusted for seasonality.

### Revisions

This release of the monthly credit aggregates for the month of August 2022 includes revised estimates from January to July 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 September will be released on November 18.

**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 "[A preview of revisions to the Financial and Wealth Accounts, 1990 to 2022](#)," 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](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).