

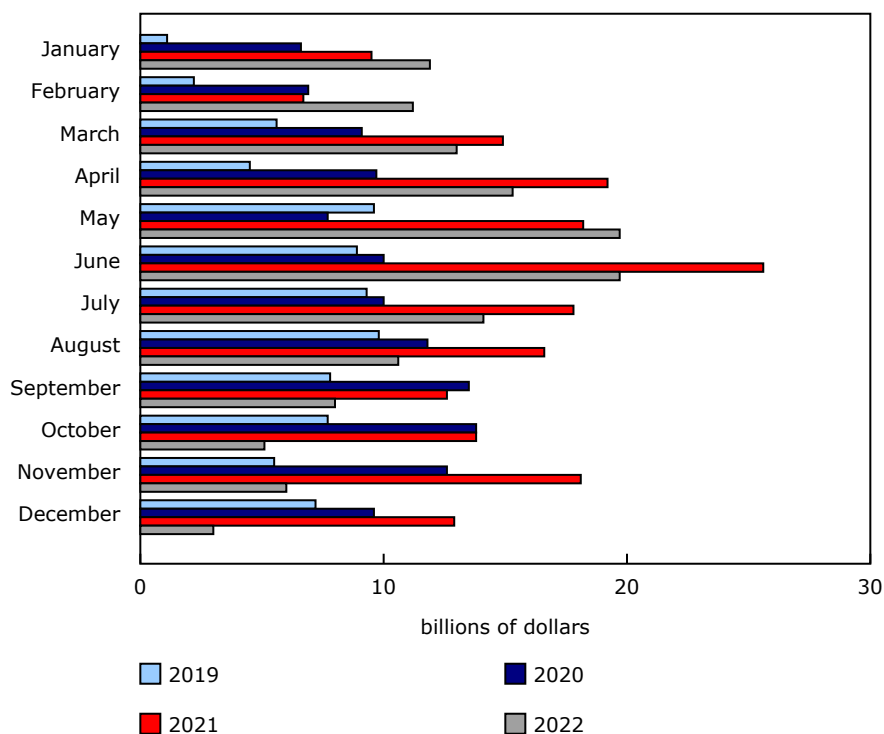
Monthly credit aggregates, December 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, February 17, 2023

Household borrowing

The total credit liabilities of households (including mortgage and non-mortgage loan debt) rose \$7.5 billion (+0.3%) to reach \$2,817.5 billion in December 2022. The pace of growth remained relatively static for mortgage loan debt (+0.3%) and non-mortgages (+0.1%) in December. Real estate secured debt, composed of both mortgage debt and home equity lines of credit, grew \$6.7 billion (+0.3%) to reach \$2,263.1 billion.

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



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

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

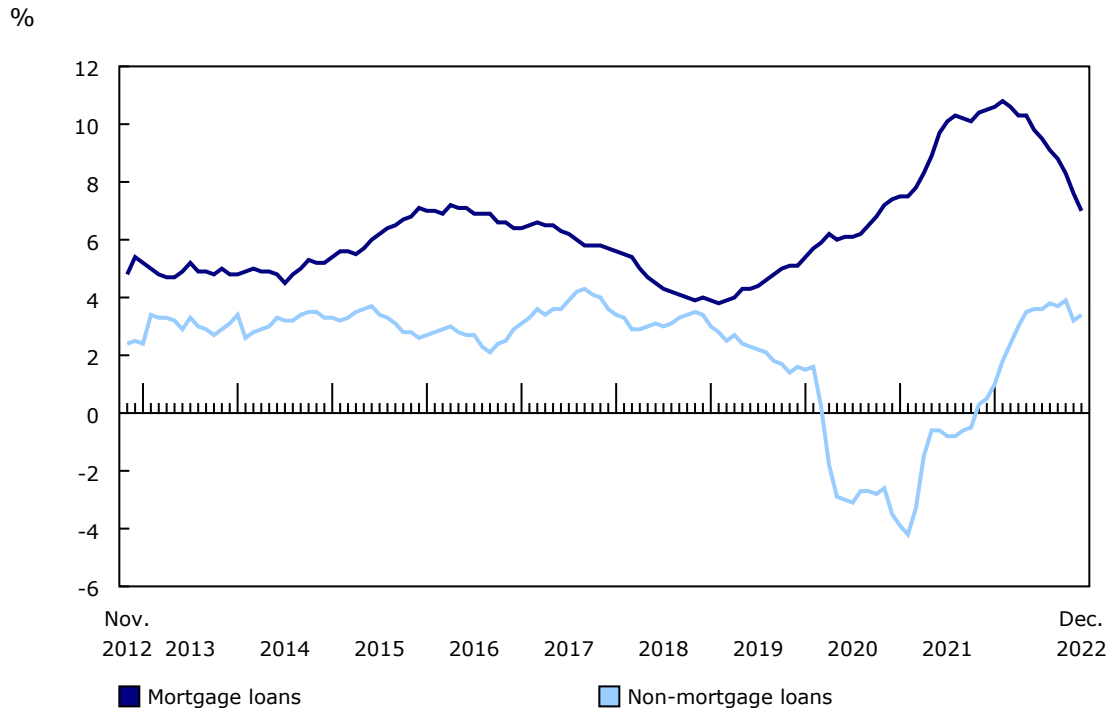
Household mortgage debt growth stable for third consecutive month

Household mortgage debt increased \$6.7 billion to reach \$2,092.9 billion in December, posting a 0.3% growth rate for the third consecutive month. On a year-over-year basis, household mortgage debt expanded 7.1% (+\$138.6 billion) in December, a slower pace than the 10.5% (+\$185.9 billion) increase recorded from December 2020 to December 2021.

In December 2022, the [policy interest rate increased 50 basis points to reach 4.25%](#), the seventh increase of the year. Despite this, the volume of existing home sales rose 1.0% in the final month of 2022, following a 3.2% drop in November. The average sale price was unchanged at roughly \$642,000 in December after three consecutive monthly decreases. According to the [New Housing Price Index](#), which is not seasonally adjusted, prices were unchanged nationally in December following three months of declines.



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.

Household credit card debt growth accelerates in December

While non-mortgage loan debt remained relatively stable in December, up 0.1% (+\$0.8 billion), the pace of growth of credit card debt with chartered banks increased to 0.9% (+\$0.8 billion), compared with a 0.7% rise (+\$0.6 billion) recorded in November. An [advance estimate of retail sales](#) suggests that December sales rose 0.5%, after a 0.1% decrease in November. On a year-over-year basis, credit card debt with chartered banks grew 13.8% in December 2022 and 4.7% in December 2021. Outstanding balances on home equity lines of credit were unchanged in December 2022 (\$170.2 billion) after edging down for the past three months. Further, year-over-year growth was positive in December (+2.3%) compared with the decline recorded in December 2021 (-2.5%).

Along with [persistently high inflation over the course of 2022](#), evidence suggests that more vulnerable households increased their debt to make ends meet. As indicated in the latest estimates from the [Distributions of Household Economic Accounts](#), in the third quarter of 2022 relative to the same quarter one year earlier, higher-than-average increases in debt occurred for the lowest 40% of wealth holders (+7.9%) and those aged less than 45 years (+2.4%). Similarly, a [recent Statistics Canada profile](#) found that about one in five (19%) individuals in the bottom income quintile reported that they often had to borrow money from friends or relatives or take on additional debt to meet day-to-day expenses, compared with less than 1 in 10 (8%) of those in the other income quintiles.

Private non-financial corporation borrowing

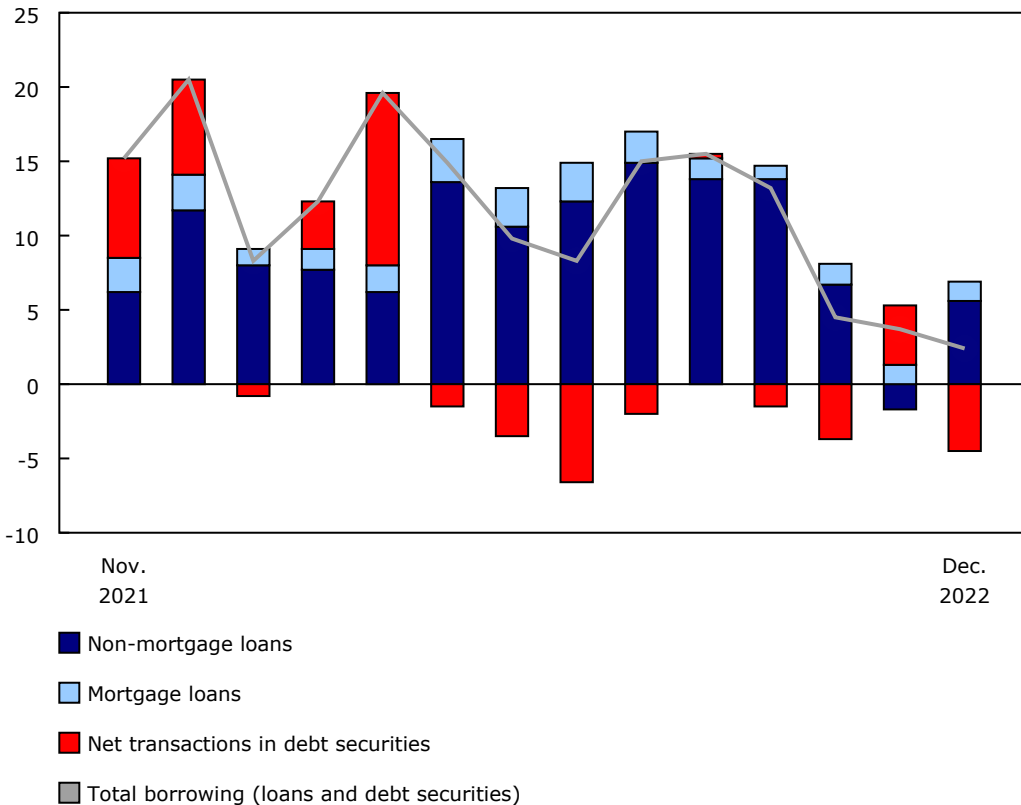
Non-mortgage loans slow for the fourth consecutive month

Private non-financial corporations limited their borrowing along with recent increases in interest rates. In December, total credit liabilities (i.e., loans and debt securities) of private non-financial corporations edged down 0.1% (-\$2.6 billion) to reach \$1,967.5 billion, mostly due to a decline in the stock of outstanding debt securities.

Total non-mortgage loan liabilities of private non-financial corporations edged up 0.2% (+\$2.2 billion) to reach \$906.4 billion in December. Non-mortgage loans from chartered banks were up 0.5% (+\$3.1 billion) in December, the fourth consecutive month of slower growth, while those from non-banks decreased 0.3% (-\$0.8 billion), the third consecutive monthly decline. However, for the year, total non-mortgage loan liabilities of private non-financial corporations advanced 14.2% from December 2021 to December 2022, compared with a 10.2% increase for the same period one year earlier.

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 edged up 0.1% to reach \$61.9 billion, following three consecutive monthly decreases. The mortgage debt of private non-financial corporations increased 0.3%, slowing from the 0.4% rise in the previous month, to reach \$365.0 billion at the end of 2022.

On a seasonally unadjusted basis, private non-financial corporations recorded net retirements in debt securities for the eighth time that year. Long-term instruments (-\$2.9 billion) and short-term instruments (-\$1.6 billion) both recorded net retirements in December.

Overall borrowing by private non-financial corporations, composed of the increase in the outstanding level of seasonally unadjusted loans and the net issuances of debt securities, was \$2.4 billion in December, the lowest monthly borrowing since November 2020.

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 December 2022 includes revised estimates from January to November 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, 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 January 2023 will be released on March 22, 2023.

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) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).