

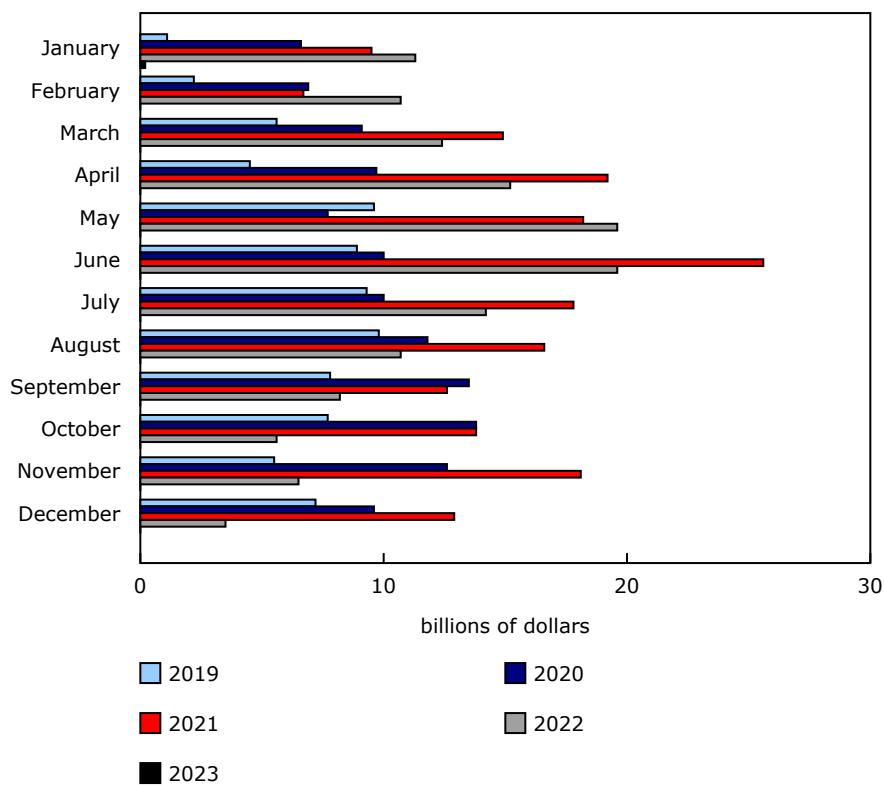
Monthly credit aggregates, January 2023

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, March 22, 2023

Household borrowing

The total credit liabilities of households (including mortgage and non-mortgage loan debt) edged up 0.2% (+\$6.7 billion) from December 2022 to reach \$2,825.8 billion in January 2023. The pace of growth was nearly unchanged for mortgage loan debt (+0.3%) and slowed down for non-mortgages (+0.1%) in January. Real estate secured debt, composed of both mortgage debt and home equity lines of credit, grew \$5.9 billion (+0.3%) to reach \$2,267.8 billion, the smallest monthly change since June 2020.

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



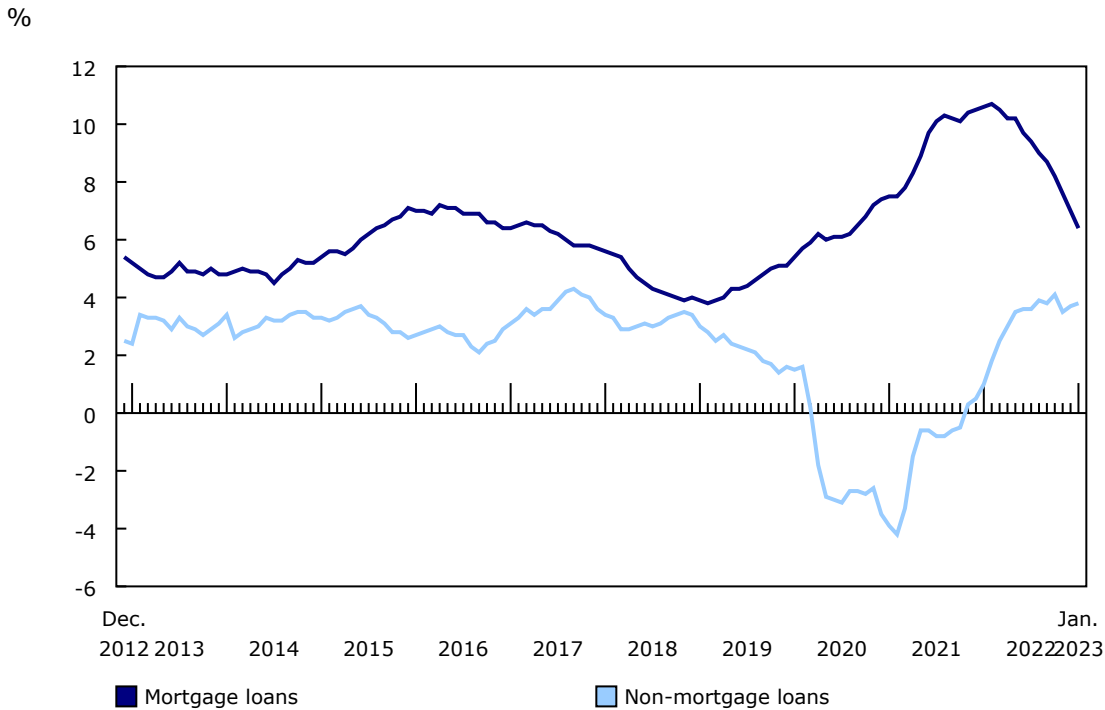
.. not available for a specific reference period
Note(s): These data are unadjusted for seasonality.
Source(s): Table 36-10-0639-01.

Household mortgage debt growth slows slightly in January

Household mortgage debt increased \$5.6 billion to reach \$2,097.4 billion in January and posted a 0.27% growth rate, a slight decrease from the 0.33% growth rate seen in the previous month. On a year-over-year basis, household mortgage debt expanded 6.4% in January, lower than the 7.0% increase in December.

In January, [the policy interest rate increased 25 basis points](#) to 4.50%, following seven increases in 2022 that started in March. The volume of existing home sales declined 3.7% in January after rising 1.2% in the previous month. After edging down in December, the average sale price fell to roughly \$621,000 in January, a 20.2% drop compared with February 2022. According to the [New Housing Price Index](#), which is not seasonally adjusted, new home prices in Canada declined 0.2% month over month in January.

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 for second consecutive month

Non-mortgage loan debt edged up 0.1% (+\$1.1 billion) in January, after increasing 0.2% in each of the previous two months. Credit card debt with chartered banks grew 1.0% (+\$0.9 billion) in January, the second consecutive month the growth rate rose. An [advance estimate of retail sales](#) suggests that sales increased 0.7% in January. From January 2022 to January 2023, credit card debt with chartered banks expanded 15.2%, while retail sales rose 4.3% based on the advance estimate. Outstanding balances on home equity lines of credit increased for the first time in five months, edging up 0.1% (+\$0.2 billion) to reach \$170.5 billion in January. This represented 85.7% of its peak level posted in December 2012.

A recent study indicates that [households are finding it more difficult to make ends meet](#) due to strong increases in the cost of goods and services. Leading up to January, the [price index for household final consumption expenditure](#) (excluding food and energy) grew 4.2% in 2022, the fastest pace since 1991. As well, [interest payments expanded 14.1%](#) from the third quarter to the fourth quarter of 2022, surpassing the record increase set in the third quarter.

Private non-financial corporation borrowing

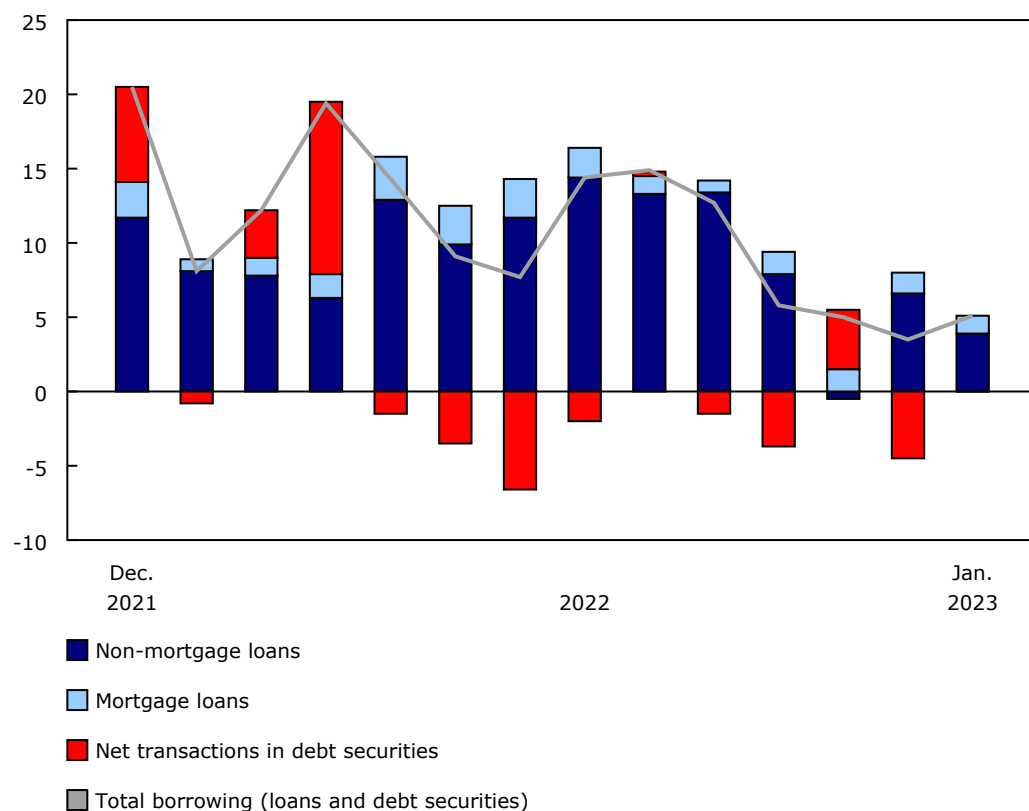
Non-mortgage loans growth accelerates in January

In January, total credit liabilities (i.e., loans and debt securities) of private non-financial corporations increased \$1.9 billion (+0.1%) to reach \$1,971.4 billion, following a \$0.2 billion decrease in December.

Total non-mortgage loan liabilities of private non-financial corporations grew 0.5% (+\$4.5 billion) to reach \$911.6 billion in January, following a 0.4% rise in December. Non-mortgage loans from chartered banks increased 1.0% (+\$6.3 billion) in January, a faster pace than in December (+0.6%), while non-mortgage loans from non-banks decreased 0.7% (-\$1.8 billion) after edging down 0.2% in the previous month.

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 0.8% to reach \$58.2 billion in January, a decline of 10.6% (-\$6.9 billion) since the end of June 2021 (when the application period for the Canadian Emergency Business Account program closed). The mortgage debt of private non-financial corporations increased 0.3% to reach \$365.4 billion in January, decelerating from the 0.4% increases in each of the previous three months.

On a seasonally unadjusted basis, private non-financial corporations recorded issuances in debt securities (+\$5.8 billion) that were offset by retirements (-\$5.8 billion) in the month. Long-term instruments recorded net retirements (-\$2.3 billion), while short-term instruments recorded net issuances (+\$2.3 billion) in January.

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 \$5.1 billion in January, compared with \$3.5 billion in December.

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 January 2023 includes revised estimates from January to December 2022. These data incorporate new and revised data, as well as updated data on seasonal trends. Additionally, quarterly benchmarks from the National Balance Sheet Accounts (NBSA) from the first quarter of 2022 to the fourth quarter of 2022 were incorporated; this sets the stocks from the third month of each quarter to the end of quarter stocks from the NBSA.

Overview of the monthly credit aggregates

The monthly credit aggregates break down a portion of the quarterly 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 February 2023 will be released on April 19, 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).