



CDIX

CONSUMER DEFAULT INDEX - Summary

Understanding the South African credit consumer within the greater context of the South African economy.

February 2026 | **Quarter 4**



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For the best visualization experience switch to the full screen modality, keyboard shortcut:



Glossary

CDI	Consumer Default Index
CDIx	Consumer Default Index Extended
CPI	Consumer Price Inflation
Eskom	The South African electricity public Utility
NAB	Non-alcoholic Beverages
NCR	National Credit Regulator
SAPIA	South African Petroleum Industry Association
SARB	South African Reserve Bank
StatsSA	Statistics South Africa
USD	United States Dollar
ZAR	South African Rand



CDIx – Experian Consumer Default Index Expanded

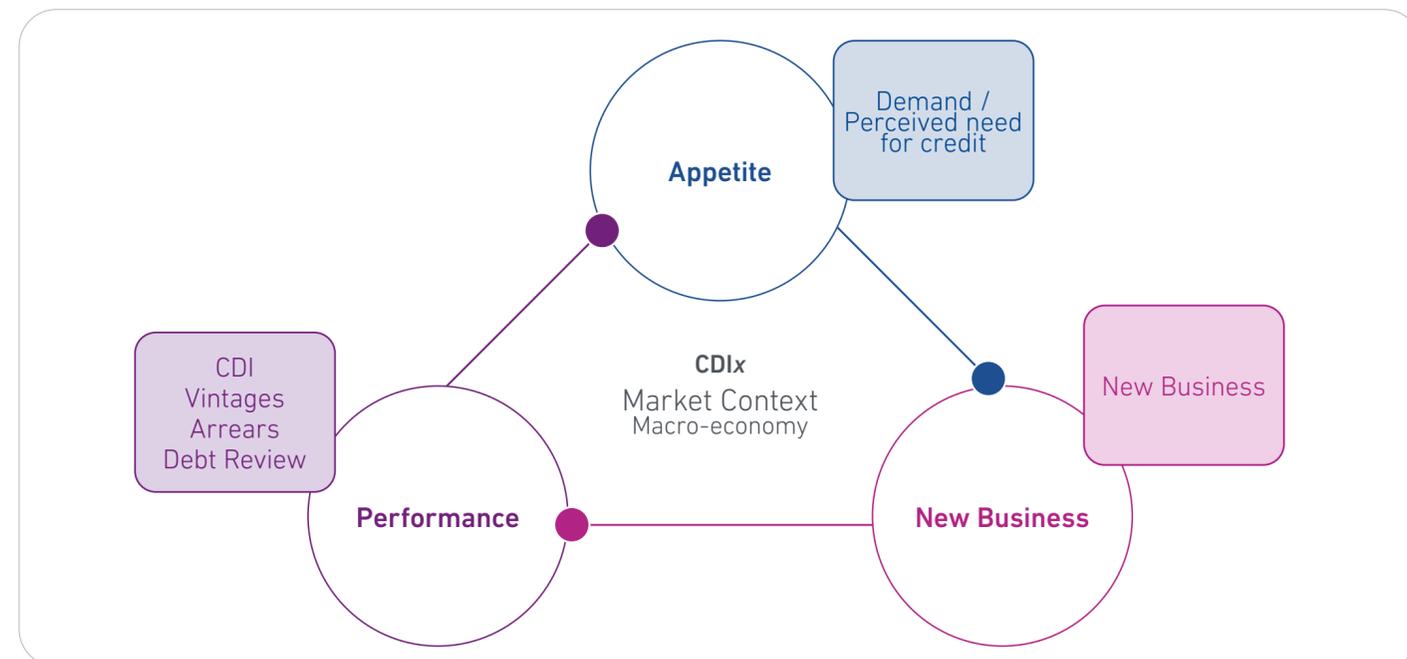
Overview of CDIx – What does it measure?

The Experian Consumer Default Index (CDI) was designed to measure the rolling default behaviour of South African consumers with Home, Vehicle, Personal, Credit Card, and Retail Loan accounts.

The CDIx provides a quarterly overview of the credit landscape in South Africa. It combines the widely used CDI with views on the latest credit industry trends and commentary on the context within which these trends are observed.

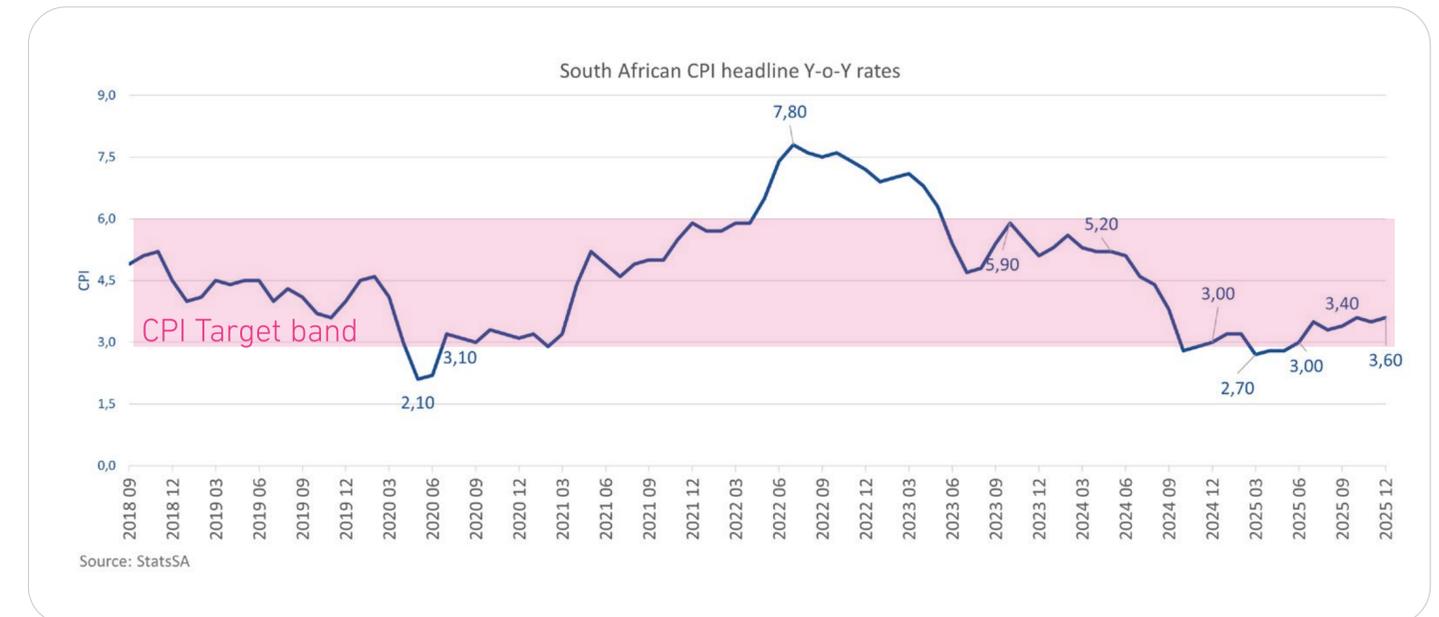
Specifically, it provides views on the latest:

- Macroeconomic **Market Context** that has a direct bearing on consumers
- Market **appetite** for credit
- Qualification and take-up of credit (i.e. **new business**)
- **Performance** of credit consumers (i.e. arrears/defaults and vintages, CDI and Debt Review).



Market Context

Cost of Living: Consumer Price Inflation



Annual consumer price inflation rose to 3.6% in December 2025 from 3.5% in November 2025. Price increased by 0.2% month-on-month. The main drivers of inflation were housing and utilities, food and non-alcoholic beverages, and insurance and financial services.

Consumer Default Index (CDI) – Tracking first-time default rate for South African consumers

Overview of Index – What does it measure?

The Experian Consumer Default Index (CDI) is designed to measure rolling default behaviour of South African consumers with Home Loan, Vehicle Loan, Personal Loan, Credit Card and Retail Loan accounts.

On a monthly basis, lenders typically classify their consumer accounts into one of several predetermined payment categories to reflect the level of arrears. When a lender deems the statement balance of a consumer account to be uncollectible due to being in arrears 90 or more days or having statuses such as repossession, foreclosure, charge-off or write-off, the consumer account is said to be in default.

The index tracks the marginal default rate as it measures the sum of outstanding balances related to first-time incidence of technical arrears, i.e. accounts that are more than 90 days in arrears for the first time, as a percentage of the total sum of balances outstanding.

The CDI is published quarterly with a two-month lag; the indices include a balance-weighted composite index, as well as the five product-specific sub-indices. Two grouped indices are also provided:

1. Home Loans, Vehicle Loans and Credit Cards (these products typically are held by the traditionally banked market segments), and
2. Personal Loans and Retail Loans (these products are usually used as entry products into the credit market).

The indices are also determined at the FAS type level to provide further insight into the dynamics faced by specific consumer affluence-related segments that are experiencing different stress due to macro forces such as unemployment, interest rate changes and economic growth.



25.54m

consumers with Credit Card, Personal Loan, Vehicle Loan, Home Loan and/or Retail Loan accounts.

31.26m

active accounts across Credit Card, Personal Loan, Vehicle Loan, Home Loan and/or Retail Loan.

R2.36

trillion in outstanding debt.



The **CDI is published quarterly** with a two-month lag, the indices include a balance-weighted composite index, as well as the five product-specific sub-indices.



Composite Consumer Default Index

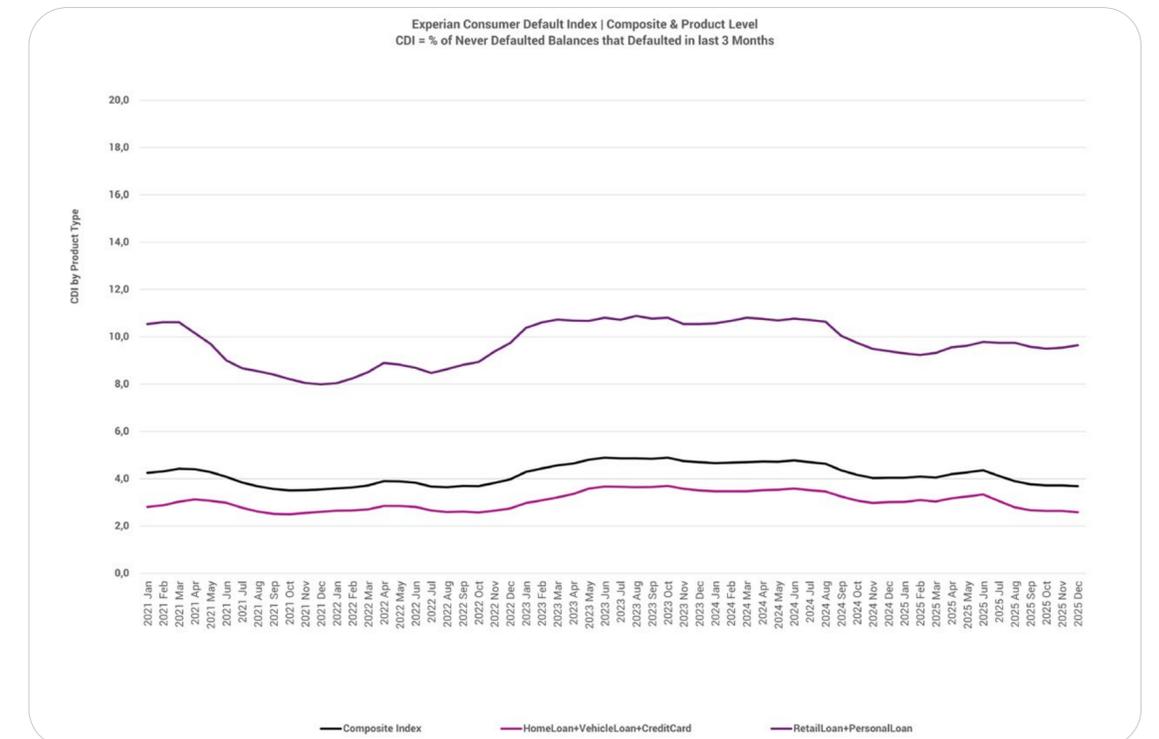
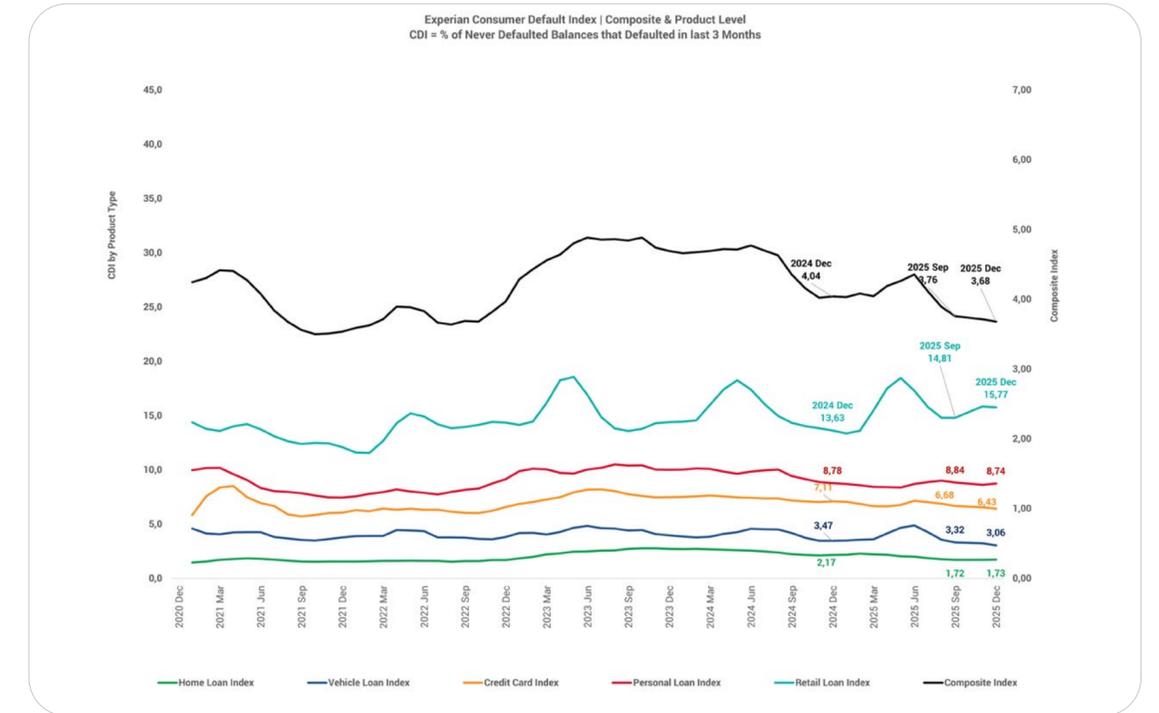
The composite CDI showed marginal improvement Q-o-Q, moving from 3.76 in September 2025 to 3.68 in December 2025. Given the cyclic nature of the CDI, it was expected to see this improvement in Q4; however, an increase in CDI is anticipated early in Q2 the following year. This is usually the result of the Festive season and particularly the Black Friday spending spree that occurs during Q4.

Y-o-Y, the Composite CDI also improved, moving from 4.04 to 3.68 – a relative improvement of 9%. This improvement suggests that even though consumers are still finding it very challenging to honour debt commitments, the situation is improving slightly.

From a product perspective, we saw only one Y-o-Y deterioration. This was in Retail Loans, with a 16% relative deterioration. The improvements observed in the other products, however, outweighed the decline in Retail Loans and indeed overshadowed its negative performance (as indicated in the Composite CDI).

Home Loans and Vehicle Loans saw the most substantial improvement in CDI, moving from 2.17 to 1.73 and from 3.47 to 3.06, respectively, Y-o-Y. This meant that Home Loans saw a relative improvement of 20% and Vehicle Loans a relative improvement of 12% over the last year. This points to the fact that mid- to high-affluence consumers – who typically qualify for high-end credit products such as Home Loans – are now starting to see a turn in the tide of the relentless deterioration observed. This might be related to the high-affluence end of the market reaching a point where they cannot take on any more of these premium credit products.

Index	CDI Dec'25	CDI Dec'24	Average Outstanding Oct'25-Dec'25	New Default Balances Oct'25-Dec'25	Relative Impr/Deter
Composite Index	3,68	4,04	R 2 351 341 815 831	R 21 640 460 227	-9%
Home Loan Index	1,73	2,17	R 1 219 916 081 086	R 5 299 458 798	-20%
Vehicle Loan Index	3,06	3,47	R 561 878 371 482	R 4 296 670 584	-12%
Credit Card Index	6,43	7,11	R 198 791 018 939	R 3 196 902 174	-9%
Personal Loan Index	8,74	8,78	R 320 017 837 382	R 6 992 649 904	0%
Retail Loan Index	15,77	13,63	R 47 034 060 350	R 1 854 778 767	16%
Home Loan + Vehicle Loan + Credit Card	2,58	3,01	R 1 984 289 918 099	R 12 793 031 556	-14%
Retail Loan + Personal Loan	9,64	9,39	R 367 051 897 732	R 8 847 428 671	3%



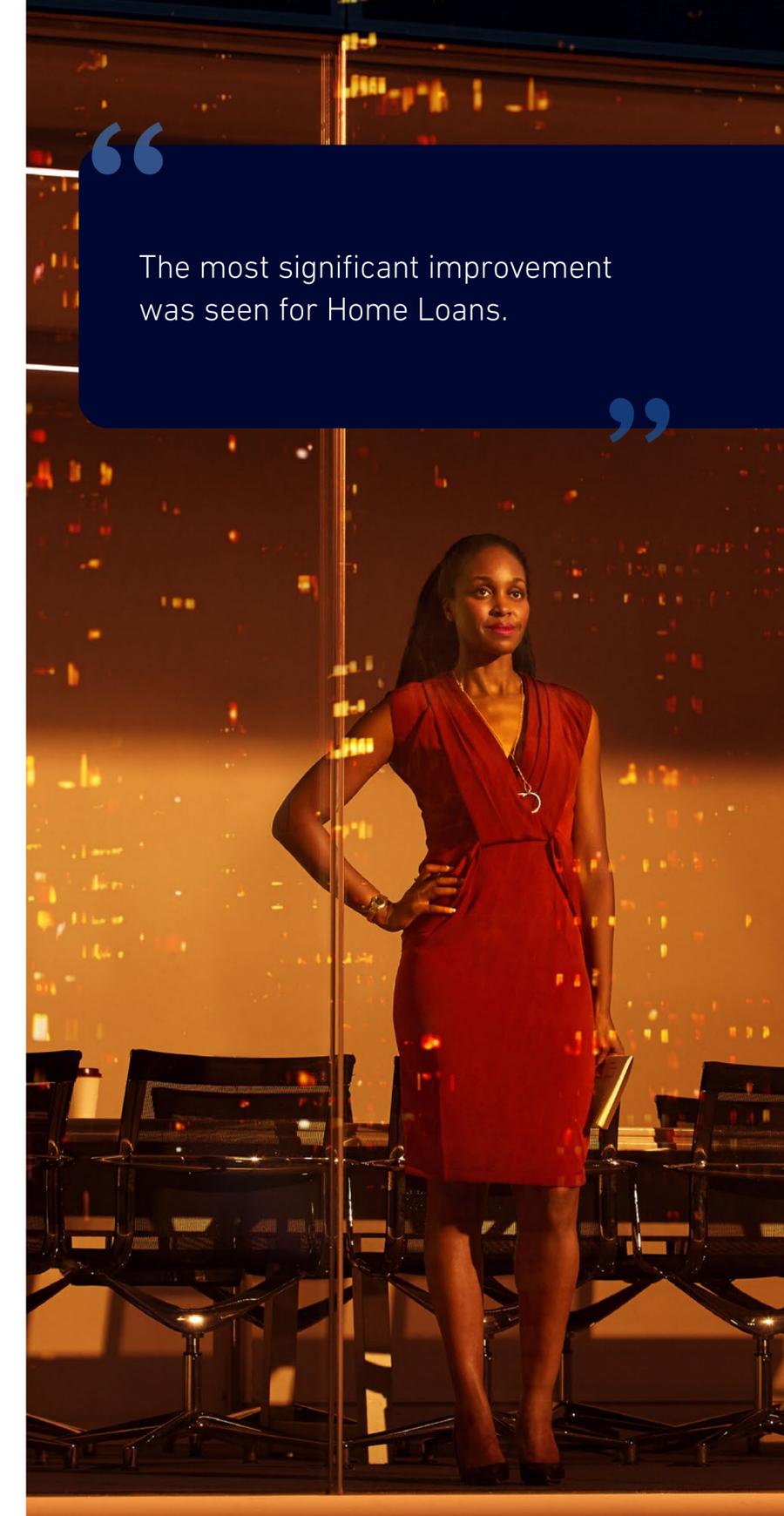
Summary of the CDIx

- Annual consumer price inflation rose to 3.6%. The main drivers of inflation were housing and utilities, food and non-alcoholic beverages, and insurance and financial services.
- **Market appetite for credit in Q2** (NCR data) :
 - Record-high credit applications indicate strong market demand.
 - Approvals continued to decline, indicating tighter lending or increased caution.
- **The Q4 new business volumes continue showing encouraging signs of growth, signalling renewed lender confidence and improving market conditions.**
- Notably, Home Loans New Business have seen sustained lower levels, while Personal loans and Retail Loans are seeing increased activity.
- The Y-o-Y Composite CDI improvement was seen for all products except for Retail Loans.
 - The Q-o-Q CDI showed relative improvement.
 - **Most significant improvement was seen for Home loans.**
 - Most FAS Groups experienced a meaningful Y-o-Y improvement in CDI, except for FAS Group 5. This positive trend was also reflected across all products, except retail loans, which showed significant Y-o-Y improvement in CDI.
- **Vintages** in Home Loans portfolios continue along the path of increasing distress levels in both the 6- and 12-month vintage analysis. This shows sustained pressure across **Home Loan portfolios**. Market-wide strain remains evident.
- FAS Groups 1 and 2 account for no less than 40% of the total volume of credit products for which Debt Review applications have been lodged.

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The most significant improvement was seen for Home Loans.

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Experian Solutions used in the CDI and CDIx

This report leverages Experian data, analytics and technology solutions to bring you insights into consumers in South Africa.

Our solutions used to develop the CDI and CDIx include:

- Consumer macro- and micro segmentation (FAS)
- Bespoke CDI views (benchmarking your business against rest of market)
- Analytics Benchmark reports (quarterly full packs or monthly lite reports)
- Macro-economic views expanded on in the Business Debt Index (built and maintained in collaboration with Econometrix (Pty) Ltd)



Understanding your Customers

The Financial Affluence Segmentation tool helps companies ideal target populations likely to take up your product or engage with your services.

FAS Groups	Percentage	Gender	Age	Other Metrics
01. Luxury Living	14.6%	M: 49.2%, F: 50.8%	38.5K	43.9% Own 1 or more Properties
02. Aspirational Achievers	16.8%	M: 49.2%, F: 50.8%	38.5K	28.0% Own Multiple Properties
03. Stable Spenders	8.7%	M: 49.2%, F: 50.8%	38.5K	Average Opening Home Loan Balance
04. Money-Conscious Majority	46.9%	M: 49.2%, F: 50.8%	38.5K	Average Opening Home Loan Balance
05. Labouring Living	10.8%	M: 49.2%, F: 50.8%	38.5K	Average Opening Vehicle Balance
06. Yearning Youth	2.3%	M: 49.2%, F: 50.8%	38.5K	Directors

Locate your Ideal Customer

Experian's FAS Location solution allows you to select your ideal segment based on their FAS profiles and/or area to get insights into the population at a more granular level.



Industry Benchmarking Reports

Understand how your company is performing against the industry in our comprehensive benchmarking reports.

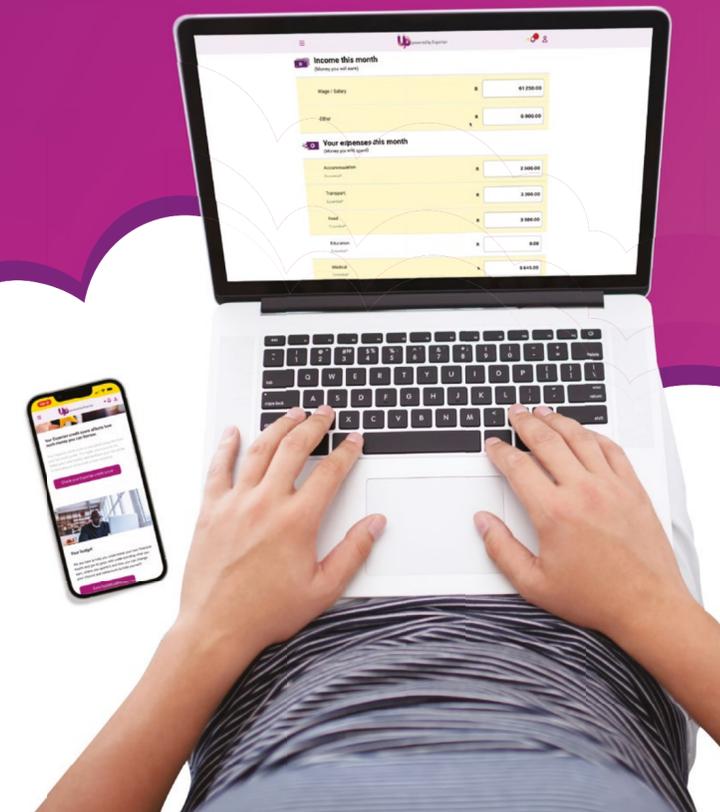


The unpredictable nature of the future can be daunting – let us help you understand your situation and how you can overcome your business obstacles through data and analytics.

Up powered by Experian



In order to improve consumer financial health and to drive financial education, Experian has launched a web-based app called 'Up'. This platform is made available to consumers free of charge. We make it available to businesses for publishing on corporate websites as well through an annually renewable Up Partnership agreement. Please contact us for more information.



WISE UP with Experian's free credit information and education app.

A credit, budgeting and learning experience to help you take control of your financial health.

www.up.experian.co.za





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Contact Us

Should you be interested in our reports and solutions,
or if you would like to book an analytics consultation, please contact us.

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