

# TransUnion Canada - Revises 2020 Credit Forecast Amid COVID-19 Pandemic

## Targets Affected:

TransUnion Canada

- TransUnion released a new credit forecast due to COVID-19 pandemic bringing unprecedented pressures on consumers' ability to repay their debt obligations
- TransUnion's projects that overall non-mortgage delinquency in Canada will peak at 6.9% at the end of Q3 2020 before gradually dropping back down to 6% at the end of Q1 2021
- The revised forecast, estimates the non-mortgage serious delinquency rate in Alberta to reach 8.3% at the end of Q3 2020
- Matt Fabian, Director of Financial Services Research and Consulting said that it's important for the company to reassess how COVID-19 will impact the consumer credit market in the coming quarters
- He added that TransUnion estimates that ~8% of Canadian credit-active consumers will be impacted by COVID-19 and are vulnerable to credit shocks

## Source(s)

<https://www.globenewswire.com/news-release/2020/05/21/2036874/0/en/TransUnion-Canada-Revises-2020-Credit-Forecast-Amid-COVID-19-Pandemic.html>

# Impact level Definitions

| Impact Level  | Definitions  |
|---------------|--|
| Immediate     | <b>Certain</b> - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.  |
| High          | <b>Highly likely to occur in the near term (within 3 months)</b> - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.                      |
| Medium        | <b>Likely to occur in the mid-term (within 3 to 6 months)</b> - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession. |
| Low           | <b>Possible in the long-term (after 6 months)</b> - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.              |
| Informational | The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.                  |