



HOUSEHOLD SECTOR INDICATORS

14 December 2018

Snapshot of household finances\*

As of Q3-18 unless otherwise noted

% of personal disposable income	Canada	Trend (1)	U.S.(2)	Trend (1)
Total household liabilities	165.9	→	151.9	→
Credit market debt	161.7	→	134.0	→
Mortgage debt	104.8	→	89.3	→
Consumer credit & loans (3)	56.9	→	44.7	→
Liabilities not otherwise classified (4)	4.2	→	17.9	→
Total assets	986.4	→	935.2	↑
Net worth	820.5	→	783.3	↑
Personal savings	0.8	↓	6.3	→
Debt service costs (interest-only payments) (5)	6.5	→	5.0	↑
<b>% of total household assets</b>				
Credit market debt	16.4	→	14.3	↓
Financial assets	53.2	→	66.2	→
Cash & deposits	11.0	→	9.6	↓
Non-financial assets	46.8	→	33.8	↑
Real estate (6)	41.2	→	28.7	→
Residential real estate (7)	40.8	→	22.6	→
<b>Local currency per capita</b>				
Credit market debt	59,659	↑	63,531	↑
Total assets	363,969	↑	443,394	↑
Net worth	302,759	↑	371,362	↑
Personal disposable income (annualized)	36,900	↑	47,412	↑
<b>Other indicators</b>				
Credit market debt as a % of net worth	19.7	→	17.1	↓
Owners' equity as a % of total real estate assets (8)	74.2	→	65.4	→
Owners' equity as a % of residential real estate (9)	73.9	→	59.9	↑
Mortgages 90+ days delinquent as % of total number of mortgages	0.3	↓	1.1	↓
Credit cards 90+ days delinquent as % of total balances outstanding	0.9	↑	7.9	↑
Insolvencies per 1,000 working-aged people (annualized)	4.0	→	2.9	→
Unemployment rate, % (Nov-18)	5.6	→	3.7	↓
Consumer confidence index (Nov-18)	103.8	↑	135.7	↑

\*Adjusted for comparability

Notes:

- (1) Trend arrow points up (down) if 3 period average exceeds (falls short of) 9 period average by a factor of 2% or more; arrow points right if within the +/- 2% range
- (2) These figures combine households and the unincorporated businesses that they manage and upon which they hold the residual claims as well as nonprofit institutions serving households
- (3) Consumer credit includes loans made under home equity lines of credit & home equity loans secured by junior liens as well as other secured and unsecured consumer loans
- (4) Includes liabilities such as trade accounts payable, taxes payable, deferred life insurance premiums and other "miscellaneous" liabilities
- (5) Debt servicing costs include interest payments on mortgage & non-mortgage debt
- (6) Real estate assets consist of residential structures, non-residential structures & land
- (7) Residential real estate consist of residential structures & land
- (8) Owners' equity in total real estate assets is calculated as at the difference between the values of residential structures, non-residential structures & land less all outstanding mortgages
- (9) Owners' equity in residential real estate is calculated as at the difference between the values of residential structures & land less outstanding home mortgages
- (10) Data for Canada is on a bank fiscal year basis and covers the three months ended January 2017

Sources:

Statistics Canada, Bank of Canada, Federal Reserve Board, Bureau of Economic Analysis, Bureau of Labor Statistics, Canadian Bankers' Association, Mortgage Bankers' Association, Administrative Offices of the U.S. Courts, Federal Reserve Bank of New York, The Conference Board, The Conference Board of Canada, RBC Economics Research

The material contained in this report is the property of Royal Bank of Canada and may not be reproduced in any way, in whole or in part, without express authorization of the copyright holder in writing. The statements and statistics contained herein have been prepared by RBC Economics Research based on information from sources considered to be reliable. We make no representation or warranty, express or implied, as to its accuracy or completeness. This publication is for the information of investors and business persons and does not constitute an offer to sell or a solicitation to buy securities.