

MONITOR

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NEWSLETTER OF A NATIONAL CREDIT BUREAU

1 | Key Consumer Updates

2 | Personal Credit for Your Business

KEY CONSUMER UPDATES

WHAT YOU NEED TO KNOW AND DO



2016 marks a year of upgrades and enhancements for consumers. From the enhanced SingPass to free credit reports made available, the industry has made significant strides to increase security and protection for borrowers.

In order to fully effect a change through these updates, lenders, industry players and regulators need to work in tandem to help the public understand what these changes are, why they are in place and what consumers need to do. DP Credit Bureau believes in empowering consumers with credit awareness to power informed borrowing decisions through a secure environment. What are the recent updates that will affect you?

1. FREE CREDIT REPORTS



What is this about?

- From 1 April 2016, individuals applying for credit facilities will be informed they can receive a free credit report, regardless of the outcome of their application.
- Financial institutions will be progressively including this information in their credit application forms and approval and rejection letters.



What does this mean for me?

- Consumers will be able to verify the accuracy and completeness of their credit information with access to their personal credit reports.



What do I do?

- Consumers may obtain their free credit report within 30 calendar days from the date of the letter of approval or rejection, via the designated credit bureau's office branch or website using their SingPass ID and password.

For more information, visit www.abs.org.sg.

2. SINGPASS 2-STEP VERIFICATION



What is this about?

- SingPass allows consumers access to more than 200 e-government services, including the checking of Central Provident Fund (CPF) account balances and is used when purchasing your personal credit report online.
- An enhanced SingPass was rolled out on 5 July 2015 with stronger security capabilities, comprising a 2-step verification feature which needs to be set up by 5 July 2016.



What does this mean for me?

- The SingPass system is reviewed regularly with constant security enhancements to ensure that users' personal data are well protected.
- After 5 July 2016, users who have yet to set up their 2-step verification will not be able to access government e-services involving sensitive information.



What do I do?

- Visit www.singpass.gov.sg and log in with your existing username and SingPass.
- Update your SingPass account, provide and verify contact details, and set up a minimum of 2 security questions.
- Set up 2-step verification by registering for SMS notifications or a OneKey token.

For more information, visit www.singpass.gov.sg.

3. MONEYLENDERS CREDIT BUREAU BORROWER REPORT



What is this about?

- The Moneylenders Credit Bureau, a central repository of data on borrowers' loans and repayment records with licensed moneylenders, was launched on 1 March 2016.
- Borrowers may access credit reports with information on all active loans with all licensed moneylenders at any point in time.



What does this mean for me?

- The MLCB allows licensed moneylenders to assess the creditworthiness of borrowers, and help borrowers avoid borrowing beyond their means.
- A real-time understanding of financial pressures through the MLCB also means greater protection for consumers from increasing debt levels.



What do I do?

- Visit www.mlcb.com.sg to check and review your MLCB Borrower Credit Report.

For more information, visit www.mlcb.com.sg.



PERSONAL CREDIT FOR YOUR BUSINESS

THE INTERTWINED BOOKS OF ENTREPRENEURS

Entrepreneurs live and breathe their business. While business loans are widely available, most business owners opt to tap on personal credit lines for business purposes. This is especially so for first-time entrepreneurs without much of a business reputation to rely on.

Settling into 2016, Singaporeans are prepared for a rough year ahead. Media headlines and experts have been painting a cautious economic outlook, with the latest SME business outlook, the SBF-DP SME Index released jointly by the

Singapore Business Federation and DP Information Group (DP Info), reporting the lowest optimism levels since 2010. Organisations are known to tighten their belts when in the face of troubled times. This leaves business owners or entrepreneurs with a higher chance of tapping on their personal credit lines to fund their businesses.

Does the credit behaviour of business owners deviate from that of the norm? Leveraging on DP Info's expertise in business intelligence, DP Credit Bureau takes a closer look into this special group of individuals.

A SIDE-BY-SIDE COMPARISON THE CREDIT PROFILE OF BUSINESS OWNERS & NON-BUSINESS OWNERS

BUSINESS OWNERS



NON-BUSINESS OWNERS

Who's the Credit-hungry?

Business Owners are seen to be using more credit than your average consumer, spending increasingly more on their credit cards through the years and reporting a higher average number of credit lines.

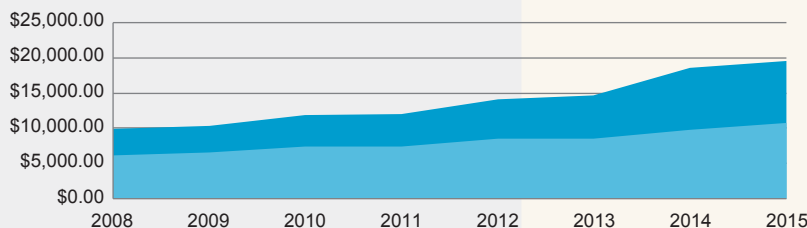
in 2015

\$19,541.31

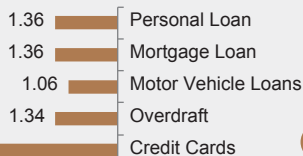
Average Credit Card Expenditure

in 2015

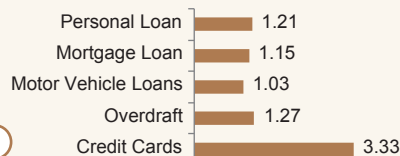
\$10,799.88



Business Owners
Non-business Owners



Average Number of Credit Lines



Less Impressive Credit Reputation

It is interesting to note that Business Owners reported a lower average DP-Delphi Score and a larger percentage of revolvers. However, their percentage of delinquency is lower at 4.0 per cent.

in 2015

AVERAGE DP-DELPHI SCORE	684
% OF REVOLVERS	24.2
% OF DELINQUENCY	4.0

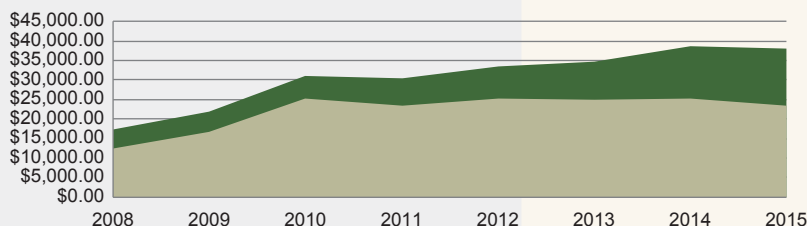


Credit Reputation

Average Revolving Amount

in 2015

AVERAGE DP-DELPHI SCORE	715
% OF REVOLVERS	21.2
% OF DELINQUENCY	4.5



Business Owners
Non-business Owners

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