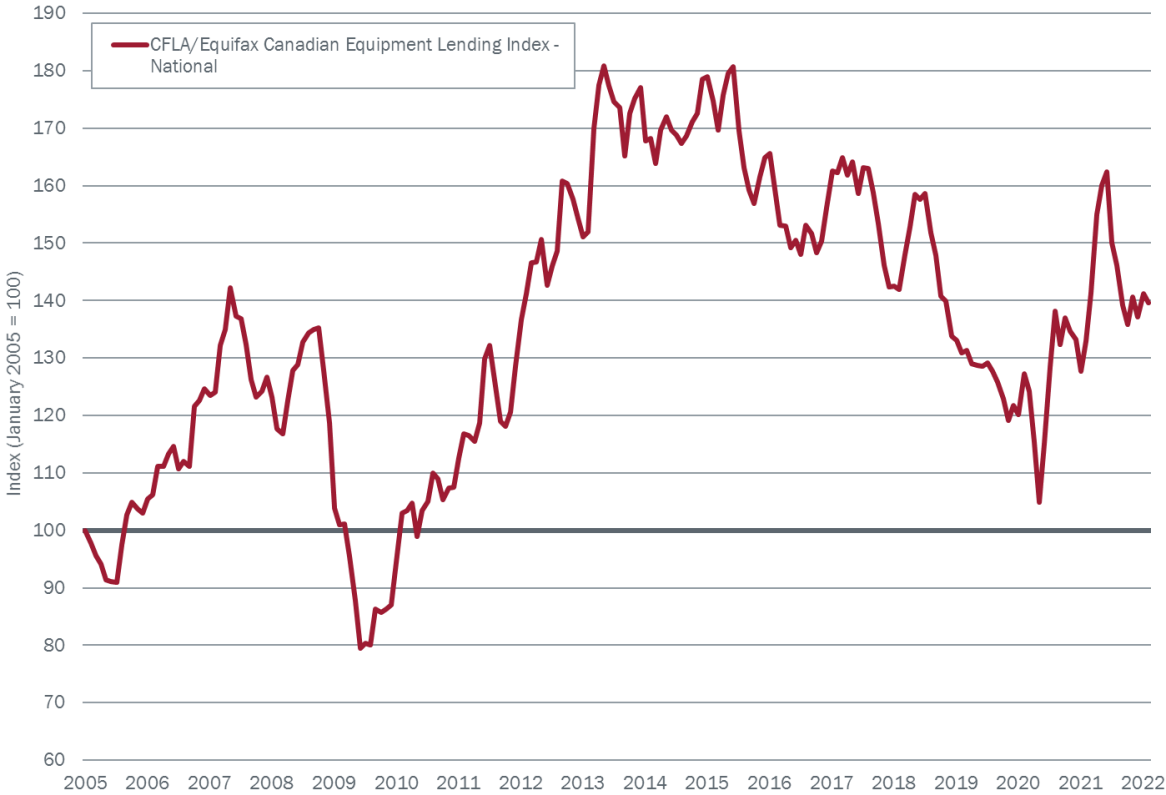




**CANADIAN COMMERCIAL
CREDIT TRENDS
February 2022**

Canadian Equipment Lending Decreases Slightly

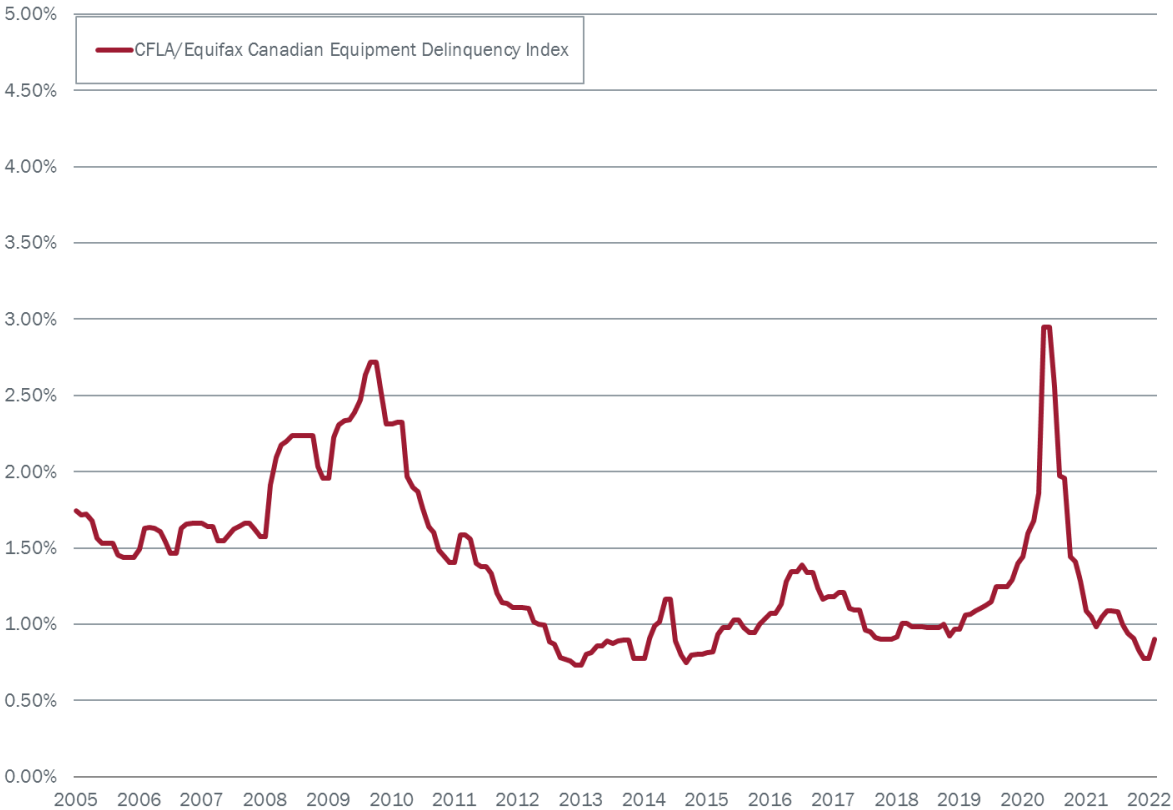
- The CFLA/Equifax Canadian Equipment Lending Index seasonally adjusted originations decreased 1% from 141.2 in January 2022 to 139.7 in February 2022.
- The index was down month-over-month after being up last month and has decreased month-over-month 6 of the last 8 months.
- Compared to the same month one year ago, the Index is up 5%.
- The index has been up year-over-year for 4 consecutive months and 19 of the last 20 months.



Canadian Equipment 31-180 Day Shifts Upward Slightly

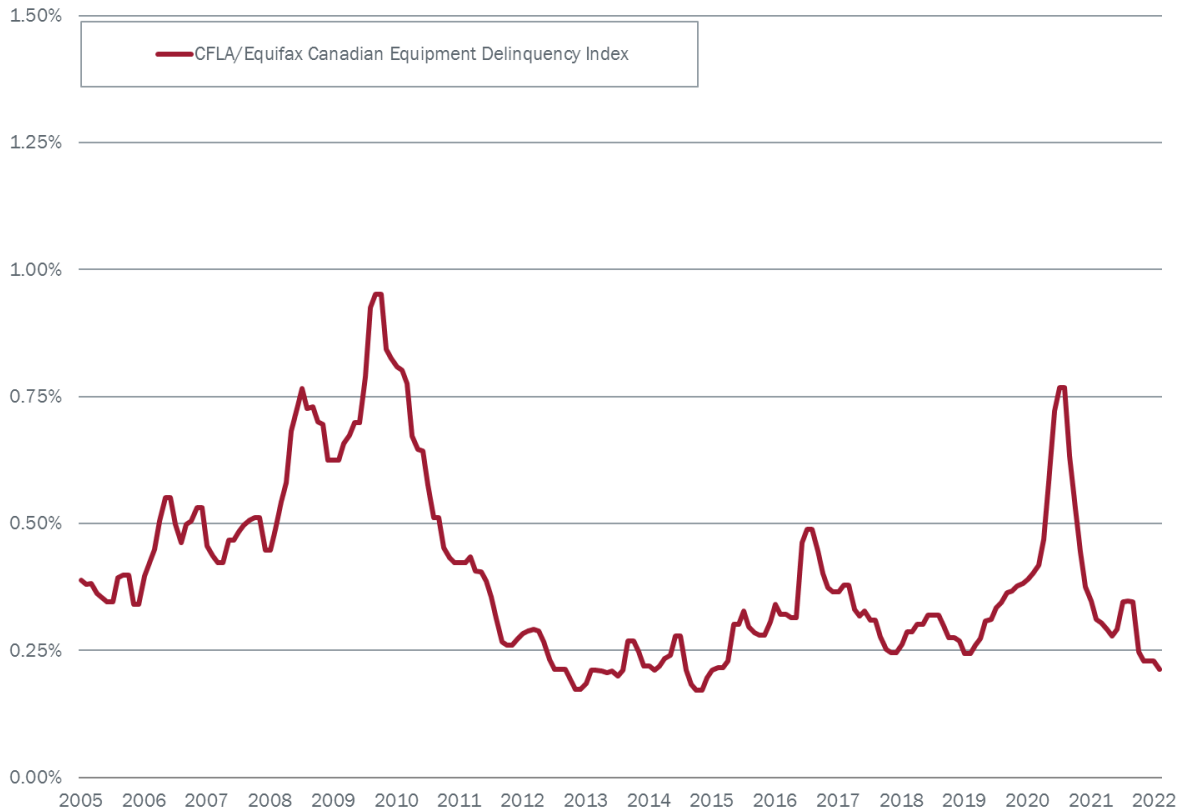
31-180%

- CFLA/Equifax Canadian Equipment Delinquency Index 31-180% increased 12 bps from 0.78% in January 2022 to 0.90% in February 2022.
- As compared to one year ago, delinquency decreased 15 bps.
- This is the fifteenth year-over-year decrease in delinquency after 29 months of year-over-year increases.



91-180%

- CFLA/Equifax Canadian Equipment Delinquency Index 91-180% decreased 2 bps from 0.23% in January 2022 to 0.21% in February 2022.
- As compared to one year ago, delinquency decreased 10 bps.
- This is the fifteenth year-over-year decrease in delinquency after 17 months of year-over-year increases.



The *CFLA/Equifax Canadian Equipment Lending Index (CFLA CELI)* measures the volume of new commercial loans and leases to small and medium businesses indexed so that January 2005 equals 100. The CFLA CELI is designed to provide early signals of economic growth, demand for capital, and business fixed investment.

The *CFLA/Equifax Canadian Equipment Delinquency Index (CFLA CEDI)* reflect the percentage of Canadian small and medium businesses that are 31-180 days past due or 91-180 days past due with Canadian finance companies. The CFLA CEDI are metrics for financial stress and provide early warning of future insolvency.

