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# Canadian Receivables Market Brief

Q1 2026 Analysis

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Receivables Management Canada Corp.  
March 2026

# Executive Summary

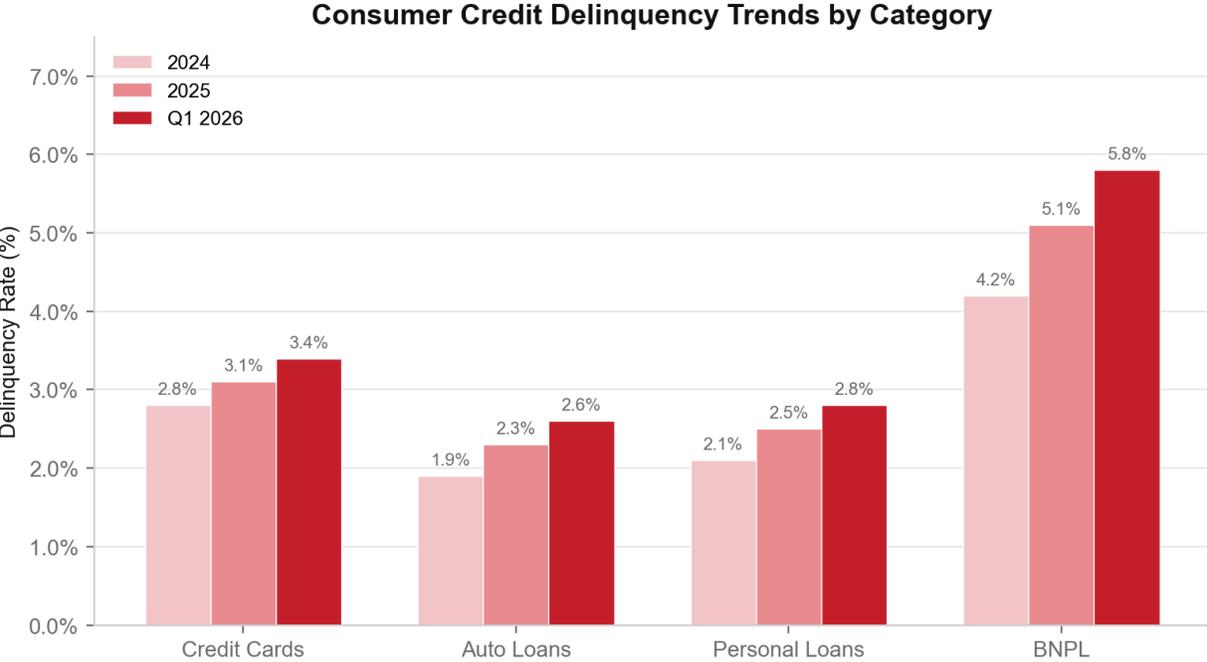
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The Canadian consumer receivables market continues to experience elevated delinquency rates across all major lending categories as of Q1 2026. This brief summarizes five key developments shaping the secondary market landscape.

- **Delinquencies are rising broadly.** 90+ day delinquency rates have increased year-over-year across credit cards, auto loans, personal loans, and buy-now-pay-later (BNPL) products. BNPL delinquencies lead all categories at an estimated 5.8% in Q1 2026.
- **Portfolio supply is expanding.** The volume of charged-off consumer receivables entering the Canadian secondary market has grown to an estimated \$3.2 billion (face value) in Q1 2026, up from \$2.1 billion a year prior. IFRS 9 provisioning requirements and balance sheet management objectives are accelerating dispositions by regulated lenders.
- **Buyer demand remains robust.** Institutional and specialized buyers continue to deploy capital into Canadian consumer receivables, supported by stable legal frameworks, established servicing infrastructure, and predictable recovery curves.
- **Documentation quality is the top pricing factor.** Portfolios with complete original documentation, clean data tapes, and verified contact information consistently achieve premium pricing. Sellers who invest in pre-sale data preparation capture measurable value at closing.
- **Market conditions favor well-prepared sellers.** Rising supply has not yet outpaced buyer appetite, but portfolios with incomplete records or limited documentation face wider bid-ask spreads. Preparation and transparency remain the primary drivers of transaction certainty and pricing.

# Consumer Credit Delinquency Trends

Delinquency rates across major consumer lending categories have trended upward since 2024, reflecting the cumulative impact of higher borrowing costs, inflation-driven household budget pressure, and the normalization of post-pandemic credit quality. BNPL products show the steepest deterioration, consistent with the younger and thinner-file borrower profiles typical of that segment.

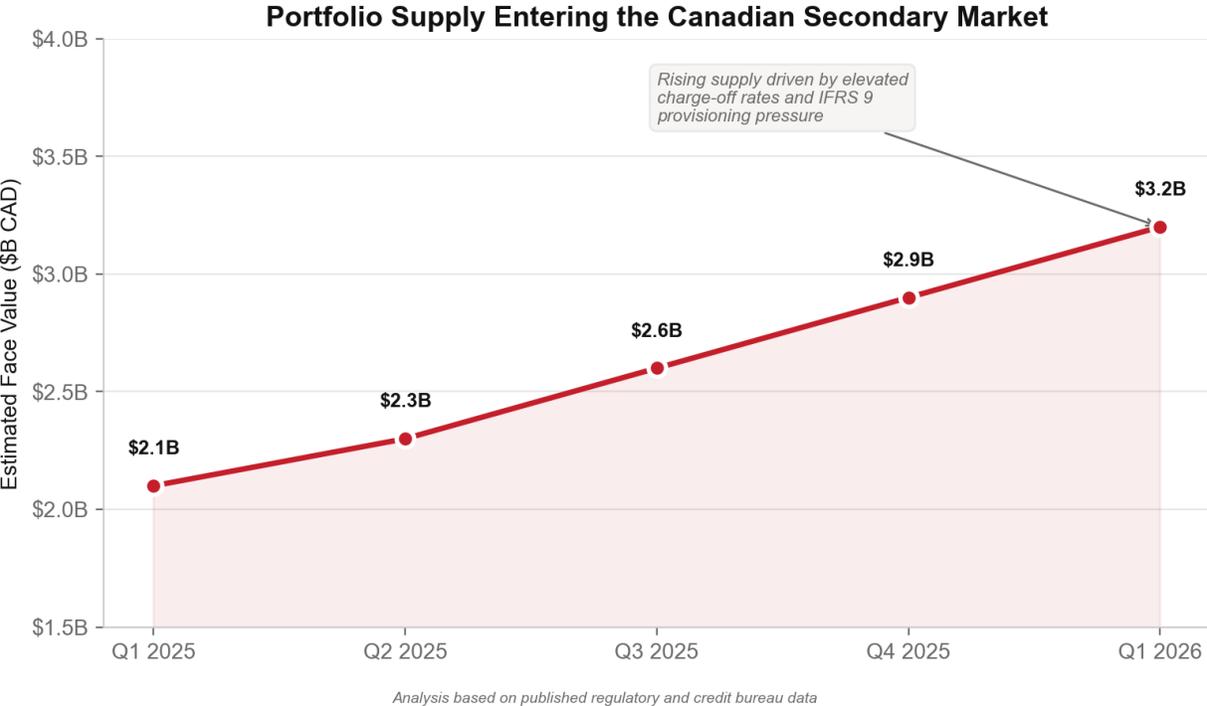


Analysis based on published Bank of Canada, OSFI, and credit bureau data

Source: Analysis based on published Bank of Canada, OSFI, and credit bureau data. Figures represent estimated 90+ day delinquency rates.

# Portfolio Supply and Market Activity

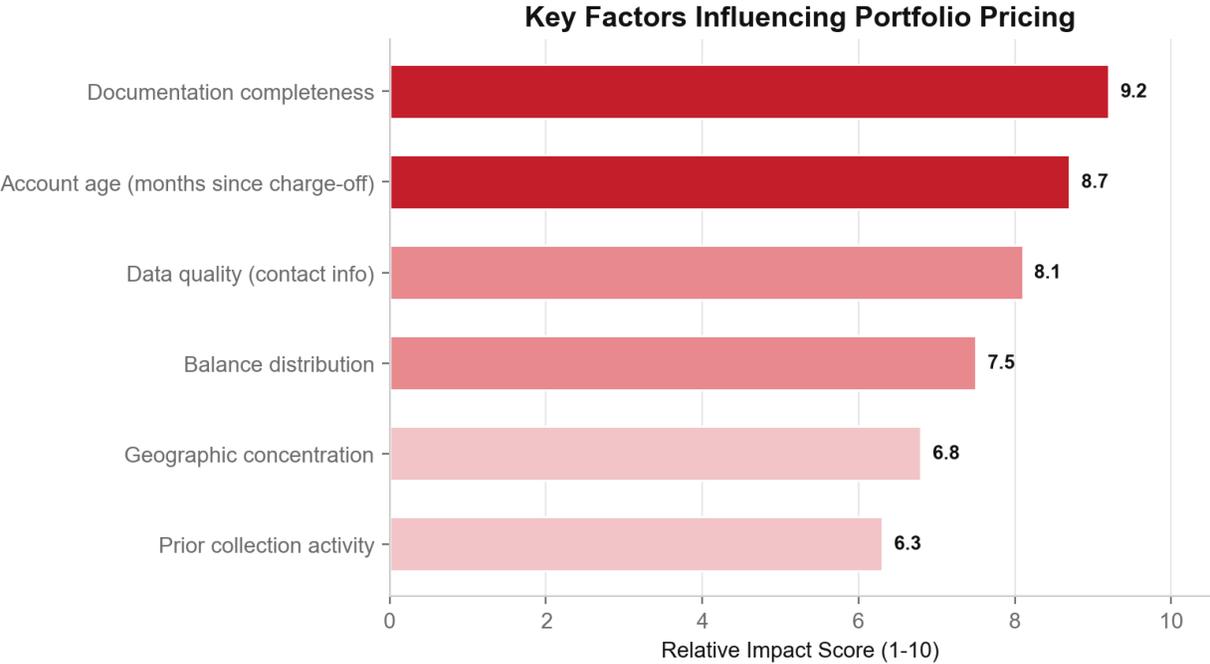
The estimated face value of consumer receivable portfolios entering the Canadian secondary market has grown steadily over the past five quarters. This increase reflects rising charge-off volumes at originating lenders, IFRS 9 provisioning pressure that incentivizes earlier portfolio dispositions, and strategic decisions by some lenders to reduce non-performing asset exposures.



Source: Analysis based on published regulatory and credit bureau data. Figures represent estimated total face value of portfolios offered for sale.

# Key Recovery Factors

Portfolio pricing in the Canadian secondary market is influenced by a range of factors that buyers evaluate during due diligence. The chart below shows the relative impact of six key factors on portfolio valuation, based on analysis of published industry data and market observations.



*Analysis based on published regulatory and credit bureau data*

*Source: Analysis based on published regulatory and credit bureau data. Impact scores are relative and illustrative.*

# Market Outlook

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The Canadian consumer receivables market is entering a phase of structurally higher portfolio supply. Elevated delinquency rates, combined with regulatory capital requirements and the ongoing adoption of IFRS 9, are driving more originating lenders to consider portfolio dispositions as a balance sheet management tool. This trend is particularly evident among mid-tier lenders, credit unions, and fintech originators that face concentrated exposure to unsecured consumer credit.

Buyer demand for Canadian consumer receivables remains healthy. The market benefits from a well-developed legal framework for debt collection, a stable regulatory environment, and a deep pool of experienced servicers. Institutional buyers, including domestic and international funds, continue to view Canadian consumer receivables as an attractive alternative asset class with predictable recovery profiles.

Pricing dynamics are nuanced. While increased supply has introduced modest downward pressure on headline pricing for lower-quality portfolios, well-documented portfolios with clean data tapes and recent account activity continue to command competitive bids. The spread between well-prepared and poorly prepared portfolios has widened, reinforcing the value of pre-sale investment in data quality and documentation. Sellers who engage early with prospective buyers to understand data requirements consistently achieve better outcomes.

Looking ahead, we expect portfolio supply to remain elevated through the balance of 2026. Sellers considering a disposition should begin the preparation process early, focusing on documentation completeness, data tape accuracy, and compliance representations. For institutions exploring this market for the first time, a structured approach to seller preparation, including an understanding of buyer due diligence requirements, can meaningfully improve execution outcomes.

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## **About This Report**

This market brief is published by Receivables Management Canada Corp. (RMC) as an informational resource for institutional creditors and other market participants. The analysis is based on publicly available data from the Bank of Canada, the Office of the Superintendent of Financial Institutions (OSFI), major credit bureaus, and published industry reports.

*This report does not constitute investment advice or a solicitation. All data and projections are estimates and should be independently verified.*

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