TransUnion

Consumer Pulse Study

Consumer behaviours and attitudes about current and future household budgets, spending and debt

Canada Q2 2026

TransUnion's quarterly survey explores how consumers' personal finances have changed and what changes they expect in the future. The study measures shifting consumer attitudes and behaviours based on the dynamics of income, debt and identity theft. The analyses and insights give consumers a voice and inform businesses' decision-making as they seek to create economic opportunity for consumers.

KEY TAKEAWAYS

Consumer financial health appeared to improve modestly but not decisively. Households showed better income momentum and slightly stronger forward sentiment, yet that improvement is still constrained by a persistent cost of living squeeze. Inflation remained the dominant financial concern by a very wide margin, and many households continued to respond with defensive spending behaviours.

Consumers seemed to be slightly more engaged and informed about credit monitoring, but the shift was incremental rather than transformational. While more consumers said monitoring a credit report is important, the share reporting they don't monitor at all edged lower, and the reasons for checking were increasingly tied to fraud prevention and report accuracy rather than purely score improvement. This suggests a meaningful evolution in consumer empowerment: Credit monitoring is becoming less about chasing a score and more about active financial management, protection and awareness.

Consumers faced increasing exposure to fraud attempts and data breaches. While awareness of cyber risks is rising – and some protective behaviours are increasing – a meaningful portion of consumers remained underprepared, often due to uncertainty about what actions to take. This resulted in a widening gap between threat exposure and effective response, which has direct implications for financial institutions, identity protection and consumer trust.

Household income (HHI), spending and bill payment impact

Current household finances improved, but many still felt under pressure. A clear bifurcation exists as consumers who said their finances are better than planned so far this year rose five percentage points (pp) from a year ago, reaching the highest point in the last year (24% in Q2 2026). The share who said finances are worse than planned improved from 40% to 36%, though it ticked up slightly from last quarter. This indicates as core inflation and interest rate declines have provided relief for many consumers, a segment appears to be still struggling to recover.

More households are seeing income gains and fewer are seeing declines – which may be driving forward-looking confidence. The share who reported an income increase in the last three months climbed steadily to 25%, up six percentage points year over year (YoY). Those reporting a decrease fell to 15%, down five points. That said, stronger income growth is not yet translating to a broad sense of financial ease, which may suggest higher income is still being absorbed by elevated living costs.

Financial sentiment about the next 12 months cautiously improved but remained fragile. Optimism about household finances for that period rose from 40% to 45% YoY, while pessimism was basically unchanged over the same period.

Even as more households reported rising incomes, half still did not believe those incomes were keeping pace with inflation. That helps explain why financial confidence improved only gradually and why spending restraint remained widespread. Only 28% agreed income is keeping up with inflation (up 3 pp YoY), while 50% disagreed (down 3 pp YoY). This indicates many consumers may still feel financially stretched.

Consumers remained focused on day-to-day affordability and their financial health was increasingly viewed through a cost-of-living lens rather than through employment or income trends alone. Inflation for everyday goods was by far the dominant household financial concern and those who had it in their top three concerns have been extremely stable at a very high level, coming in at 86% in Q2 2026 (+3 pp YoY). Housing prices (51%, -2 pp YoY), recession (49%, -2 pp YoY) and interest rates (41%, +2 pp YoY) significantly trailed inflation but remained material concerns.

Consumers were budget-conscious and selective. There were some early signs of easing – such as a higher percentage who said they increased their discretionary spending (e.g., dining out, travel, entertainment) in the last three months to 11%, up 3 pp YoY. Those who said they added or expanded digital services like wireless, cable TV or internet went up to 9% from 7%. However, the dominant pattern was still cost management as 51% said they cut back on discretionary spending (+2 pp YoY). This was consistent with a household that's stabilizing but not completely loosening their spending.

Figure 1. Optimism about household finances in next 12 months

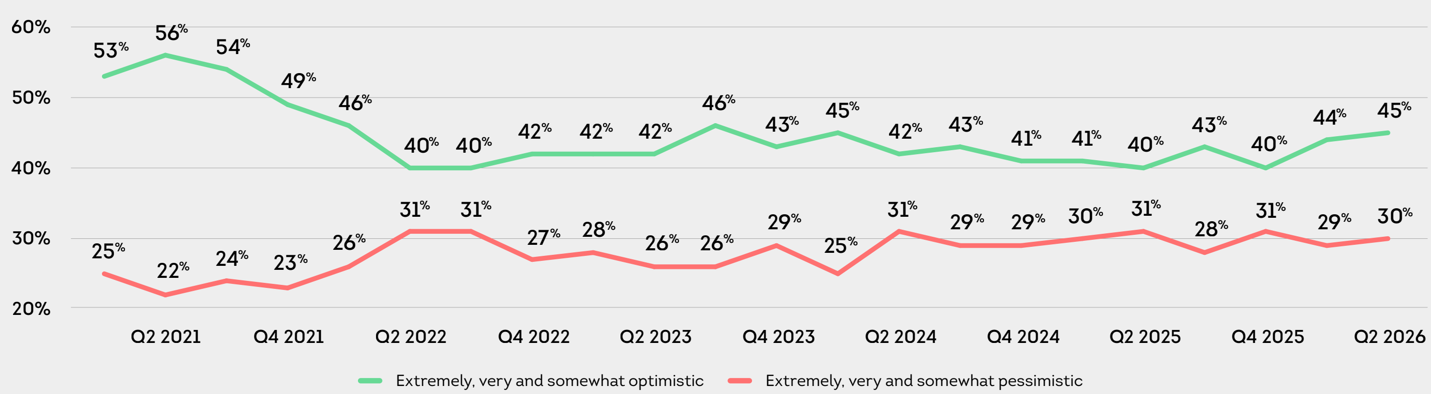

Figure 2. Biggest concerns affecting household finances in next six months
Percentage of consumers who said this concern was in their top three

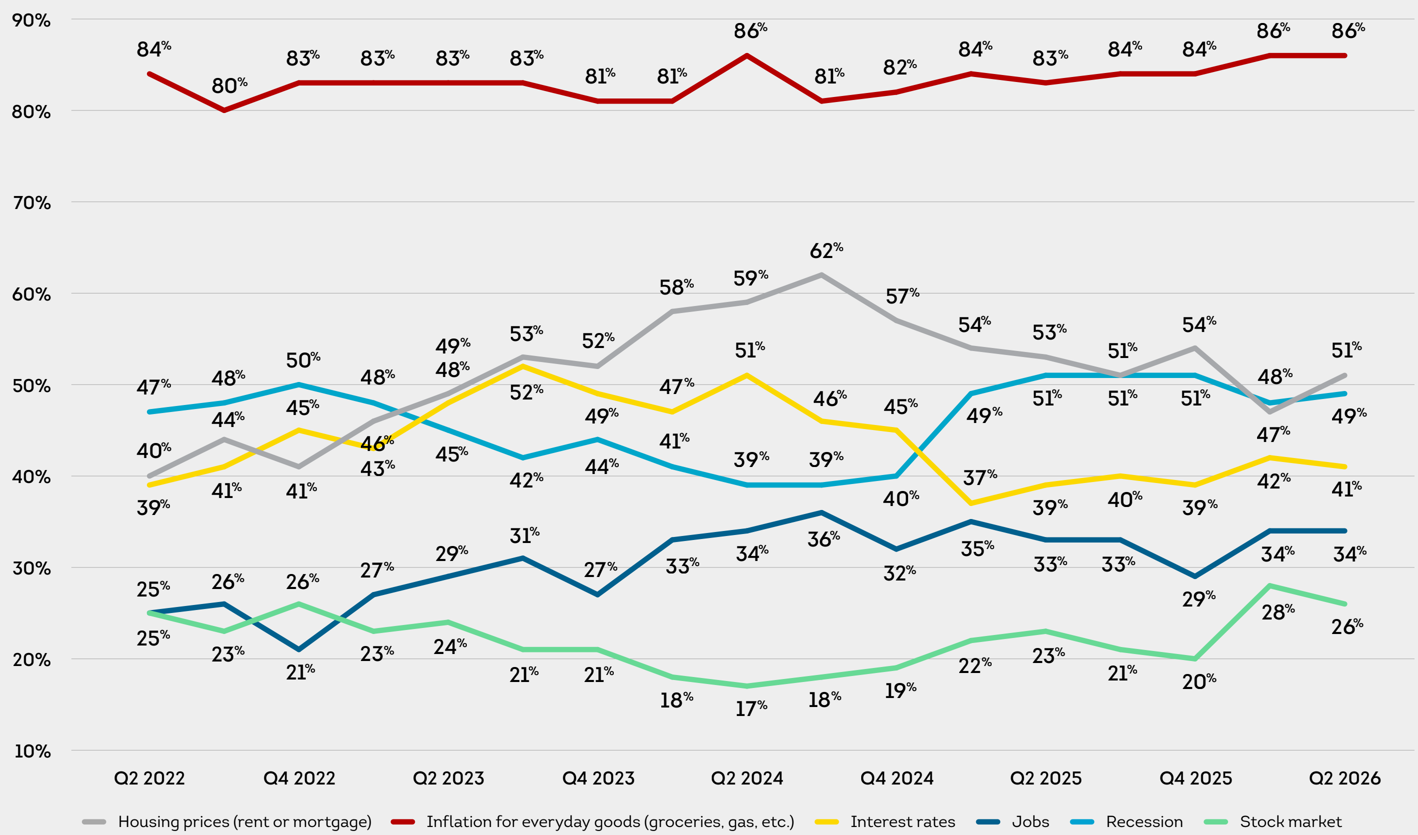

Figure 3. Household income change last three months

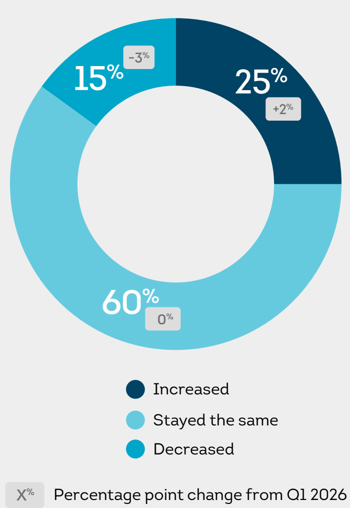

Figure 4. Expected household income change next 12 months

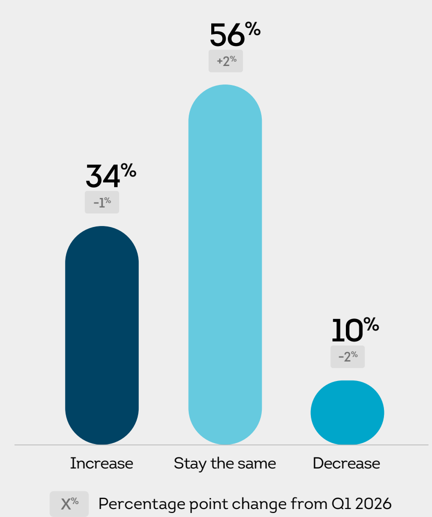

Figure 5. Expect to be unable to pay at least one of their current bills and loans in full

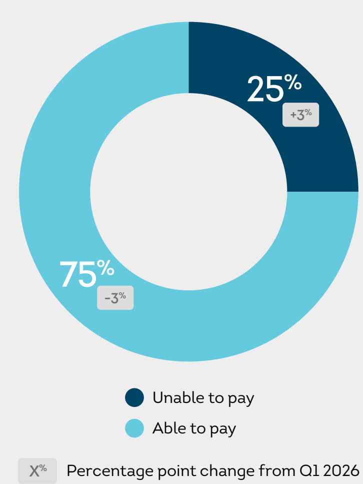

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Figure 6. Changes to household budget in the last three months

	Overall	Gen Z	Millennials	Gen X	Baby Boomers
Spending					
Cut back on discretionary spending (e.g., dining out, travel, entertainment)	51% (-5%)	40%	51%	56%	50%
Cancelled subscriptions/memberships	26% (-2%)	33%	36%	27%	14%
Cancelled/reduced digital services (e.g., wireless, cable TV, internet)	20% (0%)	24%	25%	18%	15%
Increased discretionary spending	11% (+2%)	22%	17%	6%	5%
Added/expanded digital services	9% (+1%)	16%	16%	6%	2%
Added subscriptions/memberships	7% (+1%)	16%	12%	5%	1%
Debt & savings					
Saved more in emergency fund	19% (+2%)	28%	23%	18%	12%
Paid down debt faster	18% (0%)	27%	21%	16%	14%
Cut back on saving for retirement	17% (+1%)	16%	18%	22%	12%
Saved more for retirement	14% (+1%)	20%	18%	17%	8%
Increased usage of available credit	13% (+1%)	20%	20%	10%	8%
Used retirement savings	12% (+2%)	9%	10%	13%	16%

X% Percentage point change from Q1 2026

Figure 7. Expected change to household spending over next three months

	Increase	Stay the same	Decrease	Not applicable
Bills and loans (e.g., housing, utilities, insurance, credit cards)	37% (+1%)	47% (-1%)	12% (+1%)	3%
Digital services (e.g., wireless, cable TV, internet)	21% (+1%)	57% (-3%)	21% (+3%)	2%
Discretionary spending (e.g., dining out, travel, entertainment)	16% (+3%)	35% (-2%)	46% (-1%)	3%
Large purchases (e.g., appliances, cars)	14% (+2%)	34% (+1%)	35% (-2%)	17%
Medical care	20% (+2%)	54% (-4%)	11% (+2%)	15%
Retail (e.g., clothing, electronics, durable goods)	20% (+2%)	40% (-1%)	37% (0%)	3%
Retirement funds/investing	17% (0%)	45% (-3%)	23% (0%)	15%

X% Percentage point change from Q1 2026 · Increase · Stay the same · Decrease · Not applicable

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Attitudes and plans for economic participation

A quarter of consumers planned to apply for new credit or refinance in the next year. This was exactly the same as a year ago and has been remarkably stable over the past four quarters. Consumers have not materially pulled back from the credit market overall. Instead, they appear to remain engaged but highly selective about what kind of credit they want.

Credit card demand remained the anchor of consumer credit appetite; nearly half of those who said they'll open new credit or refinance in the next year indicated they'd apply for a new credit card. Consumers also continued to show interest in expanding revolving credit capacity, with credit limit increase demand rising two pp YoY, though it fell five pp from last quarter.

About one in five consumers said they considered applying for credit but ultimately did not. This points to a persistent group of consumers who are credit engaged but not credit converting. That often reflects friction, concern or discouragement rather than lack of need.

Self-exclusion was a top barrier for credit. The top reason consumers said they considered applying but didn't was they decided they didn't need it (+3 pp YoY). The cost of credit being too high came in second (-1 pp YoY). Additionally, roughly one in five discouraged borrowers opted out because they believed they wouldn't qualify – either due to credit history (22%) or income/employment (20%).

Alternative funding has become more common as some consumers may be bypassing mainstream credit channels in favour of other sources. Those consumers who ultimately didn't apply for credit noted they found an alternative funding source (up four pp YoY and up seven pp from the prior quarter).

Interest rates still mattered for credit demand, but the pattern suggests they weren't a total deterrent. A third of consumers indicated rising interest rates only have a moderate impact on whether they're going to apply for credit in the next 12 months – while 46% indicated low or no impact.

Figure 8. Believe important to have access to credit and lending products to achieve financial goals

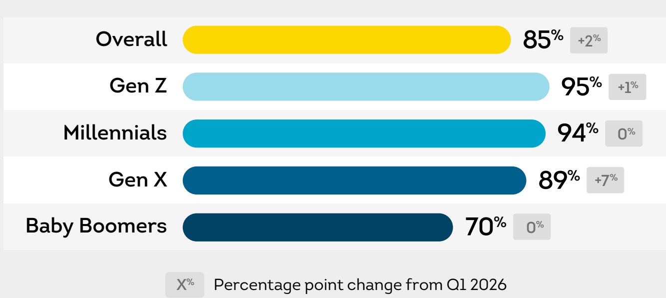

Figure 9. Believe have sufficient access to credit and lending products

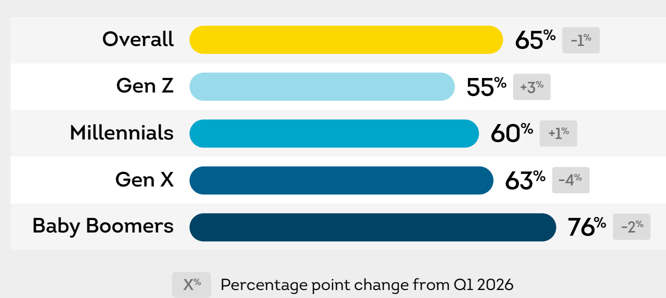

Figure 10. Plan to apply for new credit or refinance existing credit within the next year

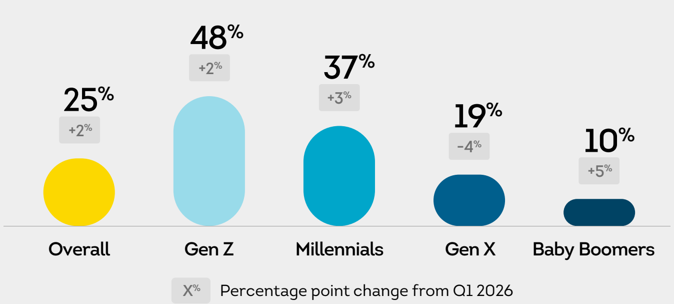

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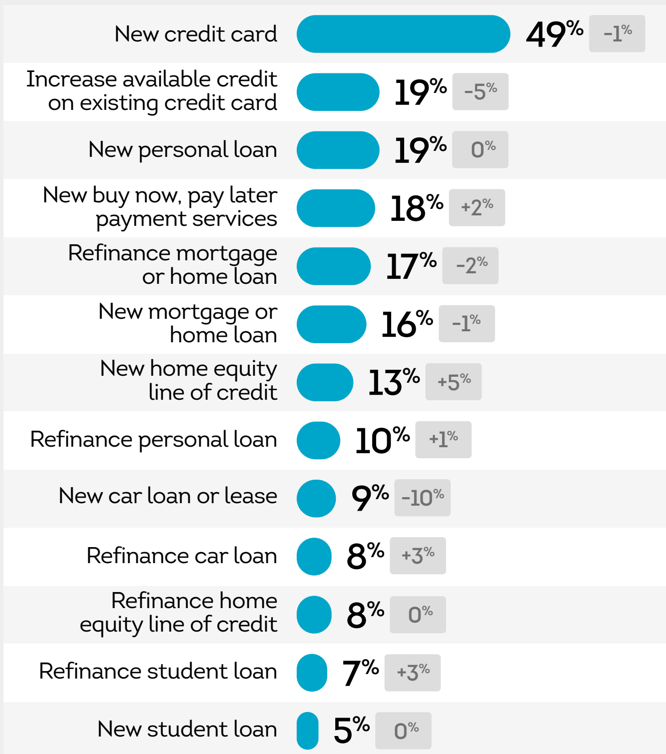
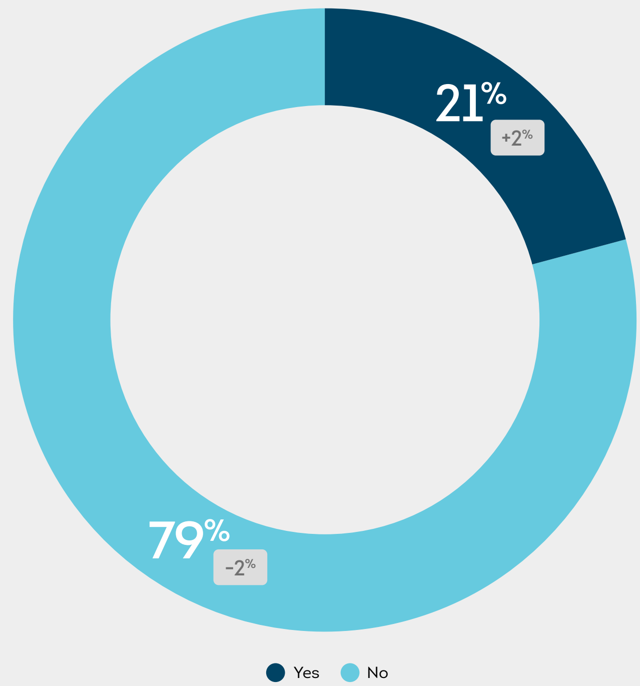
Figure 11. Type of new credit and loan activity planned in next 12 months
(among those who plan to apply for new or refinance existing credit)



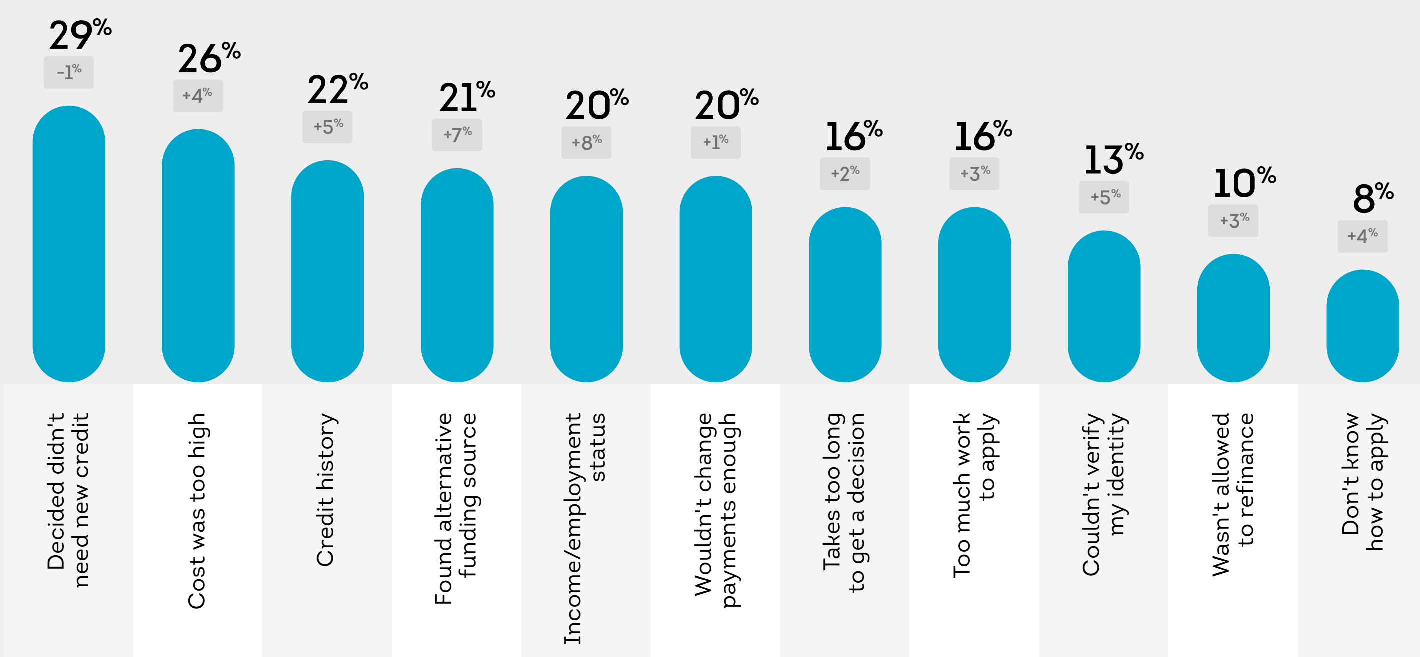
X% Percentage point change from Q1 2026

Figure 12. Abandoned plan to apply for new credit or refinance



X% Percentage point change from Q1 2026

Figure 13. Reasons for abandoning application for new credit or refinance



X% Percentage point change from Q1 2026

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CONSUMER EMPOWERMENT

Attitudes and behaviours to manage financial choices

Credit monitoring continued to be more mainstream as 40% said they check their credit reports at least monthly (+3 pp YoY). More importantly, those who don't monitor their credit reports fell three pp. The expansion of free, app-based credit monitoring tools offered by lenders is likely helping normalize monitoring as an ongoing financial habit rather than a one-time activity. This was reinforced by the growing importance consumers place on monitoring, with those indicating monitoring is extremely and very important rising from 41% to 45% – while slightly and not at all important declined from 32% to 28%.

The purpose of monitoring shifted from score optimization to protection and accuracy. Consumers who said they check their credit reports for fraud protection improved from seven pp YoY and for accuracy rose three pp – while trying to improve their scores fell eight pp YoY.

Free access remained the biggest enabler of credit reporting engagement; 47% of consumers cited free monitoring as the top reason they check their credit scores. In practical terms, consumers are more likely to monitor when the service is: easy to find, integrated into existing financial relationships and free of charge.

Figure 14. Credit report monitoring frequency

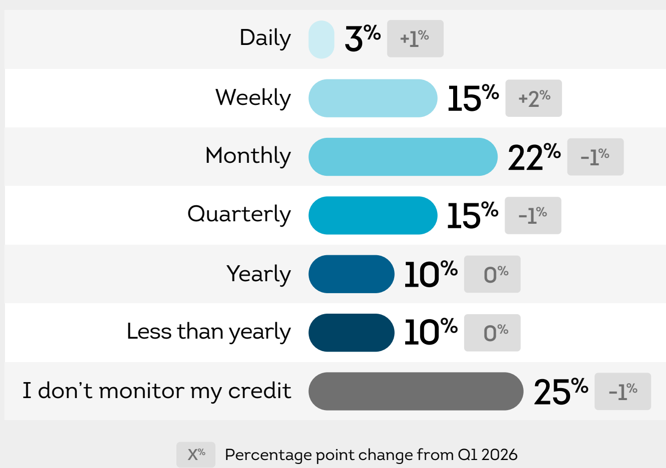


Figure 15. Believe monitoring credit report is important

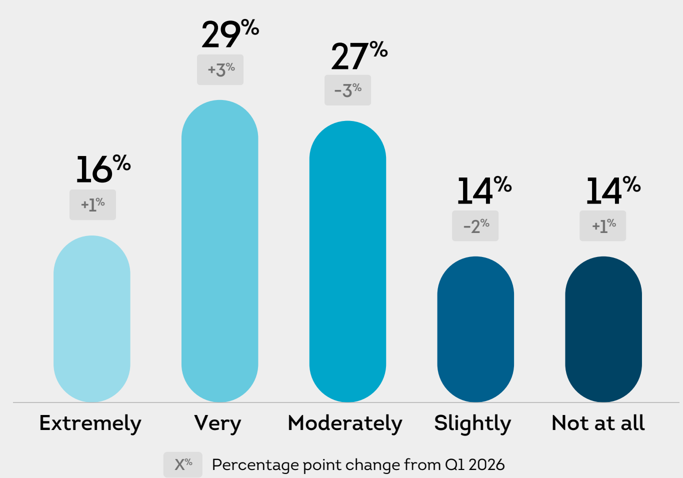


Figure 16. How believe credit score would change if businesses used information not on standard credit report

Examples provided of non-standard information include: rental payments, short-term loan history and buy now, pay later loans

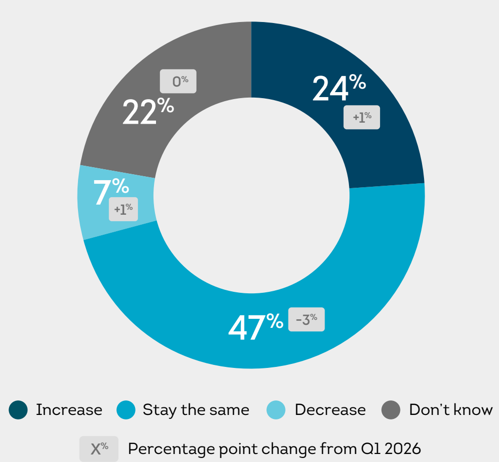
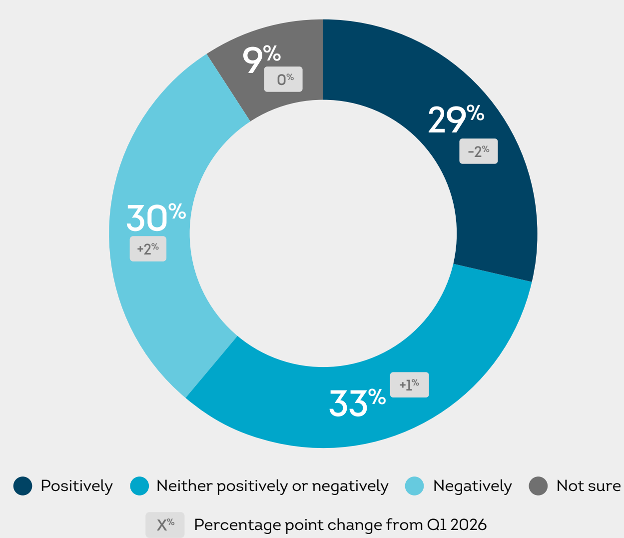


Figure 17. How consumers believe AI will impact them



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Identity risks and usage

Survey respondents reported having been increasingly targeted by identity fraud - but were most likely either successfully avoiding victimization or not recognizing when they were victimized. More than two in five indicated they were targeted by email, online, phone call or text messaging fraud in the last three months but didn't become a victim (+4 pp YoY), while those targeted and falling victim remained stable at 6%. This reflects a more hostile threat environment where attempt frequency is rising faster than impact.

Fraud is increasingly behaviour driven, not just transaction driven. The rise in phishing, smishing and vishing suggests attackers are targeting consumer behaviour and decision-making, not just exploiting stolen credentials or payment systems. Among those who said they were targeted in last three months, phishing-led attacks dominated and grew meaningfully to 45% (+4 pp YoY). Multichannel social engineering (email, phone, SMS) is now the primary threat landscape.

The share of consumers aware of being affected by a data breach in the last three months rose to 20% (+4 pp YoY). However, this likely understates actual exposure – given consumers often only know about breaches when notified.

When notified of a breach, consumers were most likely to take basic, immediate actions. When asked what they did when they were notified they were affected by a data breach, the top answer was changed the password on the affected account. More advanced or longer-term protections like credit monitoring or freezes were only reported by 23% and 20%, respectively.

Proactive security behaviour was improving but slowly. When asked what actions they've taken in the last 60 days in response to cybersecurity concerns, there was a clear increase in credit report checking (33%, +6 pp YoY) and modifying login options to passwordless login or adding multi-factor authentication (24%, +4 pp). However, a significant one-third said they took no action at all. The primary reasons stated for inaction was lack of clarity, not unwillingness. More than half said they did nothing because they were unsure of what actions to take and this increased a significant seven percentage points YoY.

Figure 18. Personal experience with online, email, phone call or text message fraud attempts in last three months

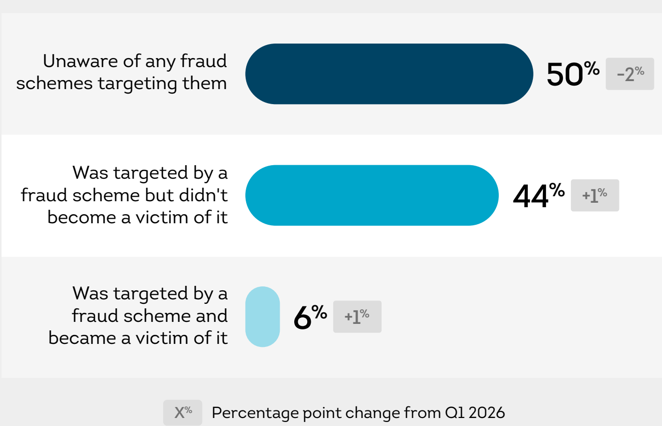

Figure 19. Most frequent fraud schemes targeting consumers
(among those targeted with online, email, phone call or text message fraud in the last three months)

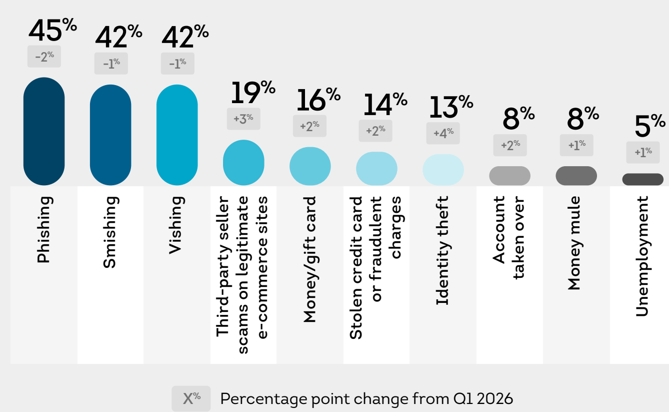

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Figure 20. Most frequent actions data breach victims took
(among consumers notified in the last three months that details about their identities and/or online accounts were stolen)

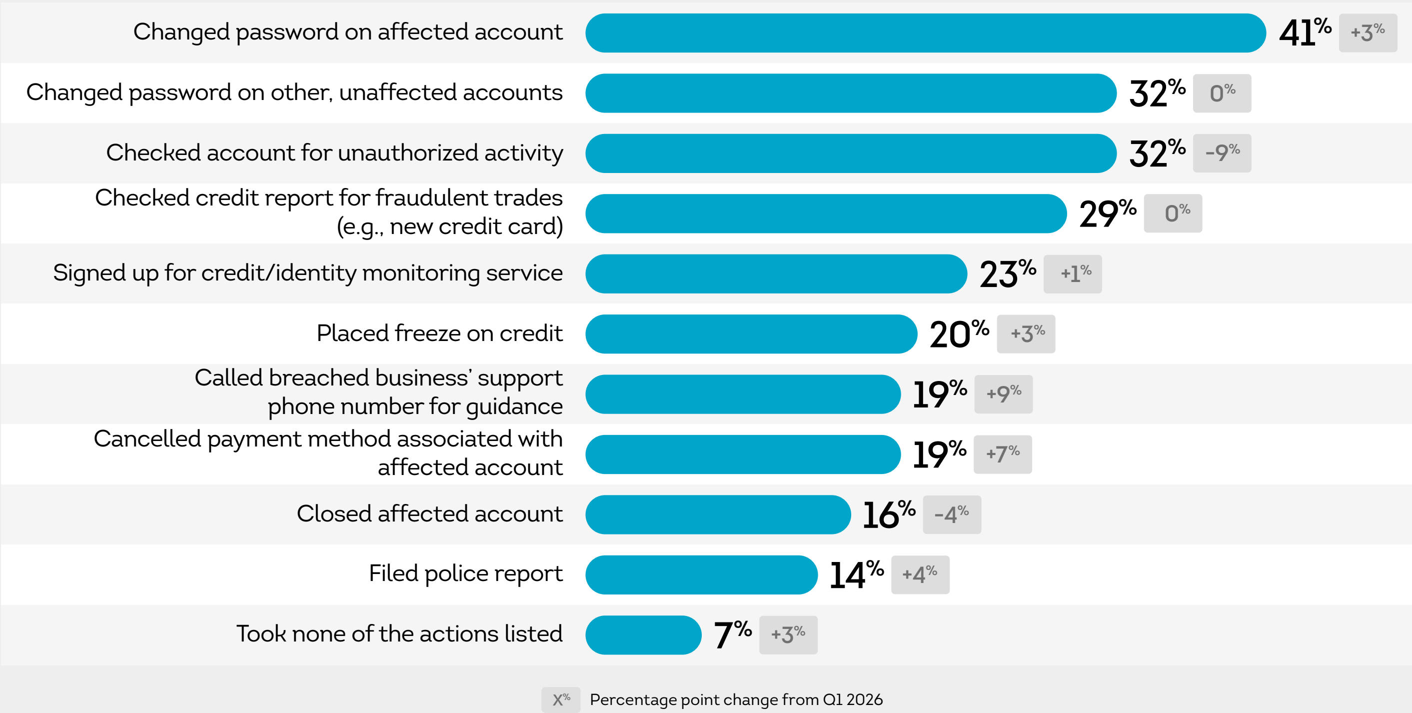


Figure 21. Actions taken in last 60 days due to cybersecurity concerns

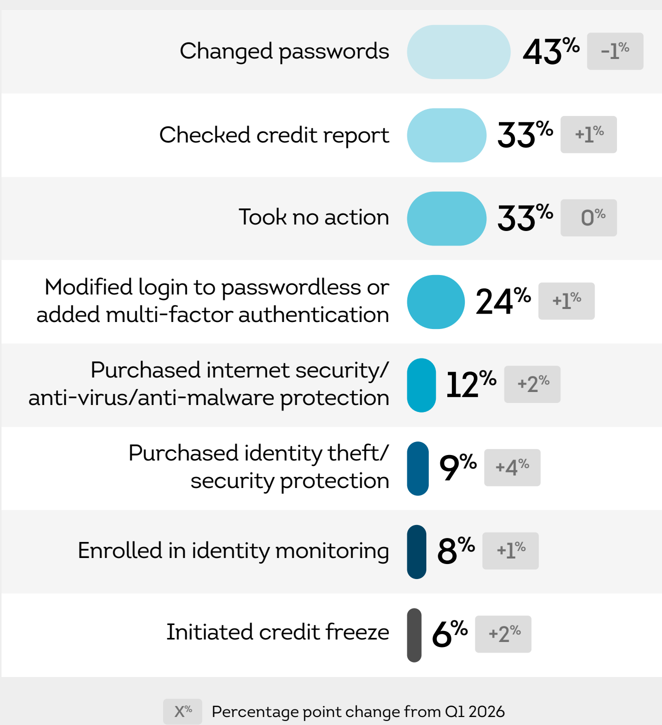
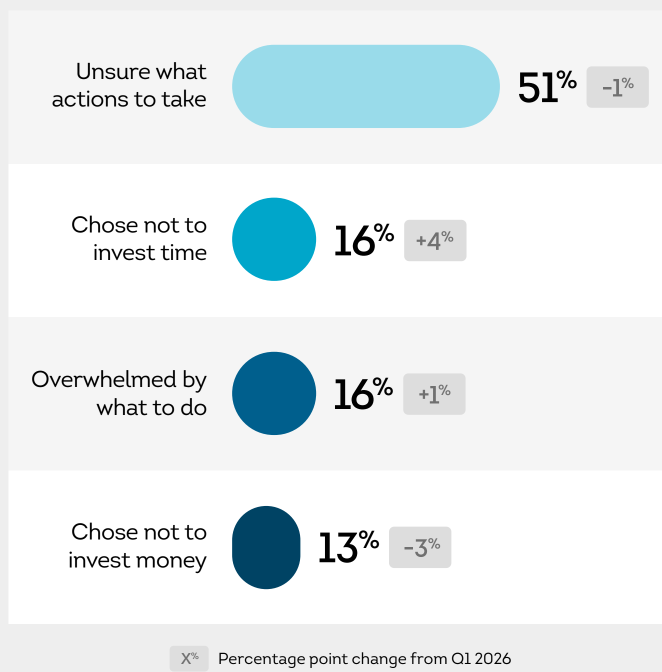


Figure 22. Reasons did nothing about cybersecurity concerns
(among those who took no action about cybersecurity concerns in the last 60 days)



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Research Methodology

This online survey of 988 adults was conducted 29 April–13 May, 2026 by TransUnion in partnership with third-party research provider Dynata. Adults 18 years of age and older residing in Canada were surveyed using an online research panel method across a combination of desktop, mobile and tablet devices. Survey questions were administered in English and French. To increase representativeness across resident demographics, the survey included quotas to balance responses to the census statistics dimensions of age, gender, household income and region. Generations were defined in this research as follows: Gen Z, 18–29 years old; Millennials, 30–45; Gen X, 46–61; and Baby Boomers, age 62 and above. These research results are unweighted and statistically significant at a 95% confidence level within ±3.1 percentage points based on calculated error margin. Please note some chart percentages may not add up to 100% due to rounding or multiple answers being accepted.

For previous Consumer Pulse Studies, visit
transunion.ca/consumer-pulse-study

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TransUnion is a global information and insights company with over 13,000 associates operating in more than 30 countries, including Canada, where we're the credit bureau of choice for the financial services ecosystem and most of Canada's largest banks. We make trust possible by ensuring each person is reliably represented in the marketplace. We do this by providing an actionable view of consumers, stewarded with care.

Through our acquisitions and technology investments we have developed innovative solutions that extend beyond our strong foundation in core credit into areas such as marketing, fraud, risk and advanced analytics. As a result, consumers and businesses can transact with confidence and achieve great things. We call this Information for Good® – and it leads to economic opportunity, great experiences and personal empowerment for millions of people around the world.

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