



## Credit and Debit Card Statistics – May 2020

30 June 2020

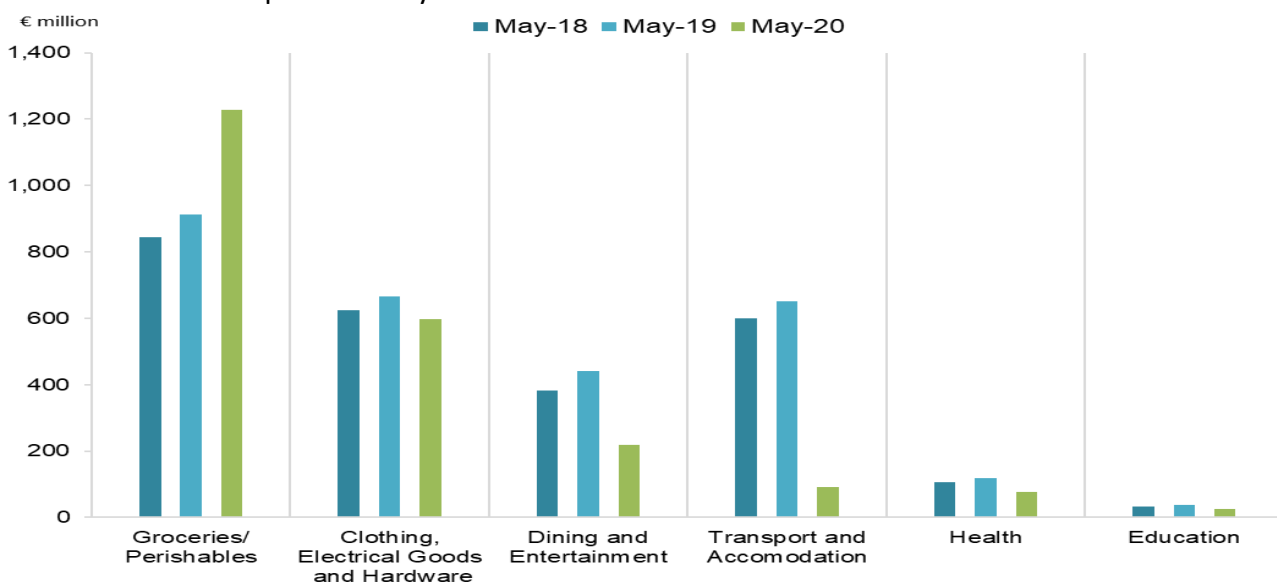
### Daily card payment data<sup>1</sup>

- The latest daily data, up to 22 June, indicates total card spending (including ATM withdrawals) remains below (-4 per cent) the daily average spending figure for June last year, despite strengthening in recent weeks (Chart 2). The strengthening in total spending has been driven by increases in a few specific sectors rather than a broad based rise across all sectors.

### Monthly sectoral highlights for May

- All sectors recorded month-on-month increases in May 2020 as the first phase of easing restrictions came into effect. The hardware sub-sector recorded the highest monthly increase, at 57 per cent, benefiting from being one of the first retail outlets to reopen. Despite this large monthly increase, hardware spending still lower on a year-on-year basis.
- Spending on groceries and perishables increased by 34 per cent (or €315 million) compared with the May last year (Chart 1).
- Expenditure on transport and accommodation declined by 84 per cent and 89 per cent respectively on May 2019, although both sub-sectors recorded month-on-month increases, of 19 per cent and 27 per cent, respectively.
- Spending on social sectors such as restaurants/dining and entertainment declined by 57 per cent and 36 per cent, respectively, on a year-on-year basis.
- E-commerce spending increased by 5 per cent (or €91 million) compared to May 2019, accounting for 47 per cent of all retail card PoS spending, down a touch from the last months series high.

**Chart 1: PoS Card Expenditure by sectors<sup>2</sup>**



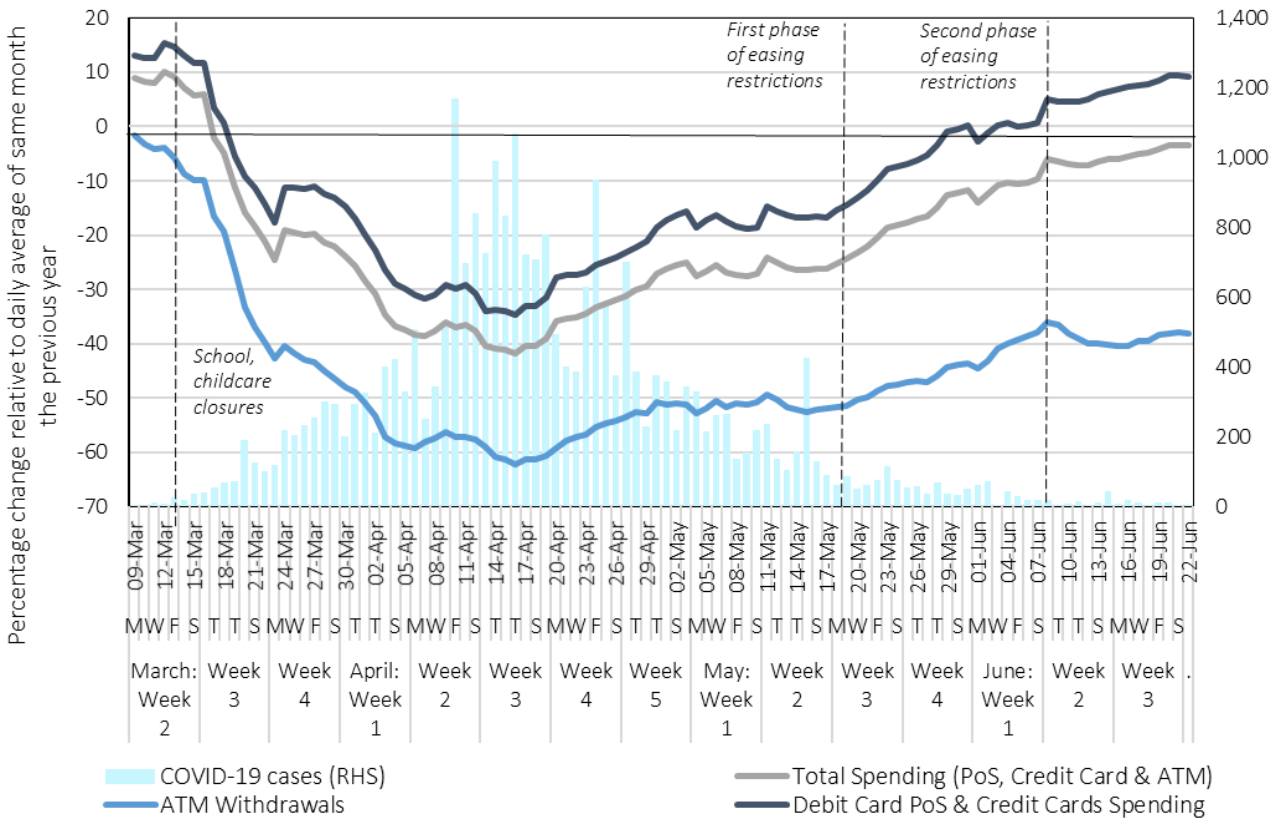
<sup>1</sup> The latest daily card payments data is available in Table A13.2 [here](#). Please note that the monthly figures will not equate to the aggregated daily card payments figures, please see Note 1 for further details.

<sup>2</sup> Some sub-sectors have been combined for illustrative purposes, for a more granular breakdown of sub-sectors please see Table 1 on page 4.

**Daily Card Payments data<sup>3</sup>**

The daily card payments data, up to 22 June, shows total spending (including ATM withdrawals) remains below the daily average spending figure in June last year. Retail card spending (PoS and credit card) strengthen through the first three weeks of June as the second phase of restrictions was eased and the accelerated roadmap for the further easing was announced. For the first time since early March, retail card spending rose above the daily average spending figure for the corresponding month the previous year and is up 54 per cent since its low point in mid-April (Chart 2). Although, this strengthening in retail card spending has been uneven with a few specific sectors accounting for the majority of the recent increases.

**Chart 2:** Change in card spending and cash withdrawals compared to the daily average in the same month the previous year



Source: Table A.13.2, European Centre for Disease Control, authors own calculations. Notes: Card data are calculated as 7-day moving averages.

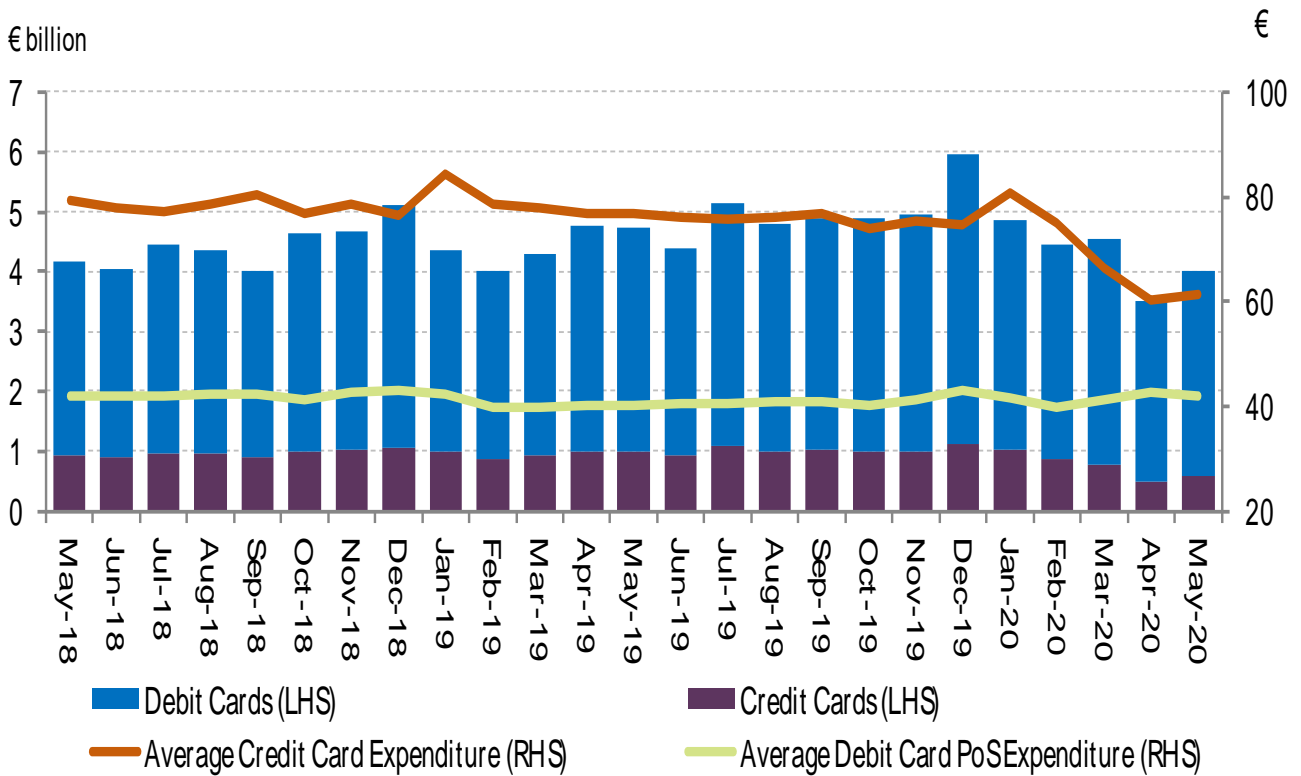
The value of ATM withdrawals followed a similar growth trajectory to retail card spending activity since its trough in mid-April, albeit from a much lower base, up until the beginning of June. Since then the value of ATM withdrawals has plateaued, coinciding with the second phase of restrictions being eased, and remains circa 40 per cent below the daily average value of ATM withdrawals in June last year.

<sup>3</sup> As noted previously the monthly figures will not equate to the aggregated daily figures, please see Note 1 for further details. The latest daily card payments data is available in Table A13.2 [here](#).

**Detailed Monthly Data for May**

The monthly data shows that the total value of card transactions (including ATM transactions) decreased by 25 per cent (or €1.6 billion) in May 2020, when compared with the same month the previous year. When compared with April 2020, the total value of card transactions (including ATM transactions) increased by 15 per cent as spending rose as the first phase of restrictions was eased in mid-May.

**Chart 3: PoS Card Expenditure (€)**



The average spending per debit card PoS transaction decreased marginally to €41.97 in May, while after three consecutive months of sharp declines the average expenditure per credit card transaction rose a touch to €61.32 (Chart 3).

The monthly data includes a sectoral breakdown of expenditure, thus allowing for a deeper analysis of the impact of the emergency containment measures. The shift in consumer spending patterns on a sectoral level first seen in the March data has continued into May, although the annual contractions in certain sectors have become less pronounced while expenditure increased in all sectors when compared with April 2020. A detailed breakdown of the various sectors/sub-sectors and annual changes can be seen below (Table 1).

Spending by sector continues to vary greatly. The majority of sectors recorded contractions on a year-on-year basis in May, sectors where the containment measures have reduced the opportunity for spending have experienced substantial declines. While sectors where the containment measures were eased earliest recorded strong monthly increases, although generally remained lower on a year-on-year basis.

The retail sector recorded an overall increase of 9 per cent compared to May last year. Within the retail sector, spending on groceries/perishables continued to record substantial annual growth, up 34 per cent (or €314 million). While the hardware sub-sector recorded an increase of 57 per cent compared to the previous month, although it remained lower compared to May last year.

**Table 1:** Debit Card PoS and Credit Card Sectoral Expenditure (€000s)<sup>4</sup>

	May-19	Apr-20	May-20	M-o-M % change	Y-o-Y % change
Total PoS Spending	4,727,991	3,494,610	4,023,775	15%	-15%
of which:					
Total Retail	2,233,652	2,096,930	2,436,138	16%	9%
Groceries/Perishables	912,879	1,144,620	1,227,644	7%	34%
Clothing	252,214	134,936	168,242	25%	-33%
Electrical Goods	108,075	109,911	130,966	19%	21%
Hardware	305,345	190,829	299,024	57%	-2%
Total Services	1,273,280	514,607	616,181	20%	-52%
Transport	426,677	56,402	67,392	19%	-84%
Accommodation	224,670	18,744	23,886	27%	-89%
Education	37,994	21,752	26,485	22%	-30%
Health	117,930	55,628	76,882	38%	-35%
Utilities	188,206	186,821	205,559	10%	9%
Professional Services	262,253	159,306	201,996	27%	-23%
Total Social	470,647	192,944	240,753	25%	-49%
Restaurants/Dining	300,666	94,615	128,893	36%	-57%
Entertainment	141,439	81,530	90,390	11%	-36%

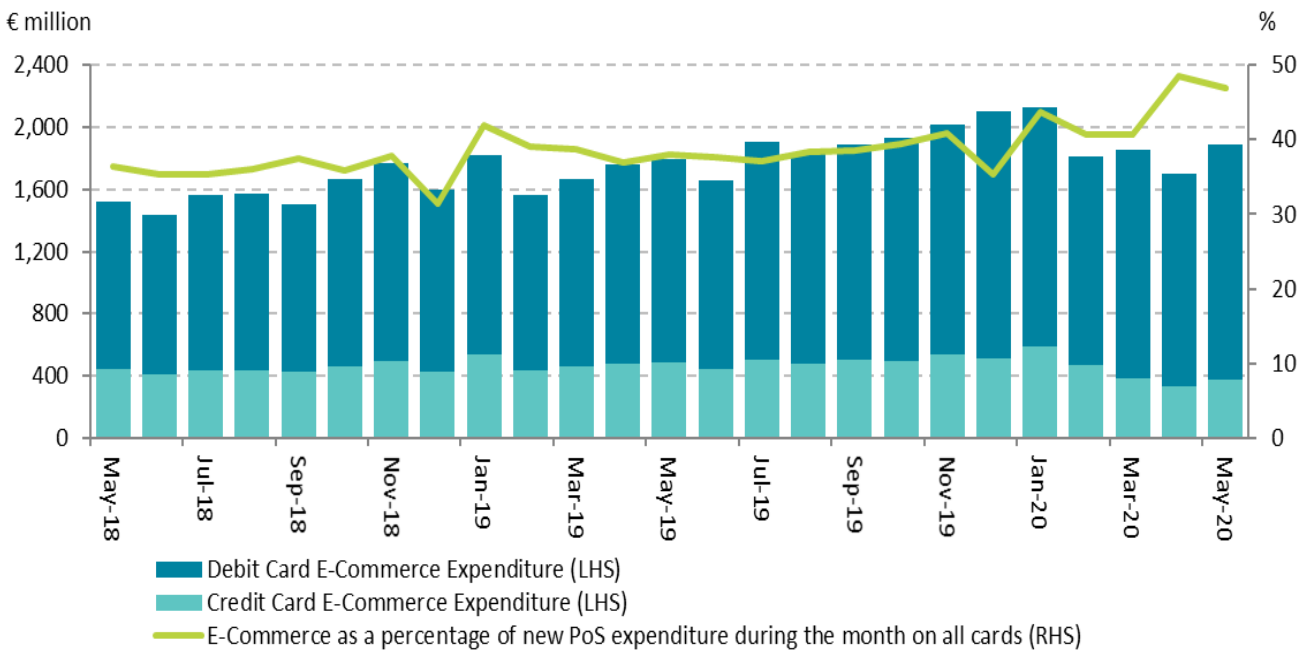
Within the services sector, which declined by 52 per cent overall when compared with May 2019, the transport and accommodation sub-sectors once again recorded the sharpest year-on-year declines, at 84 per cent and 89 per cent, respectively. This is likely attributable to the continued closure of

<sup>4</sup> The Sectors Retail, Services, and Social sectors will not sum to Total PoS Spending. The sub-category items pertaining to these sectors represent a subset of the full granularity, and will not sum to the respective 'Total' category.

hotels and less travel as a result of the containment measures. Recorded spending for these sectors was also dampened by payments refunded to customers in May, with negative expenditure figures recorded in these sectors by personal credit cards as refunds were greater than new spending.<sup>5</sup>

Spending in the social sector also reduced dramatically, falling 49 per cent overall, with expenditure in the restaurant/dining and entertainment sub-sectors declining by 57 per cent and 36 per cent respectively.

**Chart 4: E-Commerce Card Expenditure**



Total e-commerce<sup>6</sup> expenditure amounted to €1.9 billion in May 2020, an increase of 5 per cent (or €91 million) from May 2019. Of total e-commerce expenditure, €1.5 billion can be attributed to debit cards while €375 million can be attributed to credit cards (Chart 4). E-commerce expenditure accounted for nearly half (47 per cent) of all retail card PoS spending in May, down around 2 per cent on April’s series high.

<sup>5</sup> See Table A.13. Refunds processed in the month are deducted from the gross spending figure for each sub-sector, regardless of the month in which the initial transaction occurred. This will have the effect of dampening recorded spending activity in a number of sectors. A breakdown of refunds by month or sector is not available.

<sup>6</sup> Expenditure where the physical card is not present during the transaction provides a proxy for e-commerce. It includes instances where card details are processed online, or communicated via telephone, for example. A breakdown by sector is not available for e-commerce expenditure.

**Note 1:**

The daily card payments categories will not sum to the corresponding monthly Credit & Debit Card Return categories due to a methodological difference between the two data collections. The monthly return is collected on a settlement basis (i.e. the date on which the transaction settle on a bank's system), while in order to get accurate calendar day data, the daily card payments return is collected on transactional date basis (i.e. the date in which the transaction took place). For further information and a discussion of our initial analysis of this newly developed data please see a 'Behind the Data' research article, available [here](#).

**Note 2:**

The primary aim of the data collected in the Credit/Debit Card Return is to inform national and euro-area policy making, and to enhance understanding of the role of credit/debit cards in the domestic financial system. Monthly data is collected from the largest issuers of credit/debit cards resident in Ireland. Only euro-denominated cards issued by these providers to Irish residents are included. Cards issued to Irish residents by issuers that are not resident in Ireland are not included in the compilation of data.

The sectoral breakdown is compiled referencing the merchant category code (MCC) system for retail financial services. A MCC is generally a four-digit number assigned to a business by credit card companies (e.g. American Express, MasterCard or Visa) when an entity first begins to accept one of these cards as a form of payment. The MCC is used to classify the business by the type of goods or services it typically provides.