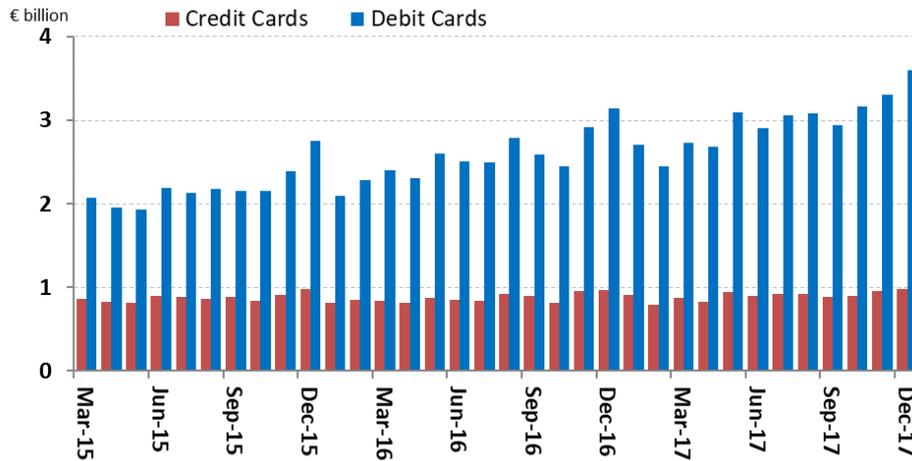


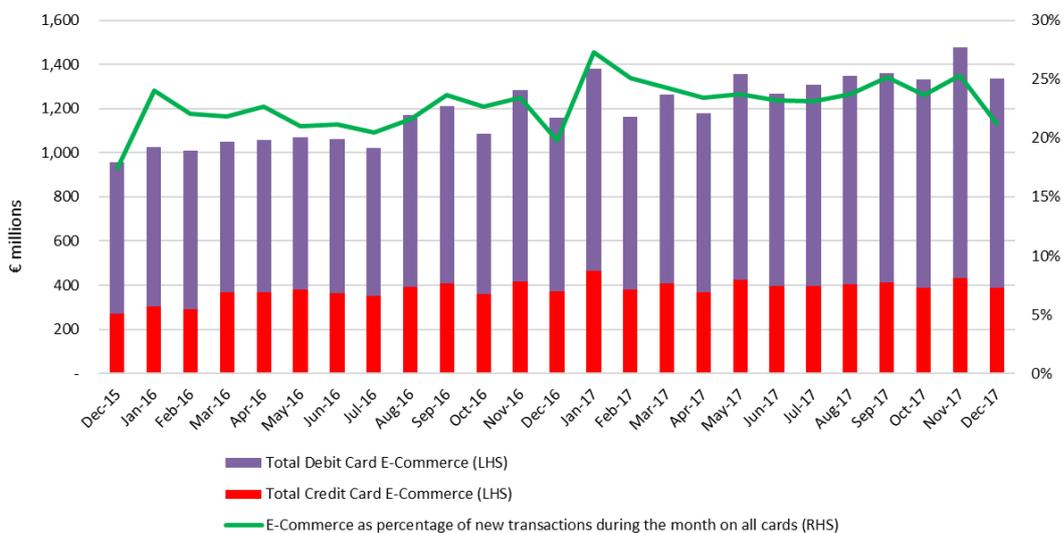


Chart 1: Gross New PoS Spending On All Cards



Debit card Point of Sale (PoS) transactions in December 2017 were €3.6 billion, 15 per cent higher than the same month in 2016. Debit card PoS transactions accounted for 57 per cent of gross new transactions on all cards in December. Retail, services and social debit card expenditure all recorded double digit increases, over the year to December 2017. Credit card spending was largely similar to the same period in 2016, experiencing a minor increase of €19 million (Chart 1).

Chart 2: E-Commerce Spending



Total e-commerce¹ expenditure was €1.34 billion in December, with €949 million and €389 million attributable to debit cards and credit cards, respectively. The December value is 15 per cent higher than the previous year. E-commerce accounted for 21 per cent of new transactions on all cards during the month. It now forms 26 per cent of debit card spending and 40 per cent of credit card purchases.

Table 1: Debit & Credit Card Sectoral Spending (€000's)

	Debit Cards			Credit Cards		
	Dec-16	Dec-17	% change	Dec-16	Dec-17	% change
Total Card PoS Spending	3,143,298	3,601,944	13%	966,036	985,094	2%
of which:						
Total Retail	1,773,105	2,006,076	12%	454,661	460,896	1%
Groceries/Perishables	777,916	870,572	11%	109,856	110,885	1%
Clothing	271,887	297,680	9%	82,651	80,618	-2%
Electrical Goods	95,832	109,333	12%	37,481	38,697	3%
Hardware	177,136	212,875	17%	45,045	45,671	1%
Total Services	514,068	618,585	17%	250,607	258,852	3%
Transport	123,111	146,126	16%	81,589	83,234	2%
Accommodation	81,535	96,506	16%	63,889	65,213	2%
Education	16,889	18,594	9%	6,135	6,110	0%
Health	55,036	61,564	11%	18,776	18,458	-2%
Utilities	104,608	128,620	19%	18,214	19,148	5%
Professional Services	129,267	162,759	21%	52,553	56,766	8%
Total Social	321,953	387,728	17%	100,784	103,091	2%
Restaurants/Dining	171,807	215,667	20%	51,032	53,956	6%
Entertainment	139,449	160,028	13%	42,822	42,353	-1%

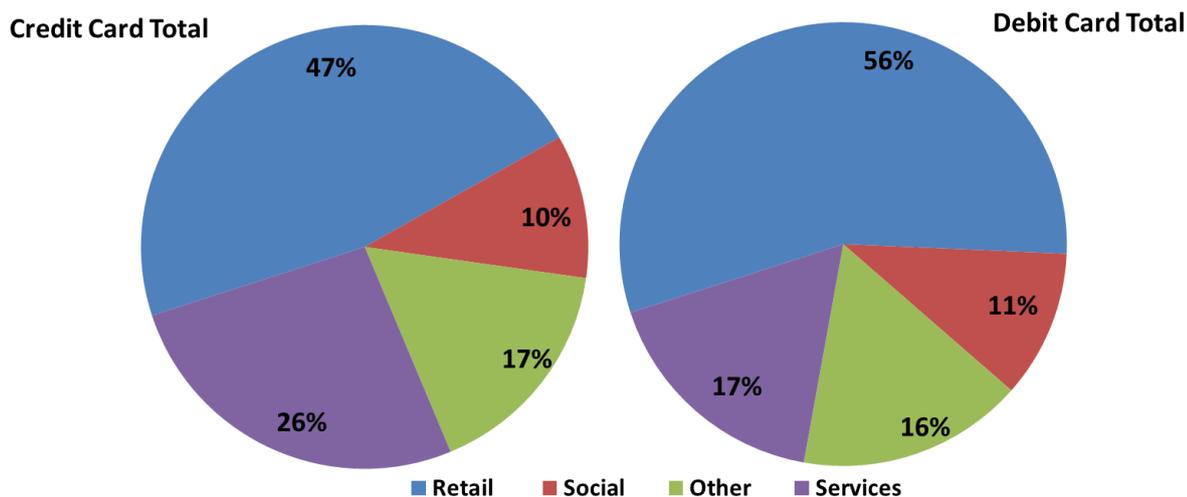
Debit card PoS spending had grown to over three times the value of credit card spending in December. There were increases across all categories of spending, but social and services spending had the highest increases over the year, both at 17 per cent. Within services, Professional Services² have increased by 21 per cent since December 2016. Within social, a similar trend is evident for Restaurants/Dining, which recorded a 20 per cent rise.

¹ Expenditure where the physical card is not present during the transaction provides a proxy for e-commerce. It includes instances where card details are communicated online, or by other communication means, such as telephone orders.

² Professional services includes sectors such as legal services, general contractors, car dealers and real estate agents

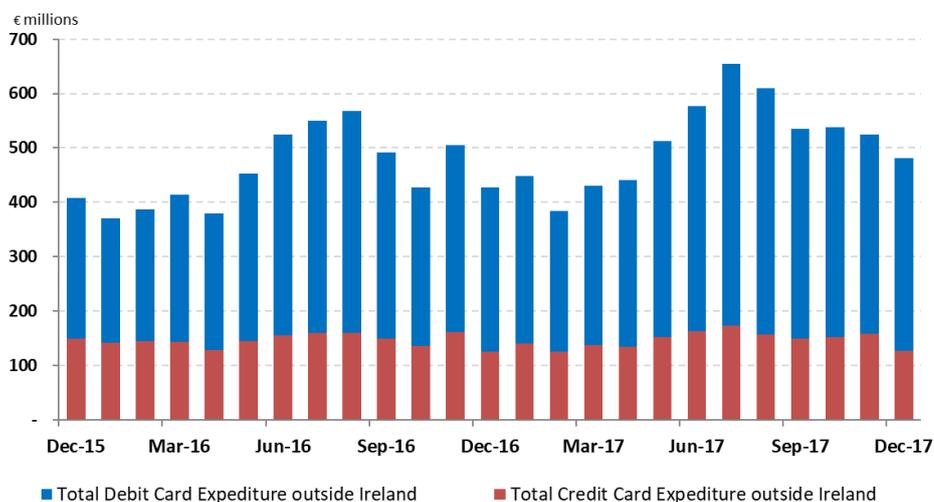
Credit cards also experienced increases in total spending, albeit to a lesser extent, with falls in certain subcategories. Total expenditure in social, retail and services grew by 2 per cent, 1 per cent and 3 per cent, respectively. Professional Services experienced the largest growth of any category, increasing by 8 per cent. In contrast, spending on Entertainment (1 per cent), Health (2 per cent) and Clothing (2 per cent) witnessed minor falls.

Chart 3: New Spending on Cards – Sectoral Breakdown



Just under 75 per cent of all credit card expenditure in December 2017 was split between the retail (47 per cent) and services (26 per cent) sectors (Chart 3). In comparison, retail was predominant for debit cards, accounting for 56 per cent of new spending, or triple the expenditure on services.

Chart 4: Expenditure outside of Ireland



Total card expenditure outside Ireland averaged €515 million in the 3 months to end-December (Chart 4). Credit or debit card expenditure outside Ireland (when the physical card is present) provides an indication of expenditure abroad by Irish tourists³. A significant seasonal effect can be seen in the data, particularly for debit cards, with higher expenditures outside Ireland recorded in the summer months compared to the winter months. Debit card expenditure abroad during 2017 amounted to €4.4 billion, an increase of 17 per cent on the 2016 figure. Credit card expenditure outside Ireland remained relatively stable with a 1 per cent increase in 2017 compared with the 2016 figure. The total value of debit card expenditure outside Ireland (including ATM transactions) is 2.8 times the value of equivalent credit card expenditure. This compares with a ratio of just 1.3 recorded in January 2015.

Note:

The primary aim of the data collected in the CDR (Credit/Debit Card Return) 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. Only euro-denominated credit/debit cards issued to Irish residents are included in the compilation of the CDR data. Monthly CDR data is derived from a sample of reporting entities heavily engaged in the provision of credit/debit services to Irish residents.

The CDR sectoral breakdown is compiled referencing the MCC code system for credit/debit card transactions. A merchant category code (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.

³ Only total figures are available for expenditure outside of Ireland