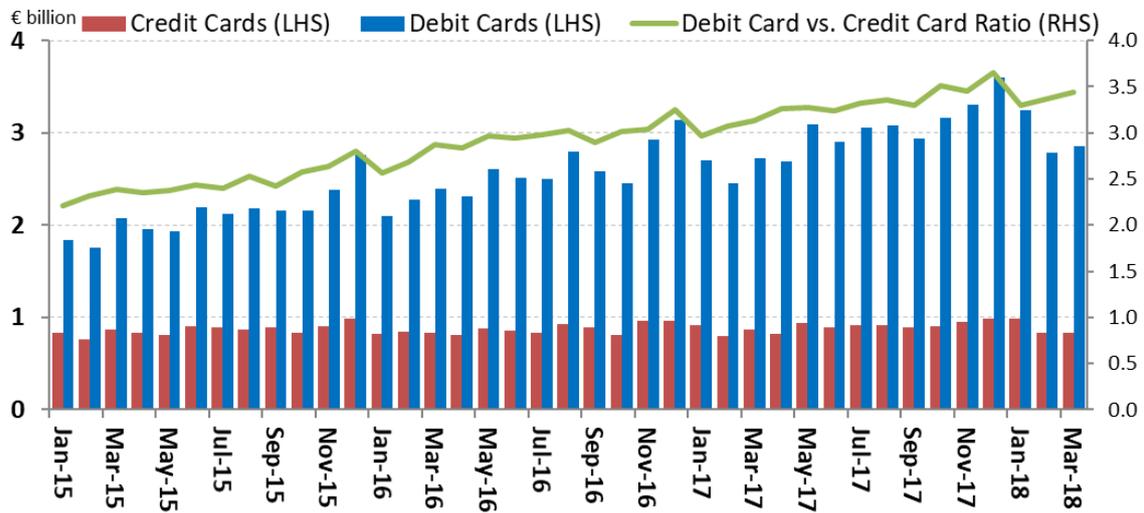


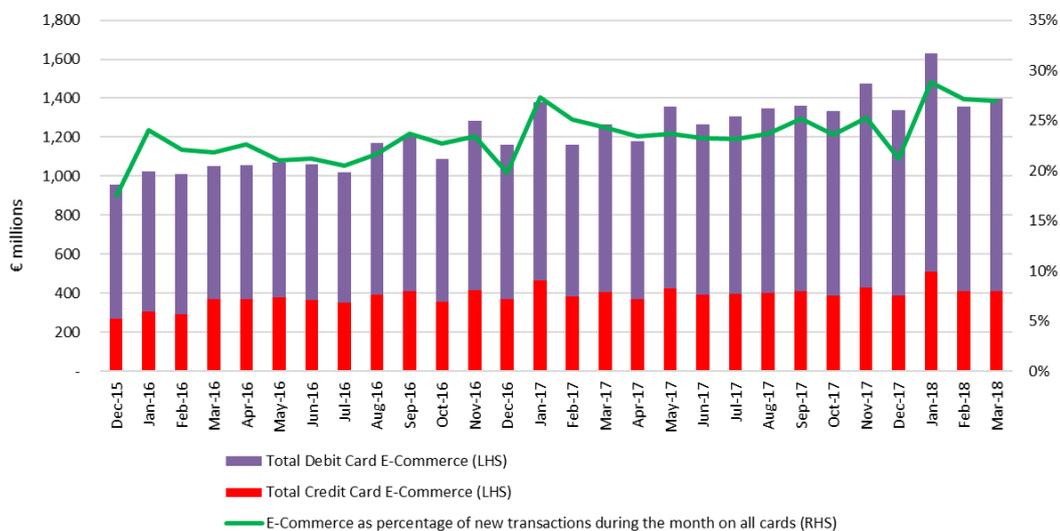


Chart 1: Gross New PoS Spending On All Cards



Debit card Point of Sale (PoS) transactions in March 2018 were €2.9 billion, 5 per cent higher than the same month in 2017. Debit card PoS transactions accounted for 55 per cent of gross new transactions on all cards in March. Retail, services and social debit card expenditure all recorded increases, over the year to March 2018. Conversely, credit card spending fell relative to the same period in 2017, experiencing a decrease of €40 million (Chart 1). The total value of debit card spending was 3.4 times the value of credit card expenditure. This compares with a ratio of just 2.2 recorded in January 2015.

Chart 2: E-Commerce Spending



Total e-commerce¹ expenditure was €1.4 billion in March, with €985 million and €412 million attributable to debit cards and credit cards, respectively. The March value is 10 per cent higher than the previous year. E-commerce accounted for 27 per cent of new transactions on all cards during the month. It now forms 23 per cent of debit card spending and 50 per cent of credit card purchases.

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

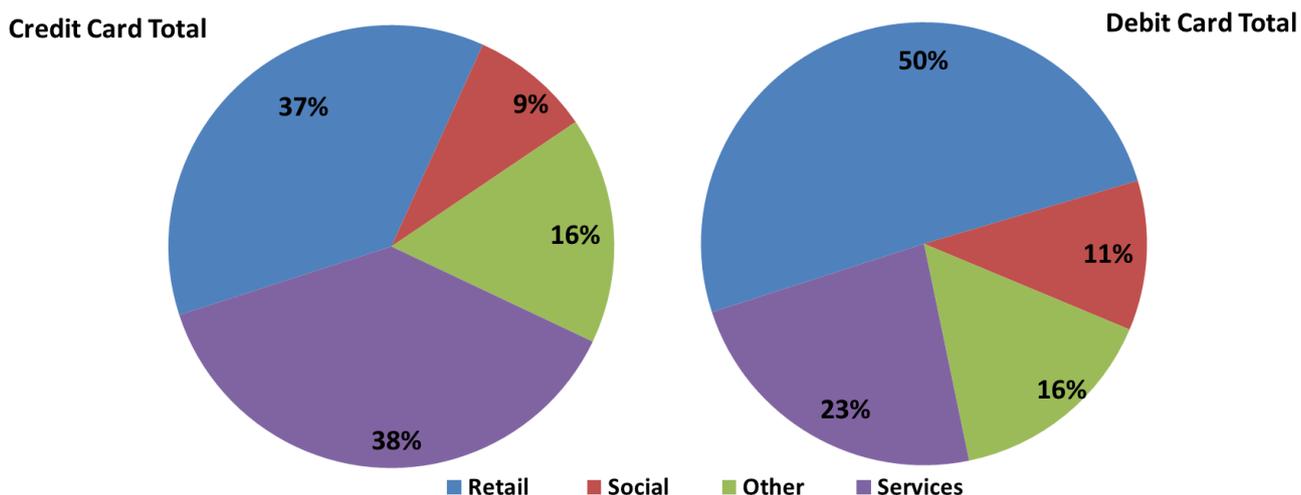
| | Debit Cards | | | Credit Cards | | |
|-------------------------|-------------|-----------|----------|--------------|---------|----------|
| | Mar-17 | Mar-18 | % change | Mar-17 | Mar-18 | % change |
| Total Card PoS Spending | 2,728,623 | 2,855,676 | 5% | 871,448 | 831,505 | -5% |
| of which: | | | | | | |
| Total Retail | 1,320,173 | 1,439,263 | 9% | 318,645 | 305,411 | -4% |
| Groceries/Perishables | 638,378 | 714,902 | 12% | 76,573 | 77,153 | 1% |
| Clothing | 137,104 | 144,249 | 5% | 45,193 | 42,726 | -5% |
| Electrical Goods | 55,324 | 61,507 | 11% | 26,001 | 26,230 | 1% |
| Hardware | 163,808 | 172,787 | 5% | 44,661 | 39,522 | -12% |
| Total Services | 605,492 | 663,720 | 10% | 316,519 | 315,415 | 0% |
| Transport | 193,918 | 203,536 | 5% | 129,547 | 135,692 | 5% |
| Accommodation | 82,279 | 95,014 | 15% | 72,307 | 71,824 | -1% |
| Education | 21,091 | 21,338 | 1% | 8,292 | 7,536 | -9% |
| Health | 67,587 | 66,779 | -1% | 23,217 | 20,694 | -11% |
| Utilities | 106,973 | 130,348 | 22% | 16,943 | 17,564 | 4% |
| Professional Services | 130,345 | 143,355 | 10% | 55,339 | 52,108 | -6% |
| Total Social | 270,440 | 312,105 | 15% | 73,189 | 72,841 | 0% |
| Restaurants/Dining | 158,243 | 193,992 | 23% | 37,082 | 36,880 | -1% |
| Entertainment | 100,115 | 104,111 | 4% | 29,516 | 29,066 | -2% |

Debit card PoS spending had grown to almost three and a half times the value of credit card spending in March. There were increases across all the main categories of spending, but social spending had the highest increase over the year, at 15 per cent. Within services, utilities have increased by 22 per cent since March 2017. Within social, a similar trend is evident for restaurants/dining, which recorded a 23 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.

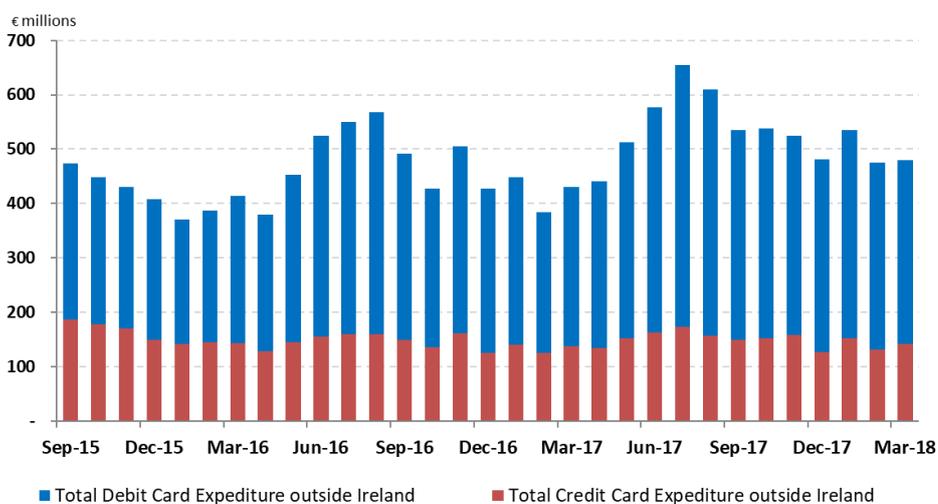
In contrast, credit cards experienced a decrease in total spending of 5 per cent, driven by falls in total retail expenditure. Total social and services spending have remained relatively stable since March 2017. Hardware experienced the largest reduction of any subcategory, decreasing by 12 per cent. Notable falls were also witnessed in health (11 per cent), education (9 per cent) and professional services (6 per cent) spending.

Chart 3: New Spending on Cards – Sectoral Breakdown



75 per cent of all credit card expenditure in March 2018 was split between the services (38 per cent) and retail (37 per cent) sectors (Chart 3). In comparison, retail was predominant for debit cards, accounting for 50 per cent of new spending, or more than double the expenditure on services.

Chart 4: Expenditure outside of Ireland



Total card expenditure outside Ireland averaged €497 million in the 3 months to end-March 2018 (Chart 4). Credit or debit card expenditure outside Ireland (when the physical card is present) provides an indication of expenditure abroad by Irish tourists². 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 up to March 2018 amounted to €1.1 billion, an increase of 24 per cent on the 2017 figure. Credit card expenditure outside Ireland remained relatively stable with a 5 per cent increase up to March 2018 compared with the 2017 equivalent. The total value of debit card expenditure outside Ireland (including ATM transactions) is 2.4 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.

² Only total figures are available for expenditure outside of Ireland