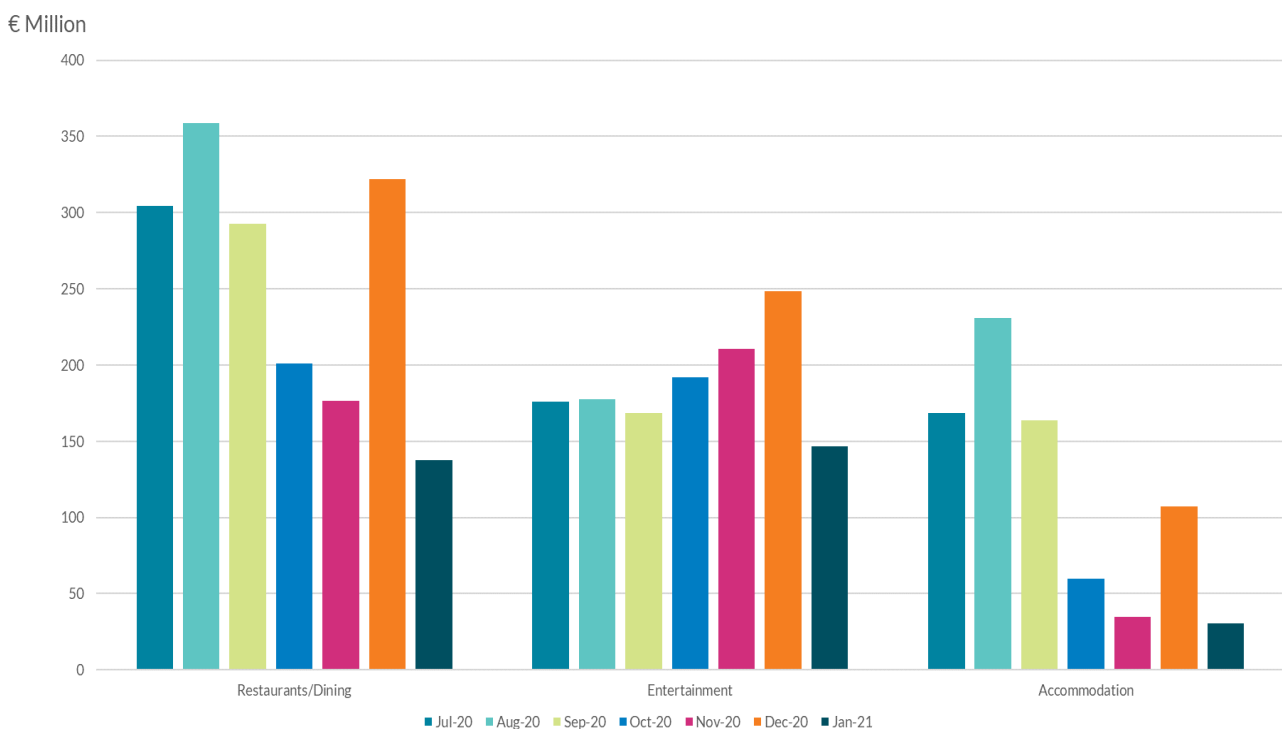




Key messages

- ❖ Card spending in the transport, accommodation and restaurants/dining sectors were the most heavily impacted in January 2021, as total credit and debit card spending declined 18 per cent in January compared to January 2020. Grocery spending remains strong, however.
- ❖ In January, in-store spending decreased by €1.9 billion, or 50 per cent; down from €3.8 billion in December 2020. Online spending (e-commerce) also declined, but by a lesser extent of 10 per cent. However, online spending was 10 per cent higher when compared to January 2020.
- ❖ Compared to December 2020, total credit and debit card spending decreased by 34 per cent in January. This reflects both the impact of the reintroduction of Level 5 restrictions in late December and seasonality trends - where spending generally declines in January.
- ❖ In month-on-month terms, the most heavily impacted sectors were the hospitality sectors of restaurants and accommodation, which fell by 57 per and 71 per cent respectively, compared to December (Chart 1). The entertainment sector declined by 41 per cent.
- ❖ The only sector to experience an increase in month-on-month spending in January was the education sector.

Chart 1: PoS Card Expenditure by sectors



Credit and Debit Card Statistics

Daily Card Payments data¹

The daily card payments data has been enhanced to complement existing high-frequency data to allow for the monitoring of personal expenditure, in close to real-time, in a number of sectors most affected by the pandemic. The data are a subset of these monthly Credit & Debit Card Statistics, thereby allowing for historical comparisons. The dataset will be published on a weekly basis each Friday, with a daily and sector breakdown.

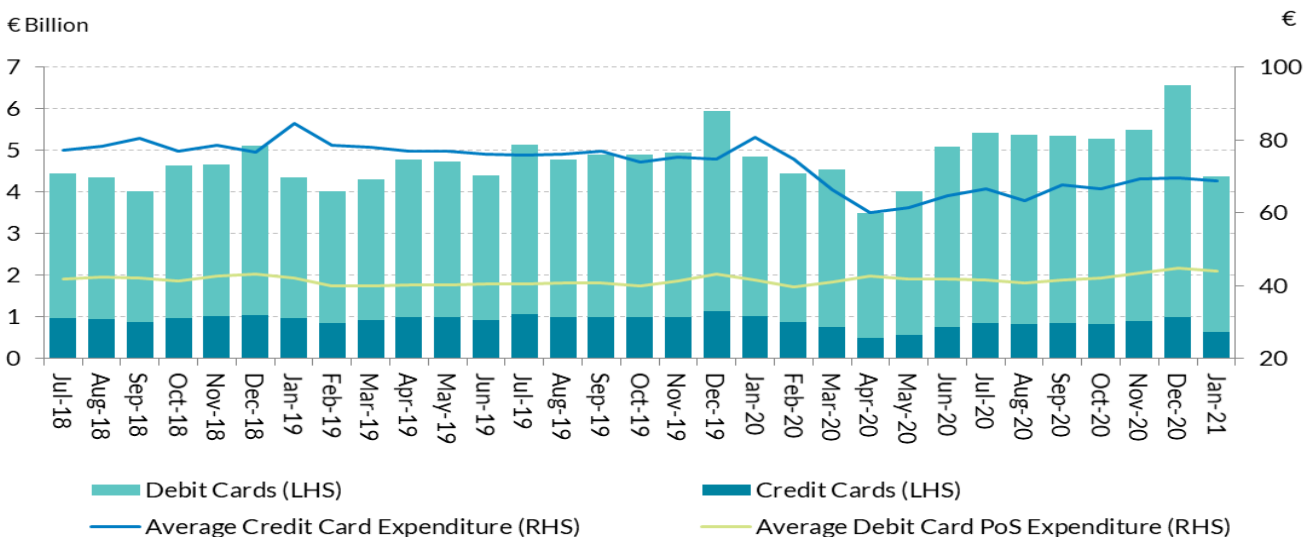
You can read more about this newly published data in our ‘Behind The Data’ research note, available [here](#).

Detailed Monthly Data for January 2021

Detailed monthly data for January 2021 show that total card spending, including ATM withdrawals, decreased in both monthly and annual terms. Spending equated to €5.1 billion in January, 34 per cent below December levels. This monthly decrease reflects both seasonal trends, and the reintroduction of Level 5 restrictions across Ireland. In annual terms, a decrease of 18 per cent was recorded.

In-store spending fell by €1.9 billion, or 50 per cent month-on-month, in January as the reintroduction of Level 5 restrictions curtailed in-person expenditure.²

Chart 2: PoS Card Expenditure (€)



¹ 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](#).

² In-store expenditure is defined as spending where the physical card is present during the transaction.

The total number of credit and debit card transactions fell in January to 99 million, from 146 million in December, a decrease of 32 per cent. Of this, 85 million refer to individual debit card Point of Sale (PoS) transactions in January, with an average spending of €44.05 per transaction (Chart 2). This represents a decrease in both volume and average spend. The number of credit card transactions in January 2021 fell by 34 per cent from December 2020.

The total number of ATM transactions decreased by 39 per cent month-on-month in January, from 7.8 million transactions, to 4.7 million. On a year-on-year basis, the number of ATM transactions was down 56 per cent. The average amount withdrawn per ATM transaction was largely unchanged on the month at €160.

Monthly data for January captures the impact of the nationwide Level 5 restrictions. A more detailed breakdown of the various sectors and sub-sectors can be seen in Chart 1 and Table 1. Total PoS spending fell by 33 per cent in month-on-month terms.

Table 1: Debit Card PoS and Credit Card Sectoral Expenditure (€000s)³

	Total				
	Jan-20	Dec-20	Jan-21	M-o-M % change	Y-o-Y % change
Total PoS Spending	4,858,945	6,555,362	4,375,814	-33%	-10%
of which:					
Total Retail	2,128,001	3,805,353	2,276,515	-40%	7%
Groceries/Perishables	883,453	1,536,127	1,107,461	-28%	25%
Clothing	205,689	520,254	166,373	-68%	-19%
Electrical Goods	119,120	242,341	161,074	-34%	35%
Hardware	279,351	440,792	283,537	-36%	1%
Total Services	1,511,726	1,099,962	827,932	-25%	-45%
Transport	459,486	118,720	82,775	-30%	-82%
Accommodation	203,332	107,272	30,684	-71%	-85%
Education	117,461	38,144	92,255	142%	-21%
Health	118,314	136,839	121,879	-11%	3%
Utilities	319,709	336,072	251,088	-25%	-21%
Professional Services	271,778	343,172	231,051	-33%	-15%
Total Social	487,715	605,252	308,699	-49%	-37%
Restaurants/Dining	286,289	321,810	137,764	-57%	-52%
Entertainment	159,993	248,357	146,893	-41%	-8%

Card spending declined month-on-month in all sub-sectors, with the exception of education, which grew by 142 per cent month-on-month. Seasonality, due to educational institutions returning for new terms, explains a large proportion of this growth. However, this figure is still 21 per cent below spending in this sub-sector in January 2020.

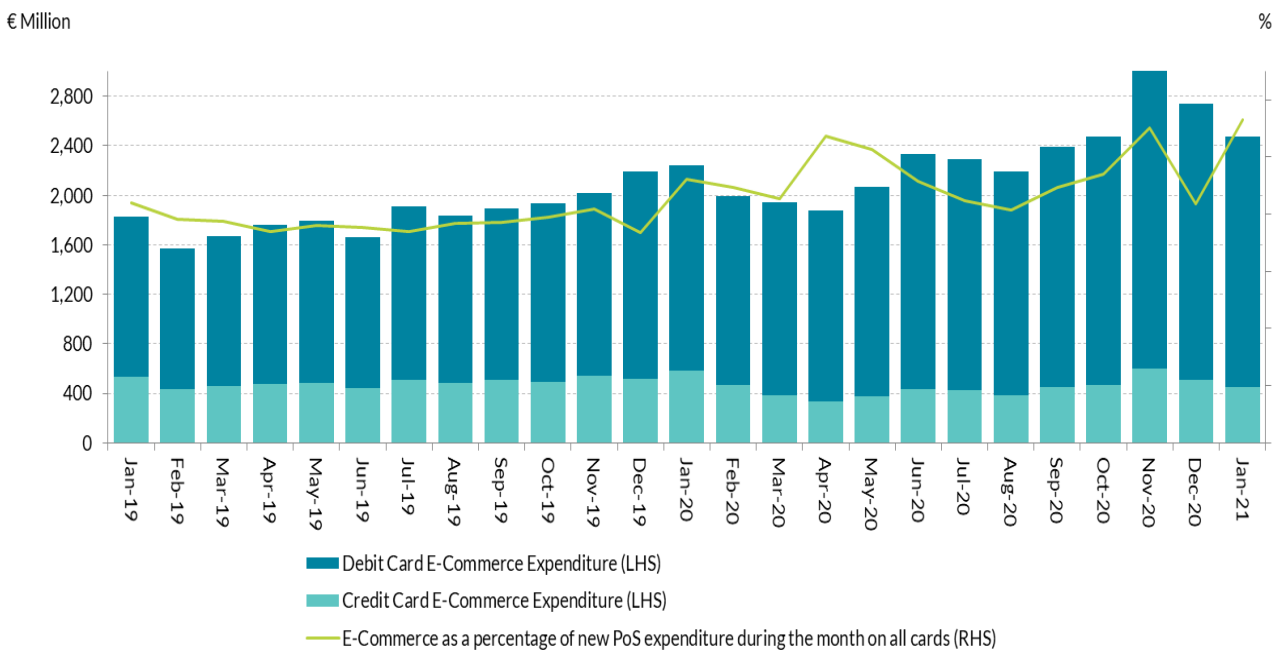
³ New spending figures for the debit card sectoral totals and sub-sectors, for the period December 2019 to December 2020, were impacted by a revision due to a reporting error by one reporting institution

Total retail spending fell sharply in January, down 40 per cent from December 2020, however, this is largely in line with seasonal trends. Grocery spending fell by 28 per cent compared to December, but remains significantly higher in year-on-years terms. The clothing, electrical goods and hardware sub-sectors declined by 68 per cent, 34 per cent and 36 per cent respectively.

Monthly spending in the services sector declined by 25 per cent, as spending in both the accommodation and travel sub-sectors remained low, reflecting the impact of restrictions. While the social sector somewhat bounced back in December 2020 (recording a 45 per cent month-on-month increase), the reintroduction of Level 5 restrictions, as well as seasonal trends in January have resulted in an overall fall of 49 per cent month-on-month.

In annual terms, the transport, accommodation and restaurants/dining sub-sectors continue to be the most heavily impacted, with spending in these sub-sectors 82 per cent, 85 per cent and 52 per cent below their January 2020 spending levels.

Chart 3: Online Card Expenditure



Total online expenditure amounted to €2.5 billion in January 2021, a decline of 10 per cent on the previous month.⁴ However, this represents a 10 per cent year-on-year increase. Online spending accounted for 57 per cent of all PoS spending in January, an increase from 42 per cent in December as the Covid-19 health restrictions have reduced the opportunity for in-store purchases (Chart 3).

⁴ Also called e-commerce expenditure, defined as where the physical card is not present during the transaction provides a proxy for online. It includes instances where card details are processed online, or communicated via telephone, for example. A breakdown by sector is not available for online 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.

Note 3:

In Table 1, the Retail, Services, and Social sectors will not sum to Total PoS Spending. The sub-categories pertaining to these sectors represent a subset of the full granularity, and will not sum to the respective 'Total' category.