

Spending Monitor

Signs of weakness in consumption data

- Danish spending data up to and including 30 June shows some weakness in card and MobilePay spending in most categories. Some of it is due to payday effects, which will be out of the data next week, but we are also seeing spending decline in a number of subcategories not affected by this.
- Aside from the payday effect, which should be out of the data later this week, we are seeing signs of weakening in retail spending. Areas that previously supported consumption have come down, with spending in grocery store spending at normal levels and DIY spending only slightly higher than usual.
- The weakening in spending on clothing and shoe stores over the past weeks continues, with clothing spending 20% below normal levels and spending in shoe stores down 25%. This could also be affected by larger sales than normal, as we only observe the effects on nominal spending.
- We are still to see a significant uptick in travel spending, despite anecdotal evidence that the opening of the borders would have an effect.
- We expect some rebound in the spending data next week but there are signs of weakness and changing holiday patterns might also depress spending, as Danes spend less when holidaying at home than abroad.

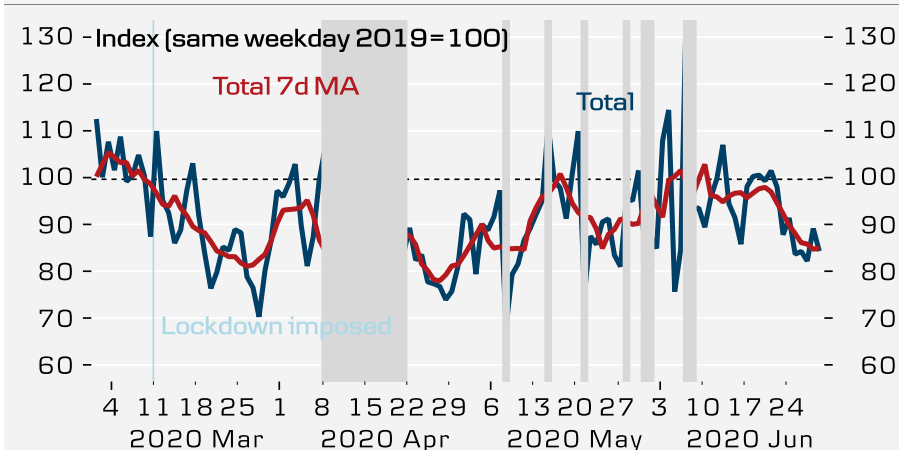
Notes on the spending data

The spending data is based on transactions online and offline, both domestically and abroad, with cards and MobilePay in stores for around 1m Danske Bank Danish personal customers with active accounts. All data is anonymised and non-referable.

The spending data is used as a proxy for private consumption. However, it does not include cash spending and account transfers. Hence, notably, fixed costs and spending on housing are not included. Also changes in cash spending patterns will affect the data.

The charts show spending in March, April, May and June 2020 compared with the same weekdays in 2019 (this is to correct for different spending patterns across the week). Data is not adjusted for price developments.

Weakness in total spending, but still some turn-of-the-month effects



Note: Spending by card and MobilePay does not include cash and account transfers; hence, it cannot be compared directly with private consumption in national accounts. Grey areas mark holidays in 2020 and 2019 that are timed differently from one year to another. These include Easter, General Prayer Day, Ascension Day and Whitsun Sunday and Monday.

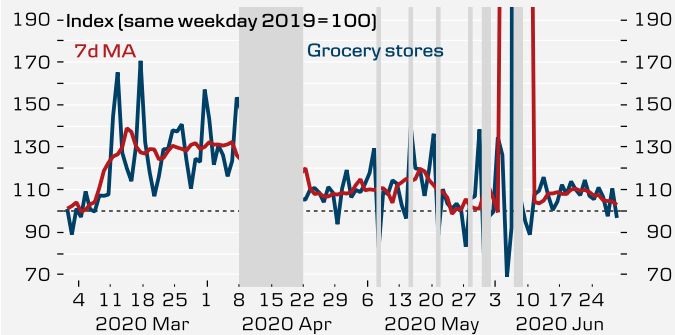
Source: Danske Bank

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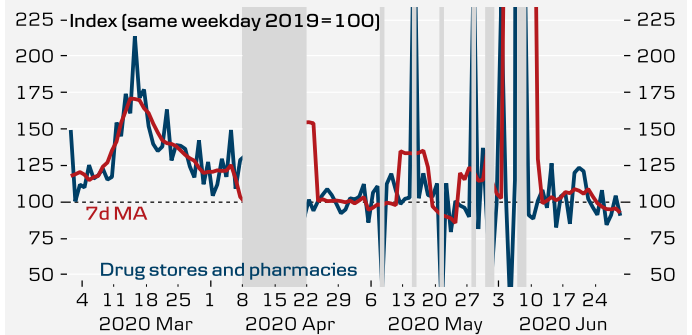
Selected charts with relative changes

Grocery store spending at more normal levels, especially considering the move from cash to card spending



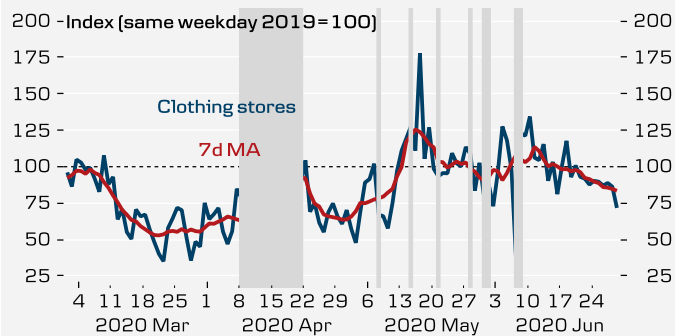
Source: Danske Bank

Health-related spending now slightly below normal levels



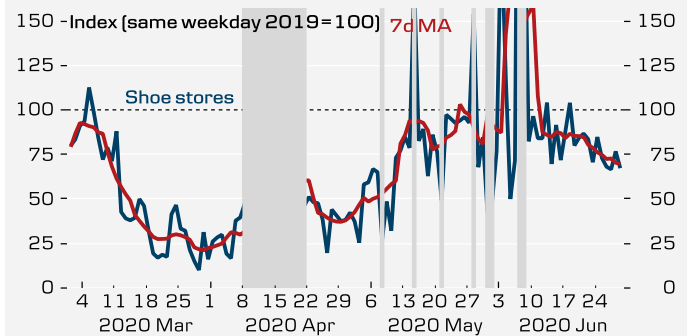
Source: Danske Bank

Spending at clothing stores has come down in recent weeks



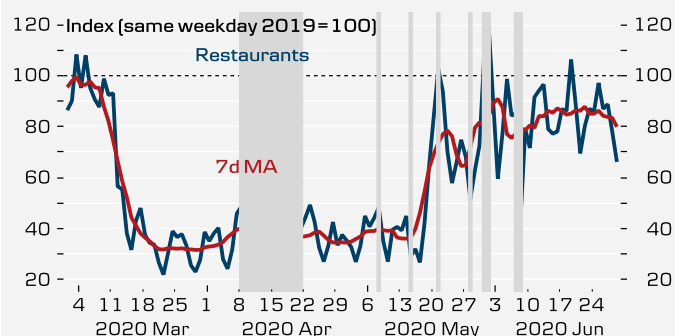
Source: Danske Bank

Spending at shoe stores has worsened through June



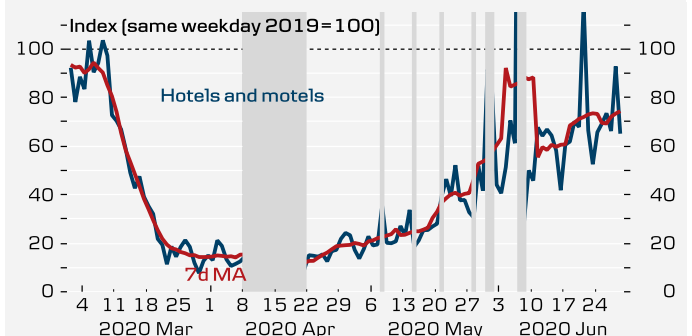
Source: Danske Bank

Activity at restaurants has stabilised at 80-90% of normal



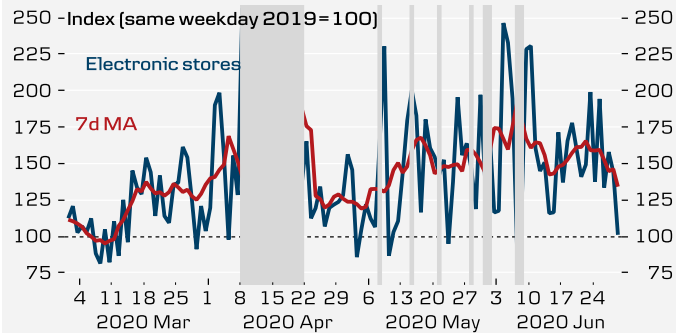
Note: Restaurants include bars and nightclubs
Source: Danske Bank

Danes' spending around 30% less than normal and note foreigners are not covered by the data



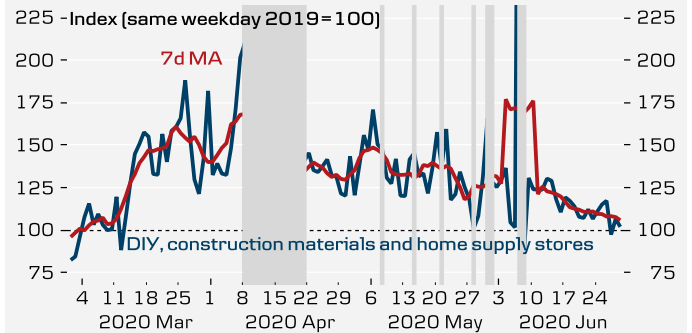
Source: Danske Bank

Spending at electronics stores has been elevated since lockdown started, but seems to be normalising



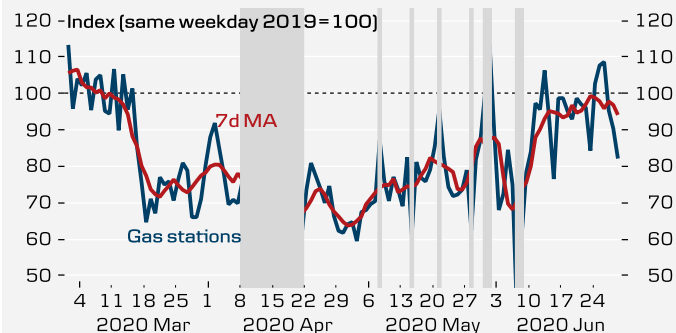
Source: Danske Bank

DIY spending continues to come down towards normal levels



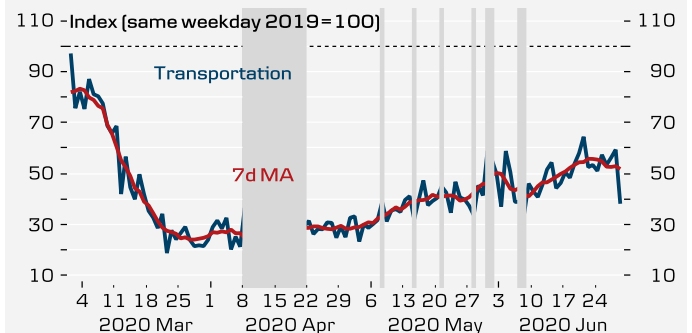
Source: Danske Bank

Increased spending at gas stations as both prices and activity rise with more Danes returning to work



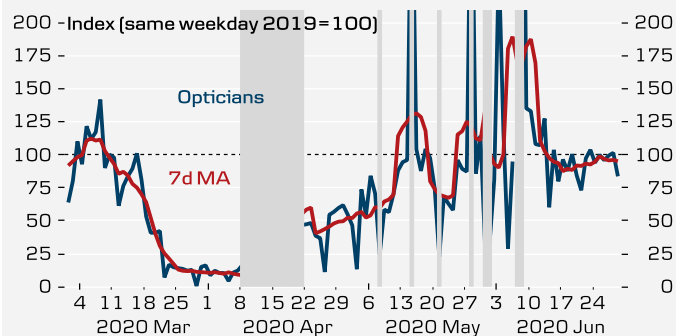
Source: Danske Bank

Transportation spending still well below normal, but clear signs of improvement



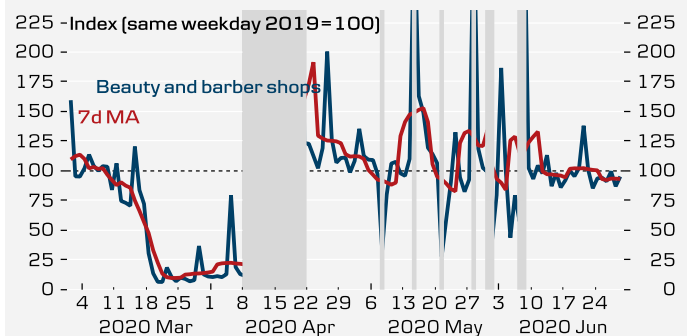
Source: Danske Bank

Opticians at last year's activity levels



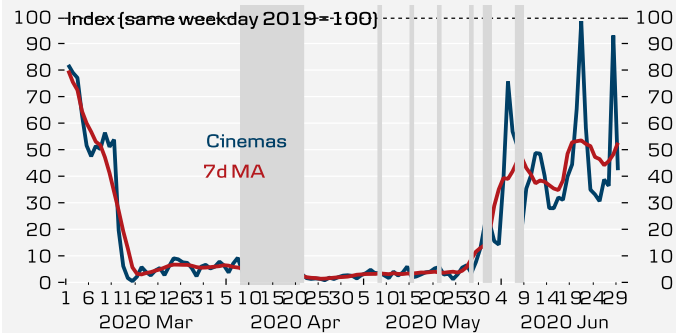
Source: Danske Bank

Spending at hairdressers has returned to normal



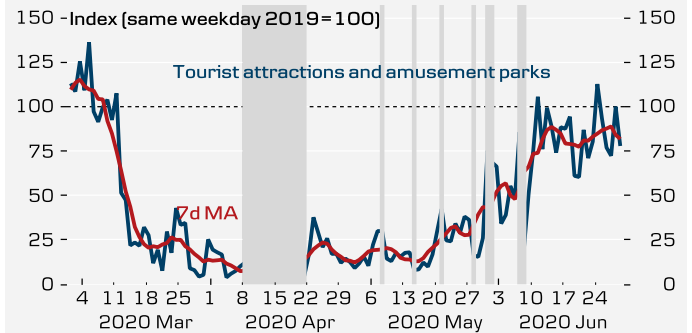
Source: Danske Bank

Cinema spending at less than half of normal levels. Good weather and limited supply of films dampening activity



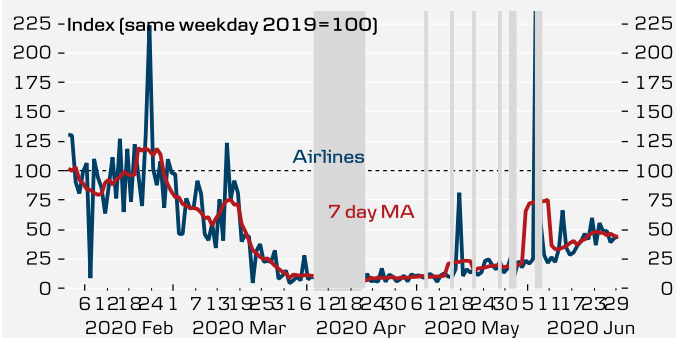
Source: Danske Bank

Higher spending at tourist attractions still far from enough to compensate for absence of foreign tourists



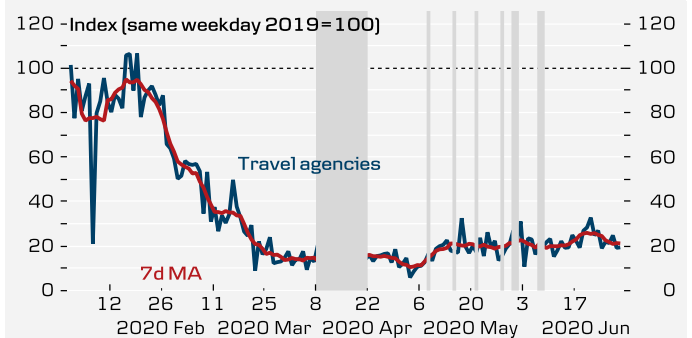
Source: Danske Bank

Airline spending improving very slowly



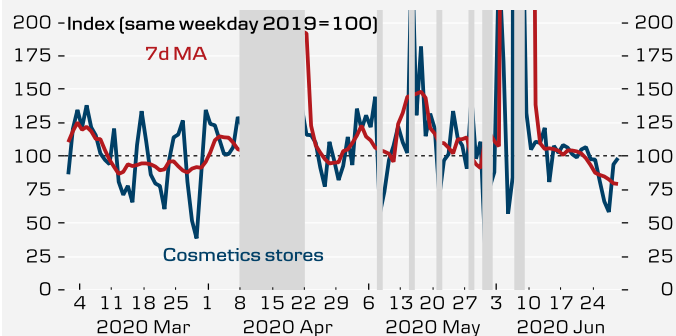
Source: Danske Bank

Travel spending is still very depressed and no clear signs of the border opening lifting the data



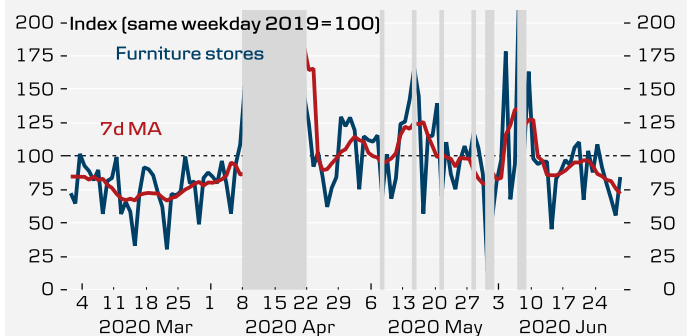
Source: Danske Bank

Spending at cosmetics stores has levelled off



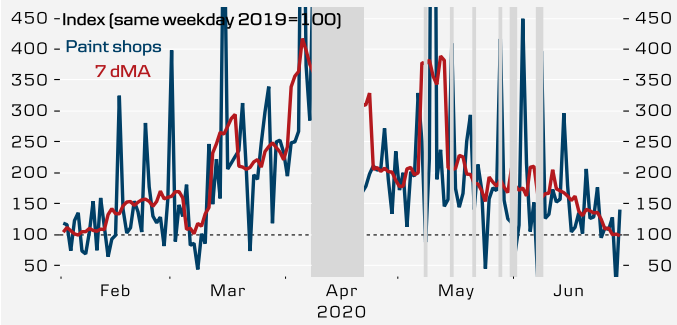
Source: Danske Bank

Spending at furniture stores is back below normal levels



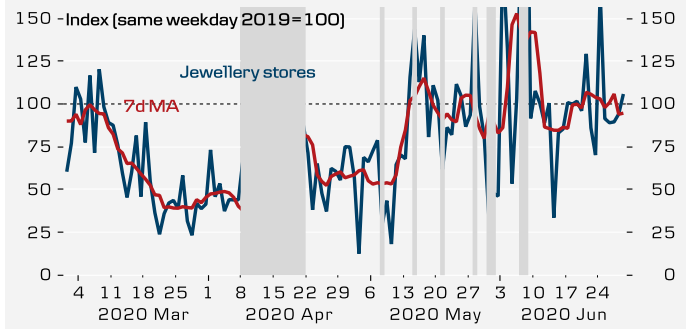
Source: Danske Bank

Spending on paint has normalised as well



Source: Danske Bank

Spending at jewellery stores rebounded after opening of department stores and malls



Source: Danske Bank

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Report completed: 30 June 2020, 13:12 CEST

Report first disseminated: 30 June 2020, 14:25 CEST