

Card Expenditure Statistics [CES] – August 2009

Seasonally-adjusted

At a glance key figures for August

	Total spending £ billions		Annual growth rates for spending		Number of purchases millions	
	2009	2008	2009	2008	2009	2008
All plastic cards	31.0	29.9	4.4%	8.2%	639	608
Debit cards	21.0	19.6	7.4%	10.8%	478	448
Credit cards	10.0	10.2	-1.2%	3.4%	161	160

Plastic card spending in August was 2.5% weaker than in July and 1.7% below the average for the past 12 months. August's retail sales were 1.2% lower and spending on services was 2.2% lower than the averages for the past 12 months. Falls occurred in all sectors except financial services where debit card payments showed strongly, *inter alia* in payment of credit card bills. This may reflect concerns over postal services rather than higher repayments, which will become apparent only with the release of the Bank of England data on 29 September.

The **plastic card share of total retail sales**¹ in August was 64.3%, and although increasing from 62.3% over the past 12 months it has fallen back slightly since April when it had reached a high of 65.3%. This may reflect some 'recession-induced' spending caution with more consumers preferring cash to budget their expenditure.

Annual growth rates for spending suggest signs of levelling-off, with credit card spending holding steady at a negative growth rate of -1.2% and debit card spending moving-up from 7.1% to 7.4%. Although annual growth rates are normally a smooth indicator of trends it should be pointed out that unusually low spending in August 2008 will have allowed the August 2009 growth rates to creep up.

¹CES 3-month moving average spending for August of £15.4 billion expressed as a percentage of a similar 3-month moving average for National Statistics 'All retailing' (EAQV) based on the value of Retail Sales at current prices (SA) that gives a figure of £24.0 billion.

Chart 1

Spending on plastic cards
Annual growth rates

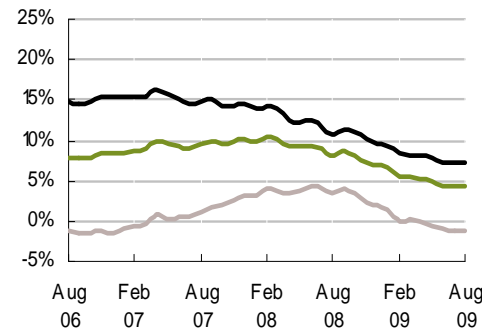


Chart 2

Percent of retail sales made on plastic cards
Three-month moving average

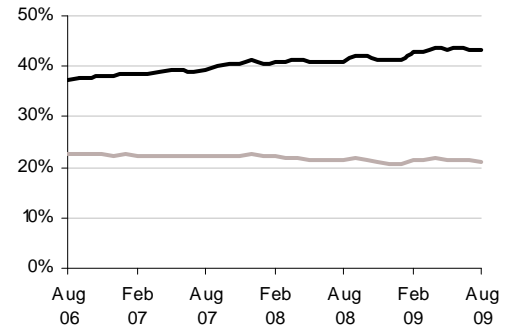


Chart 3

Average transaction values
Three-month moving average

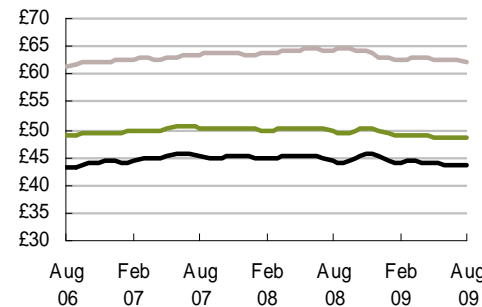
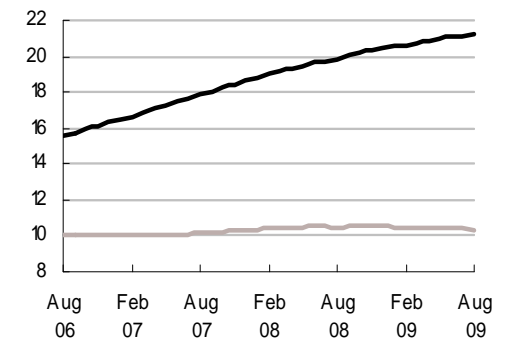


Chart 4

Average monthly expenditure
£ billions



— Debit cards
— Credit cards
— All plastic cards