

Card Expenditure Statistics [CES] – May 2010

Seasonally-adjusted

At a glance key figures for May

	Total spending £ billions		Annual growth rates for spending		Number of purchases millions	
	2010	2009	2010	2009	2010	2009
All plastic cards	34.0	31.3	6.6%	4.8%	679	647
Debit cards	23.5	21.1	9.0%	7.7%	517	483
Credit cards	10.5	10.2	1.7%	-0.7%	162	164

Spending on plastic cards softened in May following the stronger figures of March and April. Total spending amounting to £34.0 billion, close to the average of the three preceding months. £23.5 billion was spent on debit cards and £10.5 billion on credit cards. Annual growth rates continued to strengthen (see Chart 1) with total spending growth up to 6.6% from a low of 3.3% in October 2009. Average transaction values (see Chart 3) continued to move slightly upwards without any one sector making an obvious contribution. However, the all cards ATV in supermarkets fell by £0.15 to £29.61, which is a lower figure than the average for 2009 of £30.71. With 210 million plastic card transactions in supermarkets during May, this is a strong indicator of there being almost no upward pressure on the price of an average basket of goods. Slight upward pressures will have come from spending in travel agents and hotels.

Growth in the share of all retail spending accounted for by plastic cards has been slowing in recent months. In the 12 months to May 2009 the plastic card share grew by 3.1 percentage points. But over the 12 months to May 2010 the **plastic card share of total retail sales** (including automotive fuels)¹ grew by a lower figure of 1.6 percentage points to stand at 67.1%. This could indicate a greater desire to use cash during the recession – a behaviour change that is already recognised – and it could indicate fewer remaining opportunities for plastic cards to continue to penetrate the lower-value segment of the payment market where cash is most frequently used. In the food & drink sector the share was 60.1%.

¹CES 3-month moving average spending for May of £18.1 billion expressed as a percentage of a similar 3-month moving average for National Statistics 'All retailing including automotive fuel' (AGG 21) based on the value of Retail Sales at current prices (SA) that gives a figure of £26.9 billion.

Chart 1

Spending on plastic cards
Annual growth rates

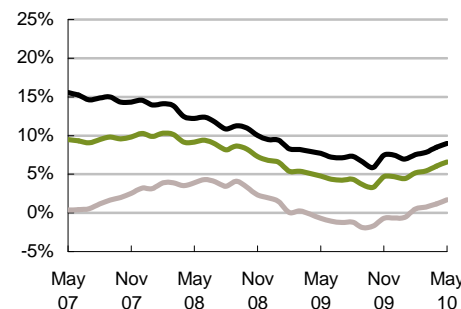


Chart 2

Percent of retail sales made on plastic cards
(including automotive fuel)
Three-month moving average

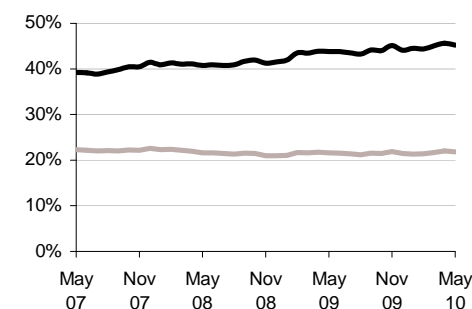


Chart 3

Average transaction values
Three-month moving average

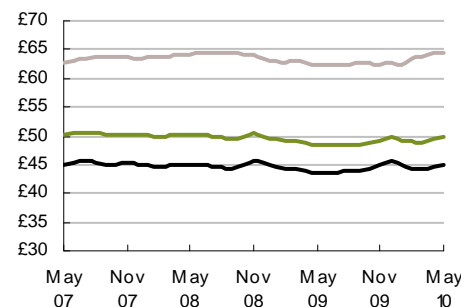
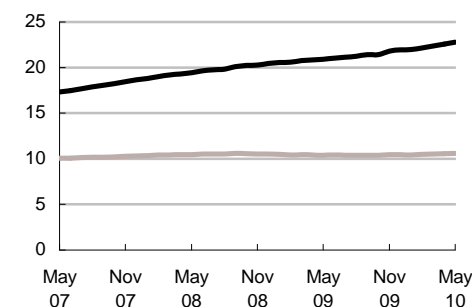


Chart 4

Average monthly expenditure
£ billions



— Debit cards
— Credit cards
— All plastic cards