

Card Expenditure Statistics [CES] – May 2011

Seasonally-adjusted

At a glance key figures for May

	Total spending £ billions		Annual growth rates for spending		Number of purchases millions	
	2011	2010	2011	2010	2011	2010
All plastic cards	41.8	34.0	8.2%	6.5%	817	681
Debit cards	30.1	23.5	11.2%	8.9%	638	518
Credit cards	11.6	10.5	1.7%	1.6%	179	163

Exceptional **spending on plastic cards** was recorded in May, boosted by an estimated £2.6 billion from the final days of April (processed in May) that included the royal wedding bank holiday, and an inflow of some £2.3 billion to National Savings via on-line debit card payments. Even allowing for these distortions it is clear that spending on plastic was stronger during April and May than in the first three months of the year with the average daily amount up from £1.19 billion to £1.28 billion, an increase of 7.8%. This stronger spending has put upward pressure on the **annual growth rates** (see Chart 1) with all plastic up to 8.2%, debit up to 11.2% and credit to 1.7%.

Again comparing April and May with the first three months of the year, **retail spending** rose by 5.4%, with spending on food and drink up by 6.8%, and clothing up by 8.2%. In **services**, travel and entertainment picked up as may be expected owing to the fine weather and bank holidays, with entertainment up by 8.5% and hotels by 7.9%. On a non-seasonally-adjusted basis, cinemas and theatre received a boost in May with spending of £436 million compared to an annual monthly average of £259 million. With many big name retailers reporting recent falls in discretionary spending this suggests that the increased plastic spend may be driven by migration from cash and cheques together with price rises in key sectors such as food & drink, clothing and travel. Price rises are reflected in the **average transaction values** where there was an increase on all plastic cards from £48.10 to £49.05 (see Chart 3). Although the average spend in supermarkets fell back by 56p to £28.61, travel services (railways, travel agents, airlines and hotels) all recorded strong ATV rises.

The **plastic card share of total retail sales** (including automotive fuels)¹ increased by 1.92bp to 68.4% in May (Chart 2). In food & drink this share rose by 2.0bp to 62.4%. These strong rises in the plastic card share of retail spending may be partly due to timing differences in the recording of spending between National Statistics and the CES.

¹CES 3-month moving average spending for May of £19.39 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 £28.34 billion.

Chart 1

Spending on plastic cards
Annual growth rates

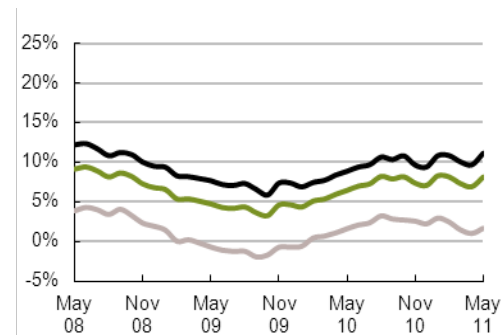
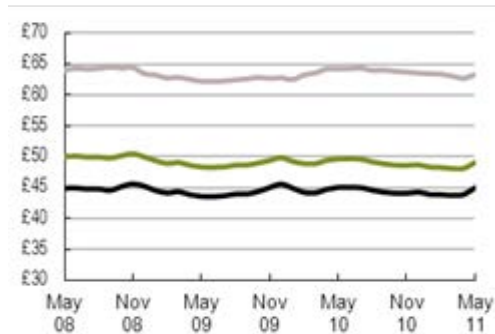


Chart 3

Average transaction values
Three-month moving average



— Debit cards
— Credit cards
— All plastic cards

Chart 2

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

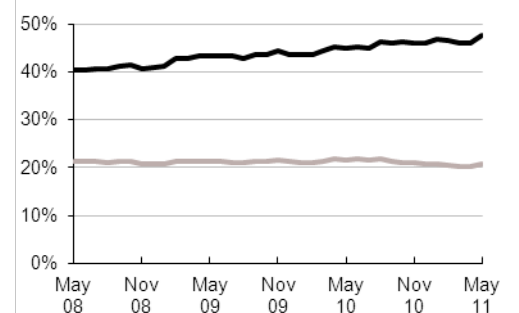


Chart 4

Average monthly expenditure
£ billions

