

10 February 2024

Spending Monitor

Consumers kick of 2025 on a high note

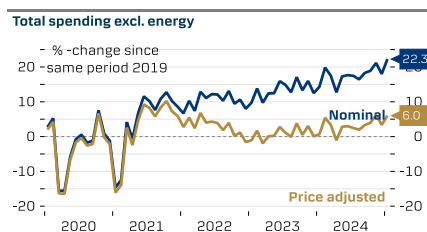
- Danish card data suggests that spending excluding energy increased by 7% in January compared to the same month the year before. Adjusting for inflation, spending excluding energy increased by 5.3%. This is the highest growth since March last year, and supports the trend of strengthening consumer spending since we have seen since last fall.
- Real retail spending rose 2.1% in January, supported by somewhat higher growth in grocery spending, along with solid spending in sporting goods and cosmetics stores, where the latter continues to show remarkable strength. Clothing, footwear and electronics, on the other hand, did not perform well in January.
- January is a crucial month for streaming services, with a lot of subscriptions being renewed. This year, Danes spend more than 21% more on streaming services than last year, constituting a real improvement of a solid 13%.
- We also saw improvement across services, with real spending in both restaurants and hotels up by more than 8%. Travel spending was, however, more muted compared to January last year, with nominal growth at around 0 percent. Statistics Denmark indicates that some of the weakness is due to price declines, but generally issues regarding the timing of price changes in travel spending makes the real numbers difficult to interpret in the airline and travel agency categories.
- Smaller service spending categories like theatres and tourist attractions also performed well, and cinemas saw significant growth compared to January last year.
- Overall, spending continues to improve, as more Danes are seeing their purchasing power restored to pre-inflation surge levels. However, we continue to see very weak consumer confidence, indicating that many are still hesitant to spend.

Notes on the spending data

The spending data is based on transactions online and offline, both domestically and abroad, with cards in stores for around 1 m 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. Changes in cash and mobile spending patterns will also affect the data.

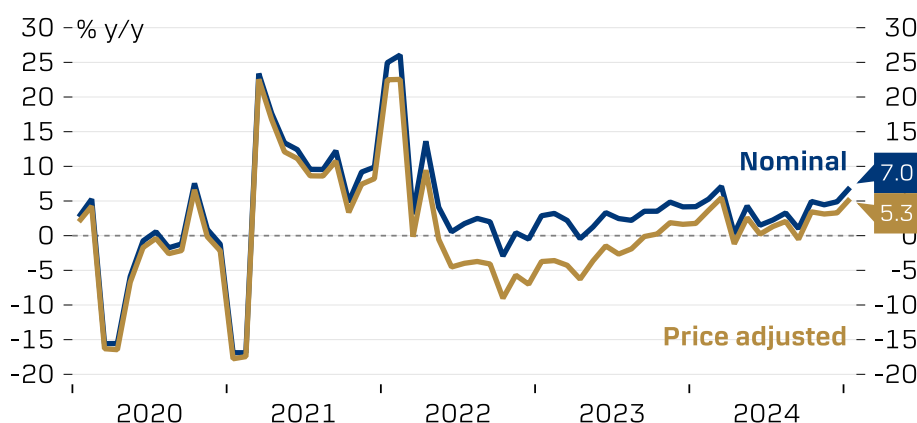
Real spending excl. energy has picked up again



Source: Statistics Denmark, Danske Bank

Growth in spending excl. energy improved in January

Total spending excl. energy



Source: Statistics Denmark, Danske Bank

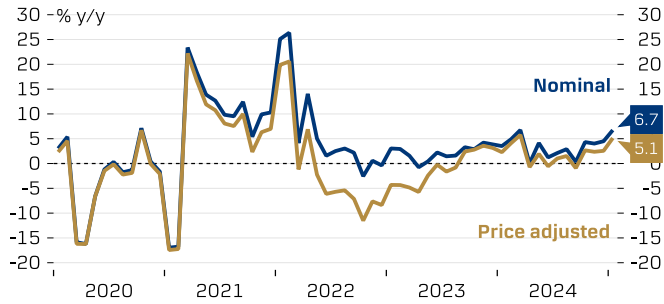
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Nominal and real changes in monthly spending

Total spending growth reaches 10 months high

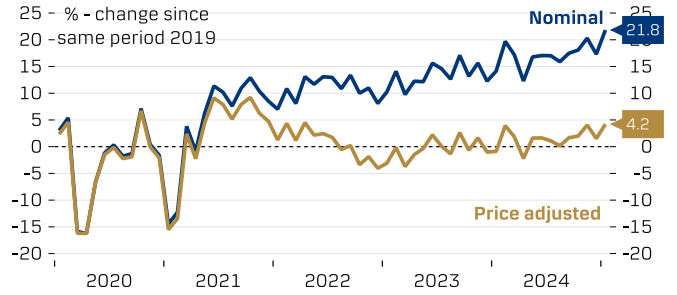
Total Spending



Source: Statistics Denmark, Danske Bank

Real spending improved further compared to pre-covid levels

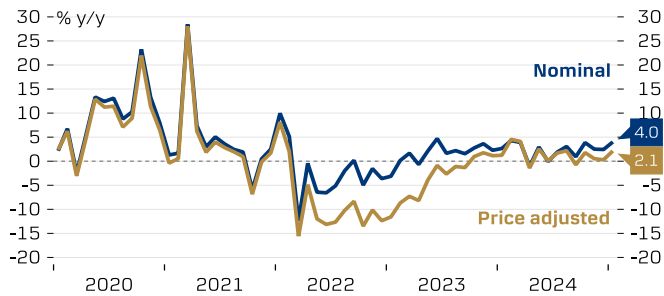
Total Spending



Source: Statistics Denmark, Danske Bank

Real retail spending growth improved in January, but remains on the low side

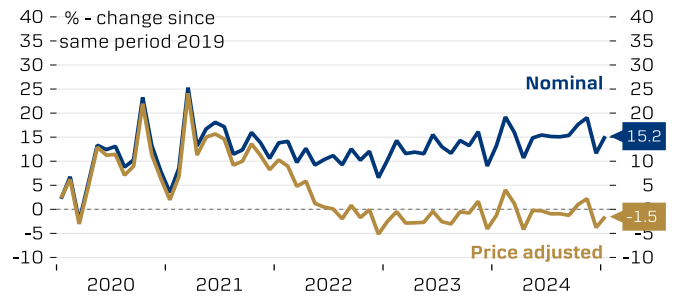
Retail trade



Source: Statistics Denmark, Danske Bank

Real retail spending still lower than before Covid

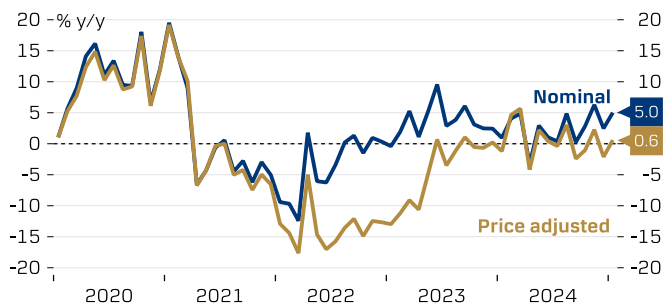
Retail trade



Source: Statistics Denmark, Danske Bank

Real spending in grocery stores grew in January

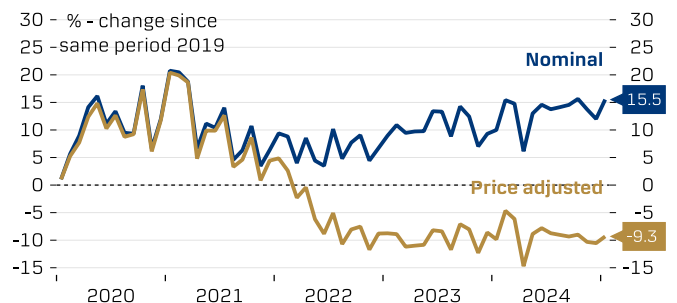
Grocery stores



Source: Statistics Denmark, Danske Bank

Still a lot of ground to cover, before real grocery spending is back to pre-covid levels

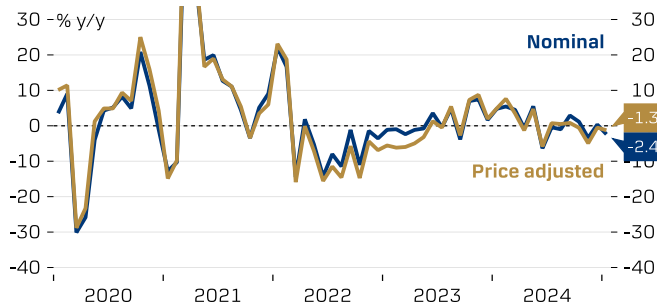
Grocery stores



Source: Statistics Denmark, Danske Bank

Weak clothing spending in January, indicating disappointing sale activity for retailers

Clothing Stores

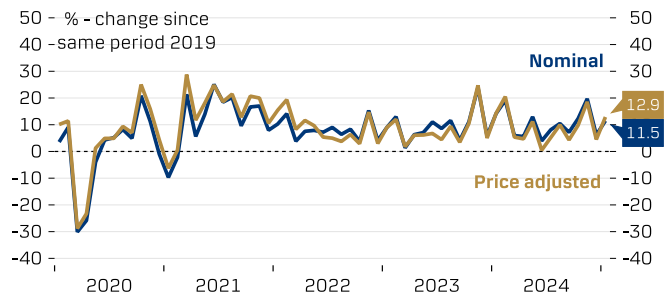


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in clothing stores continues to be well above pre-covid levels

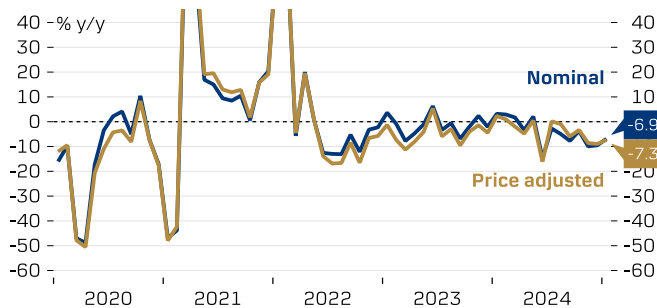
Clothing Stores



Source: Statistics Denmark, Danske Bank

Shoe spending growth has been negative for most of the past year

Shoe stores

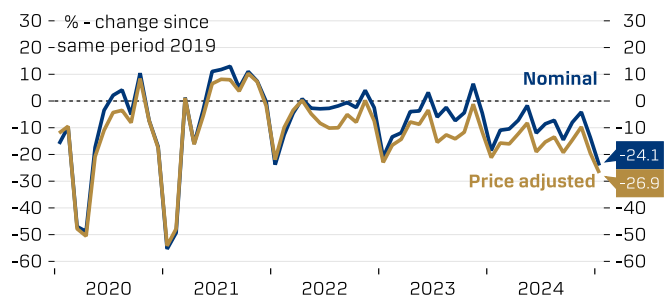


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Real spending in shoe stores has been below pre-covid levels since 2021

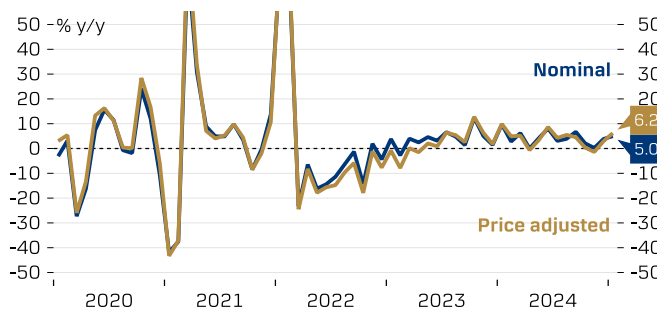
Shoe stores



Source: Statistics Denmark, Danske Bank

Sporting goods performed well in January

Sporting goods stores

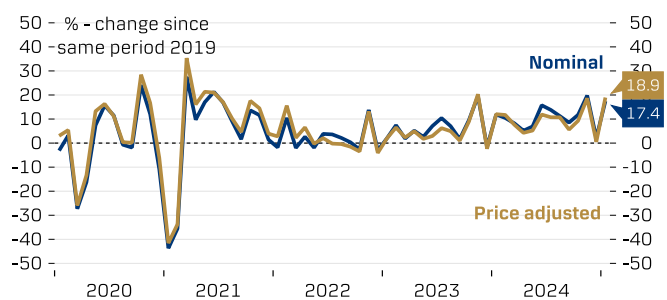


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in sporting goods stores continues to be above pre-covid levels

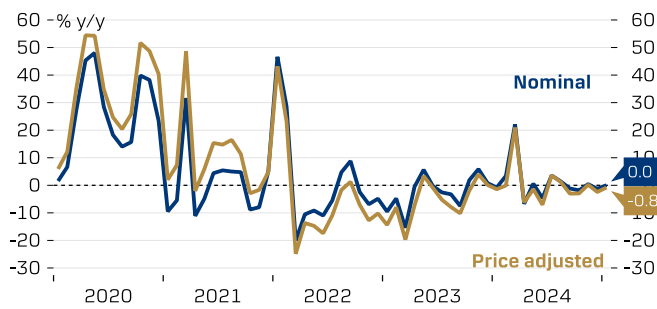
Sporting goods stores



Source: Statistics Denmark, Danske Bank

DIY spending has been flat for some time now

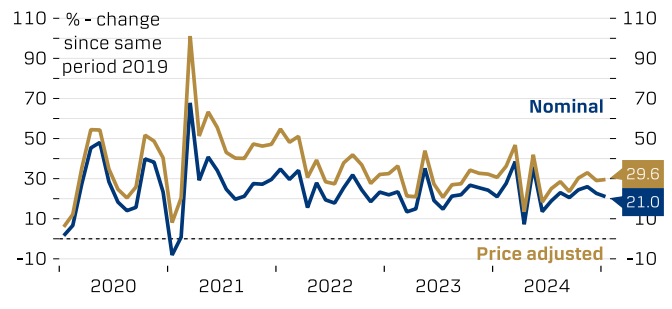
DIY, construction materials and home supply stores



Source: Statistics Denmark, Danske Bank

Spending in DIY stores is well above pre-covid levels

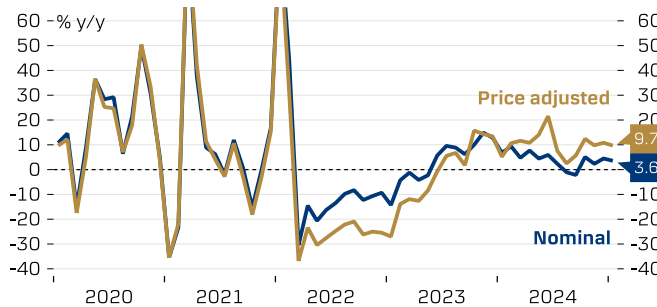
DIY, construction materials and home supply stores



Source: Statistics Denmark, Danske Bank

Spending in furniture stores continues to improve

Furniture stores

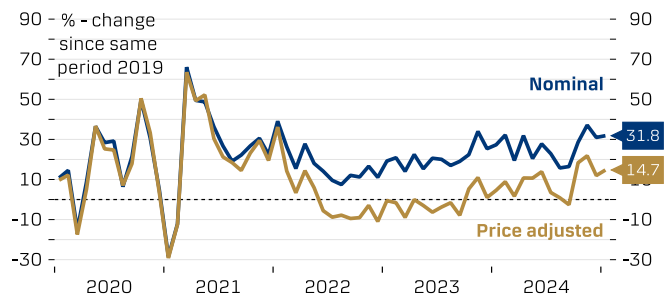


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Compared to before covid, furniture spending has seen a real pick up in recent months

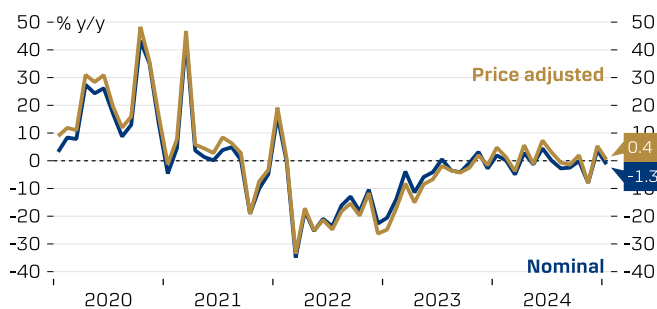
Furniture stores



Source: Statistics Denmark, Danske Bank

Spending in electronic and household appliances stores was very muted in January

Electronic and household appliances stores

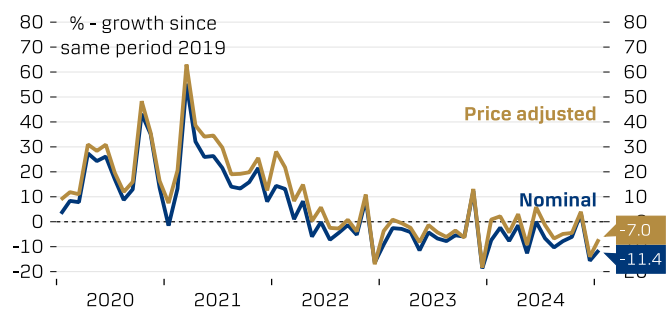


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in electronic and household appliance stores is weak at the moment

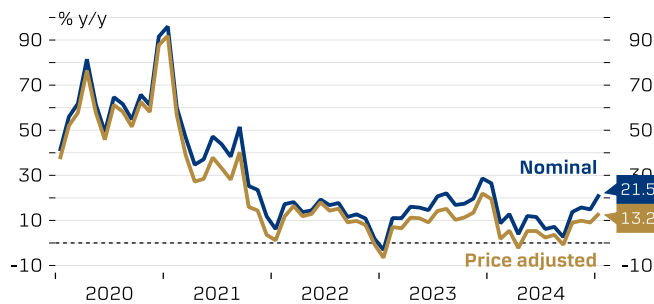
Electronic and household appliances stores



Source: Statistics Denmark, Danske Bank

Digital goods spending almost significantly outperforms last year

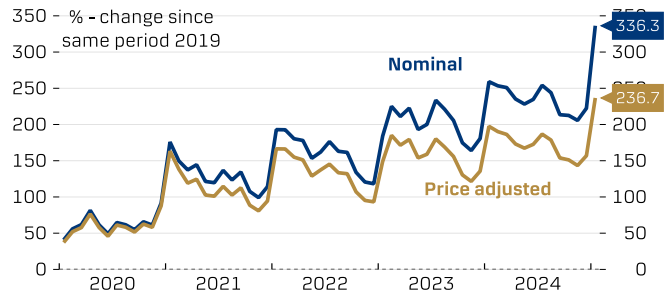
Digital goods and streaming services



Source: Statistics Denmark, Danske Bank

Digital goods spending way above the pre-covid level

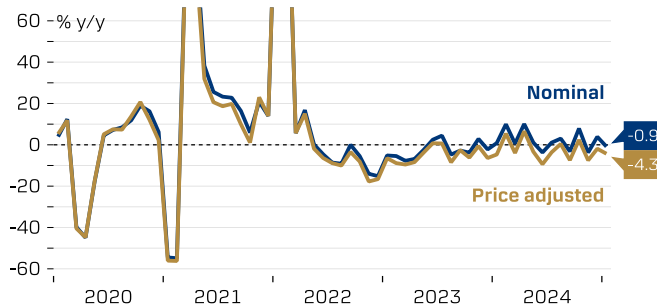
Digital goods and streaming services



Source: Statistics Denmark, Danske Bank

Jewellery spending growth dropped again in January

Jewellery

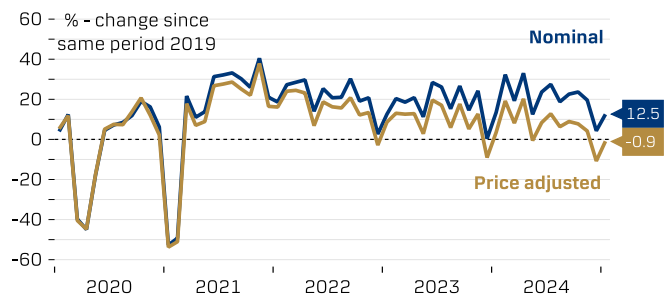


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in Jewellery stores has come down in real terms

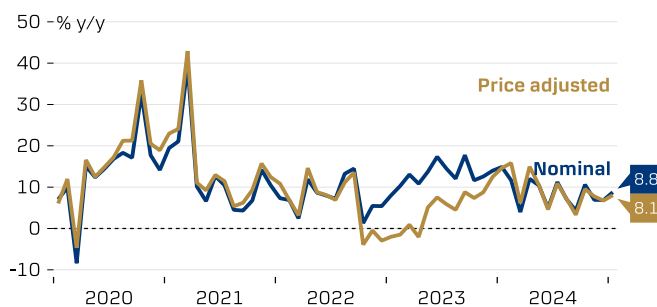
Jewellery



Source: Statistics Denmark, Danske Bank

Spending in cosmetics stores continues to be elevated compared to same period year before

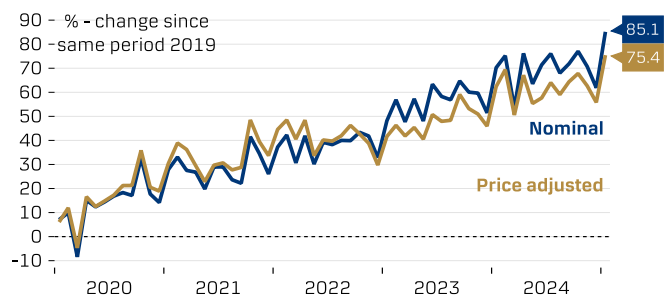
Cosmetic Stores



Source: Statistics Denmark, Danske Bank

Spending in cosmetics stores continues to be well above pre-covid levels

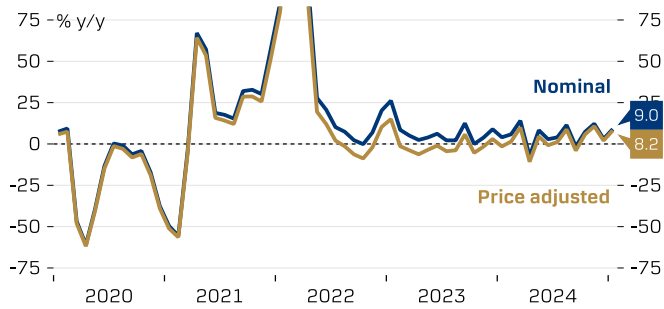
Cosmetic Stores



Source: Statistics Denmark, Danske Bank

Strong growth in restaurants spending in January

Restaurants

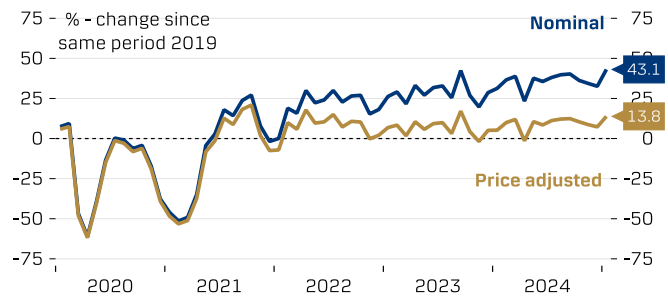


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Restaurant spending continues to be above pre-covid level

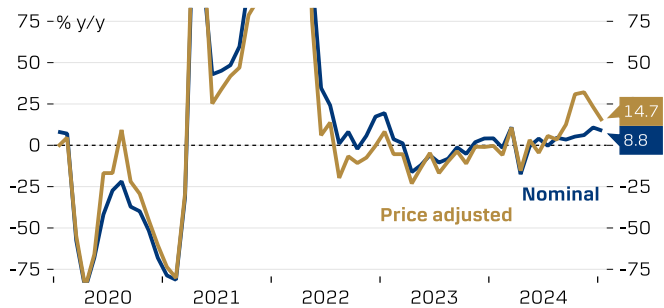
Restaurants



Source: Statistics Denmark, Danske Bank

Hotel spending had a strong start to the year

Hotels and Motels

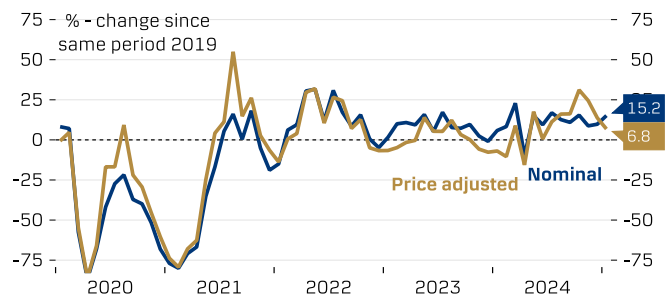


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in hotels have stabilized above pre-covid levels

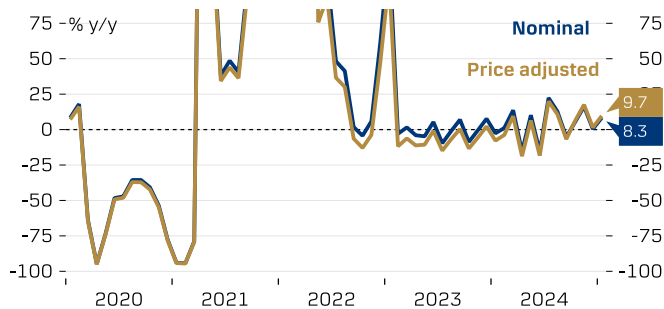
Hotels and Motels



Source: Statistics Denmark, Danske Bank

Spending in bars and nightclubs back in positive growth territory in January

Bars and nightclubs

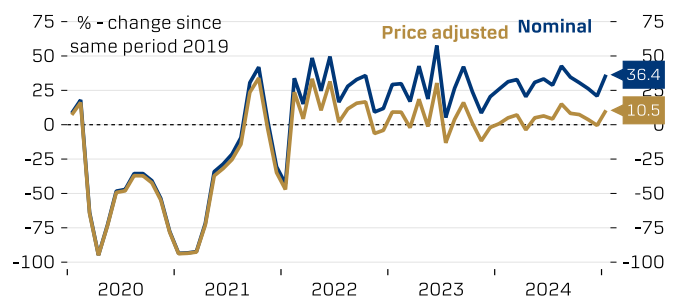


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

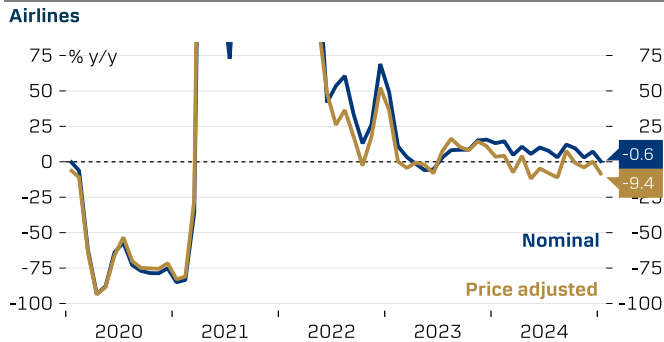
Spending in bars and nightclubs still showing positive growth compared to pre-covid

Bars and nightclubs



Source: Statistics Denmark, Danske Bank

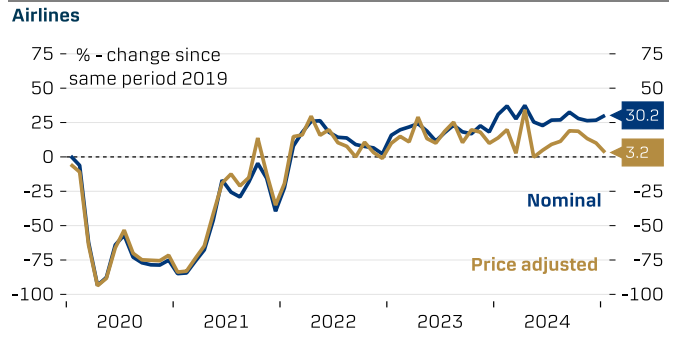
Both nominal and real airlines spending declined in January compared to last year



Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

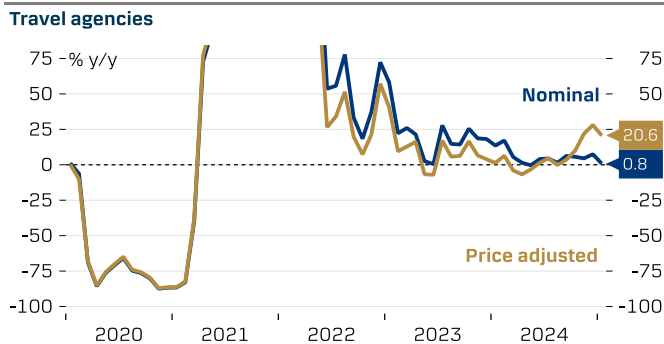
Source: Statistics Denmark, Danske Bank

Airlines spending was still above the 2019 level in November



Source: Statistics Denmark, Danske Bank

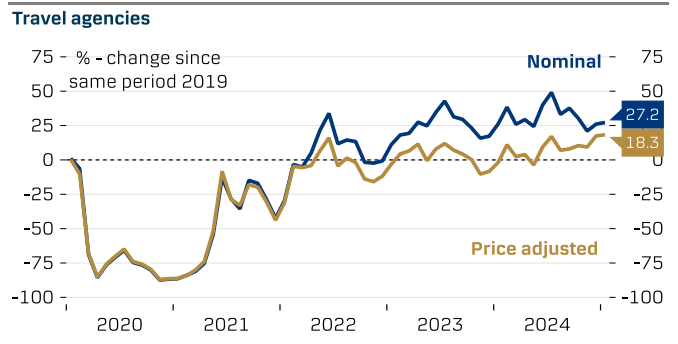
Real spending growth in travel agencies remains high, but price issues might overstate current growth



Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

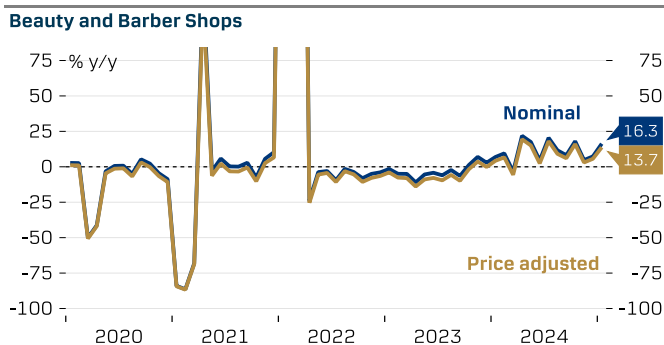
Source: Statistics Denmark, Danske Bank

Spending in travel agencies above pre-covid levels in real terms in January



Source: Statistics Denmark, Danske Bank

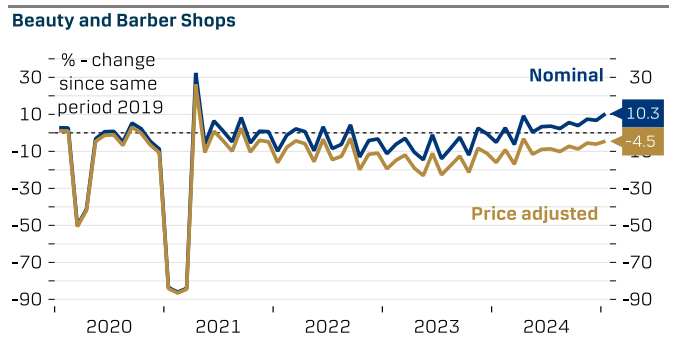
Growth in beauty and barber shops picked up in January



Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

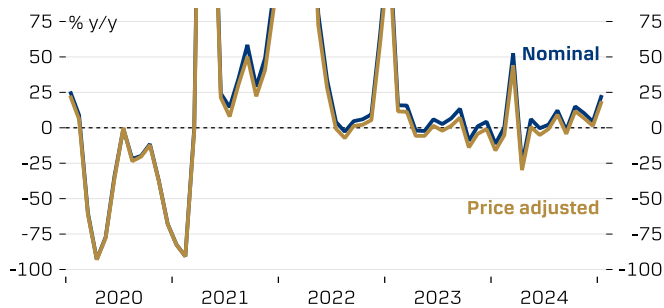
Real spending in beauty and barber shops is still below pre-covid levels, but improving steadily



Source: Statistics Denmark, Danske Bank

Spending in tourist attractions increased compared to January last year

Tourist attractions and amusement parks

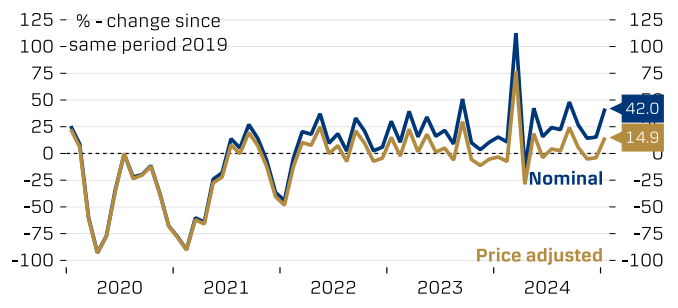


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending growth in tourist attractions well above pre-covid levels at the moment

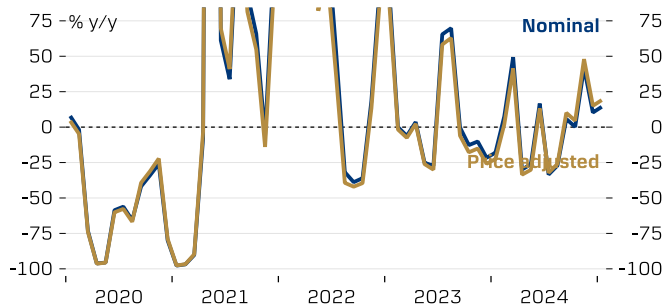
Tourist attractions and amusement parks



Source: Statistics Denmark, Danske Bank

Positive spending growth in cinemas continue

Cinemas

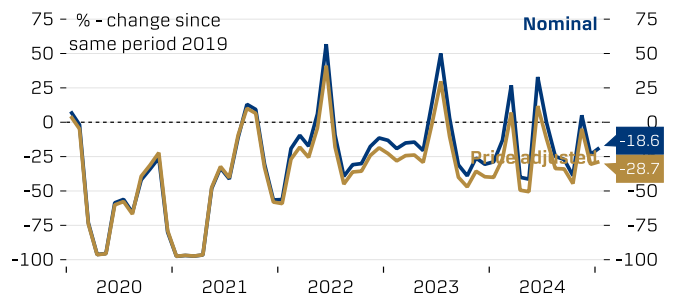


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Real cinema spending climbing up towards pre-covid levels

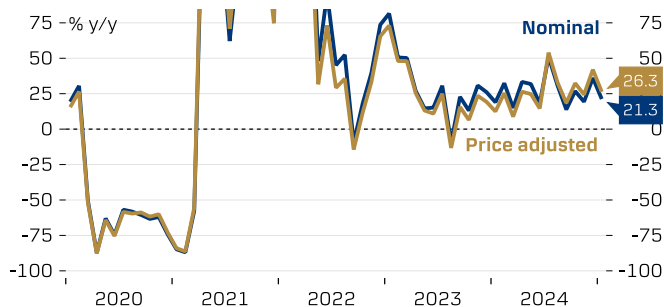
Cinemas



Source: Statistics Denmark, Danske Bank

Spending in theatres and concerts is still performing well

Theaters and concerts

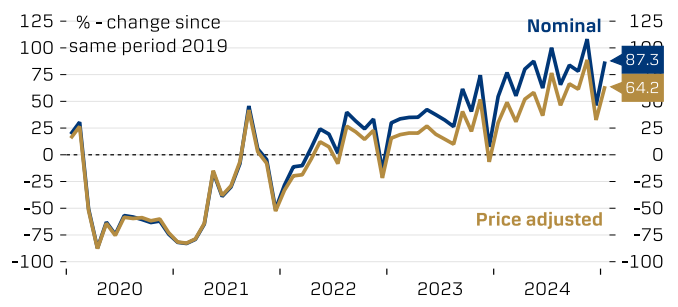


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Statistics Denmark, Danske Bank

Spending in cultural institutions continues to be well above pre-covid levels

Theaters and concerts

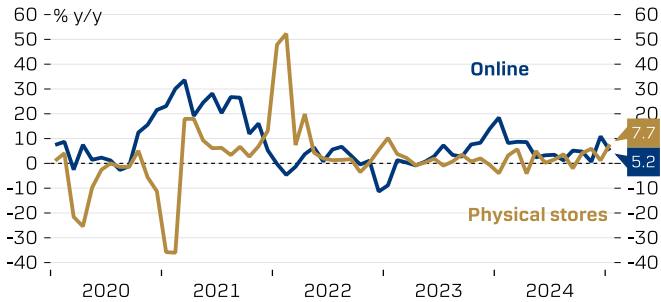


Source: Statistics Denmark, Danske Bank

Nominal changes in monthly online and offline spending

January saw growth in physicals locations outperforming online spending

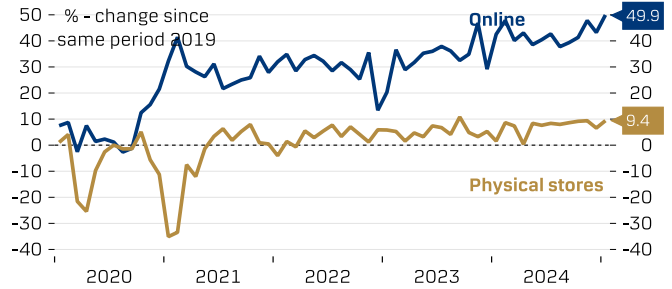
Total spending



Source: Danske Bank

Nominal spending in physical stores have stabilized above pre-covid levels

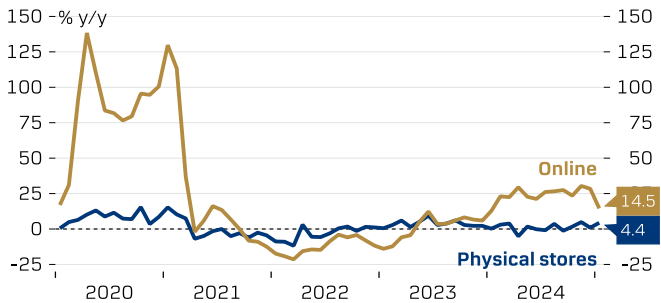
Total spending



Source: Danske Bank

Rapid growth in online grocery spending loosing some steam

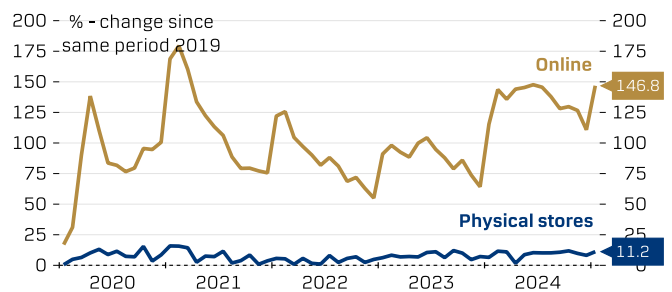
Grocery stores



Source: Danske Bank

Online grocery spending is significantly higher than before Covid

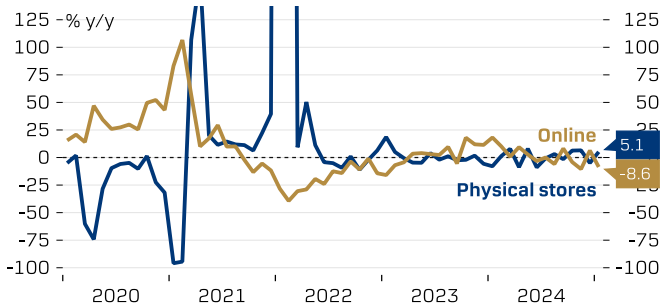
Grocery stores



Source: Danske Bank

Online sales of clothing declined significantly in January

Clothing Stores

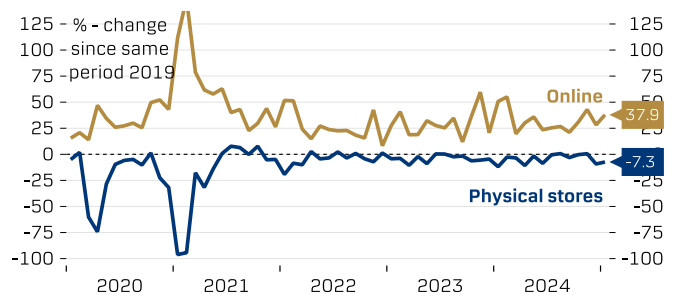


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Danske Bank

Physical clothing spending still below pre-covid levels

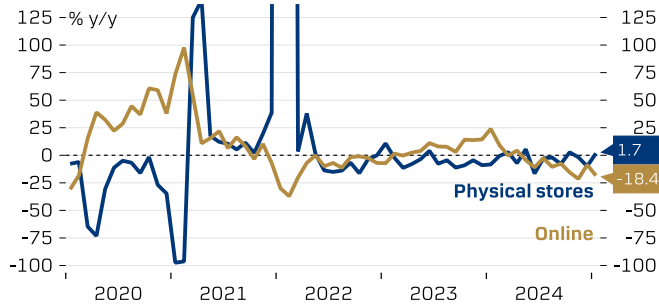
Clothing Stores



Source: Danske Bank

Online shoe spending well below the level from a year ago

Shoe stores

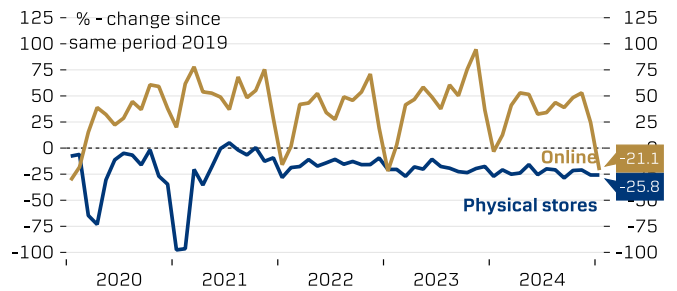


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Danske Bank

Still some ground to cover before physical shoe spending is back to pre-covid levels

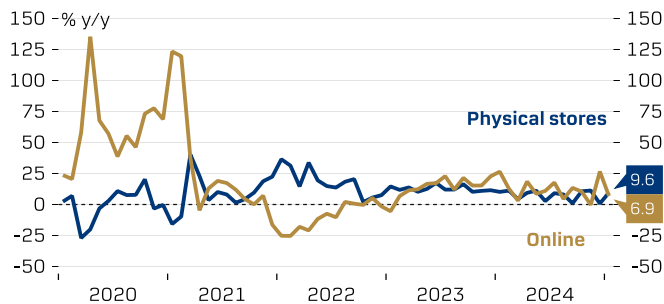
Shoe stores



Source: Danske Bank

Strong performance in cosmetics driven by both physical stores and online sales in January

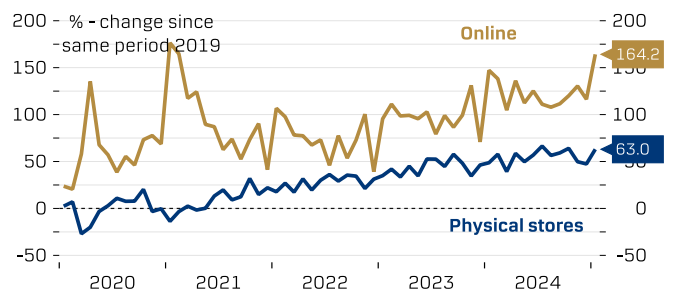
Cosmetic Stores



Source: Danske Bank

Structurally, online spending is driving up cosmetics growth

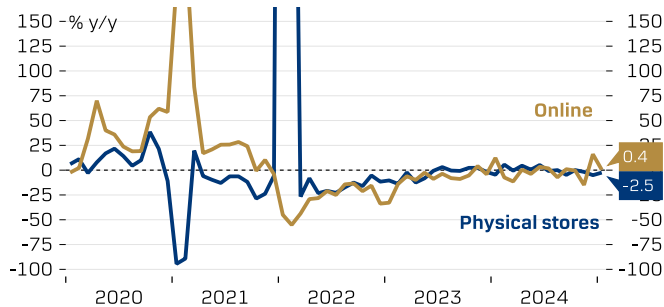
Cosmetic Stores



Source: Danske Bank

Especially physical stores saw weak sales in January

Electronic and household appliances stores

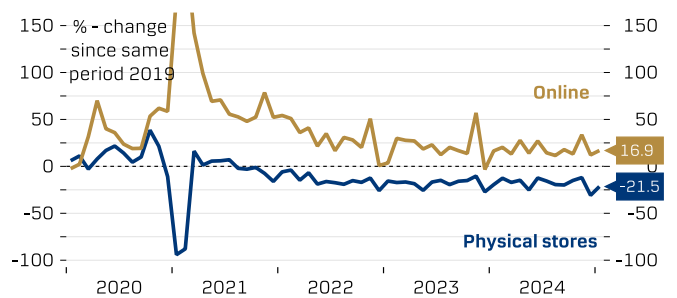


Notes: Due to very large growth rates driven by lockdowns, the y-axis has been capped.

Source: Danske Bank

Higher spending in electronics stores compared to pre-covid levels is primary driven by online spending

Electronic and household appliances stores



Source: Danske Bank

Disclosure

This research report has been prepared by Danske Bank A/S ('Danske Bank'). The authors of this research report are Louise Aggerstrøm Hansen, Director, and Oscar Dahl Pedersen, Assistant Analyst.

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Expected updates

Ad hoc

Date of first publication

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