

# Spending Monitor

## Travel spending surges as summer holidays approach

- Danish card data suggests spending continues to be stable around 10% above 2019-levels in June. With prices continuing up, this implies very limited growth in real terms compared to three years ago. However, it also confirms the impression that spending continues to hold up despite rising prices and very low consumer sentiment. Hence, there is still no signs of precautionary savings increasing in favour of consumer spending.
- We are, however, seeing a continued shift in spending patterns, with services continuing to increase, while retailing is weakening, not least in real terms. In nominal terms, grocery spending continues to trend down, and is now only marginally above 2019 levels. Considering that food prices alone are up more than 11% for the period, this implies a significant real contraction in grocery spending.
- Service spending continues to perform well, with particularly spending in packaged holidays seeing a real boom at the moment, with spending at travel agencies up by more than 40% last week compared to 2019. This might be due to a shift in the timing of holiday purchases, with fewer consumers buying well in advance of the summer holiday than usual, which in turn pushes up spending in June.
- Gasoline prices have soared in recent weeks, and spending in gas stations is taking up around 5.2% of total spending in our data, compared to 4% normally.

### 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.

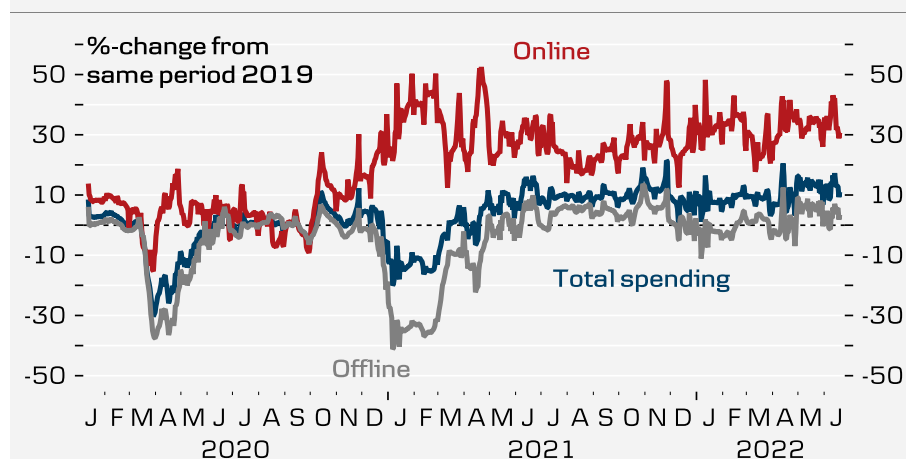
The spending data is used as a proxy for private consumption. However, it does not include cash spending and account transfers. Hence, notably, fixed costs and spending on housing are not included. Changes in cash spending patterns will also affect the data.

The charts show spending in 2020, 2021 and 2022 compared with the same week in 2019.

Data is not adjusted for price developments.

The most recent data is subject to revisions.

### The composition of consumer spending is changing, but the level holds up



Note: Spending by card and MobilePay does not include cash and account transfers, so it cannot be compared directly with private consumption in national accounts. Daily data, 2-week moving average.

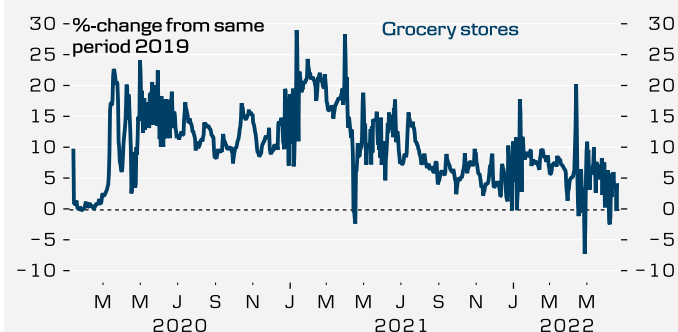
Source: Danske Bank

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## Selected charts with relative changes

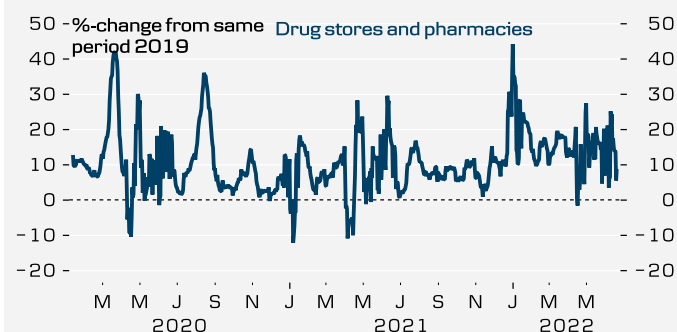
### Grocery spending continues to come down, despite steep increase in prices



Note: Two week moving average

Source: Danske Bank

### Spending in pharmacies stable when accounting for holidays



Note: Two week moving average

Source: Danske Bank

### Spending in clothing stores is weakening



Note: Two week moving average

Source: Danske Bank

### Spending in shoe stores has come down in June



Note: Two week moving average

Source: Danske Bank

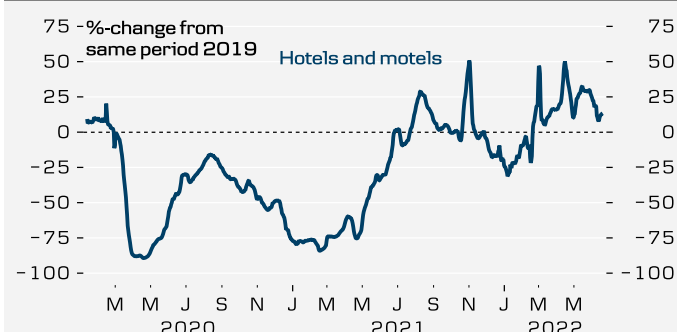
### Restaurant spending continues to be high



Note: The restaurant index includes bars and nightclubs and fast-food places. 2 week moving average

Source: Danske Bank

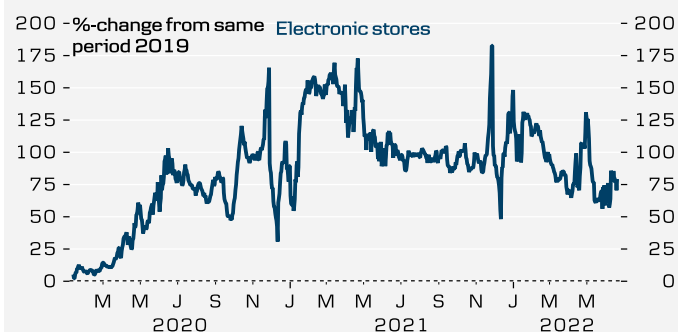
### Hotel spending is holding up well, but affected by holiday patterns



Note: Two week moving average

Source: Danske Bank

### Spending in electronic stores is declining



Note: Two week moving average

Source: Danske Bank

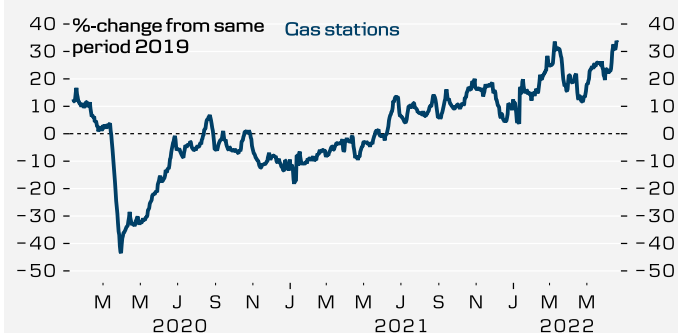
### DIY spending is coming down



Note: Two week moving average

Source: Danske Bank

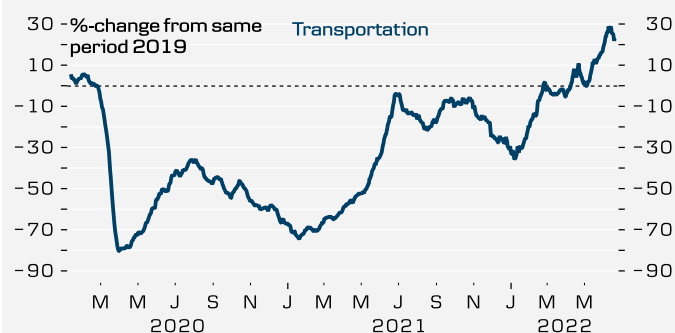
### Spending in gas stations is supported by a dramatic increase in prices



Note: Two week moving average

Source: Danske Bank

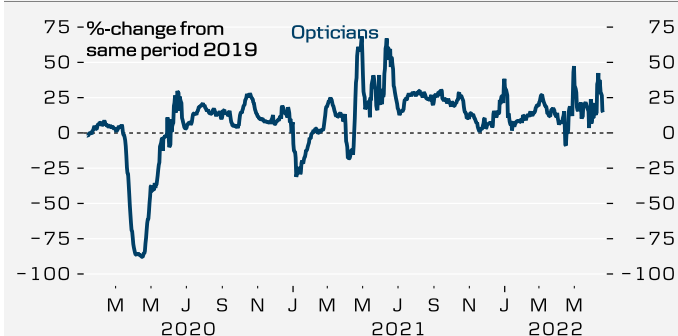
### Transportation spending is increasing somewhat



Note: Two week moving average

Source: Danske Bank

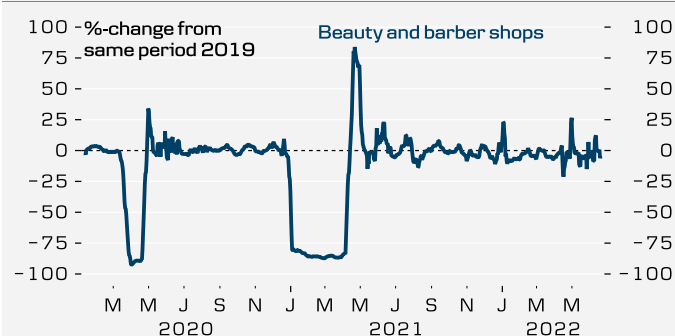
### Spending with opticians is stable



Note: Two week moving average

Source: Danske Bank

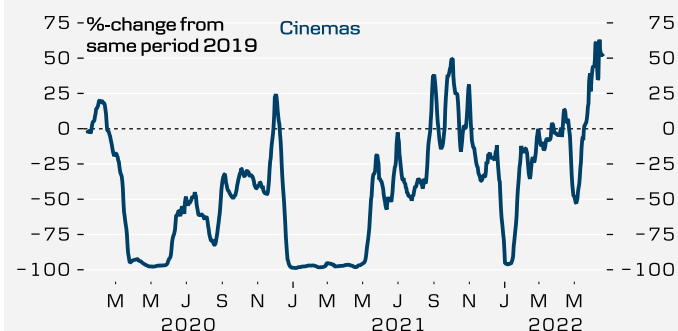
### Spending in hairdressers is weakening, considering the increase in prices



Note: Two week moving average

Source: Danske Bank

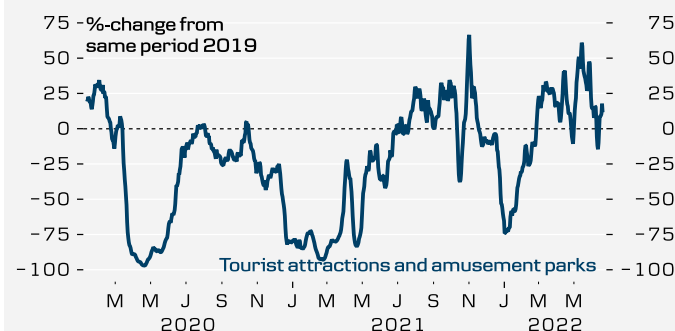
### Cinema spending has improved



Note: Two week moving average

Source: Danske Bank

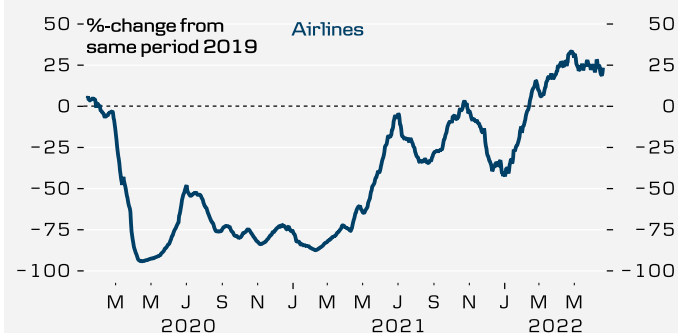
### Spending in tourist attractions is very volatile due to changing holiday patterns



Note: Two week moving average

Source: Danske Bank

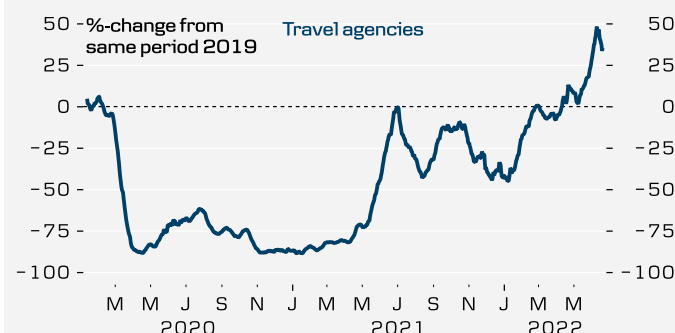
### Airline spending remains elevated



Note: Two week moving average

Source: Danske Bank

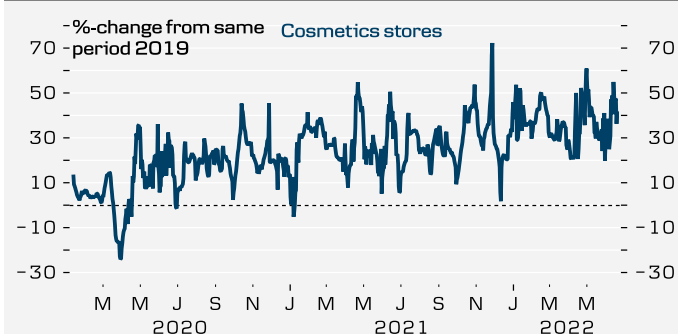
### Spending on packaged holidays has risen significantly



Note: Two week moving average

Source: Danske Bank

### Spending in cosmetics stores has risen again



Note: Two week moving average

Source: Danske Bank

### Spending in furniture stores has come down in nominal terms despite steep increase in prices



Note: Two week moving average

Source: Danske Bank

### Spending in paint shops holds up



Note: Two week moving average

Source: Danske Bank

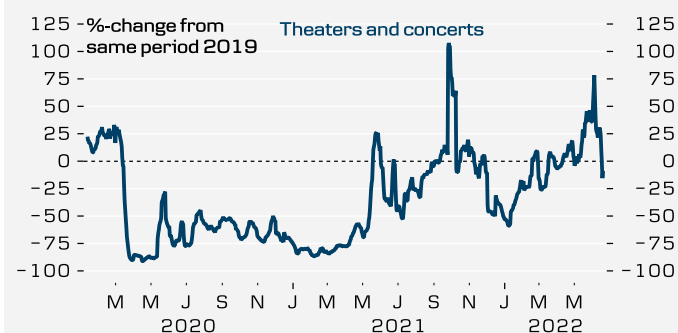
### Spending in jewellery stores is coming down



Note: Two week moving average

Source: Danske Bank

### Spending in theatres and concert halls affected by timing of holidays



Note: Two week moving average

Source: Danske Bank

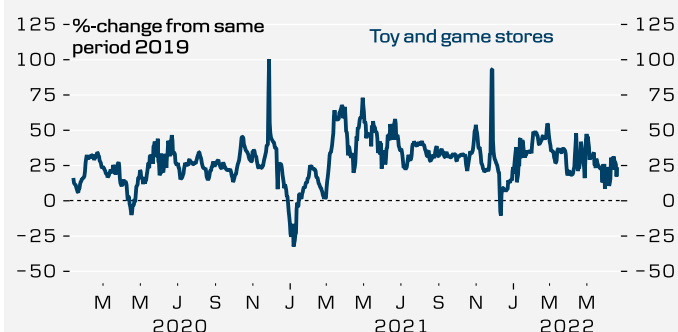
### Spending in book stores has risen significantly



Note: Two week moving average

Source: Danske Bank

### Spending on toys is coming down



Note: Two week moving average

Source: Danske Bank

### Spending in sporting goods stores has weakened – not least if you account for inflation

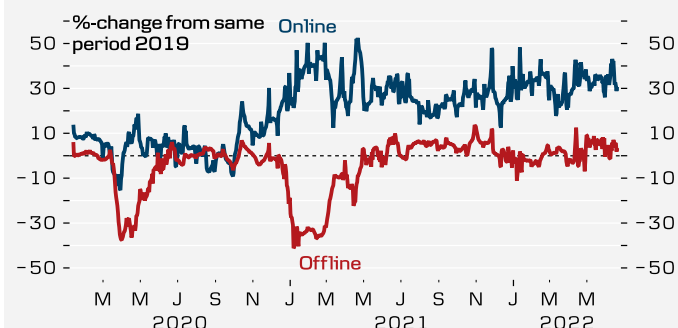


Note: Two week moving average

Source: Danske Bank

## Spending by location – online/offline

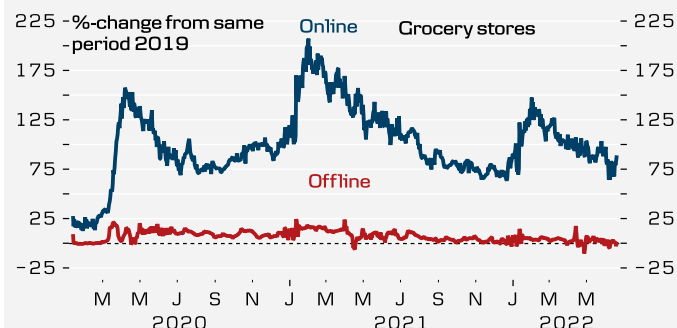
### Online sales move up again, helped by travel spending



Note: Two week moving average

Source: Danske Bank

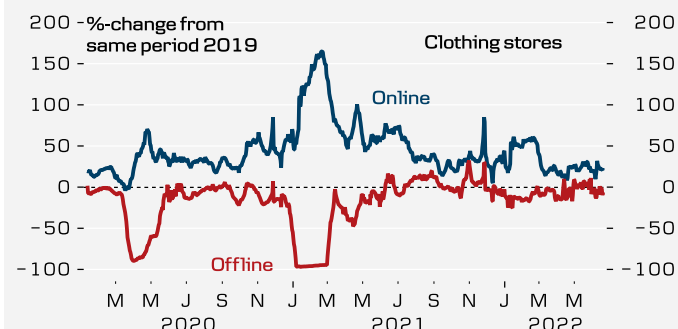
### Online grocery spending continues to be high, but trending down



Note: Two week moving average

Source: Danske Bank

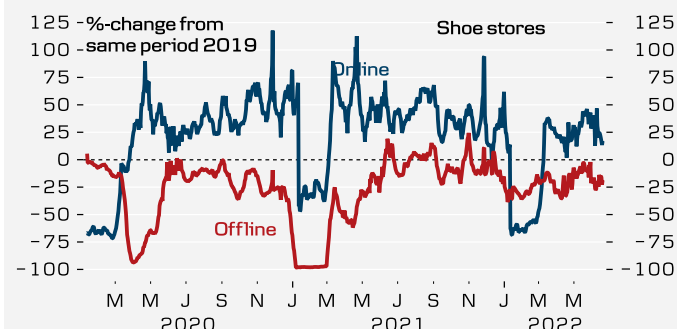
### Clothing spending is largely unchanged in stores and online



Note: Two week moving average

Source: Danske Bank

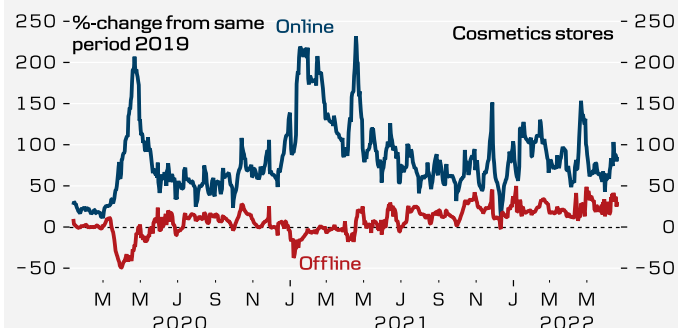
### Shopping in shoe stores has weakened



Note: Two week moving average

Source: Danske Bank

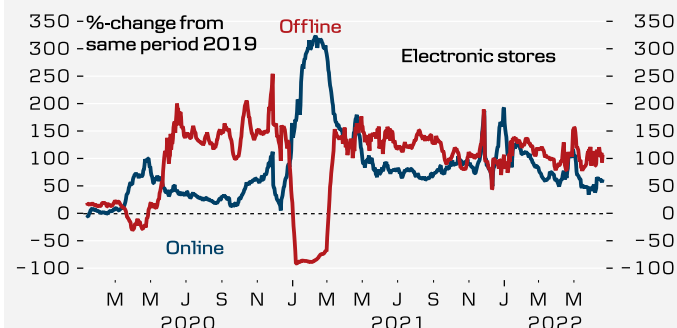
### Spending on cosmetics is holding up in physical stores



Note: Two week moving average

Source: Danske Bank

### Spending on electronics is coming down online

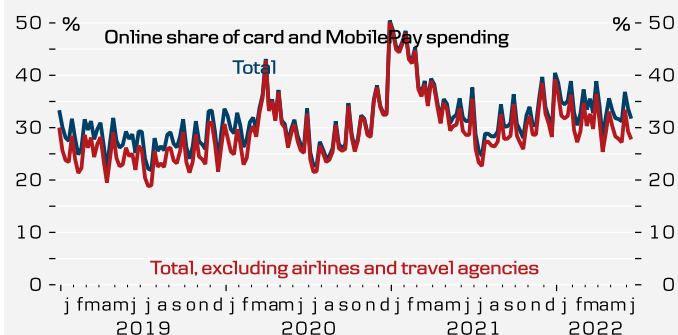


Note: Two week moving average

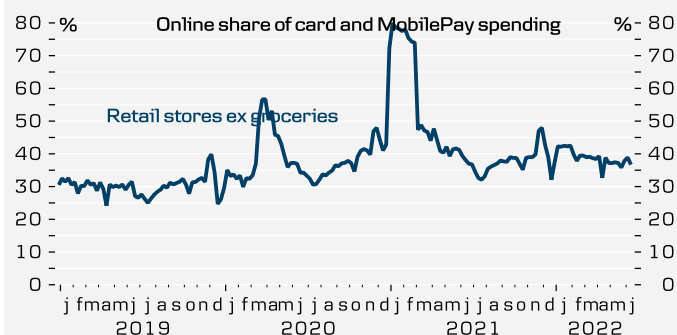
Source: Danske Bank

## Online share of consumption

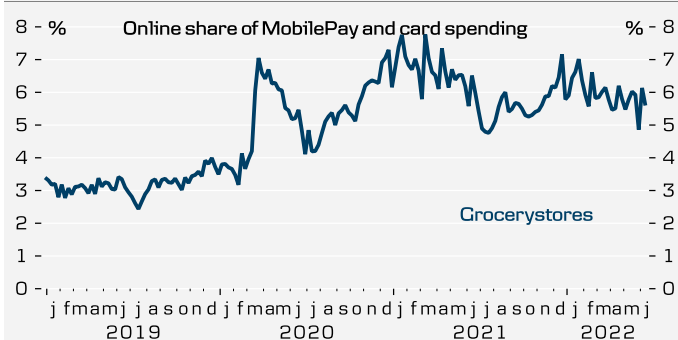
The online share of spending is driven higher by travel spending



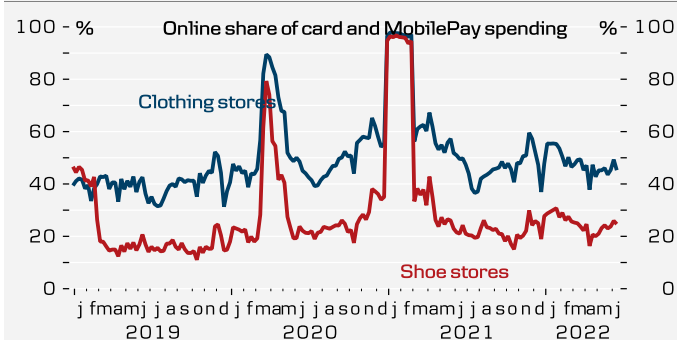
Online share of retail continues to moderate



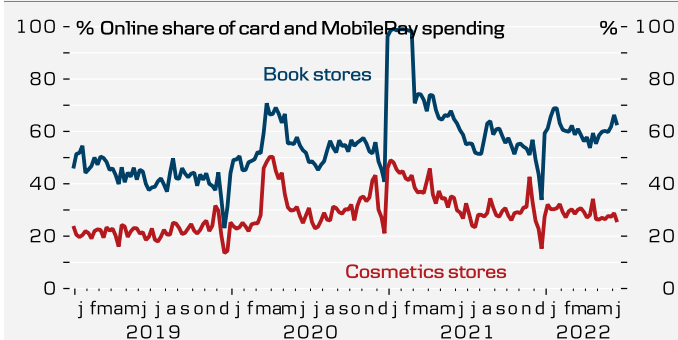
Grocery spending online around 6%



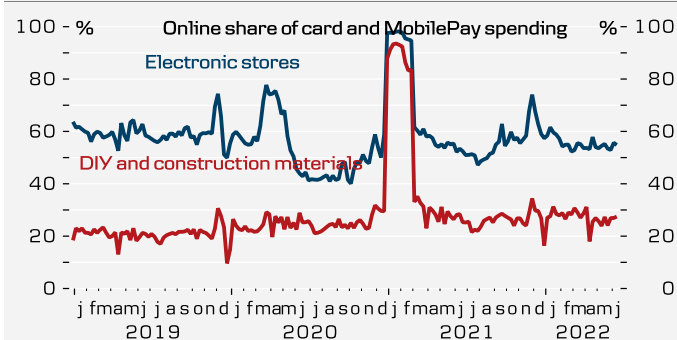
Online spending on clothing and footwear fairly stable



Online sales are performing well



Online sales stabilising



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