

Spending Monitor

Massive shifts in Danish spending continue, as overall consumption drops

- Danish spending data up to and including 23 March shows that the massive shifts in consumption that have taken place since early March, notably since the announcement of extensive lockdown measures on 11 March, have continued.
- Travel related spending took an early hit (hotel spending is down 90 percent). Services and entertainment spending is significantly down, as a number of service industries have been shut down completely (for example, cinema spending has fallen to zero), and others, such as restaurants, are only open to a very limited extent, resulting in a 70 percent decline in spending.
- The first wave of the spending decline was in services, but we are starting to see reduced spending on a number of goods, such as clothing and consumer durables. However, some spending types, like hardware stores, are holding up, as Danes undertake home-improvement projects while under lockdown.
- At the other end of the spectrum, spending in grocery stores shot up and almost doubled on Thursday 12 March and Tuesday 17 March. Since then grocery spending seems to have stabilised at around 20-30 percent above spending last March.
- Without the surges in grocery store spending, total spending (as defined here, not in national accounts), has started to slip. With the lockdown extended to mid-April, we do not expect to see a turnaround in the figures, but rather a continued deterioration in a number of spending categories.
- On the following two pages we detail the developments in spending by type.

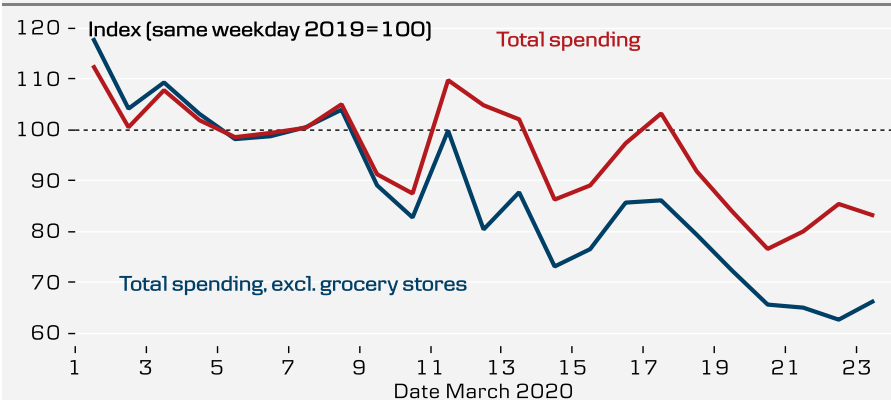
Notes on the spending data

The spending data is based on transactions both domestic and abroad with cards and MobilePay in stores for about 1m Danske Bank Danish personal customers with active accounts. 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 is not included.

The graphs show spending in March 2020 compared to the same weekday 2019 (this is to correct for different spending patterns across the week). Data is not adjusted for price developments.

Spending is coming down



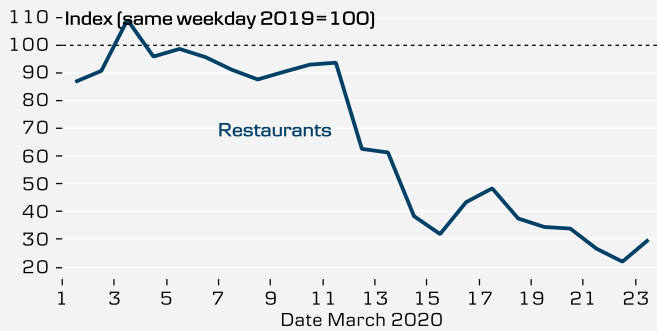
Note: Spending with card and MobilePay, does not include cash and account transfers. Hence, it cannot be directly compared to private consumption in national accounts.

Source: Danske Bank

Senior analyst

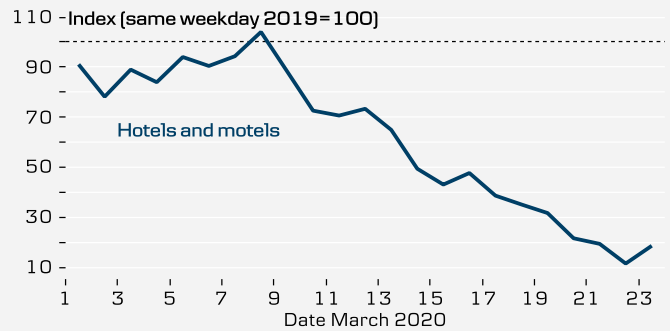
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Restaurant spending is way down – small compensation from take away



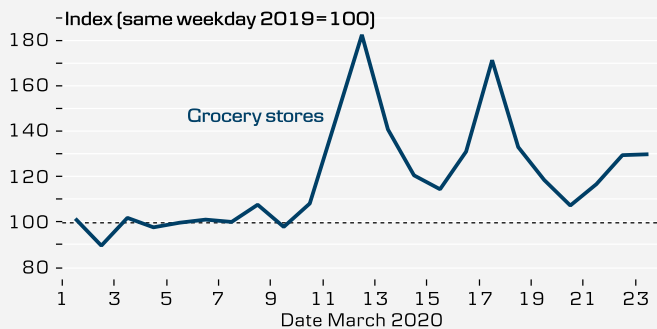
Source: Danske Bank

Hotel spending down – look out for larger decline at Easter



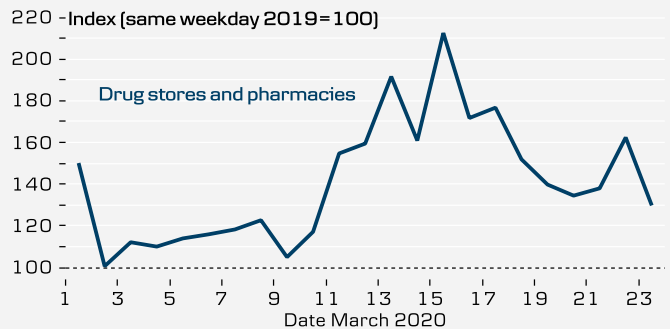
Source: Danske Bank

Grocery store spending jumps on policy announcements, but has found a more normal level



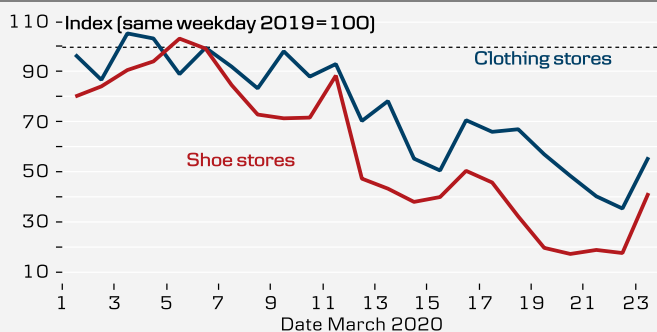
Source: Danske Bank

Health related spending is significantly up



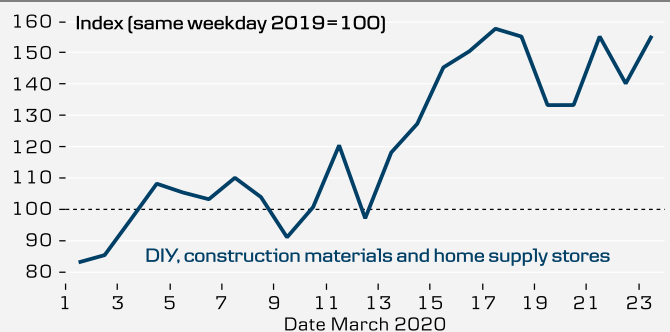
Source: Danske Bank

The high street is taking a hit



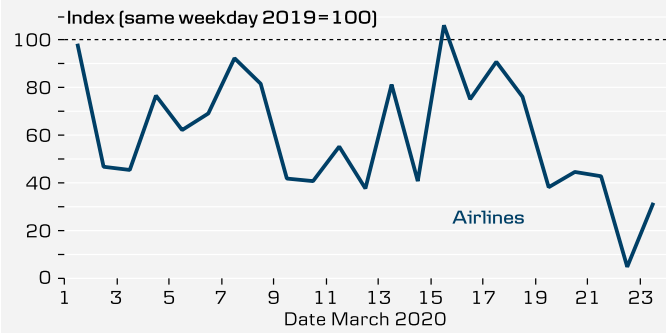
Source: Danske Bank

DIY spending is up, as people undertake home improvement projects



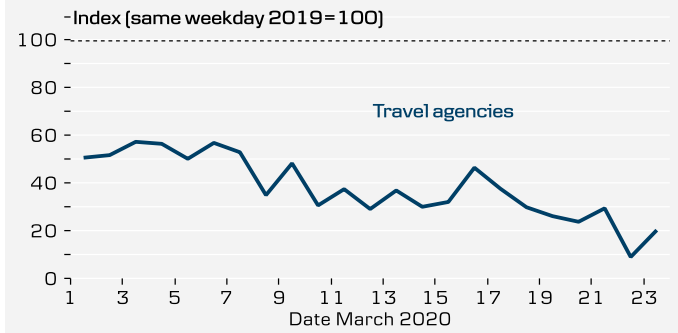
Source: Danske Bank

We are buying far fewer plane tickets



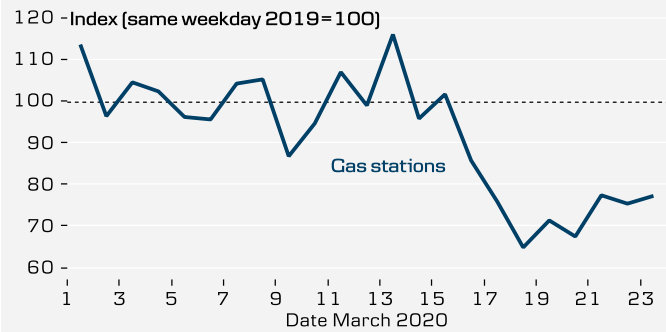
Source: Danske Bank

Travel agents already saw a decline in February



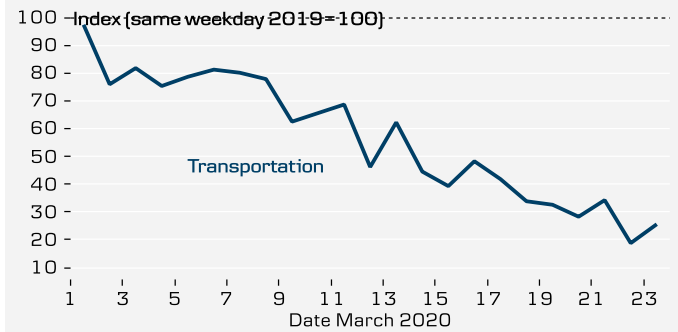
Source: Danske Bank

We are spending less at gas stations – both a result of driving less and lower prices



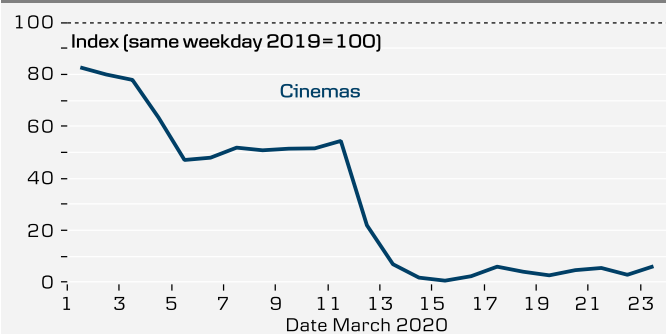
Source: Danske Bank

Transportation spending has been more than halved



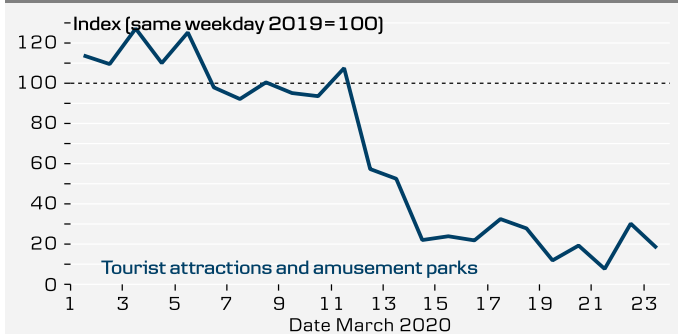
Source: Danske Bank

Cinemas have closed down



Source: Danske Bank

Tourist attractions, museums and amusement parks have seen a massive drop in visitors



Source: Danske Bank

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