



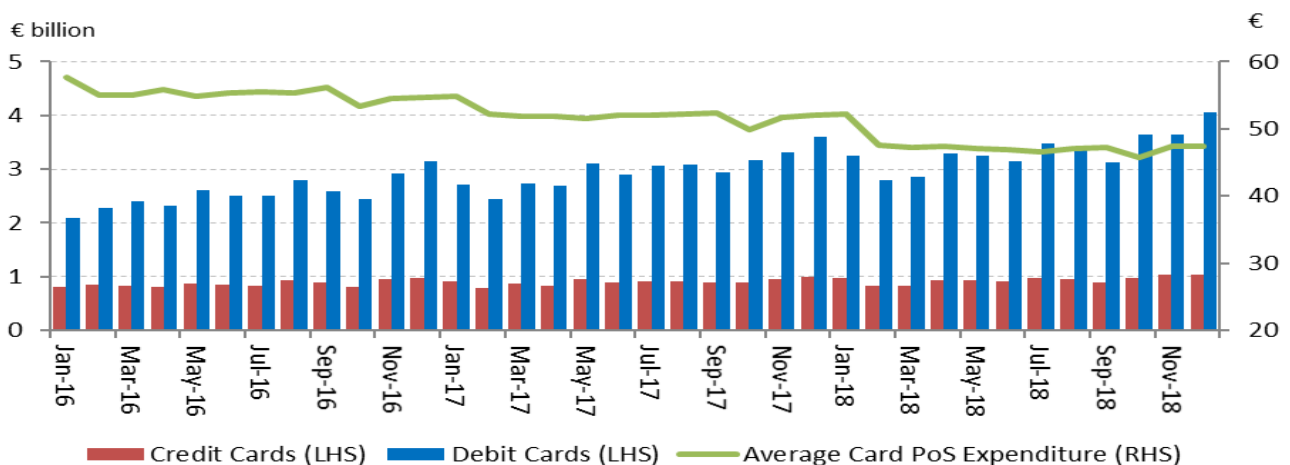
Credit and Debit Card Statistics – Q4 2018

14 February 2019

Point of sale¹ (PoS) credit and debit card expenditure, which excludes ATM transactions, rose to a record monthly high of €5.1 billion over the Christmas period in December 2018 (Chart 1), a month-on-month increase of 9 per cent.

This increase was predominantly driven by a rise in retail sector spending, which increased by 15 per cent on the month, the social sector also contributed to headline growth with spending on restaurants/dining and entertainment rising by 31 per cent and 22 per cent, respectively. In contrast, expenditure in the services sector declined, with the transport and health sub-sectors declining by 15 per cent and 20 per cent respectively on the month. Debit card ATM transactions rose sharply on the month, increasing by 11 per cent to €1.8 billion.

Chart 1: Point of Sale Card Expenditure



In year-on-year terms, debit card expenditure increased by 13 per cent to €4.1 billion in December 2018 (Table 1). Significant growth in debit card expenditure was recorded across three of the main sectors in the year to December; retail spending increased by €318 million (or 16 per cent), the services sector rose by 17 per cent and the social sector increased by 25 per cent.

In contrast, credit card expenditure rose by a more subdued 6 per cent year-on-year, to just over €1 billion in December 2018. Credit card expenditure in the retail sector increased by 7 per cent, while expenditure in the services and social sectors rose by 12 per cent and 15 per cent, respectively on the year.

In total, three quarters of credit card expenditure was in the retail and services sectors in December 2018, in comparison the retail sector accounted for over half (57 per cent) of debit card spending.

¹ All figures and percentages relate to Point of sale transactions unless otherwise stated.

Table 1: PoS Sectoral Card Expenditure (€000)

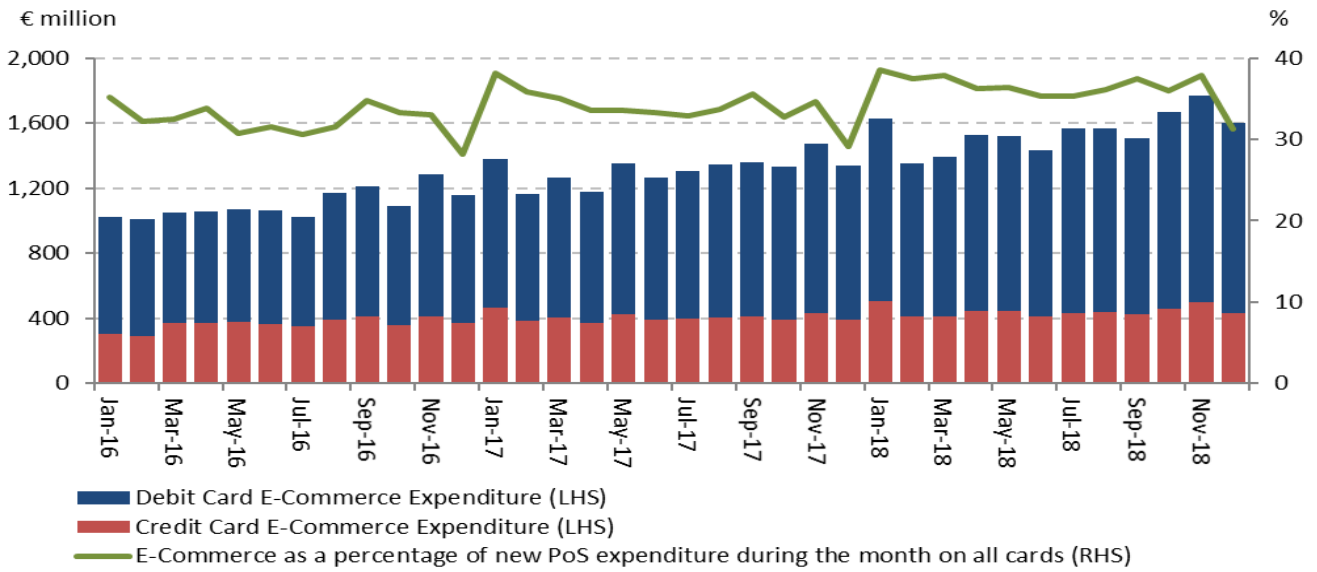
	Debit Cards			Credit Cards		
	Dec-17	Dec-18	Y-o-Y % change	Dec-17	Dec-18	Y-o-Y % change
Total PoS Spending	3,601,944	4,063,431	13%	985,094	1,043,727	6%
of which:						
Total Retail	2,006,076	2,323,640	16%	460,896	491,709	7%
Groceries/Perishables	870,572	974,816	12%	110,885	117,869	6%
Clothing	297,680	320,206	8%	80,618	81,859	2%
Electrical Goods	109,333	120,073	10%	38,697	40,899	6%
Hardware	212,875	236,453	11%	45,671	48,938	7%
Total Services	618,585	721,059	17%	258,852	290,486	12%
Transport	146,126	167,228	14%	83,234	96,034	15%
Accommodation	96,506	120,844	25%	65,213	76,026	17%
Education	18,594	21,825	17%	6,110	6,957	14%
Health	61,564	68,708	12%	18,458	19,941	8%
Utilities	128,620	158,948	24%	19,148	22,070	15%
Professional Services	162,759	178,074	9%	56,766	59,341	5%
Total Social	387,728	484,833	25%	103,091	118,814	15%
Restaurants/Dining	215,667	278,277	29%	53,956	62,074	15%
Entertainment	160,028	189,557	18%	42,353	48,234	14%
Other	589,555	533,899	-9%	162,255	142,718	-12%

The quarterly value of card expenditure increased by 12 per cent on an annual basis to €14.4 billion, a new quarterly record high, in the final quarter of 2018. Debit card expenditure equated to €11.4 billion in the fourth quarter, an increase of 13 per cent on the same period in 2017. Debit card expenditure accounted for 79 per cent of card expenditure over the quarter. Credit card expenditure also increased in year-on-year terms in Q4, albeit by a lower extent, rising by 7 per cent.

The number of individual card transactions totalled 308 million in Q4 2018, with an average spend of €46.83 per transaction. The total number of active² debit and credit cards in issue stood at just over 6 million at the end of 2018.

² The total number of cards in issue where there has been a customer-generated transaction in the previous six months.

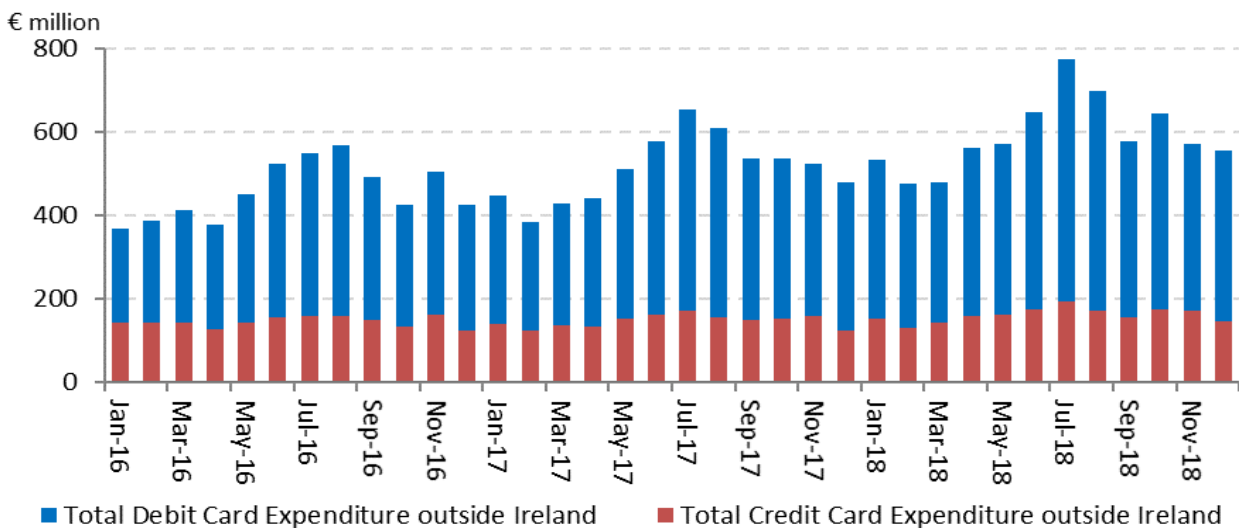
Chart 2: E-Commerce Card Expenditure



On an annual basis, e-commerce³ expenditure continued to grow at a robust pace in Q4 2018, rising by 21 per cent to €5.0 billion (Chart 2) – with €3.7 billion and €1.4 billion attributable to debit cards and credit cards, respectively.

As a share of new spending, e-commerce expenditure has fallen from a peak of 39 per cent in January 2018 to 31 per cent in December 2018. E-commerce accounted for 29 per cent of debit card expenditure and 41 per cent of all credit card expenditure.

Chart 3: Card Expenditure outside Ireland⁴



³ Expenditure where the physical card is not present during the transaction provides a proxy for e-commerce. It includes instances where card details are communicated online, or by other communication means, such as telephone orders.

⁴ Card expenditure outside of Ireland includes ATM transactions

Credit and debit card expenditure outside Ireland (when the card is physically present) provides an indication of spending abroad by Irish tourists.⁵ Significant seasonal effect can be seen in the data, particularly for debit cards, with higher expenditures outside Ireland recorded in the summer months compared to the winter months.

Card expenditure (including ATM transactions) outside Ireland averaged €591 million over the three months to end-December 2018 (Chart 3), up 15 per cent on the same period the previous year. Total debit card expenditure abroad (including ATM transactions) rose to €1.3 billion in the final quarter of 2018, an increase of 15 per cent on the same quarter a year earlier. Credit card expenditure abroad rose by 13 per cent year-on-year to €494 million in Q4 2018. Debit card expenditure (including ATM transactions) outside Ireland accounted for 72 per cent of total card expenditure abroad in Q4.

Note:

The primary aim of the data collected in the Credit/Debit Card Return is to inform national and euro-area policy making, and to enhance understanding of the role of credit/debit cards in the domestic financial system. Only euro-denominated credit/debit cards issued to Irish residents are included in the compilation of the data. Monthly data is derived from a sample of reporting entities heavily engaged in the provision of credit/debit services to Irish residents.

The sectoral breakdown is compiled referencing the merchant category code system for credit/debit card transactions. A merchant category code is generally a four-digit number assigned to a business by credit card companies (e.g. American Express, MasterCard or Visa) when an entity first begins to accept one of these cards as a form of payment. The MCC is used to classify the business by the type of goods or services it typically provides.

⁵ Only total figures are available for expenditure outside of Ireland.