

# Card Spending Update for August 2020



Release date : 17 November 2020

## UK Finance: Card Spending Update for August 2020

Key data highlights:

### Card transactions by UK cardholders both in the UK and overseas:

- There were 1.6 billion debit card transactions in August, 3.9 per cent more than in July and 2.5 per cent more than in August last year. The total spend of £58.4 billion was 1.2 per cent less than in July but 12.5 per cent higher than last August.
- There were 273 million credit card transactions in August, 4.7 per cent more than in July but 10 per cent fewer than in August last year. The total spend of £13.8 billion was 1.2 per cent less than in July and 18.4 per cent less than last August.
- Outstanding balances on credit card accounts have contracted by 12.6 per cent over the twelve months to August, as a result of repayments outstripping new borrowing in the year.

### Card transactions made in the UK by cardholders from both the UK and from overseas countries:

- There were 1.2 billion debit and credit card transactions in the UK in August, 1.3 per cent fewer than in July and 27.7 per cent fewer than in August last year. The total spend of £51.6 billion was 3.8 per cent less than the previous month and 14 per cent less than last August.
- Contactless payments accounted for 45 per cent of all credit card and 62 per cent of all debit card transactions.
- There were 709 million contactless card transactions in August, 7 per cent more than in July but 2.3 per cent less than the 726 million last August. The total value of contactless transactions was £8.2 billion in August, a 3.1 per cent increase from July and a 19.3 per cent increase on £6.9 billion last August.
- The number of contactless credit card transactions was 14.6 per cent higher than in July but 17.2 per cent lower than last August.
- The number of contactless debit card transactions was 5.9 per cent higher than July and 0.4 per cent higher than last August.

### Eric Leenders, Managing Director of Personal Finance, UK Finance, said:

*"As lockdown restrictions continued to be eased in August, we saw record numbers of customers choosing to make contactless payments using debit cards. Contactless card transactions using either debit or credit cards also increased compared to July, suggesting that consumers are taking advantage of the £45 contactless spending limit.*

*"Meanwhile, the amount of spending on UK debit cards fell slightly in August following a record high in July but remained strong at £58.4 billion.*

*"The percentage of credit card balances attracting interest and the annual growth rate of outstanding balances on credit cards continued to decline – the latter dropping by 12.6 per cent over the twelve months to August."*

### Notes to Editors

- 1 For more information please call the [UK Finance Press Office on 020 7416 6750](tel:02074166750) or e-mail [press@ukfinance.org.uk](mailto:press@ukfinance.org.uk).
- 2 UK Finance is the collective voice for the banking and finance industry. Representing more than 250 firms across the industry, we act to enhance competitiveness, support customers and facilitate innovation.
- 3 Please note that data on UK cardholders is different to data on card activity in the UK. Data on UK cardholders refers to transactions made either inside the UK or overseas on cards issued to UK residents and reported by card issuers. Data on card activity in the UK refers to transactions made in the UK only, both on UK-issued cards and cards issued overseas, this data is provided by acquirers.
- 4 A summary of our annual UK Payment Markets 2020 Report containing detailed analysis of the use of all types of payments in the UK, can be found here: <https://www.ukfinance.org.uk/policy-and-guidance/reports-publications/uk-payment-markets-2020>.
- 5 The quarterly Household Finance Review containing analysis and economic commentary on household finance in the UK, can be found here: <https://www.ukfinance.org.uk/data-and-research/data/household-finance/household-finance-review>.
- 6 The monthly credit card data has been re-stated back to January 2019 to increase our market coverage to 97 per cent providing a more representative picture of the credit card market.

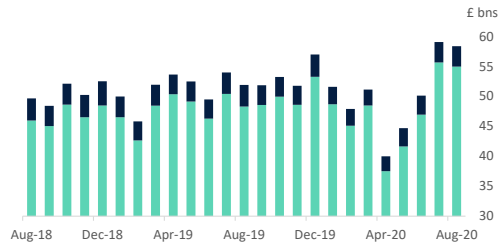
Next update:

16 December 2020

## Debit cards (UK card holders)

### Value of transactions

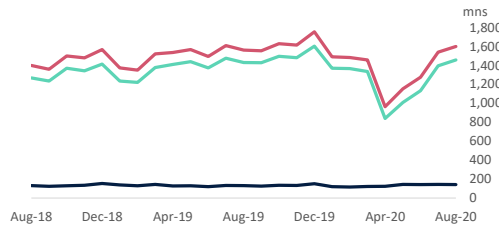
value of debit card purchases in the UK and overseas by UK cardholders



	Latest (August 2020)	Y-o-Y Comparison
outside the UK	£3.4 bn	-5.6%
inside the UK	£55.0 bn	13.8%

### Number of transactions

volume of debit card purchases in the UK and overseas by UK cardholders

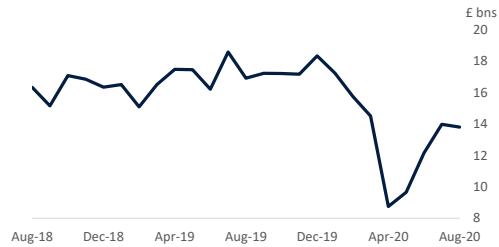


	Latest (August 2020)	Y-o-Y Comparison
total transactions	1,600 mn	2.5%
inside the UK	1,457 mn	2.0%
outside the UK	143 mn	9.2%

## Credit cards (UK card holders)

### Value of transactions

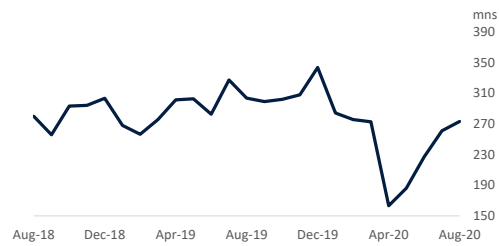
value of transactions in the month including purchases, cash withdrawals and balance transfers by UK cardholders



	Latest (August 2020)	Y-o-Y Comparison
Value of transactions	£13.8 bn	-18.4%

### Number of transactions

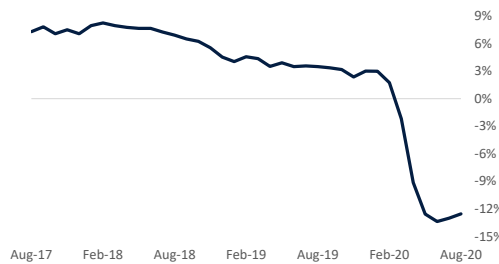
volume of transactions in the month including purchases, cash withdrawals and balance transfers by UK cardholders



	Latest (August 2020)	Y-o-Y Comparison
Number of transactions	273 mn	-10.0%

### Credit card growth rate

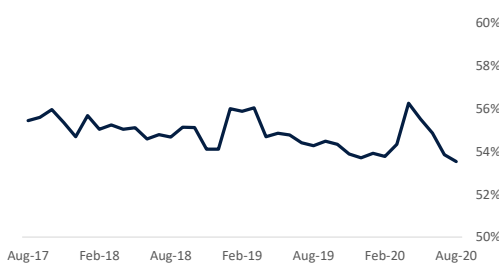
annual growth rate in credit card balances outstanding for UK cardholders



	Latest (August 2020)
Credit card growth rate	-12.6%

### Credit card balances bearing interest <sup>(b)</sup>

percentage of total balances outstanding that incur interest

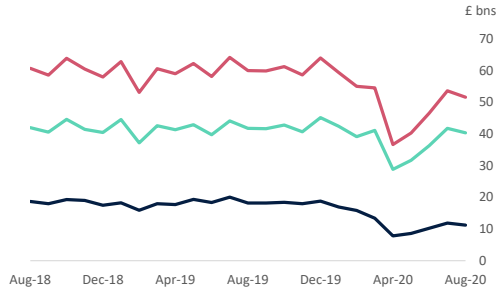


	Latest (August 2020)
Credit card balances bearing interest	53.5%

# Card activity in the UK

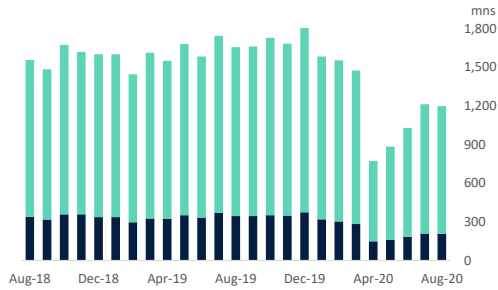
## Value of transactions in the UK

value of all debit and credit card transactions in the UK including overseas-issued cards



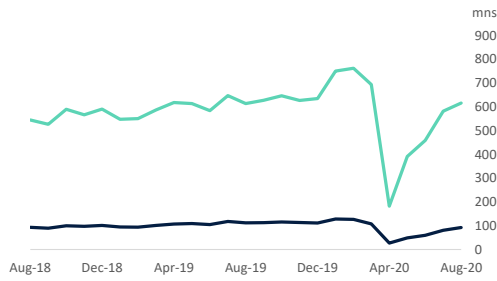
## Number of transactions in the UK

volume of all debit and credit card transactions in the UK including overseas-issued cards



## Contactless card transactions

volume of all contactless debit and credit card transactions in the UK including overseas-issued cards



<b>UK card holders</b>		<b>Aug-19</b>	<b>Sep-19</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>	<b>Jan-20</b>	<b>Feb-20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>
Cards in issue with UK residents (000's)	debit cards	98,226	98,366	98,316	98,119	97,849	97,332	96,561	96,700	96,049	95,857	95,414	94,954	94,613
	credit cards	65,489	65,720	64,864	64,847	64,851	64,650	65,924	65,048	64,972	64,871	64,797	64,831	64,449
	<b>total</b>	<b>163,715</b>	<b>164,086</b>	<b>163,180</b>	<b>162,966</b>	<b>162,700</b>	<b>161,982</b>	<b>162,484</b>	<b>161,748</b>	<b>161,021</b>	<b>160,728</b>	<b>160,212</b>	<b>159,785</b>	<b>159,062</b>
of which have contactless functionality (000's)	debit cards	83,937	84,475	84,371	84,765	84,553	85,269	84,742	85,183	85,235	84,901	84,829	84,957	84,831
	credit cards	47,261	47,407	46,928	47,125	47,257	47,660	51,637	51,816	51,902	51,912	51,805	52,151	52,049
	<b>total</b>	<b>131,198</b>	<b>131,881</b>	<b>131,298</b>	<b>131,890</b>	<b>131,811</b>	<b>132,929</b>	<b>136,379</b>	<b>136,999</b>	<b>137,137</b>	<b>136,813</b>	<b>136,634</b>	<b>137,109</b>	<b>136,880</b>
<b>UK Debit card holders</b>		<b>Aug-19</b>	<b>Sep-19</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>	<b>Jan-20</b>	<b>Feb-20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>
value of purchases	£ mns	51,908	51,858	53,252	51,759	56,984	51,604	47,888	51,129	39,984	44,701	50,124	59,078	58,374
of which inside the UK	£ mns	48,317	48,552	49,944	48,599	53,267	48,679	45,109	48,483	37,512	41,630	46,954	55,675	54,985
of which outside the UK	£ mns	3,591	3,306	3,308	3,161	3,717	2,926	2,779	2,646	2,472	3,071	3,170	3,403	3,389
volume of purchases	mns	1,561	1,553	1,629	1,613	1,754	1,489	1,483	1,457	964	1,152	1,275	1,540	1,600
of which inside the UK	mns	1,429	1,427	1,495	1,481	1,603	1,369	1,367	1,335	840	1,008	1,133	1,395	1,457
of which outside the UK	mns	131	126	134	133	151	120	116	122	124	144	141	145	143
<b>UK Credit card holders</b>		<b>Aug-19</b>	<b>Sep-19</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>	<b>Jan-20</b>	<b>Feb-20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>
number of accounts	000's	56,262	56,331	55,578	55,648	55,659	55,623	56,781	56,142	55,884	55,775	55,633	55,744	55,089
of which active accounts (those with balances outstanding at the end of the calendar month)	000's	37,992	38,113	38,146	38,178	38,293	38,110	38,730	38,154	36,473	36,077	36,071	36,120	36,112
value of transactions	£ mns	16,916	17,217	17,206	17,165	18,327	17,234	15,760	14,500	8,748	9,658	12,156	13,974	13,803
of which purchases	£ mns	15,343	15,630	15,625	15,633	16,837	15,242	14,135	12,893	7,765	8,812	11,259	13,002	12,899
of which cash advances	£ mns	423	406	365	319	354	327	311	274	110	104	129	173	173
of which balance transfers	£ mns	1,150	1,181	1,216	1,213	1,136	1,665	1,314	1,332	873	742	767	800	731
volume of transactions	000's	303,272	298,812	301,716	307,659	343,228	284,024	275,348	272,577	163,210	185,989	226,865	260,784	272,943
of which purchases	000's	298,853	294,429	297,553	303,768	339,098	279,944	271,563	269,085	161,696	184,779	225,447	258,981	271,190
of which cash advances	000's	3,873	3,829	3,590	3,331	3,585	3,336	3,169	2,882	1,110	872	1,064	1,431	1,392
of which balance transfers	000's	546	554	574	560	546	744	616	609	404	337	354	372	361
credit card balances outstanding	£ mns	70,179	70,290	69,728	70,110	70,357	69,692	69,387	66,284	61,628	59,772	59,517	59,735	60,103
percentage bearing interest <sup>(b)</sup>		54.3%	54.5%	54.3%	53.9%	53.7%	53.9%	53.8%	54.3%	56.3%	55.5%	54.9%	53.8%	53.5%
net change on month	£ mns	48	112	-562	381	248	-665	-305	-3,104	-4,656	-1,856	-255	218	368
annual growth rate		3.5%	3.4%	3.2%	2.4%	3.0%	3.0%	1.7%	-2.2%	-9.2%	-12.6%	-13.4%	-13.0%	-12.6%

<b>Card activity in the UK</b> on both UK and overseas issued cards		Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
	<b>total</b>	<b>59,964</b>	<b>59,884</b>	<b>61,212</b>	<b>58,637</b>	<b>63,963</b>	<b>59,364</b>	<b>55,021</b>	<b>54,536</b>	<b>36,649</b>	<b>40,259</b>	<b>46,540</b>	<b>53,602</b>	<b>51,558</b>
Debit & credit card value of transactions (£ mns)	of which online £ mns	17,289	17,761	18,107	17,081	17,894	20,073	16,925	17,982	16,863	17,679	19,529	21,799	20,760
	of which contactless £ mns	6,914	6,968	7,037	6,917	7,396	8,271	8,374	7,987	4,256	5,657	6,532	8,001	8,246
	<b>total</b>	<b>41,756</b>	<b>41,676</b>	<b>42,808</b>	<b>40,677</b>	<b>45,142</b>	<b>42,399</b>	<b>39,161</b>	<b>41,127</b>	<b>28,821</b>	<b>31,686</b>	<b>36,302</b>	<b>41,750</b>	<b>40,354</b>
Debit cards	of which online £ mns	11,686	11,963	12,478	11,505	12,347	14,544	11,978	13,765	13,147	13,641	15,112	17,276	16,758
	of which contactless £ mns	5,703	5,762	5,861	5,738	6,154	6,888	7,004	6,743	3,708	4,938	5,650	6,843	6,918
	<b>total</b>	<b>18,208</b>	<b>18,209</b>	<b>18,404</b>	<b>17,959</b>	<b>18,821</b>	<b>16,966</b>	<b>15,861</b>	<b>13,408</b>	<b>7,829</b>	<b>8,573</b>	<b>10,238</b>	<b>11,852</b>	<b>11,203</b>
Credit cards	of which online £ mns	5,603	5,798	5,629	5,575	5,547	5,530	4,948	4,217	3,715	4,038	4,417	4,522	4,002
	of which contactless £ mns	1,211	1,206	1,176	1,179	1,242	1,383	1,370	1,244	548	719	882	1,158	1,328
	<b>total</b>	<b>1,655</b>	<b>1,661</b>	<b>1,727</b>	<b>1,682</b>	<b>1,826</b>	<b>1,582</b>	<b>1,553</b>	<b>1,474</b>	<b>772</b>	<b>883</b>	<b>1,028</b>	<b>1,213</b>	<b>1,197</b>
Debit & credit card volume of transactions (mns)	of which online mns	212	225	232	234	249	219	197	206	196	205	218	208	185
	of which contactless mns	726	740	762	740	746	878	889	801	209	440	519	662	709
	<b>total</b>	<b>1,311</b>	<b>1,317</b>	<b>1,376</b>	<b>1,334</b>	<b>1,452</b>	<b>1,264</b>	<b>1,251</b>	<b>1,192</b>	<b>623</b>	<b>722</b>	<b>845</b>	<b>1,004</b>	<b>990</b>
Debit cards	of which online mns	135	144	150	149	161	144	131	135	127	136	147	143	126
	of which contactless mns	614	627	647	627	635	750	762	693	182	391	459	582	616
	<b>total</b>	<b>344</b>	<b>344</b>	<b>351</b>	<b>348</b>	<b>374</b>	<b>318</b>	<b>302</b>	<b>282</b>	<b>149</b>	<b>161</b>	<b>183</b>	<b>209</b>	<b>207</b>
Credit cards	of which online mns	77	81	82	85	88	75	66	71	69	69	71	66	60
	of which contactless mns	112	113	116	113	112	128	126	108	27	49	60	81	93

Annual growth rates are adjusted to exclude the effects of population changes, data revisions, write-offs and sales/purchases of loan books, to reflect underlying business trends where appropriate and are based on non-seasonally adjusted.

Year-on-year percentage changes compare the latest month's figure with the same month's figure in the previous year.

Please note data on UK cardholders is separate to data on card activity in the UK. Data on UK cardholders refers to transactions on cards issued to UK residents, both overseas and inside the UK. Data on card activity in the UK refers to transactions in the UK only, but on both UK-issued cards and cards issued overseas this data is provided by acquirers.

We estimate data covers over 97 per cent of the total market.

Active accounts are defined as those with balances outstanding at the end of the calendar month.

(b) Please note this figure refers to the percentage of total credit card balances outstanding that incurred interest at the end of the month i.e. excluding spending in the interest-free period or with balances on a zero per cent rate.

The monthly credit card data has been re-stated back to January 2019 to increase our market coverage to 97 per cent providing a more representative picture of the credit card market.

For more information please call the [UK Finance Press Office on 020 7416 6750](tel:02074166750) or e-mail [press@ukfinance.org.uk](mailto:press@ukfinance.org.uk)