

Card Spending Update for May 2020



Release date : 18 August 2020

UK Finance: Card Spending Update for May 2020

Key data highlights:

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

- There were 1.3 billion transactions on debit cards in May 2020, 18.7 per cent fewer than in May 2019. This reflected a total spend of £47.7 billion, 7.8 per cent lower than in the same period in 2019.
- There were 186 million transactions on credit cards in May, 38.5 per cent fewer than in May 2019 reflecting a total spend of £9.6 billion. This was 44.7 per cent less than in the same period a year earlier and shows the consumer reaction to lockdown with significantly reduced spending, continuing the trend seen in April.
- The annual growth rate of outstanding balances on credit cards contracted by 12.6 per cent in May 2020 as consumer repayments outstrip new lending.

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

- There were 1 billion debit and credit card transactions in May 2020, 39 per cent fewer than a year ago. This reflected a total spend of £41.9 billion, 30 per cent less than in the same period in 2019.
- 31 per cent of credit card transactions and 47 per cent of debit card transactions in the UK were made using contactless cards.
- In total there were 440 million contactless card transactions in May 2020, a 39.1 per cent reduction from 723 million in the same month a year earlier. The volume of contactless credit card transactions was 53.3 per cent lower than in the same period a year earlier and contactless debit card transactions was 36.6 per cent lower than the same period a year earlier.
- The total value of all contactless transactions was £4.5 billion in May 2020, a 32.4 per cent decrease from £6.7 billion in the same month in 2019.

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

"Customers continued to spend less during lockdown, with 39 per cent fewer card transactions in the UK throughout May than in the same month last year. As Covid restrictions remained in place, some customers took the opportunity to use any savings from reduced living expenses to pay down their credit card bills – seeing the annual growth in outstanding balances contract by 12.6 per cent in the year to May 2020.

"As shops encouraged customers to pay by contactless card, coupled with the contactless limit increase to £45, contactless transactions totalled £4.5 billion in May. However, this was still a 32.4 per cent decrease from 2019 as amongst other factors, bars, pubs and restaurants remained closed and public transport was used for essential travel only."

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.
- 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.

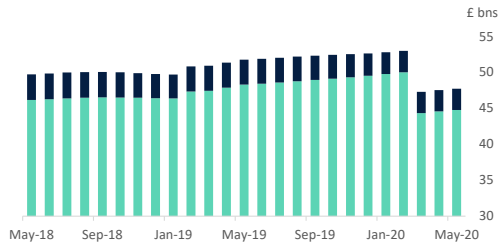
Next update:

16 September 2020

Debit cards (UK card holders)

Value of transactions

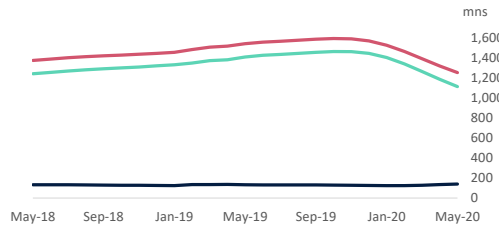
value of debit card purchases in the UK and overseas by UK cardholders (seasonally adjusted)



	Latest (May 2020)	Y-o-Y Comparison
outside the UK	£3.0 bn	-14.7%
inside the UK	£44.8 bn	-7.3%

Number of transactions

volume of debit card purchases in the UK and overseas by UK cardholders (seasonally adjusted)

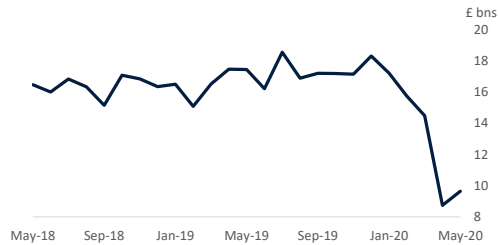


	Latest (May 2020)	Y-o-Y Comparison
total transactions	1,250 mn	-18.7%
inside the UK	1,111 mn	-21.0%
outside the UK	140 mn	6.1%

Credit cards (UK card holders)

Value of transactions

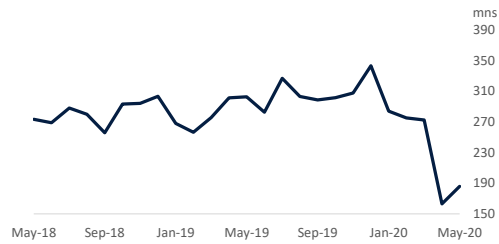
value of transactions in the month including purchases, cash withdrawals and balance transfers by UK cardholders



	Latest (May 2020)	Y-o-Y Comparison
Value of transactions	£9.6 bn	-44.7%

Number of transactions

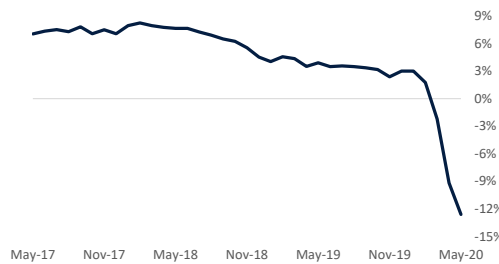
volume of transactions in the month including purchases, cash withdrawals and balance transfers by UK cardholders



	Latest (May 2020)	Y-o-Y Comparison
Number of transactions	186 mn	-38.5%

Credit card growth rate

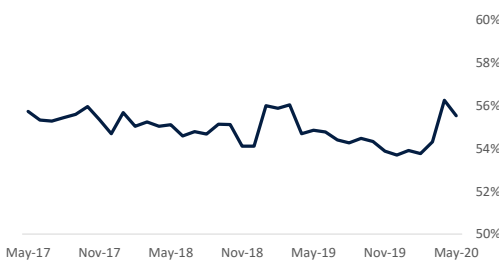
annual growth rate in credit card balances outstanding for UK cardholders



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

Credit card balances bearing interest ^(b)

percentage of total balances outstanding that incur interest

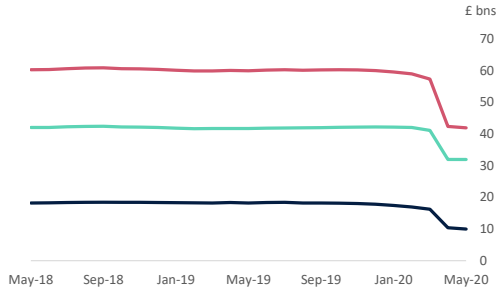


	Latest (May 2020)
Credit card balances bearing interest ^(b)	55.5%

Card activity in the UK

Value of transactions in the UK

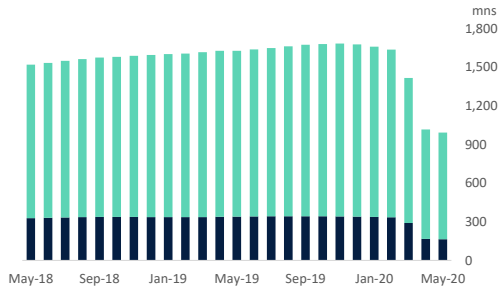
value of all debit and credit card transactions in the UK including overseas-issued cards (seasonally adjusted)



Category	Latest (May 2020)	Y-o-Y comparison
total cards	£41.9 bn	-30.0%
debit cards	£31.9 bn	-23.4%
credit cards	£10.0 bn	-45.2%

Number of transactions in the UK

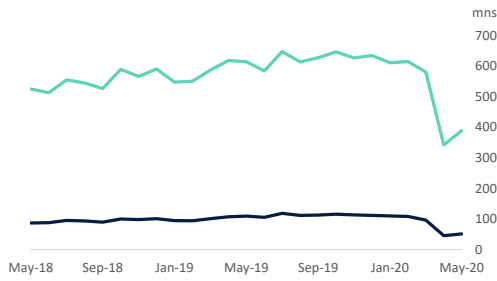
volume of all debit and credit card transactions in the UK including overseas-issued cards (seasonally adjusted)



Category	Latest (May 2020)	Y-o-Y comparison
debit cards	829 mn	-35.6%
credit cards	164 mn	-51.9%

Contactless card transactions

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



Category	Latest (May 2020)	Y-o-Y comparison
debit cards	389 mn	-36.6%
credit cards	51 mn	-53.3%

UK card holders

		May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20
Cards in issue with UK residents (000's)	debit cards	97,331	98,255	98,341	98,226	98,366	98,316	98,119	97,849	97,332	96,561	96,700	96,049	95,857
	credit cards	65,294	65,245	65,595	65,489	65,720	64,864	64,847	64,851	64,650	65,924	65,048	64,972	64,871
	total	162,625	163,500	163,935	163,715	164,086	163,180	162,966	162,700	161,982	162,484	161,748	161,021	160,728
of which have contactless functionality (000's)	debit cards	83,197	83,377	83,759	83,937	84,475	84,371	84,765	84,553	85,269	84,742	85,183	85,235	84,901
	credit cards	47,582	46,877	47,084	47,261	47,407	46,928	47,125	47,257	47,672	51,649	51,828	51,914	51,924
	total	130,778	130,253	130,844	131,198	131,881	131,298	131,890	131,811	132,941	136,391	137,011	137,149	136,825

UK Debit card holders

		May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	
value of purchases (seasonally adjusted)	£ mns	51,777	51,887	52,044	52,200	52,330	52,436	52,535	52,648	52,795	53,002	47,308	47,529	47,729	
	of which inside the UK	£ mns	48,308	48,426	48,597	48,778	48,955	49,134	49,326	49,537	49,765	50,021	44,349	44,574	44,770
	of which outside the UK	£ mns	3,469	3,461	3,448	3,422	3,375	3,302	3,208	3,110	3,031	2,982	2,959	2,954	2,959
volume of purchases (seasonally adjusted)	mns	1,538	1,553	1,562	1,572	1,582	1,590	1,586	1,566	1,523	1,461	1,388	1,316	1,250	
	of which inside the UK	mns	1,406	1,422	1,432	1,441	1,452	1,460	1,459	1,441	1,399	1,336	1,260	1,183	1,111
	of which outside the UK	mns	132	131	131	131	131	130	127	125	124	124	128	134	140

UK Credit card holders

		May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	
number of accounts	000's	55,929	55,938	56,189	56,262	56,332	55,579	55,649	55,660	55,623	56,781	56,143	55,885	55,777	
	of which active accounts (those with balances outstanding at the end of the calendar month)	000's	37,793	37,807	38,013	37,992	38,113	38,146	38,178	38,293	38,110	38,730	38,154	36,474	36,079
value of transactions	£ mns	17,445	16,211	18,551	16,893	17,194	17,184	17,145	18,304	17,213	15,741	14,481	8,740	9,649	
	of which purchases	£ mns	15,830	14,707	16,844	15,342	15,629	15,624	15,633	16,836	15,241	14,134	12,893	7,765	8,812
	of which cash advances	£ mns	386	362	410	400	383	344	299	331	307	292	256	103	96
	of which balance transfers	£ mns	1,229	1,142	1,296	1,150	1,181	1,216	1,213	1,136	1,665	1,314	1,332	873	742
volume of transactions	000's	302,375	282,451	326,554	302,915	298,450	301,364	307,332	342,882	283,691	275,033	272,281	163,055	185,826	
	of which purchases	000's	298,224	278,638	322,317	298,795	294,371	297,496	303,713	339,044	279,890	271,511	269,035	161,647	184,733
	of which cash advances	000's	3,572	3,274	3,628	3,574	3,525	3,294	3,059	3,293	3,057	2,905	2,637	1,004	756
	of which balance transfers	000's	580	540	609	546	554	574	560	546	744	616	609	404	337
credit card balances outstanding	£ mns	69,888	70,177	70,137	70,185	70,297	69,735	70,116	70,364	69,699	69,394	66,268	61,601	59,743	
percentage bearing interest ^(b)		54.9%	54.8%	54.4%	54.3%	54.5%	54.3%	53.9%	53.7%	53.9%	53.8%	54.3%	56.3%	55.5%	
net change on month	£ mns	504	290	-41	49	112	-562	381	247	-665	-304	-3,126	-4,667	-1,858	
annual growth rate		3.9%	3.5%	3.6%	3.5%	3.4%	3.2%	2.4%	3.0%	3.0%	1.8%	-2.2%	-9.2%	-12.6%	

Card activity in the UK

on both UK and overseas issued cards

		May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	
	total	59,910	60,131	60,258	60,100	60,178	60,226	60,185	59,966	59,526	58,933	57,324	42,334	41,919	
Debit & credit card value of transactions (£ mns) seasonally adjusted	of which online £ mns	17,805	18,066	18,215	18,219	17,989	17,940	17,989	18,118	18,098	18,182	18,206	17,443	17,616	
	of which contactless £ mns	6,678	6,381	7,201	6,914	6,968	7,037	6,917	7,396	6,710	6,729	6,451	3,911	4,517	nsa
	total	41,705	41,788	41,851	41,922	42,004	42,093	42,160	42,177	42,120	42,010	41,106	31,959	31,935	
Debit cards	of which online £ mns	12,095	12,230	12,329	12,356	12,212	12,245	12,357	12,529	12,692	12,812	12,905	13,370	13,579	
	of which contactless £ mns	5,576	5,317	5,989	5,703	5,762	5,861	5,738	6,154	5,554	5,585	5,415	3,387	3,913	nsa
	total	18,205	18,342	18,407	18,178	18,174	18,133	18,026	17,789	17,406	16,923	16,218	10,375	9,984	
Credit cards	of which online £ mns	5,709	5,835	5,886	5,863	5,777	5,695	5,632	5,590	5,405	5,370	5,301	4,074	4,037	
	of which contactless £ mns	1,102	1,064	1,212	1,211	1,206	1,176	1,179	1,242	1,155	1,143	1,035	524	604	nsa
	total	1,627	1,638	1,649	1,662	1,674	1,679	1,683	1,676	1,659	1,636	1,416	1,017	993	
Debit & credit card volume of transactions (mns) seasonally adjusted	of which online mns	219	222	224	226	226	225	222	219	216	213	209	205	205	
	of which contactless mns	723	689	766	726	740	762	740	746	721	723	677	387	440	nsa
	total	1,286	1,296	1,306	1,319	1,331	1,337	1,341	1,336	1,321	1,301	1,125	850	829	
Debit cards	of which online mns	139	141	143	145	145	145	144	142	140	138	137	134	134	
	of which contactless mns	614	584	647	614	627	647	627	635	611	615	581	342	389	nsa
	total	341	342	343	343	343	343	342	340	338	335	290	167	164	
Credit cards	of which online mns	80	81	81	81	81	80	78	77	76	75	73	71	72	
	of which contactless mns	109	105	118	112	113	116	113	112	110	108	96	45	51	nsa

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