

Spending Monitor

Spending has performed surprisingly well under the circumstances

- Danish card and MobilePay data suggests spending was up 7.2% over Easter (from Monday April 11 to Monday April 18 compared to Easter 2019. With prices up around 7% for the same period, this implies no real growth. However, in light of the massive increase in energy prices, and April posting the worst level of consumer confidence since 1988, this is surprisingly strong.
- Note that differences in timing of Easter compared to 2019 should be noted when interpreting the graphs. Likewise, the timing of the pay out of back-taxes on April 8 – right before the holiday, is also likely to have given a lift to spending
- There is no doubt that rising inflation – not just in energy prices, but also on other goods and services – has dampened real consumption, however, we do not see a clear knock-on effect from higher precautionary savings in our data in the form of a significant decline in nominal spending.
- Over Easter, there were signs of weakness in notably grocery spending, which was only up 1½% compared to Easter 2019. With food prices up by 8% compared to 3 years ago, this implies a noticeable real decline. Spending on other retail items, such as clothing, electronics, home improvement and furniture have also started to weaken.
- Service spending on the other hand, has held up better, with spending in restaurants up more than 20% compared to Easter 2019, spending on plane tickets up 18% and spending in hotels up almost 30%. This despite much of service spending being viewed as luxuries rather than necessities, indicating that there is still significant pent up demand for services following the reopening of the economy post-COVID.

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.

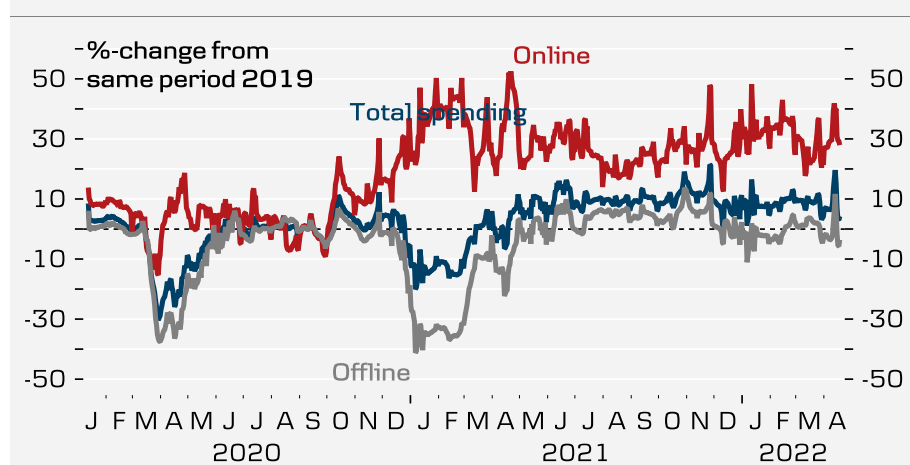
The spending data is used as a proxy for private consumption. However, it does not include cash spending and account transfers. Hence, notably, fixed costs and spending on housing are not included. Changes in cash spending patterns will also affect the data.

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

Data is not adjusted for price developments.

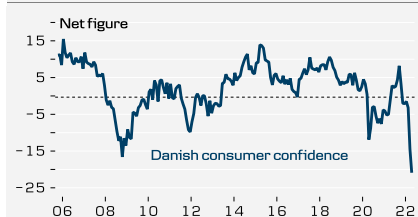
The most recent data is subject to revisions.

Holidays give some volatility to the data, but overall spending is holding 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

Consumer confidence at 33 year low



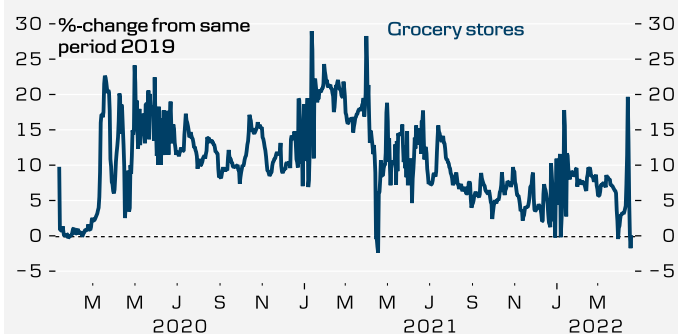
Source: Statistics Denmark

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Selected charts with relative changes

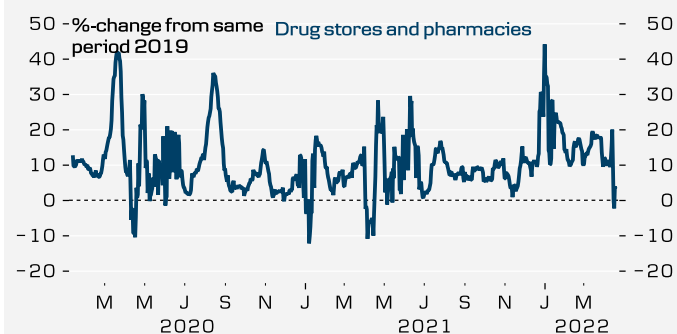
Grocery spending was weak over Easter showing a real decline



Note: Two week moving average

Source: Danske Bank

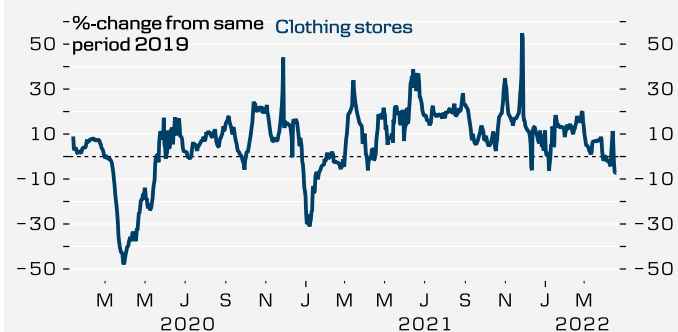
Spending in pharmacies stable when accounting for Easter



Note: Two week moving average

Source: Danske Bank

Spending in clothing stores declines



Note: Two week moving average

Source: Danske Bank

Spending in shoe stores is worsening



Note: Two week moving average

Source: Danske Bank

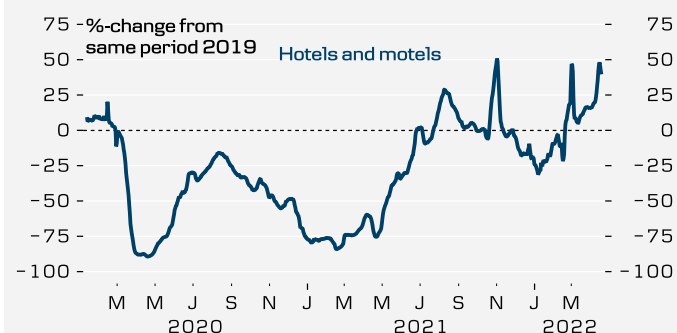
Restaurant spending is holding up well



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

Source: Danske Bank

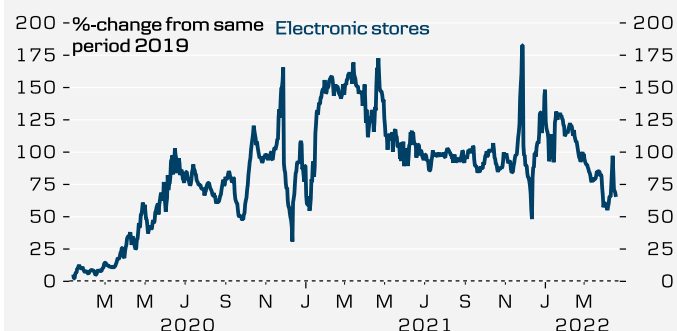
Hotel spending has improved significantly and is up 30% compared to Easter 2019



Note: Two week moving average

Source: Danske Bank

Spending in electronic stores continues to trend down



Note: Two week moving average

Source: Danske Bank

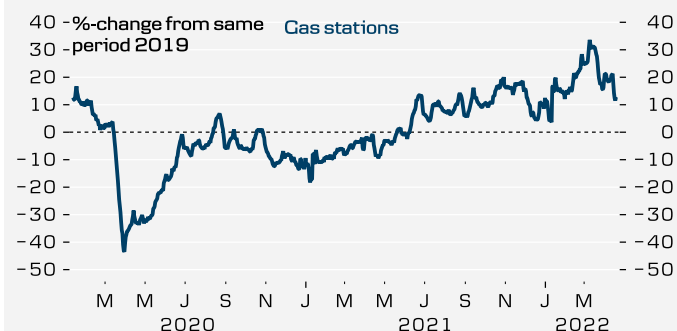
DIY spending has come down significantly, and is performing worse than Easter 2019 in nominal terms



Note: Two week moving average

Source: Danske Bank

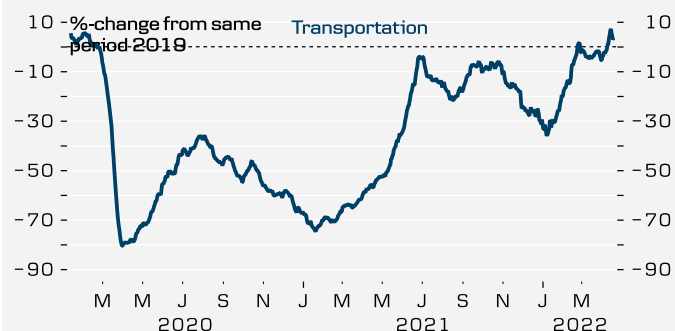
Moderation of oil prices recently has send spending in gas stations down



Note: Two week moving average

Source: Danske Bank

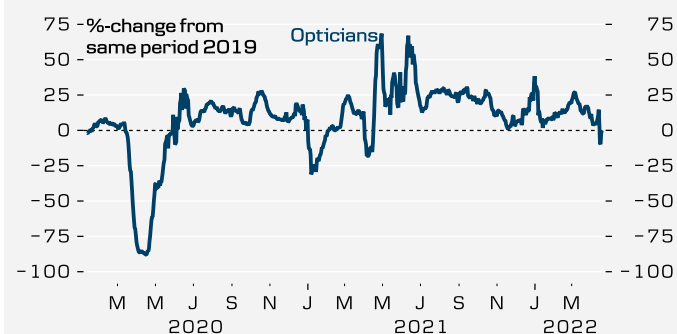
Transportation spending is rising



Note: Two week moving average

Source: Danske Bank

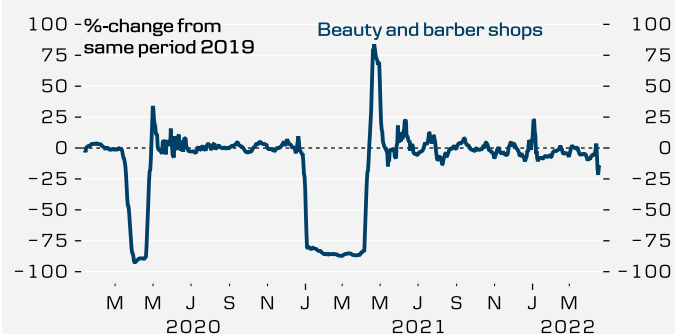
Spending with opticians has come down



Note: Two week moving average

Source: Danske Bank

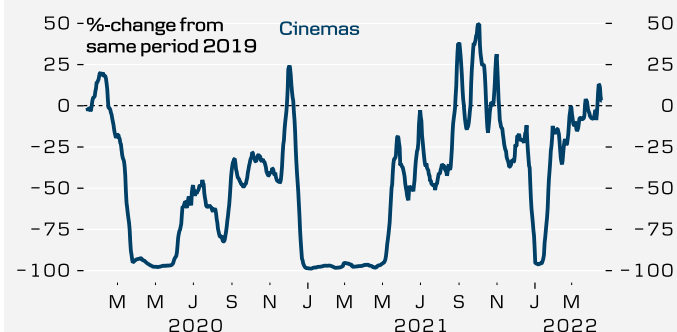
In real terms spending in hair dressers is declining



Note: Two week moving average

Source: Danske Bank

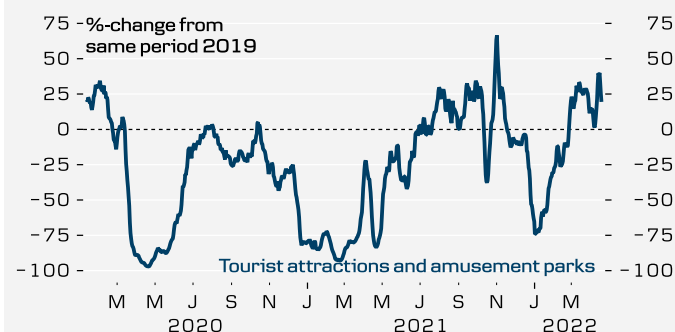
Cinema spending continues to perform well



Note: Two week moving average

Source: Danske Bank

Spending in tourist attractions has improved significantly



Note: Two week moving average

Source: Danske Bank

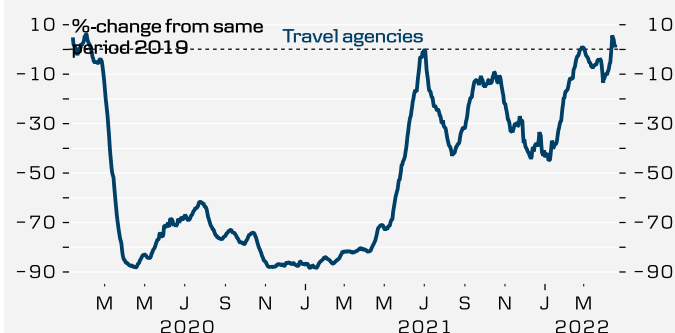
Airline spending has risen further recently



Note: Two week moving average

Source: Danske Bank

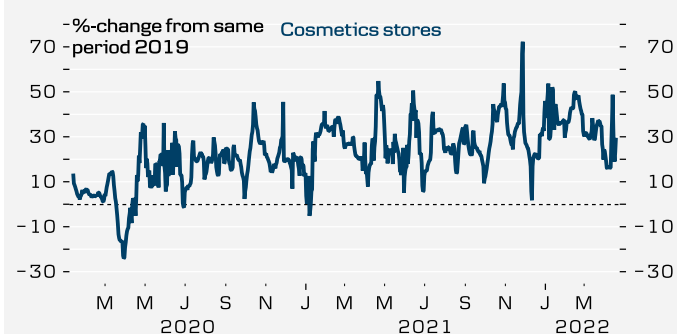
Spending on packaged holidays has improved, but some effects from Easter are present



Note: Two week moving average

Source: Danske Bank

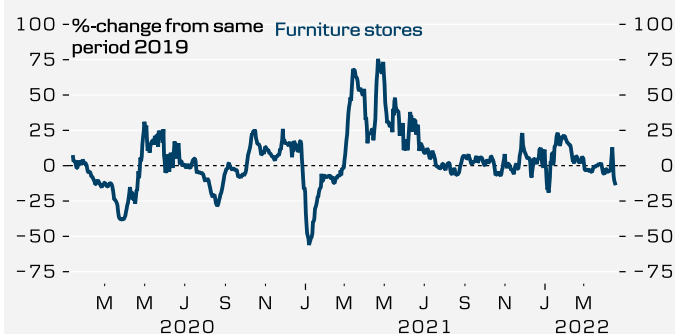
Spending in cosmetics stores continues to perform well, but Easter blurs the picture



Note: Two week moving average

Source: Danske Bank

Spending in furniture stores has come down in nominal terms despite rising prices



Note: Two week moving average

Source: Danske Bank

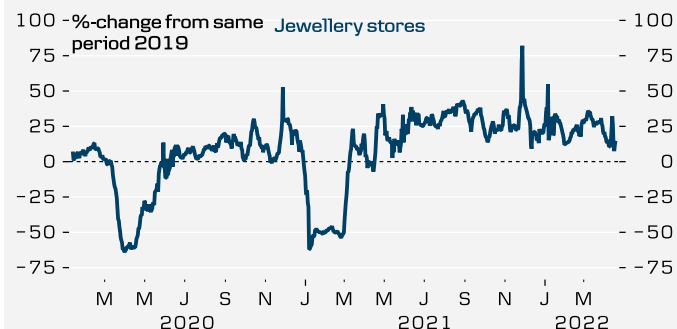
Spending in paint shops still higher than pre-pandemic levels



Note: Two week moving average

Source: Danske Bank

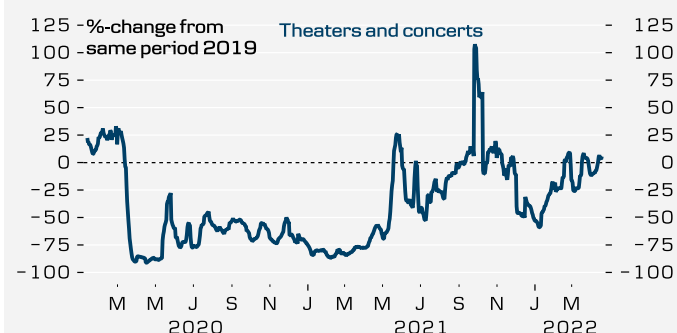
Spending in jewellery stores is coming down



Note: Two week moving average

Source: Danske Bank

Spending in theatres and concert halls has improved



Note: Two week moving average

Source: Danske Bank

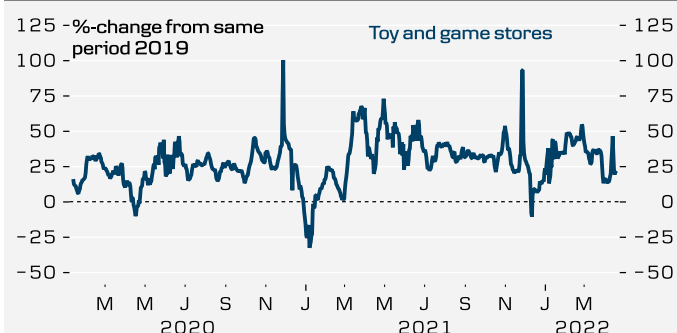
Spending in book stores weakens



Note: Two week moving average

Source: Danske Bank

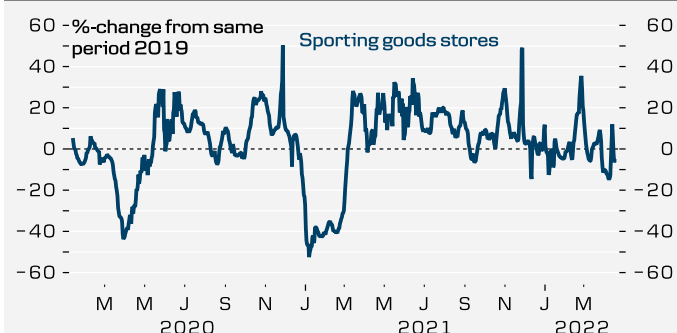
Spending on toys still performing well for the season



Note: Two week moving average

Source: Danske Bank

Spending in sporting goods stores has weakened

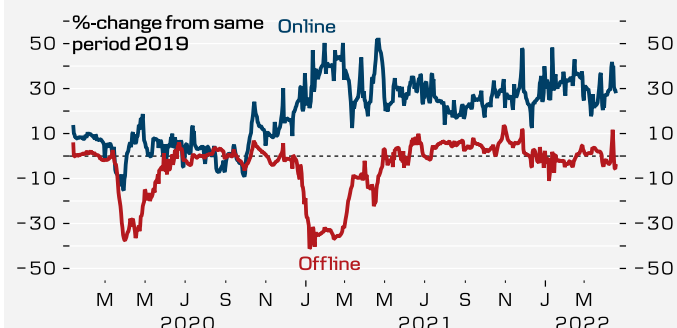


Note: Two week moving average

Source: Danske Bank

Spending by location – online/offline

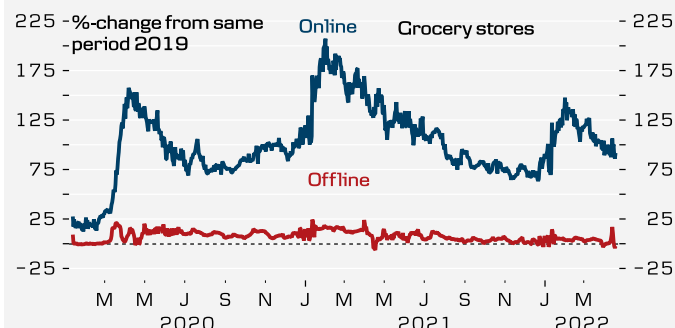
Online sales move up again, but closing of shops for Easter distorts the picture



Note: Two week moving average

Source: Danske Bank

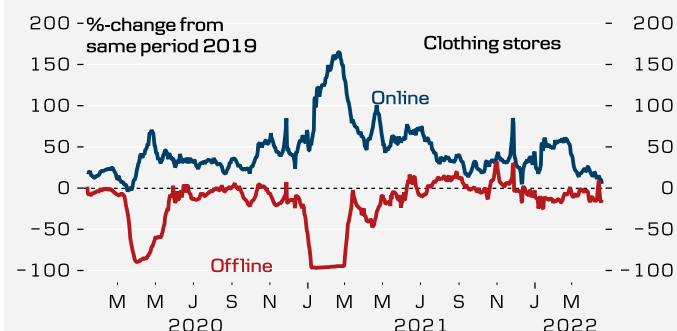
Online grocery spending continues to be high, but trending down



Note: Two week moving average

Source: Danske Bank

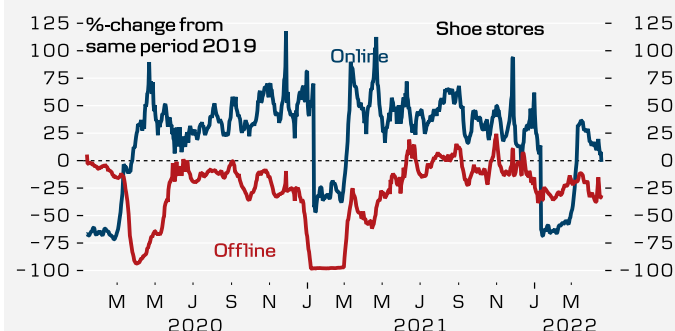
Clothing spending is coming down online



Note: Two week moving average

Source: Danske Bank

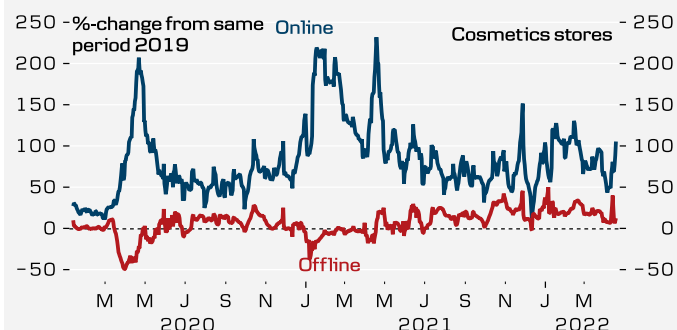
Shopping in shoe stores is weakening



Note: Two week moving average

Source: Danske Bank

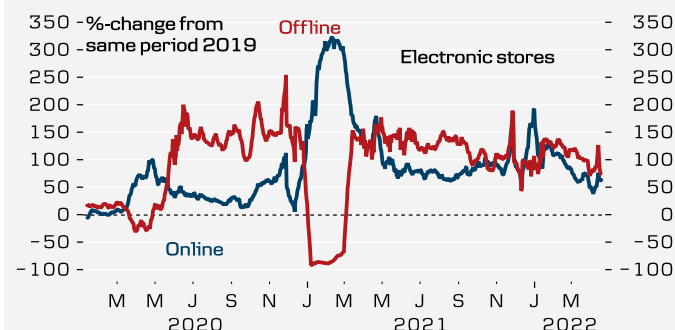
Spending on cosmetics performing well especially online



Note: Two week moving average

Source: Danske Bank

Spending on electronics is declining both online and offline

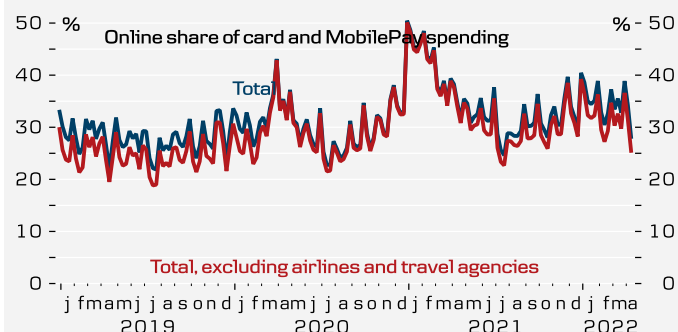


Note: Two week moving average

Source: Danske Bank

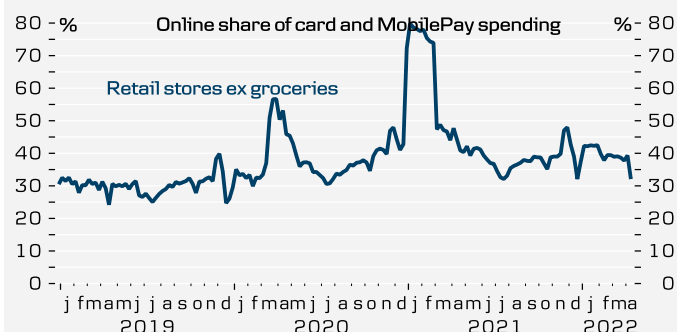
Online share of consumption

The online share of spending is driven higher by travel spending



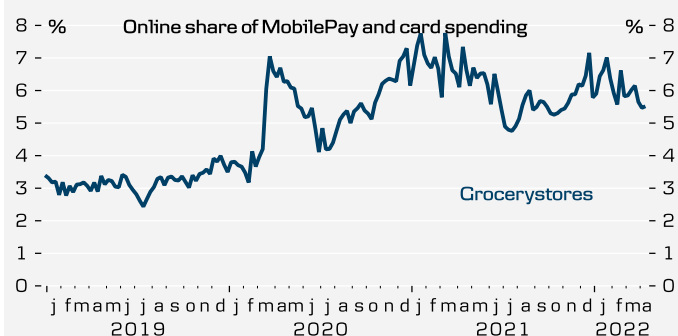
Source: Danske Bank

Online share of retailing around 40% of spending in retailing



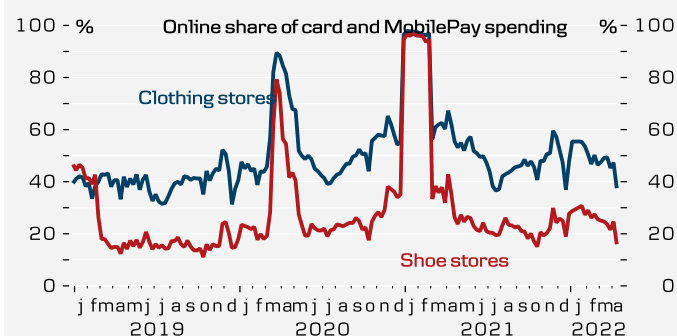
Source: Danske Bank

Grocery spending online around 6%



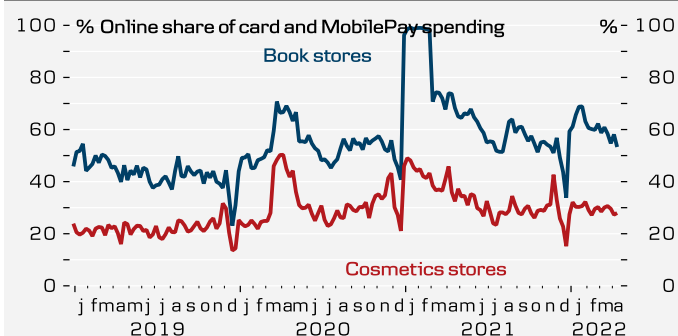
Source: Danske Bank

Online spending on clothing and footwear is slightly down



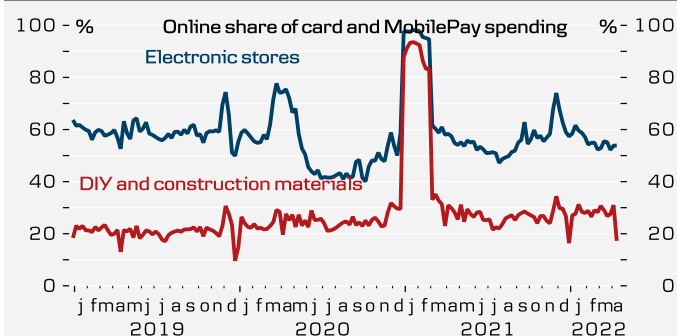
Source: Danske Bank

Online sales are performing well



Source: Danske Bank

Online sales trending down for electronics



Source: Danske Bank

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