

# Spending Monitor

## Strong spending, but with signs of normalisation

- Danish card and MobilePay spending, up to and including 19 October, showed a 10% increase over the last week, but with signs of normalisation in recent days, as Danes return from their autumn holiday and the effect of the payout of holiday back-pay of more than DKK44bn (before taxes) starts to wear off.
- We are still seeing high spending levels in parts of retailing, notably electronics stores, where spending over the last week was double that of the same week last year. Home improvement-related spending, such as at DIY and paint shops, was also well above normal, while the increase in furniture spending looks to have been short-lived.
- Personal items such as clothing, footwear and cosmetics have also been getting a boost but there are clear signs that the effects are wearing off. The cancellation of many social events could put a damper on spending in these categories over the holiday season.
- Restaurants saw spending return to normal over the last week but this is largely due to the effects of the autumn holiday, which, to a much greater extent than normal, took place domestically, where the Danes are more likely to use cards rather than cash.
- We had expected that spending would return to more normal levels following the autumn holiday. However, we do expect retail to see strong spending levels in the coming months, with Christmas shopping set to break records.

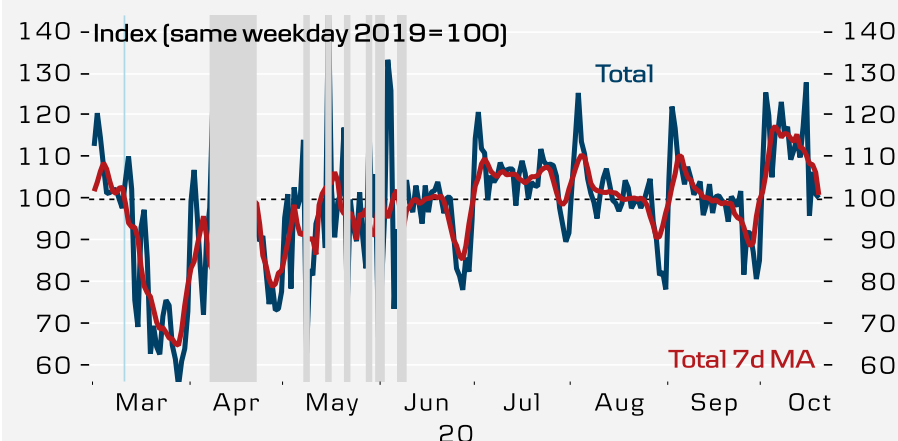
### Notes on the spending data

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 March - October 2020 compared with the same weekdays in 2019 (this is to correct for different spending patterns across the week). Data is not adjusted for price developments.

### Some signs of spending starting to normalise after sharp boost in early October



*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. Grey areas mark holidays in 2020 and 2019 that are at different times from one year to another. These include Easter, General Prayer Day, Ascension Day and Whitsun Sunday and Monday.*

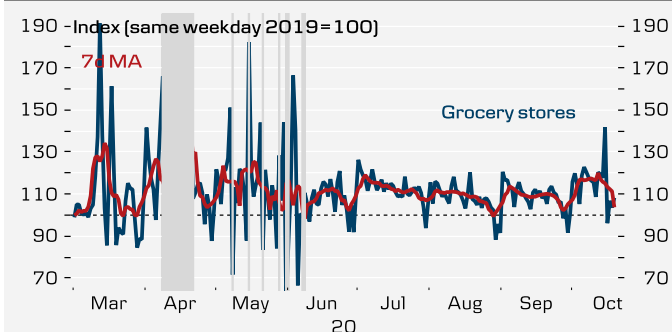
*Source: Danske Bank*

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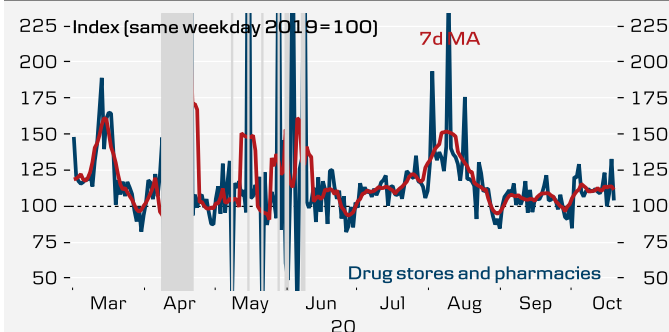
## Selected charts with relative changes

### Grocery spending is higher in October than in recent months



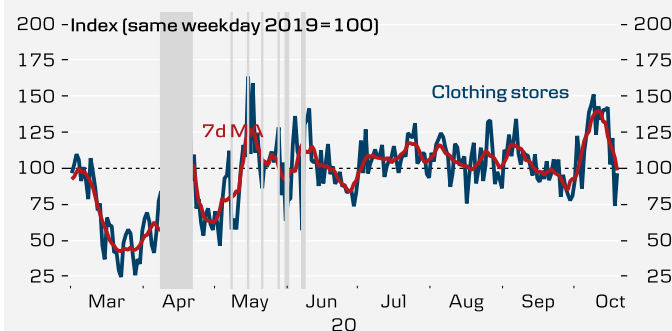
Source: Danske Bank

### Health-related spending around 10% above normal levels



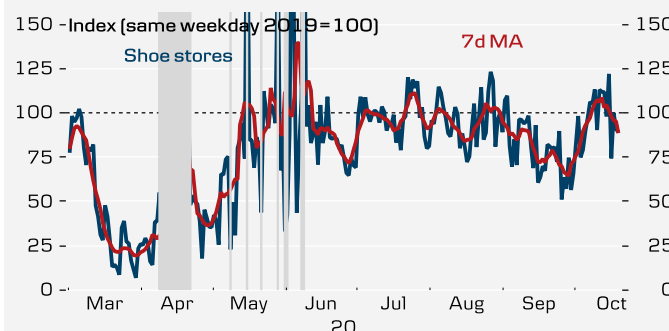
Source: Danske Bank

### Spending at clothing stores has normalised somewhat in recent days



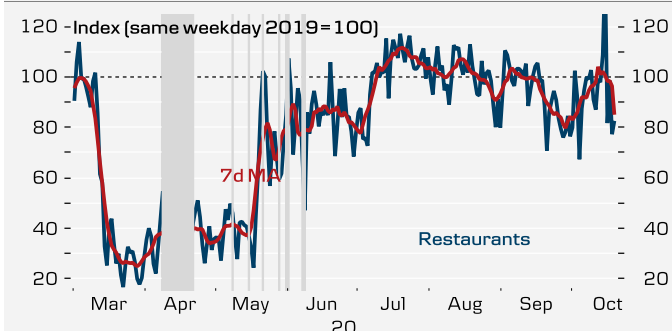
Source: Danske Bank

### Spending at shoe stores above September levels, but has come down a bit



Source: Danske Bank

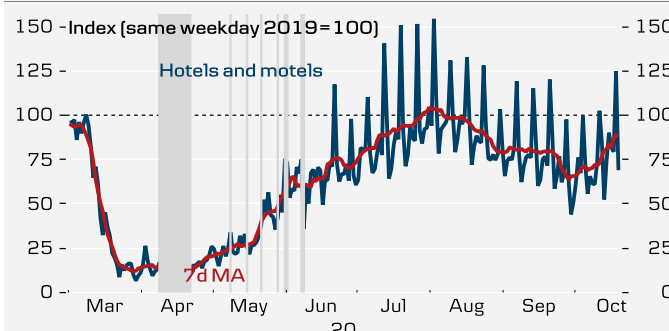
### Restaurant spending was lifted last week, partially due to Danes vacationing at home



Note: The restaurant index includes bars and nightclubs and fast-food places

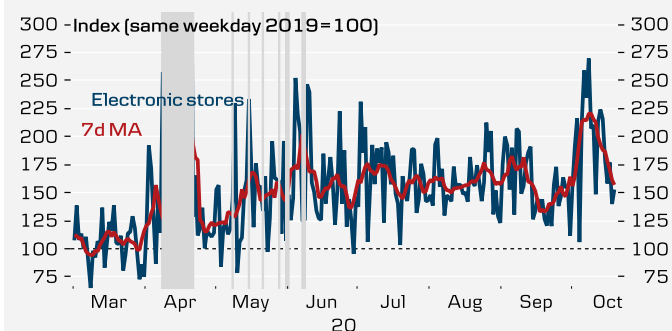
Source: Danske Bank

### Danes' hotel spending has improved, but different vacation trends are likely the main explanation



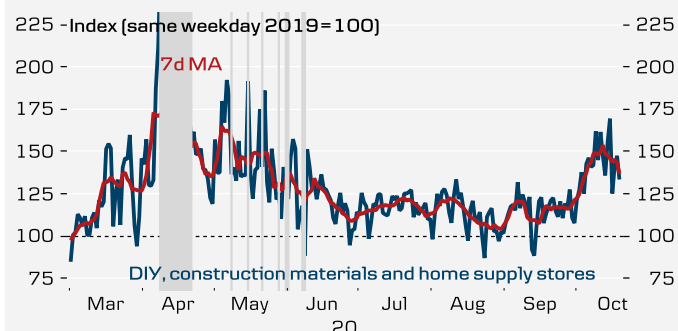
Source: Danske Bank

Spending at electronics stores has moderated a bit, but we expect the new iPhone release to lift spending again this week



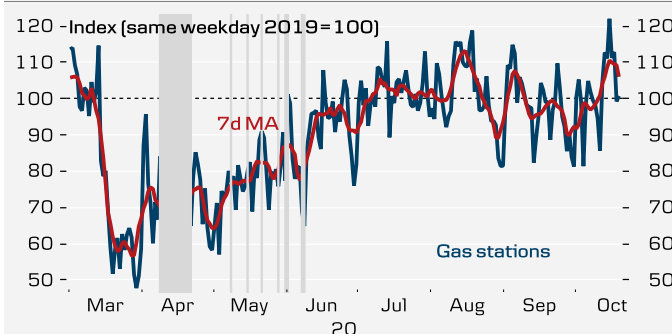
Source: Danske Bank

DIY spending has moderated slightly, but still clear effect from payout of holiday money



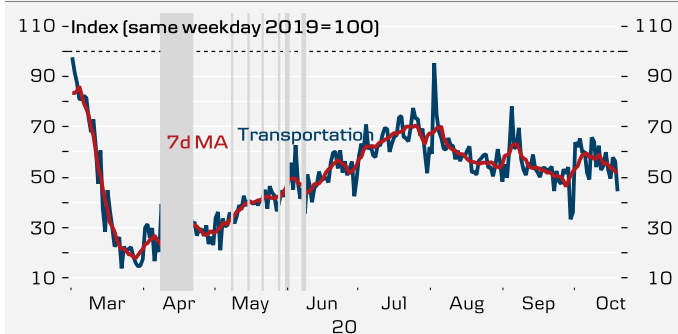
Source: Danske Bank

Spending at gas stations rose last week, as more Danes drove during the autumn vacation



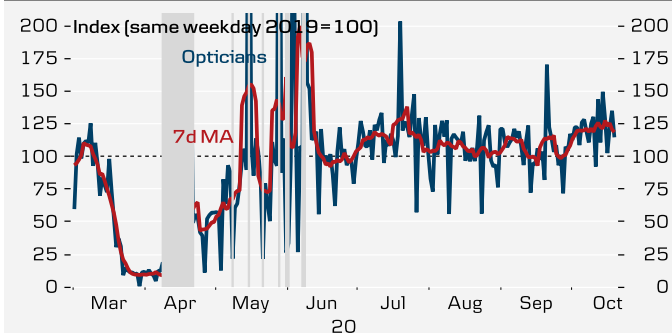
Source: Danske Bank

Transportation spending still at almost half of normal levels



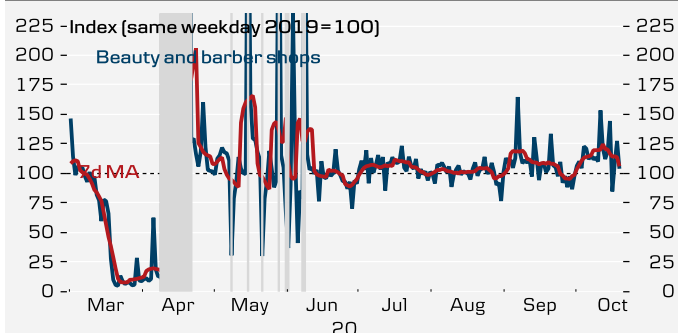
Source: Danske Bank

Opticians seeing higher spending



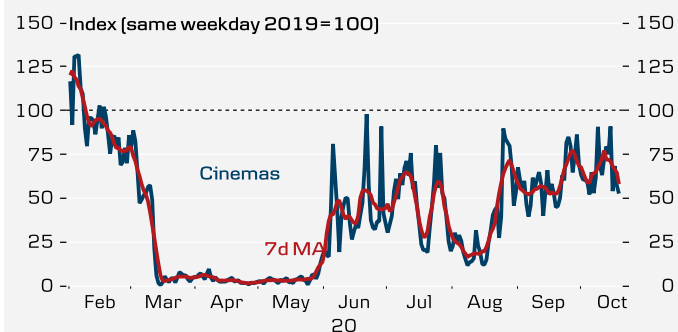
Source: Danske Bank

Spending at hairdressers has come up somewhat



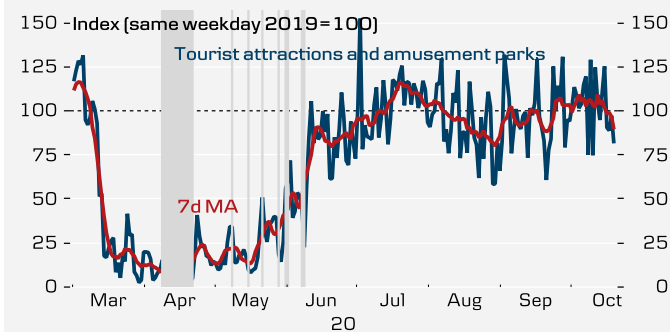
Source: Danske Bank

### Cinema spending still below normal



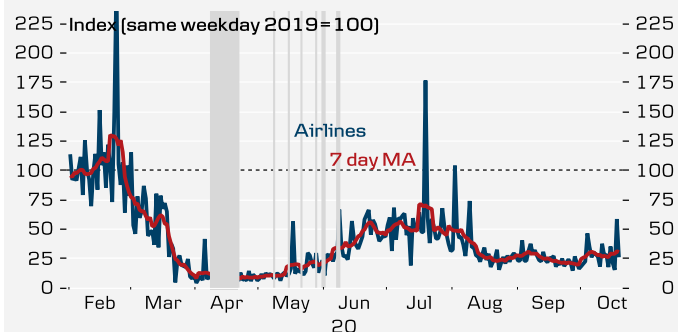
Source: Danske Bank

### Spending at tourist attractions around normal levels



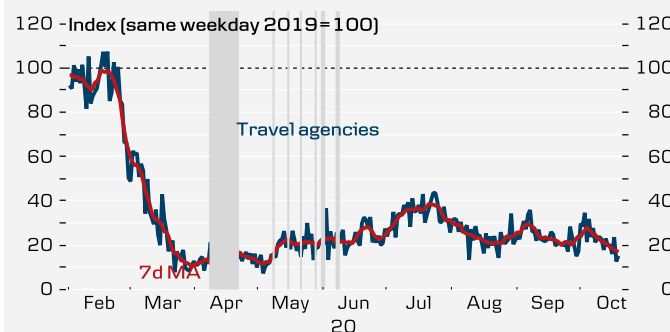
Source: Danske Bank

### Airline spending shows no signs of significant improvement



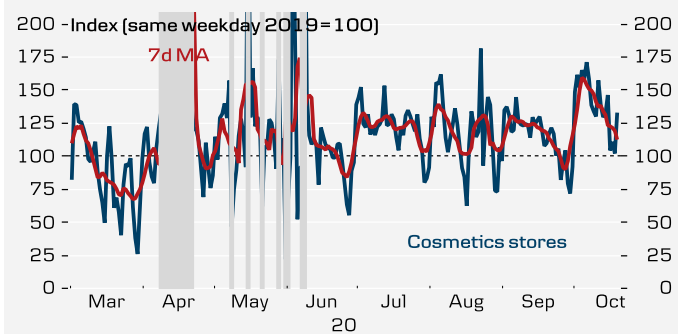
Source: Danske Bank

### Travel spending remains very weak – despite holiday back-pay



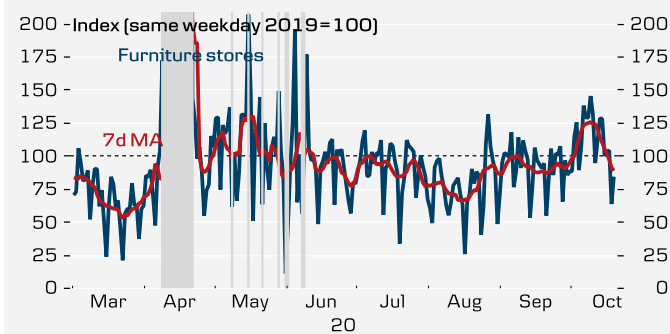
Source: Danske Bank

### Spending at cosmetics stores has seen a significant lift, but is starting to normalise



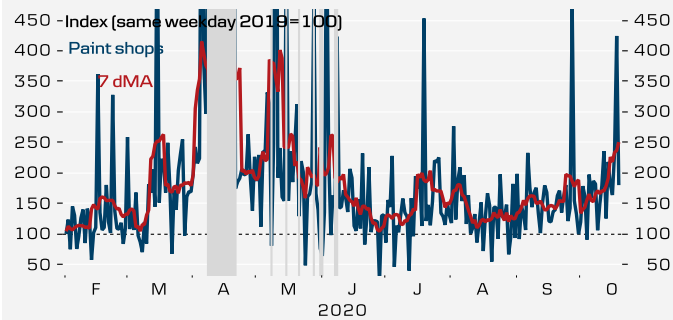
Source: Danske Bank

### Spending at furniture stores only saw a short-lived boost from holiday money



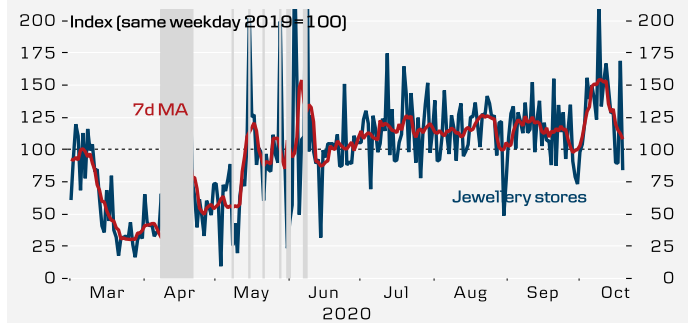
Source: Danske Bank

### Spending at paint shops sees boost from holiday back-pay



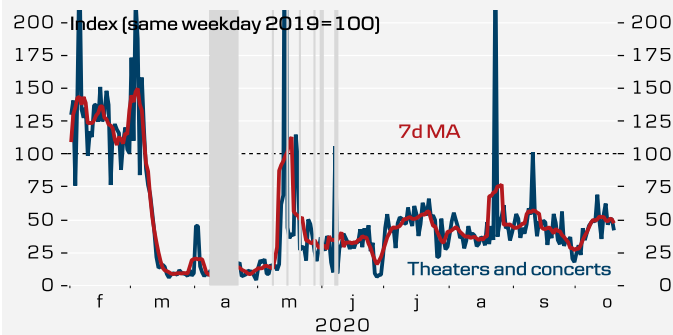
Source: Danske Bank

### Spending at jewellery stores show signs of normalisation



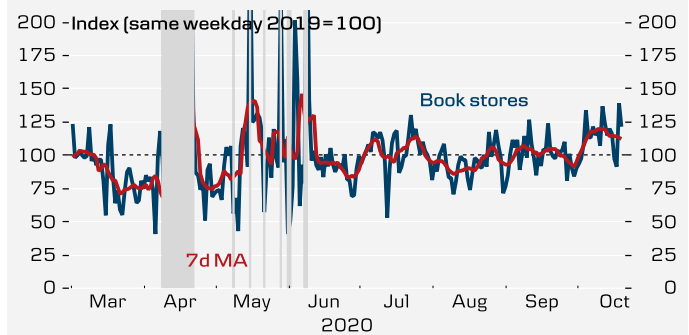
Source: Danske Bank

### Spending on cultural events rising in October but still far below normal



Source: Danske Bank

### Spending at book stores has gone up noticeably in October



Source: Danske Bank

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