

Tracking Transaction Trends

Week Ending June 7, 2020



PSCU, the nation's premier payments credit union service organization, has updated its weekly transaction analysis from its Owner credit union members on a same-store basis to identify the impact of COVID-19 on consumer spending and shopping trends. An infographic is also attached.

To provide relevant updates on market performance, experts from PSCU's Advisors Plus and Data & Analytics teams today released year-over-year weekly performance data trends. In this week's installment, PSCU compares the 23rd week of the year (the week ending June 7, 2020 compared to the week ending June 9, 2019).



OVERALL SPEND

Overall card payment volumes were generally positive for the week, with debit continuing to lead the way.

Debit
↑ **16.4%**

Debit card spend was up 16.4%, marking the eighth consecutive week of year-over-year growth and a return to a growth level not seen since the pandemic buying spree in early March. Transactions were down 1.6%, but have shown weekly improvements for ten consecutive weeks.

Credit
↓ **7.3%**

Credit card spend was down 7.3% year over year, an improvement over the previous week. Transactions were down 11.8%, but have shown improvements for nine consecutive weeks. The weekly improvements in credit were one of the strongest seen since the early effects of the pandemic in March.

CONSUMERS CONTINUE STRONG USAGE OF CARD-NOT-PRESENT (CNP) ALTERNATIVES AND APPEAR TO BE USING CASH LESS.



DEBIT CARD NOT PRESENT

↑ **49%** for Purchases

↑ **46%** for Transactions

Debit card CNP volumes continue to show strong year-over-year growth, up 49% for purchases and 46% for transactions. This is the eighth consecutive week of growth above 40% for debit.

CREDIT CARD NOT PRESENT

↑ **13%** for Purchases

↑ **26%** for Transactions

Credit card CNP volumes were up 13% for purchases, with transactions up 26%.



AMAZON

↑ **94%** Debit

↑ **50%** Credit

Amazon, which spans multiple merchant categories and is a top CNP merchant, had aggregate purchase volume increases of 94% for debit and 50% for credit.



ATM

↓ **23.8%** Withdrawals

Cash withdrawal transactions at the ATM have been down 20% or more for 11 straight weeks, indicating less of a preference and desire for cash. For the most recent week, withdrawal amounts are down 23.8%.

FROM A MERCHANT CATEGORY PERSPECTIVE, TRENDS CONTINUE TO BE MIXED.



GROCERY

↑ **14.0%** Debit

↑ **13.5%** Credit

Grocery continues to perform well, with purchases up 14.0% for debit and 13.5% for credit.



CONSUMER GOODS

↑ **39.2%** Debit

↑ **14.5%** Credit

The purchase volume of consumer goods was up 39.2% for debit and 14.5% for credit. Strong categories of note include Electronics, Home, Discount Stores and Automobile.



TRAVEL

↓ **33.3%** Debit

↓ **64.4%** Credit

Travel and Entertainment remain the two most significantly impacted sectors. Travel purchases were down 33.3% for debit and 64.4% for credit, and Entertainment was down 42.8% and 53.2%, respectively.



ENTERTAINMENT

↓ **42.8%** Debit

↓ **53.2%** Credit

SOME DIFFERENCES ARE EVIDENT BY MARKET, WITH THE "HOT ZONES" UNDERPERFORMING.



NO STAY AT HOME ORDERS

↑ **16.0%** Debit

↓ **5.0%** Credit

The eight states that never issued formal "stay at home" orders saw debit spend up by 16.0% and credit spend down by 5.0%.



HOT ZONES

↑ **7.1%** Debit

↓ **12.8%** Credit

The eight states/districts (CA, CT, DC, IL, LA, MI, NJ and NY) that were hardest hit by the pandemic ("hot zones") saw debit spend up by 7.1% and credit spend down by 12.8%.



Debit spend led the way again this week, returning to levels not seen since the COVID-19 pandemic buying spree in early March. The continued strength in debit was fueled by particularly strong growth in retail goods, including home and automotive. Credit card spend and transactions, while still negative year over year, showed a notably strong improvement since last week – also one of the strongest we've seen in credit since the early weeks of the pandemic.

— Glynn Frechette, SVP, Advisors Plus Consulting at PSCU



PSCU will continue to develop and share analysis of transaction trends on a regular basis moving forward through the COVID-19 crisis. For more COVID-19 support resources, visit pscuc.com/covid19