

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.

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 26th week of the year (**the week ending June 28, 2020 compared to the week ending June 30, 2019**).



Debit
↑ **12.2%**

Credit
↓ **6.0%**

OVERALL SPEND

Overall card growth rates declined for the week.

Debit card spend was up 12.2%, a decline of 9.3 percentage points over last week. Transactions were down 1.5%, returning to negative after one week of positive growth.

Credit card spend was down 6.0% year over year, dropping 3.3 percentage points from the previous week. Transactions were down 9.7%, snapping an 11-week trend of improvements.

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



DEBIT CARD NOT PRESENT

↑ **37.3%** for Purchases
↑ **38.7%** for Transactions

CREDIT CARD NOT PRESENT

↑ **9.4%** for Purchases
↑ **21.8%** for Transactions

Debit card CNP volumes continue to show strong year-over-year growth, up 37.3% for purchases and 38.7% for transactions in Week 26. This is the 12th consecutive week of growth above 30% for debit.

Credit card CNP volumes were up 9.4% for purchases, with transactions up 21.8%.



AMAZON

↑ **85%** Debit
↑ **50%** Credit

Amazon, which spans multiple merchant categories and is a top CNP merchant, had aggregate purchase volume increases of 85% for debit and 50% for credit.



ATM

↓ **24.4%** Withdrawals

Cash withdrawal transactions at the ATM have been down 20% or more for 15 straight weeks, indicating less of a preference and desire for cash. For the most recent week, the number of cash withdrawals are down 24.4%.

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



GROCERY

↑ **5.4%** Debit
↑ **10.9%** Credit

Grocery continues to perform well overall but saw a decline in Week 26. Purchases were up 5.4% for debit and 10.9% for credit.



DRUG STORES

↑ **3.6%** Debit
↑ **2.0%** Credit

Drug Stores also posted a decline from the previous week, but still finished with purchases up 3.6% for debit and 2.0% for credit.



CONSUMER GOODS

↑ **36.4%** Debit
↑ **17.3%** Credit

The purchase volume of consumer goods declined from the prior week, still up 36.4% for debit and 17.3% for credit. Strong categories of note include Electronics, Home, Discount Stores, Automobile and Sporting Goods.



TRAVEL

↓ **31.8%** Debit
↓ **61.5%** Credit

Travel and Entertainment remain the two most significantly impacted sectors. Travel purchases were down 31.8% for debit and 61.5% for credit, while Entertainment was down 41.9% and 56.1%, respectively.



ENTERTAINMENT

↓ **41.9%** Debit
↓ **56.1%** Credit

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



NO STAY AT HOME ORDERS

↑ **8.5%** Debit
↓ **6.6%** Credit

The eight states that never issued formal "stay at home" orders saw debit spend up by 8.5% and credit spend down by 6.6% for the week.



INITIAL HOT ZONES

↑ **5.1%** Debit
↓ **9.1%** Credit

The initial 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 5.1% and credit spend down by 9.1%. Spending for the combined group continues to be contracted as compared to the overall U.S. We continue to closely monitor this group, given the reduced spread of COVID-19 in some of these states and the reduced COVID-19-related hospitalizations and deaths in the northeastern U.S. states.



NEW HOT ZONES

↑ **12.6%** Debit
↓ **7.9%** Credit

We are watching a second grouping of ten states that were identified as new "hot zones" by the White House Coronavirus Task Force in their press briefing on June 26. While performance in these states (AL, AZ, FL, GA, LA, MS, NV, SC, TX and UT) has been close to overall U.S. results, we will continue to closely monitor this group in the coming weeks. Purchases were up 12.6% on debit and down 7.9% on credit for the current week.



This week saw overall card growth rates decline from the prior week, with credit card transactions snapping an 11-week trend of improvement, debit card transactions returning to negative growth, and declines in most merchant categories. As this tempering was expected with pullbacks of state openings, we continue to monitor state-level trends and indicators. Accordingly, we are pleased to introduce our Weekly U.S. State/Territory Analysis, which gives credit unions insight into year-over-year performance levels for debit purchases, credit purchases and ATM transactions in the states in which they operate, providing a comparative view of all U.S. states and territories.

— *Glynn Frechette, SVP, Advisors Plus Consulting at PSCU*



PSCU has published a new document, "Weekly U.S. State/Territory Analysis," on its [COVID-19 microsite](#). This document, which we will publish weekly throughout the COVID-19 pandemic, ranks year-over-year performance levels in U.S. states and territories for debit purchases, credit purchases and ATM transactions.

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 pscuhq.com/covid19