

Dutch debit card transactions decline sharply due to Covid-19

Covid-19 is beginning to hit the Dutch economy, and the confinement measures to halt the spread of the virus are affecting the way consumers spend money. An analysis of ING debit card transaction data shows a 24% decline, year-on-year, for last Friday



The largest year-on-year decline in debit card transactions is in recreational venues, such as cinemas, sport clubs, and restaurants (-83%). This is followed by clothing stores and shoe retailers, which show a decline of 72%. Since people are staying home, spending on transport is also taking a big hit (-46%).

In other places we see an increase in debit card transactions. In particular, toy retailers are benefiting from children having to stay home. Parents are likely resorting to toys to keep children busy, with debit card transactions at these retailers showing a 10% year-on-year increase. Other shops where we see a larger number of debit card transactions are supermarkets (+5%) and DIY shops (+2%).

Where we see fewer or greater debit card transactions

Year-on-year difference for Friday, 20 March 2020

Type of pin location	Growth YoY
Total	-24%
'Essentials'	+2%
Supermarkets	+5%
Other food stores	-7%
Health (pharmacy, drugstores)	+2%
Appearance	-68%
Clothing and shoe shops, jeweler	-72%
Personal care (e.g. hairdresser, perfumery)	-59%
Leisure (goods)	-12%
Toy and game shops	+10%
Book and music shops	-4%
Sports shops	-33%
Electronics shops	-3%
Do-It-Yourself (incl. furniture stores)	+2%
Other non-food stores	+11%
'Going out'	-83%
Bars & Restaurants	-81%
Leisure locations (cinema, funfair, hotels, etc.)	-95%
Transport	-46%
Petrol stations & parking	-39%
Public transport	-76%

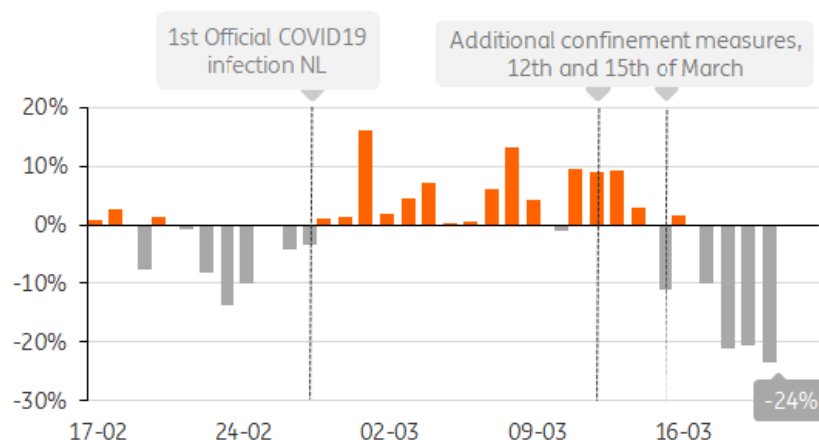
Source: ING

Overall, we see a sharp decline in debit card transactions. Last Friday, they were down 24% from a year before. This is primarily driven by the closure of public places such as restaurants, cafés, cinemas and sport clubs.

Prior to the extra confinement measures, we saw an increase of 10%. This was mostly driven by extra consumer spending in supermarkets.

24% fewer debit card transactions on Friday, 20th March

Percentage change in debit card transactions year-on-year



Source: ING, last observation: Friday 20th of March

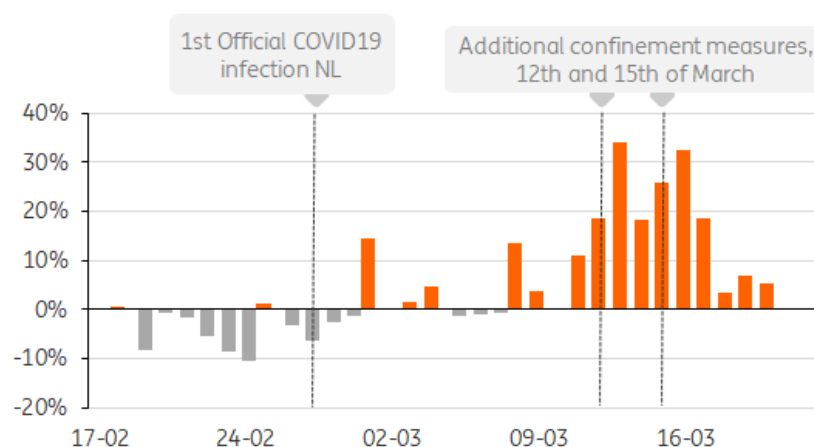
More debit card transactions in supermarkets

We saw a significant increase in debit card transactions in supermarkets in the past two weeks, peaking at 30% YoY.

Over the last week this has been decreasing. Friday 20th of March showed 5% more debit card transactions than a year earlier.

More debit card transactions in supermarkets

Percentage change in debit card transactions year-on-year



Source: ING, last observation: Friday 20th of March

Cafés and restaurants show a decline of c.80%

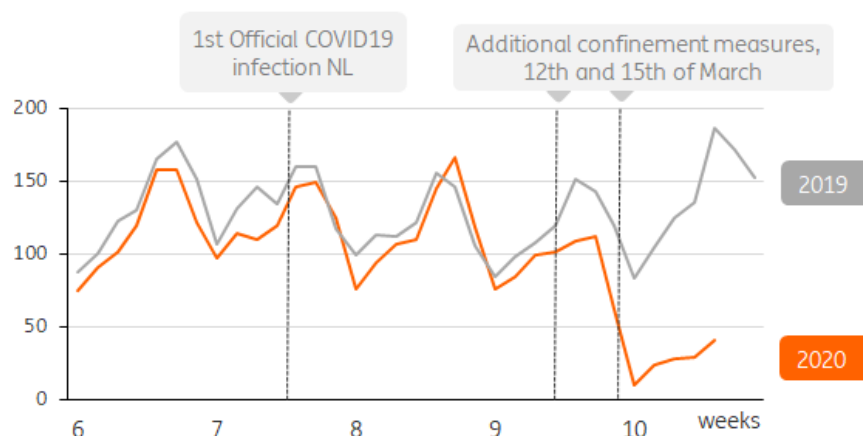
Covid-19 measures have particularly hit businesses in the leisure industry. We observed an 81% decrease YoY for pin transactions in restaurants and cafés last Friday. Currently, it is just the

takeaway and delivery caterers that are keeping debit card transactions above zero.

We observed even larger declines in recreational venues such as cinemas, sport clubs and amusement parks. In particular, last Friday we saw a drop of 95% compared to last year.

Huge decline in debit card transactions in pubs and restaurants

Number of debit card transactions, 2020 week 1 = 100



Source: ING, last observation: Friday 20th of March

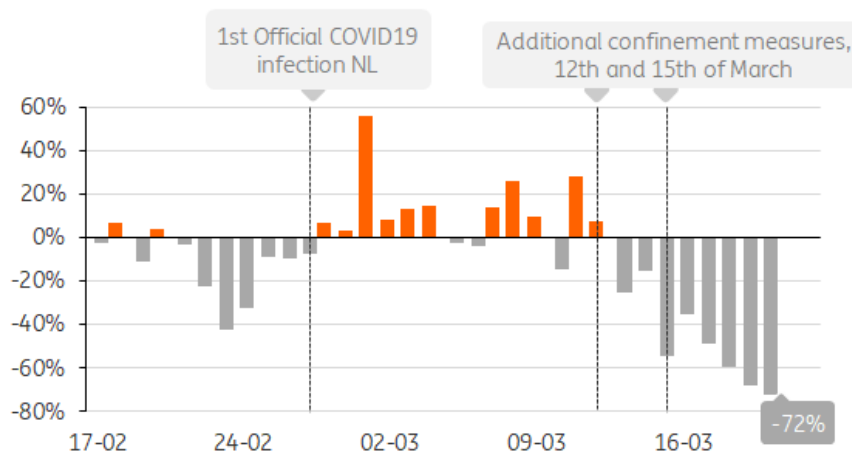
72% fewer transactions in fashion retailers

Since the government rolled out the new Covid-19 measures, the number of transactions has decreased drastically at fashion retailers. Last Friday, these transactions were 72% below the number observed the same day in the previous year.

Businesses in the personal care and wellness sectors such as hairdressers, beauty salons, and pedicure studios saw a 60% decline in the number of pin transactions in comparison to last year. Since then, the government has forbidden professions that require physical contact to be open until 6 April. As such, we expect to see a further decline in debit card transactions for these types of businesses this week.

72% fewer debit card transactions in fashion stores

Percentage change in debit card transactions year-on-year



Source: ING, last observation: Friday, 20th of March

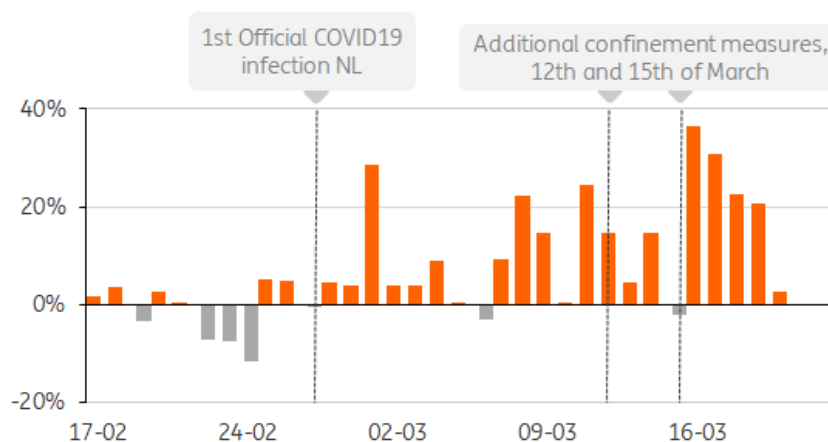
DIY shops peak with 40% more debit card transactions

DIY shops, furniture stores, and gardening centres show a strong increase in debit card transactions, peaking at almost 40% higher than a year ago. The spring-like weather conditions and the limited possibilities for leisure activities have seemingly fuelled an increase in gardening and house chores.

In the last couple of days, we have observed a smaller increase in debit card transactions in these types of shops. On Friday, 20 March we saw just 2% more transactions than in the year before. This does fit with the declining short-term trend. However, this number may also be biased downwards due to extra demand last year as the weather was even better back then.

Debit card transactions at DIY shops up by almost 40%

Percentage change in debit card transactions year-on-year



Source: ING, last observation: Friday 20th of March

Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro

amrita.naik.nimbalkar@ing.com

Mateusz Sutowicz

Senior Economist, Poland

mateusz.sutowicz@ing.pl

Alissa Lefebvre

Economist

alissa.lefebvre@ing.com

Deepali Bhargava

Regional Head of Research, Asia-Pacific

Deepali.Bhargava@ing.com

Ruben Dewitte

Economist

+32495364780

ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee

kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands

marten.van.garderen@ing.com

David Havrlant

Chief Economist, Czech Republic

420 770 321 486

david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing

sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China

lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist

michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland

michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania

tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate

jesse.norcross@ing.com

Teise Stellema

Research Assistant, Energy Transition

teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare

diederik.stadig@ing.com

Diogo Gouveia

Sector Economist

diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials

marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist

ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist

James.wilson@ing.com

Sophie Smith

Digital Editor

sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist

frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland

adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan

min.joo.kang@asia.ing.com

Coco Zhang

ESG Research

coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT

jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure

Katinka.Jongkind@ing.com

Marina Le Blanc

Sector Strategist, Financials

Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist

samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst

rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands)

mirjam.bani@ing.com

Timothy Rahill

Credit Strategist

timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland

leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist

oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy

antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research

jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare

edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics

Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist

jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst

egor.fedorov@ing.com

Sebastian Franke

Consumer Economist

sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy

gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy

nadege.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland

charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist

+31(0)611172684

laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania

valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Suvi Platerink Kosonen

Senior Sector Strategist, Financials

suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri

thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors

maurice.van.sante@ing.com

Marcel Klok

Senior Economist, Netherlands

marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland

piotr.poplawski@ing.pl

Paolo Pizzoli

Senior Economist, Italy, Greece
paolo.pizzoli@ing.com

Marieke Blom
Chief Economist and Global Head of Research
marieke.blom@ing.com

Raoul Leering
Senior Macro Economist
raoul.leering@ing.com

Maarten Leen
Head of Global IFRS9 ME Scenarios
maarten.leen@ing.com

Maureen Schuller
Head of Financials Sector Strategy
Maureen.Schuller@ing.com

Warren Patterson
Head of Commodities Strategy
Warren.Patterson@asia.ing.com

Rafal Benecki
Chief Economist, Poland
rafal.benecki@ing.pl

Philippe Ledent
Senior Economist, Belgium, Luxembourg
philippe.ledent@ing.com

Peter Virovacz
Senior Economist, Hungary
peter.virovacz@ing.com

Inga Fechner
Senior Economist, Germany, Global Trade
inga.fechner@ing.de

Dimitry Fleming
Senior Data Analyst, Netherlands
Dimitry.Fleming@ing.com

Ciprian Dascalu
Chief Economist, Romania
+40 31 406 8990
ciprian.dascalu@ing.com

Muhammet Mercan

Chief Economist, Turkey

muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China

iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research

+44 20 7767 6209

Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas

padhraic.garvey@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

Tim Condon

Asia Chief Economist

+65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist

+31 20 563 8801

martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland

Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist

+44 20 7767 6405

viraj.patel@ing.com

Owen Thomas

Global Head of Editorial Content

+44 (0) 207 767 5331

owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone

peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist

benjamin.schroeder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE

chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance

+44 20 7767 5306

carlo.cocuzzo@ing.com