

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

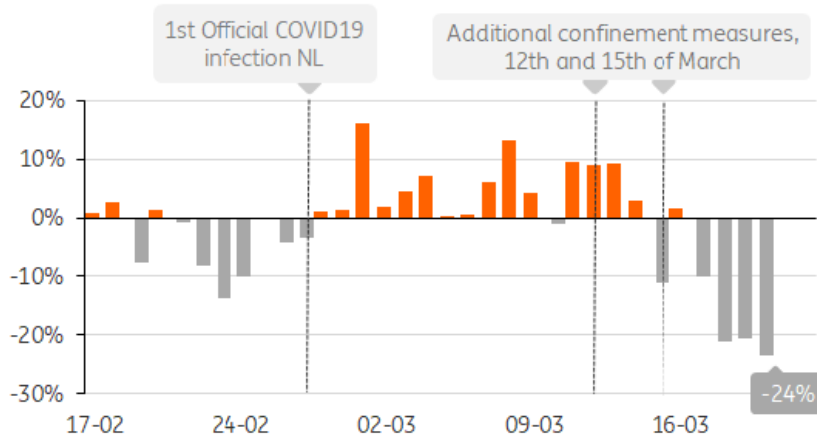
Source: ING

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

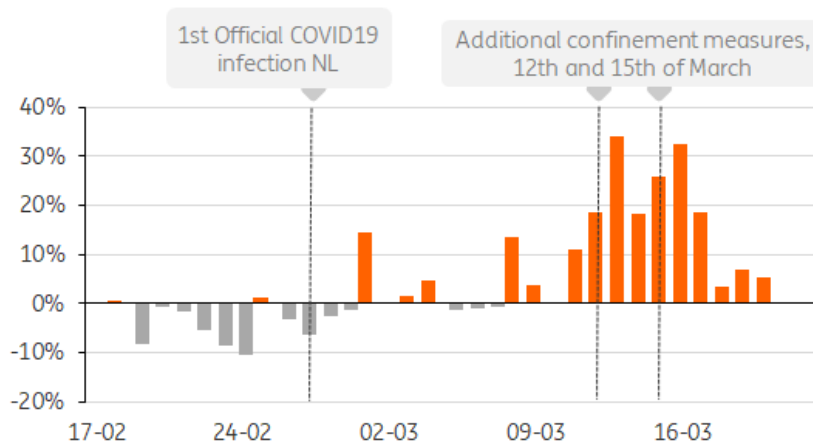
## More debit card transactions in supermarkets

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%

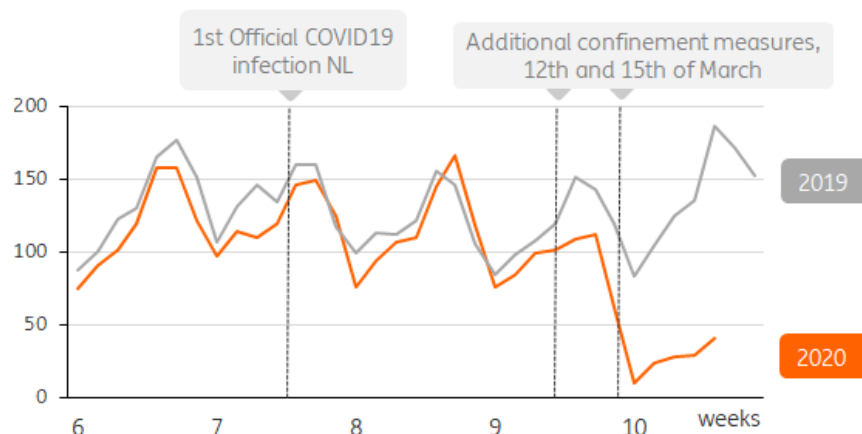
Covid-19 measures have particularly hit businesses in the leisure industry. We observed an 81% decrease YoY for pin transactions in restaurants and cafés last Friday. Currently, it is just the

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

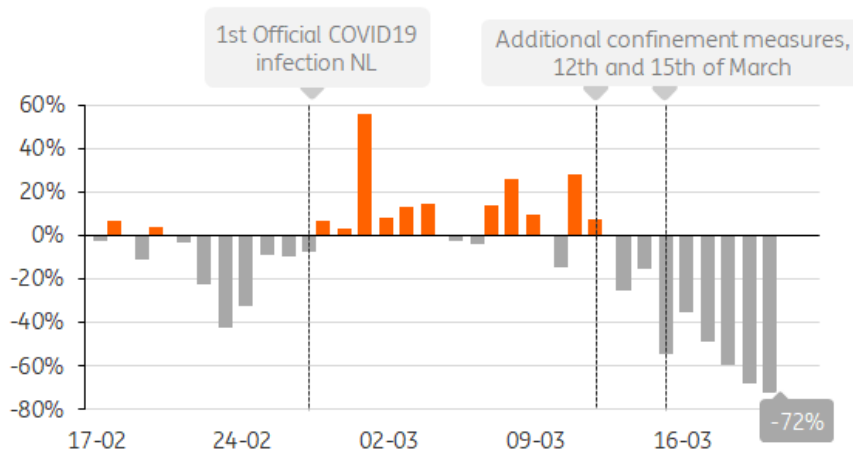
## 72% fewer transactions in fashion retailers

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

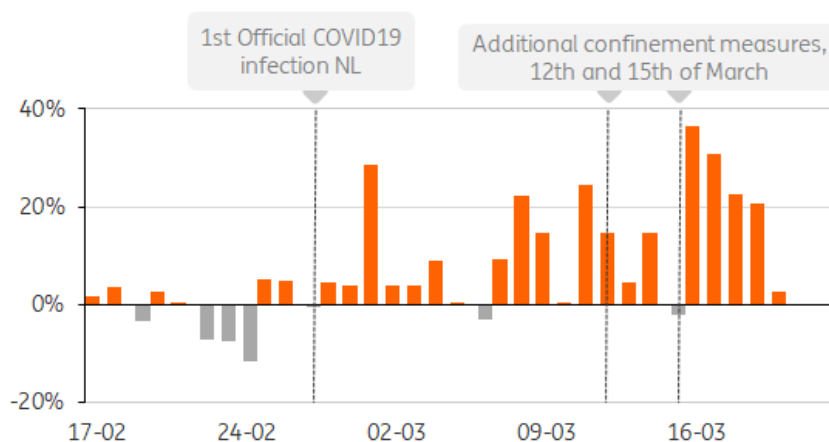
## DIY shops peak with 40% more debit card transactions

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

