

Corona Barometer: Card payments withdrew slightly

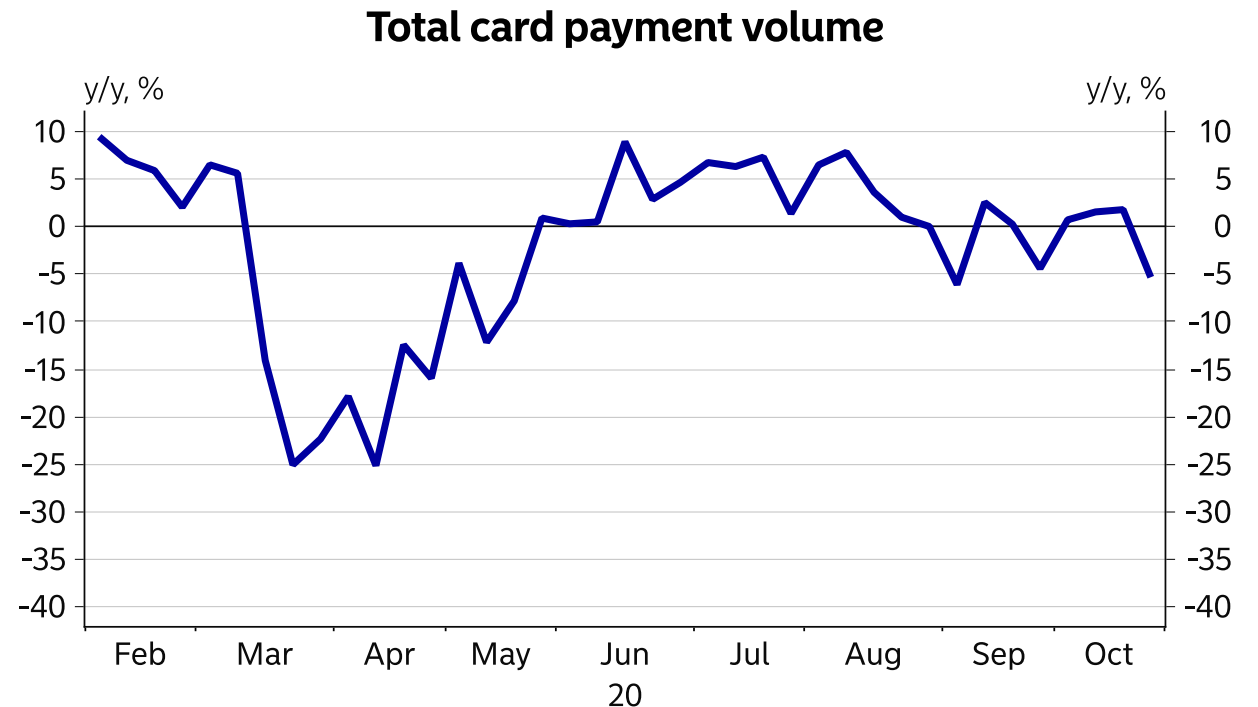
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11.11.2020



Card payments withdrew slightly

- Card payment data are available until week 44, which is the week ending on 1.11.2020.
- Total card payment volumes are slightly lower compared to the year before.
- Goods sector activity remained higher than the year before, while service sector activity continued on a downward trend.
- Looking at the data from a regional perspective suggests that activity was boosted throughout most parts of the country in October. The increased corona cases weighed down payments in the capital region of Uusimaa and Ostrobothnia.
- There are signs that the growth of new corona cases is slowing down, which in return would provide support for domestic spending.
- **Note! As of 8.7. this publication series uses data showing year-on-year changes, where card payments made abroad have been omitted**

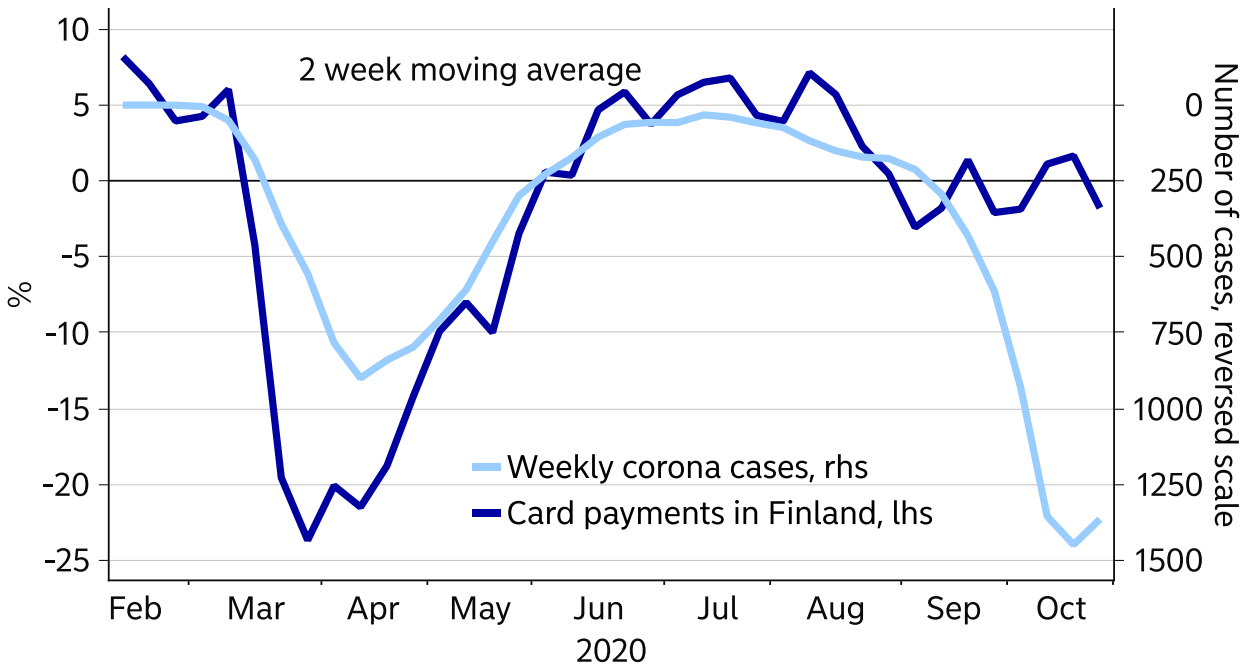
Total card payment volumes are slightly below last year's levels.



Source: Nordea and Macrobond

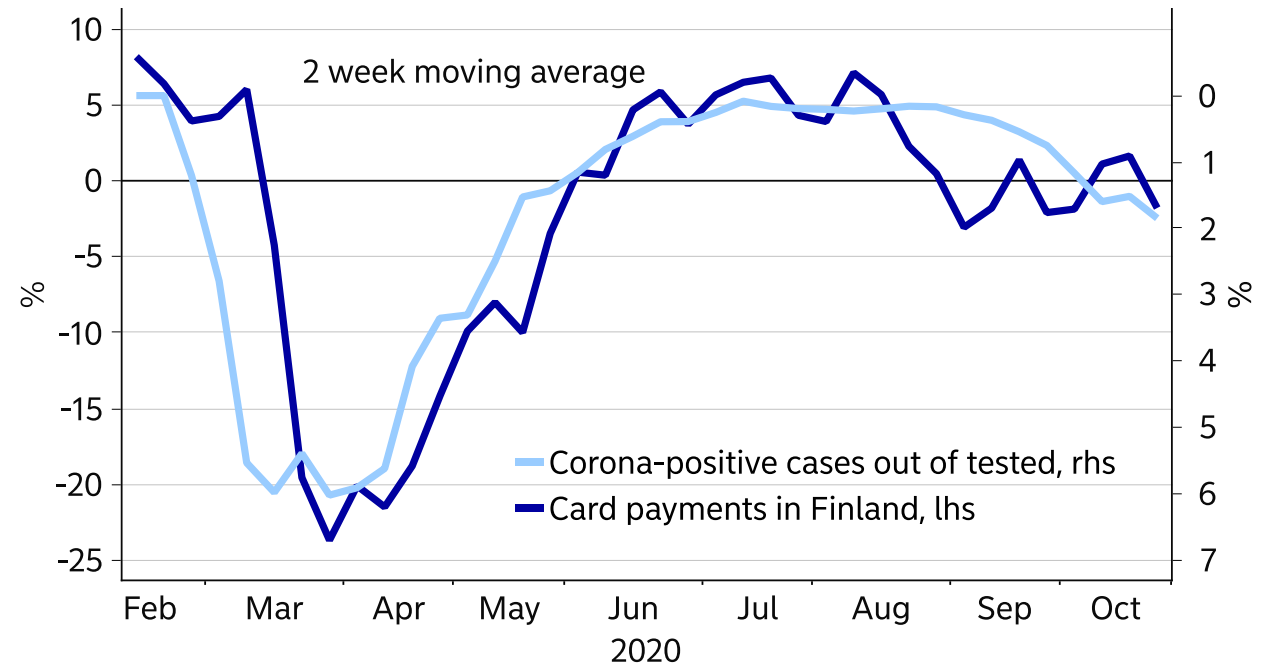
Card payment volumes have remained stable and the growth of new corona cases has slowed down. The proportion of corona-positive cases from testing remains relatively low.

Corona cases and card payments



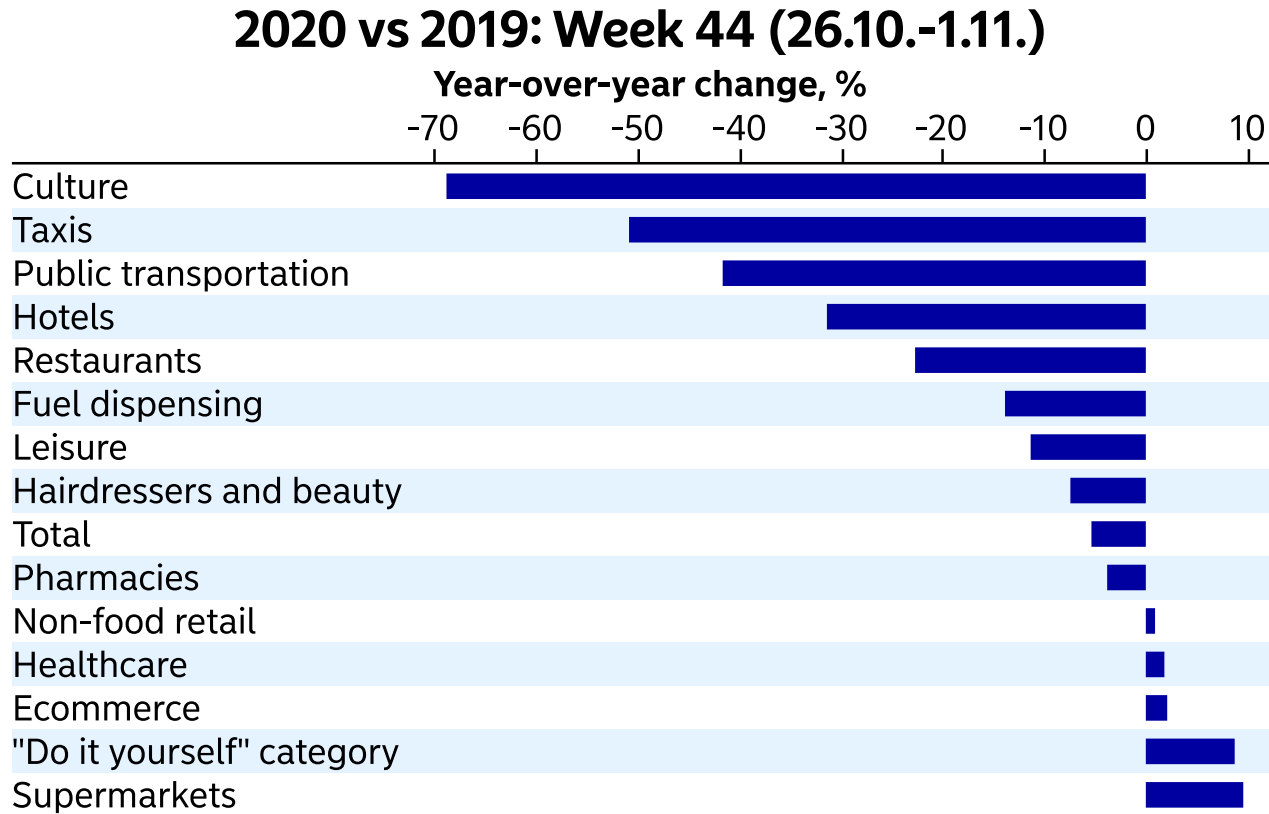
Source: Nordea and Macrobond

Proportion of corona-positive cases and card payments



Source: Nordea and Macrobond

The culture and transportation sectors are struggling the most, while the hotel and restaurant sectors continue to face challenges. The supermarket, non-food retail and DIY sectors have fared relatively well based on the card payment data.

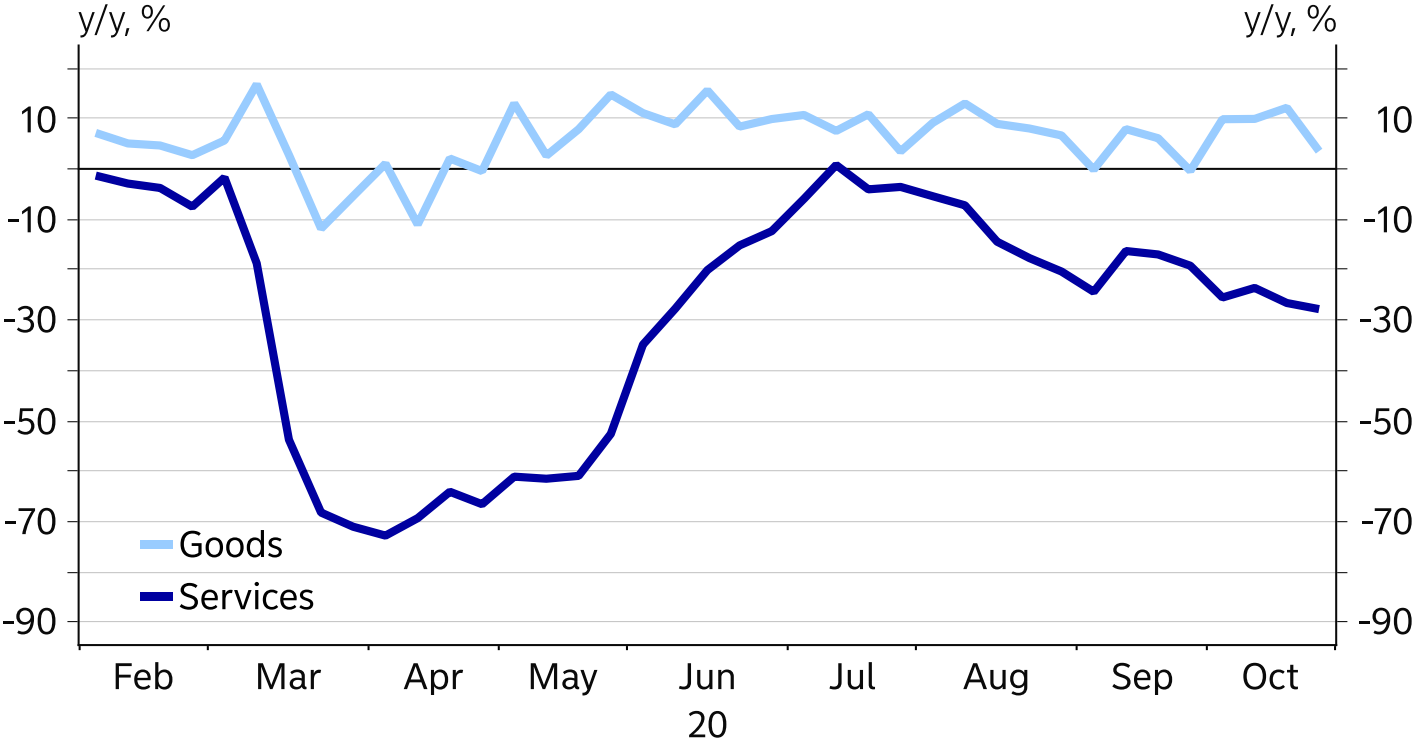


- The “do it yourself” category includes hardware stores, home supply warehouses etc.

Source: Nordea and Macrobond

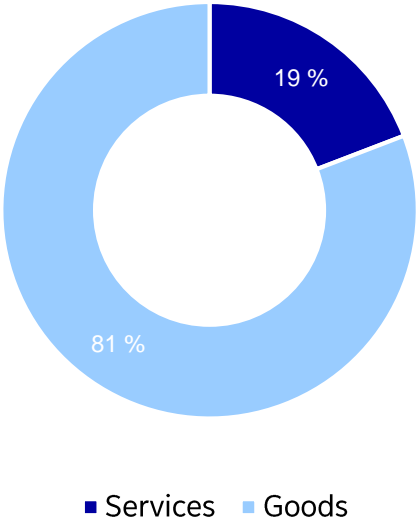
Goods sector activity continues to trend higher than the year before, while service sector activity remains depressed. Some of the reduced consumption of services has shifted over to greater goods consumption.

Goods and services



Source: Nordea and Macrobond

Proportion of goods and services

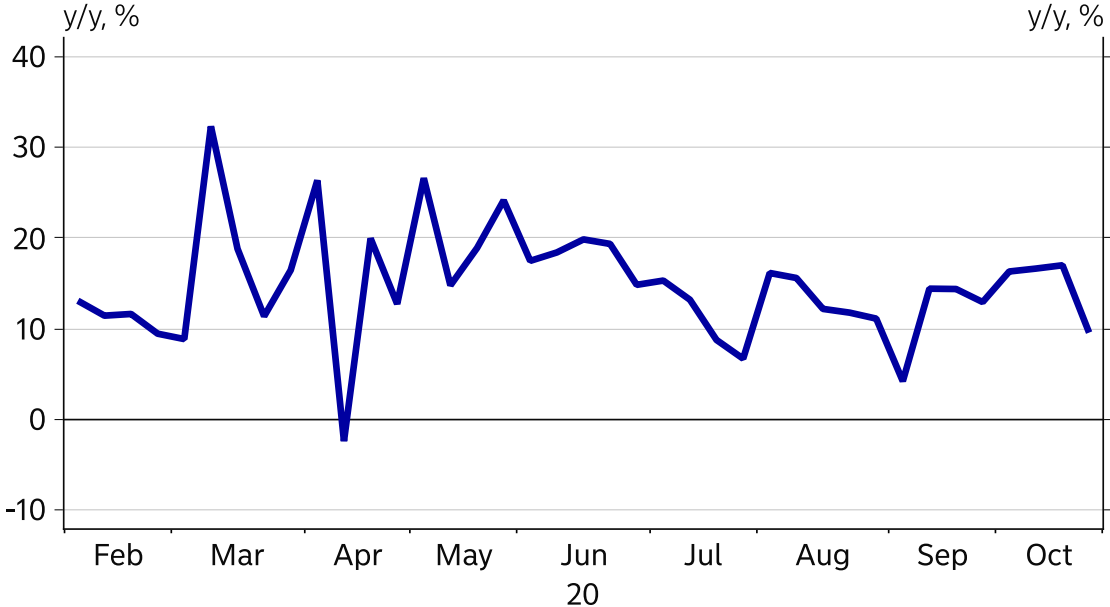


Week 40
(28.9.-4.10.)

- Services include the following categories: airlines, hotels, hairdressers and beauty, culture, healthcare, leisure, public transportation, restaurants and taxis.
- Goods include the following categories: supermarkets, non-food retail, fuel dispensing and pharmacies.

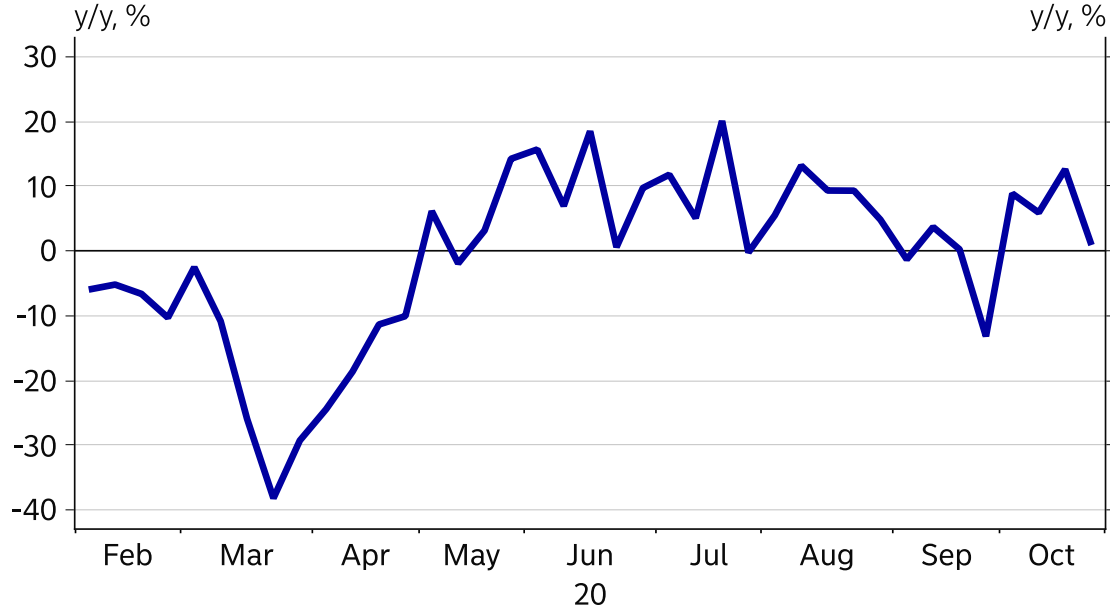
The supermarket sector has been doing strong throughout the crisis.

Supermarkets



Source: Nordea and Macrobond

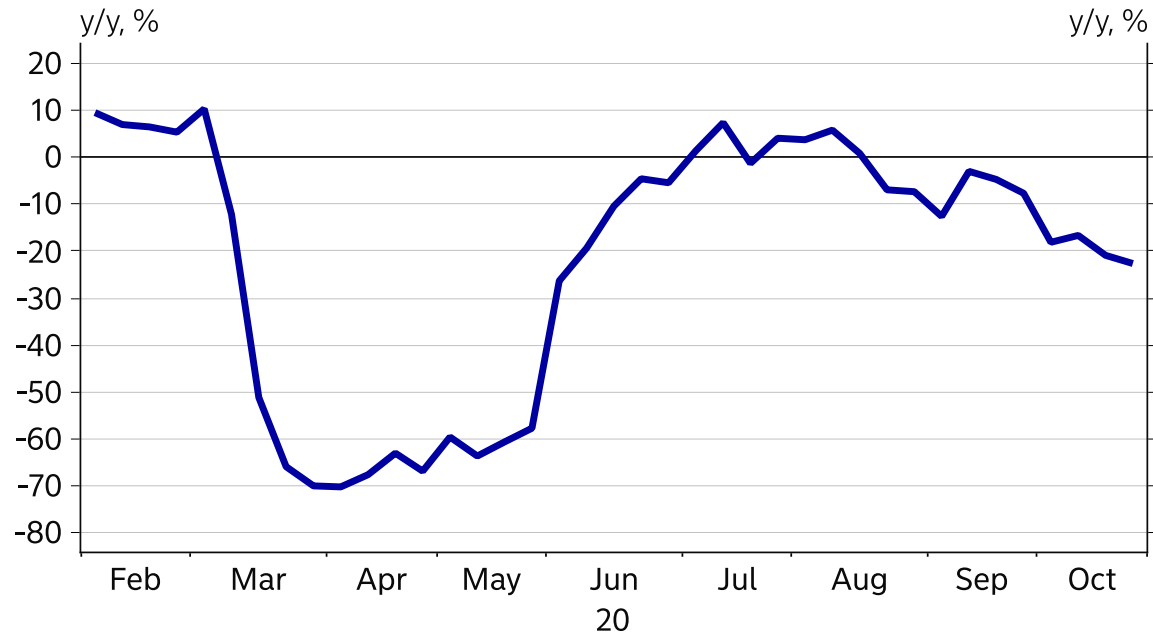
Non-food retail



Source: Nordea and Macrobond

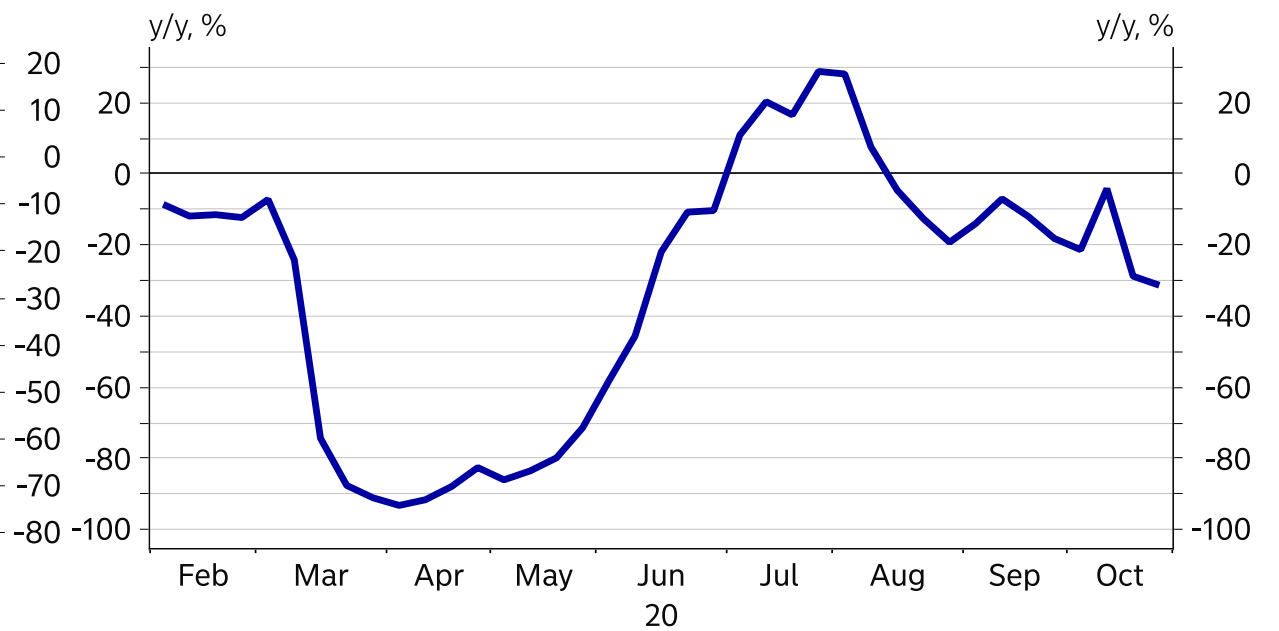
Hotel and restaurant activity continued on a downward trend. Since the card data does not capture payments made by tourists, the true situation is likely worse.

Restaurants



Source: Nordea and Macrobond

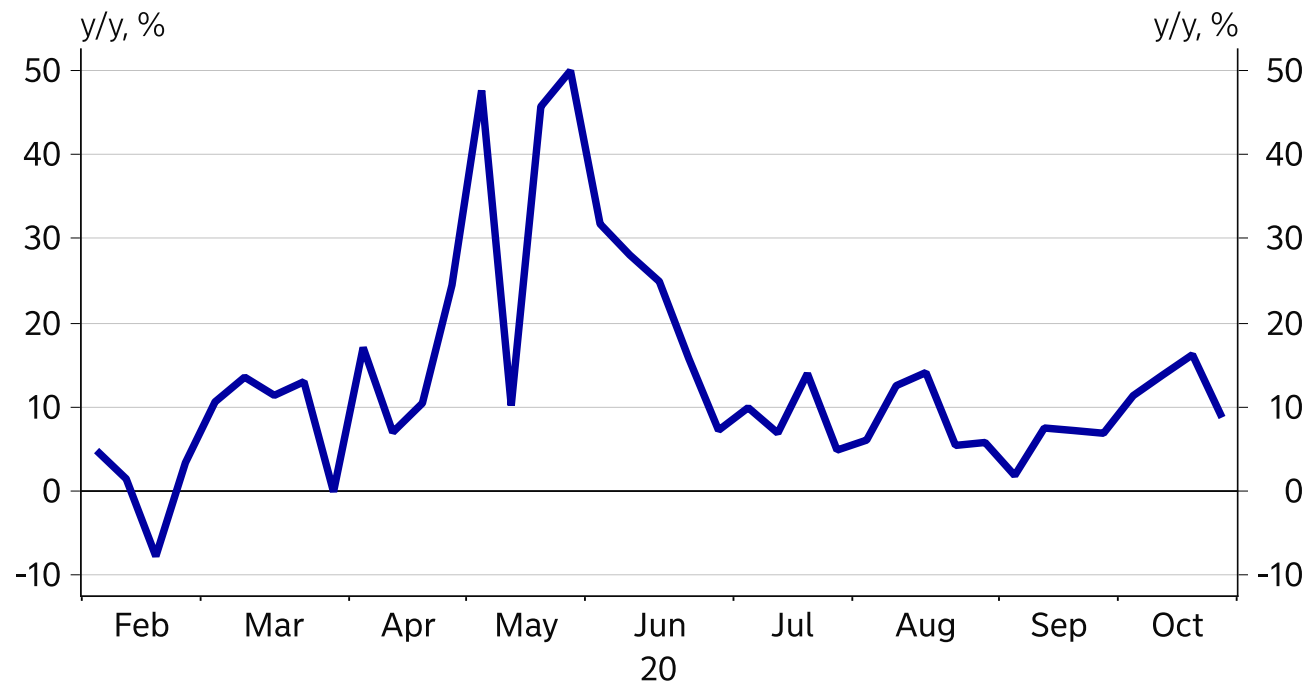
Hotels



Source: Nordea and Macrobond

The "do it yourself" category fared well during summer and so far has maintained its traction in autumn.

"Do it yourself" category

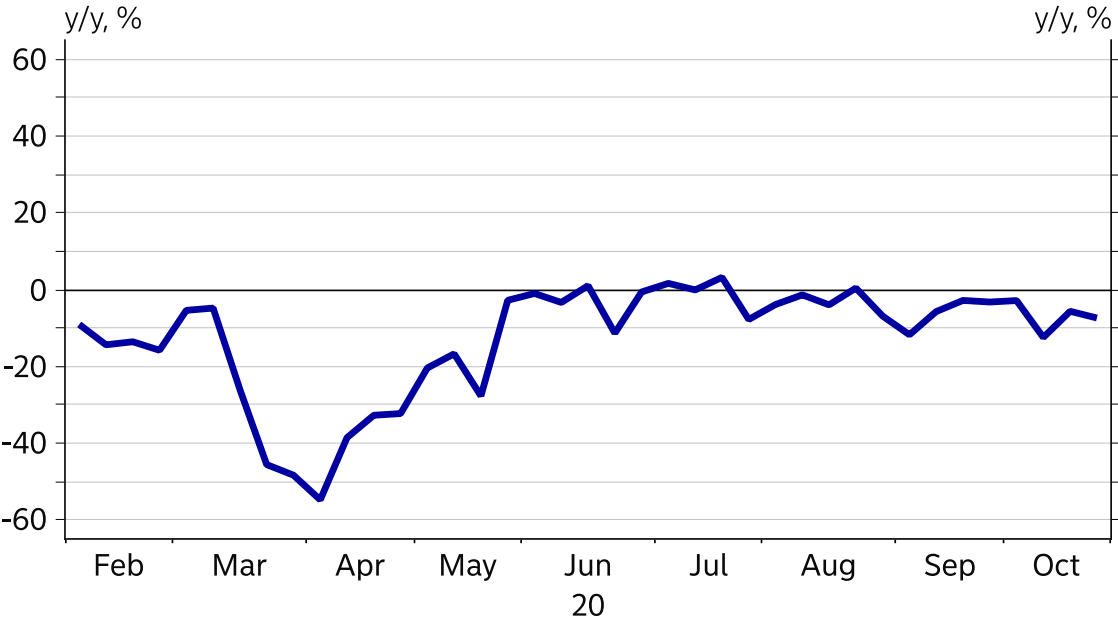


Source: Nordea and Macrobond

- The "do it yourself" category includes hardware stores, home supply warehouses etc.

Card payment volumes remained around last year's levels for the healthcare sector as well as the hairdressers and beauty sector.

Hairdressers and beauty



Source: Nordea and Macrobond

Healthcare



Source: Nordea and Macrobond

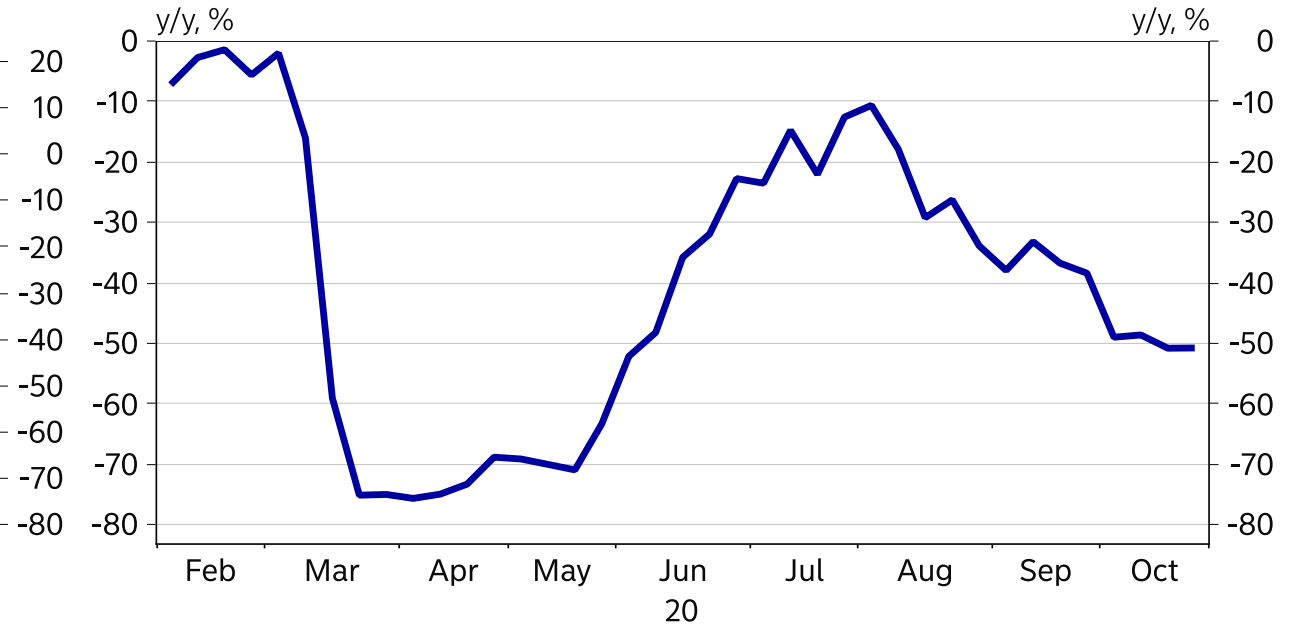
The transportation sector has been particularly affected by the crisis and the downward trend has continued during autumn.

Public transportation



Source: Nordea and Macrobond

Taxis

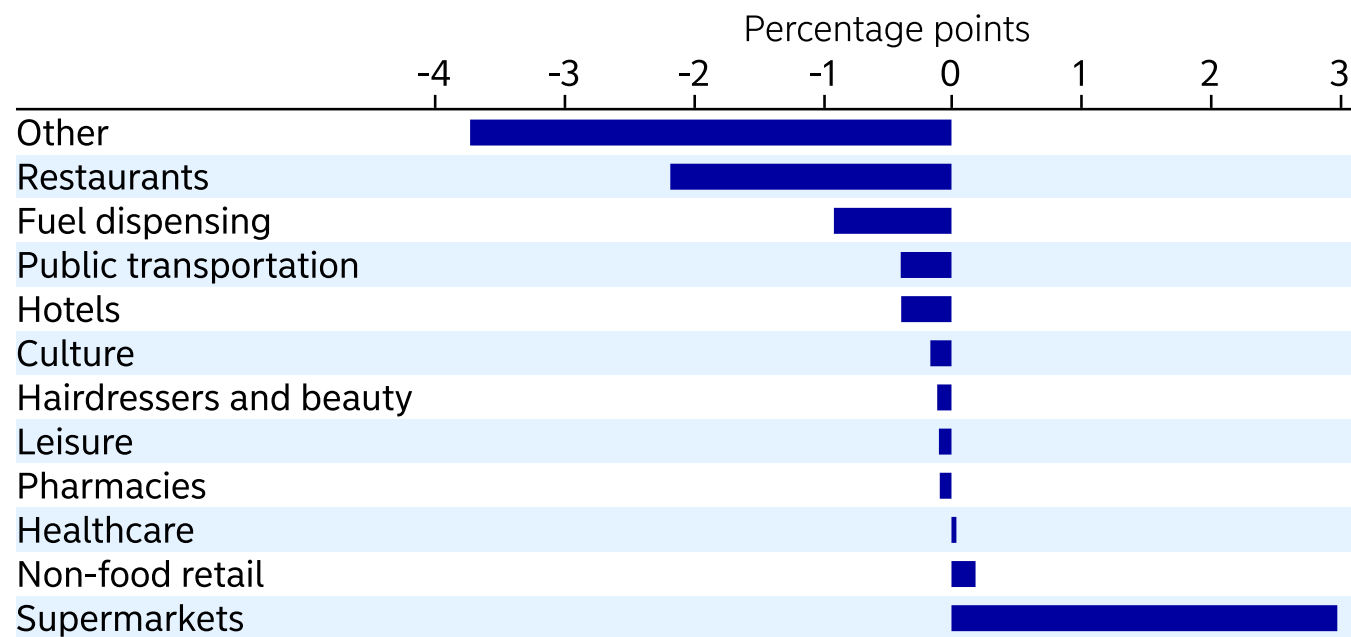


Source: Nordea and Macrobond

Positive changes in card payment volumes are supported by the supermarket and non-food retail sectors.

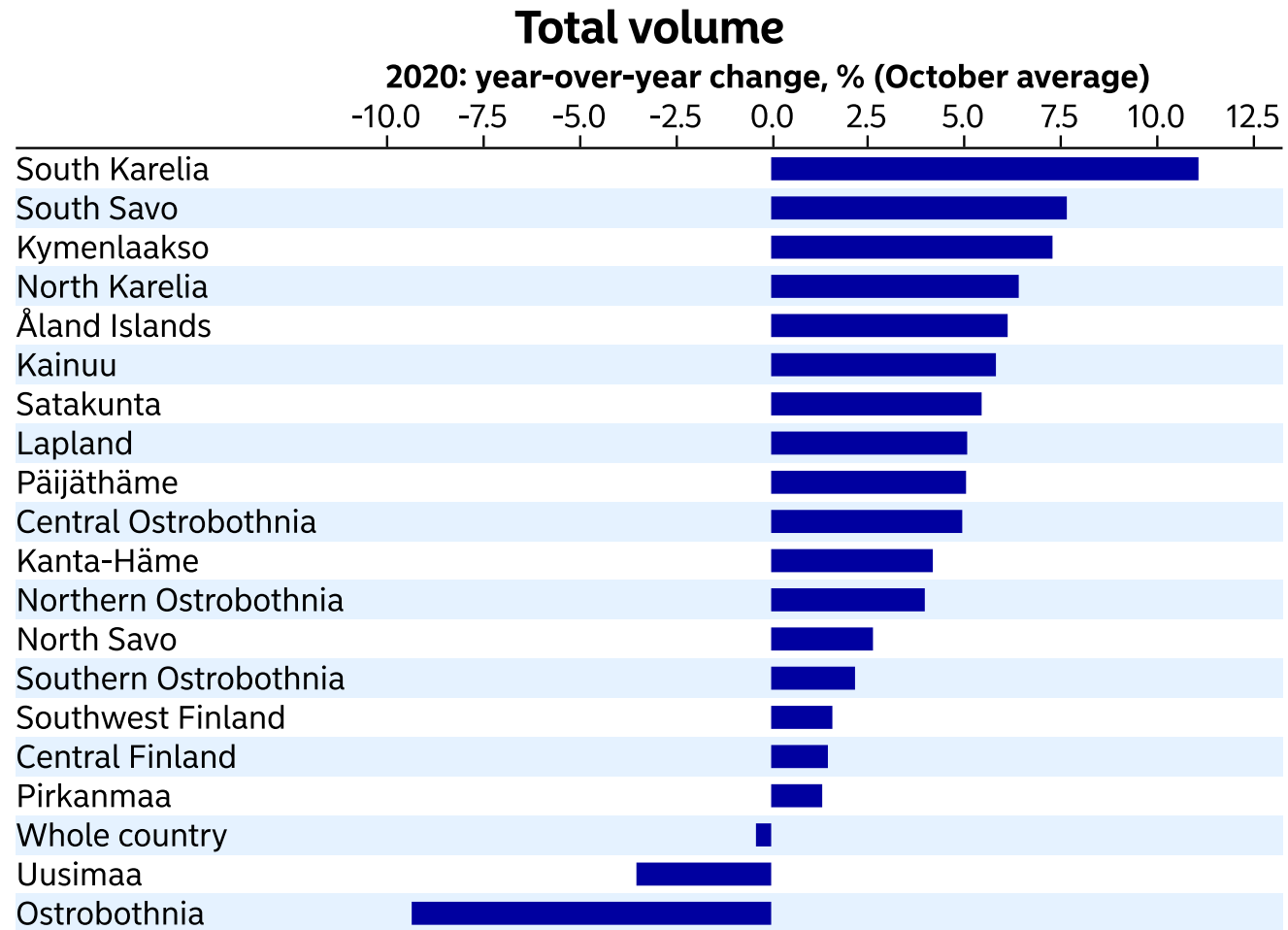
- The table shows how different sectors contribute to total consumption growth.

Contribution to total payments 2020 vs 2019: Week 44 (26.10.-1.11.)



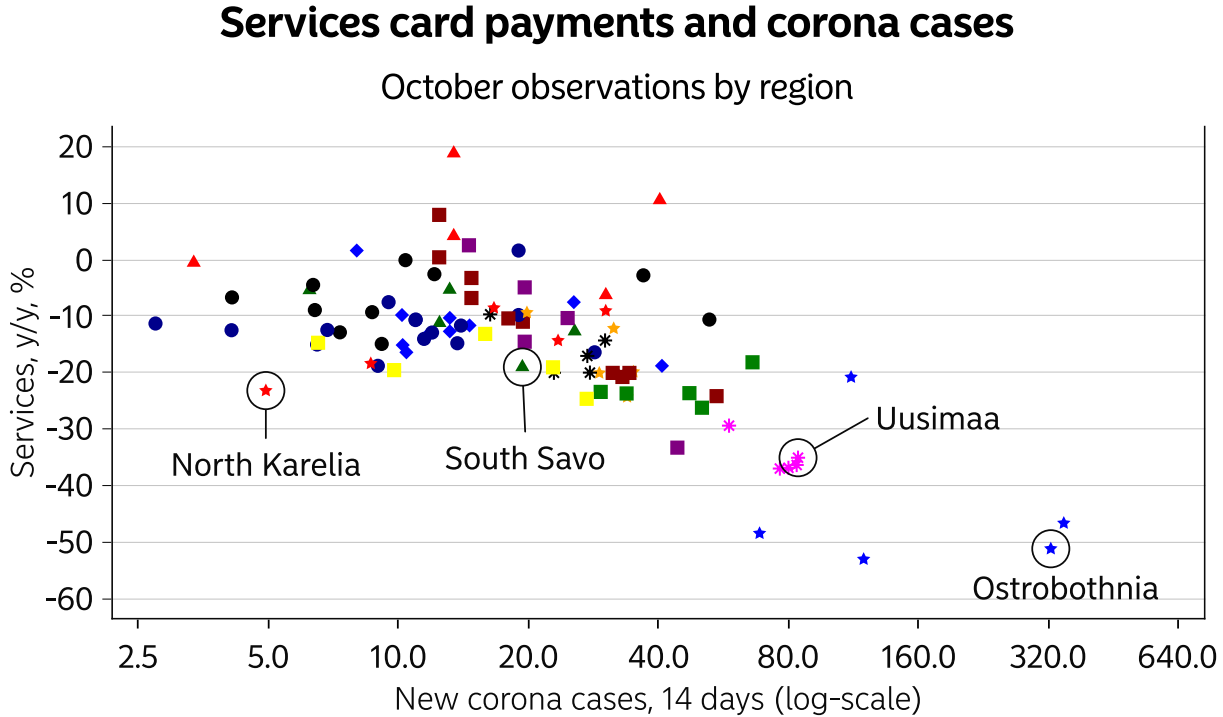
Source: Nordea and Macrobond

Regional level data suggest that activity was boosted throughout most parts of the country in October. The increased number of corona cases weighed on payments in the capital region of Uusimaa and Ostrobothnia.

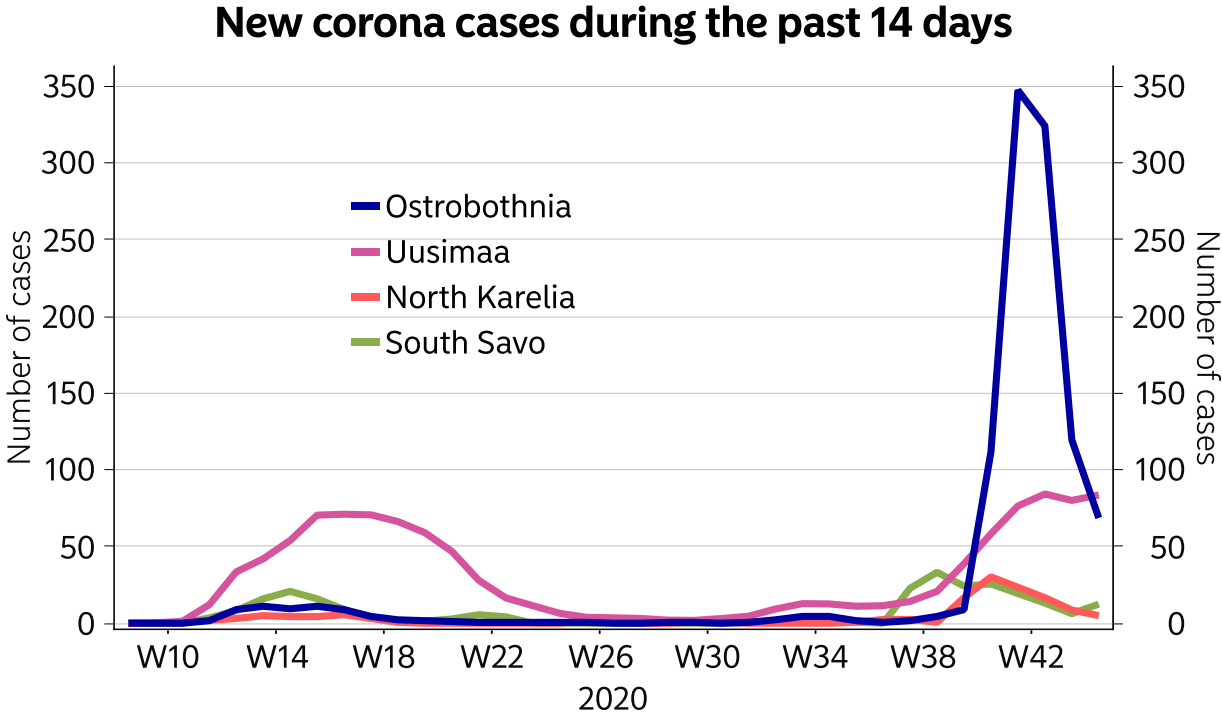


Source: Nordea and Macrobond

Service sector payments in Uusimaa and Ostrobothnia were taxed by the increased amount of corona cases.



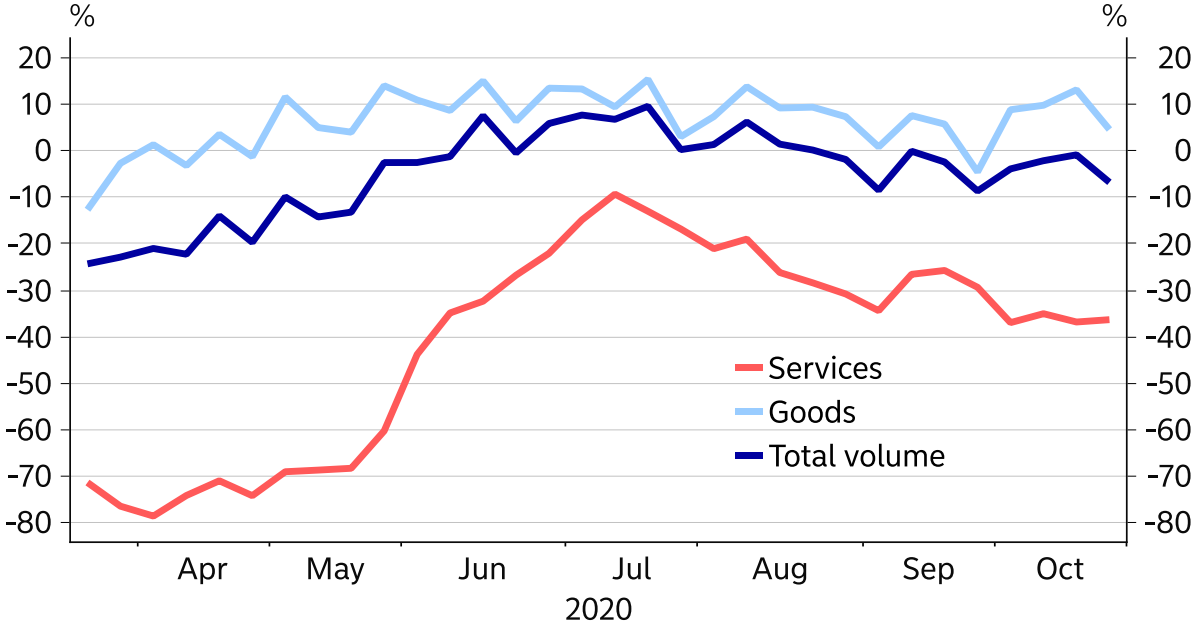
Source: Nordea and Macrobond



Source: Nordea and Macrobond

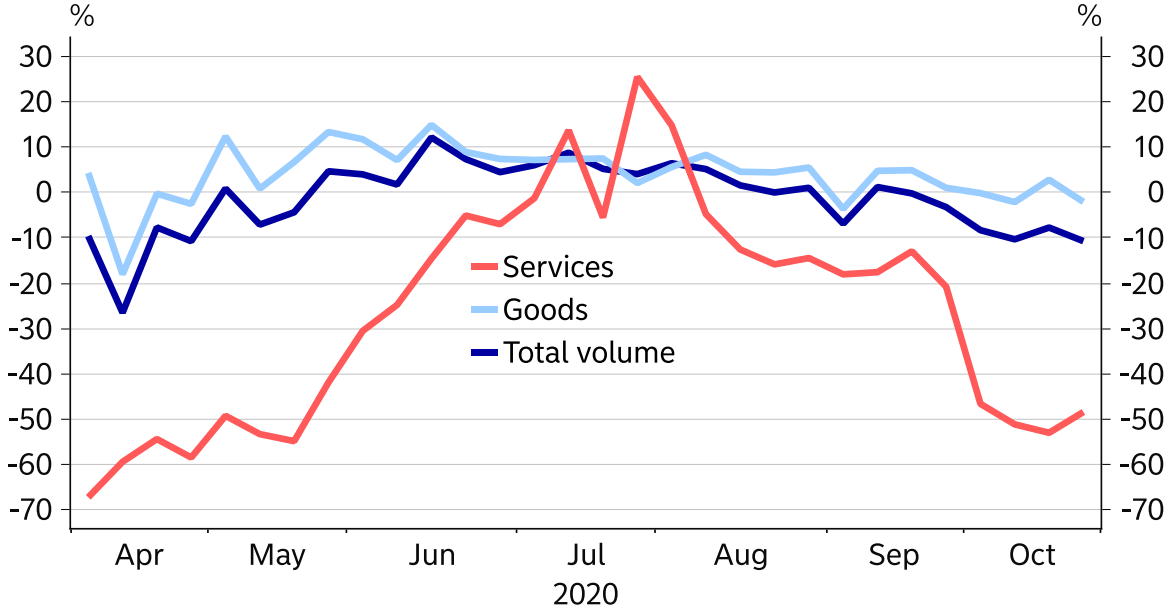
Card payments in the capital region of Uusimaa and Ostrobothnia.

Uusimaa



Source: Nordea and Macrobond

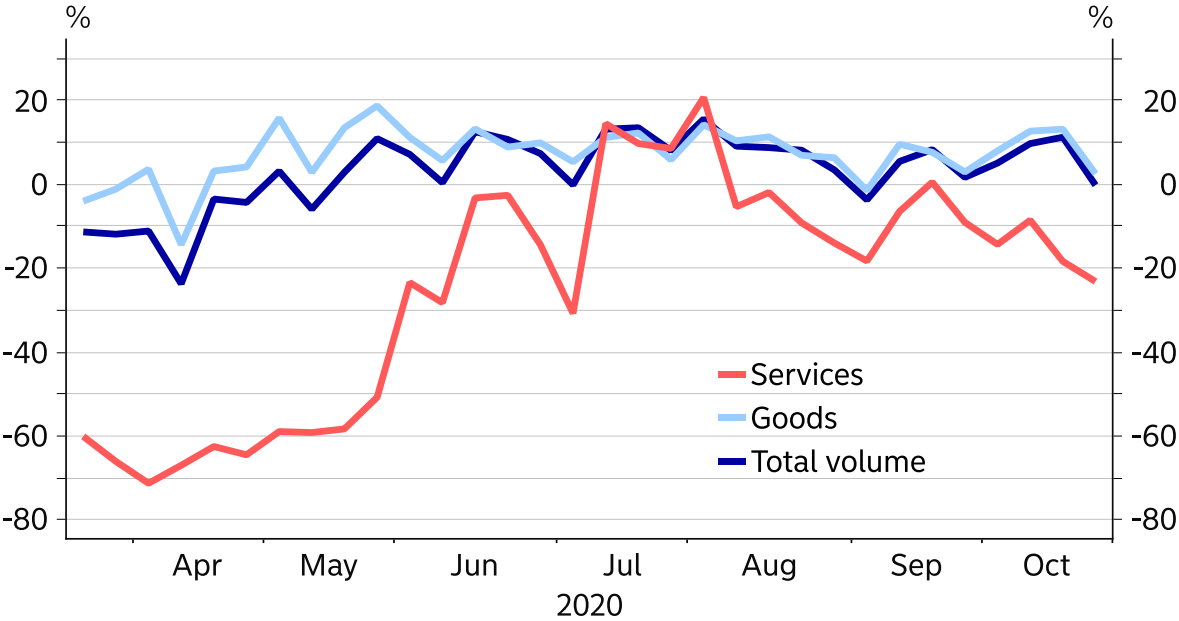
Ostrobothnia



Source: Nordea and Macrobond

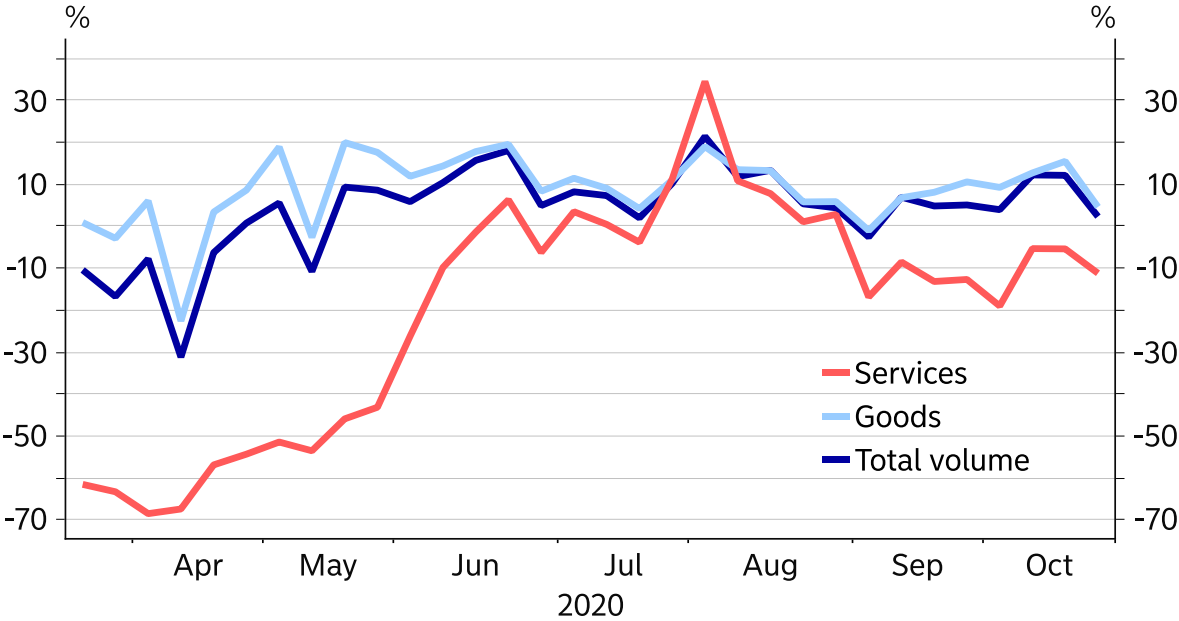
Card payments in North Karelia and South Savo.

North Karelia



Source: Nordea and Macrobond

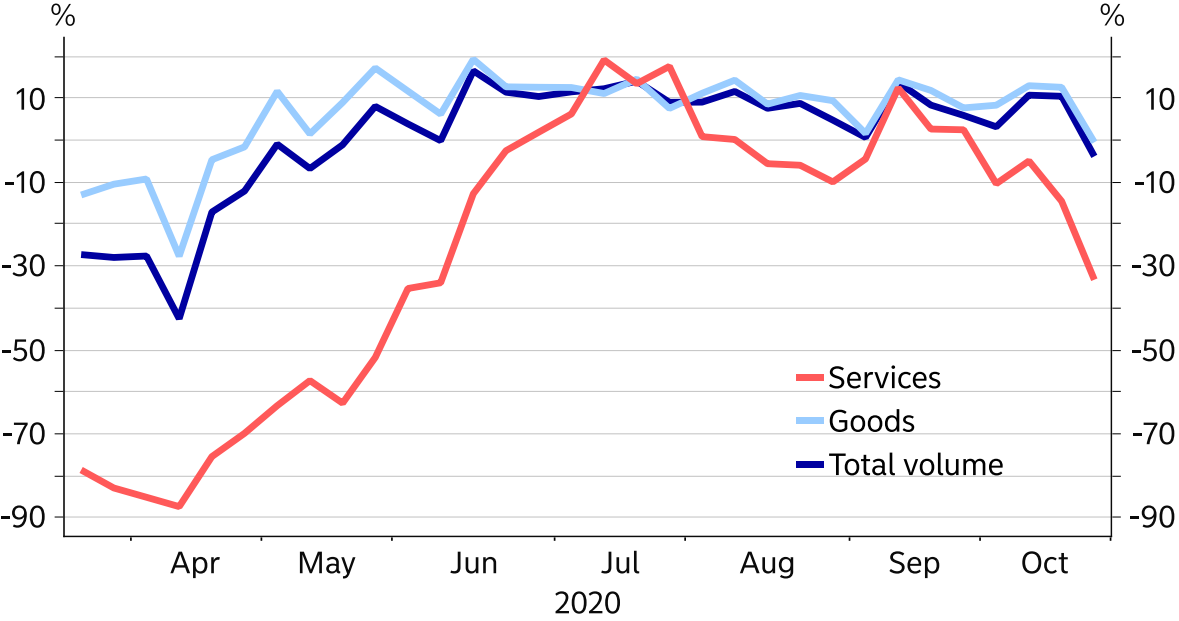
South Savo



Source: Nordea and Macrobond

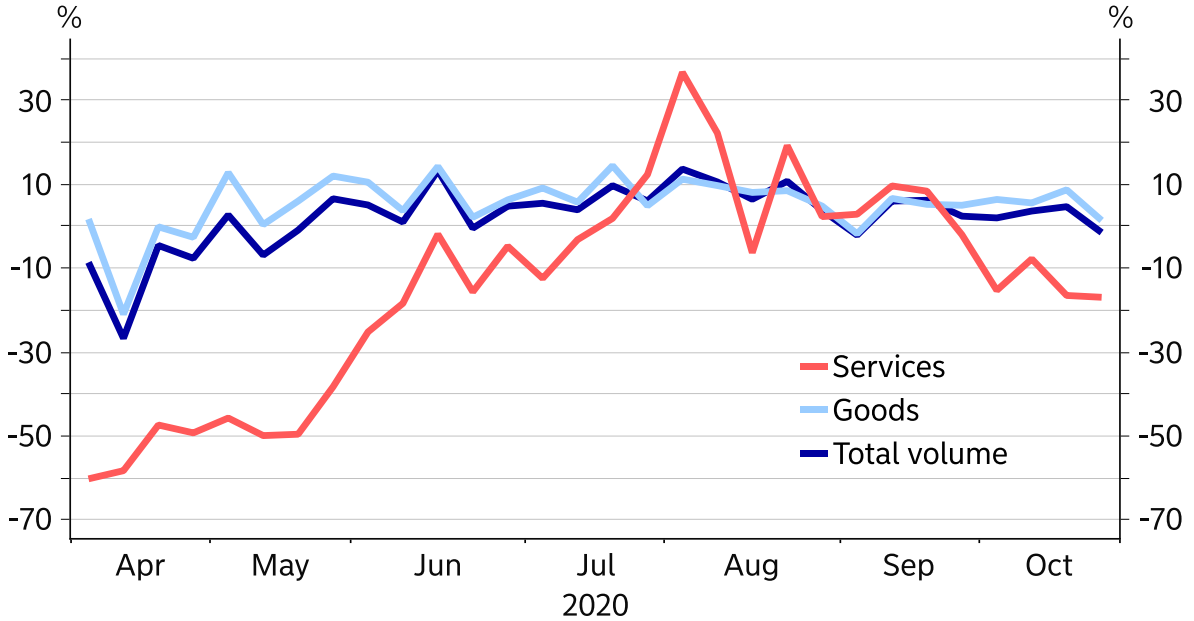
Card payments in Lapland and Southern Ostrobothnia.

Lapland



Source: Nordea and Macrobond

Southern Ostrobothnia



Source: Nordea and Macrobond

The use of card data to support economic analysis during the corona crisis

- In contrast to previous crises, consumers are at the forefront of the corona crisis. The negative shocks emanating from the virus have spread quickest to the service sector and consumption side and not to investments and manufacturing.
- Therefore, in order to support policy makers and effectively analyse the real-time effects of the coronavirus on economic activity, it is essential to have on-demand data that gives an accurate representation of the consumption side of economic developments. Nordea's card statistics are exceptional in allowing for this.
- We are closely monitoring the latest economic developments in Finland and have launched a new publication series to provide you with the latest updates on a weekly basis. With this new data, it is now possible to get a robust overview of the developments within different sectors and areas of the economy, such as dining, retail sales and leisure.
- When analysing card data, it is important to ensure that changes in payment methods do not obscure the real picture. For example, methods other than the use of cards in areas such as ecommerce have become increasingly popular. We are currently unable to say whether there has been a shift in payment methods during the crisis. If consumers are increasingly using the internet for shopping activities, it may very well be possible that a greater amount of payments are being made through other payment methods, such as online banking. For this reason, it is possible that card usage statistics may somewhat overestimate the true volume declines in certain sectors.
- The data classification methodology used seeks to follow general payment code definitions wherever possible
- **Data from purchases made abroad have been omitted from this publication. While this gives a more accurate picture of Finns' consumption in Finland, it is important to note that we do not have data on foreign card payments made in Finland. This somewhat complicates the real picture and possibly skews the figures to slightly too positive direction, as cross border travel remains low.**

Thank you!

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The barometer only uses anonymous data on transaction volumes in different types of stores. Individual cards or cardholders are not monitored tracked and cannot be identified from the statistics. If a cardholder does not wish to have their transactions included in the statistical study, it is possible to exclude them. Instructions for this are available at nordea.fi/henkilotiedot

Card payment transactions are classified by payment systems as activity codes defined by the ISO 18245 standard. The classifications used by the report have been compiled using definition standards based on underlying codes that correspond to general definitions, but cannot be directly used in comparison to other standardised classification systems.

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