

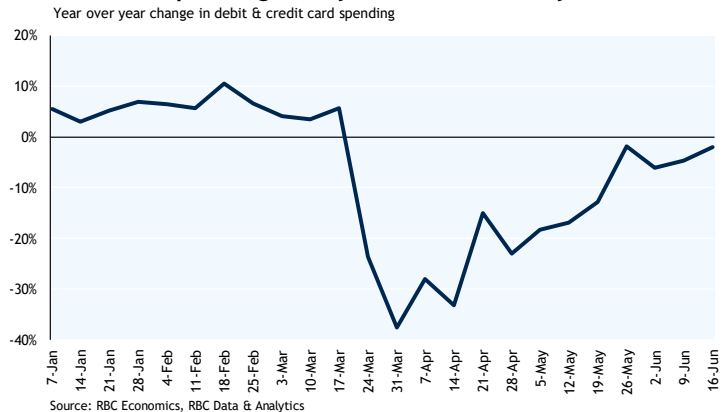
# COVID Consumer Spending Tracker

This is the sixth report in our series examining RBC’s cardholder data<sup>1</sup>.

June 29, 2020

The recovery in personal spending that we noted earlier in the month extended through mid-June. Overall card volumes hovered near year-earlier levels. But with some pandemic-fighting restrictions still in effect, spending on traditional early-summer pastimes wasn’t possible. And there were signs that the transition to online spending is getting entrenched.

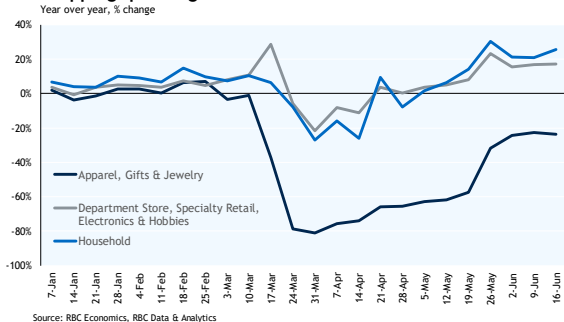
## Consumer spending nearly back to normal by mid-June



## Mid-pandemic retail therapy

- Canadians jumped at the opportunity to try on clothes in-store when retailers began to reopen at the end of May. By mid-June, spending had stabilized, but was still down about 25% from a year earlier.
- Spending at other stores stayed strong as Canadians kitted out their homes for summer.

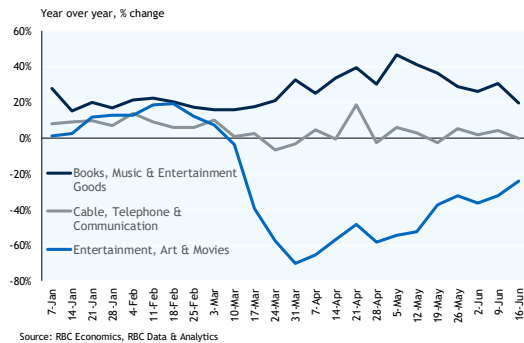
### Shopping spending steadies at lower levels



## Counting strokes, not cards

- Golfing and gaming continued to dominate entertainment spending.
- The continued closure of galleries, casinos, and events for 10-plus people weighed on other entertainment categories.

### Golfing and gaming, but otherwise not going out



<sup>1</sup>Reflects fully anonymized credit and debit card spending

## Traffic worsens, but trains are still empty

- Card spending on gas and automotive services had nearly recovered to year-ago levels in mid-June, as Canadians ventured out after the lengthy lockdown.
- Transit and parking expenditures were still two-thirds lower than last year, though limited parking enforcement in many cities and free transit in others may have reduced spending.
- Hotels, airlines, and car rentals continued to suffer, with spending down about 75% from a year earlier.

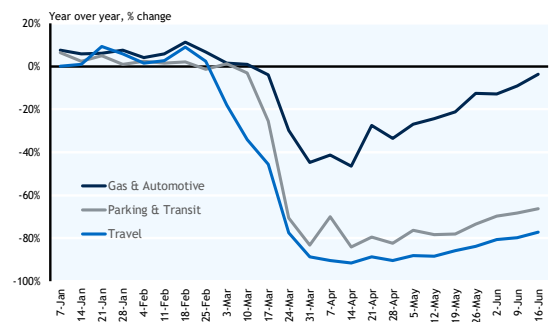
## More massage and haircuts

- Spending on health and personal care had begun to recover from crisis lows, but fitness-club closures limited overall health spending.
- Restaurant spending continued to climb, albeit at a slower rate.

## Online spending still high despite reopening

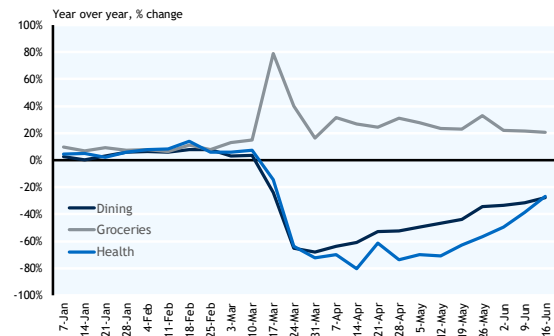
- A new proxy for online consumer spending suggests online spending remained robust despite bricks-and-mortar reopenings in late May.
- Spending at major online marketplaces and with services that process online payments for other merchants rose 80% relative to last May, before easing slightly into June.

Commuting continues, and travel ticks up



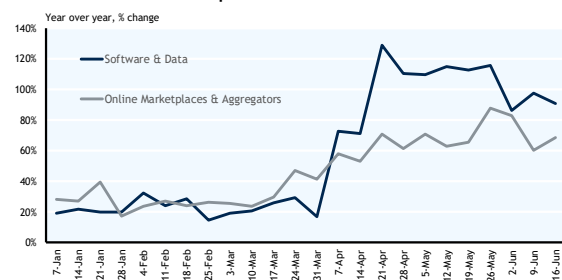
Source: RBC Economics, RBC Data & Analytics

Meals out and massages are making a come back



Source: RBC Economics, RBC Data & Analytics

Canadian online card spending remains high even as stores start to reopen



Source: RBC Economics, RBC Data & Analytics

### Box 1: Methodology

RBC's consumer spending tracking report uses RBC Data & Analytics' proprietary database of anonymized card transactions by Canadian clients. The data are an accounting of merchant transactions that are divided into various spending categories covering tens of millions of weekly card transactions worth billions of dollars each week. Transactions, both in person and online, are classified into 11 broad spending groups: Dining, Education, Finances, Groceries, Health, Household, Shopping, Transport, Travel, Utilities, and Other. Within each group, the data are further classified: for example, shopping covers merchants classified as clothing stores, hobby shops, electronics stores, and jewelers, among others.

We examined changes in the value of all transactions in these areas for 7-day periods starting January 1st, comparing spending to the same period one year ago. To examine the impact of important events, we looked at how spending changed on specific days, both on a daily basis and on an annualized basis relative to that same weekday a year ago.

Protecting your privacy and safeguarding your personal information is a cornerstone of our organizational ethics and values and will always be one of our highest priorities. The underlying data for this analysis was aggregated based on transaction date, region and merchant category, and cannot be used to identify any individual client or merchant. For additional information please visit [www.rbc.com/privacy](http://www.rbc.com/privacy).