



PRESS RELEASE

FOR IMMEDIATE RELEASE

Spending stays local in lockdown as commuting spend falls 90%

- Spend on commuting down nearly 90%, fuel spend halved
 - People are spending within 1.6km of the home
 - Spending on food and drink up 22%

The spending profile of people across the UK has shifted as society adapts to social distancing guidelines, according to new research from Lloyds Bank.

Based on the spending of its own customers, the analysis compares trends under lockdown against the same time last year as millions continue to adjust to the impact of coronavirus on jobs, income and home life.

A cut all non-essential travel is having a stark effect on where our money is going. On March 10, spend on commuting costs was 1% higher than the same time the previous year. However, by April 1, people were spending 89% less. And with more staying at home and car usage allowed for only limited purposes, spending on fuel has dropped 55%.

Unsurprisingly, we have seen a shift as a result in spend into their local communities and the essential shops still open. The median distance people are travelling from home to use a debit card is down 57% from 3.7km last year to 1.6km.

The data also shows volatility in supermarket spending throughout March and into April. This reflects a period of panic buying ahead of the government's more stringent social distancing measures introduced on 23 March.

As rumours of a lockdown set in, supermarket spending peaked on 19 March, a 76% increase in the amount spent in the same period in 2019. By the end of the month, to 29 March, grocery spend fell significantly, down 14% compared to the previous year. As supply chains continue to recover and people adjust further to life under lockdown, growth has risen to 22%.

Similar to supermarket shopping, purchasing home electrical goods has surged over March. Spending is up 13% year on year, but during the first week of stricter social distancing measures was as low as -14%.

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Unfortunately, one of the hardest hit categories is recreation, which includes spending on gyms, theatres and cinemas. With lockdown forcing many to temporarily close on Friday 20 March, spending dropped nearly two-thirds (65%) compared to the same period in 2019.

Gabby Collins, Head of Payments, Lloyds Bank, said: “The trends that we have seen from our customers mirror what is being asked of all of us as a society. March’s spending data has shown a real shift in where our money is going during lockdown.

“While the more extreme spending behaviour we saw before the stringent social distancing measures came in already started to settle, it’s likely that spending will continue to reflect the unprecedented times we currently face. Over the coming weeks, many will be striving to find a balance in their finances.”

Food shopping

- 19 March: 76% YoY increase and peak of panic buying ahead of lockdown
- 29 March: -14% YoY as stockpiling subsided
- 1 April: 22% YoY increase as supply chains recover from stockpiling



Impact of lockdown – commuting

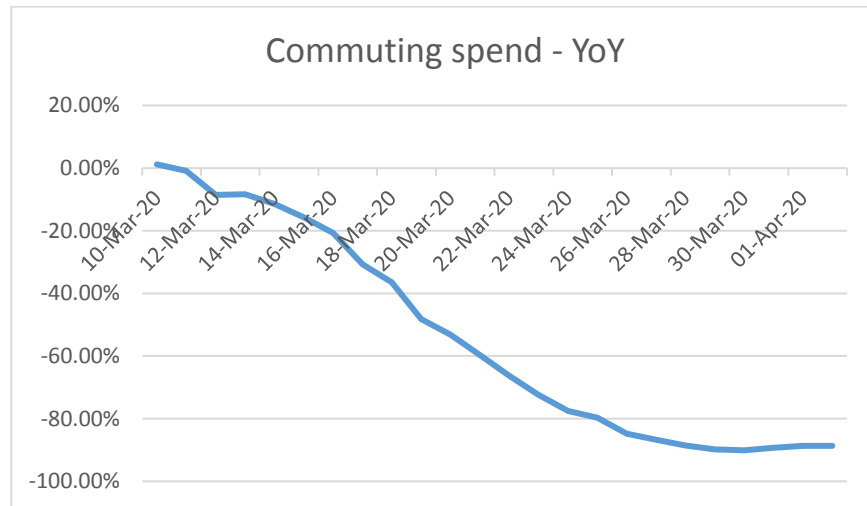
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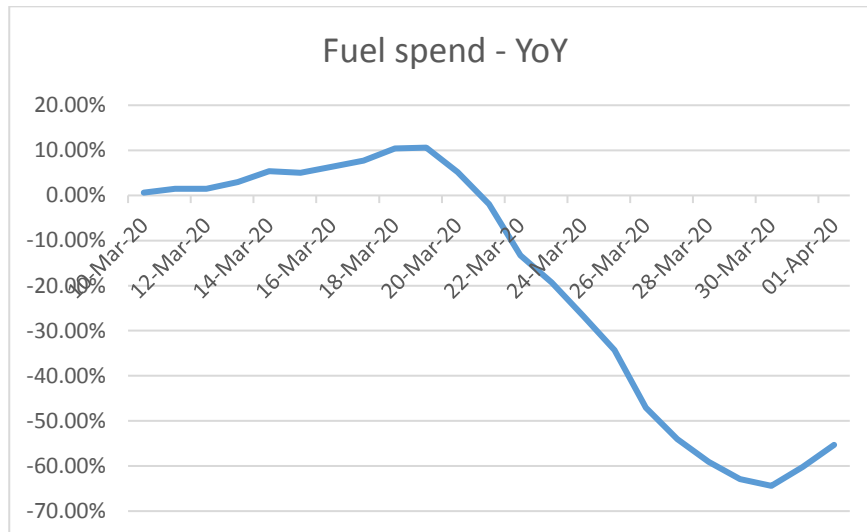
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- 10 March – Commuter spend up 1% on last year ahead of lockdown
- 1 April – Commuter spend down 89% YoY a week after lockdown



Impact of lockdown – Fuel

- 19 March – Fuel spend up 11% YoY ahead of lockdown
- 1 April – Fuel spend down by 55% YoY



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Source: Lloyds Banking Group (Lloyds Bank, Halifax, Bank of Scotland) customer debit card spending data take on 1st April 2020 and compared to 3rd April 2019. Data shows debit card spend on a 3 day rolling average.

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