



LLOYDS BANK

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Everyday costs up but Brits still spending in preparation for Christmas

- Spending on essentials higher this year in the run up to Christmas
- Charity giving up 15% despite people facing into higher costs
- Gambling spend also up 6%, as Lloyds Bank introduces new features to support people manage their gambling spend

Essential spending

Essential spending	Compared to same two weeks in 2021
Energy	+50%
Food and drink	+9%
Fuel	+76%
Commuting	+39%

- According to the latest Lloyds Bank Spending Power report, households preparing for the festive season continue to feel the increase in the cost of living with the rise in essential bills.
- Spending on energy increased by +50%, and fuel by three-quarters (+76%), compared to the same two weeks in 2021.
- Spending on food and drink (+9%) is also up with rising food prices and shoppers stocking up ahead of Christmas.

Non-essential spending

Non-essential spending	Compared to same two weeks in 2021
Total retail	+10%
Clothes	+8%
Holidays	+59%
Health and beauty	+9%
Electrical stores	-13%
Charities	+15%
Department stores	-7%
Gambling	+6%
Buy Now, Pay Later	+49%



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Restaurants	+14%
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- Spending on some non-essential items has increased compared to the same period in 2021, as people prepare for Christmas. Total retail spend has increased +10%.
- Charity spending is up +15% compared to the same time last year, as people choose to support worthy causes despite facing into higher everyday costs.
- Buy Now, Pay Later is being used more often this year, with spending up +49% using this method, as more people choose this way to pay for their Christmas shopping compared to the same two weeks in 2021.
- Pubs and restaurants have experienced a World Cup boost, with spending up +14% over the period. Holidays are also back on the cards, with +59% more spent by consumers.
- Spending on gambling (+6%) has also risen year-on-year over the same time period. Lloyds Bank allows customers to add a block to stop spending on gambling. In addition to the block, the bank has introduced a new app feature to set a personalised monthly limit if customers don't want to completely block their spending, giving customers control to manage how much they spend when gambling.
- However, there is evidence that people are adapting their spending habits given the pressures on household finances, with spending at electrical stores (-13%) and in department stores (-7%) both down compared to the same two week period last year.



Gabby Collins, Payment Director, Lloyds Bank, said "Our data shows that based on debit card spend alone, our customers are facing into higher essential costs this Christmas. Despite these higher costs, charity giving has risen as people choose to support causes that are important to them at this special time of year.

"While we have also seen an increase in retail spend this festive period, there is evidence that customers are looking for ways to make the costs more manageable, either by spreading payments beyond Christmas, or cutting down discretionary spending altogether.

"More than ever, taking the time to plan and budget can help you spend within your means, and not overstretch as we head into the new year."



Ends

Notes to editors

Essential and Non-essential spending components are made up of identifiable transactions from debit card spending, not including direct debits and standing orders, from current account data. All figures presented represent Debit Card payments of Lloyds Bank customers between 30th November to 13th December 2022, compared to the same two weeks in 2021. This data is not weighted to be representative of the UK population.

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