

## THE PSCU PAYMENTS INDEX: DECEMBER 2023

As we approach the end of the holiday shopping season, December remains a crucial time for holiday spend. According to [Gallup](#), about half (49%) of holiday shoppers will do most or all of their holiday shopping in December. In the December 2023 edition of the PSCU Payments Index, we present the second installment of our three-part Deep Dive series on holiday spending, which includes the results of the Black Friday through Cyber Monday shopping period. According to the [National Retail Foundation](#), a record 200.4 million consumers shopped on Thanksgiving Day through Cyber Monday. Card spending growth for November increased year over year for debit, while credit activity held steady, largely driven by digital spending.

The [Consumer Confidence Index](#) increased to 102.0 in November following a consecutive three-month decline, up from a downwardly revised 99.1 in October. November's increase in consumer confidence was focused primarily among households ages 55 and up, while confidence among households ages 35-54 declined slightly. Consumer sentiment around the expected financial situation over the next six months also rallied in November following a downward trend in the two months prior.

In the Labor Department's Dec. 12 update, the [Consumer Price Index \(CPI\)](#) increased 0.1% in November, bringing the 12-month rate of inflation to 3.1%, a slight decline from October. Decreases in the cost of gas and long-lasting goods offset increases in prices for housing and transportation. Core CPI, which excludes food and energy sectors, rose 4% year over year, up 0.3% from October. On Dec. 13, the Federal Reserve voted to leave interest rates unchanged at their current 22-year high. The next Federal Open Market Committee (FOMC) meeting is scheduled for January 30-31, 2024, with [three interest rate cuts](#) possible next year.

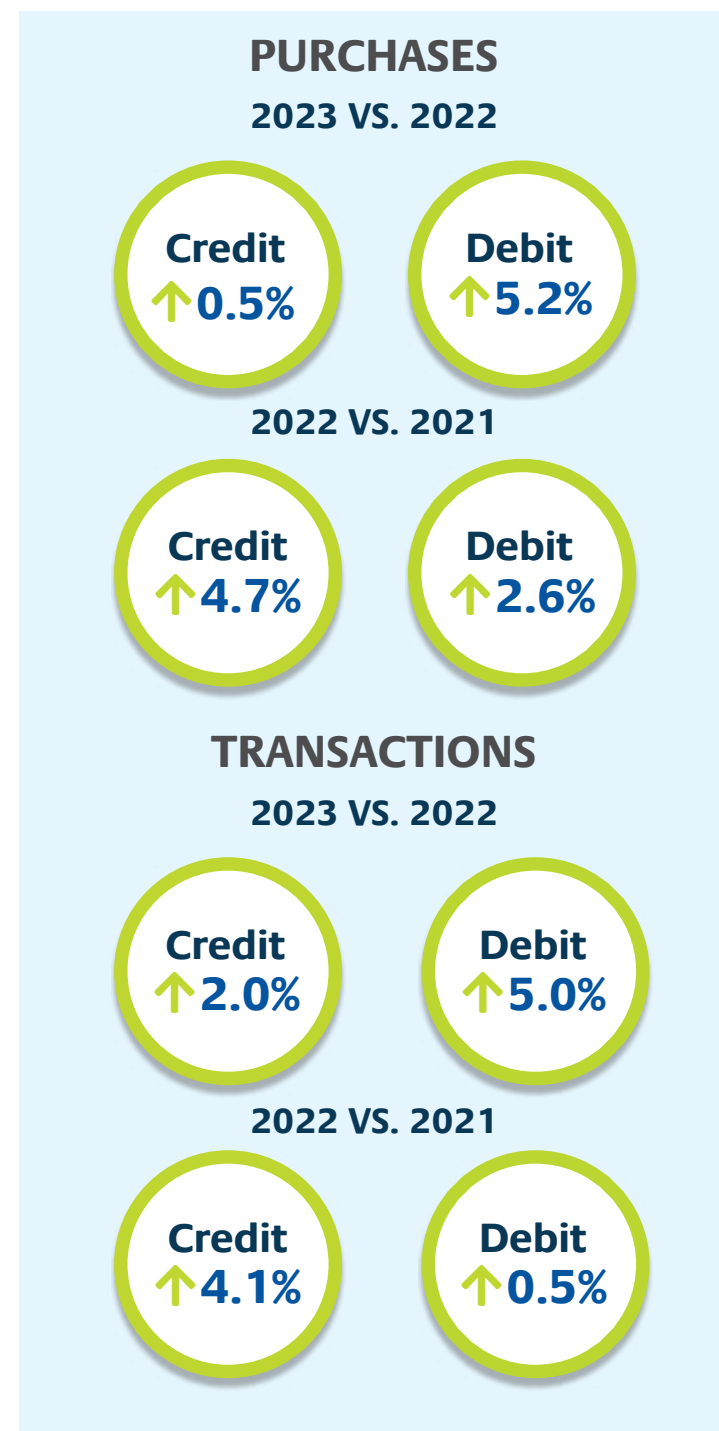
The U.S. Bureau of Labor Statistics [reported](#) total jobs increased by 199,000 in November 2023, with most job gains occurring in health care and government. Additionally, manufacturing bounced back with the return of striking workers. The overall unemployment rate for November dipped to 3.7%, or 6.3 million people.

The stopgap government action approved in November extended funding for some government agencies through January 19, 2024, and others through early February. Additional funding requests and discussions [will take center stage](#) as we enter 2024, along with requests for funding for border protection and the wars in Israel and Ukraine. As substantial economic impacts are typical byproducts of government shutdowns, we will continue to monitor these developments closely.

We wish our subscribers and readers a very happy holiday season, and we hope that the insights from the PSCU Payments Index have helped our financial institutions make informed decisions throughout 2023.

*The PSCU Payments Index welcomes your feedback on content to guide future enhancements to the report. Click [here](#) to share your feedback. To subscribe to the Payments Index and receive updates when we publish each month, click [here](#).*

## OVERALL PERFORMANCE – DECEMBER 2023



### KEY TAKEAWAYS

- Year-over-year growth rates for payment cards were more sizeable for debit than credit, with debit purchase growth up 5% compared to 0.5% for credit.
- Holiday spending in the Goods sector improved in November when compared to October. Year-over-year growth in purchases for the overall Goods sector was down 0.1% for credit and up 4.4% for debit in November. For the cumulative holiday season, Card Not Present (CNP) growth outpaced Card Present (CP) growth for both credit and debit transactions. For the five-day peak shopping period that includes Black Friday to Cyber Monday, year-over-year Goods sector debit purchases (+5.6%) grew more than Goods sector credit purchases (+3.1%).
- The Consumer Price Index (CPI-U) increased 0.1% in November, while the 12-month rate of inflation was up 3.1%. Shelter continued to rise and offset a decline in Gasoline. Excluding the volatile Energy and Food sectors, the core CPI index increased 0.3% in November, putting the 12-month Core CPI index at 4.0%
- Mobile Wallets continue to gain popularity. For November, credit mobile wallet transactions represented 3.5% of overall credit transactions and debit mobile wallet transactions represented 6.0% of overall debit transactions.
- The credit card delinquency rate for November reached 2.46%, an increase of 13 basis points from October.

With retailers launching holiday promotions earlier each year, the longer promotion cycle has contributed to an overall slower pace of holiday spending. This year, the important Black Friday through Cyber Monday shopping weekend delivered positive year-over-year growth in consumer purchases and transactions in the Goods sector. As we approach the final stretch of the holiday shopping season, we will keep a watchful eye on whether consumers continue to spend or pull back, a key indicator of consumer financial health.



— **Norm Patrick, Vice President, Advisors Plus Consulting at PSCU**

## DEEP DIVE: HOLIDAY SPENDING – PART 2

For the second month of the 2023 holiday shopping season, year-over-year growth in consumer purchases and transactions in the Goods sector slightly improved. In the second installment of our Deep Dive on holiday spending, we find credit purchases in the Goods sector were down 0.1% compared to November 2022, an improvement from the October result of -2.1%. Year-over-year growth in debit purchases was up 4.4%, also an improvement from the October result of +0.8%.

Growth in Card Not Present (CNP) activity this holiday season through November outpaced growth in Card Present (CP) activity as consumers continue buying online across many merchant categories. For the cumulative holiday period through November 2023 in the Goods sector, credit CNP purchases were up 2.0%, while credit CP purchases were down 4.7%. For Goods sector debit, CNP purchases were up 8.4% and CP purchases were down 2.5%. For the featured retailers, most Amazon transactions

were CNP, and likewise posted the strongest overall results of the group. In Walmart results, we saw similar growth in CNP through the cumulative holiday season with CNP credit purchases up 8.4% and CP transactions up 0.4%, while CNP debit purchases were up 21.0% and CP debit purchases were up 2.7%. Target’s results showed a larger drop in CNP as compared to CP purchases. For the same period, growth for Target in CNP credit purchases was down 11.1% and CP credit purchases were down 9.8%, while CNP debit purchases were down 3.1% and CP debit purchases were down 5.1%.

For the cumulative holiday shopping season (October and November) thus far, year-over-year credit purchases in the overall Goods sector were down 1.0% (compared to +1.1% at this point last year), while debit purchases in the Goods sector were up 2.7% (compared to +3.0% last year). In looking at the merchant categories within the Goods sector, Digital Merchants – which is primarily Amazon – represented the largest percentage of credit and debit purchases at 15% and 14%, respectively, and represented some of the strongest growth in purchases,

### HOLIDAY SPENDING PART 2: GOODS SECTOR AND LARGE RETAILERS HOLIDAY SEASON 2023 VS 2022

Transaction Growth	Credit			Debit		
	Oct 2023	Nov 2023	Cumulative Holiday Period	Oct 2023	Nov 2023	Cumulative Holiday Period
<b>Goods (Overall)</b>	0.8%	2.0%	1.5%	2.7%	5.9%	4.3%
<b>Amazon</b>	2.1%	2.0%	2.1%	2.3%	2.8%	2.5%
<b>Target</b>	-6.8%	-5.9%	-6.3%	-2.4%	-1.0%	-1.6%
<b>Walmart *</b>	3.9%	3.8%	3.8%	3.7%	4.9%	4.3%

\*Less Gasoline

Purchases Growth	Credit			Debit		
	Oct 2023	Nov 2023	Cumulative Holiday Period	Oct 2023	Nov 2023	Cumulative Holiday Period
<b>Goods (Overall)</b>	-2.1%	-0.1%	-1.0%	0.8%	4.4%	2.7%
<b>Amazon</b>	7.2%	8.3%	7.8%	9.0%	10.4%	9.7%
<b>Target</b>	-9.2%	-10.7%	-10.0%	-4.7%	-5.1%	-4.9%
<b>Walmart *</b>	3.0%	1.2%	2.0%	4.6%	5.2%	4.9%

\*Less Gasoline



with credit up 7.4% and debit purchases up 8.2%. The next three top categories, which make up roughly a third of all Goods sector purchases, all showed drops in year-over-year growth (ranging from -1.0% to -3.3%) for November for both credit purchases and debit purchases.

As we have seen in previous years, performance varied between the three featured large retailers (Amazon, Target and Walmart). Through November, Amazon (which includes results at Whole Foods) posted the strongest growth in purchases of the three. Credit purchases with Amazon were up 8.3% for November and up 10.4% for debit purchases. At Walmart, credit purchases were up 1.2% and debit purchases

were up 5.2% compared to November 2022. For Walmart, gasoline sales were excluded to make the comparison to the Goods sector and other larger retailers more consistent. Like October results, Target posted a decline in year-over-year activity, both in transactions and purchases, for November. Credit purchases at Target were down 10.7% in November and down 5.1% for debit purchases. These results are exclusively based on the Payments Index card populations with these select merchants. Growth with payment cards at these merchants could be impacted by actions at each retailer to promote alternative payment solutions, such as co-branded or private label cards, ACH, etc.

## HOLIDAY SPENDING PART 2: GOODS SECTOR AND LARGE RETAILERS - CNP/CP TRANSACTIONS HOLIDAY SEASON 2023 VS 2022

Purchases Growth		Credit			Debit		
		Oct 2023	Nov 2023	Cumulative Holiday Period	Oct 2023	Nov 2023	Cumulative Holiday Period
Goods (Overall)	CNP	1.1%	2.8%	2.0%	7.1%	9.6%	8.4%
	CP	-5.7%	-3.8%	-4.7%	-4.6%	-0.5%	-2.5%
Amazon	CNP	7.5%	8.6%	8.1%	10.3%	11.7%	11.0%
	CP	-1.9%	-0.3%	-1.1%	-25.0%	-29.1%	-26.9%
Target	CNP	-13.9%	-9.3%	-11.1%	-3.6%	-2.7%	-3.1%
	CP	-8.1%	-11.1%	-9.8%	-4.8%	-5.5%	-5.1%
Walmart *	CNP	14.7%	4.4%	8.4%	27.9%	16.1%	21.0%
	CP	0.6%	0.2%	0.4%	1.8%	3.5%	2.7%

\*Less Gasoline

In reviewing the spending-intensive five-day period from Thanksgiving Day through Cyber Monday, results followed the same trend for the featured retailers for these five days, as did the results for the month of November. Amazon posted strong double-digit growth, with credit purchases up 16.2% and debit purchases up 14.8%. Walmart's results were also positive for this five-day period, with credit purchases up 2.7% and debit purchases up 5.4%. Target struggled in year-over-year growth in this timeframe, with credit purchases down 8.8% and debit purchases down 5.4%. The overall Goods sector posted positive growth, with stronger results in debit purchases. For the Thanksgiving through Cyber Monday period, credit purchases in the Goods sector were up 3.1%, while debit purchases were up 5.6%.

**GOODS SECTOR SUB-CATEGORIES YEAR-OVER-YEAR GROWTH: NOVEMBER 2023**

Merchant Category	Credit			Debit		
	Transactions	Purchases	% Purchases	Transactions	Purchases	% Purchases
Digital Merchants	3.7%	11.4%	15%	3.4%	12.0%	14%
Apparel & Accessories	0.8%	-0.4%	12%	2.6%	0.7%	11%
Miscellaneous Stores	1.1%	0.0%	10%	11.0%	9.9%	11%
Home Supply & Hardware	-4.3%	-7.4%	9%	0.7%	-1.5%	9%
Vehicles - Automobiles	-1.2%	-1.2%	8%	3.1%	2.0%	7%
Discount Stores	6.0%	3.0%	8%	9.2%	7.8%	12%
Home Furnishings	-12.3%	-10.3%	6%	-10.2%	-9.0%	3%
Wholesale Clubs	6.9%	3.5%	6%	8.8%	7.3%	6%
Retail Stores	2.7%	-2.5%	5%	10.1%	2.6%	5%
Wholesale Distributors and Manufacturers	-2.8%	-4.3%	4%	2.5%	-0.6%	3%
Sporting	-3.8%	-4.8%	3%	0.1%	-0.2%	3%
Direct Marketing	-5.1%	-9.4%	3%	-2.8%	-5.7%	2%
Drug & Pharmacy	1.1%	8.8%	3%	-4.3%	-2.7%	3%
Hobby Stores	-17.1%	-6.3%	2%	-18.9%	-6.3%	3%
Digital Goods	19.2%	21.1%	2%	28.9%	29.9%	4%
Pet Services	-3.1%	-2.2%	2%	0.2%	1.4%	2%
Vehicles - Other	-10.2%	-9.4%	0%	-4.7%	-5.5%	0%
Pawn/Consignment	5.1%	2.5%	0%	5.7%	5.4%	1%
<b>Grand Total</b>	<b>2.0%</b>	<b>-0.1%</b>	<b>100%</b>	<b>5.9%</b>	<b>4.4%</b>	<b>100%</b>



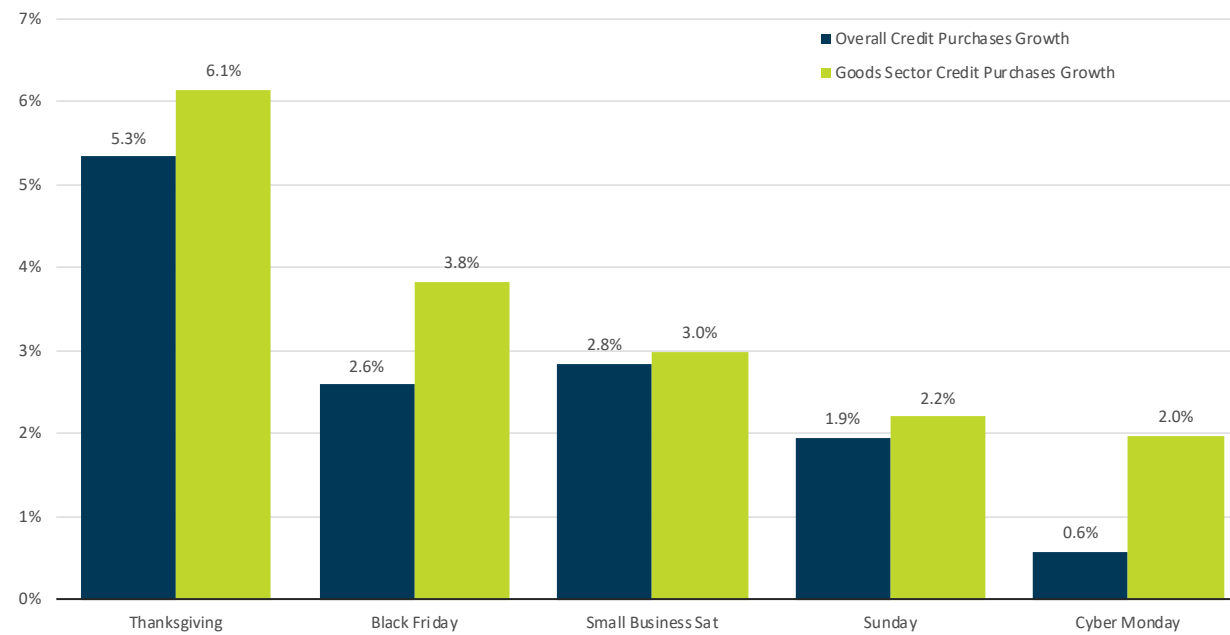
In our [December 2022 Payments Index](#), we reported in the Holiday Spend Deep Dive on notable growth in merchant categories outside of the Goods sector during the 2022 five-day Thanksgiving to Cyber Monday period that focused more on experiences, with large purchase increases in Cruise Lines, Travel Agencies and Pro Sporting Events. For the five-day period this year, these same categories have posted more modest growth, as exemplified by credit purchases for Cruise Lines up 9% and debit purchases up 4%, to relatively flat growth at Amusement Parks & Destinations, with credit purchases down 2% and debit purchases flat at 0%.

**NOTABLE NON-GOODS SECTOR MERCHANT CATEGORIES:  
THANKSGIVING TO CYBER MONDAY  
(5-DAY) YEAR-OVER-YEAR GROWTH**

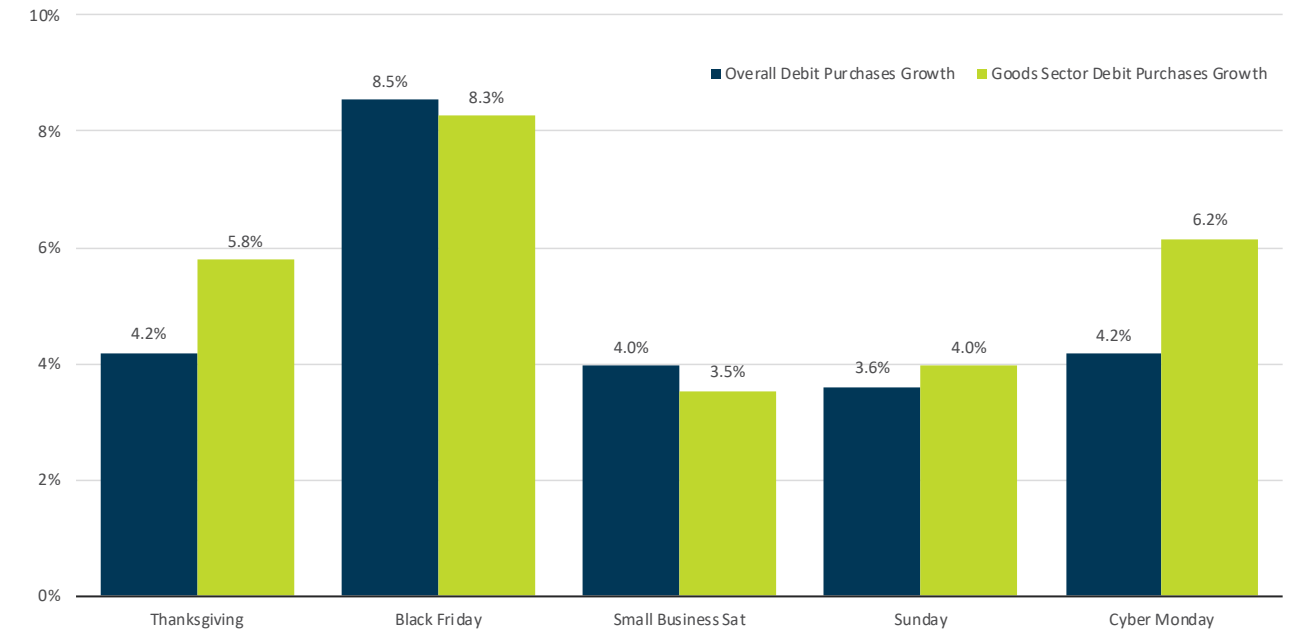
Merchant Category	Credit Purchases		Debit Purchases	
	22v21	23v22	22v21	23v22
Cruise Lines	79%	9%	75%	4%
Travel Agencies & Tour Operators	67%	4%	39%	-2%
Pro Sports Events	34%	3%	45%	7%
Airlines	20%	2%	-1%	2%
Amusement Parks & Destinations	21%	-2%	3%	0%

## THANKSGIVING DAY TO CYBER MONDAY YEAR-OVER-YEAR GROWTH BY DAY DATA THROUGH NOVEMBER 2023

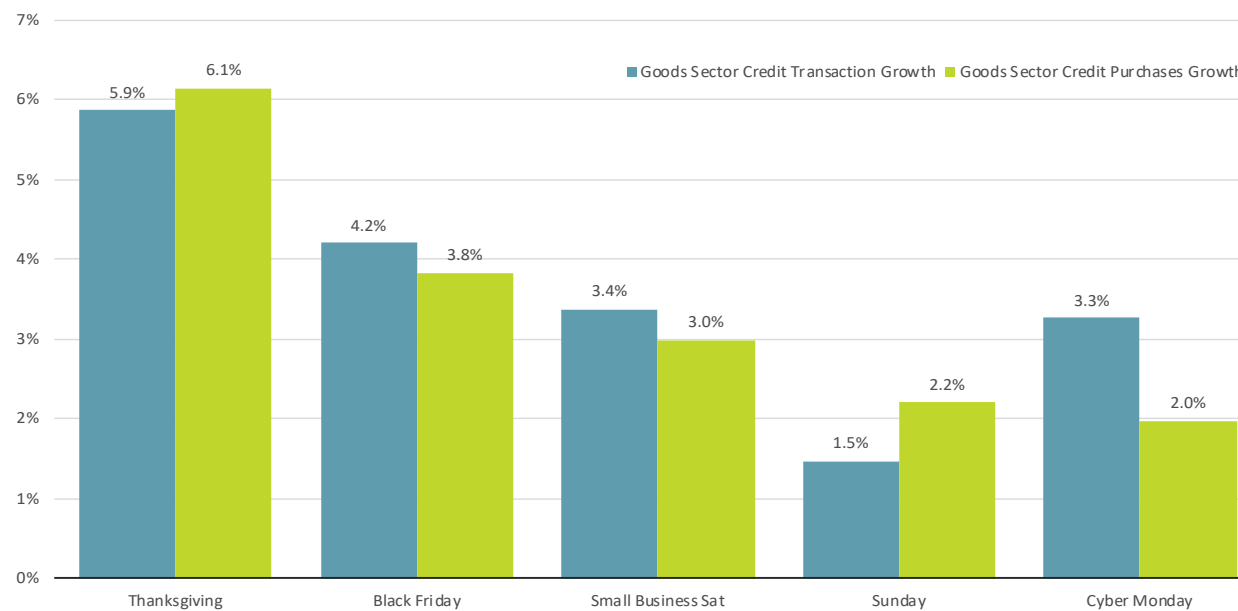
### CREDIT PURCHASES - OVERALL & GOODS SECTOR



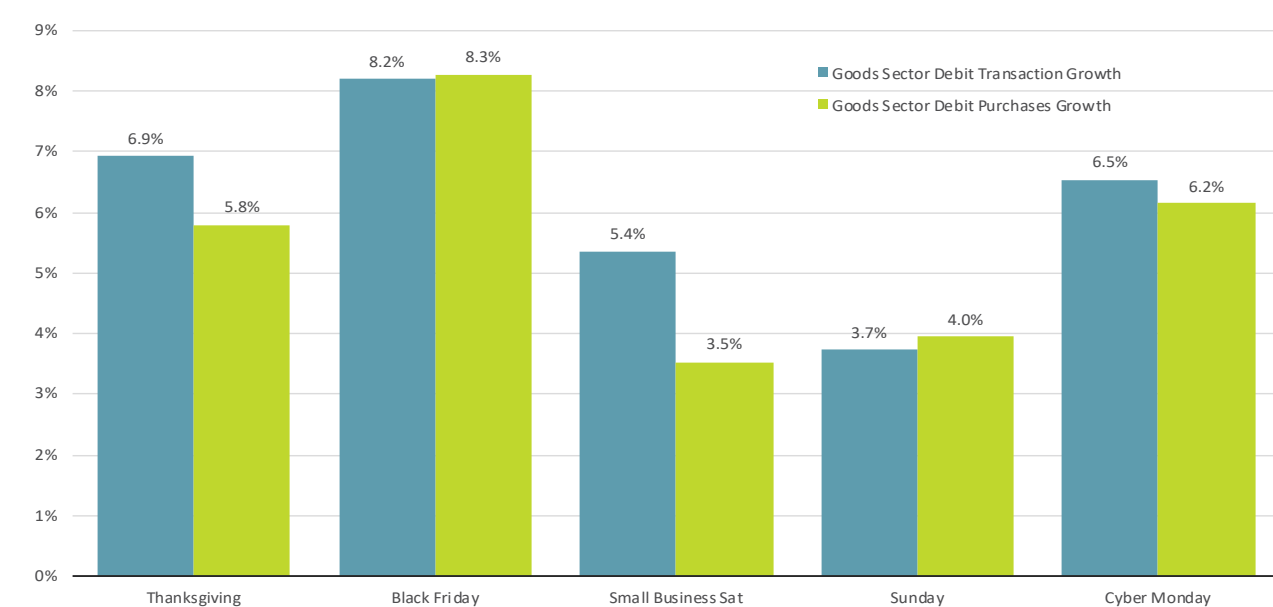
### DEBIT PURCHASES - OVERALL & GOODS SECTOR



### CREDIT TRANSACTIONS & PURCHASES

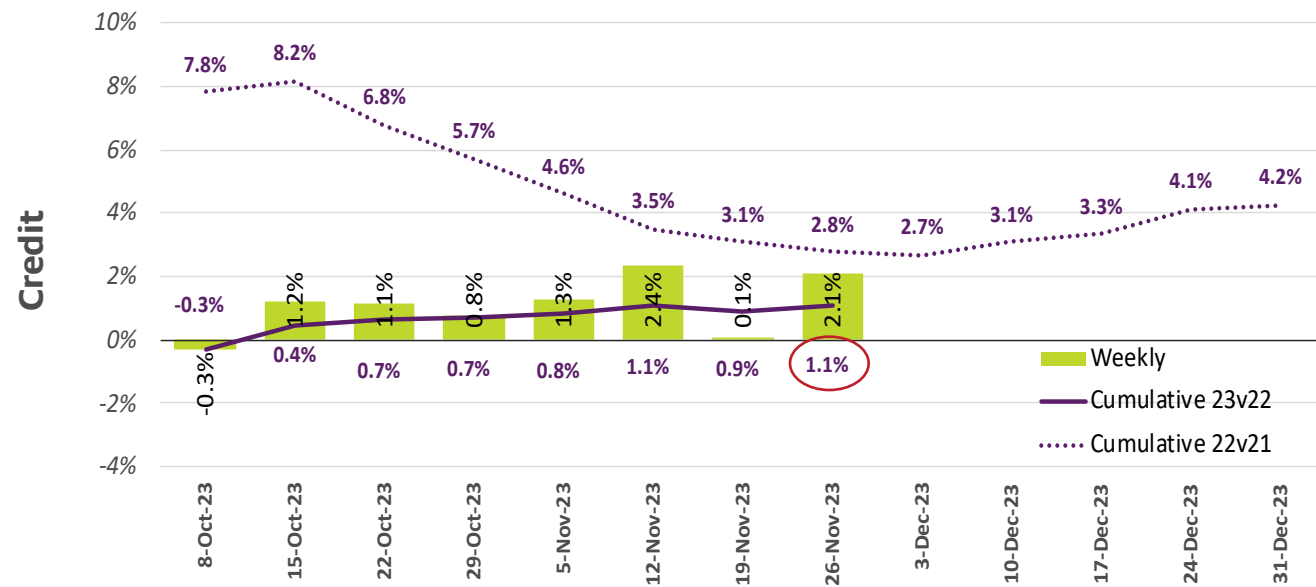


### DEBIT TRANSACTIONS & PURCHASES

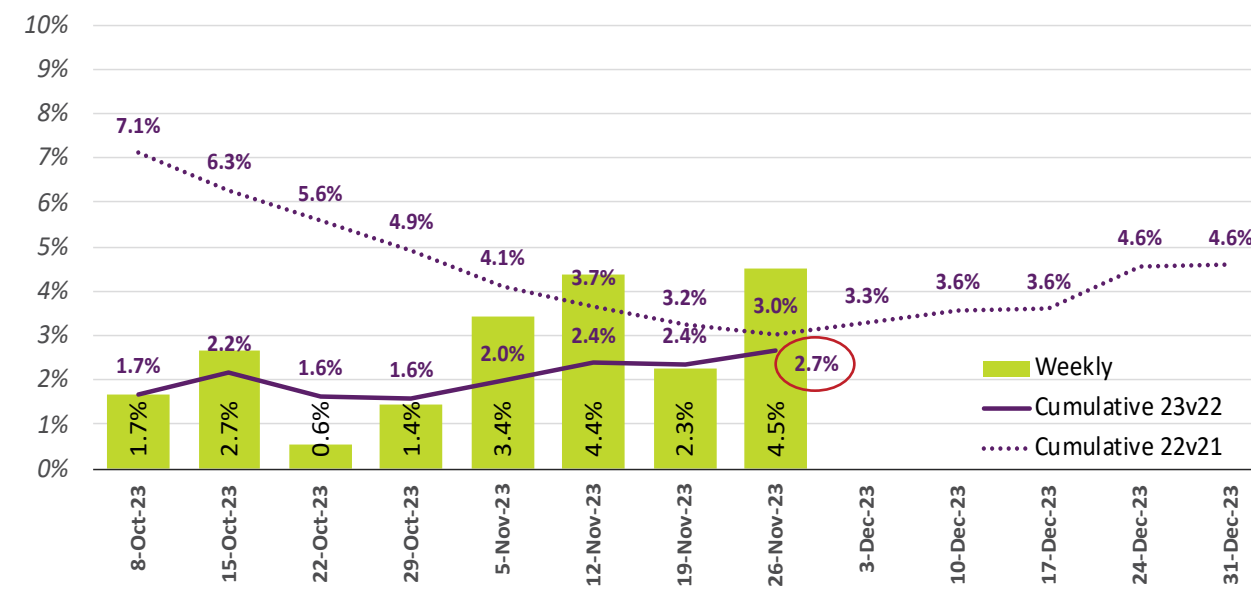
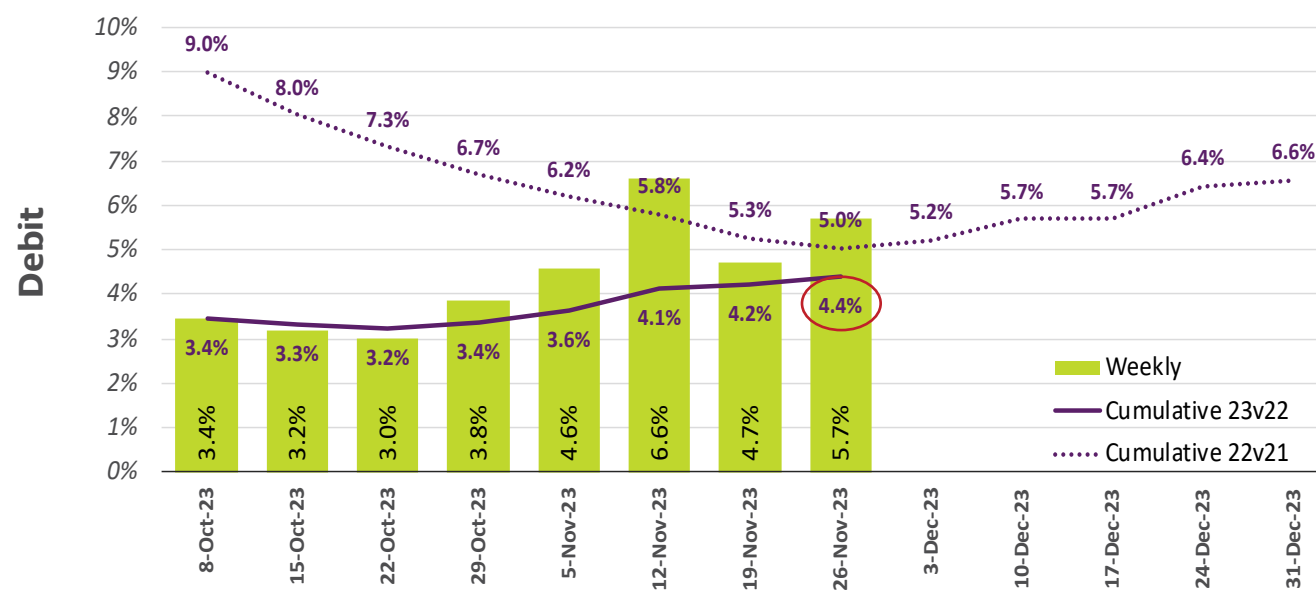
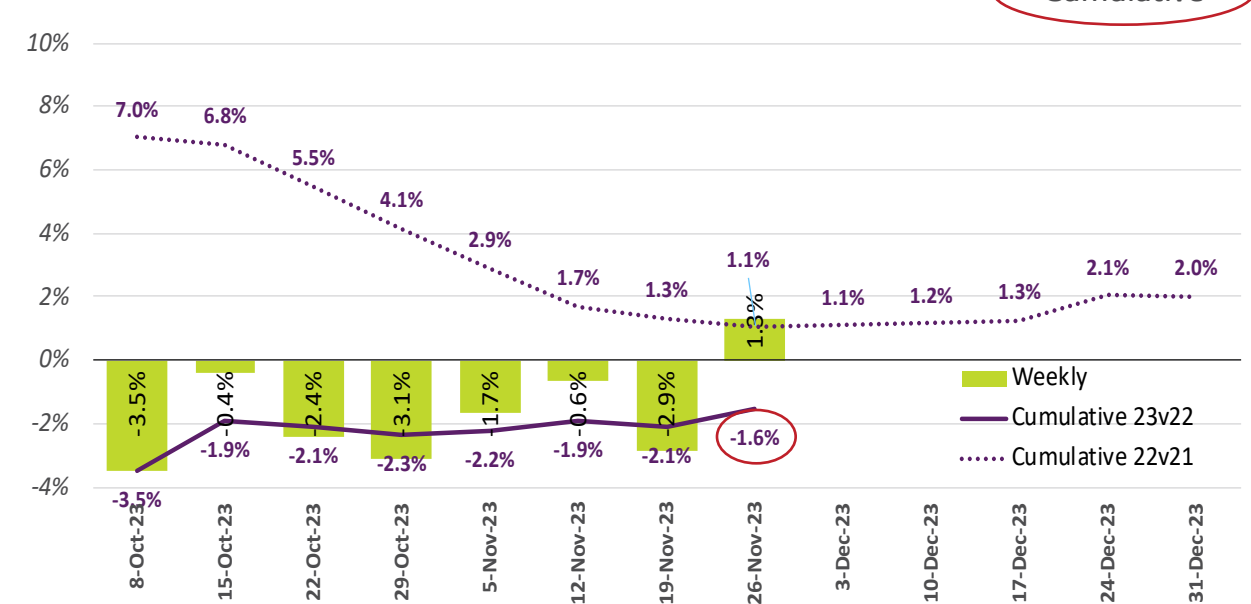


## HOLIDAY SEASON PURCHASES: GOODS SECTOR 2023 WEEKLY RESULTS COMPARED TO 2022

### TRANSACTIONS

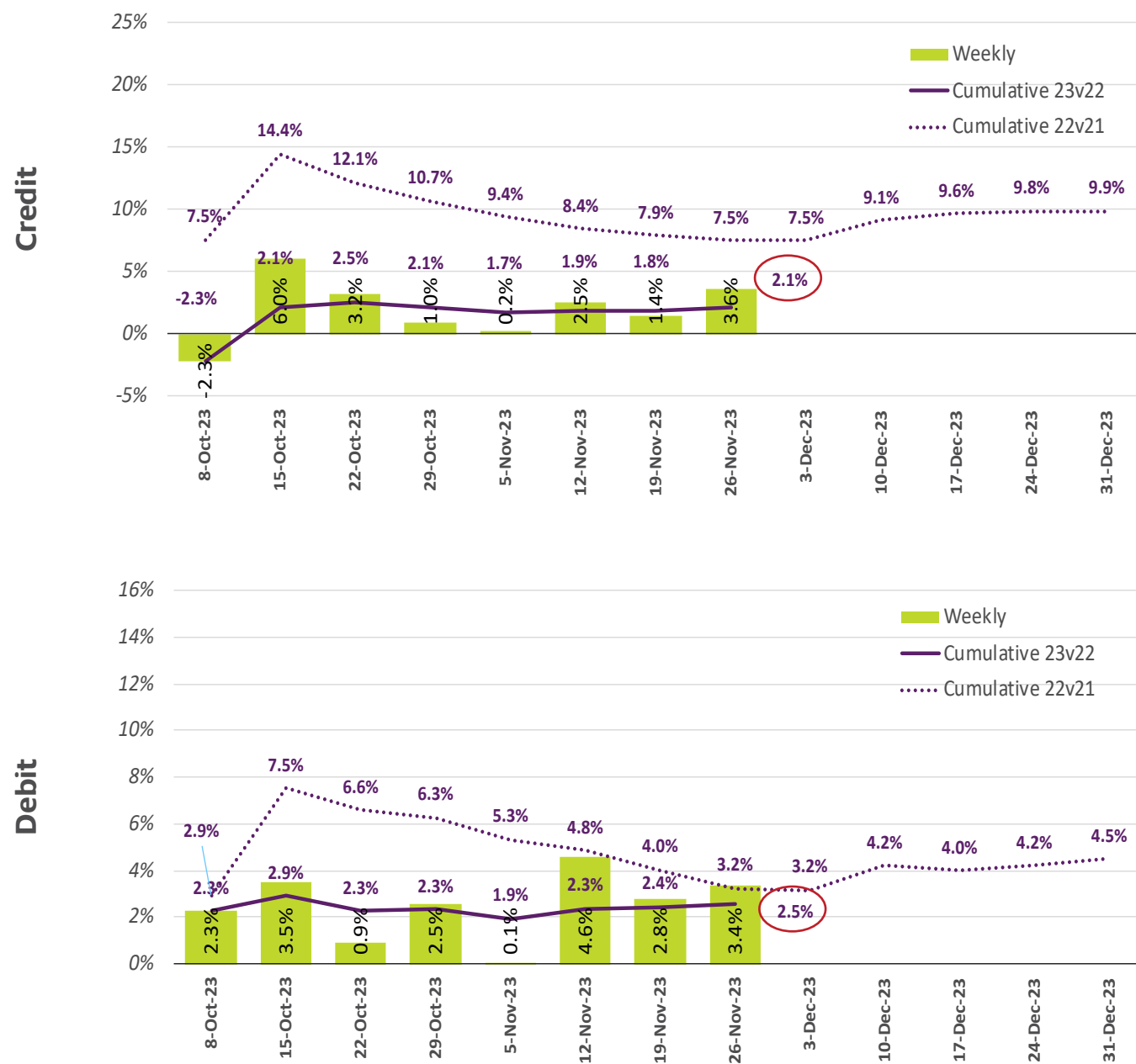


### PURCHASES

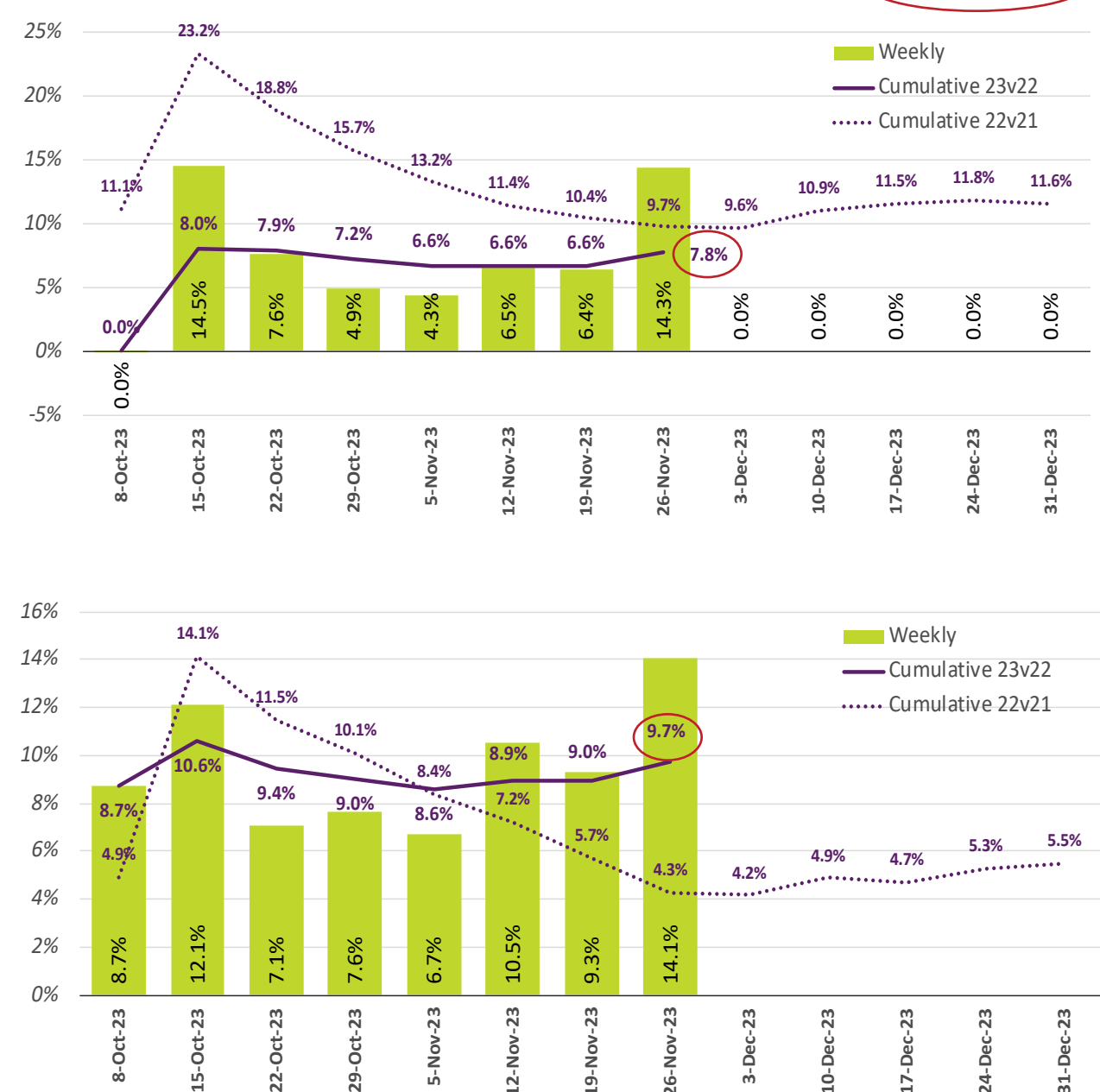


## HOLIDAY SEASON PURCHASES: AMAZON 2023 WEEKLY RESULTS COMPARED TO 2022

### TRANSACTIONS

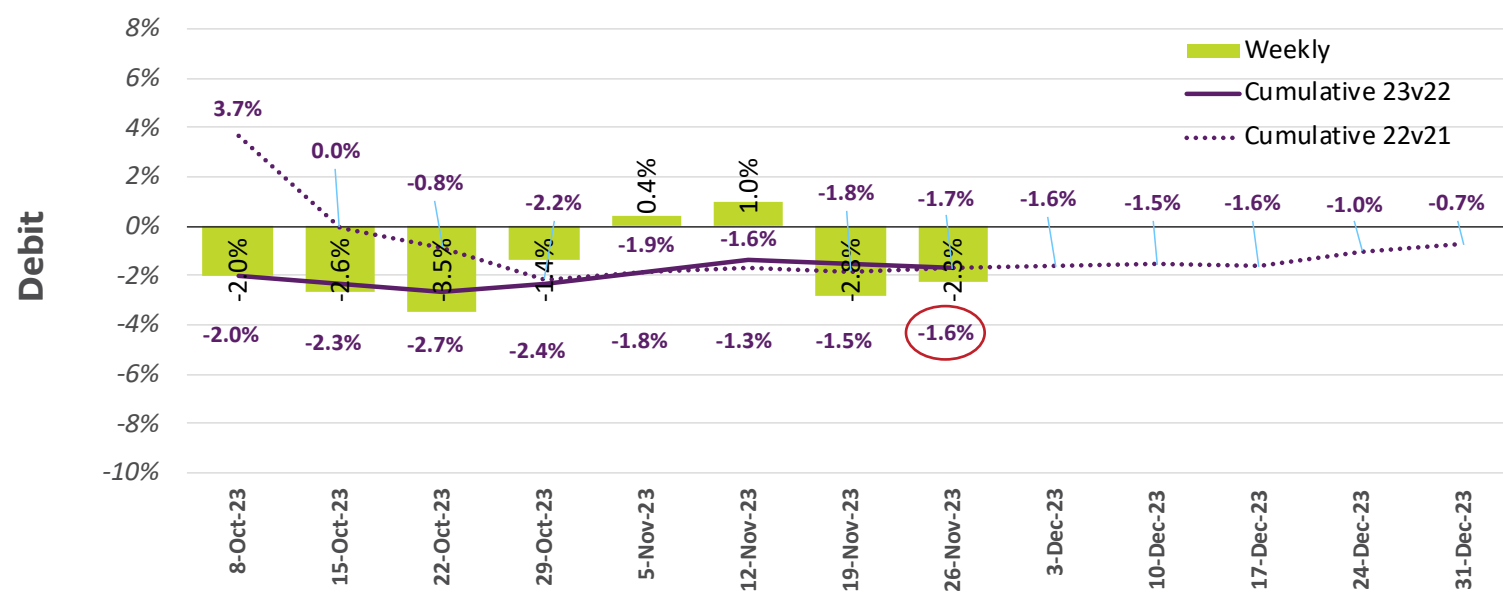
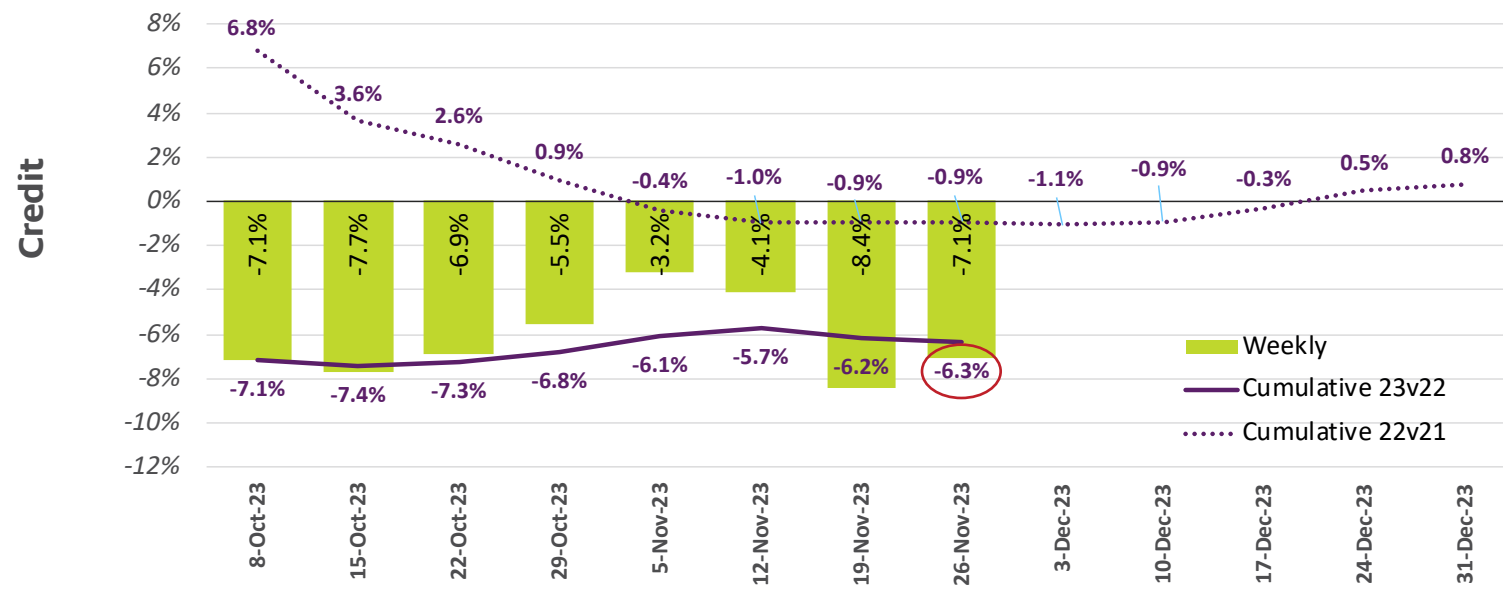


### PURCHASES



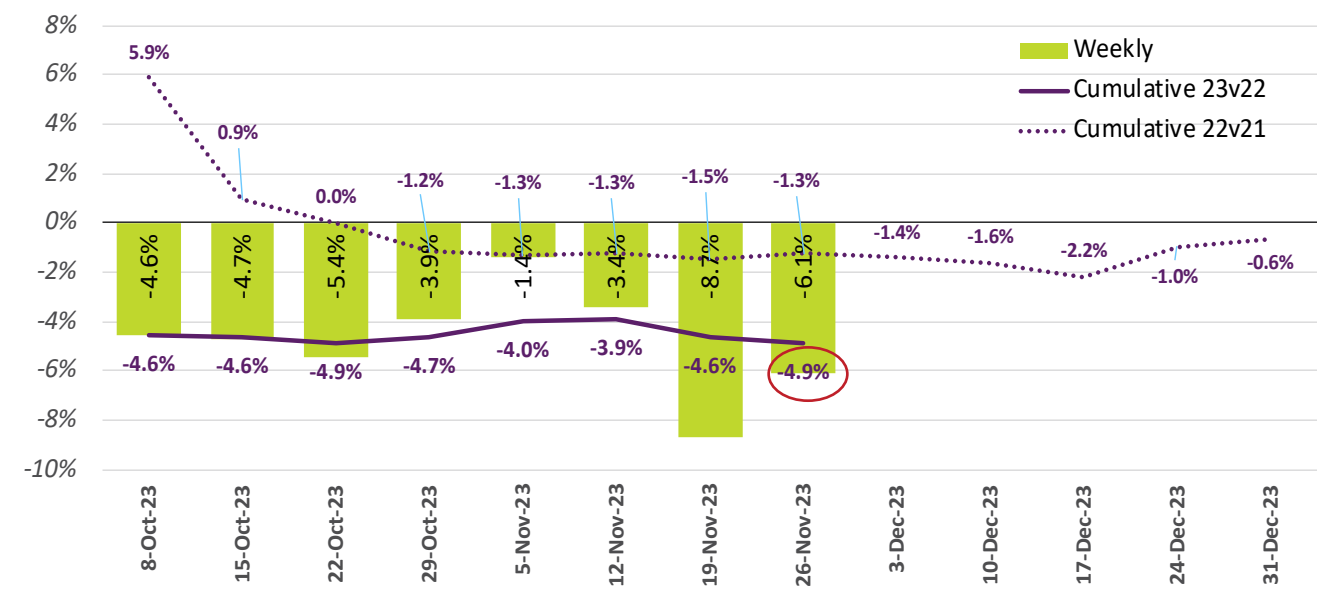
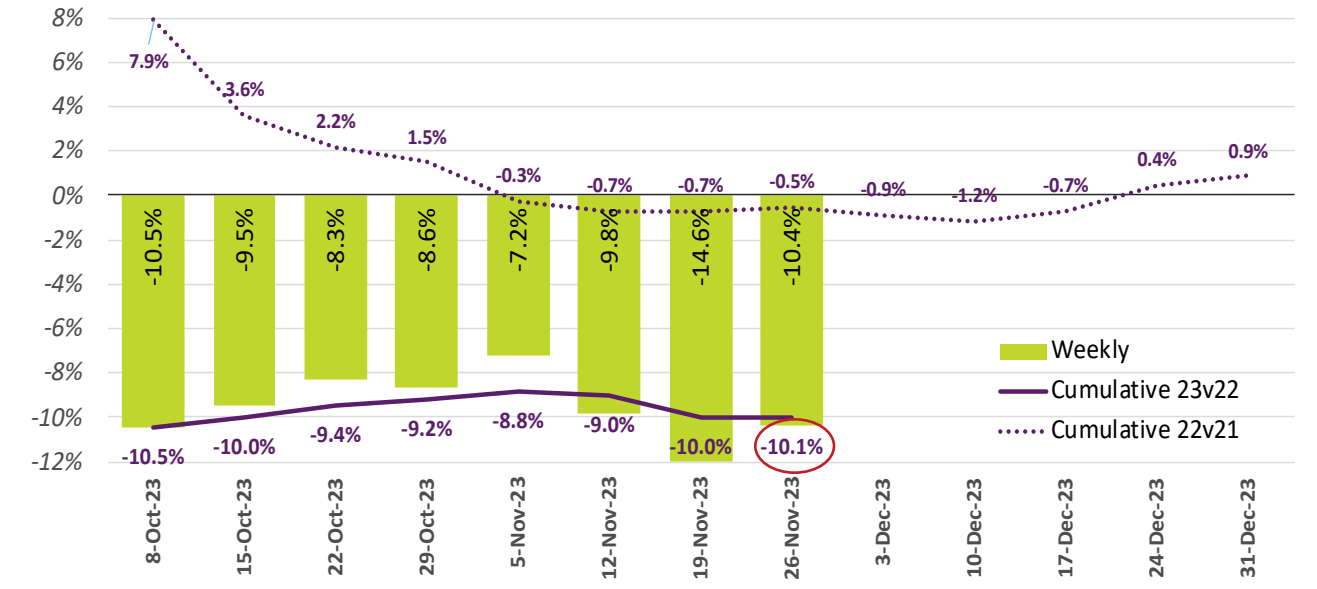
## HOLIDAY SEASON PURCHASES: TARGET 2023 WEEKLY RESULTS COMPARED TO 2022

### TRANSACTIONS



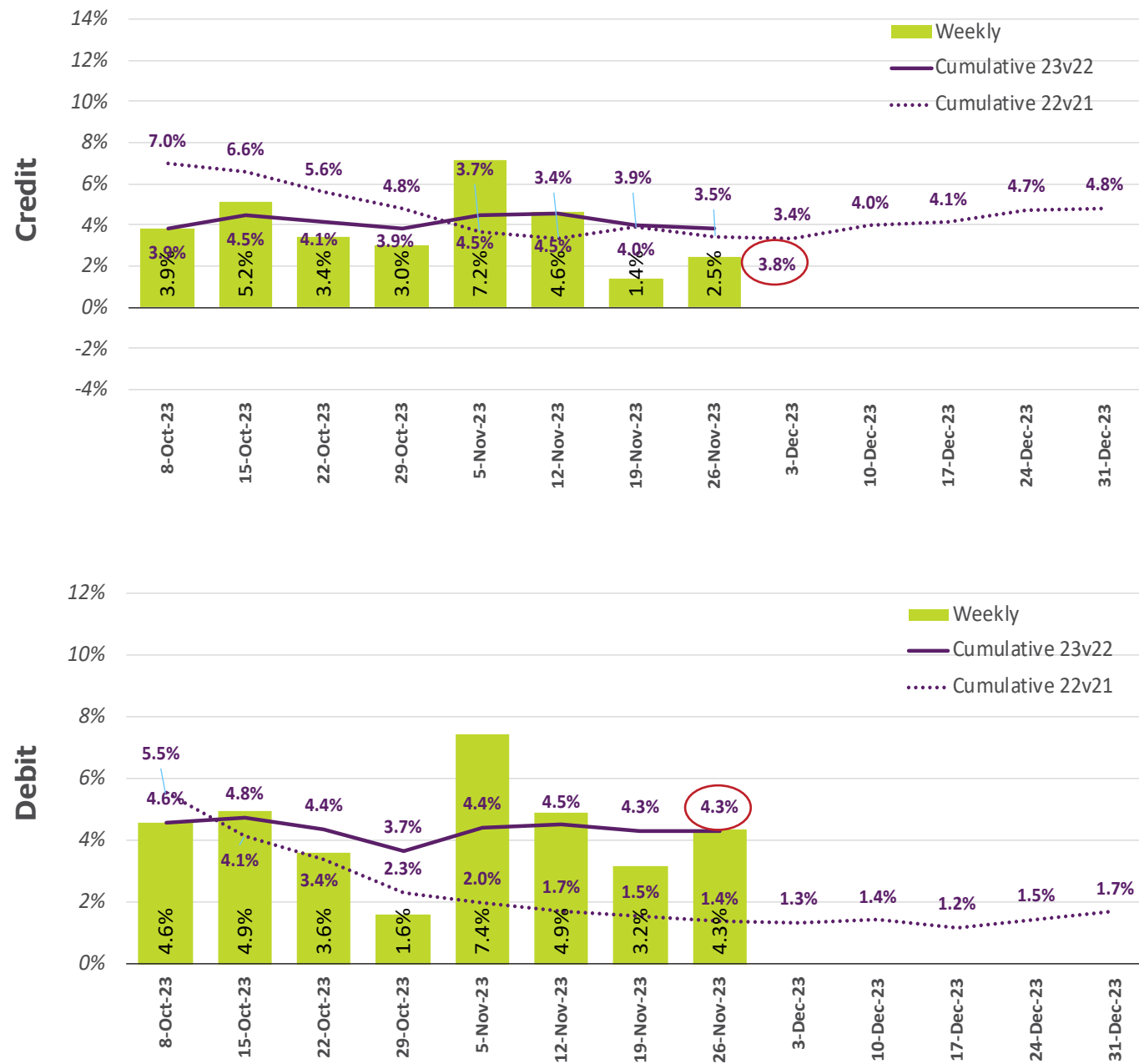
### PURCHASES

Cumulative

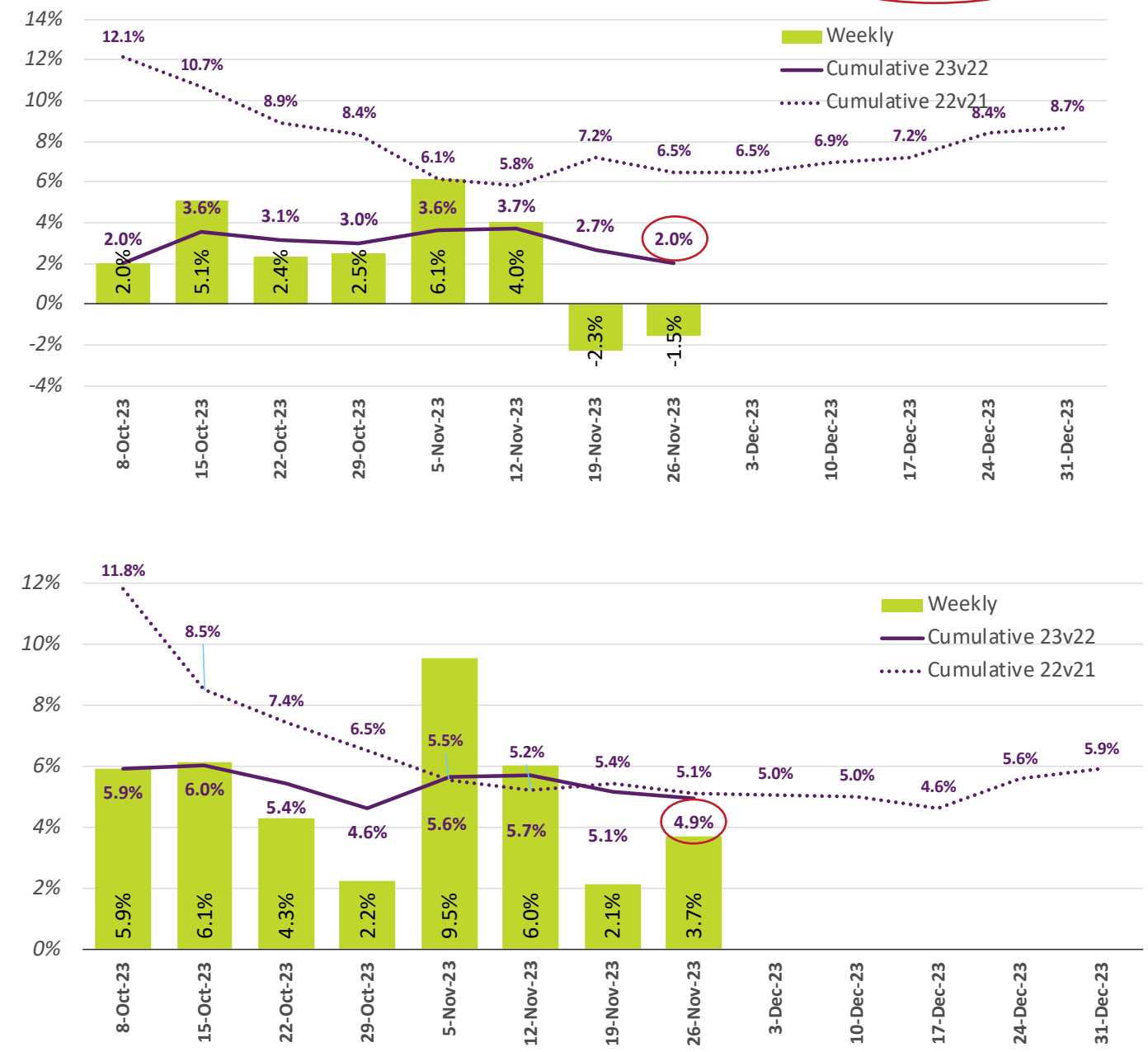


## HOLIDAY SEASON PURCHASES: WALMART 2023 WEEKLY RESULTS COMPARED TO 2022

### TRANSACTIONS



### PURCHASES



## CHECKING IN: CHARITABLE AND SOCIAL ORGANIZATIONS

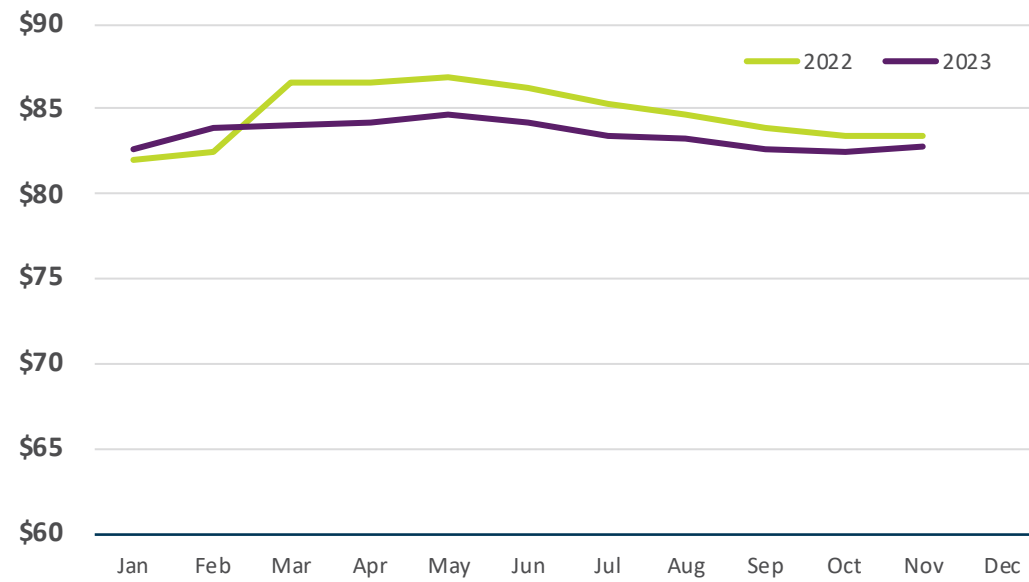
Payment activity in the Charitable and Social Organizations merchant category has been mostly positive since June 2023. Year-over-year growth was impacted by higher activity in the first half of 2022 after [the start of the war in Ukraine](#), which began on February 24, 2022. Year-over-year growth in purchases for this merchant category for the cumulative year through November were up 1.5% for credit and down 0.2% for debit. For November, credit purchases were up 3.9% and debit purchases were up 5.6%. For Giving Tuesday 2023, transaction growth was up, while growth in purchases was down for both credit and debit, yielding a lower average purchase amount. The average credit purchase amount on Giving Tuesday was \$105.76, down 7.2% compared to 2022 and the average debit purchase amount was \$67.48, down 1.7%.



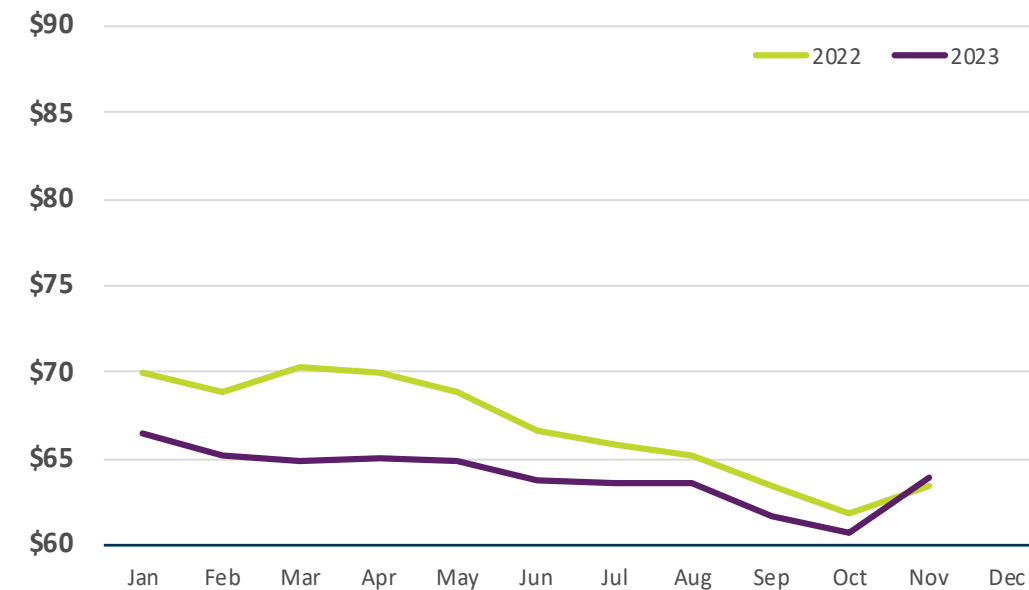
### CHARITABLE & SOCIAL ORGANIZATIONS MERCHANT CATEGORY CODE: GROWTH AND AVERAGE PURCHASES

Timeframe		Giving Tuesday	November 2023	YTD 2023
Credit	Transactions	5.2%	1.7%	2.2%
	Purchases	-2.4%	3.9%	1.5%
	Average Purchase Amount	\$105.76	\$85.60	\$82.83
	Average Purchase Growth	-7.2%	2.2%	-0.7%
Debit	Transactions	0.9%	5.0%	4.1%
	Purchases	-0.8%	5.6%	-0.2%
	Average Purchase Amount	\$67.48	\$63.84	\$63.86
	Average Purchase Growth	-1.7%	0.6%	-4.2%

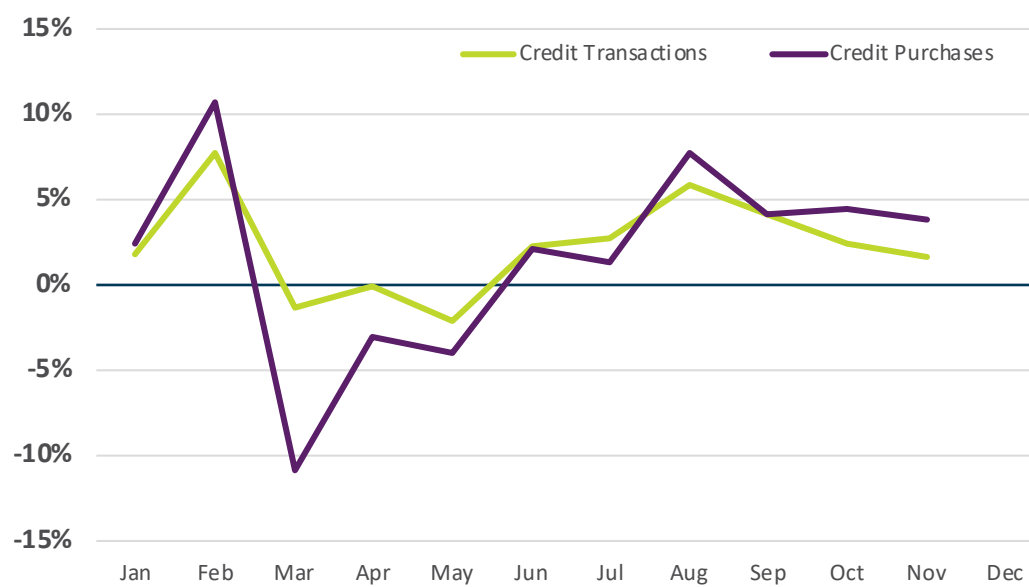
**CHARITABLE & SOCIAL ORGANIZATIONS AVERAGE PURCHASE AMOUNT – CREDIT**



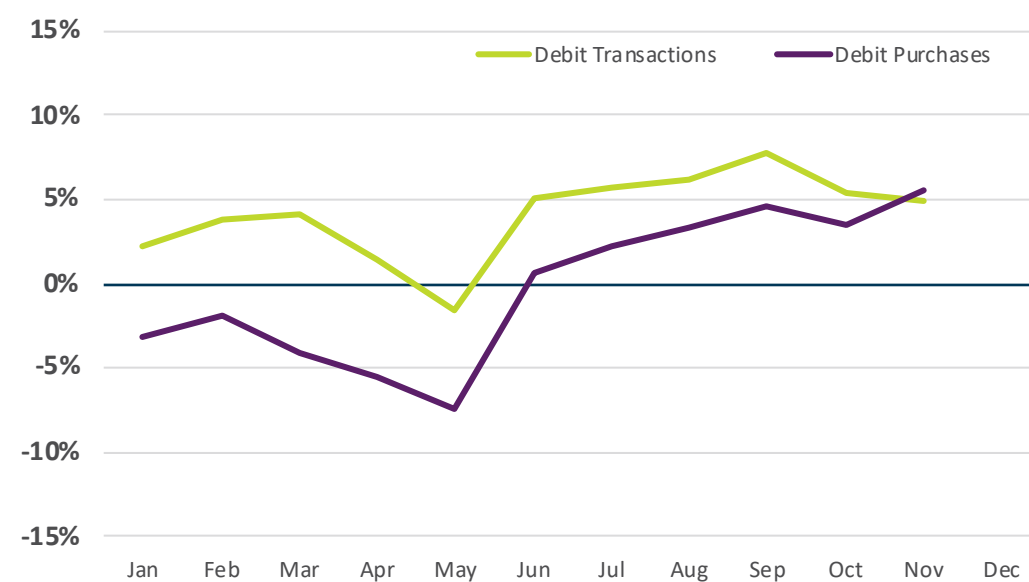
**CHARITABLE & SOCIAL ORGANIZATIONS AVERAGE PURCHASE AMOUNT – DEBIT**



**CHARITABLE & SOCIAL ORGANIZATIONS YEAR-OVER-YEAR GROWTH IN CREDIT**



**CHARITABLE & SOCIAL ORGANIZATIONS YEAR-OVER-YEAR GROWTH IN DEBIT**

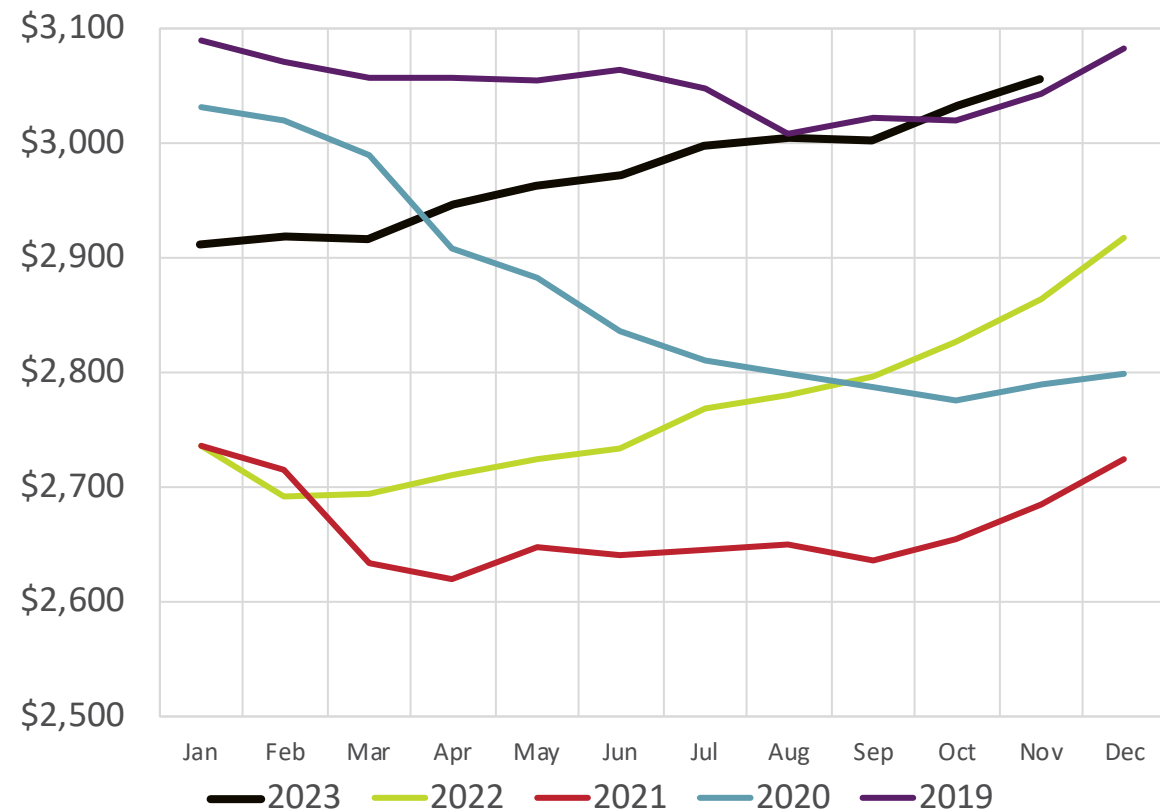


## CREDIT CARD BALANCES

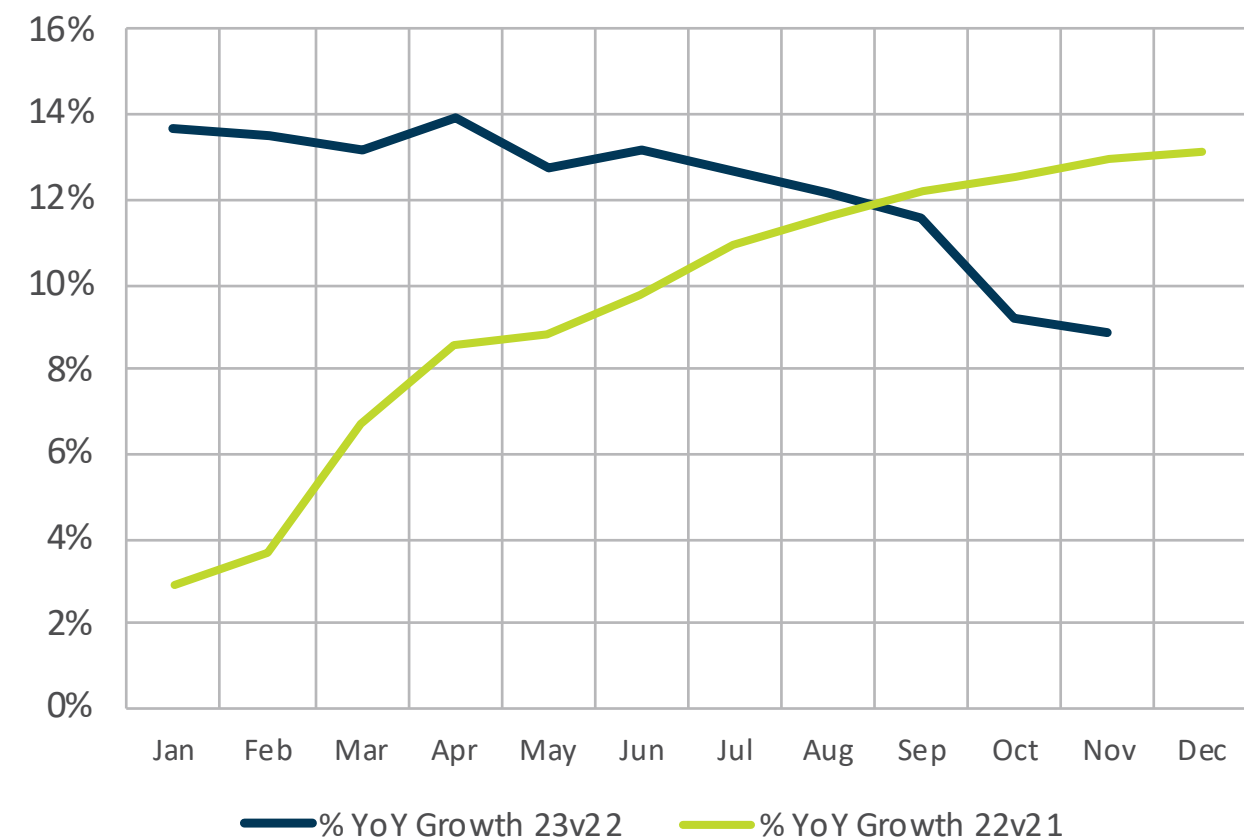
The average credit card balance increased to \$3,056 in November 2023, surpassing the pre-pandemic 2019 average for the second consecutive month. Compared to October 2023, the average credit card balance increased \$25, or 0.8%. Year over year, the average card balance increased \$193, or 6.8%.

Total credit card balances grew 8.9% year over year in November 2023, lower than the November 2022 year-over-year growth rate of 13%. Compared to the previous month's measure, November credit card balances increased 1.6%, which was slightly higher than the 2022 month-over-month growth rate of 1.5%.

**AVERAGE CREDIT CARD BALANCES PER GROSS ACTIVE ACCOUNT**



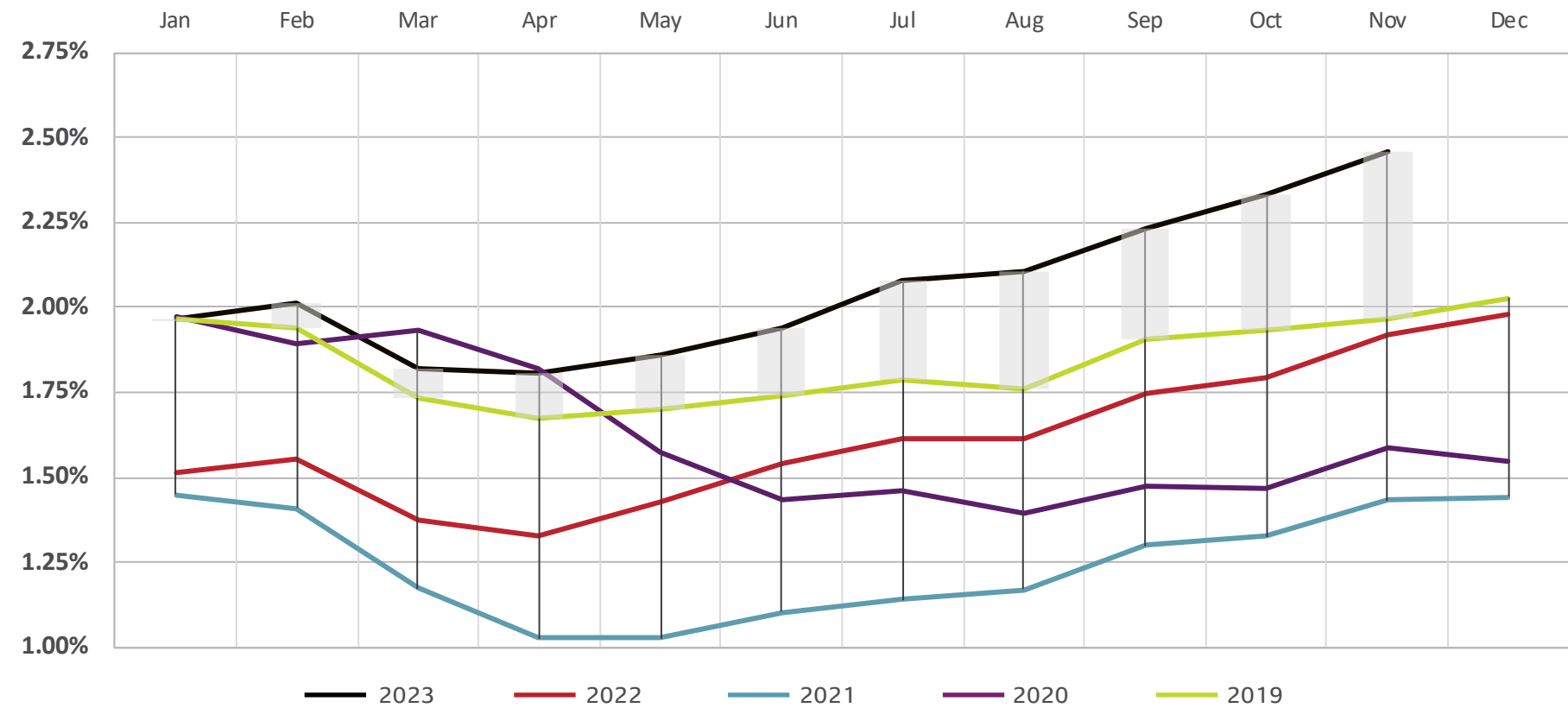
**PERCENTAGE CHANGE IN TOTAL CREDIT CARD BALANCES**



## CREDIT CARD DELINQUENCIES

The November 2023 delinquency rate reached a high of 2.46%, up 13 basis points over the prior month's measure. Compared to one year ago, the delinquency rate was up 54 basis points, a year-over-year increase of 28% in the percentage of balances delinquent.

OVERALL CREDIT CARD DELINQUENCY RATE  
November



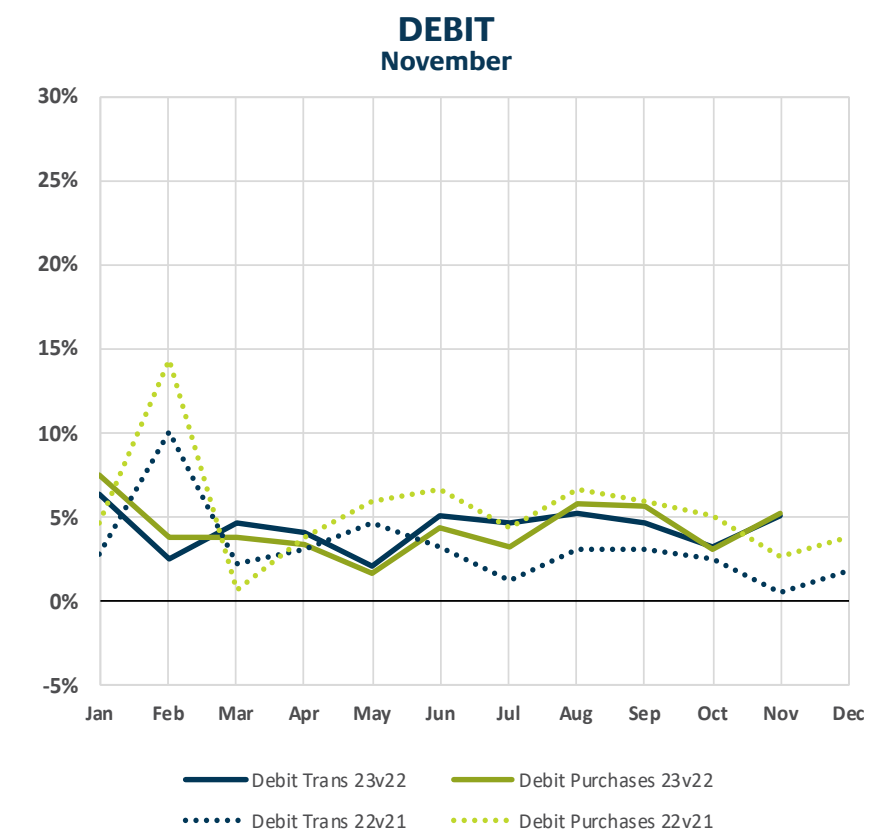
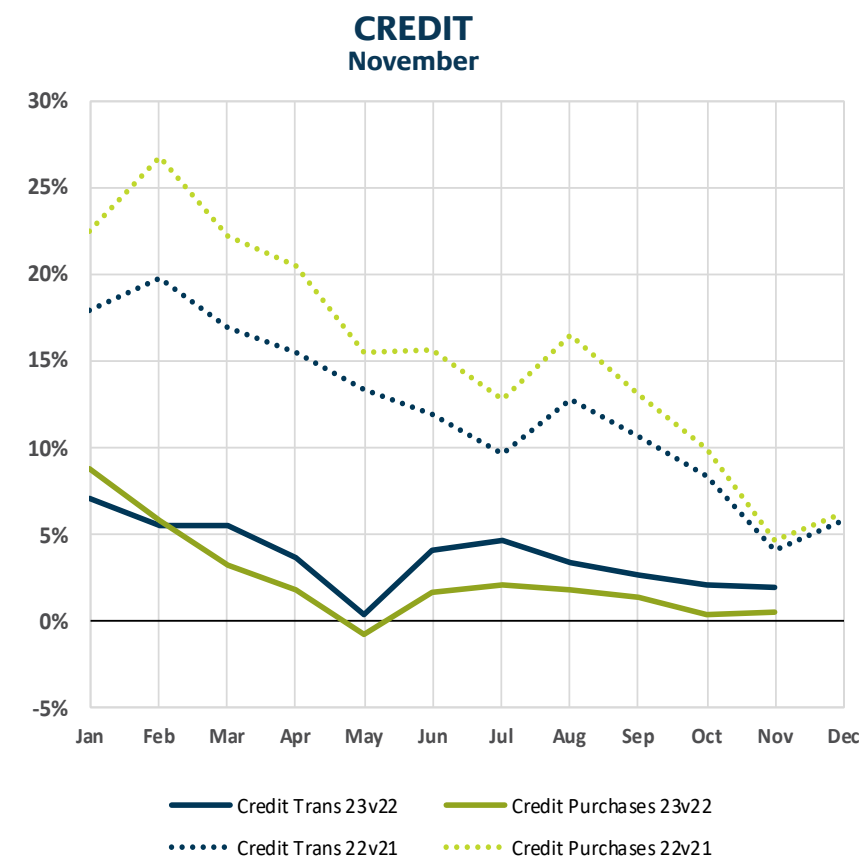
## CREDIT AND DEBIT CARDS

Debit card growth rates trended upward in November 2023, with both transactions and purchases measuring 5% year-over-year growth. However, consumer credit card spending growth remained relatively unchanged versus the prior month. Credit transaction and purchase growth for November measured 2% and 0.5%, respectively.

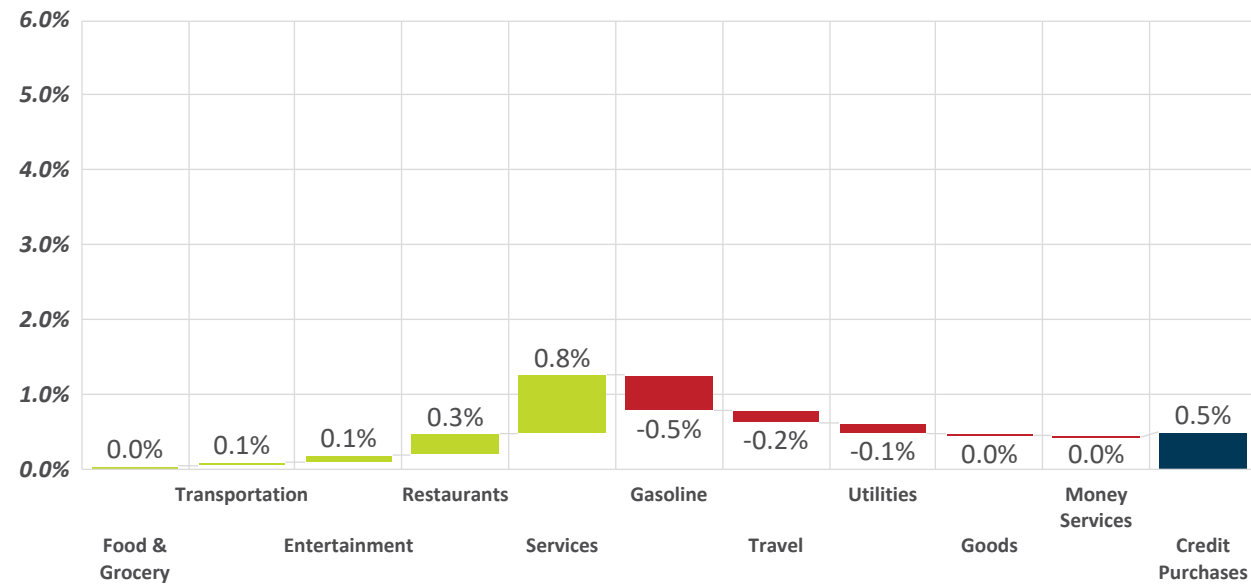
Compared to October 2023, total credit purchases for November grew 2.7%, while credit transactions fell 1.2%. The average transaction amount for credit measured \$72, down 1.4% compared to the same timeframe a year ago. The average debit transaction amount remained at \$46.

The Services sector continued to drive purchase growth for both debit and credit, contributing 1.6% growth for debit and 0.8% for credit. On the transaction side, the Goods sector drove both debit and credit transaction growth, accounting for 1.6% growth for debit and 0.8% for credit. The Gasoline sector had the most negative impact on growth, driving debit and credit purchases down 0.5% each and credit transactions down 0.1%.

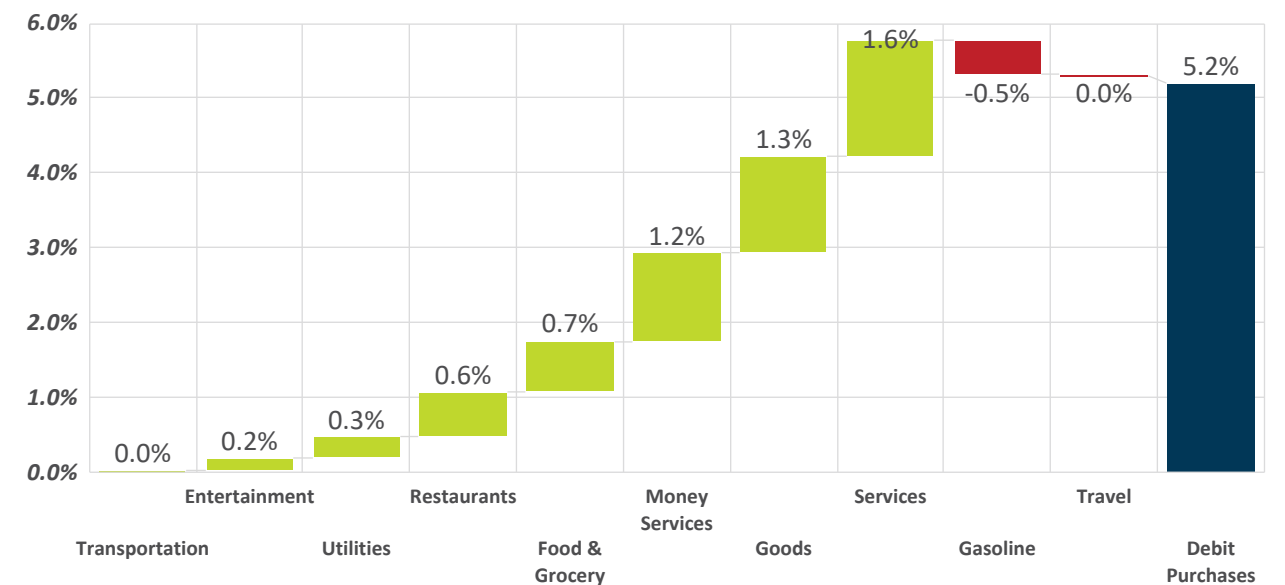
	Credit		Debit	
	Transactions	Purchases	Transactions	Purchases
2023 v 2022	2.0%	0.5%	5.0%	5.2%
2022 v 2021	4.1%	4.7%	0.5%	2.6%



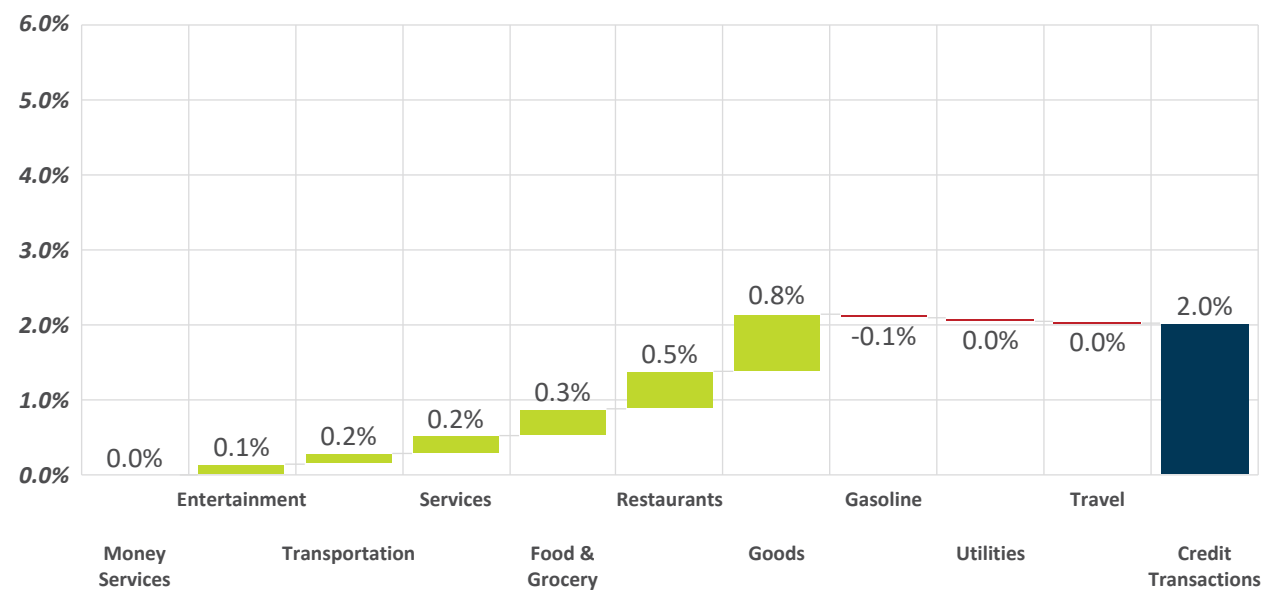
## SECTOR CONTRIBUTIONS TO GROWTH IN CREDIT PURCHASES: NOVEMBER



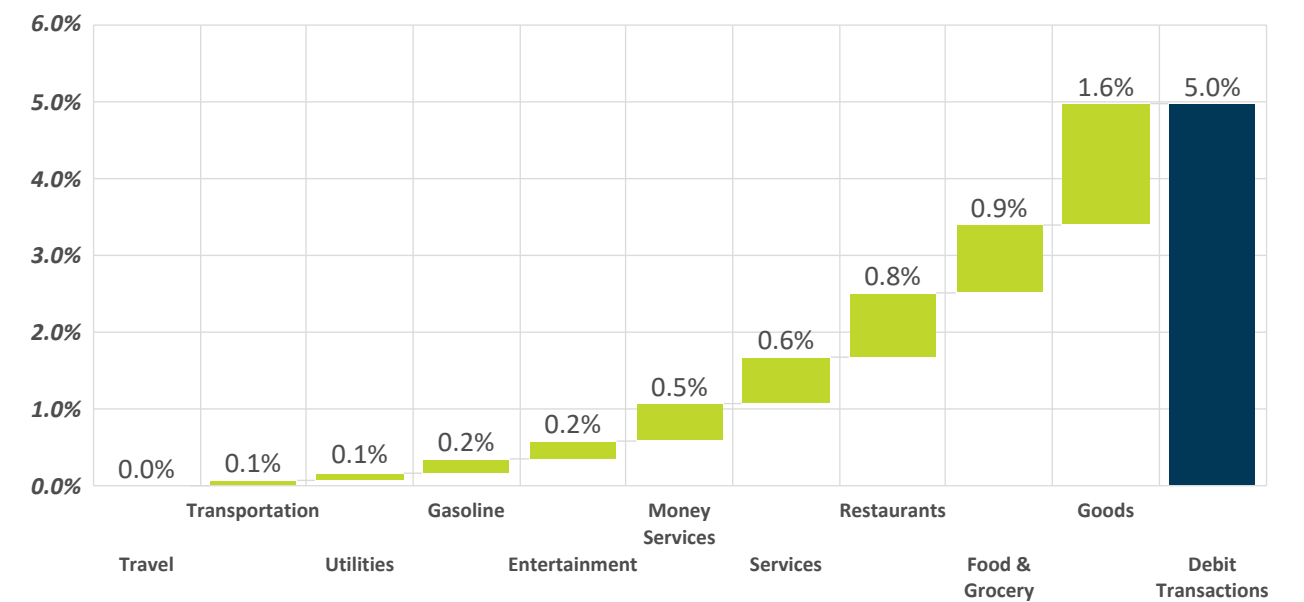
## SECTOR CONTRIBUTIONS TO GROWTH IN DEBIT PURCHASES: NOVEMBER



## SECTOR CONTRIBUTIONS TO GROWTH IN CREDIT TRANSACTIONS: NOVEMBER



## SECTOR CONTRIBUTIONS TO GROWTH IN DEBIT TRANSACTIONS: NOVEMBER



■ Increase ■ Decrease ■ Total

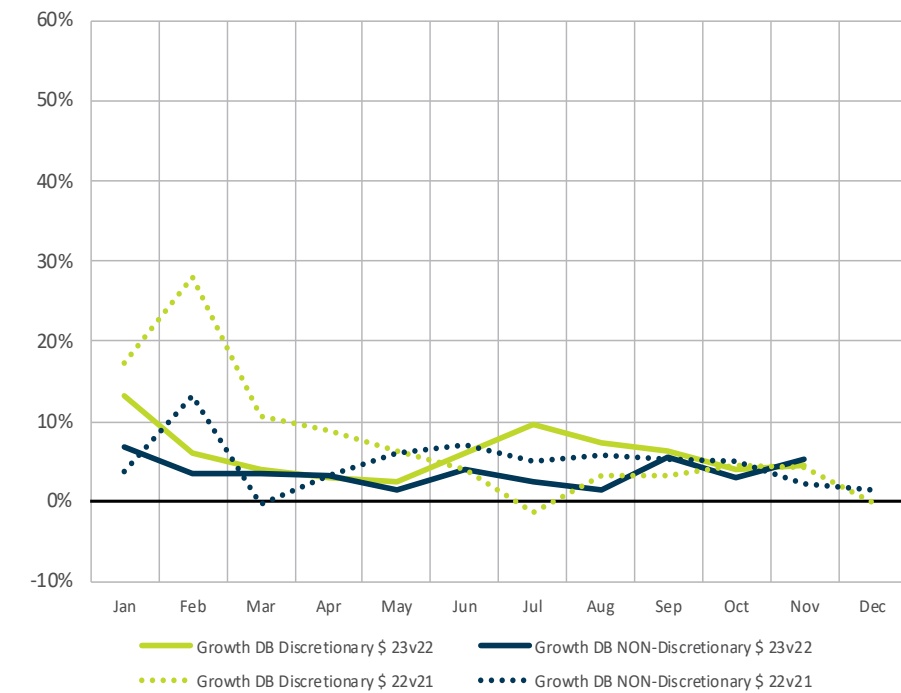
## DISCRETIONARY AND NON-DISCRETIONARY ACTIVITY

The grouping of expenses into discretionary and non-discretionary spend continues to provide insight into consumer payment activity amidst the current economic backdrop. Discretionary activity comprises nearly all merchant categories within the Entertainment and Travel sectors, as well as just under half of the merchant categories in the Services sector. There are also several merchant categories identified as discretionary within the Food & Grocery and Goods sectors.

### DISCRETIONARY AND NON-DISCRETIONARY: NOVEMBER 2023

	% of Overall Purchases	Credit YoY Growth		Average Purchase	% of Overall Purchases	Debit YoY Growth		Average Purchase
		Transactions	Purchases			Transactions	Purchases	
Discretionary	<b>16%</b>	<b>0.3%</b>	<b>-0.2%</b>	<b>\$149</b>	<b>8%</b>	<b>6.9%</b>	<b>4.5%</b>	<b>\$71</b>
Non-Discretionary	<b>84%</b>	<b>2.2%</b>	<b>0.6%</b>	<b>\$66</b>	<b>92%</b>	<b>4.9%</b>	<b>5.4%</b>	<b>\$45</b>

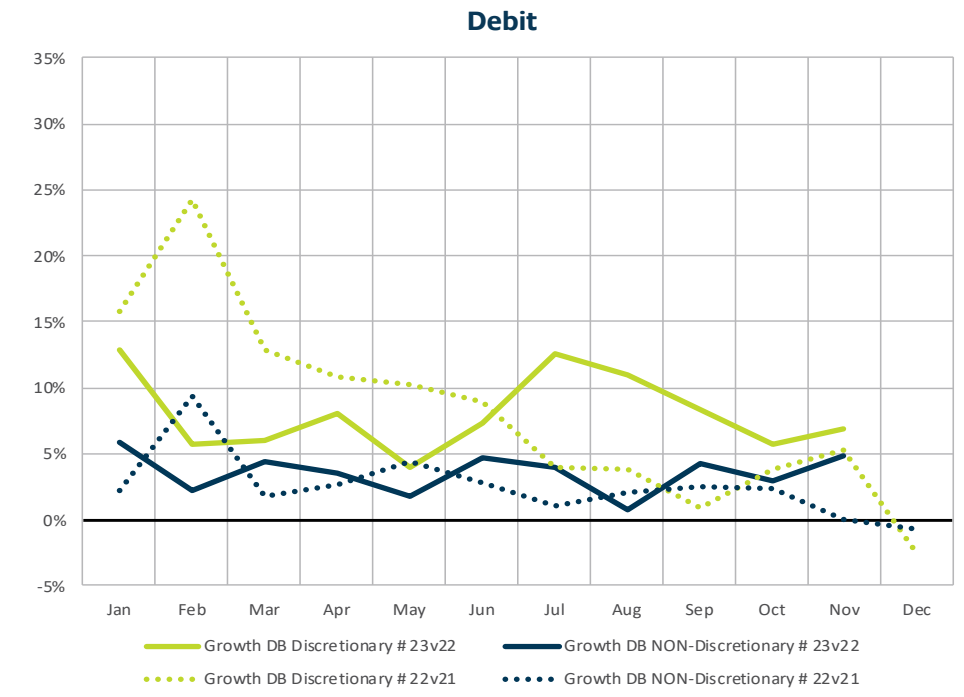
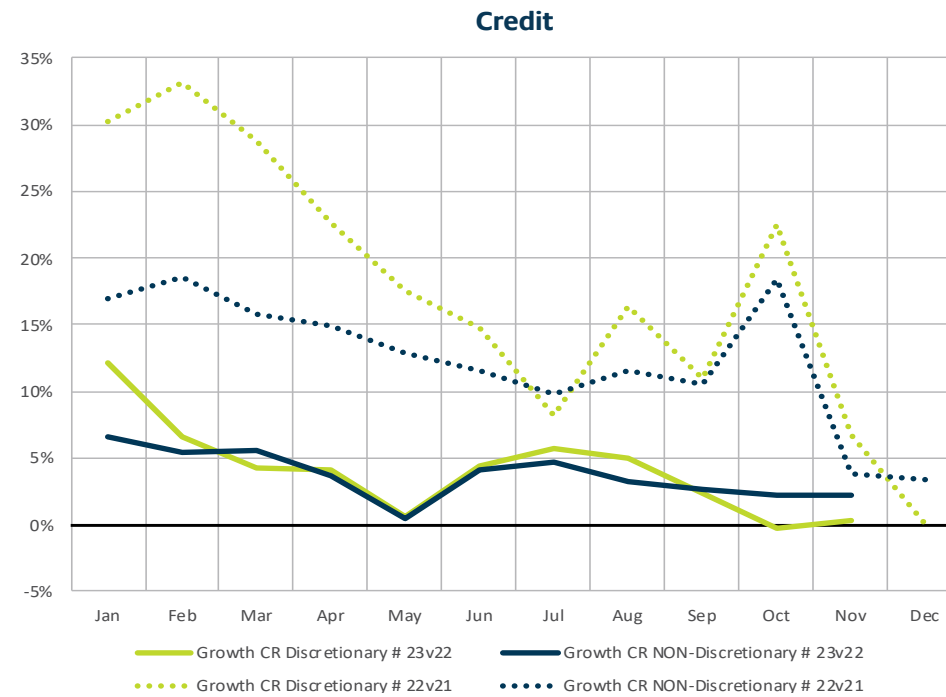
### GROWTH IN DISCRETIONARY/NON-DISCRETIONARY OVERALL PURCHASES



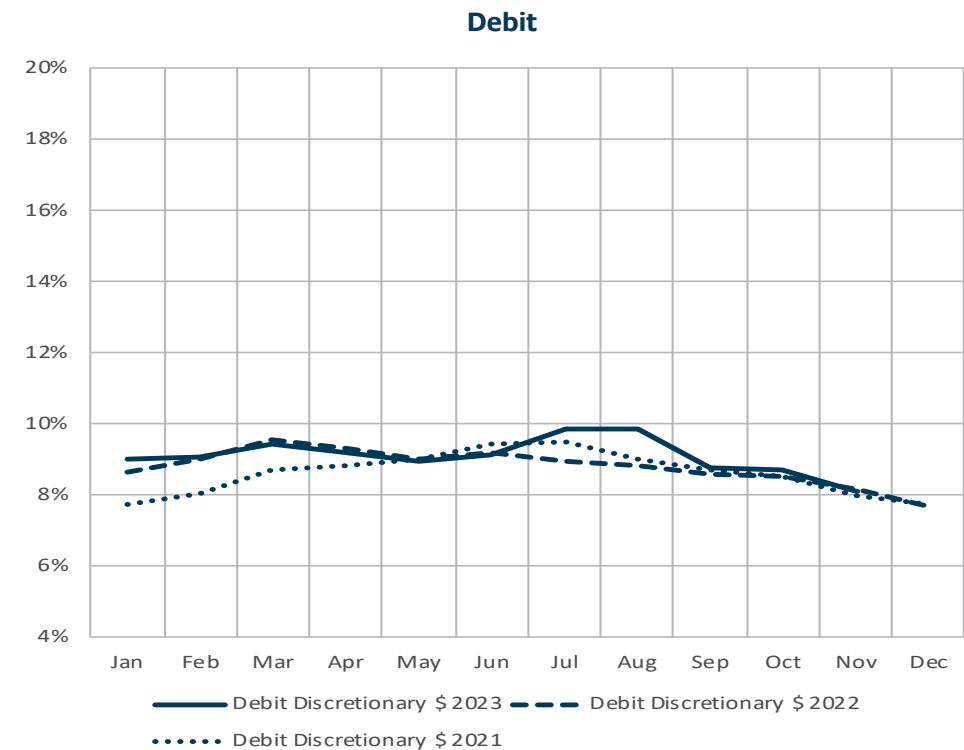
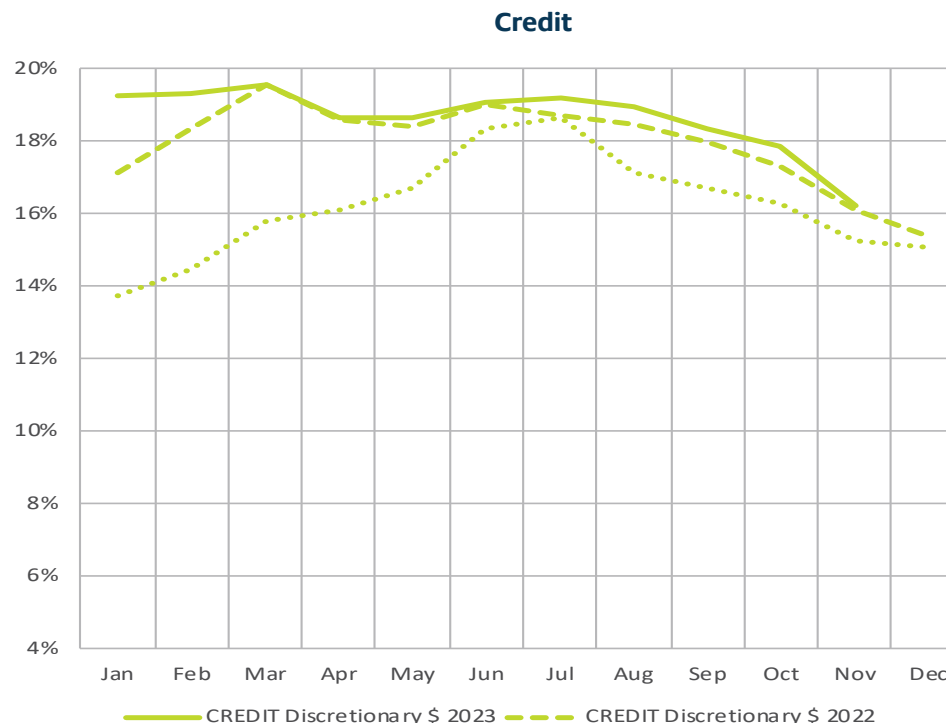
Both credit and debit discretionary transaction growth surpassed overall purchase growth in November 2023. Debit discretionary transactions experienced the greatest year-over-year growth rate, at 6.9%, and credit discretionary purchases the lowest, down 0.2% year over year.

Debit non-discretionary purchase growth outperformed transaction growth, up 5.4% compared to 4.9%, while credit non-discretionary transactions outpaced non-discretionary purchases, up 2.2% versus 0.6%.

## GROWTH IN DISCRETIONARY/NON-DISCRETIONARY OVERALL TRANSACTIONS




## DISCRETIONARY PURCHASES AS A PERCENTAGE OF OVERALL PURCHASES



## SECTORS/MERCHANT CATEGORIES


In November 2023, the Services sector had the greatest growth in debit purchases, reaching a high of 12% year over year and marking the fourth consecutive month with double-digit growth. Additionally, the Goods sector reached a 4% year-over-year purchase growth rate for debit, the highest for 2023. For credit purchases, Transportation remained the sector with the greatest year-over-year growth, up 9%. The Travel sector continued to experience negative growth for both credit and debit purchases, down 2% and 1%, respectively, year over year.

The average transaction amount for the Gasoline sector decreased 9% for credit and 7% for debit year over year, contributing to negative Gasoline sector purchase growth. The national average price per gallon of gasoline finished at [\\$3.14](#) for the week ending Dec. 11, down 3.2% or \$0.10 year over year.




**ENTERTAINMENT**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	2%	4%
YoY Transactions	3%	6%




**FOOD & GROCERIES**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	0%	4%
YoY Transactions	2%	5%




**GASOLINE**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	-9%	-6%
YoY Transactions	-1%	1%




**GOODS**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	0%	4%
YoY Transactions	2%	6%




**MONEY SERVICES**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	0%	12%
YoY Transactions	3%	11%




**RESTAURANTS**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	4%	6%
YoY Transactions	3%	4%




**SERVICES**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	4%	12%
YoY Transactions	3%	10%




**TRANSPORTATION**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	9%	4%
YoY Transactions	8%	5%



**TRAVEL**  
November 2023 V 2022

	Credit	Debit
YoY Purchases	-2%	-1%
YoY Transactions	-2%	2%



**UTILITIES**  
November 2023 V 2022

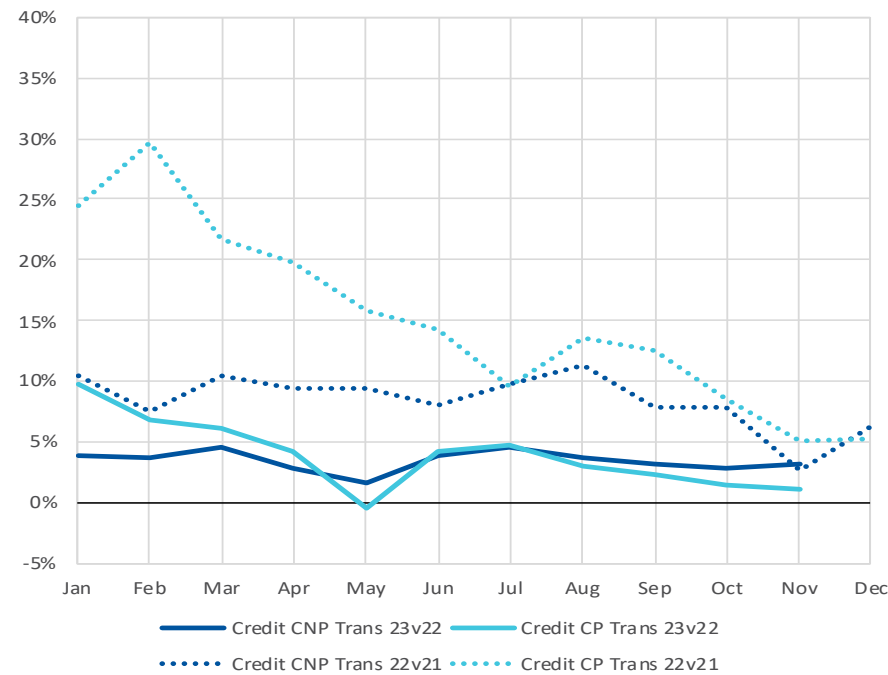
	Credit	Debit
YoY Purchases	-5%	7%
YoY Transactions	-3%	6%

## CARD NOT PRESENT (CNP) & CARD PRESENT (CP) ACTIVITY

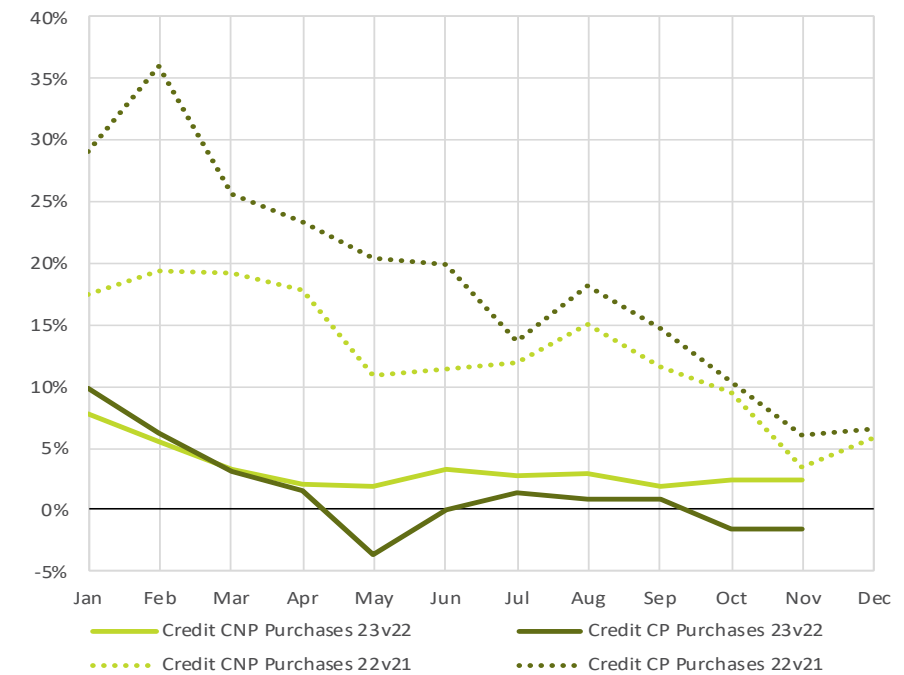
Card Present (CP) and Card Not Present (CNP) credit transaction growth outperformed CP and CNP credit purchase growth in November 2023. Credit CNP transaction growth measured 3.2% year over year, compared to 2.4% for CNP purchases, while credit CP transactions increased 1.1% versus a 1.6% decrease for CP purchases.

Debit CNP and CP growth rates all trended upward in November 2023, with CNP transactions and purchase growth outperforming CP growth. Debit CNP purchases and transaction increased 9.5% and 9.2%, respectively, year over year; debit CP purchases increased 1.6% and CP transactions grew 2.9%.

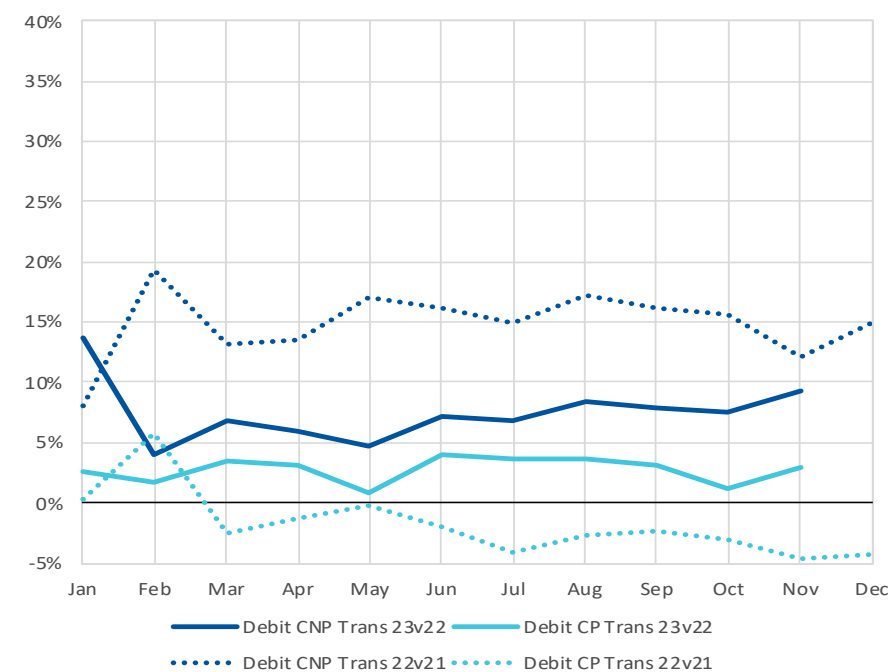
**YOY % GROWTH IN CREDIT TRANSACTIONS**  
November



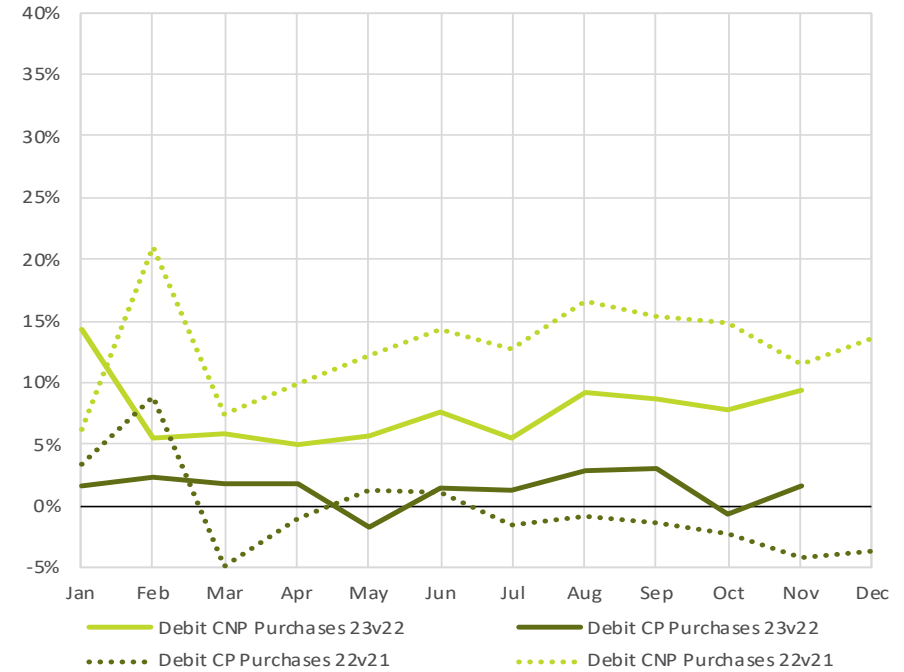
**YOY % GROWTH IN CREDIT PURCHASES**  
November



**YOY % GROWTH IN DEBIT TRANSACTIONS**  
November



**YOY % GROWTH IN DEBIT PURCHASES**  
November



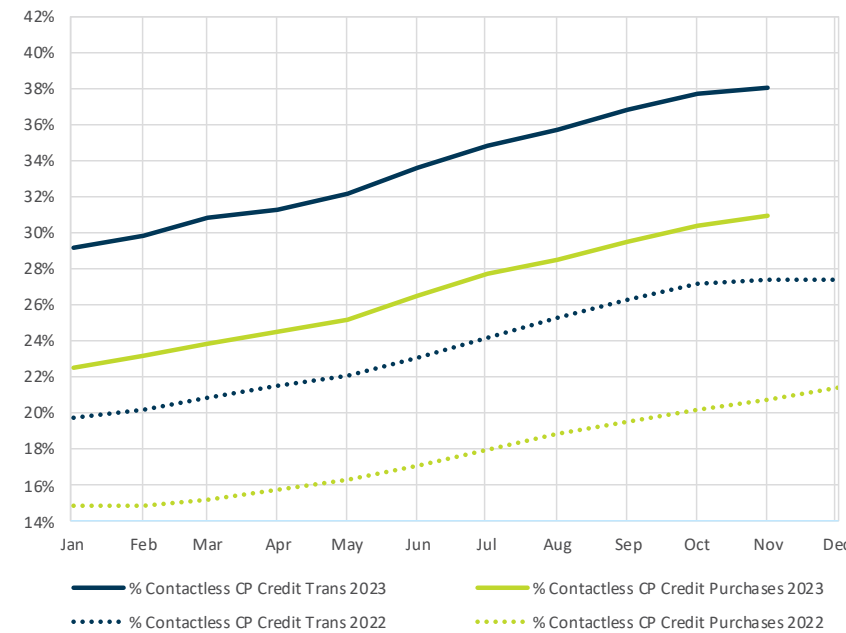
## CONTACTLESS TRANSACTIONS

Contactless penetration moderated in November 2023, with only credit contactless purchases realizing growth. For credit, contactless as a percentage of CP purchases expanded to 31% and for CP transactions continued to account for 38%. Debit contactless again captured 40% of CP transactions and 30% of CP purchases.

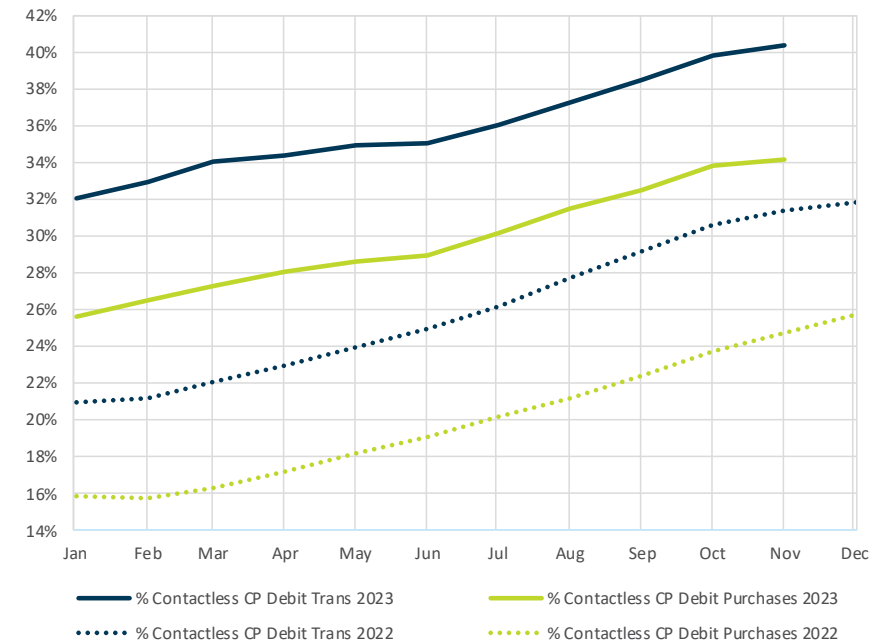
The average contactless purchase amount continued to trend higher than 2022 levels, up 5% year over year for credit and 7% for debit.

The availability of contactless cards has increased considerably over the past three years. PSCU'S [2023 Eye on Payments study](#) reported 75% of credit union members have a contactless credit or debit card, up from 58% in the 2021 study.

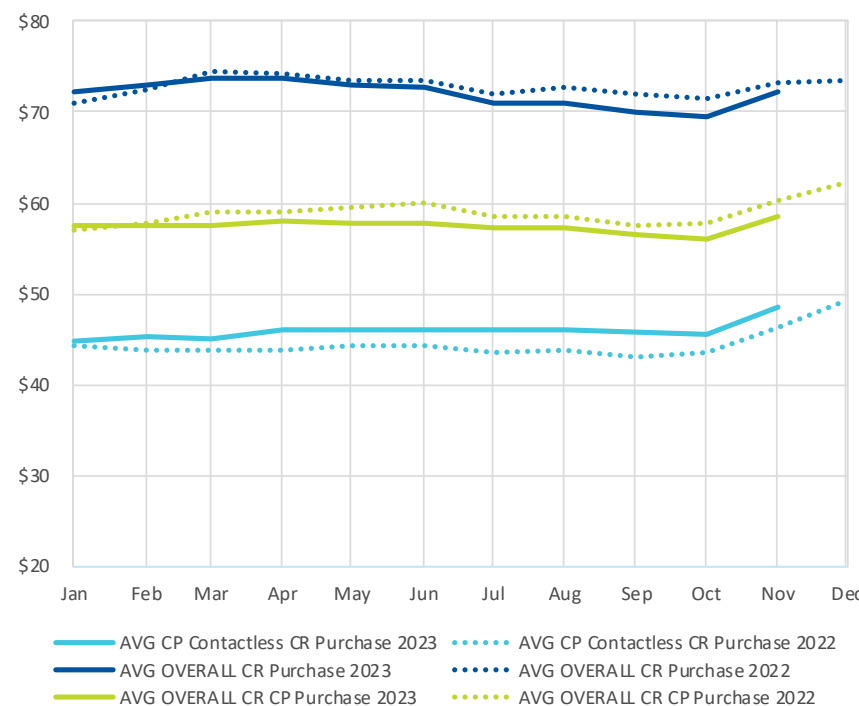
### % CONTACTLESS CREDIT ACTIVITY ON CONTACTLESS CARDS November



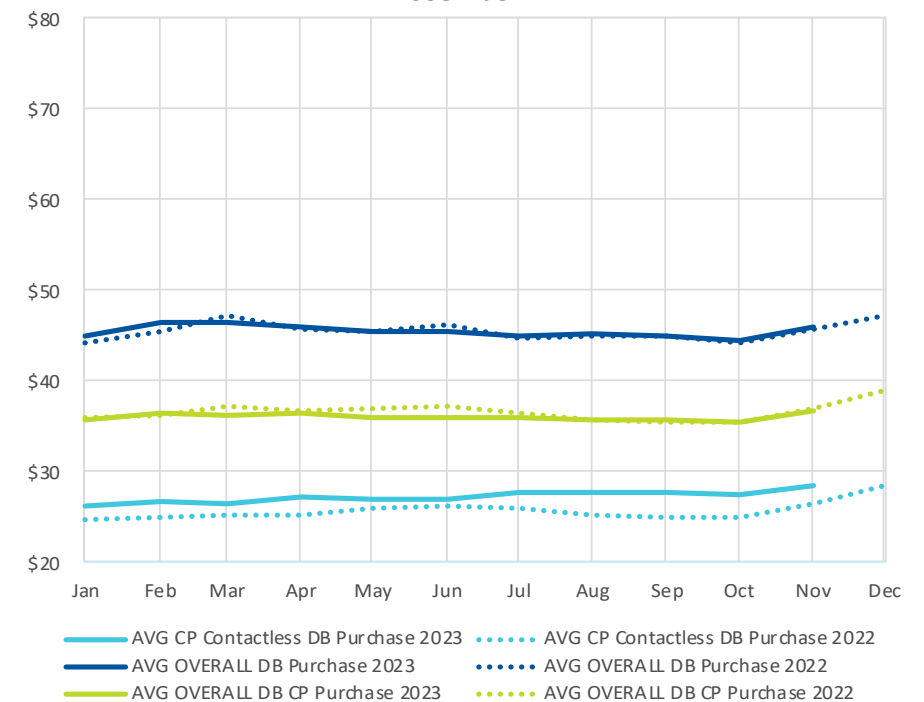
### % CONTACTLESS DEBIT ACTIVITY ON CONTACTLESS CARDS November



### CONTACTLESS CREDIT AVERAGE PURCHASE November



### CONTACTLESS DEBIT AVERAGE PURCHASE November

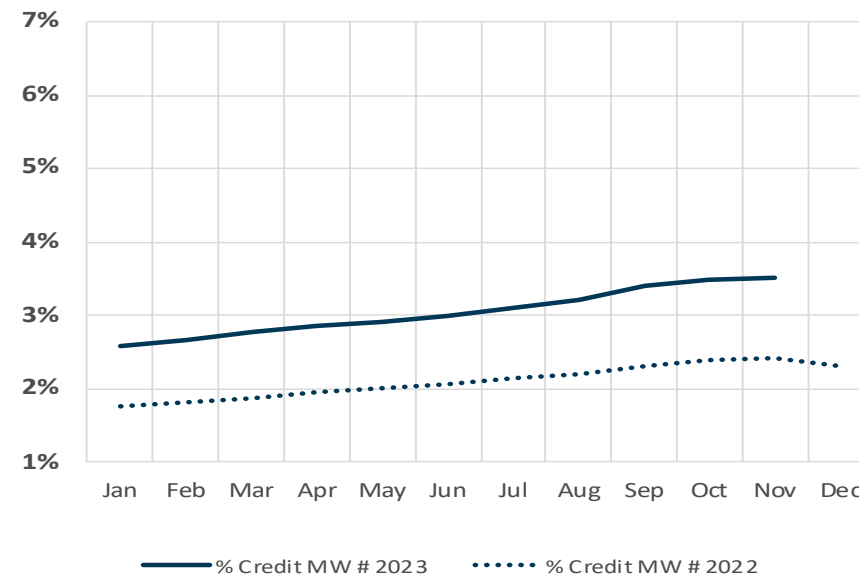


## MOBILE WALLETS

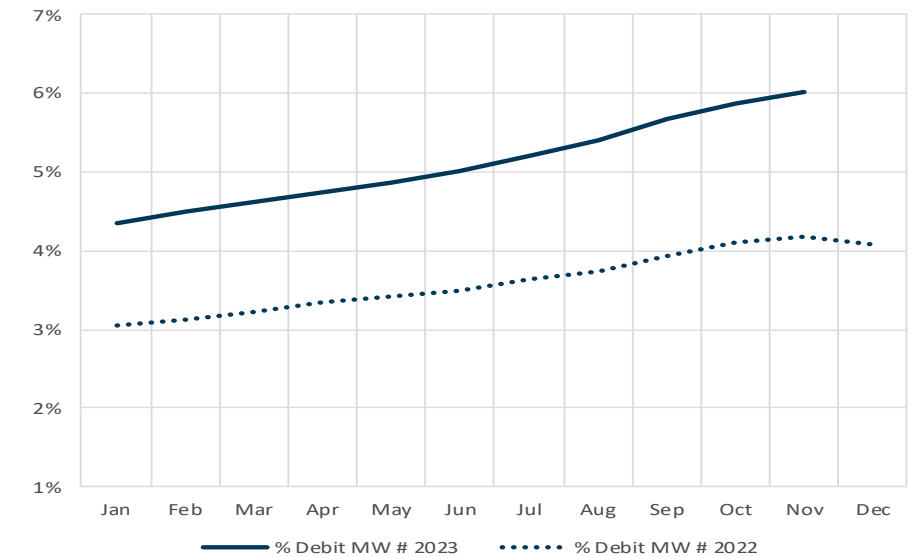
Mobile wallet debit and credit purchase growth rates increased in November 2023. Mobile wallet credit purchase growth increased to 57% year over year for credit purchases and 58% for debit purchases. However, mobile wallet transaction growth was mixed, increasing to 52% for debit and holding steady at 49% for credit. For November, credit mobile wallet transactions (CNP & CP) represented 3.5% of all credit transactions and debit mobile wallet transactions (CNP & CP) represented 6.0% of all debit transactions.

During the 2023 Thanksgiving holiday shopping season, mobile devices had a noteworthy performance. According to [Adobe Analytics](#), 59% of online sales came through a smartphone on Thanksgiving Day, up from 55% in 2022. Mobile use continued throughout Cyber Week, with smartphones driving 51.8% of online sales, up from 49.9% in 2022.

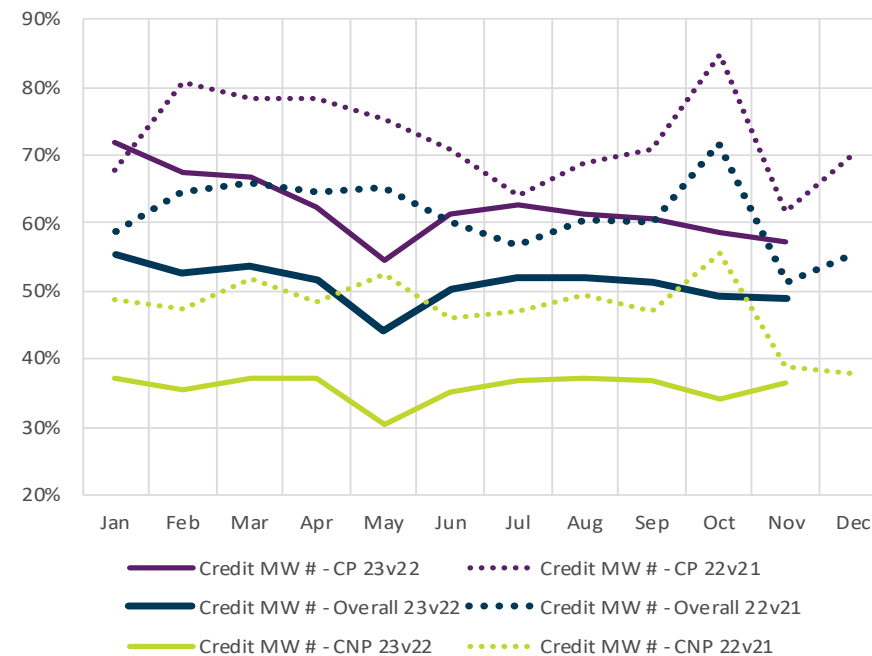
**MOBILE WALLET CREDIT TRANSACTIONS AS % OF OVERALL CREDIT TRANSACTIONS**  
November



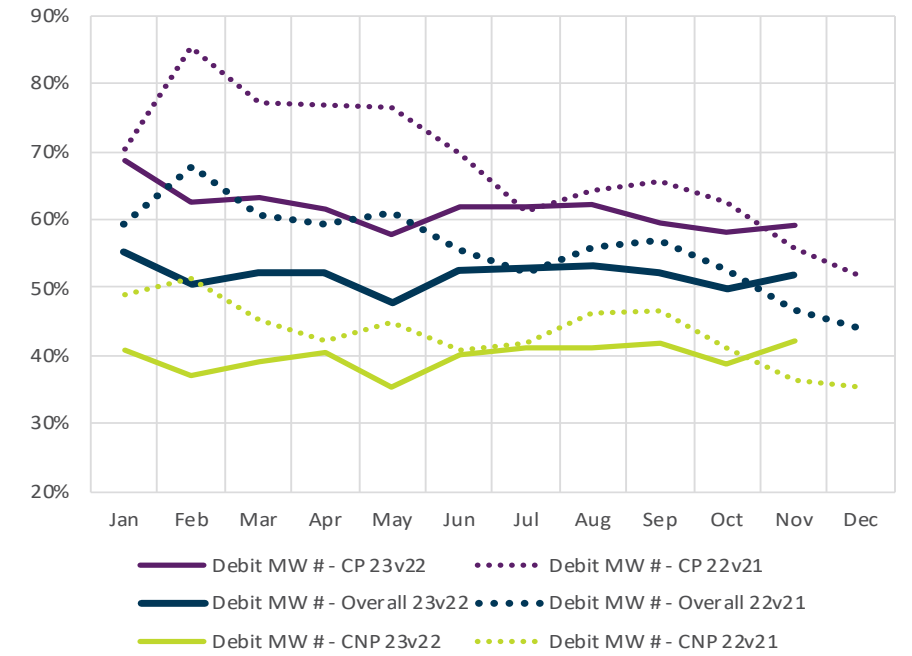
**MOBILE WALLET DEBIT TRANSACTIONS AS % OF OVERALL DEBIT TRANSACTIONS**  
November



**YOY % GROWTH IN MOBILE WALLET CREDIT TRANSACTIONS**  
November



**YOY % GROWTH IN MOBILE WALLET DEBIT TRANSACTIONS**  
November





## ABOUT THE PSCU PAYMENTS INDEX

The PSCU Payments Index provides timely insights, trend analysis and thought leadership on consumer payment preferences and behavior. Distributed monthly to financial institutions, the payments market and industry media, the PSCU Payments Index is designed to help credit unions make strategic, data-informed decisions on behalf of their members.

For current-year results, credit unions included in the PSCU Payments Index data set have been processing with PSCU from the start of 2021 through the most current complete month of 2023, enabling an accurate and relevant year-over-year same-store comparison (2023 vs. 2022, 2023 vs. 2021) for purchasing behaviors and data.

For the “same-store” population of credit unions over the past rolling 12-month period, the December edition of the Payments Index represents a total of 2.9 billion transactions valued at \$147 billion of credit and debit card activity from December 2022 through November 2023.

A library of past PSCU Payments Index reports and historical weekly Transactional Insights infographics and state/territory analyses are available on the [PSCU Payments Index site](#). To subscribe to the PSCU Payments Index and receive alerts when the Index is published each month, please visit the [PSCU Payments Index site](#).

*Note: As we become aware of new or changing market conditions, we may adjust merchant category code characteristics to portray the most accurate view of the consumer payments landscape.*

## ABOUT PSCU

PSCU, the nation’s premier payments CUSO and an integrated financial technology solutions provider, supports the success of more than 2,400 financial institutions and processes more than eight billion transactions annually. Committed to service excellence and focused on continuous innovation, PSCU’s payment processing, fraud and risk management, data and analytics, digital banking, strategic consulting and real-time payments platforms, along with 24/7/365 member support via its contact centers, help deliver personalized, connected experiences. The origin of PSCU’s model is collaboration and scale, and the company has leveraged its influence on behalf of credit unions and their members for more than 45 years. Today, PSCU provides an end-to-end, competitive advantage that enables credit unions to securely grow and meet evolving consumer demands. For more information, visit [psc.com](#).