

velera

# PAYMENTS INDEX

2025 Year in Review



# 2025 Year in Review

2025 began with expectations of economic progress, including hopes for easing inflation and continued job growth. Despite facing certain policy-driven headwinds and the impact of shifting trade dynamics, consumers demonstrated notable resilience throughout the year. This strength is reflected in their credit and debit card activity, as captured by the Velera Payments Index. In this Payments Index Special Report, we take a retrospective look at consumer spending trends and payment behaviors in 2025, summarizing credit and debit card activity among our credit union clients.

While inflation ended 2024 at 2.8%, there were ebbs and flows throughout 2025, with December 2025 ending at 2.7%. Inflation ranged from 3% in January to 2.2% in April. There was also a period when results were not reported due to the longest federal government shutdown in the nation's history – 43 days – which ended on Nov. 12.

The BLS [reported](#) that the overall unemployment rate for December was 4.4%, or 7.5 million people. This is up from the 4.1%, or 6.9 million people, reported for December 2024. Total job growth in 2025 was **584,000 jobs**, or a monthly average of 49,000 –

marking the lowest pace in the past 20 years, excluding recessions. For 2025, the sector with the largest increase in jobs was Health Services with 713,000 new positions. The federal government lost 274,000 jobs, mainly due to cuts implemented by the Department of Government Efficiency (DOGE).

2026 will certainly bring new economic inflection points, with both the upcoming appointment of a new Federal Reserve Chair once [Jerome Powell's term ends in May](#) and the mid-term elections in November.

## Credit and Debit Cards

Consumer spending gained momentum in 2025, outperforming the year's moderate economic growth and exceeding 2024 growth levels. Debit growth continued to outpace credit, with debit purchase dollars rising faster than transaction volume. Credit, by contrast, showed a narrower gap between the two measures, with purchase growth coming in slightly below transaction growth. Transaction volume growth for both credit and debit trailed the prior year. Debit purchases rose 5.3% year over year versus 1.7% for credit, while transaction growth was more subdued at 3.2% for debit and 1.8% for credit.

Sector contributions to spending growth were highly concentrated, with a few categories driving most of the gains across both credit and debit. Services led credit purchase growth, and Goods drove debit, contributing more than one-half and one-third of the growth, respectively. Goods added another sizable share to credit growth, and Money Services was a major contributor to debit. Travel and Gasoline weighed on credit purchases, while Food & Grocery and Travel modestly affected debit purchases. The Goods sector was the top contributor to transaction growth for both credit and debit, followed by Restaurants.

Non-discretionary categories, which represent the bulk of credit and debit activity, drove full-year purchase growth, rising 2.4% for credit and 5.4% for debit, with softer transaction gains of 2% and 3%. Discretionary credit activity contracted, as purchases fell 1.4% and transactions declined 0.2%, whereas discretionary debit posted robust increases of 4.6% in purchases and 5.5% in transactions, with discretionary transaction growth outpacing non-discretionary.



## Subscribe to the Velera Payments Index to Receive Monthly Insights

We hope that our financial institutions can leverage insights from this special edition of the Velera Payments Index to make informed, strategic decisions in the year ahead. To subscribe and receive updates when our monthly Payments Index is published, [click here](#).

We welcome questions and feedback on the Payments Index via [this link](#) or by scanning the QR code.

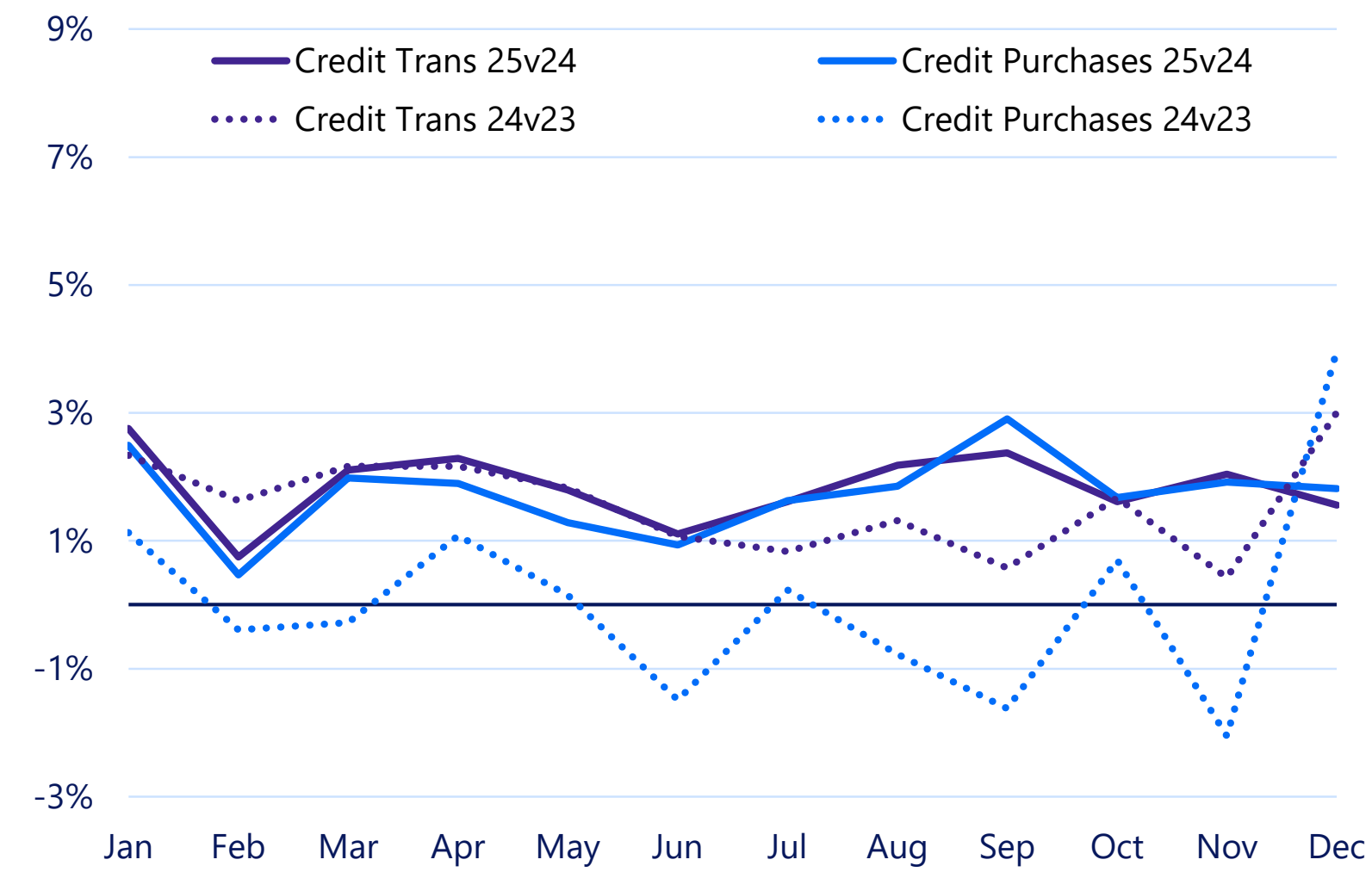




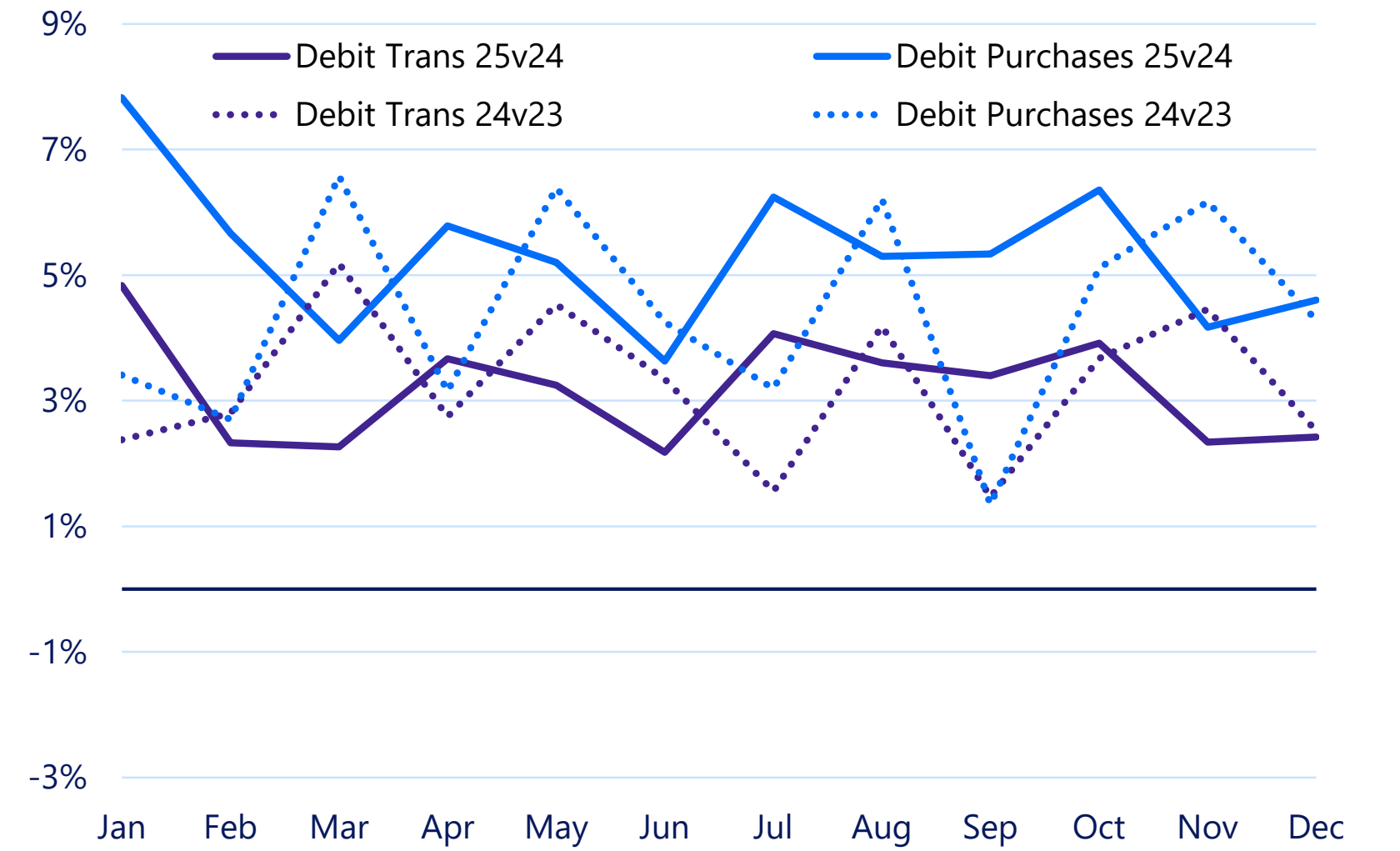
## Full Year 2025

	Credit		Debit	
	Transactions	Purchases	Transactions	Purchases
2025 v 2024	↑ 1.8%	↑ 1.7%	↑ 3.2%	↑ 5.3%
2024 v 2023	↑ 1.9%	— 0.0%	↑ 3.5%	↑ 4.5%

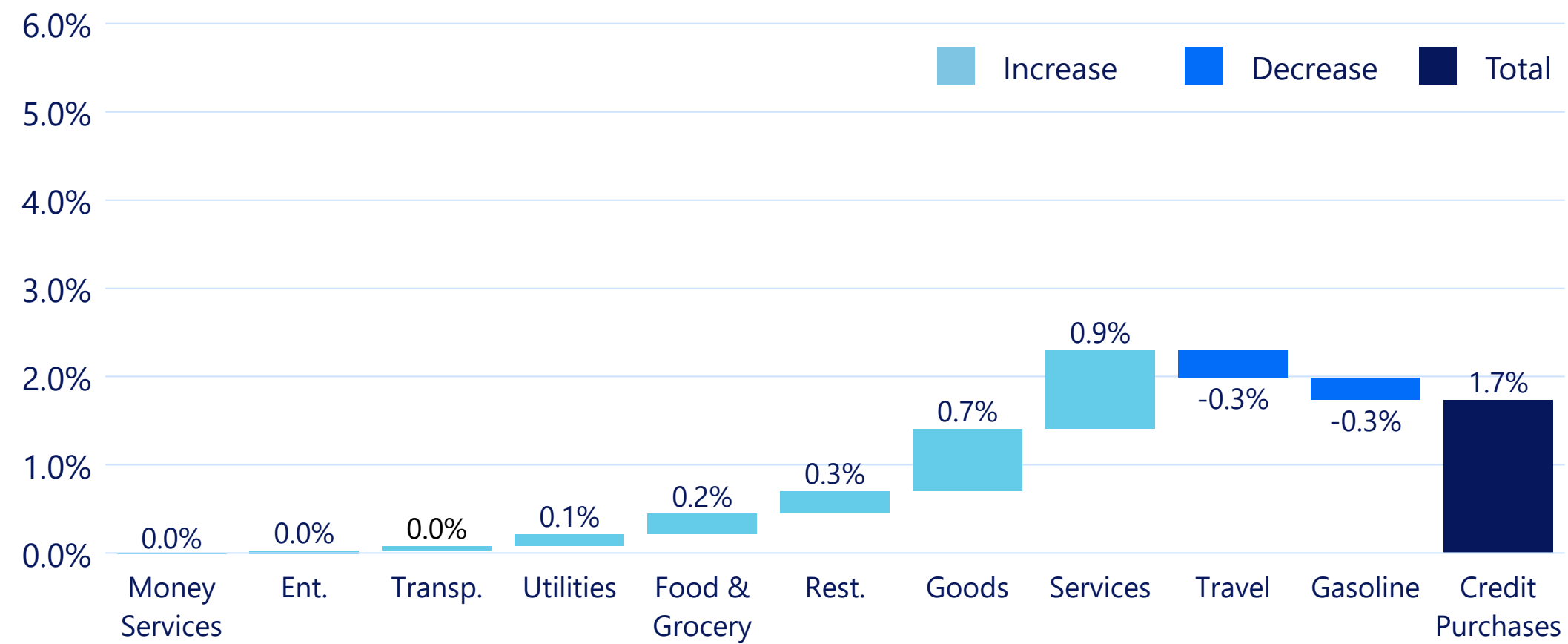
### Credit



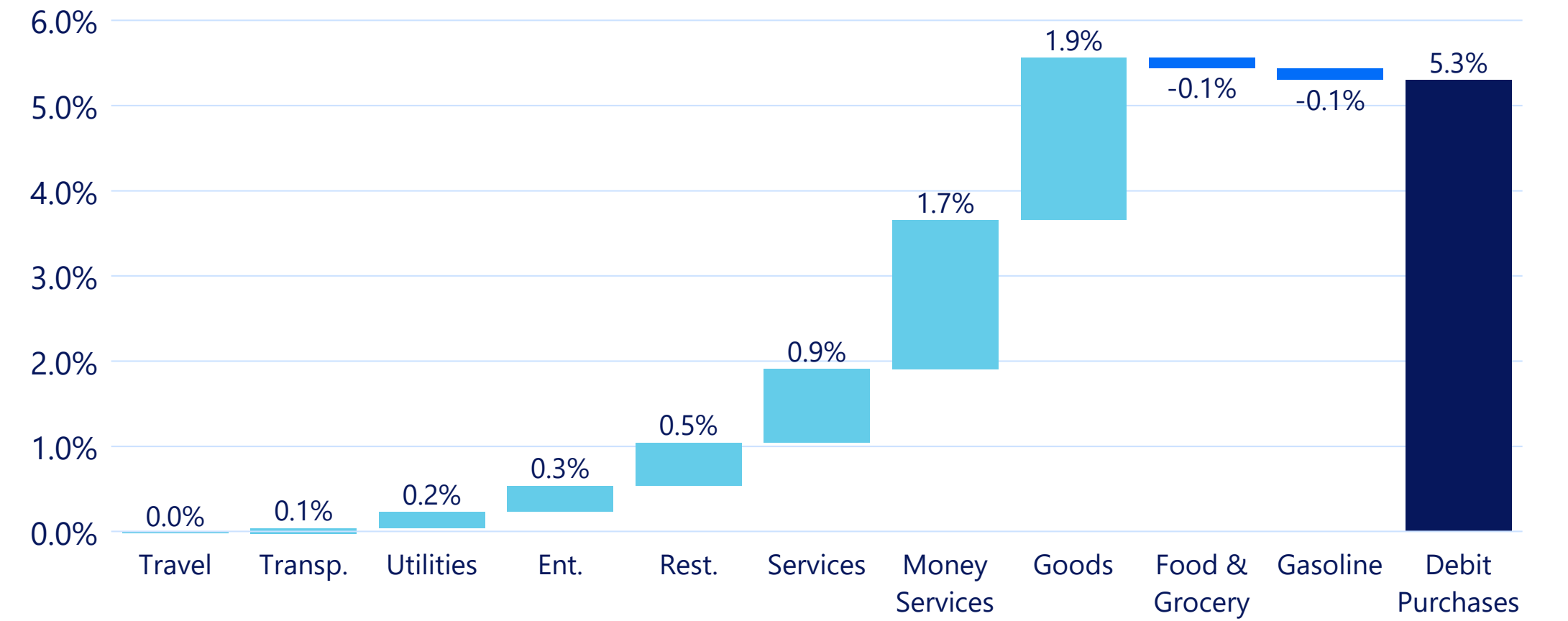
### Debit



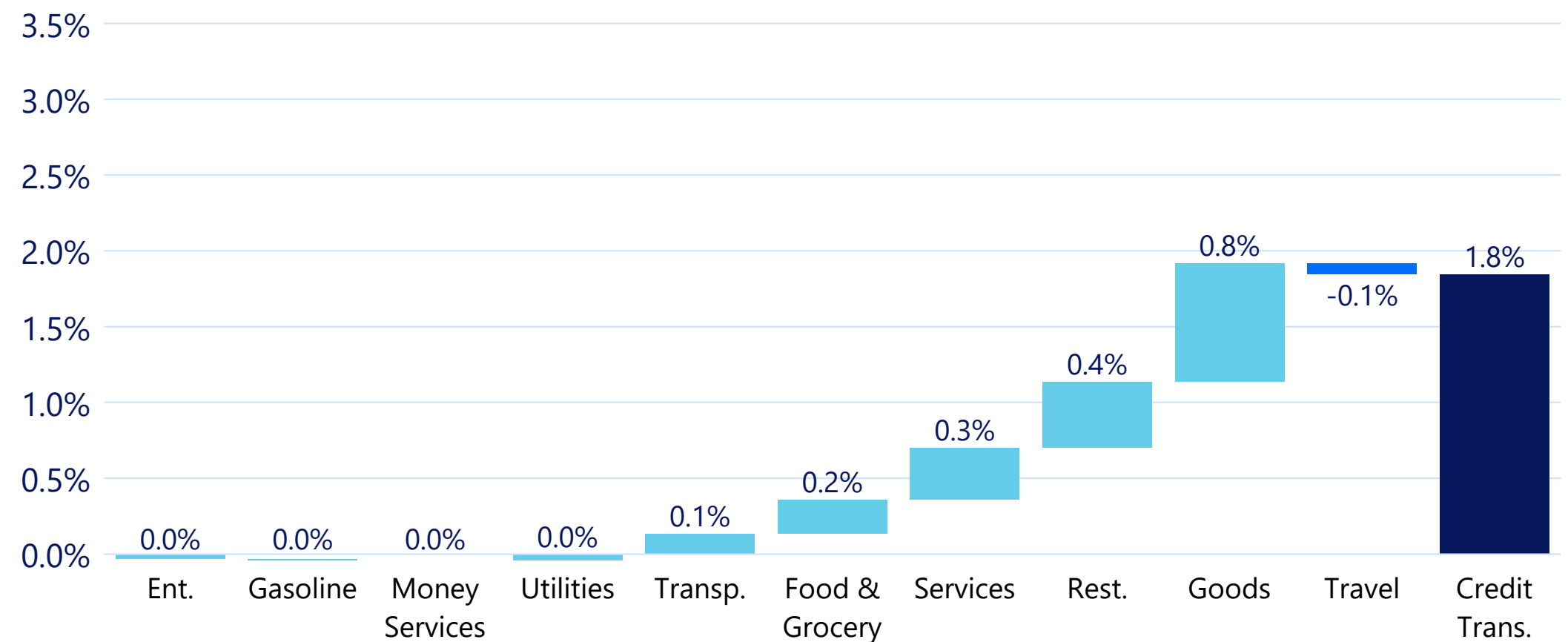
### Sector Contributions to Growth in Credit Purchases: Full Year 2025



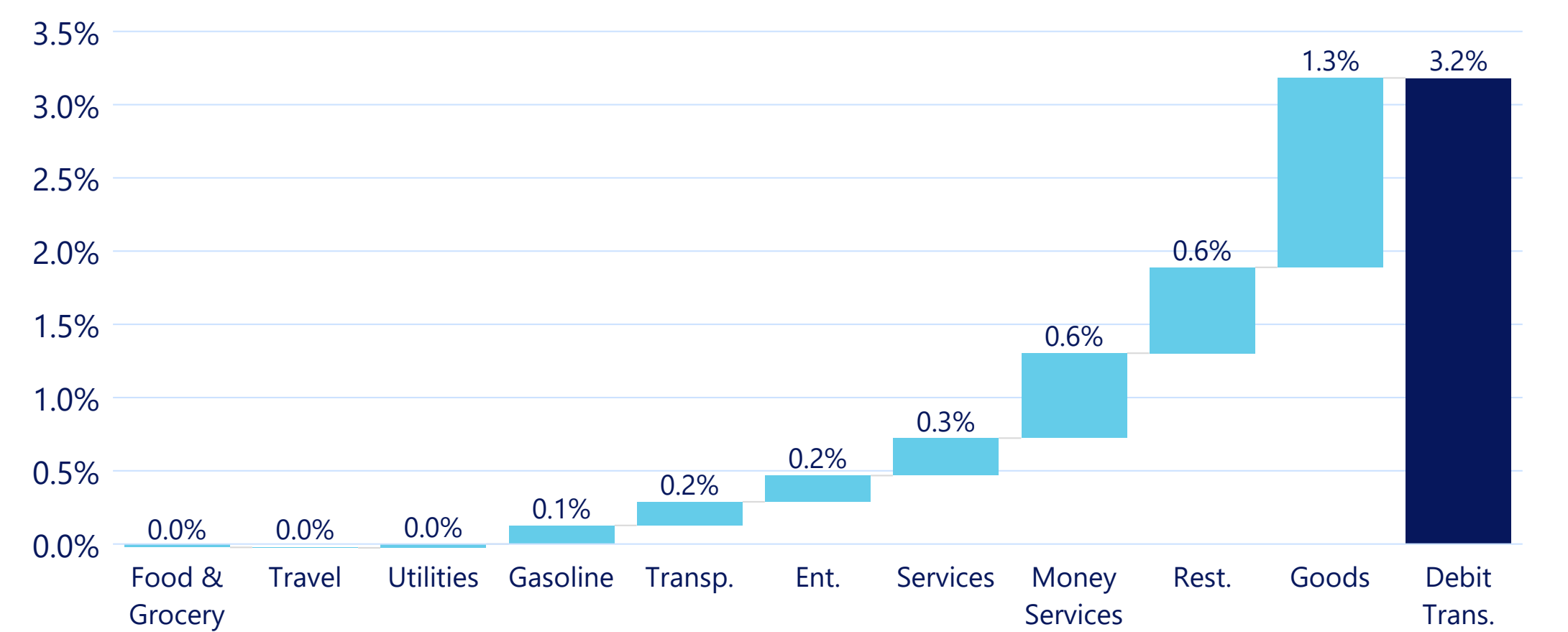
### Sector Contributions to Growth in Debit Purchases: Full Year 2025



### Sector Contributions to Growth in Credit Transactions: Full Year 2025



### Sector Contributions to Growth in Debit Transactions: Full Year 2025





## About the Velera Payments Index

The Velera 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 Velera 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 Velera Payments Index data set have been processing with our company from the start of 2023 through the most current complete month of 2025, enabling an accurate and relevant year-over-year same-store comparison (2025 vs. 2024, 2024 vs. 2023) for purchasing behaviors and data. When the credit union populations are reviewed and updated each year, some metrics may have a nominal change from previously posted results. Additionally, 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.

For the “same-store” population of credit unions over the past rolling 12-month period, this year-end 2025 edition of the Velera Payments Index represents a total of 3.5 billion transactions valued at \$178 billion of credit and debit card activity from January 2025 through December 2025.

## About Velera

Velera is the nation’s premier payments credit union service organization (CUSO) and an integrated financial technology solutions provider. With over four decades of industry experience and a commitment to service excellence and innovation, the company serves more than 4,000 financial institutions throughout North America, operating with velocity to help its clients keep pace with the rapid momentum of change and fuel growth in the new era of financial services. Velera leverages its expertise and resources on behalf of credit unions and their members, offering an end-to-end product portfolio that includes payment processing, fraud and risk management, data and analytics, digital banking, instant payments, strategic consulting, collections, ATM and POS networks, the Shared Branch network and 24/7/365 member support via its contact centers. For more information, visit [velera.com](https://velera.com).



### Subscribe to Receive Monthly Insights

A library of past Payments Index reports is available on the [Payments Index site](#). To subscribe to the Payments Index and receive alerts when the Index is published each month, please visit the [Payments Index site](#).