

velera

PAYMENTS INDEX

April 2026

Welcome to the six-year anniversary edition of the Veler Payments Index – our ongoing commitment to delivering timely insights into relevant consumer payment behaviors. Since launching in 2020 as a weekly snapshot of transaction activity during a period of unprecedented disruption, the Payments Index has evolved into a monthly view of the trends shaping today’s payments landscape. As consumer behavior continues to change, the Payments Index remains a reliable source of perspective and actionable intelligence.

Consumer activity remained strong in March, with ongoing growth in debit and credit card transactions and purchases. Despite skyrocketing gas prices since the start of the war with Iran, spending remained robust in the Goods, Services and Money Services sectors, fueled in part by [higher income tax returns](#) and some temporary relief from TSA bottlenecks during the partial government shutdown. Eroding consumer sentiment and [soaring inflation](#) – both driven by the war with Iran – are evident in key economic indicators, even as a temporary two-week ceasefire has offered limited stabilization.

Performance Snapshot: March 2026

Market/Economic Variables

91.8
Consumer Confidence Index
↑ Change 0.8 points

47.6
U of M Index of Consumer Sentiment
↓ Change 5.7 points

3.3%
Consumer Price Index
↑ Change 0.9%

2.6%
Core CPI (excl. Food/Energy)
↑ Change 0.2%

132,398,000
ADP National Employment Report
↑ Change 62,000

178,000
BLS/Job Growth
↑ WSJ Economists survey expected +59k

4.3%
Unemployment Rate
↓ Change 0.1%

3.5-3.75%
Federal Reserve Interest Rate
— Unchanged

Payments Index Growth

Purchases

2026 v 2025

Credit
↑ **4.8%**

Debit
↑ **5.9%**

2025 v 2024

Credit
↑ **2.0%**

Debit
↑ **4.0%**

Transactions

2026 v 2025

Credit
↑ **3.6%**

Debit
↑ **3.4%**

2025 v 2024

Credit
↑ **2.1%**

Debit
↑ **2.3%**



In our April 2026 edition of the Velera Payments Index, we present our quarterly metrics update, including credit card balances, delinquencies and mobile wallet activity, along with check-ins on gasoline consumption and credit card balance transfers.

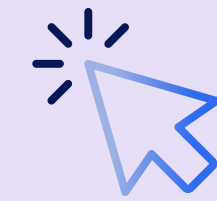
In its preliminary April 2026 results, the University of Michigan [Index of Consumer Sentiment](#) dropped 11% from March (56.6), posting a 5.7-point loss to 47.6. All demographics (age, income and political party) posted declines in sentiment. Many consumers blame the war in Iran for unfavorable economic conditions, according to open-ended survey comments.

For March, the Conference Board reported that consumer sentiment inched higher in the [Consumer Confidence Index](#), up 0.8 points to 91.8. While there was a modest improvement in three of the five components of the index, the overall score has declined since 2021.

The Bureau of Labor Statistics (BLS) [reported](#) that jobs grew by 178,000 positions in March. The unemployment rate ticked down to 4.3%, or 7.2 million people. The [WSJ poll of economists](#) forecast job growth of 59,000 for March, which was 119,000 below what materialized. March job gains were primarily in health care and construction, as well as transportation and warehousing, while job losses in the federal government continued for the month. The March [ADP jobs report](#), which tracks changes in U.S. private employment, reported an increase of 62,000 jobs, mostly centered on the education and health services, construction and information sectors. Job reductions were noted in the trade, transportation and utilities, and manufacturing sectors. Most of the growth was found in small-sized companies (1-19 employees) within the ADP payroll population, which represents more than 26 million U.S. private-sector employees.

For March, the BLS [reported](#) a 0.9% increase in inflation, increasing the 12-month Consumer Price Index (CPI) to 3.3%. The Energy index was the largest contributor to the monthly increase, up 10.9%. Gasoline, as part of Energy, was up 21.2% and accounted for nearly 75% of the overall increase. Core CPI, which excludes food and energy, rose 0.2% in March, finishing the month at 2.6%. Categories contributing to the Core CPI increase included airline fares, apparel, household furnishings and operations, education and new vehicles. March also saw declines in medical care, personal care and used cars and trucks.

The Federal Reserve left interest rates unchanged in the meeting that concluded on March 18. The U.S. Gross Domestic Product (GDP) for the fourth quarter of 2025 was revised to 0.5%. Consumer spending accounts for just over two-thirds of GDP and was revised downward to 1.9% from 2%. One of the primary factors in the lower Q4 GDP (+0.5%) compared to the 2025 Q3 GDP (+4.4%) was the U.S. government shutdown. With erratic job growth and the economic impacts of the war with Iran, the Federal Reserve will need to balance the swift inflationary growth from energy prices and job growth. The next FOMC meeting concludes on April 29.



Subscribe to the Velera Payments Index to Receive Monthly Insights

We hope that the insights from the Velera Payments Index continue to help our financial institutions make informed, strategic decisions. To subscribe and receive updates when the report is published, [click here](#).

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





"Consumers are still showing up and spending, even with many factors weighing on how they feel about the economy. Surging gas prices, elevated inflation and overall uncertainty have not stopped spending activity – but they are changing behavior. We're seeing consumers be more intentional about how they pay and spend, including continued notable growth in digital wallets. At the same time, Buy Now, Pay Later has gone mainstream as a budgeting tool, not just a checkout convenience."

Denise Stevens

EVP, Chief Product & Technology Officer, Velera

Key Takeaways for March 2026

- Increases in tax refunds helped offset the impact of surging fuel prices as year-over-year growth in transactions and purchases for March remained strong for both debit and credit. Debit purchases increased by 5.9%, with the Money Services and Goods sectors accounting for almost two-thirds of that growth. Credit purchases were up 4.8%, with the Goods and the Service sectors accounting for 63% of the entire increase. In March, debit transactions were up 3.4% and credit transactions rose by 3.6%.
- The Consumer Price Index surged 0.9% in March, taking the 12-month inflation rate to 3.3% and marking the largest increase in two years. Gasoline was the primary driver, accounting for roughly 75% of the increase. This was the first inflationary update since the war with Iran began.
- Increased gasoline prices accounted for roughly 15% of the growth in debit and credit purchases for March. The average per-gallon price of gasoline is up 40%, or \$1.19, since the war started in February and is up 30%, or \$0.96, year over year. Our data shows increased gasoline consumption in the weeks since the war began.
- Digital wallets continued to gain momentum. In March 2026, digital wallets accounted for 12.6% of all debit transactions, up from 10.2% a year earlier, and 7.3% of all credit transactions, up from 5.6% a year earlier.

Checking In: Gasoline Consumption

At the time of publication, the average price in the U.S. for a gallon of gasoline was \$4.12, up \$1.19 or 40% since the end of February 2026. While the prices are up, our check-in this month is focused on consumer demand. Have consumers changed their behavior due to higher gasoline prices? Our data shows the opposite.

Based on gasoline purchases at automated fuel dispensers (AFDs), we estimate weekly gasoline consumption using the median gasoline price for all blends as published by the [Energy Information Administration](#). To illustrate the weekly demand of gasoline purchased from AFDs, we indexed these values to January 2024. Weekly demand typically increases from the start of the year and peaks in late June/early July. For gas purchased in 2025 via credit cards, the index value of gasoline demand peaked at roughly 123, 23% higher than the demand in January 2024 (where the indexed value =100). For gasoline demand purchased with debit cards, the index value reached a peak of 117, 17% above January 2024 levels.

We see that the indexed weekly volume of gasoline purchased at AFDs has been higher since the start of the war in late February for both debit and credit card purchases.

For March, monthly Gasoline sector purchases were up 14.1% on debit and up 18.1% on credit. Gasoline transactions were up 5% on debit and 5.2% on credit when compared to March 2024. The Gasoline sector comprises purchases of both transactions at the pump (AFDs) and inside the service station, which could include other merchandise (e.g., coffee and snacks). We see that while AFDs lead the pack in both purchases and transactions, service station activity is also up, albeit in single-digit year-over-year growth.

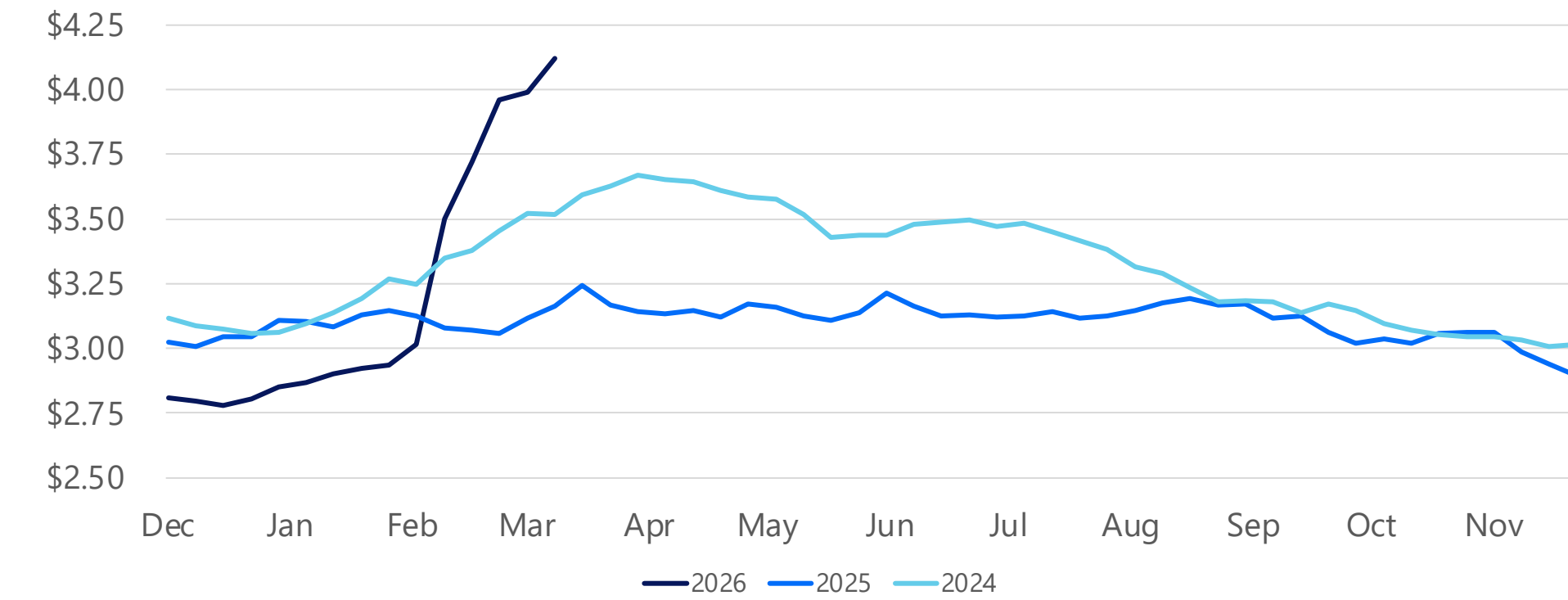
In summary, with higher gasoline prices, consumers appear to be purchasing more gallons and making more transactions than in March 2025, at least in the short term. We will continue to monitor consumption as we head into the summer months, when peak activity in the gas sector is expected.



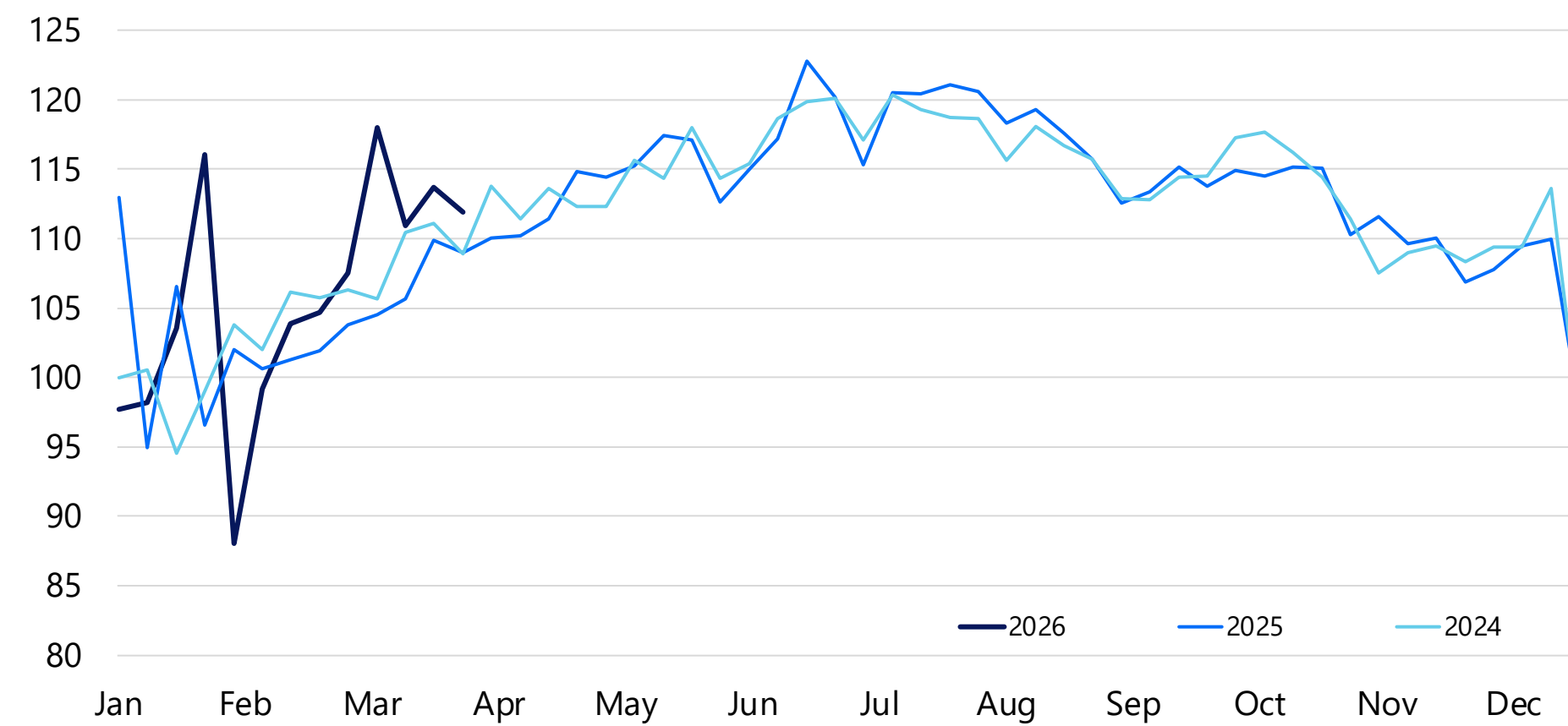
Year-Over-Year Growth in the Gasoline Sector, March 2026

	Credit		Debit	
	Transactions	Purchases	Transactions	Purchases
Gasoline	5.2%	18.1%	5.0%	14.1%
AFDs	5.1%	21.7%	5.3%	19.7%
Service Stations	5.5%	8.1%	4.9%	7.2%

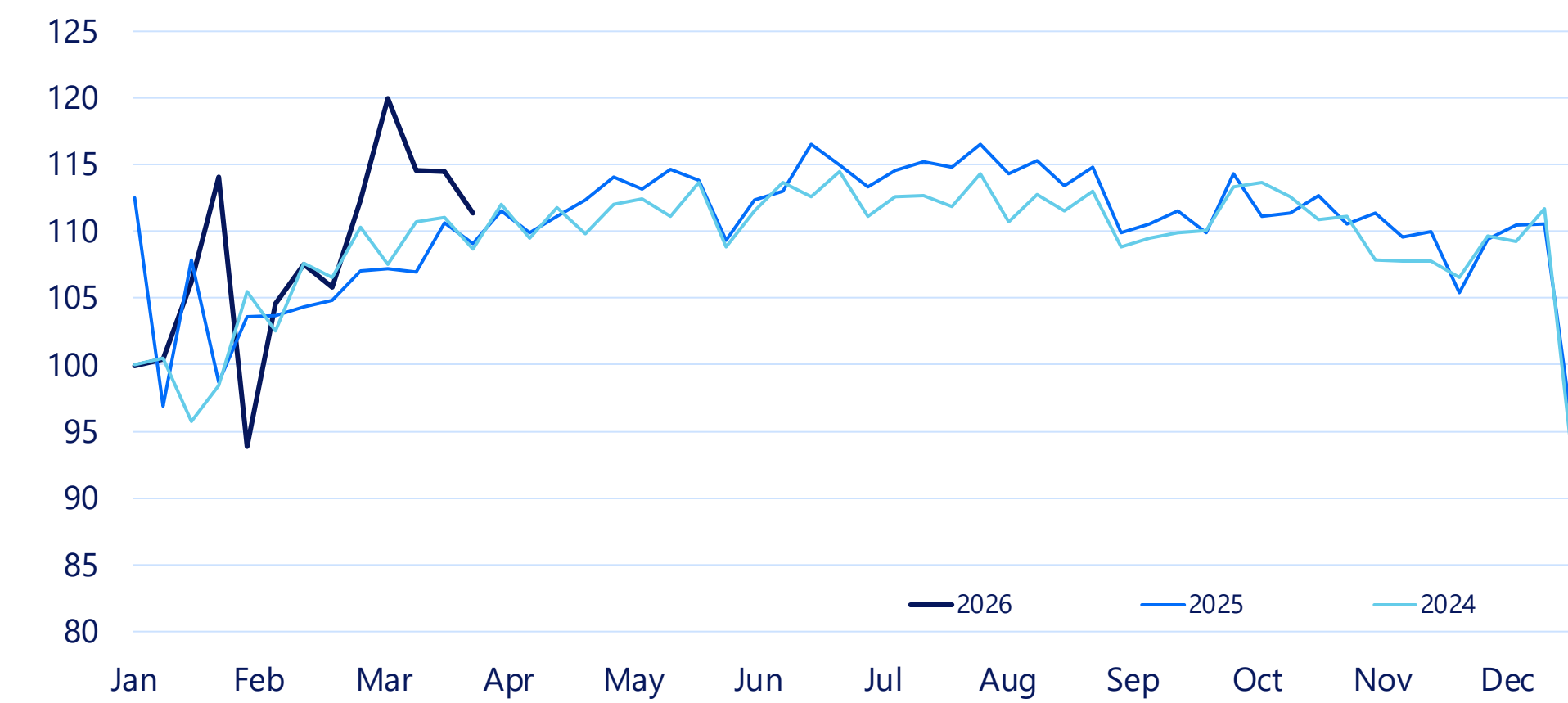
Average Price per Gallon of Gasoline (Regular, All Areas, All Formulations)



Weekly Gallons Purchased at AFDs on Credit Cards Indexed to the Start of January 2024



Weekly Gallons Purchased at AFDs on Debit Cards Indexed to the Start of January 2024



Checking In: Balance Transfers

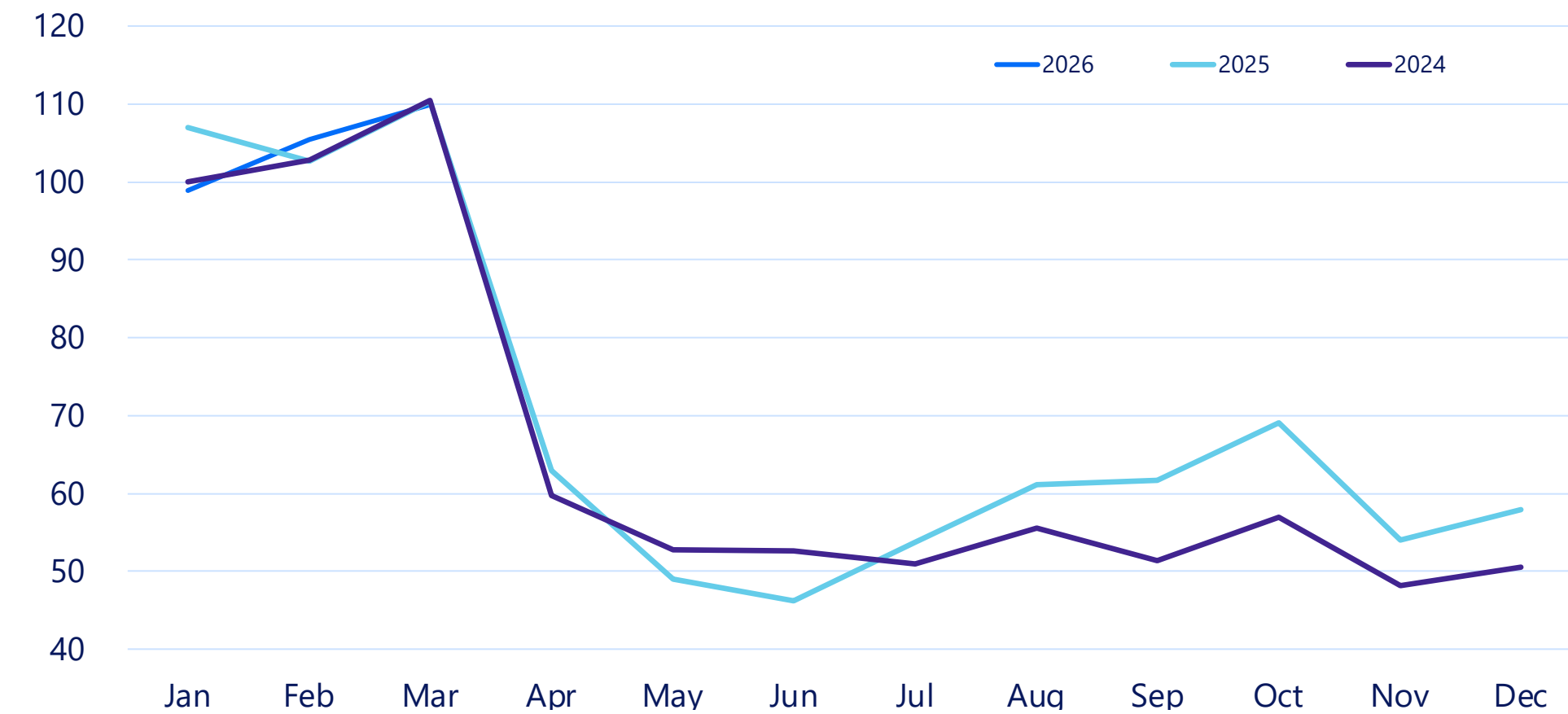
The first quarter of each year remains the peak month for balance transfer/convenience check usage. Whether used to pay off high interest rate credit cards from holiday spending or to pay taxes owed, they remain a useful and appreciated tool for members. We consistently see an annual cycle with elevated activity in the first three months of each year, but in 2025, there was also an uptick in monthly transferred dollars from August through the end of the year. To illustrate this point, we indexed the monthly dollars transferred to January 2024 (which equals 100). The March indexed peak for each of the past three years is 110.

Year over year, the number of balance consolidation transactions was flat at 0% when compared to March 2025. For those who used balance transfers in March 2026, the average balance transfer amount was \$4,917, up \$6 compared to 2025.

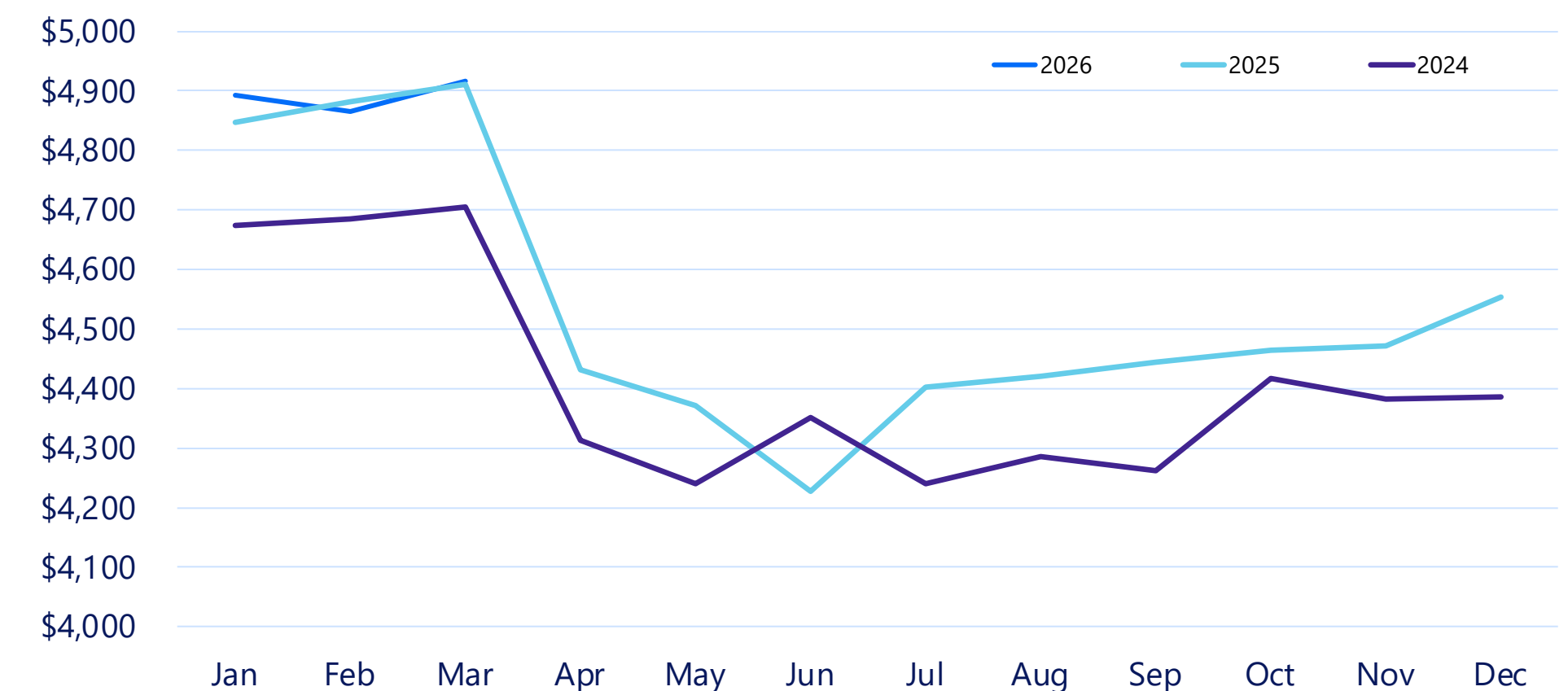
Indexed Scores

Indexed scores represent a measure of change relative to the baseline – in this case, the total balance transfer dollars for January 2024, which is set to equal 100. Here we show the monthly change relative to the January 2024 baseline. The March 2026 indexed value was 110, a 10% increase from the January 2024 baseline.

Total Monthly Balance Transfer Dollars Indexed to January 2024

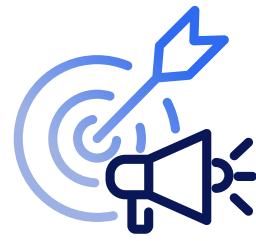


Average Credit Card Balance Transfer



Opportunities to Act On: What Credit Unions Should Do Now

Boost Top-of-Wallet Behavior with Strategic Awareness Campaigns



Awareness campaigns are a cost effective way to keep your card top of mind without relying on incentives. By highlighting your financial institution's benefits and core card features, you reinforce everyday relevance and strengthen top-of-wallet behavior. Velera's Portfolio Marketing & Communications offers several credit and debit awareness marketing campaigns for July, including Amazon Awareness, Digital Wallet, Recurring Payments, Everyday Purchases and Fraud Protection. To participate, enroll by May 1 for a July 15 launch.

Drive Seasonal Payment Growth with Targeted, Data-Driven Engagement



Targeted engagement is essential to a strong payments strategy. Using data-driven insights to deliver timely, seasonal campaigns helps credit unions boost payment activity, deepen relationships and deliver meaningful value. Usage campaigns efficiently influence cardholder behavior during high-spend periods like back-to-school. Velera's Back-to-School Spend-and-Get Campaign supports members during this peak spending window while encouraging increased card usage through a compelling cash-back offer. Enrollment closes May 15, and the campaign runs Aug. 1-Sept. 30.

Elevate Member Engagement Through Proactive, Personalized Interactions



Payments are among the most frequent touchpoints members have with their credit union, making engagement a powerful driver of loyalty. Proactive, personalized interactions – such as financial education and wellness guidance, loyalty-building rewards and promotion of digital banking capabilities – strengthen member connections and long-term value. Velera's Predictive Analytics, Marketing Engagement Platform and Advisors Plus Consulting team help enable credit unions to turn everyday payment moments into deeper, more meaningful relationships.

Contact your Client Growth Executive for further details or to explore how Velera can support your credit union with these opportunities.

Credit Card Balances

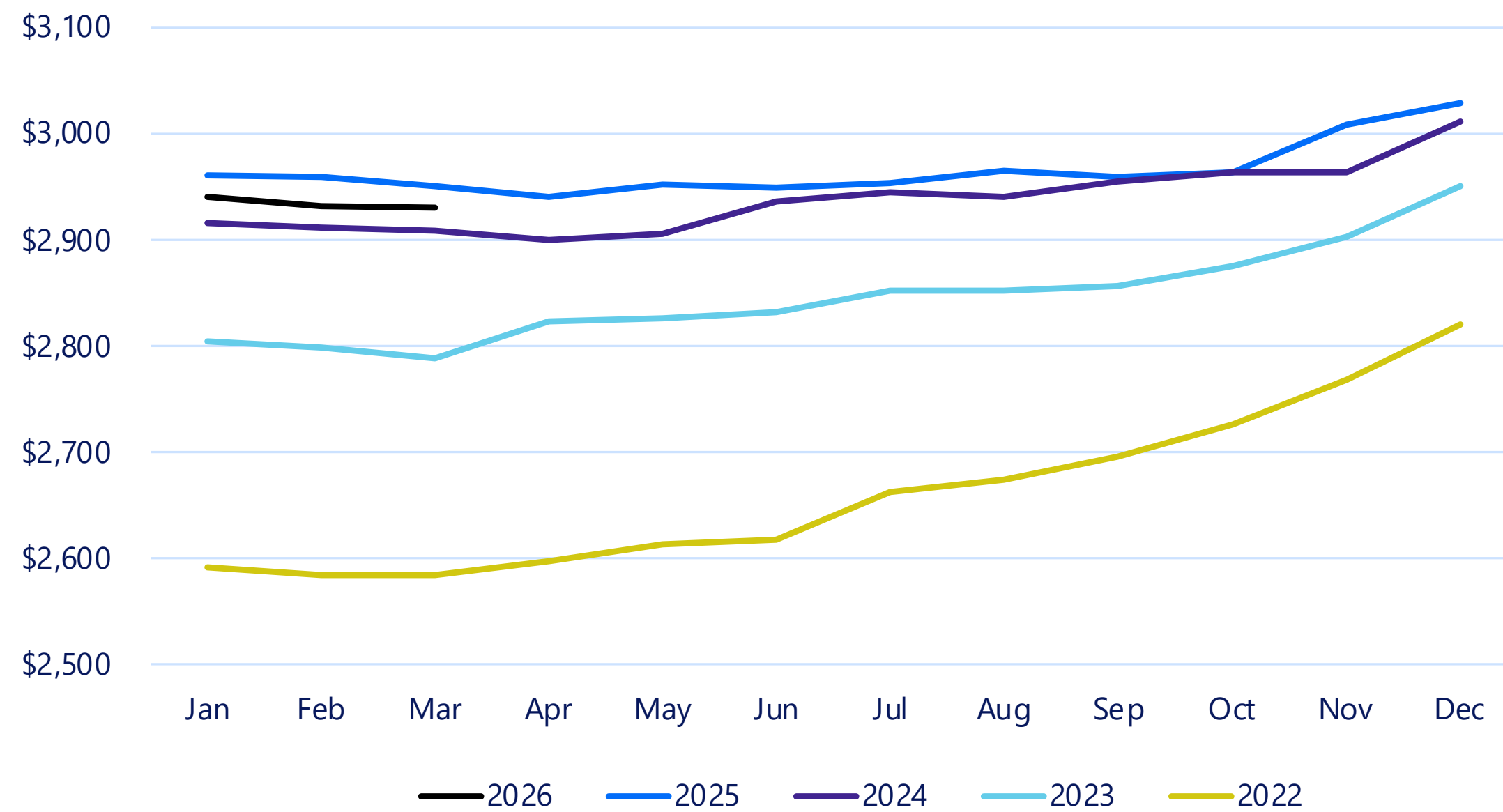
Credit card balance trends have softened during the first quarter of 2026, trailing the same period in 2025. In March, the average balance among gross active accounts was \$2,930, down 0.7% (or \$21) from a year

earlier. Total credit card balance growth was also negative, declining 1.5% year over year.

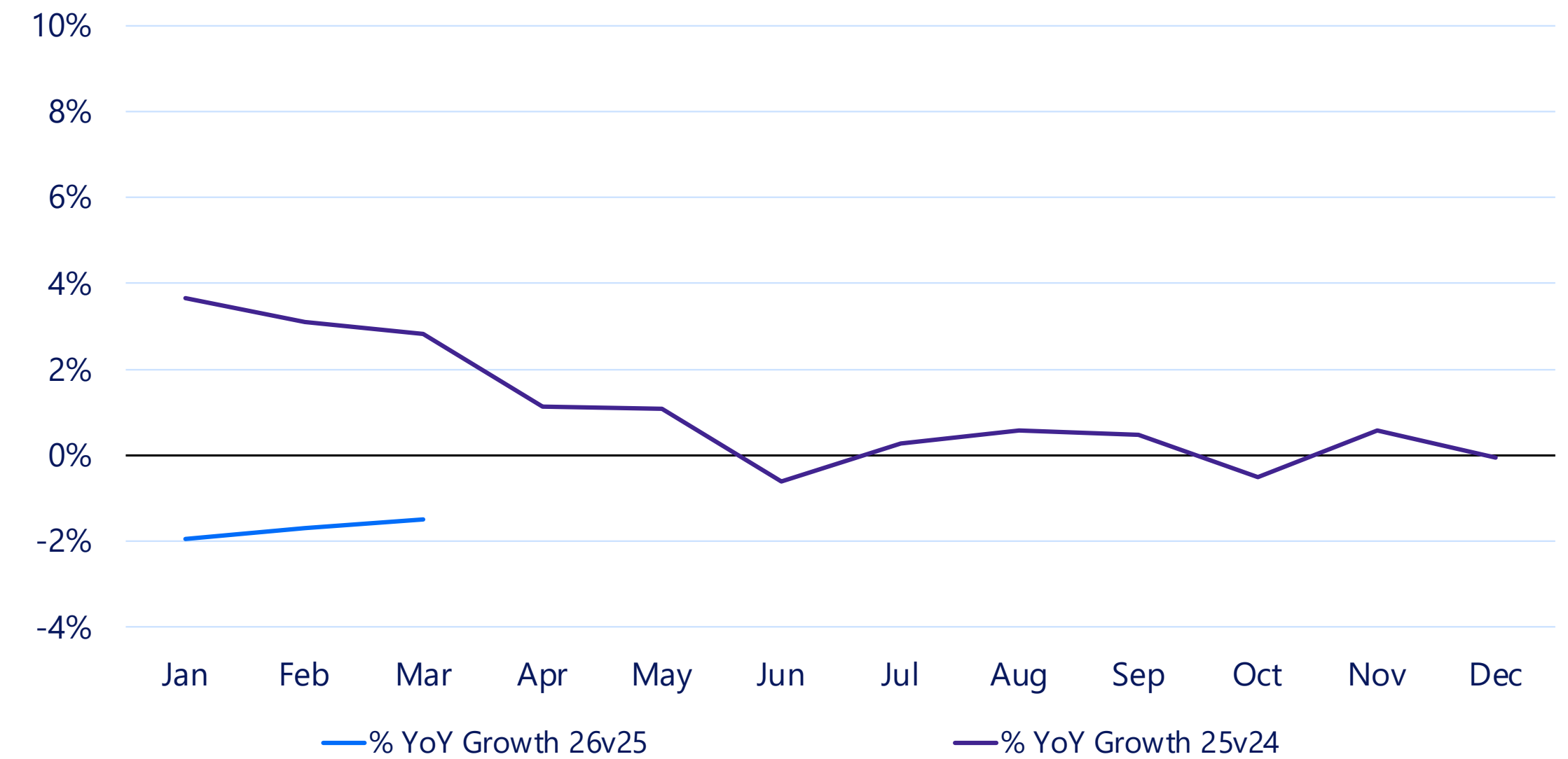
This moderation reflects not only typical holiday spending paydown, but also a meaningful shift in consumer cash flow. [IRS data](#) shows the average tax refund is up 11% (or \$350) from last year, reaching \$3,521 as of late March. Consumer intent aligns with this trend: 34% of filers plan to use their refund to pay down debt, according to a [LendingTree](#) survey.



Average Credit Card Balances per Gross Active Account



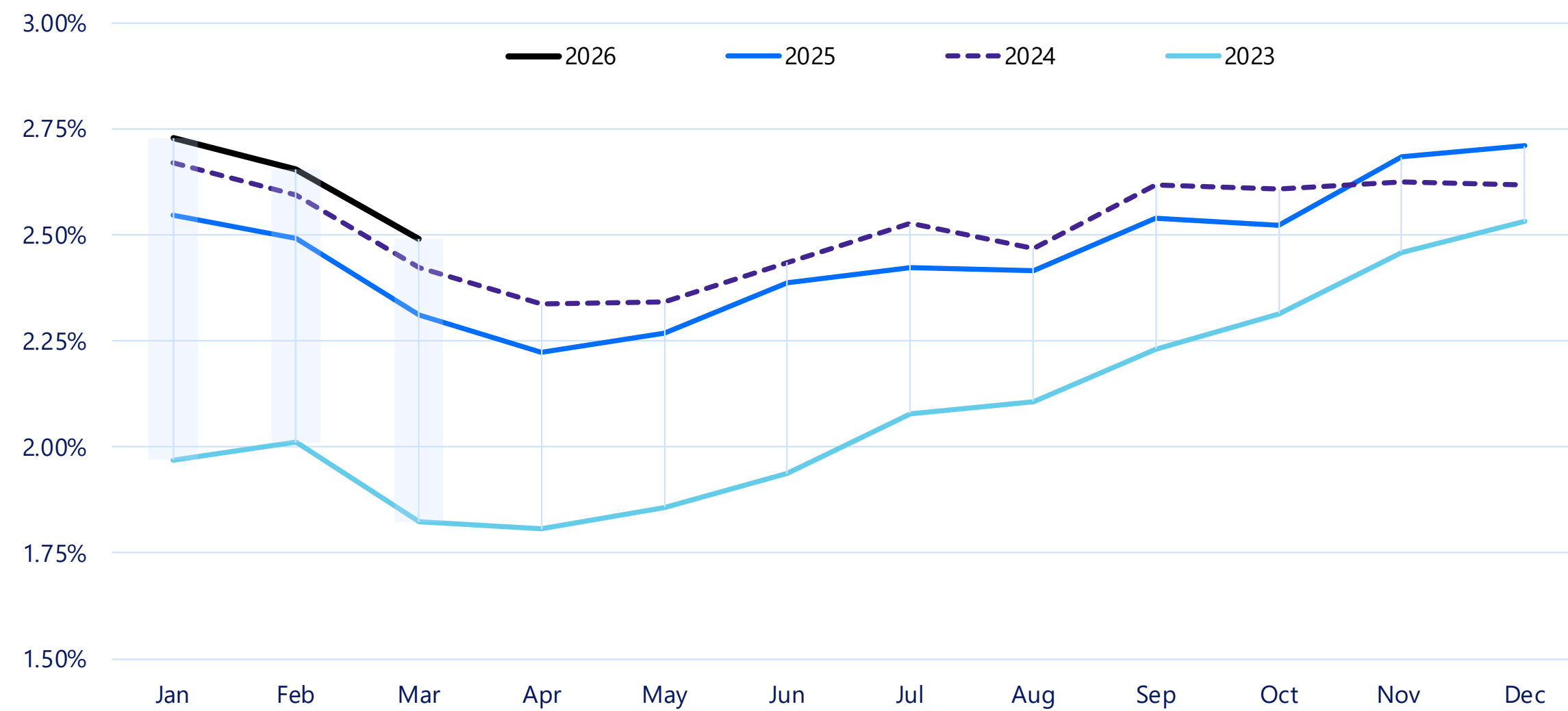
Percentage Change in Total Credit Card Balances



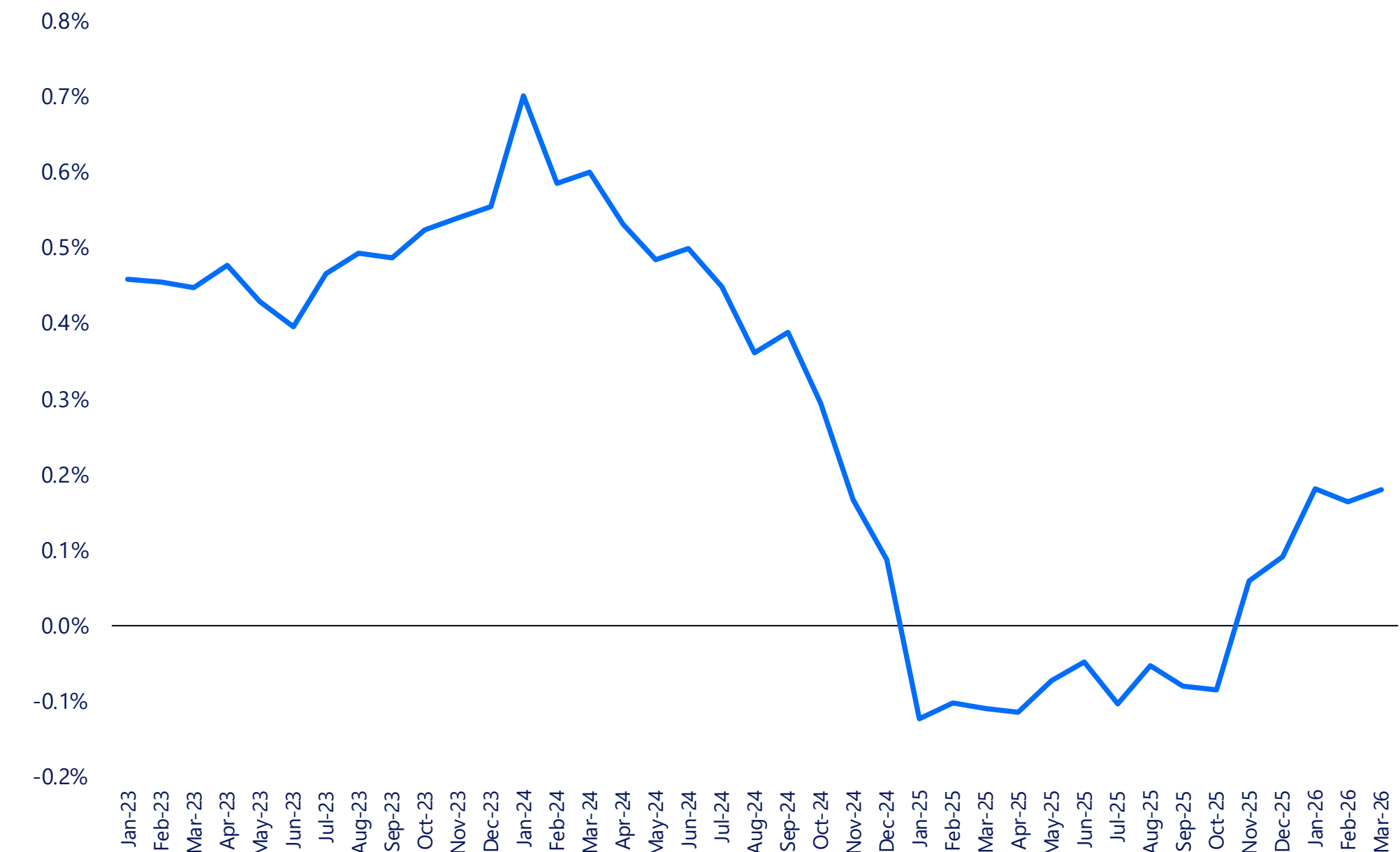
Credit Card Delinquencies

During the first quarter of 2026, the credit card delinquency rate followed the typical pattern of gradual improvement after peaking in January. In March, the delinquency rate stood at 2.49%, up 18 basis points (or 7.8%) from a year earlier and 16 basis points lower than the January level of 2.73%.

Overall Credit Card Delinquency Rate: March 2026



Year-Over-Year Change in Delinquencies Beginning January 2023



Credit and Debit Cards

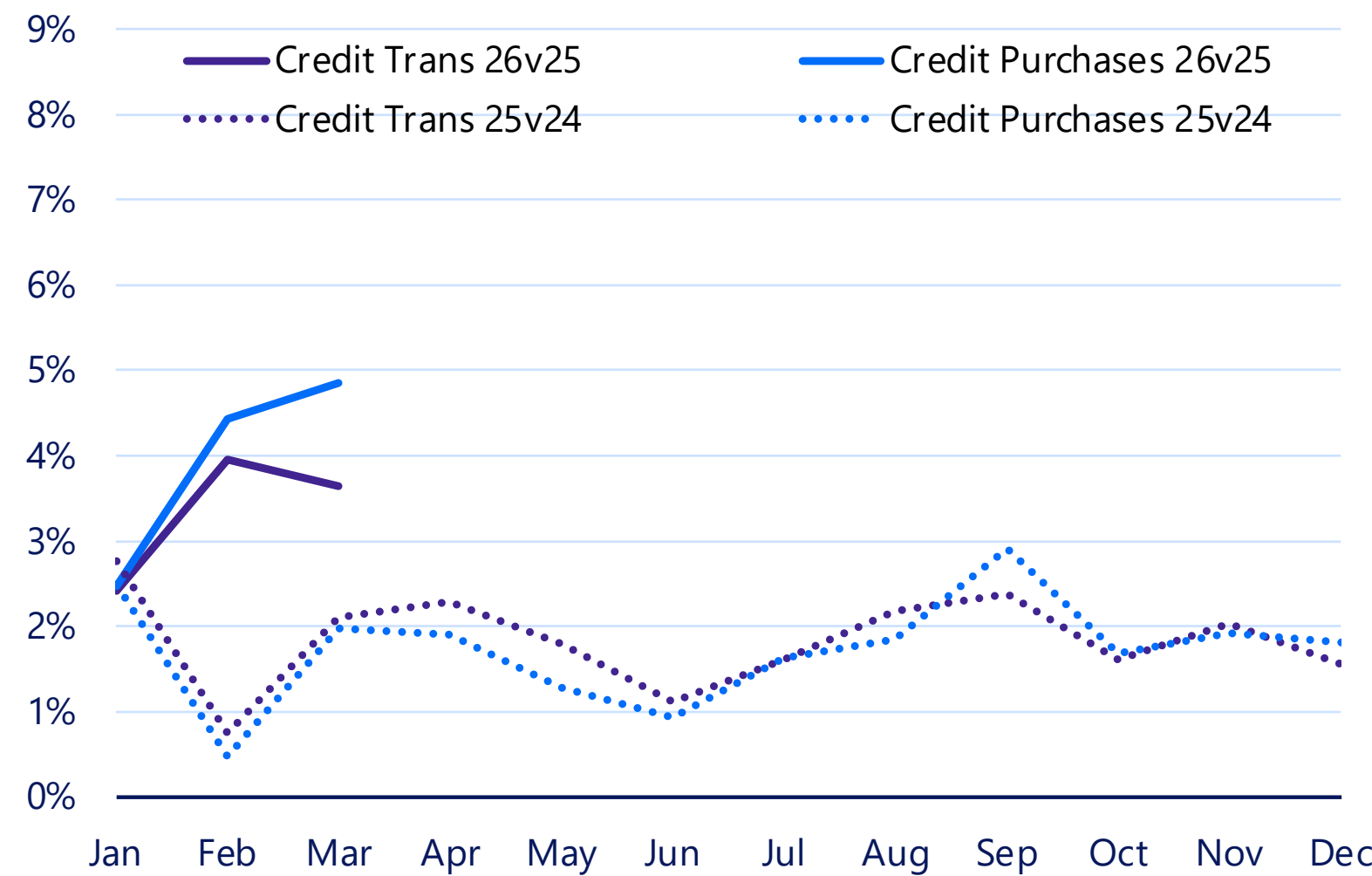
Credit and debit card activity remained strong in March, supported in part by tax refunds and spring break-related spending. Credit purchase growth accelerated to a recent high of 4.8% year over year, as transaction volumes increased 3.6%. Debit spending rose 5.9% year over year, while transactions climbed 3.4%.

The following sectors drove March's payments performance. For credit, the Goods sector accounted for one-third of purchase growth, with Services contributing another 29%. On the debit side, Money Services remained the dominant contributor at 39%, while Goods added 25%. Notably, the Gasoline sector, typically not a major growth engine, was the third-largest contributor to both credit and debit purchases, as fuel-related spending played a more prominent role in March amid a sharp rise in gas prices. Across both payment types, Goods was the largest contributor to transaction growth.

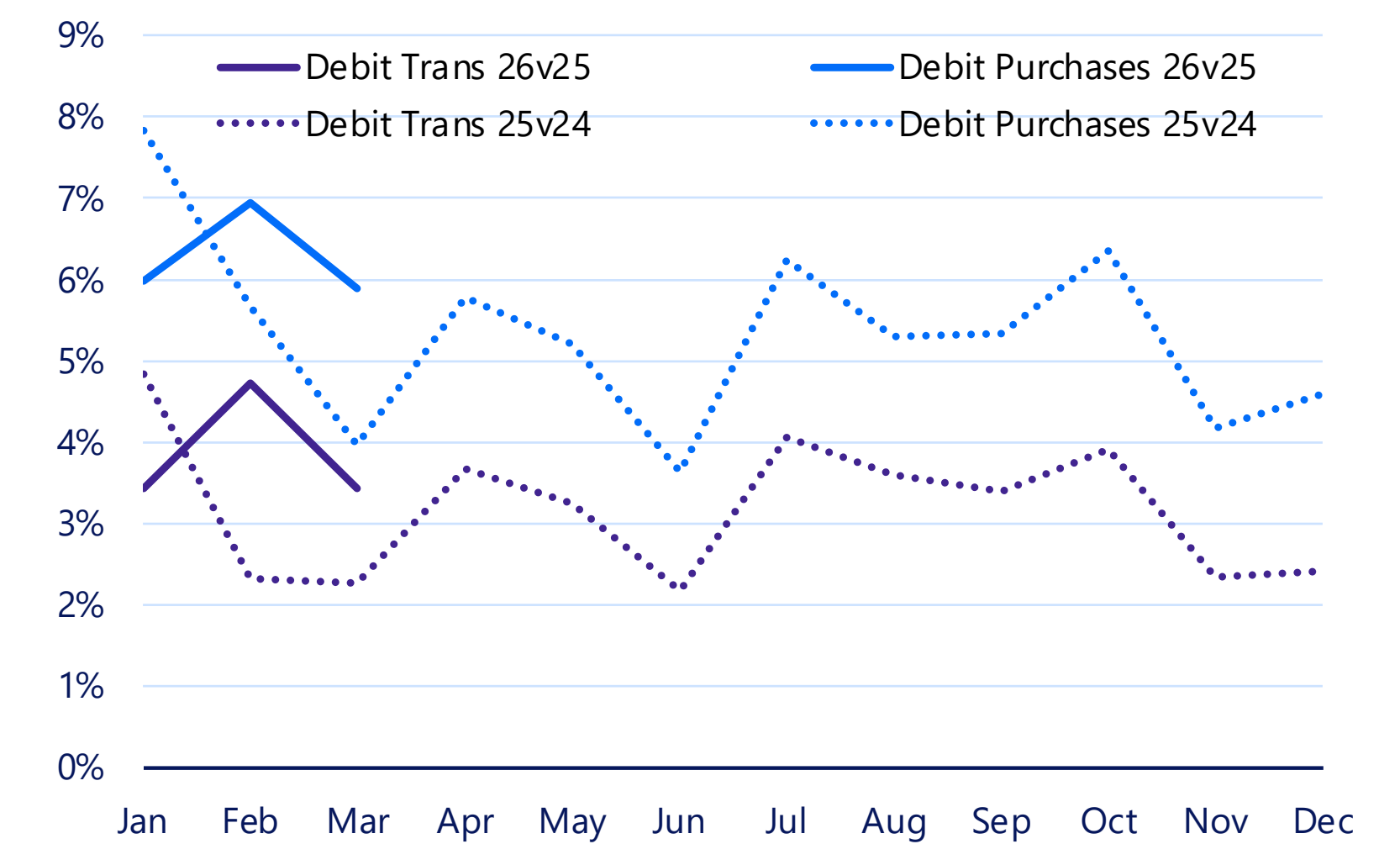
Month of March 2026

	Credit		Debit	
	Transactions	Purchases	Transactions	Purchases
2026 v 2025	↑ 3.6%	↑ 4.8%	↑ 3.4%	↑ 5.9%
2025 v 2024	↑ 2.1%	↑ 2.0%	↑ 2.3%	↑ 4.0%

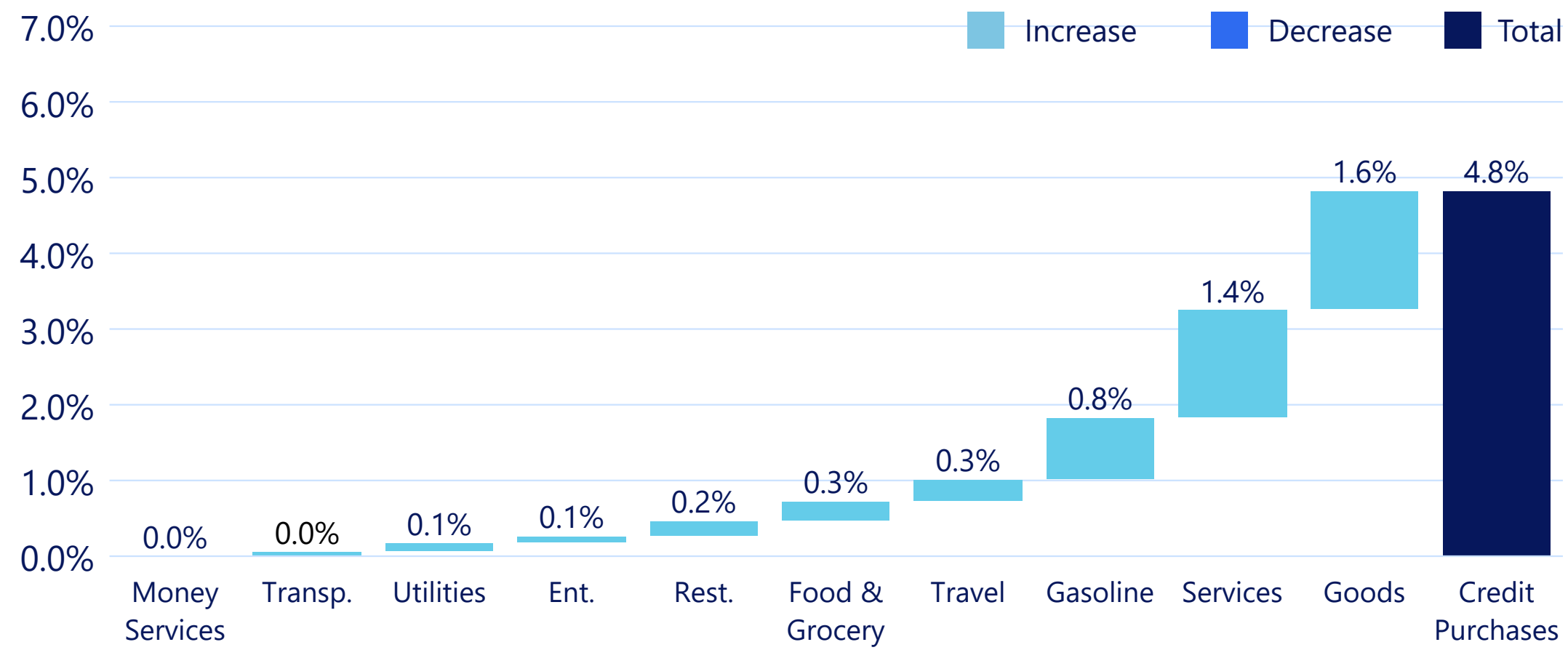
Credit



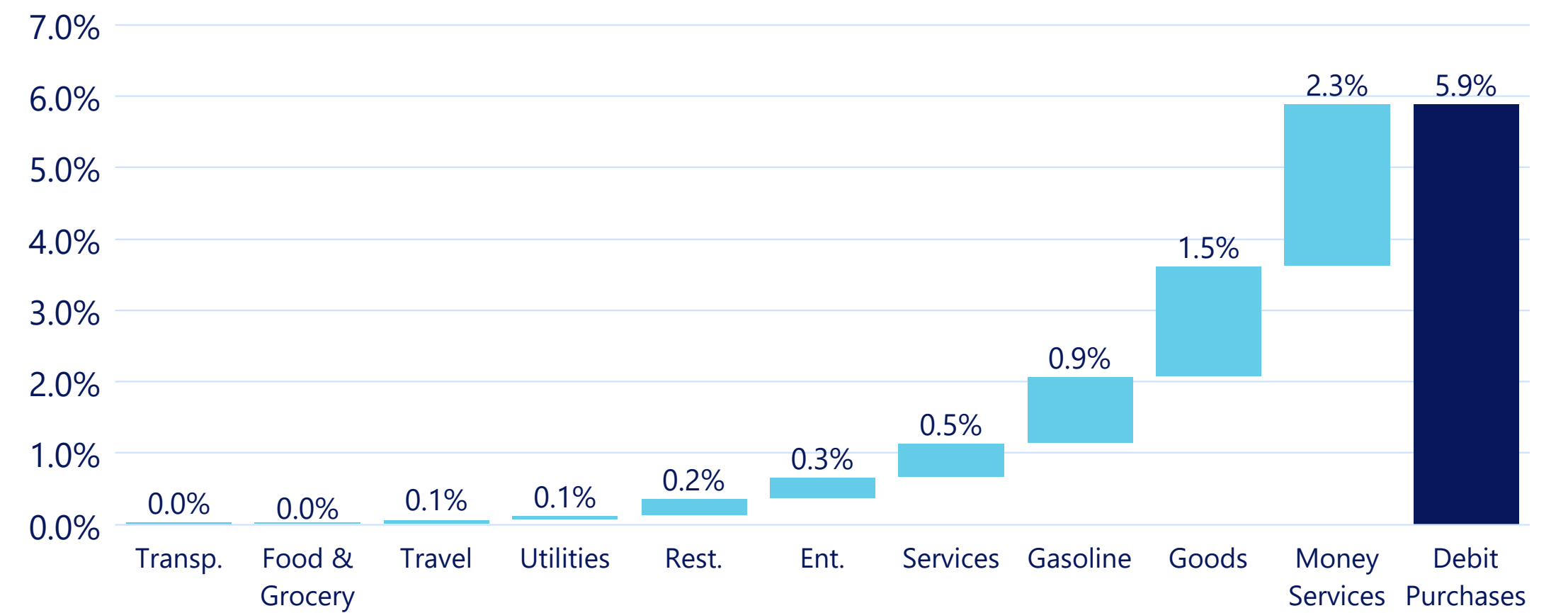
Debit



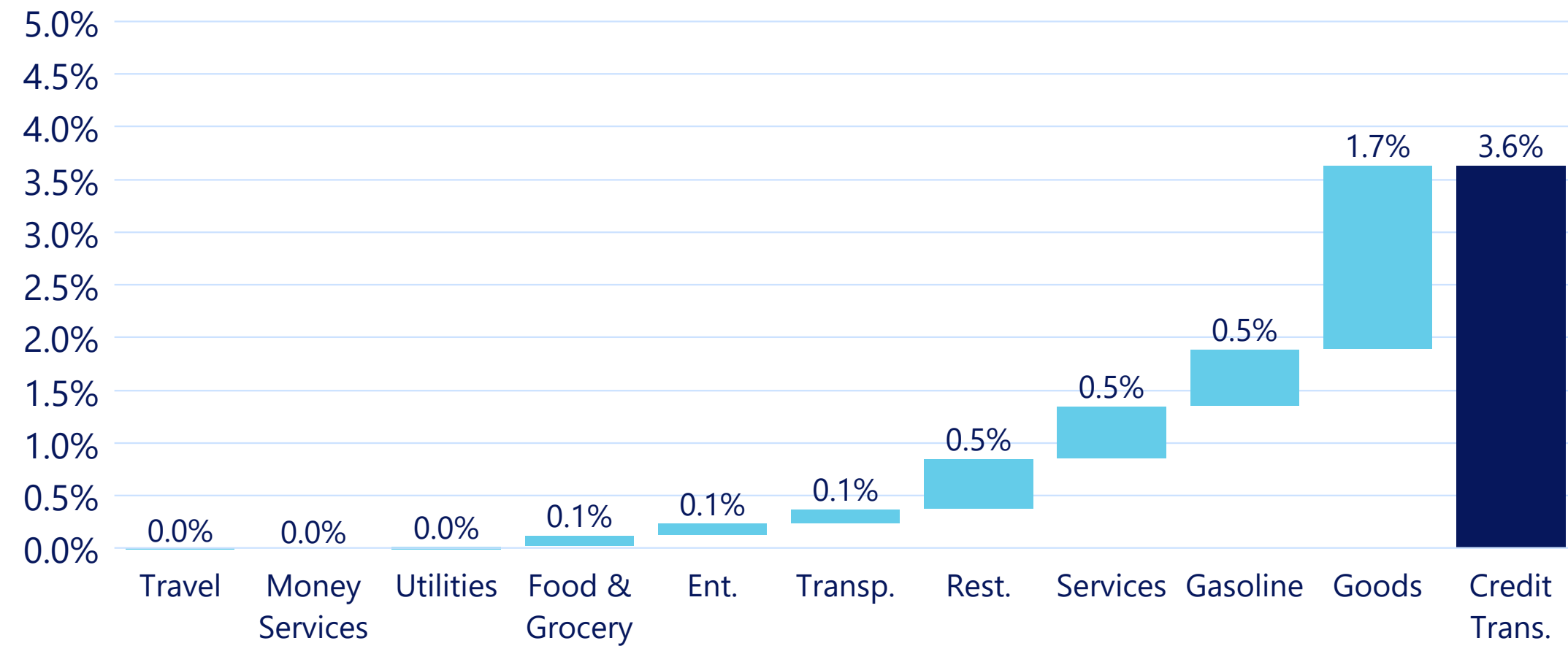
Sector Contributions to Growth in Credit Purchases: March



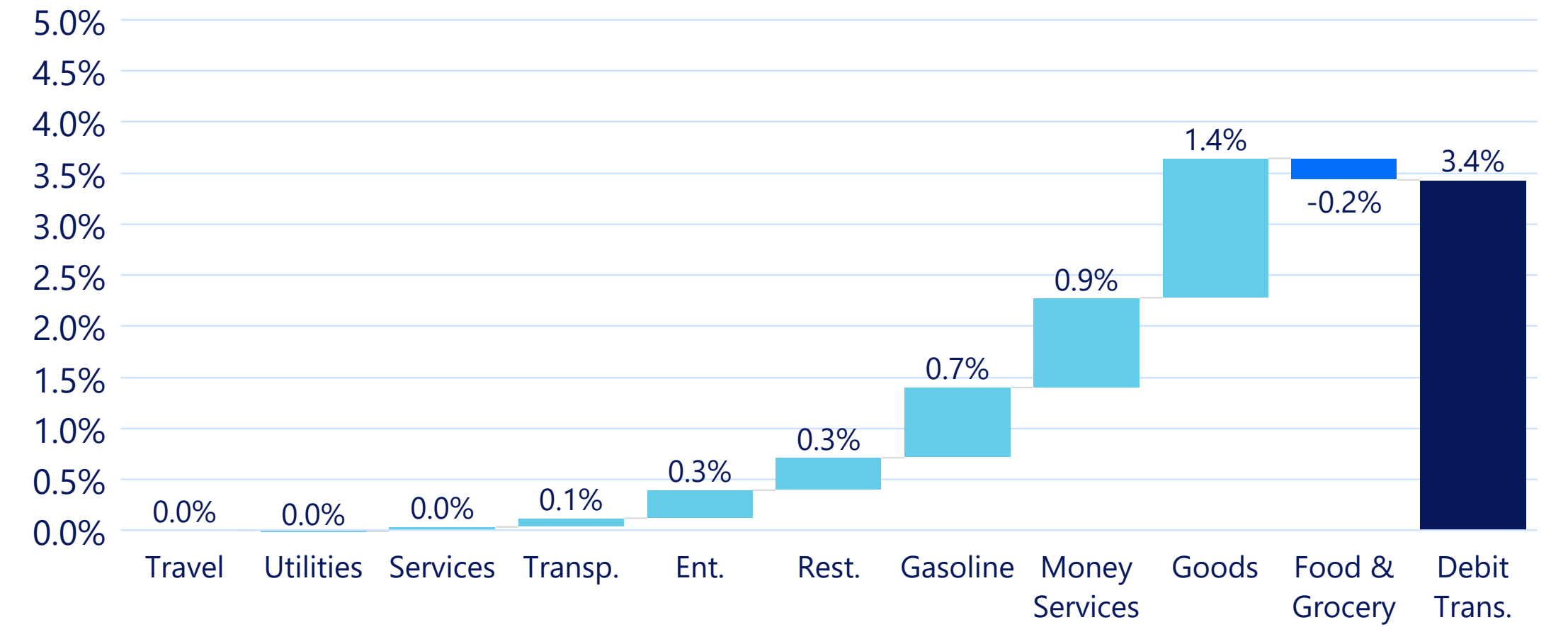
Sector Contributions to Growth in Debit Purchases: March



Sector Contributions to Growth in Credit Transactions: March



Sector Contributions to Growth in Debit Transactions: March



Discretionary and Non-Discretionary: March 2026



Discretionary activity comprised 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.

Credit and debit growth patterns in March were shaped largely by the split between discretionary and non-discretionary spending. Even though discretionary activity represents a smaller share of total

spending, its performance still plays a meaningful role in overall growth.

For credit, overall purchase growth was supported primarily by non-discretionary spending, where year-over-year growth accelerated to 5.5%, the strongest pace in recent months. By contrast, discretionary spending growth eased to 2%. Credit transaction trends reflected the same dynamic: non-discretionary transactions rose 4%, while discretionary transactions were nearly flat at 0.1%.

Debit trends showed a similar pattern, but with a more pronounced deceleration in discretionary growth. The moderation in overall debit growth was driven by steeper month-over-month declines in discretionary activity. Even so, discretionary debit purchases increased 5.2%, with transactions up 4.2% year over year, while non-discretionary purchases and transactions posted 6% and 3.4% growth, respectively.

Year-Over-Year Growth in Credit

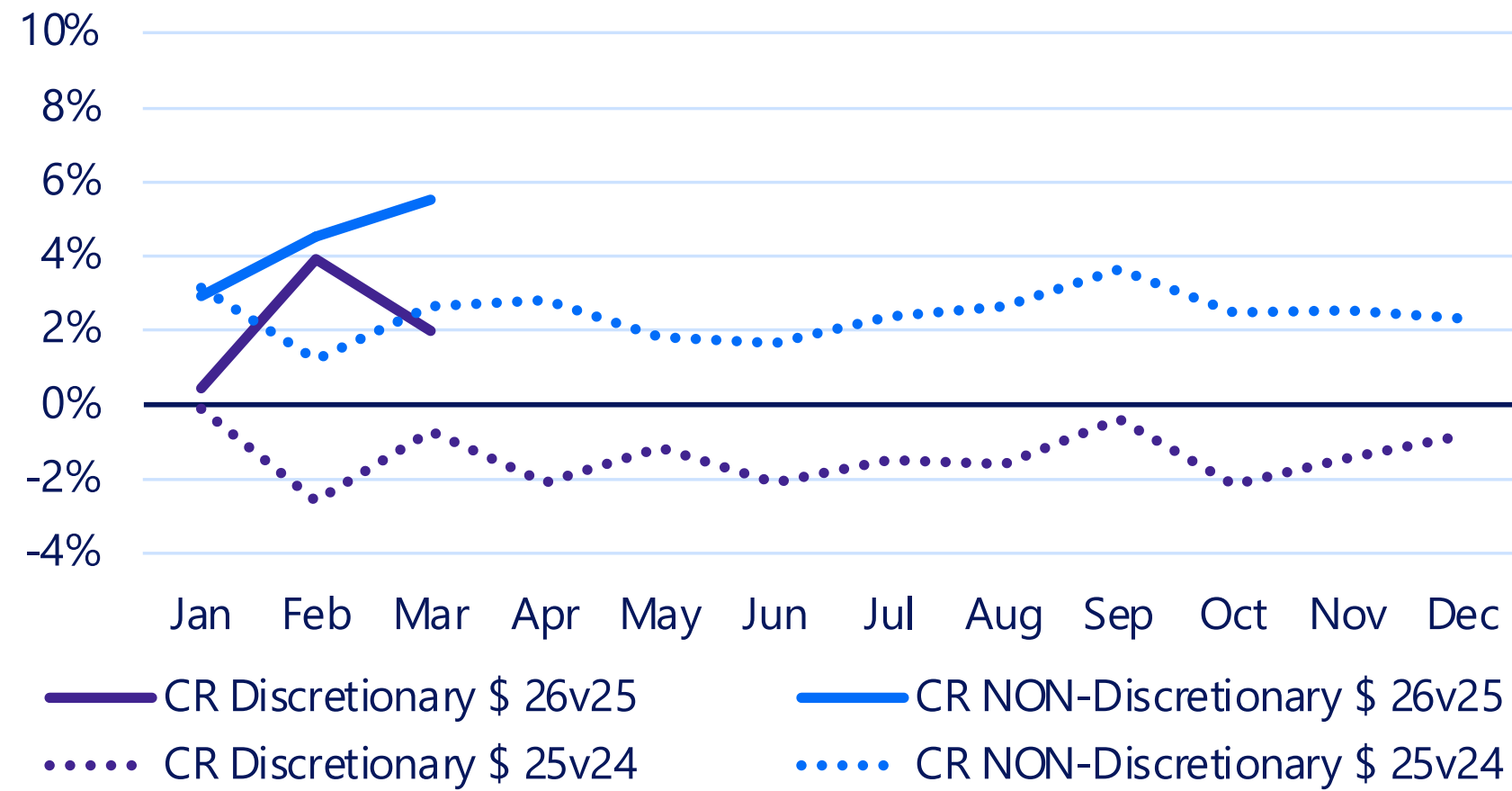
	% of Overall Purchases	Transactions	Purchases	Average Purchase
Discretionary	19%	↑ 0.1%	↑ 2.0%	\$158
Non-Discretionary	81%	↑ 4.0%	↑ 5.5%	\$63

Year-Over-Year Growth in Debit

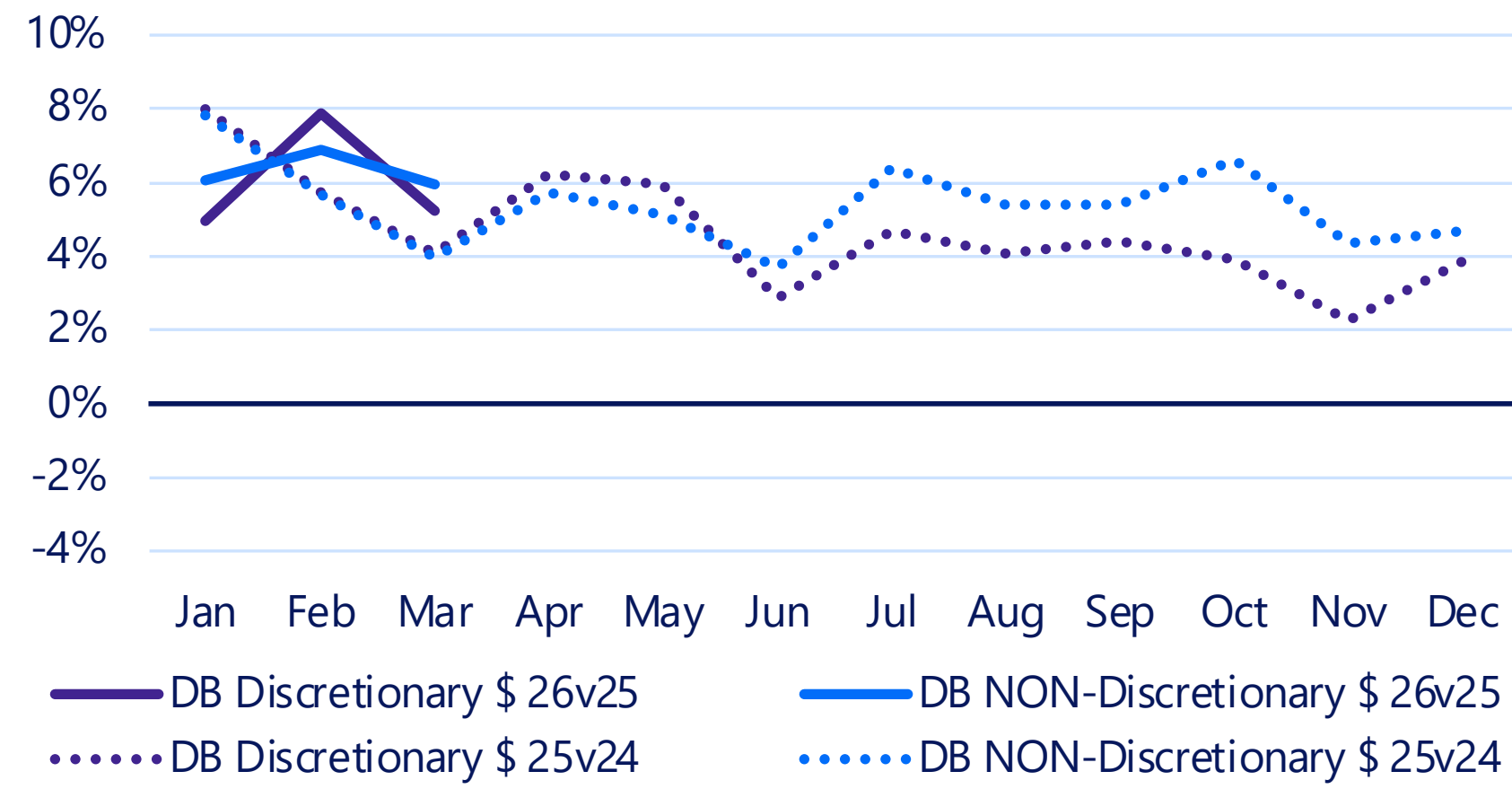
	% of Overall Purchases	Transactions	Purchases	Average Purchase
Discretionary	9%	↑ 4.2%	↑ 5.2%	\$75
Non-Discretionary	91%	↑ 3.4%	↑ 6.0%	\$47

Growth in Discretionary/Non-Discretionary Overall Purchases

Credit

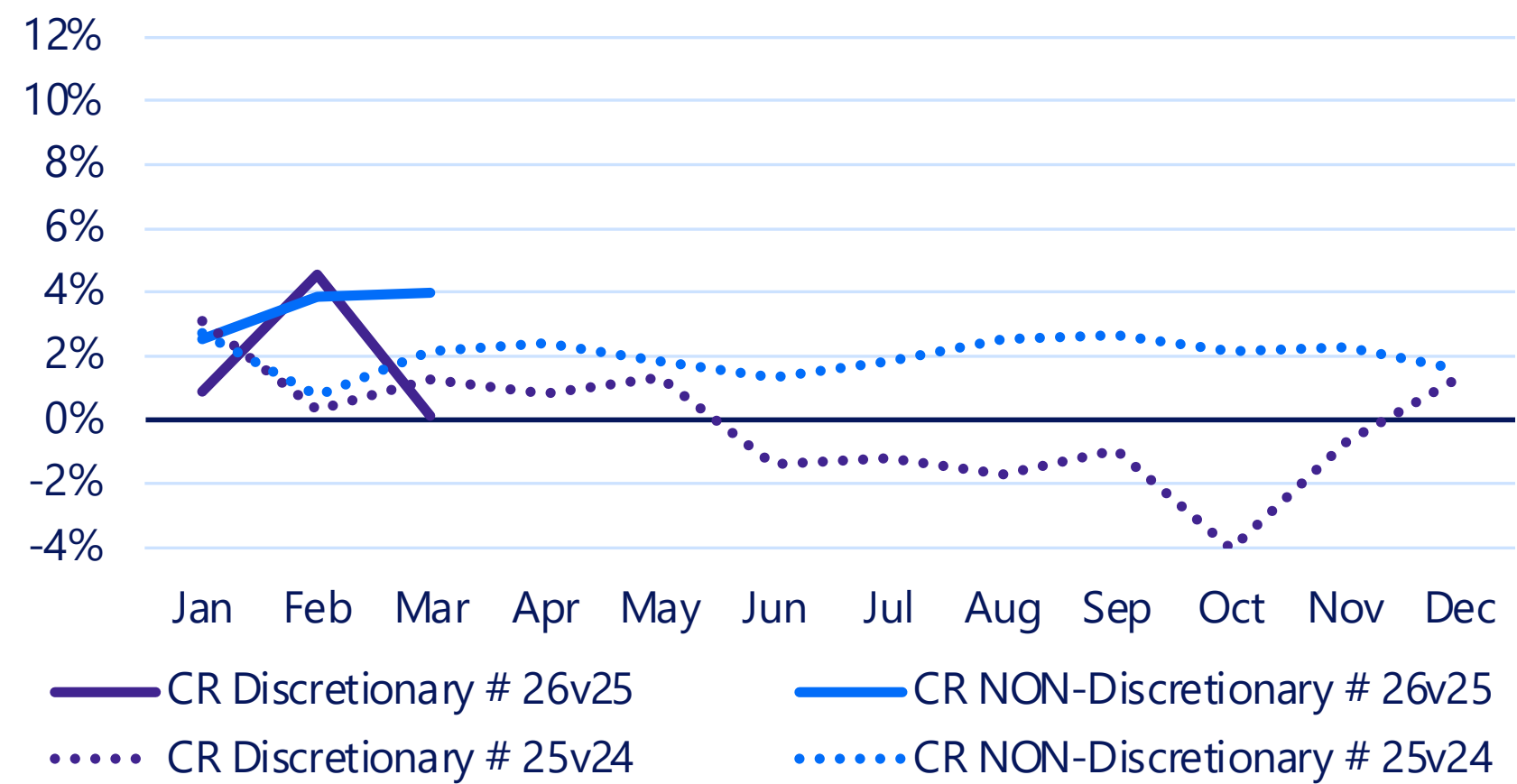


Debit

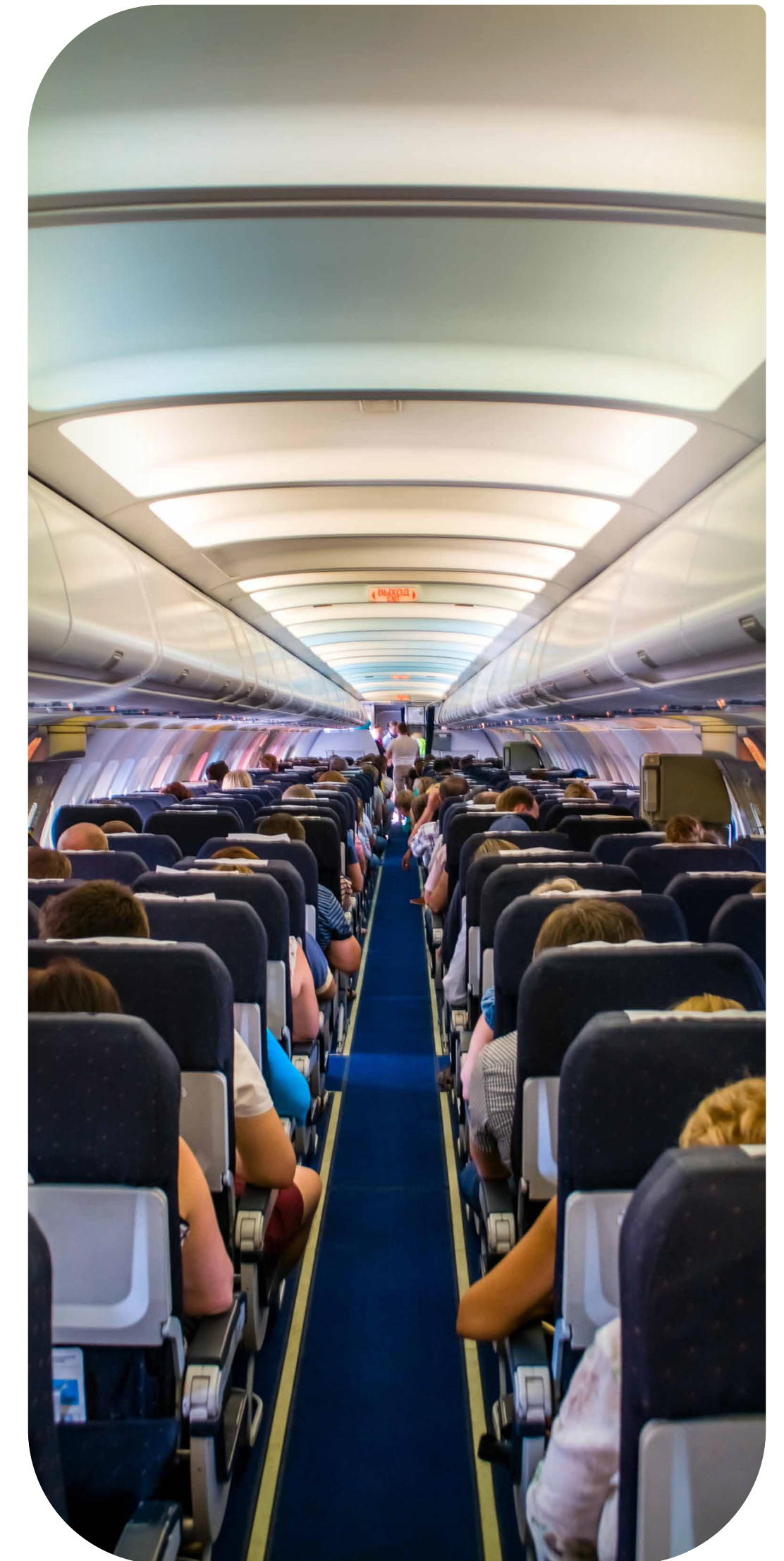
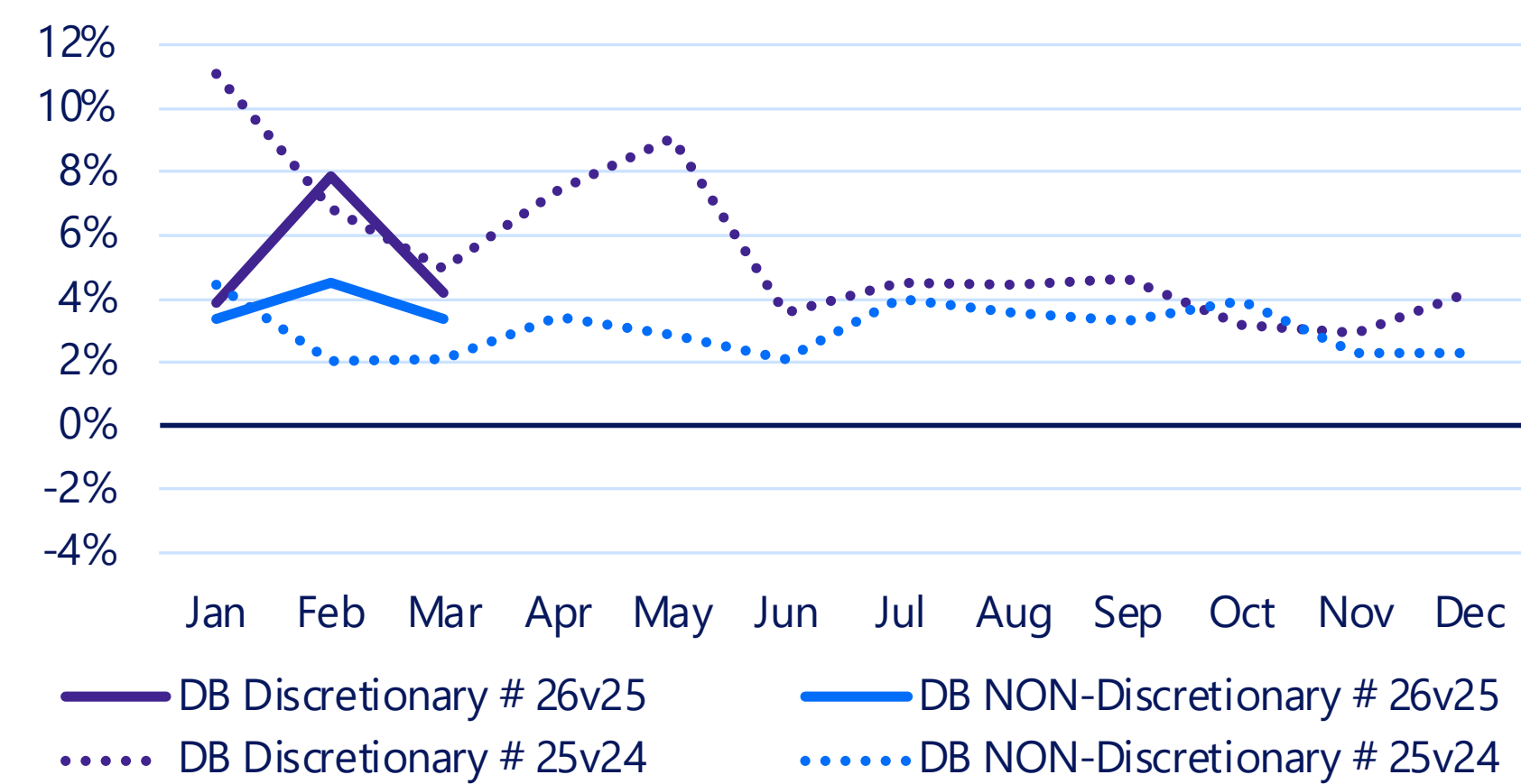


Growth in Discretionary/Non-Discretionary Overall Transactions

Credit



Debit



Sectors/Merchant Categories

Gasoline spending was a notable outlier in March, with both credit and debit purchases posting strong year-over-year gains of 18% and 14%, respectively. Transaction volumes also rose – up 5% for both payment types – supported by spring break travel activity, despite rapidly rising prices tied to geopolitical tensions in the Middle East. As a result, average ticket sizes increased: the average credit transaction amount increased 12.3% to \$34.16, while the average debit transaction amount rose 8.6% to \$25.14. The national average price per gallon of gasoline finished at \$4.12 for the week ending April 13, up 30% (or \$0.96) year over year. It is up 40% (or \$1.19) since the start of the war with Iran that began on Feb. 28, 2026.

Beyond fuel, service-oriented categories also contributed to overall spending. Transportation and Services each posted 6% year-over-year growth in credit purchases, while Entertainment and Transportation stood out as high-growth debit categories, both rising 7%. These gains were supported by strong activity across key merchant groups. Within Services, growth was led by medical and health providers, home improvement services and tax preparation. Entertainment growth reflected increased activity at movie theaters, arcades, aquariums, public golf courses, professional sports and gambling platforms. Transportation growth was driven by tolls, parking garages, and rideshare and taxi services.

March 2026 v 2025

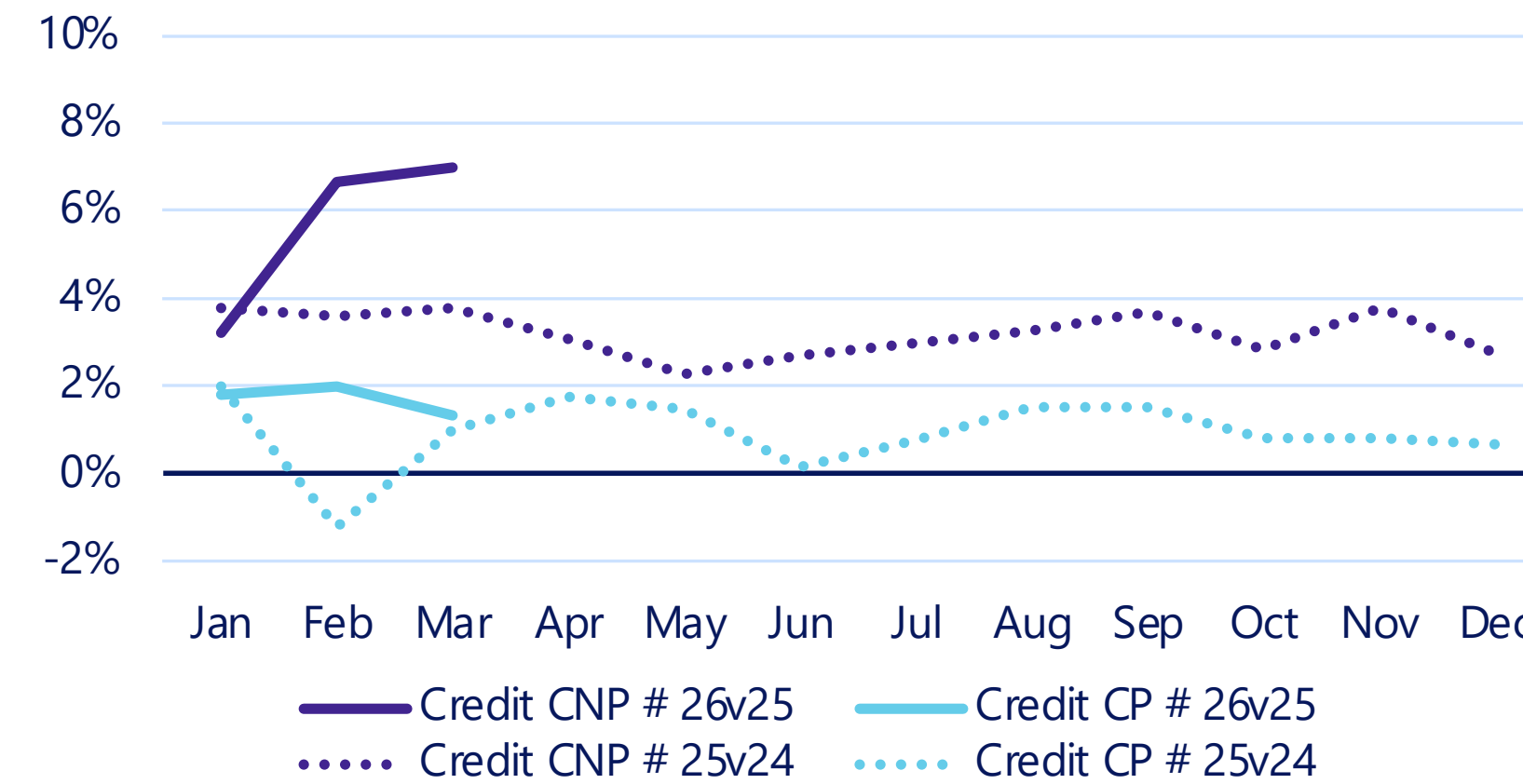
Credit			Debit	
YoY Purchases	YoY Transactions		YoY Purchases	YoY Transactions
↑ 2.0%	↑ 2.0%	Entertainment	↑ 7.0%	↑ 6.0%
↑ 2.0%	↑ 1.0%	Food & Grocery	— 0.0%	↓ 1.0%
↑ 18.0%	↑ 5.0%	Gasoline	↑ 14.0%	↑ 5.0%
↑ 5.0%	↑ 5.0%	Goods	↑ 6.0%	↑ 5.0%
↑ 1.0%	— 0.0%	Money Services	↑ 18.0%	↑ 16.0%
↑ 2.0%	↑ 2.0%	Restaurants	↑ 2.0%	↑ 1.0%
↑ 6.0%	↑ 5.0%	Services	↑ 3.0%	↑ 1.0%
↑ 6.0%	↑ 6.0%	Transportation	↑ 7.0%	↑ 6.0%
↑ 3.0%	↓ 1.0%	Travel	↑ 3.0%	↑ 1.0%
↑ 4.0%	↑ 2.0%	Utilities	↑ 1.0%	↓ 1.0%

Card Not Present (CNP) and Card Present (CP) Activity

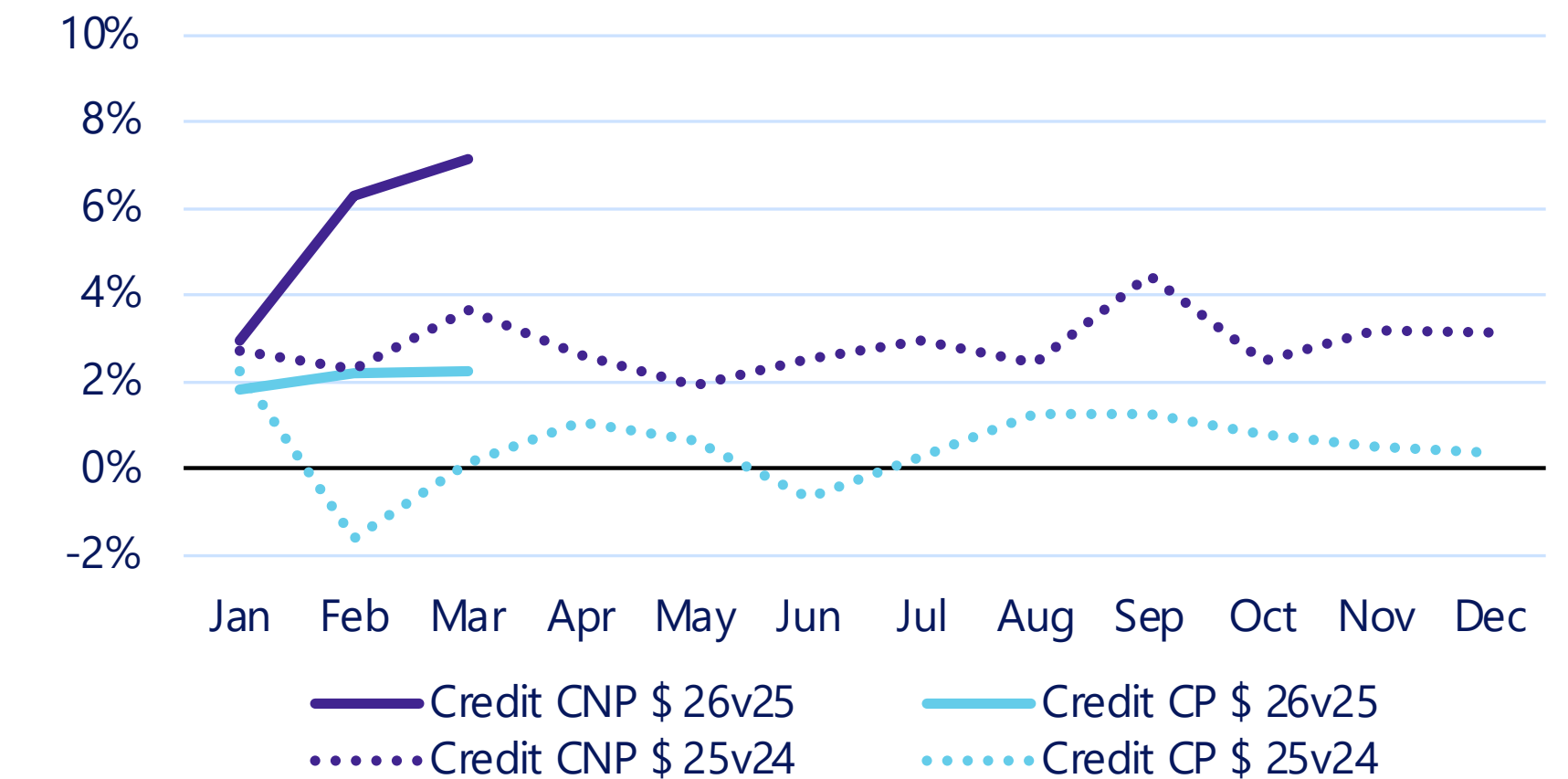
The gap between card-not-present (CNP) and card-present (CP) growth widened significantly in March, as CNP activity accelerated across both payment types, while CP performance weakened notably for debit but remained relatively steady for credit. This divergence is increasingly important in the payment ecosystem, particularly given the higher fraud risk associated with CNP transactions compared to CP. Currently, 42% of credit transactions are CNP, up one percentage point year over year, while CNP accounts for 38% of debit transactions, up four percentage points.

For debit, CNP growth reached new highs with purchases up 16% year over year and transactions up 17%. This stood in sharp contrast to CP activity, where purchases declined by 3%, and transactions fell by 4%. Credit trends followed a similar, though more moderate, pattern. Credit CNP purchases and transactions each rose 7%, while CP purchases held steady at 2% and CP transactions edged down to 1%.

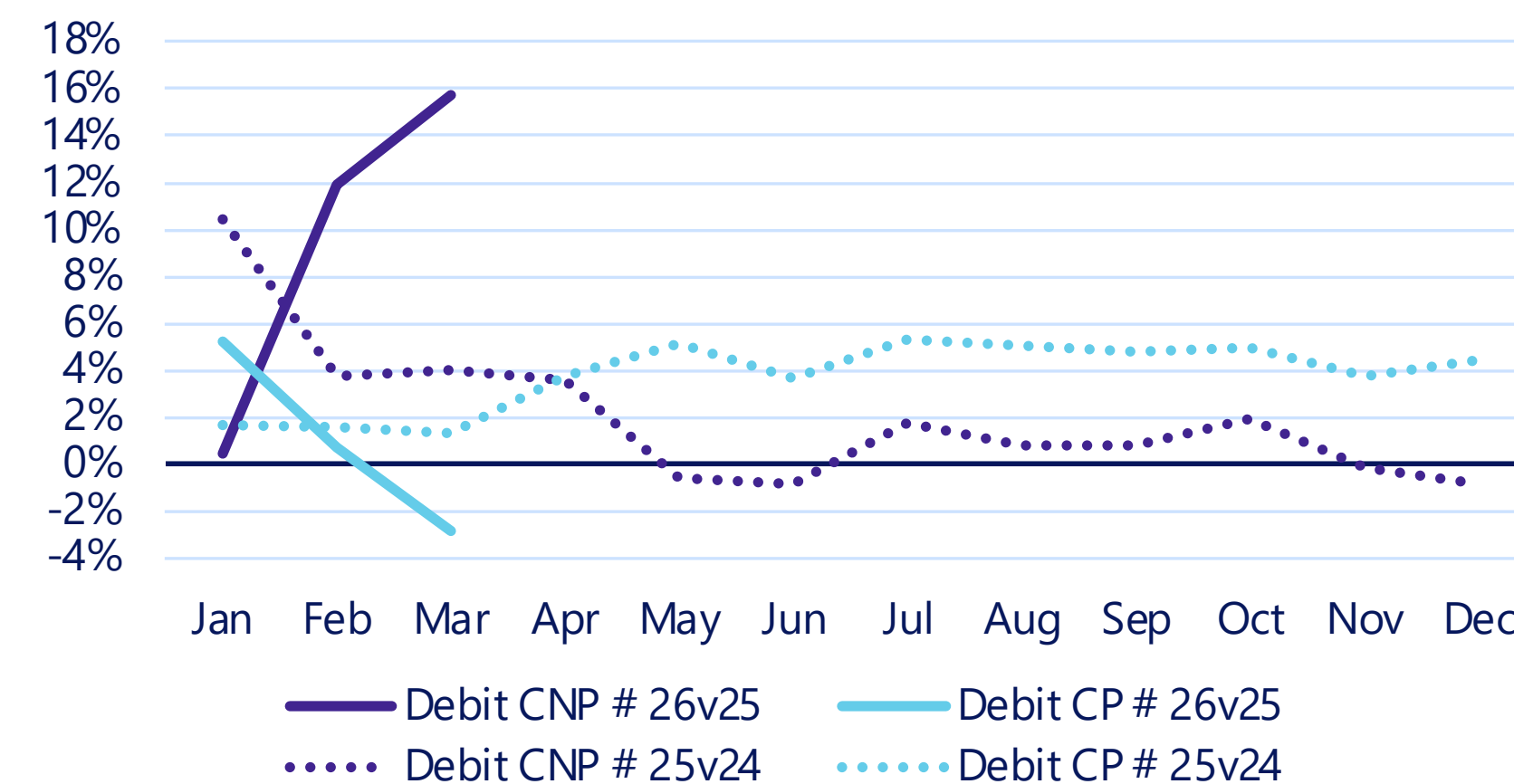
YoY % Growth in Credit Transactions



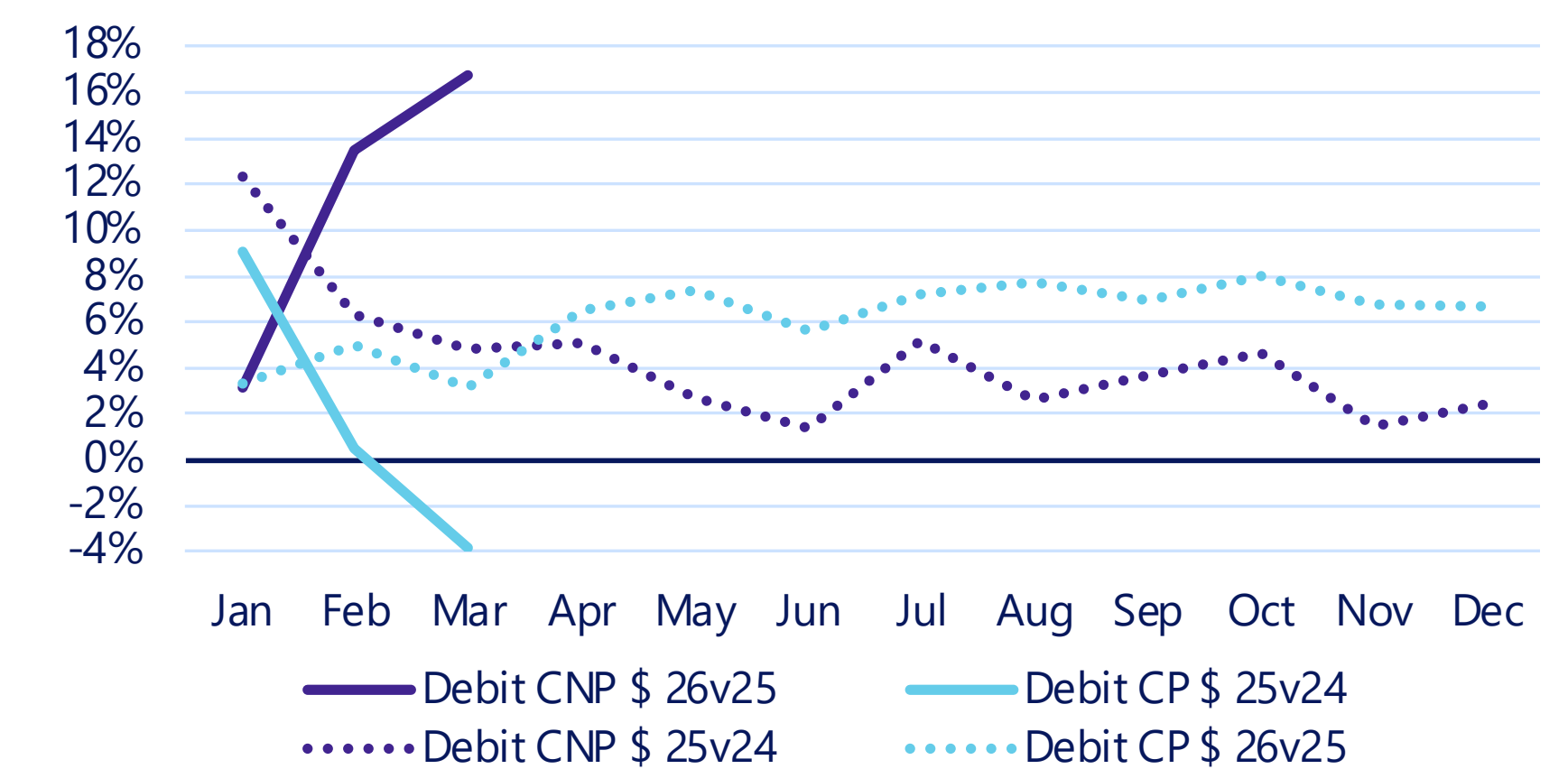
YoY % Growth in Credit Purchases



YoY % Growth in Debit Transactions



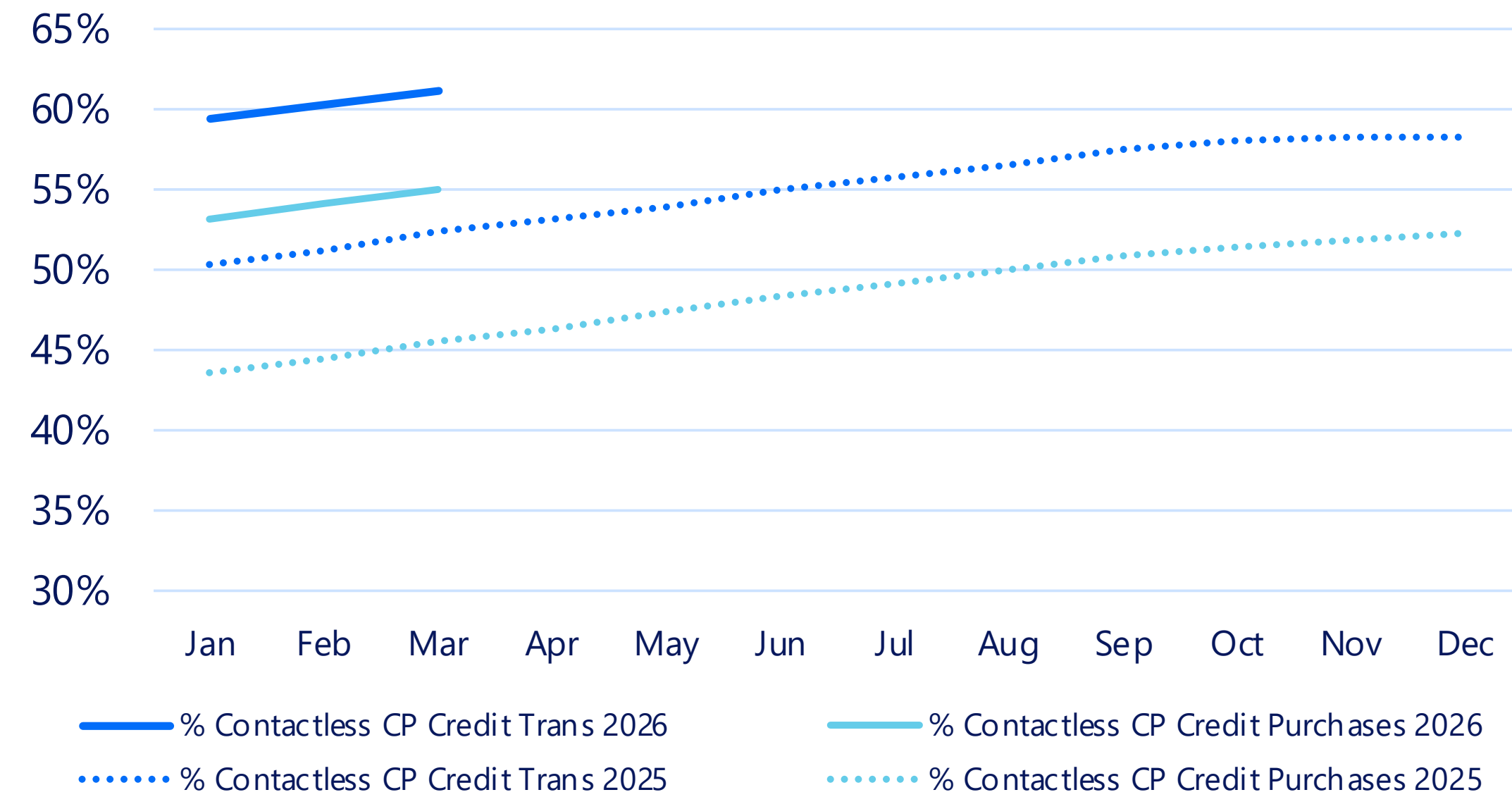
YoY % Growth in Debit Purchases



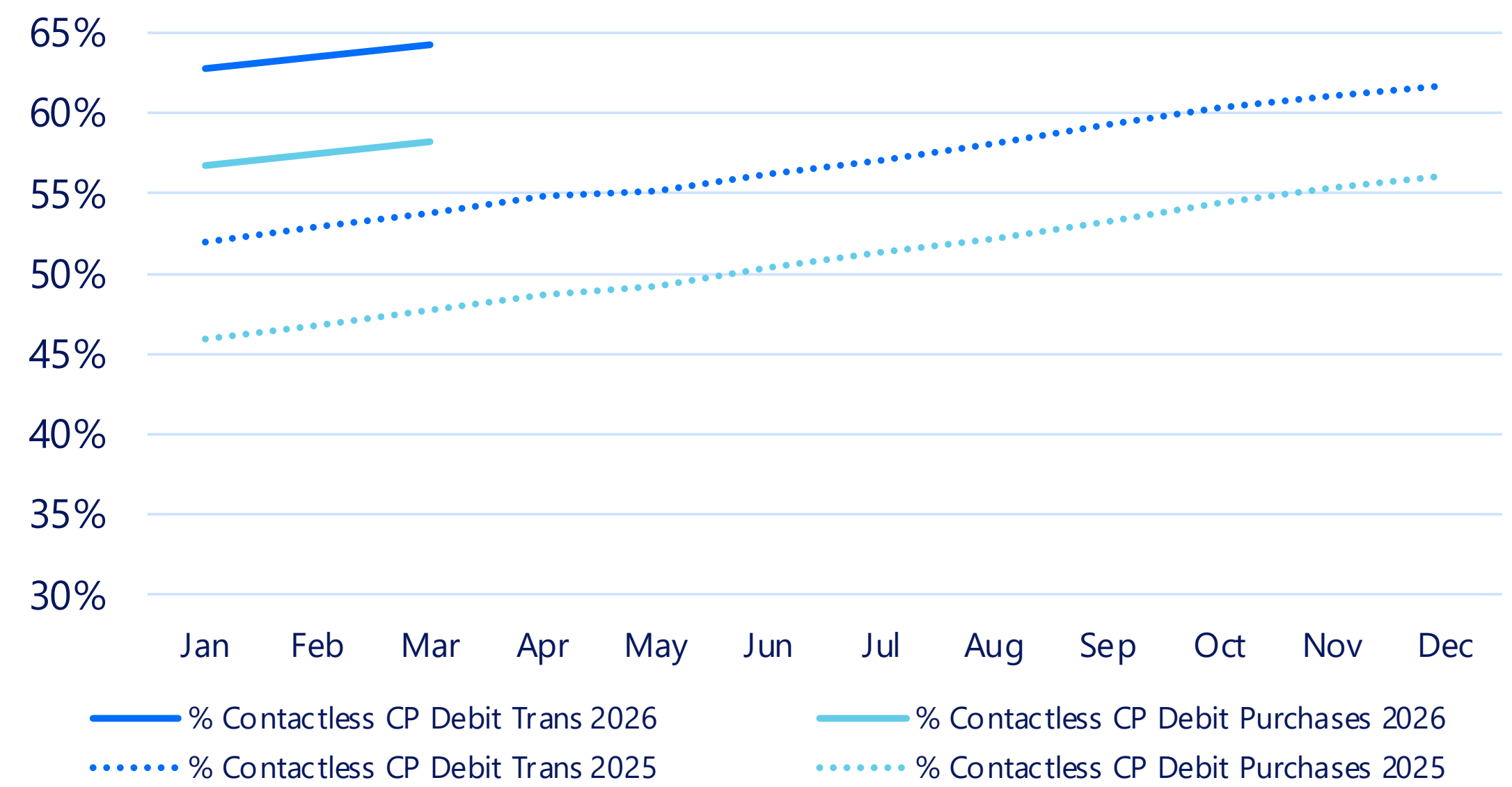
Contactless Transactions

As contactless card issuance and acceptance infrastructure expand, usage is rising accordingly and accounting for a growing share of contactless card activity across both credit and debit. Among contactless-enabled cards, 61% of CP credit transactions and 64% of CP debit transactions are completed by tapping the card at the point of sale. This growth reflects the continued shift toward faster, low-friction in-store payment experiences that consumers increasingly expect.

% Contactless Credit Activity on Contactless Cards



% Contactless Debit Activity on Contactless Cards

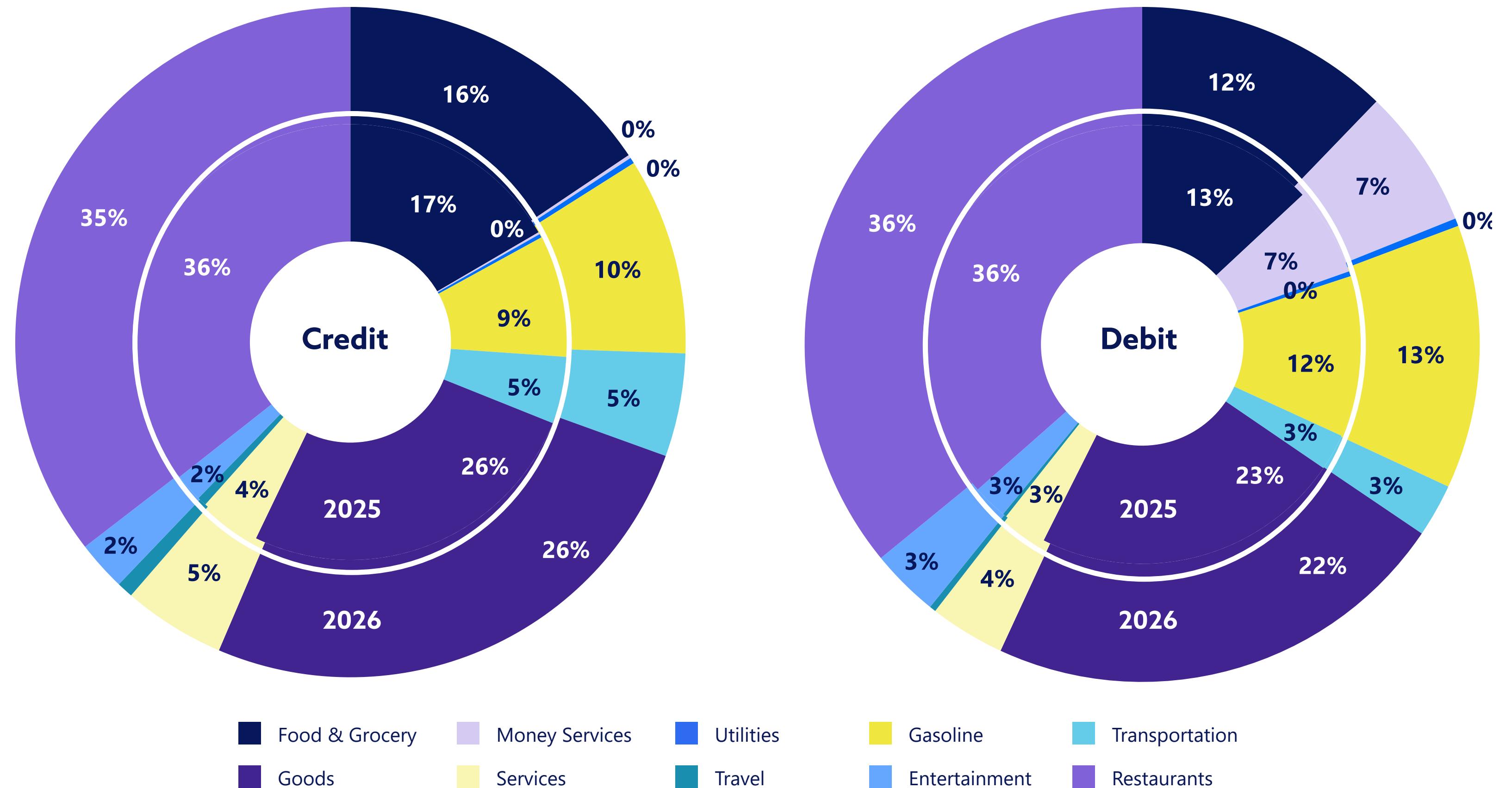


Digital Wallets

Digital wallet usage continued to gain momentum, capturing an increasing share of both credit and debit transaction volume. As of March, digital wallets accounted for 7.3% of all credit transactions, up from 5.6% a year earlier, and 12.6% of all debit transactions, up from 10.2%. This sustained growth underscores consumers' growing adoption of digital payment preferences.

Sector-level spending trends showed moderate but observable shifts in March. Amid the spring break-driven increase in gasoline transactions for both credit and debit in March, the share of digital wallet transactions expanded for both payment types, reaching 10% of credit volume and 13% of debit. Services grew for both credit and debit, while Food & Grocery contracted across both. Restaurants declined within credit and Goods dropped within debit.

Sector Percentage of Digital Wallet Transactions



ATM

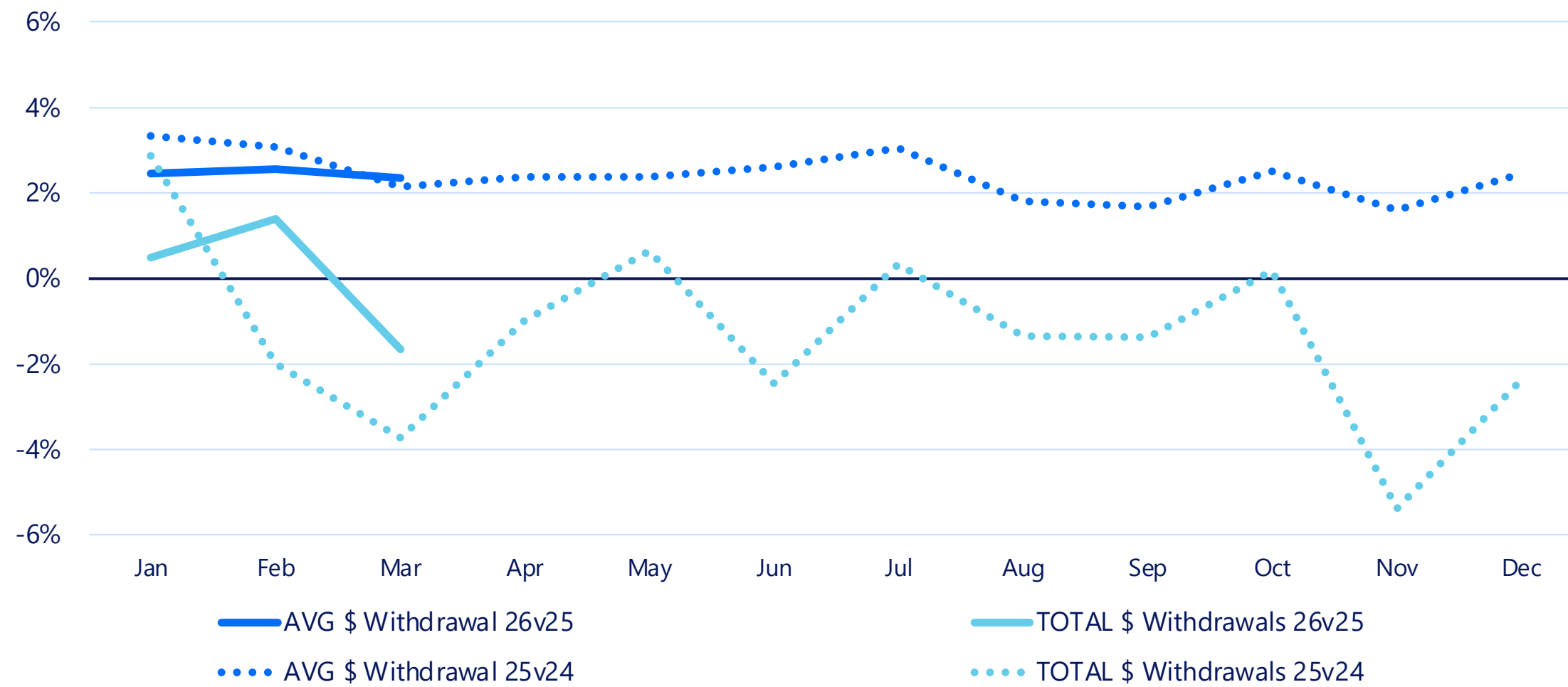
ATM withdrawal and deposit transaction volume softened in March, with withdrawals down 1.7% year over year and deposits growing a modest 0.4%. Despite the decline in volume, the growth in average transaction

amounts remained relatively stable. The average withdrawal rose 2.3% year over year to \$156.66, while the average deposit amount declined 0.9% to \$487.19.

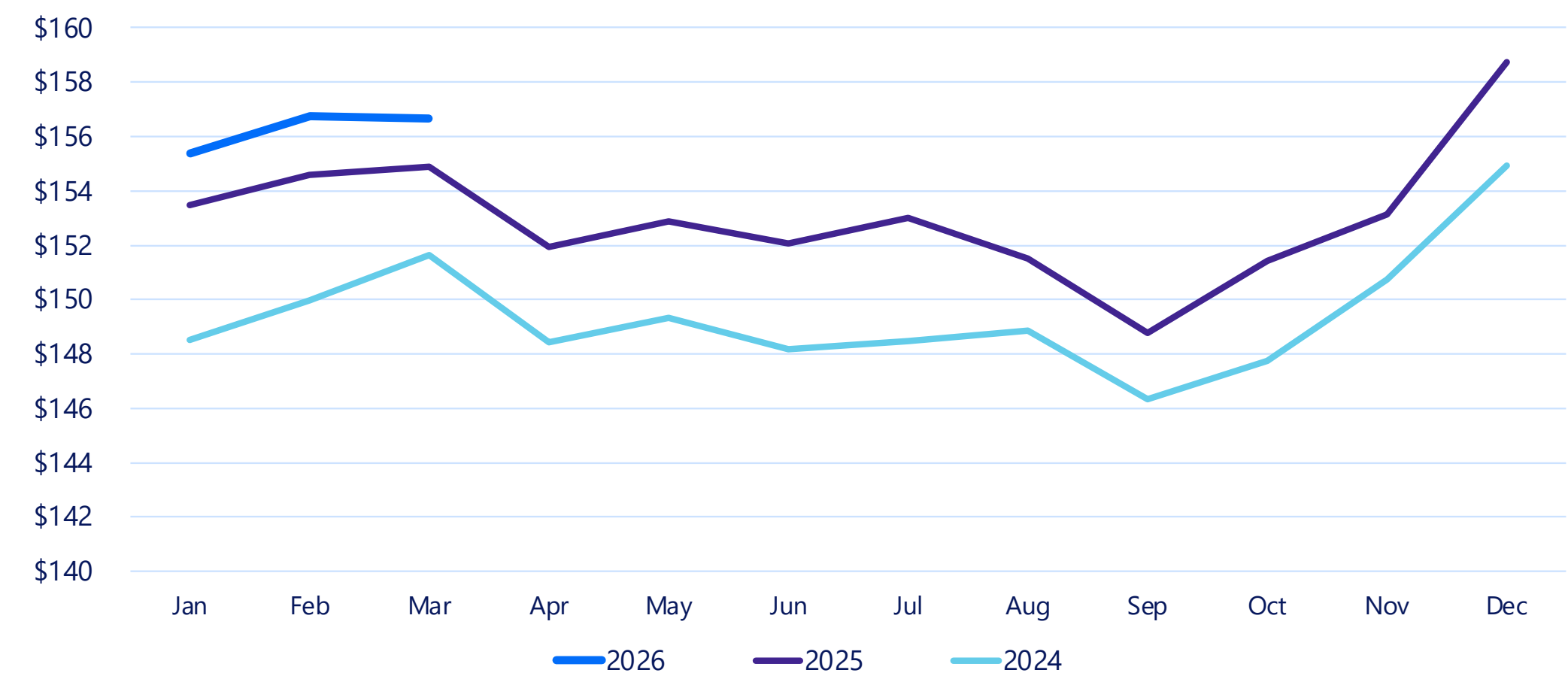
Cashback activity at the point of sale also trended downward. Total debit cashback transactions fell 8.8% year over year, even as the average cashback amount increased 3.6% to \$44.03. As a share of card-present debit

transactions, cash back accounted for 1.01%, down from 1.22% in the prior year.

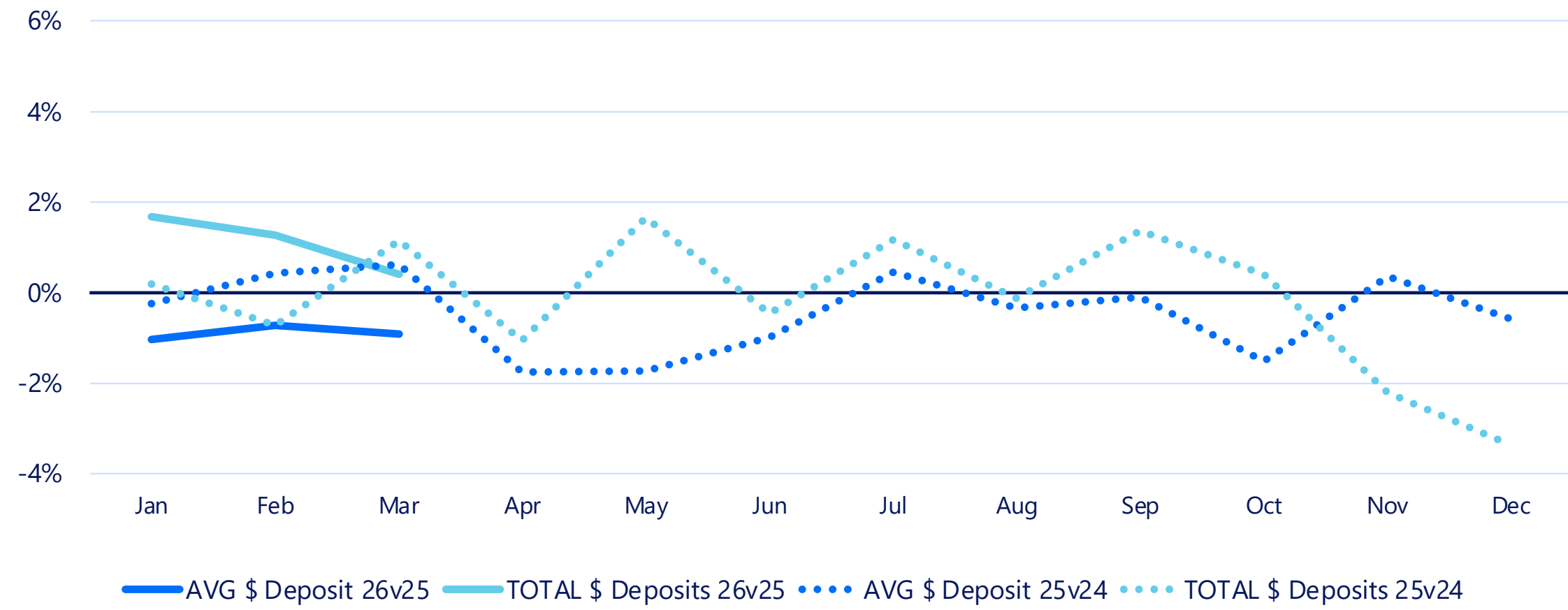
YoY Growth in ATM Withdrawals



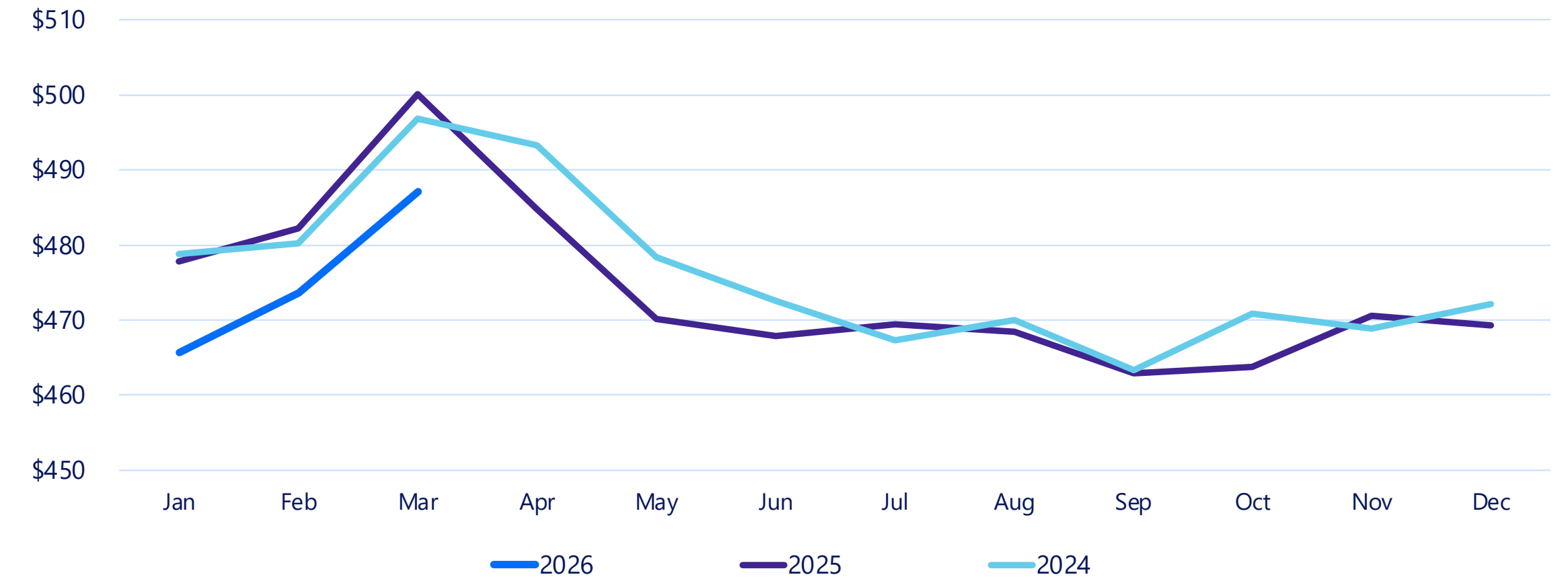
Average ATM Withdrawal



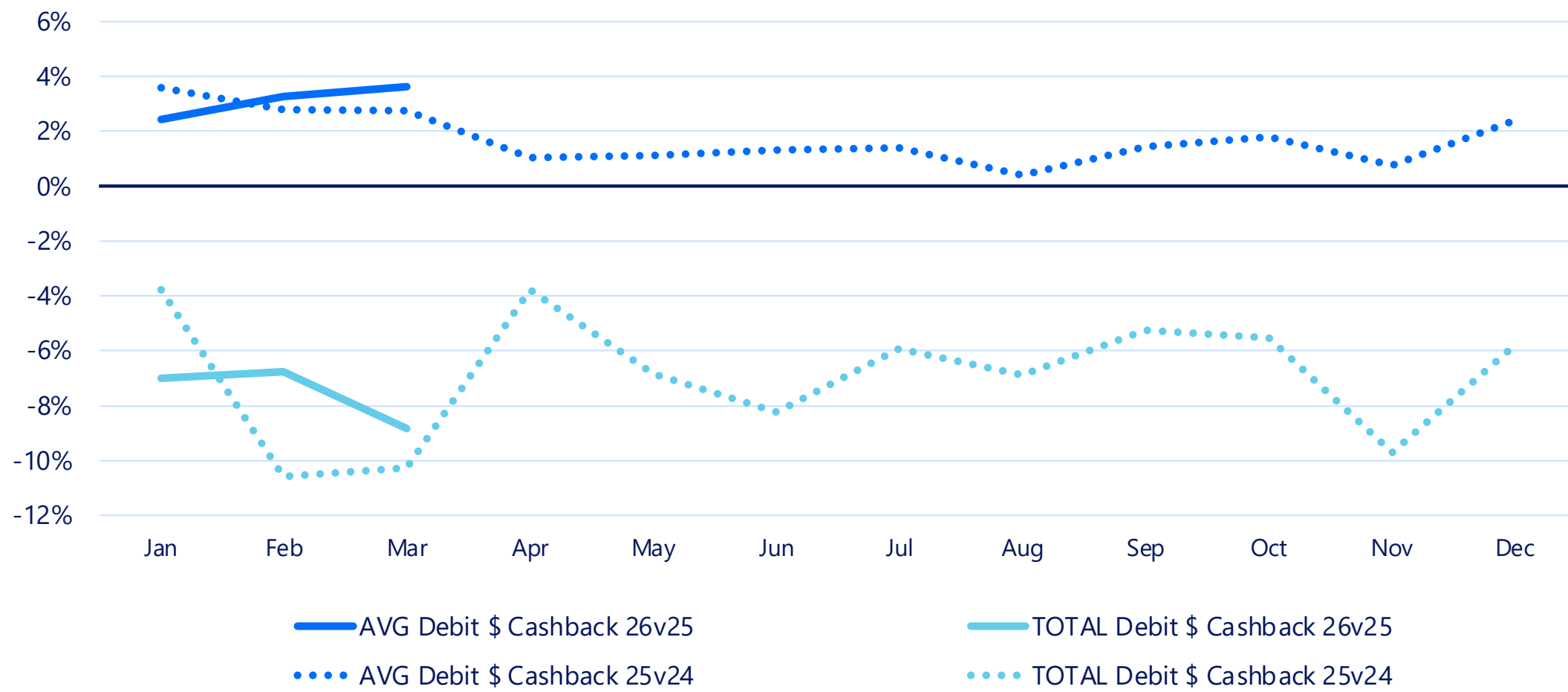
YoY Growth in ATM Deposits



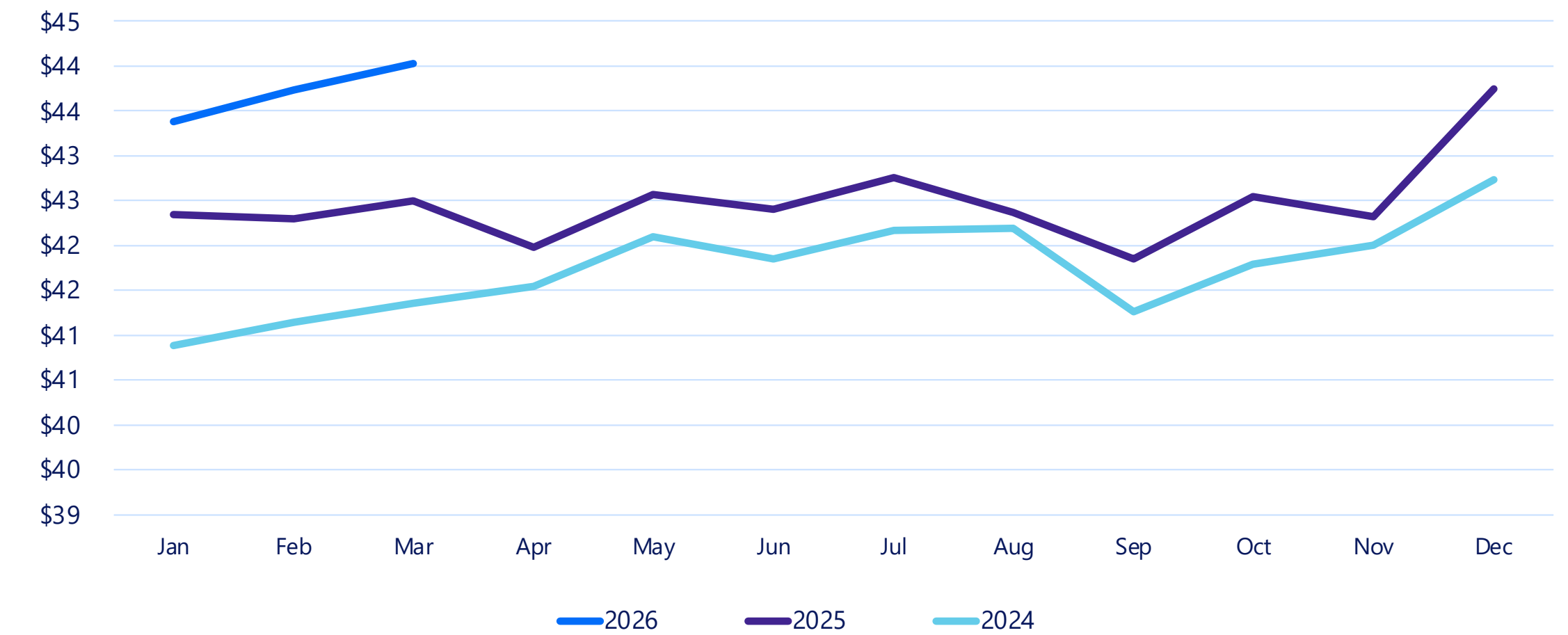
Average ATM Deposits



YoY Growth in Debit Cashback Activity



Average Debit Cashback Amount





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 2024 through the most current complete month of 2026, enabling an accurate and relevant year-over-year same-store comparison (2026 vs. 2025, 2025 vs. 2024) 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, the April 2026 edition of the Velera Payments Index represents a total of 3.7 billion transactions valued at \$186 billion of credit and debit card activity from April 2025 through March 2026.

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.



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