



An Overview of Credit Card Users Spending Pattern Within and Outside the Country

April 2023

Comments and suggestions may be sent to:

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The use of credit cards of the commercial banks and financial institutions in Bangladesh has gone up sharply. The volume of their transactions is increasing even with a higher pace. All these transactions are facilitating to increased economic activities. With a view to preparing a database of all these transactions, this unit of Statistics Department takes an initiative to collect data from all credit card issuing banks and FIs of Bangladesh. Since all these transactions are creating huge volume of data in terms of their variety, velocity and variability, so we can consider it as Big Data.

At this moment, this unit is collecting credit card transactions data from 43 (Forty three) scheduled banks and 01 (one) non-bank financial institutions who are the credit card issuers of the economy. From the collected data we can see that total number of rows of the data files is 42,84,352 and size of the file is 334 Mega-bytes (MB). This huge volume of data cannot be analyzed due to fixed row and column limitations of existing traditional spreadsheets. Thus, in order to make them compatible for spread-sheet analysis, we segregated the data into seven working files. However, the spending pattern of credit card clients of Bangladesh as well as the foreigners whose credit cards are issued outside the country but transactions took place within Bangladesh is analyzed considering data of April 2023. The results of the analysis are depicted below:

Analyzing the credit card transactions within the country, it is observed that the transactions increased by 6.52% in April, 2023 compared to that of previous month. The amount was Tk. 25294 million in April, 2023 when it was Tk. 23747 million in March, 2023 (Table-1). On the other hand, the transaction amount was 3684 million in outside the country in April, 2023 (Table-3). This transaction decreased by 13.56% compared to that of March, 2023. In March, 2023 the amount was Tk. 4262 million. Similarly, the transactions of credit card issued by other countries decreased to Tk. 1704 million in April, 2023 when it was Tk. 2367 million in March, 2023. It is noticeable that this transaction amount recorded a significant decrease of 28.02% (Table-6).

Analyzing the expenditure behavior of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In April 2023 about 56.80% of credit card transactions took place in Departmental Stores, when about 13.46% took place in Clothing, 7.67% in Utilities, 6.80% in Cash Withdrawal, 6.34% in Fund Transfer, 3.99% in Drug and Pharmacies, 2.68% in Transportation, 1.57% in Business Services and 0.69% in other areas.

Table-1: Category-wise Breakdowns of Credit Card Transactions (Domestic) in March 2023 and April 2023

Merchant Categories	(million taka)			
	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	14368	56.80	13120	55.25
Clothing	3404	13.46	1700	7.16
Utilities	1940	7.67	1867	7.86
Cash Withdrawal	1720	6.80	1798	7.57
Fund Transfer	1604	6.34	2827	11.90
Drug and Pharmacies	1010	3.99	1153	4.86
Transportation	677	2.68	637	2.68
Business Services	397	1.57	449	1.89
Professional Services	120	0.48	146	0.61
Government Services	38	0.15	38	0.16
Contractual Services	12	0.05	9	0.04
Agriculture	4	0.01	3	0.01
Total	25294	100.00	23747	100.00

Chart-1 illustrates the comparative spending pattern for different sectors within the country in April, 2023. Apparently, it shows that lion's share of domestic credit card transactions took place in Departmental Stores. It is mentionable that credit cards were also used in Clothing, Utilities, Cash Withdrawal, Fund Transfer and Drug and Pharmacies.

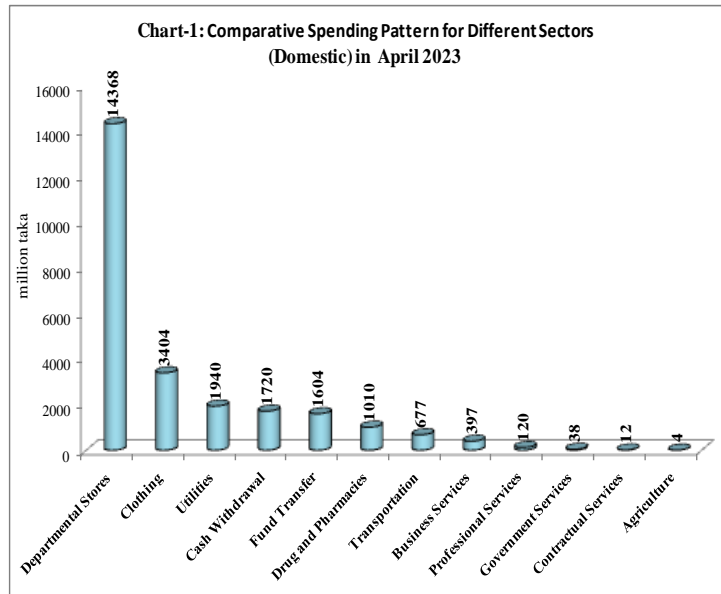


Chart-2 illustrates the percentage of comparative expenditure pattern for different sectors within the country in April, 2023.

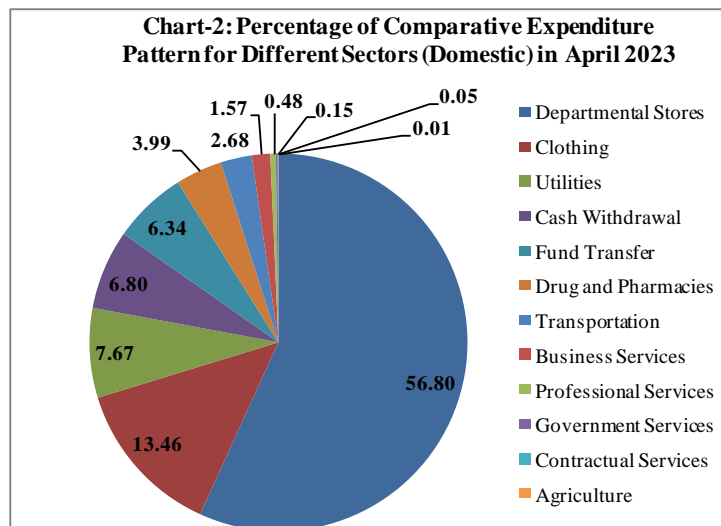


Table-2: Card Type-wise Breakdowns of Credit Card Transactions (Domestic) in March 2023 and April 2023

Analyzing the credit card spending pattern it is also found that about 70.62% of the credit card transactions took place using VISA card and about 17.01% of transactions took place using MasterCard and remaining transactions took place using other types of card in April, 2023.

Card Type	(million taka)			
	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
VISA	17864	70.62	16685	70.26
MasterCard	4302	17.01	4045	17.04
AMEX	2593	10.25	2969	12.50
UnionPay	492	1.94	3	0.01
Diners	24	0.09	23	0.10
QcashProprietary	11	0.04	11	0.05
JCB	9	0.03	10	0.04
Total	25294	100.00	23747	100.00

Expenditure behavior of the credit card holders of the country in cross-border transactions showed the same pattern that took place within the country. In cross-border transactions the cardholders mostly used their cards in Departmental Stores in April, 2023. About 43.89% of the transactions of outside the country took place in Departmental Stores. Other merchant categories included Drug and Pharmacies (13.36%), Clothing (8.90%), Transportation (7.83%) and others (26.02%).

Table-3: Category-wise Breakdowns of Credit Card Transactions (Outside the country) in March 2023 and April 2023

Merchant Categories	(million taka)			
	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	1617	43.89	1875	43.99
Drug and Pharmacies	492	13.36	613	14.37
Clothing	328	8.90	469	11.00
Transportation	289	7.83	295	6.92
Cash Withdrawal	272	7.39	259	6.08
Business Services	257	6.97	255	5.99
Professional Services	184	5.00	196	4.61
Government Services	160	4.33	191	4.47
Utilities	83	2.25	107	2.50
Contractual Services	2	0.07	2	0.06
Agriculture	.45	0.01	.43	0.01
Total	3684	100.00	4262	100.00

Chart-3 illustrates the diversity of usage of credit cards (outside the country) in different sectors in April, 2023.

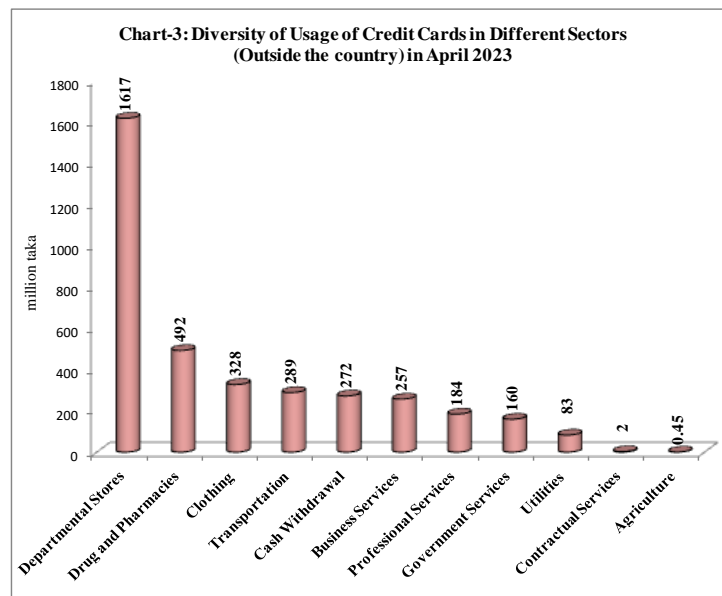
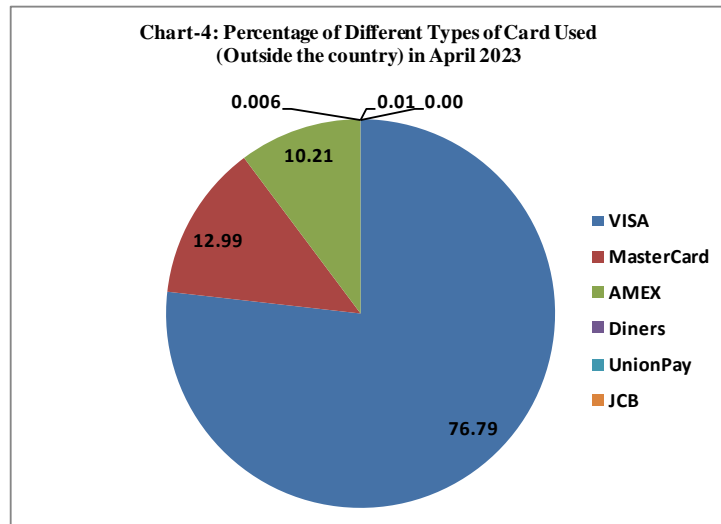


Table-4: Card Type-wise Breakdowns of Credit Card Transactions (Outside the country) in March 2023 and April 2023

Table-4 depicts that like domestic credit card transactions of the country in April 2023 VISA and MasterCard were mostly used in cross-border transactions.

Card Type	(million taka)			
	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
VISA	2829	76.79	3297	77.35
MasterCard	478	12.99	575	13.48
AMEX	376	10.21	390	9.15
Diners	0.29	0.01	0.32	0.01
UnionPay	0.22	0.006	0.25	0.006
JCB	0.00	0.00	0.17	0.004
Total	3684	100.00	4262	100.00

Chart-4 depicts the percentage of different types of credit card used in cross-border transactions for the month of April, 2023.



Doing country-wise transaction analysis it is observed that the credit cardholders used their cards mostly in neighboring country India. About 20.01% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (13.46%), Saudi Arabia (10.62%), Thailand (8.41%), Singapore (7.74%), UAE (6.62%), UK (6.46%), Canada (4.62%), Malaysia (4.06%), Netherlands (3.34%), Ireland (2.52%), Australia (2.31%) and other 155 countries (9.82%).

Table-5: Country-wise Breakdowns of Credit Card Transactions (Outside of Bangladesh) in March 2023 and April 2023

Countries	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
India	737	20.01	1036	24.32
USA	496	13.46	509	11.95
Saudi Arabia	391	10.62	227	5.33
Thailand	310	8.41	423	9.92
Singapore	285	7.74	344	8.07
UAE	244	6.62	414	9.70
UK	238	6.46	249	5.84
Canada	170	4.62	161	3.79
Malaysia	149	4.06	166	3.90
Netherlands	123	3.34	137	3.21
Ireland	93	2.52	100	2.35
Australia	85	2.31	95	2.24
Others (155)	362	9.82	400	9.38
Total	3684	100.00	4262	100.00

Chart-5 shows the diversity of usage of credit cards in different countries in April, 2023.

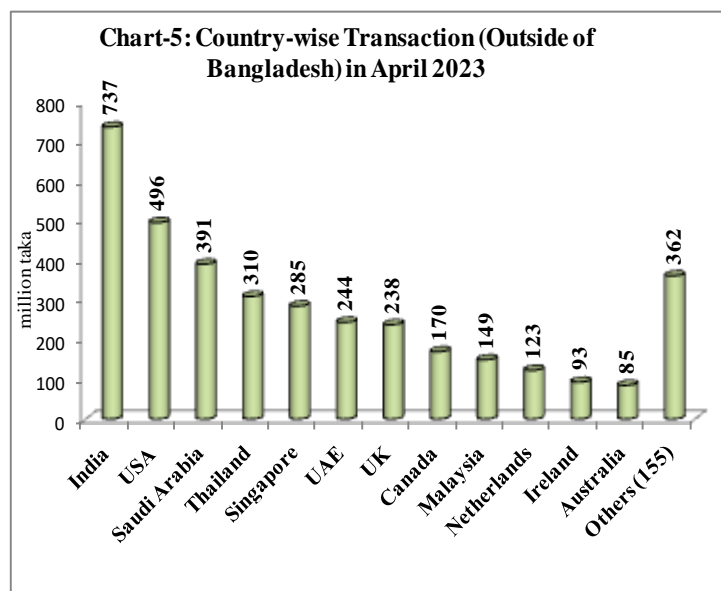


Chart-6 shows the percentage of cross-border transactions in April 2023.

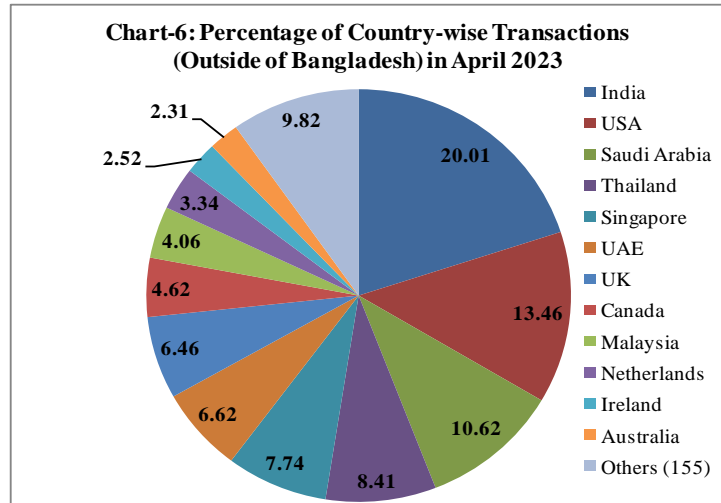


Table-6: Category-wise Breakdowns of Credit Card Transactions (within the country by foreign nationals) in March 2023 and April 2023

Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 37.67% of transactions in April 2023. Cash withdrawal contributed about 27.94%, Transportation contributed 15.13% and other sectors contributed 19.26%.

(million taka)

Merchant Categories	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	642	37.67	963	40.69
Cash Withdrawal	476	27.94	535	22.62
Transportation	258	15.13	532	22.45
Clothing	144	8.43	178	7.51
Business Services	78	4.57	66	2.81
Utilities	50	2.91	35	1.47
Professional Services	29	1.71	22	0.95
Drug and Pharmacies	24.7	1.45	31.1	1.32
Government Services	2.94	0.17	4.38	0.18
Contractual Services	0.23	0.014	0.06	0.003
Agriculture	0.10	0.01	0.19	0.01
Total	1704	100.00	2367	100.00

Table-7: Card Type-wise Breakdowns of Credit Card Transactions (within the country by foreign nationals) in March 2023 and April 2023

Table-7 shows that about 62.89% and 36.22% of the transactions were carried out by VISA and MasterCard respectively which were issued by other countries.

(million taka)

Card Type	Apr-23		Mar-23	
	Amount	Percentages	Amount	Percentages
VISA	1072	62.89	1438	60.76
MasterCard	617	36.22	909	38.38
UnionPay	10	0.60	13	0.53
Amex	3.69	0.22	5.44	0.23
Diners	.84	0.05	1.45	0.06
JCB	.24	0.01	.91	0.04
Total	1704	100.00	2367	100.00

Chart-7 illustrates the diversity of usage of credit cards (within the country by foreign nationals) in different sectors in April, 2023.

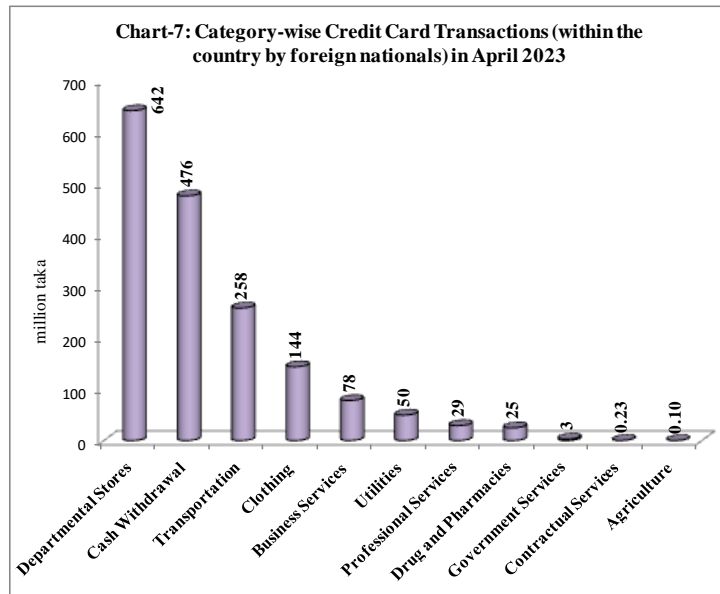
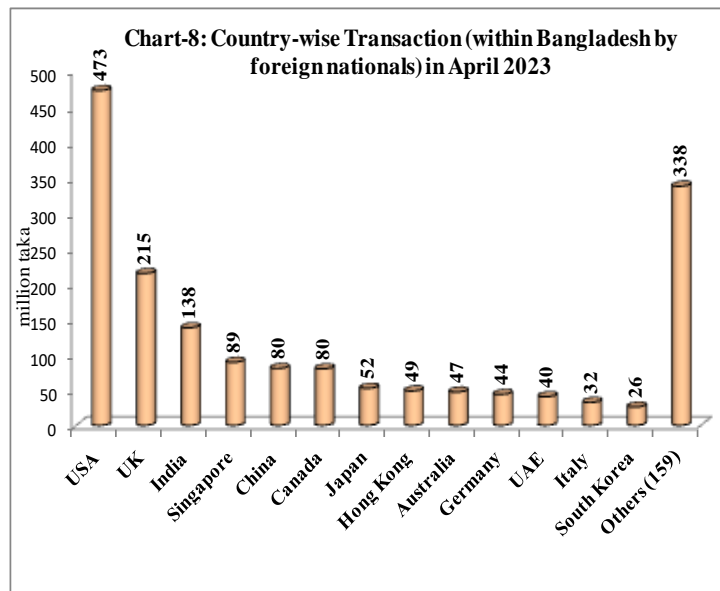


Table-8: Country-wise Breakdown of Credit Card Transactions (within Bangladesh by foreign nationals) in April 2023

In April 2023, among all the foreign nationals maximum amount of transactions were carried out by USA nationals. About 27.78% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included UK (12.60%), India (8.09%), Singapore (5.24%), China (4.72%), Canada (4.69%), Japan (3.07%), Hong Kong (2.86%), Australia (2.77%), Germany (2.57%), UAE (2.37%), Italy (1.90%), South Korea (1.52%) and other 159 countries (19.84%).

Countries	Transaction Amount	Percentages
USA	473	27.78
UK	215	12.60
India	138	8.09
Singapore	89	5.24
China	80	4.72
Canada	80	4.69
Japan	52	3.07
Hong Kong	49	2.86
Australia	47	2.77
Germany	44	2.57
UAE	40	2.37
Italy	32	1.90
South Korea	26	1.52
Others (159)	338	19.84
Total	1704	100.00

Chart-8 shows the credit card usage of foreign nationals within Bangladesh in April, 2023.



In conclusion, it is observed that the usage of credit card by Bangladeshi nationals outside the country and foreign nationals within Bangladesh both decreased in April 2023 compared to that of March 2023. The total credit card domestic transactions increased by 6.52% in April, 2023 compared to that of previous month. The transaction amount was Tk. 25294 million in April, 2023 while it was Tk. 23747 million in March, 2023. On the other hand, the credit card transactions by Bangladeshi nationals in outside the country was 3684 million in April, 2023 which was Tk. 4262 million in March, 2023 and this transaction decreased by 13.56% compared to that of March, 2023. Similarly, the transactions of credit card used within Bangladesh by foreign nationals decreased to Tk. 1704 million in April, 2023 when it was Tk. 2367 million in March, 2023. It is noticeable that this transaction amount recorded a significant decrease of 28.02% compared to that of March, 2023 which also implies a decrease in foreign currency inflow through credit card. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did more transactions in outside the country than the foreign credit card holders did within Bangladesh in April, 2023.