



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

August 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 increase 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 institution who are the credit card issuers of the economy. From the collected data 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 August 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 4.09% in August, 2023 compared to that of previous month. The amount was Tk. 24376 million in August, 2023 when it was Tk. 23419 million in July, 2023 (Table-1). On the other hand, the transaction amount was 4179 million in outside the country in August, 2023 (Table-3). It is noticeable that this transaction amount recorded a significant decrease of 18.35% compared to that of July, 2023, when the amount was Tk. 5118 million. The transactions of credit card issued by other countries that took place within Bangladesh increased to Tk. 2184 million in August, 2023 when it was Tk. 1914 million in July, 2023. This transaction increased by 14.11% (Table-6).

Analyzing the expenditure behaviour of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In August 2023 about 49.99% of credit card transactions took place in Departmental Stores, when about 12.34% took place in Retail Outlet Services, 9.16% in Utilities, 7.97% in Cash Withdrawal, 5.95% in Drug and Pharmacies, 4.51% in Clothing, 3.44% in Fund Transfer, 3.37% in Transportation, 2.18% in Business Services and 1.09% in Professional and Government Services.

**Table-1: Category-wise Breakdowns of Credit Card Transactions
(Domestic) in July 2023 and August 2023**

(million taka)

Merchant Categories	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	12185	49.99	11735	50.11
Retail Outlet Services	3008	12.34	3154	13.47
Utilities	2233	9.16	2155	9.20
Cash Withdrawal	1942	7.97	1740	7.43
Drug and Pharmacies	1451	5.95	1273	5.44
Clothing	1100	4.51	1026	4.38
Fund Transfer	840	3.44	742	3.17
Transportation	821	3.37	776	3.31
Business Services	531	2.18	545	2.33
Professional Services	186	0.77	171	0.73
Government Services	79	0.32	102	0.44
Grand Total	24376	100.00	23419	100.00

Chart-1 illustrates the spending pattern for different sectors within the country in August, 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 Retail Outlet Services, Utilities, Cash Withdrawal, Drug & Pharmacies and Clothing.

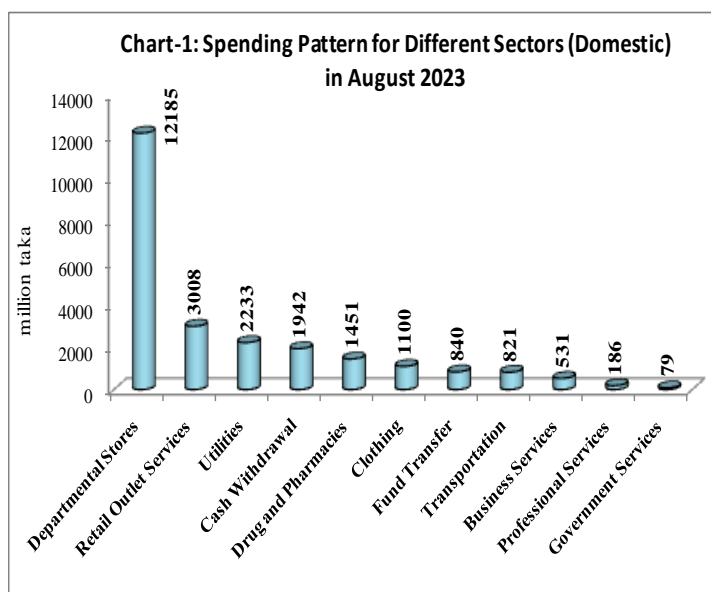


Chart-2 illustrates the percentage of expenditure pattern for different sectors within the country in August, 2023.

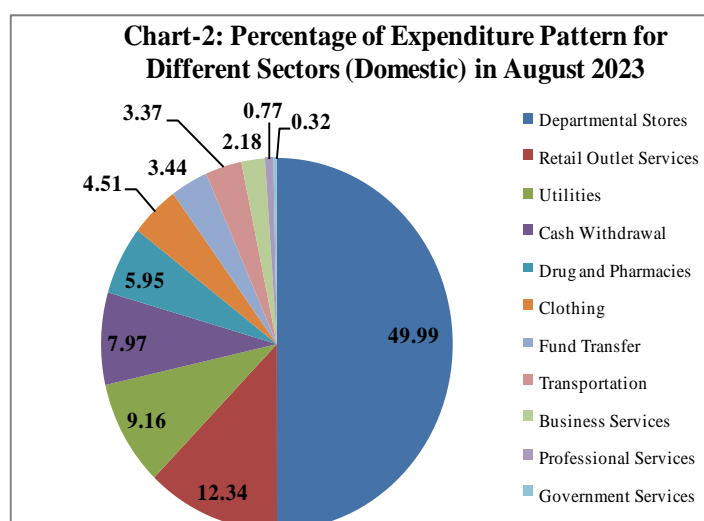


Table-2: Card Type-wise Breakdowns of Credit Card Transactions (Domestic) in July 2023 and August 2023

Analyzing the credit card spending pattern it is also found that about 72.66% of the credit card transactions took place using VISA card, about 17.08% of transactions took place using MasterCard, about 10.03% of transactions took place using AMEX card and remaining transactions took place using other types of cards in August, 2023.

(million taka)

Card Type	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
VISA	17712	72.66	17202	73.45
MasterCard	4163	17.08	3794	16.20
AMEX	2445	10.03	2376	10.15
Diners	32	0.13	24	0.10
QcashProprietary	10	0.04	10	0.04
JCB	10	0.04	9	0.04
UnionPay	3	0.01	4	0.02
Grand Total	24376	100.00	23419	100.00

Expenditure behaviour 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 August, 2023. About 26.73% of the transactions of outside the country took place in Departmental Stores. Other merchant categories included Retail Outlet Services (15.92%), Drug and Pharmacies (13.21%), Transportation (8.69%), Clothing (8.32%) and others (27.13%).

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

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

(million taka)

Merchant Categories	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	1117	26.73	1577	30.82
Retail Outlet Services	665	15.92	800	15.62
Drug and Pharmacies	552	13.21	610	11.93
Transportation	363	8.69	405	7.92
Clothing	348	8.32	484	9.46
Government Services	345	8.25	245	4.79
Business Services	269	6.43	320	6.24
Cash Withdrawal	222	5.30	401	7.84
Professional Services	187	4.47	166	3.24
Utilities	112	2.67	110	2.15
Total	4179	100.00	5118	100.00

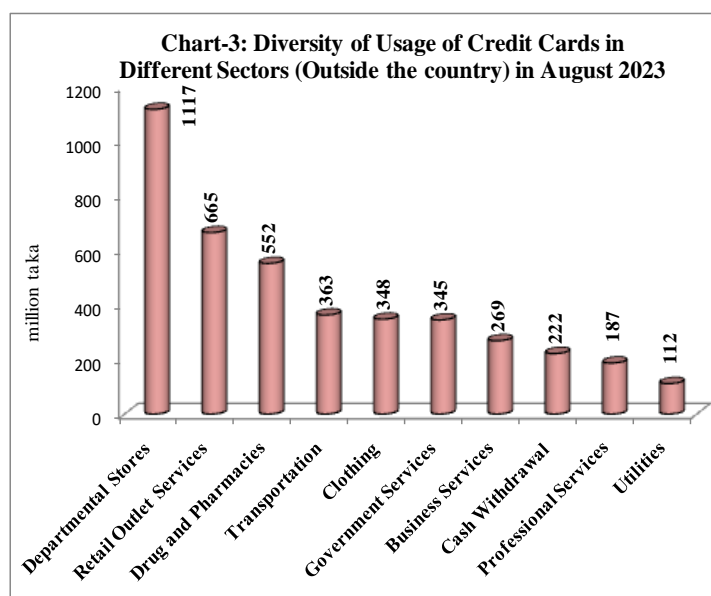


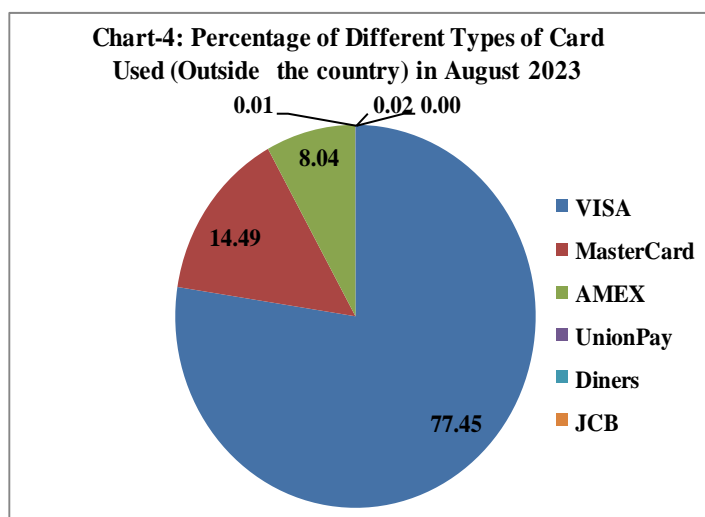
Table-4: Card Type-wise Breakdowns of Credit Card Transactions (Outside the country) in July 2023 and August 2023

(million taka)

Card Type	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
VISA	3237	77.45	4042	78.98
MasterCard	605	14.49	662	12.94
AMEX	336	8.04	387	7.57
UnionPay	0.71	0.02	25.68	0.50
Diners	0.32	0.01	0.37	0.01
JCB	0.14	0.00	0.08	0.00
Total	4179	100.00	5118	100.00

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

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



Doing country-wise transaction analysis it is observed that the credit cardholders used their cards mostly in neighboring country India. About 17.62% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (16.32%), Thailand (9.51%), UK (7.69%), Singapore (7.61%), Canada (6.71%), UAE (6.49%), Malaysia (5.40%), Saudi Arabia (2.89%), Netherlands (2.81%), Ireland (2.73%), Australia (2.19%) and other countries (12.02%).

Table-5: Country-wise Breakdowns of Credit Card Transactions (Outside the country) in July 2023 and August 2023

(million taka)

Countries	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
India	737	17.62	866	16.92
USA	682	16.32	708	13.83
Thailand	397	9.51	472	9.22
UK	321	7.69	354	6.92
Singapore	318	7.61	395	7.71
Canada	281	6.71	272	5.31
UAE	271	6.49	313	6.11
Malaysia	226	5.40	229	4.48
Saudi Arabia	121	2.89	585	11.42
Netherlands	117	2.81	120	2.35
Ireland	114	2.73	100	1.95
Australia	92	2.19	119	2.33
Other Countries	502	12.02	585	11.44
Total	4179	100.00	5118	100.00

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

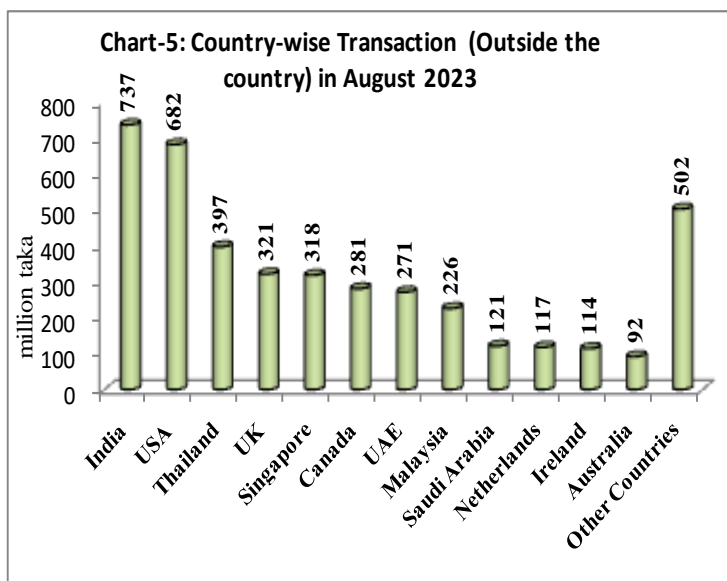
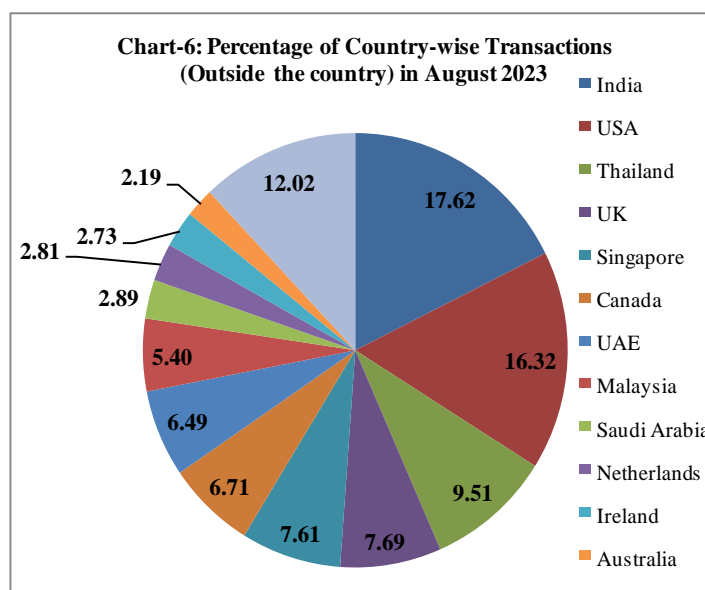


Chart-6 shows the percentage of country-wise cross-border transactions in August 2023.



Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 39.68% of all transactions in August 2023. Cash withdrawal contributed about 22.69%, Transportation contributed 16.50% and other sectors contributed 21.14%.

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

(million taka)

Merchant Categories	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	867	39.68	703	36.71
Cash Withdrawal	496	22.69	481	25.13
Transportation	360	16.50	333	17.41
Clothing	131	6.01	149	7.79
Business Services	98	4.49	65	3.38
Retail Outlet Services	96	4.38	100	5.22
Professional Services	50	2.29	26	1.38
Drug and Pharmacies	38	1.72	17	0.88
Utilities	36	1.65	33	1.74
Government Services	13	0.60	7	0.36
Total	2184	100.00	1914	100.00

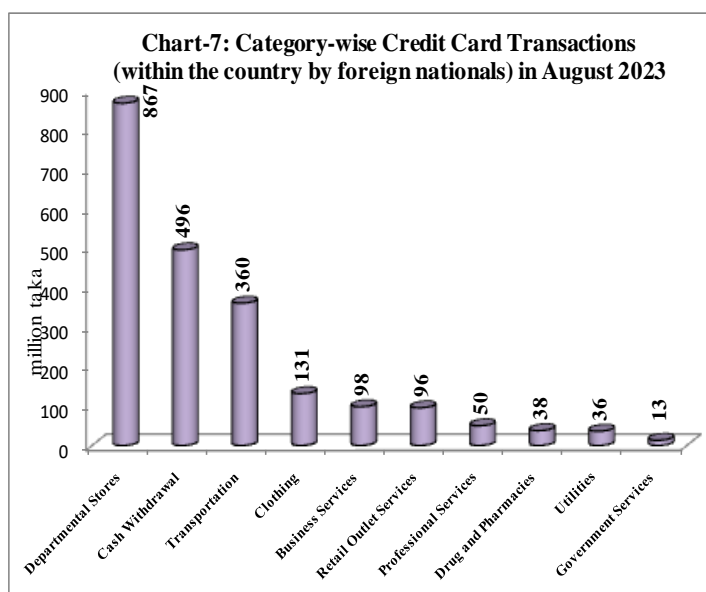
Table-7 shows that about 61.08% and 38.01% of the transactions were carried out by VISA and MasterCard respectively which were issued by other countries.

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

(million taka)

Card Type	Aug-23		Jul-23	
	Amount	Percentages	Amount	Percentages
VISA	1334	61.08	1185	61.89
MasterCard	830	38.01	707	36.96
UnionPay	8	0.36	11	0.55
Amex	8	0.35	8	0.44
Diners	3	0.12	3	0.13
JCB	02.03	0.09	0.49	0.03
Total	2184	100.00	1914	100.00

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



In August 2023, among all the foreign nationals maximum amount of transactions were carried out by USA nationals. About 25.34% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included UK (12.39%), India (10.92%), Singapore (3.74%), Canada (3.57%), Colombia (3.50%), Japan (3.43%), Hong Kong (3.33%), Honduras (2.75%), UAE (2.58%), Australia (2.37%), China (2.05%), Saudi Arabia (2.00%) and other countries (22.02%).

Table-8: Country-wise Breakdown of Credit Card Transactions (within the country by foreign nationals) in August 2023

Countries	(million taka)	
	Transaction Amount	Percentages
USA	554	25.34
UK	271	12.39
India	239	10.92
Singapore	82	3.74
Canada	78	3.57
Colombia	76	3.50
Japan	75	3.43
Hong Kong	73	3.33
Honduras	60	2.75
UAE	56	2.58
Australia	52	2.37
China	45	2.05
Saudi Arabia	44	2.00
Other Countries	481	22.02
Total	2184	100.00

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

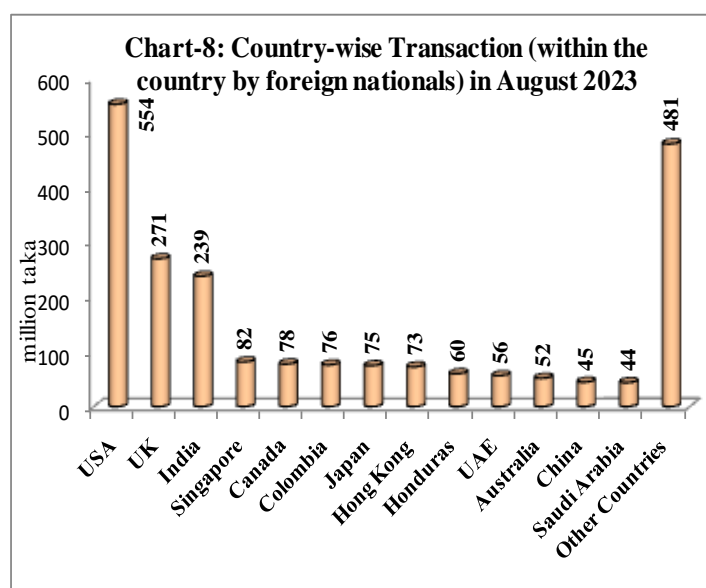


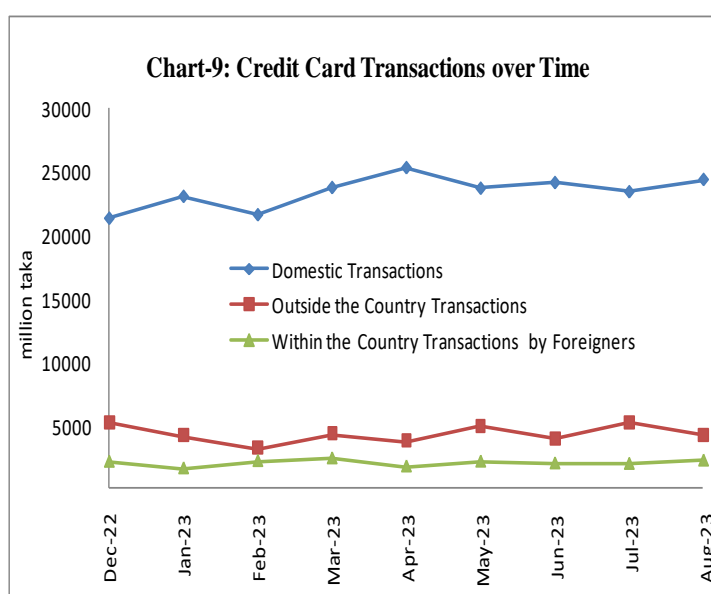
Table-9: Credit Card Transactions over Time

(million taka)

Table-9 shows the credit card transactions from December 2022 to August 2023 within and outside the country.

Month	Domestic Transactions	Outside the Country Transactions	Within the Country Transactions by Foreigners
Dec-22	21356	5161	2088
Jan-23	23058	4137	1549
Feb-23	21628	3129	2146
Mar-23	23747	4262	2367
Apr-23	25294	3684	1704
May-23	23690	4847	2101
Jun-23	24133	3883	1955
Jul-23	23419	5118	1914
Aug-23	24376	4179	2184

The credit card transactions within country in chart-9 show little bit ups and downs over time which seems as usual. Similarly, cross-border transactions follow almost same pattern. On the other hand, the spending by foreign nationals records almost flat pattern over time during this period.



In conclusion, it is observed that within the country total credit card transactions increased by 4.09% in August, 2023 compared to that of previous month. The amount was Tk. 24376 million in August, 2023 when it was Tk. 23419 million in July, 2023. Similarly, the transactions of credit card that took place within Bangladesh by foreign nationals increased to Tk. 2184 million in August, 2023 when it was Tk. 1914 million in July, 2023. This transaction increased by 14.11% compared to that of July, 2023. On the other hand, the credit card transactions by Bangladeshi nationals in outside the country was 4179 million in August, 2023 which was Tk. 5118 million in July, 2023 and it is noticeable that this transaction amount recorded a significant decrease of 18.35% compared to that of July, 2023. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did about 2 times transactions in outside the country than the foreign credit card holders did within Bangladesh in August, 2023.