



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

May 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 41,53,690 and size of the file is 343 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 May 2023. The results of the analysis are depicted below:

Analyzing the credit card transactions within the country, it is observed that the transactions decreased by 6.34% in May, 2023 compared to that of previous month. The amount was Tk. 23690 million in May, 2023 when it was Tk. 25294 million in April, 2023 (Table-1). On the other hand, the transaction amount was 4847 million in outside the country in May, 2023 (Table-3). It is noticeable that this transaction amount recorded a significant increase of 31.57% compared to that of April, 2023. In April, 2023 the amount was Tk. 3684 million. Similarly, the transactions of credit card issued by other countries used within Bangladesh increased to Tk. 2101 million in May, 2023 when it was Tk. 1704 million in April, 2023. This transaction increased by 23.29% (Table-6).

Analyzing the expenditure behavior of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In May 2023 about 58.13% of credit card transactions took place in Departmental Stores, when about 13.70% took place in Fund Transfer, 7.53% in Cash Withdrawal, 7.35% in Utilities, 4.51% in Drug and Pharmacies, 3.51% in Clothing, 2.51% in Transportation, 2.00% in Business Services and 0.76% in other areas.

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

Merchant Categories	(million taka)			
	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	13770	58.13	14368	56.80
Fund Transfer	3246	13.70	1604	6.34
Cash Withdrawal	1783	7.53	1720	6.80
Utilities	1742	7.35	1940	7.67
Drug and Pharmacies	1068	4.51	1010	3.99
Clothing	831	3.51	3404	13.46
Transportation	594	2.51	677	2.68
Business Services	475	2.00	397	1.57
Professional Services	140	0.59	120	0.48
Government Services	34	0.14	38	0.15
Contractual Services	6	0.03	12	0.05
Agriculture	3	0.01	4	0.01
Total	23690	100.00	25294	100.00

Chart-1 illustrates the comparative spending pattern for different sectors within the country in May, 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 Fund Transfer, Cash Withdrawal, Utilities, Drug and Pharmacies and Clothing.

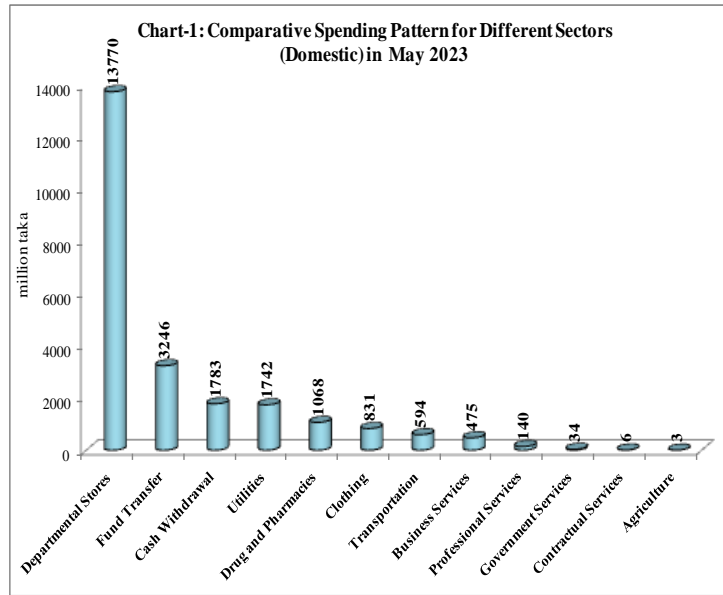


Chart-2 illustrates the percentage of comparative expenditure pattern for different sectors within the country in May, 2023.

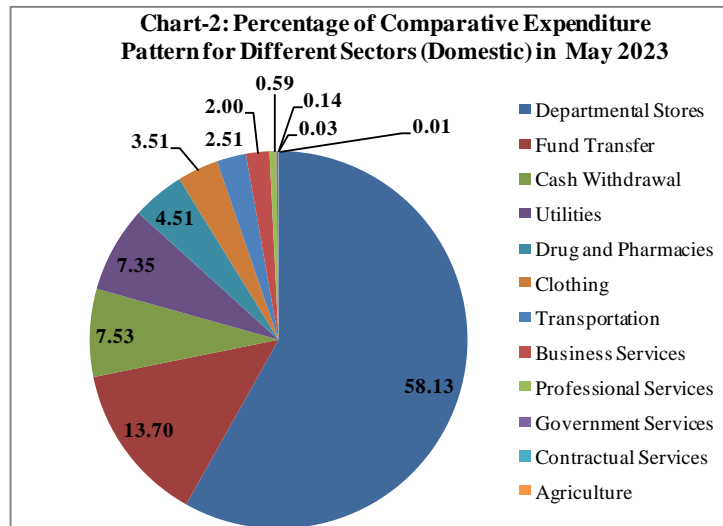


Table-2: Card Type-wise Breakdowns of Credit Card Transactions (Domestic) in April 2023 and May 2023

Analyzing the credit card spending pattern it is also found that about 72.65% of the credit card transactions took place using VISA card and about 16.40% of transactions took place using MasterCard and remaining transactions took place using other types of card in May, 2023.

Card Type	(million taka)			
	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
VISA	17211	72.65	17864	70.62
MasterCard	3886	16.40	4302	17.01
AMEX	2539	10.72	2593	10.25
Diners	30	0.13	24	0.09
QcashProprietary	11	0.05	11	0.04
JCB	9	0.04	9	0.03
UnionPay	3	0.01	492	1.94
Total	23690	100.00	25294	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 May, 2023. About 41.06% of the transactions of outside the country took place in Departmental Stores. Other merchant categories included Drug and Pharmacies (14.77%), Clothing (11.53%), Transportation (8.38%) and others (24.26%).

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

Merchant Categories	(million taka)			
	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	1990	41.06	1617	43.89
Drug and Pharmacies	716	14.77	492	13.36
Clothing	559	11.53	328	8.90
Transportation	406	8.38	289	7.83
Cash Withdrawal	369	7.61	272	7.39
Business Services	258	5.32	257	6.97
Professional Services	258	5.32	184	5.00
Government Services	186	3.83	160	4.33
Utilities	103	2.12	83	2.25
Contractual Services	2	0.04	2	0.07
Agriculture	.5	0.01	.45	0.01
Total	4847	100.00	3684	100.00

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

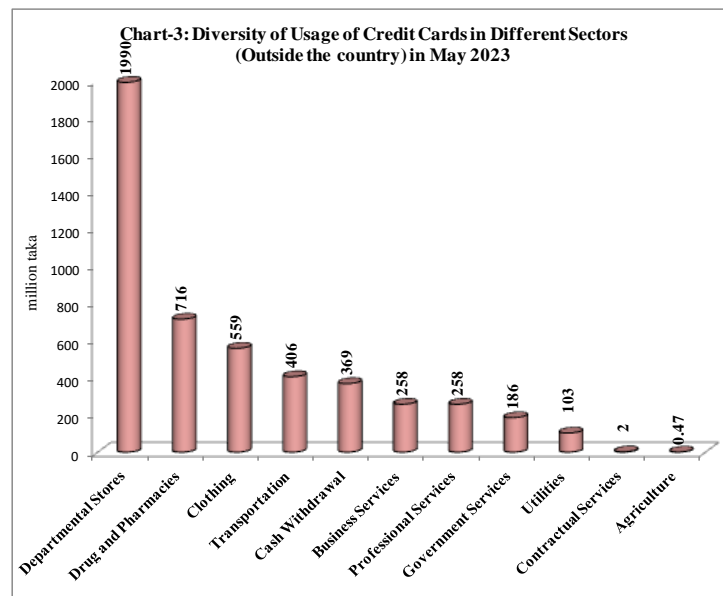
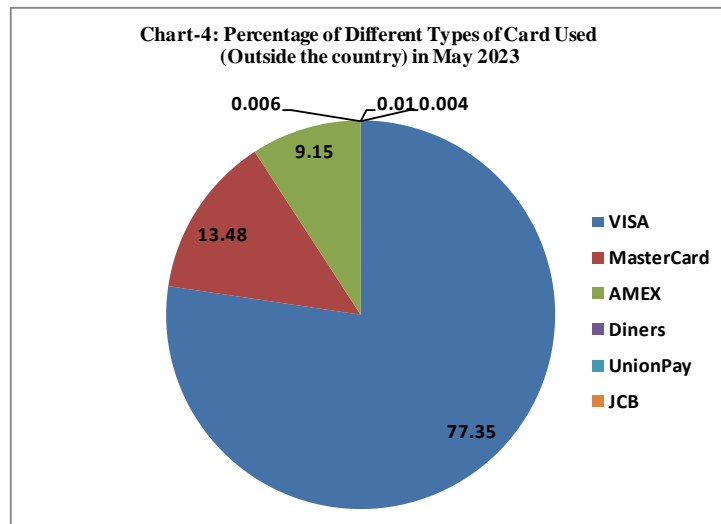


Table-4: Card Type-wise Breakdowns of Credit Card Transactions (Outside the country) in April 2023 and May 2023

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

Card Type	(million taka)			
	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
VISA	3878	77.35	2829	76.79
MasterCard	598	13.48	478	12.99
AMEX	370	9.15	376	10.21
Diners	0.36	0.01	0.29	0.01
UnionPay	0.66	0.006	0.22	0.006
JCB	0.08	0.004	0.00	0.00
Total	4847	100.00	3684	100.00

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



Doing country-wise transaction analysis it is observed that the credit cardholders used their cards mostly in neighboring country India. About 17.01% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (14.76%), Saudi Arabia (13.14%), Thailand (8.29%), UAE (7.57%), Singapore (6.29%), UK (5.82%), Canada (4.78%), Malaysia (3.60%), Netherlands (2.88%), Australia (2.28%), Ireland (2.15%) and other countries (11.43%).

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

(million taka)

Countries	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
India	824	17.01	737	20.01
USA	715	14.76	496	13.46
Saudi Arabia	637	13.14	391	10.62
Thailand	402	8.29	310	8.41
UAE	367	7.57	244	6.62
Singapore	305	6.29	285	7.74
UK	282	5.82	238	6.46
Canada	232	4.78	170	4.62
Malaysia	174	3.60	149	4.06
Netherlands	140	2.88	123	3.34
Australia	111	2.28	85	2.31
Ireland	104	2.15	93	2.52
Others	554	11.43	362	9.82
Total	4847	100.00	3684	100.00

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

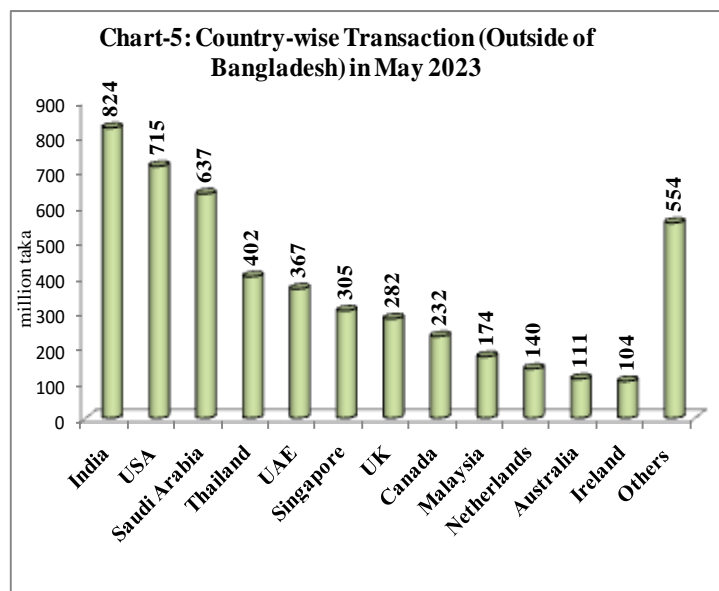


Chart-6 shows the percentage of cross-border transactions in May 2023.

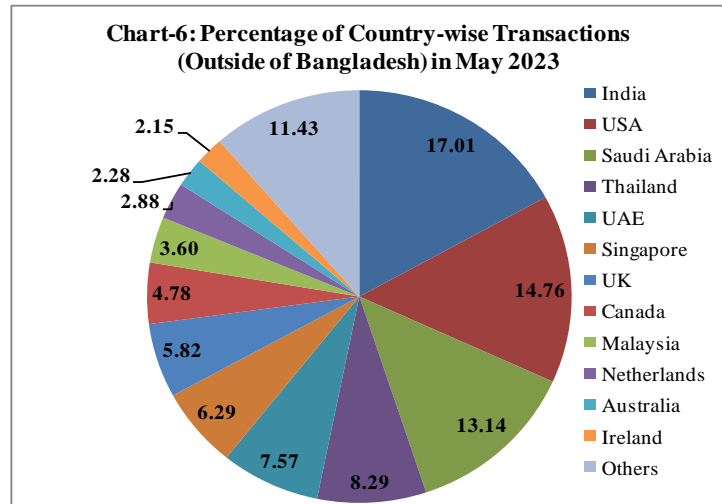


Table-6: Category-wise Breakdowns of Credit Card Transactions (within the country by foreign nationals) in April 2023 and May 2023

Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 41.68% of transactions in May 2023. Cash withdrawal contributed about 22.41%, Transportation contributed 21.22% and other sectors contributed 14.69%.

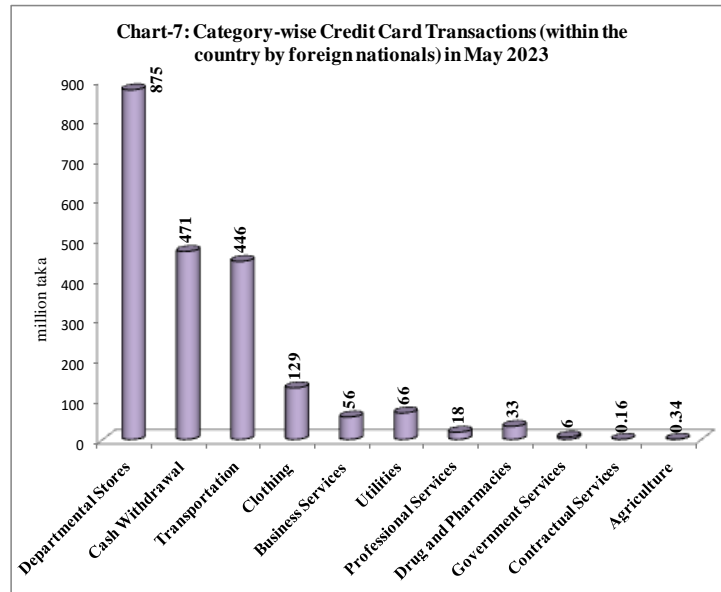
Merchant Categories	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
Departmental Stores	875	41.68	642	37.67
Cash Withdrawal	471	22.41	476	27.94
Transportation	446	21.22	258	15.13
Clothing	129	6.15	144	8.43
Business Services	56	2.68	78	4.57
Utilities	66	3.16	50	2.91
Professional Services	18	0.86	29	1.71
Drug and Pharmacies	32.8	1.56	24.7	1.45
Government Services	5.65	0.27	2.94	0.17
Contractual Services	0.16	0.008	0.23	0.014
Agriculture	0.34	0.02	0.10	0.01
Total	2101	100.00	1704	100.00

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

Table-7 shows that about 62.63% and 36.47% of the transactions were carried out by VISA and MasterCard respectively which were issued by other countries.

Card Type	May-23		Apr-23	
	Amount	Percentages	Amount	Percentages
VISA	1316	62.63	1072	62.89
MasterCard	766	36.47	617	36.22
UnionPay	12	0.55	10	0.60
Amex	4.69	0.22	3.69	0.22
Diners	2	0.09	.84	0.05
JCB	1	0.03	.24	0.01
Total	2101	100.00	1704	100.00

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

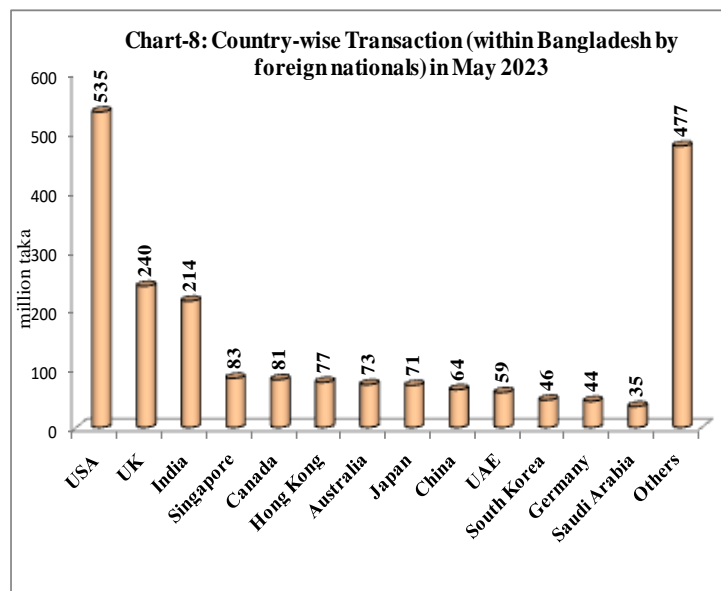


In May 2023, among all the foreign nationals maximum amount of transactions were carried out by USA nationals. About 25.47% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included UK (11.41%), India (10.21%), Singapore (3.97%), Canada (3.86%), Hong Kong (3.64%), Australia (3.45%), Japan (3.39%), China (3.05%), UAE (2.82%), South Korea (2.21%), Germany (2.11%), Saudi Arabia (1.68%) and other countries (22.72%).

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

Countries	Transaction Amount	Percentages
USA	535	25.47
UK	240	11.41
India	214	10.21
Singapore	83	3.97
Canada	81	3.86
Hong Kong	77	3.64
Australia	73	3.45
Japan	71	3.39
China	64	3.05
UAE	59	2.82
South Korea	46	2.21
Germany	44	2.11
Saudi Arabia	35	1.68
Others	477	22.72
Total	2101	100.00

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



In conclusion, it is observed that the total credit card domestic transactions decreased by 6.34% in May, 2023 compared to that of previous month. The transaction amount was Tk. 23690 million in May, 2023 while it was Tk. 25294 million in April, 2023. On the other hand, the usage of credit card by Bangladeshi nationals outside the country and foreign nationals within Bangladesh both increased in May 2023 compared to that of April 2023. The credit card transactions by Bangladeshi nationals in outside the country was 4847 million in May, 2023 which was Tk. 3684 million in April, 2023 and it is noticeable that this transaction amount recorded a significant increase of 31.57% compared to that of April, 2023. Similarly, the transactions of credit card used within Bangladesh by foreign nationals increased to Tk. 2101 million in May, 2023 when it was Tk. 1704 million in April, 2023. This transaction increased by 23.27% compared to that of April, 2023. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did more than two times transactions in outside the country than the foreign credit card holders did within Bangladesh in May, 2023.