An Overview of Credit Card Usage Pattern Within and Outside Bangladesh

December 2023

Comments and suggestions may be sent to:
Md. Shafiqul Islam, Director (Statistics) (shafiqul.islam@bb.org.bd)
Mohammed Rabiul Islam, Additional Director (mrabiul.islam@bb.org.bd)
Hossain Md. Alhelal, Joint Director (hossain.alhelal@bb.org.bd)
Md. Tamimul Islam, Assistant Director (tamimul.islam@bb.org.bd)

The utilization of credit cards issued by commercial banks and financial institutions in Bangladesh has seen a remarkable surge over time. Transaction volumes are on a notable upward trajectory, contributing significantly to the augmentation of economic activities within the region. The Big Data Analytics and Data Science Unit of Statistics Department is actively collecting extensive data on credit card transactions from 43 (forty three) scheduled banks and 01(one) non-bank financial institution in Bangladesh. This comprehensive data collection aims to form a robust database that encapsulates the vast volume of transactions; deemed as Big Data due to its diverse nature, rapidity and variability.

In the analysis of credit card transactions for December 2023, it is evident that domestic transactions within Bangladesh witnessed a increase of 5.29%, amounting to Tk. 26,744 million compared to Tk. 25,399 million in November 2023 (Table-1). Concurrently, international transactions outside the country totaled Tk. 5,793 million in December 2023 (Table-3), showcasing an increase of 18.87% from Tk. 4,874 million in November 2023. On the other hand, transactions made with credit cards issued by foreign entities but utilized within Bangladesh dropped to Tk. 1,841 million in December 2023, down from Tk. 1,938 million in November 2023, indicating a decrease of 5.02% (Table-6).

The analysis highlights a noticeable boom in credit card transactions both domestically and internationally during December 2023 compared to that of preceding month, signifying fluctuations in spending patterns within and outside the country.

Transactions at departmental stores saw an increase from Tk. 12,589 million (Nov-23) to Tk. 13,095 million (Dec-23), accounting for 49.57% and 48.97% of total transactions, respectively. Retail Outlet Services noted a slight increase, rising from Tk. 3,331 million (Nov-23) to Tk. 3,418 million (Dec-23), representing 13.12% and 12.78% of total transactions, respectively. Transactions related to utilities experienced a minor increase, rising from Tk. 2,302 million (Nov-23) to Tk. 2,441 million (Dec-23), accounting for 9.06% and 9.13% of total transactions, respectively. There was negligible variation in cash withdrawal transactions, with Tk. 2,078 million (Nov-23) and Tk. 2,188 million (Dec-23), accounting for 8.18% and 8.18% of total transactions, respectively. Clothing category experienced an increase from Tk. 1,204 million (Nov-23) to Tk. 1,656 million (Dec-23), representing 4.74% and 6.19% of total transactions, respectively. Transactions within Drug and Pharmacies category increased from Tk. 1,308 million (Nov-23) to Tk. 1,310 million (Dec-23), constituting 5.15% and 4.90% of total transactions, respectively. Furthermore, Transportation, Fund Transfer and Business services showed an increase and Professional & Government

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

(million taka)

Merchant Categories	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	13095	48.97	12589	49.57
Retail Outlet Services	3418	12.78	3331	13.12
Utilities	2441	9.13	2302	9.06
Cash Withdrawal	2188	8.18	2078	8.18
Clothing	1656	6.19	1204	4.74
Drug and Pharmacies	1310	4.90	1308	5.15
Transportation	966	3.61	846	3.33
Fund Transfer	850	3.18	812	3.20
Business Services	566	2.12	536	2.11
Professional Services	170	0.64	209	0.82
Government Services	83	0.31	182	0.72
Grand Total	26744	100.00	25399	100.00

services demonstrated a marginal decrease in December 2023 compared to that of preceding month.

The analysis indicates subtle shifts in transaction percentages across various categories, with some experiencing decreases while others saw marginal increases. Notable changes include an increase in departmental store transactions, a decline in government services transactions and minor fluctuations in other categories. Overall, the percentages showcase a mixed trend in consumer spending patterns among different categories of transactions between November 2023 and December 2023.

Chart-1 illustrates the spending pattern for different sectors within the country in December 2023. Apparently, it shows that nearly half of the domestic credit card transactions were took place in Departmental Stores. It is mentionable that credit cards were utilized across other sectors including Retail Outlet Services, Utilities, Cash Withdrawal, Drug & Pharmacies and Clothing during this period.

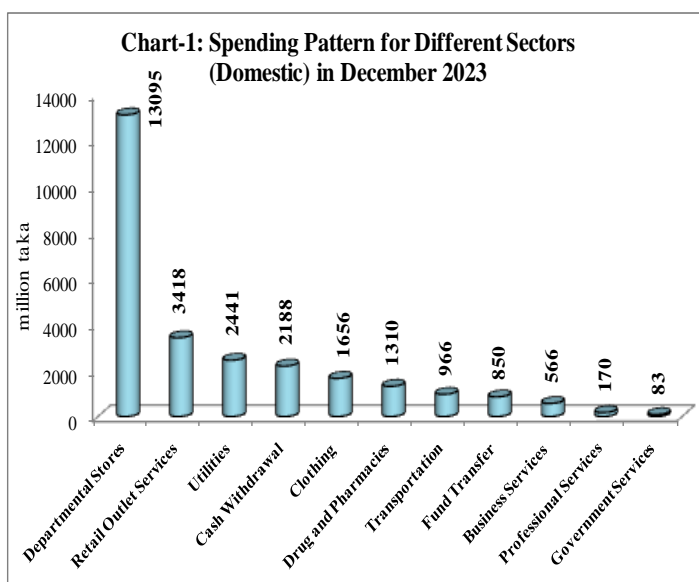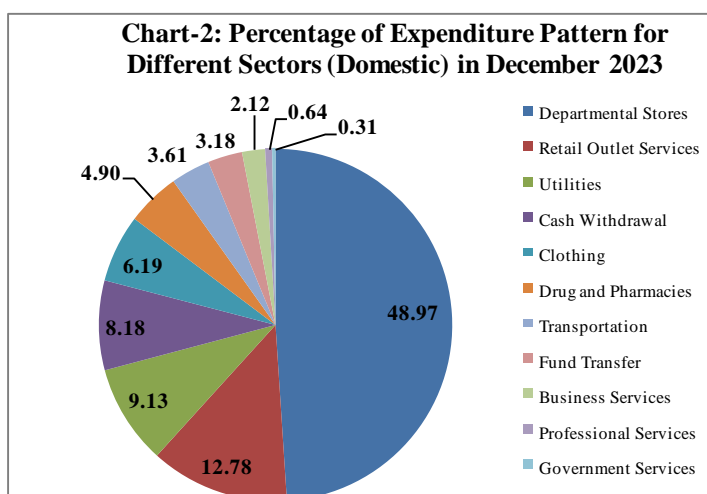Chart-1: Spending Pattern for Different Sectors (Domestic) in December 2023

Chart-2 illustrates the clear and comparative view of the proportional expenditures within each sector based on the total credit card transactions within the country in December 2023.

Chart-2: Percentage of Expenditure Pattern for Different Sectors (Domestic) in December 2023

Analyzing the credit card usage pattern it reveals that a significant majority, approximately 70.42% of the credit card transactions took place using VISA card, around 18.35% of transactions utilized Mastercard while about 10.95% of transactions were made with AMEX card. The remaining transactions occurred through other types of cards in December, 2023.

Table-2: Card Type Breakdowns of Credit Card Transactions (Domestic) in November 2023 and December 2023

(million taka)

Card Type	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
VISA	18834	70.42	18360	72.29
Mastercard	4908	18.35	4482	17.65
AMEX	2929	10.95	2493	9.82
Diners	48	0.18	40	0.16
JCB	11	0.04	10	0.04
QcashProprietar	11	0.04	12	0.05
Unionpay	3	0.01	3	0.01
Grand Total	26744	100.00	25399	100.00

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

(million taka)

Merchant Categories	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	1636	28.25	1369	28.08
Retail Outlet Services	907	15.66	788	16.16
Drug and Pharmacies	747	12.90	560	11.50
Cash Withdrawal	561	9.69	371	7.60
Clothing	498	8.59	415	8.52
Transportation	402	6.95	363	7.46
Business Services	351	6.05	301	6.18
Government Services	305	5.26	324	6.65
Professional Services	245	4.23	238	4.87
Utilities	140	2.42	145	2.97
Grand Total	5793	100.00	4874	100.00

The spending habits of credit cardholders engaging in cross-border transactions mirrored the domestic pattern in December 2023. These cardholders predominantly utilized their cards in Departmental Stores, accounting for approximately 28.25% of transactions abroad. Other notable categories included Retail Outlet Services (15.66%), Drug and Pharmacies (12.90%), Cash Withdrawal (9.69%), Clothing (8.59%), Transportation (6.95%) and various other categories (24.91%).

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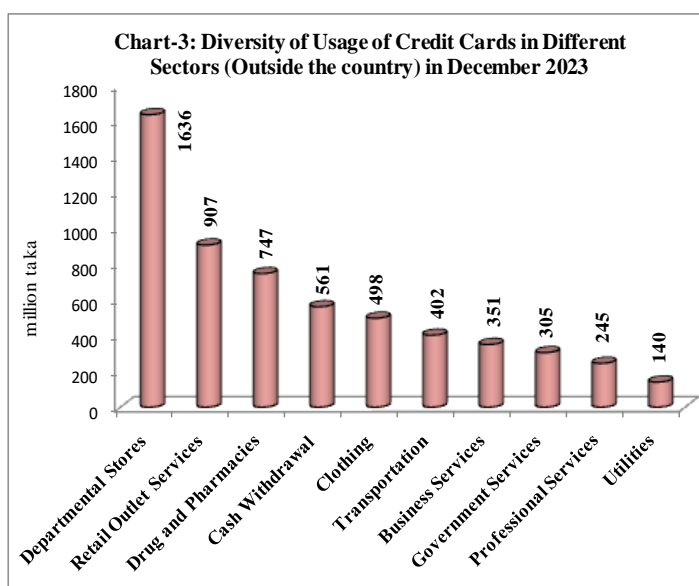

Chart-3: Diversity of Usage of Credit Cards in Different Sectors (Outside the country) in December 2023

Table-4: Card Type Breakdowns of Credit Card Transactions (Outside the country) in November 2023 and December 2023

(million taka)

Card Type	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
VISA	4487	77.46	3824	78.46
Mastercard	805	13.90	658	13.49
AMEX	499	8.61	391	8.03
Unionpay	1	0.02	1	0.02
Diners	0.74	0.01	0.19	0.00
JCB	0.13	0.002	0.06	0.001
Grand Total	5793	100.00	4874	100.00

Table-4 depicts that VISA and Mastercard were the prime choices for cross-border transactions in December 2023, mirroring their dominance in domestic credit card transactions within the country.

Chart-4 represents the distribution of various credit card types used in cross-border transactions during December 2023, showcasing the percentage breakdown of each card type.
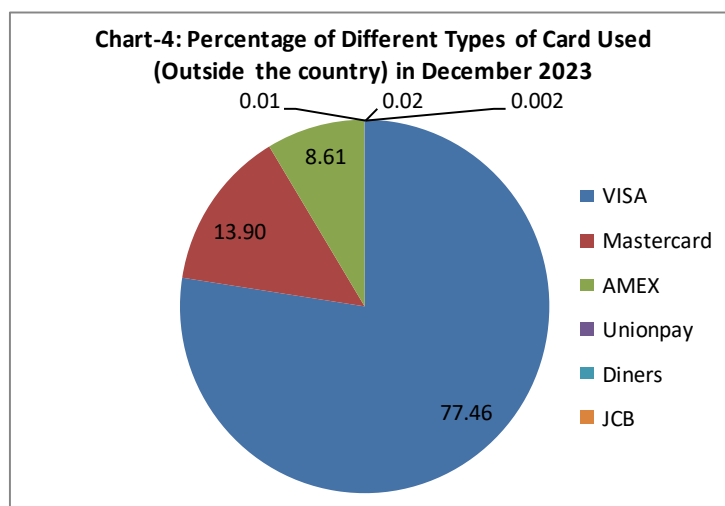
Chart-4: Percentage of Different Types of Card Used (Outside the country) in December 2023

- VISA: 77.46
- Mastercard: 13.90
- AMEX: 8.61
- Unionpay: 0.01
- Diners: 0.02
- JCB: 0.002

Analyzing the breakdown of cross-border transactions by country, it is evident that the majority of credit card transactions occurred in India, accounting for approximately 19.95%. The rest of the cross-border transactions were distributed across various countries: USA (12.63%), UAE (10.25%), Thailand (10.08%), Singapore (6.91%), Saudi Arabia (6.38%), UK (5.88%), Canada (5.53%), Malaysia (3.72%), Australia (2.62%), Netherlands (2.23%), Ireland (2.14%) and other countries (11.66%).

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

(million taka)

Countries	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
India	1156	19.95	871	17.87
USA	732	12.63	731	15.01
UAE	594	10.25	414	8.49
Thailand	584	10.08	404	8.28
Singapore	401	6.91	346	7.10
Saudi Arabia	370	6.38	235	4.82
UK	341	5.88	327	6.71
Canada	320	5.53	329	6.76
Malaysia	216	3.72	176	3.62
Australia	152	2.62	123	2.51
Netherlands	129	2.23	122	2.50
Ireland	124	2.14	120	2.46
Other Countries	676	11.66	676	13.86
Grand Total	5793	100.00	4874	100.00

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

Chart-5: Country-wise Transaction (Outside the country) in December 2023

million taka

- India: 1,156
- USA: 732
- UAE: 594
- Thailand: 584
- Singapore: 401
- Saudi Arabia: 370
- UK: 341
- Canada: 320
- Malaysia: 216
- Australia: 152
- Netherlands: 129
- Ireland: 124
- Other Countries: 676
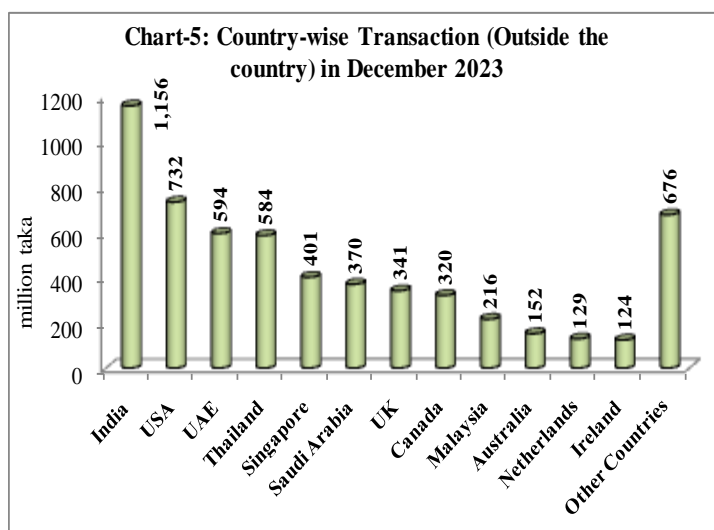
Chart-6 shows the percentage of country-wise cross-border transactions in December 2023.

Chart-6: Percentage of Country-wise Transactions (Outside the country) in December 2023

Color	Country
■	India
■	USA
■	UAE
■	Thailand
■	Singapore
■	Saudi Arabia
■	UK
■	Canada
■	Malaysia
■	Australia
■	Netherlands
■	Ireland
■	Other Countries

India 19.95, USA 12.63, UAE 10.25, Thailand 10.08, Singapore 6.91, Saudi Arabia 6.38, UK 5.88, Canada 5.53, Malaysia 3.72, Australia 2.62, Netherlands 2.23, Ireland 2.14, Other Countries 11.66
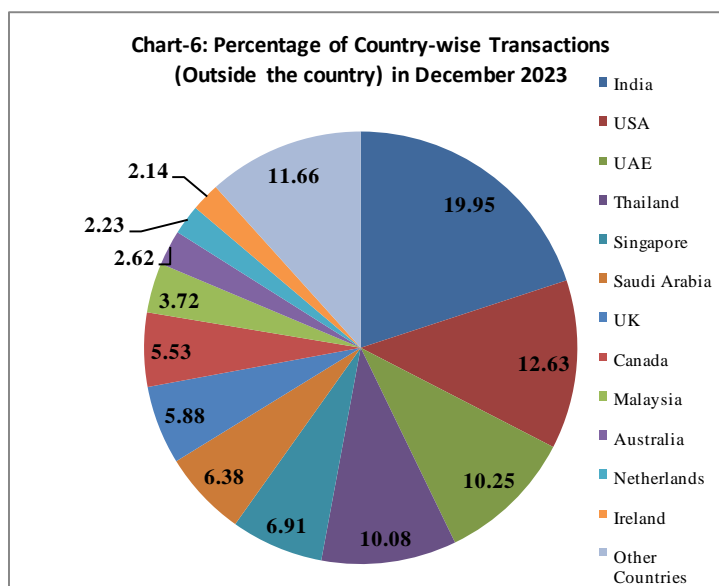
Credit card issued by other countries but used in departmental stores within Bangladesh recorded maximum amount of transactions which was roughly 34.90% of all transactions in December 2023. Additionally, cash withdrawals made up approximately 25.98%, while transactions in transportation constituted 16.15%. The remaining sectors collectively contributed around 22.98% to the total transactions.

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

(million taka)

Merchant Categories	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	642	34.90	671	34.63
Cash Withdrawal	478	25.98	456	23.52
Transportation	297	16.15	299	15.41
Clothing	181	9.81	126	6.51
Retail Outlet Services	113	6.14	155	7.99
Business Services	43	2.34	81	4.18
Drug and Pharmacies	32	1.73	31	1.59
Utilities	31	1.67	73	3.75
Professional Services	15	0.82	14	0.72
Government Services	9	0.47	33	1.70
Grand Total	1841	100.00	1938	100.00

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

(million taka)

Table-7 indicates that in Bangladesh around 58.16% of the transactions were conducted using VISA cards issued by foreign entities, while approximately 40.66% of the transactions were executed using Mastercard issued by foreign entities.

Card Type	Dec-23		Nov-23	
	Amount	Percentage	Amount	Percentage
VISA	1071	58.16	1157	59.70
Mastercard	749	40.66	745	38.41
Unionpay	11	0.57	7	0.37
AMEX	8	0.43	28	1.42
Diners	2	0.11	1	0.05
JCB	1	0.06	1	0.04
Grand Total	1841	100.00	1938	100.00

Chart-7 illustrates the diversity of usage of credit cards (within the country by foreign nationals) in different sectors in December, 2023.
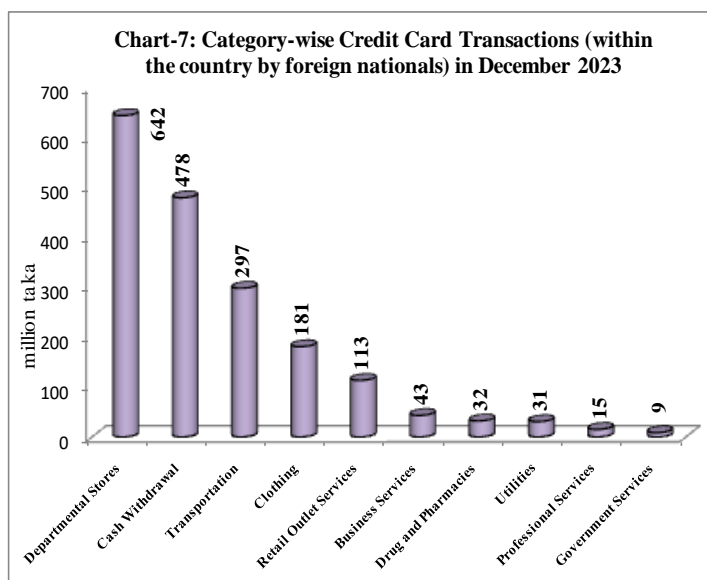
Chart-7: Category-wise Credit Card Transactions (within the country by foreign nationals) in December 2023

In December 2023, the majority of transactions among foreign nationals were conducted by individuals holding credit cards issued by the USA, accounting for about 25.38% of the total transactions. Other significant contributions were made by UK nationals (13.27%), individuals with cards from India (9.16%), Australia (4.51%), Canada (4.32%), Singapore (3.92%), Japan (3.80%), UAE (3.05%), China (2.45%), South Korea (2.44%), Saudi Arabia (2.23%), Italy (1.93%), Germany (1.86%) and various other countries (21.69%).

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

(million taka)

Countries	Transaction Amount	Percentage
USA	467	25.38
UK	244	13.27
India	169	9.16
Australia	83	4.51
Canada	79	4.32
Singapore	72	3.92
Japan	70	3.80
UAE	56	3.05
China	45	2.45
South Korea	45	2.44
Saudi Arabia	41	2.23
Italy	36	1.93
Germany	34	1.86
Other Countries	399	21.69
Grand Total	1841	100.00

Chart-8 visually displays the utilization of credit cards by foreign nationals within Bangladesh in December, 2023, based on their respective countries.
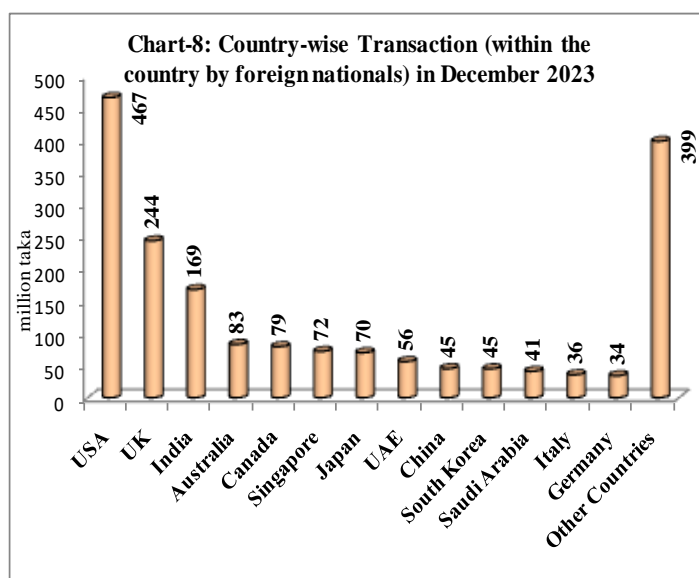
Chart-8: Country-wise Transaction (within the country by foreign nationals) in December 2023

Table-9: Movements of Credit Card Transactions over Time

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

(million taka)

Month	Domestic Transactions	Outside the Country Transactions	Within the Country Transactions by Foreigners
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
Sep-23	22493	4368	1904
Oct-23	25964	5386	1993
Nov-23	25399	4874	1938
Dec-23	26744	5793	1841

Chart-9 exhibits that domestic credit card transactions displays periodic fluctuations, yet overall, it indicates a consistent increasing pattern during the period under review. Similarly, cross-border transactions follow a little bit ups and down trend. On the other hand, the credit card spending by foreign nationals remains relatively flat throughout this period.

Chart-9: Movements of Credit Card Transactions over Time
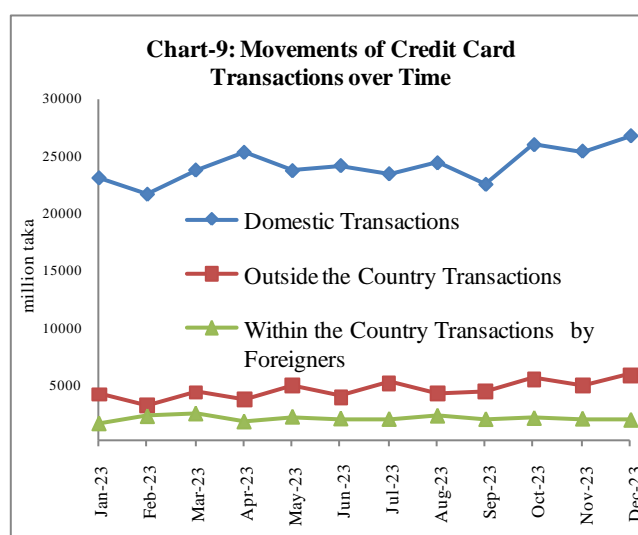
In summary, the analysis of credit card transactions reveals an increase in total transactions within the country by 5.29% in December 2023 compared to that of previous month, amounting to Tk. 26,744 million against Tk. 25,399 million in November 2023. In addition, transactions made by Bangladeshi nationals outside the country showed a remarkable increase of 18.87% reaching to Tk. 5,793 million in December 2023 from Tk. 4,874 million recorded in November 2023. On the other hand, credit card transactions within Bangladesh by foreign nationals decreased to Tk. 1,841 million in December 2023 from Tk. 1,938 million in November 2023, showing a decline of 5.02%. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did around 3.15 times transactions outside the country compared to that of foreign nationals did within Bangladesh in December 2023.