



An Overview of Credit Card Usage Pattern Within and Outside Bangladesh

November 2023

Comments and suggestions may be sent to:

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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 November 2023, it is evident that domestic transactions within Bangladesh witnessed a decrease of 2.18%, amounting to Tk. 25,399 million compared to Tk. 25,964 million in October 2023 (Table-1). Concurrently, international transactions outside the country totaled Tk. 4,874 million in November 2023 (Table-3), showcasing a decline of 9.51% from Tk. 5,386 million in October 2023. Moreover, transactions made with credit cards issued by foreign entities but utilized within Bangladesh dropped to Tk. 1,938 million in November 2023, down from Tk. 1,993 million in October 2023, indicating a decrease of 2.77% (Table-6).

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

Transactions at departmental stores saw a decrease from Tk. 13,170 million (Oct-23) to Tk. 12,589 million (Nov-23), accounting for 49.57% and 50.73% of total transactions, respectively. Retail Outlet Services noted a slight increase, rising from Tk. 3,127 million (Oct-23) to Tk. 3,331 million (Nov-23), representing 12.04% and 13.12% of total transactions, respectively.

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

(million taka)

Merchant Categories	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	12589	49.57	13170	50.73
Retail Outlet Services	3331	13.12	3127	12.04
Utilities	2302	9.06	2343	9.02
Cash Withdrawal	2078	8.18	2081	8.01
Drug and Pharmacies	1308	5.15	1423	5.48
Clothing	1204	4.74	1329	5.12
Transportation	846	3.33	836	3.22
Fund Transfer	812	3.20	800	3.08
Business Services	536	2.11	580	2.23
Professional Services	209	0.82	190	0.73
Government Services	182	0.72	85	0.33
Grand Total	25399	100.00	25964	100.00

Transactions related to utilities experienced a minor decrease, declining from Tk. 2,343 million (Oct-23) to Tk. 2,302 million (Nov-23), accounting for 9.02% and 9.06% of total transactions, respectively. There was negligible variation in cash withdrawal transactions, with Tk. 2,081 million (Oct-23) and Tk. 2,078 million (Nov-23), accounting for 8.01% and 8.18% of total transactions, respectively. Transactions within Drug and Pharmacies category declined from Tk. 1,423 million (Oct-23) to Tk. 1,308 million (Nov-23), constituting 5.48% and 5.15% of total transactions, respectively. Clothing category experienced a decrease from Tk. 1,329 million (Oct-23) to Tk. 1,204 million (Nov-23), representing 5.12% and 4.74% of

total transactions, respectively. Furthermore, Transportation, Fund Transfer, Professional Services and Government Services showed an increase and Business services demonstrated a marginal decrease in November 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 a decrease in departmental store transactions, a rise 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 October 2023 and November 2023.

Chart-1 illustrates the spending pattern for different sectors within the country in November, 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.

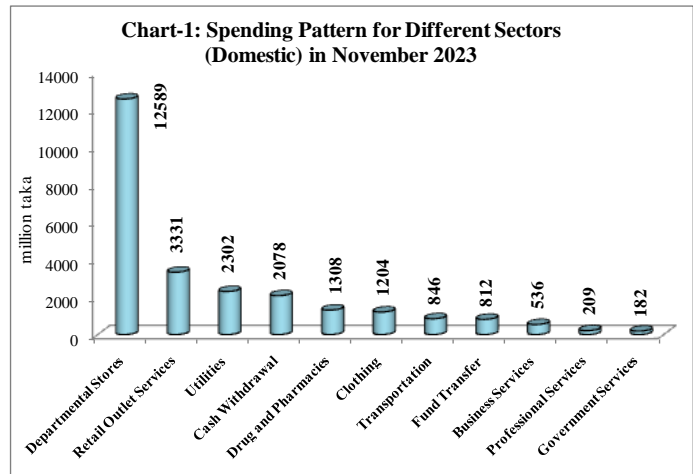


Chart-2 illustrates the clear and comparative view of the proportional expenditures within each sector based on the total credit card transactions within the country in November, 2023.

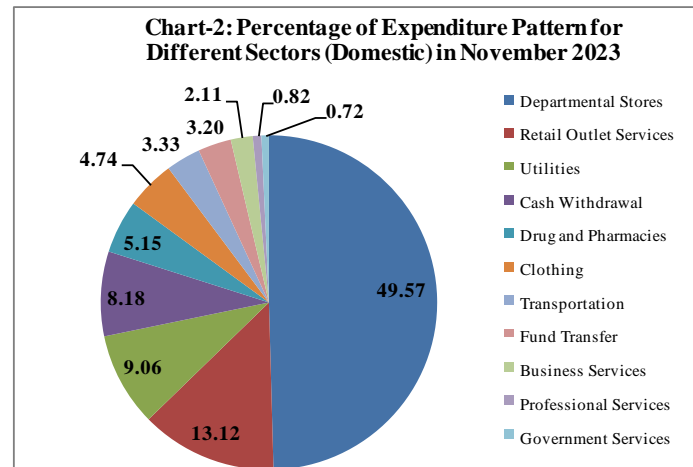


Table-2: Card Type Breakdowns of Credit Card Transactions (Domestic) in October 2023 and November 2023

Analyzing the credit card usage pattern it reveals that a significant majority, approximately 72.29% of the credit card transactions took place using VISA card, around 17.65% of transactions utilized MasterCard while about 9.82% of transactions were made with AMEX card. The remaining transactions occurred through other types of cards in November, 2023.

Card Type	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
VISA	18360	72.29	18972	73.07
Mastercard	4482	17.65	4384	16.89
AMEX	2493	9.82	2541	9.79
Diners	40	0.16	41	0.16
QcashProprietar	12	0.05	12	0.05
JCB	10	0.04	9	0.04
Unionpay	3	0.01	3	0.01
Grand Total	25399	100.00	25964	100.00

The spending habits of credit cardholders engaging in cross-border transactions mirrored the domestic pattern in November 2023. These cardholders predominantly utilized their cards in Departmental Stores, accounting for approximately 28.08% of transactions abroad. Other notable categories included Retail Outlet Services (16.16%), Drug and Pharmacies (11.50%), Clothing (8.52%), Cash Withdrawal (7.60%), Transportation (7.46%) and various other categories (28.28%).

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

(million taka)

Merchant Categories	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	1369	28.08	1592	29.57
Retail Outlet Services	788	16.16	921	17.10
Drug and Pharmacies	560	11.50	608	11.29
Clothing	415	8.52	488	9.06
Transportation	363	7.46	449	8.34
Cash Withdrawal	371	7.60	375	6.96
Business Services	301	6.18	312	5.80
Government Services	324	6.65	308	5.71
Professional Services	238	4.87	185	3.43
Utilities	145	2.97	148	2.75
Grand Total	4874	100.00	5386	100.00

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

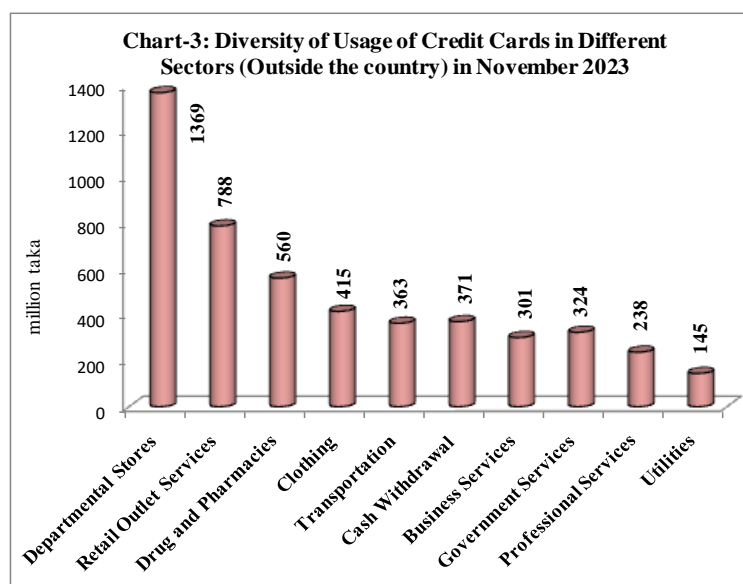


Table-4: Card Type Breakdowns of Credit Card Transactions (Outside the country) in October 2023 and November 2023

(million taka)

Card Type	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
VISA	3824	78.46	4204	78.05
Mastercard	658	13.49	700	13.00
AMEX	391	8.03	479	8.90
Unionpay	1	0.02	2	0.04
Diners	0.19	0.00	0.32	0.01
JCB	0.06	0.001	0.06	0.001
Grand Total	4874	100.00	5386	100.00

Table-4 depicts that VISA and MasterCard were the prime choices for cross-border transactions in November 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 November 2023, showcasing the percentage breakdown of each card type.

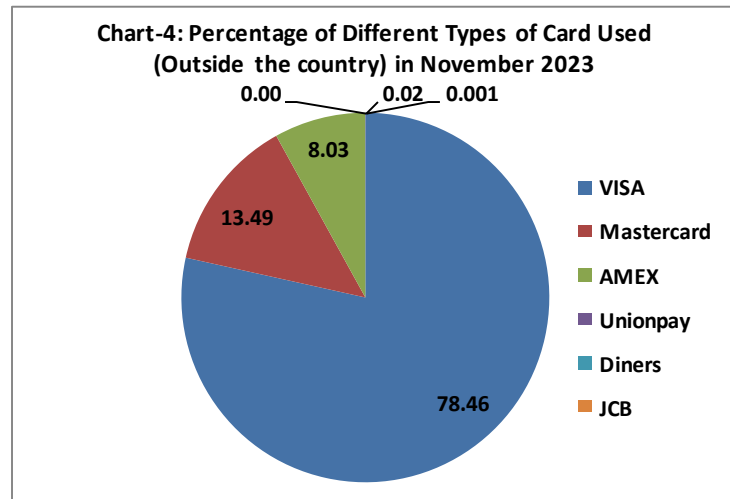


Table-5: Country-wise Breakdowns of Credit Card Transactions (Outside the country) in October 2023 and November 2023

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 17.87%. The rest of the cross-border transactions were distributed across various countries: USA (15.01%), UAE (8.49%), Thailand (8.28%), Singapore (7.10%), Canada (6.76%), UK (6.71%), Saudi Arabia (4.82%), Malaysia (3.62%), Australia (2.51%), Netherlands (2.50%), Ireland (2.46%) and other countries (13.86%).

(million taka)

Countries	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
India	871	17.87	902	16.75
USA	731	15.01	792	14.71
UAE	414	8.49	479	8.89
Thailand	404	8.28	503	9.33
Singapore	346	7.10	435	8.08
Canada	329	6.76	349	6.49
UK	327	6.71	386	7.17
Saudi Arabia	235	4.82	234	4.34
Malaysia	176	3.62	197	3.65
Australia	123	2.51	109	2.03
Netherlands	122	2.50	140	2.61
Ireland	120	2.46	125	2.31
Other Countries	676	13.86	735	13.64
Grand Total	4874	100.00	5386	100.00

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

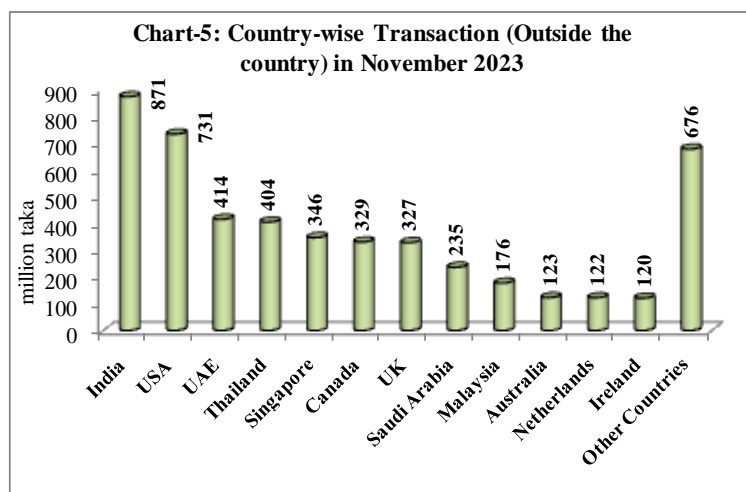
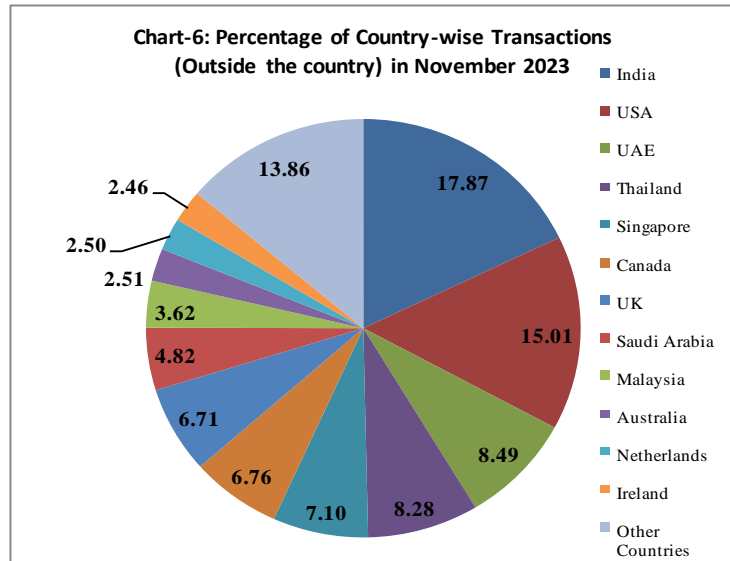


Chart-6 shows the percentage of country-wise cross-border transactions in November 2023.



Credit card issued by other countries but used in departmental stores within Bangladesh recorded maximum amount of transactions which was roughly 34.63% of all transactions in November 2023. Additionally, cash withdrawals made up approximately 23.52%, while transactions in transportation constituted 15.41%. The remaining sectors collectively contributed around 26.44% to the total transactions.

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

(million taka)

Merchant Categories	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	671	34.63	771	38.68
Cash Withdrawal	456	23.52	469	23.54
Transportation	299	15.41	427	21.41
Retail Outlet Services	155	7.99	96	4.81
Clothing	126	6.51	114	5.71
Business Services	81	4.18	37	1.83
Utilities	73	3.75	26	1.29
Government Services	33	1.70	9	0.43
Drug and Pharmacies	31	1.59	28	1.42
Professional Services	14	0.72	17	0.88
Grand Total	1938	100.00	1993	100.00

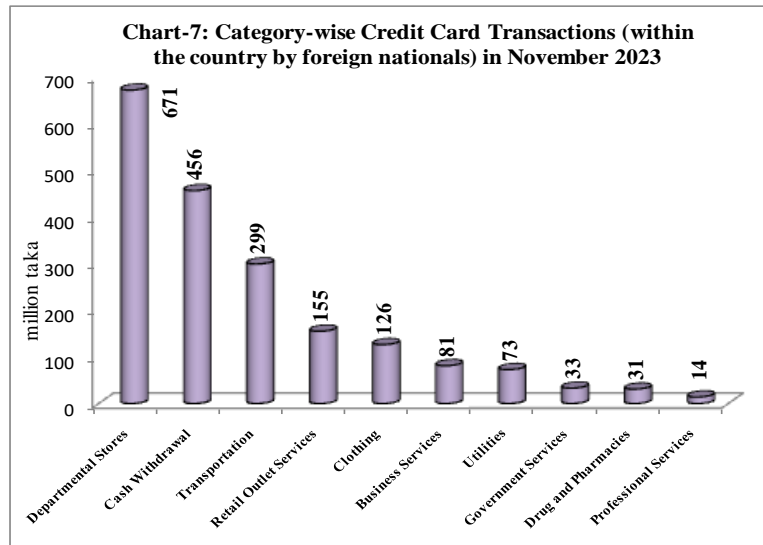
Table-7 indicates that in Bangladesh around 59.70% of the transactions were conducted using VISA cards issued by foreign entities, while approximately 38.41% of the transactions were executed using MasterCard issued by foreign entities.

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

(million taka)

Card Type	Nov-23		Oct-23	
	Amount	Percentage	Amount	Percentage
VISA	1157	59.70	1186	59.48
Mastercard	745	38.41	783	39.26
AMEX	28	1.42	7	0.35
Unionpay	7	0.37	12	0.61
Diners	1	0.05	4	0.22
JCB	1	0.04	2	0.08
Grand Total	1938	100.00	1993	100.00

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



In November 2023, the majority of transactions among foreign nationals were conducted by individuals holding credit cards issued by the USA, accounting for about 24.74% of the total transactions. Other significant contributions were made by UK nationals (13.76%), individuals with cards from India (9.84%), Japan (3.92%), Canada (3.79%), Singapore (3.68%), UAE (3.22%), Saudi Arabia (2.84%), China (2.55%), Australia (2.48%), South Korea (2.27%), Germany (2.06%), Italy (1.67%) and various other countries (23.18%).

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

Countries	Transaction Amount	Percentage
USA	480	24.74
UK	267	13.76
India	191	9.84
Japan	76	3.92
Canada	73	3.79
Singapore	71	3.68
UAE	62	3.22
Saudi Arabia	55	2.84
China	49	2.55
Australia	48	2.48
South Korea	44	2.27
Germany	40	2.06
Italy	32	1.67
Other Countries	449	23.18
Grand Total	1938	100.00

Chart-8 visually displays the utilization of credit cards by foreign nationals within Bangladesh in November, 2023, based on their respective countries.

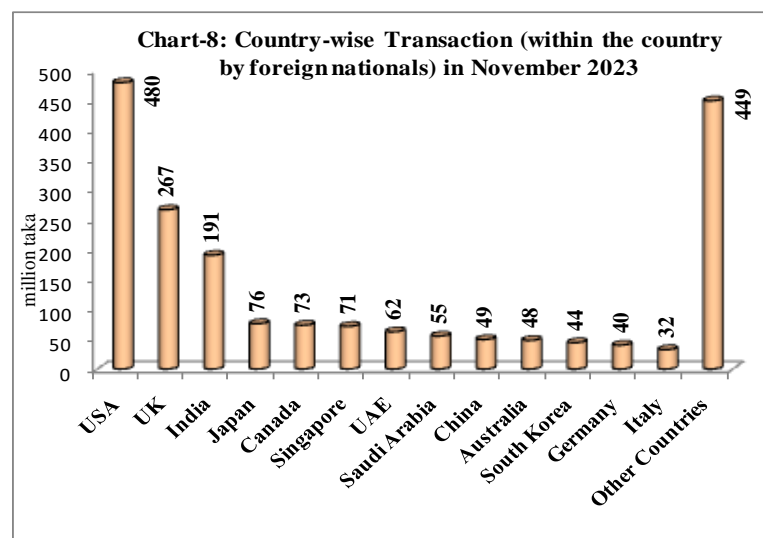
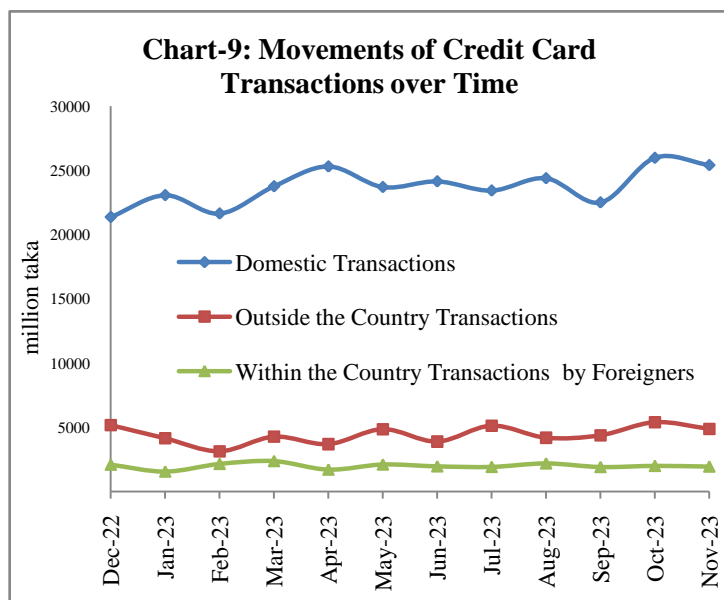


Table-9 shows the credit card transactions from December 2022 to November 2023 within and outside the country.

Table-9: Movements of Credit Card Transactions over Time

Month	Domestic Transactions	(million taka)	
		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
Sep-23	22493	4368	1904
Oct-23	25964	5386	1993
Nov-23	25399	4874	1938

Chart-9 exhibits that domestic credit card transactions displays periodic fluctuations, yet overall, it indicates a consistent increasing pattern during the time 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.



In summary, the analysis of credit card transactions reveals a decline in total transactions within the country by 2.18% in November 2023 compared to that of previous month, amounting to Tk. 25,399 million against Tk. 25,964 million in October 2023. In addition, transactions made by Bangladeshi nationals outside the country totaled Tk. 4,874 million in November 2023, marking a noteworthy decrease of 9.51% from Tk. 5,386 million recorded in October 2023. Concurrently, credit card transactions within Bangladesh by foreign nationals decreased to Tk. 1,938 million in November 2023 from Tk. 1,993 million in October 2023, showing a decline of 2.77%. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did around 2.51 times transactions outside the country compared to that of foreign nationals did within Bangladesh in November 2023.