



An Overview of Credit Card Usage Pattern Within and Outside the Country

October 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, usage 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 October 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 15.43% in October, 2023 compared to that of previous month. The amount was Tk. 25964 million in October, 2023 when it was Tk. 22493 million in September, 2023 (Table-1). Similarly, the transaction amount was 5386 million in outside the country in October, 2023 (Table-3). It is noticeable that this transaction amount recorded a significant increase of 23.29% compared to that of September, 2023, when the amount was Tk. 4368 million. The transactions of credit card issued by other countries that took place within Bangladesh also increased to Tk. 1993 million in October, 2023 when it was Tk. 1904 million in September, 2023. This transaction increased by 4.71% (Table-6).

Analyzing the expenditure behaviour of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In October 2023 about 50.73% of credit card transactions took place in Departmental Stores, when about 12.04% took place in Retail Outlet Services, 9.02% in Utilities, 8.01% in Cash Withdrawal, 5.48% in Drug and Pharmacies, 5.12% in Clothing, 3.22% in Transportation, 3.08% in Fund Transfer, 2.23% in Business Services and 1.06% in Professional and Government Services.

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

Merchant Categories	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	13170	50.73	10919	48.54
Retail Outlet Services	3127	12.04	2891	12.85
Utilities	2343	9.02	2075	9.23
Cash Withdrawal	2081	8.01	1942	8.64
Drug and Pharmacies	1423	5.48	1336	5.94
Clothing	1329	5.12	1096	4.87
Transportation	836	3.22	797	3.54
Fund Transfer	800	3.08	701	3.11
Business Services	580	2.23	494	2.20
Professional Services	190	0.73	178	0.79
Government Services	85	0.33	64	0.28
Grand Total	25964	100.00	22493	100.00

Chart-1 illustrates the spending pattern for different sectors within the country in October, 2023. Apparently, it shows that more than fifty percent 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.

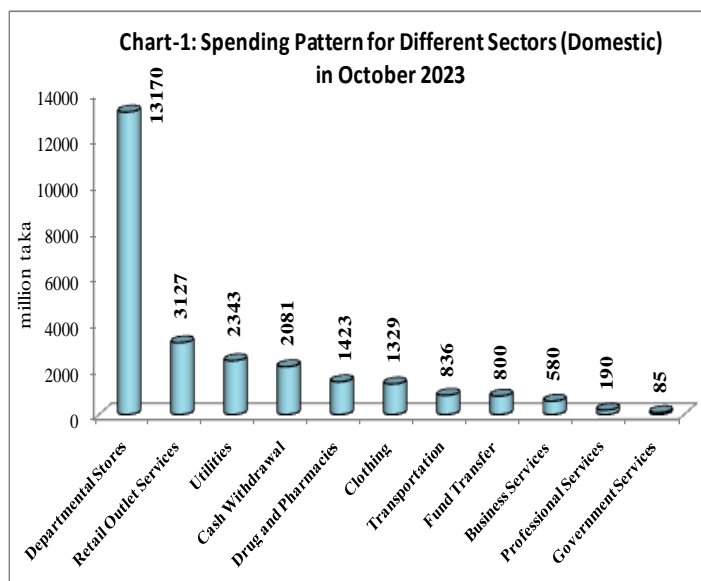


Chart-2 illustrates the percentage of expenditure pattern for different sectors within the country in October, 2023.

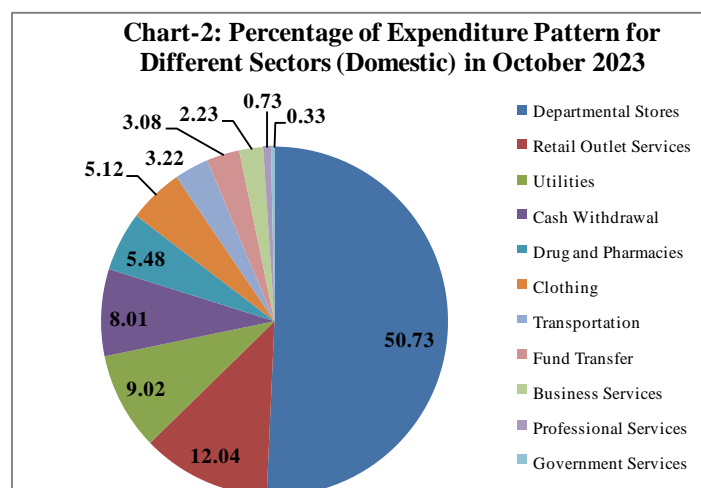


Table-2: Card Type Breakdowns of Credit Card Transactions (Domestic) in September 2023 and October 2023

Analyzing the credit card usage pattern it is also found that about 73.07% of the credit card transactions took place using VISA card, about 16.89% of transactions took place using Mastercard, about 9.79% of transactions took place using AMEX card and remaining transactions took place using other types of cards in October, 2023.

Card Type	(million taka)			
	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
VISA	18972	73.07	16118	71.66
Mastercard	4384	16.89	3901	17.34
AMEX	2541	9.79	2415	10.74
Diners	41	0.16	35	0.16
QcashProprietar	12	0.05	10	0.05
JCB	9	0.04	10	0.04
Unionpay	3	0.01	3	0.01
Grand Total	25964	100.00	22493	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 October, 2023. About 29.57% of the transactions of outside the country took place in Departmental Stores. Other merchant categories included Retail Outlet Services (17.10%), Drug and Pharmacies (11.29%), Clothing (9.06%), Transportation (8.34%) and others (24.66%).

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

(million taka)

Merchant Categories	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	1592	29.57	1273	29.15
Retail Outlet Services	921	17.10	751	17.19
Drug and Pharmacies	608	11.29	533	12.21
Clothing	488	9.06	362	8.28
Transportation	449	8.34	393	8.99
Cash Withdrawal	375	6.96	253	5.80
Business Services	312	5.80	262	6.00
Government Services	308	5.71	254	5.81
Professional Services	185	3.43	174	3.98
Utilities	148	2.75	113	2.59
Grand Total	5386	100.00	4368	100.00

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

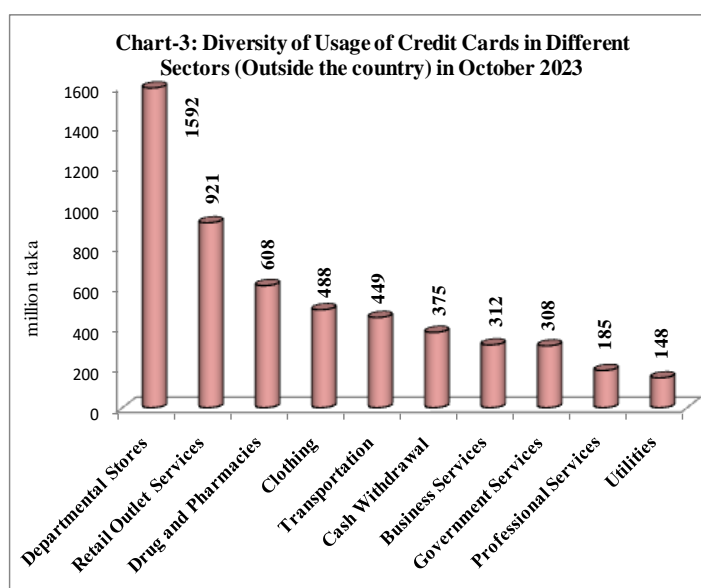


Table-4: Card Type Breakdowns of Credit Card Transactions (Outside the country) in September 2023 and October 2023

(million taka)

Card Type	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
VISA	4204	78.05	3393	77.69
Mastercard	700	13.00	644	14.75
AMEX	479	8.90	328	7.51
Unionpay	2.10	0.04	1.98	0.05
Diners	0.32	0.01	0.32	0.01
JCB	0.06	0.001	0.04	0.001
Grand Total	5386	100.00	4368	100.00

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

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

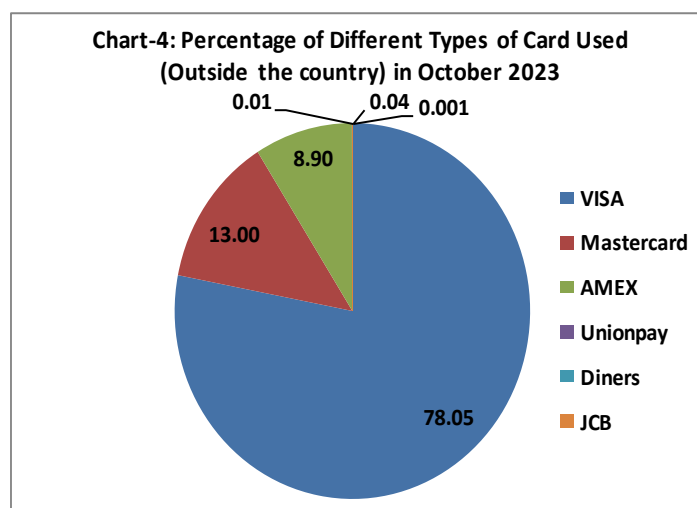


Table-5: Country-wise Breakdowns of Credit Card Transactions (Outside the country) in September 2023 and October 2023

Analyzing country-wise transaction, it is observed that the credit cardholders used their cards mostly in neighboring country India. About 16.75% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (14.71%), Thailand (9.33%), UAE (8.89%), Singapore (8.08%), UK (7.17%), Canada (6.49%), Saudi Arabia (4.34%), Malaysia (3.65%), Netherlands (2.61%), Ireland (2.31%), Australia (2.03%) and other countries (13.64%).

(million taka)

Countries	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
India	902	16.75	728	16.66
USA	792	14.71	694	15.90
Thailand	503	9.33	374	8.56
UAE	479	8.89	389	8.90
Singapore	435	8.08	322	7.36
UK	386	7.17	336	7.70
Canada	349	6.49	299	6.84
Saudi Arabia	234	4.34	151	3.47
Malaysia	197	3.65	178	4.07
Netherlands	140	2.61	123	2.82
Ireland	125	2.31	115	2.64
Australia	109	2.03	102	2.34
Other Countries	735	13.64	557	12.76
Grand Total	5386	100.00	4368	100.00

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

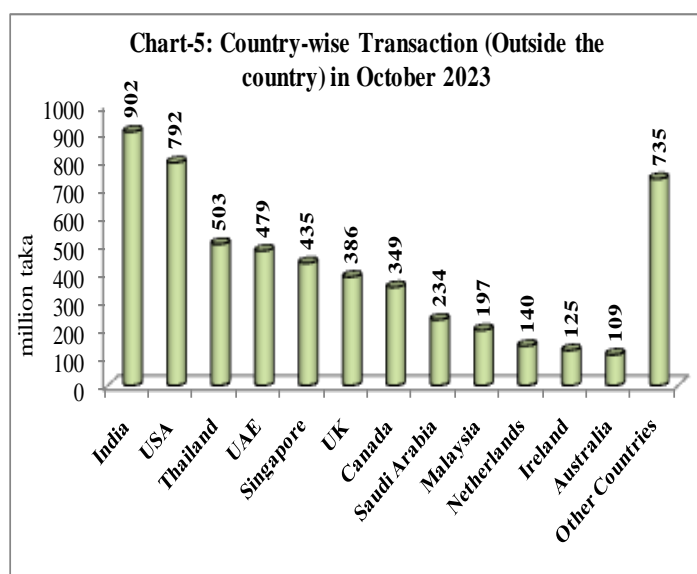


Chart-6 shows the percentage of country-wise cross-border transactions in October 2023.

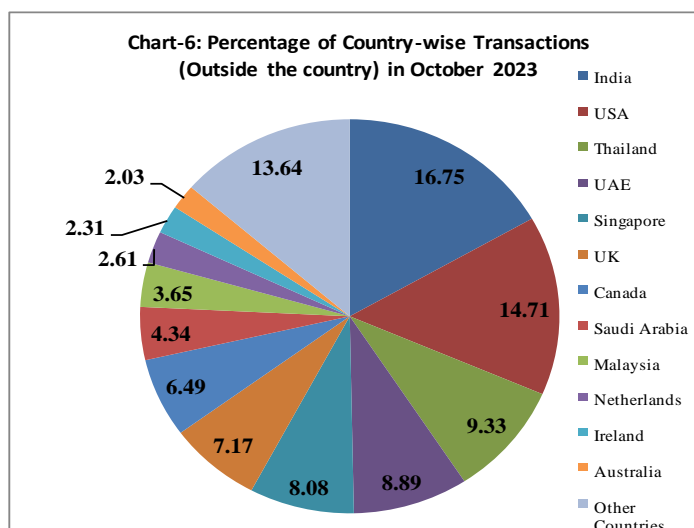


Table-6: Category-wise Breakdowns of Credit Card Transactions (within the country by foreign nationals) in September 2023 and October 2023

Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 38.68% of all transactions in October 2023. Cash withdrawal contributed about 23.54%, Transportation contributed 21.41% and other sectors contributed 16.37%.

(million taka)

Merchant Categories	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	771	38.68	712	37.39
Cash Withdrawal	469	23.54	439	23.08
Transportation	427	21.41	391	20.56
Clothing	114	5.71	107	5.59
Retail Outlet Services	96	4.81	92	4.85
Business Services	37	1.83	72	3.77
Drug and Pharmacies	28	1.42	28	1.48
Utilities	26	1.29	25	1.33
Professional Services	17	0.88	23	1.23
Government Services	9	0.43	14	0.73
Grand Total	1993	100.00	1904	100.00

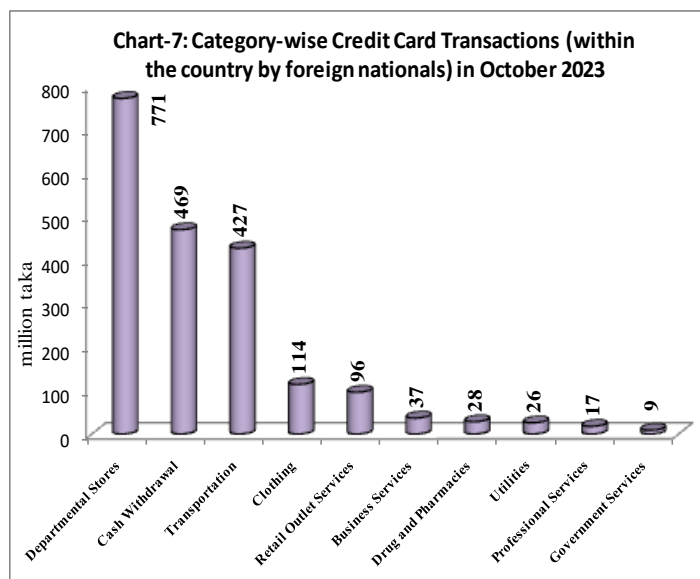
Table-7: Card Type Breakdowns of Credit Card Transactions (within the country by foreign nationals) in September 2023 and October 2023

Table-7 shows that about 59.48% and 39.26% of the transactions were carried out by VISA and Mastercard respectively which were issued by other countries.

(million taka)

Card Type	Oct-23		Sep-23	
	Amount	Percentage	Amount	Percentage
VISA	1186	59.48	1141	59.93
Mastercard	783	39.26	744	39.07
Unionpay	12	0.61	8	0.42
AMEX	7	0.35	6	0.30
Diners	4	0.22	3	0.15
JCB	2	0.08	2	0.13
Grand Total	1993	100.00	1904	100.00

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



In October 2023, among all the foreign nationals, maximum amount of transactions were carried out by USA nationals. About 22.20% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included UK (12.74%), India (11.79%), Singapore (4.41%), Canada (3.90%), Japan (3.87%), Australia (3.34%), UAE (2.79%), Germany (2.32%), China (2.23%), South Korea (2.11%), Iraq (1.87%), Italy (1.62%) and other countries (24.81%).

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

Countries	(million taka)	
	Transaction Amount	Percentage
USA	442	22.20
UK	254	12.74
India	235	11.79
Singapore	88	4.41
Canada	78	3.90
Japan	77	3.87
Australia	67	3.34
UAE	56	2.79
Germany	46	2.32
China	44	2.23
South Korea	42	2.11
Iraq	37	1.87
Italy	32	1.62
Other Countries	495	24.81
Grand Total	1993	100.00

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

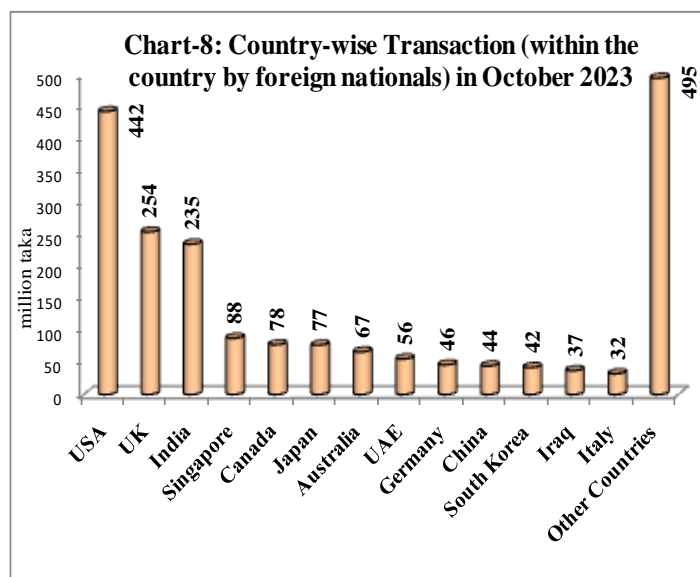


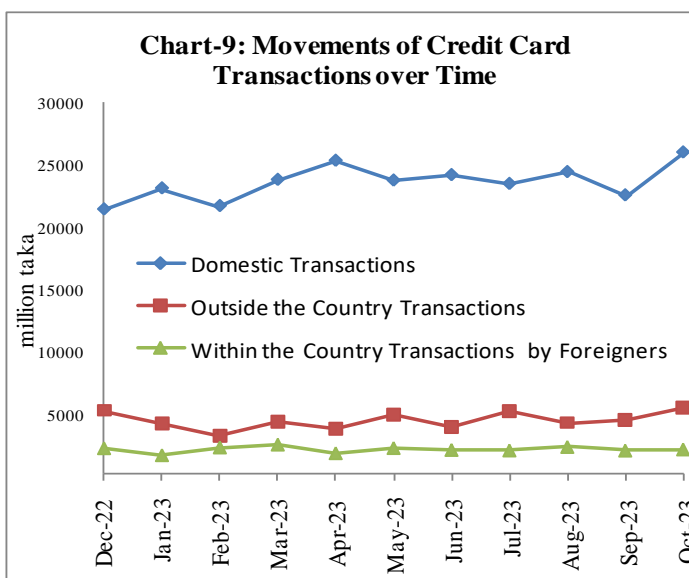
Table-9: Movements of Credit Card Transactions over Time

(million taka)

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
Sep-23	22493	4368	1904
Oct-23	25964	5386	1993

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

The credit card transactions within country in chart-9 show little bit ups and downs over time which seems as usual but in October 2023 it jumps sharply. 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 15.43% in October, 2023 compared to that of previous month. The amount was Tk. 25964 million in October, 2023 when it was Tk. 22493 million in September, 2023. Similarly, the credit card transactions by Bangladeshi nationals in outside the country was 5386 million in October, 2023 which was Tk. 4368 million in September, 2023 and it is noticeable that this transaction amount recorded a significant increase of 23.29% compared to that of September, 2023. The transactions of credit card that took place within Bangladesh by foreign nationals increased to Tk. 1993 million in October, 2023 when it was Tk. 1904 million in September, 2023. This transaction increased by 4.71% compared to that of September, 2023. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did around 2.70 times transactions in outside the country than the foreign nationals did within Bangladesh in October, 2023.