



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

September 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 September 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 7.73% in September, 2023 compared to that of previous month. The amount was Tk. 22493 million in September, 2023 when it was Tk. 24376 million in August, 2023 (Table-1). On the other hand, the transaction amount was 4368 million in outside the country in September, 2023 (Table-3). It is noticeable that this transaction amount recorded a increase of 4.52% compared to that of August, 2023, when the amount was Tk. 4179 million. The transactions of credit card issued by other countries that took place within Bangladesh decreased to Tk. 1904 million in September, 2023 when it was Tk. 2184 million in August, 2023. This transaction decreased by 12.84% (Table-6).

Analyzing the expenditure behaviour of the credit cardholders it is found that the cardholders mostly used credit cards in Departmental Stores. In September 2023 about 48.54% of credit card transactions took place in Departmental Stores, when about 12.85% took place in Retail Outlet Services, 9.23% in Utilities, 8.64% in Cash Withdrawal, 5.94% in Drug and Pharmacies, 4.87% in Clothing, 3.54% in Transportation, 3.11% in Fund Transfer, 2.20% in Business Services and 1.07% in Professional and Government Services.

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

Merchant Categories	(million taka)			
	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	10919	48.54	12185	49.99
Retail Outlet Services	2891	12.85	3008	12.34
Utilities	2075	9.23	2233	9.16
Cash Withdrawal	1942	8.64	1942	7.97
Drug and Pharmacies	1336	5.94	1451	5.95
Clothing	1096	4.87	1100	4.51
Transportation	797	3.54	821	3.37
Fund Transfer	701	3.11	840	3.44
Business Services	494	2.20	531	2.18
Professional Services	178	0.79	186	0.76
Government Services	64	0.28	79	0.32
Grand Total	22493	100.00	24376	100.00

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

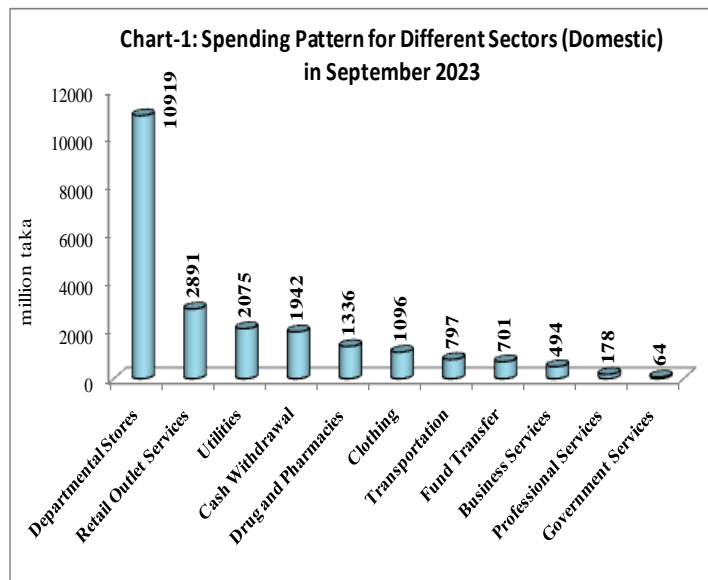


Chart-2 illustrates the percentage of expenditure pattern for different sectors within the country in September, 2023.

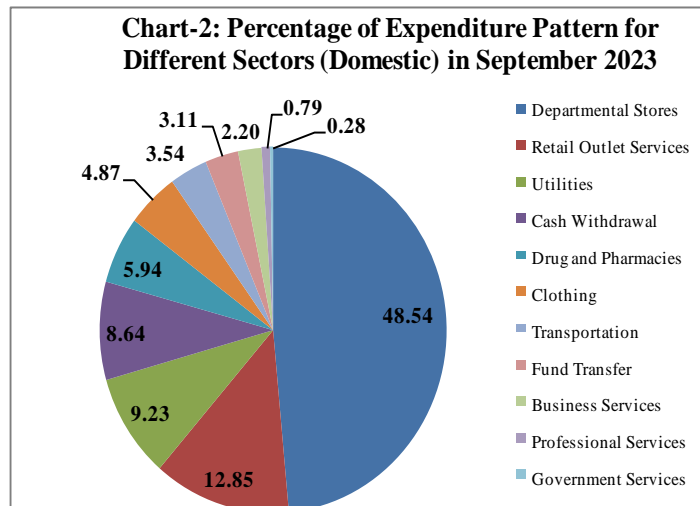


Table-2: Card Type-wise Breakdowns of Credit Card Transactions (Domestic) in August 2023 and September 2023

Analyzing the credit card spending pattern it is also found that about 71.66% of the credit card transactions took place using VISA card, about 17.34% of transactions took place using Mastercard, about 10.74% of transactions took place using AMEX card and remaining transactions took place using other types of cards in September, 2023.

Card Type	(million taka)			
	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
VISA	16118	71.66	17712	72.66
MasterCard	3901	17.34	4163	17.08
AMEX	2415	10.74	2445	10.03
Diners	35	0.16	32	0.13
QcashProprietar	10	0.05	10	0.04
JCB	10	0.04	10	0.04
UnionPay	3	0.01	3	0.01
Grand Total	22493	100.00	24376	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 September, 2023. About 29.15% of the transactions of outside the country took place in Departmental Stores. Other merchant categories included Retail Outlet Services (17.19%), Drug and Pharmacies (12.21%), Transportation (8.99%), Clothing (8.28%) and others (24.19%).

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

(million taka)

Merchant Categories	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	1273	29.15	1117	26.73
Retail Outlet Services	751	17.19	665	15.92
Drug and Pharmacies	533	12.21	552	13.21
Transportation	393	8.99	363	8.69
Clothing	362	8.28	348	8.32
Business Services	262	6.00	269	6.43
Government Services	254	5.81	345	8.25
Cash Withdrawal	253	5.80	222	5.30
Professional Services	174	3.98	187	4.47
Utilities	113	2.59	112	2.67
Grand Total	4368	100.00	4179	100.00

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

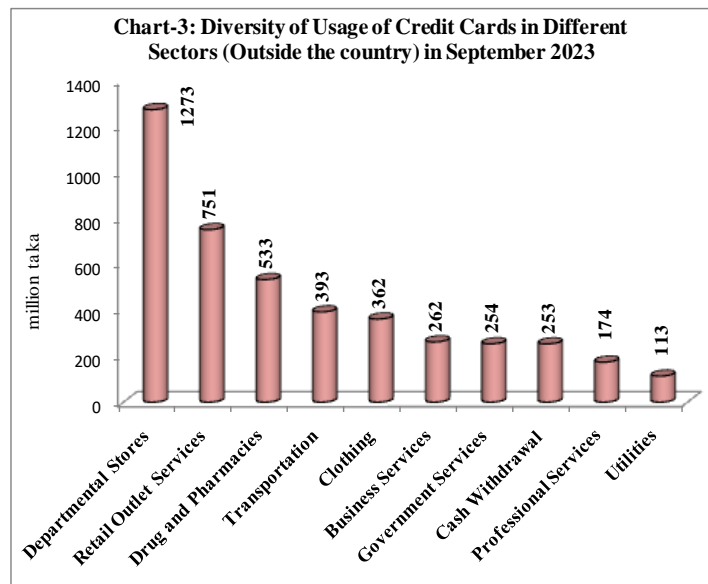


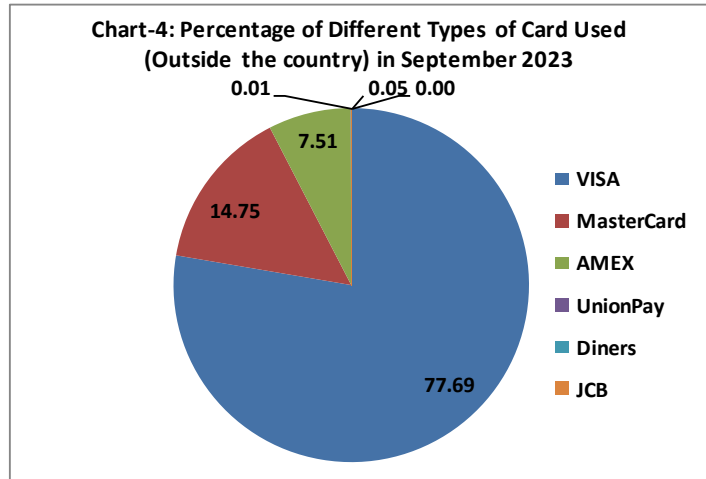
Table-4: Card Type-wise Breakdowns of Credit Card Transactions (Outside the country) in August 2023 and September 2023

(million taka)

Card Type	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
VISA	3393	77.69	3237	77.45
MasterCard	644	14.75	605	14.49
AMEX	328	7.51	336	8.04
UnionPay	01.98	0.05	0.71	0.02
Diners	0.32	0.01	0.32	0.01
JCB	0.04	0.00	0.14	0.00
Grand Total	4368	100.00	4179	100.00

Table-4 depicts that VISA and Mastercard were mostly used in cross-border transactions in September 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 September, 2023.



Analyzing country-wise transaction, it is observed that the credit cardholders used their cards mostly in neighboring country India. About 16.66% of cross-border transactions took place in India. Remaining cross border transactions took place in USA (15.90%), UAE (8.90%), Thailand (8.56%), UK (7.70%), Singapore (7.36%), Canada (6.84%), Saudi Arabia (6.84%), Malaysia (4.07%), Saudi Arabia (3.47%), Netherlands (2.82%), Ireland (2.64%), Australia (2.34%) and other countries (12.76%).

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

Countries	(million taka)			
	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
India	728	16.66	737	17.62
USA	694	15.90	682	16.32
UAE	389	8.90	271	6.49
Thailand	374	8.56	397	9.51
UK	336	7.70	321	7.69
Singapore	322	7.36	318	7.61
Canada	299	6.84	281	6.71
Malaysia	178	4.07	226	5.40
Saudi Arabia	151	3.47	121	2.89
Netherlands	123	2.82	117	2.81
Ireland	115	2.64	114	2.73
Australia	102	2.34	92	2.19
Other Countries	557	12.76	502	12.02
Grand Total	4368	100.00	4179	100.00

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

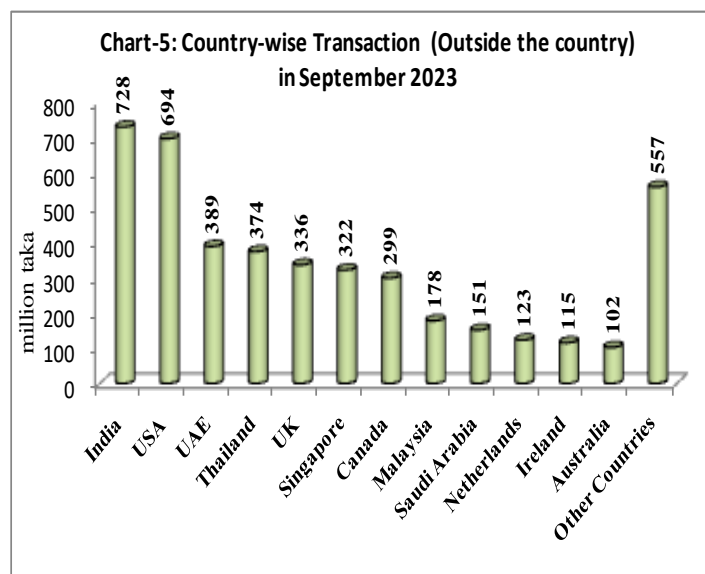


Chart-6 shows the percentage of country-wise cross-border transactions in September 2023.

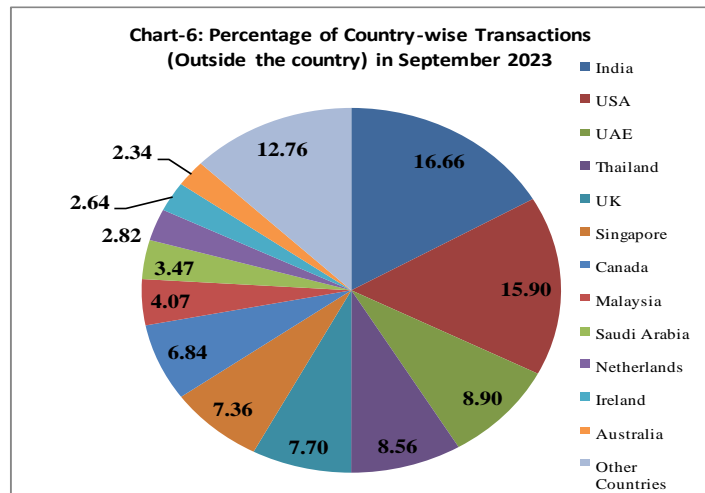


Table-6: Category-wise Breakdowns of Credit Card Transactions (within the country by foreign nationals) in August 2023 and September 2023

Credit card issued by other countries but used in the departmental stores within Bangladesh recorded maximum amount of transactions. The amount was about 37.39% of all transactions in September 2023. Cash withdrawal contributed about 23.08%, Transportation contributed 20.56% and other sectors contributed 18.97%.

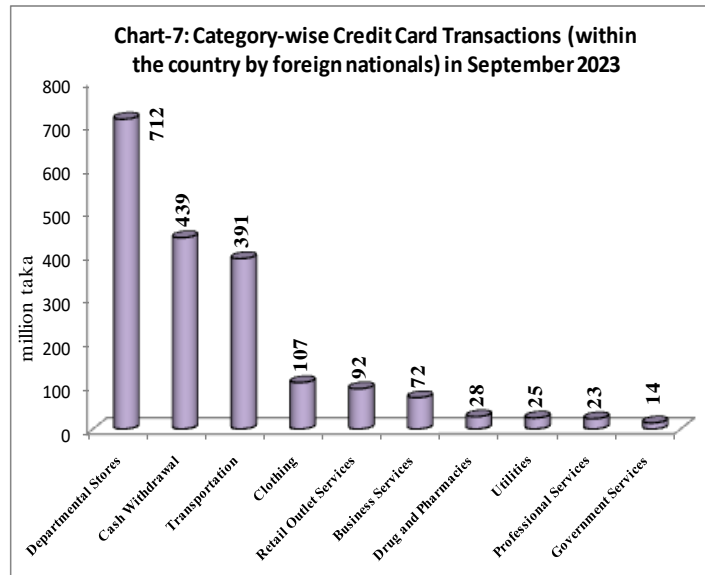
Merchant Categories	(million taka)			
	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
Departmental Stores	712	37.39	867	39.68
Cash Withdrawal	439	23.08	496	22.69
Transportation	391	20.56	360	16.50
Clothing	107	5.59	131	6.01
Retail Outlet Services	92	4.85	96	4.38
Business Services	72	3.77	98	4.49
Drug and Pharmacies	28	1.48	38	1.72
Utilities	25	1.33	36	1.65
Professional Services	23	1.23	50	2.29
Government Services	14	0.73	13	0.60
Grand Total	1904	100.00	2184	100.00

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

Table-7 shows that about 59.93% and 39.07% of the transactions were carried out by VISA and Mastercard respectively which were issued by other countries.

Card Type	(million taka)			
	Sep-23		Aug-23	
	Amount	Percentage	Amount	Percentage
VISA	1141	59.93	1334	61.08
MasterCard	744	39.07	830	38.01
UnionPay	8	0.42	8	0.36
AMEX	6	0.30	8	0.35
Diners	3	0.15	3	0.12
JCB	2	0.13	02.03	0.09
Grand Total	1904	100.00	2184	100.00

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



In September 2023, among all the foreign nationals, maximum amount of transactions were carried out by USA nationals. About 22.12% of the transactions took place using credit card issued by USA. Remaining transactions using cards issued by other countries included India (12.04%), UK (11.83%), Singapore (4.83%), China (4.16%), Japan (4.08%), Canada (3.46%), Australia (2.62%), UAE (2.57%), South Korea (2.18%), Germany (2.17%), Malaysia (1.61%), Italy (1.59%) and other countries (24.76%).

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

Countries	Transaction Amount	Percentage
USA	421	22.12
India	229	12.04
UK	225	11.83
Singapore	92	4.83
China	79	4.16
Japan	78	4.08
Canada	66	3.46
Australia	50	2.62
UAE	49	2.57
South Korea	42	2.18
Germany	41	2.17
Malaysia	31	1.61
Italy	30	1.59
Other Countries	471	24.76
Grand Total	1904	100.00

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

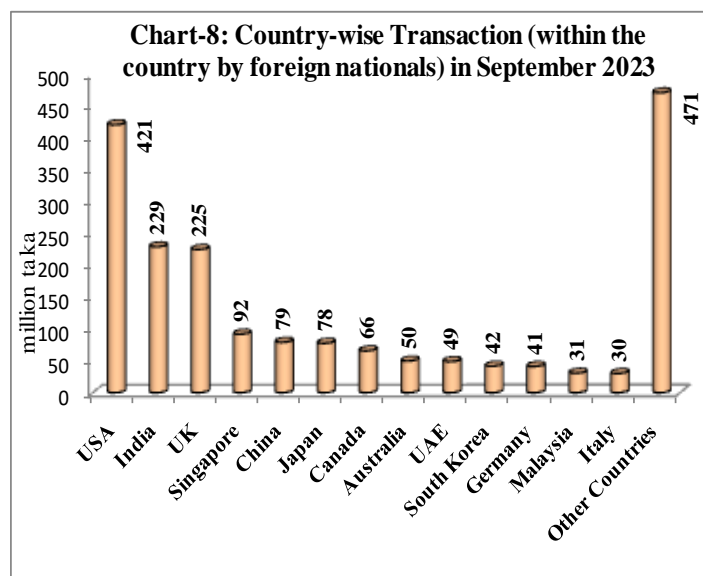


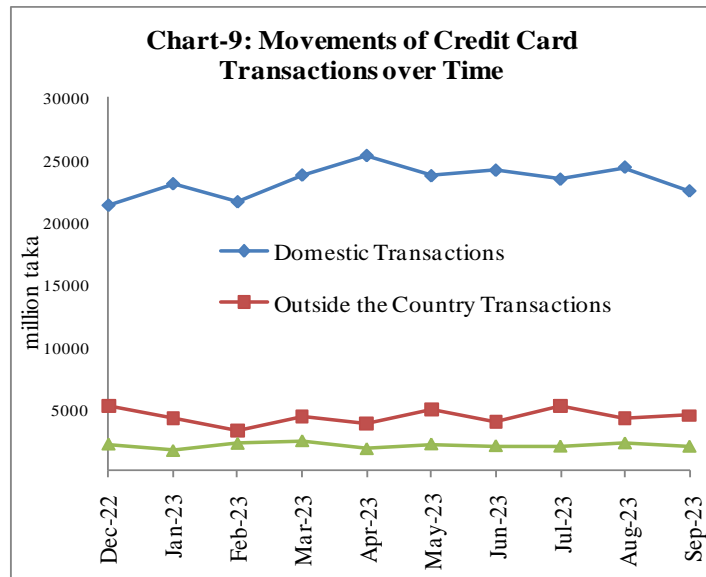
Table-9: Movements of Credit Card Transactions over Time

(million taka)

Table-9 shows the credit card transactions from December 2022 to September 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
Sep-23	22493	4368	1904

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 decreased by 7.73% in September, 2023 compared to that of previous month. The amount was Tk. 22493 million in September, 2023 when it was Tk. 24376 million in August, 2023. Similarly, the transactions of credit card that took place within Bangladesh by foreign nationals decreased to Tk. 1904 million in September, 2023 when it was Tk. 2184 million in August, 2023. This transaction decreased by 12.84% compared to that of August, 2023. On the other hand, the credit card transactions by Bangladeshi nationals in outside the country was 4368 million in September, 2023 which was Tk. 4179 million in August, 2023 and it is noticeable that this transaction amount recorded a increase of 4.52% compared to that of August, 2023. From the above data, it can be said that in terms of amount Bangladeshi credit card holders did more than 2 times transactions in outside the country than the foreign nationals did within Bangladesh in September, 2023.