

Mobile banking accounts touch 1.8 mln mark

Mobile banking accounts have jumped to 1.8 million mark depicting a remarkable growth of 25 percent during July-September quarter of 2012, according to Branchless Banking Newsletter released by the State Bank of Pakistan (SBP) today. Branchless Banking (BB) customers conducted almost 31.5 million transactions worth Rs. 139 billion during the quarter. The average size of each transaction was Rs 4,420, while the average number of transaction per day increased to 0.349 million.

The accounts' activity level has also improved considerably during the quarter at the back of significant growth of 84% in Level '0' accounts and 7% growth in Level '1' accounts. These accounts are opened at the agents' location largely by those who have traditionally been excluded from the banking services. The agents' network has reached to 31,637 as of 30th September, 2012 from 29,525 as on 30th June, 2012 registering an increase of 7 percent.

It may be pointed out that transaction limits for Level '0' & Level '1' accounts are Rs 15,000 & Rs. 25,000 per day respectively.

Bills payments & mobile top-ups remained the dominating activity during July-September 2012 quarter with 45 percent share in total numbers, followed by person to person (over the counter) fund transfers with a share of 38 percent. Bulk payments mostly by agents topped, among others, by 41 percent share in total value transacted during the quarter followed by person to person fund transfers with a share of 34 percent.

It may be pointed out that the BB service providers are trying to increase their linkages with microfinance institutions as loan repayments of Rs.646 million were collected through Branchless Banking agents during the quarter.

According to the Newsletter, the growth expectation in coming quarters is fairly high as the existing two Branchless Banking players are increasing their scale of operations and two banks namely Waseela Microfinance Bank and Askari Bank Limited have launched their branchless banking services under the brand names of '*Mobicash*' and '*Timepey*' respectively.

The Branchless Banking Newsletter, which covers a detailed BB growth analysis and important BB events/initiatives, is available at the following link of SBP website:

<http://www.sbp.org.pk/publications/acd/BranchlessBanking-Jul-Sep-2012.pdf>