

***Payment Systems Quarterly Review***



***July –September, 2010***

***Payment Systems Department***

***State Bank of Pakistan***

## **Summary of Payment Systems Quarterly Review Jul. – Sep. 2010**

Safe, efficient and reliable payment systems are vital part and backbone of financial infrastructure of a country which provide the essential base for financial stability. The primary goal of a payment system is to enable fast and risk free circulation of money in the economy, being the conduit essential for satisfying timely payment obligations and improve liquidity in the financial markets.

The Payment Systems infrastructure in Pakistan has, overall, shown enhancing scope during the quarter under review as 99 ATMs were added to the eBanking infrastructure bringing the number of ATMs in the country to 4,562 while 60 more bank branches have been upgraded to Real time online branches (RTOBs). The numbers of plastic cards (i.e. ATM, Debit and Credit Cards) have also increased by 5.23 percent compared to the previous quarter.

The large value payments settled through Pakistan Real-time Interbank Settlement Mechanism (PRISM), however, decreased by 6.51 percent in volume and 11.35 percent in value of transactions in comparison to the previous quarter. The major portion of PRISM transactions, in terms of value, consisted of securities settlements which accounted for 47 % of the total transactions followed by Interbank Funds Transfers (37%) and Settlement of Retail Cheques Clearing (16%).

The volume and value of paper based retail payments during the quarter under review were 82.959 million and 35.60 trillion showing a decrease of 9.44 percent in number of transactions and 12.18 percent in value of transactions compared to the previous quarter. The contribution of paper based payments in total retail payment transactions was 61.20 percent in term of volume and 88.45 percent in term of value.

The volume and value of eBanking transactions in the country during the quarter reached 52.58 million and Rs 4.7 trillion respectively showing a decrease of 1.89 percent in volume and 3.56 percent in value compared to 6.2 percent increase in volume and 7.7 percent increase in value in the previous quarter. Its contribution to total retail payment transactions was 38.80 percent in term of volume and 11.55 percent in term of value.

The value of ATM transactions increased by about 5% while maintaining the number of transactions at the level of the previous quarter; thus increasing the average value per transaction to Rs. 8,486 compared to Rs. 8,037 in the previous quarter. The contribution of other modes of eBanking is also on the rise despite comparatively insignificant numbers and aggregates value of transactions. The utility bills payments through available modes (ATMs, internet, mobiles etc) of eBanking transactions are also growing. The total value of credit cards transaction has, however, decreased by 1% compared to the previous quarter.

The number of cross border transactions increased by 154 percent in volume and 19 percent in value during the quarter under review

## ***Payment Systems in Pakistan –a snapshot***

### **July –September, 2010**

#### **Pakistan Realtime Interbank Settlement Mechanism (PRISM)**

Number of Direct Participants 42

Volume of Transactions 72,174

Value of Transactions Rs. 17,484 (Billion)

#### **Paper based Payments**

Volume of Transactions 82,958,898

Value of Transactions 35,598 (Billion)

#### **Real time online Branches (RTOBs)**

Number of Real Time online branches 6,727

Volume of Transactions 16,458,929

Value of Transactions Rs. 4,329 (Billion)

#### **Plastic Cards and infrastructure**

Number of Automated Teller Machines (ATMs) 4,562

Number of ATM\Debit Cards 9,390,282

Number of Credit Cards 1,676,691

Volume of Transactions processed through ATMs 30,934,413

Value of Transactions processed through ATMs Rs. 262,524 (Million)

Average value of an ATM Transaction Rs. 8,486

Number of Points of Sale (POS) 48,632

Volume of Transactions processed through POS 3,426,865

Value of Transactions processed through POS Rs. 15,757 (Million)

#### **Mobile Banking**

Number of Banks providing mobile Banking facility 11

Volume of Transactions 678,149

Value of Transactions Rs. 1,779 (Million)

**Internet Banking**

Number of Banks providing Internet Banking facility 22

Volume of Transactions 871,776

Value of Transactions Rs. 39,183 (Million)

**Call Centers**

Number of Banks providing Call Center facility 21

Volume of Transactions 214,584

Value of Transactions Rs. 1,848 (Million)

**Number of Registered Users**

Call Center banking 6,310,389

Mobile banking 759,382

Internet banking 704,349

**Payment Systems Department**

Payment Systems Summary Statistics

*(Amount in Million Rupees)*

Products/Transactions Type	April-June, 2010 ( R )		July-September, 2010 ( P )		(Change % )	
	Number	Amount	Number	Amount	Number	Amount
<b>Interbank Settlement Through PRISM(RTGS)</b>	<b>77,197</b>	<b>19,723,276</b>	<b>72,174</b>	<b>17,484,438</b>	<b>-6.51%</b>	<b>-11.35%</b>
Interbank Fund Transher (IBFT)	50,681	7,354,136	47,465	6,418,883	-6.35%	-12.72%
Retail Cheque Clearing	12,465	3,222,632	11,400	2,745,002	-8.54%	-14.82%
Securities Settlement <sup>1</sup>	13,917	8,989,423	13,192	8,218,721	-5.21%	-8.57%
Intra Day Liquidity Facility (ILF)	134	157,085	117	101,832	-12.69%	-35.17%
<b>Paper Based</b>	<b>91,605,926</b>	<b>40,535,767</b>	<b>82,958,898</b>	<b>35,598,011</b>	<b>-9.44%</b>	<b>-12.18%</b>
<b>e-Banking (Financial) Transactions</b>	<b>53,595,865</b>	<b>4,821,769</b>	<b>52,584,716</b>	<b>4,650,172</b>	<b>-1.89%</b>	<b>-3.56%</b>
ATMs	31,142,054	250,289	30,934,413	262,524	-0.67%	4.89%
Point of Sale (POS)	3,663,587	16,716	3,426,865	15,757	-6.46%	-5.73%
Real Time on line (RTOB )	17,369,103	4,516,848	16,458,929	4,329,081	-5.24%	-4.16%
Mobile	368,994	1,089	678,149	1,779	83.78%	63.28%
Call Centre (IVR)	228,620	1,694	214,584	1,848	-6.14%	9.07%
Internet	823,507	35,132	871,776	39,183	5.86%	11.53%
<b>e-Banking (Non Financial) Transactions</b>	<b>16,842,996</b>		<b>17,282,064</b>		<b>2.61%</b>	
ATMs	9,449,139		9,978,491		5.60%	
Internet	4,023,838		3,818,590		-5.10%	
Mobile	2,148,510		2,371,367		10.37%	
Call Centre	1,221,509		1,113,616		-8.83%	
<b>Financial Infrastructure (As on Position)</b>						
Total Bank Branches	9,187		9,234		0.51%	
Real Time Online Branches (RTOB)	6,667		6,727		0.90%	
Automated Teller Machines (ATM)	4,465		4,562		2.17%	
Point of Sale (POS)	52,049		48,632		-6.56%	
<b>Cards Numbers (As On Position)</b>	<b>10,516,915</b>		<b>11,066,973</b>		<b>5.23%</b>	
ATMs Cards	763,777		693,233		-9.24%	
Credit Cards	1,613,470		1,676,691		3.92%	
Debit Cards	8,139,668		8,697,049		6.85%	
Islamic Credit Cards <sup>2</sup>	1,239		1,563		26.15%	
<b>Registered Users (As On Position)</b>	<b>7,393,975</b>		<b>7,774,120</b>		<b>5.14%</b>	
Internet	661,032		704,349		6.55%	
Mobile	791,840		759,382		-4.10%	
Call Centre	5,941,103		6,310,389		6.22%	
<b>Internet Merchant Accounts</b>						
Number of Registered Merchants (Active )	20		23		15.00%	
Registered Merchants Transactions	9,486	74	8,025	98	-15.40%	32.79%

1. It does not include Intraday liquidity Facility(ILF)Transactions

R Stands For Revised

P Stands For Provisional

2. Included in Debit Cards

**Payment Systems Department**

Payment Systems Detailed Statistics  
(Number in Thousands & Amount in Million)

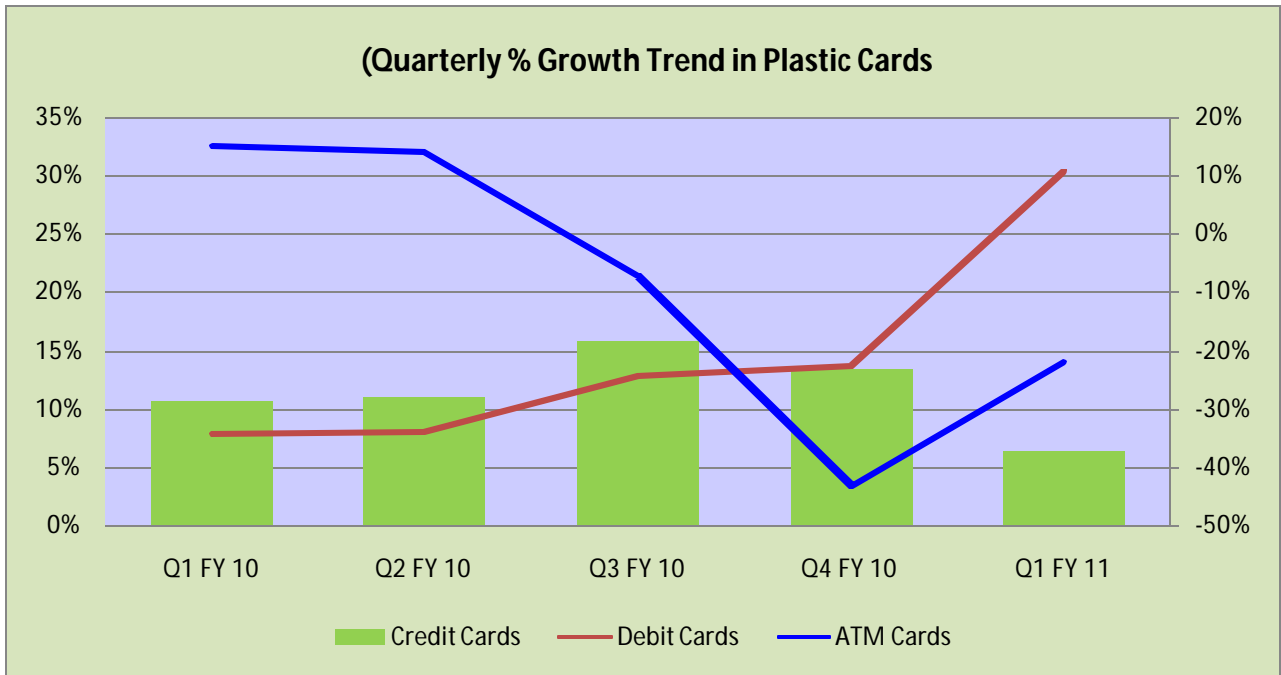
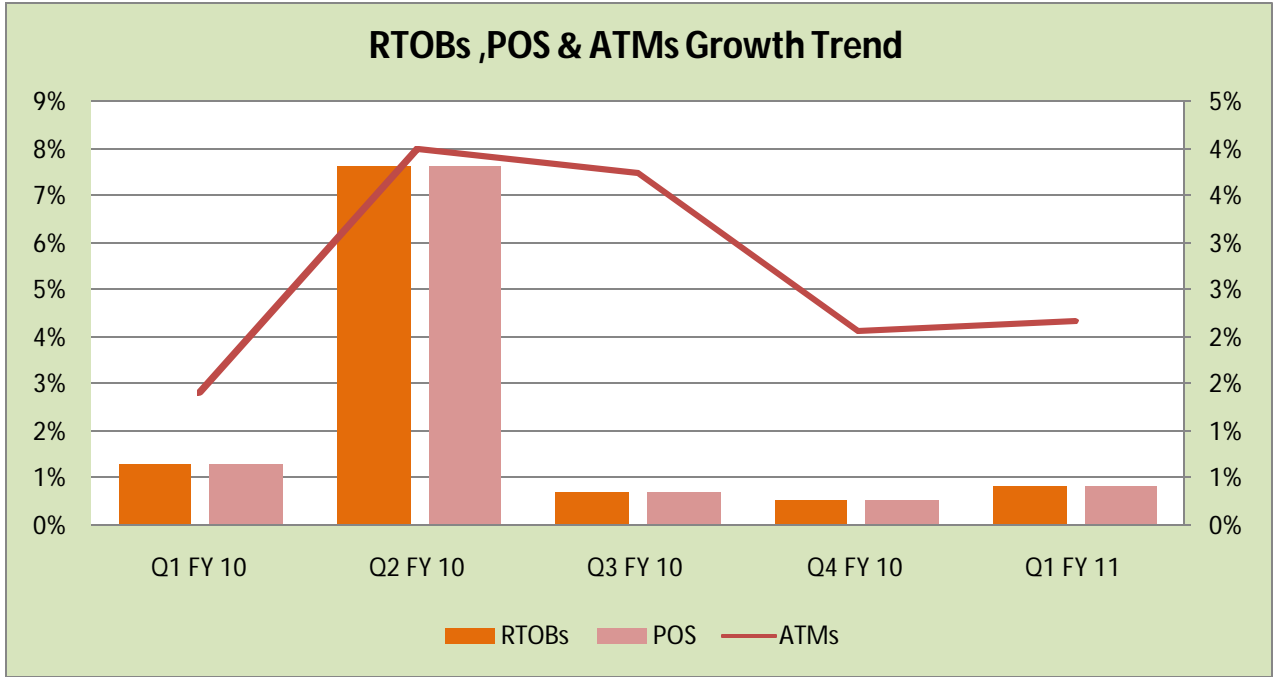
Products/Transactions Type	April -June, 2010 ( R )		July-September, 2010 ( P )		(Growth %)	
	Number	Amount	Number	Amount	Number	Amount
<b>Paper Based Transactions</b>	<b>91,606</b>	<b>40,535,767</b>	<b>82,959</b>	<b>35,598,011</b>	<b>-9.44%</b>	<b>-12.18%</b>
Cash withdrawals through Cheques	40,832	18,297,571	38,620	16,995,328	-5.42%	-7.12%
Transfer through Cheques	28,096	9,389,367	25,000	9,181,742	-11.02%	-2.21%
Clearing through Cheques	15,316	5,950,253	13,962	4,747,364	-8.84%	-20.22%
Pay Orders	2,367	2,084,553	2,303	1,923,351	-2.73%	-7.73%
Demand Drafts	1,819	2,583,994	1,639	608,751	-9.92%	-76.44%
Telegraphic Transfers	158	924,144	180	873,275	13.95%	-5.50%
Others (Income Tax Vouchers ,Direct Debit etc.)	3,017	1,305,866	1,254	1,268,202	-58.44%	-2.89%
<b>ATMs Transactions</b>	<b>31,142</b>	<b>250,289</b>	<b>30,934</b>	<b>262,524</b>	<b>-0.67%</b>	<b>4.89%</b>
Cash Withdrawal	30,304	216,028	30,052	227,090	-0.83%	5.12%
Cash Deposit	8	69	7	58	-6.29%	-15.48%
Deposit of Payment Instrument	0	21	0	121	-15.44%	474.02%
Utility Bills Payment	42	66	47	96	11.44%	46.18%
A/c to A/c Funds Transfer	384	16,670	384	16,293	0.14%	-2.26%
Third Party A/c to A/c Funds Transfer	404	17,435	444	18,865	9.90%	8.20%
<b>Internet Transactions</b>	<b>824</b>	<b>35,132</b>	<b>872</b>	<b>39,183</b>	<b>5.86%</b>	<b>11.53%</b>
Payment Through Internet (Excl. Util. Bill Payment)	135	15,941	142	17,281	5.06%	8.41%
Utility Bills Payment	362	970	367	1,086	1.24%	11.98%
A/c to A/c Funds Transfer	197	11,903	227	13,969	15.11%	17.37%
3rd Party A/c to A/c Funds Transfer	129	6,319	136	6,846	5.53%	8.35%
<b>Mobile Transactions</b>	<b>369</b>	<b>1,089</b>	<b>678</b>	<b>1,779</b>	<b>83.78%</b>	<b>63.28%</b>
Payment Through Internet (Excl. Util. Bill Payment)	14	68	4	82	-71.28%	20.58%
Utility Bills Payment	319	356	641	1,009	101.07%	183.49%
A/c to A/c Funds Transfer	36	665	33	687	-6.80%	3.34%
3rd Party A/c to A/c Funds Transfer	0	0	-	-		
<b>Call Center Transactions</b>	<b>229</b>	<b>1,694</b>	<b>215</b>	<b>1,848</b>	<b>-6.14%</b>	<b>9.07%</b>
Payment Through Internet (Excl. Util. Bill Payment)	75	395	68	408	-8.89%	3.34%
Utility Bills Payment	133	465	128	569	-4.03%	22.21%
A/c to A/c Funds Transfer	18	813	16	850	-10.46%	4.64%
3rd Party A/c to A/c Funds Transfer	3	21	3	21	-4.89%	-2.53%
<b>Real Time online Banking (RTOBs ) Transactions</b>	<b>17,369</b>	<b>4,516,848</b>	<b>16,459</b>	<b>4,329,081</b>	<b>-5.24%</b>	<b>-4.16%</b>
Real Time Cash Withdrawals	2,791	185,467	2,810	183,379	0.68%	-1.13%
Real Time Cash Deposits	6,963	546,956	5,998	380,405	-13.86%	-30.45%
Real Time A/C to A/C Funds Transfers	4,708	2,943,246	4,842	2,979,364	2.85%	1.23%
Real Time 3rd Party A/C to A/C Funds Transfers	2,907	841,178	2,809	785,932	-3.37%	-6.57%
<b>Point of Sales (POS) Transactions</b>	<b>3,664</b>	<b>16,716</b>	<b>3,427</b>	<b>15,757</b>	<b>-6.46%</b>	<b>-5.73%</b>
<b>Cross Border Transactions (Net)</b>	<b>48</b>	<b>2,425</b>	<b>122</b>	<b>2,894</b>	<b>153.77%</b>	<b>19.35%</b>
ATMs Transactions	159	3,042	185	3,518	16.68%	15.66%
POS Transactions	(38)	(90)	(25)	(255)	-36.18%	183.78%
Internet Transactions	(72)	(528)	(39)	(370)	-46.53%	-29.90%
<b>Debit Cards Transactions</b>	<b>35,033</b>	<b>269,399</b>	<b>35,927</b>	<b>282,198</b>	<b>2.55%</b>	<b>4.75%</b>
<b>Credit Cards Transactions</b>	<b>3,952</b>	<b>16,626</b>	<b>3,772</b>	<b>16,452</b>	<b>-4.56%</b>	<b>-1.05%</b>

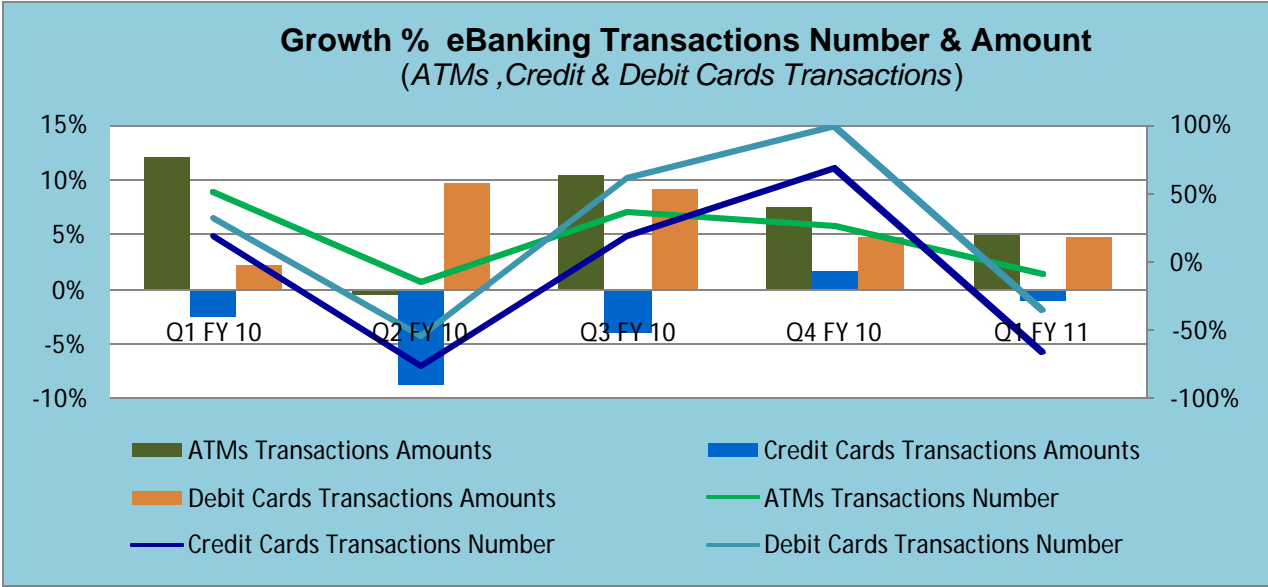
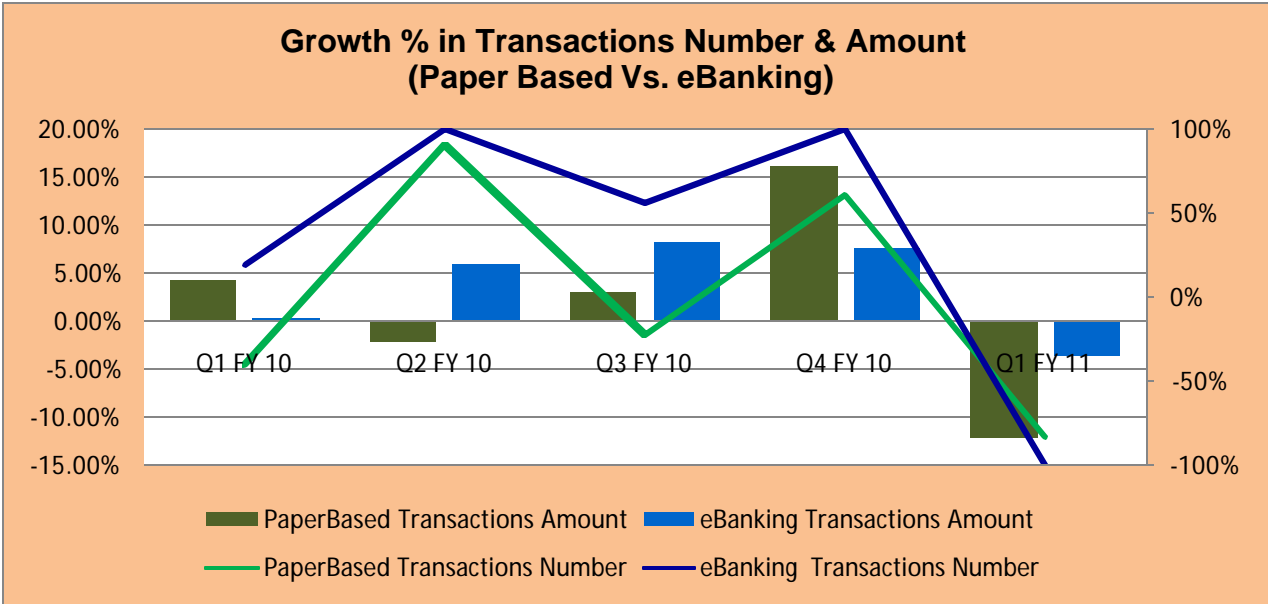
The data is compiled on the basis of Banks Reporting.

R Stands For Revised

P Stands For Provisional

## Payment Systems Trend







### Growth % in ATMs Cards Transactions ) (Composition Growth Trend in ATMs Cards Transaction)

