

Payment Systems Half Yearly Review



January–June, 2011

Payment Systems Department

State Bank of Pakistan

Summary of the Half Yearly Review (January– June 2011)

The payment system infrastructure in Pakistan has maintained an overall growth trend for the second half of FY11. As many as 466 more ATMs were added to the population of ATMs bringing the total number of ATMs in the country to 5,200 while 380 more bank branches were converted into Real Time Online Branches (RTOBs). A total of 7,416 bank branches (78%) are now offering real time online banking out of a total of 9,541 branches in the country. The number of plastic cards at 14 million also registered an increase of 6.2 per cent during the period under review compared to the numbers during the preceding half year. The overall e-Banking transactions in the country both in terms of volume and value also recorded increase during the second half of FY11. The volume of e-banking transactions reached 125.9 million while the value of these transactions aggregated to Rs 12 trillion showing an increase of 15.5 percent and 19.0 percent respectively as compared to the first half of FY11. The ATMs, which are the largest channel of e-Banking transactions, showed 16.5 percent increase in number of transactions and 19.0 percent increase in value raising the share of ATM transactions in total e-Banking transactions' to 58.8 percent and 5.4 percent respectively. The number of Real-Time Online Branches (RTOB) transactions grew by 14.7 percent and the value of transactions increased by 18.8 percent compared to first half of FY11. These transactions contributed 31.6 percent in total volume of e-Banking and 93.2 percent in the value of such transactions respectively. The total number of POS terminals at 37,232 depicted a decline of 16 per cent as compared to 44,383 terminals in the first half of FY11. This decline in the number of POS terminals is explained by certain participants business considerations in terms of which investment in ATMs was considered a more viable strategic option in comparison. The volume of POS transactions in the country during the second half of FY11 however, still reached 7.2 million showing an increase of 2.8 percent. The value of POS transactions at Rs. 33.9 billion registered a 4.4 percent decrease as compared to the first half of FY11.

The overall increasing trend was also witnessed in the large value payments settled through Pakistan Real-time Interbank Settlement Mechanism (PRISM), which increased by 14.8 percent in volume and 21.9 percent in terms of value compared to the first half of FY11. The major portion of PRISM transactions, in terms of value was of settlements against securities which accounted for 46 percent of the total transactions followed by Interbank Funds Transfers at 37 percent and settlement of retail cheques through multilateral clearing at 15%.

The volume and value of paper-based retail payments during the second half of FY11 were recorded as 177.3 million and Rs. 84.6 trillion indicating an increase of 3.5 percent in the volume of transactions. The value of transactions at this level increased by 13.3 percent as compared to the first half of FY11. The contribution of paper-based payments in total retail payment transactions was 58.5 percent in terms of volume and 87.5 percent in terms of value.

E-Banking in Pakistan – A snapshot

January - June 2011

Plastic Cards infrastructure

Number of ATM\Debit Cards 12, 631,959

Number of Credit Cards 1,384,814

ATM Transactions

Number of Automated Teller Machines (ATMs) 5,200

Volume of Transactions processed through ATMs 74,068,117

Value of Transactions processed through ATMs Rs. 654,449 Million

Average value of ATMs per Transaction Rs. 8,836

POS Transactions

Number of Points of Sale (POS) 37,232

Volume of Transactions processed through POS 7,241, 861

Value of Transactions processed through POS Rs. 33,940 Million

Real Time Online Branches (RTOBs)

Number of Real Time online branches 7,416

Volume of Transactions 39,744,622

Value of Transactions Rs. 11,214 Billion

Mobile Phone Banking

Number of Banks providing mobile Banking facility 11

Volume of Transactions 1, 918, 034

Value of Transactions Rs. 5,235 Million

Internet Banking

Number of Banks providing Internet Banking facility 23

Volume of Transactions 2,584,717

Value of Transactions Rs. 124,837 Million

Paper-Based Payments

Volume of Transactions 177,335,079

Value of Transactions Rs. 84,610 Billion

Call Centers

Number of Banks providing Call Center facility 21

Volume of Transactions 363,716

Value of Transactions Rs. 3,087 Million

Number of Registered Users

Call Center banking 8,071,483

Mobile banking 933,419

Internet banking 860,105

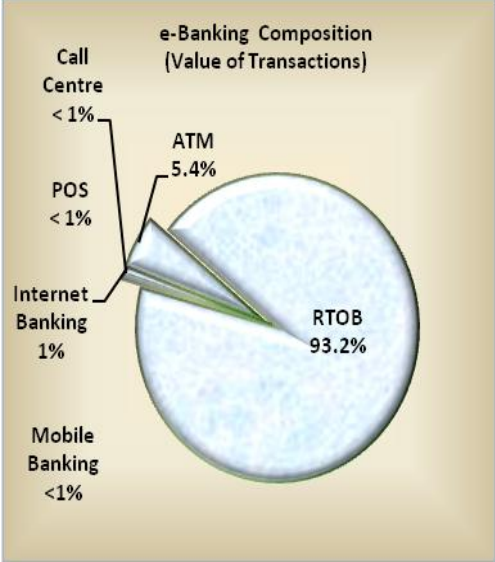
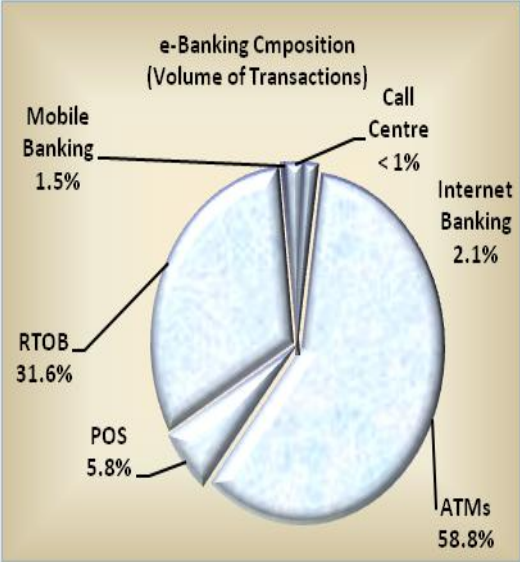
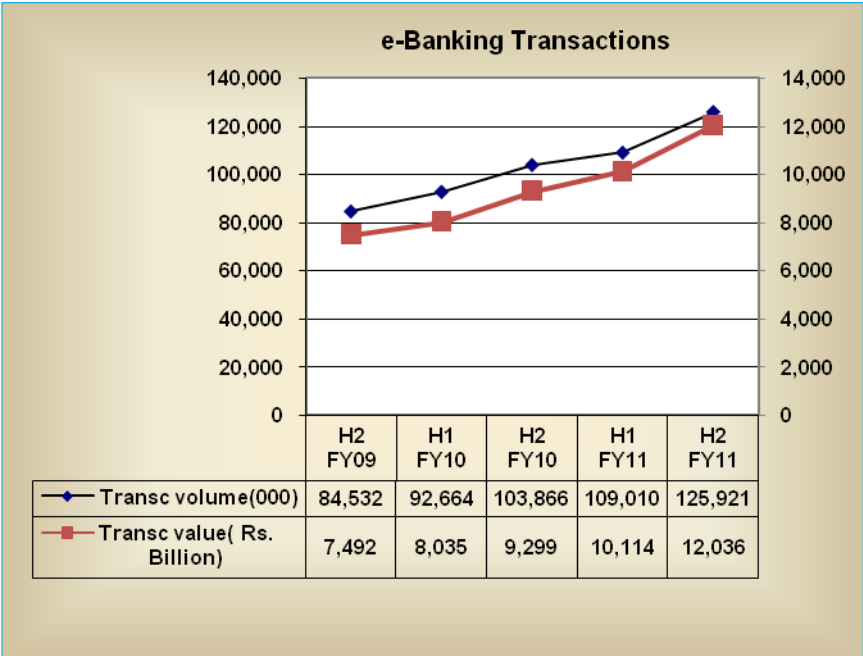
Pakistan Real time Interbank Settlement Mechanism (PRISM)

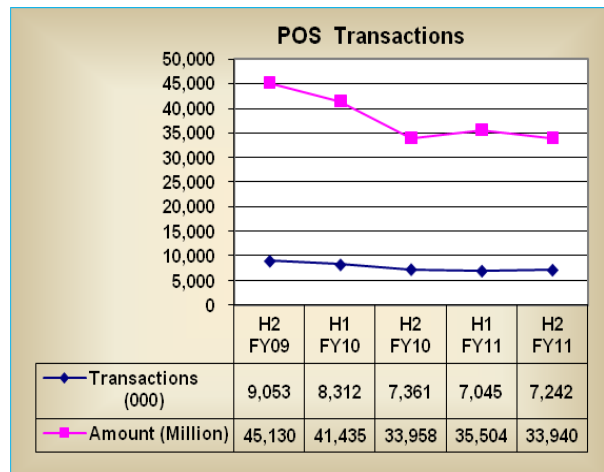
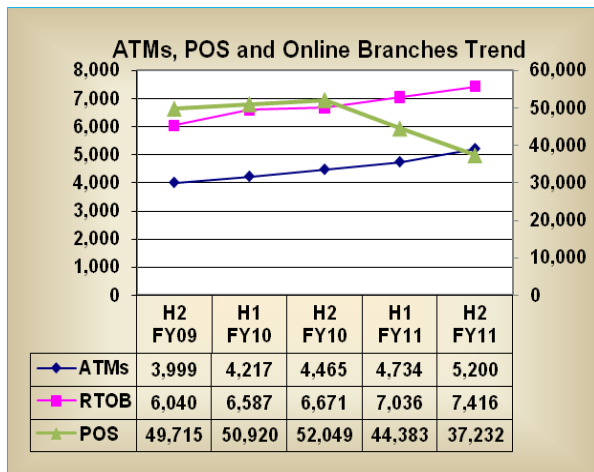
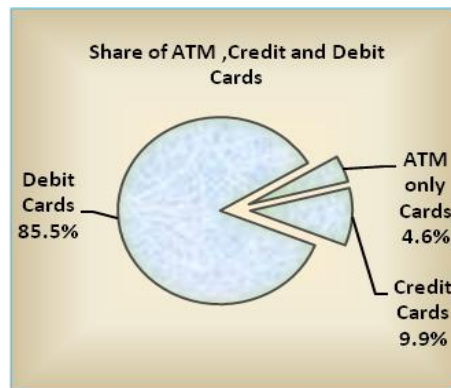
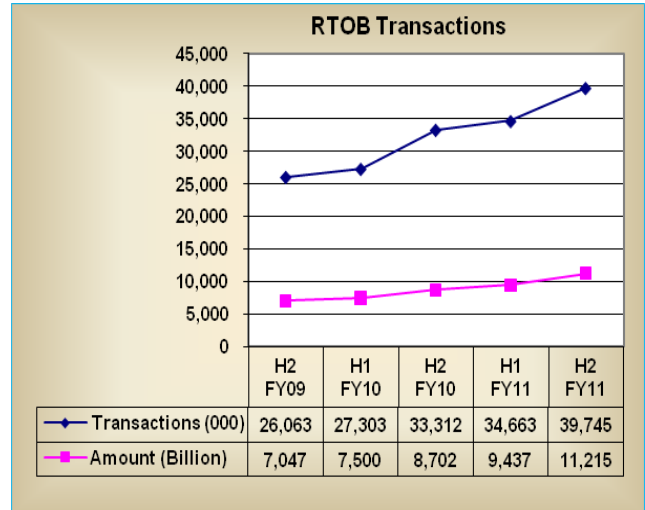
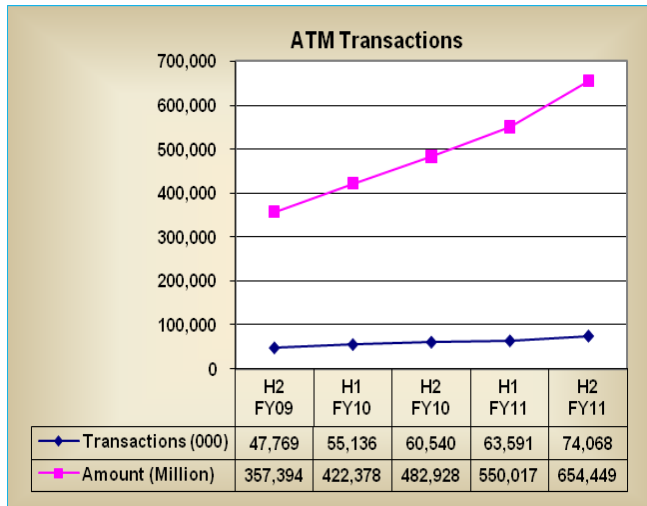
Number of Direct Participants 42

Volume of Transactions 176,311

Value of Transactions Rs. 45,505 Billion

E-Banking Graphical Trend Analysis





Discrepancy in data may occur due to rounding of data.

In the Retail Payment systems data, Microfinance Banks data are not included