

## Financial Market Infrastructure

*The Financial Market Infrastructure (FMI) remained robust and continued to provide payment and allied services in a smooth manner during CY25. The services of PRISM were available throughout the period under review without any major disruptions. Digital payments continued to be the major driver behind retail payment growth, showing double digit growth in both volume and value. Raast reached the milestone of processing approximately 1,973 million transactions worth Rs 49.6 trillion via its three modules which stayed operational without any disruptions. NCCPL successfully transitioned to the T+1 settlement cycle to enhance market efficiency, while CDC launched the Shareholder Agahi digital portal to strengthen investor education and, in collaboration with the Securities and Exchange Commission of Pakistan, introduced Pakistan's first centralized motor insurance repository to improve transparency and data integration.*





## 8 Financial Market Infrastructures

Financial Market Infrastructure (FMI) – a multi-lateral network among participating financial institutions – facilitates clearing, settling, or recording of payments, securities or any other financial transactions. In Pakistan, the FMI is composed of a) Large Value Payment System (LVPS), i.e., Pakistan Real-time Interbank Settlement Mechanism (PRISM), b) Retail Value Payment System (RVPS), including Raast, c) Interbank and ATM switch, i.e., 1-Link, d) NIFT (National Institutional Facilitation Technologies), a clearing house for paper based instruments, e) a corporate securities settlement company, i.e., National Clearing Company of Pakistan Limited (NCCPL) and f) CDC (Central Depository Company).

A sound and secure financial market infrastructure is necessary for operational efficiency and stability of financial system as it facilitates flow of transactions between different counterparties in the market. The systemic nature of FMI components makes them pivotal for the clearance and settlement of different financial transactions among all financial institutions in the country.

### 8.1 Payment Systems and their Performance

Provisions of the amended SBP Act, 1956 authorize SBP to ensure the soundness and efficient functioning of national payment and settlement systems.<sup>1</sup> The Payment Systems and Electronic Funds Transfer (PSEFT) Act, 2007 empowers SBP to regulate, operate and facilitate the national payment systems of the country.<sup>2</sup>

<sup>1</sup> The SBP Act, 1956 (amended up to January 2022)

<sup>2</sup> PSEFT, 2007: [https://www.sbp.org.pk/psd/2007/EFT\\_Act\\_2007.pdf](https://www.sbp.org.pk/psd/2007/EFT_Act_2007.pdf)

<sup>3</sup> PRISM is a Real Time Gross Settlement System (RTGS) operated by SBP that offers a powerful mechanism for providing settlement in real time on gross basis, thus minimizing the systemic risks that are inherent in large-value settlement systems.

### *Payment Systems showed robust growth driven by digital channels*

The national payment systems showed a robust growth during CY25. Both large value (PRISM) and retail modes have shown a double-digit growth in value terms during the period under review. The growth in PRISM was driven by security settlements, while the growth in volume of retail transactions was primarily driven by digital transactions, showing further traction in customer preferences for digital channels vis-à-vis cash-based payments. Maintaining the momentum, the volume of digital transactions increased by a notable growth of 53 percent (**Table 8.1**).

**Profile of Payment System Mechanisms** Table 8.1

| Volume in millions, Value in trillion Rupees, Growth in Percent |              |       |        |        |      |
|---|--------------|-------|--------|--------|------|
| Mechanism   | Volume/Value |       |        | Growth |      |
|   | CY23         | CY24  | CY25   | CY24   | CY25 |
| <b>a. PRISM</b>   |              |       |        |        |      |
| Volume  | 5,412        | 6,099 | 6,131  | 12.7   | 0.5  |
| Value   | 827          | 1,180 | 1,377  | 42.7   | 16.7 |
| <b>b. Retail Payments (i+ii)</b>                                |              |       |        |        |      |
| Volume  | 5,653        | 7,561 | 11,479 | 33.7   | 51.8 |
| Value   | 496          | 557   | 646    | 12.4   | 15.9 |
| <b>i. OTC Transactions</b>                                      |              |       |        |        |      |
| Volume  | 1,052        | 1,017 | 1,124  | -3.4   | 10.5 |
| Value   | 402          | 413   | 427    | 2.9    | 3.3  |
| <b>ii. Digital Transactions</b>                                 |              |       |        |        |      |
| Volume  | 4,601        | 6,544 | 10,355 | 42.2   | 58.2 |
| Value   | 94           | 144   | 219    | 53.3   | 52.0 |

Source: State Bank of Pakistan

### **PRISM - The Large Value Mode**

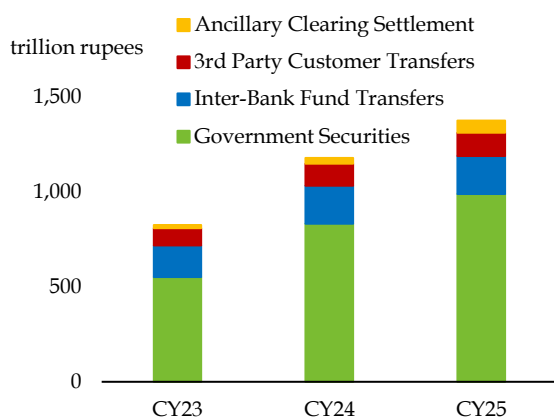
#### *PRISM handled higher value of transactions*

PRISM<sup>3</sup> showed 0.5 percent growth in volume and 16.7 percent growth in value terms during CY25. Value-wise, it carries around 68 percent share in total value of transactions.

Disaggregated data shows that growth in PRISM transactions was largely driven by Government Securities, which held around 72

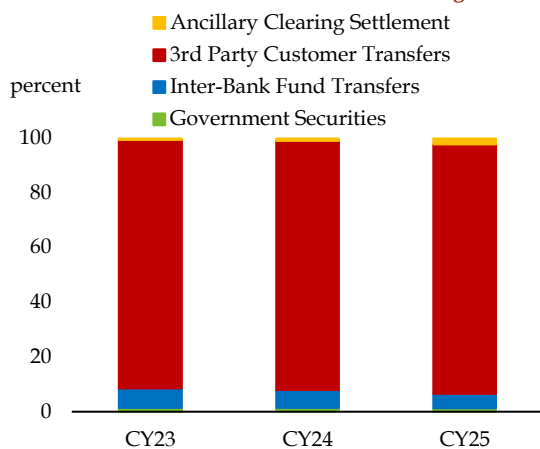
percent share in value of transactions (**Figure 8.1a**). Whereas in volume terms, third party customer transfers, having 91 percent share, drew the growth on a YoY basis (**Figure 8.1b**). All along, PRISM continued its operation smoothly without any major disruptions.

**Profile of PRISM Transactions - Value Figure 8.1a**



Source: State Bank of Pakistan

**Profile of PRISM Transactions - Volume Figure 8.1b**



Source: State Bank of Pakistan

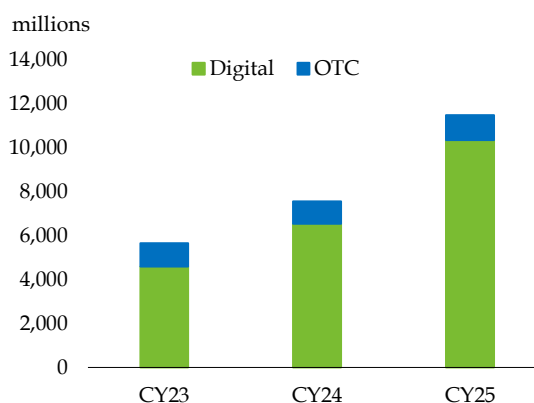
### Retail Value Modes

*Retail Transactions continued their momentum in terms of value and volume with digital modes dominating OTC modes in terms of volume*

Retail payments continued to show robust growth in CY25. The volume and value of retail transactions increased by 51.8 percent and 15.9 percent, respectively, during the year. Though

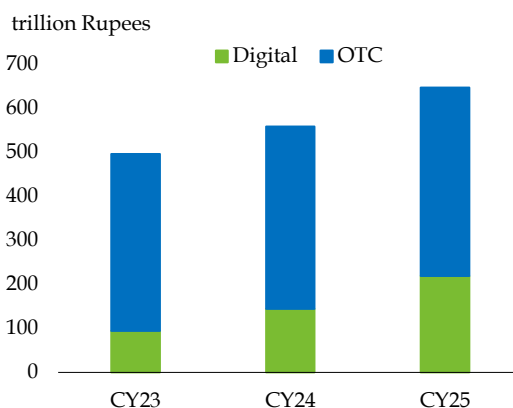
retail transactions have around one-third share in total value of transactions, from the volume perspective, retail transactions dominated with around 65 percent share in total volume of transactions (**Figure 8.2a and 8.2b**).

**Profile of Retail Transactions - Volume Figure 8.2a**



Source: State Bank of Pakistan

**Profile of Retail Transactions - Value Figure 8.2b**



Source: State Bank of Pakistan

The share of digital transactions has continued to rise, reflecting sustained policy efforts by the SBP to promote digitization under the National Payment Systems Strategy (2019) and successive National Financial Inclusion Strategies (2015–18 and 2018–23). This policy direction is further reinforced in NFIS 2024–2028 and SBP Vision 2028, which sets a target for digital transactions to exceed 80 percent of total payments by June 2028. The strategy also underscores the need to deepen the digital payments ecosystem by expanding outreach to underserved segments

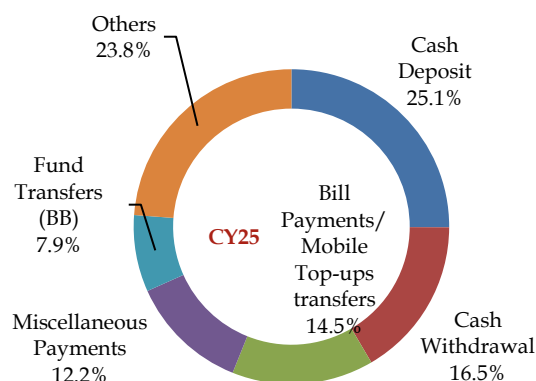
and facilitating merchant acceptance through Raast P2M.

The increasing use of digital channels, while improving convenience for the economy, also entails risks such as unauthorized access, malware, phishing, and vishing (voice phishing). To address these risks, SBP has issued a detailed set of guidelines for strengthening the security of digital banking products and services. Under these guidelines, banks are required to develop and implement a Digital Fraud Prevention Policy for managing digital fraud risks. Further, financial institutions have been directed to ensure real-time transactional alerts for customers, along with strengthened data protection, cybersecurity safeguards, and monitoring controls, to support timely detection, reporting, and mitigation of unauthorized or suspicious transactions.<sup>4</sup>

*With declining share in overall retail payments, OTC transactions are dominated by cash deposits and withdrawals*

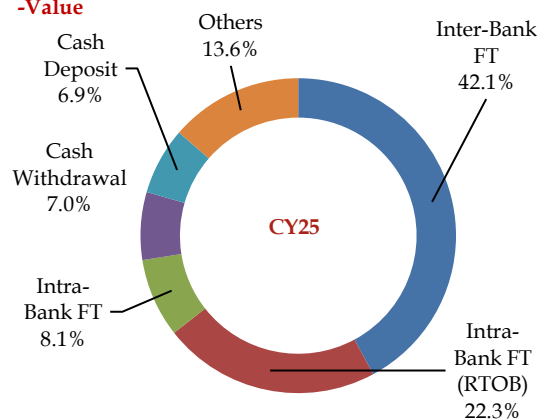
OTC transactions have moderated over the years, with a significant volume shifting towards digital modes. Overall, OTC transactions grew by 10.5 percent in volume, while in value terms these increased by 3.3 percent in CY25, showing that customers prefer large value payments through OTC modes (**Table 8.1**). Disaggregated data shows that cash deposits OTC transactions (mainly in own account), comprised of 25.1 percent while cash withdrawals accounted for 16.5 percent of the total volume of OTC transactions (**Figure 8.3a**). From value perspective, Interbank transfers (RTOB, Intra-bank) comprise the bulk of OTC transactions (**Figure 8.3b**).

**Composition of OTC Transactions - Volume** **Figure 8.3a**



Source: State Bank of Pakistan

**Composition of OTC Transactions - Value** **Figure 8.3b**



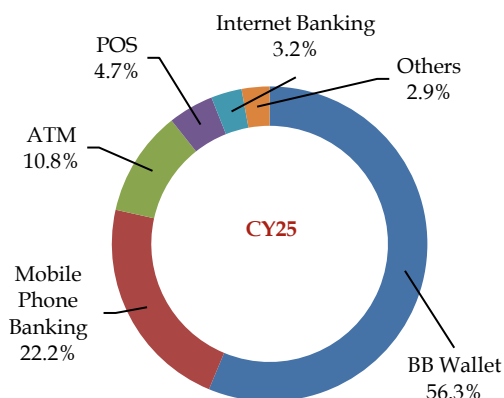
Source: State Bank of Pakistan

*Digital transactions maintained their upbeat growth momentum...*

Digital transactions grew by 58.2 percent and 52 percent in volume and value, respectively, during CY25. This growth in volume largely stemmed from usage of Branchless Banking (BB) wallets followed by mobile banking, which is also reflected in their dominant share in digital modes of transactions (**Figure 8.4a**). Over time, these modes have become popular among customers due to their cost effectiveness and convenience.

<sup>4</sup> Business Conduct & Fair Treatment of Consumers Regulatory Framework, issued vide [BPRD Circular No. 4 of 2025](#)

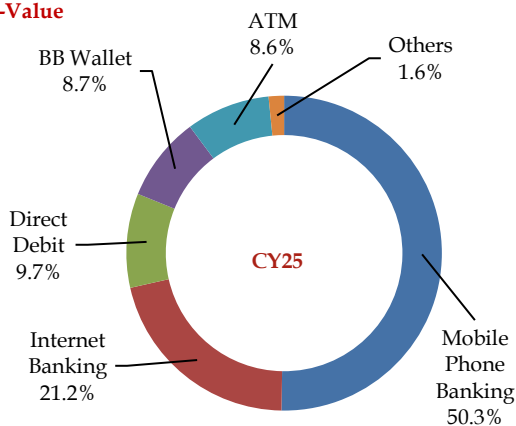
**Composition of Digital Transactions -Volume** **Figure 8.4a**



Source: State Bank of Pakistan

However, in terms of value of transactions, digital channels are dominated by mobile phone banking followed by Internet banking (Figure 8.4b). The BB wallets have emerged as a convenient alternative to traditional payment channels, especially in the retail and low-income segments. This development demonstrates SBP's ongoing digitization efforts, with innovations such as QR-code based merchant payments contributing to rapid uptake of digital financial services.

**Composition of Digital Transactions -Value** **Figure 8.4b**



Source: State Bank of Pakistan

## Raast

Raast, SBP's flagship initiative, successfully completed its fifth year of uninterrupted digital payment services. This revolutionary platform has accelerated Pakistan's digitization drive and economic formalization through three operational modules: Government to Person (G2P), Person to Person (P2P), and Person to Merchant (P2M). Raast provides an instant, secure, and cost-effective platform for digital payments among individuals, merchants, businesses, and government entities.

Within Raast, various initiatives have been taken under each use case to enhance the digitization of payments. Under bulk disbursements, Raast has partnered with CDC to facilitate and execute dividend payments promptly. Furthermore, the disbursement of government salaries, GP funds, and pension payments was integrated with the module for efficient, cost-effective, and uninterrupted provision of funds. SBP is also trying to take advantage of Raast to curtail seasonal spikes of currency in circulation. For instance, on the occasion of Eid-ul-Azha during CY25, an extensive campaign was launched to onboard cattle owners, where RAAST Quick Response (QR) codes were used for payments.<sup>5</sup>

Transactions through Raast showed a strong momentum while exhibiting exponential growth in terms of both value and volume. The volume of Raast transactions increased from Rs 800 million transactions in CY24 to Rs 1,973 million transactions in CY25. In terms of value, transactions jumped from around Rs 19 trillion last year to around Rs 50 trillion. A detailed analysis reveals that the momentum in Raast transactions is primarily due to successful adoption of P2P module in the RAAST ecosystem. It contributed 97 percent in terms of volume and around 88 percent in value during

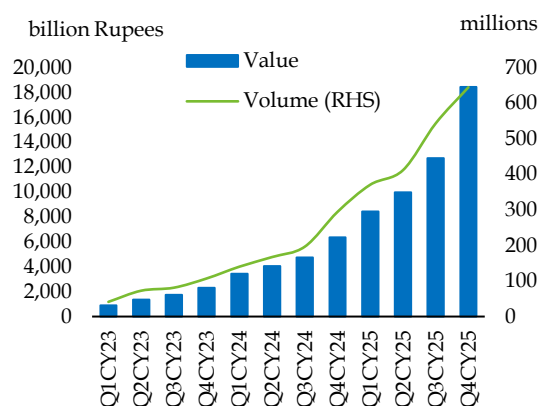
<sup>5</sup> [Go Cashless in Cattle Markets](#)

the period under review. Moreover, G2P, P2M and P2P modules maintained robust growth in value and volume. In fact, P2P transactions more than doubled in CY25 in volume as well as value terms. The volume in bulk payment module increased from 2.8 million to 17 million transactions, whereas value increased massively from Rs 500 billion to Rs 5,590 billion during CY25. The volume of P2P module increased from 796 million to 1,914 million transactions whereas the value of transactions rose from Rs 18.1 trillion to Rs 43.9 trillion during CY25.

Raast continued its functioning without any major interruptions throughout the year and successfully handled the increasing value and volume of the transactions (**Figure 8.5**).

Trend in Raast Transactions

Figure 8.5



Source: State Bank of Pakistan

Recently, the Federal Government, in coordination with the SBP, approved a targeted subsidy initiative to support Regulated Entities (REs) in promoting merchant onboarding for Raast Person-to-Merchant (P2M) QR payments. This policy intervention allocates an aggregate subsidy ceiling of Rs 3.5 billion for P2M QR Code-based transactions executed between September 1, 2025, and June 30, 2026, calculated at a rate of 0.5 percent of the transaction value or Rs 100, whichever is lower. This financial incentive framework aims to accelerate the digitization of the macroeconomic landscape by

subsidizing both the merchant and the customer side financial institutions equally.<sup>6</sup>

## Developments in Payment Systems Infrastructure

The payment systems infrastructure (PSI) plays a significant role in ensuring that customer needs for financial transactions are met smoothly. The infrastructure showed growth in terms of number of branches, ATMs, registered E-commerce merchants, cards and Point of Sale (POS). While a broad-based growth was observed in the segments of PSI, the credit cards showed a significant growth of 44.6 percent in CY25, primarily due to uptick in economic activity, decreasing interest rates, discount campaigns and partnerships between restaurants and banks (**Table 8.2**).

E-Banking Infrastructure

Table 8.2

| Description  | CY22    | CY23    | CY24    | CY25    |
|--|---------|---------|---------|---------|
| Online Branches  | 17,005  | 18,034  | 18,945  | 19,986  |
| ATMs   | 17,547  | 18,441  | 19,519  | 20,976  |
| POS  | 108,899 | 121,789 | 151,646 | 232,244 |
| Total Payment Cards of which: Number in thousands ('000) |         |         |         |         |
| Credit Cards   | 1,914   | 2,004   | 2,151   | 3,111   |
| Debit Cards  | 32,524  | 38,901  | 49,587  | 58,177  |
| Prepaid Cards  | 99      | 91      | 93      | 177     |
| Social welfare card                                      | 10,160  | 7,351   | 4,546   | 5,186   |

Source: State Bank of Pakistan

### Branchless banking has continued its momentum

Branchless banking plays a pivotal role in extending formal financial services to underserved areas. It uses the branchless banking agent model to maximize its outreach to far-flung areas, where it is not feasible to open bank branches. The deposit base of branchless banking has expanded by 42.7 percent, reaching Rs 244 billion by end December 2025 from Rs 171 billion in the same period year. Along with this, the number of accounts in the branchless

<sup>6</sup> PSP&OD Circular No 03 of 2025 available at: <https://www.sbp.org.pk/psd/2025/c3.htm>

banking segment surged by around 19 percent in the same period and active accounts increased by 8.4 percent (**Table 8.3**).

**Key Highlights of Branchless Banking** Table 8.3

| Description                            | CY23    | CY24    | CY25    |
|--|---------|---------|---------|
| No. of Agents                          | 649,638 | 708,559 | 808,871 |
| No. of Accounts(thousands)             | 114,643 | 126,765 | 150,752 |
| No. of Active Accounts(thousands)      | 64,122  | 61,441  | 66,594  |
| Deposits at period end (Rs million)    | 115,409 | 170,879 | 243,892 |
| No of transactions (Rs million)        | 1,088   | 1,566   | 2,638   |
| Value of Transactions (Rs billion)     | 5,057   | 7,338   | 10,649  |
| Average Daily Transactions (thousands) | 12,093  | 17,402  | 29,310  |
| Average size of transactions (Rs)      | 4,646   | 4,685   | 4,037   |
| Average Deposit in accounts (Rs)       | 1,007   | 1,348   | 1,618   |

Source: State Bank of Pakistan

The number of users of digital channels is increasing at an exponential pace with branchless banking app users leading at 92 million users, followed by payment cards at 67 million users by December 2025 (**Table 8.4**). EMIs user base grew by around 45 percent in CY25, recording highest growth among rest of the channels. This trend indicates a continued shift toward formal digital financial services offered by the emerging FinTechs, reflecting stronger uptake of accessible payment instruments and digital transactions. This exponential growth in user base supports the policy objectives of SBP aimed at promoting financial inclusion, enhancing formalization of financial transactions, and strengthening the digital payments ecosystem across country.

**Digital Payment Channel Users (millions)** Table 8.4

| Description              | CY23 | CY24 | CY25 |
|--------------------------|------|------|------|
| BB Mobile App Users      | 67   | 64   | 92   |
| Mobile Banking Users     | 16   | 21   | 27   |
| EMIs' E-Wallet App Users | 3    | 5    | 7    |
| Internet Banking Users   | 11   | 13   | 16   |
| Payment Cards            | 59   | 56   | 67   |

Source: State Bank of Pakistan

Keeping in view this massive uptake in digital channels' user base and rising sophistication of global and domestic cyber threats, SBP has introduced "Cyber Shield," a comprehensive Cyber Resilience Strategy for Regulated Entities (2025-2030). This strategic framework is designed to consolidate the safety and robustness of the national financial ecosystem by establishing a multi-phased roadmap for REs to enhance their systems, controls, and incident response mechanisms. The strategy focuses on five key pillars: strengthening cyber resilience of the regulated entities; improving cybersecurity governance of the regulated entities; enhancing collaboration and partnerships among regulated entities and related stakeholders; developing cyber workforce; and continuously upgrading security protocols to align with international best practices.

Furthermore, as part of the Vision 2028 agenda, SBP mandated that all REs – including banks, microfinance banks, and electronic money institutions – align their internal cybersecurity programs with the milestones prescribed in the Cyber Shield strategy. Through the implementation of this forward-looking and collaborative approach, SBP aims to ensure that the financial sector can effectively prevent, respond to, and recover from cyber-attacks, thereby safeguarding customer interests and maintaining overall financial stability. All regulated entities are required to ensure compliance with the phased implementation schedule ending in 2030.<sup>7</sup>

### Launch of PRISM+

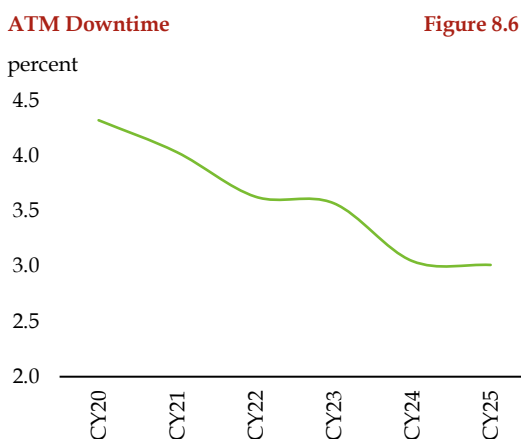
In line with its Vision 2028 strategic framework, SBP launched PRISM+, an upgraded Real Time Gross Settlement (RTGS) and Central Securities Depository (CSD) System. PRISM+ is built on

<sup>7</sup> CRMD Circular Letter No. 01 of 2026 available at: <https://www.sbp.org.pk/CRMD/2026/CL01.htm>

the ISO 20022 financial messaging standard which supports structured and data-rich financial communication, enabling enhanced transparency, interoperability, and automation across the payment and settlement ecosystem. It includes new features for liquidity management, transaction queuing and prioritization, and scheduling of future dated payments. The system offers customizable dashboards, alerts, query tools, and downloadable settlement position statements using a web-based module for real time initiation, monitoring, and approval of transactions. The new system also provides a CSD platform for money market operations such as auction of government securities, sale and purchase of securities in the secondary market, collateral management and open market operations.

### ATM Efficiency

ATMs are one of the most important Alternative Delivery Channels (ADC) in the FMI. ATMs hold third largest share in volume of digital channels. ATM downtime has further reduced to 3.01 percent of activity time in CY25, which is the lowest in last five years (**Figure 8.6**). Improved service availability is further associated with enhanced credibility of the broader financial system, as assured access to cash withdrawal facilities has been observed to positively influence consumer disposition



Source: State Bank of Pakistan

towards maintaining balances within formal banking channels. In this regard, the reduction of ATM downtime is appropriately regarded not merely as an operational performance metric, but as a structural enabler of financial inclusion and an important contributing factor to the sustained deepening of digital payment adoption across the population.

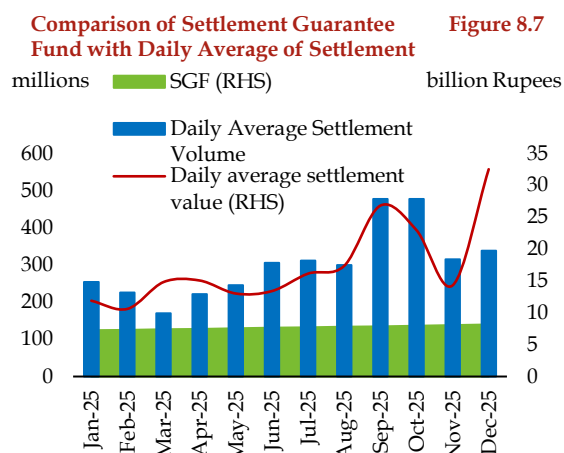
## 8.2 FMI: Other than Payment Systems

### National Clearing Company of Pakistan Limited (NCCPL)

The NCCPL plays a pivotal role in ensuring smooth operations of Pakistan's capital markets. It has three major roles. First, it acts as the central counter party for all trades executed at the Pakistan Stock Exchange (PSX). It guarantees the settlement of all trades taking place, thereby decreasing the counterparty risk. Second, it is responsible for electronic transfer of security and funds between parties of a trade without any friction. Lastly, it acts as central KYC apparatus for all capital market participants. Furthermore, it also provides national custodial services, which entails providing safekeeping and asset servicing for investor securities.

NCCPL has multiple risk mitigating measures in place, including a settlement guarantee fund (SGF). Under SGF, participants regularly contribute towards a pool of money, depending on their risk profile and trading activity, so that financial losses could be covered in case a member defaults on his obligations. The fund stood at Rs 8.2 billion at the end of CY25.

Daily average settlement value stood at Rs 17.6 billion compared to Rs 8.7 billion last year. Further, trading volume has also slightly increased from last year's 235 million transactions to 304 million in CY25 (**Figure 8.7**).



Source: National Clearing Company of Pakistan Limited

### Transition to T+1 Settlement Cycle

To enhance the operational efficiency of securities market operations and align with global regulatory standards, the NCCPL successfully transitioned the capital market settlement cycle from T+2 to T+1. This accelerated one-business-day trade settlement framework is designed to improve market liquidity, reduce risk exposure, and provide investors with faster access to funds and securities.

In parallel with these post-trade advancements, NCCPL has continued to digitize investor lifecycle management by launching an API-based KYC Information Update functionality. This digital integration empowers investors to directly update their fundamental identification data, banking details, and contact information through their respective securities broker's application, thereby replacing physical documentation hurdles with a seamless, automated process and facilitating the overall investor onboarding and maintenance ecosystem.<sup>8</sup>

<sup>8</sup> [NCCPL Press Release](#)

\*Effective 10<sup>th</sup> February 2026

<sup>9</sup> [CDC Newsletter-97\(Jan-March\)](#)

## Central Depository Company (CDC)

The CDC acts as the sole securities depository in Pakistan. It facilitates the electronic settlement of transactions on the PSX and offers other related services for equity, debt, and other financial instruments. The Company provides depository services which entail holding securities electronically for investors, thus eliminating need for physical certificates. It acts as a central party ensuring that both sides of trade are fulfilled. Lastly CDC maintains investor records and facilitates transfer and ownership of shares bought and sold. CDC has also taken multiple initiatives to facilitate investors in CY25 while ensuring uninterrupted services to investors in capital market.

### Launch of Pakistan's first Motor Insurance Repository

SECP in collaboration with the CDC and the Insurance Association of Pakistan (IAP), launched Pakistan's first motor insurance repository. This centralized repository aims to revolutionize the motor insurance landscape by enhancing transparency, improving underwriting practices, and combating insurance fraud. The repository is set to address critical challenges in the industry, such as low motor vehicle insurance coverage, which currently stands at less than 3 percent in Pakistan. The initiative will be rolled out in a phased manner, starting with a centralized database for policy storage and regulatory oversight, followed by real-time insurance status verification and claims data integration.<sup>9</sup>

### Launch of 'Shareholder Agahi'

In a landmark step towards enhancing shareholder awareness and strengthening corporate governance, the CDC and Pakistan Institute of Corporate Governance (PICG) have

jointly developed *Shareholder Agahi* – an innovative digital portal designed to equip shareholders with the knowledge and tools needed to make informed, impactful decisions. The Agahi portal has been developed by CDC, with the content development being done by PICG, which includes videos, courses, webinars, documents, library and guides etc. that will be available on the portal for shareholders. Furthermore, in continuation with last year’s initiative of Raast aggregator module, CDC integrated Raast payment system with 20 more brokers. This breakthrough marks a step forward in building a more responsive, streamlined, transparent, and digitally empowered capital market ecosystem.<sup>10</sup>

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<sup>10</sup> [CDC-Newsletter-99 \(July-September\)](#)

