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Branchless Banking accounts grow by 20 percent

Branchless banking in the country continues to grow substantially and number of BB accounts has reached 2.1 million during October – December, 2012 quarter, registering an impressive growth of 20 percent.

According to SBP's latest Branchless Banking Newsletter, this growth is mainly attributed to 49% growth in level 0 accounts. Level 3 accounts also registered significant growth of 37% during the quarter mainly due to entry of two new players, 'Mobicash' and 'Timepey' while a marginal growth of 2% was observed in both level 1 and 2 accounts.

Almost 35 million transactions worth Rs.151 billion have been processed during the quarter. The average size of transaction was Rs 4,278, while the average number of transaction per day increased to 392,433 from 354,367 during the previous quarter.

The fast growing network of BB agents reached 41,567 as of 31st December, 2012 from 30,540 as on 30th June, 2012 registering an increase of 36 %. This growth is attributable mainly to the entry of new players. However, this number does not take into account "shared" agents (i.e., an agent serving multiple providers).

Branchless banking deposits have grown by 35 percent to Rs 1 billion while person to person fund transfers constituted significant share of 33% in value of total transactions.

According to the Newsletter, bill payments and top-ups (45%) ranked top, followed by P2P fund transfers (34%). G2P welfare payments through BB channels have increased from Rs. 4.1 billion to Rs. 5 billion, registering a growth of 27% during the quarter. Moreover, Rs. 2.7 million have also been disbursed to Employees' Old-Age Benefit Institution's pensioners through agents.

The Branchless Banking Newsletter is accessible at:

<http://www.sbp.org.pk/publications/ACD/BranchlessBanking-Oct-Dec-2012.pdf>