

State Bank releases Payment Systems Review

The State Bank of Pakistan has released the Payment Systems Review for the quarter ended October – December, 2013. The report aims to review recent developments in the area of Large and Retail Value Payment Systems in Pakistan. During the quarter under review, Pakistan Real-Time Interbank Settlement Mechanism (PRISM), the Large Value Payment System of the country processed 141,667 payments worth over Rs. 35 trillion. This showed an increase of 8.2% and 15% in Volume and Value respectively compared to the previous quarter.

The volume of e-Banking transactions in Pakistan has grown considerably over the years. During the quarter October-December, 2013, the Volume and Value of overall e-Banking transactions grew by 5.1% and 8.7% respectively to the last quarter and by 22.7% and 10% when compared with the same period of the last year. Further, in the composition of total e-Banking transactions, ATM has the highest share of 63.3% in Volume and 7.6% share in Value of transactions. Real time online Banking (RTOB) has the highest share of 89.9% in Value with 25.2% share in Volume of transactions. The remaining portion of transactions in terms of volume is captured by Point of Sale (5.9%), Internet (4%), Call Center (0.2%) and Mobile Banking (1.5%) respectively.

The number of transactions through ATMs reached over 61.7 million in the second quarter of FY13-14. The number of ATMs in the country has reached 7,684 for the quarter ended December, 2013, showing an increase of 10.2% from previous quarter. As on 31st December 2013, for every 100,000 people, there are 4.2 ATMs in the country and during that same period, Rs. 635 billion was transacted using this channel.

The number of online branches is 10,596 which accounts for around 95% of the total bank branches in the country; around 24.5 million transactions amounting to Rs. 7.48 trillion were performed via this channel during October-December of FY13-14. As on 31st December 2013, there is around 18.3 Point of Sale (POS) machines for every 100,000 people in the country.

The fastest growing payment channel in the country is Mobile Banking in which the number of transactions increased by 170.7% compared with that in the same period last year. Presently, there are around 1.5 million registered users of Mobile Banking in the country. Further, as on end December 2013, 24 banks are offering Internet Banking services that constitute a Volume share of 4% of total e-Banking transactions. During the quarter under review, 3.9 million transactions amounting to over Rs.161 billion were conducted by 1.37 million registered users on Internet Banking. This showed a growth of 5.7% in Volume and 2.7% in value of transactions compared to the previous quarter.

The number of Plastic Cards (*Debit, Credit and ATM Only Cards*) reached 22.38 million showing a decline of 4.2% compared with that in the previous quarter. The Credit cards showed a significant drop of 11.4% compared to the last quarter. In contribution of Plastic Cards, Debit Cards have the highest share of 89.6%.