

## Card transactions up 166pc in January-August

A Monitor Report

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Dhaka : Transactions through both debit and credit cards were 166 per cent up in the first eight month of 2022 compared to the same period last year, according to the central bank, as many outbound travellers opted for carrying dollars in cards instead of cash amid a dollar crisis.

The January-August card transactions stood at BDT 2,716 crore, which was BDT1,020 crore in the corresponding period of 2021, according to the central bank report.

The report says August card transactions were BDT 36,555 crore - down from July's BDT 37,460 crore.

In August, BDT 36,555 crore and foreign currency worth BDT 520 crore were transacted through cards. Though local currency transactions through cards dropped in that month, dollar transactions rose.

Foreign currency transactions through credit cards have been allowed in the country for a long time. In June 2020, the central bank allowed banks to issue international debit cards to customers against their accounts.

The dual currency cards allow hotel booking abroad and purchases of a certain amount from home. According to the Bangladesh Bank, a maximum of USD 12,000 can be spent through the cards a year. Banks sell dollars to customers both in cash and on cards.

It used to cost less to get dollars on cards than cash. But the authorities recently decided that the dollar exchange rates for card and cash will be the same. Bankers say the decision

might see a decline in dollar transactions through cards.

Foreign currency transactions through cards have been on a gradual rise since the beginning of 2022, according to the Bangladesh Bank report.

There were around 3.33 crore debit and credit cards till August this year. Of those, there were around 2.83 crore debit cards and only 20.22 lac credit cards. Debit cards account for the major chunk of the transactions.