



# QUARTERLY PAYMENT SYSTEM REPORT

Quarter 1 (January – March 2020)

## Preface

The RMA Act of Bhutan 2010 under section 8 (b, c) mandates the Department of Payment and Settlement System (DPSS), “to promote, supervise and, if necessary, operate national and international payment and settlement system including Electronic Transfer of Funds by financial institutions, other entities and individuals”. As per the regulations, a payment system shall mean a system that enables payments to be affected between a payer and a beneficiary, involving a clearing, payment or settlement service, on a gross settlement- real time transfer or a net deferred settlement basis.

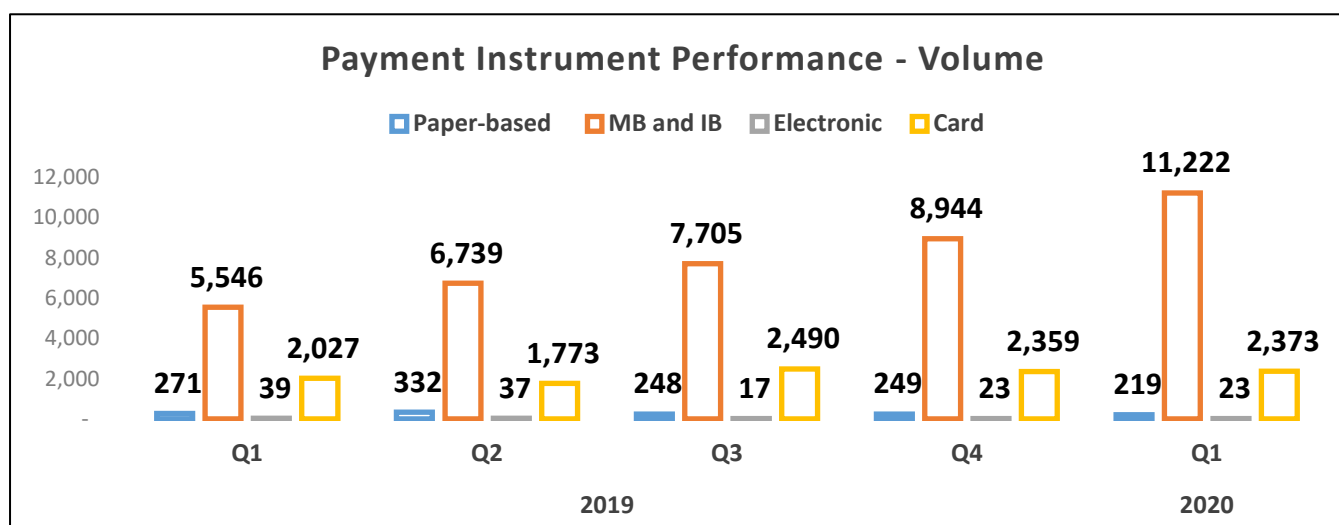
In order to present a comprehensive review of trends in the payment instruments operated by the RMA and the commercial banks, the Department of Payment and Settlement Systems has taken the initiative to publish the Payment System Report (PSR) quarterly and annually.

This Quarterly PSR contains statistical updates on payment systems transactions for the first Quarter of 2020, and includes comprehensive data on interbank and on-us transactions; SWIFT and e-money transactions. The source of all interbank transactions is from the RMA database and on-us transactions from member banks, and do not in any way reflect or represent the views and policies of DPSS.

We are thankful to all our valued contributors from the member banks for providing timely monthly reports.

## 1. Summary

Figure 1: Payment Instrument Performance – Volume in Thousands



- During the first quarter of 2020, the number of transactions effected through mobile and internet banking has surged as compared with 2019 Q4 by 25 percent. Approximately, 81 percent of the market share was dominated via Mobile and Internet Banking in the first quarter, followed by card and then paper based.
- Both the value and volume of transactions for electronic have increased in the 2020 Q1. Whilst there is a dip in the volume of cheques in 2020 Q1 by 12 percent.

Table 1: Consolidated Payment System Transactions (Volume in thousands and Value in millions Nu)

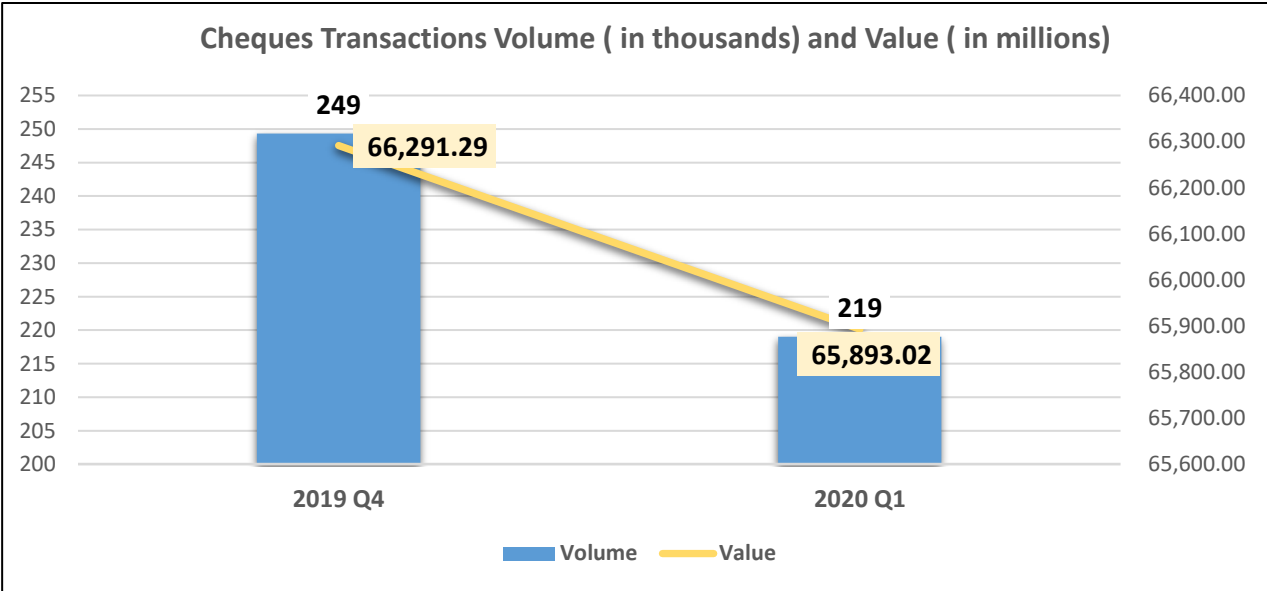
SL.No	Payment Systems	2019				2020	Percentage Change
		Q1	Q2	Q3	Q4	Q1	Q4 & Q1
		Volume of Transactions					
1	Paper-based	271.32	332.48	248.02	249.31	219.03	-12%
2	Mobile and Internet Banking	5,546.19	6,739.09	7,704.95	8,944.21	11,222.28	25%
3	Electronic	38.81	37.23	17.26	22.58	23.10	2%
4	Card	2,027.22	1,773.20	2,489.94	2,359.33	2,373.46	1%
	<b>Total</b>	<b>7,883.54</b>	<b>8,882.00</b>	<b>10,460.17</b>	<b>11,575.43</b>	<b>13,837.86</b>	<b>16.24%</b>

SL.No	Payment Systems	2019				2020	Percentage Change
		Q1	Q2	Q3	Q4	Q1	Q4 & Q1
		Value of Transactions					
1	Paper-based	72,514.41	85,724.19	69,643.05	66,291.29	65,893.02	-1%
2	Mobile and Internet Banking	14,990.56	18,852.35	21,023.44	25,848.42	27,697.26	7%
3	Electronic	9,449.64	6,451.10	7,497.95	9,610.85	12,357.83	29%
4	Card	7,221.90	5,923.72	8,605.06	8,801.36	8,734.40	-1%
	<b>Total</b>	<b>104,176.51</b>	<b>116,951.36</b>	<b>106,769.51</b>	<b>110,551.93</b>	<b>114,682.51</b>	<b>34.37%</b>

## 2. Payment System Transactions:

### 2.1 Paper-based (cheque)

Figure 1: Cheque Transactions Volume (in thousands) and Value (in millions)



- As illustrated above, the number of cheque transactions have declined in 2020 Q1 compared with 2019 Q4 by 12 percent (Volume) and 1 percent (Value).
- Cheque accounts to 2 percent in the first quarter of 2020.

### 2.2 Card

- ATM, POS, and RuPay falls under the card segment.
- In the first quarter of 2020, the number of ATM transactions, and the amount transacted remained constant.
- The data of POS shows a drastic drop both in the number of transactions and the amount transacted - there is a decline of 55 percent (volume) and 9 percent (value) as shown in figure 3.
- Card accounts to 17 percent in the first quarter of 2020.
- The decline in the use of card could be due to QR code payment which has gained popularity among the public. Also, on account of its convenience and lesser chance of network failure.
- Figure 2 and 3 pictured below shows the volume and value of ATM and POS executed in the first quarter of 2020 and the fourth quarter of 2019.

Figure 2: Domestic ATM Transactions (Volume in thousands and Value in millions)

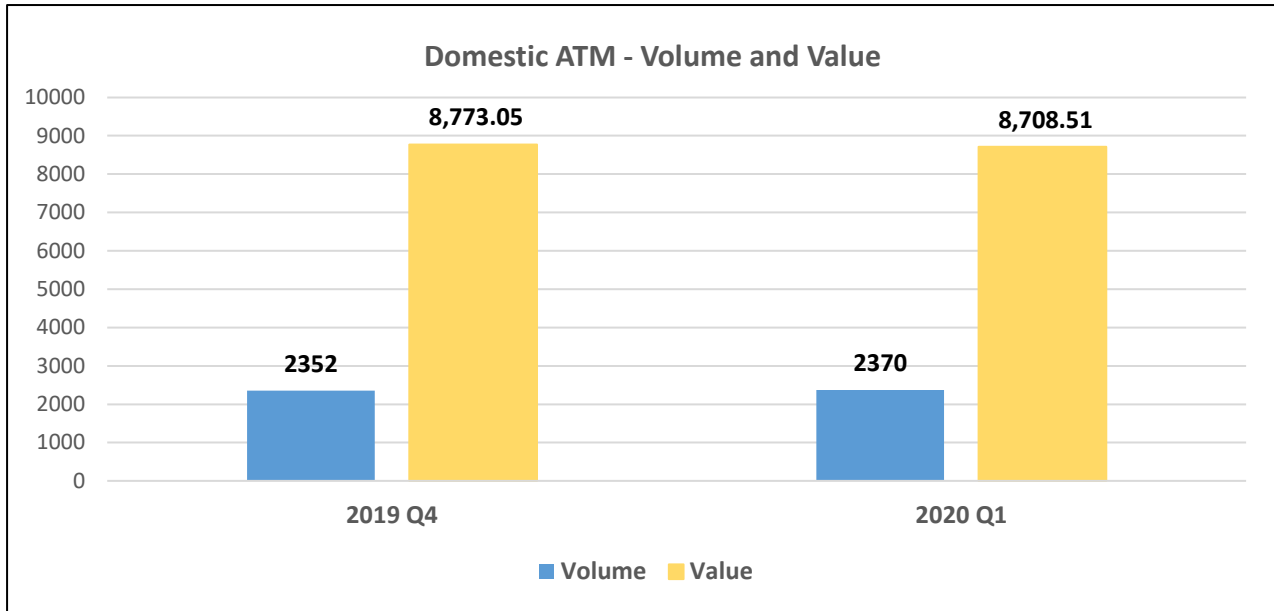
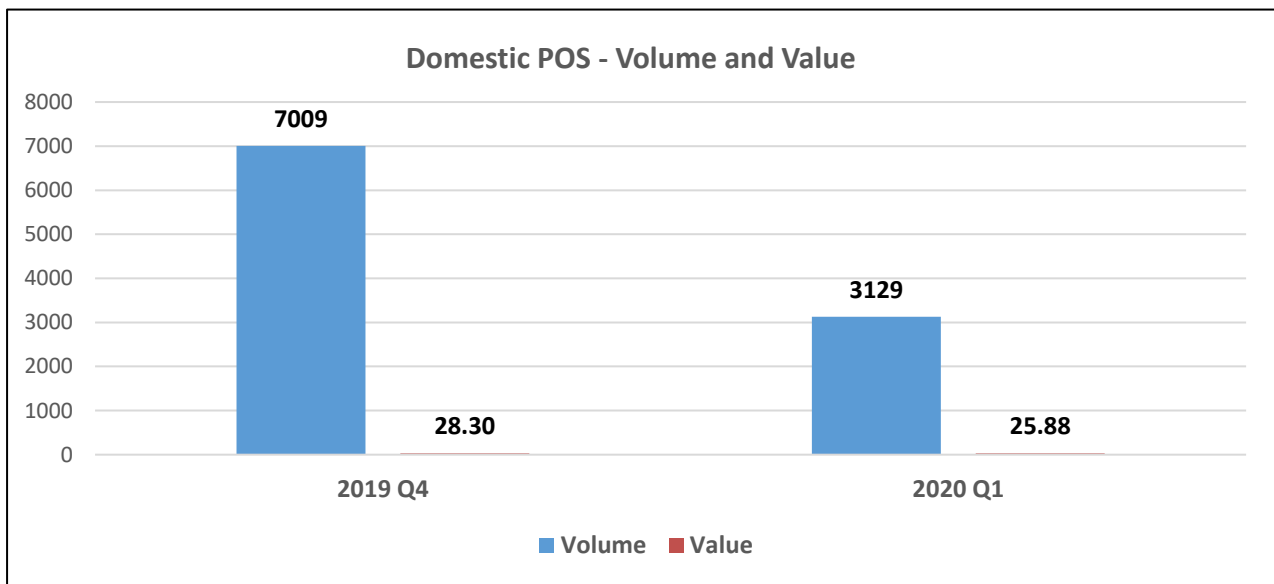
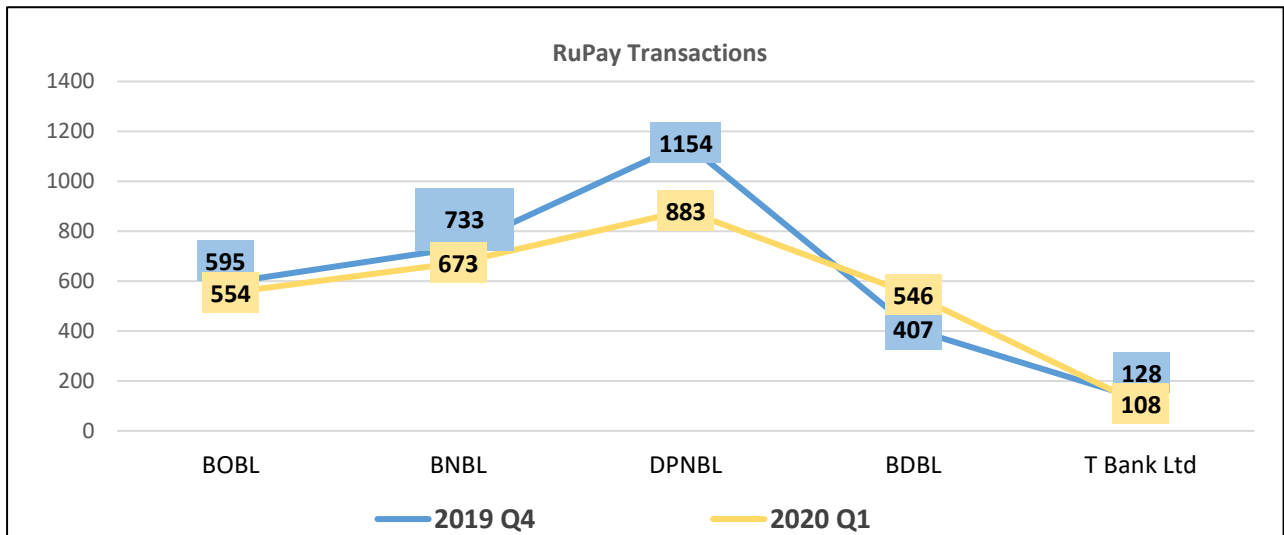


Figure 3: PoS Transactions (Value in millions)



## 2.3 RuPay

Figure 4 : RuPay Transactions - Volume

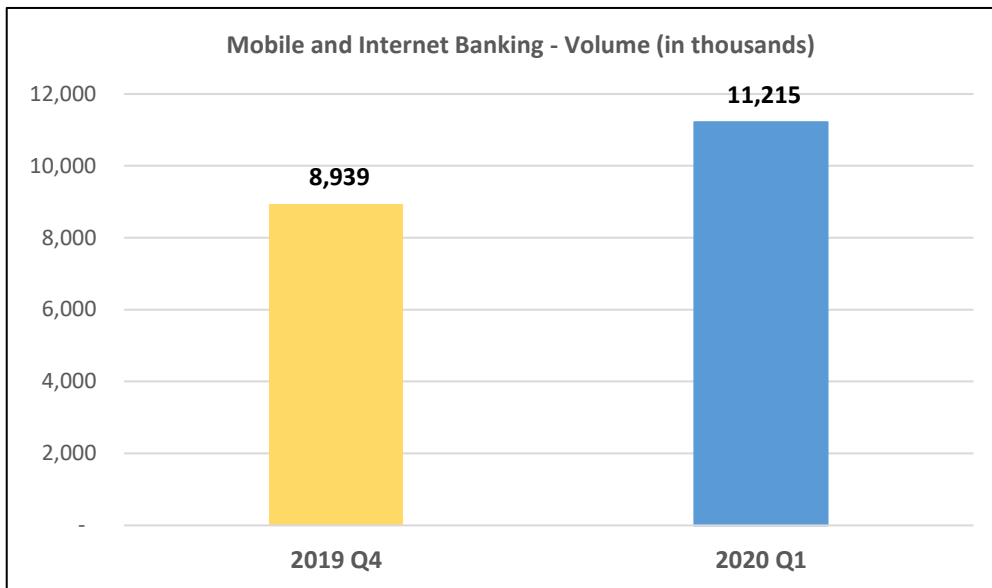


The data shows a decline in the number of RuPay transactions in 2020 Q1 from 2019 Q4 by 8.39 per cent. The decline in the number of transactions was due to less Indian tourists coming into the country. Also, owing to the novel coronavirus pandemic which has led to the closing of the borders, we have recorded a slight dip in RuPay transactions.

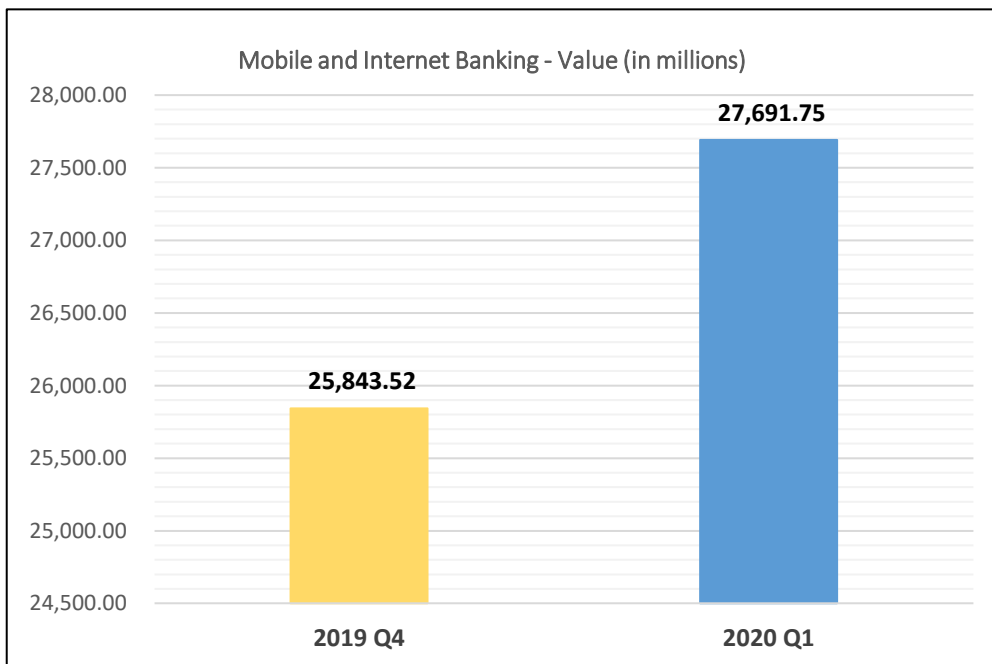
## 2.4 Mobile and Internet Banking

- Figure 5 and 6 pictured below shows a surge in the values and the volume of transactions made by the respective member bank's App.
- As depicted in the graphs below, there was an increase of 25.47 percent and 7.15 percent in both the volume and value respectively.
- Further, with the promotion and deployment of QR code payments at the fuel stations, merchants, vendors and vegetable markets; has made QR code payment popular and preferred among the public.
- Also, due to the outbreak of the novel coronavirus has encouraged the general public to opt for QR code to minimize the spread of the virus.

**Figure 5: Mobile and Internet Banking Transactions Volume (in thousands)**



**Figure 6: Mobile and Internet Banking Transactions Value (in millions)**



## 2.5 Electronic payment – GIFT : Global Interchange for Financial Transactions

Figure 7 : GIFT Transaction Volume

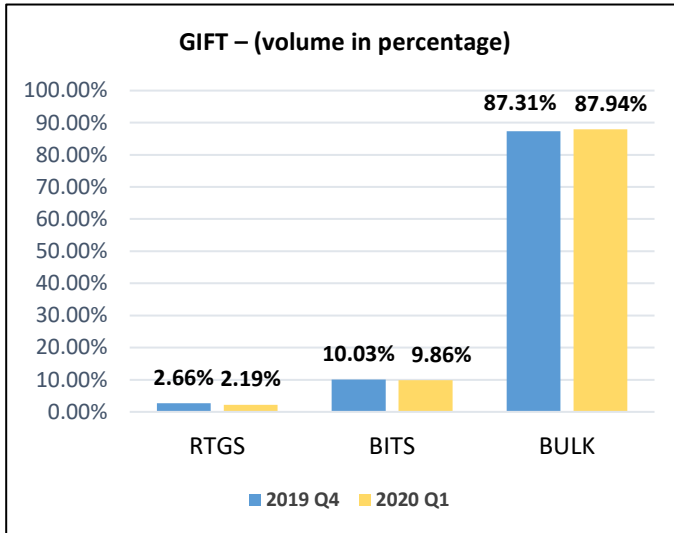
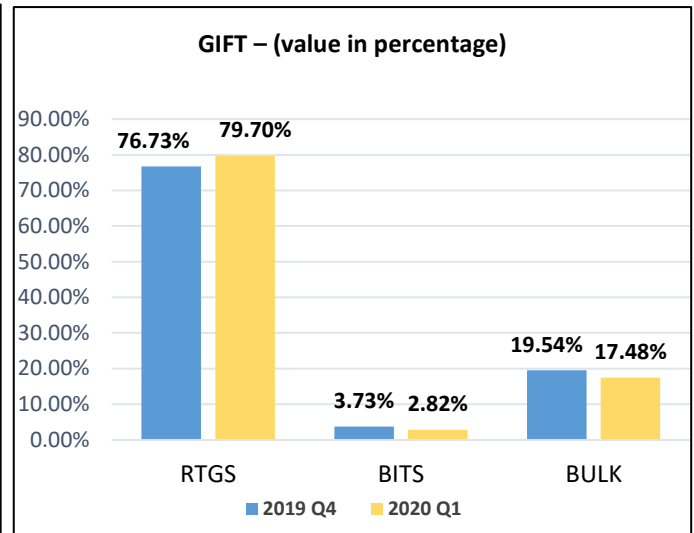


Figure 8 : GIFT Transaction Value



In the first quarter of 2020, there is an increase in the number of transactions for BULK & in values for RTGS by 0.63 per cent and 2.97 per cent respectively. However, the value for BULK has declined by 2.06 percent. In terms of the bank’s performances, BOBL has transacted the maximum number of transactions, both inward and outward.

Figure 9 : Bank-wise Inward (volume)

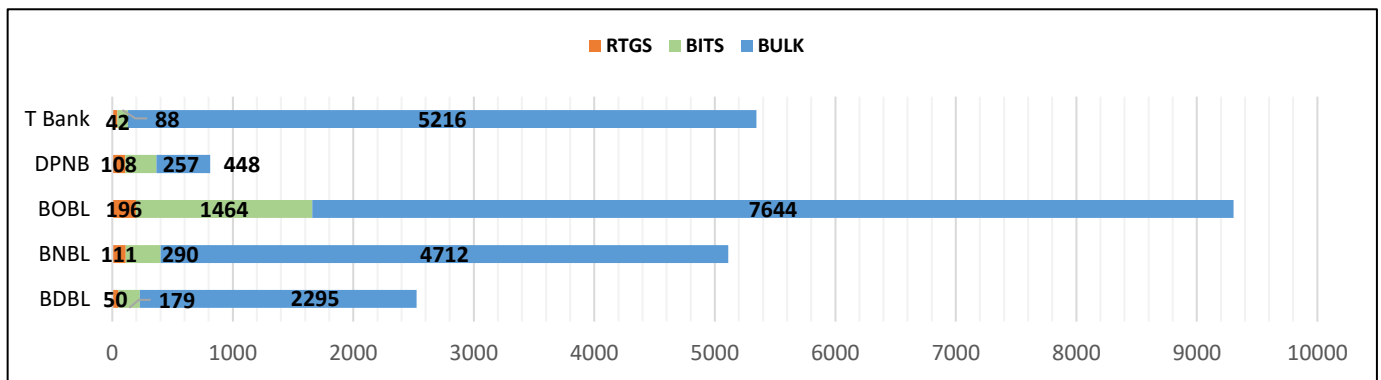
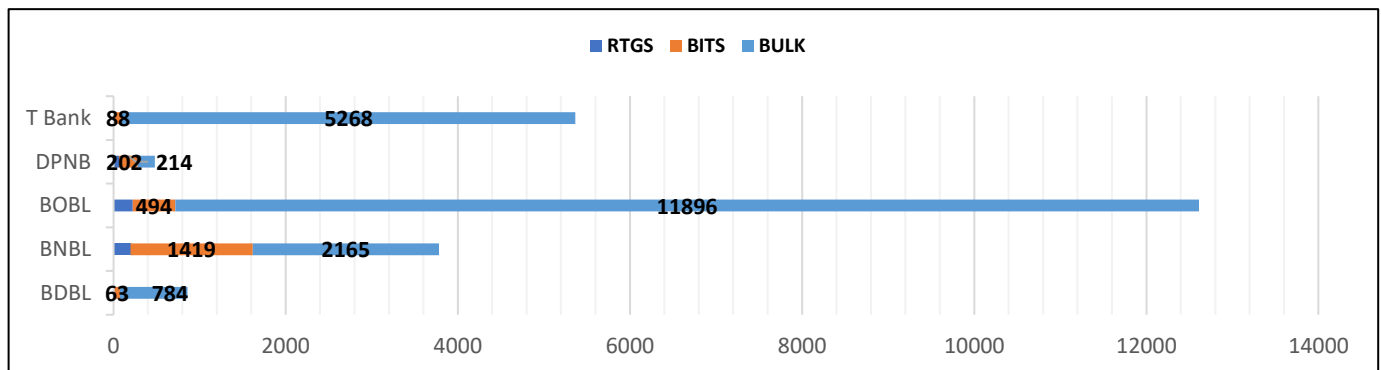


Figure 10: Bank-wise Outward (volume)





## 2.6 E-money

Figure 11 : eMoney Transaction Volume

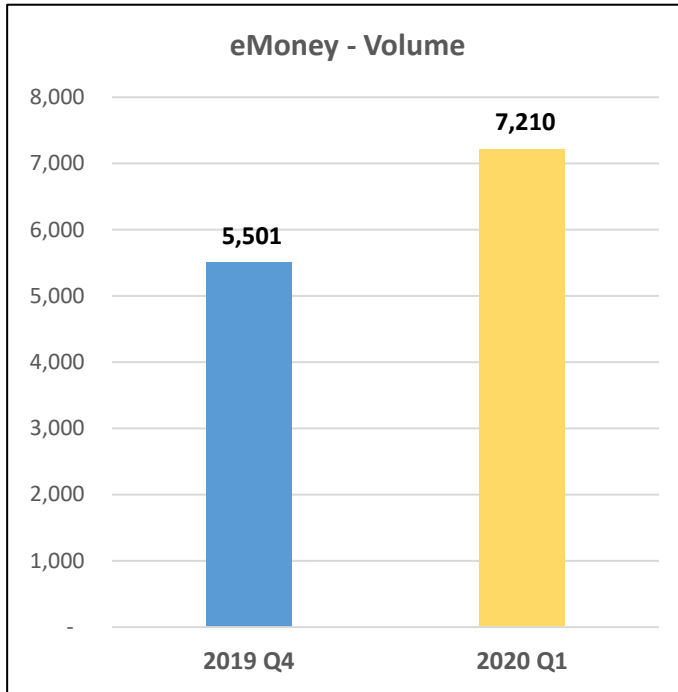
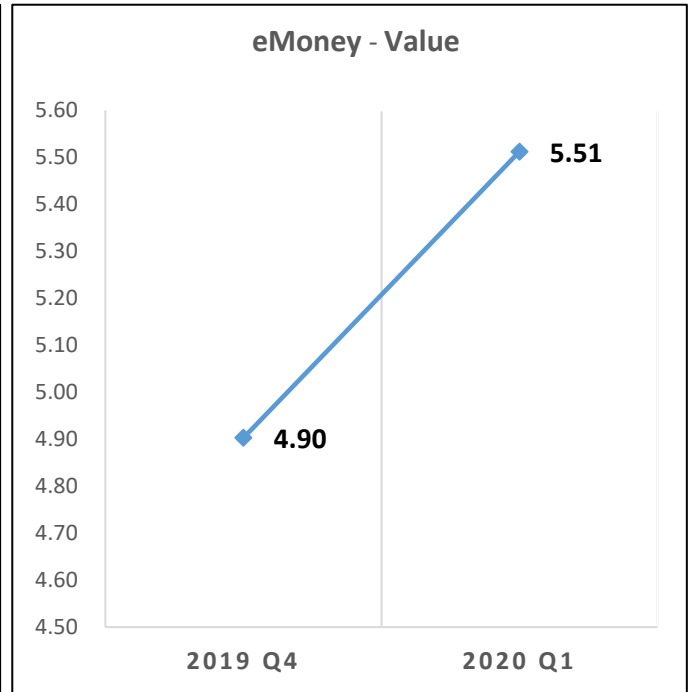


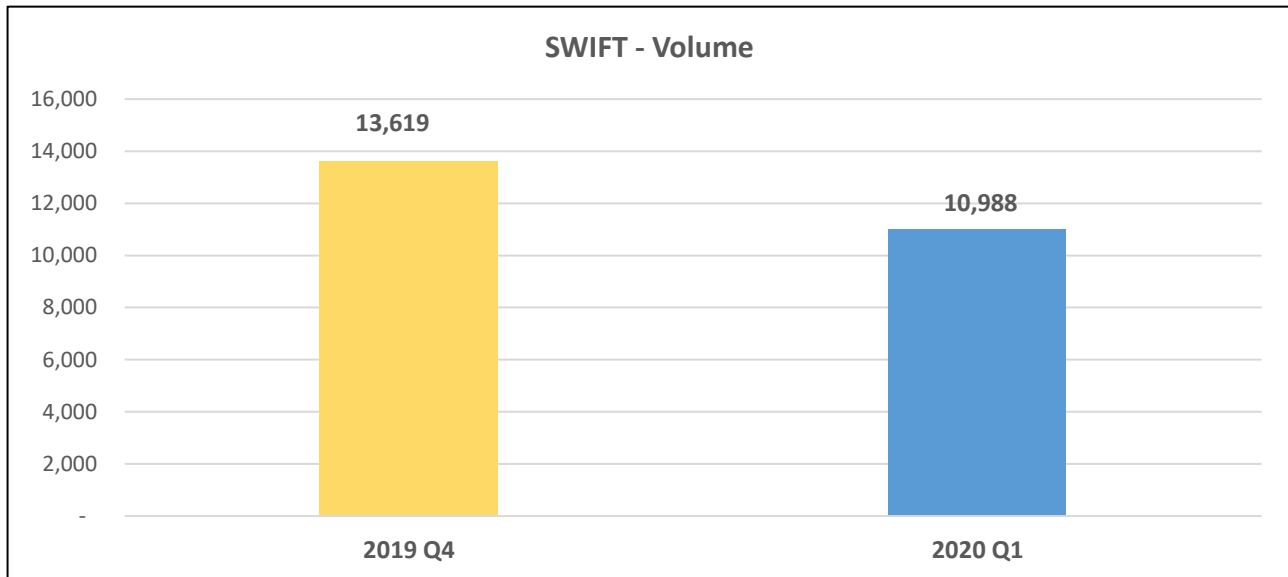
Figure 12: eMoney Transaction Value in millions



- The data of eMoney indicates an increase in the number of transactions of 7210 worth Nu. 5,511,798.17 in 2020 Q1 from 5501 transactions worth Nu. 4,902,947 in 2019 Q4 which is an increase of 12.42 percent in transaction value. Also, there is a slight increase in the number of subscribers from 50,913 in 2019 Q4 to 51,523 in 2020 Q1.

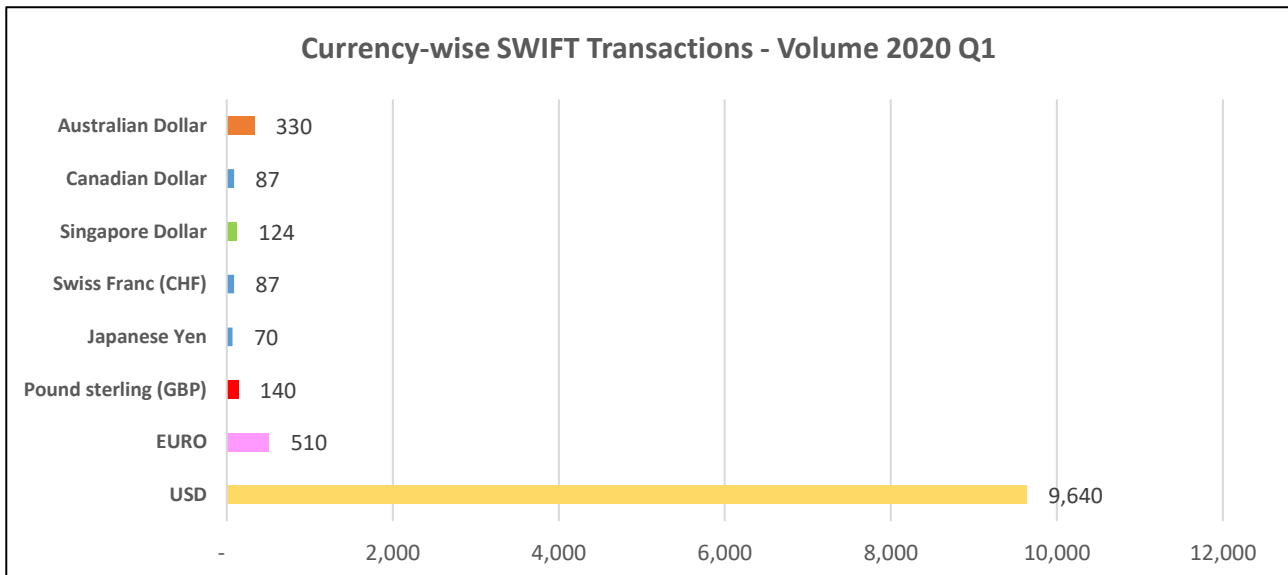
## 2.7 SWIFT : Society for Worldwide Interbank Financial Telecommunication

Figure 13 : SWIFT Transactions - Volume



- Figure 8 illustrate a dip in the number of SWIFT transactions made in 2020 Q1 compared with 2019 Q4.
- Figure 14 depicts USD as the preferred currency for fund transfers, payments, and investments.
- In terms of bank's performance, BNBL has made the maximum number of transactions, followed by BOBL and then DPNB.

Figure 14 : Currency- wise SWIFT Transactions - Volume



### 3. Annexures:

**Table 1 : Summarized Cheque Report**

Quarter	Volume	Value	% Change in Volume	% Change in Value
2019 Q4	249	66,291.29	-12%	-1%
2020 Q1	219	65,893.02		

**Table 2 : Domestic ATM and POS transactions**

Table A - ATM Transactions - Volume in thousands and Value in millions				
Quarter	Volume	Value	% change in Volume	% change in Value
2019 Q4	2352	8,773.05	0.77%	-0.74%
2020 Q1	2370	8,708.51		

Table B- POS Transactions - Value in millions				
Quarter	Volume	Value	% change in Volume	% change in Value
2019 Q4	7009	28.30	-55%	-9%
2020 Q1	3129	25.88		

**Table 3: RuPay Transactions – Value in millions**

Transaction	BOBL		BNBL		DPNBL		BDBL		T Bank Ltd	
	2019 Q4	2020 Q1	2019 Q4	2020 Q1	2019 Q4	2020 Q1	2019 Q4	2020 Q1	2019 Q4	2020 Q1
Volume	595	554	733	673	1154	883	407	546	128	108
Value	2.66	2.19	2.09	1.85	5.03	3.26	1.21	2.08	0.50	0.38

**Table 4: Mobile and Internet Banking – 2019 Q4 and 2020 Q1**

Quarter	Volume	Value	% Change in Volume	% Change in Value
2019 Q4	8939	25,843.52	25.47%	7.15%
2020 Q1	11,215	27,691.75		

**Table 5 : In-ward GIFT Transactions**

Bank	RTGS				BITS				BULK			
	2019 Q4		2020 Q1		2019 Q4		2020 Q1		2019 Q4		2020 Q1	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
BDBL	43	235.54	50	272.74	182	19.72	179	23.08	2390	66.46	2295	302.30
BNBL	155	1,876.51	111	1,890.50	280	73.74	290	65.01	3717	374.07	4712	357.27
BOBL	216	2,719.16	196	6,677.68	1444	170.64	1464	176.64	7116	1,171.33	7644	1,227.58
DPNB	111	1,532.63	108	665.01	264	78.34	257	68.08	415	143.69	448	184.86
T Bank	75	1,010.76	42	342.65	95	16.29	88	15.71	6074	121.98	5216	88.72
<b>Total</b>	<b>600</b>	<b>7,374.59</b>	<b>507</b>	<b>9,848.58</b>	<b>2265</b>	<b>358.73</b>	<b>2278</b>	<b>348.53</b>	<b>19712</b>	<b>1,877.53</b>	<b>20315</b>	<b>2,160.72</b>

**Table 6 : Out-ward GIFT Transactions**

Bank	RTGS				BITS				BULK			
	2019 Q4		2020 Q1		2019 Q4		2020 Q1		2019 Q4		2020 Q1	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
BDBL	28	426.77	12	178.55	7	0.52	63	4.47	846	298.49	784	516.87
BNBL	225	1,651.65	198	3,424.67	1575	191.70	1419	178.75	2047	32.38	2165	39.39
BOBL	268	3,776.75	223	2,546.61	487	140.08	494	129.03	11908	513.56	11896	764.65
DPNB	67	1,478.08	64	2,866.87	186	26.14	214	30.35	201	29.63	202	84.30
T Bank	12	41.34	10	831.87	10	0.30	88	5.92	4710	1,003.47	5268	755.50
<b>Total</b>	<b>600</b>	<b>7,374.59</b>	<b>507</b>	<b>9,848.58</b>	<b>2265</b>	<b>358.73</b>	<b>2278</b>	<b>348.53</b>	<b>19712</b>	<b>1,877.53</b>	<b>20315</b>	<b>2,160.72</b>

**Table 7 : E-Money**

Type of Service	Month											
	October		November		December		January		February		March	
	Amount in Nu	No of TRNX	Amount in Nu	No of TRNX	Amount in Nu	No of TRNX	amount in Nu	No of TRNX	Amount in Nu	No of TRNX	Amount in Nu	No of TRNX
<b>BPC bill Payment</b>	1,786.00	7	1,762.00	5	6,500.00	14	7,495.00	11	6,902.00	14	5,827.00	9
<b>Landline Auto settlement</b>	1,527.00	9	635.00	4	4,363.00	7	1,275.00	6	4,481.00	8	2,838.50	11
<b>Broadband</b>	24,263.00	37	14,274.00	26	23,964.00	17	13,773.00	17	14,672.00	21	21,963.00	22
<b>Postpaid</b>	24,306.00	21	13,956.00	16	12,431.00	14	19,348.00	17	9,840.67	10	19,383.00	11
<b>Prepaid</b>	124,122.00	1,135	122,738.00	973	117,846.00	988	104,271.00	923	111,762.00	895	327,776.00	2,430
<b>Add from Bank</b>	618,067.00	524	770,514.00	472	873,489.00	535	794,333.00	455	673,571.00	387	1,140,221.00	1,286
<b>Sent to Bank</b>	400,404.00	154	502,685.00	173	611,905.00	200	780,692.00	210	467,036.00	140	668,096.00	219
<b>Cash In</b>	87,260.00	19	89,305.00	14	124,805.00	21	67,000.00	9	22,253.00	8	35,679.00	25
<b>Cash Out</b>	46,900.00	16	138,645.00	52	144,495.00	48	55,300.00	27	76,400.00	17	59,610.00	22
<b>Merchant Payment</b>												
	1,328,635.00	1,922	1,654,514.00	1,735	1,919,798.00	1,844	1,843,487.00	1,675	1,386,917.67	1,500	2,281,393.50	4,035
<b>Subscriber Base</b>	50,414		50,639		50,913		51,003		51,139		51,523	
<b>Merchants</b>	3		4		6		6		6		7	

**Table 8 : SWIFT**

Bank	Currency								
	USD	EURO	Pound sterling (GBP)	Japanese Yen	Swiss Franc (CHF)	Singapore Dollar	Canadian Dollar	Australian Dollar	Total
BOBL	3,566	218	67	31	85	117	87	288	4,459
RMA	115	8	2	4	2				131
BNB	5,266	263	66	34					5,629
DPNB	438	19	4			7			468
T Bank	255	2	1	1				42	301
<b>Total</b>	<b>9,640</b>	<b>510</b>	<b>140</b>	<b>70</b>	<b>87</b>	<b>124</b>	<b>87</b>	<b>330</b>	<b>10,988</b>