

Prague, 31.5.2010 - Bank Card Association (SBK) issues regularly quarterly statistics with indicators concerning the development of payment cards industry in the Czech Republic (CR). SBK statistical indicators take into regards only data from SBK member institutions |  [www.bankovnikarty.cz](http://www.bankovnikarty.cz). Statistical indicators are concerned with several areas: card issuance, installed bankomats, locations accepting cards and development of internet card acceptance. From further shown indicators it is possible to derive a current state of cards development in CR.

The trend of more frequent card usage in shops compared to cash withdrawals has continued in 1<sup>st</sup> quarter 2010. Card usage for direct payments in shops has increased by more then 32 % compared to the number of card withdrawals from ATMs. Compared to the corresponding quarter of the last year, the volume of transactions at merchant locations has increased by 12.65 %, the volume of cash withdrawals from bankomats has decreased by 1.2 %. The average amount charged to a card at merchant location reached 1,005.- CZK; the average amount withdrawn from bankomats was 3.574,- CZK. It can be said that cards are more and more often used for everyday even lower payments and less and less for cash withdrawals from ATM or purchases of more expensive items.

It can be assumed that during the second half of this year new innovations will appear within payment cards industry which will continue to further spread of cards and their increased usage.

#### **Number of cards issued in 1.q.2010**

At 31.3.2010, the total number of banking payment cards issued in ČR totals to **9.056.895** cards, from this:

- debit cards	7.391.771
- credit cards	1.203.573
- charge cards	461.551
- chip cards	8.333.735

**Comment:** Compared to the corresponding quarter of the last year the total number of issued cards has slightly grown up by 1.9 %; the number of credit cards slightly decreased by 3.4 %. One of the reasons is given by the fact that individual banks are clearing their portfolio. Chip card migration increased by 12.2 %. Concerning the chip card migration the Czech Republic belongs to the most active countries in Europe; currently more then 94 % of debit cards are chip cards and also more then 75 % of credit cards.

#### **Bankomats**

As of 31.3.2010, the number of installed bankomats in the Czech Republic has increased to **3.719**, from which 1.596 bankomats are at bank branches.

- Number of transactions in 1 <sup>st</sup> Q.2010	39.309.075
- Transaction volume in 1 <sup>st</sup> Q.2010	139.759.187.000,- CZK

**Comment:** Compared to the corresponding quarter of the last year the number of installed bankomats has increased by 3.4 %. The number of cash withdrawals from ATMs in ČR has decreased by 0.9 %, while the volume of withdrawn cash has increased only by 0.4 %. The average withdrawal amount from ATM is 3.555,- CZK.

#### **Merchant locations**

As of 31.3.2010, the number of merchant locations accepting payment cards in the domestic market has risen to **62.168** locations, out of which:

- number of locations equipped with POS terminals	55.000
- number of locations equipped only with imprinters	6.959
- number of internet shops accepting cards	2.326
- number of locations providing cash back	3.143

**Comment:** Compared to the corresponding quarter of the last year the number of merchant locations has increased by 7.8 %, number of internet shops accepting cards has increased by 65 %; also the number of locations providing cash back has increased by 81 %.

### Internet shops

As of 31.3.2010, the number of internet shops accepting cards has reached

- number of merchant locations	2.326
- number of transactions in 1 <sup>st</sup> Q.2010	611.357
- transaction volume in 1 <sup>st</sup> Q.2010	743.428.000,- CZK

**Comment:** Compared to the corresponding quarter of the last year the number of internet transactions using a card has increased to 42.7 %; the volume of paid purchases has risen by 1.2 %. The average amount paid by a card in an internet shop was 1.216,- CZK.

### Cash back

Number of merchant locations providing cash back service at 31.3.2010

- number of merchant locations	3.143
- number of transactions for 1 <sup>st</sup> Q.2010	48.186
- volume of transactions for 1 <sup>st</sup> Q.2010	56.874.000,- CZK

**Comment:** Compared to the corresponding quarter of the last year the number of transactions has risen by 668 %. The volume of transactions has increased by 735 %. The average amount of cash withdrawal within a transaction was 1.180,- CZK.

### Card usage

Traditionally, payment card usage is evaluated, apart from others, by comparing POS and ATM usage.

- number of transactions at merchant locations	41.352.765
- number of withdrawals from bankomats	36.877.387
- volume of transactions at merchant locations	43.312.431.000,- CZK
- volume of transactions at bankomats	132.726.008.000,- CZK

### Security

The most serious case during 1<sup>st</sup> quarter was again skimming at ATM and consequent card counterfeits misuse abroad, especially in countries which did not conclude nor even did not start a migration to chip technology. Comparing the number of cases with the same period in 2009 it has increased by 75 % (from 8 to 14). Further cases of card misuse were caused by data leakage at merchants and processors abroad.

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### Contacts

#### František Jungr

chairman  
SBK  
m : + 420 605 215 415  
e : frantisek.jungr@unicreditgroup.cz

#### Karel Kadlčák

chairman  
Security Committee SBK  
m : + 420 602 382 281  
e : kkadlcak@csas.cz

#### Roman Kotlán

executive director  
SBK  
m : + 420 604 727 501  
e : roman.kotlan@bankovnikarty.cz