



PRESS RELEASE

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Demand for cash remains strong despite proliferation of alternative payment methods

Cashless payments have come a long way in recent years, but cash is still a popular means of payment in most countries, particularly those with large rural and unbanked populations

ATM cash withdrawals will continue to increase in most countries

After many years of growth, the total number of ATM cash withdrawals worldwide dropped by 3% to 95 billion in 2018, and is forecast to continue falling, according to RBR's *Global ATM Market and Forecasts to 2024* study. This global view masks how use of cash is evolving in many countries, however, with cash withdrawal levels expected to rise in over half of the 63 major markets surveyed by RBR.

In Latin America, where governments and banks are pushing hard to bring financial services to the continent's large unbanked populations, newly-banked customers will help drive growth in cash withdrawals. Every Latin American market surveyed will witness increasing withdrawal numbers, with growth projected to be fastest in Peru at an average yearly rate of 3%.

The Middle East and Africa and Asia-Pacific will also see rising cash withdrawal volumes in the majority of markets, with financial inclusion measures an important contributing factor, and indeed the fastest growth rate worldwide will be an average annual increase of 9% in Pakistan.

Demand for cash will continue to increase in more than half of Asia-Pacific markets

RBR's research shows that the total number of ATM cash withdrawals in Asia-Pacific fell by 4% in 2018, and while numbers are forecast to rise in 10 of the 16 Asia-Pacific markets surveyed, the total for the region will continue to drop. Usage of ATMs to access cash will go up in India, which is the region's second largest market, and remain broadly stable in the third largest, Japan, but cardholders in China will make 5% fewer ATM cash withdrawals year-on-year over the period 2019 to 2024.

The success of both WeChat Pay and AliPay in China means that cashless payments have now infiltrated the daily lives of most Chinese consumers, and the trend there is for people to leave their bankcards and wallets at home in favour of their mobile phones.

Innovative payment methods and developing infrastructures influence demand for cash

While China offers a striking example of recent and rapid change, it is far from the only market where the payments landscape has altered greatly in recent years, with consumers being presented with new ways to make payments. In the UK, for example, card acceptance has increased in rural areas, and contactless technology is a key factor in changing consumer habits. In many of the more established payments markets, demand for cash will fall, with consumers now able to pay for products and services in a number of different ways. In developing markets, however, ATMs and cash will continue to play a crucial role, particularly in financial inclusion strategies.

Rowan Berridge, who led RBR's research, commented: *"Cash has been a vital tool in society for centuries. This is changing, as consumers are continually confronted with innovative payment methods, but the practical benefits of cash and a strong sentimental attachment among certain customer segments will help to keep it relevant"*.

Notes to editors

These figures and insights are based on RBR's study, *Global ATM Market and Forecasts to 2024*. For more information about this report or to discuss the findings in more detail please email Rowan Berridge (rowan.berridge@rbrlondon.com) or call +44 20 8831 7311.

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