

Ramadan To Eid Al Adha 2024

Mapping
The Economic Pulse
of the UAE





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Introduction

AI Etihad Payments - The National Payments Entity

AI Etihad Payments (AEP) is the national payments entity in the UAE, established to spearhead the UAE's digital payment transformation. Established in alignment with the government's vision for a cashless society and national digitization, AEP is dedicated to developing and operating advanced financial markets infrastructure.

AEP's strategic objectives focus on fostering financial inclusion, enhancing economic resilience, and supporting the UAE's digitization agenda. Through collaborative efforts with the Financial Infrastructure Transformation (FIT) Program, AEP positions the UAE as a global leader in digital payment solutions, showcasing the country's commitment to innovation and digital excellence on the global stage.



Ramadan 2024 Data at Glance



We observed consumer behavior throughout the month of Ramadan.

The following are key insights from our first edition in 2024.



ATM Usage Trends

7% Increase in Transactions: Overall ATM transactions saw a 7% increase during Ramadan.

Peak Activity Shift: Peak activity occurred from Monday to Wednesday, a reversal from the usual weekend peaks in the pre-Ramadan period.

Eid Decline: Transactions dropped by 32% and transaction value by 54% on the first day of Eid.



Debit Card POS Surge

High Volume Transactions: Debit Card POS transactions saw high volumes during Ramadan.

Men's and Women's Clothing Stores: Transactions increased by 114%.

Cosmetic Stores: Transactions increased by 62%.

Jewelry Stores: Transactions increased by 52%.



Peak Transaction Times - Evening Hours Dominate ATM and POS Activity

Peak Transaction Window: Highest transaction volumes occurred between 4 PM and 12 AM during Ramadan.

ATM Peak Activity: ATMs reached peak activity with 306 transactions per minute.

POS System Peak Activity: POS systems saw peak activity with 1,473 transactions per minute.

Impact of Iftar and Eid on Economic Activities

Iftar, the meal that breaks the daily fast, catalyzes family and community gatherings, which are often followed by extensive social activities and shopping. This shift influences business operations, with restaurants, cafes, and food retailers adjusting their hours to meet the demands of altered consumer schedules. The increased need for elaborate meal preparations during Ramadan enhances the performance of retail sectors associated with food, kitchenware, and home dining.

As Ramadan concludes, the celebration of Eid al Fitr stimulates additional economic activity, marked by increased consumer spending on gifts, clothing, and festive supplies. This period is defined by elevated discretionary spending as families engage in extensive preparations to celebrate Eid, embodying a spirit of generosity and community celebration.



Ramadan Shifts ATM Usage Patterns and Peaks Transaction Times

Data shows that during the Holy Month of Ramadan in 2024, there was a noticeable shift in ATM usage patterns across the UAE, significantly different from typical non-Ramadan periods. AEP data indicates that ATM usage was highest on Mondays, Tuesdays, and Wednesdays, a reversal from the usual trend of higher weekend activities. Overall, ATM transactions increased by 7%, and the value of cash withdrawals grew by 10%, demonstrating an uptick in cash-based transactions throughout the holy month. The region of Fujairah experienced the most significant increase, with a 19% rise in ATM usage, underscoring regional variances in economic activity.

In contrast, during the Eid holidays, from **April 11-14**, data shows a substantial decline in ATM use, with transactions and withdrawal values falling by 32% and 54%, respectively, and an overall 25% average decrease in ATM activity during this festive period compared to the same date range in the previous period.

The transaction timings data reveals that the peak hours for ATM and POS transactions were between 4 PM and 12 AM, indicating that post-Iftar activities might drive financial transactions. This pattern was consistent across the Emirates, with the highest average transactions per minute recorded during these hours—306 for ATMs and 1,473 for POS systems.

Ramadan period (March 11 - April 10) data compared to the average of two months preceding this period.



ATM Transactions Key Stats

OVERALL TRANSACTION INCREASE



Transaction Volume

7%
increase
in overall ATM transactions.

Cash Withdrawals

The value of cash withdrawals
increased by
10%

REGIONAL ANALYSIS



Highest Increase

Fujairah - the highest increase
in ATM usage at

19%
across all Emirates.

EID-SPECIFIC OBSERVATIONS



First Day of Eid

ATM usage decreased by

32% | **54%**
in transactions | in withdrawal value.

Eid Holiday Period (April 11-14)

Saw the lowest ATM usage,
with a **25%** decrease
compared to the same
date range in the previous period.

POS Transaction Trends

The analysis of Point of Sale debit card transaction data during Ramadan reveals considerable variations in consumer spending across different retail sectors, illustrating the complex link between cultural practices and economic activity.



114%

Increase

Sector-Wise Increases

Clothing and Accessories

Purchasing new attire for Eid celebrations symbolizes renewal and communal joy.

Cosmetics

Home improvement and gifting of appliances enhance the home environment for family gatherings.



62%

Increase



52%

Increase

Jewelry

Eid gifting traditions and investment in gold and jewelry, considered auspicious.

Sector-Wise Decreases

Fast Food Restaurants

Shift towards home-cooked, elaborate iftar meals



15-20%

Decrease



68%

Decrease

Parking Lots

Reduced commuting as work hours are shortened, and activities are closer to home.

Debit Card POS Transaction

Key Statistics By Category

● Increase in Value
 ● Increase in Transaction

Top Performing Categories

Men's and Women's Clothing



Cosmetic Stores

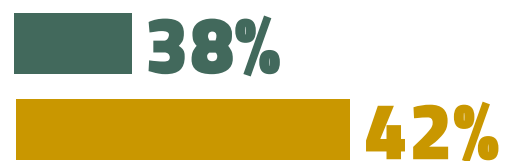


Jewelry Stores



Moderate Growth

Family Clothing Stores



Stable Growth

Grocery Stores



Automobile and Truck Dealers



Barber and Beauty Shops



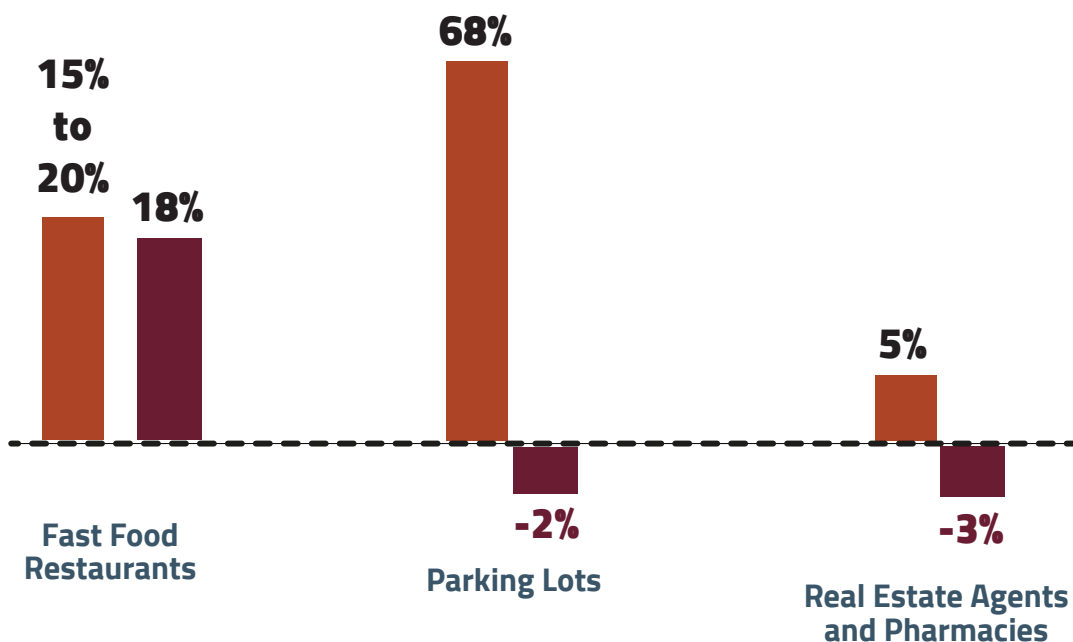
Debit Card POS Transaction

Key Statistics By Category

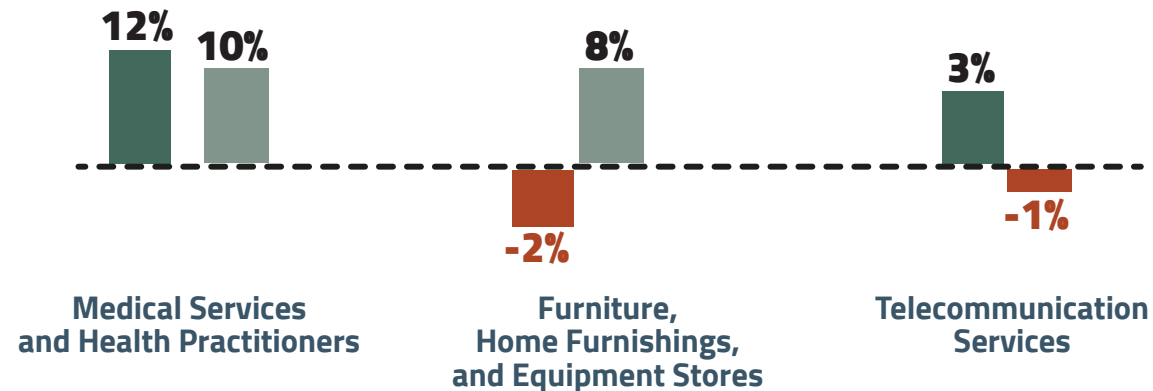
● Decrease in Value
 ● Decrease in Transaction

● Increase in Transaction
 ● Increase in Value

Declining Categories



Other Notable Categories



Key Transaction Statistics
Most Expensive Retail Transaction
AED 950,000

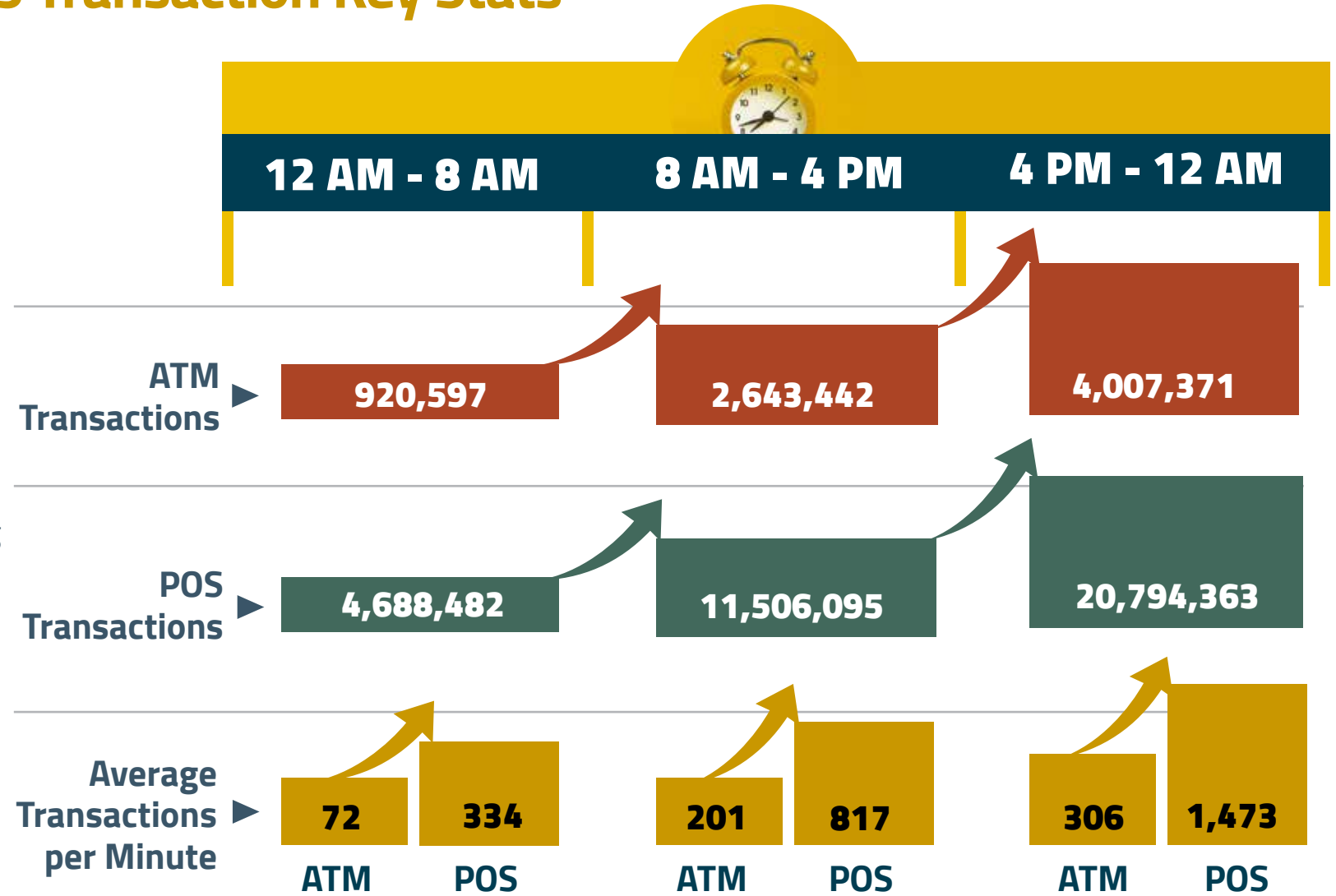
Ramadan period (March 11 - April 10) data compared to the average of two months preceding this period.

Ramadan: ATM and POS Transaction Key Stats

The data reveals a clear pattern of consumer behavior during Ramadan, with transaction volumes significantly increasing as the day progresses, peaking between 4 PM and 12 AM. This peak period aligns with the time after Iftar, when fasting individuals break their fast and typically engage in shopping and other activities.

Evening Surge

The highest transaction volumes for both ATMs and POS systems occur in the evening (4 PM - 12 AM), with ATMs processing an average of 306 transactions per minute and POS systems reaching 1,473 transactions per minute. This indicates that most financial activities and consumer spending take place after the daily fast is broken.



Ramadan period (March 11 - April 10) data compared to the average of two months preceding this period.

Eid Al Adha Trends





Run-up to Eid Al Adha: ATM and POS Transaction Key Stats

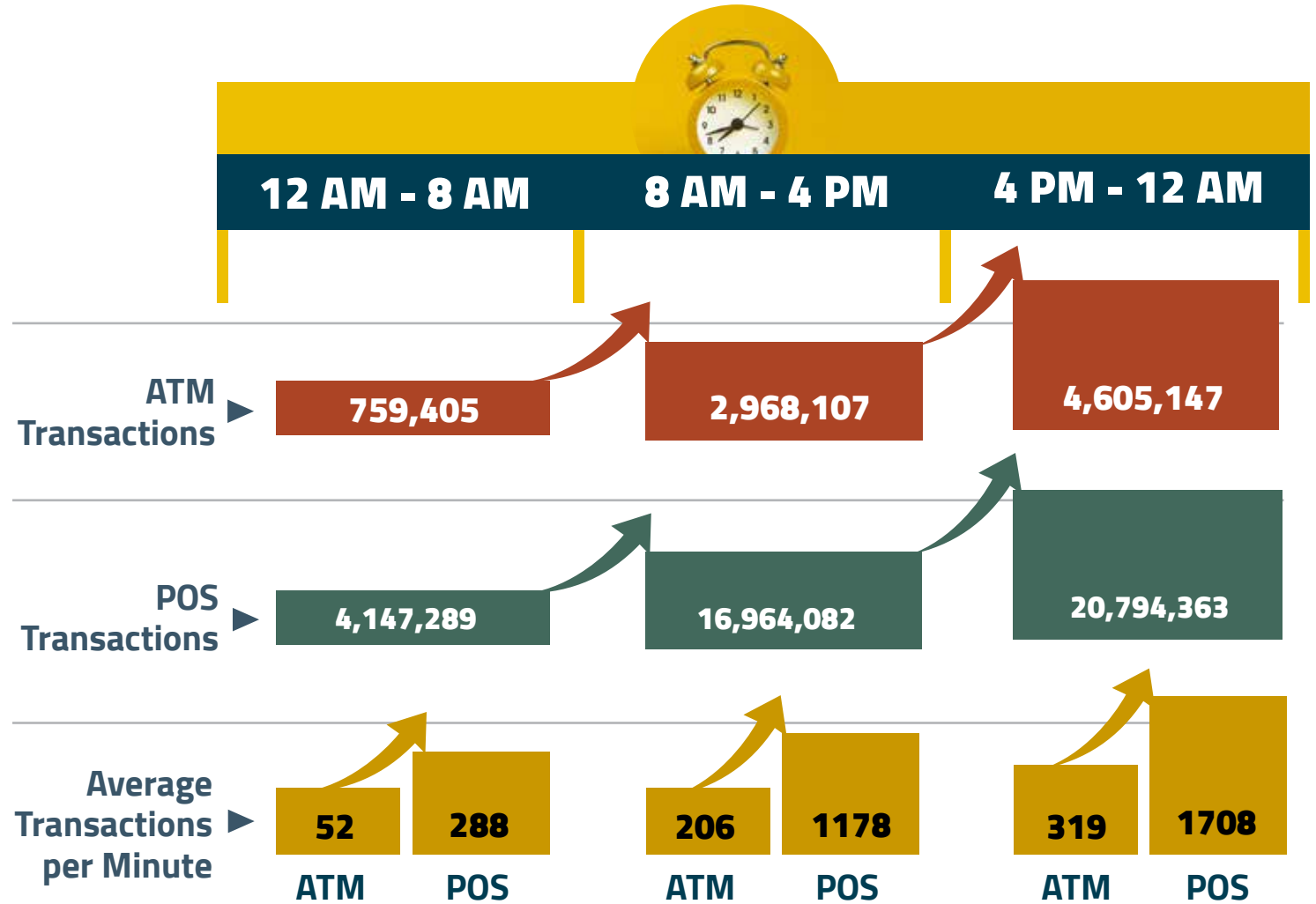
The data suggests that consumer behavior prior to Eid Al Adha involves increased spending during daytime and evening hours, with peaks in both ATM withdrawals and POS transactions aligning with shopping and leisure activities during this period.

ATM Transactions

Peak hours for ATM transactions are in the evening and night (4 pm - 12 am), indicating that more people withdraw cash after regular working hours, possibly for shopping or evening activities. As compared to the Ramadan period, fewer transactions occur in the early morning hours (12 am - 8 am), more aligned to regular patterns.

POS Transactions

POS transactions peak during daytime hours (8 am - 4 pm) and evening (4 pm - 12 am), aligning with typical retail and leisure spending patterns. The highest transaction rates are observed in the late afternoon and evening (4 pm - 12 am), indicating increased spending post working hours.



Period preceding Eid Al Adha (May 15 - June 14).

Comparing 30 days before Eid Al Fitr and Eid Al Adha

ATM : The Ramadan period had a increased transaction volume of **7%**. The value of cash withdrawals increased by **10%**.

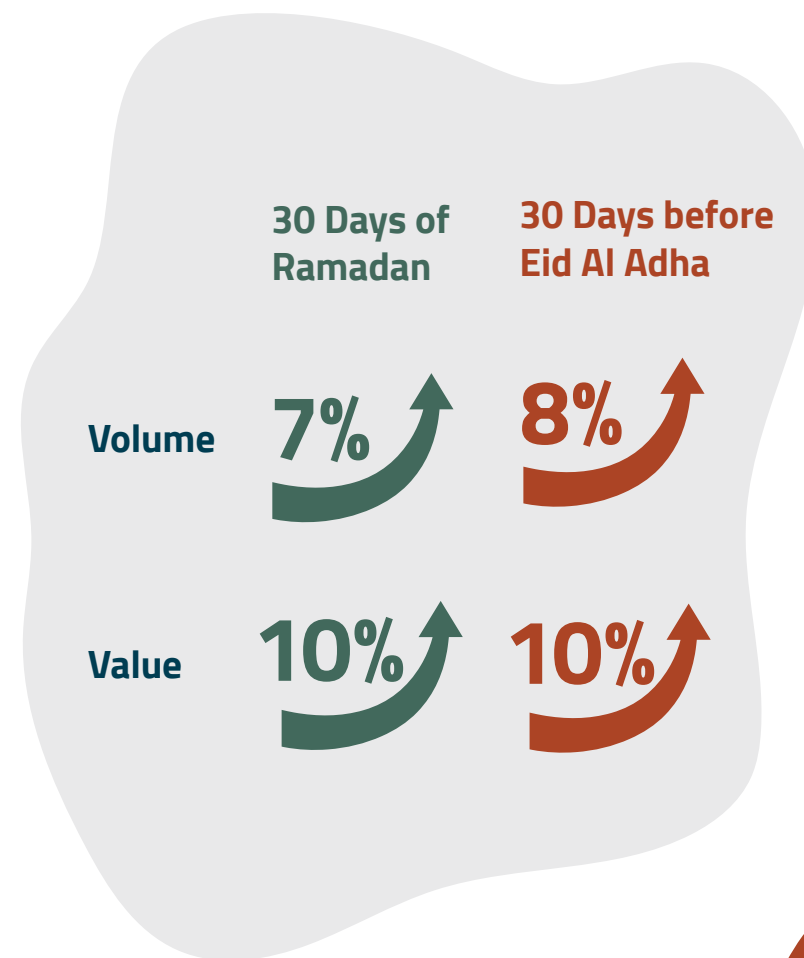
Compared to the 30-day Ramadan period, the 30 days prior to Eid Al Adha had an increased ATM usage both for transactions and value. The transactions increased by 8% while the value increased by 10%.

Compared to the preceding 30-day period, during the Eid Al Fitr holidays, the average daily ATM transactions increased by 10% but during Eid Al Adha there was a decline of 25% in ATM transactions compared to the preceding 30 day period.

In terms of ATM usage, the data shows that the usage was much higher in the time band 12 am -8 am during Ramadan, suggesting that this may be peculiar to the Ramadan period and the usage may be in line with the needs post-Iftar and pre-Suhoor.

POS : Compared to the Ramadan period, the 30 days prior to Eid Al Adha had an increased POS usage both for transactions and value. The POS transactions increased by 31% while the value increased by 24%.

During the Eid Al Fitr holidays, the average daily POS transactions decreased by 7% but during the Eid Al Adha holidays, there was a no decline.



Consumer Behavior Insights

Consumers exhibit distinct behaviors around Ramadan and Eid periods, characterized by late-night ATM usage during Ramadan, increased financial activity leading up to Eid Al Adha, and variable spending patterns during the Eid holidays.

Increased ATM Usage During Ramadan

Late-Night Transactions

High ATM usage between 12 am and 8 am during Ramadan indicates a preference for late-night financial activities, likely due to post-Iftar and pre-Suhoor routines. Consumers adjust their transaction timings in line with their fasting schedules.



28% Higher ATM usage
(12 am to 8 am)

Pre-Eid Al Adha Preparation

Higher Transactions

The 30 days prior to Eid Al Adha saw a significant increase in both ATM (8%) and POS (31%) transactions, suggesting that consumers engage in increased spending and withdrawal activities to prepare for the holiday.



8% ATM
Transaction

31% POS
Transaction

Comparing Eid Al Fitr and Eid Al Adha

Spending Patterns During Eid Al Fitr

Increased ATM Transactions

The 10% Increase in average daily ATM transactions during Eid Al Fitr holidays, combined with early salary payments, indicates that consumers withdraw more cash to handle holiday expenses.

Decreased POS Transactions

A 7% decrease in POS transactions during Eid Al Fitr suggests that while there is increased cash usage, card-based spending slightly declines, possibly due to early purchases made before the holiday.

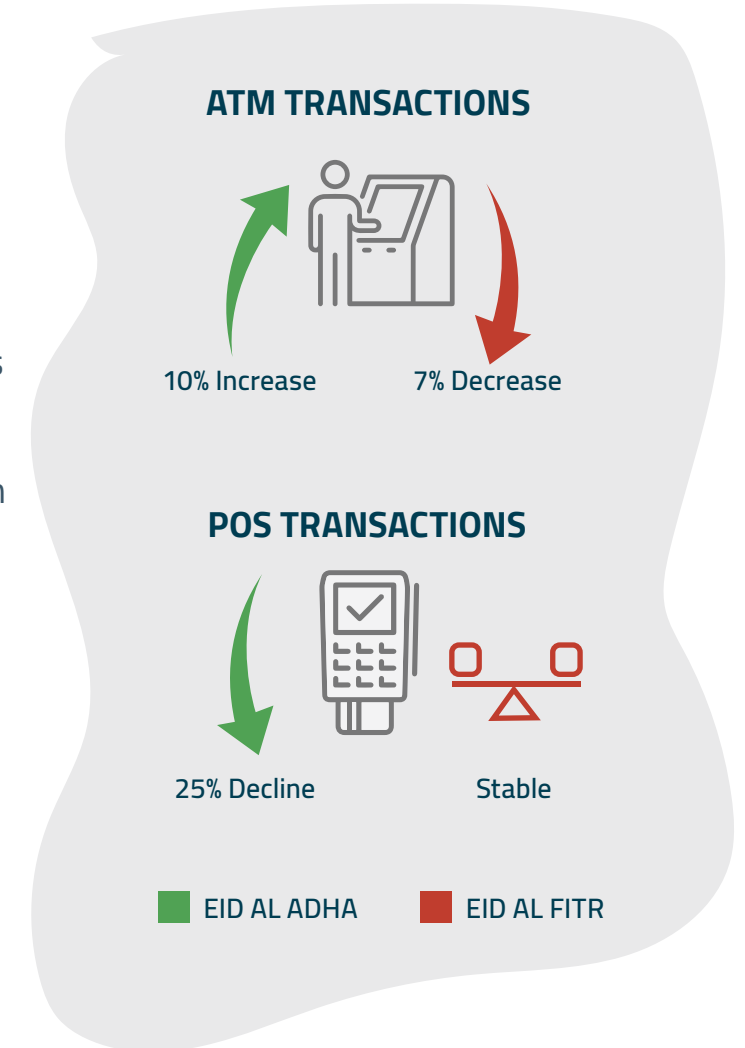
Spending Patterns During Eid Al Adha

Decline in ATM Transactions

A 25% decline in average daily ATM transactions during Eid Al Adha holidays, potentially influenced by the inclusion of a weekend, suggests that consumers may withdraw cash in advance or prefer digital transactions during the extended holiday period.

Stable POS Transactions

No decline in POS transactions during Eid Al Adha indicates consistent use of card payments, highlighting a preference for digital transactions over cash.



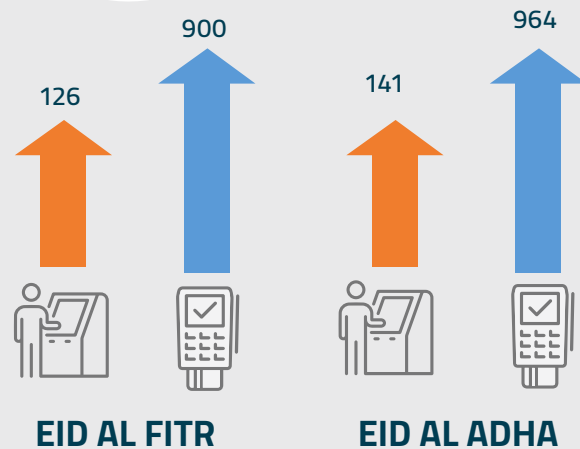
Comparing Eid Al Fitr and Eid Al Adha

Holiday Transaction Intensity

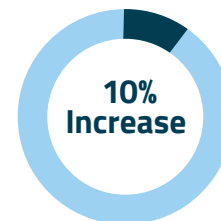
Spending Patterns During Eid Al Fitr

High Transactions Per Minute

The increase in transactions per minute for both ATMs and POS during Eid holidays indicates intense financial activity.



Preference for Cash During Ramadan



The 10% Increase in the value of cash withdrawals during Ramadan, coupled with the peculiar late-night usage pattern, suggests a strong preference for cash handling. Consumers might be using cash for various needs that arise during non-business hours.



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