Opinion Poll

Special Press Release

Access to Finance

(Part 10 of a 15 part series)

Majority Pakistanis (61%) prefer to keep their savings either at their home or at the homes of their relatives/friends; the second most popular method for saving money is through contributing to committees. (Access to Finance Survey 2015 – SBP/ Gallup Pakistan)

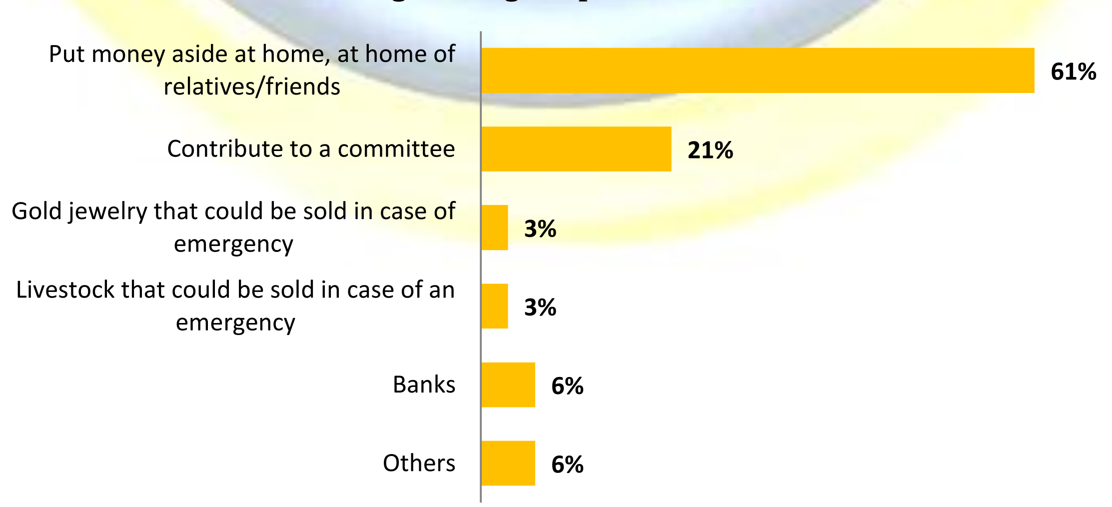
Islamabad, May 23, 2016

According to a survey conducted by Gallup Pakistan for State Bank of Pakistan, 61% Pakistanis have put most of their savings in their homes or at the homes of their relatives/friends in the past 12 months. Furthermore, 21% Pakistanis have put most of their savings in a committee whereas only 6% Pakistanis decided to put most of their savings in banks. These results are a part of the nationwide Access to Finance Study conducted by the State Bank of Pakistan in 2015 with the intent of determining the degree of financial inclusiveness of the Pakistani public (please refer to page # 4 for more details).

This press release is part of a special series that aim to foster an empirical understanding of financial inclusion in Pakistan and that hope to create a collaborative network of individuals working on the topic. This press release aims to identify the methods of saving money that have been used by Pakistanis the most within the past one year. This may enable financial stakeholders within Pakistan to devise strategies to bring more Pakistanis into the formal financial sector.

A nationally representative sample of men and women from across the four provinces was asked, “Of these different methods you mentioned, in which have you put most of your savings during the past 12 months?” In response to this question, 61% Pakistanis said that they had put most of their savings at their home or at the home of their relatives/friends, 21% Pakistanis were utilizing most of their savings by contributing them in a committee and only 6% of the respondents said that they were using banks for most of their savings in the last year. 3% said that they had put most of their savings in buying gold and jewelry which they could sell in case of an emergency while the same proportion of respondents used most of their savings in purchasing livestock which they could sell in case of an emergency.

Question: “Of these different methods you mentioned, in which have you put most of your savings during the past 12 months?”

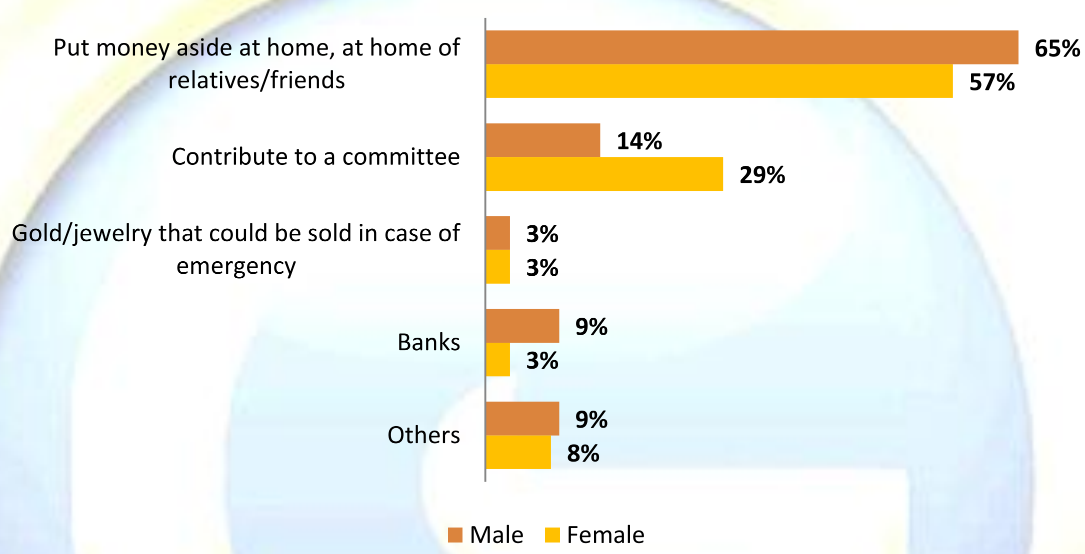


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Gender Breakdown: More women than men appear to be contributing to committees but more men than women are using banks for saving most of their money

A gender breakdown of this result reveals that 65% men had put most of their savings in their homes or the homes of their relatives and friends whereas the same response was given by 57% women. On the question of being a part of a committee, significantly more women (29%) than men (14%) were putting most of their savings in committees. Same proportion of women (3%) and men (3%) were using most of their savings in purchasing gold and jewelry which they could sell in case of an emergency. However, on the option of using banks for saving most of their money, more men (9%) than women (3%) were using banks for saving their money.

Gender Breakdown

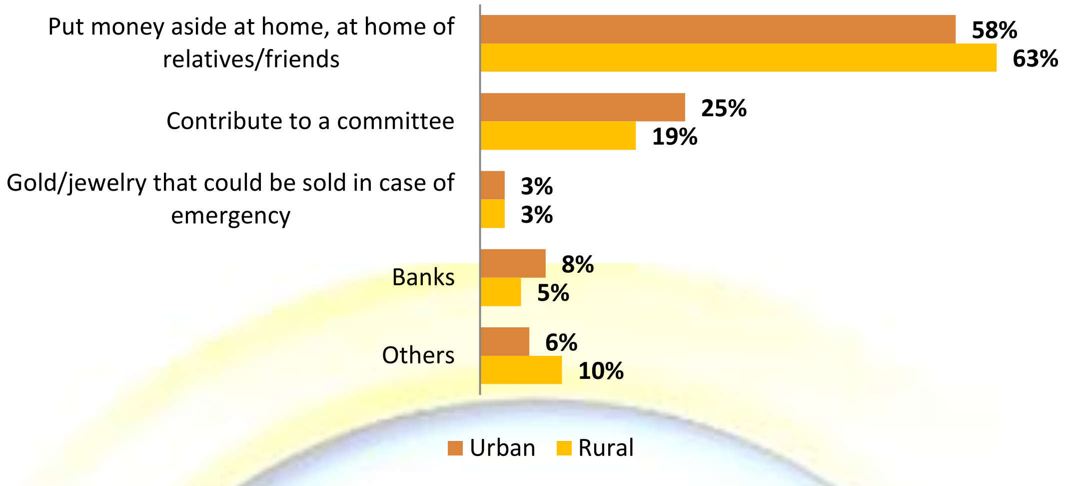


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Differences: A higher proportion of rural residents were saving most of their money in their homes or the homes of their relatives while more urban respondents were putting most of their savings in banks and committees

A rural/urban breakdown reveals that 58% of the respondents in urban areas and 63% in rural areas were saving most of their money by keeping it in their homes or the homes of their relatives/friends. Furthermore, 25% urban residents as opposed to 19% rural residents were contributing most of their savings to a committee. 3% urban and 3% rural residents had used most of their savings in buying gold and jewelry in the past twelve months that they could sell in case of a financial emergency. 8% urban respondents and 5% rural respondents were using banks to save most of their money. These statistics reveal that majority Pakistanis are still not availing formal financial services for most of their savings since only 8% urban respondents and even fewer rural respondents are utilizing banks for saving money. Pakistanis, irrespective of whether they are living in urban or rural areas, seemingly don't view banks as a popular source of saving money.

Urban-Rural Breakdown

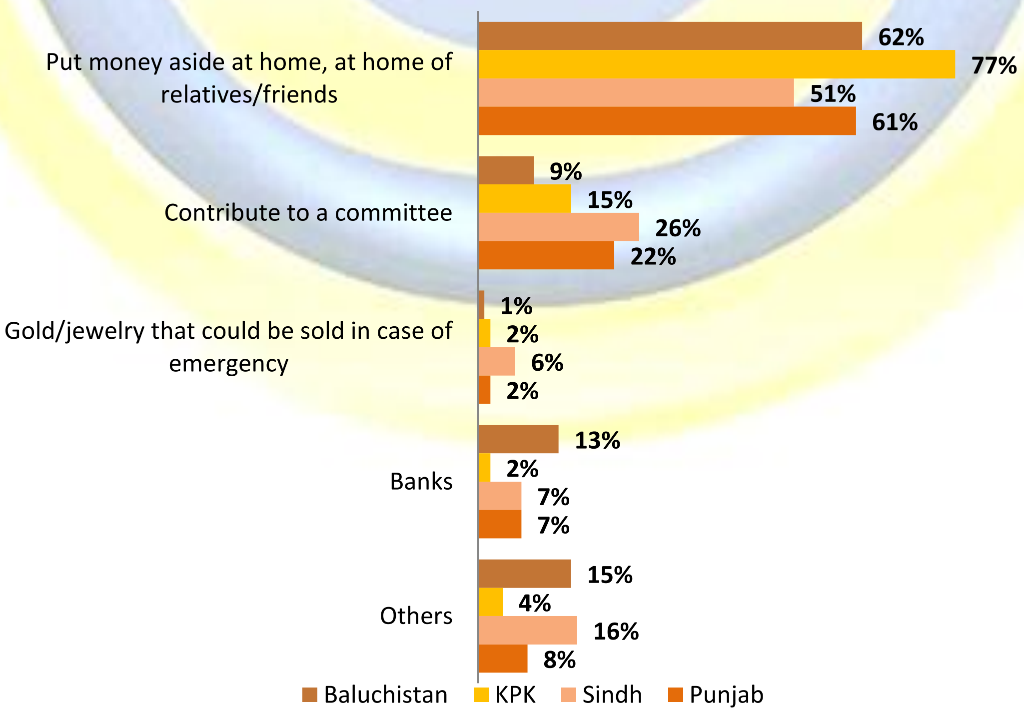


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Majority respondents in all the Provinces put most of their savings at home. Baluchistan has highest proportion of respondents out of the four provinces that have most of their savings in banks

According to the provincial breakdown, 61% of the respondents in Punjab, 51% in Sindh, 77% in KPK and 62% in Baluchistan said they have kept most of their savings either at their own home or the home of their relative/friend. Meanwhile, 22% respondents in Punjab, 26% in Sindh, 15% in KPK and 9% in Baluchistan utilize most of their savings by contributing to a committee. Only 2% in Punjab, 6% respondents in Sindh, 2% in KPK and 1% in Baluchistan have used most of their savings in buying gold and/or jewelry that they can sell in case of an emergency. Finally, 7% of the respondents in Punjab, 7% in Sindh, 2% in KPK and 13% in Baluchistan use banks for saving most of their money.

Provincial Breakdown



Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

of Gallup Pakistan
(1980-2016)

Introduction to Access to Finance:

The Access to Finance Survey 2015 (A2F 2015) aims to create a platform for the State Bank, the Government and the private sector of Pakistan to adopt and implement a comprehensive set of reforms needed to influence financial inclusion among Pakistanis in a more holistic manner. A2F 2015 will help state and non-state actors in streamlining their policies and reforms to ensure that they are able to effectively target the financial inclusivity of the Pakistani public.

Gallup Pakistan, in collaboration with HORUS Development Finance, conducted an extensive survey in over 10,000 households across Pakistan. The primary aim of the study was to determine the extent of financial services being used by Pakistanis as well as to provide insights into the barriers faced by the Pakistani public in accessing formal financial services.

The data was released as part of Access to Finance Study 2015. Fieldwork carried out by Gallup Pakistan, the Pakistani affiliate of Gallup International, among a sample of 10,000 households across rural and urban areas of all four provinces of Pakistan, during March 27 – June 12, 2015. Error margin is estimated to be approximately ± 2-3 per cent at 95% confidence level.

For more survey data on social and other issues see website *www.gallup.com.pk*