



## The changing European payments landscape

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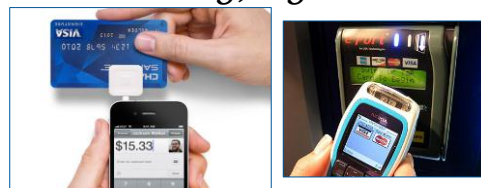
## The view through IDC's lens

### 1. Regulatory & Industry Initiatives



### 2. Operational & Technological Developments

*"The future is **all** about mobility, right...?"*





## Eurozone or warzone?



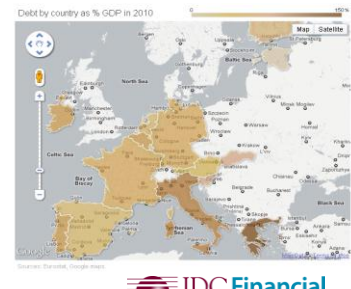
**EURO ZONE CREDIT RATINGS**

Country	Moody's	Standard & Poor's	Fitch	Debt on issue (2012\$B)
Austria	Aaa	AAA	AAA	\$277
Belgium	Aa1	AA+	AA+	\$448
Cyprus	Aa2	A+	A+	\$18
Estonia	Aa1	A	A+	\$0
Finland	Aaa	AAA	AAA	\$105
France	Aaa	AAA	AAA	\$1,872
Germany	Aaa	AAA	AAA	\$1,350
Greece	Caa1	CCC	B+	\$290
Ireland	Aa1	AA+	AA+	\$150
Italy	Aa2	AA	AA	\$2,287
Luxembourg	Aaa	AAA	AAA	\$6
Netherlands	Aa1	AA+	AA+	\$6
Portugal	Aa2	A+	A+	\$184
Slovakia	Aa1	AA+	AA+	\$38
Slovenia	Aa2	AA+	AA+	\$20
Spain	Aa2	AA	AA+	\$884

1,000 Equivalent, according to Reuters CreditWise

**INVESTMENT GRADE RATINGS**

AAA/AA+ Aaa AA+ Aa1 Aa2 Aa3 Aa4 Aa5 Aa6 Aa7 Aa8 Aa9 Aa10 Aa11 Aa12 Aa13 Aa14 Aa15 Aa16 Aa17 Aa18 Aa19 Aa20 Aa21 Aa22 Aa23 Aa24 Aa25 Aa26 Aa27 Aa28 Aa29 Aa30 Aa31 Aa32 Aa33 Aa34 Aa35 Aa36 Aa37 Aa38 Aa39 Aa40 Aa41 Aa42 Aa43 Aa44 Aa45 Aa46 Aa47 Aa48 Aa49 Aa50 Aa51 Aa52 Aa53 Aa54 Aa55 Aa56 Aa57 Aa58 Aa59 Aa60 Aa61 Aa62 Aa63 Aa64 Aa65 Aa66 Aa67 Aa68 Aa69 Aa70 Aa71 Aa72 Aa73 Aa74 Aa75 Aa76 Aa77 Aa78 Aa79 Aa80 Aa81 Aa82 Aa83 Aa84 Aa85 Aa86 Aa87 Aa88 Aa89 Aa90 Aa91 Aa92 Aa93 Aa94 Aa95 Aa96 Aa97 Aa98 Aa99 Aa100 Aa101 Aa102 Aa103 Aa104 Aa105 Aa106 Aa107 Aa108 Aa109 Aa110 Aa111 Aa112 Aa113 Aa114 Aa115 Aa116 Aa117 Aa118 Aa119 Aa120 Aa121 Aa122 Aa123 Aa124 Aa125 Aa126 Aa127 Aa128 Aa129 Aa130 Aa131 Aa132 Aa133 Aa134 Aa135 Aa136 Aa137 Aa138 Aa139 Aa140 Aa141 Aa142 Aa143 Aa144 Aa145 Aa146 Aa147 Aa148 Aa149 Aa150 Aa151 Aa152 Aa153 Aa154 Aa155 Aa156 Aa157 Aa158 Aa159 Aa160 Aa161 Aa162 Aa163 Aa164 Aa165 Aa166 Aa167 Aa168 Aa169 Aa170 Aa171 Aa172 Aa173 Aa174 Aa175 Aa176 Aa177 Aa178 Aa179 Aa180 Aa181 Aa182 Aa183 Aa184 Aa185 Aa186 Aa187 Aa188 Aa189 Aa190 Aa191 Aa192 Aa193 Aa194 Aa195 Aa196 Aa197 Aa198 Aa199 Aa200 Aa201 Aa202 Aa203 Aa204 Aa205 Aa206 Aa207 Aa208 Aa209 Aa210 Aa211 Aa212 Aa213 Aa214 Aa215 Aa216 Aa217 Aa218 Aa219 Aa220 Aa221 Aa222 Aa223 Aa224 Aa225 Aa226 Aa227 Aa228 Aa229 Aa230 Aa231 Aa232 Aa233 Aa234 Aa235 Aa236 Aa237 Aa238 Aa239 Aa240 Aa241 Aa242 Aa243 Aa244 Aa245 Aa246 Aa247 Aa248 Aa249 Aa250 Aa251 Aa252 Aa253 Aa254 Aa255 Aa256 Aa257 Aa258 Aa259 Aa260 Aa261 Aa262 Aa263 Aa264 Aa265 Aa266 Aa267 Aa268 Aa269 Aa270 Aa271 Aa272 Aa273 Aa274 Aa275 Aa276 Aa277 Aa278 Aa279 Aa280 Aa281 Aa282 Aa283 Aa284 Aa285 Aa286 Aa287 Aa288 Aa289 Aa290 Aa291 Aa292 Aa293 Aa294 Aa295 Aa296 Aa297 Aa298 Aa299 Aa300 Aa301 Aa302 Aa303 Aa304 Aa305 Aa306 Aa307 Aa308 Aa309 Aa310 Aa311 Aa312 Aa313 Aa314 Aa315 Aa316 Aa317 Aa318 Aa319 Aa320 Aa321 Aa322 Aa323 Aa324 Aa325 Aa326 Aa327 Aa328 Aa329 Aa330 Aa331 Aa332 Aa333 Aa334 Aa335 Aa336 Aa337 Aa338 Aa339 Aa340 Aa341 Aa342 Aa343 Aa344 Aa345 Aa346 Aa347 Aa348 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Aa681 Aa682 Aa683 Aa684 Aa685 Aa686 Aa687 Aa688 Aa689 Aa690 Aa691 Aa692 Aa693 Aa694 Aa695 Aa696 Aa697 Aa698 Aa699 Aa700 Aa701 Aa702 Aa703 Aa704 Aa705 Aa706 Aa707 Aa708 Aa709 Aa710 Aa711 Aa712 Aa713 Aa714 Aa715 Aa716 Aa717 Aa718 Aa719 Aa720 Aa721 Aa722 Aa723 Aa724 Aa725 Aa726 Aa727 Aa728 Aa729 Aa730 Aa731 Aa732 Aa733 Aa734 Aa735 Aa736 Aa737 Aa738 Aa739 Aa740 Aa741 Aa742 Aa743 Aa744 Aa745 Aa746 Aa747 Aa748 Aa749 Aa750 Aa751 Aa752 Aa753 Aa754 Aa755 Aa756 Aa757 Aa758 Aa759 Aa760 Aa761 Aa762 Aa763 Aa764 Aa765 Aa766 Aa767 Aa768 Aa769 Aa770 Aa771 Aa772 Aa773 Aa774 Aa775 Aa776 Aa777 Aa778 Aa779 Aa780 Aa781 Aa782 Aa783 Aa784 Aa785 Aa786 Aa787 Aa788 Aa789 Aa790 Aa791 Aa792 Aa793 Aa794 Aa795 Aa796 Aa797 Aa798 Aa799 Aa800 Aa801 Aa802 Aa803 Aa804 Aa805 Aa806 Aa807 Aa808 Aa809 Aa810 Aa811 Aa812 Aa813 Aa814 Aa815 Aa816 Aa817 Aa818 Aa819 Aa820 Aa821 Aa822 Aa823 Aa824 Aa825 Aa826 Aa827 Aa828 Aa829 Aa830 Aa831 Aa832 Aa833 Aa834 Aa835 Aa836 Aa837 Aa838 Aa839 Aa840 Aa841 Aa842 Aa843 Aa844 Aa845 Aa846 Aa847 Aa848 Aa849 Aa850 Aa851 Aa852 Aa853 Aa854 Aa855 Aa856 Aa857 Aa858 Aa859 Aa860 Aa861 Aa862 Aa863 Aa864 Aa865 Aa866 Aa867 Aa868 Aa869 Aa870 Aa871 Aa872 Aa873 Aa874 Aa875 Aa876 Aa877 Aa878 Aa879 Aa880 Aa881 Aa882 Aa883 Aa884 Aa885 Aa886 Aa887 Aa888 Aa889 Aa890 Aa891 Aa892 Aa893 Aa894 Aa895 Aa896 Aa897 Aa898 Aa899 Aa900 Aa901 Aa902 Aa903 Aa904 Aa905 Aa906 Aa907 Aa908 Aa909 Aa910 Aa911 Aa912 Aa913 Aa914 Aa915 Aa916 Aa917 Aa918 Aa919 Aa920 Aa921 Aa922 Aa923 Aa924 Aa925 Aa926 Aa927 Aa928 Aa929 Aa930 Aa931 Aa932 Aa933 Aa934 Aa935 Aa936 Aa937 Aa938 Aa939 Aa940 Aa941 Aa942 Aa943 Aa944 Aa945 Aa946 Aa947 Aa948 Aa949 Aa950 Aa951 Aa952 Aa953 Aa954 Aa955 Aa956 Aa957 Aa958 Aa959 Aa960 Aa961 Aa962 Aa963 Aa964 Aa965 Aa966 Aa967 Aa968 Aa969 Aa970 Aa971 Aa972 Aa973 Aa974 Aa975 Aa976 Aa977 Aa978 Aa979 Aa980 Aa981 Aa982 Aa983 Aa984 Aa985 Aa986 Aa987 Aa988 Aa989 Aa990 Aa991 Aa992 Aa993 Aa994 Aa995 Aa996 Aa997 Aa998 Aa999 Aa1000



## Cash remains king



## Counting the costs of cash



Reduce cash usage  
to achieve savings

## Initiatives to reduce cash usage



Government initiatives and education by payments community helping to reduce cash salary payments. In 2009, 1 in 20 people were paid in cash: that number is forecast to fall to 1 in 50 by 2018.



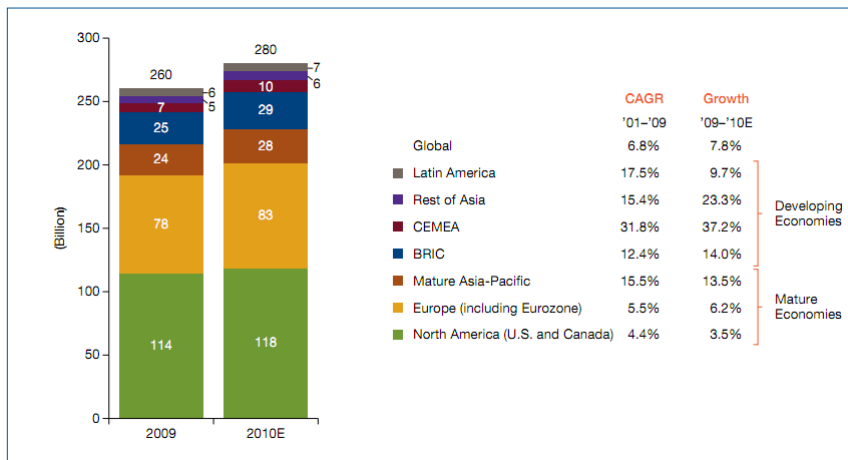
Banks and retailers are cooperating to formulate common strategies in cash usage.

Some supermarkets have stated they aim to be cashless by 2014.



The Finance Ministry is planning to introduce a 3-year plan that aims to increase electronic payments from 9% to 50% in an attempt to reduce the structural costs of cash.

## Forecast growth of non-cash transactions



Source: World Payments Report, 2011

# A proliferation of mobile services (incl. payments)

Mobile Services

Say hello to the world's smallest bank

Move money between your eligible accounts from your mobile



HSBC The world's local bank



Mobile Money

Overview Express Banking Machines **Mobile Money**

If you are an HSBC Premier, HSBC Advance, Bank Account, HSBC Passport, Graduate Bank Account or Student Bank Account customer you can access your HSBC accounts using Mobile Money from MONITISE, in real time from a compatible mobile wherever you are.

Free registration  
Free balance enquiries  
Free mini-statements  
Instant top-up for prepaid mobiles  
Encrypted and secure



Mobile Banking Services



Keep control of your money with Barclays Mobile Banking  
Barclays Mobile Banking lets you keep track of your accounts when you can't get to a branch or a PC – so whether you're on a bus or on the beach you have more control of your money.



# NFC may be hip, but it is massively over-hyped



everything everywhere™



Telefonica **vodafone**



Apple Aims To Take NFC Mainstream; Perhaps The Greatest Trick They've Ever Pulled?

MARCH 22, 2011 10:54 AM PDT  
iPhone 5 rumors again claim NFC, A5, big screen

by Josh Lovensohn  
Recommend 216 Tweet 156 +7 0 Share 85 comments E-mail

MAY 16, 2011 11:26 AM PDT  
Analyst: No NFC chip in next iPhone

by Josh Lovensohn  
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Apple's next iPhone will not be getting a near field communications (NFC) chip, according to a new report from analyst group Bernstein Research.

That report, picked up by Bloomberg and core of Business Insider, comes more than a year after signs surfaced that



iPhone 4 S

Dual-core A5 chip.  
All-new 8MP camera and optics.  
iOS 5 and iCloud.  
And introducing Siri.

It's the most amazing iPhone yet.

meh.



## The changing role of PSPs



## How will the landscape evolve in the 2010s?



## Thank-you



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