



2025 Strategic Report: Christmas Savings Trends in the Panama National Banking System (SBN)

Panama Banks Informational Website

Report Date: October 2025 **Classification:** Financial Market Analysis

1. Annual Performance Summary

As of the October 2025 reporting cycle, the Christmas savings segment within the Panama National Banking System (SBN) exhibits robust expansion, underscoring a disciplined fiscal trend among depositors. The system is positioned to execute an estimated aggregate payout of \$272 million to 504,703 account holders by the conclusion of the fiscal year. This performance represents an 11% year-over-year (Y-o-Y) increase in total balances, reflecting a \$28 million capital influx compared to the previous period.

The following table delineates the comparative performance metrics for the 2024–2025 period:

Metric	2024 (October)	2025 (October)	Absolute Variation (Y-o-Y)	Percentage Variation (Y-o-Y)
Total Balance (Millions USD)	\$244	\$272	+\$28M	11%
Total Number of Accounts	445,138	504,703	+59,565	13%

This double-digit growth in both participation and liquidity suggests a strengthening of the domestic "Savings Culture," providing a vital buffer for household stability during the year-end season.

2. Strategic Market Drivers

The expansion of Christmas savings in 2025 is catalyzed by two primary shifts in consumer and technological dynamics. This product currently constitutes the second most significant deposit instrument by account volume, commanding an 8% share of the total capture market (trailing only current savings accounts at 85%).

- **Precautionary Savings Behavior:** Amidst a macro-environment characterized by limited economic growth, consumers have increasingly prioritized the allocation of surplus funds

toward precautionary reserves. This behavioral shift reflects a strategic effort to mitigate liquidity risks associated with year-end contingencies and planned expenditures.

- **Migration to Digital Ecosystems:** Digital transformation has been a decisive driver in the displacement of physical currency. The aggressive promotion of electronic transaction platforms has streamlined account management, lowering the barrier to entry for consistent, disciplined saving habits through automated digital channels.

3. Competitive Landscape and Market Concentration

The Christmas savings market remains highly asymmetrical, with a profound concentration of capital. Four major financial institutions control approximately 97% of the total \$272 million in deposits, creating a high-barrier environment for smaller participants.

The following table outlines the market hierarchy:

Rank	Institution	Balance (USD Millions)	Market Share (%)
1	Banco General	\$208	76.4%
2	Caja de Ahorros	\$26	9.1%
3	BNP (Banco Nacional de Panamá)	\$18	6.6%
4	Banistmo	\$14	5.1%
5	Market Residual	\$7	2.8%

- **Dominant Position of Banco General:** Banco General maintains a commanding lead, capturing 76.4% of the total market share (\$208 million). This dominance is fundamentally underscored by the institution's superior fintech infrastructure. Their automated digital onboarding capabilities allow for frictionless account creation, providing a significant competitive advantage in client acquisition over institutions with more traditional, analog processes.

4. Geographic Distribution of Funds

Capital allocation for year-end savings is heavily localized within the metropolitan corridor. Approximately 81% of total system funds (\$220 million across 397,000 accounts) are concentrated in the provinces of Panama and Panama Oeste, a correlation directly linked to the density of formal employment and banking infrastructure in these regions.

The regional performance breakdown is as follows:

- **Panama:** Dominates the landscape with 71.1% of total funds and 67% of account volume.
 - **Panama Oeste:** Accounts for 9.8% of funds and 12% of accounts.
 - **Chiriquí:** Represents \$15.2 million (5.6% of funds / 6% of accounts).
 - **Colón:** Represents \$9.5 million (4.3% of funds / 5% of accounts).
 - **Azuero:** Represents \$8.8 million (3.2% of funds / 4% of accounts).
 - **Veraguas:** Contributes 2.6% of funds and 3% of accounts.
 - **Coclé:** Contributes 2.4% of funds and 3% of accounts.
 - **Other Regions:** The remaining 1.1% of funds is distributed across various territories.
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5. Demographic and Gender Insights

Data analysis reveals a persistent "Gender Gap" in Panamanian savings habits, with women consistently demonstrating higher engagement with the Christmas savings product.

- **Gender Participation:** Women represent 61% of total account holders (312,628 accounts) and control 60% of total funds (\$163.7 million).
 - **Tiered Account Analysis:** The product remains vital for populations with limited resources, as approximately 70% of all accounts (regardless of gender) maintain balances under \$500, facilitated by modest weekly contributions.
 - **High-Value Segment:** Conversely, a significant "High-Value" tier exists; 30,190 men and 43,487 women maintain accounts exceeding \$1,000, contributing substantially to the total capital pool.
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6. Socio-Economic Impact and Strategic Outlook

The transition from credit-dependency to self-funded holiday spending represents a significant socio-economic evolution. By utilizing saved capital rather than high-interest credit instruments, Panamanian households are actively reducing their long-term debt burdens.

Strategic Implications:

- **Reduction in Credit Reliance:** This habit mitigates the traditional "post-holiday debt cycle," increasing the net disposable income of families in the first quarter of the following year.
- **Economic Stabilization:** In the context of the current limited economic growth environment, the trend toward precautionary savings strengthens the national economy by increasing domestic investment potential and reducing systemic credit risk.
- **Household Resilience:** The systematic accumulation of resources for contingencies enhances the long-term well-being of communities, transitioning Christmas savings from a mere tradition to a vital financial security instrument.

Source: SBP. All data accurate as of October 2025.



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