

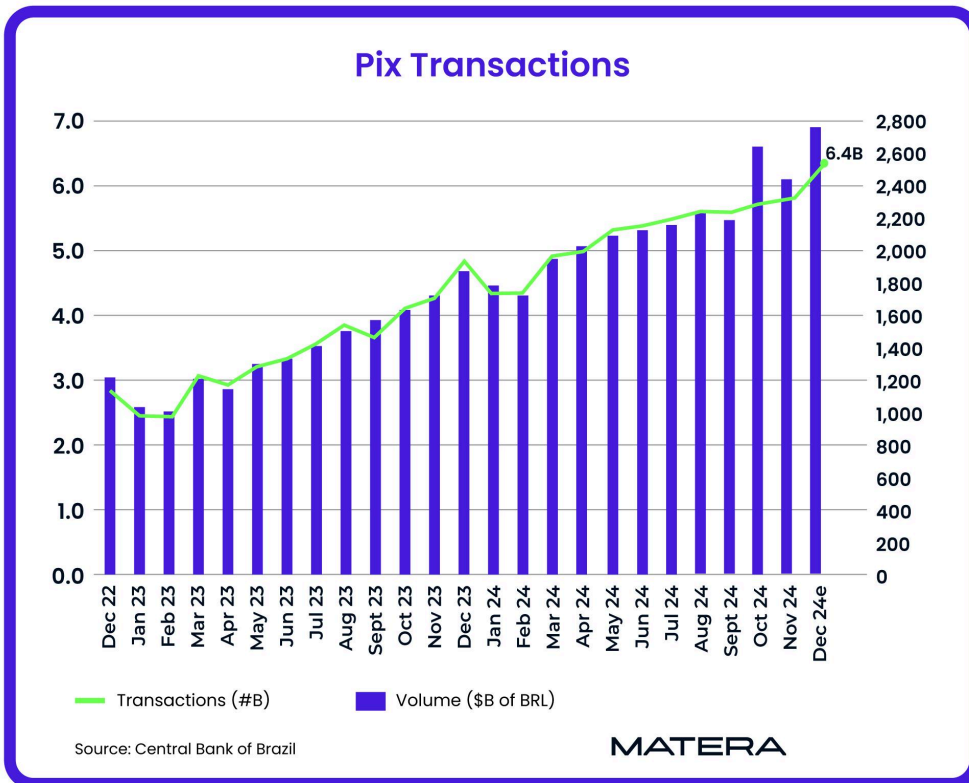
## Pix Transactions Exceed 6 Billion Monthly

Continues to outpace cards; NFC ahead

### Estimated 64 billion Pix transactions in 2024, 53% higher YOY

#### Pix transactions over 80% more than credit and debit combined

Launched just 4 years ago, Pix has quickly become the most widely used payment system in Brazil. In Q3 2024, the number of Pix transactions was 80% more than credit and debit combined. Even compared with ACH volume in the U.S., a payment rail that has been around for 50 years in a country with roughly double the Brazilian population, Pix continues to impress. ACH volume in 2024 is estimated at 34 billion or just over half the 2024 Pix transactions.



In December 2024 alone, the number of Pix transactions is estimated to be 6.4 billion, 34% more than in December 2023.

Remarkably, on December 20th, Pix hit a one day record of 252.1 million transactions!

The YOY increase in Black Friday Pix volume highlights the adoption of Pix by people paying businesses. Pix volume on Black Friday in 2024 reached 240 million, 76% higher than 2023.

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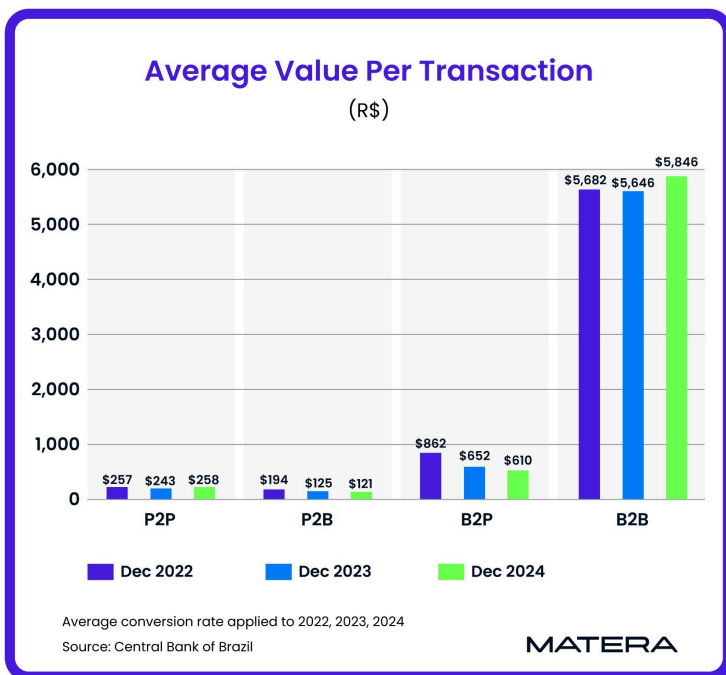
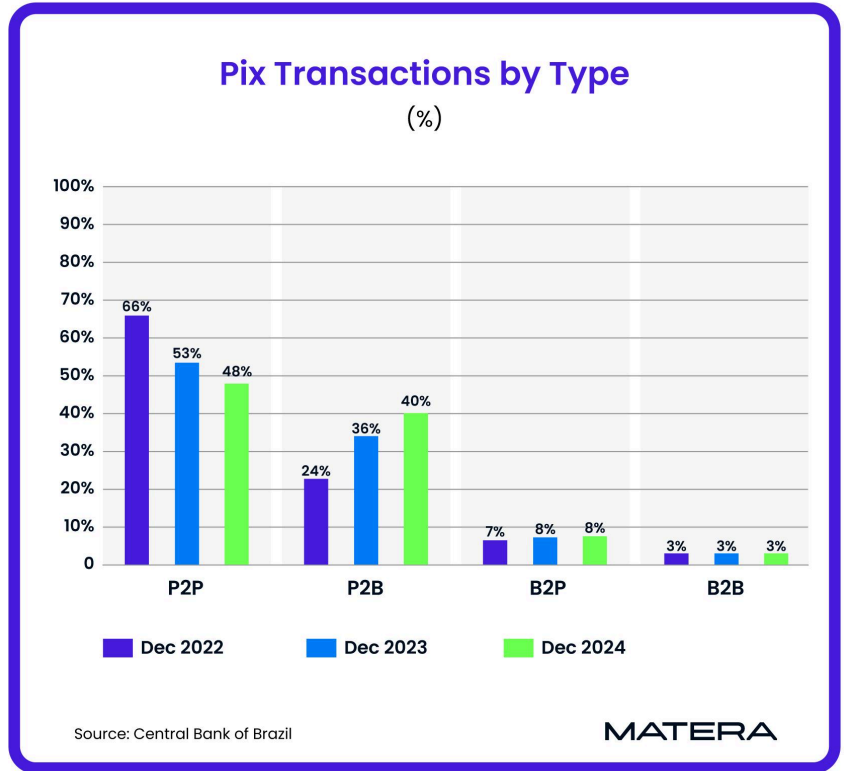
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The fastest growing use of Pix remains consumers paying businesses (P2B). P2B Pix transactions grew 94% in 2024 vs. 2023. However, B2B transactions are coming on strong. In December 2024, B2B transactions grew 56% vs December 2023. For P2B, the increase during this same time period was 53%.

The volume of B2B Pix transactions far outpaces any other use case. In December 2024 alone, the volume of B2B Pix transactions exceeded R\$1 trillion (approx. \$200B USD). This compares to R\$296 for B2P, R\$288 for P2B and R\$702 for P2P.

The average value of a B2B Pix transaction in December 2024 was R\$5,846 (approx. \$1200 USD). This compares to R\$121 for P2B (approx. \$24 USD) and R\$258 for P2P (approx. \$52 USD).



## Fraud is minimal

The Central Bank of Brazil doesn't release official statistics related to Pix fraud, but it is believed to be very very low.

Fraud was an issue when Pix first launched, but many measures were put in place to significantly reduce fraud. Transaction limits, a mechanism to block suspicious transactions and user authentication are just a few examples.

The Central Bank continues to enhance its fraud controls. Starting in 2025, when a new alias is created, it must be matched with the

name in their national registry (e.g. similar to the SSN database in the U.S.). They have added restrictions on what information can be shared with the payer (e.g. masked CPF which is similar to SSN in the U.S.).

Banks have also implemented safeguards such as enabling their mobile apps to only show a balance in a consumer's account when they are located in a "safe" space such as work or home.

## Our Take

NFC and Pix automatic are the most exciting developments scheduled for Pix in 2025.

- **NFC** - Pix tap and go payments are on the horizon. Paying with Pix will soon be as easy as tapping to pay with Apple Pay using a credit card. Once Apple announced they were opening up their NFC chip to payments, the Central Bank of Brazil accelerated the adoption of Pix with NFC on their roadmap. They gathered input from the industry on how to implement and are outlining the specifications for 2025.

Most noteworthy is that the NFC accessed on an iPhone to make Pix instant payments does not require access to the NFC for payments that Apple recently unlocked. The implications are huge as Apple plans to charge for access to this newly unlocked part of NFC.

**Brazil has found a way to implement Pix via NFC without having to pay Apple for every transaction.**

While Apple had restricted the use of NFC for payments to its Apple Pay ecosystem, it has always allowed NDEF (NFC Data Exchange Format) tags to interact with iPhones. This functionality can be leveraged to create NDEF-compliant tags that trigger actions like opening a deep link to Open a URL or prompt an action like opening an app among other actions.

- **Pix Automatic** - Pix Automatic is scheduled to launch June 16, 2025.

Once live, consumers will be able to schedule recurring contract payments using Pix. Recurring bills like gym memberships, university payments, Netflix subscriptions and more can be paid instantly using Pix. Consumers will need to opt into recurring payments, and

the Central Bank has outlined in the user experience how banks and merchants can gather this consent.

This same mechanism can be used for innovative solutions like automatic recurring investments.

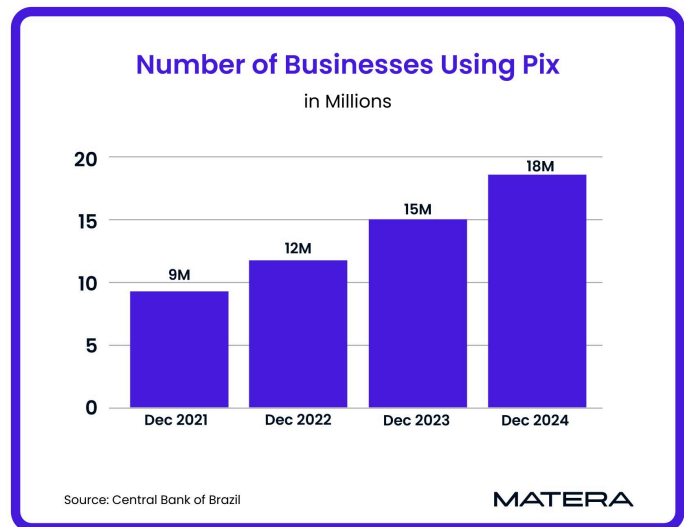
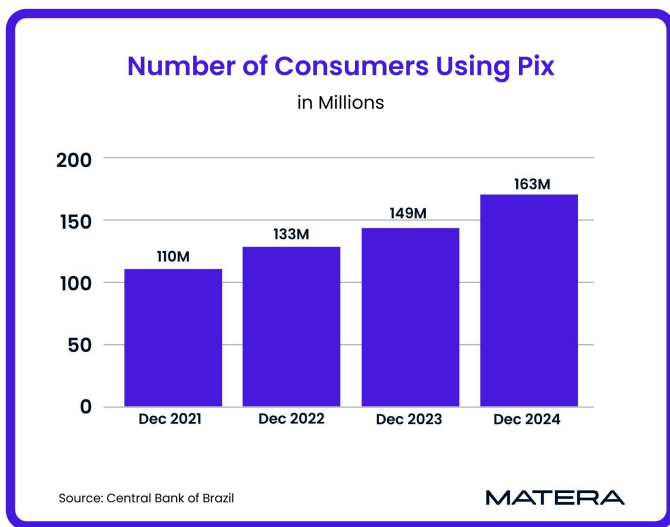
## What it Means for the U.S.

Brazil's journey with Pix showcases what is possible when innovation and inclusive design come together to address modern payment needs. From its rapid adoption to the groundbreaking developments of NFC-enabled "tap-to-Pix" payments and Pix Automatic for recurring transactions, Pix is a testament to how transformative instant payments can be when technology aligns with user demands. The insights from Brazil's experience provide the U.S. with a blueprint for unlocking similar possibilities.

In the U.S., the foundation for instant payments already exists with nearly 2,000 banks certified with FedNow, RTP or both.

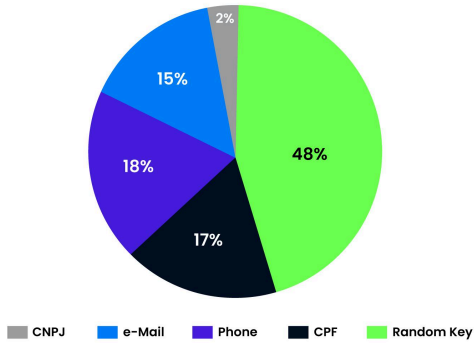
The next step is to embrace the lessons learned from Brazil—such as interoperability, user-friendly interfaces, and innovative QR code standards—to foster widespread adoption and tap into the transformative potential of instant payments. The goal is a future where everyday transactions, from buying a cup of coffee to paying bills, are seamless, instant, and secure.

By leveraging the successes of systems like Pix and adapting them to meet the unique needs of the American market, there is an incredible opportunity to reshape the payments landscape, making it more efficient, accessible, and beneficial for consumers and businesses alike. The future of instant payments isn't just on the horizon—it's here, waiting to be realized.



## Alias By Type

(Dec. 2024)

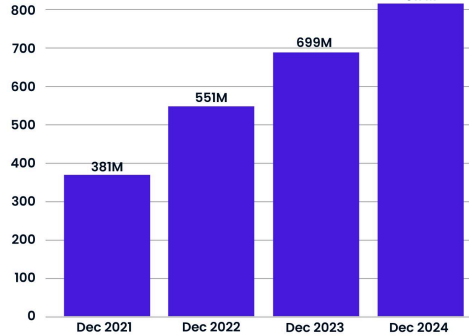


Source: Central Bank of Brazil

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## Number of Aliases

in Millions

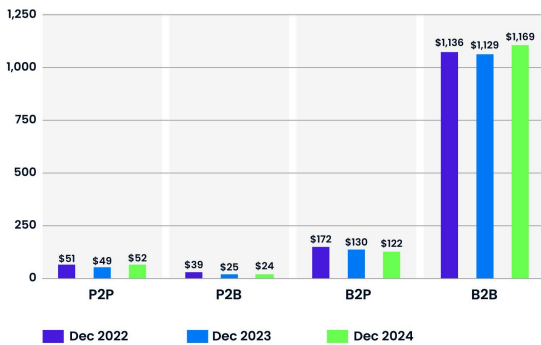


Source: Central Bank of Brazil

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## Est. Average Value Per Transaction

(USD)

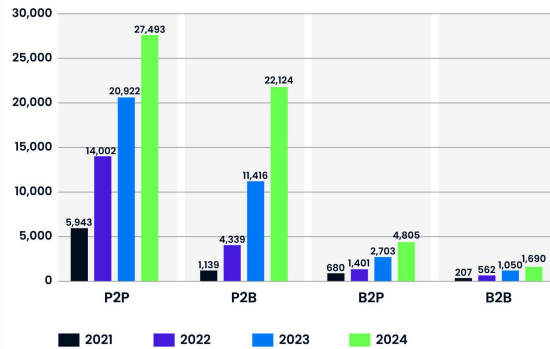


Source: Central Bank of Brazil

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## Number of Pix Transactions by Type

in Millions

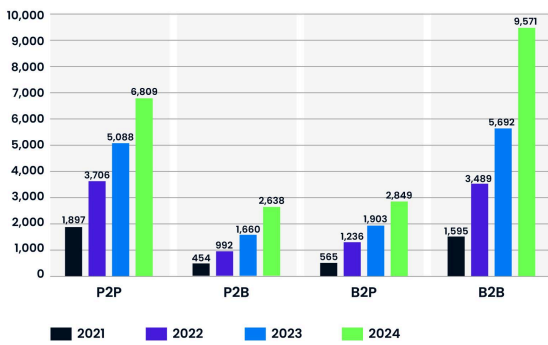


Source: Central Bank of Brazil

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## Volume of Pix Transactions by Type

R\$ Billions

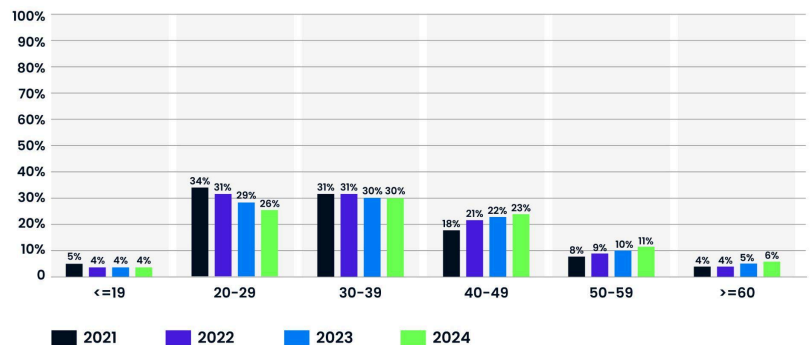


Source: Central Bank of Brazil

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## Pix Transactions by Age

(%)

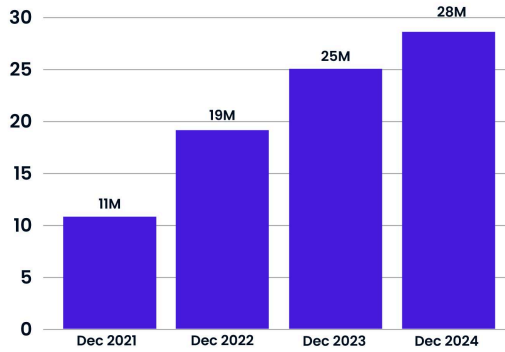


Source: Central Bank of Brazil

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### Number of Companies in the Central Directory

(#M)

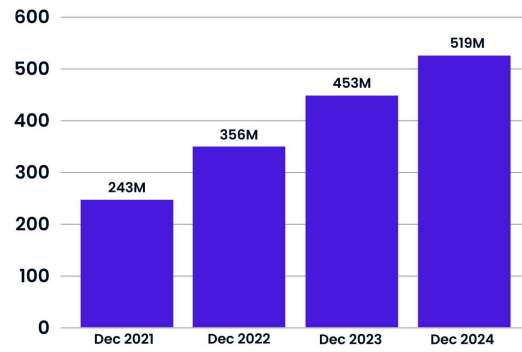


Source: Central Bank of Brazil

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### Number of Consumers in the Central Directory

(#M)

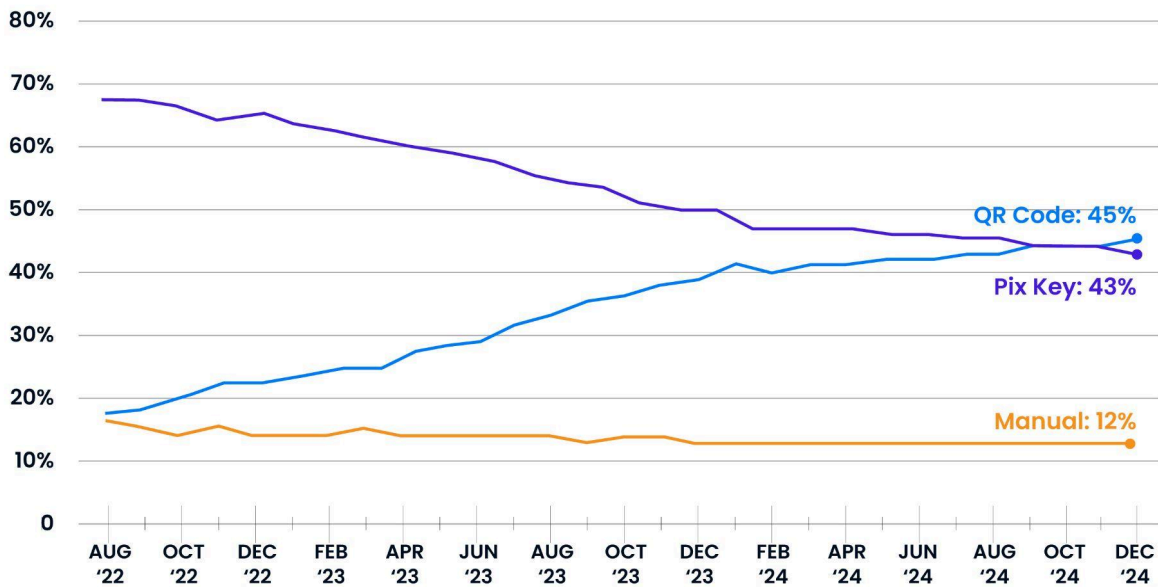


Source: Central Bank of Brazil

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### Method of Pix Transaction Initiation

(% Pix Transactions)



Source: Central Bank of Brazil

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