

Holiday Remittances: A Season of Giving That Powers Economies Around the World

Posted on December 17, 2024 by Ali Mollhoff

Special occasions like holidays, weddings, and cultural celebrations hold immense significance in immigrant communities. According to Remitly research[1], over a quarter of those who send remittances do so for these occasions.

As the holiday season approaches, remittance flows increase, reflecting the spirit of generosity and cultural traditions that unite families across borders. December marks the peak of remittance send volume, where holiday spending not only strengthens family bonds but also influences local economies.

December: The Season of Sending

Remitly analyzed U.S. remittance send volumes for November and December in both 2022 and 2023. We found that in December 2023, remittance volumes originating from the U.S. increased by more than 10% from November, marking it as the highest month of the year for cross-border financial support. This aligns with global celebrations such as Christmas, Hanukkah, Kwanzaa, and New Year, making it an especially meaningful time for many families receiving these funds.

Top Recipients: The Philippines, Mexico, the Dominican Republic, Colombia, and India stood out as the primary destinations for these holiday remittances.

2023 November to December Send Volume	
Country	**% Increase**
The Philippines	22%
Mexico	14%
Dominican Republic	12%
Colombia	9%
India	3%

2022 November to December Send Volume	
Country	**% Increase**
The Philippines	23%
Guatemala	23%
Mexico	20%
India	17%
Dominican Republic	12%

Cultural Context: For many Remitly customers, Christmas is not just a holiday but an important moment to celebrate and connect across borders, driving higher-than-usual remittance volumes. In the words of our valued customer, Lyn Encinas-Jiron, *"Remitly has been there in every event in my family's life. From celebrating successes like my niece and nephew's good grades in school, family birthdays, special holidays and occasions, and even stressful life events like sickness in the family. Having a reliable remittance service is very important, especially when I cannot be there physically. Knowing I can help in some way brings me relief and peace of mind."*

Why It Matters: This seasonal spike illustrates how deeply intertwined remittances are with global holiday traditions, and their role in bolstering connections even across great distances.

The Broader Impact of Holiday Remittances

Holiday remittances extend beyond personal gifting and household needs. They play a critical role in stabilizing economies and currencies, especially in low- and middle-income countries (LMICs). In 2023, Remitly customers sent more than $39 billion[2], supporting family and loved ones around the world.

- *Economic Boost:* In the Philippines, remittance inflows in December are projected to drive a 5% appreciation in the peso by year-end, according to Australia & New Zealand Banking Group forecasts, reversing earlier losses. This pattern has repeated in six of the past seven years[3], demonstrating the powerful macroeconomic role of remittance-driven currency flows.
- *Essential Support:* Globally, a significant portion of remittances in December are directed toward necessities like food, medical expenses, and education. A

Remitly survey[1] revealed that 54% of remittance funds support household needs, while 26% are allocated for special occasions, including holidays—a testament to the holiday spirit of giving.

Why It Matters: Beyond spreading joy, these funds support economic growth and stability, and alleviate financial pressures on millions of families around the world[4].

Conclusion: A Season of Hope

Holiday remittances are more than financial transactions—they are acts of love and hope that bring families closer, even across great distances. For many, these funds transform December from a challenging month into a season of joy and connection. By focusing on this critical time of year, we can better understand the profound role remittances play in shaping lives, supporting economies, and celebrating global traditions.

About Remitly

Remitly is on a mission to make international money transfers faster, easier, more transparent, and more affordable. Since 2011, millions of people have used Remitly to send money with peace of mind.

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[1] Remitly's survey was conducted in Q4 of 2022. Data was collected from +2,500 remittance senders.

[2] Remitly FY 2023 data.

[3] Bloomberg – Philippine Peso May Yet Rebound on Year-End Remittance Wave

[4] IFAD – 14 reasons why remittances are important