WHAT IS CLAIMED IS:

1. A computer-implemented method comprising:

detecting, with a magnetometer in communication with a point-of-sale (POS) device, a magnetic signature of a payment device based on a magnetic field of the payment device affecting the magnetometer, the magnetic signature based on ~~at least one of~~ a structural composition of the payment device and a circuit arranged on or embedded in the payment device, wherein the magnetic signature comprises a pattern in the magnetic field associated with changes of polarity generated by the circuit, the pattern comprising a verification code;

receiving, with the POS device, payment device data for a transaction requested between an account associated with the payment device and an account of a merchant associated with the POS device, the payment device data comprising a cryptogram;

comparing, with the POS device or at least one processor in communication with the POS device, the magnetic signature detected from the payment device with a stored magnetic signature associated with the payment device;

verifying, with the POS device or the at least one processor in communication with the POS device, the verification code by decrypting the cryptogram using the verification code; and

in response to verifying the verification code and determining that the magnetic signature matches the stored magnetic signature, approving, with the POS device or the at least one processor in communication with the POS device, the transaction.

2. The method of claim 1, wherein the at least one processor in communication with the POS device compares the magnetic signature detected from the payment device with the stored magnetic signature associated with the payment device, wherein a transaction processing system remote from the POS device comprises the at least one processor.

3. The method of claim 2, wherein the stored magnetic signature associated with the payment device is encrypted and stored in a database of the transaction processing system, the method further comprising decrypting the stored

magnetic signature with the at least one processor in communication with the POS device in response to the at least one processor receiving an authorization request message associated with the transaction.

4. The method of claim 1, wherein the pattern comprises the payment device data, and wherein the POS device receives the payment device data via the magnetometer.

5. A system comprising:

a magnetometer configured to detect a magnetic signature of a payment device based on a magnetic field of the payment device affecting the magnetometer, the magnetic signature based on a structural composition of the payment device and a circuit arranged on or embedded in the payment device, wherein the magnetic signature comprises a pattern in the magnetic field associated with changes of polarity generated by the circuit, the pattern comprising a verification code; and

a point-of-sale (POS) device in communication with the magnetometer, the POS device comprising at least one processor programmed and/or configured to:

receive the magnetic signature from the magnetometer;

receive payment device data for a transaction requested between an account associated with the payment device and an account of a merchant associated with the POS device, the payment device data comprising a cryptogram;

compare the magnetic signature detected from the payment device with a stored magnetic signature associated with the payment device;

verify the verification code by decrypting the cryptogram using the verification code; and

in response to verifying the verification code and determining that the magnetic signature matches the stored magnetic signature, approve the transaction.

6. The system of claim 5, wherein the POS device is further programmed and/or configured to receive the stored magnetic signature from a transaction processing system for comparison of the magnetic signature with the stored magnetic signature.

7. The system of claim 5, wherein the pattern comprises the payment device data, and wherein the POS device receives the payment device data via the magnetometer.

8. A computer program product comprising at least one non-transitory computer-readable medium including program instructions that, when executed by at least one processor, cause the at least one processor to:

receive, from a magnetometer, a magnetic signature of a payment device detected by the magnetometer based on a magnetic field of the payment device affecting the magnetometer, the magnetic signature based on a structural composition of the payment device and a circuit arranged on or embedded in the payment device, wherein the magnetic signature comprises a pattern in the magnetic field associated with changes of polarity generated by the circuit, the pattern comprising a verification code;

receive payment device data for a transaction requested between an account associated with the payment device and an account of a merchant associated with a POS device, the payment device data comprising a cryptogram;

compare the magnetic signature detected from the payment device with a stored magnetic signature associated with the payment device;

verify the verification code by decrypting the cryptogram using the verification code; and

in response to verifying the verification code and determining that the magnetic signature matches the stored magnetic signature, approve the transaction.

9. The computer program product of claim 8, wherein the program instructions further cause the at least one processor to receive the stored magnetic signature from a transaction processing system for comparison of the magnetic signature with the stored magnetic signature.

10. The computer program product of claim 8, wherein the pattern comprises the payment device data, and wherein the program instructions cause the at least one processor to receive the payment device data via the magnetometer.

11. The computer program product of claim 8, wherein the payment device data is encrypted, and wherein the program instructions further cause the at least one processor to decrypt the payment device data using the verification code.