



TBC CAPITAL

# Tracking The Recovery

02.07.2021

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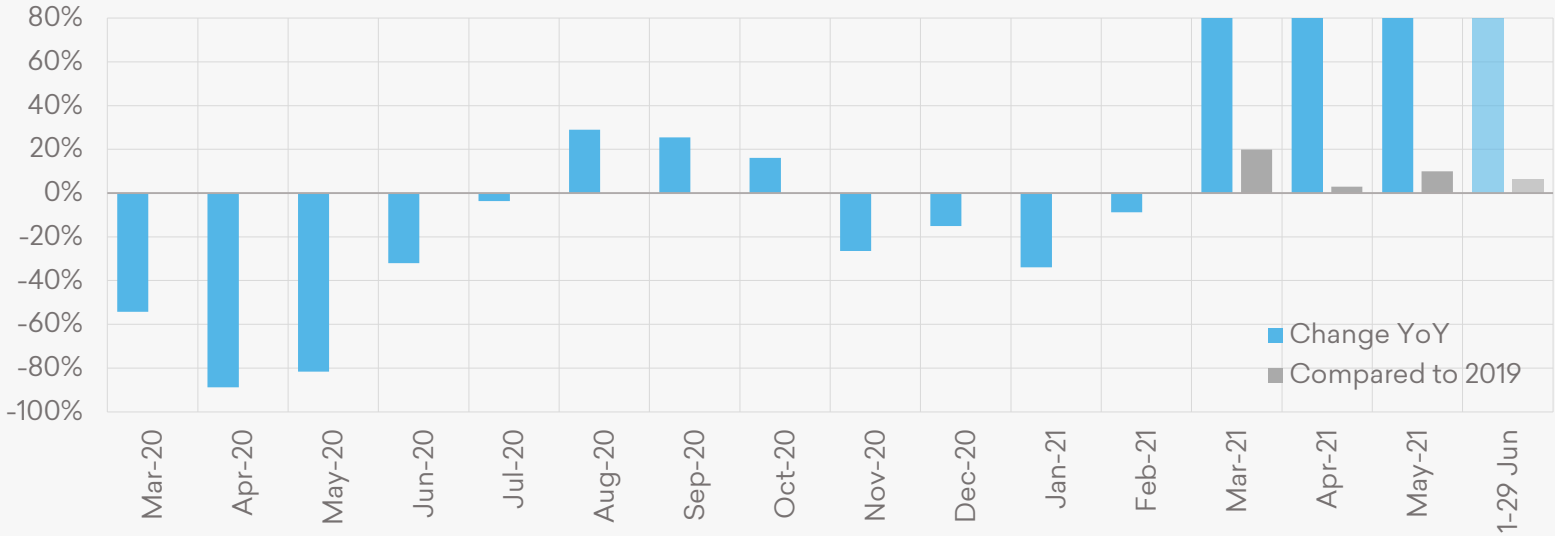
MACROECONOMICS

# KEY DEVELOPMENTS

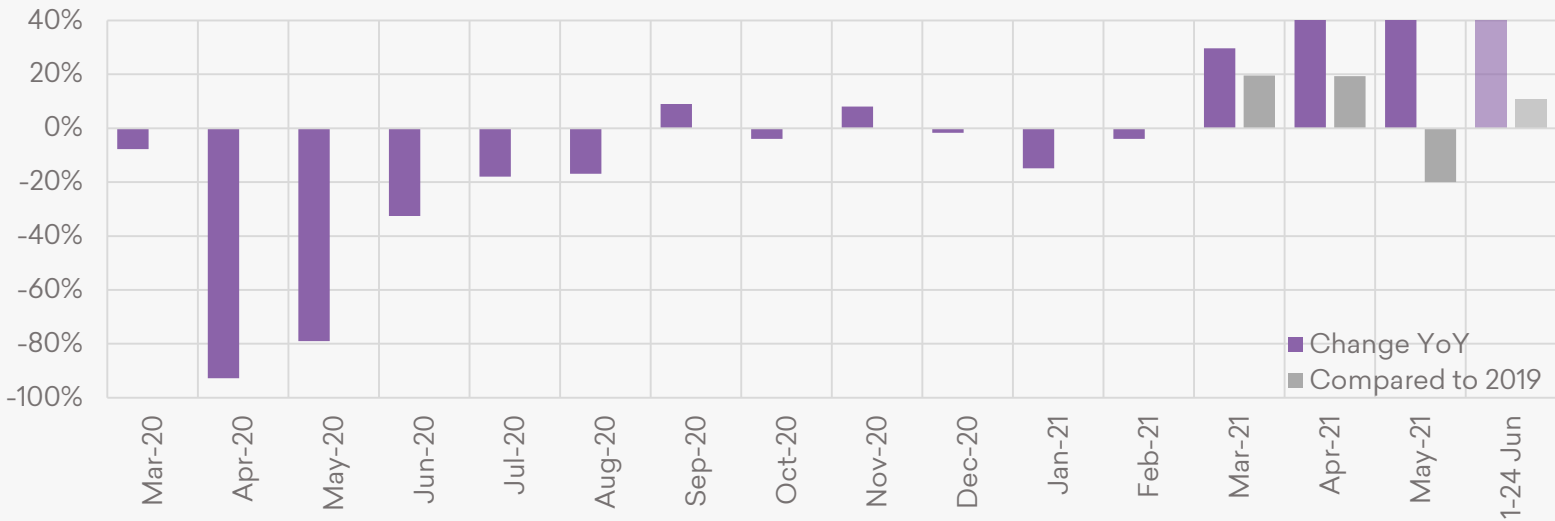
- **New mortgage issuances as well as residential property transactions in Tbilisi remain on the positive growth territory**
- **Non-cash expenditures by non-residents maintain positive dynamics, posting a significant improvement in the fourth week of June**
- **Growth of non-cash spending on hotels, through TBC Bank channels, on the positive territory, while showing a sizeable increase for restaurants & cafes**
- **Non-cash spending on entertainment remains on negative growth territory**
- **A noticeable increase was observed in non-cash spending on categories of construction materials and electronics**
- **Non-cash spending on personal care doubled in the fourth week of June, while a solid growth was observed for non-cash spending on other consumer goods**

# SMALL INCREASE WAS OBSERVED IN NEW MORTGAGE ISSUANCES; CHANGE OF RESIDENTIAL PROPERTY TRANSACTIONS IN TBILISI REMAINS ON THE POSITIVE TERRITORY

Dynamics of new mortgages issued by TBC Bank (% change, FX-adjusted)



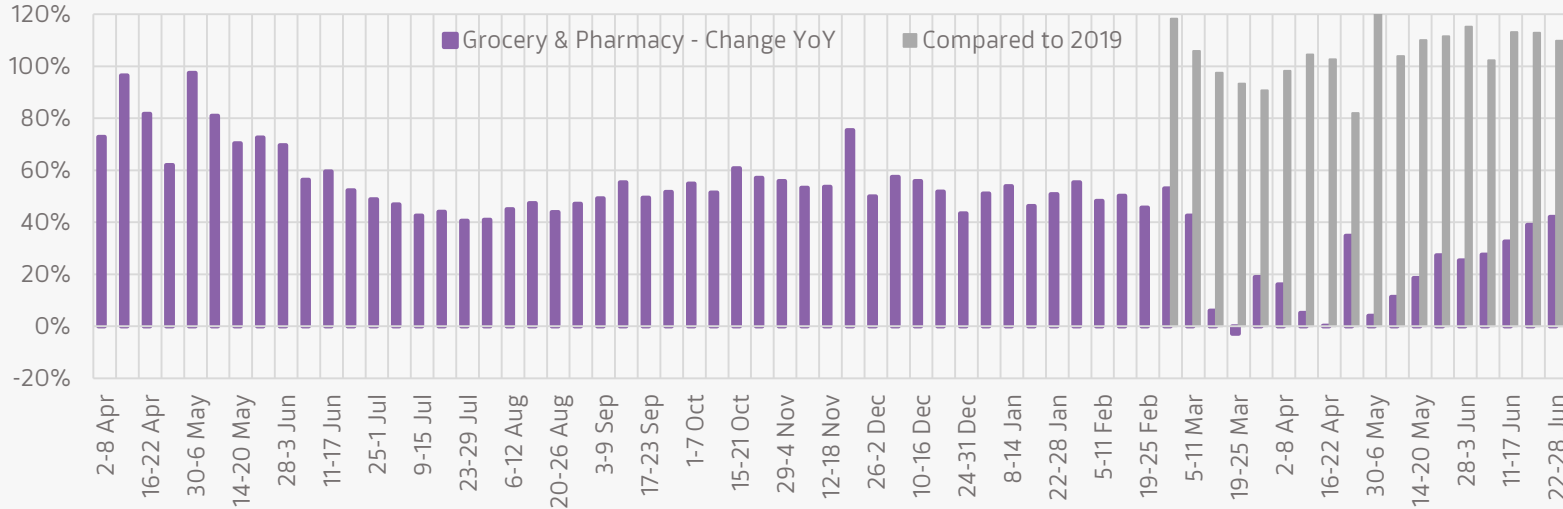
Number of residential properties sold in Tbilisi (% change)



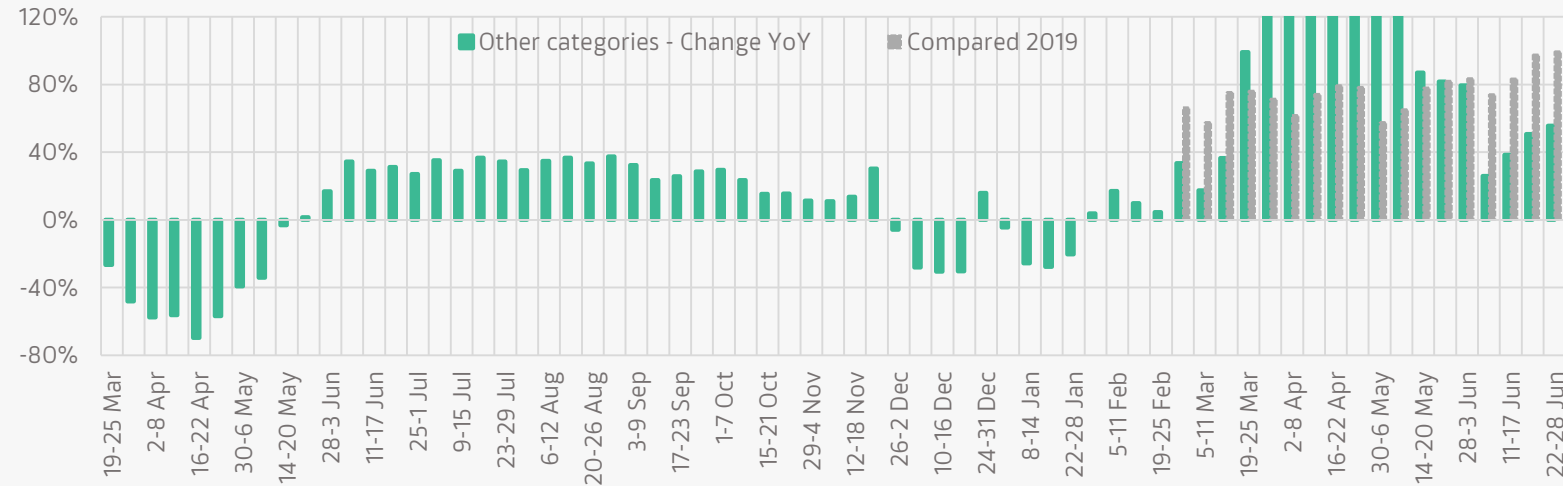
- New mortgage issuances increased by 6% in the 1-29 June period
- Change of residential property transactions in Tbilisi remains on the positive territory in June, with a 11% increase compared to 2019

# TOTAL NON-CASH SPENDING BY RESIDENTS MAINTAINS STABLE ANNUAL GROWTH, WITH A MARGINAL INCREASE IN THE FOURTH WEEK OF JUNE

**Grocery & Pharmacy: Resident non-cash spending (% Change)**



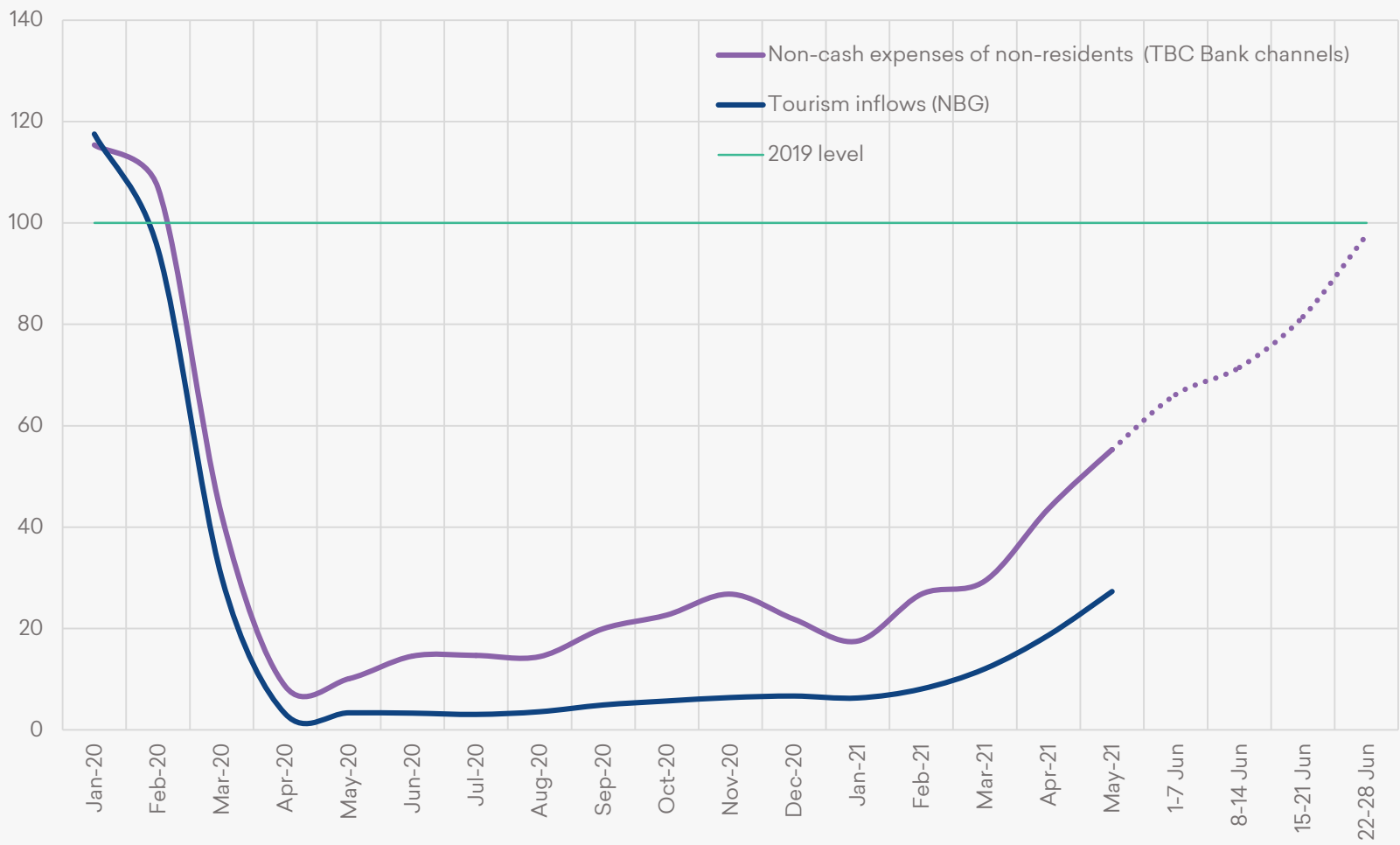
**Categories excluding Grocery & Pharmacy: Resident non-cash spending (% Change)**



- Growth of non-cash spending by residents on grocery & pharmacy rose to 42% YoY in the fourth week of June, a marginal increase compared to the previous week
- Growth of non-cash spending on categories excluding grocery and pharmacy also posted an increase in the same period, amounting 56% YoY

# NON-CASH EXPENDITURES BY NON-RESIDENTS MAINTAIN POSITIVE DYNAMICS, POSTING A SIGNIFICANT IMPROVEMENT IN THE FOURTH WEEK OF JUNE

Non-cash expenses of non-residents and tourism inflows (Same period of 2019=100, in USD)

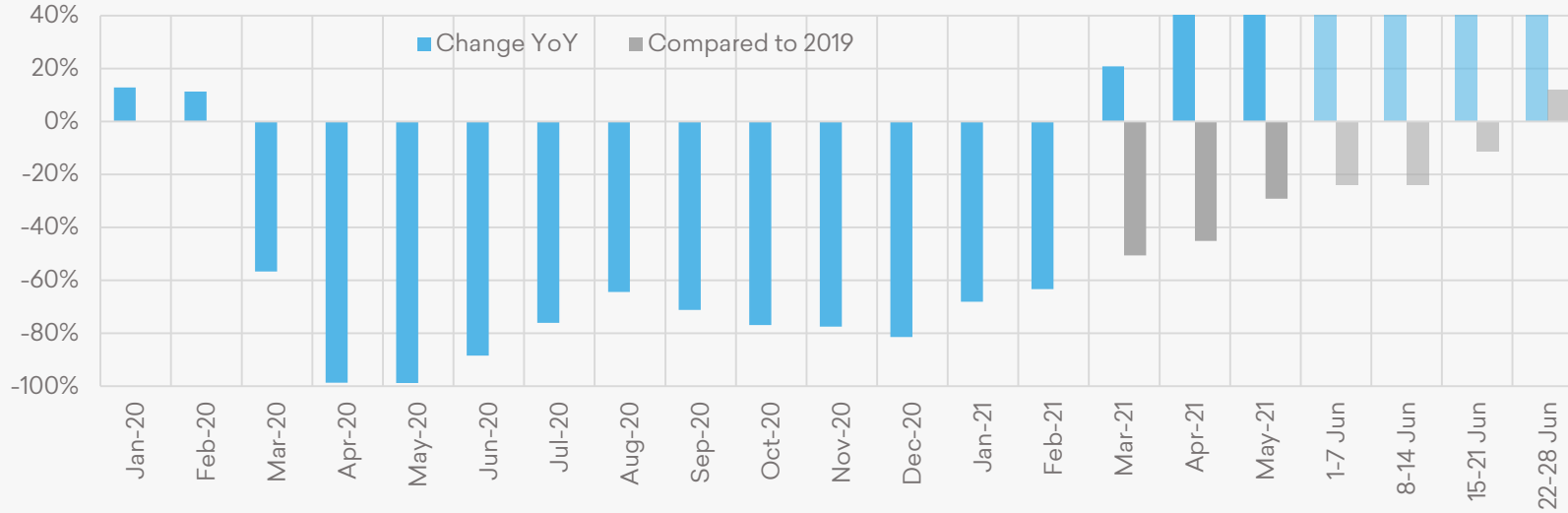


- Growth rate of non-cash spending by non-residents stood at -2% in the fourth week of June, a significant improvement compared to the previous week (-19%)

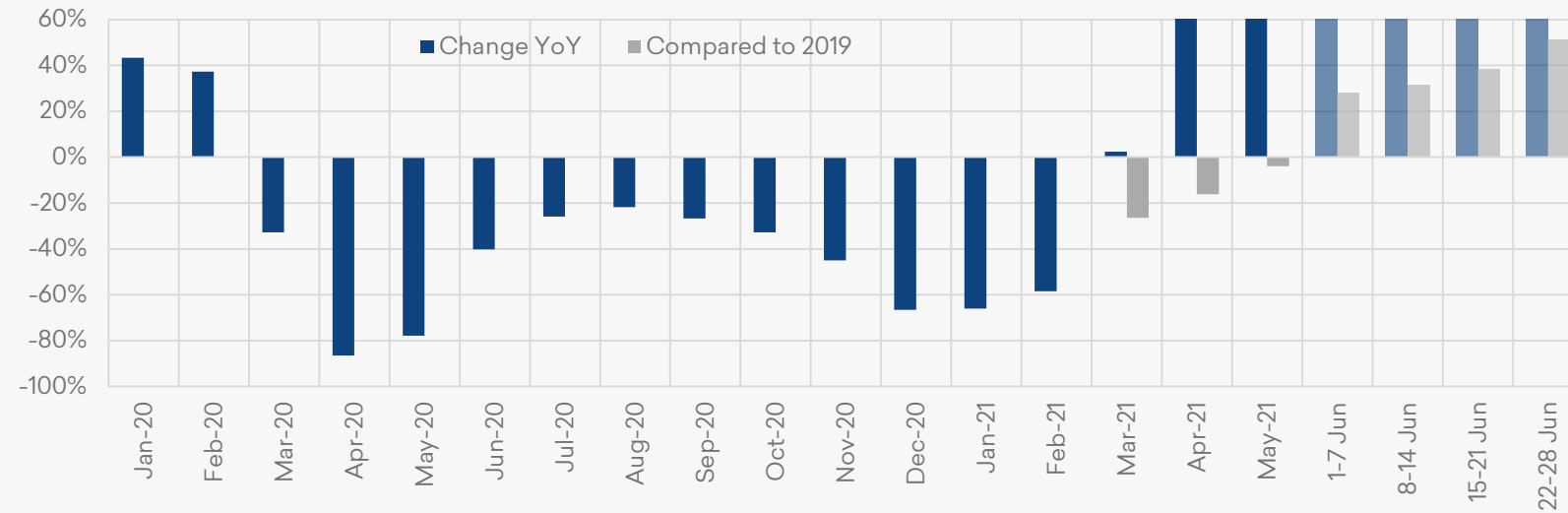
Source: TBC Bank, NBG

# GROWTH OF NON-CASH SPENDING ON HOTELS, THROUGH TBC BANK CHANNELS, ON THE POSITIVE TERRITORY, WHILE SHOWING A SIZEABLE INCREASE FOR RESTAURANTS & CAFES 6

## Hotels: Non-cash spending



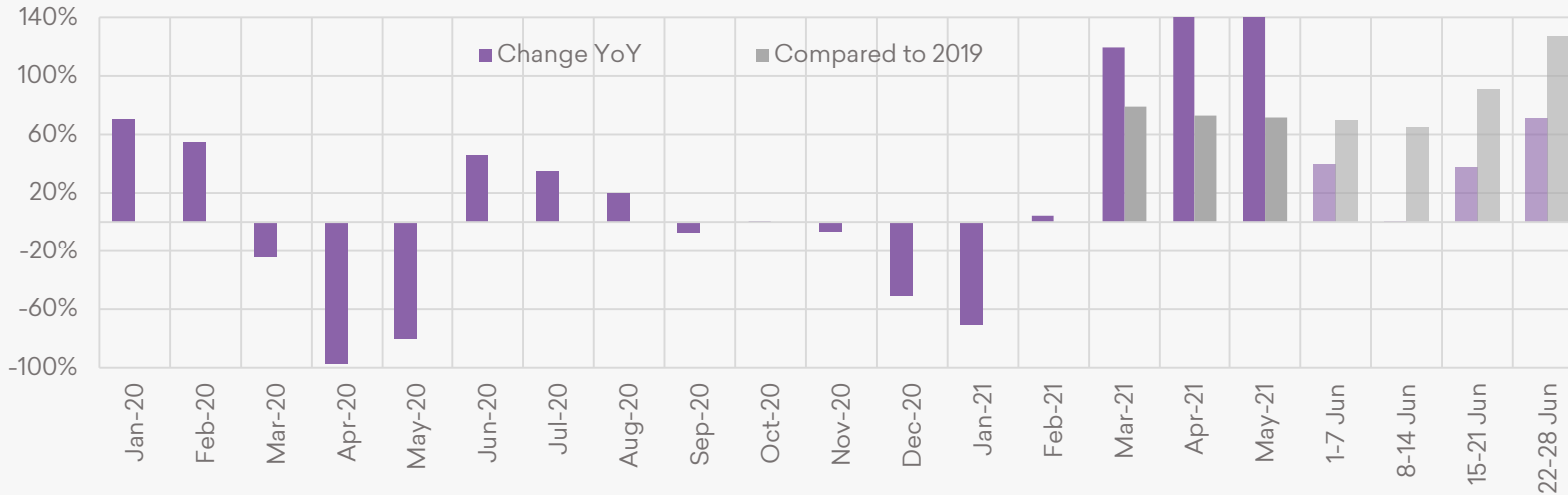
## Restaurants & Cafes: Non-cash spending



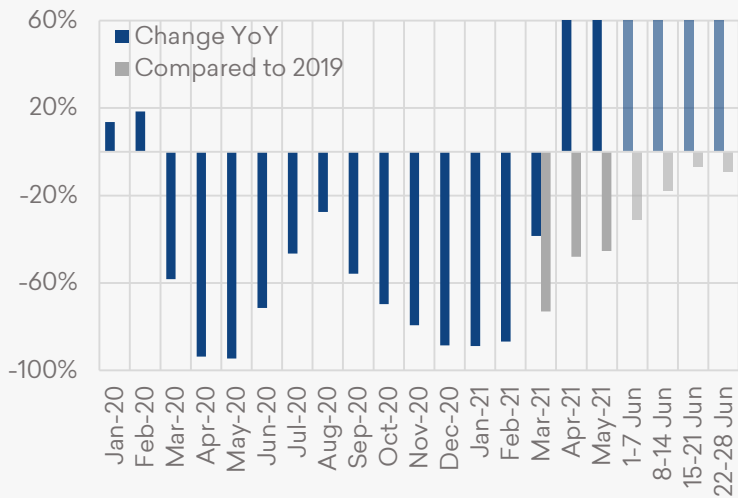
- Growth of non-cash spending on hotels on the positive territory through TBC Bank channels, posting a 12% increase in the fourth week of June
- Growth of non-cash spending on restaurants & cafes continued positive dynamics in the same period and posted a noticeable improvement, totaling 51%

# CHANGE OF NON-CASH SPENDING ON APPAREL & ACCESSORIES AND FITNESS POSTING A SIGNIFICANT IMPROVEMENT; NON-CASH SPENDING ON ENTERTAINMENT REMAINS ON NEGATIVE GROWTH TERRITORY

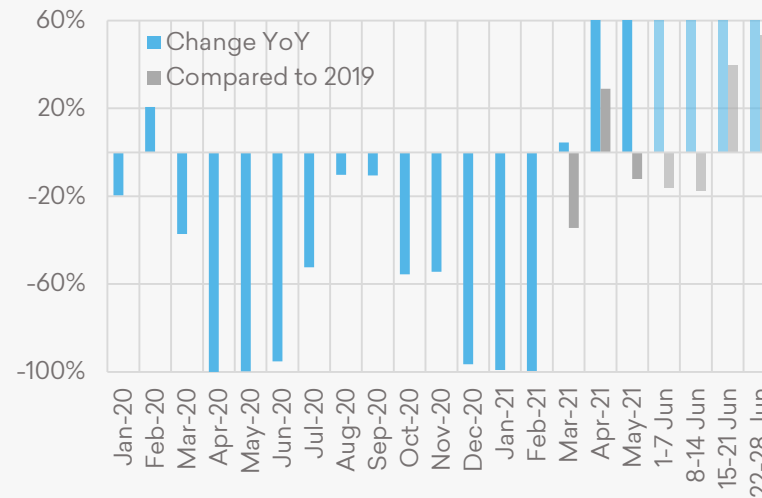
## Apparel & accessories: Non-cash spending



## Entertainment: Non-cash spending



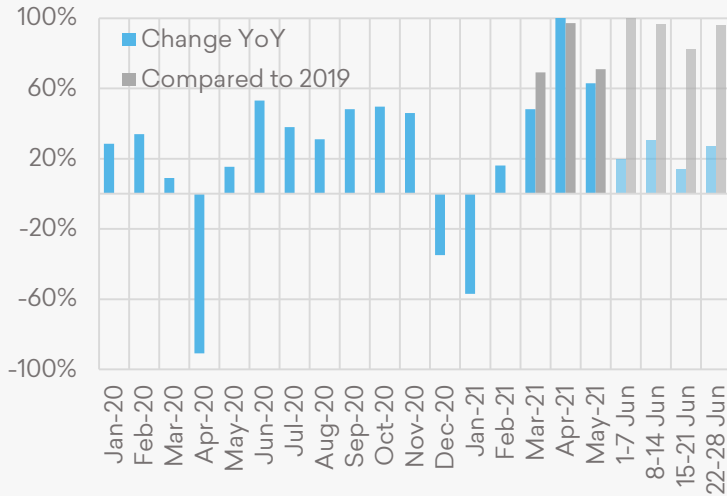
## Fitness: Non-cash spending



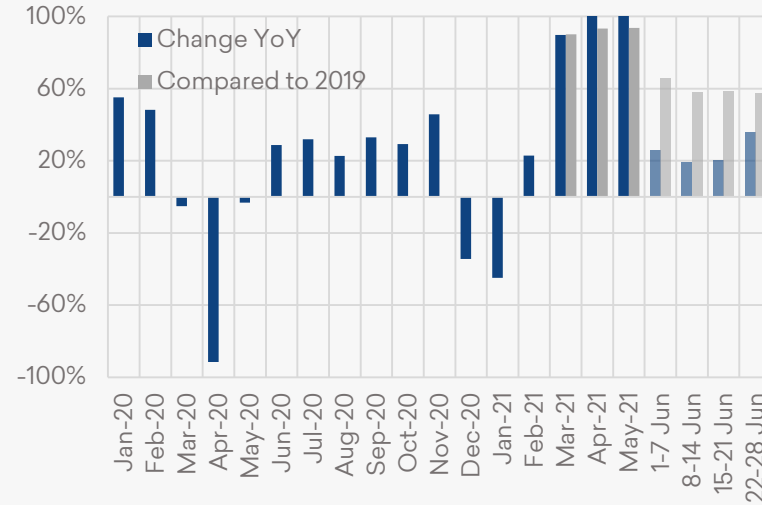
- Growth of non-cash spending on apparel doubled in 22-28 June period
- Non-cash spending on entertainment slowed its recovery and posted a 9% decrease in the same period
- Growth rate of non-cash spending on fitness remains on the positive territory, standing at 53% in the fourth week of June

# A NOTICEABLE INCREASE WAS OBSERVED IN NON-CASH SPENDING ON CATEGORIES OF CONSTRUCTION MATERIALS AND ELECTRONICS

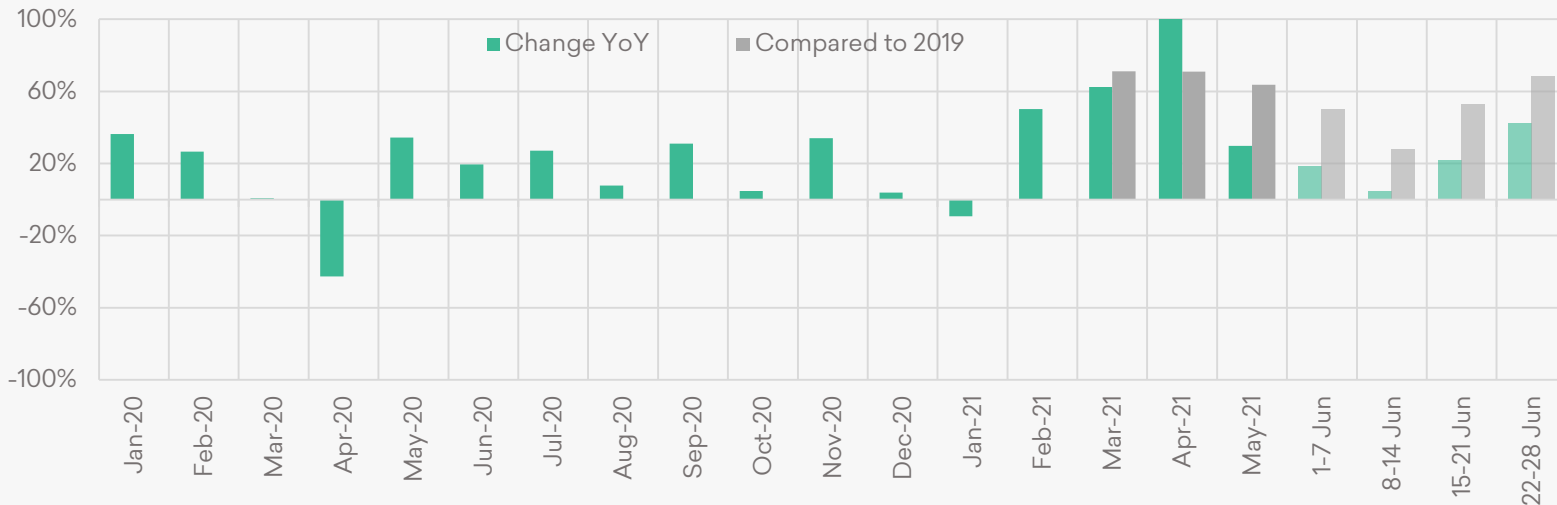
**Construction materials: Non-cash spending**



**Furniture & appliances: Non-cash spending**



**Electronics: Non-cash spending**

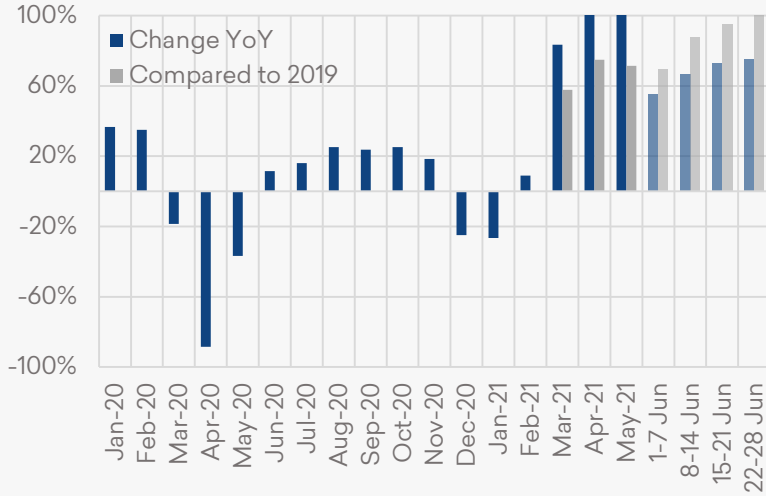


- Growth of non-cash spending on construction materials increased in the fourth week of June, totaling 96%
- Change of non-cash spending on furniture & appliances increased by 58%
- Non-cash spending on electronics totaled 69% in the same period

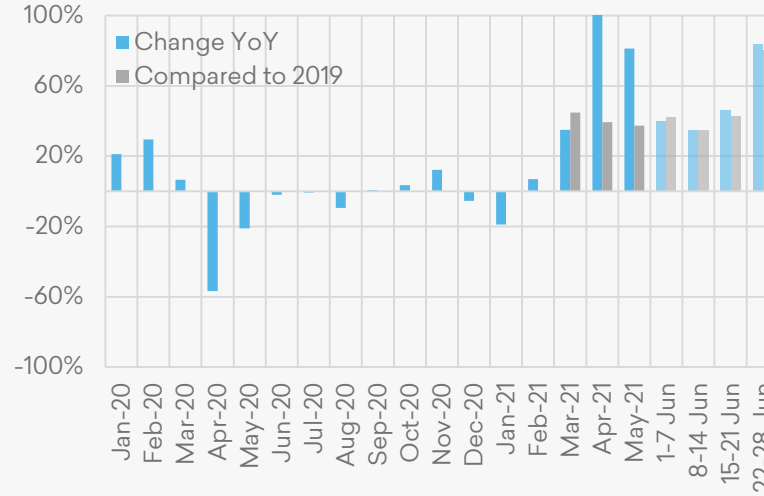


# NON-CASH SPENDING ON PERSONAL CARE DOUBLED IN THE FOURTH WEEK OF JUNE, WHILE A SOLID GROWTH WAS OBSERVED FOR NON-CASH SPENDING ON OTHER CONSUMER GOODS

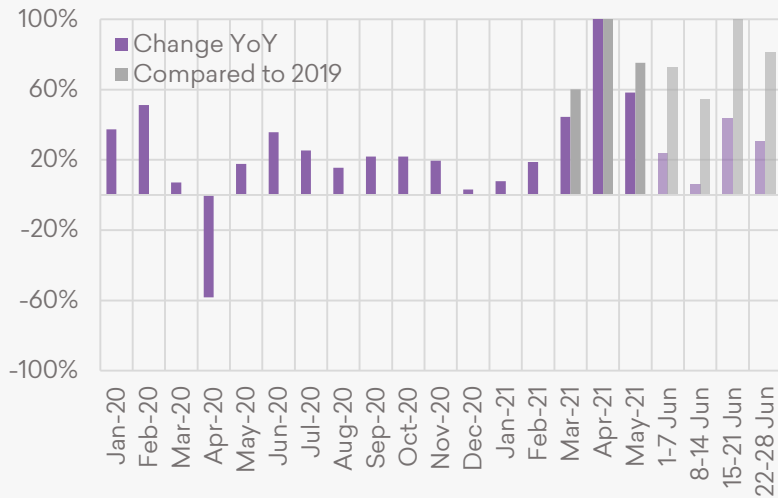
**Personal care: Non-cash spending**



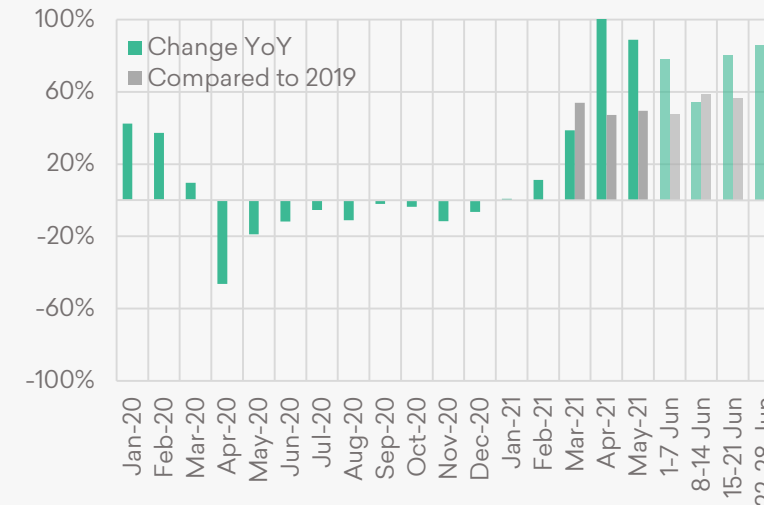
**Other consumer goods: Non-cash spending**



**Car repair: Non-cash spending**

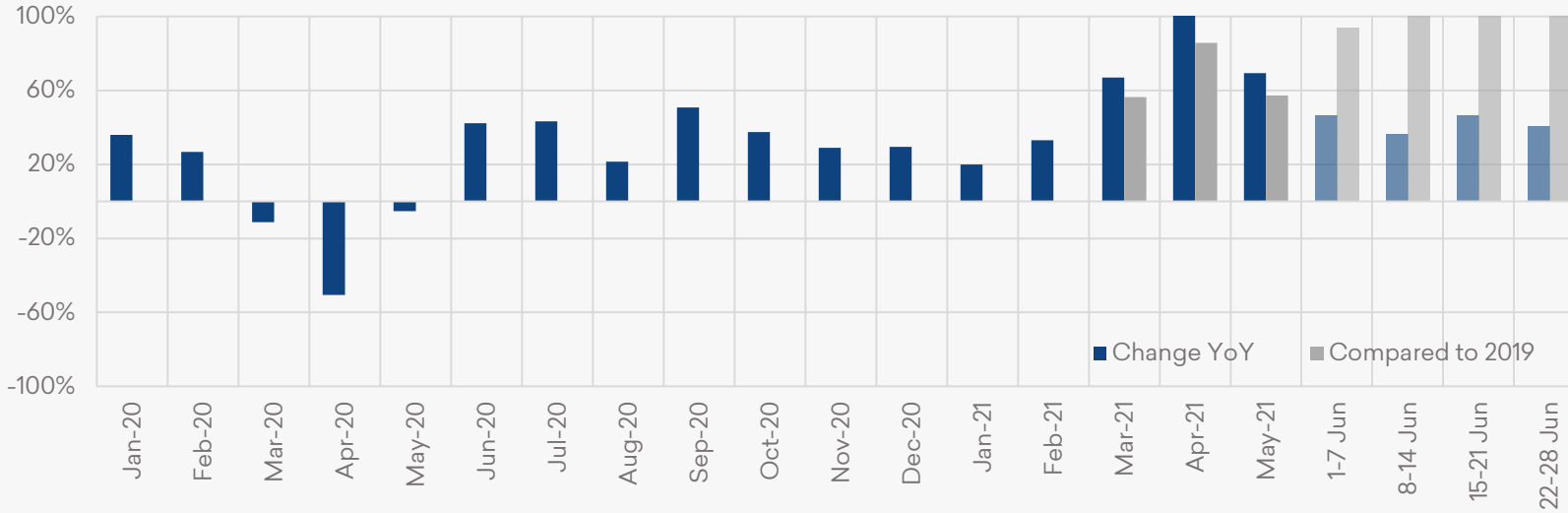


**Fuel & Transport: Non-cash spending**

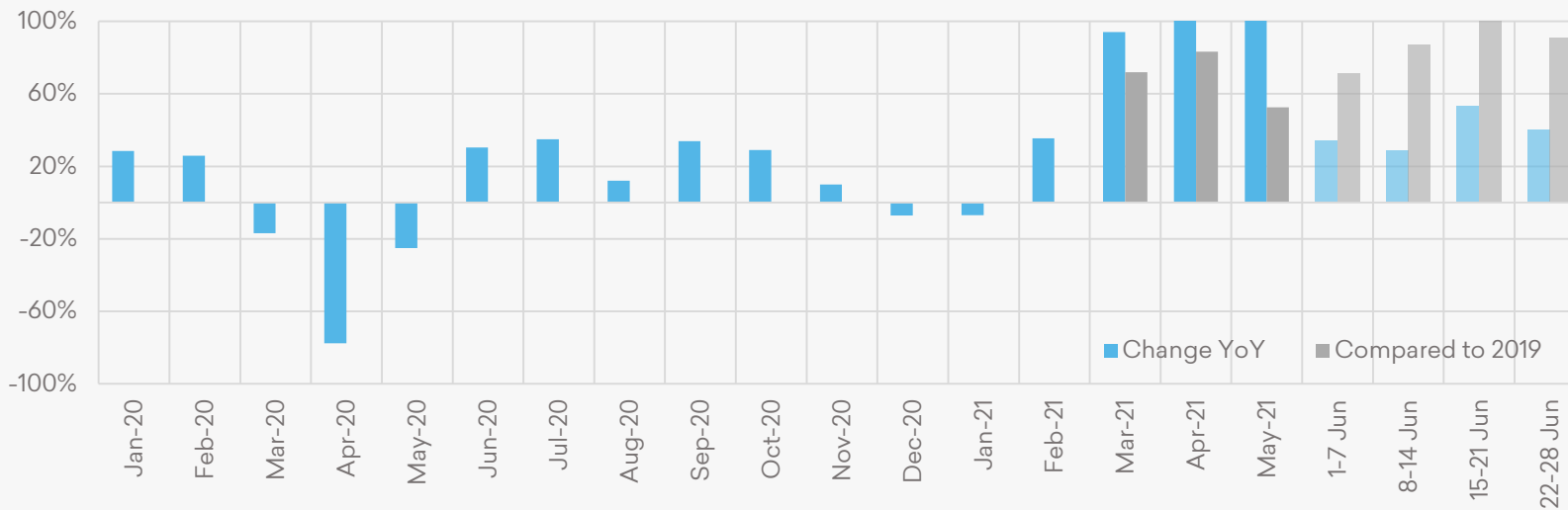


- Growth rate of non-cash spending on personal care stands above 100% in the 22-28 June period. Non-cash spending on other consumer goods posted a significant increase in the same period, totaling 80%
- Growth of non-cash expenditures on car repair slowed down in the fourth week of June
- Growth of non-cash spending on fuel and transport remains sizeable, standing at 55%

## Doctor visits: Non-cash spending

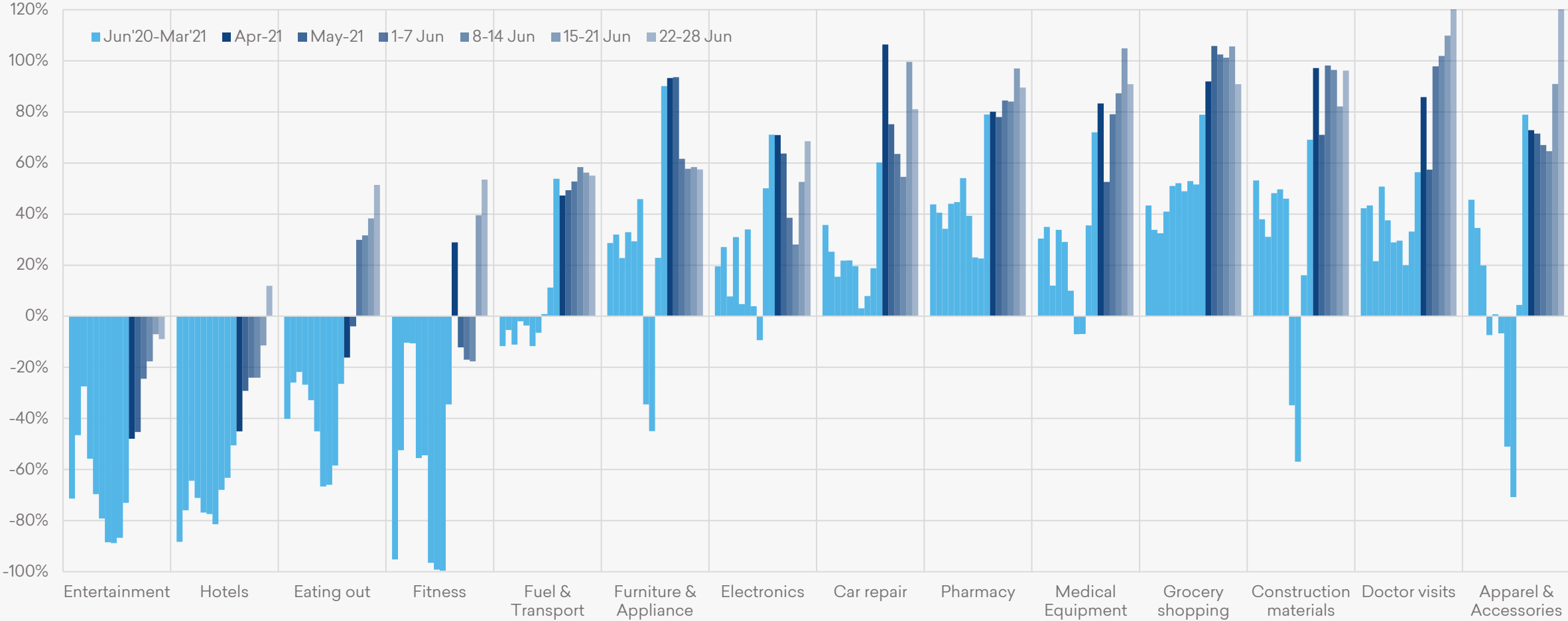


## Medical equipment: Non-cash spending



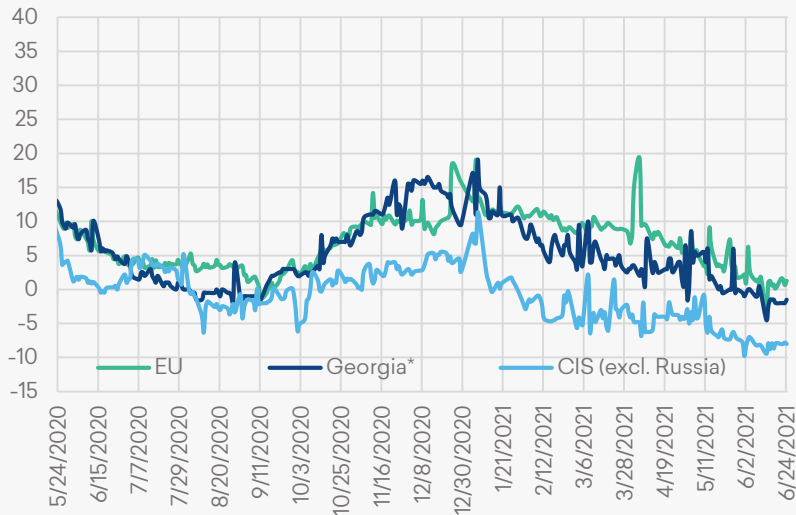
- Non-cash spending on doctor visits doubled in the fourth week of June, compared to 2019
- Growth of non-cash spending on medical equipment had a minor decline, standing on 91%

Dynamics of non-cash spending (YoY change, Growth compared to 2019 starting from March)

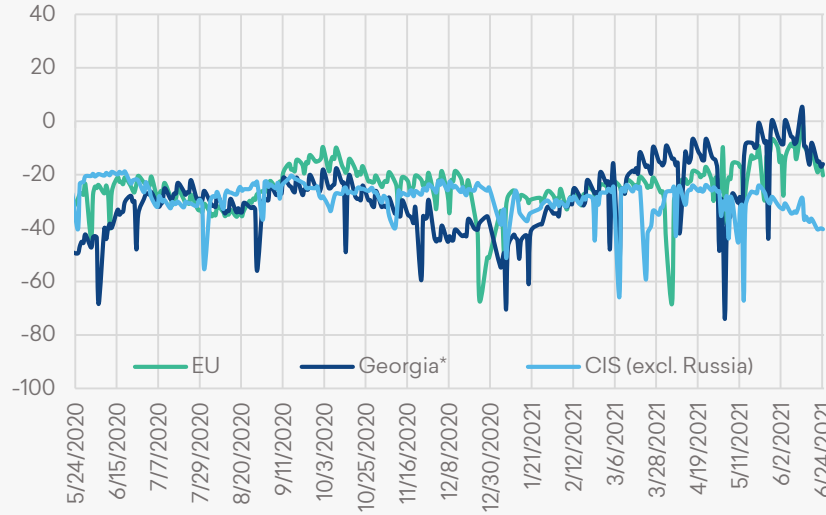


Source: TBC Bank

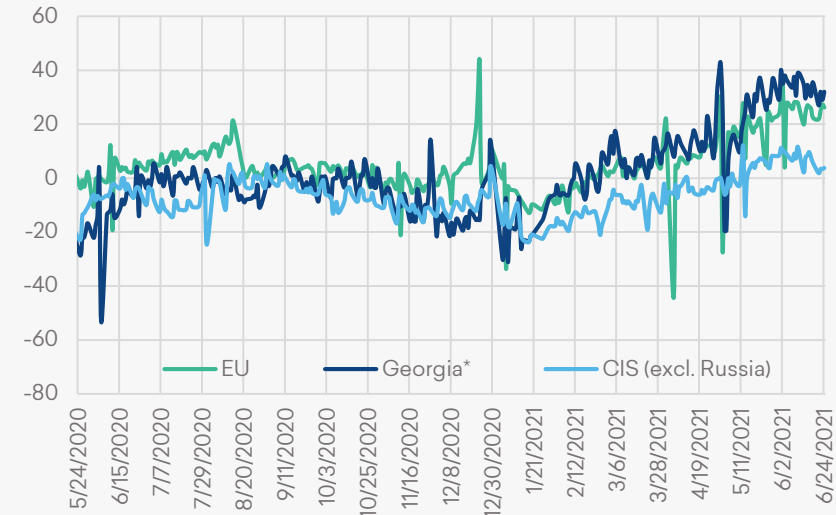
**Mobility in residential area (Change %)**



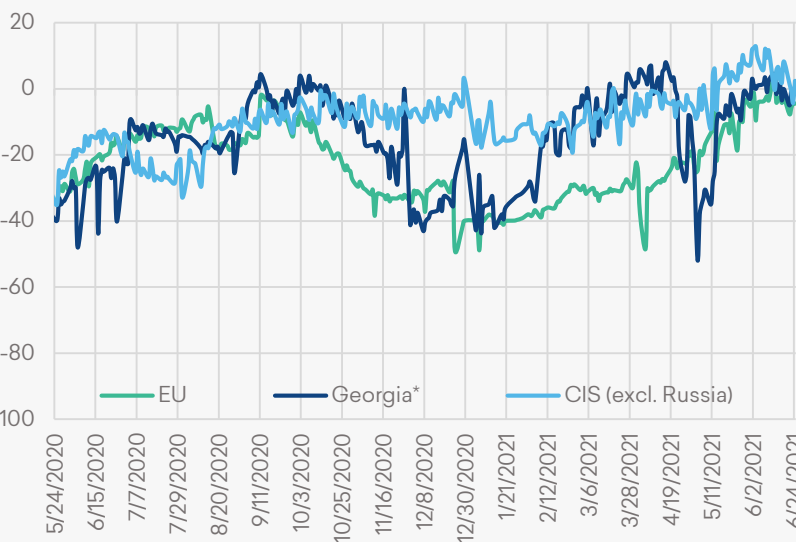
**Mobility in working places (Change %)**



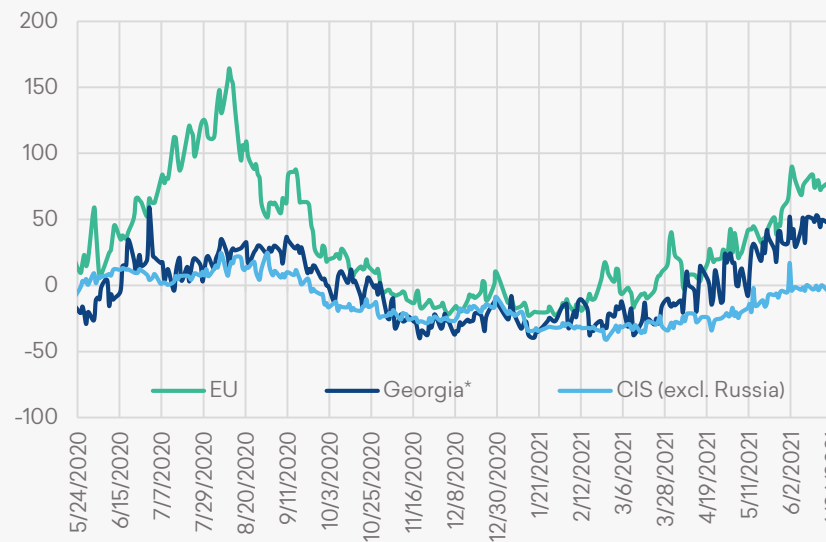
**Mobility in grocery and pharmacy (Change %)**



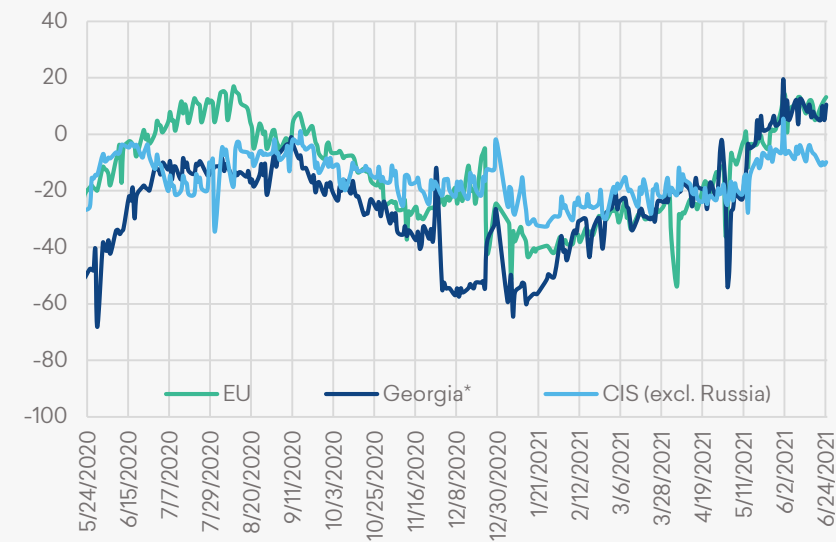
**Mobility in transit stations (Change %)**



**Mobility in parks and recreational area (Change %)**



**Mobility in retail & recreation (Change %)**



Source: Google; Note: Change compared to first 5 weeks of 2020; \*Data for Georgia is unavailable from 5/19/2020 to 7/2/2020

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