



MACROECONOMICS

Tracking The Recovery

04.06.2021

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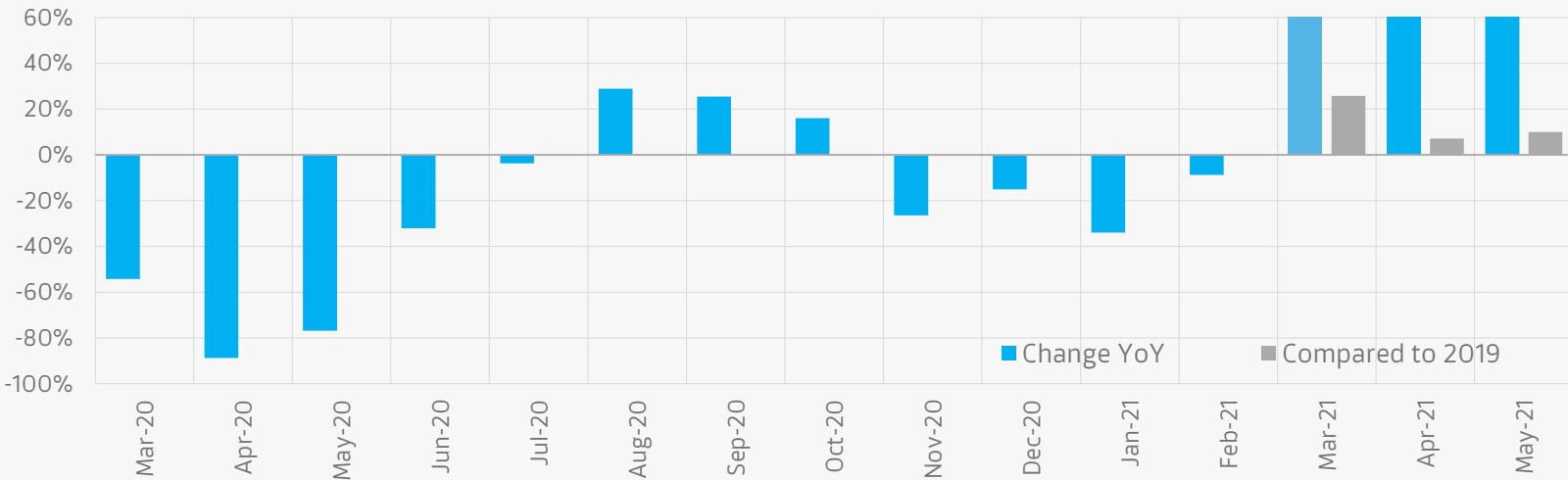
KEY DEVELOPMENTS

- **New mortgage issuance on positive growth territory in May, up 10% relative to 2019**
- **Non-resident non-cash spending improved significantly in May and rose to -44.7%, up from -56.4% in April**
- **Non-cash spending on restaurants posted a solid growth**
- **Growth of non-cash spending on fitness slowed down, albeit still on positive territory; Growth rate of non-cash spending on entertainment posted a slight improvement**
- **Growth of non-cash spending up for furniture and appliances; Dynamics broadly unchanged for construction materials and electronics**
- **Remittance inflows maintained a double-digit growth by the end of May**

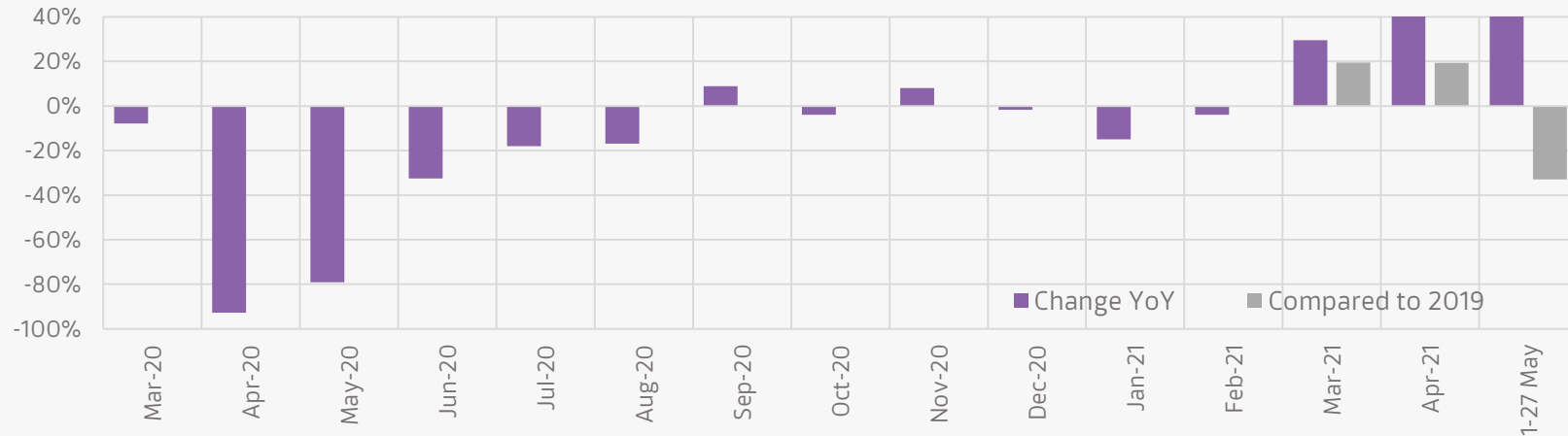
Note: Sector growth is based on POS and E-commerce payments through TBC channels; Growth rates may differ from total turnover dynamics due to the changing share of non-cash transactions and TBC market share

NEW MORTGAGE ISSUANCE ON POSITIVE GROWTH TERRITORY IN MAY; NUMBER OF RESIDENTIAL PROPERTIES SOLD POSTED A DECREASE, PARTIALLY ATTRIBUTABLE TO THE HIGH BASE OF MAY 2019

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

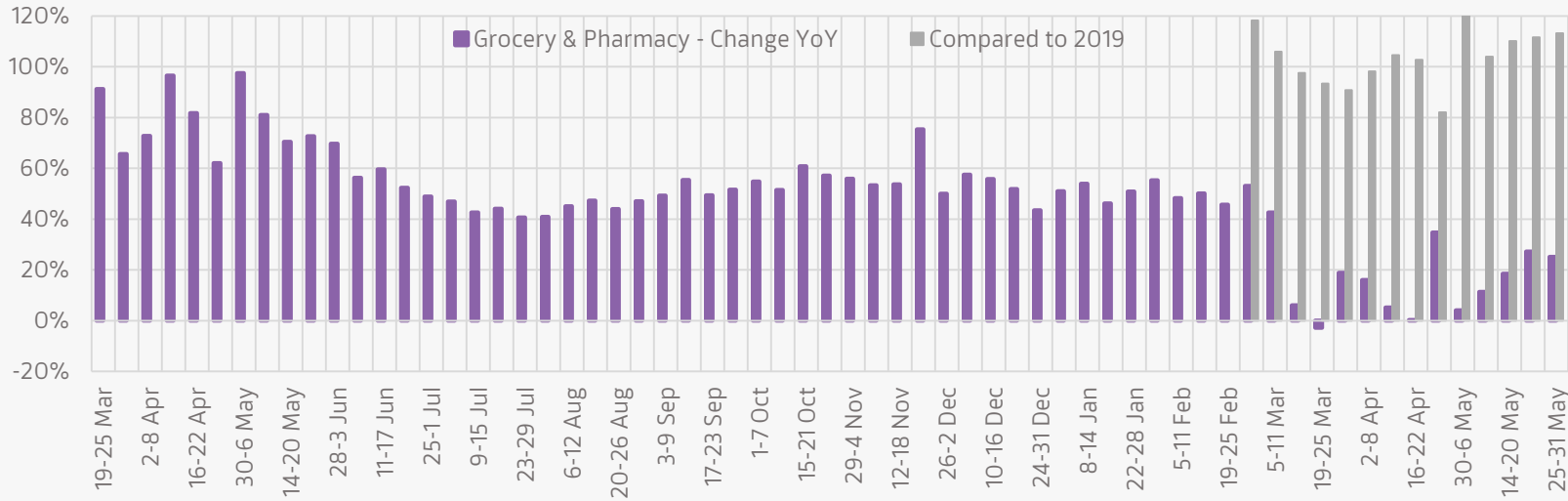


Number of residential properties sold in Tbilisi
(% Change)

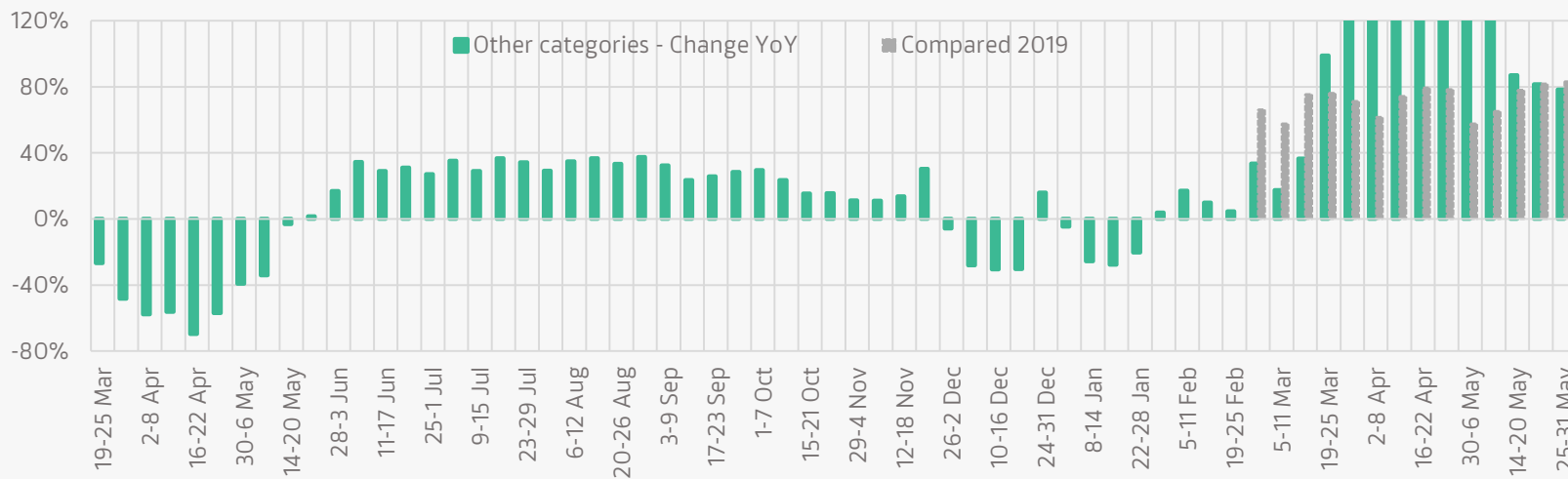


- New mortgage issuance on positive growth territory in May, up 10%
- On the other hand, number of residential real estate transactions are down in Tbilisi, but with growth still high on an annual basis. The decline relative to 2019 is partially explained by the high base of transactions in May 2019

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



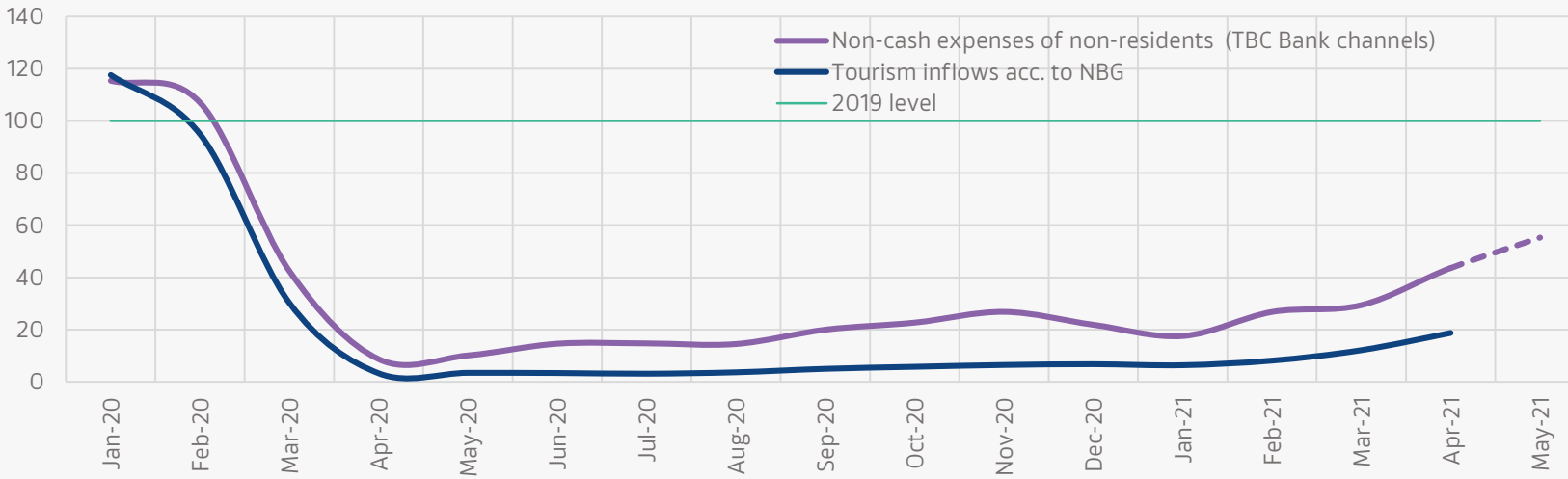
Categories excluding Grocery & Pharmacy: Resident non-cash spending (% Change)



- Non-cash spending by residents on grocery & pharmacy rose by 25% YoY in the 25-31 May period
- Growth of non-cash spending on categories excluding grocery and pharmacy stabilized, standing at 78% YoY in the same period

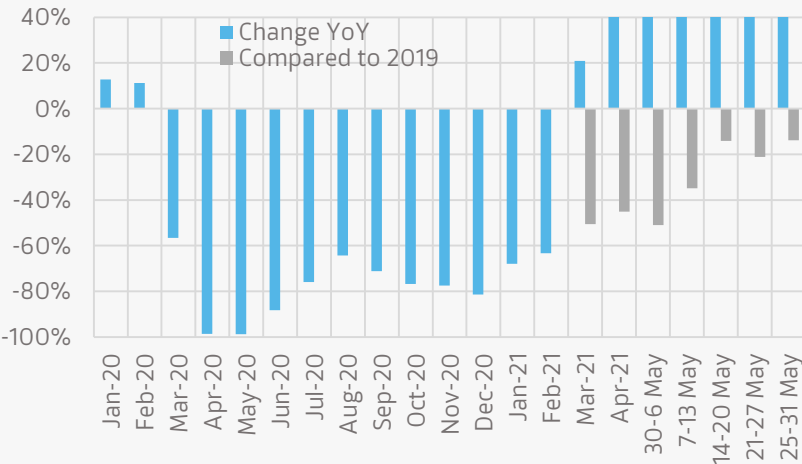
NON-RESIDENT NON-CASH SPENDING IMPROVED SIGNIFICANTLY IN MAY AS COMPARED TO APRIL; NON-CASH SPENDING ON RESTAURANTS POSTED A SOLID GROWTH

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

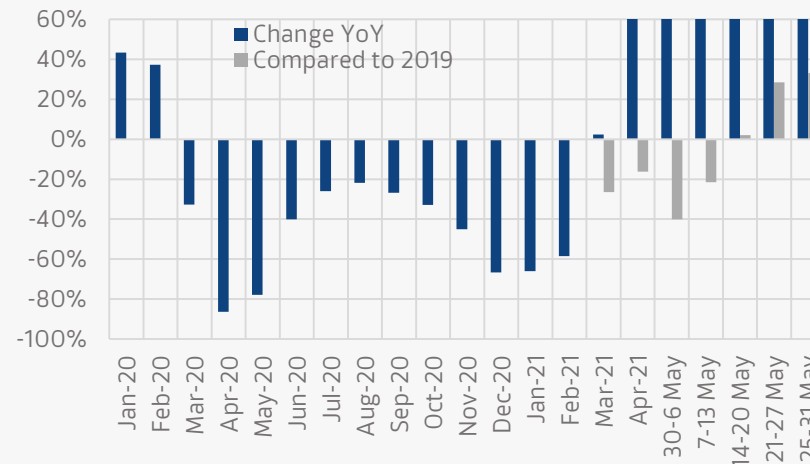


- Growth rate of non-cash spending by non-residents totaled -44.7% in May, up from -56.4% in April
- Growth of non-cash spending on hotels stood at -14% in the last week of May, up compared to previous week
- Non-cash spending on restaurants & cafes encompassed a high growth (at 33%), fueled by the eased restrictions and pent-up demand

Hotels: Non-cash spending

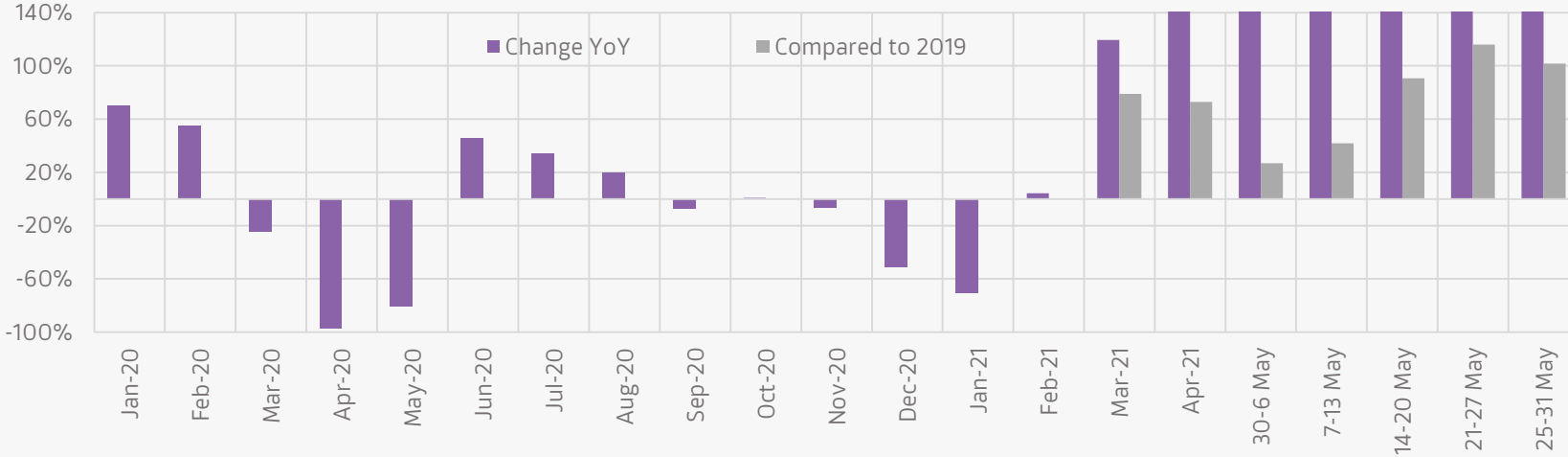


Restaurants & Cafes: Non-cash spending

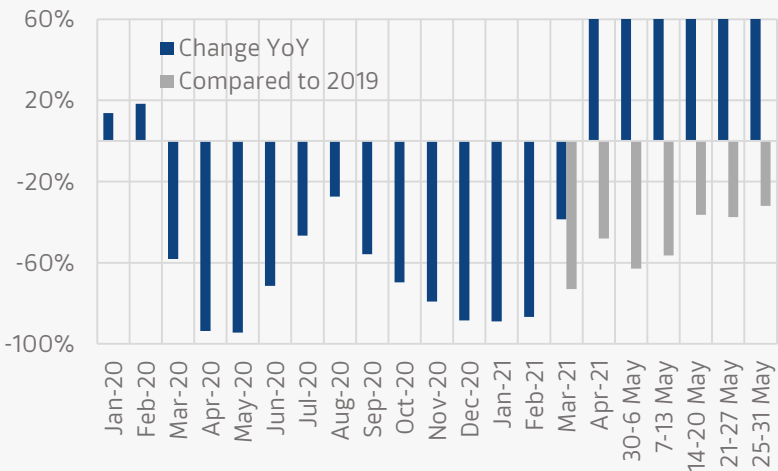


GROWTH OF NON-CASH SPENDING ON FITNESS SLOWED DOWN, ALBEIT STILL ON POSITIVE TERRITORY; GROWTH RATE OF NON-CASH SPENDING ON ENTERTAINMENT POSTED A SLIGHT IMPROVEMENT

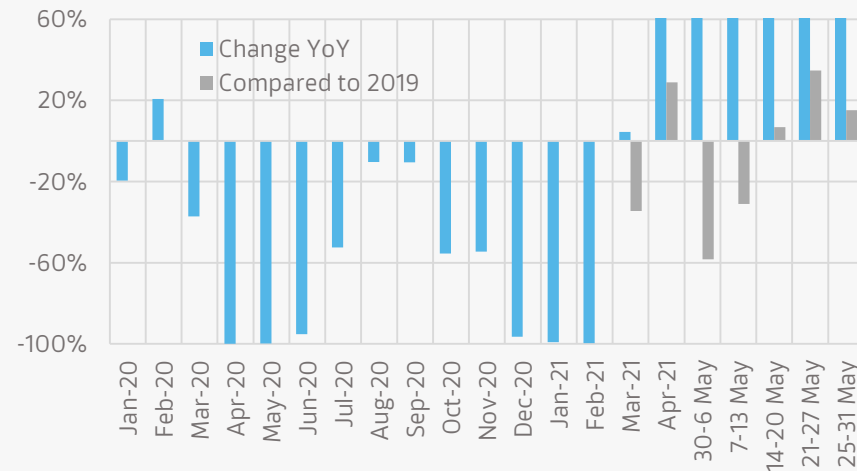
Apparel & accessories: Non-cash spending



Entertainment: Non-cash spending



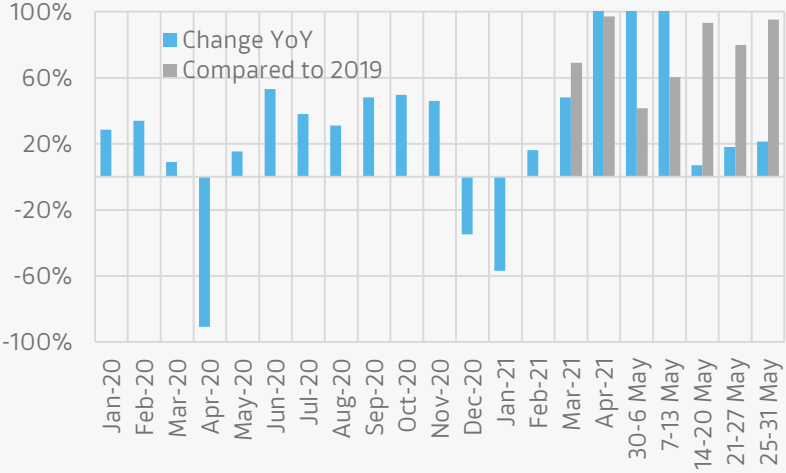
Fitness: Non-cash spending



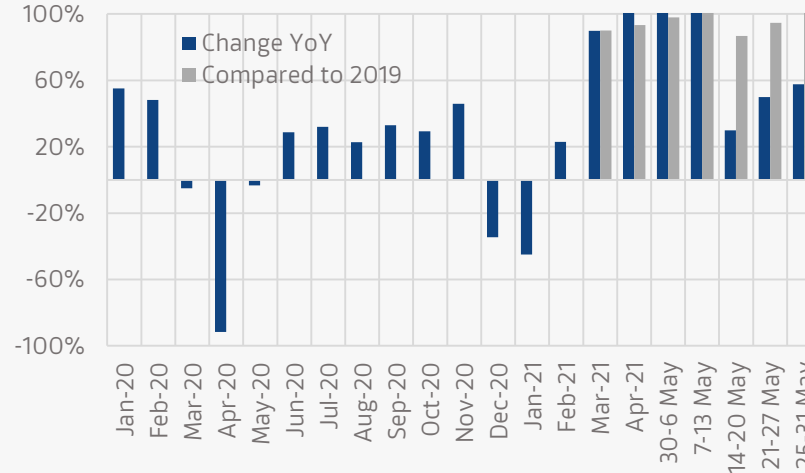
- Non-cash spending on apparel doubled in the period of 25-31 May
- Growth rate of non-cash spending on entertainment stood at -32% in the same period, up marginally compared to previous week
- Growth rate of non-cash spending on fitness slowed down and totaled 15%, down from 35% in the previous week

GROWTH OF NON-CASH SPENDING UP FOR FURNITURE AND APPLIANCES; DYNAMICS BROADLY UNCHANGED FOR CONSTRUCTION MATERIALS AND ELECTRONICS

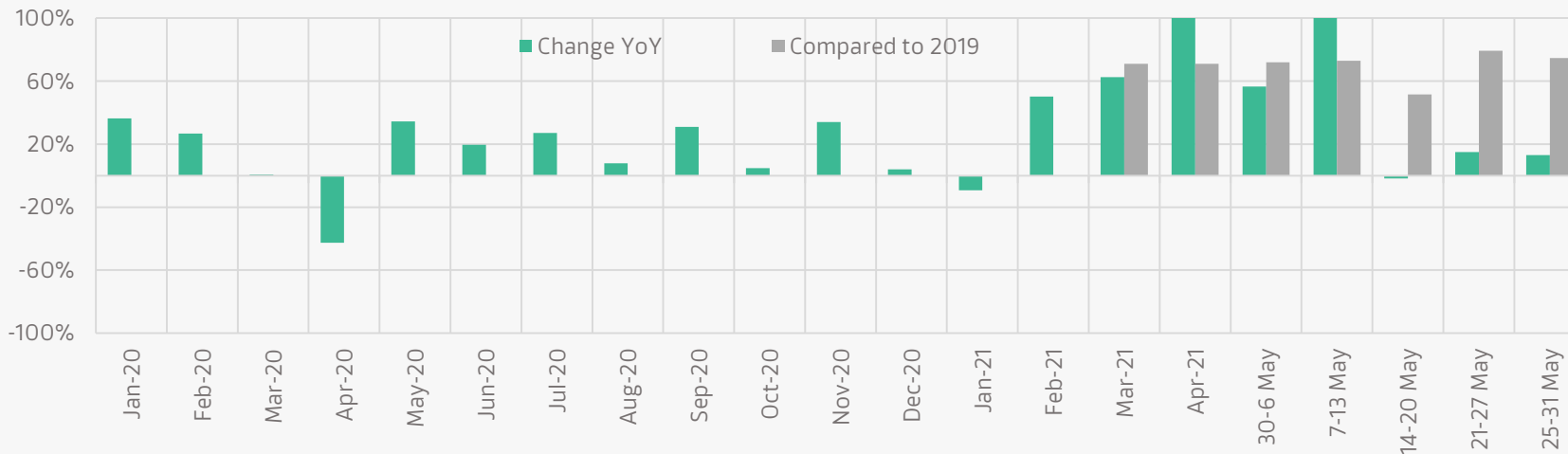
Construction materials: Non-cash spending



Furniture & appliances

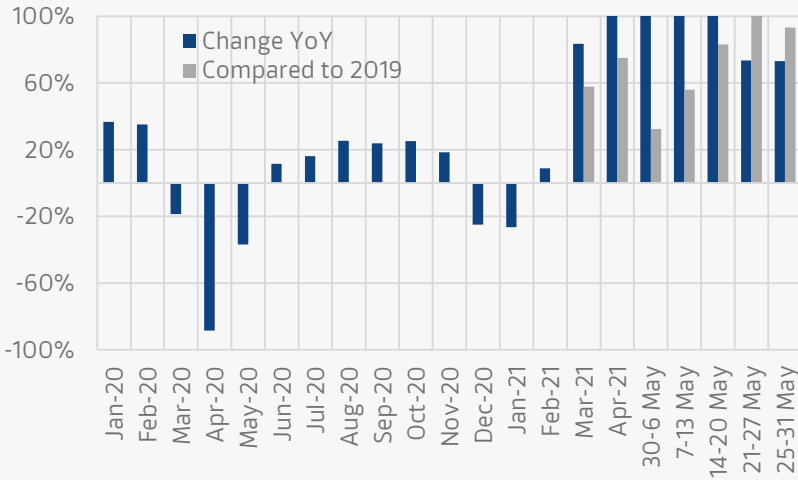


Electronics

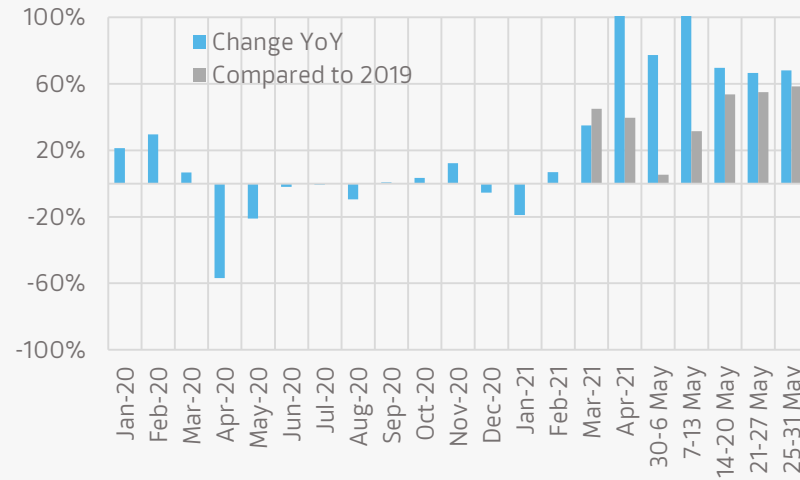


- Non-cash spending on construction materials at 21% YoY in the period of 25-31 May
- Growth of non-cash spending on furniture & appliances rose to 58% YoY in the last week of May
- Non-cash spending on electronics totaled 13% YoY in the same period, down marginally from previous week

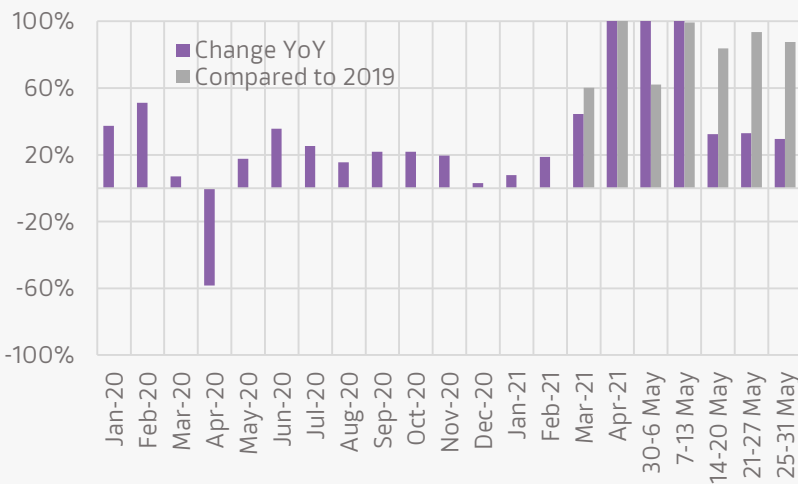
Personal care: Non-cash spending



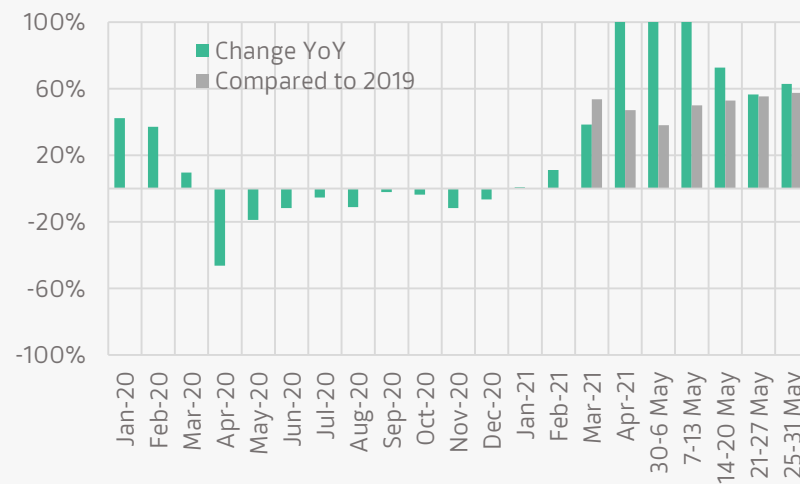
Other consumer goods: Non-cash spending



Car repair: Non-cash spending



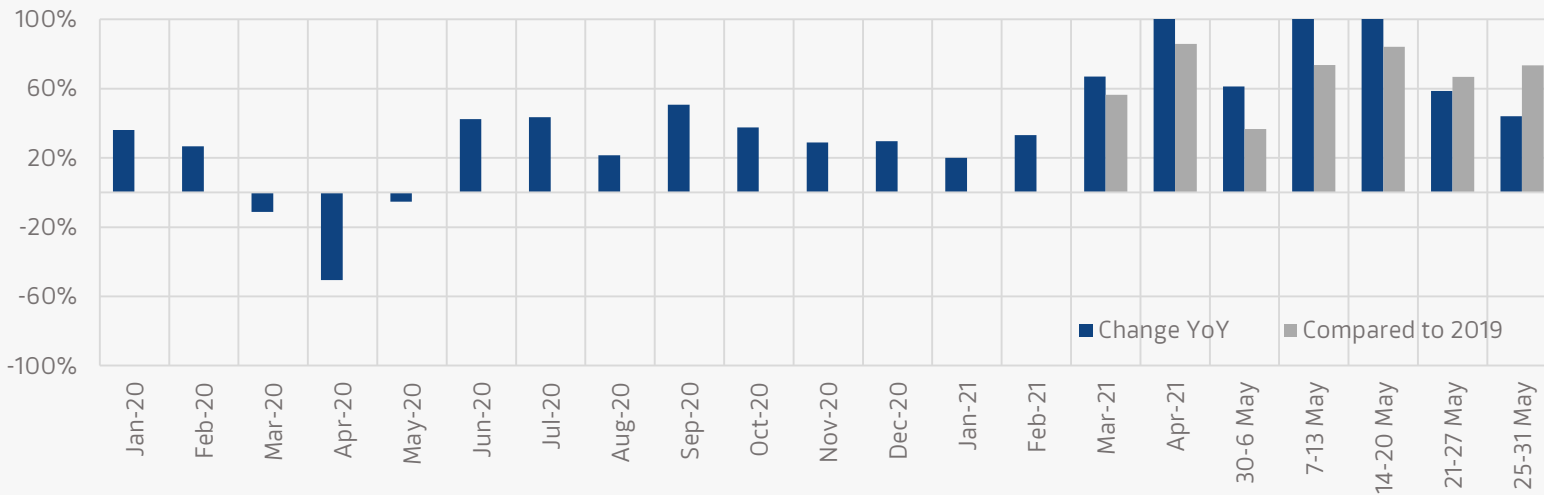
Fuel & Transport: Non-cash spending



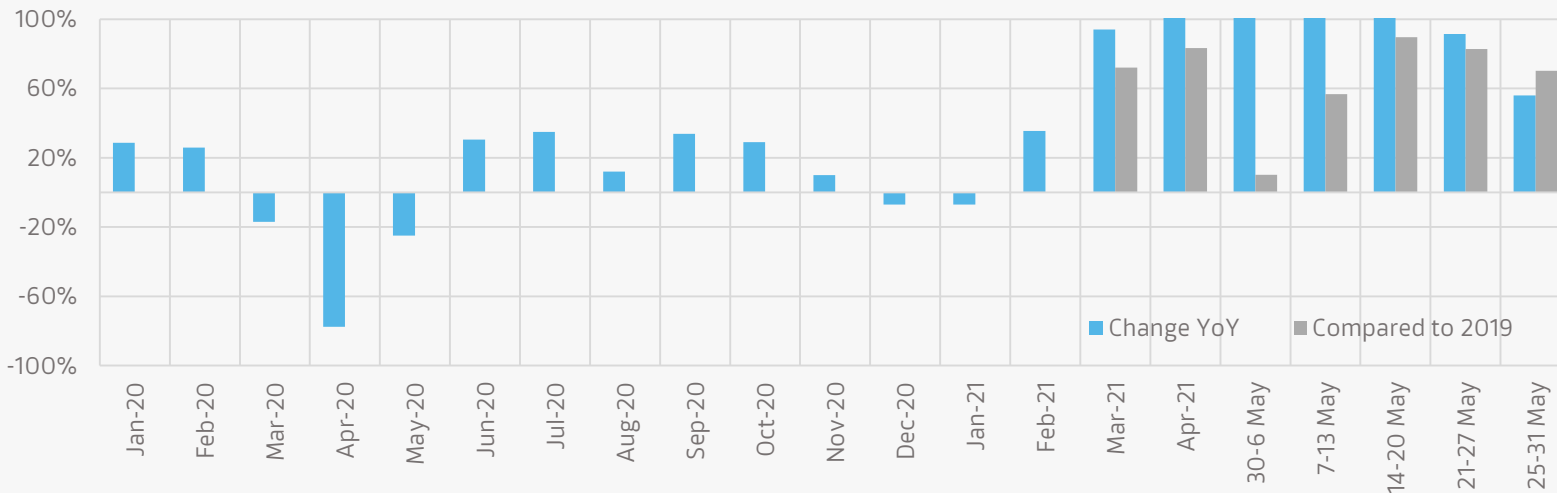
- Growth rate of non-cash spending on personal care totaled 73% YoY in the period of 25-31 May. Non-cash spending on other consumer goods increased by 68% YoY in the same period
- Non-cash spending on car repair services stood at 29% YoY in the last week of May
- Non-cash expenditure on fuel and transport stabilized by the end of May, at 63% YoY

GROWTH RATE OF NON-CASH SPENDING ON DOCTOR VISITS AND MEDICAL EQUIPMENT DECREASED RELATIVE TO THE PREVIOUS WEEK

Doctor visits: Non-cash spending

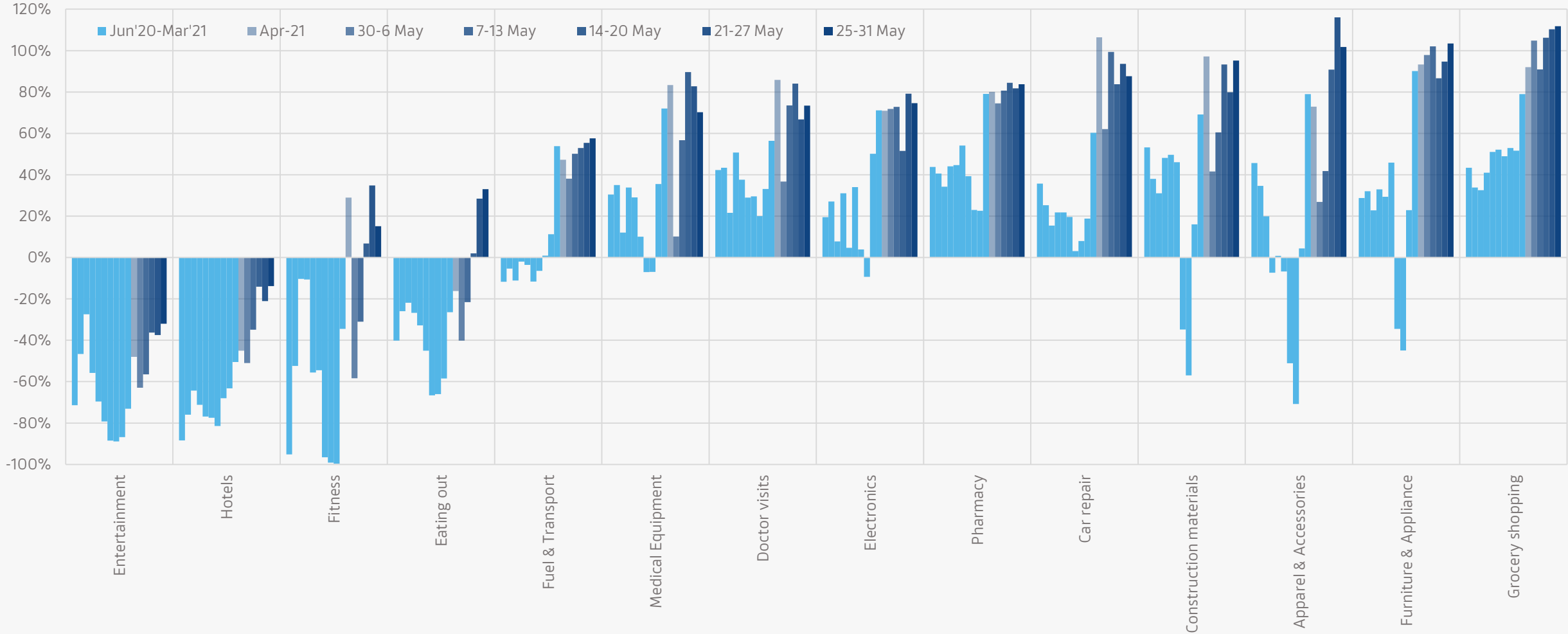


Medical equipment: Non-cash spending



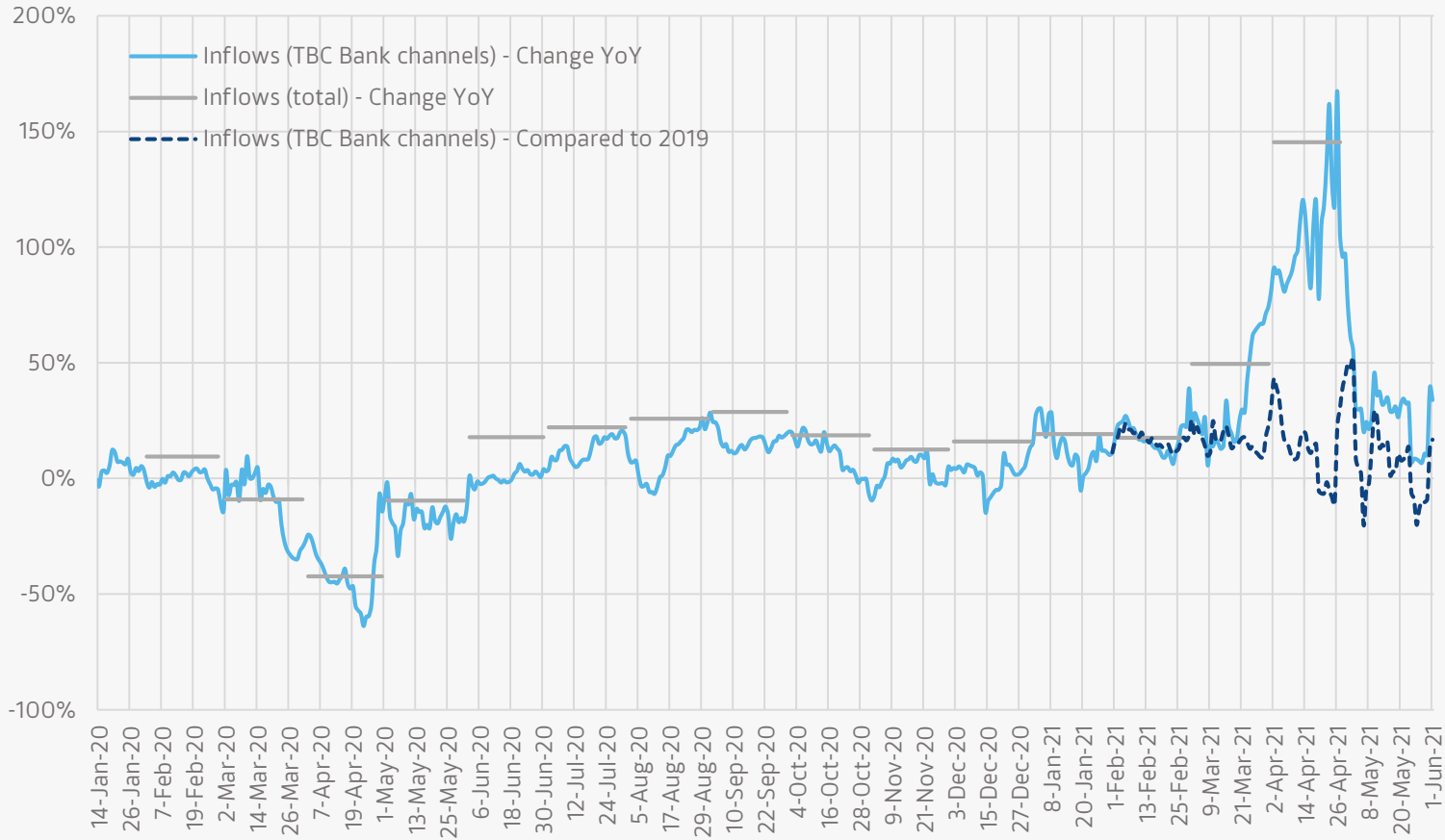
- Growth of non-cash spending on doctor visits stood at 44% YoY in the period of 25-31 May
- Growth of non-cash spending on medical equipment at 56% YoY, down noticeably compared to the previous week

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



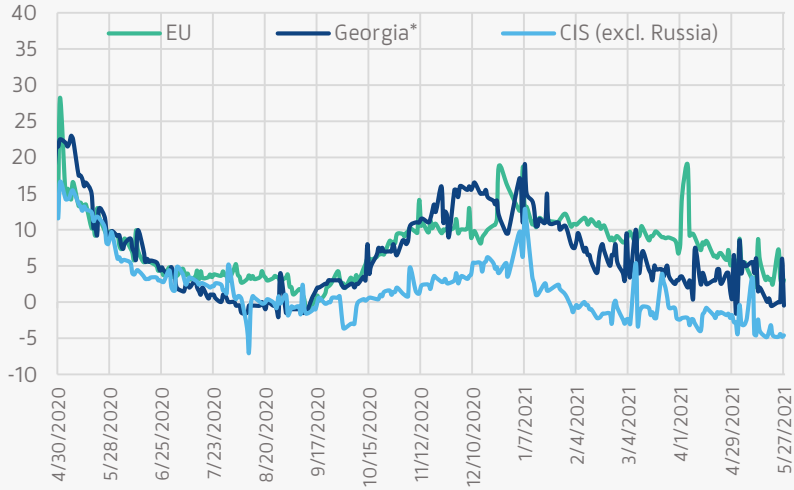
Source: TBC Bank

Dynamics of remittances – USD volumes (7 day MA, YoY %)

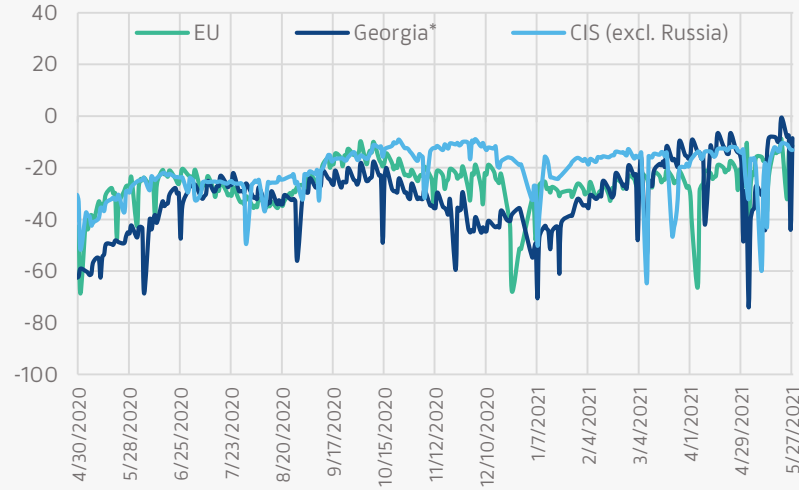


- Total inflows through TBC channels increased by 17% relative to 2019 in the week ending on the 1st of June (+34% YoY)

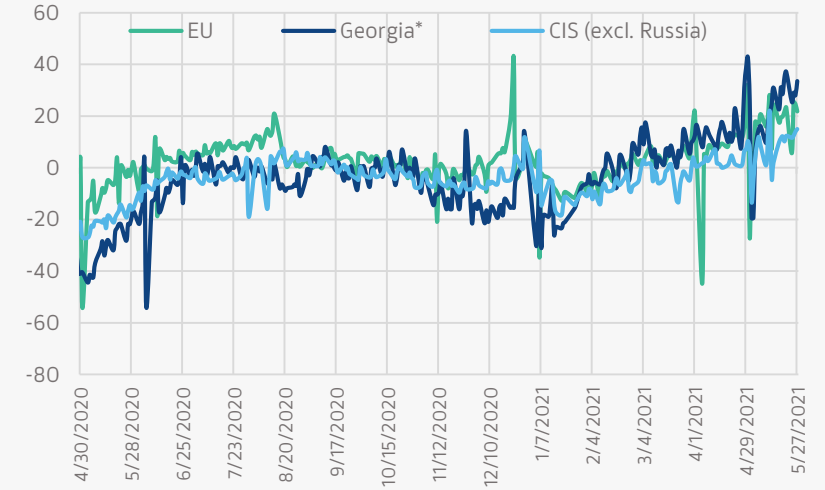
Mobility in residential area (Change %)



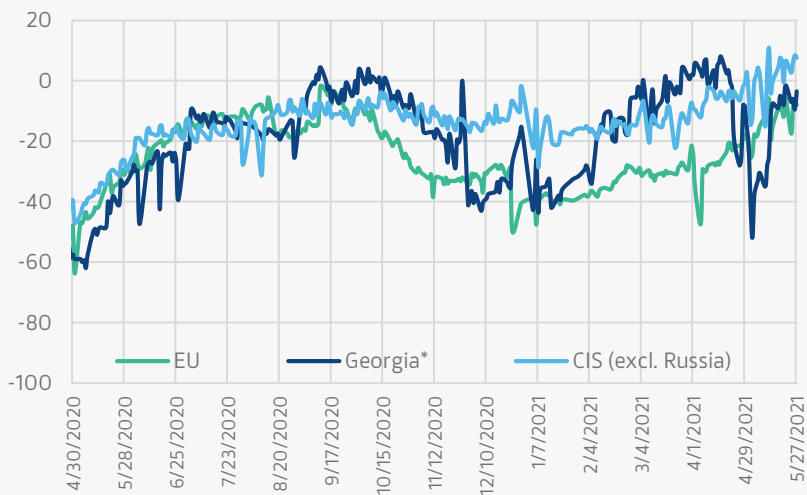
Mobility in working places (Change %)



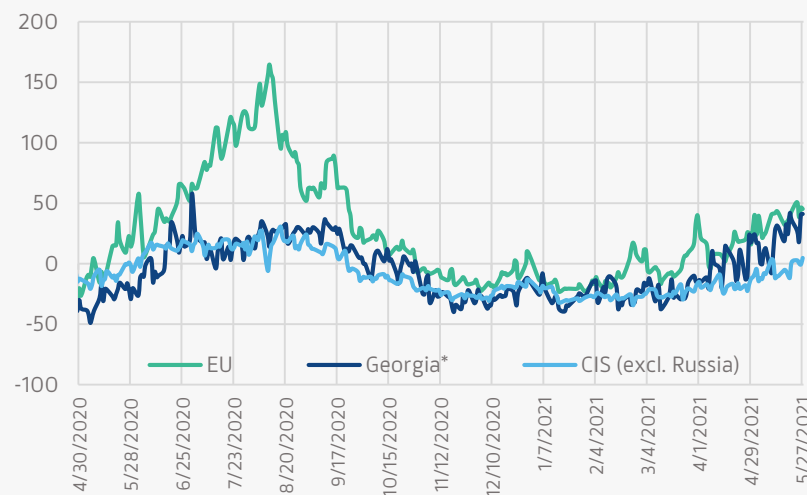
Mobility in grocery and pharmacy (Change %)



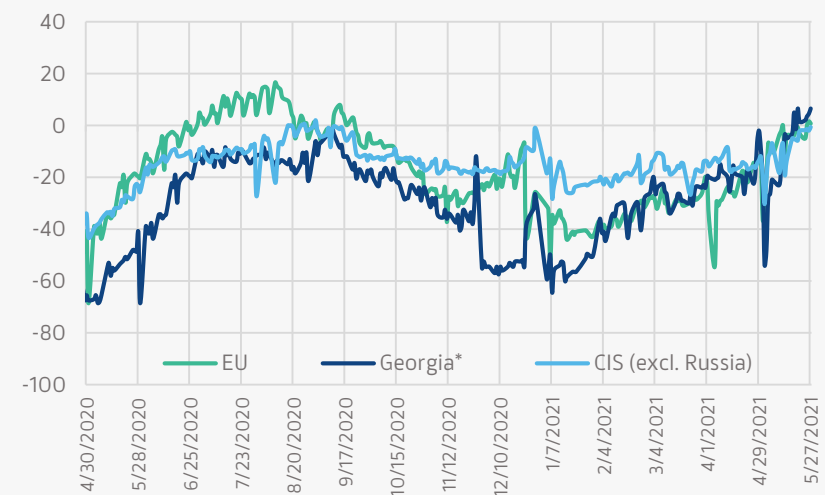
Mobility in transit stations (Change %)



Mobility in parks and recreational area (Change %)



Mobility in retail & recreation (Change %)



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