



MACROECONOMICS

Tracking The Recovery

23.04.2021

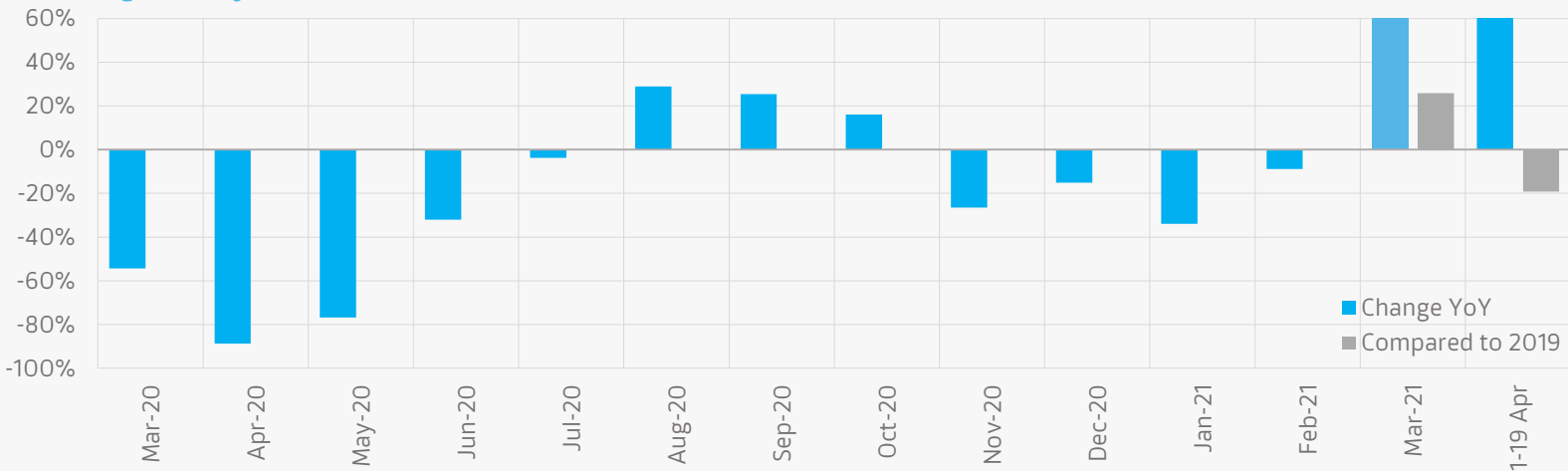
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KEY DEVELOPMENTS

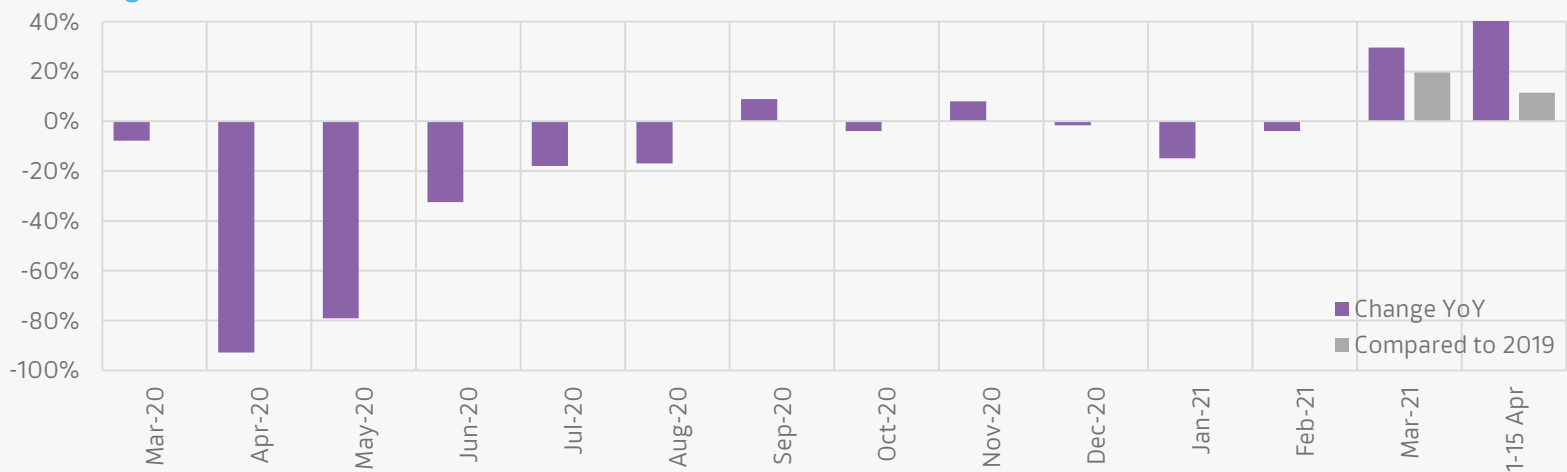
- **New mortgage issuance weakened in the first two weeks of April**
- **Annual change of non-cash spending on grocery & pharmacy on the negative territory due to the high base in 2020, while remaining sizable compared to 2019**
- **Non-cash expenses by non-residents improved noticeably in April; growth slightly up for restaurants, but marginally down for hotels compared to the previous week**
- **Non-cash spending on entertainment strengthening over the last two weeks; growth back on the positive territory for non-cash spending on fitness**
- **Growth remains sizable for non-cash spending on construction materials and household durables**
- **Remittance inflows continue to maintain double-digit growth**

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

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



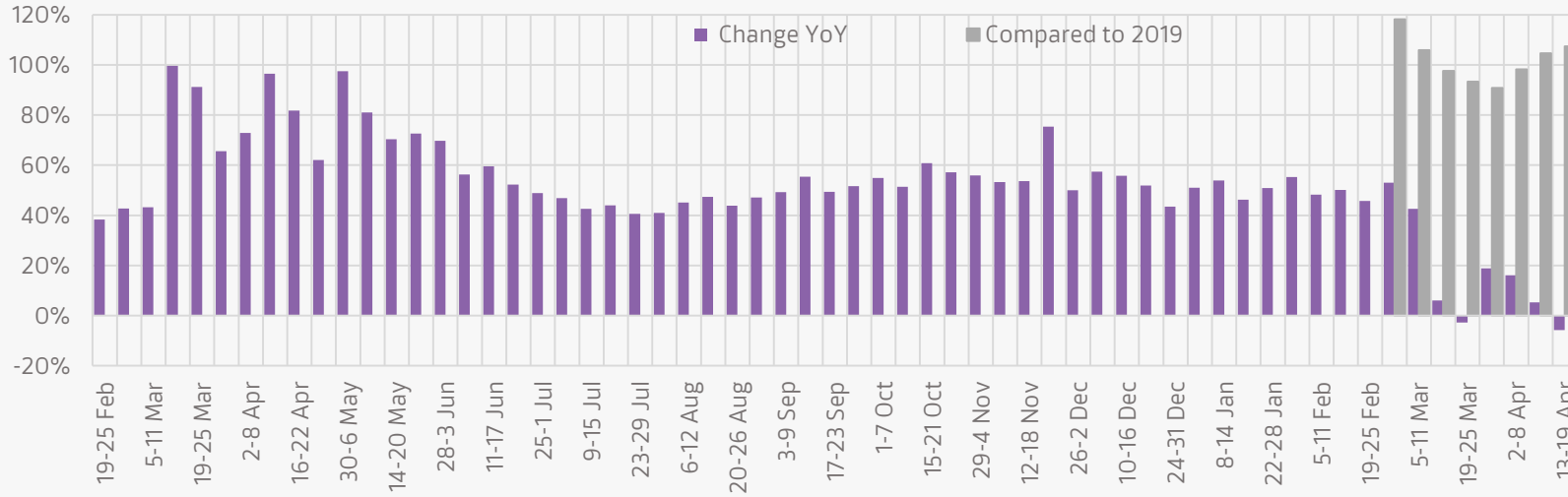
Number of residential properties sold in Tbilisi
(% Change)



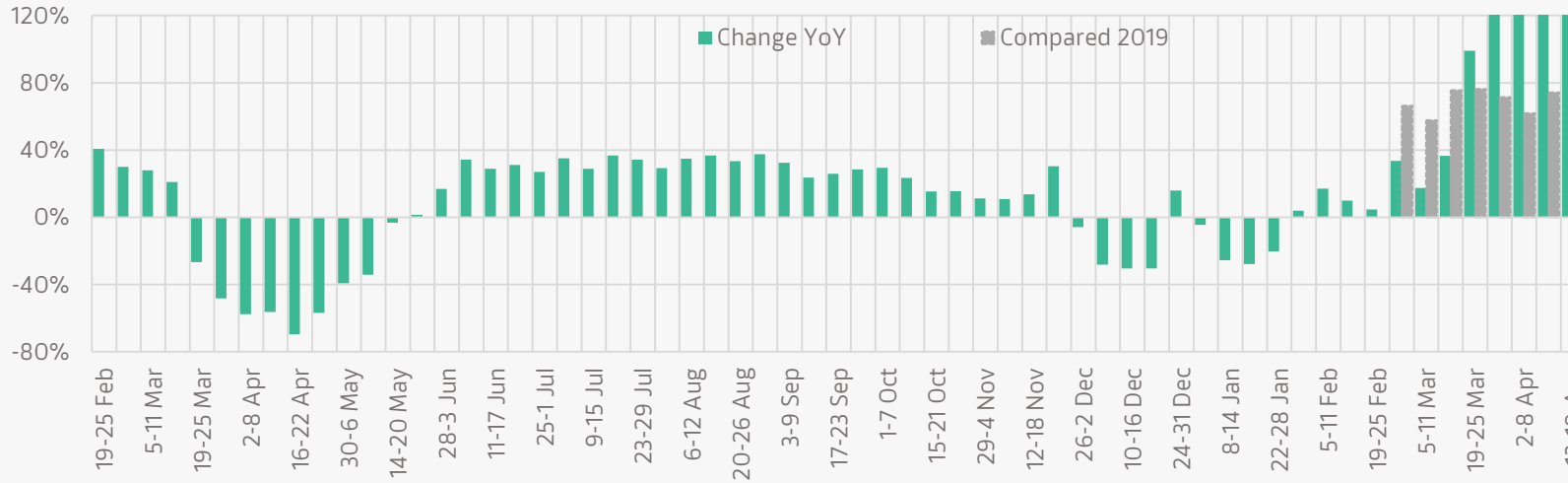
- The value of new mortgages issued was down by -19.2% in the period of 1-19 April, relative to 2019 (5x increase YoY)
- Tbilisi’s residential real estate transactions posted a 11.5% increase in the period of 1-15 April, as compared to 2019

ANNUAL CHANGE OF NON-CASH SPENDING ON GROCERY & PHARMACY ON THE NEGATIVE TERRITORY DUE TO THE HIGH BASE IN 2020, REMAINING SIZABLE COMPARED TO 2019

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



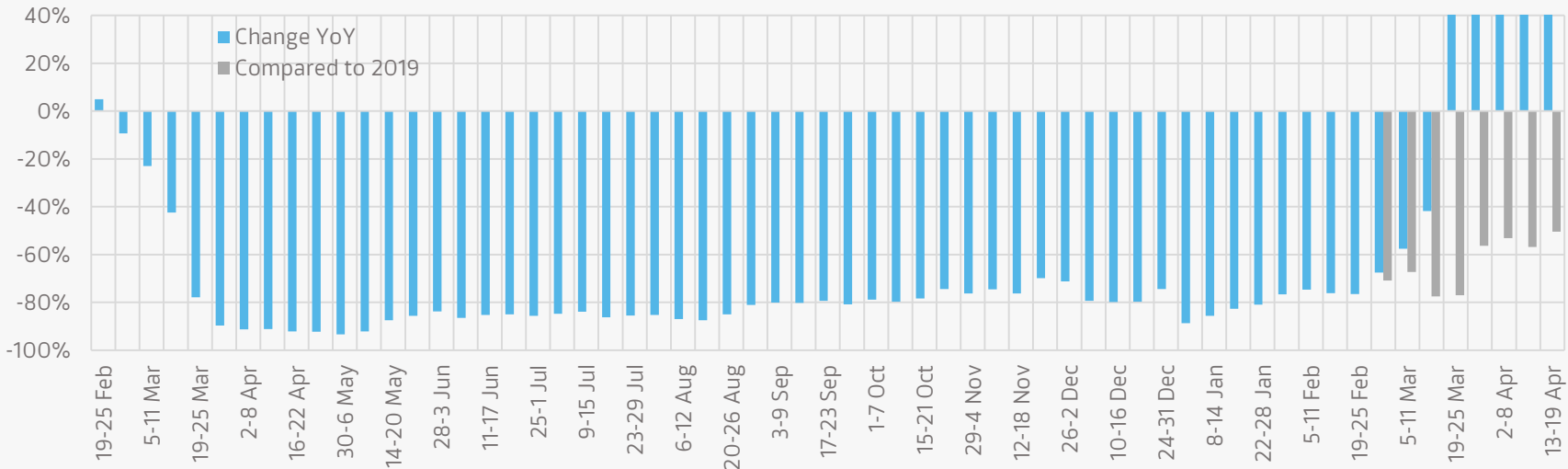
Categories excluding Grocery & Pharmacy: Resident non-cash spending (% Change)



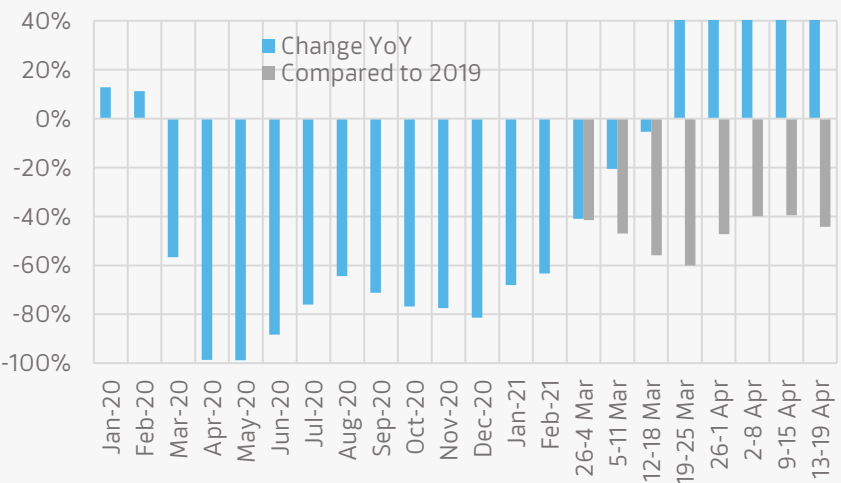
- Non-cash spending by residents on grocery & pharmacy showed a decrease of -6% YoY in the 13-19 April period (2x increase compared to 2019)
- Non-cash spending on categories excluding grocery and pharmacy increased by 80% relative to 2019 (4x increase YoY)

NON-CASH EXPENSES BY NON-RESIDENTS IMPROVED NOTICEABLY IN APRIL; GROWTH SLIGHTLY UP FOR RESTAURANTS, BUT MARGINALLY DOWN FOR HOTELS, AS COMPARED TO THE PREVIOUS WEEK

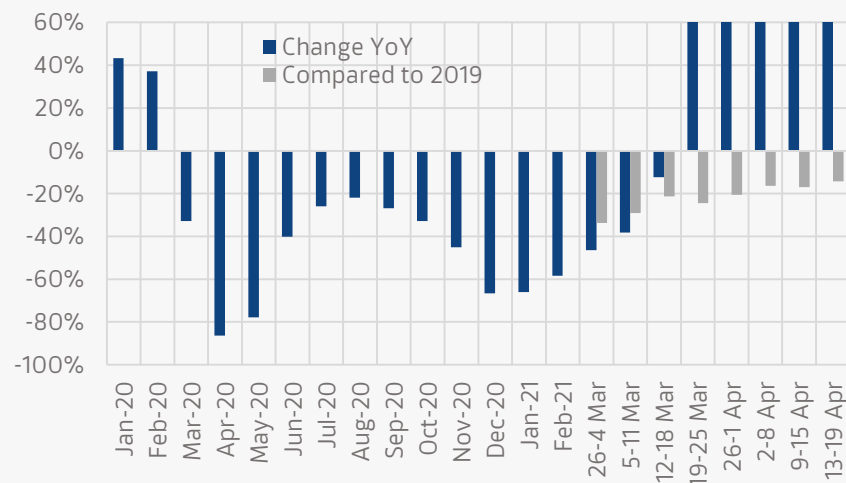
Non-cash expenses of non-residents



Hotels: Non-cash spending



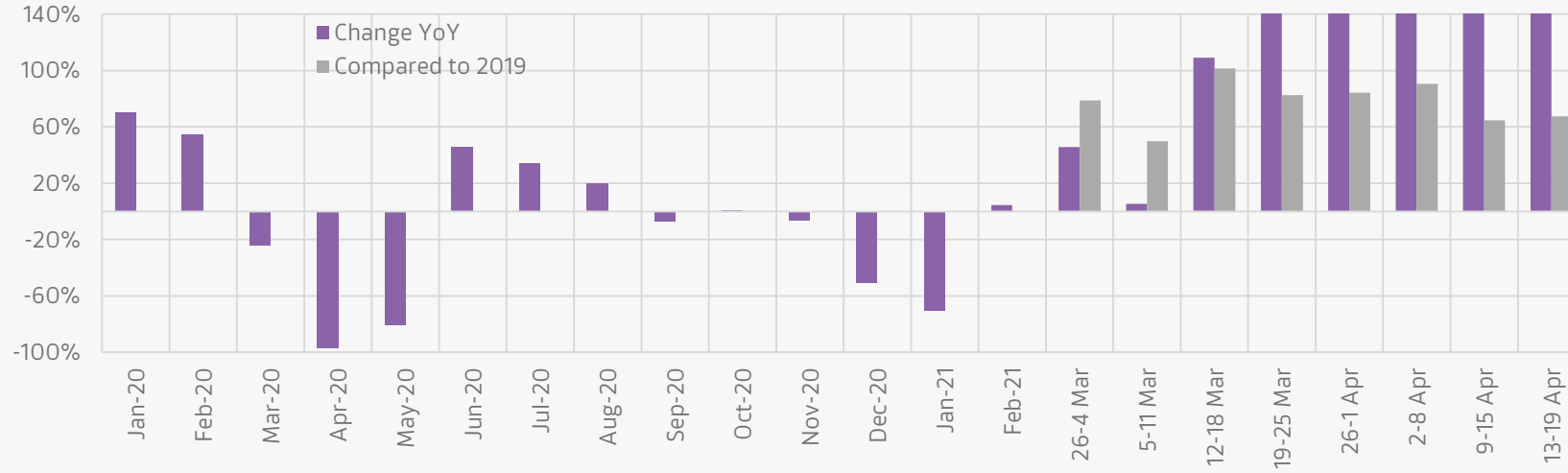
Restaurants & Cafes: Non-cash spending



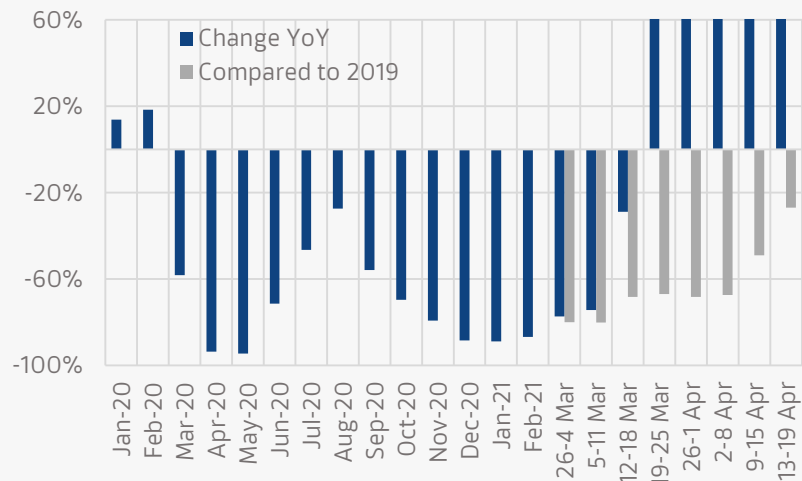
- Relative to 2019, growth rate of non-cash spending by non-residents totaled -50% in the week ending on 19th April
- The growth rate of non-cash spending amounted to -14% for restaurants & cafes and -44% for hotels in the 13-19 April period

NON-CASH SPENDING ON ENTERTAINMENT STRENGTHENING OVER THE LAST TWO WEEKS; GROWTH BACK ON THE POSITIVE TERRITORY FOR NON-CASH SPENDING ON FITNESS 6

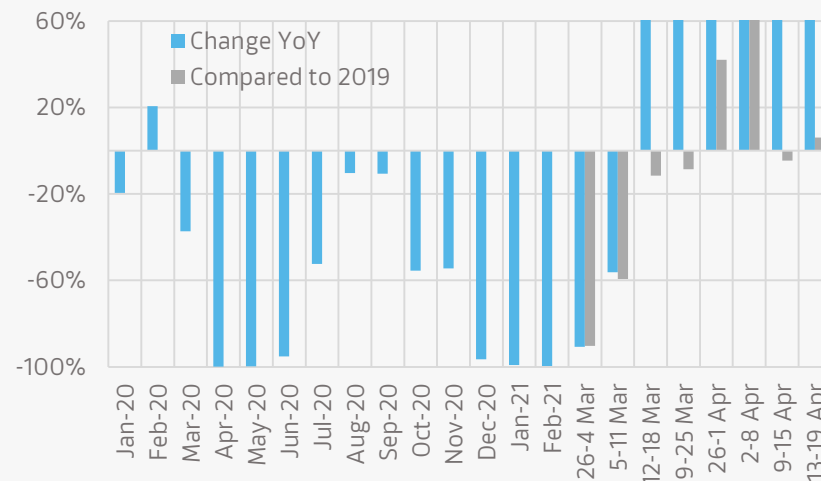
Apparel & accessories: Non-cash spending



Entertainment: Non-cash spending

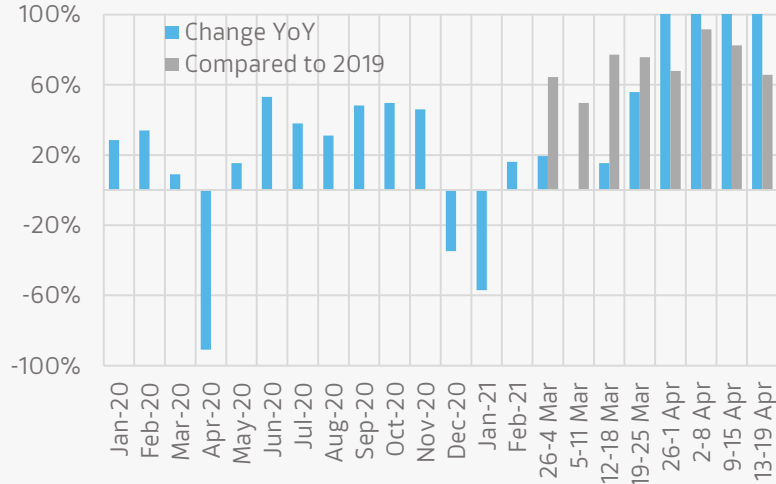


Fitness: Non-cash spending

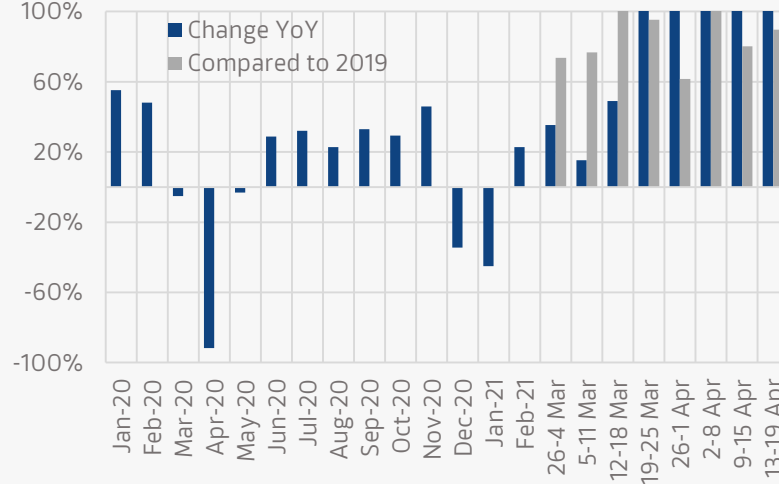


- Non-cash spending on apparel and accessories posted an increase of 67% in the 13-19 April period, as compared to 2019
- Growth rate of non-cash spending on fitness stood at 6%, in the last week
- Growth rate of non-cash spending on entertainment showed improvement, totaling -27%, compared to 2019

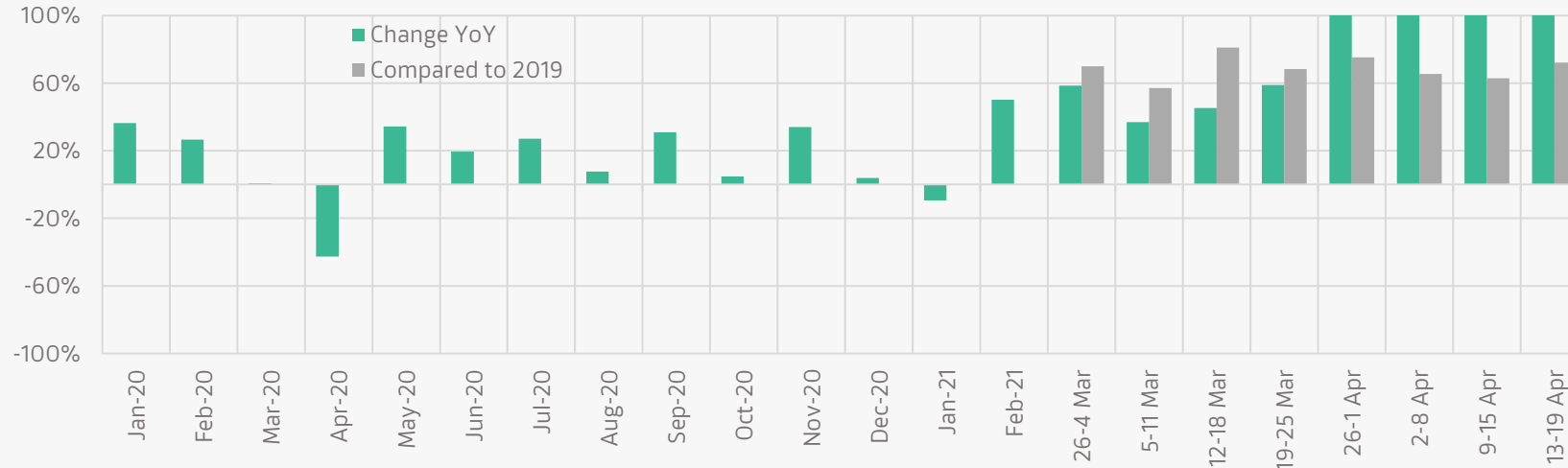
Construction materials: Non-cash spending



Furniture & appliance

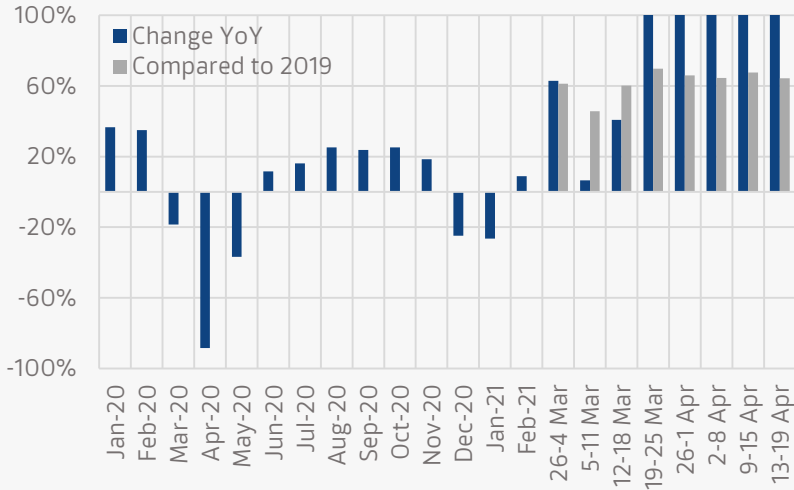


Electronics

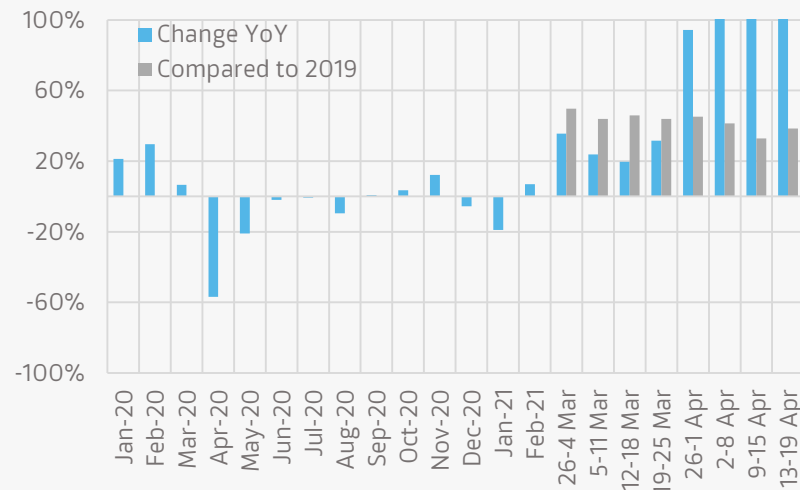


- Non-cash spending on construction materials stood at 66% in the 13-19 April period, compared to 2019
- Growth of non-cash spending on furniture and appliances totaled 90% in the week ending on 19th of April
- Relative to 2019, growth of non-cash spending on electronics totaled 72%

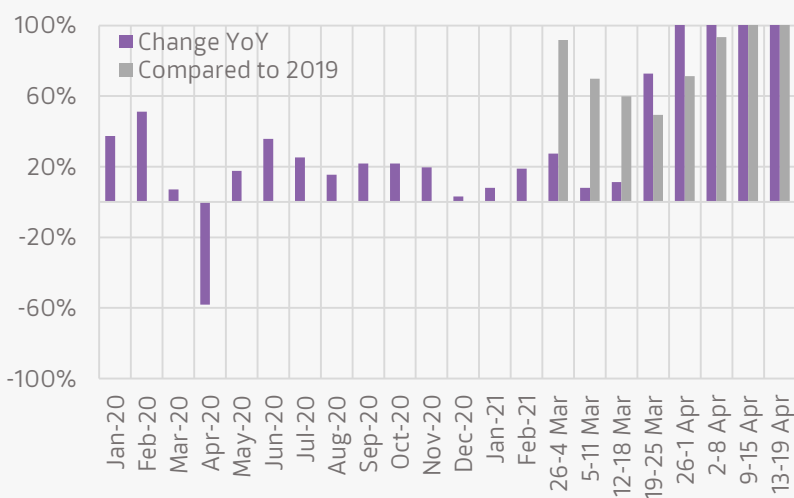
Personal care: Non-cash spending



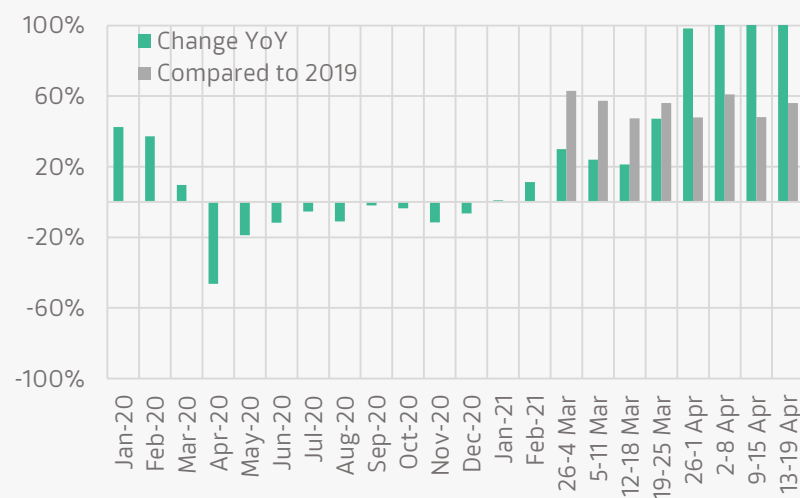
Other consumer goods: Non-cash spending



Car repair: Non-cash spending

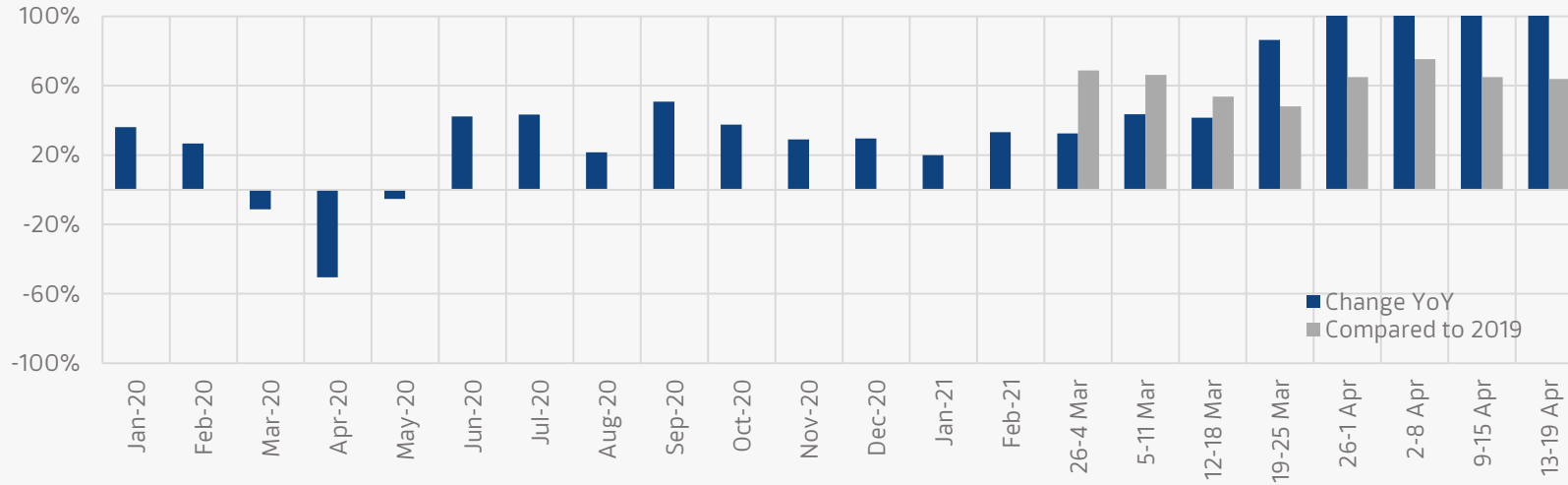


Fuel & Transport: Non-cash spending

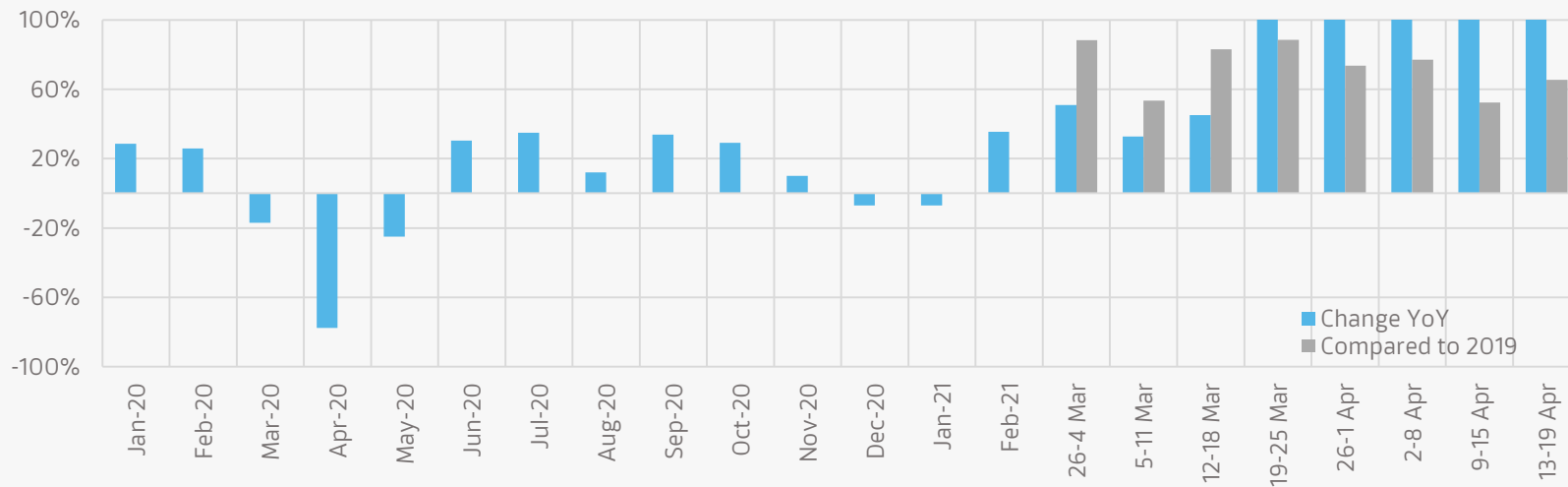


- Non-cash spending on personal care grew by 64% in the 13-19 April period, as compared to 2019. Growth of spending on other consumer goods totaled 38% in the same period, up slightly compared to the previous week
- Growth of non-cash spending on car repair services doubled in the 13-19 April period, as compared to 2019
- Non-cash expenditure on fuel and transport posted 56% increase in the same period

Doctor visits: Non-cash spending

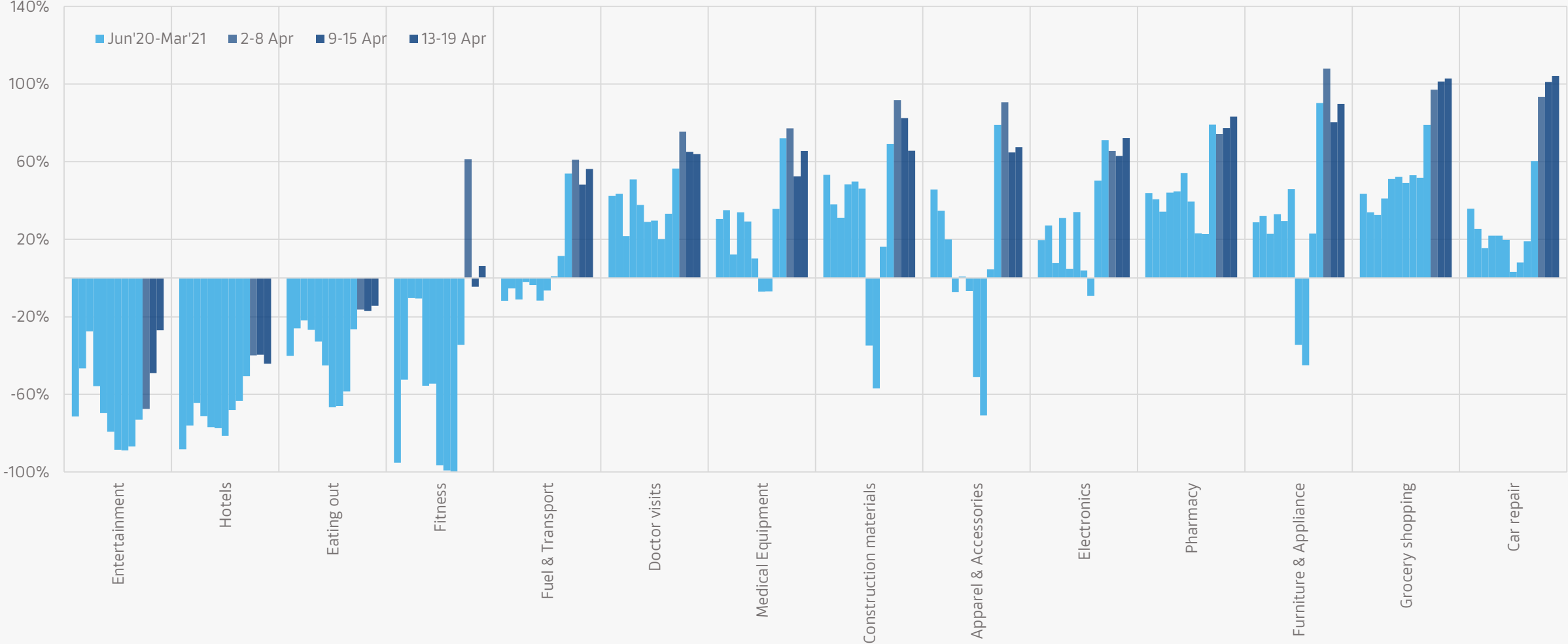


Medical equipment: Non-cash spending



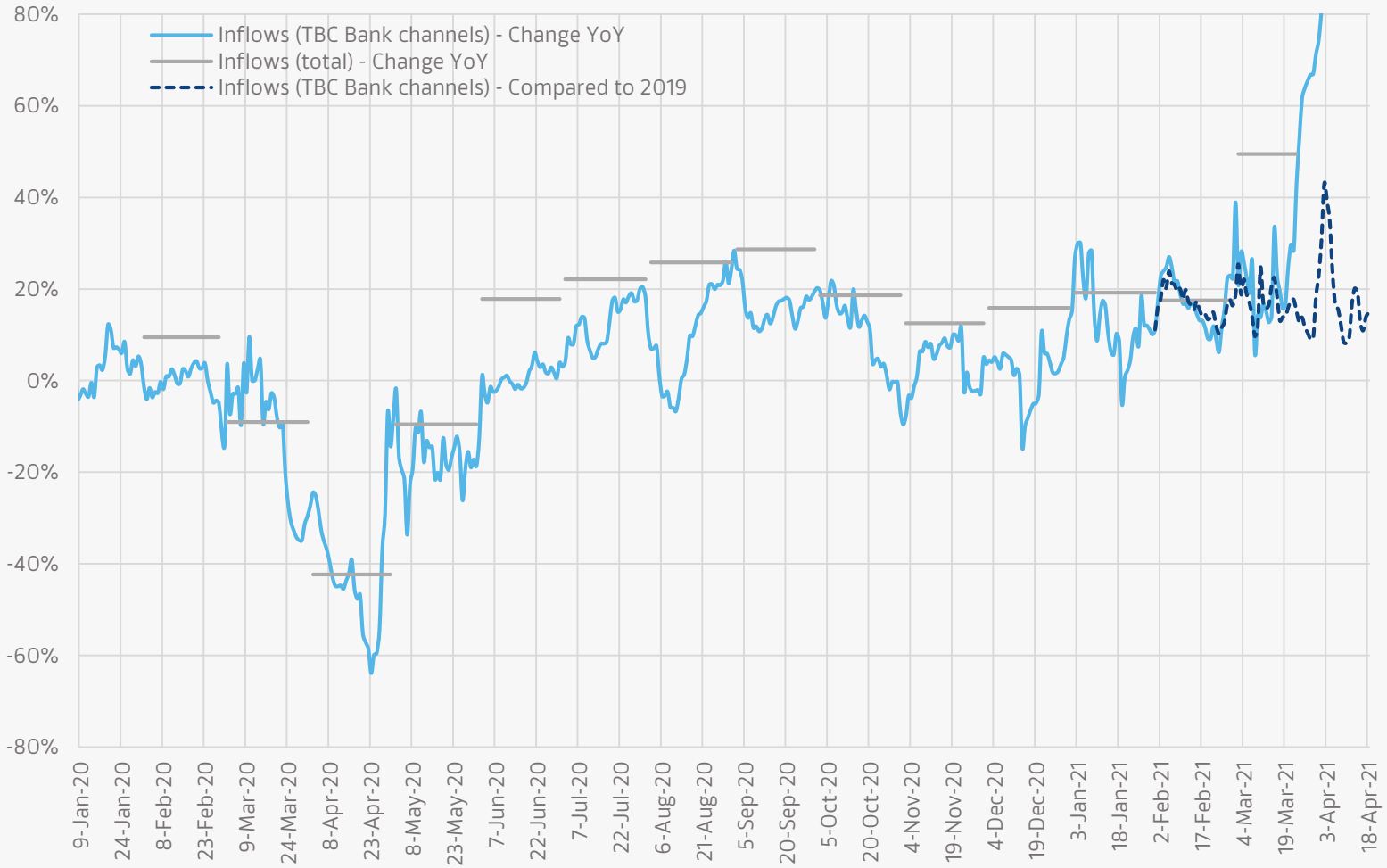
- Growth of non-cash spending on doctor visits stood at 63% in the week ending 19th of April, as compared to 2019
- Growth of non-cash spending on medical equipment rose to 65% in the same period

Dynamics of non-cash spending as of April 19th (YoY change, Growth compared to 2019 starting from March)



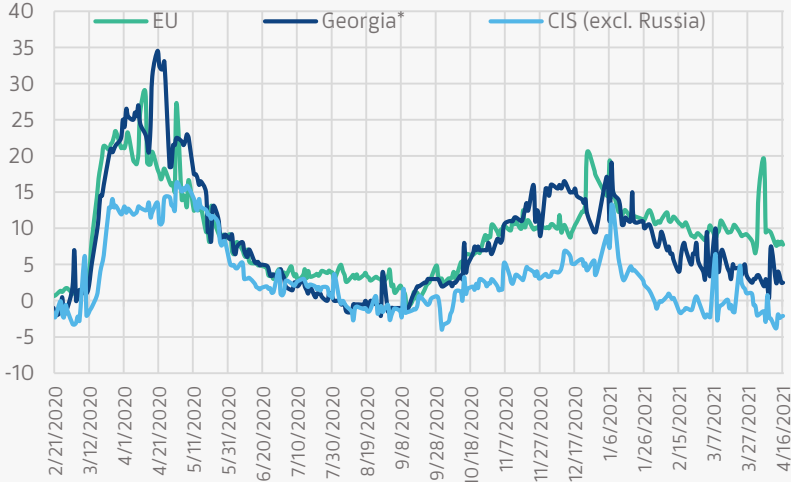
Source: TBC Bank

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

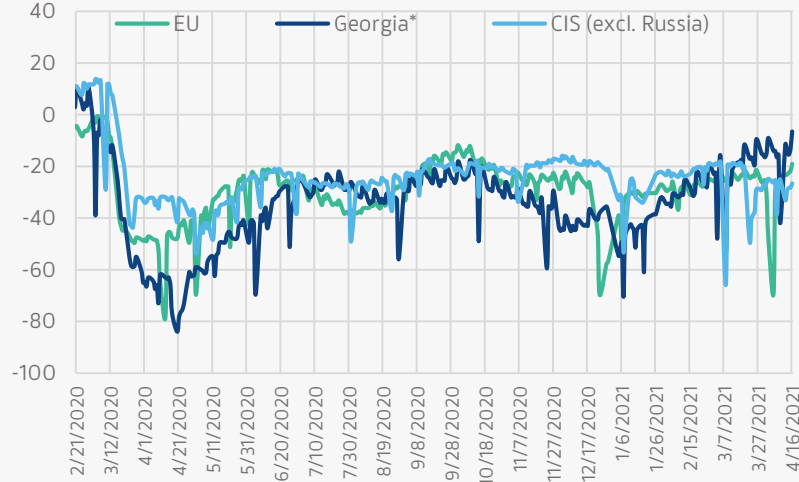


- Total inflows through TBC channels showed a 15% increase relative to 2019 in the week ending 18th of April

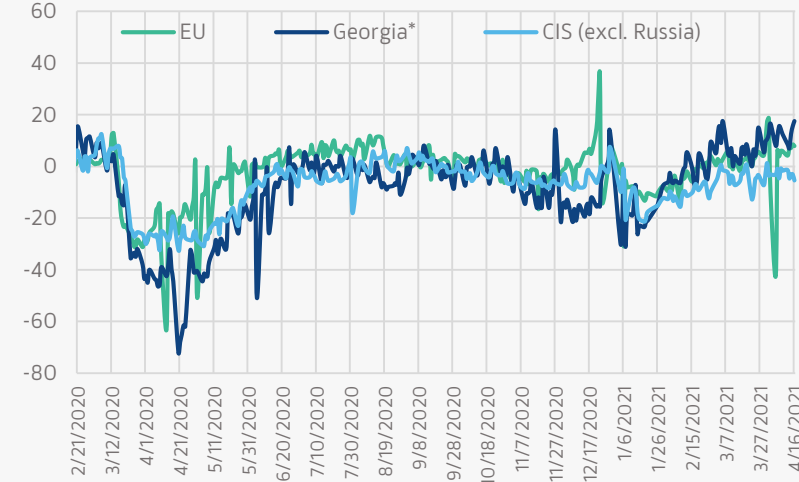
Mobility in residential area (Change %)



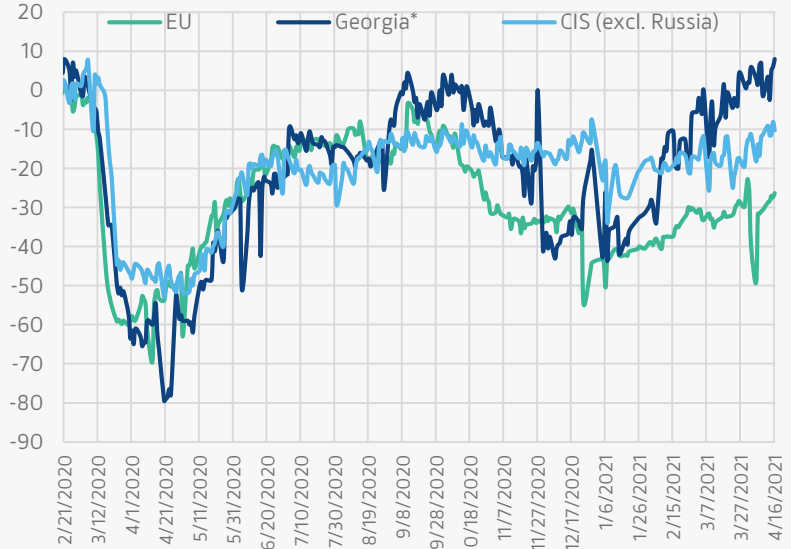
Mobility in working places (Change %)



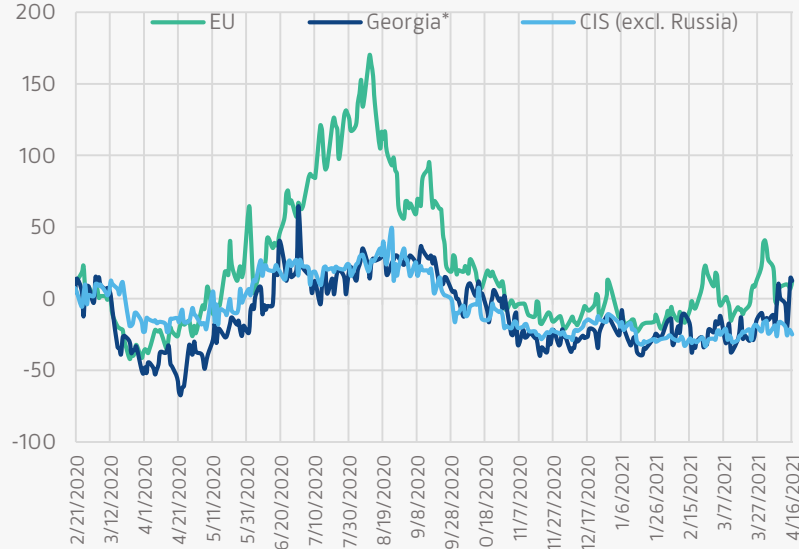
Mobility in grocery and pharmacy (Change %)



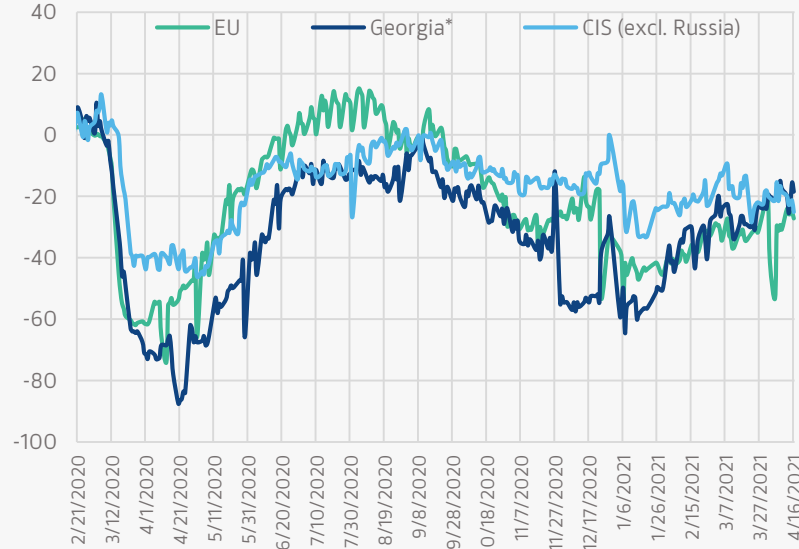
Mobility in transit stations (Change %)



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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