



Tracking The Recovery

02.04.2021

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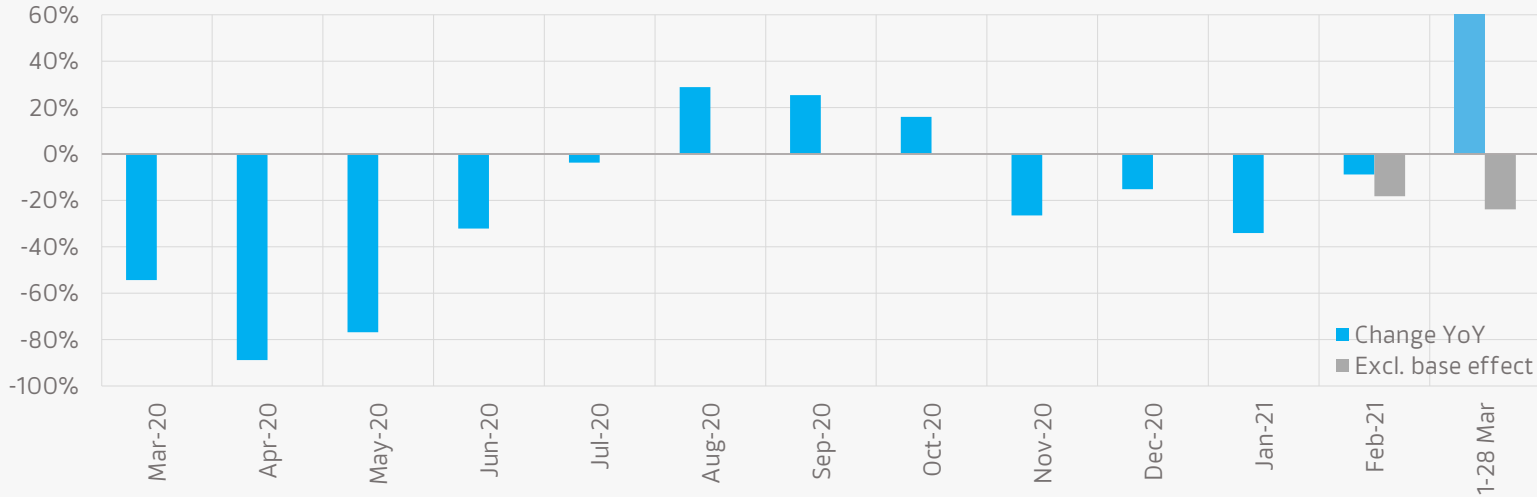
MACROECONOMICS

KEY DEVELOPMENTS

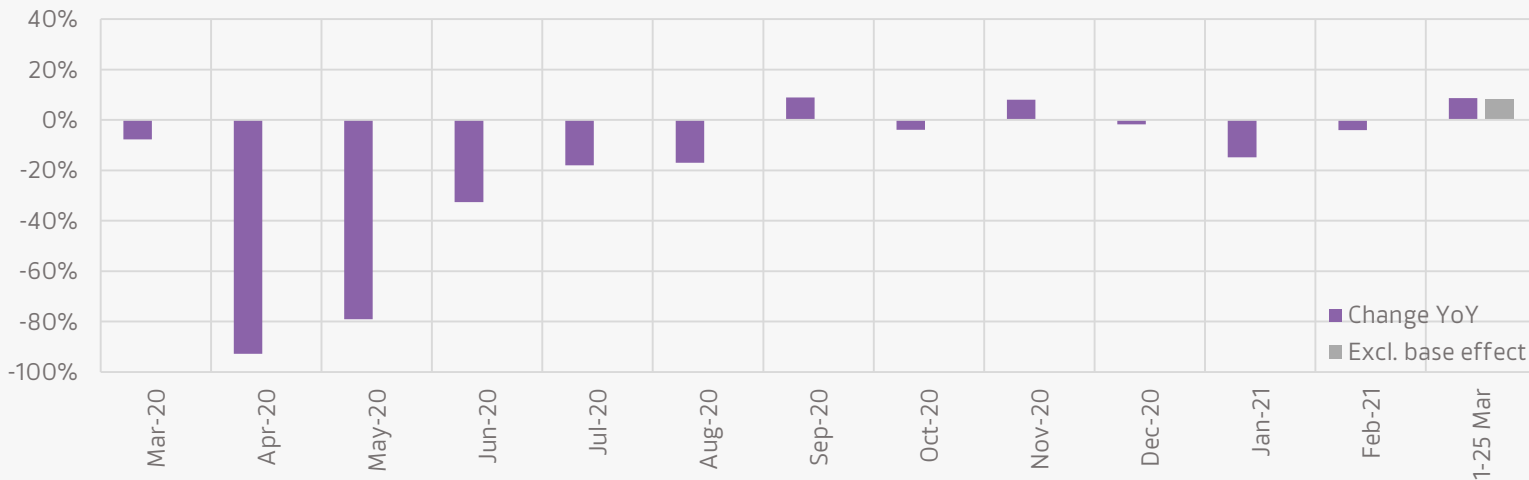
- **Excluding the base effect, decline in new mortgage issuance worsened by the end of March**
- **Growth of total non-cash spending by residents broadly on the same level as in the previous week**
- **Noticeable improvement visible in spending on entertainment and fitness categories**
- **Growth remains solid for construction materials and furniture, albeit relatively lower compared to the previous week**
- **March occupancies slightly exceed the February level, with Tbilisi and other regions posting more pronounced growth**
- **After a slight improvement, non-cash expenses by non-residents dropped in the last two weeks**
- **Remittance inflows maintained high 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)



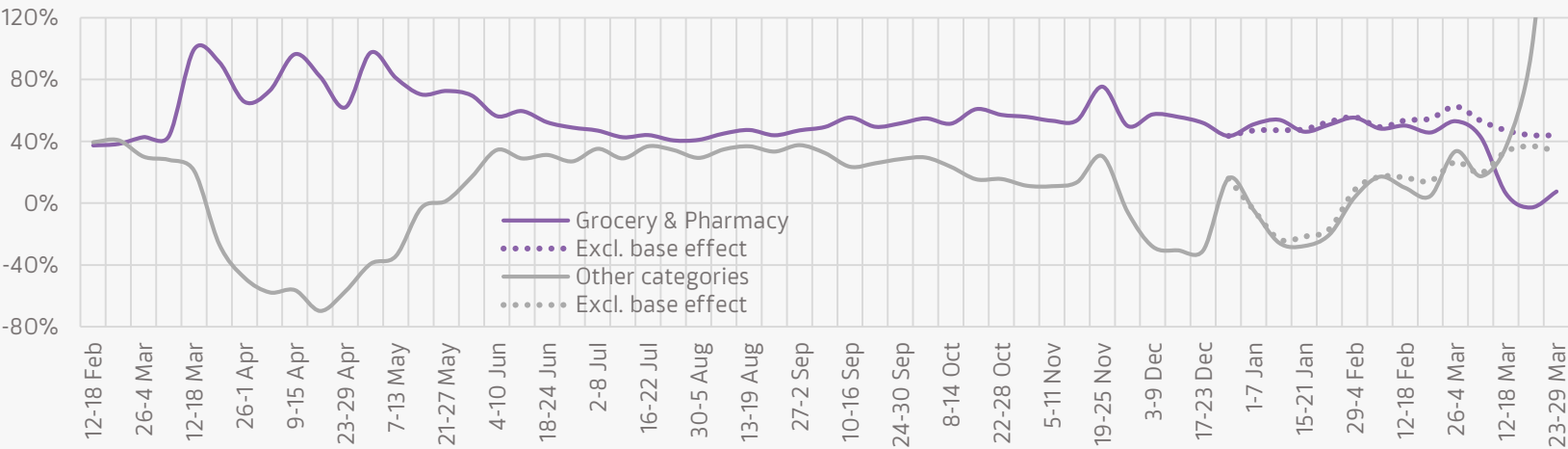
Number of residential properties sold in Tbilisi (% Change)



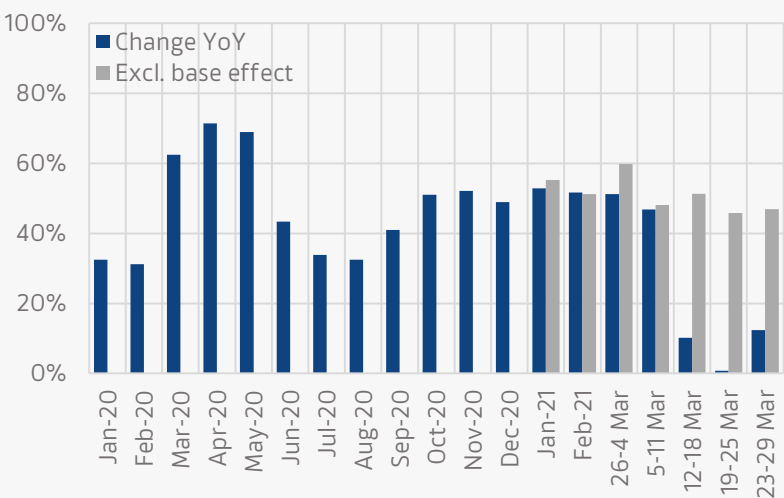
- The value of new mortgages issued decreased by -23.8% (FX adjusted; excluding the base effect*; +65% YoY) in the 1-28 March period
- Change of Tbilisi's residential real estate transactions posted a slight increase in the 1-25 March period, excluding the base effect

*** Adjustment for base effect:** YoY growth is no longer informative for most of the categories, as figures are distorted by the low base in respective weeks of 2020. To adjust for this effect, we estimate the normalized level of 2020 spending assuming pre-Covid rate of growth; The growth rate mentioned in the texts refer to the adjusted growth rates unless indicated otherwise

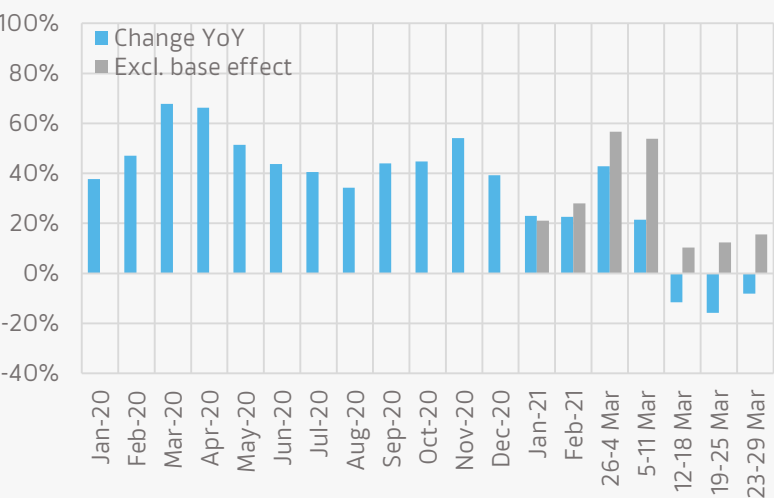
Resident non-cash spending (YoY change)



Grocery shopping: Non-cash spending

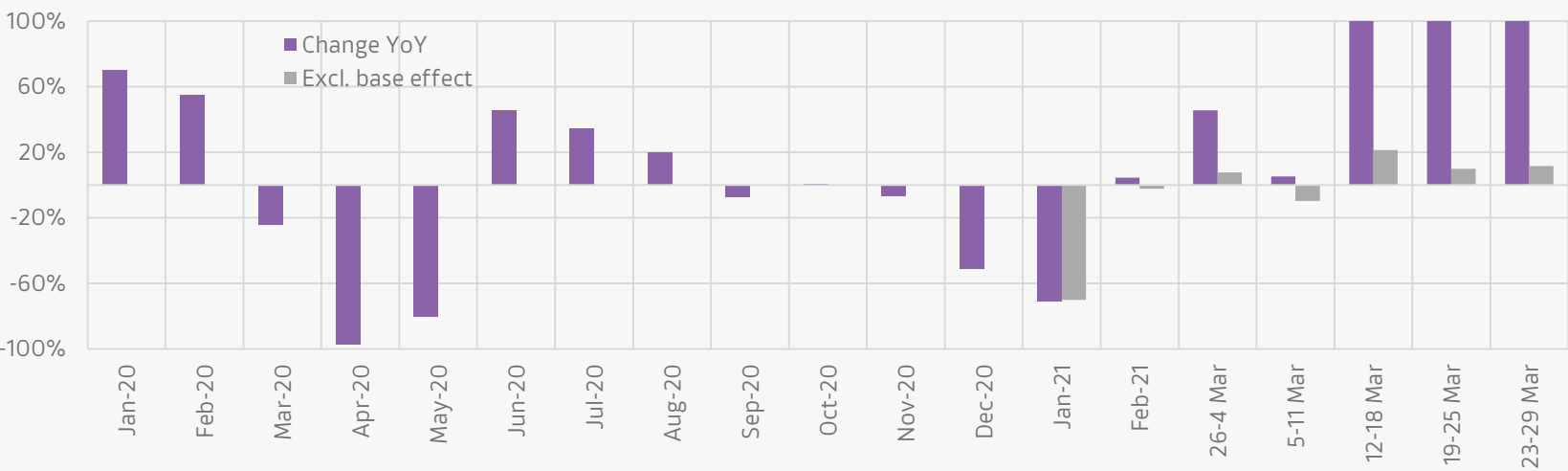


Pharmacy: Non-cash spending

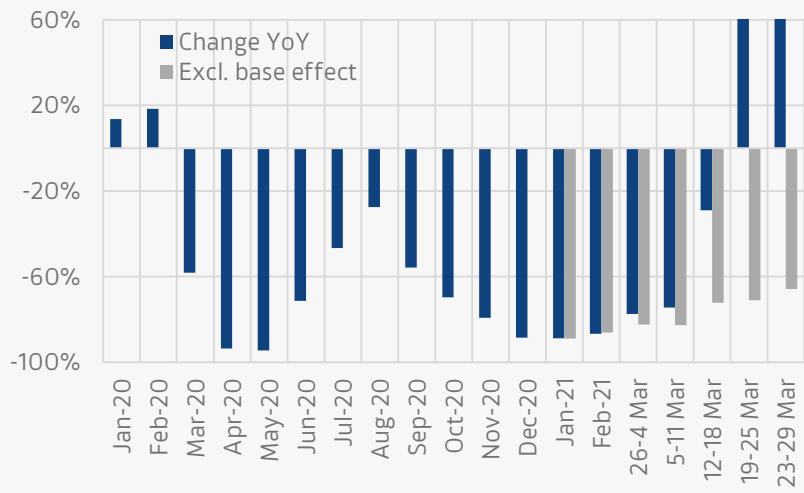


- Excluding the base effect, resident non-cash spending on grocery & pharmacy increased by 44% in the 23-29 March period
- Growth of non-cash spending on categories excluding grocery and pharmacy totaled 34% in the 23-29 March period

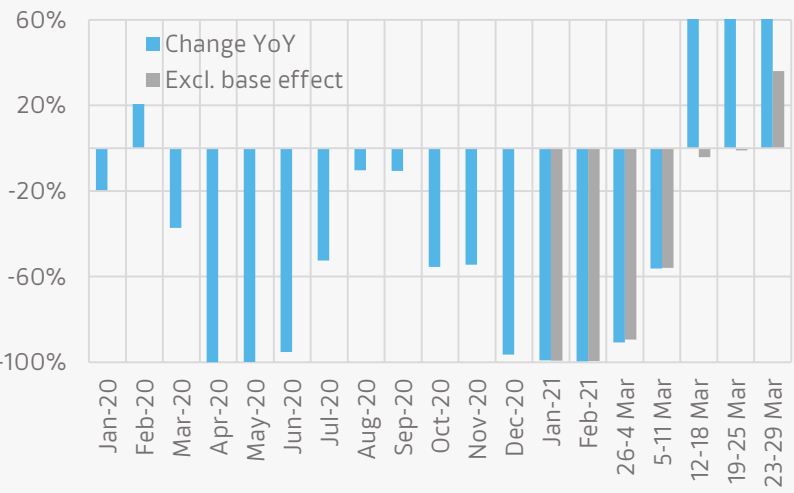
Apparel & accessories: Non-cash spending



Entertainment: Non-cash spending

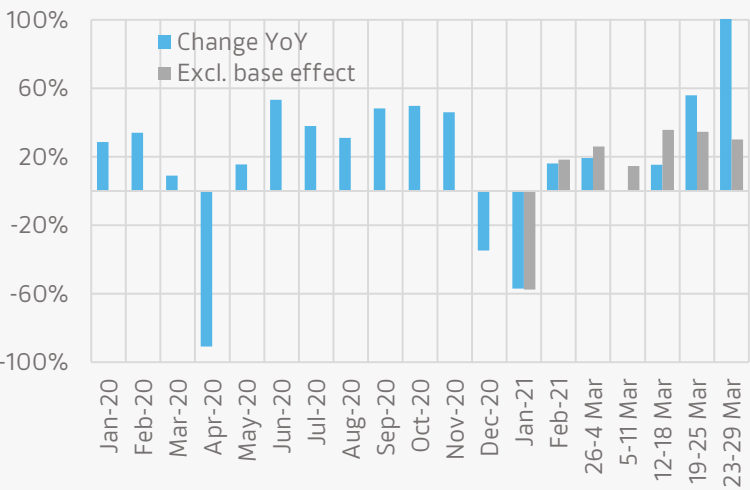


Fitness: Non-cash spending

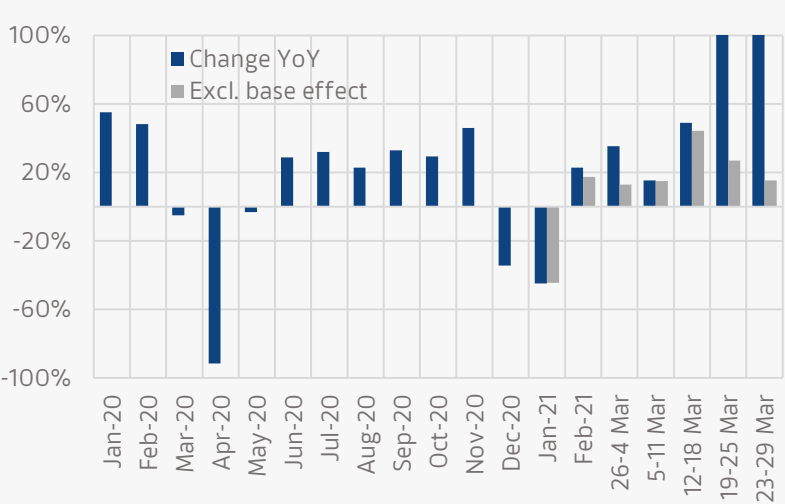


- Growth rate of non-cash transactions on apparel & accessories amounted 12% in the 23-29 March period
- Growth rate of non-cash spending on fitness is now positive, standing at 36% in the same period
- Currently at -66%, growth rate of non-cash spending on entertainment displayed a noticeable improvement during March

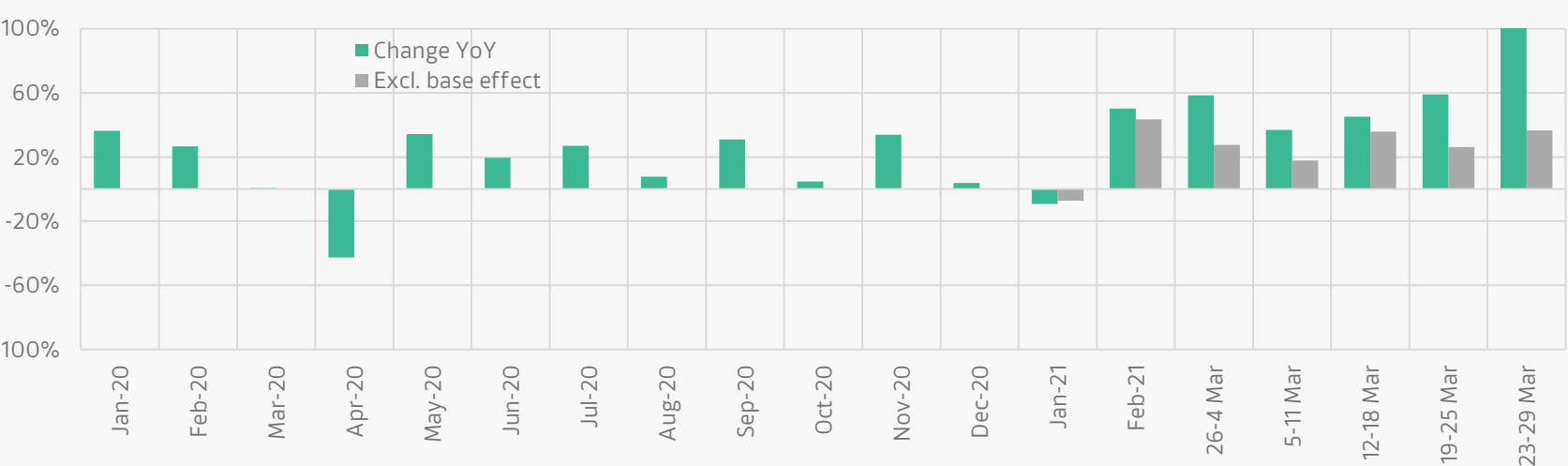
Construction materials: Non-cash spending



Furniture & appliance



Electronics

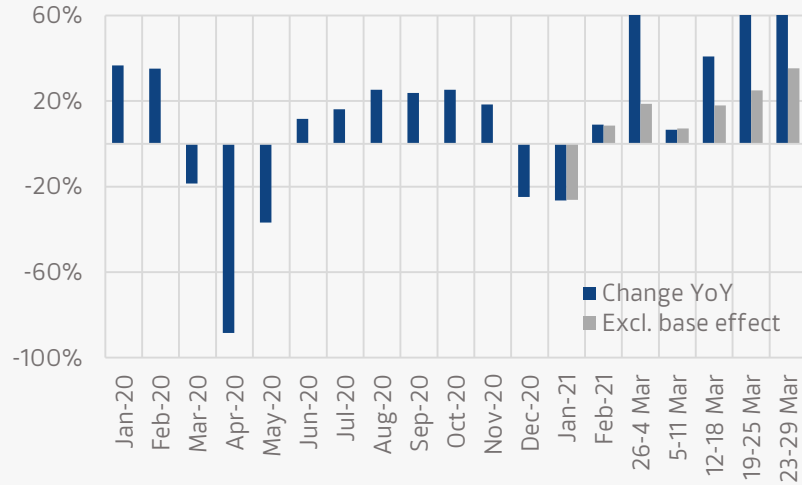


- Growth of non-cash spending on construction materials amounted 30%, down marginally compared to the previous week
- Non-cash spending on furniture and appliances displayed weaker growth in the 23-29 March period, up 15%
- Growth of non-cash spending on electronics increased marginally, totaling 37%

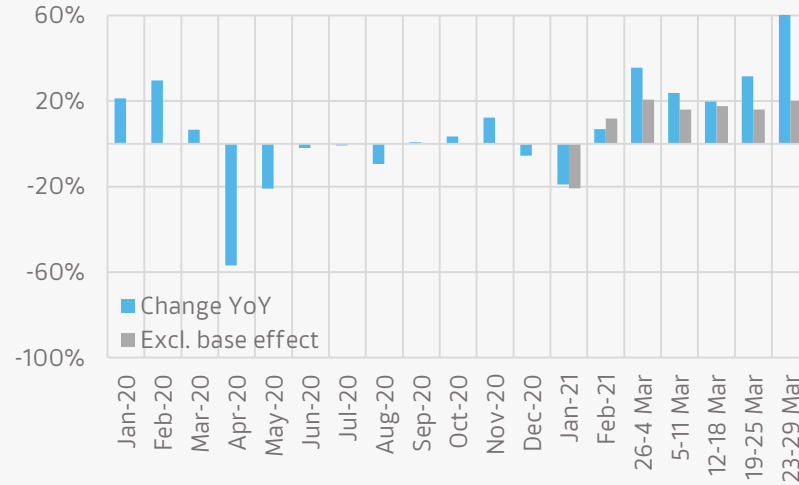
GROWTH SLIGHTLY UP FOR CAR REPAIR, DOWN MARGINALLY FOR FUEL & TRANSPORT; PERSONAL CARE AND OTHER CONSUMER GOODS DISPLAYED STRONGER DYNAMICS

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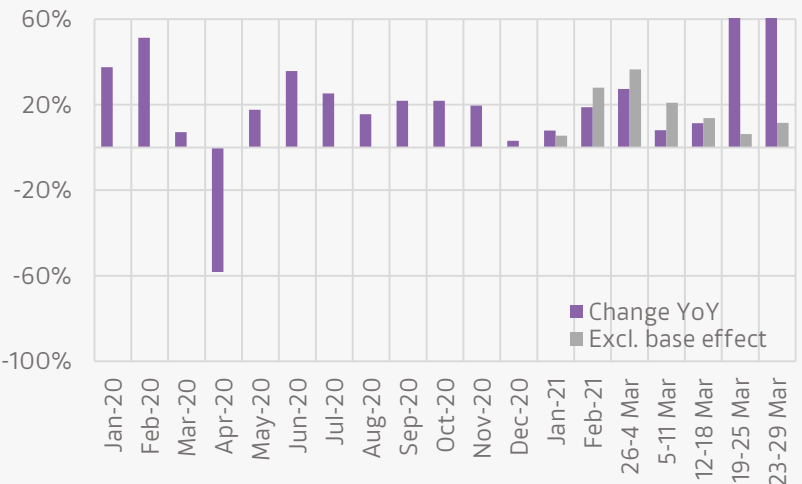
Personal care: Non-cash spending



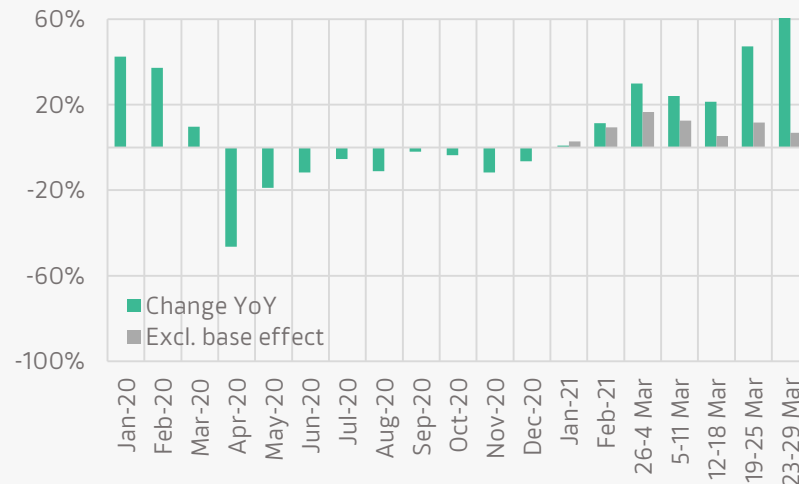
Other consumer goods: Non-cash spending



Car repair: Non-cash spending

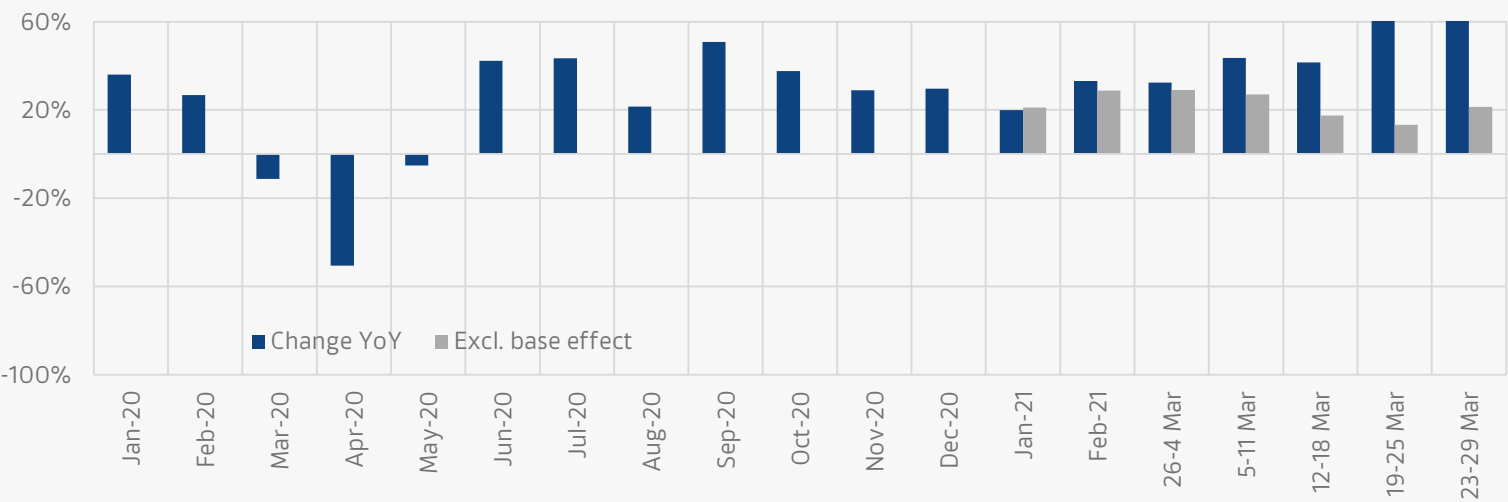


Fuel & Transport: Non-cash spending

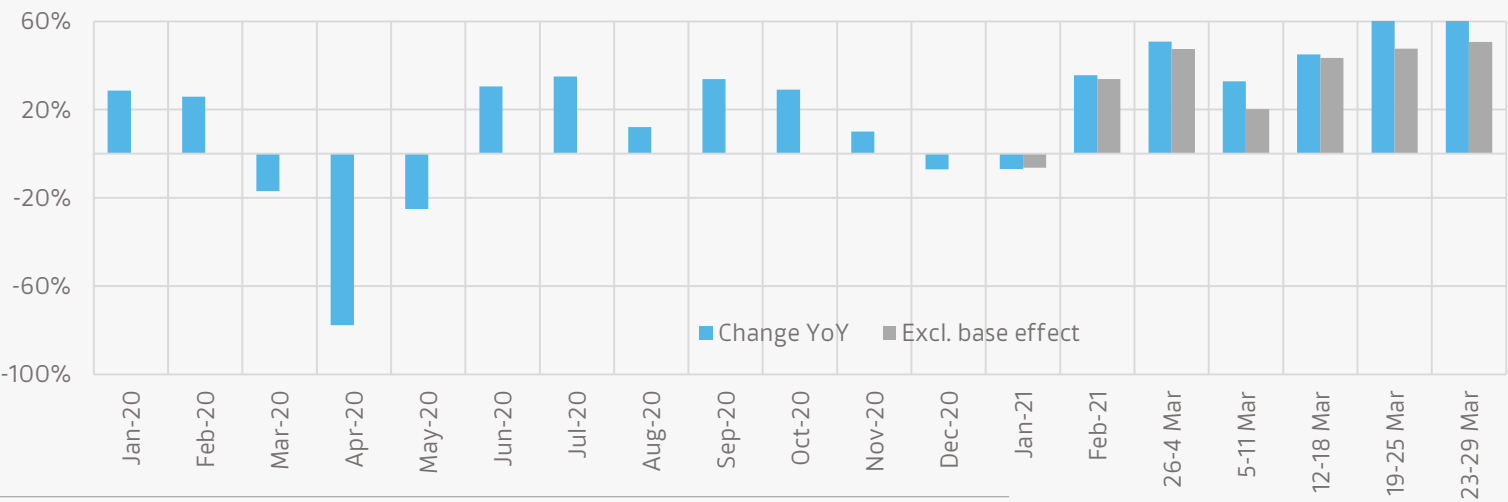


- Non-cash spending on personal care grew by 35% in the 23-29 March period. Growth of spending on other consumer goods up by 20% in the same period
- Growth of spending on car repair services totaled 11% in the 23-29 March period, up compared to the previous week
- Non-cash expenditure on fuel and transport grew by 7% in the same period

Doctor visits: Non-cash spending

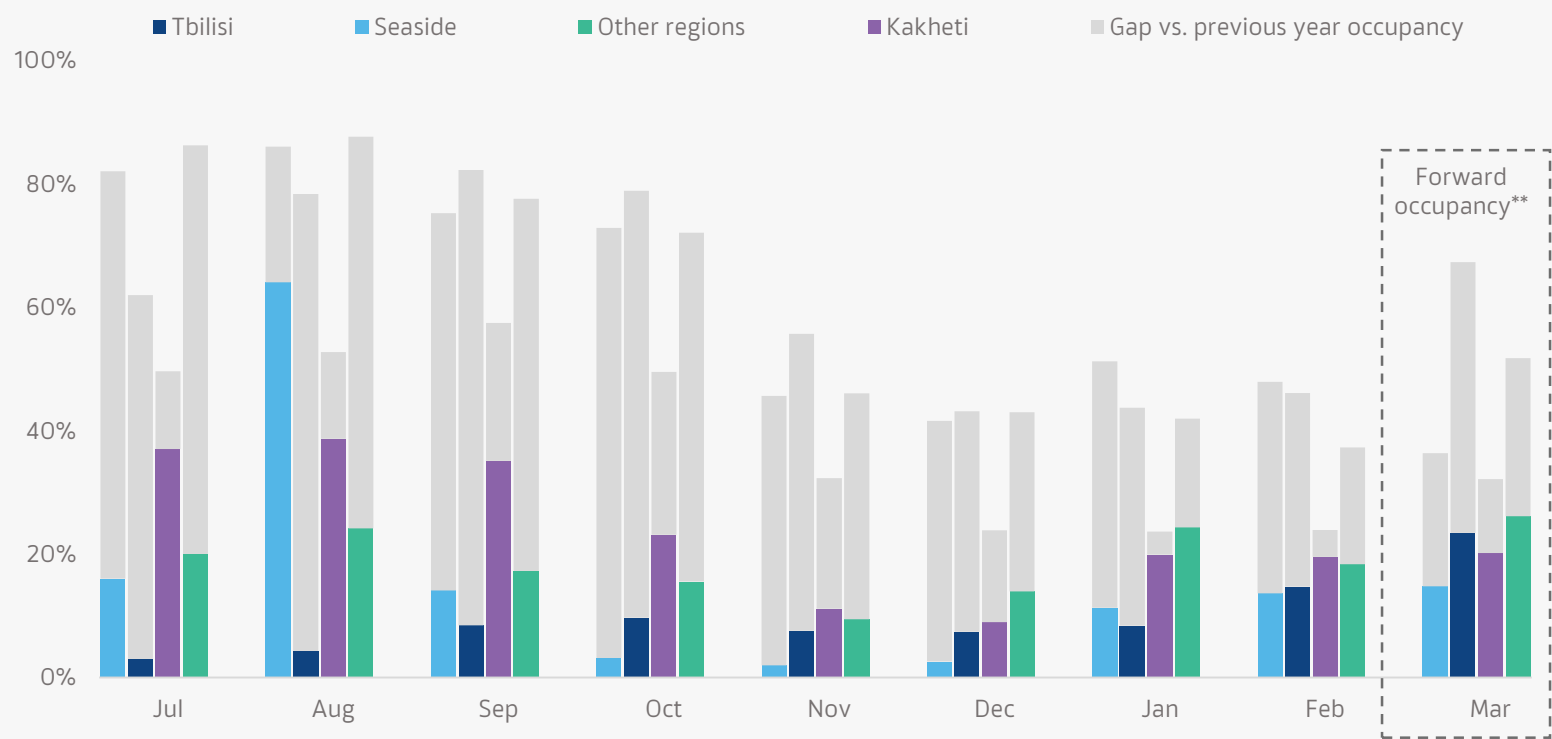


Medical equipment: Non-cash spending



- Growth of non-cash spending on doctor visits stood at 21% in the 23-29 March period, up compared to the previous week
- Non-cash spending on medical equipment increased by 51% in the same period

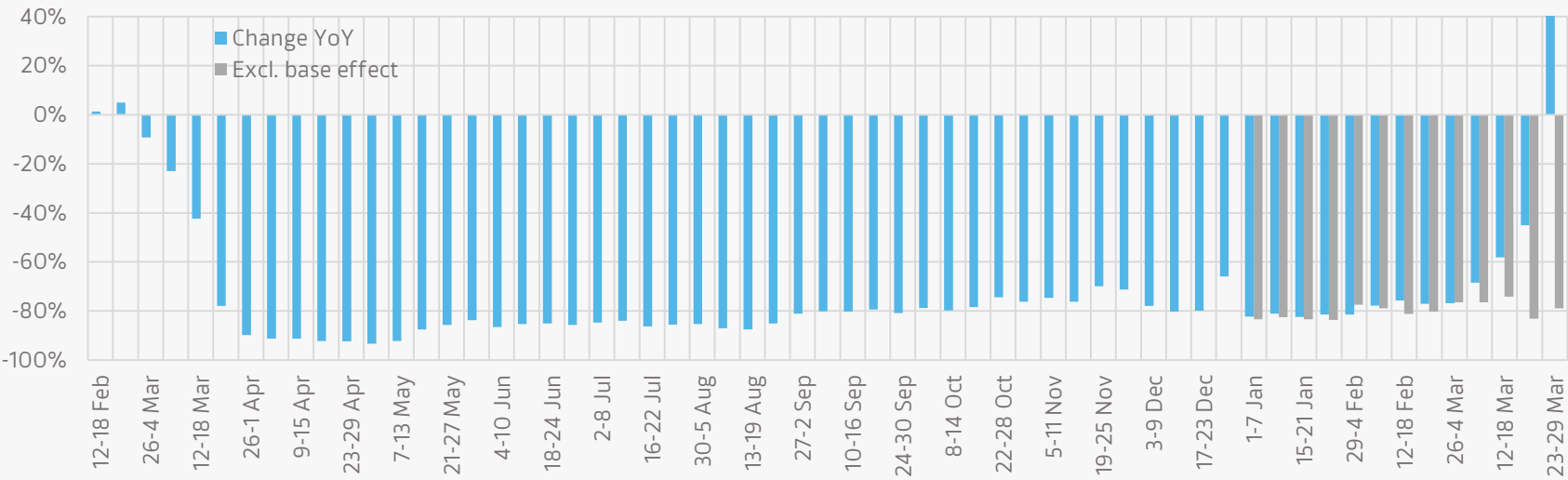
Occupancy rates (%) – actual and by current bookings*



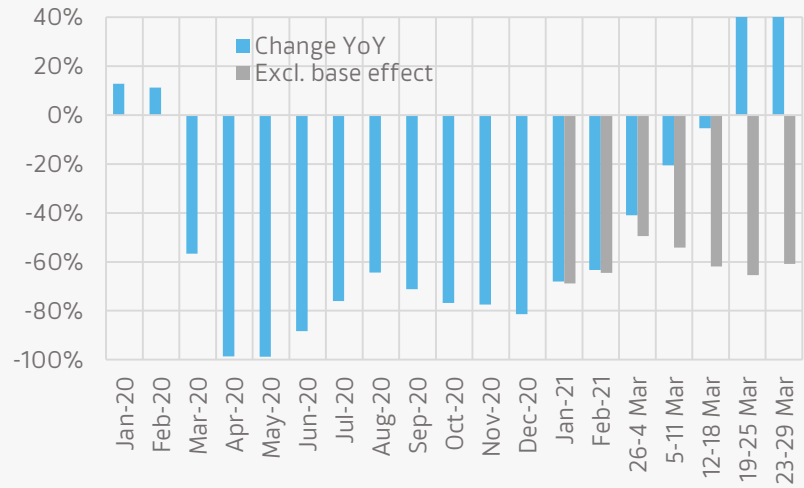
- **Forward occupancy rates for March** amounted to 26% for other regions, 23% for Tbilisi, 20% for Kakheti, and 15% for seaside hotels
- **Weekend occupancy:** compared to the previous weekend, occupancies increased in all locations, except other regions
- The **average daily rates** (USD) remain down in the range of 35%-40% compared to the pre-pandemic levels

*Historical data may be revised, due to the sample modification;
**Since domestic tourists do not tend to book hotels in advance, actual occupancies tend to be higher than forward occupancies

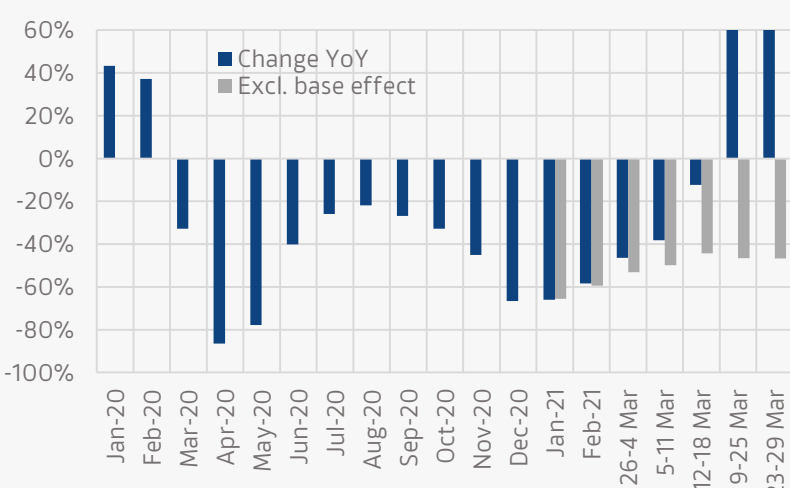
Non-cash expenses of non-residents



Hotels: Non-cash spending

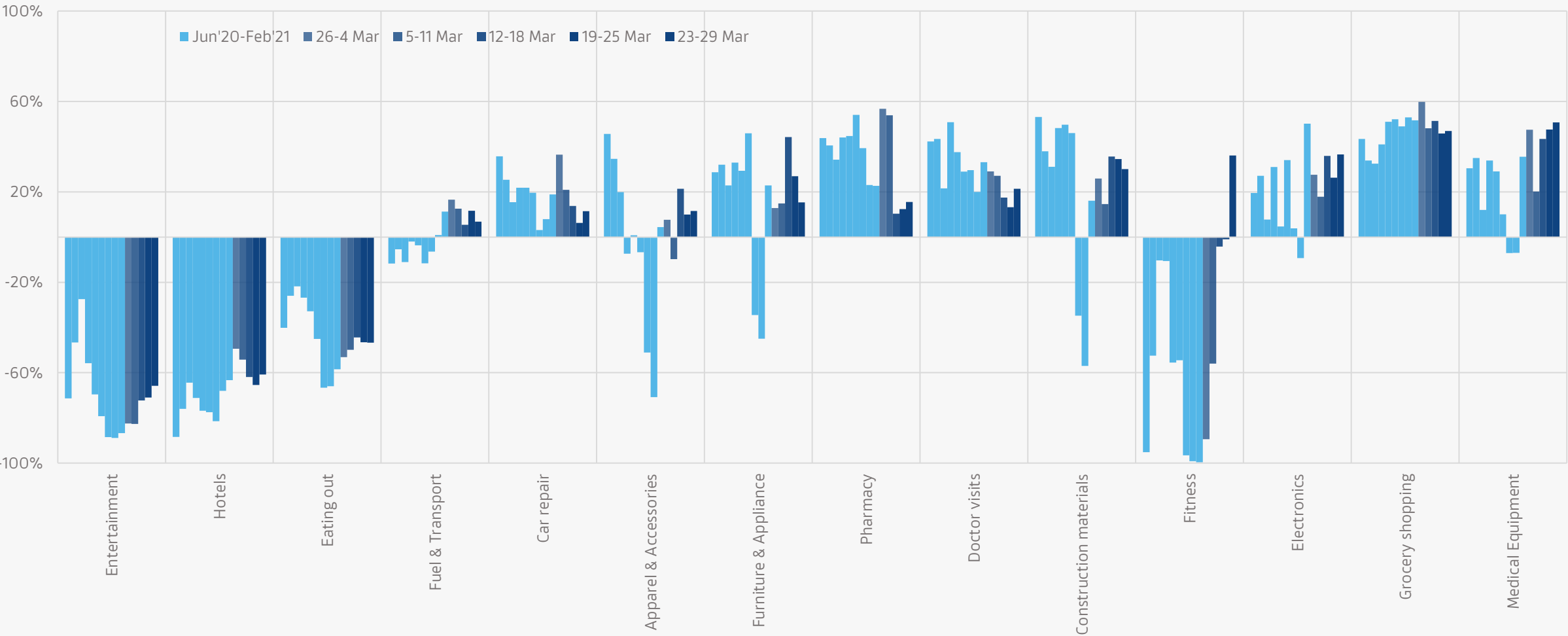


Restaurants & Cafes: Non-cash spending



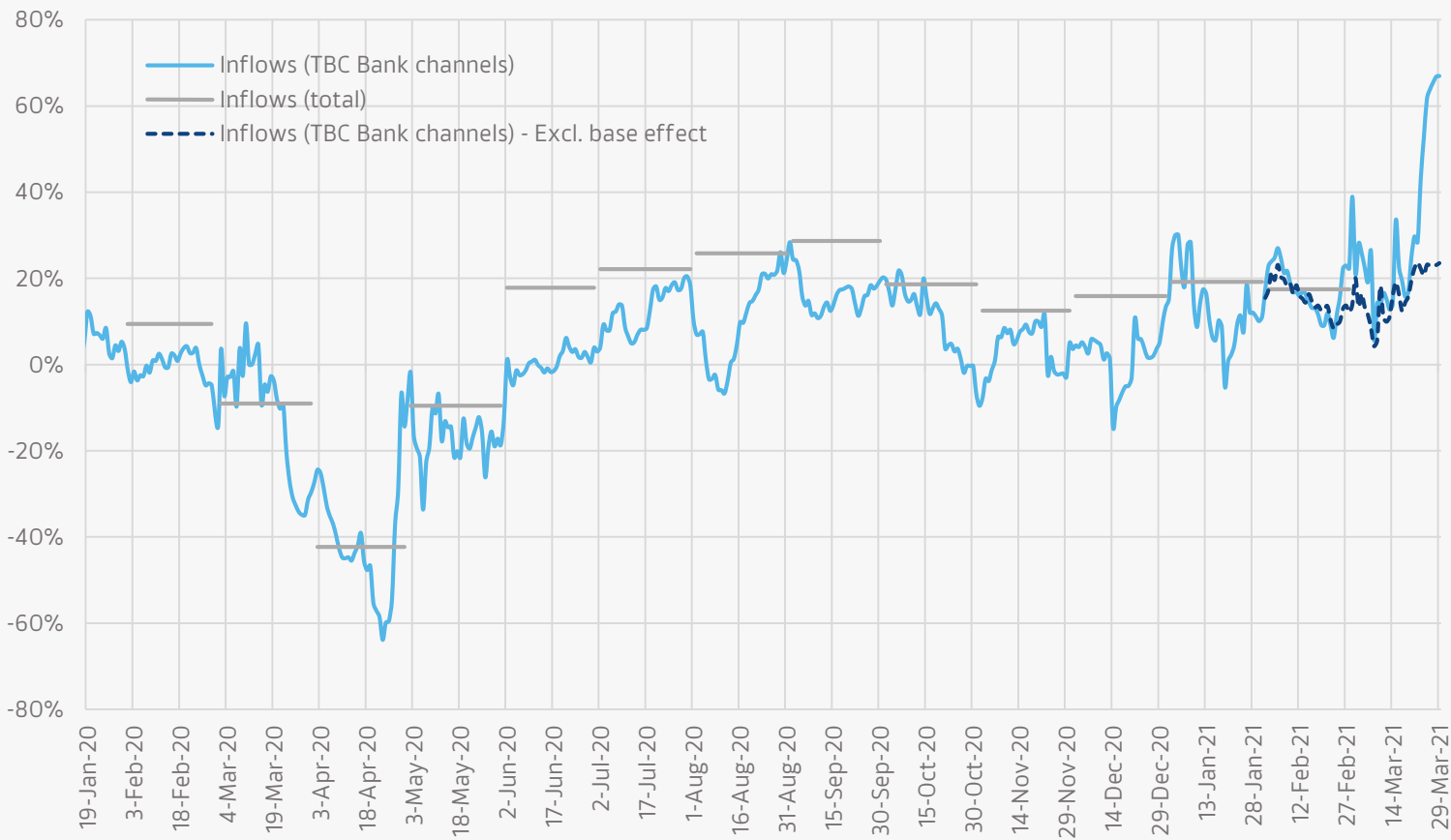
- Non-cash spending by non-residents was down by -79% in the 23-29 March period
- The growth rate of non-cash spending amounted to -47% for restaurants & cafes and -61% for hotels in the 23-29 March period

Dynamics of non-cash spending as of March the 29th (YoY change, Rate of change adjusted for base effect starting from March)



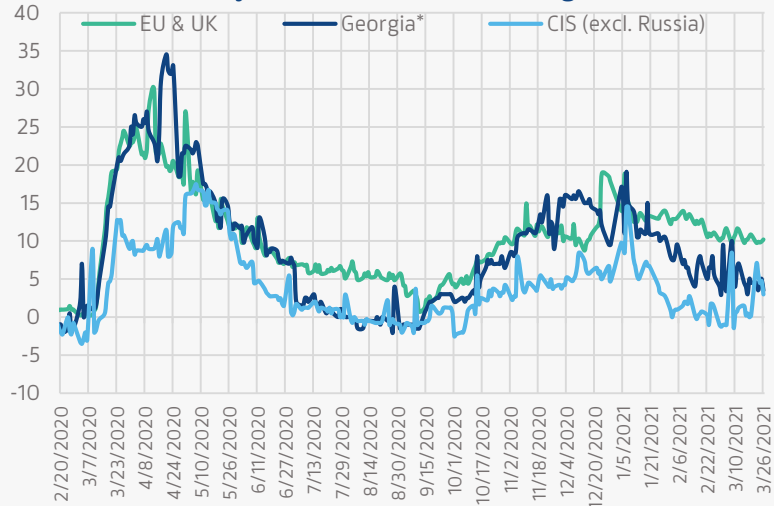
Source: TBC Bank

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

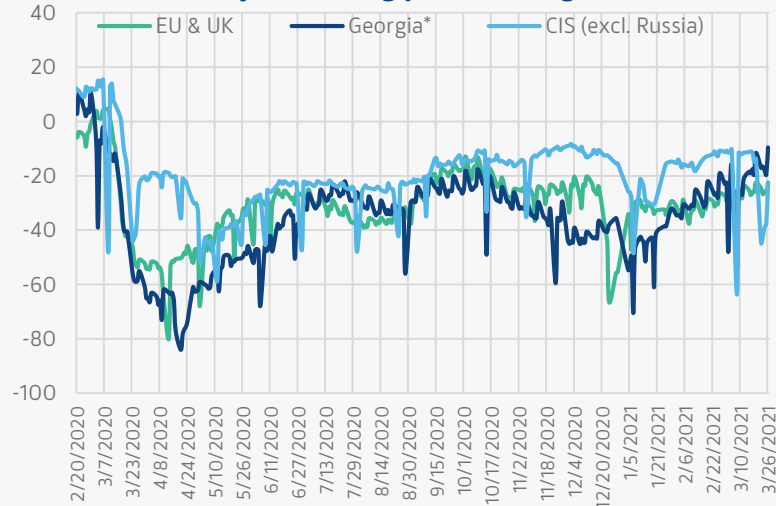


- The growth rate of total inflows through TBC channels grew by 24% excluding the base effect in the 7 days ending on March 29th, demonstrating a slightly higher growth compared to the previous week

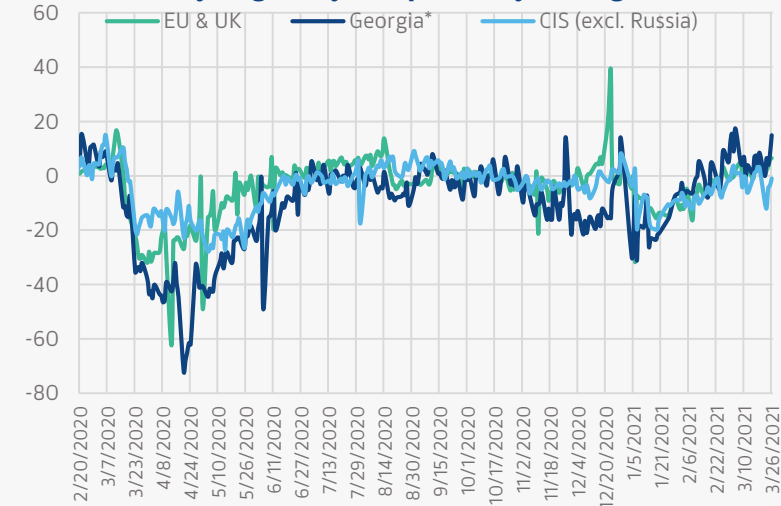
Mobility in residential area (Change %)



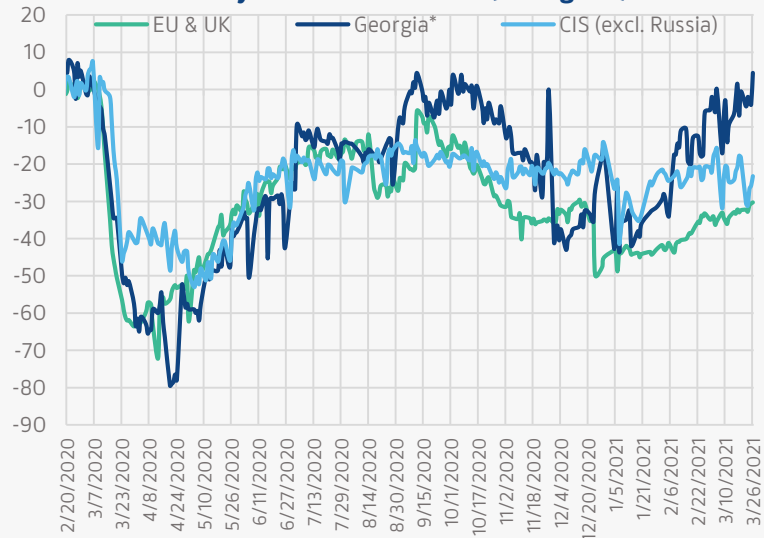
Mobility in working places (Change %)



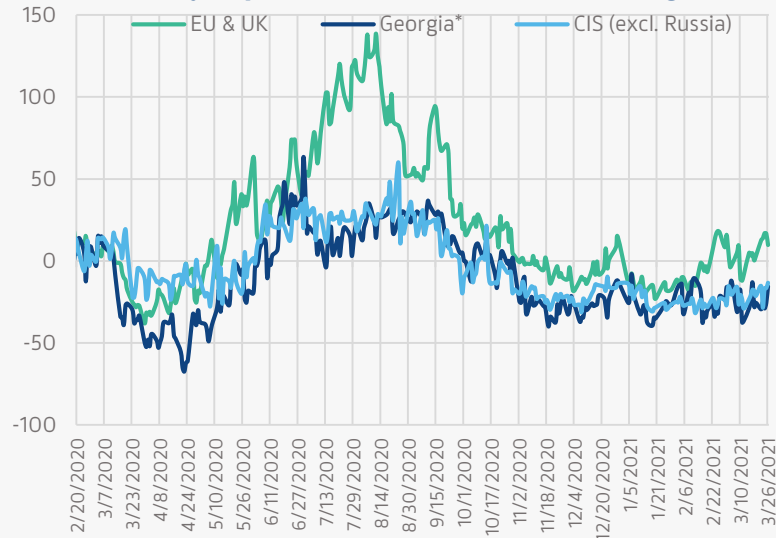
Mobility in grocery and pharmacy (Change %)



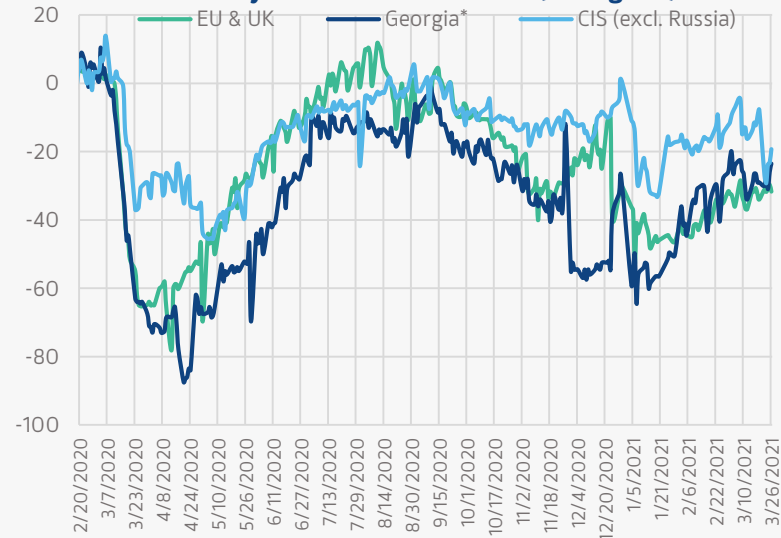
Mobility in transit stations (Change %)



Mobility in parks and recreational area (Change %)



Mobility in retail & recreation (Change %)



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Mary Chachanidze, CFA
Managing Director

Aleqsandre Bluashvili
Head of Research

Tamar Zakaidze
Senior Research Associate

Andro Tvaliashvili
Senior Research Associate

Luka Chigilashvili
Research Associate

Vladimer Choghoshvili
Intern

Maka Koridze
Intern

Otar Nadaraia
Chief Economist, TBC Group

Ana Mjavanadze
Acting Head of Macro-Financial Analysis Division, TBC Bank

Juli Avlokhashvili
Analyst

Luka Lazviashvili
Intern

Tel: +995 32 2 272727
Email: research@tbccapital.ge
Web-page: www.tbccapital.ge; www.tbcresearch.ge



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