BBVA Research

The COVID-19 impact on Consumption in Real Time and High Definition

A Big Data BBVA Research Project

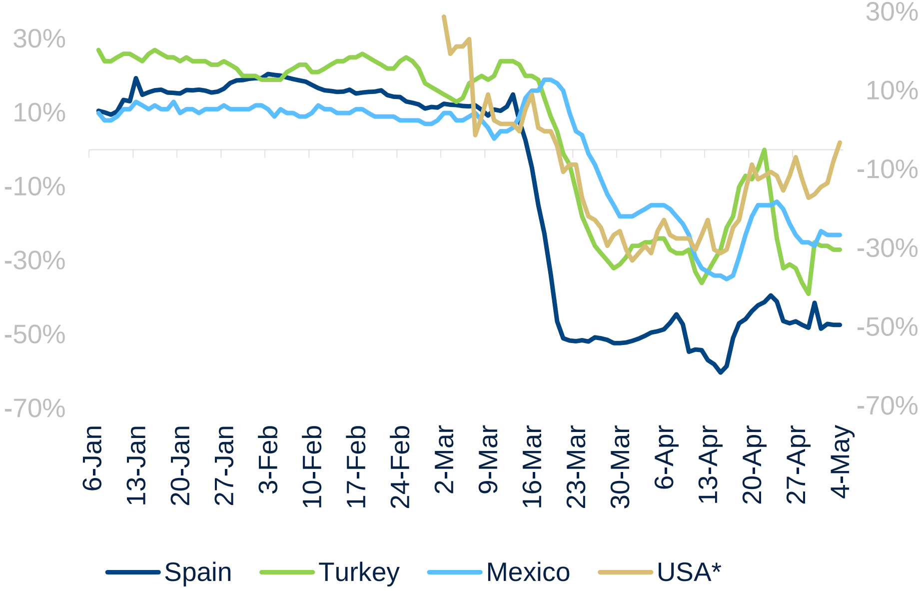
May 7th, 2020

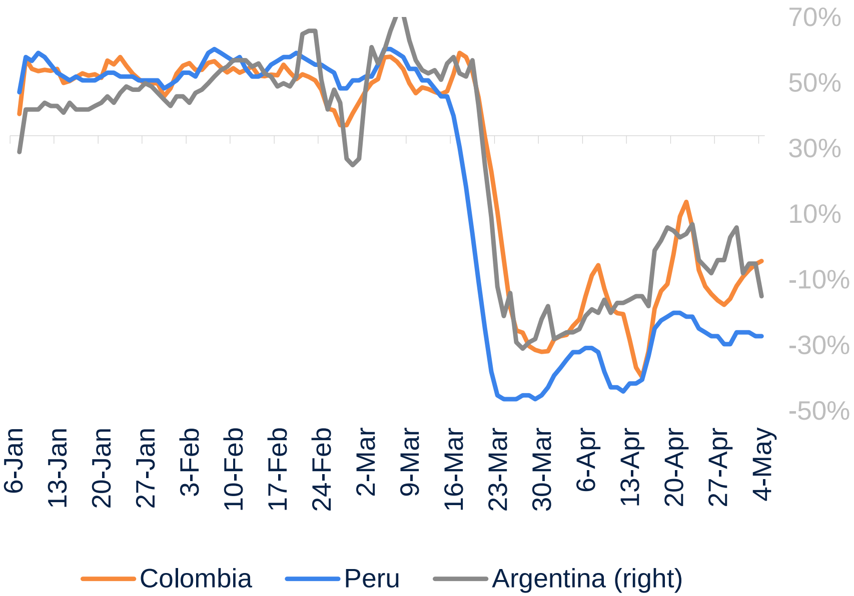
Creating Opportunities

Mobility restrictions hit consumption with different intensity. Card spending rebounds in USA

BBVA RESEARCH BIG DATA CONSUMPTION INDICES

(Total consumption by card, % YoY, 7D cumulative)



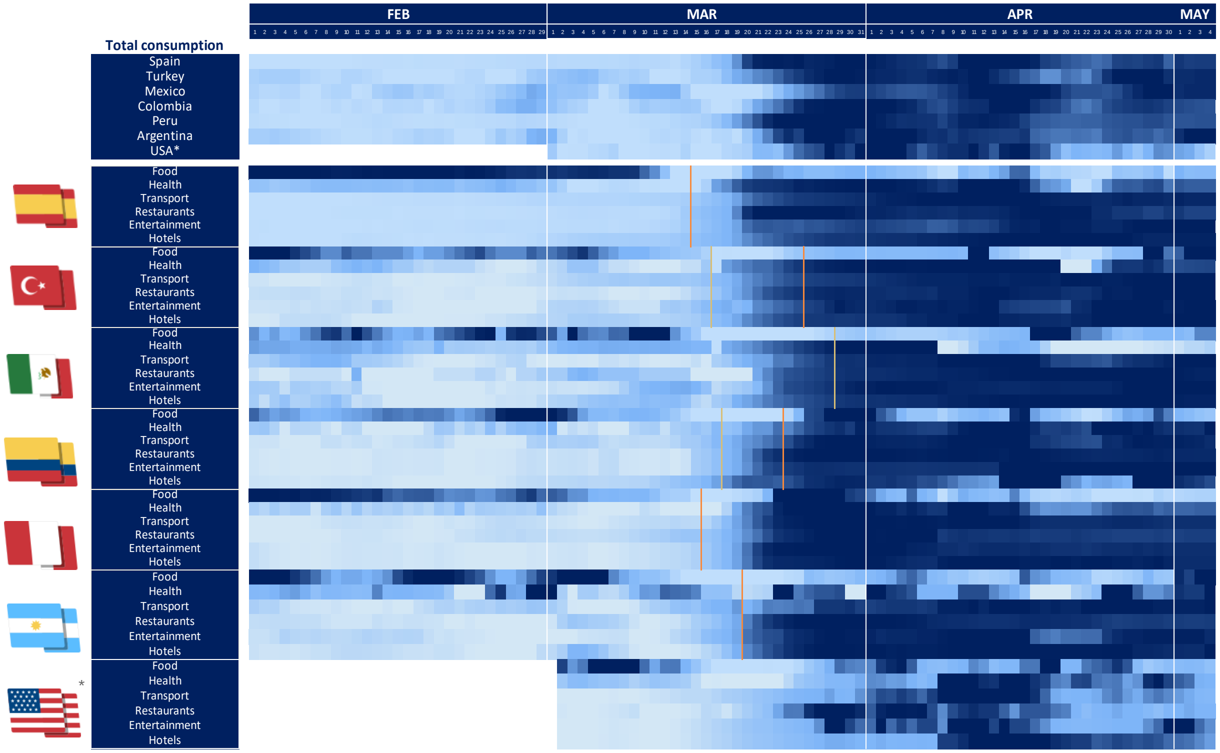


Source: BBVA Research. * Proxied by USA Sunbelt

Spending at BBVA POS by BBVA and non-BBVA customers plus spending by BBVA customers at non-BBVA POS. Data up to April 27th. This data considers final expenditures, so not intermediate consumption is included. Therefore, the correspondence with national accounts household consumption is not fully equivalent. More detail about the data could be found in the following link.

The pattern of consumption is common, but with some divergences. Some lighter colors that appeared in the second half of April reverted

BBVA RESEARCH BIG DATA CONSUMPTION HEAT MAP (YoY, 7D cumulative)



*Proxied by USA Sunbelt
Source: BBVA Research.

Initial restrictions   Lockdown   Negative Growth   Positive Growth

- USA (Sunbelt) is recovering faster while European consumption is still stagnant, followed by Latam
- Food remains as the most benefitted segment. Most of the countries show some reversal and positive growth rates
- Tourism, Entertainment & Hotels impact was earlier and deeper as mobility restrictions hit hard these services

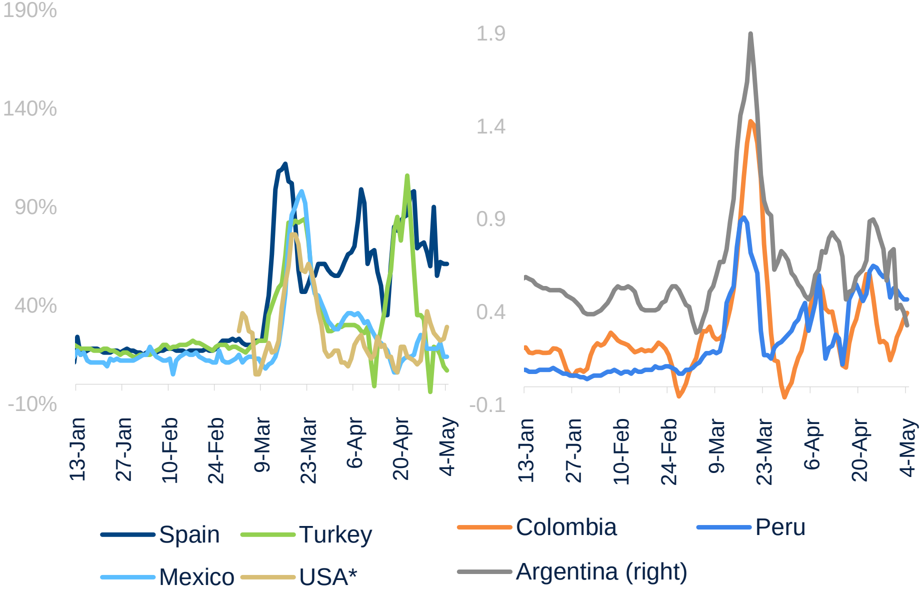
Series are coloured according to the history of each series. The darker blue represents the upper 90% percentile and the lighter one represents the lower 10% percentile.

Some products such as food and, to a lesser extent, health are supporting consumption…

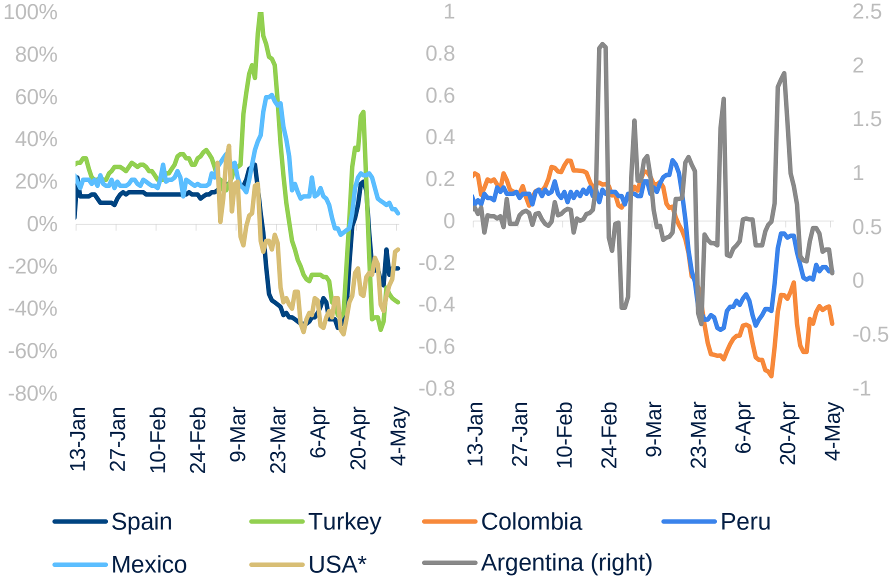
BBVA RESEARCH BIG DATA CONSUMPTION INDICES

(Consumption by card, % YoY, 7D cumulative)

FOOD



HEALTH

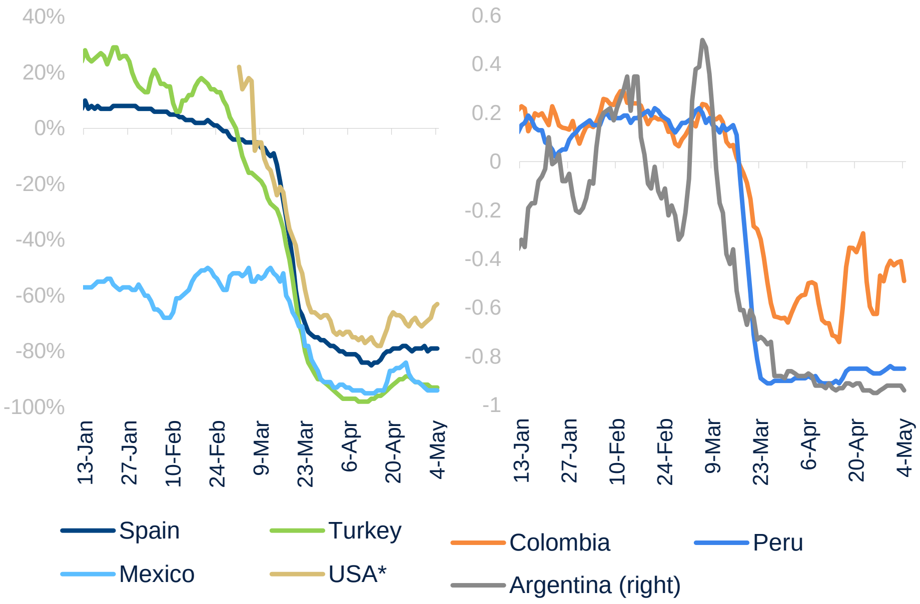


Source: BBVA Research. * USA = Proxied by USA Sunbelt

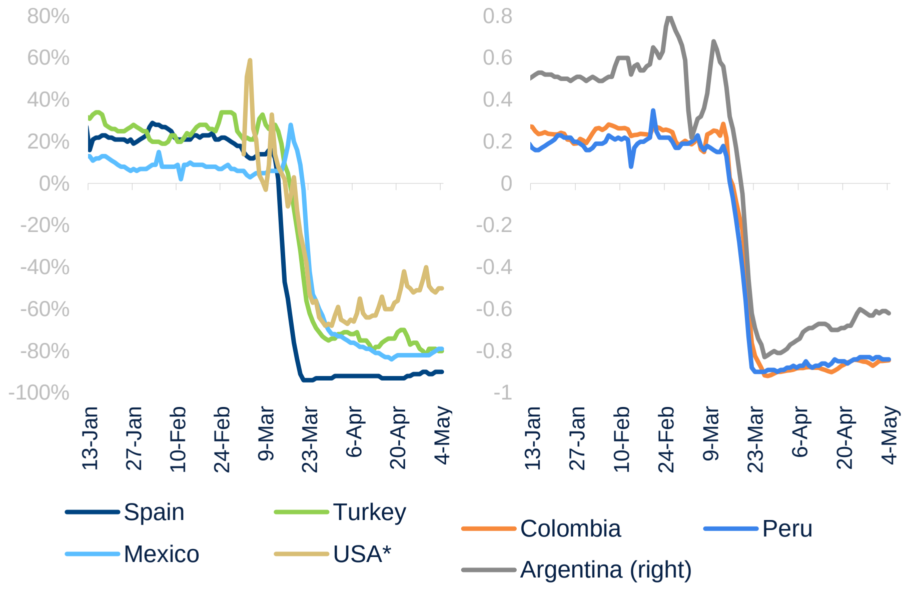
… while spending on services remains stagnant

BBVA RESEARCH BIG DATA CONSUMPTION INDICES
(Consumption by card, % YoY, 7D cumulative)

TRANSPORT



RESTAURANTS

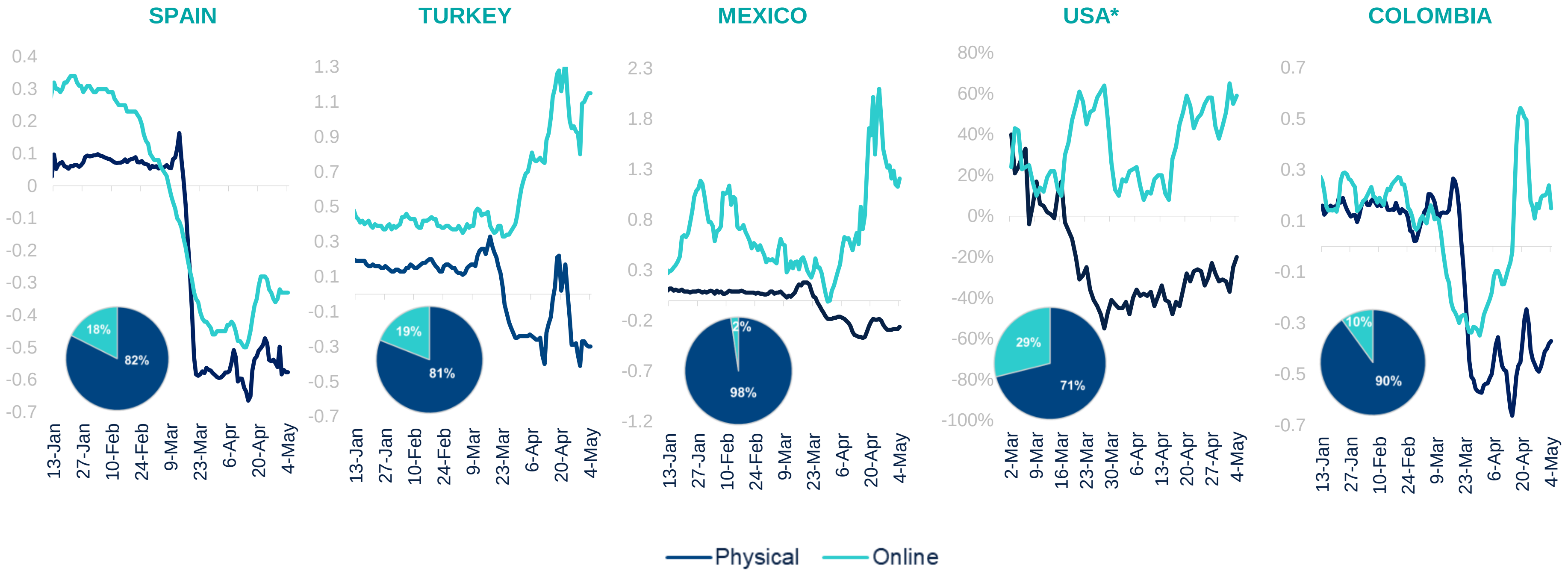


Source: BBVA Research. * USA = Proxied by USA Sunbelt

Technology matters: e-commerce leading the way and resilience

BBVA RESEARCH BIG DATA CONSUMPTION INDICES: PHYSICAL VS ONLINE

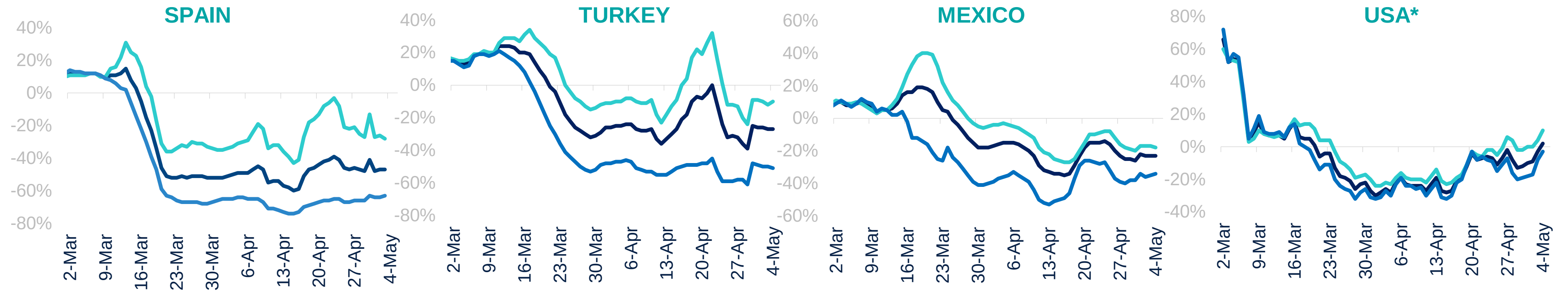
(Total consumption by Point of Sales. % YoY, 7D cumulative. Pie chart reflects the proportion of online and physical purchases in 2019)

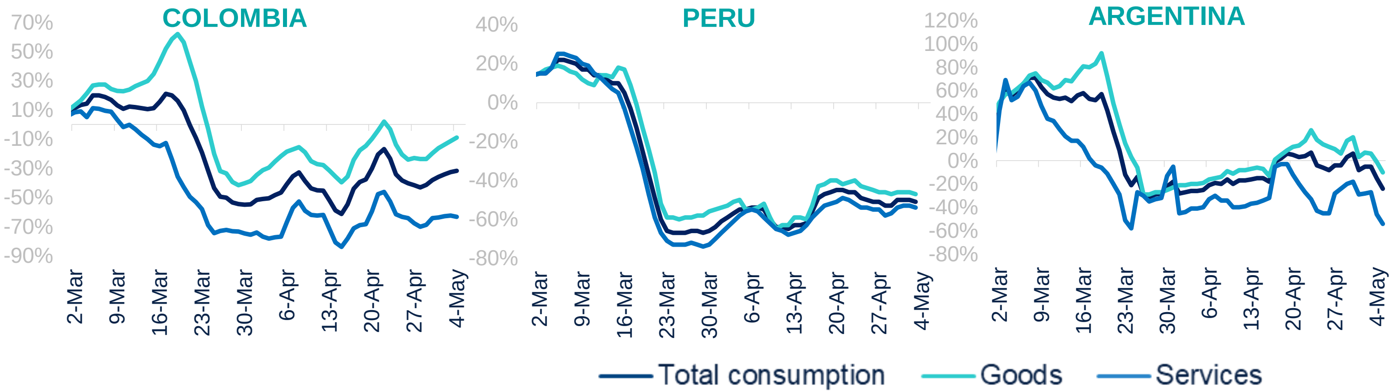


Source: BBVA Research. * USA = Proxied by USA Sunbelt.

Services have been hit more than goods in most of the countries…

BBVA RESEARCH BIG DATA CONSUMPTION INDICES: SERVICES VS GOODS (% YoY, 7D cumulative)



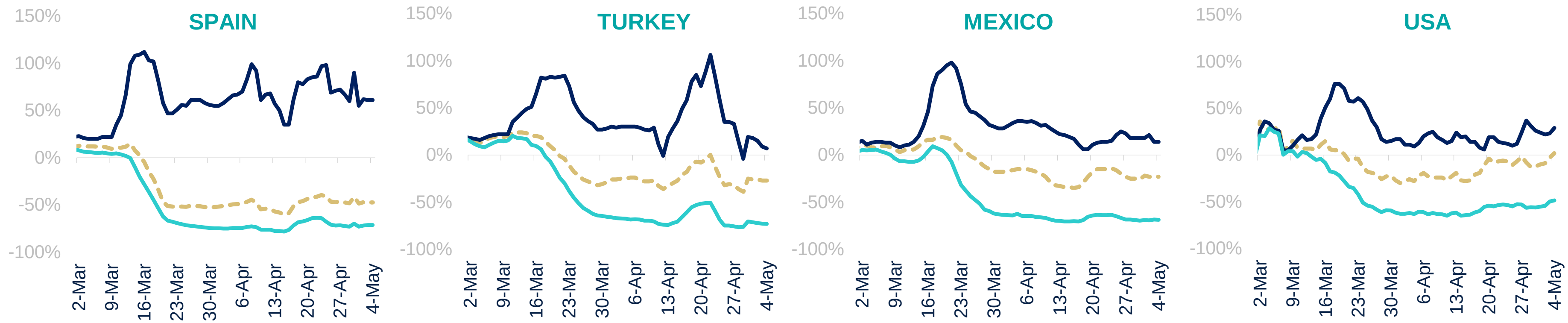


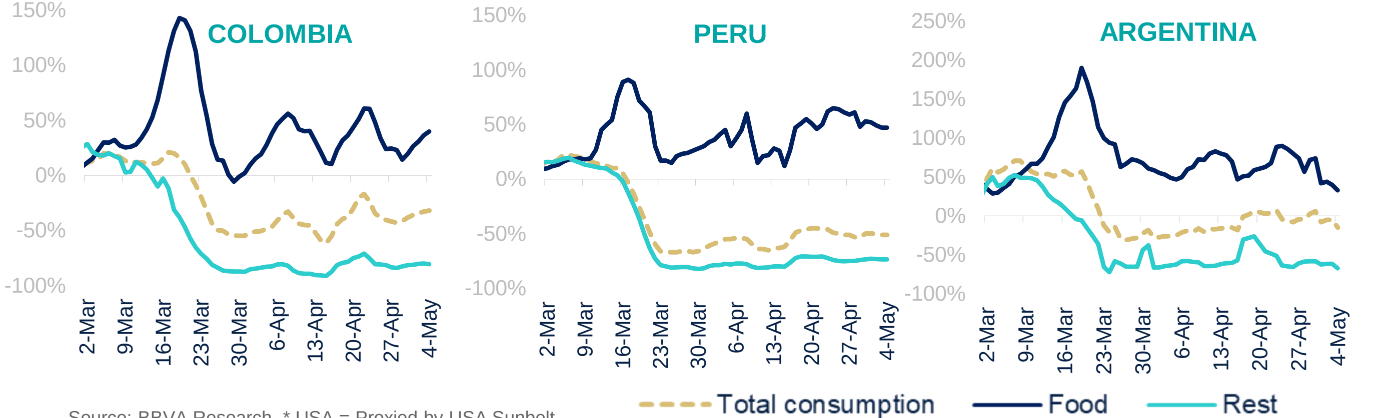
Card spending of **services** has **decreased more than goods** consumption in all the countries, but differences are more accentuated in **Spain, Turkey ad Colombia**.

Source: BBVA Research. * USA = Proxied by USA Sunbelt

… with food consumption continues outperforming

BBVA RESEARCH BIG DATA CONSUMPTION INDICES: SERVICES VS GOODS (% YoY, 7D cumulative)



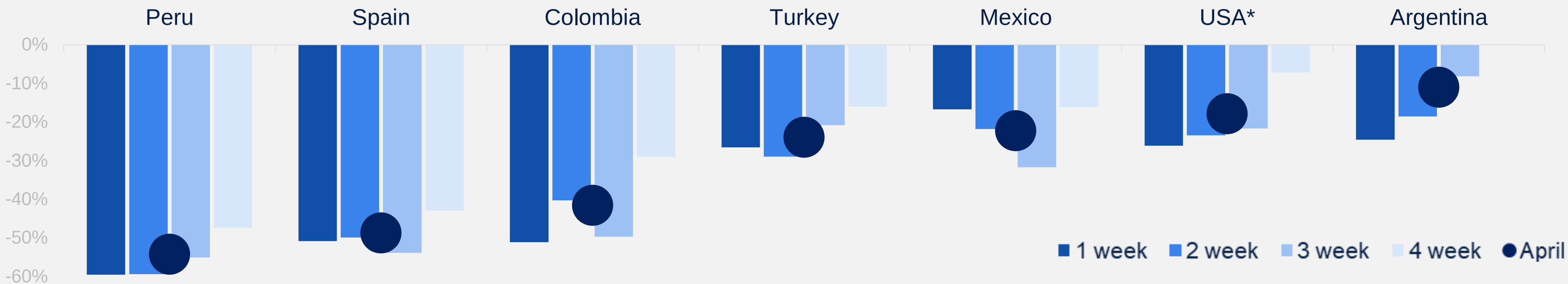


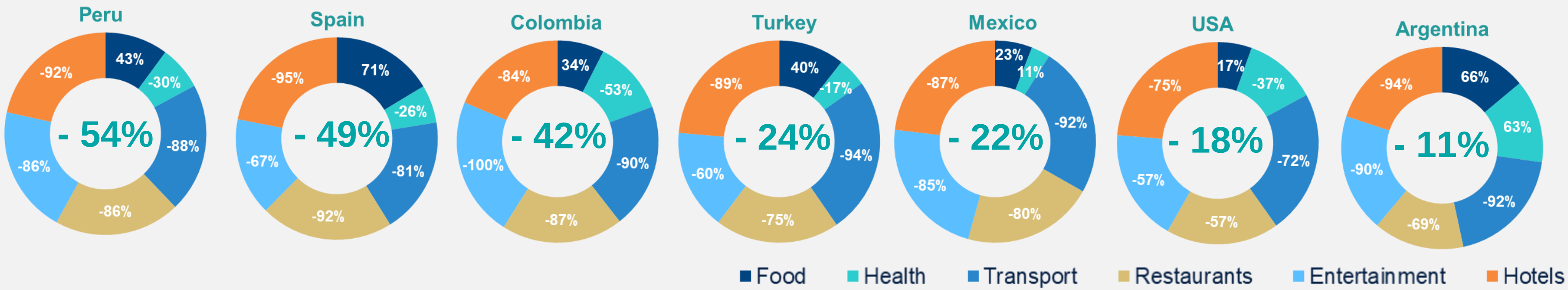
In every country, it has been observed a significant **peak on food** spending given a **mass provisioning behavior**. The lastest highest growth rates are observed in **Spain, Colombia** and **Peru**.

Source: BBVA Research. * USA = Proxied by USA Sunbelt

Topic of the week: what was lost in April?

BBVA RESEARCH BIG DATA CONSUMPTION INDICES: TOTAL CONSUMPTION EVOLUTION IN APRIL AND SECTORIAL DISTRIBUTION* DURING THE MONTH (Bar chart: % YoY by week and month. Pie chart: % YoY by sector in April)





*It should be take into account there are other categories of consumption not considered in the pie chart, so the total consumption is not equal to the average of the components of the chart
Source: BBVA Research. * USA = Proxied by USA Sunbelt

BBVA Research

The COVID-19 impact on Consumption in Real Time and High Definition

A Big Data BBVA Research Project

May 7th, 2020

Creating Opportunities