BBVA Research

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

A Big Data BBVA Research Project

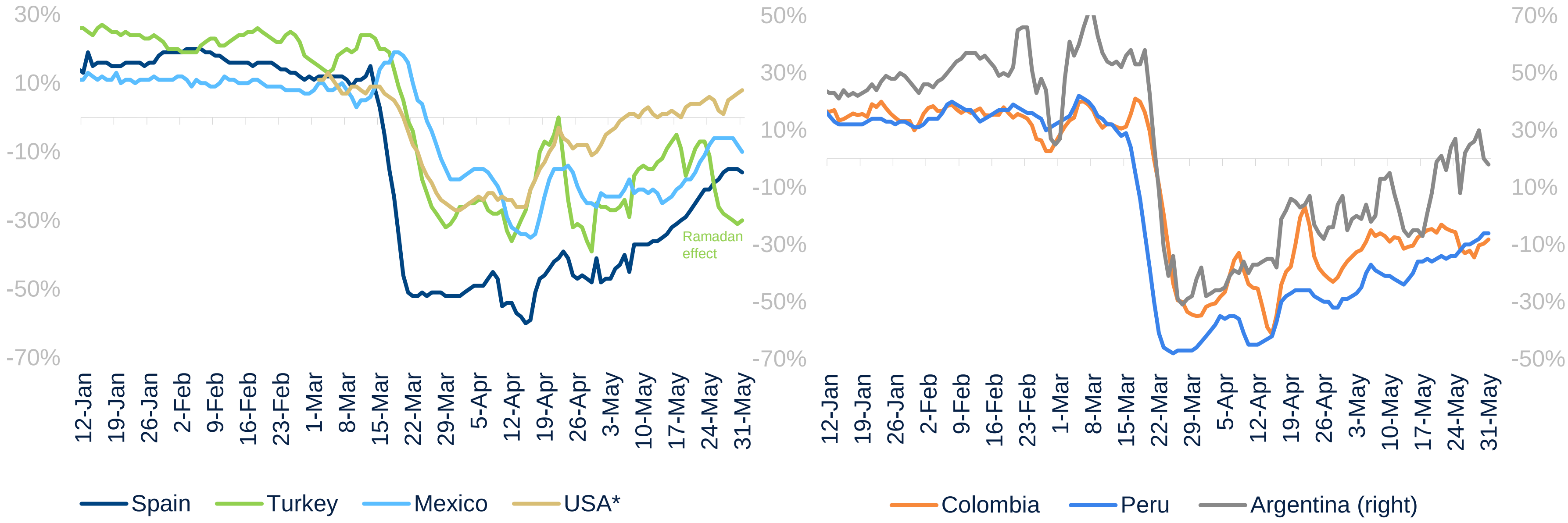
June 4th, 2020

Creating Opportunities

The easing of mobility restrictions starts to pay off: Green shoots around the corner. USA consolidates positive growth

BBVA RESEARCH BIG DATA CONSUMPTION INDICES

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

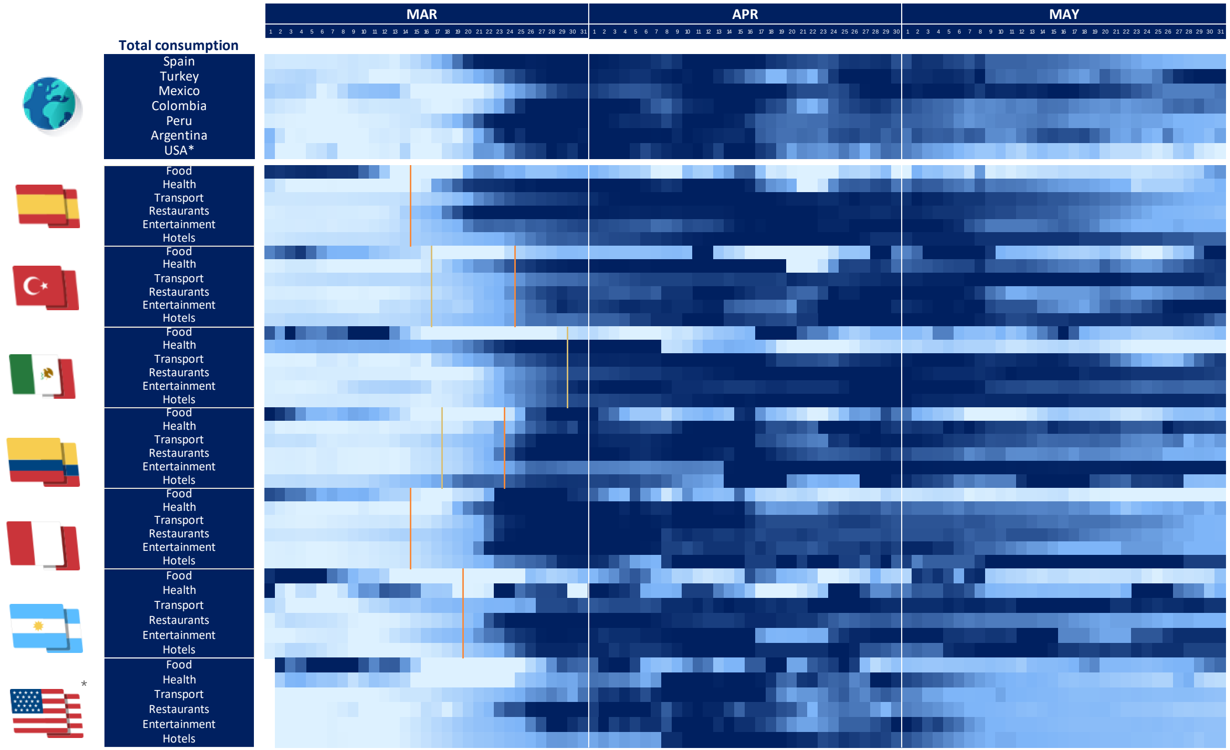


Source: BBVA Research. * Proxied by USA Sunbelt

Spending at BBVA POS by BBVA and non-BBVA customers plus spending by BBVA customers at non-BBVA POS. 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.

Consumption Diffusion Heat Map: Lighter and Lighter… across countries and segments

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



*Proxied by USA Sunbelt
Source: BBVA Research.

Initial restrictions   Lockdown   Lower Growth   Higher Growth

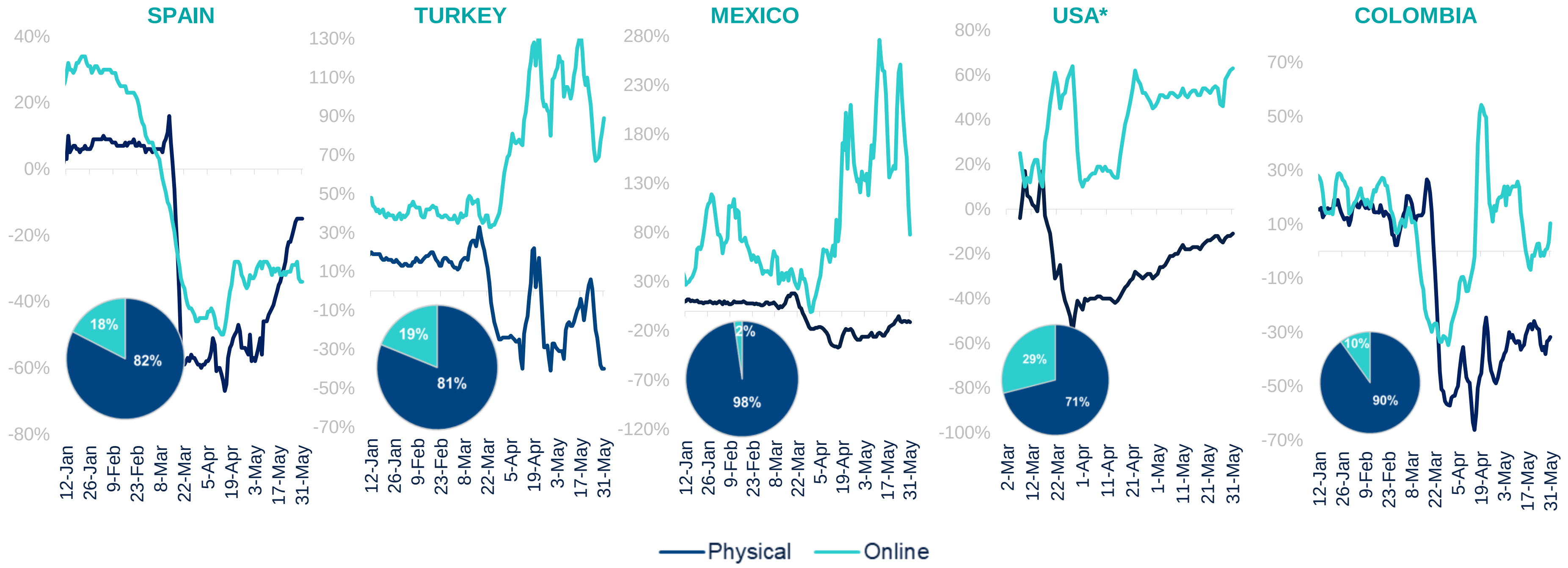
- The bottoming out is consolidating in some countries, specially in the USA
- Food remains as the most benefitted segment, but other categories such as health and transport are improving during last weeks.
- Tourism, Entertainment & Hotels impact was earlier and deeper but it seems they start to mild improve in some countries

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.

Technology matters: the gap between e-commerce growth and physical purchases remains, but closing given the restriction lifting

BBVA RESEARCH BIG DATA CONSUMPTION INDICES: PHYSICAL VS ONLINE

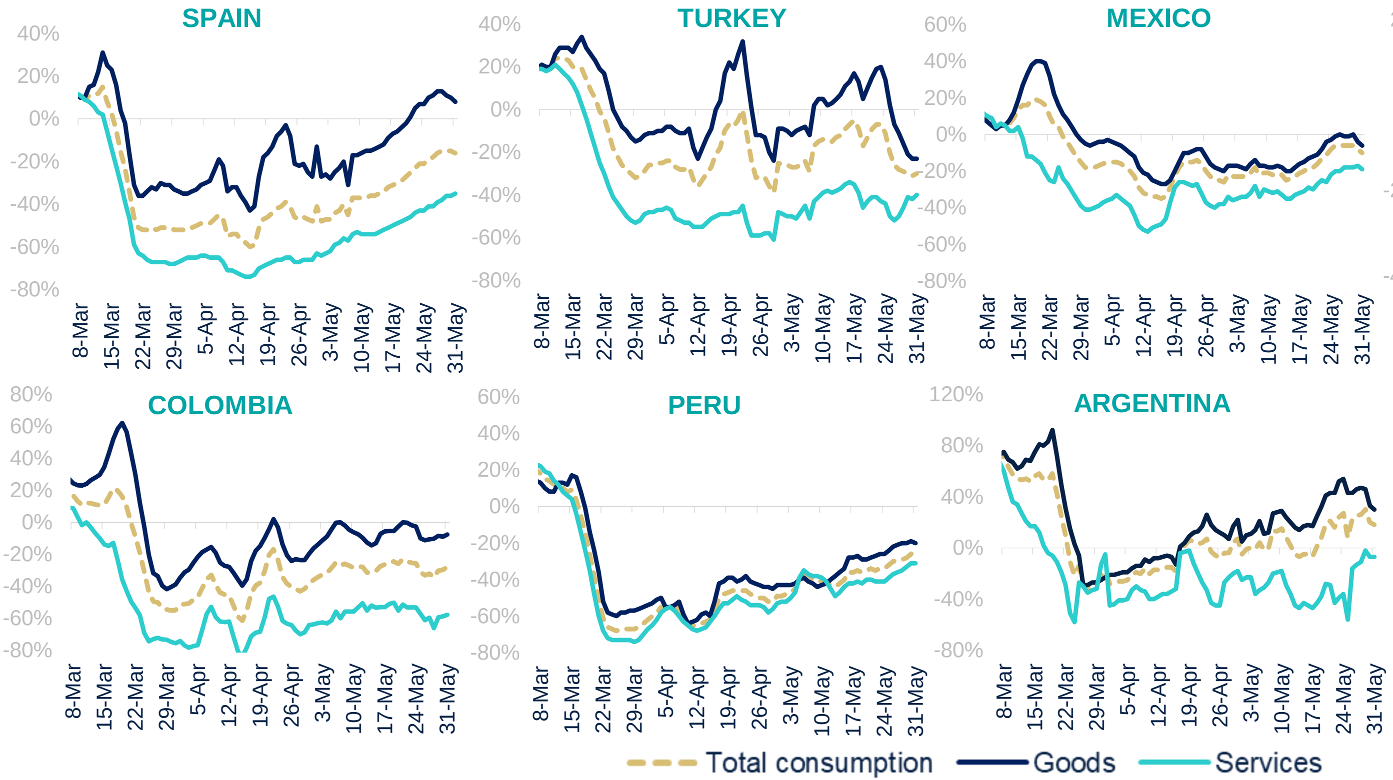
(Total consumption by Point of Sales. % YoY, 7D cumulative. Pie chart reflects the proportion of online and physical purchases in 2019)



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

The gap between services and goods is narrowing in some countries…

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

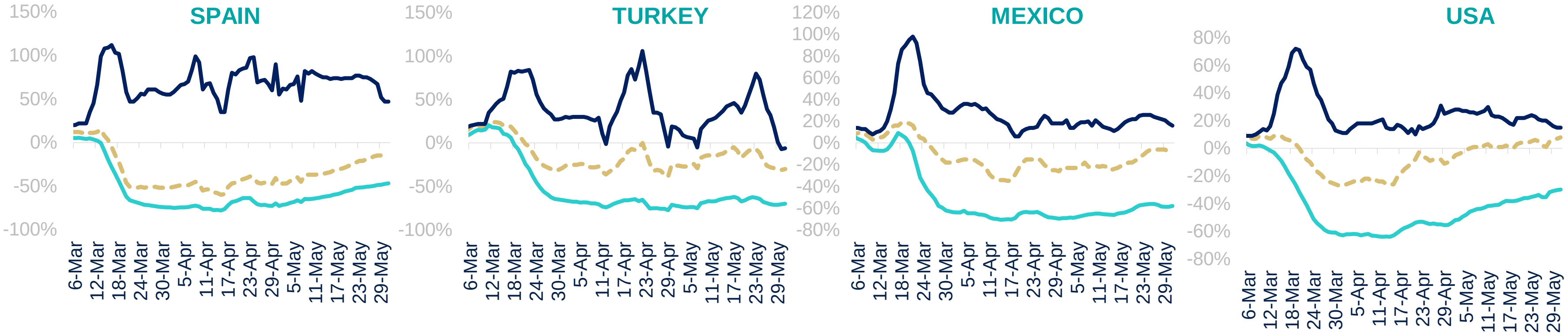


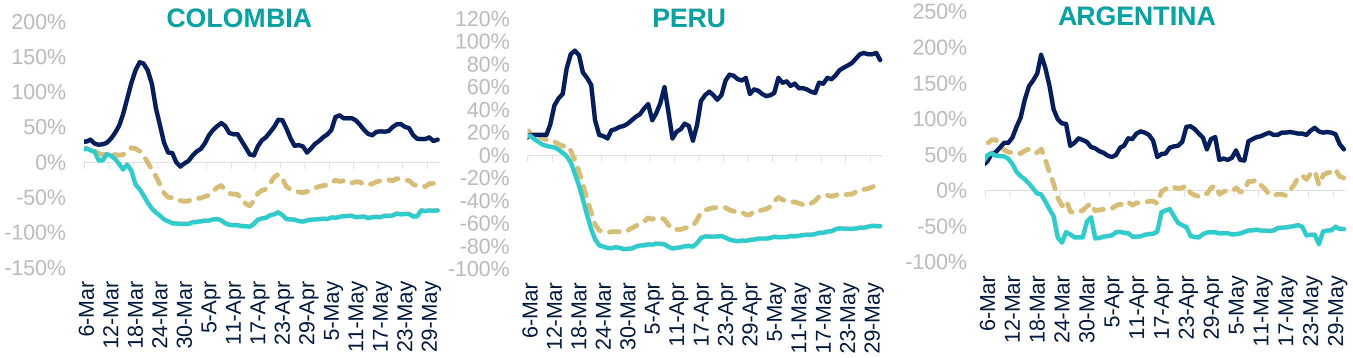
Card spending of **services** has **decreased more than goods** consumption in all the countries, but differences are more accentuated in **Spain, Turkey ad Colombia**.

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

… and food consumption growth is starting to correct

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





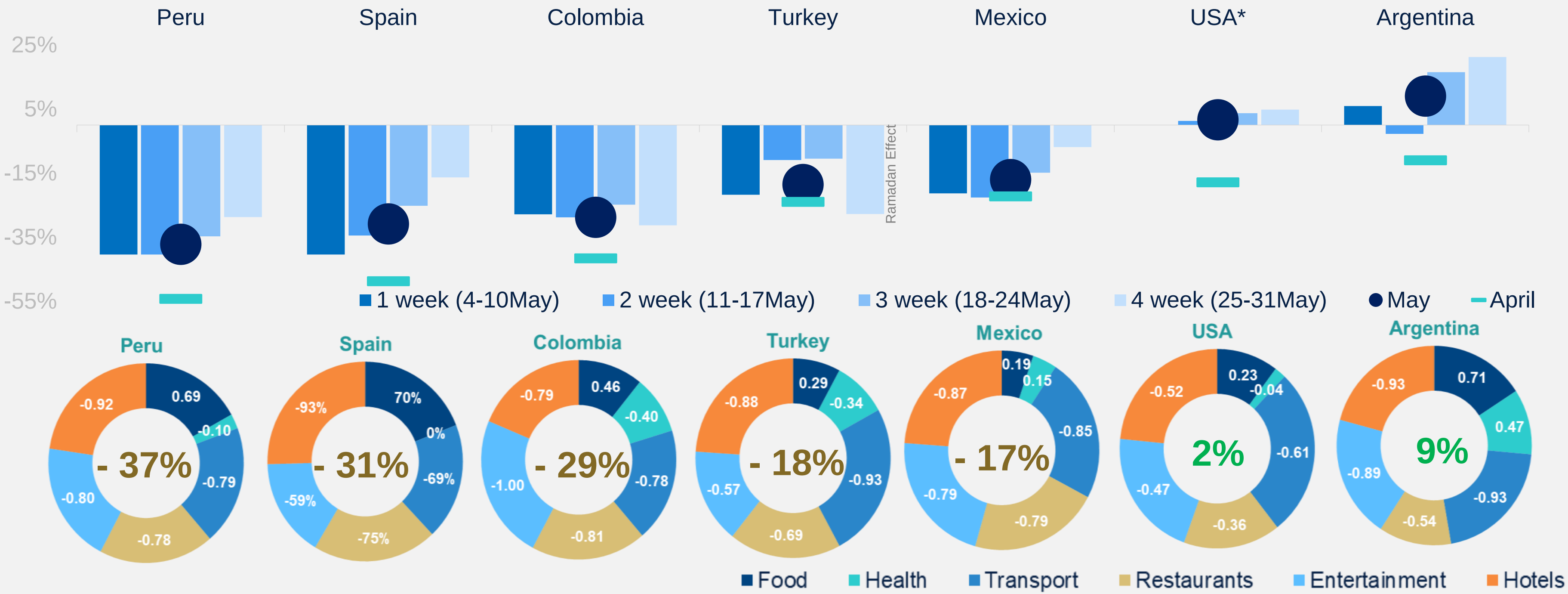
In every country, it has been observed a significant **peak on food** spending given a **mass provisioning behavior**. The most recent highest growth rates are observed in **Spain, Colombia** and **Peru**.

Total consumption — Food — Rest

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

Topic of the week: Some sunshine rays through the clouds in May

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

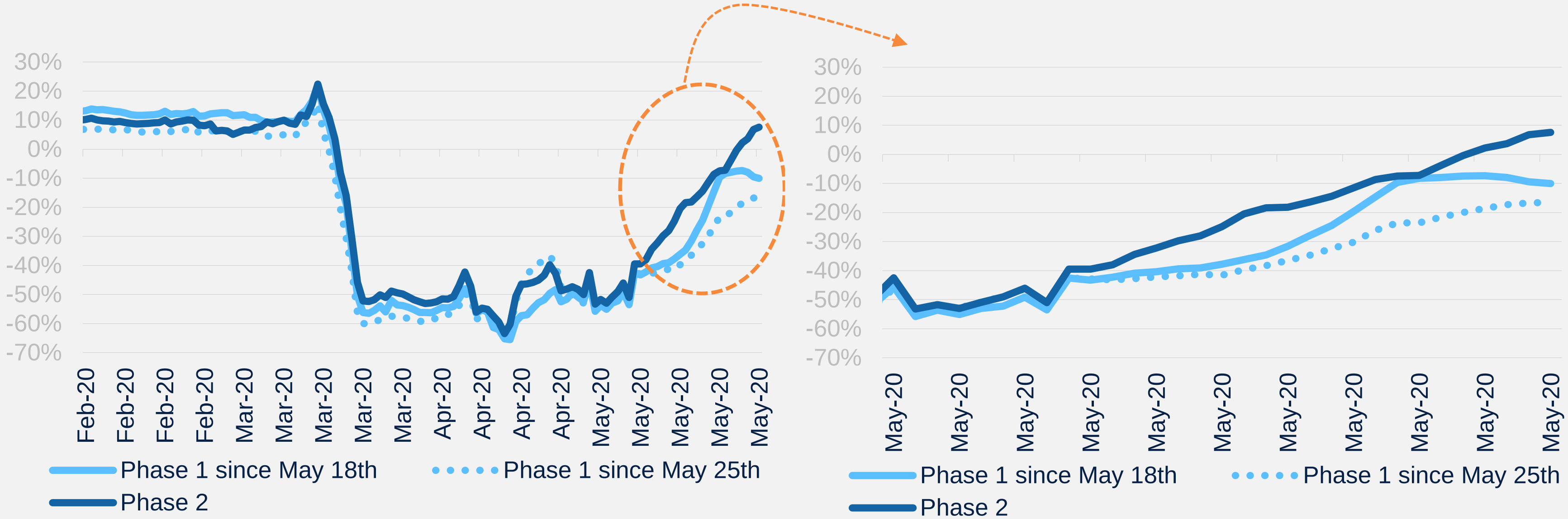


*It should be take into account there are other categories of consumption not considered in the pie chart, so the total consumption is not equal to the average of the components of the chart
Source: BBVA Research. * USA = Proxied by USA Sunbelt

Topic of the week: Green shoots in Spain in Phase 2 provinces, more to come with incoming data for Phase 1 provinces

SPANISH AVERAGE EXPENDITURE BY PROVINCE ACCORDING TO PHASES

(2020 VS 2019, YoY %)

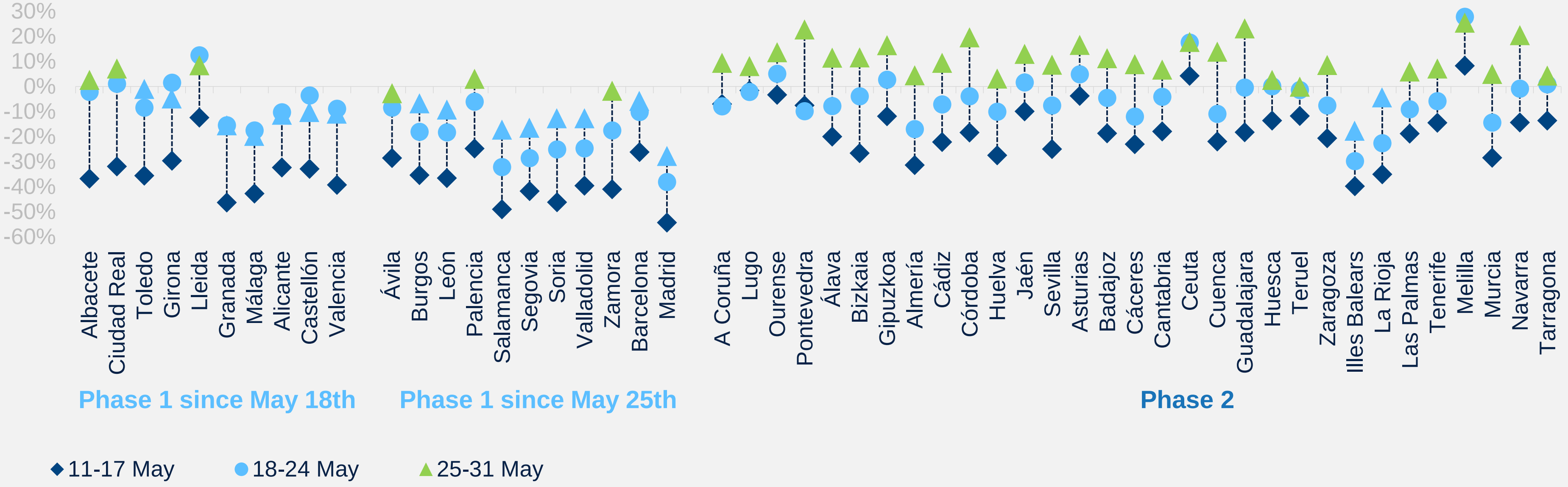


Source: BBVA Research

Topic of the week: Spanish provices in Phase 2 already showing "Green Shoots" Big City advances will reinforce the trend next week

YEARLY CHANGE OF SPANISH AVERAGE EXPENDITURE BY PROVINCE ACCORDING TO PHASES

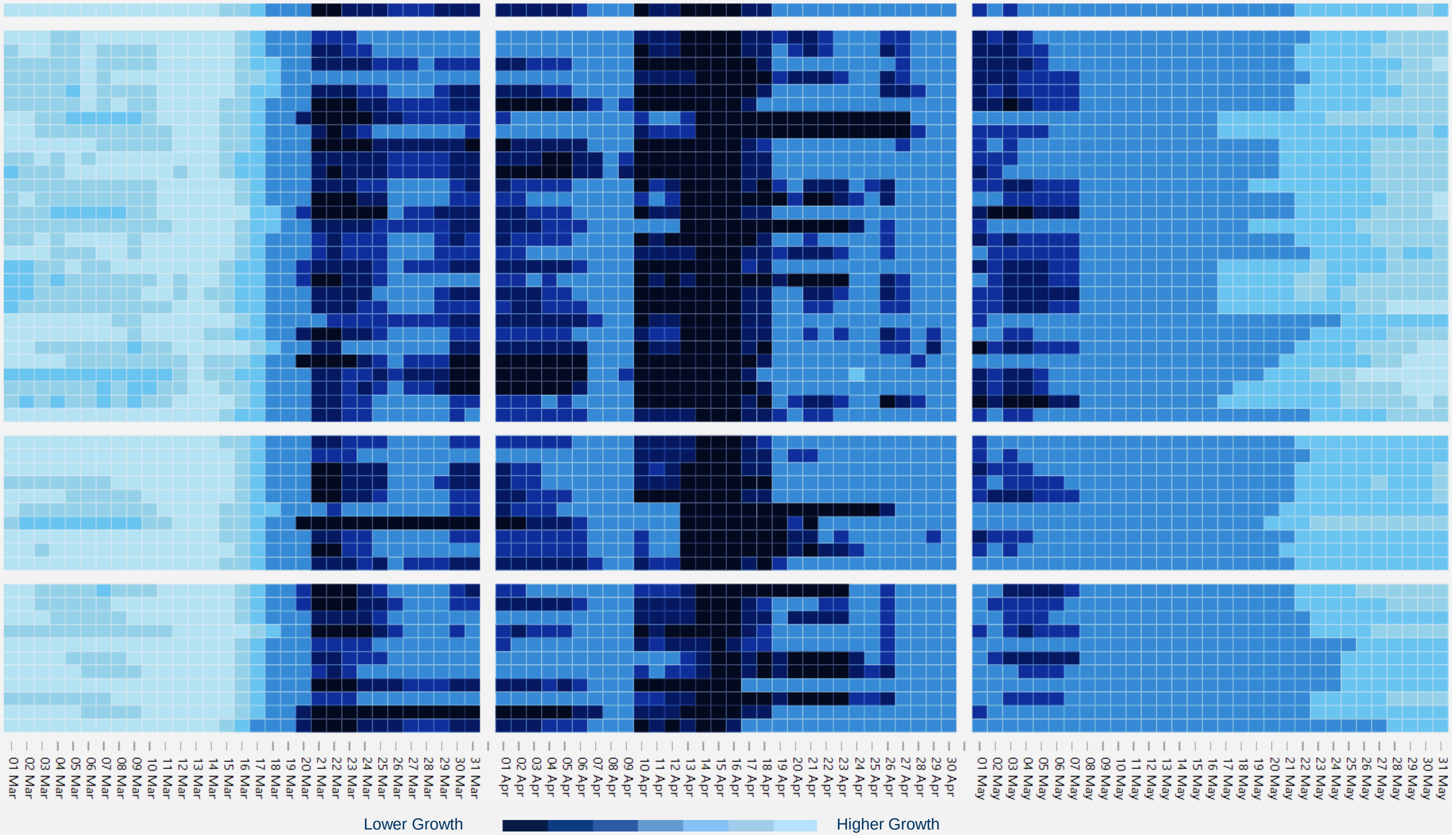
(UPDATED TO MAY 31TH)



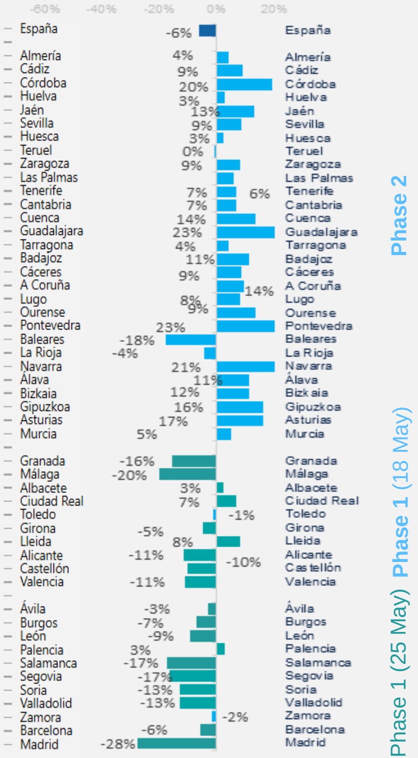
Source: BBVA Research

Topic of the week: Spanish de-escalation progress explains the recovery

SPAIN: AVERAGE WEEKLY EXPENDITURE BY PROVINCE* (2020 vs. 2019, % YOY)



25-31 MAY EXPENDITURE (% YOY)



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