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Amazon-coin? Most customers would use a cryptocurrency if online retailer creates one: Survey

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How satisfied are you with your job?

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5 March, 2018

News Making Money

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More Chinese Tourists to Visit Europe Next Months

The FINANCIAL

According to the latest results of the Long-Haul Travel Sentiment Survey and Index Chinese willingness to travel overseas remains positive in the first months of 2018. Nearly 3 in 5 (58%) Chinese respondents plan to travel internationally between January-April 2018 suggesting

that demand from this market is likely to sustain in the near future.

93% of Chinese respondents who intend to visit overseas destinations in the first four months of 2018 are likely to choose a European destination. The strong interest to travel to Europe reflects the increasing affluence of Chinese citizens, improved air connectivity, competitive airfares, and the opening of many new visa

application centres across China. Additionally, public-private initiatives aimed at strengthening the presence of European tourism in China e.g. 2018 EU-China Tourism Year and Partnerships in European Tourism are expected to support the surge in Chinese travel flows to Europe for the foreseeable future.

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Renewables propel power and utilities M&A to eight-year high

See on p. 4

Should the rich be taxed more?

The FINANCIAL

Compared with other developed countries, the UK has a very high level of income inequality, something which many of us feel uncomfortable about. According to the Equality Trust, UK households in the bottom 10 per

cent of the population have, on average, a disposable (or net) income of £9,644, with the top 10 per cent enjoying net incomes almost nine times that (£83,875). Income is also spread unequally across the UK's regions and nations, with the average London household income considerably higher than in the North East.

The majority (67%) of Chinese respondents expect their

next holiday to Europe to last approximately one week and consist of visits to multiple European countries. Besides the most popular destinations, such as France, Germany and Italy; other destinations like the Netherlands and the Czech Republic are gaining popularity among Chinese.

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Americans Say U.S.-German Relations Are in Good Shape, but Germans Disagree

The FINANCIAL

Americans and Germans express very different opinions about the state of relations between their two countries. While roughly two-in-three Americans characterize relations as good, a 56% majority of Germans take the opposite view,

according to study by Pew Research.

The two publics also have different perspectives on the core elements of the U.S.-German relationship. A 45% plurality of Germans believe economic and trade ties are the most important component of the relationship, while just around one-third point toward shared democratic values. Only 16% say security

and defense ties are most important.

Americans are almost evenly divided between those who say security and defense are the most important element of the relationship and those who name economic and trade ties. About one-in-five cite shared values about democracy.

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CURRENCIES

	Mar 3	Feb 24
1 USD	2.4634	▲2.4671
1 EUR	3.0268	▲3.0375
100 RUB	4.3429	▲4.3763
1 TRY	0.6468	▲0.6517

Rich-poor mortality gap widens, new report says

See on p. 6

Weekly Market Watch

By Galt & Taggart

See on p. 19





THE FINANCIAL
5 March, 2018

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5 MARCH, 2018, GEORGIA



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G-Force Euro Regular	2.27
Euro Regular	2.24
G-Force Euro Diesel	2.39
Euro Diesel	2.31
CNG	1.55



Prices in GEL	
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Eko Premium	2.37
Eko Diesel	2.40
Euro Diesel	2.35
Euro Regular	2.28
Diesel Energy	2.28



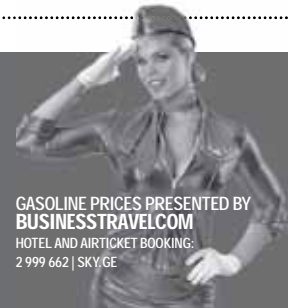
Prices in GEL	
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Super Ecto	2.39
Premium Avangard Ecto	2.29
Euro Regular	2.19
Euro Deasel	2.29



Prices in GEL	
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Nano Euro Regular	2.25
Nano Euro Diesel	2.35
Nano Diesel	2.25
GNG	1.53



Prices in GEL	
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Euro Diesel	2.30



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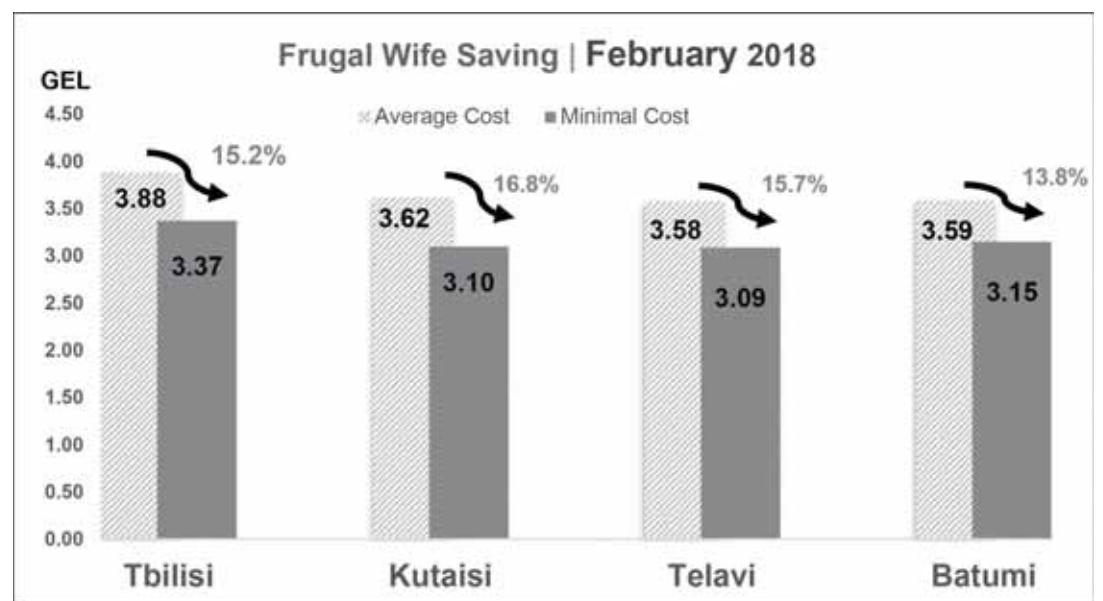
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HOW MUCH CAN YOU SAVE?

The average cost of cooking one standard Imeretian khachapuri in the second month of 2018 dropped to 3.67 GEL, which is 1.2% lower month-on-month (compared to January 2018), and only 0.3% higher year-on-year (compared to February 2017).

As we suspected would happen in the previous publication, Khachapuri Index continued declining in monthly terms in all Georgian cities. The highest monthly drop was observed in Kutaisi (-2.9% compared to January 2018).

Markets in all cities offered great bargains for those frugal people among us who care to look for the least expensive ingredients. Kutaisi offers the best saving potential for frugal consumers, who would pay only 3.10 GEL for one portion of khachapuri, saving nearly a solid 17% of the local average price. As is shown in the graph, those who search for the lowest prices can buy one portion of khachapuri at approximately the same price in Kutaisi, Telavi and Batumi (for 3.10 GEL, 3.09 GEL and 3.15 GEL, respectively). Considering average as well as minimum prices, Tbilisi



is currently one of the most expensive markets for khachapuri lovers. In spite of the fact that Tbilisi offers good bargains for those who seek low-cost products, still, the minimum price for one portion of khachapuri is

highest in the capital city. One of the possible explanations might be the fact that the dairy market has become increasingly regulated in Georgia. As cheese is the main ingredient of khachapuri and drives the Khachapuri Index,

variable cheese prices in bazaars offer saving potential to frugal consumers. The bazaars in big cities might currently be undergoing stricter checks than other cities, offering less room for price differences.

Americans Say U.S.-German Relations Are in Good Shape, but Germans Disagree

The FINANCIAL

Americans and Germans express very different opinions about the state of relations between their two countries. While roughly two-in-three Americans characterize relations as good, a 56% majority of Germans take the opposite view, according to study by Pew Research.

The two publics also have different perspectives on the core elements of the U.S.-German relationship. A 45% plurality of Germans believe economic and trade ties are the most important component of the relationship, while just around one-third point toward shared democratic values. Only 16% say security and defense ties are most important. Americans are almost evenly divided between those who say security and defense are the most important element of the relationship and those who name economic and trade ties. About one-in-five cite shared values about democracy.

In both nations, there are partisan differences over what binds the two countries together.¹ Among Americans, Republicans clearly see defense ties as most important (47%), with 28% naming economic and trade ties and just 12% naming shared values. Democrats are almost evenly divided across the three options.

In Germany, supporters of Chancellor Angela Merkel's center-right Christian Democratic Union (CDU) and its partner the Christian Social Union (CSU) tend to see economy



and trade as the relationship's most important aspect while placing relatively little importance on defense. Those who back the center-left Social Democratic Party (SPD) are split between democratic values and economic ties.

Partisan divides also shape public opinion about other facets of the bilateral relationship. In the U.S., Democrats are more likely than Republicans to believe Germany is do-

ing the right amount to help solve global problems. While supporters of both parties agree the U.S. should cooperate more with Germany, this belief is more common among Democrats.

In addition, Democrats are more likely to name Germany as a top foreign policy partner for the U.S. Among Democrats, 21% believe Germany is one of the two most important partners for the U.S., putting it in the third spot overall be-

hind Great Britain (32%) and China (26%). Among Republicans, Germany is tied for the seventh spot, alongside Russia, with just 5% of Republicans citing it as a top partner.

Democrats are also more likely to see trouble in the U.S.-German relationship. Roughly three-in-ten believe relations with Germany are bad, compared with just 12% of Re-

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publicity

Terabank closed 2017 with the outstanding results

Terabank is publishing its main financial indicators for the year 2017. The year turned out to be successful for the whole bank as it achieved all important milestones in every business line.

Terabank's total outstanding loan increased in 2017 by 22% to reach GEL 105.4 million. Growth could be seen in all strategic segments: Loans to Micro and Small and Medium Businesses (SME) increased by GEL 76 million (49%), while the total amount of retail loans increased by GEL 30 million (25%). The growth of retail deposits reached GEL 61 million (42%). Terabank's net profit has totalled GEL 16.3 million with the ROE at 16%.

"Despite the high competition surrounding small and medium business segments, Terabank's loan portfolio in this direction has increased by almost 50%. This means that Terabank has firmly established its place as a reliable and trustworthy financial partner for businesses. The increase of retail deposits by 42% is also very important for us as it confirms a high trust towards Terabank," said Thea Lortkipanidze, Terabank's CEO.

The year 2017 also proved to be successful for Terabank in terms of international cooperation. The bank attracted long-term credit resources from the Netherlands Development Finance Company (FMO) which allocated GEL 31 million for the purposes of supporting the development of SME businesses and promoting women's involvement in the



business sector in Georgia. Women's involvement in business constitutes one very important direction for Terabank and, therefore, it plans to offer new services and products to women in cooperation with the

FMO.

"After the rebranding process, 2017 was the year when we introduced our new name and opened our new branches for our customers. The year was successful for us in

terms of all of our assessment indicators. This confirms once again the fact that our customers were pleased with our changes," added Thea Lortkipanidze.

Also in 2017, Terabank made an

important step forward in terms of remote service development and introduced its customers to a completely updated and user-friendly internet banking platform. Simultaneously, the bank improved its physical presence in regional parts of Georgia by opening two branches in Batumi and one branch in Zugdidi. A branches' new concept, entitled "Financial Home," was in the process of active introduction throughout the year and in 2018 the entire bank's branch network will be renewed in line with the new concept.

Considering this favourable economic environment, Terabank is expecting more significant and important growth in the current year. Active projects and work in the area of business loans still continue. Deepening the non-credit relationship with the bank's customers and offering additional services is also being planned. Taking into account modern trends, Terabank is focusing on the farther development of remote channels and introducing new technologies.

Eighteen years have passed since Terabank emerged on the Georgian market; however, it has only been operating under the name Terabank since its rebranding in 2016. The main shareholder is H.H. Sheikh Nahayan Mabarak Al Nahayan who has invested in Georgia's banking and hotel industries USD 250 million. As Sheikh Al Nahayan stated at the Tbilisi Belt and Road Forum, there are all conditions for doing business in Georgia. According to him, he intends to double the investments during the next two years.

Renewables propel power and utilities M&A to eight-year high

The FINANCIAL

Global power and utilities transactions reached an eight-year peak in both value (US\$200.2b) and volume (516 deals) in 2017, according to the EY report Power transactions and trends: 2017 review and 2018 outlook.

Transmission and distribution (T&D) together with integrated assets accounted for US\$100.3b (50.1%) of total deal value in 2017, as buyers continued to favor long-term stable returns amid low interest rates and excess capital. However, a 10% overall increase in deal volume was largely driven by a 28% rise in renewables deals, to the value of US\$42.8b. Investment in renewables increased 1.5x in 2017, with most value attributed to European deals (US\$15.1b).

Last year also saw a resurgence in mergers and acquisitions (M&A) involving independent power producers (IPP), particularly in Europe and the US, where IPP deals more than doubled in value – from US\$15.2b to US\$33b year-on-year. In addition, over the last two years, new energy-focused start-ups raised US\$746m of funding (series A and B), of which US\$253m was focused on energy services.

"2017 was a formative year in



power and utilities transactional activity. Investments in the conventional energy sector were dominated by the changing generation mix, as renewable energy continued to account for an increasing proportion of the system, and low interest rates again drove yield capital toward regulated networks. We also saw the new energy market continue to grow in both scale and importance. As technology companies increasingly become a mainstream contingent within the electricity system, we expect them to focus on arbitraging network peaks and to focus on the

long-term needs of a decentralized future energy market," Matt Rennie, EY Global Power & Utilities Transactions Leader, says.

Renewables top the growth agenda in the Americas.

In the Americas, deal value reached US\$102.2b – surpassing US\$100b for the first time in eight years – with the US recording the highest level of investment globally

(US\$87.9b). Networks represented US\$29.4b of total Americas deal value, while US\$28.4b was attributable to integrated assets, US\$24b to generation and US\$14.2b to renewables. Renewable energy M&A in the Americas grew 28% in volume and 71% in value year-on-year.

Rennie says: "In the Americas, 2017 was marked by three investment themes: network assets continued to be highly attractive to investors seeking yield in a low interest rate environment; renewable energy investment activity remained strong, driven in part by ongoing support at state level; and investments in energy technology start-ups continued to gain prominence – particularly on the west coast of the US."

T&D and renewables boost sluggish deal activity in Europe

European deal value was similar to 2016 levels, at US\$50.3b, recording an 11% increase in volume to 213 deals. Renewables contributed 30% of total deal value, with networks accounting for 27%, and generation 26%.

Rennie says: "Low pool prices, flat electricity demand and ongoing impairments meant 2017 was another challenging year for M&A in Europe. However, some of Europe's largest integrated utilities moved to

transform their investment strategy and business models. We anticipate moderate economic growth in 2018, particularly as investment in renewable assets continues and new energy becomes increasingly mainstream within the electricity system."

Asia-Pacific policies drive the trend toward renewables

Asia-Pacific was the only region to record moderate growth in 2017. Total deal value reached US\$46.7b, a 14% increase on 2016, reflecting growth across all segments except conventional generation. Renewables deal value grew 72% year-on-year to US\$13.5b, amid favorable policies across the region.

Rennie says: "We expect to see a greater focus on reliability in coming years as the generation mix shifts toward renewables in Asia-Pacific. This could see higher levels of investment in peak and frequency support, spanning more flexible convention generation and greater involvement from storage technologies. Network valuations will climax as interest rates increase and new counterparties emerge. And as new entrants and incumbents are drawn to the benefits of scale and digital platforms, we expect to see consolidation in retail in the region."

More Chinese Tourists to Visit Europe Next Months

The FINANCIAL

According to the latest results of the Long-Haul Travel Sentiment Survey and Index Chinese willingness to travel overseas remains positive in the first months of 2018. Nearly 3 in 5 (58%) Chinese respondents plan to travel internationally between January-April 2018 suggesting that demand from this market is likely to sustain in the near future.

Europe remains the number one destination for Chinese planning to travel long-haul

93% of Chinese respondents who intend to visit overseas destinations in the first four months of 2018 are likely to choose a European destination. The strong interest for travel to Europe reflects the increasing affluence of Chinese citizens, improved air connectivity, competitive airfares, and the opening of many new visa application centres across China. Additionally, public-private initiatives aimed at strengthening the presence of European tourism in China e.g. 2018 EU-China Tourism Year and Partnerships in European Tourism are expected to support the



surge in Chinese travel flows to Europe for the foreseeable future.

Chinese travellers keen on exploring multiple destinations in one single trip

The majority (67%) of Chinese

respondents expect their next holiday to Europe to last approximately one week and consist of visits to multiple European countries. Besides the most popular destinations, such as France, Germany and Italy; other destinations like the Netherlands and the Czech Republic are gaining popularity among Chinese. In line with the global travel trends, 60% of Chinese respondents expressed interest in heading into the great outdoors for more nature-related experiences.

Simultaneously, Europe's culture, history and famous landmarks continue to attract many visitors and make a big mark on Chinese travel in Europe.

The Long-Haul Travel Sentiment Survey and Index is an initiative of the European Travel Commission, the European Tourism Association (ETOA) and Eurail Group aimed at monitoring travel sentiment in some of the most important outbound travel markets for Europe – Brazil, China, Japan, Russia and the US.

Inflation Rate in Georgia, February 2018

In February 2018 monthly inflation rate amounted to 0.2 percent. Compared to the same month of the previous year the Consumer Price Index change (annual inflation rate) posted a 2.7 percent increase.

The following table shows percentage changes in prices for the commodity groups of the consumer basket as well as the relevant contributions to the overall monthly inflation rate.

The monthly inflation rate was mainly influenced by price changes for the following groups:

Food and non-alcoholic beverages: prices increased by 0.4 percent, contributing 0.13 percentage points to the overall CPI change. Prices were higher for the following subgroups: fruit and grapes (10.4 percent), vegetables (2.9 percent), fish (1.5 percent). Meanwhile, prices decreased for milk, cheese and eggs (-2.3 percent), also for sugar, jam, honey, chocolate and confectionary (-1.6 Percent);

Restaurants and hotels: prices in the group increased by 2.1 percent, contributing 0.09 percentage points to the overall CPI change. Prices increased for catering services (2.3 percent) and accommodation services (0.7 percent);

Alcoholic beverages and tobacco: prices increased by 1.2 percent. Correspondingly, the group had an upward effect of 0.08 percentage points on the monthly inflation. Prices were higher both for tobacco (2.1 percent) and alcoholic beverages (0.4 percent);

Clothing and footwear: prices decreased by 2.2 percent, contributing -0.08 percentage points to the overall CPI change. Within the group prices decreased for footwear (-5.4 percent).



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Should the rich be taxed more?



Professor John Hatgioannides conducts research into tax and income equality

The FINANCIAL

Compared with other developed countries, the UK has a very high level of income inequality, something which many of us feel uncomfortable about. According to the Equality Trust, UK households in the bottom 10 per cent of the population have, on average, a disposable (or net) income of £9,644, with the top 10 per cent enjoying net incomes almost nine times that (£83,875). Income is also spread unequally across the UK's regions and nations, with the average London household income considerably higher than in the North East.

Growing divide across the UK

UK's top bosses make more in two and a half days than their workers earn all year. Last year, according to the High Pay Centre released figures. The report, which found that executives typically earn more than 129 times more than their employees, demonstrated the growing divide between executive pay and that of the rest of the workforce.

Recent research led by Professor John Hatgioannides, Professor of Mathematical Finance and Financial Engineering, Cass Business School, argues that a progressive income tax rate is the only way to balance this kind of income inequality and ensure a fairer society for all.

Academics say progressive income tax needed

John led the research team, which included colleagues from Queen Mary, University of London and the Universitat Autònoma de Barcelona, as they developed a novel and holistic index – the Fiscal Inequality Coefficient (FIC) – which reevaluates the progressivity of the income tax system.

The FIC tracks the ratio of the effective income tax rate per income group divided by the percentage of total personal wealth (or the percentage of national income) owned by the same income group.

Using this metric, instead of focusing on the absolute income tax contribution, the researchers discovered that the bottom 99 per cent pays, in relative terms, at least 10 times (1,000 per cent) more tax than the top one per cent.

John says a progressive income tax, used together with other direct/indirect taxes, insurance contributions and government borrowing, would help help balance the UK's unequal, divided economy.

"Vast income inequality, appropriation of huge chunks of wealth by the top one per cent and systematic public underinvestment due to relatively low direct income tax rates for the highest earners, have all contributed to the unbalanced UK economy.

"If the richest one per cent paid a higher and fairer income tax rate it would have a significant impact on quality of life for some of our poorest citizens. For example, it could mean that high-quality universal services, a guaranteed state pension; a thriving free health service and free childcare and elderly care would be within reach for all," he says.

The top one per cent of high earners account for 27 per cent of income tax receipts which some commentators argue mean that the rich already pay their fair share of tax. John says this is true – but only in an "absolute, dry" sense.

"What we believe is missing, and what we believe is correct in our research, is the percentage of total wealth (or national income) owned by the top income groups. The FIC offers a unique, redistributive function which proves that a genuinely progressive income tax should serve a rich, advanced and yet highly polarised economy such as the UK."

More equal wealth distribution in Nordic countries

John says countries such as Norway, Sweden and Denmark are excellent example of advanced high-tax economies which have a more equal distribution of wealth.

"In the Nordic countries, high earners pay more tax and the rest of the country benefit from initiatives such as government sponsored higher education, paid parental leave, and universal healthcare," he says.

Many Italians are deeply pessimistic ahead of general election

Pessimism and disaffection are widespread among Italians ahead of the country's general election on Sunday. In a Pew Research Center survey conducted last fall, 82% of Italians said they distrust parliament and an equal share said the national economic situation is bad. About three-quarters (77%) said politicians don't care what people like them think, including 59% who felt that way strongly.

Supporters of the four largest parties contesting the election generally expressed negative views of the current environment. But those who identified with former Prime Minister Silvio Berlusconi's Forza Italia, the right-wing Northern League (LN) and the populist Five Star Movement (M5S) expressed even deeper dissatisfaction than those who identified with the governing, center-left Democratic Party (PD).

Italy's economic and political troubles are well-known. It is one of a handful of countries in the Organization for Economic Cooperation and Development whose gross domestic product has yet to return to pre-financial crisis levels, and one of the main party leaders – Berlusconi – is campaigning despite being legally barred from holding higher office.

While most Italians say the economy is doing poorly and parliament is not to be trusted, those feelings are more widespread – and felt more intensely – by those backing parties currently out of power. A majority of those supporting the Five Star Movement (65%), Northern League (64%) and Forza Italia (58%), for example, said they do not trust parliament at all, compared with only about a quarter of Democratic Party supporters (23%). And while Italians of all genders, ages, incomes and education levels said politicians don't care about people like them, Five Star and Northern League partisans were among the most likely to express this sentiment: 71% of those supporting these two parties felt strongly that they were being ignored by elected officials.

This view was shared by about six-in-ten supporters of Forza Italia (62%), but just 42% of Democratic Party backers.

The issue of immigration has grabbed headlines in the run-up to the election, but the current tensions are not new. A 2016 Pew Research Center survey found that 65% of Italians viewed the large number of refugees leaving countries like Iraq and Syria as a major threat to their country, and more than half (53%) said having an increasing number of people of different racial, ethnic and national backgrounds made their country a worse place to live – one of the highest figures of the 10 European countries surveyed.

The partisan divides over immigration within Italy are clear. Most people who supported the Democratic Party said immigrants strengthen the economy (71%) and do not increase the risk of terrorist attacks (60%). Most who supported the Northern League and Forza Italia, on the other hand, said immigrants are a burden on the economy (73% and 63%, respectively) and increase the risk of terrorist attacks (69% and 71%). Supporters of the Five Star Movement fell between these positions.

Only on questions of assimilation do most partisans agree when it comes to immigration: At least seven-in-ten Italians in all four major parties say it is necessary for immigrants to adopt Italian customs and traditions.

Rich-poor mortality gap widens, new report says

Life expectancy diverges between England's wealthiest and poorest neighbourhoods

The FINANCIAL

New research from the Longevity Science Panel (LSP) shows life expectancy diverging between England's wealthiest and poorest neighbourhoods since 2001. This widening gap in outcomes applies to children born today and to people already in older age.

A boy born in one of the most advantaged 20 per cent of neighbourhoods in 2015 can now expect to

outlive his counterpart, born in one of the least advantaged 20 per cent of neighbourhoods, by 8.4 years. In 2001, that gap was 7.2 years. For girls, the difference has risen from 5 years to 5.8 years over the same period.

A sixty-year-old man living in the most advantaged 20 per cent of neighbourhoods could expect to live 4.1 years longer than his counterpart from the least advantaged 20 per cent in 2001, increasing to 5.0 years longer in 2015. A sixty-year-old woman living in the most advantaged 20 per cent of neighbourhoods could expect to live 3.1 years longer than her counterpart in the least advantaged 20 per cent in 2001, increasing to 4.2 years longer in 2015.

Death rates for people aged 60-89 improved for all groups between 2001 and 2015. However, the improvement was greatest for the best-off. The most advantaged fifth of older men experienced a

reduction in death rates of 32 per cent, compared with 20 per cent for the least advantaged fifth. Women in this age group experienced a 29 per cent fall in death rates for the most advantaged fifth, and 11 per cent for the least advantaged fifth.

Differing improvement rates meant that by 2015, men aged 60-89 from the least advantaged fifth of the country were 80 per cent more likely to die in any given year than those from the most advantaged fifth. This figure has climbed from 52 per cent in 2001. The equivalent figures for women are 44 per cent in 2001 and 81 per cent in 2015.

The LSP's analysis shows that, of the many factors comprising the Index of Multiple Deprivation, income levels have the most powerful influence over neighbourhood death rates.

"Dying earlier if you are poor is the most unfair outcome of all", commenting on the research, LSP's

Dame Karen Dunnell said. "So we should all be concerned about the growing divergence in rich-poor life expectancy. To reduce the risk of further widening, we need better understanding of the precise causes, followed by co-ordinated policy initiatives across health, work, welfare, pension and housing to improve outcomes for all."

"Our main finding is that the socioeconomic gap in life expectancy in England has widened over the last 15 years", co-author, Professor Steve Haberman, Professor of Actuarial Sciences, Cass Business School said. This has happened despite life expectancy increasing across all sections of the population – it is clear that some groups are being left behind. As the population ages, these inequalities are likely to increase further. To solve this problem, we will need better coordinated policies involving central and local government, civil society and the private sector".



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Eva BOLKVADE
The FINANCIAL

ProCredit Bank Georgia has introduced a new service, called Direct Banking, intended for private individuals wishing to access banking services using digital sources. Customers are now able to remotely manage their own accounts, pay monthly fixed tariffs by carrying out desired bank transactions for free, and benefit from exclusive conditions such as loan products, mortgage loans, investment loans and overdrafts.

The concept of Direct Banking is the following: monthly, under certain tax conditions, clients have the opportunity to independently carry out their desired transactions and get exclusively low interest rates on loan terms.

"Due to the intensity of modern-day life, consumers have less and less time to visit actual bank branches, to wait in line in order to get their desired service, all within the bank's working hours," said Natia Tkhalashvili, Director of ProCredit Bank.

"More importantly, banking services should be complex, permanently accessible, simple and cheap. Taking into consideration these requests, we decided to provide our customers with the most simple and fast system, integrated in one service – Direct Banking. With the diversity of remote channels and important investments in them, we've covered 99% of banking operations, which are already available for clients independently, in a specific time and space. According to the existing data, 10,000 'private individual' clients are using this service. This number is expected to increase to 20,000 next year."

In the current year, ProCredit Bank aims to increase business



growth by at least 15-20% and improve its profit by GEL 20 million. The new services are planned to be offered for private individuals. During 2017 the growth of the Bank's Green Portfolio amounted to GEL 40 million, which is 14% of the total indicator. The Bank plans to improve this number to 20%.

ProCredit Bank Georgia has been represented in the Georgian banking sector since 1999 and its main objective is to finance small and medium businesses that have long term development plans.

In the last year, ProCredit Bank's loan portfolio grew by almost GEL 133 million and passed one billion. The growth of the credit portfolio of 2017 was determined by a 15% indi-

cator that exceeded expectations at the beginning of the year.

ProCredit Bank has undergone strategic changes. It was absolutely separated from micro crediting and optimized entire resources for small and medium businesses. Concentrating on the specific segment contributed to the growth of the Bank and the high rate of profitability.

ProCredit Bank's management summed up 2017 and talked about its future plans at a press conference held on 28 February. The meeting was conducted by members of the Management Board Alex Matua, Ketevan Khuskivadze, Davit Gabelashvili and Natia Tkhalashvili. At the meeting, the business strategy of the Bank, its achieved success, and

future plans were all discussed.

During the conference, the details of three major projects from last year were discussed. The first – a co-financing project along with ProCredit Bank Germany, entails the co-financing of small and medium businesses within EUR 25 million. The second – project InnovFin, together with the European Investment Fund, entails 50 million resource guarantees for small and medium businesses, as well as for the introduction of new innovative technologies and the promotion of Green Financing. The third project, also related to the European Investment Bank with its volume of 14 million, is again a resource of 70% guarantee. Financing of any kind of project is

possible within this agreement.

"Our target group still remains small and medium sized businesses. We believe that contributing to the development of this segment is the best way to increase the country's economy and create additional work places," said Alex Mataua, ProCredit Bank Director.

"We continuously conduct negotiations with various international financial institutions to attract credit resources. Our business loans have a competitive price on the market. We have a 'Co-Financing' Programme, which is implemented with 'ProCredit Bank Germany'. Financing business projects within the framework of the programme is available even at lower interest rates. Last year, within the EU4Business initiative, the first guarantee agreement was signed between ProCredit Holding and the EIB Group, which envisages 70% guarantee for small and medium enterprises for each loan, favourable conditions of financing and a reduced demand on bail. Negotiations are currently ongoing for another kind of funding initiative, which will soon be available to customers."

One year after having its shares placed on the Frankfurt Stock Exchange, ProCredit Holding has mobilized EUR 61 million with almost 5.4 million new shares, which increased the company's equity basis by 10%. The new shares were mainly invested in institutional investors in Germany and Great Britain.

ProCredit Bank Georgia is a member of the International ProCredit Group, which was founded by ProCredit Holding. ProCredit Group is mainly represented in Eastern Europe and Germany. The Bank has been awarded a "BB" rating by global leader in credit ratings Fitch Ratings, which is the highest possible rating in Georgia and is one step higher than the country's sovereign rating.

A closer look at clothes and footwear in the EU

The FINANCIAL

The EU Member States exported clothes and footwear worth €141.8 billion in 2017, the majority of which went to other EU Member States (77%, or €109.6 billion). Compared to 2013, exports of clothing and footwear from the EU Member States increased in value by 29%.

€195.8 billion of clothes and footwear were imported by the EU Member States, of which almost half was imported from non-EU Member States (49%, or €95.4 billion). Compared to 2013, this represents an increase of 30% in the value of total imports of the EU Member States.

As data are not yet available for December 2017, for the purposes of this news article, annual data for 2013 and 2017 refer to January to November values only.

Italy and Germany, largest clothing and footwear exporters

Italy exported clothes and footwear worth €26.6 billion in 2017. This represented 19% of total EU



exports of clothes and footwear. This makes Italy the largest EU exporter of clothes and footwear, followed by Germany (€22.8 billion, 16%) and Spain (€14.3 billion, 10%), ahead of Belgium (€12.5 billion, 9%) and France (€12.0 billion, 8%).

Germany, the largest importer of clothes and footwear

In 2017, €39.9 billion-worth of clothes and footwear were imported by Germany (over 20% of total

imports of clothes and footwear in value). This makes Germany the largest EU importer of clothing and footwear, followed by France (€25.5 billion, 13%), the United Kingdom (€23.5 billion, 12%), Spain (€17.8 billion, 9%) and Italy (€17.5 billion, 9%).

Among non-EU countries, Switzerland was the main destination for EU exports of clothes and footwear. The EU Member States sent €6.4 billion of clothes and footwear to Switzerland in 2017 (representing 20% of the total value of extra-EU exports of clothes and footwear). The next largest market was the United States (€4.5 billion, 14%). Other major destinations were Russia (€2.9 billion, 9%), Hong Kong (€2.3 billion, 7%), Japan (€1.7 billion, 5%) and China (€1.6 billion, 5%).

Imports of clothes and footwear

from non-EU countries came mainly from China (€33.4 billion, or 35% of total extra-EU clothes and footwear imports), Bangladesh (€14.6 billion, 15%) and Turkey (€9.1 billion, 9%), followed by Vietnam (€6.7 billion, 7%), India (€6.0 billion, 6%) and Cambodia (€4.0 billion, 4%).

Female clothing top for EU exports and imports

The EU Member States exported almost €21 billion worth of female suits, jackets, blazers, dresses and skirts, accounting for one fifth of total EU clothes exports (21%). At the same time, €29.0 billion worth of the same group of products were imported into the EU, representing 20% of total clothes imports.

Male suits, jackets, blazers and trousers with a value of €12.8 billion were exported, or 13% of total clothes exports. At the same time, the EU imported €18.1 billion worth of the same items, 12% of all clothing imports.

The third largest category of clothing and footwear imports and exports was jerseys, pullovers, cardigans, waistcoats and similar articles for males and females. Exports

of these items had a value of €11.2 billion, accounting for 11% of total clothing exports. The EU Member States imported €17.3 billion worth of the same items - 12% of total clothing imports.

Clothing and footwear: most expensive in Sweden, least expensive in Bulgaria

The price levels of clothing and footwear vary considerably across the EU Member States. In 2016, the highest prices for clothing and footwear were recorded in Sweden (36% higher than the EU average), followed by Denmark (33%) and Finland (24%).

Bulgaria was the least expensive country for clothing (21% lower than the EU average), followed by Hungary (15%) and Poland (12%).

In 2016, the highest share of household expenditure spent on clothing and footwear was recorded in Estonia (7% of total expenditure), followed by Italy and Portugal (both 6%), while these shares were lowest in Bulgaria (3%), Hungary and the Czech Republic (both 4%).

NEW COFFEE

FRESHLY GROUND!

FRESHLY BREWED!

BETTER TASTE!



publicity

Companies Making Change: Georgian Post



LEVAN CHIKVAIDZE, CEO at Georgian Post talked to The FINANCIAL about the amazing transformation of bankrupted company into modern postal operator.

The FINANCIAL

What was your first day at Georgian Post?

“ I do remember the first day, when I took the office, it was beginning of November 2012, actually I new were I was going to, it was an abandoned sector, started from yearly 90 s postal business failed in the country, designated operator became too weak to serve the citizens, to follow the international obligations and it's lasted more than 20 years, ruined infrastructure, no employee motivation, poor salary and no hope for the future.

The first day picture met my expectation. I did not expect much, anyway as a new CEO I had an obligation to give a message that calms the staff, which sets the fashion for working effectively together, and I did it with great enthusiasm, with pleasure.

What were your first impressions?

The heritage received was completely unacceptable for the customers.

I have to say that the former CEO was the guy who provoked the company but the business model they built ruined right at the end of 2012. The government quit indirect financial transfers to designated Postal Operator. With no 14 Million income

we had to keep up to 3.000 employees working. According the financial assessments it was the end of the company.

But I am lucky, having had couple of great mentors around, really great people who are dedicated to serve the Georgian public every day.

One of them brilliant person Grigol Matuashvili was the first who joined me on board and we started drawing a road map of the company. It was challenge to make a productive postal operator to serve the citizens and being the part of a global postal chain. We all encourage each other, ok things do happen, let's take a deep breath and walk this through.

Digging deeper in a theory of postal business, the inner geek in me completely freaked out, I felt tremendous unbounded opportunities in a drastically changing postal business.

We made a lot of tough decisions that were based on a long-term view of what was right for the organization. We used every inch of flexibility we had.

We attracted talented people to join us, the people who believed that in this ever-changing society, the most powerful, sustainable and enduring brands are built from the heart. Their foundations are stronger and long lasting because they are built with the strength of the human spirit not an advertisement campaign.

We needed new procedures, standards, technologies and IT solutions; actually we needed change agents who should build the future. It's clear that the case is digital transformation, the unprecedented level of digital transformation that our organization has been going through since then.

And it is very important that At the same time we all understand that

technology trends and paradigms will come and go, but what will center us, is the sense of purpose and mission, we all believe that the passion fuels desire.

We got talented and motivated people who work in the various business functions – finance, customer service, sales, logistics, quality of service, etc. So the diversity that we have is pretty stunning.

New business model in a fully liberalized business environment must ensure affordable universal postal service throughout the country; all the management actions should lead the company to privatization.

Did you ever doubted prospects of GP as well as your decision to lead Georgian Post?

From the very beginning when I went to the post offices, around the country, it's hard to explain, you can't call those concrete spaces of offices, no water centers, no computer, electricity problems, poor salary, no staff motivation, beside that two guys from professional union treated me everyday interrupted business processes trying to prove that they were able to get all the employees to strike

When did you feel first success at GP?

It happened in 2015 when the PostEurop made an assessment of company's operational processes. We all were very proud; later on, in 2016 we participated in an elections in Istanbul 26th UPU congress, 108 member countries voted for Georgia and the country was elected as member of Council of Administration of UPU and by the 96 countries votes in to the Council of Postal Operations. Those feelings were amazing. 2017 year, Georgia is within ten top countries beside the Great Britain at on time delivery rates.

How Georgia may benefit from Georgian Post?

Georgian Post is able to provide universal postal service all around the country with no state budget support. Company gained the trust of partners and citizens. Georgia must be proud having a strong and reliable designated operator and one of the biggest employers.

What is the current state of Georgian post?

Georgian Post has country-wide network for the collection and distribution of mail and other postal items in place, this is The Universal Service Obligation.

Seeking the new areas, through the IT solutions We implemented and developed ad value postal prod-

ucts, like an express mail, e-commerce, new logistic schemes, which gave us possibility to finance Universal Service. Ability to renovate and build new postal offices, to increase the salary.

Attract professional and experienced workers, motivation grow, mission and vision, we are heading towards the privatization.

How do you foresee future of Georgian Post?

Geographical location gives us an opportunity to develop the transit business, in the present year we will start building a new postal exchange center in the capital, IT solutions what we are good at promises us to be the leader in the region.

How post service may transform next decades?

That's the question, what is the organization going to look like in ten or 20 years? I'll give you an answer. Diversified businesses, regional logistic schemes, affordable universal service to citizens. Next decade will be the way from government agency to global player.

And in the end, There are more than 7 billion living in this world and we all Postal Operators deliver more than 1 billion customers daily. On behalf of the Georgian Post employees and Georgian customers I am proud to be the part of this impressive numbers, calculated.



OUR MORTGAGE OFFER IS YOUR BEST CHOICE

Downpayment 20%



Just **6%**
USD
EUR

Effective **6.5%**
USD
EUR

factcheck



Mamuka Bakhtadze:
THE MINISTER OF FINANCE OF
GEORGIA



“GEL is one of the most stable currencies in the region.”

Levan TEVDORADZE
FactCheck

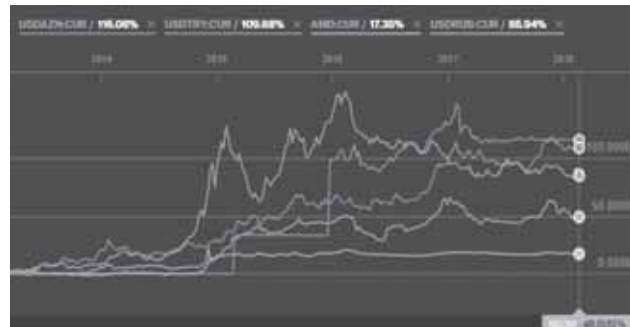
On 5 February 2018, the Minister of Finance of Georgia, Mamuka Bakhtadze, in his interview with *Bloomberg*, stated: “If you take a look at our region’s currency exchange rates, you will see that GEL is one of the most stable currencies in the region.”

FactCheck verified the accuracy of the statement.

In order to verify Mamuka Bakhtadze’s statement, FactCheck analysed the exchange rates of the national currencies of Georgia’s neighbour countries (AMD, RUB, AZM and TRY) against USD and the trends of depreciation and appreciation for those currencies. The article takes the last five years as the accounting period in that GEL has experienced major fluctuations in this period.

As illustrated by *Bloomberg’s* system, of Georgia’s neighbour countries, AZM has depreciated most substantially against the USD (as compared to the AZM to USD exchange rate five years ago) by 116% in the last five years. The USD to AZM exchange rate is 1:1.69 as of today. TRY has depreciated vis-à-vis USD by 109% which means that TRY 3.78 is needed to purchase USD 1. RUB has depreciated by 85% with the USD to RUB exchange rate at

Graph 1: Regional Country Currencies Depreciation Dynamic against USD in the Last Five Years (%)



Source: Bloomberg

1.56.5 today. GEL, which has depreciated by 49%, ranks fourth in this list. The USD to GEL exchange rate stands at 1:2.46. In the last five years, AMD has depreciated the least (17%) against the USD. Currently, the USD to AMD exchange rate is 1:4.80.

“GEL to USD fluctuation is depicted by the orange line

In order to assess GEL stability, we need to analyse its fluctuation in the last five years. In turn, this fluctuation can be assessed by the intensity of GEL deviation from the average rate. In the last five years, the USD to GEL exchange rate was 1:1.63 at its lowest and 1:2.78 at its highest with the average exchange rate at 2.2. Therefore, the maximum and minimum deviation from the standard rate is 0.57 which is 26.1% of the USD

to GEL average exchange rate for the last five years. The same figure is 42.65% in regard to RUB and AZM, 37.7% in regard to TRY and 10.2% in regard to AMD.

A different trend, however, is identified if the average fluctuation intensity for the last one year is measured. In this case, AMD still remains as the least fluctuating currency (1.1%) whilst TRY is the most fluctuating (7.6%) followed by GEL (6.7%). The fluctuation of the GEL exchange rate in the previous years bears obvious seasonal characteristics. Therefore, it was impossible to stabilise GEL at any specific mark. The seasonal factor gave rise to respective expectations among the population which additionally impacts the fluctuation of the GEL exchange rate.

Table 1: Average Fluctuation of Georgia’s Neighbour Country Currencies to USD

Exchange Rate	Accounting Period, year	Minimum Mark	Maximum Mark	Average Intensity of Fluctuation
GEL	5	1.63	2.78	26.1%
	1	2.38	2.73	6.7%
AMD	5	403	495	10.2%
	1	477	488	1.1%
RUB	5	31.6	78.6	42.65%
	1	55.80	60.80	4.3%
AZM	5	0.78	1.94	42.65%
	1	1.66	1.79	3.8%
TRU	5	1.79	3.96	37.7%
	1	3.40	3.96	7.6%

Source: Bloomberg

CONCLUSION

IN THE LAST FIVE YEARS, AZM HAS DEPRECIATED THE MOST SUBSTANTIALLY AGAINST USD (116%) OF ALL THE CURRENCIES OF GEORGIA’S NEIGHBOUR COUNTRIES. AZM IS FOLLOWED BY TRY WITH 109%, RUB WITH 85%, GEL WITH 49% AND AMD WITH 17%. IN REGARD TO FLUCTUATION, GEL IS THE FOURTH MOST FLUCTUATING CURRENCY (26%) IN THE REGION AGAINST USD IN THE LAST FIVE YEARS. THE MOST STABLE IS AMD WITH AN AVERAGE FLUCTUATION FIGURE AT 17%. HOWEVER, THIS PICTURE WILL CHANGE IF WE TAKE THE LAST YEAR AS OUR ACCOUNTING PERIOD IN ORDER TO MEASURE AVERAGE FLUCTUATION IN THAT IT BETTER DEPICTS THE EXISTING SITUATION. IN THIS CASE, GEL IS THE SECOND MOST UNSTABLE CURRENCY AFTER TRY. IN SPITE OF THE SIGNIFICANT GROWTH OF EXPORTS, TOURISM AND REMITTANCES (WHICH CONTRIBUTE TO THE APPRECIATION OF THE GEL EXCHANGE RATE) THE HIGH SEASONAL FLUCTUATION OF THE GEL EXCHANGE RATE REMAINS A PROBLEM. ON THE CONTRARY, RUB, AZM AND AMD DO NOT HAVE HIGH FLUCTUATIONS SEASONALLY. FACTCHECK CONCLUDES THAT MAMUKA BAKHTADZE’S STATEMENT IS HALF TRUE.

HALF TRUE



NED
National Endowment
for Democracy



EUROPEAN
ENDOWMENT OF
DEMOCRACY

G|M|F
The German Marshall Fund
of the United States



Kingdom of the Netherlands

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Americans Say U.S.-German Relations Are in Good Shape, but Germans Disagree

Continued from p. 2

publicans. However, majorities of both parties describe relations as good.

In Germany, CDU/CSU and SPD voters agree that their country’s relations with the U.S. are in bad shape. At the same time, supporters of these parties also see the U.S. as a top foreign policy partner.

These are among the key findings from parallel surveys fielded in the U.S. by Pew Research Center and in Germany by the Körber-Stiftung. The U.S. survey was conducted Oct. 6-10, 2017, among 1,012 respondents. The Germany survey was conducted Oct. 4-18, 2017, among 1,005 respondents. Additional findings are included from a Pew Research Center survey of Germany and the U.S., conducted Feb. 16-April 7, 2017, among 2,507 respondents.

Correction (March 2018): A previous version of this report misstated results for Great Britain on survey questions Q1a-b in the United States. These results were revised March 1, 2018, as were the report and any graphics that used these results. The changes do not impact the report’s overall analysis.

Trump unpopular in Germany, but Merkel gets high ratings in U.S.

The first year of Donald Trump’s presidency has been characterized by new tensions for the transatlantic alliance and for U.S.-German relations. Before taking office, Trump called Merkel’s refugee policy a “catastrophic mistake.” Their first White House meeting made news when the two leaders awkwardly failed to shake hands. Merkel has questioned the U.S. administration’s commitment to America’s European allies, declaring in 2017 that Germany could no longer “completely depend” on the U.S.

Tensions at the official level are reflected in German public opinion. In a spring 2017 Pew Research Center poll, only 11% of Germans said they had confidence in Trump to do the right thing in world affairs. A year earlier, 86% had expressed confidence in Trump’s predecessor, Barack Obama.

The change in American leadership has led to a shift in overall ratings for the U.S. in Germany. Just 35% of Germans had a favorable opinion of the U.S. in 2017, down from 57% in 2016. (For more on declining ratings for the U.S. globally, see “U.S. Image Suffers as Publics Around World Question Trump’s Leadership.”)

Meanwhile, American views of Germany’s leader have remained positive. Since Pew Research Center first asked about Angela Merkel in the U.S. in 2006, three main findings have stood out. First, positive ratings for Merkel have consistently outweighed negative ones, and this was true again in the 2017 survey, when 56% expressed confidence in her to do the right thing in world affairs, while just 31% lacked confidence. Second, Merkel has become better known – as recently as 2012, 31% of Americans had no opinion about the German leader, but in 2017 only 14% offered no opinion. Third, a partisan divide has emerged over Merkel. In 2012, there was virtually no difference between Democrats and Republicans, but in 2017

64% of Democrats had confidence in the chancellor, compared with only 50% among Republicans.

Many Germans name U.S. as important foreign policy partner; fewer Americans name Germany

When asked which countries are their most important partners in global affairs, more than four-in-ten Germans say the U.S. is either their first or second most important. More than six-in-ten name France, while much fewer name Russia (11%), China (7%) or the UK (6%).

Americans are much less likely to see Germany in this way – only 12% name Germany as one of America’s top two partners. Still, Germany does make the top four, trailing Great Britain (33%) and China (24%) and tying with Israel (12%).

In both nations, there is a generational divide on this question. Among Germans of all age groups, France is most commonly named as their nation’s first or second most important foreign policy partner, followed by the U.S. However, among Germans ages 18 to 29, the U.S. trails France by less than 10 percentage points. Among Germans ages 60 and older, the U.S. trails France by nearly 30 points.

In the U.S., those ages 45 and older most commonly name Great Britain as their nation’s first or second most important partner in world affairs. Americans ages 30 to 44 are split between Great Britain and China, and among those ages 18 to 29, China takes the top spot.

Though both Republicans and Democrats tend to name Great Britain as their nation’s first or second most important foreign policy partner (42% and 32% respectively), among Republicans the second most common response is Israel (24%) and the third most common is China (18%). Among Democrats, China takes the second spot (26%) followed by Germany (21%).

Mutual preference for more international cooperation

Both the American and German publics support cooperating more with a number of global powers in the future. Majorities across both nations want to work more with each other, as well as with France, Great Britain and China. However, fewer Germans want their country to cooperate more with the U.S. than with any other country tested. And roughly one-third in Germany (34%) say they want to cooperate less with the U.S. in the future.

Almost eight-in-ten in Germany want to see their country working more with Russia. Americans are split – just 43% want increased cooperation with Moscow while 44% hold the opposite view. Democrats are much more likely than Republicans to say the U.S. should cooperate less with Russia in the future (55% versus 35% respectively). But when it comes to working with Germany,

France, Great Britain and China, Democrats are more likely than Republicans to want increased cooperation.

Young Americans (those ages 18-29) are more likely than older Americans (ages 60 and older) to say the U.S. should work more with France and Germany in coming years.

U.S. and Germany see others doing too little to solve global problems

When it comes to dealing with problems around the world, Americans are split on whether Germany does its fair share. About as many Americans say Germany does too little (39%) as say their European ally does the right amount (40%). Just 4% believe Germany is doing too much.

Germans are conflicted on the role the U.S. is playing in addressing global issues. Equal shares of the public believe the U.S. is doing too little (39%) or too much (39%). Few say the U.S. is doing the right amount (15%).

Both nations tend to agree that China, Russia and the United Nations are doing too little. Americans are more likely to feel this way, with broad majorities saying China (66%) and Russia (65%) are not doing their share and roughly half saying the same about the UN. Germans are less sure, with smaller pluralities expressing this view.

Americans tend to believe the European Union and NATO are not doing enough to help solve global problems. Germans believe that, on balance, NATO is doing the right amount, though they are more split on the EU.

U.S. Democrats are more in line with the German public on these issues. Democrats are more likely than Republicans to say Germany, the EU and NATO are doing about what they should be to address international problems. In Germany, more than half of CDU/CSU voters (54%) believe the EU does the right amount on the world stage, while SPD voters (52%) say the EU does too little.

Differing views about defense spending

One issue on which successive American presidents have encouraged Germany and other European allies to contribute more is defense. President Trump has repeatedly called on NATO members to spend more on security, and the Obama administration similarly implored European allies to boost their military spending.

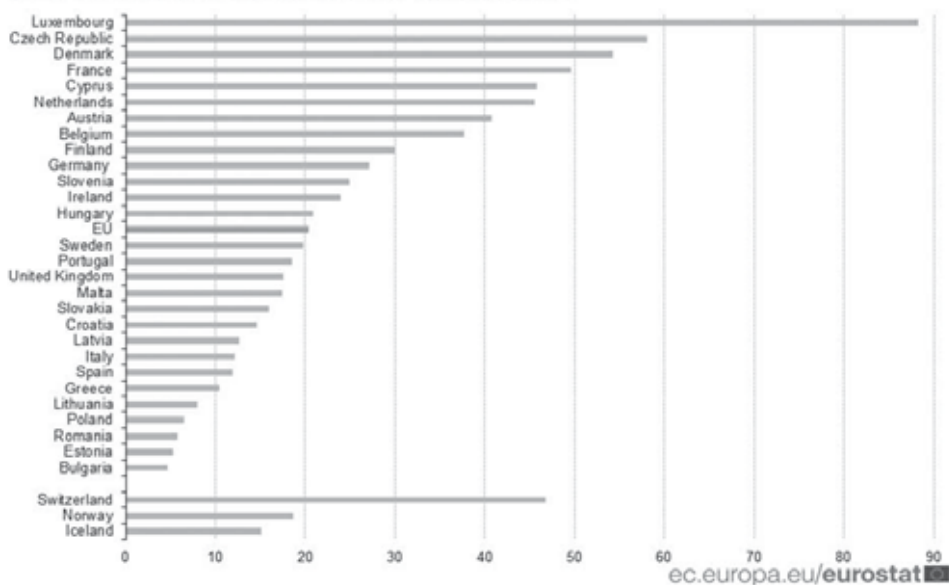
In the U.S., 45% say the country’s allies in Europe should spend more on their national defense, while 37% say spending levels should stay about the same and only 9% think they should be decreased. But there is a wide partisan gap on this issue, with 63% of Republicans calling for more spending from allies, compared with just 33% among Democrats.

When asked about their own defense spending, only about one-in-three Germans (32%) want to see it increased. Roughly half say it should stay where it is, while 13% want it cut.

In the U.S., respondents were asked which party they identify with. In Germany, respondents were asked which party they voted for in September’s national election.

1 in 5 households in need in the EU use professional homecare services

Use of professional homecare services, 2016 (% of households in need)



The FINANCIAL

In 2016, 20% of households in the EU with people needing help due to long-term health problems used professional homecare services. Home care aims to allow people to stay in their homes rather than use residential, long-term, or institutional-based nursing care. It may include health care and/or life assistance. Home health care could include, for example, medical treatment, wound care, pain management and therapy. Life assistance includes help with daily tasks such as meal preparation, medication reminders, laundry, light housekeeping, shopping, transportation, and companionship. The highest shares of households which used professional homecare were recorded in Luxembourg (88%), the Czech Republic (58%) and Denmark (54%), and the lowest shares in Bul-

garia (5%) and Estonia (both 5%) as well as Romania (6%).

Graph: use of professional homecare services

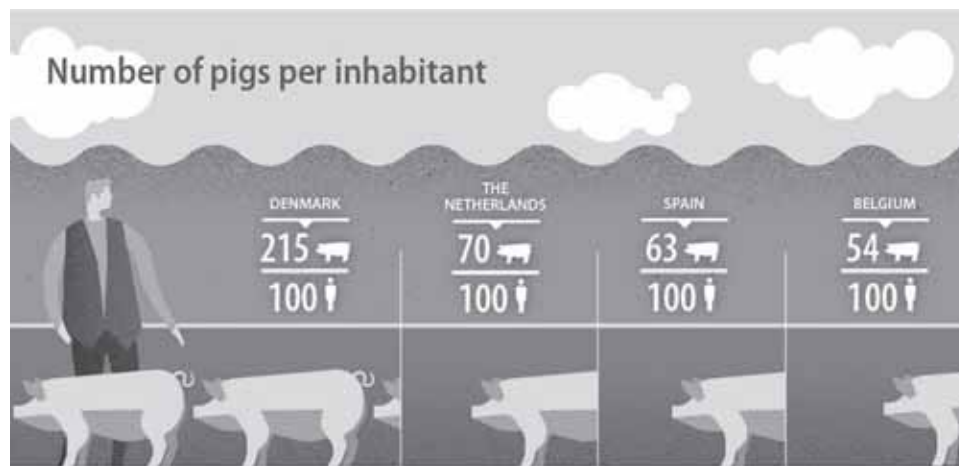
Overall in the EU, households without dependent children tend to use more professional homecare services (25%) than households with dependent children (12%). Also, the use of these services is higher among single persons (41%) than households with two adults (23%) or more (16%). As to the frequency of use, 67% of households in need reported using professional homecare services for less than 10 hours a week, while 15% used between 10 to 19 hours per week and another 17% 20 hours per week or

more.

The source dataset is available here.

In 2016, over 80% of households in ten Member States reported difficulty in covering the costs of professional homecare services, in particular in Slovakia (95%), Lithuania (94%) and Greece (93%). In contrast, the highest shares of households which could pay for these services with ease were found in Finland (75%), Sweden (73%) and Denmark (69%). For the purposes of this article, the category "with ease" includes the subcategories "fairly easily", "easily", or "very easily", whilst the category "with difficulty" includes the subcategories "with some difficulty", "with difficulty", or "with great difficulty".

Pigs hog the limelight



ec.europa.eu/eurostat

The FINANCIAL -- With a population of around 150 million on the European Union's (EU) agricultural holdings, pigs represent the largest livestock category in the EU, ahead of bovines (about 89 million head).

Almost 40% of the EU's pigs were located in two Member States: Spain (30.1 million pigs) and Germany (27.6 million pigs). France (13.1 million), Denmark (12.8 million),

the Netherlands (12.3 million) and Poland (11.9 million) also had large pig populations.

Twice as many pigs as inhabitants in Denmark

Pigs outnumber people in

Denmark by slightly more than two-to-one (215 pigs per 100 inhabitants in 2016), the only Member State where this is the case. Nevertheless, the ratios are also high in the Netherlands (70 pigs per 100 inhabitants), in Spain (63:100) and in Belgium (54:100). Pigs are relatively scarcer in Greece and the United Kingdom (both 7 pigs per 100 inhabitants) and Bulgaria and Malta (both 9:100).



Kakha Kaladze:

THE MAYOR OF TBILISI



"We found a possibility in the budget to introduce at least 100 new ecologically clean buses to Tbilisi this year."

Veriko SUKHIASHVILI
FactCheck

On 20 February 2018, a Tbilisi Municipality authorities meeting was held at Tbilisi City Hall. The Mayor of Tbilisi, Kakha Kaladze, spoke about the projects planned for this year and stated: "We found a possibility to introduce at least 100 new ecologically clean buses to Tbilisi this year."

FactCheck took interest in the possibility of purchasing 100 new ecologically clean buses from the Tbilisi budget as claimed by Tbilisi City Hall.

In accordance with the 2018 Tbilisi Municipality budget, GEL 34,604,800 has been allocated this year for the development of transport (Article 01.02). It is not specified, however, how much of this money will be spent on the modernisation of urban transport.

On 16 February 2018, amendments to Tbilisi's 2018 budget were adopted at an extraordinary session of Tbilisi City Council. In accordance with these amendments, the Tbilisi city budget was increased by GEL 36 million and reached GEL 897 million. Of the GEL 36 million increase, GEL 31.2 million is allocated to purchase new ecologically clean buses meeting European standards.

FactCheck took interest how many ecologically clean buses can be purchased with GEL 31 million.

In 2016, Tbilisi City Hall launched a renewal of its municipal bus pool. In order to support the Tbilisi Bus Project, Tbilisi City Hall and the European Bank for Reconstruction and Development (EBRD) signed a contract

on 11 May 2016. The project envisaged purchasing 150 new ecologically clean and natural gas powered buses. To this end, the EBRD issued a EUR 27 million loan to Tbilisi City Hall. In addition, the Eastern Europe Energy Efficiency and Environment Partnership (E5P) gave a EUR 7 million grant to Tbilisi City Hall further to this end.

In July 2016, Tbilisi City Hall concluded an agreement with the Man Truck and Bus AG Company which won the international tender to supply the buses. In accordance with the contract, the aforementioned company was required to bring 143 adapted 12-meter long buses equipped with GNG fuel powered (natural gas which has a lower amount of harmful emissions as compared to diesel with decreased carbon emissions and colourless and odourless exhaust) engines. The introduction of the buses was launched in October 2016. By April 2017, 143 buses were already in Tbilisi and were gradually being distributed to their respective lines.

As we have already mentioned, EUR 34 million (the EUR 27 million EBRD loan as well as the EUR 7 million grant) was allocated as part of the project to purchase the 143 buses. Therefore, approximately EUR 237,762 (nearly GEL 608,670 in accordance with the 2016 September exchange rate) was spent to purchase one bus.

However, as stated by Kakha Kaladze, Tbilisi City Hall plans to purchase 100 new ecologically clean buses for the price of GEL 31 million. Therefore, GEL 310,000 has been allocated to purchase one bus. If Tbilisi City Hall decides to purchase the same type of buses produced by MAN, it will only be able to purchase 50 buses for the aforementioned price (GEL 608,670).

FactCheck contacted an expert in transport issues, Vaso Urushadze, the Executive Director of the HUB Georgia platform. Mr Urushadze stated: "It is a welcoming fact that the process to modernise the old buses has been launched and that buses with internal combustion engines are going to be replaced by EURO6 standard buses. However, of note is that Tbilisi City Hall purchased MAN type buses at quite a high price. It was possible to purchase the same type and quality buses for a lower price."

Mr Urushadze also added: "In regard to the prices of buses powered by ecologically clean natural gas as well as hybrid and electric buses, it is possible to purchase them for USD 100,000-120,000. Specifically, Chinese produced BID buses as well as Korean produced HYUNDAI buses have been appreciated in many countries. Therefore, it is possible to purchase 100 ecologically clean buses for the amount of funds allocated in Tbilisi's budget. However, it depends on the company, the type and the capacity of the transport that Tbilisi City Hall will choose."

FactCheck tried to find possible prices for buses. Prices for liquid gas powered and electric buses fluctuate from USD 66,000 to USD 100,000-120,000. Therefore, it is possible to purchase one bus for the price range of GEL 151,800 to GEL 230,000-276,000.

Taking this into account, it would be possible to purchase 100 buses for GEL 31 million. However, of note is that in the case of Tbilisi City Hall deciding to reject unification (meaning it will purchase buses from a different company), the technical services for the buses might become costly.

CONCLUSION

ON 16 FEBRUARY 2018, TBILISI'S BUDGET WAS AMENDED AND INCREASED BY GEL 36 MILLION. OF THAT AMOUNT, GEL 31 MILLION IS ALLOCATED TO PURCHASE 100 NEW ECOLOGICALLY CLEAN BUSES. THEREFORE, GEL 310,000 IS PLANNED FOR THE PURCHASE OF ONE BUS. IN ACCORDANCE WITH POSSIBLE PRICES AS OBTAINED BY FACTCHECK, IT IS INDEED POSSIBLE TO PURCHASE ONE BUS FOR THIS AMOUNT (THE AVERAGE PRICE FOR ONE BUS IS GEL 151,800-276,000). HOWEVER, WE DO NOT KNOW THE TYPE OF BUS OR THE MANUFACTURING COMPANY WHICH TBILISI CITY HALL PLANS TO USE. IF TBILISI CITY HALL DECIDES TO PURCHASE MAN BUSES AGAIN (FOR THE SAME PRICE AS BEFORE), THEN ONLY 50 BUSES WILL BE ABLE TO BE PURCHASED FOR THIS AMOUNT. AT THIS STAGE, FACTCHECK LEAVES KAKHA KALADZE'S STATEMENT WITHOUT VERDICT. AFTER PURCHASING THE NEW BUSES, WE WILL PROVIDE UPDATED INFORMATION TO OUR READERS.

WITHOUT VERDICT



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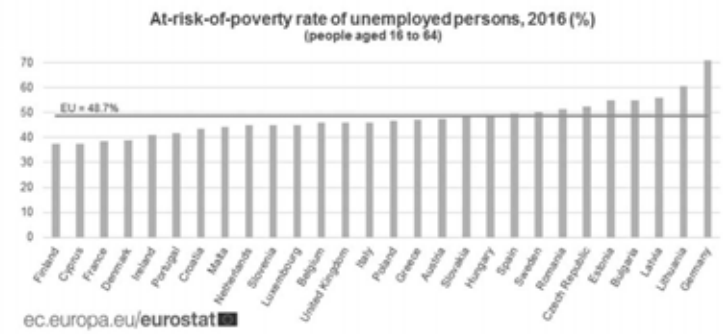
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Almost half the unemployed at risk of monetary poverty in the EU



The FINANCIAL

Nearly half (48.7%) of unemployed persons aged 16-64 in the European Union (EU) were at risk of poverty after social transfers in 2016. In other words, the risk of monetary poverty was five times greater than for those in employment (9.6%).

Over the past 10 years, the proportion of unemployed persons at risk of poverty has risen continually, from 41.5% in 2006 to 48.7% in 2016.

Persons at risk of poverty are those living in a household with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60% of the national median equivalised disposable income (after social transfers).

Highest share of unemployed persons at risk of poverty in Germany

Across the EU Member States in 2016, the rate of unemployed persons at risk of poverty was highest in Germany (70.8%), followed at a distance

by Lithuania (60.5%). Over half of unemployed persons in Latvia (55.8%), Bulgaria (54.9%), Estonia (54.8%), the Czech Republic (52.3%), Romania (51.4%) and Sweden (50.3%) were at risk of poverty.

At the opposite end of the scale, fewer than 40% of unemployed persons were at risk of poverty in Cyprus and Finland (both 37.3%), France (38.4%) and Denmark (38.6%).

Gap with employed persons narrowest in Cyprus, France and Portugal

In 2016, the widest gaps between the proportion of unemployed and employed persons being at risk of monetary poverty were recorded in Germany (70.8% for unemployed persons vs. 9.5% for employed persons, or a 61.3 percentage point gap), Lithuania (51.8 pp), the Czech Republic (48.5 pp) and Latvia (47.3 pp).

In contrast, the difference was significantly less pronounced in Cyprus (37.3% for unemployed persons vs. 8.4% for employed persons, or a 28.9 percentage point gap), France (30.5 pp) and Portugal (30.8 pp).

How satisfied are you with your job?

The FINANCIAL

In 2015, the highest proportion (85%) of city-dwellers who were satisfied with their personal job situation was recorded in Graz (the second largest city in Austria), while relatively high degrees of satisfaction were also recorded in the Austrian capital of Wien (79%), the Danish capital of København (78%), the western French city of Rennes (also 78%) and the Belgian capital of Bruxelles/Brussel (77%).

By contrast, the lowest level of satisfaction (44%) was recorded in the heavily industrialised city of

Miskolc (north-east Hungary), while the Greek capital of Greater Athina (45%) and the Hungarian capital of Budapest (49%), along with Piatra Neamţ (eastern Romania; also 49%) were the only other cities where less than half the population declared they were satisfied with their personal job situation.

Employee satisfaction in cities, 2015

The cities, towns and suburbs in

the EU provide a high proportion of the total number of jobs that are available in the economy at large. When asking the city dwellers, the respondents are most likely to agree that it is easy to find a job in Praha (72%), Cluj Napoca (67% agree), Munchen (62%) and Bratislava (62%). At the other end of the scale, there are 10 cities where more than 8 out of 10 respondents disagree with this statement. Respondents are most likely to disagree in 3 Italian cities: Palermo (96%), Napoli (93%) and Torino (85%), as well as in Greek greater city of Athina (85%) and Spanish Málaga (85%).



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financial news

Investors put cybersecurity top of the business threat list

The FINANCIAL

Cyber attacks are the now the biggest threat to business in the eyes of investors, mirroring growing global concern from business leaders, according to a new study by PwC.

In the PwC Global Investor Survey 2018 the views of investors and analysts are compared with those of business leaders.

41% of investors and analysts are now extremely concerned about cyber threats, seeing it as the largest threat to business, rising to first from fifth place in 2017. A similar amount (40%) of business leaders see it as a top three threat, but business leaders rank over-regulation and terrorism higher in the global study.

To improve trust with consumers, investors believe businesses should prioritise investment in cyber security protection (64% investors; 47% CEOs).

Investors rank geopolitical uncertainty (39% extremely concerned), speed of technological change (37%), populism (33%) and protectionism (32%) in the top five threats to growth.

"The top concerns of investors and CEOs emphasise the different internal and external perspectives on, and day to day experiences of, businesses. While on-the-ground challenges such as finding the right skills are high on business leaders' agendas, investors are preoccupied with the impact that wider societal trends, such as geopolitical uncertainty, populism and protectionism, have on businesses generally," Hilary Eastman, head of global investor engagement at PwC, said.

Overall, PwC finds that both investors and CEOs are more confident about the global growth outlook than they were last year. 54% of investors (+9%) believe global economic growth will improve and 57% of CEOs (+19%).

Closer to home, in both the short and long term, PwC finds that investors are more pessimistic about their investments' revenue growth outlook than business leaders are in their own prospects.



Less than a quarter (23% (2017: 23%)) are very confident about 12 month growth, compared with 42% of CEOs. Over the next three years, only one in five (20%) of investors are very confident about revenue growth, compared with 45% of business leaders.

Underlining their concerns about the outlook for growth, investors report higher expected levels of disruption from technology (85% vs 64%), customer behaviour (81% vs 68%) and distribution channels (76% vs 60%) than business leaders do. Over a quarter of investors (26%) believe artificial intelligence will have a larger impact on planned headcount reduction than last year (up 13%).

"Investors expect disruption to have a bigger impact on business than CEOs, which might be affecting investor confidence in growth over the longer term", Hilary Eastman added. "Effective communication between businesses and investors is key to addressing caution. If businesses can clearly demonstrate

the actions they're taking to combat investors' concerns, they're more likely to be able to attract long term investment."

The top five countries investors and CEOs consider important for growth (USA, China, Germany, UK and India) remain the same this year. The gap is closing however in investors' eyes between the US and China, in contrast to the US reinforcing its lead for business leaders.

In 2018, the US leads China by 13% (78% USA vs 65% China) while in 2017, it led by 23%. By contrast, the gap between Germany and the UK has widened with Brexit uncertainty likely to be impacting investors' outlook. Last year the UK and Germany were preferred by 32% of investors equally; this year Germany remains a favourite for 32% of investors, in comparison with 21% for the UK. Both Germany (3) and the UK (4) retain their positions in the top five countries for growth.

A significant gap has also emerged between investors' level

of concern about declining trust in business, and the scale of the challenge seen by business leaders themselves. Over a third (36%) of investors are concerned about declining levels of trust between customers and organisations vs 18% of business leaders.

To build trust in the workforce, the majority of investors (60%) believe transparency on pay and benefits (60% investors; 51% CEOs), while the majority of CEOs feel the organisation's values are most important (73% CEOs; 56% investors).

"Taking the investor perspective into account can give CEOs valuable external insights into where they need to focus to build confidence in their business. The survey findings suggest investors are more concerned about the risks associated with rapidly evolving technology than CEOs. Investing in cyber security, digital skills and training will be crucial for business leaders if they want investors to have confidence in their companies," Hilary Eastman commented.

health

Eating Fish May Be Tied to a Reduced Risk of MS



The FINANCIAL

Eating fish at least once a week or eating fish one to three times per month in addition to taking daily fish oil supplements may be associated with a reduced risk of multiple sclerosis (MS), according to a preliminary study released today that will be presented at the American Academy of Neurology's 70th Annual Meeting in Los Angeles, April 21 to 27, 2018. These findings suggest that the omega-3 fatty acids found in fish may be associated with lowering the risk of developing MS.

Multiple sclerosis is a disease of the central nervous system that affects communication between the brain and other parts of the body. With MS, the body's immune system attacks myelin, the fatty white substance that insulates and protects the nerves. This disrupts the signals between the brain and the rest of the body. Symptoms of MS may include fatigue, numbness, tingling or difficulty walking. The first episode of MS symptoms, lasting at least 24 hours, is known as clinically isolated syndrome. There is no cure for MS.

"Consuming fish that contain omega-3 fatty acids has been shown to have a variety of health benefits, so we wanted to see if this simple lifestyle modification, regularly eating fish and taking fish oil supplements, could reduce the risk of MS," said study author Annette Langer-Gould, MD, PhD, of Kaiser Permanente Southern California in Pasadena, Calif., and a member of the American Academy of Neurology.

For this study, researchers examined the diets of 1,153 people with an average age of 36 from a variety of backgrounds, about half of whom had been diagnosed with MS or clinically isolated syndrome.

Participants were asked about how much fish they regularly ate. High fish intake was defined as either eating one serving of fish per week or eating one to three servings per month in addition to taking daily fish oil supplements. Low intake was defined as less than one serving of fish per month and no fish oil supplements. Examples of fish consumed by study participants include shrimp, salmon and tuna.

The study found that high fish intake was associated with a 45 percent reduced risk of MS or clinically isolated syndrome when compared with those who ate fish less than once a month and did not take fish oil supplements. A total of 180 of those with MS had high fish intake compared to 251 of the healthy controls.

The study also looked at 13 genetic variations in a human gene cluster that regulates fatty acid levels. Researchers found two of the 13 genetic variations examined were associated with a lower risk of MS, even after accounting for the higher fish intake. This may mean that some people may have a genetic advantage when it comes to regulating fatty acid levels.

While the study suggests that omega-3 fatty acids, and how they are processed by the body, may play an important role in reducing MS risk, Langer-Gould emphasizes that it simply shows an association and not cause and effect. More research is needed to confirm the findings and to examine how omega-3 fatty acids may affect inflammation, metabolism and nerve function. Fish such as salmon, sardines, lake trout and albacore tuna are generally recommended as good sources of omega-3 fatty acids.

The study was supported by the National Institute of Neurological Disorders and Stroke.

Amazon-coin? Most customers would use a cryptocurrency if online retailer creates one: Survey

The FINANCIAL

As Amazon continues its rapid expansion into groceries, health care and more, it may next want to disrupt the banking system, new research published by CNBC indicated.

More than half of Amazon shoppers would embrace using an Amazon-created cryptocurrency on the site, according to a LendEDU survey released Wednesday.

Of the 1,000 shoppers polled by LendEDU, 51.7 percent, said yes to the idea of an Amazon-created cryptocurrency for upcoming purchases on Amazon.com. Amazon Prime users were even more open to a bitcoin-type currency, which the questionnaire described as "Amazon Coins." The survey showed 58.27 percent of Prime users were open to a company-created coin.



About 22 percent answered said "no" to the idea, while 26.4 percent answered "unsure".

The survey also explored shop-

per's openness to Amazon disrupting the banking world. About forty five percent were amenable to using Amazon their primary bank account,

while 49.6 percent would use a savings account created by Amazon.

Fewer respondents – 14.9 percent – were not open to the savings account idea. About 17 percent said they would have more trust in Amazon than a bank, and 38.3 percent said they would have "about the same level of trust" in Amazon handling their finances in place of a traditional institution.

Shoppers are also open to using Amazon for loans.

A majority of respondents, 50.3 percent, said they were open to using the company for a personal loan, which might include debt consolidation or a big purchase.

They were less willing to use the e-commerce giant for a mortgage. About 30 percent said they would sign on for an Amazon mortgage, 31.6 percent "would not even try", and 38.2 percent of respondents were "undecided".

Travel and Gastronomy Trends You Should Know

The FINANCIAL

Buoyed by high levels of urbanization and increasing disposable incomes, Australia's foodservice profit sector is expected to grow at a compound annual growth rate (CAGR) of 2.6 percent and reach a market value of AUD\$80.8bn over the period 2016-2021, according to leading data and analytics company GlobalData.

Australia's strong economy has made foodservice market an attractive proposition for new operators. Having not experienced a recession in over 25 years, consumer confidence is markedly robust, with consumers both able and willing to spend on non-essential food offerings.

The company in its latest report, 'Australia - The Future of Foodservice to 2021', forecasts the value growth to continue, predominantly driven by the rising number of transactions, as opposed to outlet expansion, according to Modern Restaurant Management (MRM) magazine.

Within the profit sector, quick service restaurants (QSR) was the largest channel with AUD\$25.8bn value and 36.4 percent of sales in 2016, followed by full service restaurants (FSR) with AUD\$17.9bn value, 'pubs, clubs and bars' with AUD\$13.5bn value and coffee and tea shops with AUD\$3.3bn.

Earlier, global chain operators used to treat the Australian foodservice market as an extension of the US/Europe. However, it is set to undergo significant changes as global brands are expected to view the market as a 'laboratory' to introduce experimental and innovative products to differentiate from each other.

GlobalData reveals that a global trend towards fresh, natural and pure foods has materialized within the QSR channel. This has placed pressure on traditional QSR operators, like McDonald's and Hungry Jacks to, in turn, improve their food offerings.

Kambu Ninad, Foodservice Analyst at GlobalData, said "It is vital for QSR operators to remember that visits to the channel remain predominantly driven by the convenience offered. Established brands should not risk dramatically changing their brand message and alienating their core audience in order to chase the latest food fads."

The advent of social media and improved connectivity has created a 'conversation culture' surrounding food in Australia. Consumers are willing or even keen to share their food 'experiences' on social media platforms such as Instagram, Facebook or Twitter.

GlobalData in its consumer survey found that 13 percent of Australians share a picture of the food/drinks they eat/drink weekly. These consumers, often young, are expected to 'lead' opinion shifts within their friendship groups, potentially benefiting the foodservice operators.

Modern consumers are displaying more complex and personal desires when it comes to food. Their consciousness of health in food is higher and they seek greater control over what they choose to eat. Against this backdrop, Kambu Ninad explains: "As consumer desires become more complex and personal, operators can benefit by opening up their menus and allowing 'a la carte' access. Overall, profit sector channels will see increasing average transaction prices fuel the majority of future value growth in the country's foodservice market. Transactions will also rise, driven by Australia's growing population."

Australia's total cost sector buying was valued at AUD\$2.4bn in 2016. GlobalData forecasts the cost sector to reach AUD\$2.6bn over the period 2016-2021.



The Power of Protein

Eighty-one percent of Millennials, 74 percent of Gen X, 66 percent of Boomers and 50 percent of Silents said protein content is extremely or very influential when making grocery store purchases, according to Acosta - a full-service sales and marketing agency in the consumer packaged goods industry - and the company's 2018 Progressing Protein Palates report. The study also revealed that generations view protein differently, with older generations more concerned with the health benefits of protein, and younger generations caring about exercise recovery and feeling full.

"Our research shows that protein continues to be a mainstay in shopping baskets, but the kind of proteins shoppers are buying is evolving," said Colin Stewart, Senior Vice President, Insights, at Acosta. "Plant-based meat alternative sales are booming and popular with vegetarians and meat-eaters alike. Another trend we're seeing with protein is that shoppers are paying more attention to labels and product claims, but are overwhelmed and confused about what they mean."

Acosta's Progressing Protein Palates visual report provides a clear picture of America's fondness for protein and meats, while exploring new alternatives in the grocery aisles.

Acosta's 2018 Progressing Protein Palates report takes an in-depth look at meat and protein buying behaviors, highlighting:

Fresh Meat Trends

Eighteen percent of shoppers are buying more fresh meat versus last year, while 12 percent are buying less, mainly due to price and striving to eat healthier - either for themselves or their family.

Forty-one percent of Millennials are buying more fresh meat versus a year ago, more than all other generations combined.

Beef and chicken dominate, making up 70 percent of all fresh meat sold.

Sales of natural/organic meat are outpacing conventional options.

Plant-Based Meat Alternatives and Alternative Diets

Shoppers are recognizing that consuming meat isn't the only way to pack protein, with plant-based meat alternatives growing 11 percent in units year over year.

Seventy-one percent of shoppers who purchase plant-based meat alternatives also eat meat.

Meat-eaters are interested in alternative diets that are either less focused on meats or do not contain meat all-together, especially Millennials. Twenty-six percent of Millennials are already vegetarian/vegan.

Thirty-four percent of meat-eating Millennials eat four or more vegetarian dinners each week.

Label Confusion and Product Claims

Shoppers struggle with the wide assortment of product claims, especially with those related to meat products, such as humanely-raised and free-range claims.

Millennials ranked the highest for label confusion, with 58 percent having some level of confusion. Gen X is the most informed generation of shoppers.

Of shoppers who feel confused/overwhelmed, 85 percent would like to have more information available to understand claims and labels.

For Gen X shoppers that feel they are knowledgeable about various product claims, they feel most strongly about no added hormones/antibiotics and all-natural products.

"Millennials are purchasing more fresh meat and plant-based meat alternatives than any other generation, and brands and retailers need to understand they are the key to growth in the protein arena," added Stewart. "Another clear takeaway from this study is that more awareness needs to be built around various product claims and labelling - especially for all-natural and antibiotic/hormone-free meat products."

Chicken in Canada

Chicken is Canada's favorite protein, according to a recent survey conducted by Leger for Chicken Farmers of Canada. 84 percent of Canadians purchase fresh chicken on a regular basis, and 90 percent place chicken among the top three meats they eat most often - consuming more Chicken than beef [72 percent], pork [52 percent] or other meats.

Among all respondents, 84 percent report they have something that they like about chicken. The most common reasons Canadians like chicken products include flavour/taste, the versatility of chicken, and the fact that chicken is a healthy source of protein.

Despite their love of chicken products, the survey also reveals many Canadians don't have the full story when it comes to their knowledge of the Canadian chicken farming industry:

Only 43 percent of respondents believe that Canadian chickens are raised without hormones or steroids, when in fact hormones and steroids have not been used in Canadian chicken production for more than 50 years.

On average, respondents who gave an answer, believed only 45 percent of chicken farms in Canada are family owned and operated, when in reality Canada is home to 2,800 chicken farms and over 90 percent are family owned and operated.

57 percent of respondents correctly believe there are animal welfare standards applicable to all chicken farms

across Canada. These standards are consistent, mandatory and third-party audited.

34 percent of Canadians believe chicken is the most sustainable meat, and this checks out: Canadian chicken farms lead in sustainability with the lowest greenhouse gas emissions among all livestock commodities.

When you have access to the facts, it's clear: Canadian chicken farms lead the way in sustainability while providing affordable food to Canadians. The industry is a key economic driver, sustaining 87,000 jobs across the country while contributing \$6.8 billion to GDP and \$2.2 billion in tax revenue to all levels of government.

Survey completed by Leger: An online survey of 1,500 Canadians was completed between Nov 13 and 23, 2017, using Leger's online panel, LegerWeb. A probability sample of the same size would yield a margin of error of +/-2.5 percent, 19 times out of 20.

Top Chili Cities

Forget what you've heard about chili being a Texas-only specialty. A study by one of the world's largest chili purveyors shows that residents of cities across the country love this classic comfort food as much or more than their Long Star State counterparts.

The internal analysis, conducted by Wienerschnitzel in honor of National Chili Day on Feb. 22, named the Top 10 Chili Cities in the United States. Residents in these markets eat more chili per person than residents of other cities, have access to more restaurants known for their chili and are more likely to enter or attend a chili cookoff. These residents also more fully embrace their cities' chili culture or openly demonstrate their love for the famous dish.

According to Doug Koegebohn, chief marketing officer for Wienerschnitzel, the list of "Top 10 Chili Cities" includes not only expected chili capitals in the Southwest but other markets like Los Angeles, Chicago, Cincinnati and Springfield, Mo., known more for seafood, Midwest comfort food or ethnic dishes than the American classic dish.

The survey ranked Los Angeles atop the list, followed by Dallas; Phoenix; Houston; San Francisco/Oakland; Chicago; Baton Rouge, La.; Springfield, Mo.; Cincinnati; and San Antonio who is credited with first popularizing chili in the 1890s, rounded out the top 10.

"Despite being the official dish of Texas, chili has grown to become America's dish," said Koegebohn. "At Wienerschnitzel, we've known that for years. In fact, we'd like to think that there are really only two types of people in the world: chili lovers and those who still haven't tasted really great chili yet."

Pizza Box Market

Transparency Market Research points out that the vendor landscape in the global pizza box market is highly fragmented. Leading players are expected to focus on export of their packaging solutions to improve market share. However, introduction of local players due to low barriers is projected to intensify the competition in the global market. Some of the key players in the global pizza box market are International Paper Company, WestRock Company, DS Smith Plc., and Georgia Pacific LLC. In the coming years, companies are likely to venture into developing sustainable packaging solutions as governments across the globe are laying emphasis on reducing carbon footprint.

The global pizza box market was worth US\$2,223.0 mn in 2016. During the forecast years of 2017 and 2025, the global market is estimated to exhibit a CAGR of 4.6 percent. According to the report published by Transparency Market Research, the large boxes, which are about 15 inches and more are expected to be the key revenue contributors. Geographically, North America pizza box market is projected to surpass others with a CAGR of 3.3 percent between 2017 and 2025.

E-commerce Enables Demand for Pizza Boxes as Trend of Ordering Food Picks Pace

The global pizza box is primarily being driven by the changing lifestyles that are being dictated by consumption of fast food and packaged food items. Growing number of people in favor of pizzas have been at the very center of surging demand for pizza boxes. The market is also driven mushrooming pizza joints by the dozen. The soaring number pizza-selling chains and independent pizza outlets have also augmented the growth of the global market. Furthermore, the convenience of packaging pizza in varying sizes has also triggered a demand for pizza boxes in multiple sizes. Over the years, the shape, size, durability, and the aesthetics of a pizza box have played an integral role in shaping the positive trajectory of the global market.

The growth of the pizza box market is also attributable to the booming e-commerce industry, unstoppable adoption of smartphones, and excellent logistics services. Convenience of ordering for food from home or office has thus supported the pizza box industry, as well-designed boxes are the only way of making deliveries successful. In the coming years, advancements to improve the quality of pizza

financial news

The Jane Walker Johnnie Walker Launches Women Edition, Donating \$1 For Every Bottle Made To Organizations Championing Women's Causes



The FINANCIAL

Johnnie Walker to unveil Jane Walker, the first-ever female iteration of the brand's iconic Striding Man logo. The Jane Walker icon will debut on a special-edition offering of our award-winning Black Label blend. Johnnie Walker Black Label The Jane Walker Edition will be available to whisky fans nationwide beginning in March to coincide with Women's History Month and International Women's Day celebrations.

Johnnie Walker launches Johnnie Walker Black Label The Jane Walker Edition, donating \$1 for every bottle made to organizations championing women's causes.

For more than a century, the Striding Man has been a Johnnie Walker icon and an important part of the brand's history. While his look has had subtle changes over the years, he has always conveyed the brand's unique point of view and symbolized moving forward. As a brand that has stood for progress for nearly 200 years, Johnnie Walker is proud to take this next step forward by introducing Jane Walker as another

symbol of the brand's commitment to progress.

Women have played a significant role in the brand's history dating back to 1893, when John Walker & Sons purchased the Cardhu distillery from Elizabeth Cumming. Cardhu is one of the single malts that comprises Johnnie Walker Black Label and is considered the heartbeat of the blend. Elizabeth Walker, the wife of founder John Walker, was also fundamental to the creation of their own blended whisky, working alongside John and their son Alexander in the original Walker grocery shop. Today, nearly 50 percent of the brand's 12 expert blenders are women, with female leadership across marketing and C-Level executives.

"Important conversations about gender continue to be at the forefront of culture and we strongly believe there is no better time than now to introduce our Jane Walker icon and contribute to pioneering organizations that share our mission," commented Stephanie Jacoby, Vice President of Johnnie Walker. "We are proud to toast the many achievements of women and everyone on the journey towards progress in gender equality."

To support this effort as part of Keep Walking America, Johnnie Walker will be donating \$1 for every bottle of the Jane Walker Edition made to organizations championing women's causes, with a total donation of up to \$250,000, including a donation of \$150,000 to the Elizabeth Cady Stanton and Susan B. Anthony Statue Fund and its Monumental Women campaign. Monumental Women, a nonprofit dedicated to creating a monument honoring America's women suffragists in New York City's Central Park, where there are 23 statues of historical figures but not one honoring a real woman. Johnnie Walker is proud to support this incredible organization on a historic initiative that will make public representations of important women and people of all backgrounds a reality in the future.

"We are here to move history forward. Our project honors Stanton and Anthony as well as all the women who fought for the largest nonviolent revolution in the history of this nation, when over half the population won the right to vote. It's an instant history lesson. But most of all, it's about completing the journeys toward justice of the valiant women who came before us and achieving the full equality for women that they were denied. Monumental change is coming. We thank Johnnie Walker for their support and recognizing the importance of Women's History," said Pam Elam, President, Elizabeth Cady Stanton and Susan B. Anthony Statue Fund and its Monumental Women Campaign.

The introduction of the first-ever female brand icon and the Jane Walker Edition bottle represent Johnnie Walker's commitment to inspire and champion the diverse communities moving our country forward. In addition to celebrating historic female figures through the support of Monumental Women, Johnnie Walker will also celebrate the next generation of female leaders by donating a portion of Jane Walker Edition proceeds to She Should Run, who are dedicated to inspiring women to run for office.

Johnnie Walker Black Label The Jane Walker Edition will be available nationwide starting March 2018 wherever fine spirits are sold, with a suggested retail price of \$34.00 (750 ml/bottle, 40% ABV). Johnnie Walker is the world's number one Scotch Whisky brand, enjoyed by people in over 180 countries around the world. Since the time of its founder, John Walker, those who blend its whiskies have pursued flavour and quality above else.

Macedonia Removes Alexander The Great Statue From Airport



The FINANCIAL -- Macedonia has removed a statue of the ancient Greek warrior Alexander the Great from its main airport terminal, in yet another goodwill gesture to Greece as the two neighbors work to resolve a 27-year-old dispute over the name of the former Yugoslav republic.

The 2-meter-high statue, which was removed on March 1, had been placed in 2011 as a gift from the Turkish concessionary TAV, which operates the airport in the capital, Skopje, according to RFE/RL's Balkan Service.

The move came after Macedonian authorities on February 24 dismantled an "Alexander the Great" sign from

the airport, following a government decision last month to rename the airport and the country's main highway, which was also previously named after Alexander the Great.

The capital's airport was renamed International Airport Skopje and the highway will be known as the Friendship Highway.

Name signs were also removed from the highway running from Macedonia's border with Greece to the border with Serbia.

Skopje and Athens have recently stepped up efforts to resolve the dispute that has hampered Macedonia's efforts to join NATO and the EU. Greece is a member of both entities.

Greece objects to the former Yugoslav republic's use of the name Macedonia, which Athens says could imply territorial claims over its own northern region of the same name.

Negotiations between the two neighbors have been inconclusive since 1991, when Macedonia gained independence from the former Yugoslavia.

Macedonia has now said it is ready to add a geographical qualifier to its name to help resolve the dispute. An agreement could include Macedonia adding "Upper," "New," or "North" to its name.

With reporting by AFP, Reuters, AP, and dpa

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Weekly Market Watch



ECONOMY

Real GDP growth was 4.4% y/y in January 2018

Georgia's economy expanded 4.4% y/y in January 2018, according to GeoStat's rapid estimates. In January 2018, the growth was recorded in manufacturing, social and personal services, construction, trade and hotels and res-

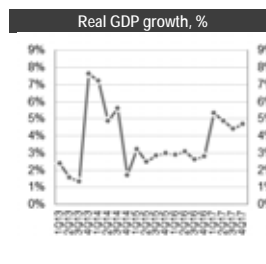
taurants. While growth was down in other business activities, transport and electricity, gas and water supply sectors. Monthly rapid estimates are based on VAT turnover, fiscal and monetary statistics.

Inflation was 2.7% y/y and 0.2% m/m in February 2018

The annual CPI inflation

Key macro indicators			
	1M18	2017	2016
GDP (% change)	4.4% ⁽²⁾	4.8%	2.8%
GDP per capita (ppp)	...	10,644	10,043
GDP per capita (US\$)	3,865
Population (mn)	3.7	3.7	3.7
Inflation (cop)	2.7%	6.7%	1.8%
Gross reserves (US\$ bn)	3.1	3.0	2.8
CAD (% of GDP)	...	7.1% ⁽¹⁾	12.8%
Fiscal deficit (% of GDP)	...	3.9%	4.1%
Total public debt (% of GDP)	...	44.7%	44.6%

Source: Official data, IMF
(1) As of 9M17
(2) As of 1M17



Source: GeoStat
Note: Rapid estimate for 4Q17

Georgia sovereign credit ratings

STANDARD & POORS BB- Stable Affirmed May-2017	Moody's INVESTORS SERVICE Ba2 Stable Affirmed Sep-2017	FitchRatings BB- Stable Affirmed Mar-2017
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Source: Rating agencies

International ranking, 2017

- Ease of Doing Business s# 9 (Top 10)
- Economic Freedom Index # 16 (mostly free)
- Global Competitiveness Index # 59 (improving trend)

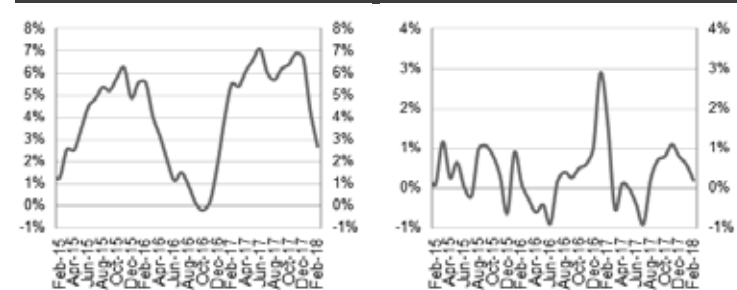
Source: World Bank, Heritage Foundation and World Economic Forum

retreated to 2.7% in January 2018 from 4.3% inflation in previous month, according to GeoStat. Core inflation was also down to 1.7% in February from 3.0% in previous month. Annual price changes were driven by price increases in food and non-alcohol-

ic beverages (+3.4% y/y, +1.04ppts), alcoholic beverages and tobacco (+7.4% y/y, +0.49ppts) and transport (+2.9% y/y, +0.41ppts) categories. On a monthly basis, there was 0.2% inflation in February 2018. Price increases in food and non-alcoholic beverages (+0.4% m/m, +0.13ppts), hotels and restaurants (+2.1% m/m, +0.09ppts) and alcoholic beverages and tobacco (+1.2% m/m, +0.08ppts) categories were the major drivers of monthly Inflation dynamics.

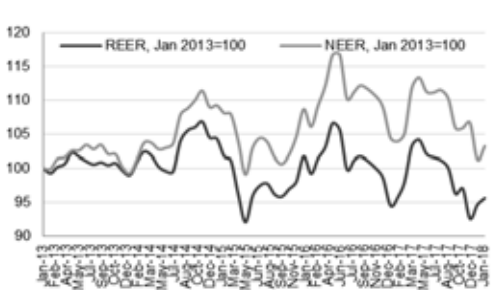
In January 2018, the banking sector loan portfolio increased 19.6% y/y after growing 16.4% y/y in previous month, excluding the exchange rate effect. In unadjusted terms, loan portfolio was up 14.2% y/y and down -1.9% m/m to GEL 21.9bn (US\$ 8.8bn). Deposits were up 17.9% y/y excluding the exchange rate effect. In unadjusted terms, deposits were up 11.6% y/y and down -3.2% m/m to GEL 19.2bn (US\$ 7.7bn). Deposit dollarization reached 64.4% (-7.5ppts y/y and -1.2ppts m/m). NPLs stood at 2.9% in January 2018 (-0.9ppts y/y and +0.1ppts m/m).

Annual CPI inflation (% change, y/y) Monthly CPI inflation (% change, m/m)



Source: GeoStat

Nominal Effective Exchange Rate and Real Effective Exchange Rate



Source: NBG
Note: Index growth means appreciation of exchange rate, decline means depreciation of exchange rate.

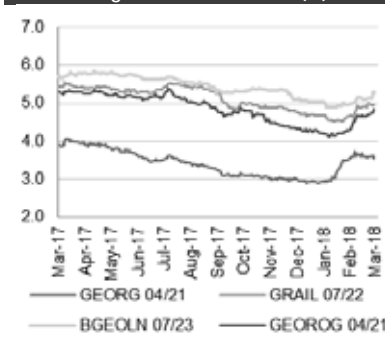
NPLs at 2.9% in January 2018

FIXED INCOME

Corporate Eurobonds: BGEO Group Eurobonds (BGEO LN) closed at 5.3% yield, trading at 103.3 (-0.8% w/w). Bank of Georgia GEL-denominated Eurobonds (GEBGG) were trading at 100.5 (unchanged w/w), yielding 10.7%. GOGC Eurobonds (GEOROG) were trading at 105.4 (-0.5% w/w), yielding 4.9%. Georgian Railway Eurobonds (GRAIL) traded at a premium at 110.5 (-0.3% w/w), yielding 5.0%.

Georgian Sovereign Eurobonds (GEORG) closed at 109.4 (-0.2% w/w) at 3.6% yield to maturity.

Georgia Eurobonds, YTM (%)



Source: Bloomberg

	Local bonds					Eurobonds				
	GWP 12/21	M2RE 10/19	Nikora 03/18	Nikora 06/19	GLC 08/20	GEBGG 06/20	GEOROG 04/21	BGEO LN 07/23	GEORG 04/21	GRAIL 07/22
Amount, US\$ mn	30*	25.0	5.0	10.0	10.0	500*	250	350	500	500
Issue date	12/16	10/16	03/16	08/17	8/17	06-17	04/16	07/16	04/11	07/12
Maturity date	12/21	10/19	03/18	06/19	8/20	06-20	04/21	07/23	04/21	07/22
Coupon, %	10.50**	7.5	11.0	9.0	7.00	11.0	6.750	6.000	6.875	7.750
Fitch/S&P/Moody's	BB-/B-	-/-	-/-	-/-	n/a	BB-/Ba2	BB-/B+	BB-/B1	BB-/Ba2	B+/B+
Mid price, US\$	n/a	103.0	101.3	101.3	101.14	100.5	105.4	103.3	109.4	110.5
Mid yield, %	n/a	5.5%	8.5%	3.8%	6.50%	10.7	4.9	5.3	3.6	5.0
Z-spread, bps	n/a	n/a	n/a	n/a	n/a	346.1	228.3	256.8	103.1	234.3

* Source: Bloomberg
**GWP 12/21 bonds and GEBGG 06/20 bonds are in Georgian lari
**Coupon rate 3.5% over the NBG's refinancing rate

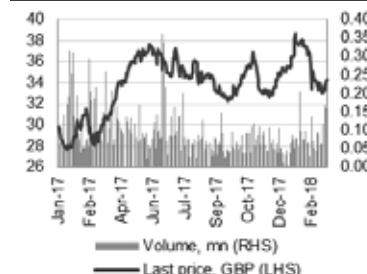
Eastern European sovereign 10-year bond performance

Issuer	Amount, US\$ mn	Coupon, %	Maturity date	Ratings (Fitch/S&P/Moody)	Mid yield, %
Georgia	500	6.875%	12/04/2021	BB-/BB-/Ba2	3.6
Azerbaijan	1,250	4.750%	18/03/2024	BB+/BB+/Ba1	4.5
Bulgaria	323	5.000%	19/07/2021	BBB-/BB+/Baa2	0.1
Croatia	1,250	3.875%	30/05/2022	BB/BB/Baa2	1.2
Hungary	3,000	6.375%	29/03/2021	BBB-/BBB-/Baa3	3.2
Romania	2,250	6.750%	07/02/2022	BBB-/BBB-/Baa3	3.5
Russia	3,500	5.000%	29/04/2020	BBB-/BB+/Ba1	3.0
Turkey	2,000	5.625%	30/03/2021	BB+/BB/Baa1	4.2

Source: Bloomberg

EQUITIES

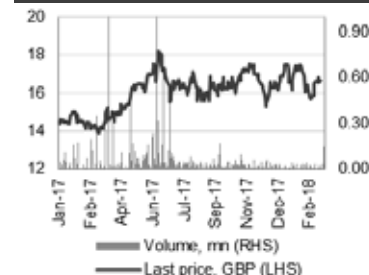
BGEO Group PLC (BGEO LN)



Source: Bloomberg

BGEO Group (BGEO LN) shares closed at GBP 34.26/share (+3.44% w/w and -6.80% m/m). More than 708k shares traded in the range of GBP 32.98 – 34.16/share. Average daily traded volume was 91k in the last 4 weeks. FTSE 250 Index, of

TBC Bank Group (TBCG LN)

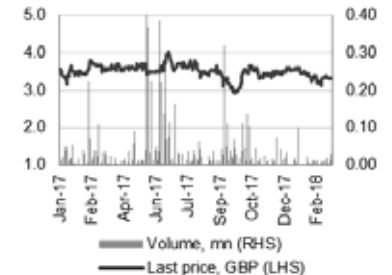


Source: Bloomberg

which BGEO is a constituent, lost 2.19% w/w and lost 2.99% m/m. The volume of BGEO shares traded was at 1.80% of its capitalization.

TBC Bank Group (TBCG LN) closed the week at GBP 16.20 (-2.72% w/w and -1.46% m/m). More than 315k shares changed hands in the range of GBP 15.42 – 16.80 share. Averaged daily traded

Georgia Healthcare Group (GHG LN)



Source: Bloomberg

volume was 26k in the last 4 weeks. **Georgia Healthcare Group (GHG LN)** shares closed at GBP 3.30/share (-1.64% w/w and -1.49% m/m). More than 52k shares were traded in the range of GBP 3.28 – 3.40/share. Average daily traded volume was 8k in the last 4 weeks. The volume of GHG shares traded was at 0.04% of its capitalization.

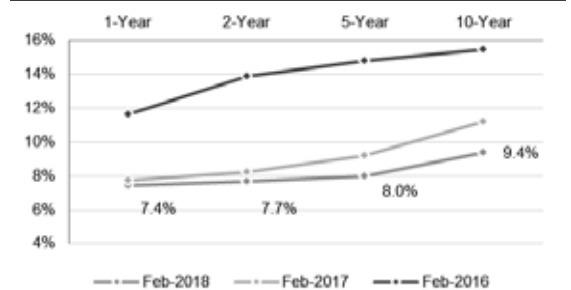
MONEY MARKET

Refinancing loans: National Bank of Georgia (NBG) issued 7-day refinancing loans of GEL 890.0mn

(US\$ 360.4mn).

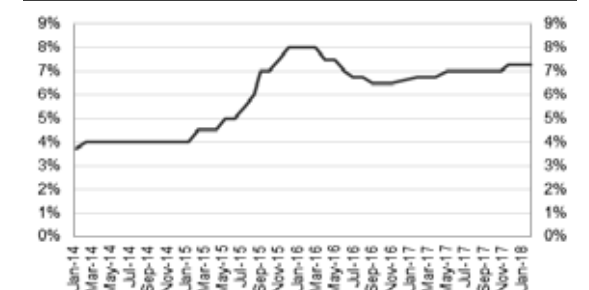
Ministry of Finance Treasury Notes: The nearest treasury security auction is scheduled for March 7, 2018, where GEL 40.0mn nominal value 1-year T-Bills will be sold.

T-bills / T-notes, yield curve



Source: NBG
*Note: As of latest auction.

Monetary policy rate



Source: NBG

WEEKLY MARKET WATCH EXCLUSIVELY PROVIDED TO THE FINANCIAL BY GALT & TAGGART

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The readers of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

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travelbiz

Travel and Gastronomy Trends You Should Know

Continued from p. 17

boxes are also expected to work in the favor of the global market. Changes to avert seepage of oils through the container in case of prolonged storage are expected to up the demand for pizza boxes. In the past few years, pizza boxes have been a preferred way of storing pizza as they are built with a capability to withstand high temperatures such as 50 to 70 degrees.

Increasing Awareness about Healthy Eating to Restrain Market

However, the market for pizza boxes does face a few constraints. To begin with the growing realization amongst consumers about eating and living healthy is expected to have a negative impact on the overall market. The exceptionally high cost of manufacturing corrugated pizza boxes is also expected to be one of the downsides for the overall market. Despite the restraints, the market will have a plethora of opportunities as the world will continue witnessing younger generations inclined towards eating fast food. Penetration of big pizza brands in developing parts of the world will also result in higher demand for pizza boxes.

Beverage Outlook

In the new report U.S. Beverage Market Outlook 2018, market research firm Packaged Facts provides comprehensive trend analysis of seven leading categories in retail packaged beverages, including Bottled and Enhanced Waters; Carbonated Beverages; Energy & Sports Drinks; Juices; Coffee & Ready-To-Drink Coffee; Tea & Ready-To-Drink Tea; and Dairy Beverages & Non-Dairy Milk Alternatives.

Here are four of the most essential key growth trends for the U.S. beverage market identified by Packaged Facts:

Crossing Categories - The trend toward crossing one beverage category with another is well underway and appears likely to expand. Carbonated juice drinks, plant milk and coffee combinations, dairy-based energy drinks—the mixing has only just begun. One recent combination is a caffeinated bottled water from BiPro USA. Introduced in late 2017, BiPro Orange +Caffeine is part of the company's protein water line, offering "the nutritional benefits of protein and caffeine while on the move!" The product features 20 grams of protein and 100mg of natural caffeine. Other ingredients include whey protein isolate and natural orange flavor.

Savory Formulations - Savory beverages are among the categories that appear to be on the brink of a major breakthrough. Consumers looking for alternatives to sweet beverages, and ones that offer health benefits as well, as trying drinkable vinegars such as the organic Raw Apple Cider Sipping Vinegars from Vermont Village. Flavors include as Blueberries & Honey, Turmeric & Honey, Cranberries & Honey, and Ginger & Honey. Apple cider vinegar, derived from fermented apple juice, can contain probiotic bacteria that help keep the digestive system healthy. Vermont Village points out that its unpasteurized apple cider vinegar contains the "mother" referring to the cloudy, cobweb-like strands of material that contain the probiotic bacteria as well as healthy enzymes and proteins.

Clean Label - Clean labeling is still in a relatively early stage of development as a critical factor in beverage purchasing decisions. But it is almost

certain to accelerate and reach a tipping point in the very near future as an element in marketing and packaging, as well as in the production process itself, that all food manufacturers must address. Consumers, in an environment where trust is hard to come by, want more certainty than ever before that their foods are safe.

Some beverage categories, bottled water and tea, for example, tend to be more prepared to present as clean label than others. But the need to offer a clean label impacts all of the categories and will continue to be a force for change in those that have in the past relied heavily on artificial ingredients.

Environmental Concerns - The transparency that clean labeling represents extends to the methods of production in terms of environmental friendliness and conditions that support animal welfare, factors that are of increasing importance to a growing number of consumers and also likely to reach a tipping point that makes them a must for manufacturers. Note how some plant-based beverage manufacturers, for example, are already using the smallness of their environmental footprint as a competitive factor.

Travel Bragging

Those 'travel bragging' posts filling up your social feeds show no sign of slowing down but now thanks to the world's first #TravelBrag Artificial Intelligence (AI) analysis, Hotels.com reveals what's topping the brag charts in destinations around the world, so you can choose your next trip wisely.

Worldwide travelers are a cultured bunch, who enjoy musing around museums (300,000 brags), old-town charm (170,000 brags) and a spot of sunshine (130,000 brags), but they can also be found in floating restaurants, erotic museums and night markets.

More than five million brags globally were analysed by an Artificial Intelligence tool. Using a combination of Tweet data that included links to Instagram posts and innovative AI technology, the tool identified and grouped brag types based on travel keywords and destination mentions to give an overview of what people show off about on social media while traveling.

In the U.S., New York, San Francisco, New Orleans, Miami and Las Vegas are among the global travel brag destinations with top brags from travelers at the following landmarks:

Ritz Carlton, San Francisco
Times Square, New York City
Miami Beach, Miami
Bourbon Street, New Orleans
Union Square, San Francisco
Mob Museum, Las Vegas
French Quarter, New Orleans

This travel bragging trend echoes the findings from the recent Hotels.com Mobile Travel Tracker* report, which revealed that one in six travelers search social media before their trip to plan the photos they'll take #inspo. And 56 percent of Americans admit to spending more than an hour a day on their smartphones while on vacation.

While travelers naturally brag about taking in the tourist hotspots and cultural offerings, more people than ever are sharing foodie 'grams, shopping stories and luxe posts.

#Foodporn

You're never more than an Instagram scroll away from #FoodPorn and the brag lists are brimming with culinary treats. Cakes in Stockholm and curry in Toronto spice up the brag lists, and New York steak and pizza both made the cut. Perhaps more surprisingly, enchiladas proved twice as popular as modern art in Mexico City, ice cream

scooped 10 percent of all San Francisco brags and Jumbo Kingdom floating restaurant in Hong Kong took second place in the Hong Kong chart with more than 20,000 brags.

Shop 'til you drop

Shopping is a must-do for most travelers. Those visiting Paris brag more about the Rue Vieille du Temple, famous for its boutiques, than Le Louvre! Other top shop-spots included Bal Harbour in Miami, the Harbour City mall in Hong Kong, vintage shops in Melbourne and the stylish Cecile Copenhagen fashion brand made the Danish capital's top 10.

Five-star luxury

When travelers check into a posh, luxury hotel they naturally want the world to know. The stunning 5-star Ritz Carlton in San Francisco topped the city's brag list, the Four Seasons in Singapore proved brag-worthy and the Park Hyatt came in at number one in Seoul – most likely for its awe-inspiring rooftop pool.

Scott Ludwig at Hotels.com said, "Bragging about your travel experiences on social media has become the norm – if you didn't get social kudos out of it, it didn't happen! With travel posts being so plentiful on social media, Americans are checking out what others are bragging about to get tips for their next trip."

"This #TravelBrag analysis shows just how diverse travelers are. Whether its enjoying rooftop cocktails in Bangkok, checking out Camden Town in London or visiting the mob museum in Vegas, social bragging is out in full force."

Gluten-Free Attitudes

DuPont Nutrition & Health announced results of a consumer survey where consumers in four key European markets were asked about their attitudes to gluten-free bakery products. The survey results have revealed untapped potential for bakers to develop more and better-quality products with extra nutritional benefits.

While only an estimated 1 percent of the population is gluten-intolerant through celiac disease, Mintel market research reports that the percentage of consumers who buy gluten-free products is considerably higher – 11 percent in Italy and the United Kingdom, and 8 percent in France and Spain.

Bakery products are top of the gluten-free shopping list. To help bakers meet consumer demands, DuPont now has launched a new 'gluten-free solution finder' based on its latest application trials.

- Gluten-free consumers seek more, high-quality products

Findings from the DuPont survey indicate that healthy living is a main driver of gluten-free sales in these markets. They also show gaps in the current range of gluten-free bakery products on store shelves. Even better quality and wider availability are two key consumer demands.

- Preferences vary – so no solution fits all

Another important finding concerns the broad variation in consumer preferences for gluten-free bakery products from market to market. Senior application scientist Helle Wium comments on the challenges of meeting these varied marked demands.

- Gluten-free solutions are custom-made

The survey's findings have provided valuable insights for ongoing gluten-free trials in the DuPont bakery application center. Exploring key production parameters and ingredient combinations, the trials focus on ways

to improve processing efficiency and sensory properties, including taste, texture, appearance and fresh-keeping quality.

Clogged Restrooms and Business Perception

A strong majority of Americans (86 percent) say a clogged public restroom toilet would negatively impact their perception of a business, according to a recent survey commissioned by Sofidel, a leading global provider of paper for hygienic and domestic use. The survey, conducted online by Harris Poll, Feb. 6-8 among 2,079 U.S. adults ages 18 and older, also found that more than three-fourths of Americans (76 percent) have experienced a clogged toilet in a public restroom.

The poll revealed that:

4 in 10 Americans have encountered a bathroom closed due to a clogged toilet.

49 percent of Americans have experienced foul restroom odor due to a clogged toilet.

The survey also provided insight about what types of businesses could be most impacted by clogged toilets:

Restaurants faced the most potential backlash, with 71 percent of Americans saying that a clogged toilet at a restaurant would negatively impact their perception of the business

More than half (56 percent) would have a negative perception of a hotel with a clogged toilet

Nearly half would have a negative perception of a grocery store (49 percent) or retail store (47 percent)

Clogged toilets also negatively impact the perceptions of travelers on airplanes (46 percent) or cruise ships (45 percent)

To reduce the occurrence of restroom clogs in commercial settings, Sofidel offers Bio Tech toilet paper. Bio Tech uses Biologic Active Tissue Paper (BATP) technology to produce enzymes that help disinfect restroom pipes and limit clogs as quickly as after one month of use. Studies demonstrate that the exclusive use of Bio Tech can provide total savings of up to 40 percent compared to standard toilet paper. This survey was conducted online within the United States by Harris Poll on behalf of Sofidel from February 6-8, 2018 among 2,079 U.S. adults ages 18 and older.

Automatic Coffee Market Outlook

The vendor landscape of the global fully automatic coffee machine market features an increasingly competitive nature, with companies focusing on the development of products suitable for price-sensitive but highly promising regional markets, observes Transparency Market Research in a recent report. As the level of competition intensifies in the global fully automatic coffee machine market, thanks to the entry of several new players and the introduction of new product varieties at a rapid pace, price wars among leading players are becoming intense. To strengthen their positions, companies are likely to place more focus on the improvement of the efficiency of their value chains.

Some of the leading companies in the market are N&W Global Vending S.p.A., Wilbur Curtis Co., Bravilor Bonamat B.V., Gruppo Cimbali SpA, Group SEB, Rex-Royal AG, Crem International AB, and Franke Holding AG.

According to the report, revenue generated from the global fully auto-

matic coffee machine market valued at roughly US\$4,288.6 mn in 2017. The market is expected to expand at a CAGR of 2.8 percent over the forecast period. Global Fully Automatic Coffee Machine market are expected to be valued at approximately US\$ 5,359.2 Mn by the end of 2025.

On the basis of HoReCa type, the fully automatic coffee machine market has been examined for two broad segments, namely quick service restaurants (QSRs) and full service restaurants (FSRs). Both segments are likely to expand at a healthy pace over the forecast period.

The market in Asia Pacific is likely to emerge as one of the most promising regional markets for fully automatic coffee machines owing to the rising expenditure on eating out and the rising numbers of fine dining restaurants and fast food chains in the region. Opportunities for fully automatic coffee machine market also abound in the region owing to the rising disposable incomes, increased adoption of Western consumption habits, and the high population of youngsters.

Rising Popularity of Instant Coffee to Hamper Market Growth

Some of the restraints that are expected to potentially restrict the overall growth of the global fully automatic coffee machine market is the availability of other substitutes with fast food like cold drinks and shakes and the high dependability on imports, which results in higher prices. The market is also challenged due to the advent of new technologies and the rising consumer inclination towards instant coffee consumption. While these factors continue to plague the development of the industry, the market could benefit from the introduction of state-of-the-art technology driven coffee machines.

Cognac's Popularity

Cognac sales will continue their remarkable recent momentum, with gains set to persist in North America and China supported by a resurgence in Russia, says a new report

The Global Cognac & Brandy Insights report from just-drinks and the IWSR also expects consumption of premium-and-above non-Cognac brandy to increase over the next five years, although the overall market's recent declines will persist. This part of the Cognac & brandy category is skewed by the vast brandy markets of India and the Philippines, accounting for well over 100m cases in annual sales, both of which are declining - and overshadowing more buoyant trends in South Africa and Russia.

Meanwhile, Cognac has recovered from the impact of austerity measures in China, returning to growth in the key areas of Guangdong and Fujian. Meanwhile, on the other side of the world, consumption has reached record levels in North America.

Both of these phenomena are having ripple effects: Cognac consumption is on the up across Asia and Australasia thanks to the influence of Chinese communities and visitors there, as Cognac's association with glamorous lifestyles among African-Americans in the US is increasingly driving growth in the Caribbean and Africa.


As a result, Cognac sales are expected to continue their recent growth, topping 17m cases a year by 2021, thanks to continued momentum in the US and China, supplemented by consumption gains in Russia, South Africa, Canada, Indonesia, Nigeria and India.



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