



Economy

Georgia's economy grew by 11.1% y/y in Jan-25

Georgia's economic growth accelerated, up by 11.1% y/y in Jan-25, after a 6.7% y/y growth in previous month. This growth was mainly driven by increased activity in the professional & scientific, transport, construction, ICT, manufacturing and trade sectors, while the mining sector contracted.

Given January's strong growth, we will consider an upward revision to our baseline growth projection of 5.0% for the full year 2025 after February's preliminary data becomes available (see latest macro forecasts [here](#)).

Bank lending increased by 17.9% y/y in Jan-25

In Jan-25, the banking sector loan portfolio increased by 17.9% y/y (-0.3% m/m), excluding FX effect, after a 17.0% y/y growth in previous month. In unadjusted terms, loan portfolio rose by 20.8% y/y (+0.7% m/m), reaching GEL 62.7bn (US\$ 21.8bn), after growing 18.2% y/y in Dec-24. By sector, corporate loans grew by 20.1% y/y (excluding FX effect), while retail loans increased by 16.4% y/y. Loan dollarization rose to 43.7% (-0.98ppts y/y and +0.36ppts m/m) in Jan-25.

On the deposits side, there was a 12.6% y/y increase (excluding FX effect) to GEL 59.0bn (US\$ 21.0bn) in Jan-25, after a 13.4% y/y growth in previous month. In terms of currency breakdown, GEL deposits growth slowed further to 8.0% y/y (+10.5% y/y in Dec-24), while FX deposits (exc. FX effect) increased by 17.3% y/y (+16.3% y/y in Dec-24). Consequently, deposit dollarization increased further to 53.4% (+3.59ppts y/y and +0.60ppts m/m) in Jan-25.

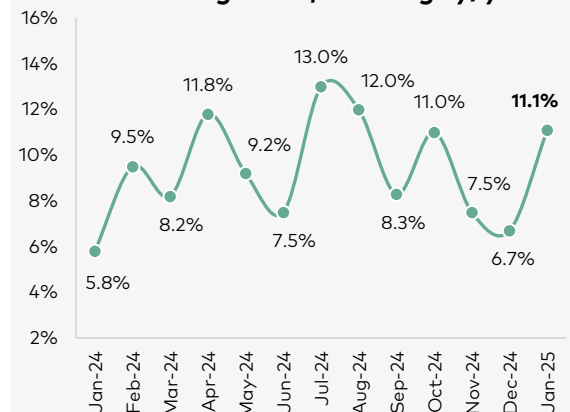
Key macro indicators

	2024E	2025F
Real GDP growth (% change)	9.5%	5.0%
GDP per capita (ppp)	28,106	29,154
GDP per capita (US\$)	9,124	9,466
Population (mn)	3.7	3.7
Inflation (average)	1.1%	3.9%
Gross reserves (US\$ bn)	4.4	4.2
CAD (% of GDP)	4.9%	5.5%
Fiscal deficit (% of GDP)	2.5%	2.5%
Total public debt (% of GDP)	36.2%	37.0%
Fitch/S&P/Moody's*	BB/BB/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

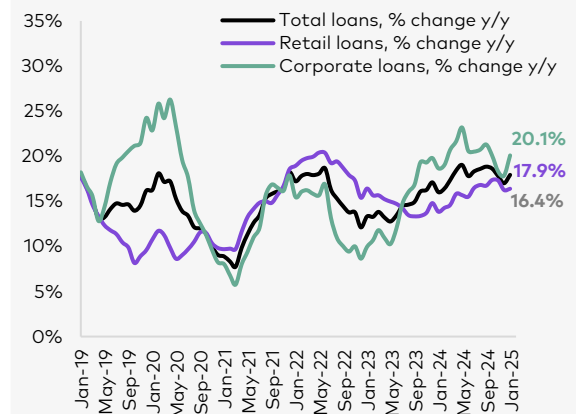
*Latest sovereign credit ratings

Real GDP growth, % change y/y



Source: Geostat

Bank loans growth (excluding FX-effect)



Source: NBG

Money market

Ministry of Finance T-bills/T-notes:

5.2-year GEL 80.0mn (US\$ 28.4mn) treasury notes were sold at the auction held at NBG on February 25, 2025. Total demand was 1.9x higher and the weighted average yield was fixed at 8.648%, up by 0.041ppts from previous auction held in Jan-25.

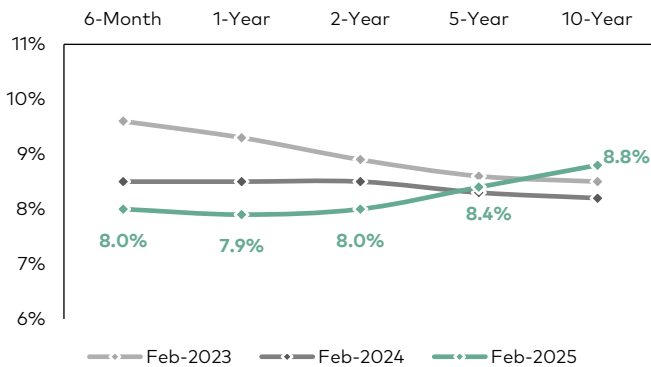
The nearest treasury security auction is scheduled for March 4, 2025, where GEL 50.0mn nominal value 6-month treasury bills and GEL 40.0mn nominal value 2.9-year treasury notes will be sold.

T-bills / T-notes in 2025

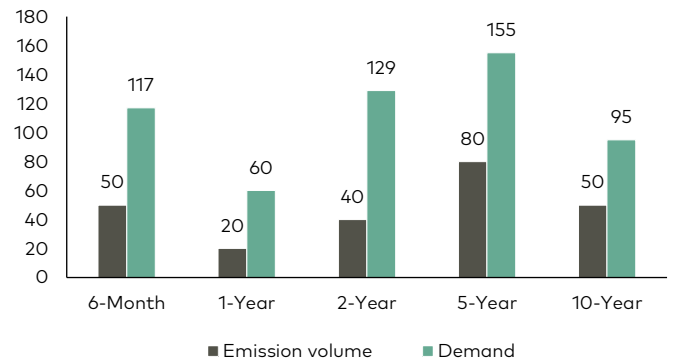
Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	140	430	390
Long-term (over 1-year)	405	1,980	9,514
Total	545	2,410	9,904

Source: MoF
*As of January 2025

T-bills / T-notes, yield curve

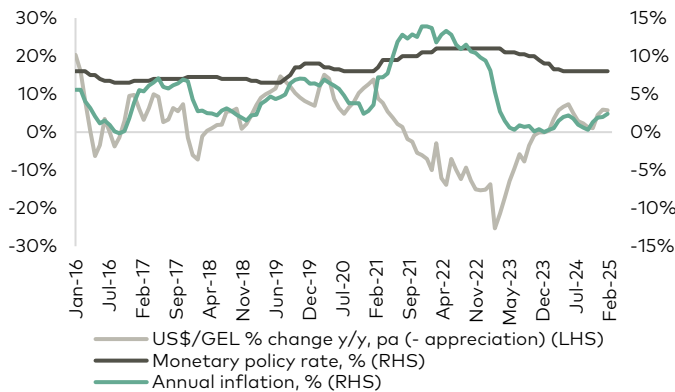


Emission volume vs. demand on latest T-bills / T-notes auctions, GEL mn



Source: NBG

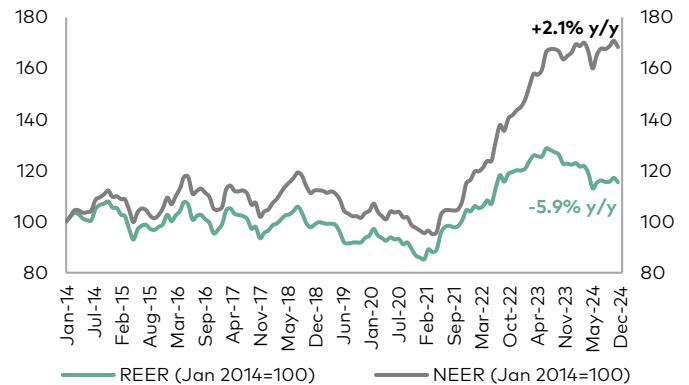
Monetary policy rate, inflation and FX rate



Source: NBG, Geostat

Source: NBG

Nominal and real effective exchange rates



Source: NBG

Note: Index growth/decline means appreciation/depreciation of exchange rate



Fixed income

Georgian Eurobonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings	Mid price	Mid yield, %	Z-spread, bps
						(Fitch/S&P/Moody/Scope)			
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	95.53	6.92	291.29
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	88.26	8.14	434.56
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.66	9.88	610.18
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.28	7.64	273.32
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/	97.17	10.55	664.98
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	100.34	10.15	636.77
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	101.72	8.40	448.29

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg

Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings	Mid price	Mid yield
						(Fitch/S&P/Moody/Scope)		
USD								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/-	n/a	n/a
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-/-	99.99	9.00%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00%
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-/BB-	99.77	8.75%
Energy Development Georgia	USD	10	8.50%	Jun-23	Jun-25	-/-/-/-	n/a	n/a
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/-/-	101.08	8.13%
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-/-	100.91	8.63%
Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-/-	n/a	n/a
Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-/-	n/a	n/a
MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-/-	n/a	n/a
Geosteel	USD	5	8.50%	Dec-23	Dec-25	-/-/-/-	99.63	8.75%
IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-/-	99.61	8.75%
Tegeta Motors	USD	5	8.50%	Jun-24	Jun-26	-/-/-/BB-	n/a	8.63%
Tegeta Motors	USD	3.3	8.50%	Jun-24	Jun-26	-/-/-/BB-	n/a	8.63%
IG Development	USD	19.5	8.50%	Jul-24	Jul-26	-/-/-/-	n/a	8.63%
Tegeta Motors	USD	5	8.50%	Jul-24	Jul-26	-/-/-/BB-	n/a	n/a
MP Development	USD	5	8.75%	Jul-24	Jul-26	-/-/-/-	n/a	8.75%
JSC BasisBank	USD	20	7.00%	Aug-24	Aug-27	-/-/-/-	n/a	7.00%
Georgia Real Estate	USD	25	8.50%	Aug-24	Aug-26	-/-/-/-	n/a	8.50%
Chavchavadze 64B	USD	10	8.75%	Aug-24	Aug-26	-/-/-/-	n/a	8.75%
Tegeta Motors	USD	5	8.25%	Dec-24	Dec-26	-/-/-/BB-	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg, Galt & Taggart



Fixed income

Georgian local bonds

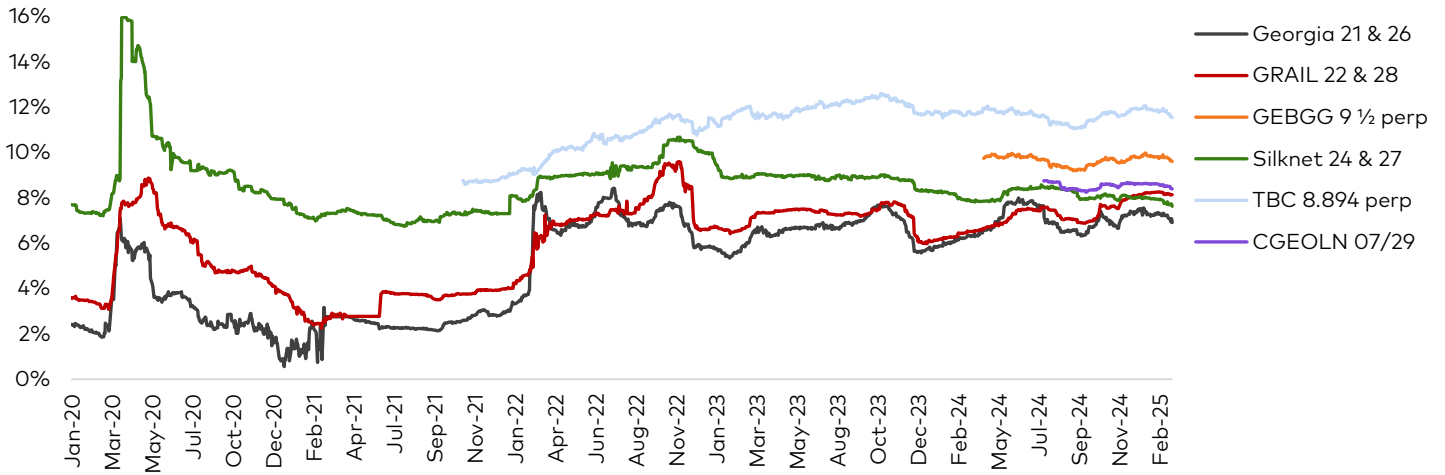
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	99.60	6.15%
Tegeta Motors	EUR	10	6.75%	May-24	May-26	-/-/BB-	n/a	n/a
MP Development	EUR	3	7.75%	Jul-24	Jul-26	-/-/BB-	n/a	7.75%
Silk Real Estate	EUR	7	7.00%	Aug-24	Aug-25	-/-/BB-	n/a	7.00%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/BB-	n/a	7.75%
GEL								
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/BB-	100.00	11.58%
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/BB-	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/BB+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB-/BB-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB-/BB-	n/a	n/a
Tegeta Motors	GEL	20	TIBR6M + 3.50%	Jun-23	Dec-25	-/-/BB-	n/a	n/a
Tegeta Motors	GEL	20	14.5%	Dec-23	Dec-25	-/-/BB-	n/a	n/a
Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-26	-/-/BB-	100.00	12.33%
Tegeta Motors	GEL	10	13.50%	Jul-24	Jul-26	-/-/BB-	n/a	n/a
Tegeta Motors	GEL	15	13.50%	Aug-24	Aug-26	-/-/BB-	100.00	13.50%
Nikora Trade	GEL	60	TIBR3M + 3.25%	Oct-24	Oct-29	-/-/BB-	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.25%	Dec-24	Dec-26	-/-/BB+	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg, Galt & Taggart



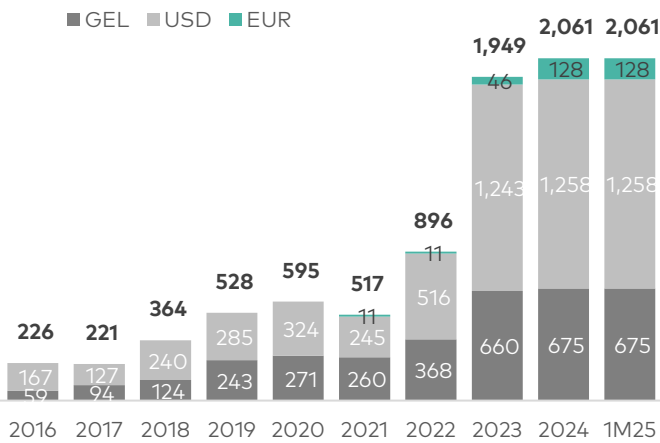
Fixed income

Georgian Eurobonds, YTM



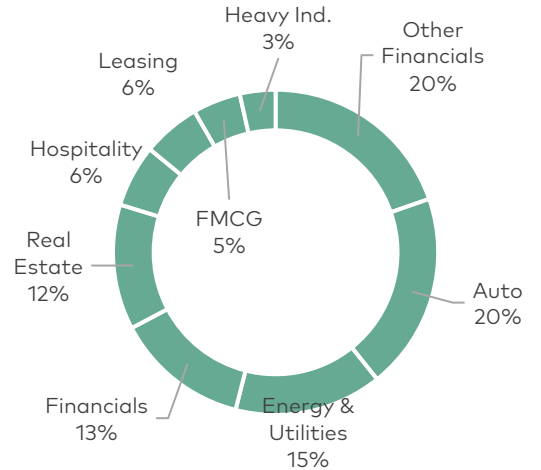
Source: Bloomberg

Georgian local corporate public bonds outstanding, GEL mn



Source: Galt & Taggart
Note: USD and EUR bonds are converted into GEL as of issuance date

Georgian local corporate public bonds outstanding by sector

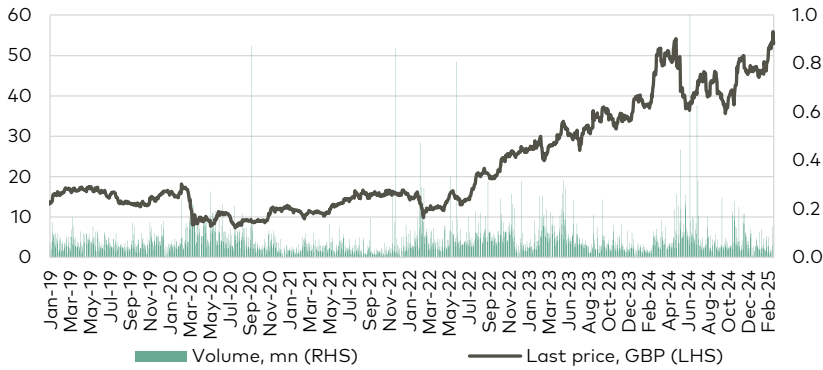


Source: Galt & Taggart



Equities

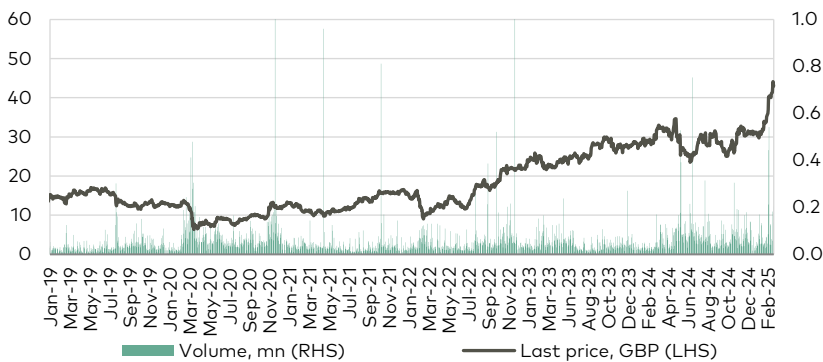
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 52.90/share (-0.75% w/w and +16.52% m/m). More than 352k shares traded in the range of GBP 52.40 - 59.30/share. Average daily traded volume was 48k in the last 4 weeks. The volume of BGEO shares traded was at 0.79% of its capitalization.

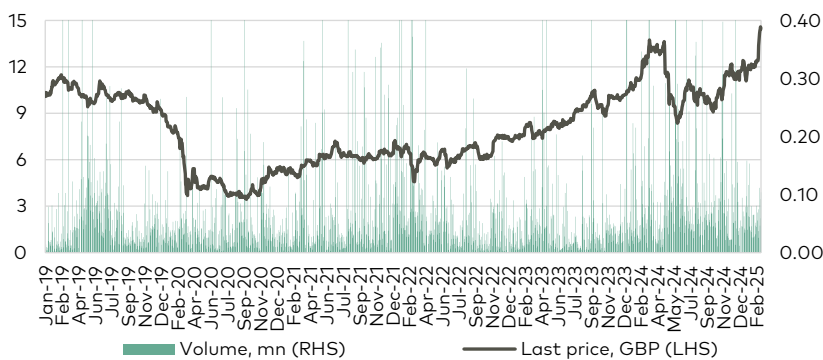
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 43.00/share (+4.62% w/w and +32.72% m/m). More than 754k shares changed hands in the range of GBP 40.90 - 44.10/share. Average daily traded volume was 137k in the last 4 weeks. The volume of TBCG shares traded was at 1.34% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 14.44/share (+8.08% w/w and +20.74% m/m). More than 413k shares traded in the range of GBP 13.42 - 14.78/share. Average daily traded volume was 59k in the last 4 weeks. The volume of CGEO shares traded was at 1.05% of its capitalization.

Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024F	2025F	2023	2024F	2025F
Bank of Georgia	BGEO	GBP	52.90	2,345	16.5%	15.0%	12.3%	4.36x	4.62x	4.02x	1.19x	na	1.11x
TBC	TBC	GBP	43.00	2,417	38.9%	46.3%	37.8%	4.78x	6.70x	5.73x	1.15x	na	na
Halyk Bank	HSBK	USD	20.10	5,470	15.5%	16.9%	3.4%	2.57x	3.28x	3.22x	0.72x	na	na
Akbank	AKBNK	TRY	67.30	349,960	14.7%	66.3%	3.8%	2.86x	7.66x	4.59x	0.90x	1.43x	1.14x
Garanti	GARAN	TRY	128.70	540,540	16.2%	105.8%	3.5%	2.84x	5.55x	4.48x	1.00x	1.59x	1.21x
Isbank	ISCTR	TRY	15.17	379,250	15.4%	38.4%	12.0%	3.23x	8.21x	4.69x	0.87x	1.24x	0.94x
PKO	PKO	PLN	69.10	86,375	22.2%	26.9%	15.6%	11.44x	8.30x	7.69x	1.39x	1.77x	1.59x
PEKAO	PEO	PLN	170.00	44,620	8.6%	-0.8%	23.3%	6.07x	7.11x	7.03x	1.32x	1.43x	1.30x
Millennium	MIL	PLN	11.60	14,071	30.0%	16.7%	30.3%	17.78x	5.20x	5.82x	1.47x	1.87x	1.45x
Mbank	MBK	PLN	740.20	31,456	17.9%	11.3%	35.3%	na	12.00x	7.54x	1.65x	2.06x	1.52x
BRD	BRD	RON	17.82	12,419	-17.5%	-8.3%	-4.4%	7.62x	8.65x	8.17x	1.42x	1.30x	1.21x
Banca Transilvania	TLV	RON	28.60	26,223	-1.4%	27.3%	5.9%	7.76x	6.24x	7.21x	1.82x	1.61x	1.53x
Komerčni	KOMB	CZK	1,043.00	198,221	37.0%	27.2%	22.9%	8.76x	13.08x	11.71x	1.09x	1.59x	1.55x
Mean								6.67x	7.43x	6.30x	1.23x	1.59x	1.32x
Median								5.43x	7.11x	5.82x	1.19x	1.59x	1.30x

Source: Bloomberg, S&P Capital IQ



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