



Economy

Trade deficit at US\$ 10.3bn in 2024

In Dec-24, goods exports increased by 6.8% y/y to US\$ 549.4mn, after a 12.6% y/y growth in previous month. Goods imports rose by 20.9% y/y to US\$ 1.7bn, following a 14.2% growth y/y in previous month. Consequently, the trade deficit increased by 29.4% y/y to US\$ 1.1bn in Dec-24.

The top 5 exported commodities were cars (+15.7% y/y), precious metals (+137.0% y/y), pharmaceuticals (+10.3% y/y), spirits (-5.0% y/y) and petroleum (+194.1% y/y) in Dec-24. A 11.5% of exports were directed to the EU (+79.0% y/y), 70.0% to the CIS (+8.7% y/y) and 18.5% to other countries (-18.9% y/y).

The top 5 imports were cars (+11.8% y/y), petroleum (+3.9% y/y), aircraft (980.3% y/y), gases (+33.6% y/y) and pharmaceuticals (+13.4% y/y) in Dec-24.

Overall, in 2024, the trade deficit rose by 8.4% y/y to US\$ 10.3bn, driven by a 7.8% y/y increase in exports, which reached a record high of US\$ 6.6bn, while imports grew by 8.1% y/y, totaling a record US\$ 16.9bn.

Producer price index increased by 7.9% y/y in Dec-24

Annual PPI for industrial goods increased by 7.9% in Dec-24, after a 6.6% y/y rise in previous month. The annual growth was mainly driven by a rise in prices in the manufacturing sector (+6.2% y/y), followed by mining (+23.7% y/y) and electricity supply (+11.4% y/y) sectors.

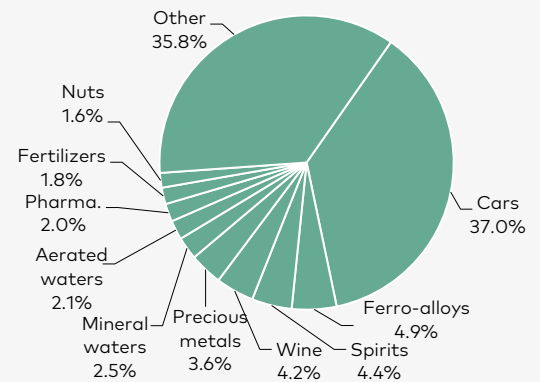
Key macro indicators

	2023	2024E
Real GDP growth (% change)	7.8%	9.4%
GDP per capita (ppp)	25,188	28,119
GDP per capita (US\$)	8,284	9,128
Population (mn)	3.7	3.7
Inflation (average)	2.5%	1.1%
Gross reserves (US\$ bn)	5.0	4.4
CAD (% of GDP)	5.6%	4.9%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	38.9%	36.8%
Fitch/S&P/Moody's*	BB/BB/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

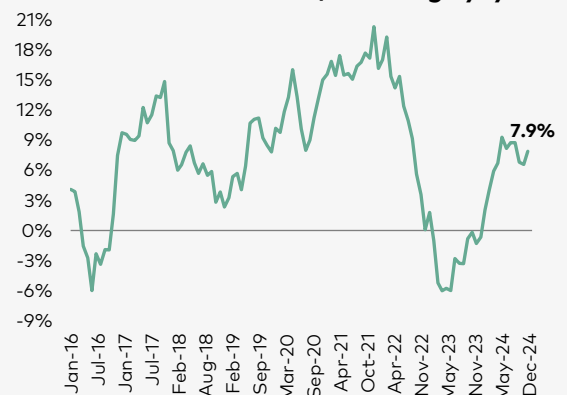
*Latest sovereign credit ratings

Goods exports structure, 2024



Source: Geostat

Producer Price Index, % change y/y



Source: Geostat

Money market

Ministry of Finance T-bills/T-notes:

7.9-year GEL 50.0mn (US\$ 17.6mn) treasury notes were sold at the auction held at NBG on January 21, 2025. Total demand was 1.9x higher and the weighted average yield was fixed at 8.70%, up by 0.118ppts from previous auction held in Dec-24.

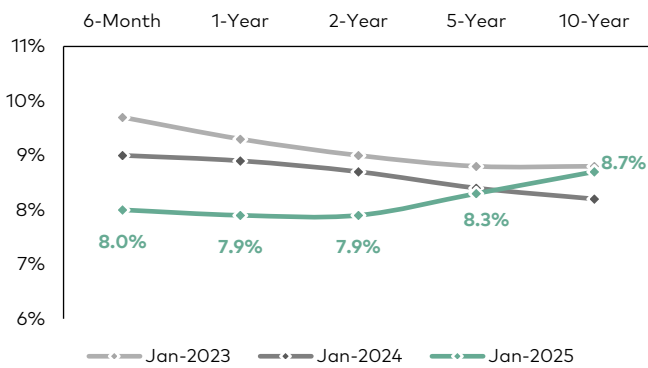
The nearest treasury security auction is scheduled for January 28, 2025, where GEL 80.0mn nominal value 5.2-year Benchmark Bonds will be sold.

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)	70	500	360
Long-term (over 1-year)	123	2,260	9,313
Total	193	2,760	9,673

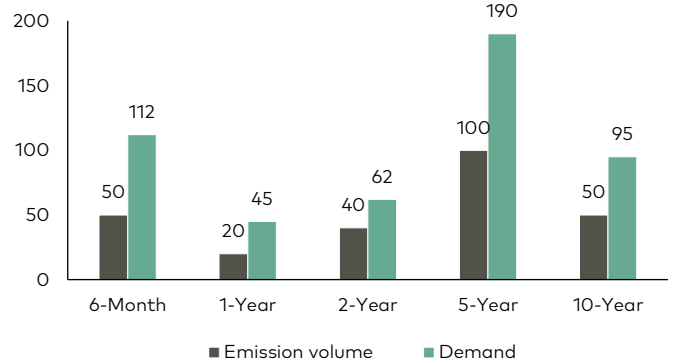
Source: MoF
*As of December 2024

T-bills / T-notes, yield curve



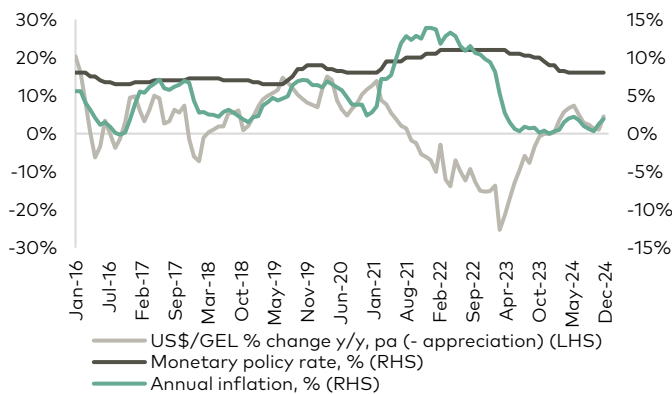
Source: NBG

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



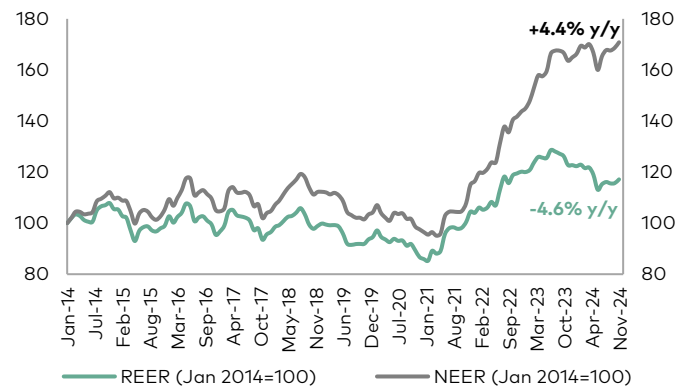
Source: NBG

Monetary policy rate, inflation and FX rate



Source: NBG, Geostat

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 (Fitch/S&P/Mood y/Scope)	Mid price	Mid yield, %	Z-spread, bps
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	94.76	7.26	311.11
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	87.72	8.23	411.86
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	97.89	10.10	597.65
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	100.77	7.95	336.20
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	96.14	11.08	696.55
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	99.63	10.35	623.42
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	100.96	8.61	444.03

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

Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/ Scope)	Mid price	Mid yield
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

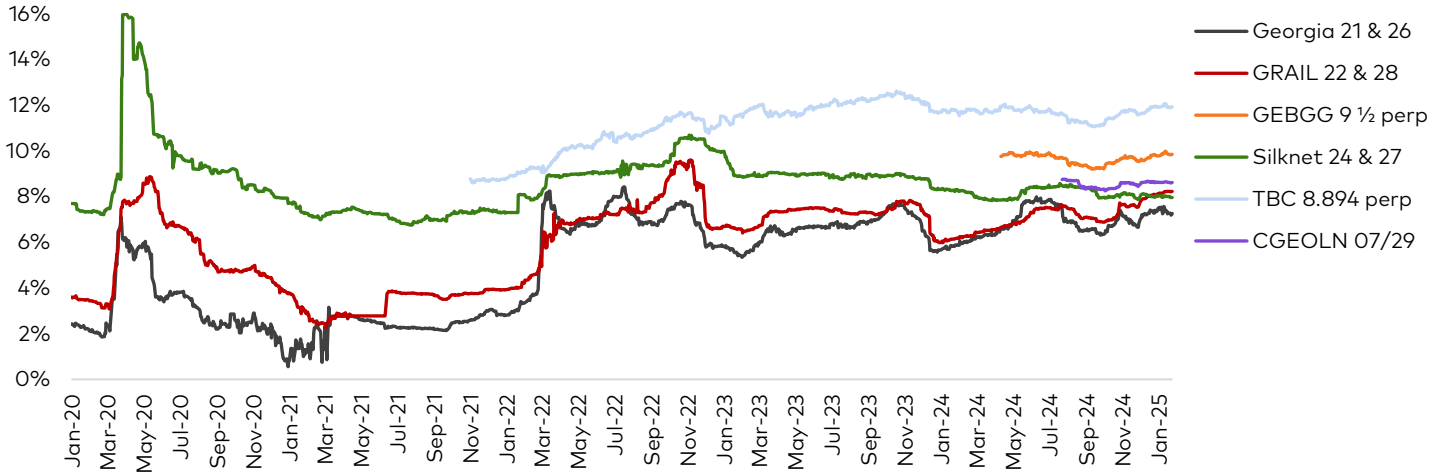
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	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 Crystal	GEL	25	TIBR6M + 4.75%	Feb-23	Feb-25	B-/BB-	100.00	13.22%
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



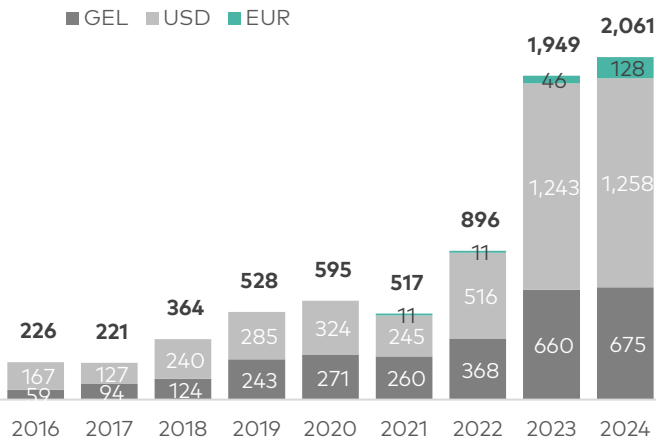
Fixed income

Georgian Eurobonds, YTM



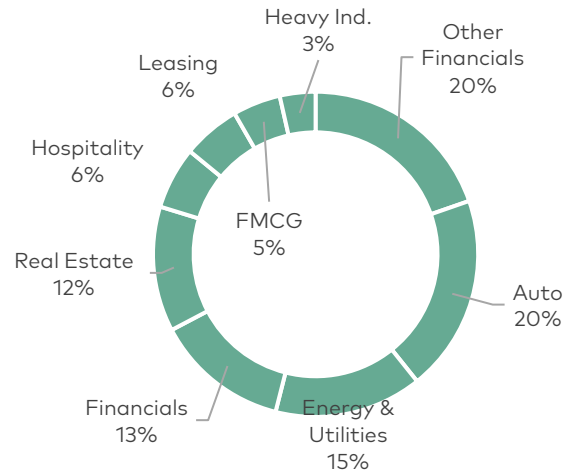
Source: Bloomberg

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

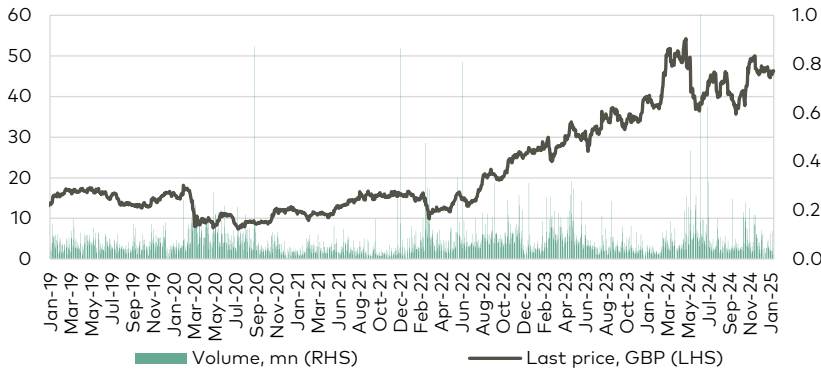


Source: Galt & Taggart



Equities

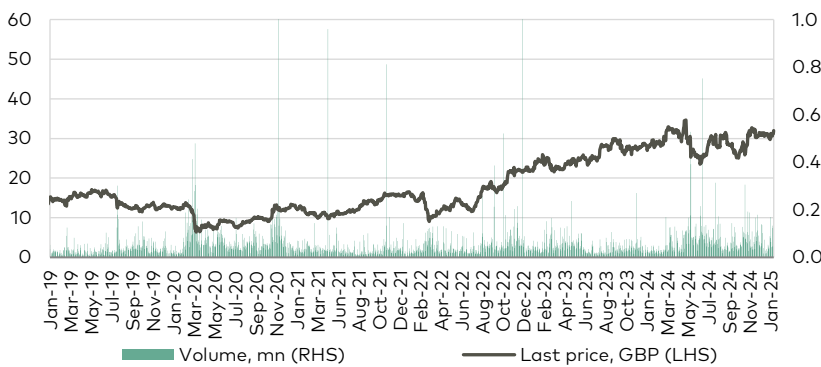
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Bank of Georgia Group (BGEO LN) shares closed at GBP 46.30/share (+1.65% w/w and -1.49% m/m). More than 253k shares traded in the range of GBP 45.25 - 47.20/share. Average daily traded volume was 49k in the last 4 weeks. The volume of BGEO shares traded was at 0.57% of its capitalization.

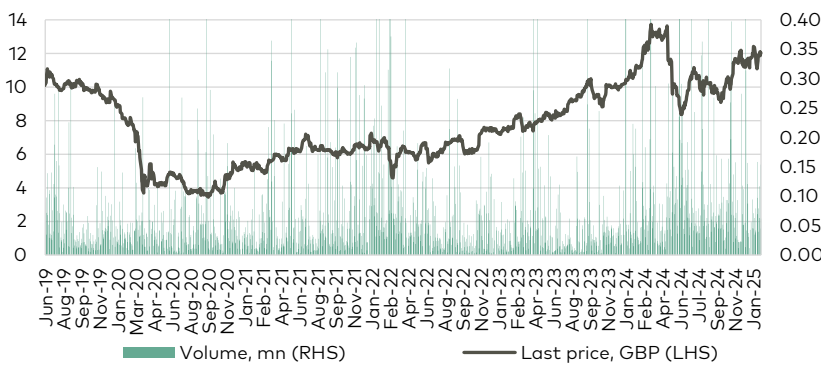
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 32.00/share (+4.23% w/w and +1.75% m/m). More than 420k shares changed hands in the range of GBP 30.55 - 32.20/share. Average daily traded volume was 61k in the last 4 weeks. The volume of TBCG shares traded was at 0.75% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 12.00/share (+0.84% w/w and +2.21% m/m). More than 440k shares traded in the range of GBP 11.70 - 12.20/share. Average daily traded volume was 74k in the last 4 weeks. The volume of CGEO shares traded was at 1.11% of its capitalization.



Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn6M	chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024F	2025F	2023	2024F	2025F
Bank of Georgia	BGEO	GBP	46.30	2,057	5.2%	24.0%	-1.7%	4.36x	4.08x	3.66x	1.19x	na	na
TBC	TBC	GBP	32.00	1,802	12.1%	14.7%	2.6%	4.78x	5.07x	4.36x	1.15x	na	na
Halyk Bank	HSBK	USD	19.64	5,354	14.2%	35.8%	1.0%	2.57x	3.22x	3.15x	0.72x	na	na
Akbank	AKBNK	TRY	66.45	345,540	-1.6%	64.5%	2.5%	2.86x	7.69x	4.37x	0.90x	1.44x	1.10x
Garanti	GARAN	TRY	132.30	555,660	4.3%	112.4%	6.4%	2.84x	5.81x	4.34x	1.00x	1.67x	1.25x
Isbank	ISCTR	TRY	14.50	362,500	-9.8%	45.7%	7.1%	3.23x	7.16x	3.96x	0.87x	1.21x	0.93x
PKO	PKO	PLN	65.32	81,650	10.2%	34.1%	9.3%	11.44x	7.74x	7.27x	1.39x	1.66x	1.49x
PEKAO	PEO	PLN	154.35	40,512	-4.9%	5.0%	11.9%	6.07x	6.41x	6.56x	1.32x	1.29x	1.19x
Millennium	MIL	PLN	10.19	12,362	10.6%	30.3%	14.5%	17.78x	4.55x	5.05x	1.47x	1.63x	1.36x
Mbank	MBK	PLN	598.20	25,422	-4.0%	20.1%	9.3%	na	9.66x	8.52x	1.65x	1.66x	1.33x
BRD	BRD	RON	18.16	12,656	-18.9%	4.8%	-2.6%	7.62x	8.91x	8.92x	1.42x	1.34x	1.23x
Banca Transilvania	TLV	RON	27.75	25,443	-3.3%	31.6%	2.8%	7.76x	6.12x	7.00x	1.82x	1.58x	1.49x
Komerčni	KOMB	CZK	898.00	170,664	11.0%	20.3%	5.8%	8.76x	11.45x	10.96x	1.09x	1.38x	1.36x
Mean								6.67x	6.76x	6.01x	1.23x	1.49x	1.27x
Median								5.43x	6.41x	5.05x	1.19x	1.51x	1.29x

Source: Bloomberg, S&P Capital IQ

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