



## Economy

### Trade deficit decreased by 6.8% y/y in Feb-25

In Feb-25, goods exports fell by 7.1% y/y to US\$ 431.5mn, after a 19.3% y/y growth in previous month. Similarly, goods imports declined by 6.9% y/y to US\$ 1.1bn, after a significant increase of 47.8% y/y growth in previous month. Consequently, the trade deficit decreased by 6.8% y/y to US\$ 668.3n in Feb-25.

Overall, in 2M25, the trade deficit rose by 27.9% y/y to US\$ 1.9bn, driven by a 4.0% y/y increase in exports, totaling US\$ 835.4mn, while imports grew by 19.5% y/y, reaching US\$ 2.7bn.

### NBG kept its key rate unchanged at 8.0%

On March 12, 2025, the Monetary Policy Committee of the NBG maintained its key interest rate unchanged at 8.0%. This decision considered January's strong economic growth, rising inflation in February, and increased global uncertainty from tariff policies. The NBG anticipates inflation to converge its target level in 1H25, with a potential temporary increase before stabilizing around 3.0% in the medium term. Future interest rate adjustments will be based on updated economic forecasts and risk assessments, the regulator noted. The next NBG meeting is scheduled for May 7, 2025.

### FDI in Georgia increased by 24.4% y/y in 4Q24

FDI in Georgia increased by 24.4% y/y to US\$ 367.5mn in 4Q24, after a 55.2% y/y decline in 3Q24. This rebound was solely driven by a US\$ 214.7mn y/y reduction in debt outflows. Meanwhile, both reinvestments (-28.1% y/y to US\$ 291.7mn) and equity investments (-14.9% y/y to US\$ 164.2mn) fell during the same period.

The financial sector was the largest FDI recipient at US\$ 314.9mn (+8.7% y/y), followed by real estate at US\$ 65.8mn (+129.1% y/y), manufacturing at US\$ 23.1mn (+205.7% y/y), ICT at US\$ 18.8mn (+132x y/y) and transport at \$ 15.6mn (-38.6% y/y). Meanwhile, FDI reduced in trade (-US\$ 45.8mn) and energy (-US\$ 23.8mn) sectors in 4Q24.

The UK topped the list of investors with US\$ 222.6mn (60.6% of total FDI), followed by Malta at US\$ 67.9mn (18.5% of total) and Netherlands at US\$ 36.3mn (9.9% of total).

Overall, in 2024, FDI declined by 29.9% y/y to US\$ 1.3bn accounting for 4.0% of GDP.

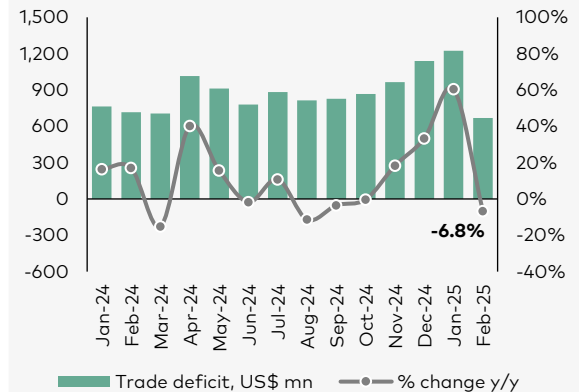
### Key macro indicators

	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

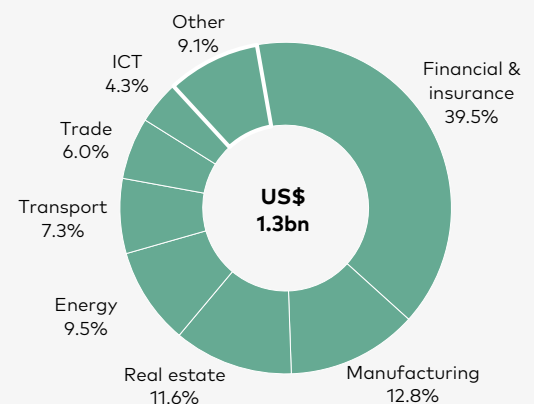
\*Latest sovereign credit ratings

### Goods trade deficit



Source: Geostat

### FDI by sector, 2024



Source: Geostat

# Money market

## Ministry of Finance T-bills/T-notes:

11.6-year GEL 30.0mn (US\$ 10.8mn) treasury notes were sold at the auction held at NBG on March 11, 2025. Total demand was 2.3x higher and the weighted average yield was fixed at 8.919%, up by 0.048ppts from previous auction held in Feb-25.

1-year GEL 20.0mn (US\$ 7.2mn) T-bills were sold at the auction held at NBG on March 11, 2025. Total demand was 2.3x higher and the weighted average yield was fixed at 7.606%, up by 0.026ppts from previous auction held in Feb-25.

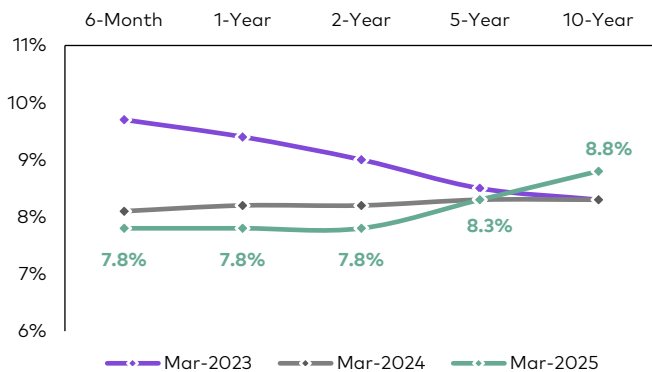
The nearest treasury security auction is scheduled for March 18, 2025, where GEL 50.0mn nominal value 7.8-year treasury notes will be sold.

## 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)	210	360	420
Long-term (over 1-year)	477	1,910	9,615
<b>Total</b>	<b>687</b>	<b>2,270</b>	<b>10,035</b>

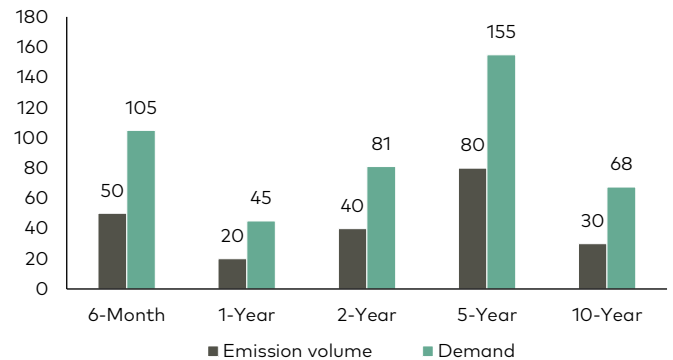
Source: MoF  
\*As of February 2025

## T-bills / T-notes, yield curve



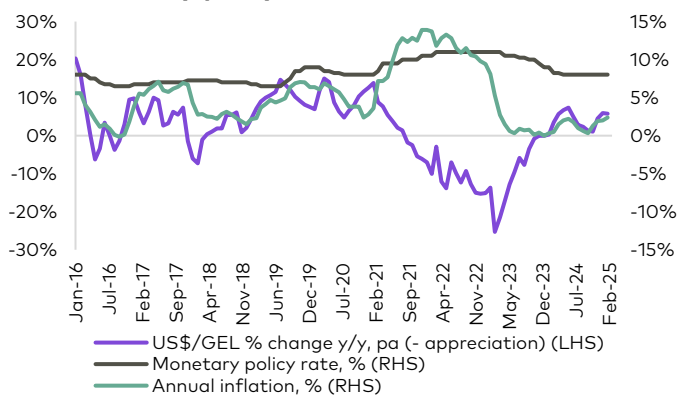
Source: NBG

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



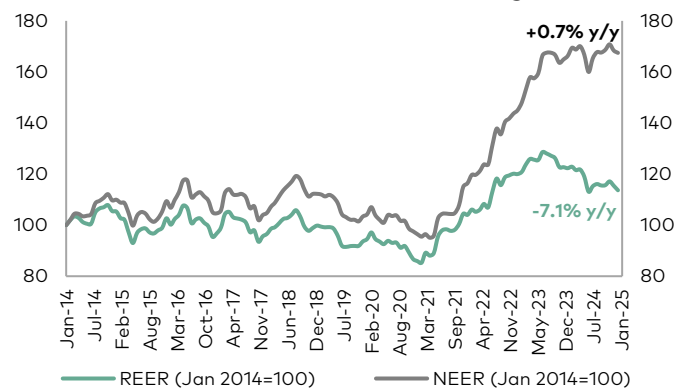
Source: NBG

## 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	95.55	7.04	301.86
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	88.18	8.22	441.61
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.79	9.85	604.57
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.52	7.48	239.97
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	97.21	10.56	667.17
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	101.20	9.90	609.95
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	101.85	8.36	442.36

■ 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
<b>USD</b>								
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

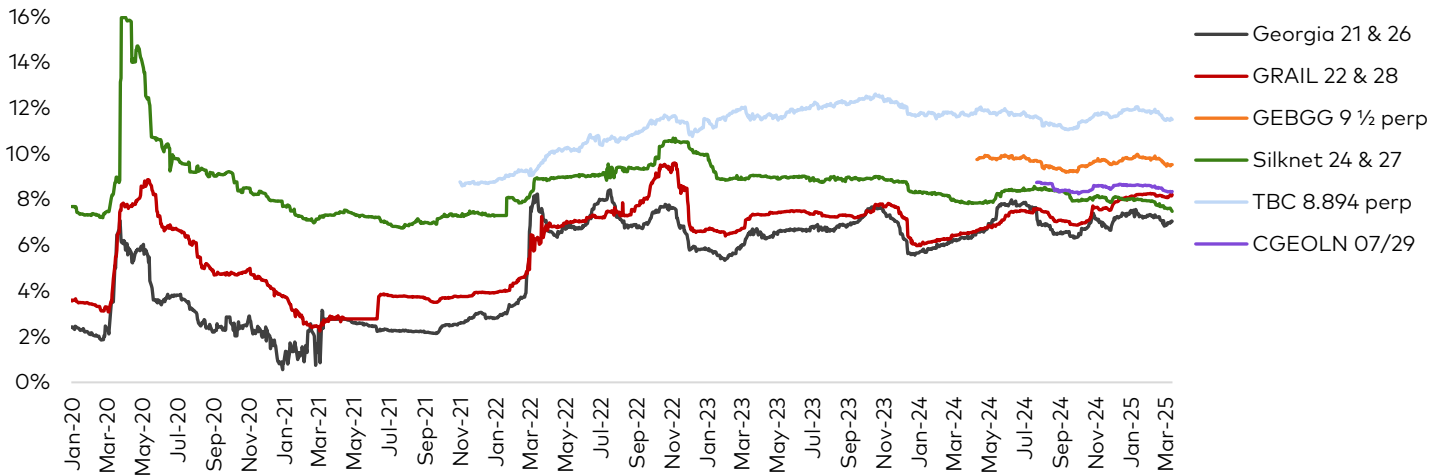
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
<b>EUR</b>								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	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%
<b>GEL</b>								
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



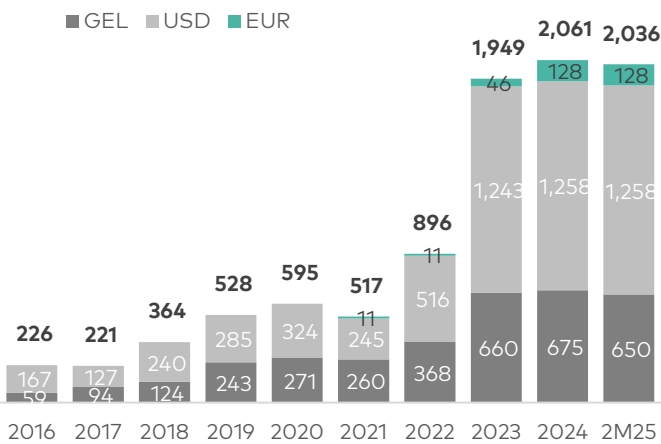
# Fixed income

**Georgian Eurobonds, YTM**



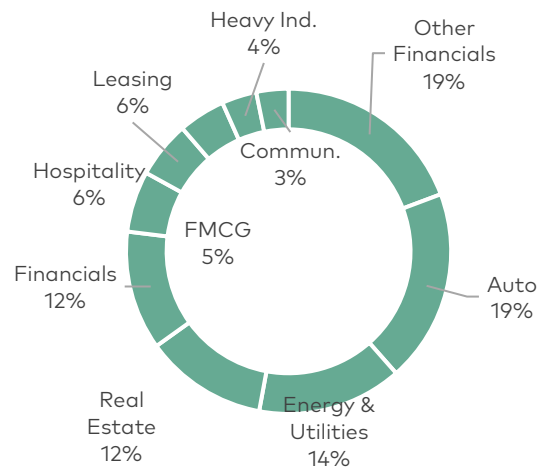
Source: Bloomberg

**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**

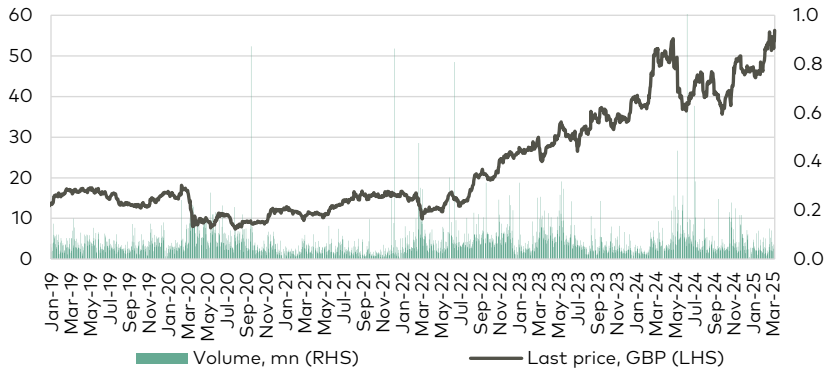


Source: Galt & Taggart



## Equities

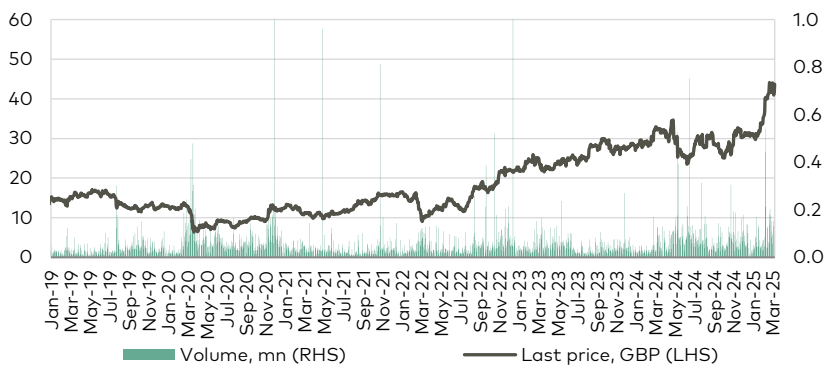
### Lion Finance Group (BGEO LN)



**Lion Finance Group (BGEO LN)** shares closed at GBP 56.30/share (+3.49% w/w and +8.06% m/m). More than 249k shares traded in the range of GBP 51.10 - 56.30/share. Average daily traded volume was 52k in the last 4 weeks. The volume of BGEO shares traded was at 0.56% of its capitalization.

Source: Bloomberg

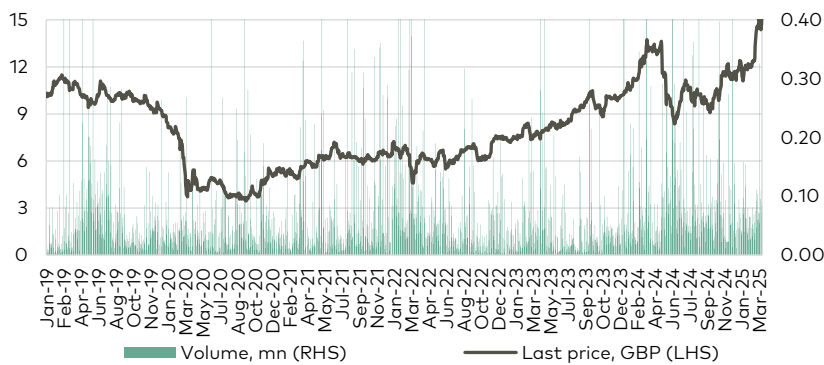
### TBC Bank Group (TBCG LN)



**TBC Bank Group (TBCG LN)** closed the week at GBP 43.75/share (-0.57% w/w and +8.29% m/m). More than 575k shares changed hands in the range of GBP 40.55 - 44.50/share. Average daily traded volume was 111k in the last 4 weeks. The volume of TBCG shares traded was at 1.02% of its capitalization.

Source: Bloomberg

### Georgia Capital (CGEO LN)



**Georgia Capital (CGEO LN)** shares closed at GBP 15.20/share (+1.74% w/w and +23.58% m/m). More than 451k shares traded in the range of GBP 14.38 - 15.22/share. Average daily traded volume was 86k in the last 4 weeks. The volume of CGEO shares traded was at 1.14% of its capitalization.

Source: Bloomberg



## Equities, continued

### Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024	2025F	2023	2024	2025F
Lion Finance Group	BGEO	GBP	56.30	2,502	37.8%	8.7%	19.5%	4.36x	2.92x	4.35x	1.25x	1.02x	1.18x
TBC	TBC	GBP	43.75	2,464	54.9%	35.0%	40.2%	4.68x	4.80x	5.92x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	21.40	5,834	31.1%	21.3%	10.1%	2.57x	na	3.44x	0.72x	na	na
Akbank	AKBNK	TRY	74.90	389,480	32.3%	84.7%	15.5%	2.86x	7.96x	5.12x	0.9x	1.4x	1.27x
Garanti	GARAN	TRY	143.40	602,280	29.2%	132.6%	15.3%	2.84x	5.73x	4.95x	1.00x	1.58x	1.39x
Isbank	ISCTR	TRY	16.31	407,750	26.8%	57.0%	20.5%	3.23x	7.43x	4.77x	0.87x	1.06x	1.02x
PKO	PKO	PLN	78.12	97,650	36.6%	38.8%	30.7%	11.44x	na	9.10x	1.39x	na	1.81x
PEKAO	PEO	PLN	184.05	48,308	21.1%	4.8%	33.5%	5.99x	5.68x	7.58x	1.31x	1.13x	1.38x
Millennium	MIL	PLN	12.95	15,710	43.1%	25.1%	45.5%	17.78x	15.08x	6.50x	1.47x	1.39x	1.61x
Mbank	MBK	PLN	795.00	33,785	24.5%	11.2%	45.3%	na	10.36x	8.10x	1.65x	1.31x	1.63x
BRD	BRD	RON	18.10	12,614	-10.4%	-8.1%	-2.9%	7.62x	8.52x	8.30x	1.42x	1.38x	1.21x
Banca Transilvania	TLV	RON	28.20	25,856	2.4%	20.4%	4.4%	6.69x	4.86x	6.63x	1.46x	na	1.49x
Komerčni	KOMB	CZK	1,089.00	206,964	42.6%	33.3%	28.3%	8.76x	9.29x	12.16x	1.09x	1.27x	1.63x
<b>Mean</b>								<b>6.57x</b>	<b>7.51x</b>	<b>6.69x</b>	<b>1.21x</b>	<b>1.27x</b>	<b>1.42x</b>
<b>Median</b>								<b>5.34x</b>	<b>7.43x</b>	<b>6.50x</b>	<b>1.25x</b>	<b>1.29x</b>	<b>1.39x</b>

Source: Bloomberg, S&P Capital IQ



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