



Economy

FDI in Georgia stood at US\$ 580.1mn in 2Q25

FDI in Georgia declined by 12.0% y/y to US\$ 580.1mn in 2Q25, following a 25.0% y/y drop in 1Q25. The drop was driven by lower reinvestments and debt instruments, while equity inflows increased by 21.2% y/y.

The financial sector was the largest FDI recipient at US\$ 327.2mn (-2.8% y/y), followed by real estate at US\$ 66.4mn (+2.3% y/y), energy at US\$ 54.4mn (+194.6% y/y), transport at US\$ 41.8mn (+73.7% y/y) and manufacturing at US\$ 41.6mn (-34.9% y/y).

The UK topped the list of investors with US\$ 242.7mn (41.8% of total FDI), followed by Türkiye (US\$ 54.0mn, 9.3% of total), Czech Republic (US\$ 38.3mn, 6.6% of total) and UAE (US\$ 37.1mn, 6.4% of total).

Overall, FDI amounted to US\$ 763.8mn (-15.5% y/y) in 1H25, equivalent to 4.5% of GDP.

NBG kept its key rate unchanged at 8.0%

On 10 September 2025, the NBG kept the monetary policy rate unchanged at 8.0%, reflecting a cautious approach to domestic inflationary pressures and elevated global uncertainty. The NBG projects average annual inflation at 3.8% for 2025, with a gradual decline toward the 3.0% target over the medium term. The next monetary policy meeting is scheduled for 5 November 2025.

Tourism revenues estimated at US\$ 600mn in Aug-25

Tourism revenues increased by 2.1% y/y to US\$ 600mn in Aug-25, according to our estimates. Overall, in 8M25, tourism revenues came in at US\$ 3.1bn (+3.3% y/y), by our estimates.

We forecast tourism revenues to reach US\$ 4.5bn in 2025.

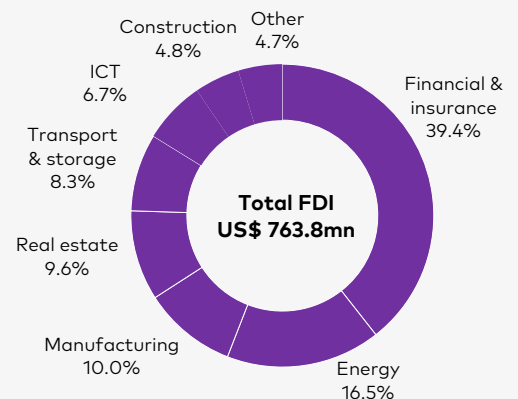
Key macro indicators

	2024	2025F
Real GDP growth (% change)	9.4%	7.5%
GDP per capita (ppp)	28,258	32,205
GDP per capita (US\$)	9,141	10,024
Population (mn)	3.7	3.7
Inflation (average)	1.1%	3.7%
Gross reserves (US\$ bn)	4.4	4.9
CAD (% of GDP)	4.5%	5.0%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	36.1%	34.7%
Fitch/S&P/Moody's*	BB/BB/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

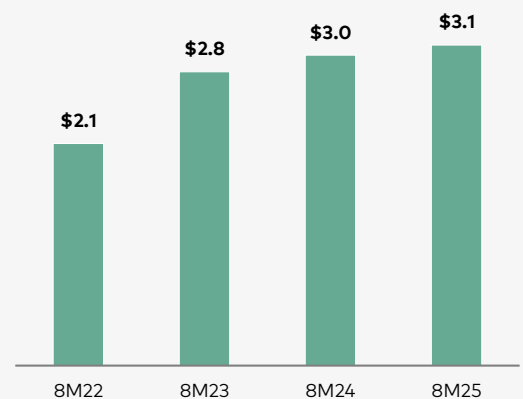
*Latest sovereign credit ratings

FDI by sector, 1H25



Source: Geostat

Tourism revenues US\$ bn



Source: NBG, Galt & Taggart



Money market

Ministry of Finance T-bills/T-notes

11.0-year GEL 30.0mn (US\$ 11.1mn) treasury notes were sold at the auction held at NBG on September 9, 2025. Total demand was 2.2x higher and the weighted average yield was fixed at 9.783%, up by 0.023ppts from previous auction held in Aug-25.

1-year GEL 20.0mn (US\$ 7.4mn) T-bills were sold at the auction held at NBG on September 9, 2025. Total demand was 3.3x higher and the weighted average yield was fixed at 7.398%, up by 0.059ppts from previous auction held in Aug-25.

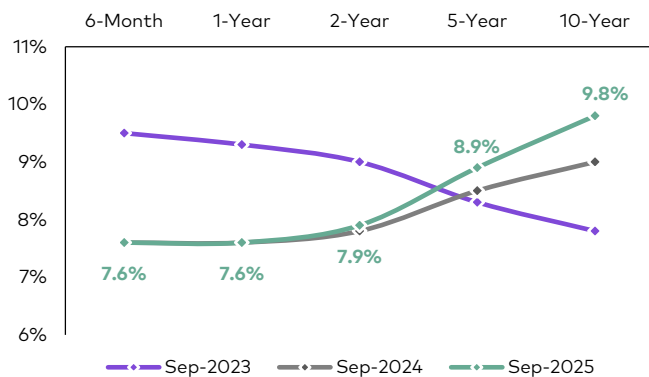
The nearest treasury security auction is scheduled for September 16, 2025, where GEL 50.0mn nominal value 8.8-year treasury notes will be sold.

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)	450	120	420
Long-term (over 1-year)	1,628	800	10,156
Total	2,078	920	10,576

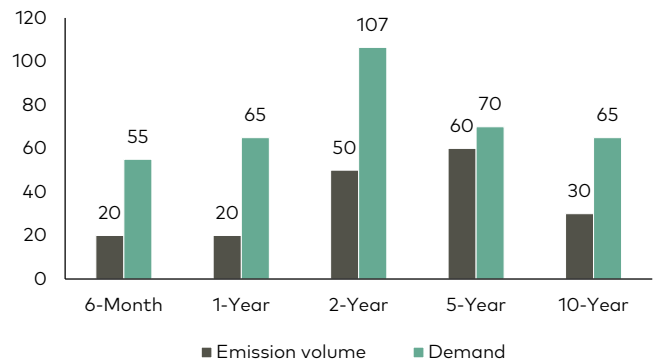
Source: MoF
*As of July 2025

T-bills / T-notes, yield curve



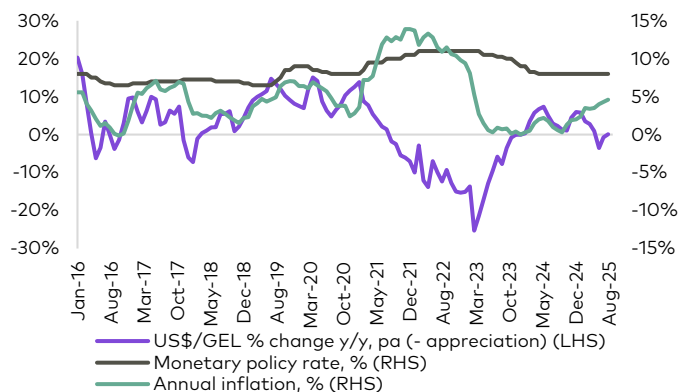
Source: NBG

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



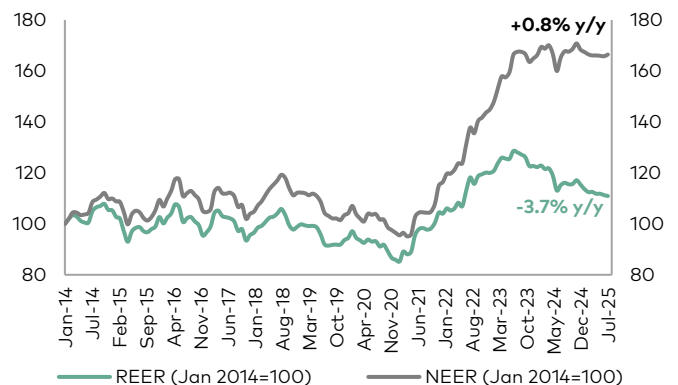
Source: NBG

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	98.04	6.00	217.12
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	93.11	6.79	351.36
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	101.27	8.93	586.74
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.98	6.78	na
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/B2	99.58	9.21	569.77
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	102.27	9.34	628.88
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	105.63	7.18	339.37

■ 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								
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00%
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/B1	101.08	8.13%
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-/-	100.91	8.63%
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
MP Development	USD	17.7	8.50%	Apr-25	Apr-27	-/-/-/-	n/a	n/a
Tegeta Motors	USD	10.0	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Tegeta Motors	USD	10.0	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Energy Development Georgia	USD	10.0	8.50%	Jun-25	Jun-27	-/-/-/-	n/a	n/a
ALMA	USD	30.0	8.50%	Jul-25	Jul-27	-/-/-/-	n/a	n/a

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



Fixed income

Georgian local bonds

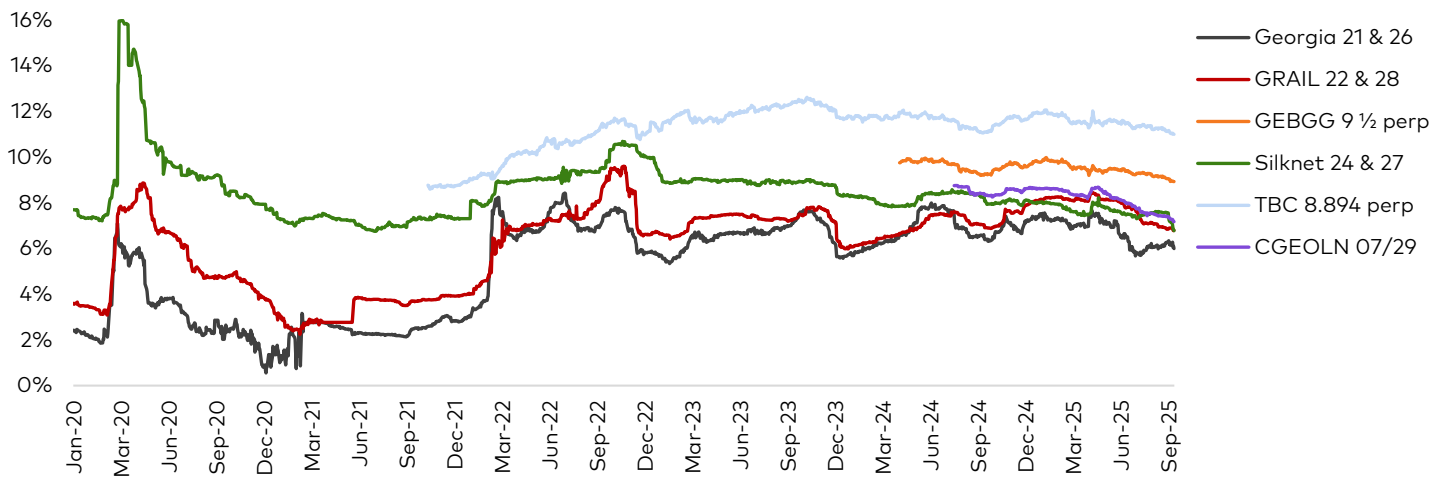
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	99.60	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%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/BB-	n/a	7.75%
ALMA	EUR	8.5	7.25%	Jul-25	Jul-27	-/-/BB-	n/a	n/a
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
MFO MBC	GEL	30	TIBR3M + 4.00%	Apr-25	Apr-27	-/-/BB+	n/a	n/a
Nikora Trade	GEL	60	TIBR3M + 3.50%	Jul-25	Jul-30	-/-/BB-	n/a	n/a

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



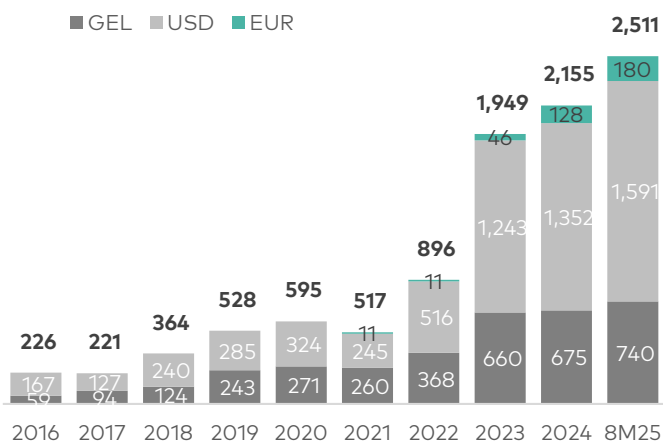
Fixed income

Georgian Eurobonds, YTM



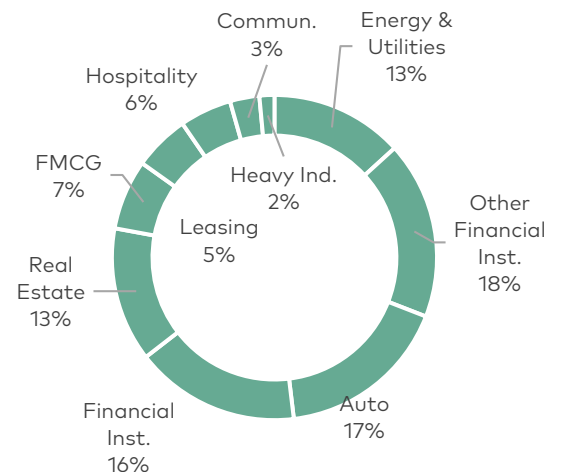
Source: Bloomberg

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

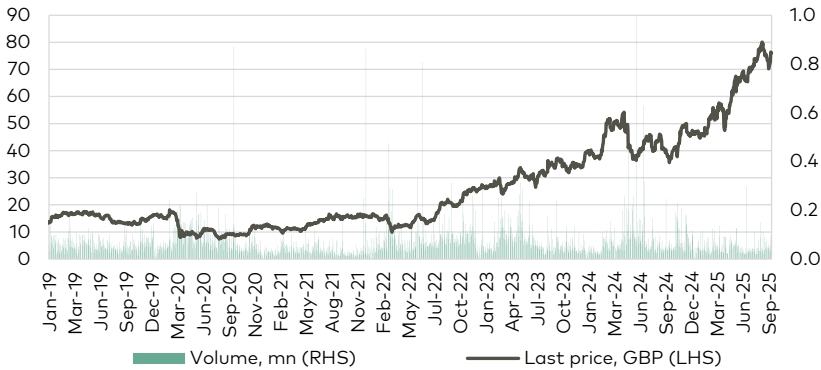


Source: Galt & Taggart



Equities

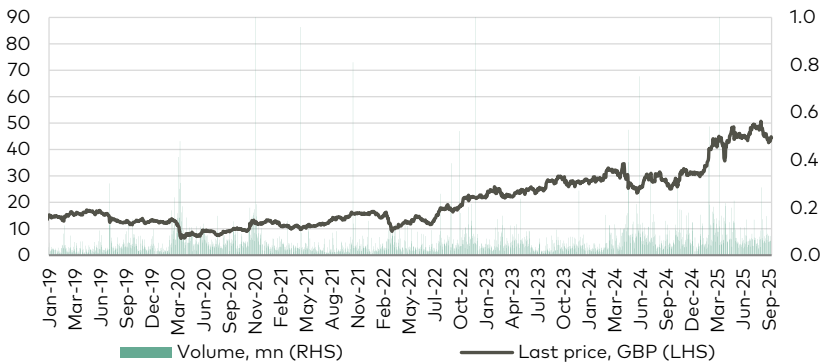
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 76.05/share (+6.36% w/w and -4.94% m/m). More than 346k shares traded in the range of GBP 72.70 - 78.15/share. Average daily traded volume was 56k in the last 4 weeks. The volume of BGEO shares traded was at 0.78% of its capitalization.

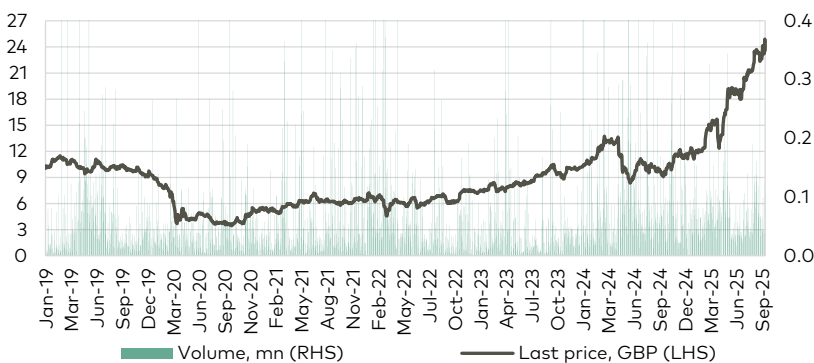
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 44.40/share (+3.38% w/w and -7.69% m/m). More than 294k shares changed hands in the range of GBP 43.35 - 45.25/share. Average daily traded volume was 71k in the last 4 weeks. The volume of TBCG shares traded was at 0.52% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 23.55/share (+0.21% w/w and +0.64% m/m). More than 351k shares traded in the range of GBP 22.85 - 25.15/share. Average daily traded volume was 118k in the last 4 weeks. The volume of CGEO shares traded was at 0.89% 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	2024	2025F	2023	2024	2025F
Lion Finance Group	BGEO	GBP	76.05	3,380	42.4%	87.1%	61.5%	4.36x	2.92x	5.99x	1.25x	1.02x	1.64x
TBC	TBC	GBP	44.40	2,501	5.2%	56.3%	42.3%	4.68x	4.80x	6.24x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	26.90	7,333	24.0%	63.0%	38.4%	2.57x	na	3.90x	0.72x	na	na
Akbank	AKBNK	TRY	62.00	322,400	-15.7%	9.2%	-4.4%	2.86x	7.96x	4.66x	0.9x	1.4x	1.08x
Garanti	GARAN	TRY	137.90	579,180	-3.9%	25.7%	10.9%	2.84x	5.73x	5.07x	1.00x	1.58x	1.38x
Isbank	ISCTR	TRY	13.95	348,750	-12.6%	8.6%	3.0%	3.23x	7.43x	3.99x	0.87x	1.06x	0.87x
PKO	PKO	PLN	71.88	89,850	0.3%	30.3%	20.3%	11.44x	na	8.56x	1.39x	na	1.60x
PEKAO	PEO	PLN	179.60	47,140	3.3%	21.3%	30.2%	5.99x	5.68x	6.85x	1.31x	1.13x	1.37x
Millennium	MIL	PLN	14.48	17,566	11.6%	64.2%	62.7%	17.78x	15.08x	7.17x	1.47x	1.39x	2.00x
Mbank	MBK	PLN	890.80	37,856	17.7%	43.3%	62.8%	na	10.36x	8.09x	1.65x	1.31x	1.95x
BRD	BRD	RON	19.90	13,868	9.2%	-1.5%	6.8%	7.62x	8.52x	9.04x	1.42x	1.38x	1.39x
Banca Transilvania	TLV	RON	28.20	25,856	18.1%	22.4%	24.2%	6.69x	4.86x	6.44x	1.46x	na	1.59x
Komerční	KOMB	CZK	1,042.00	198,031	-2.7%	36.4%	22.8%	8.76x	9.29x	11.62x	1.09x	1.27x	1.56x
Mean								6.57x	7.51x	6.74x	1.21x	1.27x	1.49x
Median								5.34x	7.43x	6.44x	1.25x	1.29x	1.56x

Source: Bloomberg, S&P Capital IQ



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