



## Economy

### Real GDP growth was 9.8% in 1Q25

Georgia's real GDP increased by 9.8% y/y in 1Q25 according to Geostat, revised upwards from the preliminary estimate of 9.3%. Considering this upgrade, Georgia's economy grew by 9.1% y/y in 4M25.

By economic sectors, high contributions to the 1Q25 growth came from ICT (+28.6% y/y), education (+27.7% y/y), real estate (+12.9% y/y), public administration (+11.0% y/y), trade (+6.1% y/y), healthcare (+17.9% y/y), transport (+9.5% y/y) and financial (+8.7% y/y) sectors. Meanwhile, electricity supply (-5.1% y/y) and agriculture (-4.6% y/y) sectors contracted in 1Q25.

### Nominal wages up 11.7% y/y in 1Q25

In 1Q25, average monthly nominal wages in Georgia increased by 11.7% y/y (+8.8% in real terms) to GEL 2,170, after growing by 8.5% y/y in 4Q24, according to Geostat.

By economic activity, the highest monthly average wages were recorded in the following sectors: financial and insurance (GEL 5,515, +22.0% y/y), ICT (GEL 4,163, +5.2% y/y), professional and scientific activities (GEL 2,976, +11.3% y/y), construction (GEL 2,909, +10.8% y/y) and mining (GEL 2,889, +36.6% y/y). The lowest average monthly wages were traditionally in education (GEL 1,341, +19.1% y/y), water supply (GEL 1,368, +10.6% y/y) and agriculture (GEL 1,474, +11.8% y/y) in 1Q25.

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

On June 18, 2025, the Monetary Policy Committee of the NBG decided to keep the key rate unchanged, reflecting a cautious approach amid mixed inflation dynamics. According to NBG, headline inflation remains close to the target, while core and service sector inflation are below 3.0%, indicating stable inflation expectations. The regulator noted that upward pressure continues to stem from food prices, driven by global market developments, while lower prices of imported goods are helping to offset these effects. The NBG forecasts that inflation will temporarily exceed the target level in 2025 due to base effect and external factors, but will stabilize around 3.0% over the medium term. The next NBG meeting is scheduled for July 30, 2025.

### Money transfers increased by 11.6% y/y in May-25

Money transfers rose by 11.6% y/y to US\$ 317.4mn in May-25, after a 6.1% y/y growth in previous month. The increase was driven by a 16.4% y/y rise in transfers from the EU (supported by Euro appreciation), followed by strong growth of transfers from the USA and Kyrgyzstan, up by 25.2% y/y and 70.7% y/y, respectively.

Overall, in 5M25 remittances were up by 1.8% y/y to US\$ 1.4bn.

### Producer price index increased by 4.9% y/y in May-25

Annual PPI for industrial goods increased by 4.9% in May-25, after increasing by 5.1% y/y in previous month. The annual growth was primarily driven by a rise in prices in the manufacturing sector (+3.2% y/y), followed by electricity supply (+13.8% y/y) and mining (13.3% y/y).

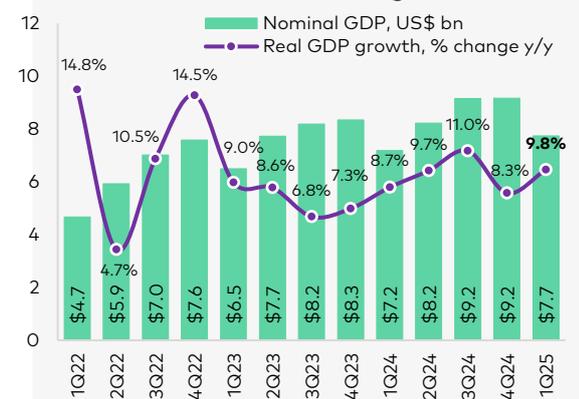
### Key macro indicators

	2024	2025F
Real GDP growth (% change)	9.4%	6.8%
GDP per capita (ppp)	28,258	31,601
GDP per capita (US\$)	9,141	9,836
Population (mn)	3.7	3.7
Inflation (average)	1.1%	3.7%
Gross reserves (US\$ bn)	4.4	4.9
CAD (% of GDP)	4.4%	5.1%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	36.1%	34.7%
Fitch/S&P/Moody's*	BB/BB/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

\*Latest sovereign credit ratings

### Nominal GDP and real growth



Source: Geostat

### Average monthly nominal wage



Source: Geostat

# Money market

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

7.5-year GEL 50.0mn (US\$ 18.3mn) treasury notes were sold at the auction held at NBG on June 17, 2025. Total demand was 1.7x higher and the weighted average yield was fixed at 9.629%, up by 0.169ppts from previous auction held in May-25.

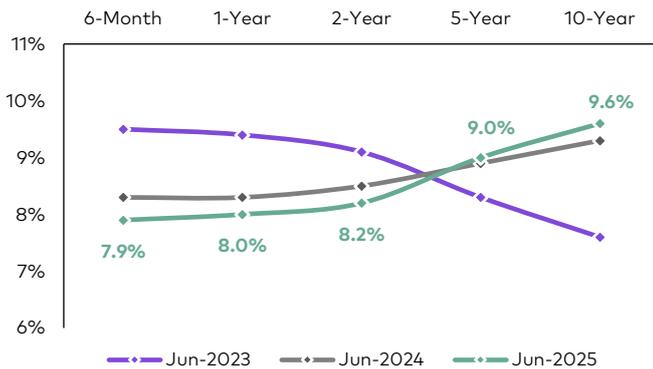
The nearest treasury security auction is scheduled for June 24, 2025, where GEL 60.0mn nominal value 4.8-year treasury notes will be sold.

## 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)	330	240	450
Long-term (over 1-year)	1,097	1,300	9,777
<b>Total</b>	<b>1,427</b>	<b>1,540</b>	<b>10,227</b>

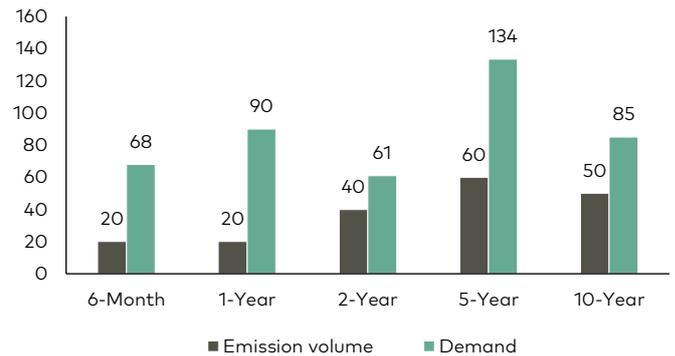
Source: MoF  
\*As of May 2025

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



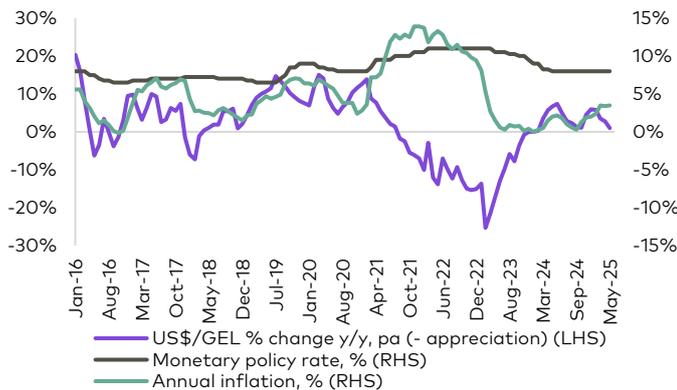
Source: NBG

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



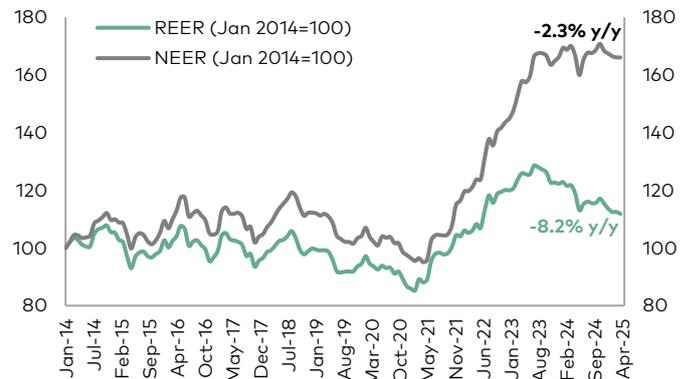
Source: NBG

## 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	97.38	6.04	192.11
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	90.08	7.79	417.56
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	99.71	9.59	596.78
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.31	7.49	183.92
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	98.28	10.06	624.77
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	99.63	10.36	674.31
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	103.09	7.97	410.00

■ 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>								
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-/-/-	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

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



## Fixed income

### Georgian local bonds

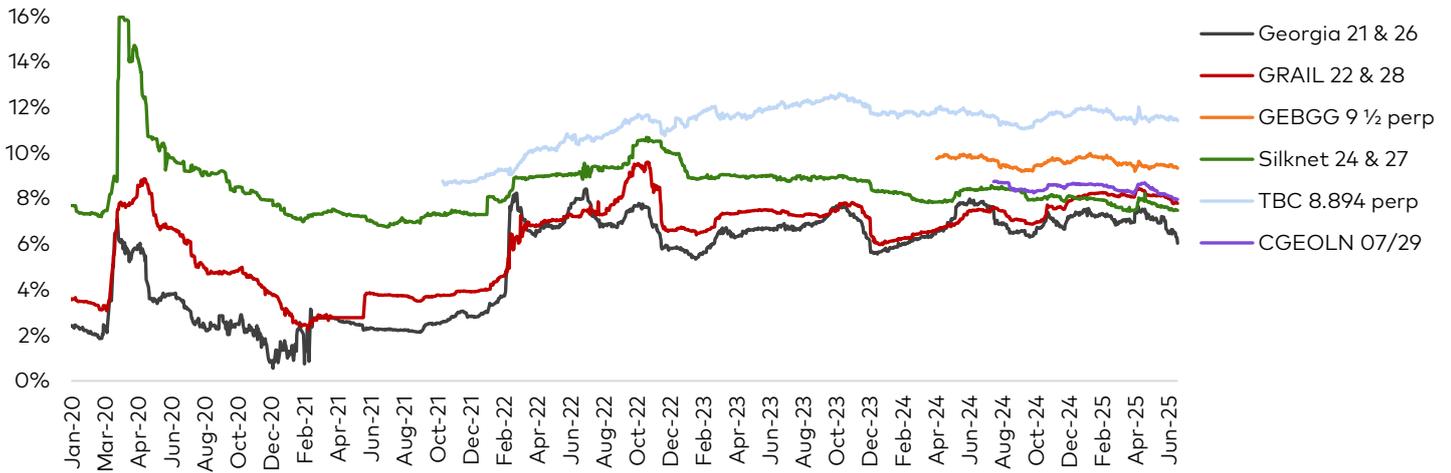
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
<b>EUR</b>								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	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
MFO MBC	GEL	30	TIBR3M + 4.00%	Apr-25	Apr-27	-/-/BB+	n/a	n/a

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



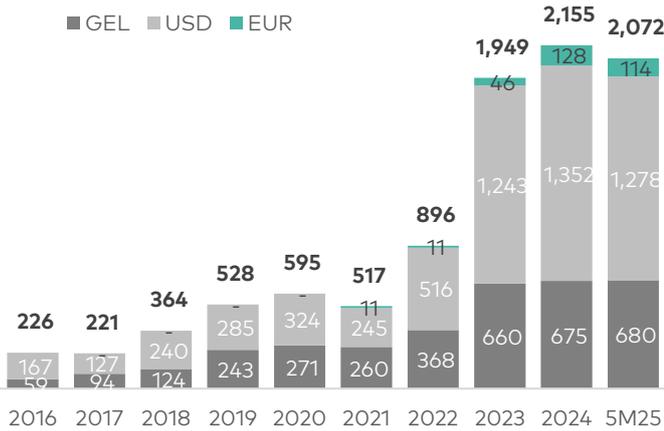
# Fixed income

**Georgian Eurobonds, YTM**



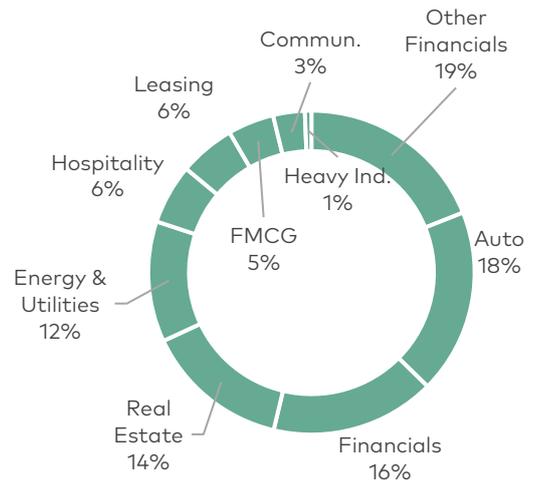
Source: Bloomberg

**Georgian local corporate public bonds outstanding, GEL mn**



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

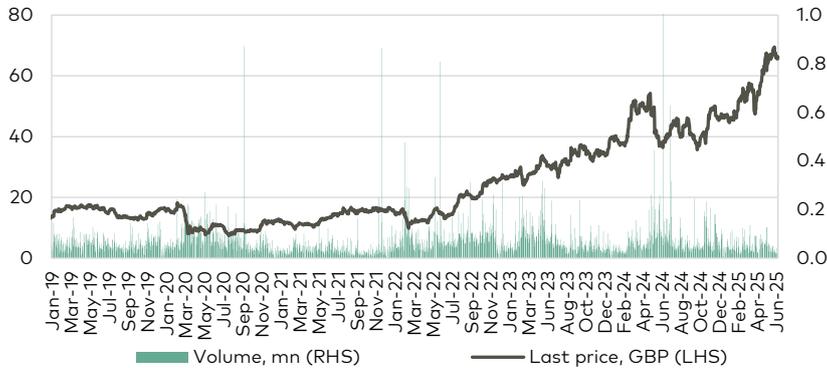
**Georgian local corporate public bonds outstanding by sector**



Source: Galt & Taggart

# Equities

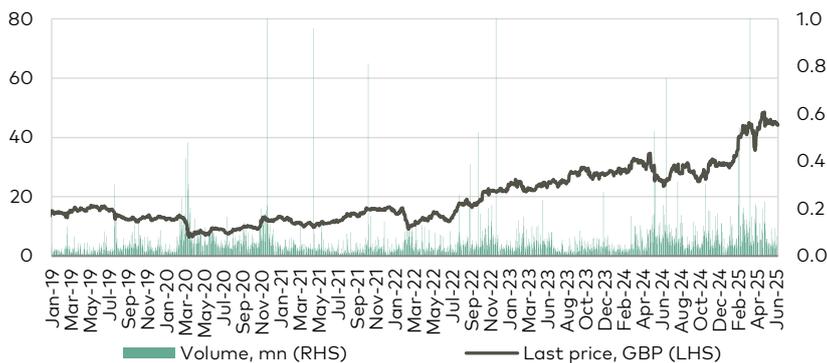
## Lion Finance Group (BGEO LN)



Source: Bloomberg

**Lion Finance Group (BGEO LN)** shares closed at GBP 66.15/share (+0.15% w/w and +2.16% m/m). More than 414k shares traded in the range of GBP 65.30 - 67.10/share. Average daily traded volume was 45k in the last 4 weeks. The volume of BGEO shares traded was at 0.93% of its capitalization.

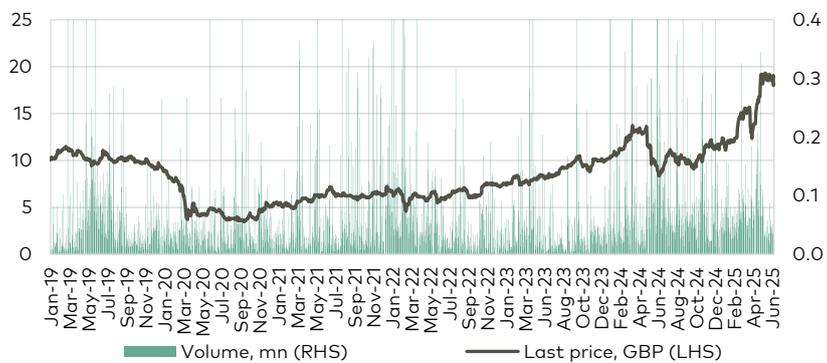
## TBC Bank Group (TBCG LN)



Source: Bloomberg

**TBC Bank Group (TBCG LN)** closed the week at GBP 44.15/share (-1.34% w/w and -1.23% m/m). More than 417k shares changed hands in the range of GBP 43.45 - 45.65/share. Average daily traded volume was 64k in the last 4 weeks. The volume of TBCG shares traded was at 0.74% of its capitalization.

## Georgia Capital (CGEO LN)



Source: Bloomberg

**Georgia Capital (CGEO LN)** shares closed at GBP 18.14/share (-2.16% w/w and -2.79% m/m). More than 245k shares traded in the range of GBP 17.94 - 19.18/share. Average daily traded volume was 44k in the last 4 weeks. The volume of CGEO shares traded was at 0.62% 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	66.15	2,940	41.3%	65.6%	40.4%	4.36x	2.92x	5.45x	1.25x	1.02x	1.40x
TBC	TBC	GBP	44.15	2,487	42.6%	77.0%	41.5%	4.68x	4.80x	6.30x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	23.60	6,434	29.5%	36.9%	21.4%	2.57x	na	3.22x	0.72x	na	na
Akbank	AKBNK	TRY	57.20	297,440	-5.8%	-10.3%	-11.8%	2.86x	7.96x	4.25x	0.9x	1.4x	0.98x
Garanti	GARAN	TRY	115.30	484,260	-8.1%	4.1%	-7.3%	2.84x	5.73x	4.32x	1.00x	1.58x	1.13x
Isbank	ISCTR	TRY	11.41	285,250	-13.2%	-31.7%	-15.7%	3.23x	7.43x	2.95x	0.87x	1.06x	0.71x
PKO	PKO	PLN	70.52	88,150	18.2%	15.0%	18.0%	11.44x	na	7.10x	1.39x	na	1.41x
PEKAO	PEO	PLN	175.60	46,090	26.6%	7.7%	27.3%	5.99x	5.68x	6.81x	1.31x	1.13x	1.36x
Millennium	MIL	PLN	13.63	16,535	59.6%	62.7%	53.1%	17.78x	15.08x	7.29x	1.47x	1.39x	1.89x
Mbank	MBK	PLN	753.00	32,000	37.7%	22.9%	37.6%	na	10.36x	6.81x	1.65x	1.31x	1.65x
BRD	BRD	RON	19.60	13,659	3.7%	-1.9%	5.2%	7.62x	8.52x	9.02x	1.42x	1.38x	1.31x
Banca Transilvania	TLV	RON	31.40	28,790	18.9%	12.8%	16.3%	6.69x	4.86x	7.54x	1.46x	na	1.64x
Komerčni	KOMB	CZK	1,006.00	191,190	18.6%	29.9%	18.6%	8.76x	9.29x	11.42x	1.09x	1.27x	1.51x
<b>Mean</b>								<b>6.57x</b>	<b>7.51x</b>	<b>6.35x</b>	<b>1.21x</b>	<b>1.27x</b>	<b>1.36x</b>
<b>Median</b>								<b>5.34x</b>	<b>7.43x</b>	<b>6.81x</b>	<b>1.25x</b>	<b>1.29x</b>	<b>1.40x</b>

Source: Bloomberg, S&P Capital IQ

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