



Economy

Annual inflation at 5.2% in Oct-25

In October 2025, Georgia's annual inflation rose to 5.2%, up from 4.8% a month earlier, mainly reflecting higher bread prices. The increase was largely driven by domestic inflation, which stood at 6.2% y/y (Sep: 6.3%), while mixed-goods inflation accelerated to 8.2% y/y (Sep: 7.8%). In contrast, imported goods prices remained unchanged y/y in October (Sep: -1.1%). Meanwhile, core inflation - excluding food, energy, and tobacco - edged up to 2.4% y/y from 2.1% in previous month.

By categories, annual inflation in Oct-25 was largely driven by price increases in food and non-alcoholic beverages (+11.7% y/y, +3.88ppts), healthcare (+8.9% y/y, +0.75ppts), alcoholic beverages & tobacco (+5.6% y/y, +0.36ppts) and hotels & restaurants (+7.3% y/y, +0.23ppts) categories. Meanwhile, deflation was recorded in communication (-4.2% y/y, -0.14ppts), furnishings, household equipment & maintenance (-2.2% y/y, -0.12ppts) and transport (-0.8% y/y, -0.09ppts).

We expect average annual inflation at 3.9% in 2025 and 3.0% in 2026, reflecting expectations of slowdown in food prices, supported by the ongoing deceleration in global food costs.

NBG kept its key rate unchanged at 8.0%

On 5 November 2025, the NBG maintained the monetary policy rate unchanged at 8.0%, citing persistently high inflation in flexible-price categories (mainly food) and ongoing global uncertainty. The NBG expects average annual inflation at c. 4.0% for 2025, easing to 3.5% in 2026. The next monetary policy meeting is scheduled for 17 December 2025.

International reserves at US\$ 5.6bn in Oct-25

Gross international reserves increased by 37.2% y/y to US\$ 5.6bn in Oct-25, according to NBG. On a monthly basis, the reserves were also up by 3.2% (+US\$ 175.3mn). Changes in reserves were attributed to the changes in the value of monetary gold (+US\$ 42.7mn m/m) along with the government and/or banking sector FX operations, and likely also to NBG's FX trading via BMatch platform (information will be available on 25 November). Notably, as of Oct-25, monetary gold accounted for 16.4% of total international reserves.

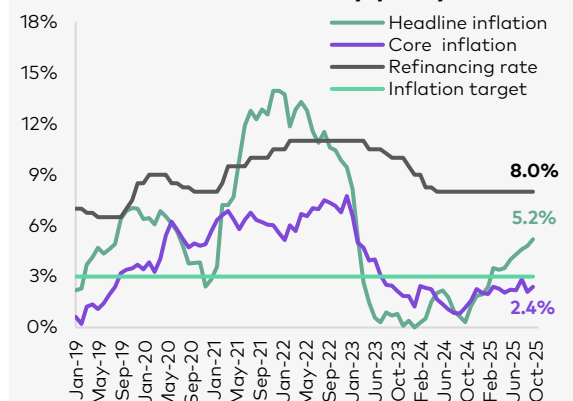
Key macro indicators

	2025E	2026F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	31,089	34,169
GDP per capita (US\$)	10,126	11,157
Population (mn)	3.7	3.7
Inflation (average)	3.9%	3.0%
Gross reserves (US\$ bn)	5.5	6.0
CAD (% of GDP)	5.0%	4.8%
Fiscal deficit (% of GDP)	2.5%	2.5%
Total public debt (% of GDP)	35.9%	34.9%
Fitch/S&P/Moody's*	BB/BB/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

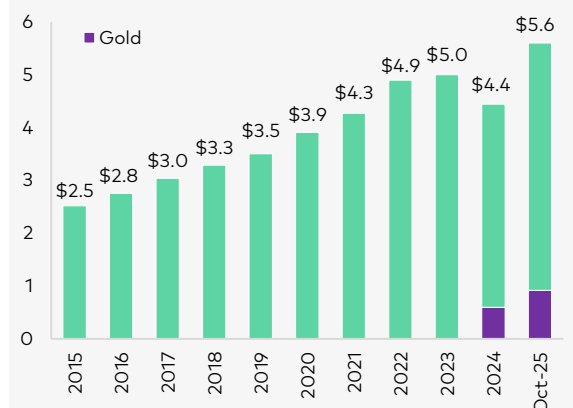
*Latest sovereign credit ratings

Inflation and monetary policy rate



Source: Geostat, NBG

NBG's gross international reserves US\$ bn



Source: NBG



Money market

Ministry of Finance T-bills/T-notes

3.8-year GEL 50.0mn (US\$ 18.4mn) treasury notes were sold at the auction held at NBG on November 4, 2025. Total demand was 2.8x higher and the weighted average yield was fixed at 8.966%, down by 0.009ppts from previous auction held in Oct-25.

6-month GEL 20.0mn (US\$ 7.4mn) T-bills were sold at the auction held at NBG on November 4, 2025. Total demand was 2.3x higher and the weighted average yield was fixed at 7.935%, up by 0.538ppts from previous auction held in Oct-25.

The nearest treasury security auction is scheduled for November 11, 2025, where 20.0mn nominal value 1-year T-bills and 30.0mn nominal value 10.8-year treasury notes will be sold.

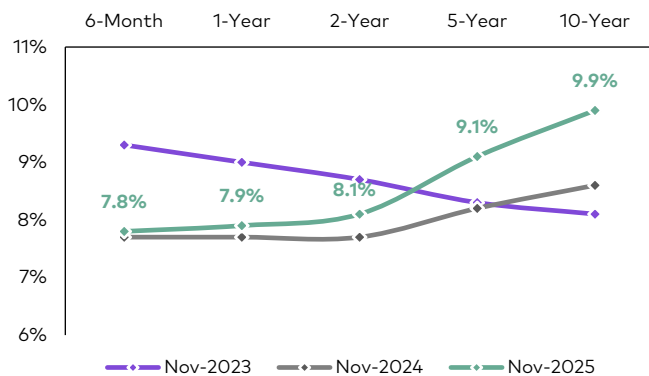
T-bills / T-notes in 2025

Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	510	60	360
Long-term (over 1-year)	1,999	410	10,463
Total	2,509	470	10,823

Source: MoF

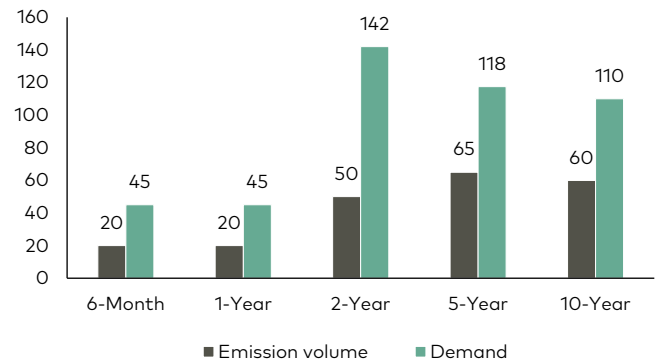
*As of September 2025

T-bills / T-notes, yield curve



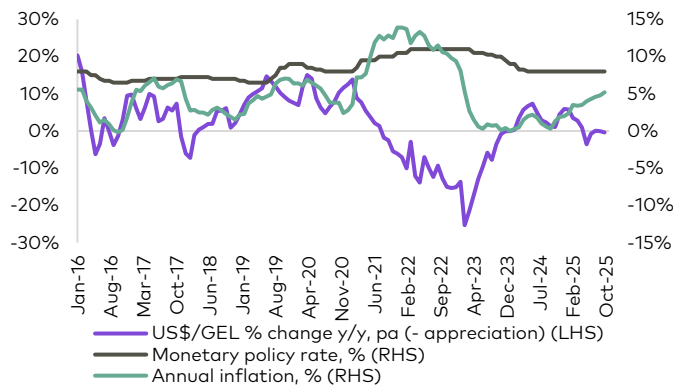
Source: NBG

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



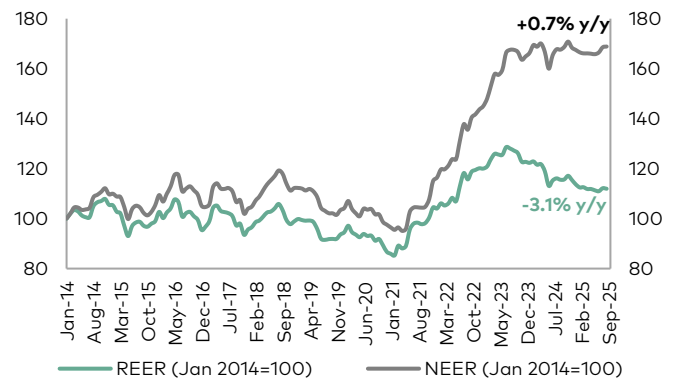
Source: NBG

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	98.19	6.82	304.39
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	94.33	6.50	318.33
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	103.67	8.86	498.51
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	100.83	7.30	392.88
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/B2	99.93	8.97	512.31
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	103.91	9.16	538.02
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	106.21	6.94	228.75

■ 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	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Tegeta Motors	USD	10	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Energy Development Georgia	USD	10	8.50%	Jun-25	Jun-27	-/-/-/-	n/a	n/a
ALMA	USD	30	8.50%	Jul-25	Jul-27	-/-/-/-	n/a	n/a
Gudauri Lodge	USD	10	8.25%	Oct-25	Oct-27	-/-/-/-	n/a	n/a

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



Fixed income

Georgian local bonds

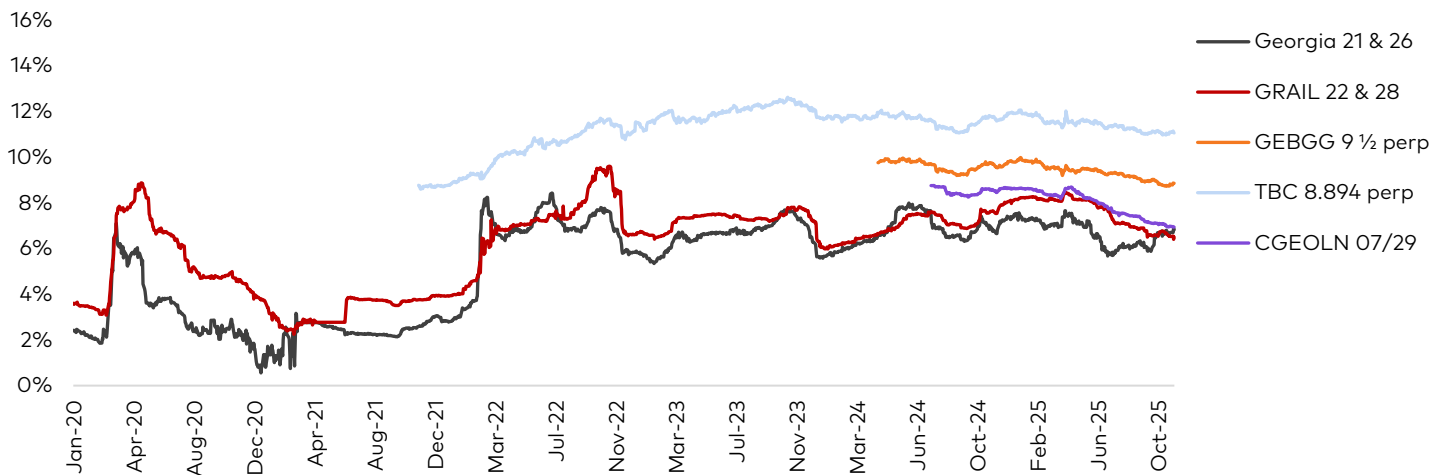
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-/-	99.60	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	-/-/-/-	n/a	7.75%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/-/-	n/a	7.75%
ALMA	EUR	8.5	7.25%	Jul-25	Jul-27	-/-/-/-	n/a	n/a
GEL								
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	-/-/B+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB/-/-/-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	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	-/-/B+	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.00%	Apr-25	Apr-27	-/-/B+	n/a	n/a
Nikora Trade	GEL	60	TIBR3M + 3.50%	Jul-25	Jul-30	-/-/BB-	n/a	n/a
Georgian Healthcare Group	GEL	350	TIBR + 3.75%	Sep-25	Sep-30	-/-/BB-	n/a	n/a
Nikora	GEL	60	TIBR3M + 3.50%	Sep-25	Sep-30	-/-/BB-	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.00%	Oct-25	Oct-27	-/-/B+	n/a	n/a

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



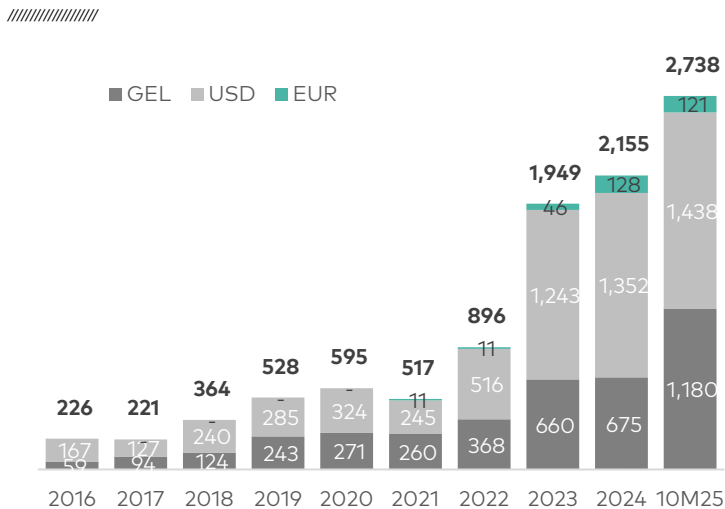
Fixed income

Georgian Eurobonds, YTM



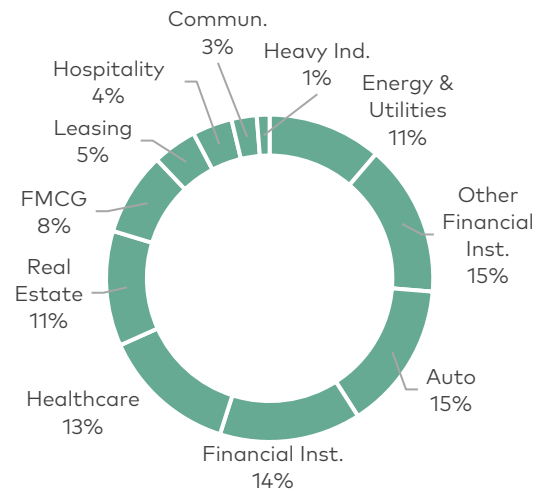
Source: Bloomberg

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

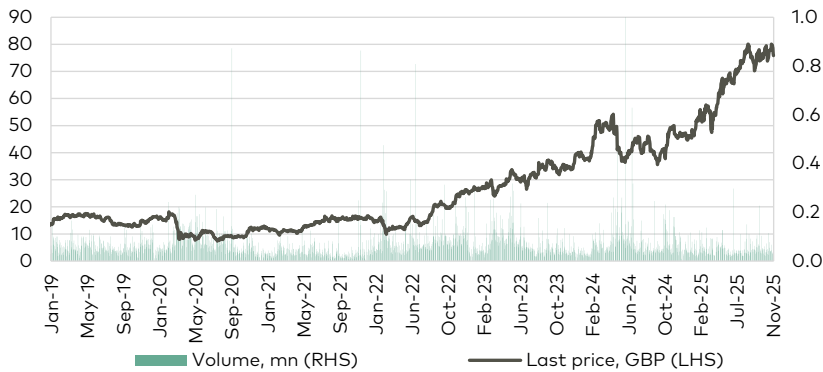


Source: Galt & Taggart



Equities

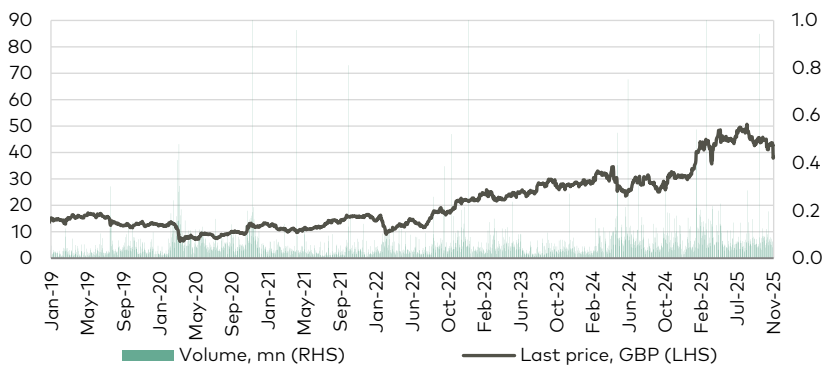
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 75.85/share (-5.25% w/w and -1.62% m/m). More than 184k shares traded in the range of GBP 75.30 - 80.45/share. Average daily traded volume was 48k in the last 4 weeks. The volume of BGEO shares traded was at 0.41% of its capitalization.

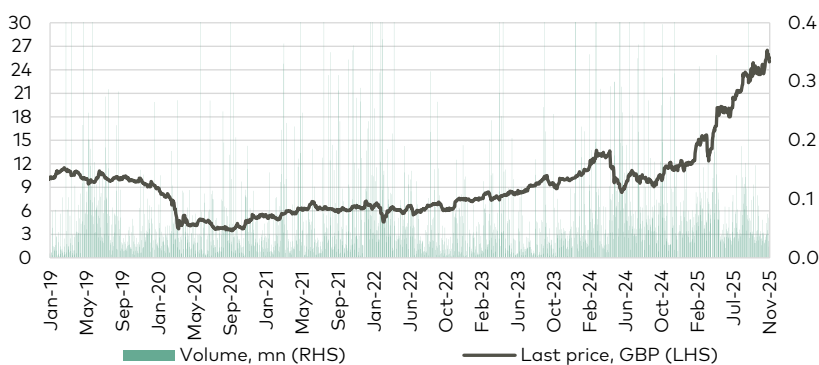
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 38.30/share (-12.06% w/w and -14.22% m/m). More than 819k shares changed hands in the range of GBP 37.50 - 44.50/share. Average daily traded volume was 105k in the last 4 weeks. The volume of TBCG shares traded was at 1.46% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 25.05/share (-3.28% w/w and +6.14% m/m). More than 163k shares traded in the range of GBP 24.80 - 26.20/share. Average daily traded volume was 39k in the last 4 weeks. The volume of CGEO shares traded was at 0.41% 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	75.85	3,304	19.7%	60.7%	61.0%	4.36x	2.92x	5.73x	1.25x	1.02x	1.64x
TBC	TBC	GBP	38.30	2,143	-21.2%	23.0%	22.8%	4.68x	4.80x	5.23x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	25.60	6,979	13.0%	36.5%	31.7%	2.57x	na	3.69x	0.72x	na	na
Akbank	AKBNK	TRY	60.90	316,680	23.1%	25.8%	-6.1%	2.86x	7.96x	5.50x	0.9x	1.4x	1.09x
Garanti	GARAN	TRY	133.50	560,700	33.6%	26.9%	7.3%	2.84x	5.73x	4.73x	1.00x	1.58x	na
Isbank	ISCTR	TRY	12.88	322,000	27.1%	14.0%	-4.9%	3.23x	7.43x	3.95x	0.87x	1.06x	0.81x
PKO	PKO	PLN	75.30	94,125	1.8%	25.5%	26.0%	11.44x	na	9.09x	1.39x	na	1.63x
PEKAO	PEO	PLN	192.90	50,630	14.7%	24.0%	39.9%	5.99x	5.68x	7.28x	1.31x	1.13x	1.46x
Millennium	MIL	PLN	15.78	19,143	10.0%	77.3%	77.3%	17.78x	15.08x	6.47x	1.47x	1.39x	2.11x
Mbank	MBK	PLN	1,024.50	43,538	29.9%	71.4%	87.2%	na	10.36x	9.14x	1.65x	1.31x	2.23x
BRD	BRD	RON	21.65	15,088	20.3%	13.2%	16.1%	7.62x	8.52x	9.92x	1.42x	1.38x	1.56x
Banca Transilvania	TLV	RON	29.02	26,608	28.6%	21.5%	27.8%	6.69x	4.86x	6.63x	1.46x	na	1.64x
Komerční	KOMB	CZK	1,147.00	217,987	12.8%	37.5%	35.2%	8.76x	9.29x	12.56x	1.09x	1.27x	1.70x
Mean								6.57x	7.51x	6.92x	1.21x	1.27x	1.59x
Median								5.34x	7.43x	6.47x	1.25x	1.29x	1.63x

Source: Bloomberg, S&P Capital IQ



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