



Economy

International visitors at 1.6mn in 2Q25

In 2Q25, international visitors to Georgia rose by 7.0% y/y to 1.6mn persons. This growth was mainly driven by a 10.7% y/y increase in tourist arrivals, which accounted for 80.1% of total arrivals. Meanwhile, same-day arrivals fell by 5.4% y/y in the same period. Visitors from Russia (+16.0% y/y) were the largest contributor to the total arrival growth, followed by Azerbaijan (+46.7% y/y, despite continued closure of the land border for leisure travel), EU (+20.5% y/y), Armenia (+7.2% y/y) and India (+33.5% y/y). On the downside, arrivals from Türkiye and Iran fell by 16.5% y/y and 8.2% y/y, respectively. Notably, most visitors traveled to Georgia via land (56.9% of total), followed by air (42.5% of total).

We estimate that tourism revenues increased by 9.1% y/y to US\$ 1.2bn in 2Q25. Overall, tourism revenues reached US\$ 2.0bn (6.2% y/y) in 1H25, by our estimate.

We forecast tourism revenues at US\$ 4.5bn for 2025.

International reserves at US\$ 4.7bn in Jun-25

Gross international reserves increased by 2.3% y/y to US\$ 4.7bn in Jun-25, according to NBG. On a monthly basis, the reserves were also up by 2.3% (+US\$ 103.3mn). Changes in reserves were attributed to the changes in government and/or banking sector FX operations, and likely also to NBG's FX purchases via BMatch platform (information will be available on 25 July). Notably, as of Jun-25, monetary gold accounted for 16.1% of total international reserves.

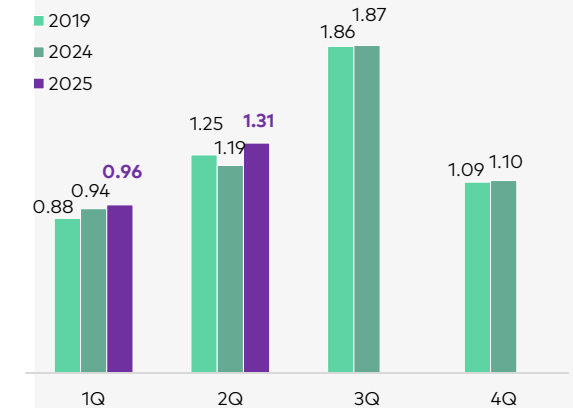
Key macro indicators

	2024	2025F
Real GDP growth (% change)	9.4%	7.5%
GDP per capita (ppp)	28,258	31,932
GDP per capita (US\$)	9,141	9,939
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/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

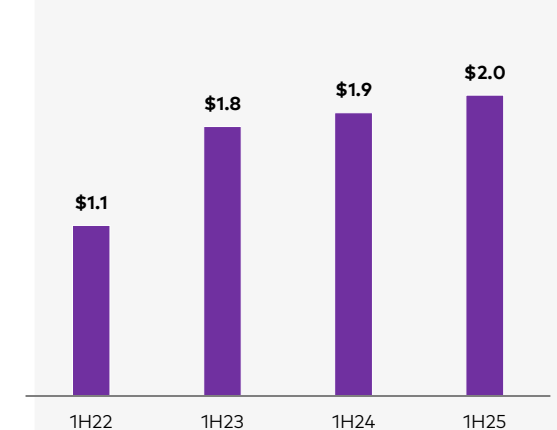
*Latest sovereign credit ratings

Tourist arrivals, mn persons



Source: GNTA

Tourism revenues, US\$ bn



Source: NBG, Galt & Taggart

Money market

Ministry of Finance T-bills/T-notes:

11.2-year GEL 30.0mn (US\$ 11.0mn) treasury notes were sold at the auction held at NBG on July 8, 2025. Total demand was 2.3x higher and the weighted average yield was fixed at 9.751%, up by 0.065ppts from previous auction held in Jun-25.

1-year GEL 20.0mn (US\$ 7.4mn) T-bills were sold at the auction held at NBG on July 8, 2025. Total demand was 3.9x higher and the weighted average yield was fixed at 7.138%, down by 0.152ppts from previous auction held in Jun-25.

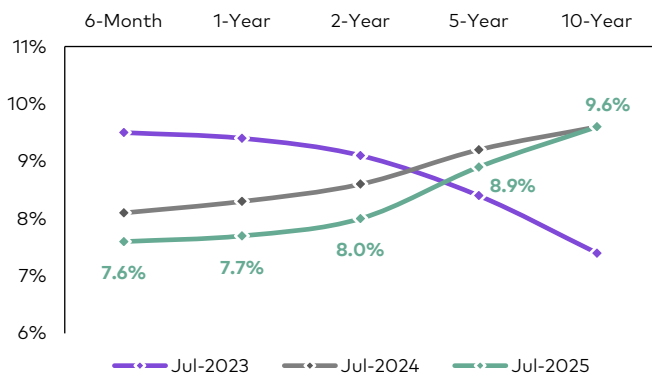
The nearest treasury security auction is scheduled for July 15, 2025, where GEL 50.0mn nominal value 9.0-year treasury notes will be sold.

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)	370	200	450
Long-term (over 1-year)	1,241	1,180	9,777
Total	1,611	1,380	10,227

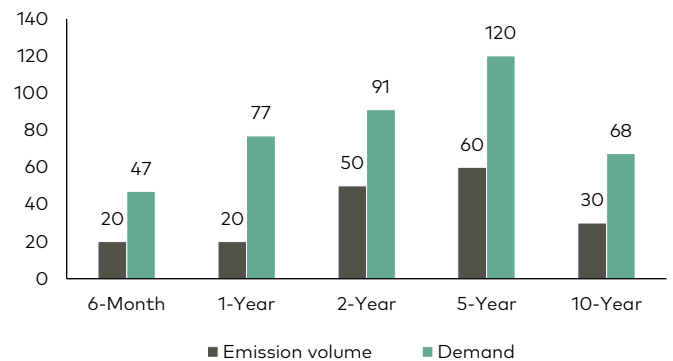
Source: MoF
 *As of May 2025

T-bills / T-notes, yield curve



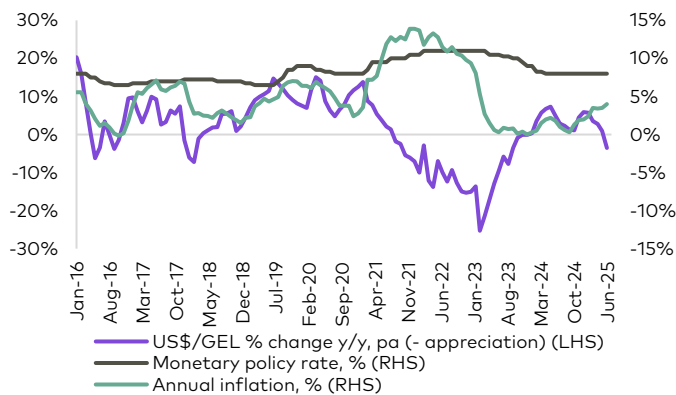
Source: NBG

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



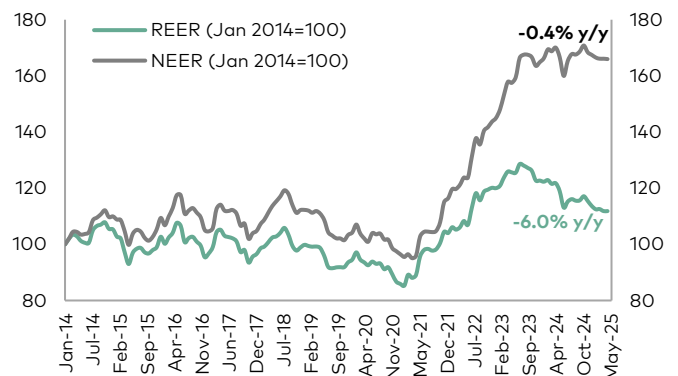
Source: NBG

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	97.69	5.81	169.13
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	91.52	7.28	368.93
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	100.03	9.49	589.57
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.34	7.42	150.58
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/B2	98.86	9.70	583.96
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	100.30	10.15	662.40
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	104.27	7.60	365.10

■ 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-/B2	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

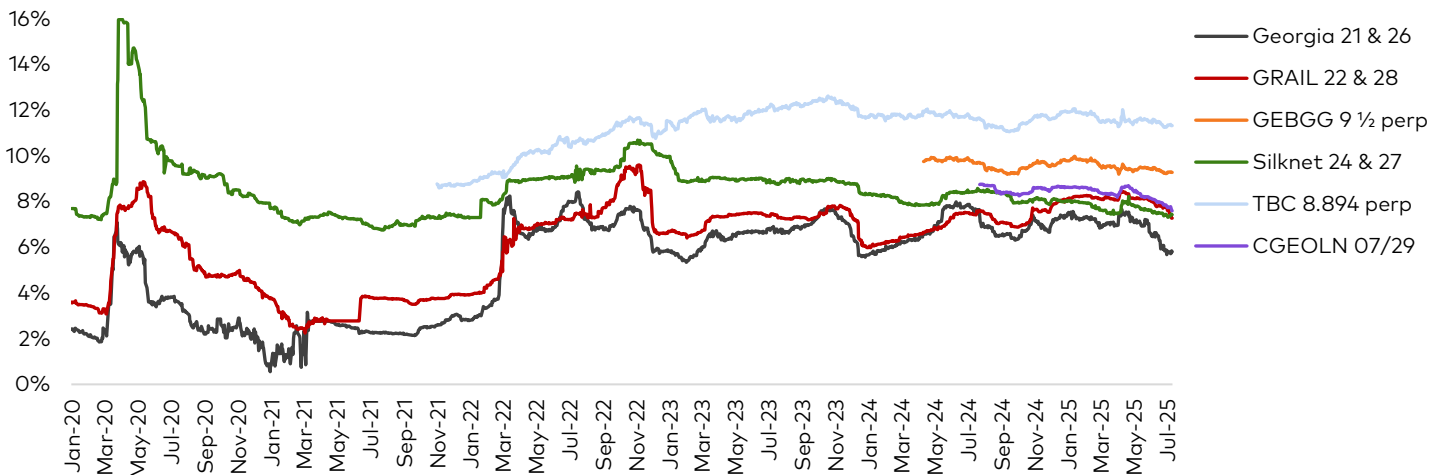
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-/-	99.60	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%
Silk Real Estate	EUR	7	7.00%	Aug-24	Aug-25	-/-/-/-	n/a	7.00%
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								
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	-/-/-/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

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



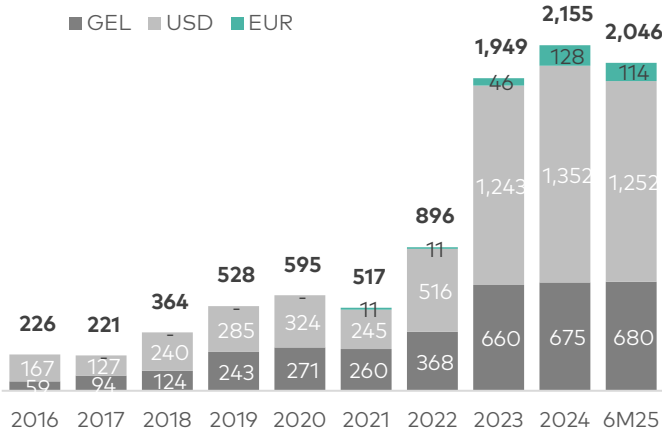
Fixed income

Georgian Eurobonds, YTM



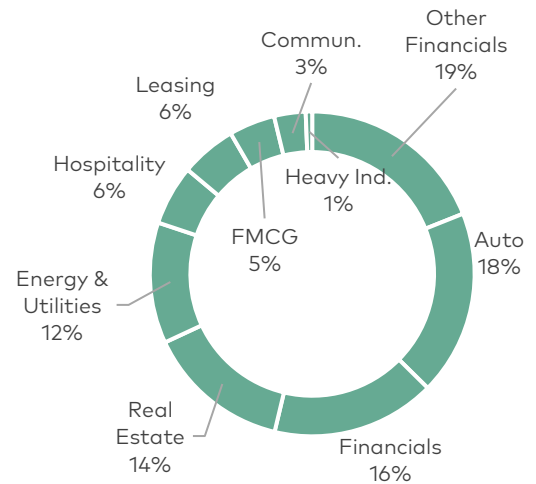
Source: Bloomberg

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

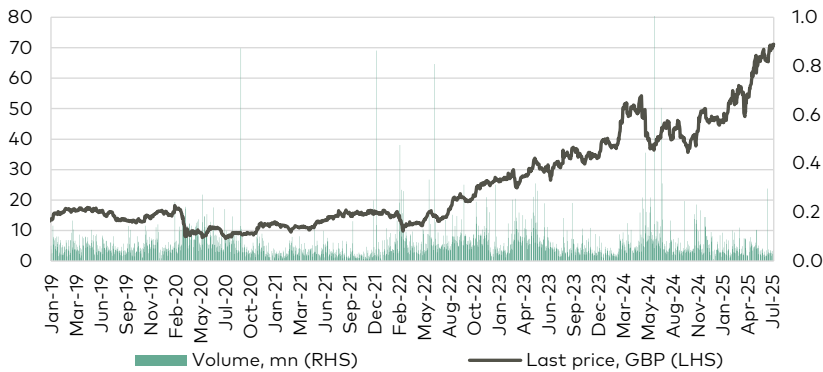


Source: Galt & Taggart



Equities

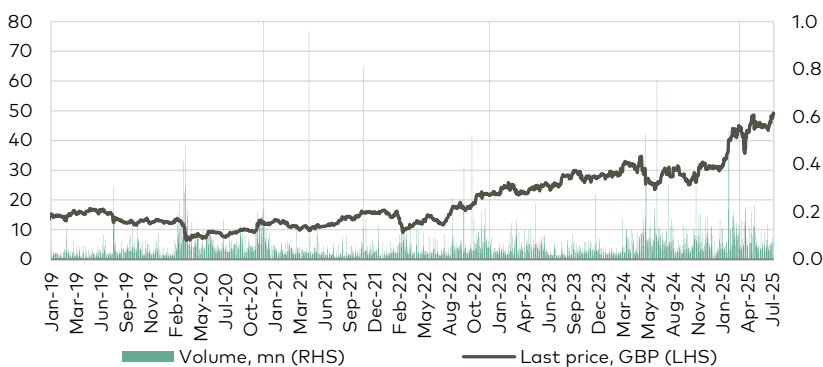
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 71.20/share (+1.93% w/w and +5.87% m/m). More than 192k shares traded in the range of GBP 69.70 - 72.20/share. Average daily traded volume was 47k in the last 4 weeks. The volume of BGEO shares traded was at 0.43% of its capitalization.

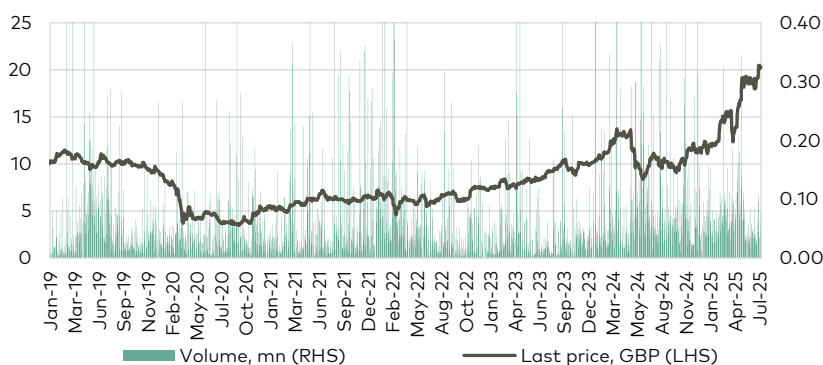
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 49.00/share (+2.30% w/w and +8.65% m/m). More than 334k shares changed hands in the range of GBP 46.95 - 49.30/share. Average daily traded volume was 64k in the last 4 weeks. The volume of TBCG shares traded was at 0.59% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 20.30/share (+0.25% w/w and +8.56% m/m). More than 274k shares traded in the range of GBP 20.00 - 20.60/share. Average daily traded volume was 51k in the last 4 weeks. The volume of CGEO shares traded was at 0.69% 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	71.20	3,164	58.2%	63.9%	51.2%	4.36x	2.92x	5.80x	1.25x	1.02x	1.50x
TBC	TBC	GBP	49.00	2,760	62.0%	67.5%	57.1%	4.68x	4.80x	6.87x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	25.00	6,815	27.3%	41.4%	28.6%	2.57x	na	3.41x	0.72x	na	na
Akbank	AKBNK	TRY	69.75	362,700	8.3%	4.6%	7.6%	2.86x	7.96x	5.32x	0.9x	1.4x	1.25x
Garanti	GARAN	TRY	142.20	597,240	11.0%	7.4%	14.3%	2.84x	5.73x	5.29x	1.00x	1.58x	1.38x
Isbank	ISCTR	TRY	14.99	374,750	4.4%	-9.1%	10.7%	3.23x	7.43x	4.43x	0.87x	1.06x	0.98x
PKO	PKO	PLN	77.88	97,350	28.2%	26.9%	30.3%	11.44x	na	8.08x	1.39x	na	1.66x
PEKAO	PEO	PLN	184.95	48,544	26.2%	8.8%	34.1%	5.99x	5.68x	7.11x	1.31x	1.13x	1.43x
Millennium	MIL	PLN	13.70	16,620	43.4%	41.7%	53.9%	17.78x	15.08x	6.87x	1.47x	1.39x	1.90x
Mbank	MBK	PLN	770.80	32,757	36.6%	20.8%	40.9%	na	10.36x	7.30x	1.65x	1.31x	1.68x
BRD	BRD	RON	18.70	13,032	0.5%	-12.4%	0.3%	7.62x	8.52x	8.41x	1.42x	1.38x	1.26x
Banca Transilvania	TLV	RON	31.20	28,607	13.5%	9.5%	15.6%	6.69x	4.86x	7.07x	1.46x	na	1.65x
Komerční	KOMB	CZK	1,037.0	197,081	19.2%	31.7%	22.2%	8.76x	9.29x	11.67x	1.09x	1.27x	1.55x
Mean								6.57x	7.51x	6.74x	1.21x	1.27x	1.48x
Median								5.34x	7.43x	6.87x	1.25x	1.29x	1.50x

Source: Bloomberg, S&P Capital IQ



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