



Economy

Real GDP growth was 7.3% in 2Q25

Georgia's real GDP increased by 7.3% y/y in 2Q25 according to Geostat, revised upwards from the preliminary estimate of 7.1%. Considering this upgrade, economic growth stood at 8.1% y/y in 7M25.

By economic sectors, high contributions to the 2Q25 growth came from ICT (+37.1% y/y), education (+28.9% y/y), art & entertainment (+16.0% y/y), public administration (+9.1% y/y), financial (+11.8% y/y), healthcare (+14.3% y/y) and hotels & restaurants (+8.4% y/y) sectors. Meanwhile, electricity supply (-7.0% y/y), construction (-2.6% y/y) and agriculture (-2.5% y/y) sectors contracted in 2Q25.

Nominal wages up 10.3% y/y in 2Q25

In 2Q25, average monthly nominal wages in Georgia increased by 10.3% y/y (+6.5% in real terms) to GEL 2,212, following a 11.7% y/y rise in 1Q25.

The highest monthly average wages were recorded in the following sectors: ICT (GEL 4,177, +5.4% y/y), financial and insurance (GEL 3,732, +2.5% y/y), construction (GEL 3,468, +17.7% y/y) and professional and scientific activities (GEL 2,995, +4.3% y/y). The lowest average monthly wages were traditionally in education (GEL 1,367, +19.3% y/y), water supply (GEL 1,428, +14.4% y/y) and agriculture (GEL 1,506, +3.9% y/y) in 2Q25.

Trade deficit reduced by 7.7% y/y in Aug-25

In Aug-25, goods exports decreased by 5.9% y/y to US\$ 603.0mn, after a 10.8% y/y drop in previous month. Goods imports also declined by 6.9% y/y to US\$ 1.4bn, after a 3.6% y/y reduction in previous month. Consequently, the trade deficit narrowed by 7.7% y/y to US\$ 752.4mn in Aug-25.

The top 5 exported commodities were cars (-12.6% y/y), precious metals (+18.0% y/y), ferro-alloys (+63.2% y/y), spirits (-4.5% y/y) and wine (-9.5% y/y) in Aug-25. A 12.4% of exports were directed to the EU (+58.2% y/y), 73.0% to the CIS (-8.7% y/y) and 14.6% to other countries (-21.0% y/y).

The top 5 imports were cars (-30.4% y/y), petroleum (+7.0% y/y), pharmaceuticals (+14.5% y/y), phones (-7.2% y/y) and gases (-1.6% y/y) in Aug-25.

Overall, in 8M25, the trade deficit increased by 11.5% y/y to US\$ 7.4bn, as exports grew by 6.7% y/y to US\$ 4.4bn and imports were up by 9.7% y/y, reaching US\$ 11.8bn. Notably, excluding one-off paintings/drawings imports, goods imports rose by 5.2% y/y and the trade deficit was up 4.2% y/y in 8M25.

Money transfers increased by 10.7% y/y in Aug-25

Money transfers increased by 10.7% y/y to US\$ 321.5mn in Aug-25, following a 13.0% y/y growth in previous month. Among the top countries, inflows grew from the EU (+11.7% y/y, 46.9%), the USA (+16.8% y/y, 18.4% of total), Kyrgyzstan (+41.3% y/y, 3.5% of total) and Israel (+12.7% y/y, 7.0% of total). In contrast, transfers declined from Russia (-2.9% y/y, 12.9% of total) and Kazakhstan (-0.5% y/y, 2.8% of total).

Overall, in 8M25, money transfers increased by 5.7% y/y to US\$ 2.4bn. We forecast money transfers at US\$ 3.5bn in 2025.

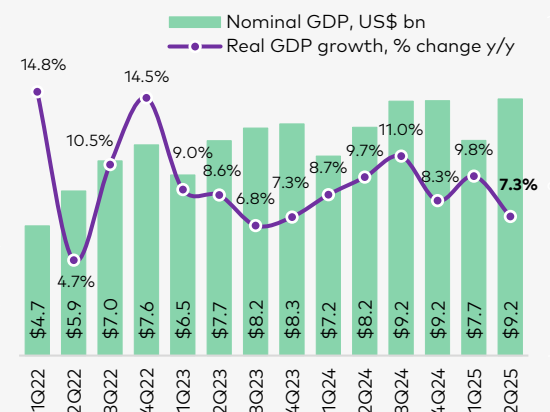
Key macro indicators

	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/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

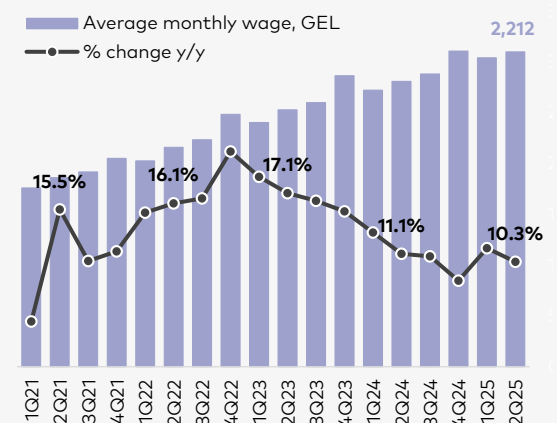
*Latest sovereign credit ratings

Nominal GDP and real growth



Source: Geostat

Average monthly nominal wage



Source: Geostat



Money market

Ministry of Finance T-bills/T-notes

8.8-year GEL 50.0mn (US\$ 18.5mn) treasury notes were sold at the auction held at NBG on September 16, 2025. Total demand was 2.0x higher and the weighted average yield was fixed at 9.800%, up by 0.053ppts from previous auction held in Aug-25.

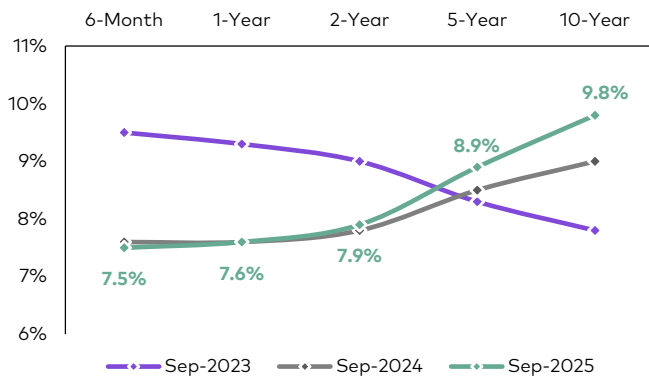
The nearest treasury security auction is scheduled for September 23, 2025, where GEL 60.0mn nominal value 5.8-year treasury notes will be sold.

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)	1,678	750	10,156
Total	2,128	870	10,576

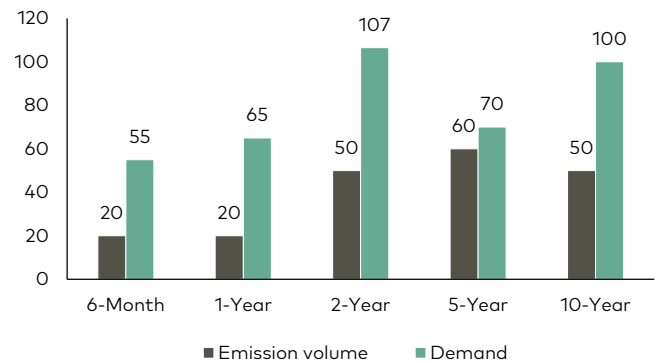
Source: MoF
*As of July 2025

T-bills / T-notes, yield curve



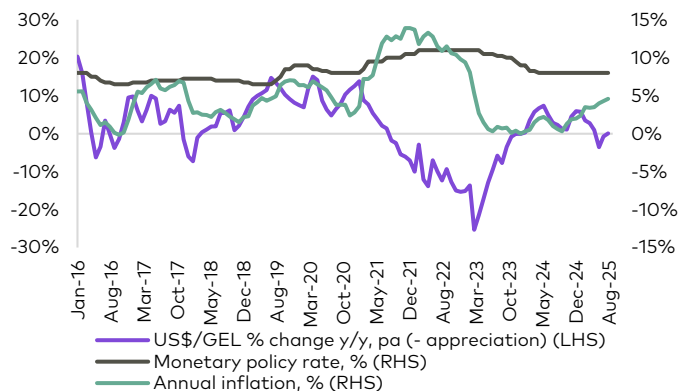
Source: NBG

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



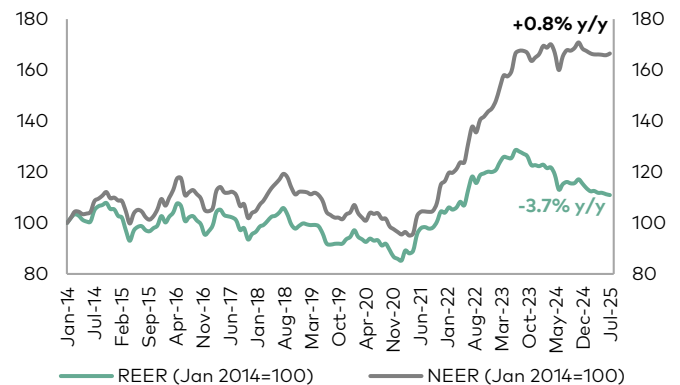
Source: NBG

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	98.16	5.94	210.81
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/	93.68	6.60	329.55
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	101.41	8.93	575.66
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.97	6.86	na
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	100.76	7.31	396.54
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/	99.71	9.21	553.43
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	102.40	9.39	622.87
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/	105.74	7.16	333.76

■ 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-/	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

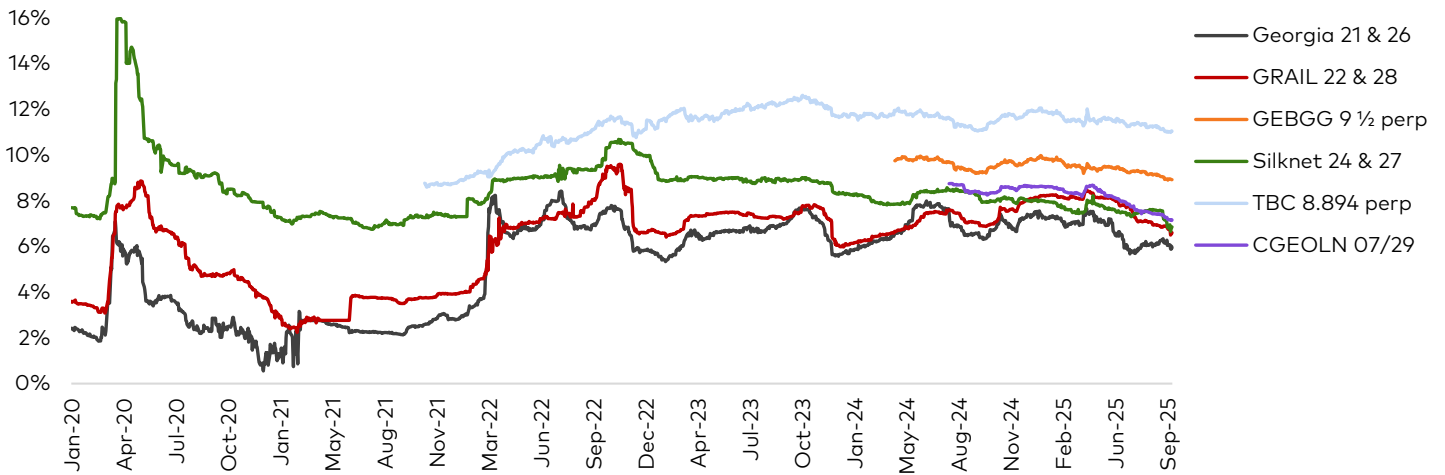
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	99.60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



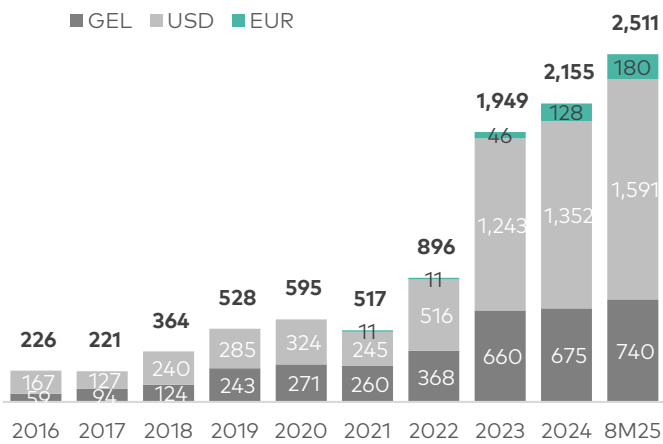
Fixed income

Georgian Eurobonds, YTM



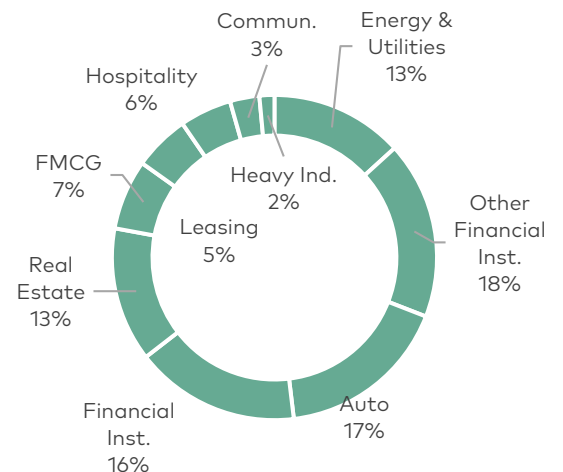
Source: Bloomberg

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

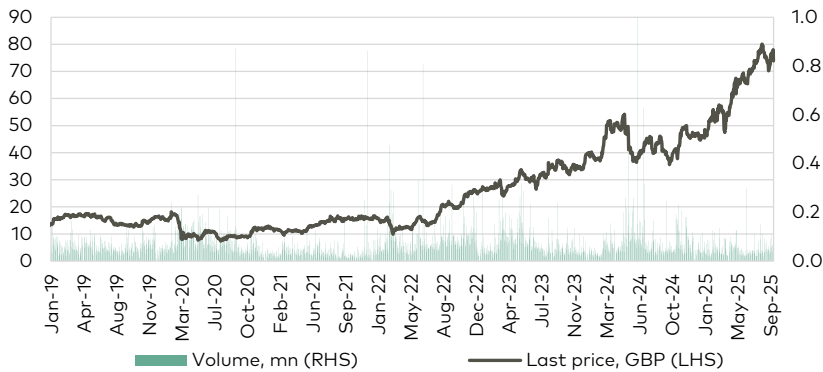


Source: Galt & Taggart



Equities

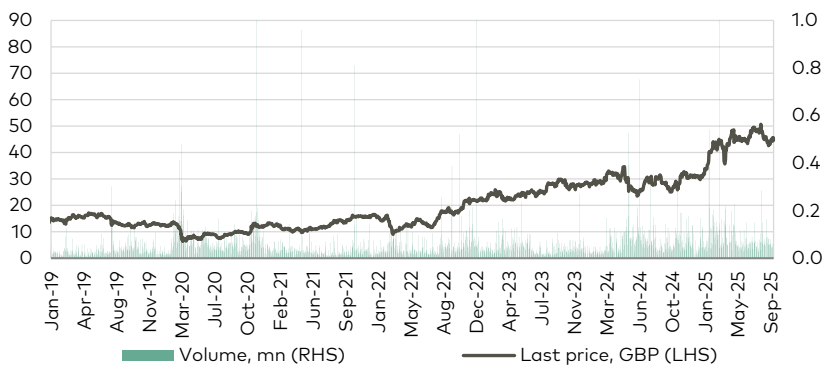
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 73.90/share (-2.83% w/w and -3.27% m/m). More than 459k shares traded in the range of GBP 73.05 - 78.25/share. Average daily traded volume was 66k in the last 4 weeks. The volume of BGEO shares traded was at 1.03% of its capitalization.

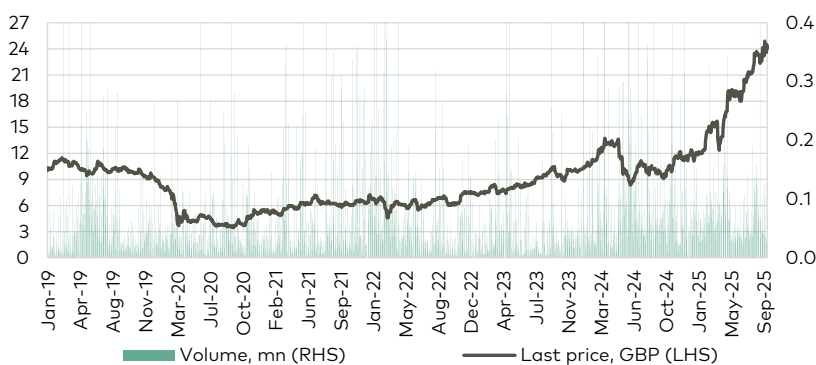
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 44.70/share (+0.68% w/w and -0.45% m/m). More than 1.18mn shares changed hands in the range of GBP 43.55 - 46.25/share. Average daily traded volume was 117k in the last 4 weeks. The volume of TBCG shares traded was at 2.11% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 24.00/share (+1.91% w/w and +2.35% m/m). More than 273k shares traded in the range of GBP 23.20 - 24.70/share. Average daily traded volume was 112k 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	73.90	3,284	29.0%	82.7%	56.9%	4.36x	2.92x	5.89x	1.25x	1.02x	1.60x
TBC	TBC	GBP	44.70	2,518	0.7%	55.2%	43.3%	4.68x	4.80x	6.35x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	26.40	7,197	24.2%	50.2%	35.8%	2.57x	na	3.82x	0.72x	na	na
Akbank	AKBNK	TRY	66.65	346,580	1.1%	8.6%	2.8%	2.86x	7.96x	5.02x	0.9x	1.4x	1.16x
Garanti	GARAN	TRY	148.00	621,600	18.1%	27.0%	19.0%	2.84x	5.73x	5.45x	1.00x	1.58x	1.49x
Isbank	ISCTR	TRY	15.07	376,750	3.3%	12.7%	11.3%	3.23x	7.43x	4.31x	0.87x	1.06x	0.95x
PKO	PKO	PLN	70.22	87,775	-11.5%	23.2%	17.5%	11.44x	na	8.38x	1.39x	na	1.56x
PEKAO	PEO	PLN	178.65	46,890	-2.3%	16.2%	29.6%	5.99x	5.68x	6.83x	1.31x	1.13x	1.37x
Millennium	MIL	PLN	15.07	18,282	10.2%	68.1%	69.3%	17.78x	15.08x	7.47x	1.47x	1.39x	2.08x
Mbank	MBK	PLN	915.00	38,885	10.8%	38.0%	67.2%	na	10.36x	8.32x	1.65x	1.31x	2.00x
BRD	BRD	RON	19.80	13,799	9.4%	-0.4%	6.2%	7.62x	8.52x	9.08x	1.42x	1.38x	1.39x
Banca Transilvania	TLV	RON	27.16	24,902	12.5%	16.4%	19.6%	6.69x	4.86x	6.21x	1.46x	na	1.54x
Komerčni	KOMB	CZK	1,034.00	196,511	-5.5%	34.5%	21.9%	8.76x	9.29x	11.54x	1.09x	1.27x	1.55x
Mean								6.57x	7.51x	6.82x	1.21x	1.27x	1.52x
Median								5.34x	7.43x	6.35x	1.25x	1.29x	1.54x

Source: Bloomberg, S&P Capital IQ



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