



Economy

Bank lending increased by 17.4% y/y in Feb-25

In Feb-25, the banking sector loan portfolio increased by 17.4% y/y (+0.6% m/m), excluding FX effect, after a 17.9% y/y growth in previous month. In unadjusted terms, loan portfolio rose by 19.8% y/y (-0.2% m/m), reaching GEL 62.6bn (US\$ 22.2bn), after growing 20.8% y/y in Jan-25. By sector, corporate loans grew by 19.3% y/y (excluding FX effect), while retail loans increased by 15.8% y/y. Loan dollarization reduced to 43.1% (-1.12ppts y/y and -0.54ppts m/m) in Feb-25.

On the deposits side, there was a 11.8% y/y increase (excluding FX effect) to GEL 58.0bn (US\$ 20.6bn) in Feb-25, after a 12.6% y/y growth in previous month. In terms of currency breakdown, GEL deposits grew by 7.4% y/y (+8.0% y/y in Jan-25) and FX deposits (exc. FX effect) increased by 16.2% y/y (+17.3% y/y in Jan-25). As a result, deposit dollarization reduced by -0.27ppts m/m to 53.1% in Feb-25, but it still up 3.26ppts y/y.

Producer price index increased by 6.1% y/y in Feb-25

Annual PPI for industrial goods increased by 6.1% in Feb-25, after a 7.2% rise in previous month. The annual growth was mainly driven by an increase in prices in the manufacturing sector (+4.5% y/y), followed by mining (+30.1% y/y) and electricity supply (+6.8% y/y) sectors.

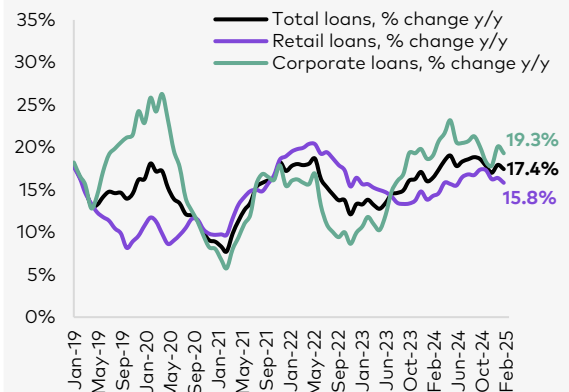
Key macro indicators

	2024E	2025F
Real GDP growth (% change)	9.4%	6.8%
GDP per capita (ppp)	28,161	29,582
GDP per capita (US\$)	9,141	9,628
Population (mn)	3.7	3.7
Inflation (average)	1.1%	3.7%
Gross reserves (US\$ bn)	4.4	4.2
CAD (% of GDP)	4.9%	5.4%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	36.1%	35.9%
Fitch/S&P/Moody's*	BB/BB/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

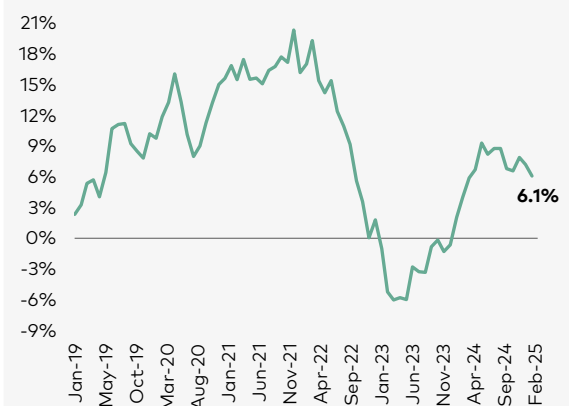
*Latest sovereign credit ratings

Bank loans growth (excluding FX-effect)



Source: NBG

Producer Price Index, % change y/y



Source: Geostat

Money market

Ministry of Finance T-bills/T-notes:

5.1-year GEL 80.0mn (US\$ 28.8mn) benchmark bonds were sold at the auction held at NBG on March 25, 2025. Total demand was 1.6x higher and the weighted average yield was fixed at 8.550%, down by 0.098ppts from previous auction held in Feb-25.

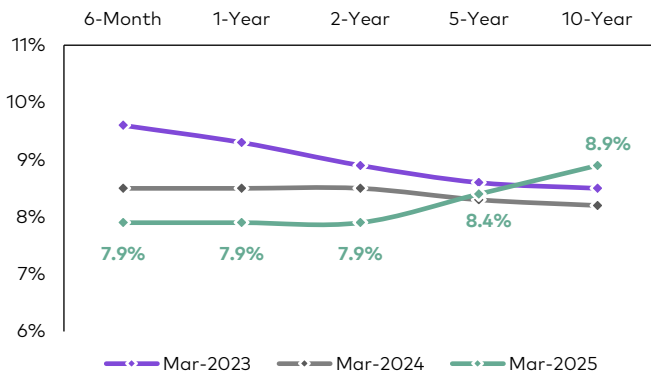
The nearest treasury security auction is scheduled for April 1, 2025, where GEL 20.0mn nominal value 6-month T-bills and GEL 40.0mn nominal value 2.8-year benchmark bonds will be sold.

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)	210	360	420
Long-term (over 1-year)	607	1,780	9,615
Total	817	2,140	10,035

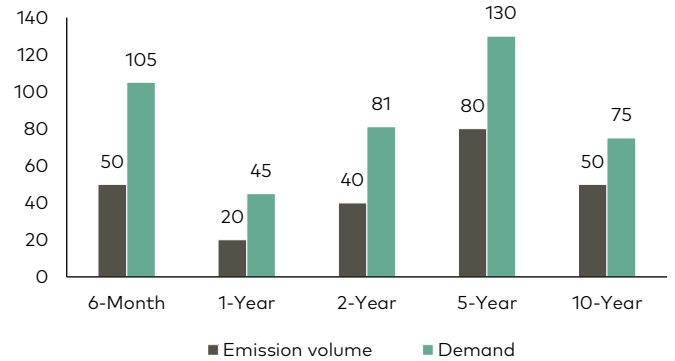
Source: MoF
*As of February 2025

T-bills / T-notes, yield curve



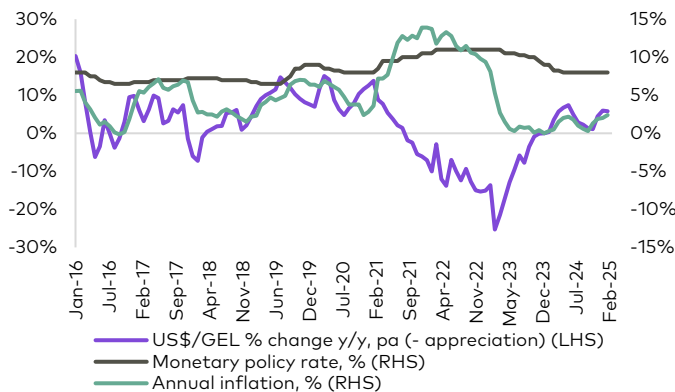
Source: NBG

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



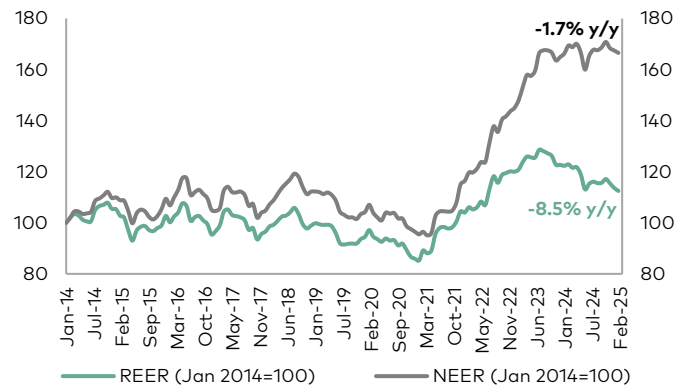
Source: NBG

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	Mid price	Mid yield, %	Z-spread, bps
						(Fitch/S&P/Moody/Scope)			
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	95.63	7.11	312.69
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	88.66	8.08	438.03
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.83	9.84	614.09
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.47	7.49	239.94
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	97.19	10.60	678.93
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	100.98	9.97	626.06
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	102.06	8.29	444.54

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

Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings	Mid price	Mid yield
						(Fitch/S&P/Moody/Scope)		
USD								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/-	n/a	n/a
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-/-	99.99	9.00%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00%
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-/BB-	99.77	8.75%
Energy Development Georgia	USD	10	8.50%	Jun-23	Jun-25	-/-/-/-	n/a	n/a
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%
Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-/-	n/a	n/a
Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-/-	n/a	n/a
MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-/-	n/a	n/a
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

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



Fixed income

Georgian local bonds

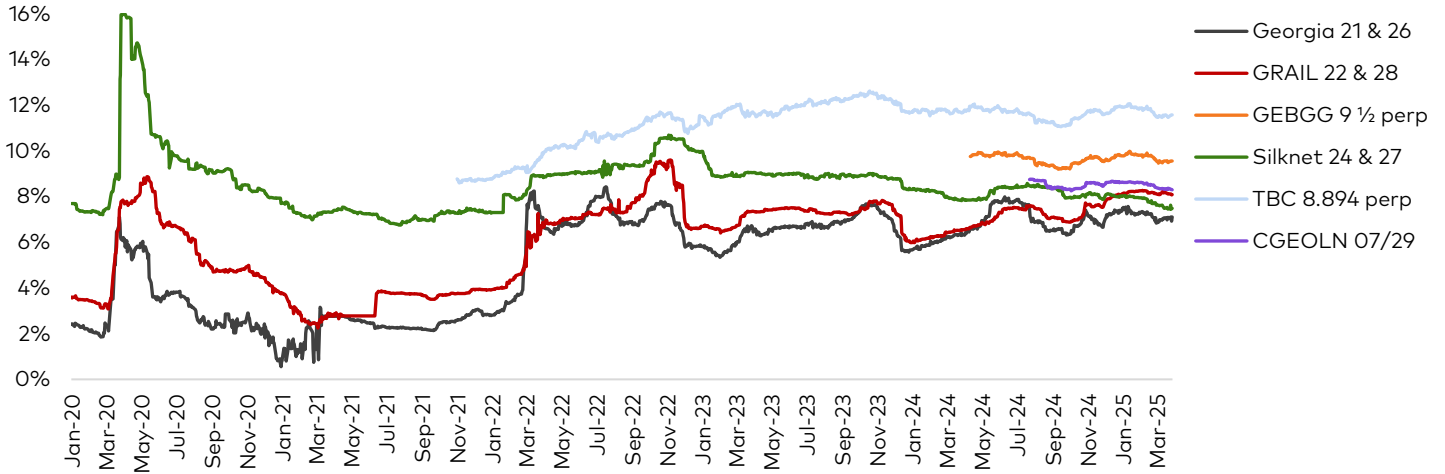
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	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%
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

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



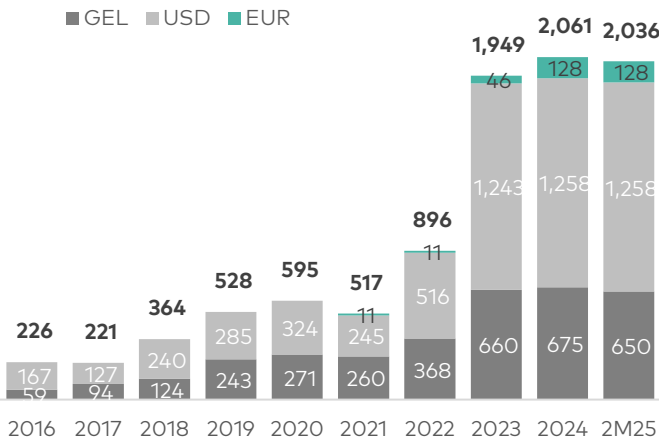
Fixed income

Georgian Eurobonds, YTM



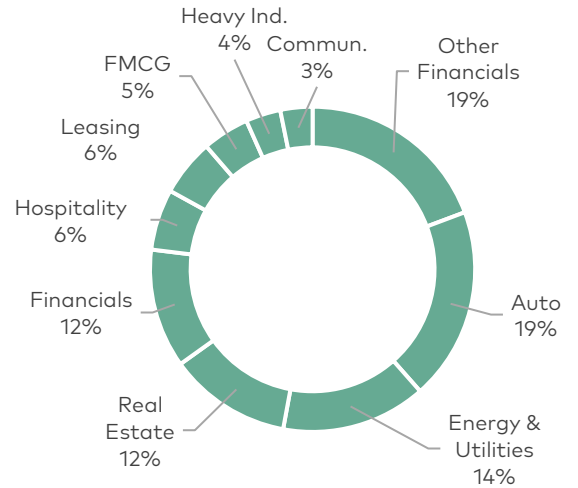
Source: Bloomberg

Georgian local corporate public bonds outstanding, GEL mn



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

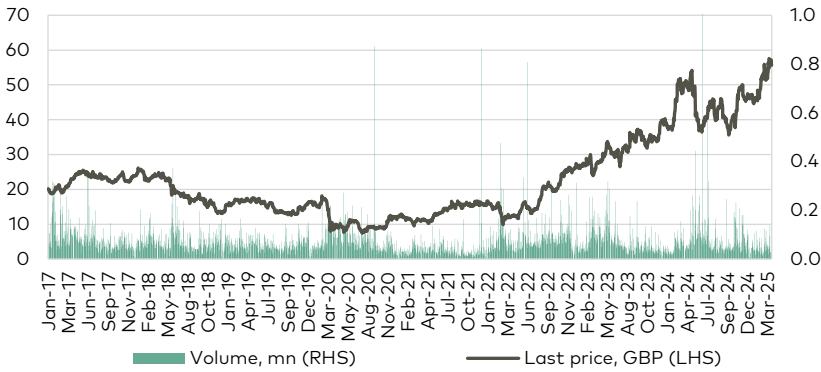
Georgian local corporate public bonds outstanding by sector



Source: Galt & Taggart

Equities

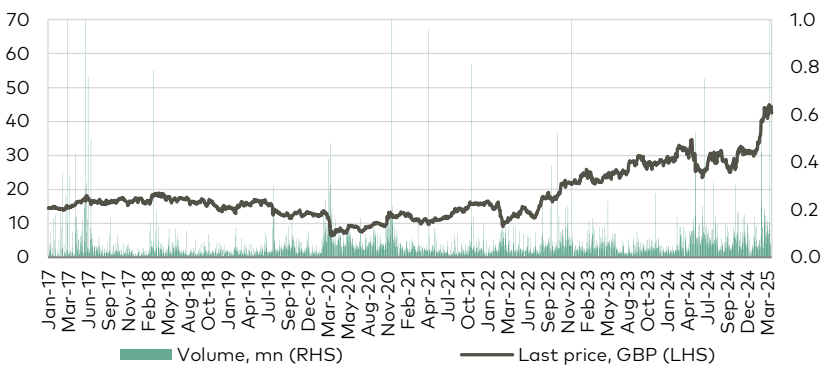
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 55.60/share (-2.28% w/w and +5.10% m/m). More than 169k shares traded in the range of GBP 55.10 - 58.00/share. Average daily traded volume was 53k in the last 4 weeks. The volume of BGEO shares traded was at 0.38% of its capitalization.

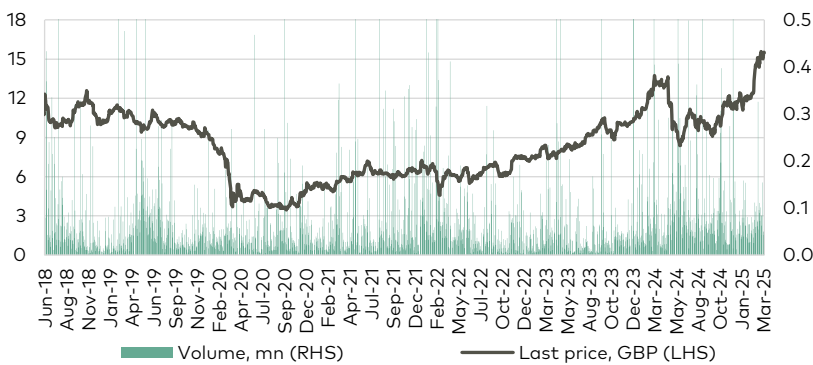
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 42.55/share (-3.51% w/w and -1.05% m/m). More than 371k shares traded in the range of GBP 42.15 - 44.95/share. Average daily traded volume was 157k in the last 4 weeks. The volume of TBCG shares traded was at 0.66% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 15.52/share (+2.65% w/w and +7.48% m/m). More than 309k shares traded in the range of GBP 15.00 - 15.76/share. Average daily traded volume was 89k in the last 4 weeks. The volume of CGEO shares traded was at 0.78% 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	55.60	2,471	47.3%	10.1%	18.0%	4.36x	2.92x	4.30x	1.25x	1.02x	1.17x
TBC	TBC	GBP	42.55	2,396	57.3%	32.3%	36.4%	4.68x	4.80x	5.76x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	24.70	6,734	40.3%	38.8%	27.1%	2.57x	na	3.97x	0.72x	na	na
Akbank	AKBNK	TRY	52.25	271,700	-17.8%	11.7%	-19.4%	2.86x	7.96x	3.63x	0.9x	1.4x	0.88x
Garanti	GARAN	TRY	118.00	495,600	-4.1%	65.0%	-5.1%	2.84x	5.73x	4.13x	1.00x	1.58x	1.14x
Isbank	ISCTR	TRY	12.26	306,500	-13.3%	9.2%	-9.5%	3.23x	7.43x	3.52x	0.87x	1.06x	0.76x
PKO	PKO	PLN	76.70	95,875	31.7%	29.3%	28.3%	11.44x	na	8.04x	1.39x	na	1.76x
PEKAO	PEO	PLN	180.50	47,376	18.3%	-0.7%	30.9%	5.99x	5.68x	7.36x	1.31x	1.13x	1.37x
Millennium	MIL	PLN	14.69	17,821	67.5%	42.3%	65.1%	17.78x	15.08x	6.65x	1.47x	1.39x	1.94x
Mbank	MBK	PLN	835.40	35,502	32.3%	12.9%	52.7%	na	10.36x	8.08x	1.65x	1.31x	1.74x
BRD	BRD	RON	18.52	12,907	-12.0%	-13.9%	-0.6%	7.62x	8.52x	8.51x	1.42x	1.38x	1.24x
Banca Transilvania	TLV	RON	28.70	26,314	3.1%	18.3%	6.3%	6.69x	4.86x	6.76x	1.46x	na	1.50x
Komerčni	KOMB	CZK	1,120.00	212,855	38.9%	33.3%	32.0%	8.76x	9.29x	12.65x	1.09x	1.27x	1.68x
Mean								6.57x	7.51x	6.41x	1.21x	1.27x	1.38x
Median								5.34x	7.43x	6.65x	1.25x	1.29x	1.37x

Source: Bloomberg, S&P Capital IQ

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