



Economy

Unemployment rate stood at 14.7% in 1Q25

The unemployment rate rose by 0.6ppts y/y to 14.7% in 1Q25, driven by a 3.0% y/y drop in self-employed individuals and a 0.2% y/y expansion in the labor force. During this period, labor force totaled 1,634 thousand people. Of these, 1,394 thousand were employed (-0.5% y/y), while 239.4 thousand were unemployed (+4.7% y/y).

In 1Q25, the number of hired employees grew by 0.6% y/y, representing 68.7% of total employment, while self-employed individuals fell by 3.0% y/y. Importantly, labor force participation rate edged down 0.2ppts y/y to 54.8% in 1Q25.

We forecast unemployment rate at 13.5% in 2025.

Goods exports surged by 41.1% y/y in Apr-25

In Apr-25, goods exports surged by 41.1% y/y to US\$ 616.8mn, after a 7.5% y/y growth in previous month. In contrast, goods imports declined by 3.6% y/y to US\$ 1.4bn, after growing by 17.3% y/y in previous month. Consequently, the trade deficit narrowed by 22.9% y/y to US\$ 782.5n in Apr-25.

The top 5 exported commodities were cars (+90.7% y/y), precious metals (+588.6% y/y), wine (-48.6% y/y), spirits (-4.7% y/y) and mineral waters (+4.6% y/y) in Apr-25. A 12.5% of exports were directed to the EU (+154.4% y/y), 71.7% to the CIS (+39.4% y/y) and 15.8% to other countries (+8.7% y/y).

The top 5 imports were cars (-12.7% y/y), petroleum (-28.5% y/y), pharmaceuticals (-13.2% y/y), turbo-jets/propellers (+\$30.4mn y/y) and gases (+48.0% y/y) in Apr-25.

Overall, in 4M25, the trade deficit increased by 16.4% y/y to US\$ 3.7bn, as exports grew by 14.2% to US\$ 2.0bn and imports were up by 15.7% y/y, reaching US\$ 5.7bn.

Producer price index increased by 5.1% y/y in Apr-25

Annual PPI for industrial goods increased by 5.1% in Apr-25, after a 5.5% y/y rise in previous month. The annual growth was mainly driven by an increase in prices in the manufacturing (+3.8% y/y), followed by electricity supply (+10.1% y/y) and mining (+15.0% y/y) sectors.

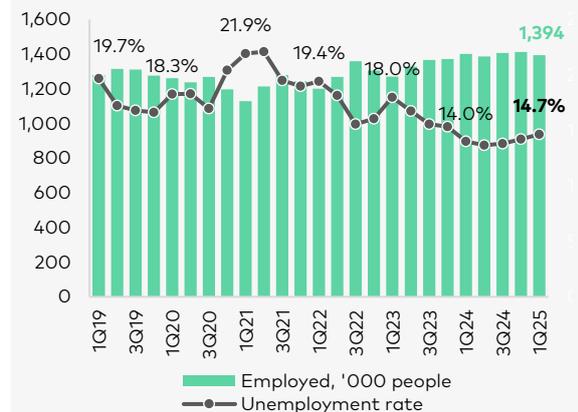
Key macro indicators

	2024	2025F
Real GDP growth (% change)	9.4%	6.8%
GDP per capita (ppp)	28,258	31,229
GDP per capita (US\$)	9,141	9,720
Population (mn)	3.7	3.7
Inflation (average)	1.1%	3.7%
Gross reserves (US\$ bn)	4.4	4.4
CAD (% of GDP)	4.4%	5.1%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	36.1%	35.9%
Fitch/S&P/Moody's*	BB/BB/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

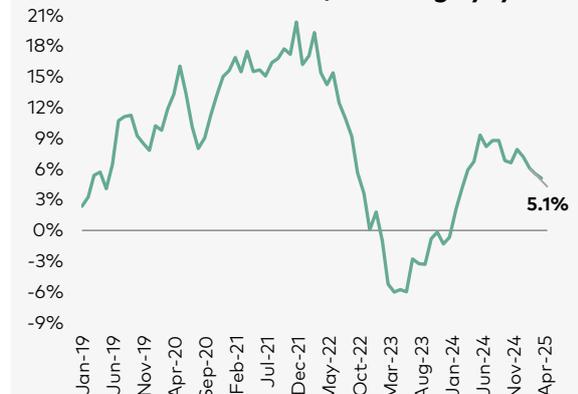
*Latest sovereign credit ratings

Unemployment rate in Georgia



Source: Geostat

Producer Price Index, % change y/y



Source: Geostat

Money market

Ministry of Finance T-bills/T-notes:

7.6-year GEL 50.0mn (US\$ 18.2mn) treasury notes were sold at the auction held at NBG on May 20, 2025. Total demand was 1.5x higher and the weighted average yield was fixed at 9.460%, up by 0.478ppts from previous auction held in Apr-25.

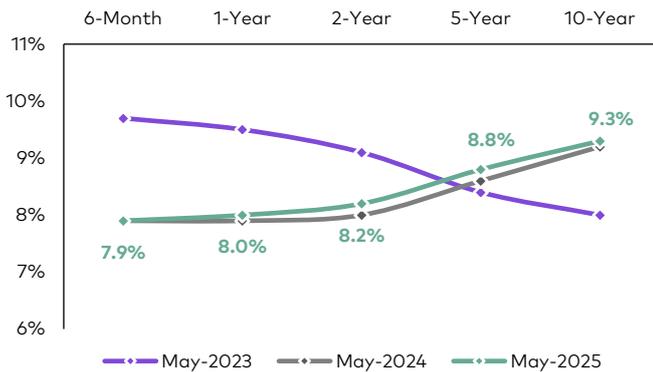
The nearest treasury security auction is scheduled for May 27, 2025, where GEL 60.0mn nominal value 4.9-year treasury notes will be sold.

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)	290	280	450
Long-term (over 1-year)	907	1,480	10,002
Total	1,197	1,760	10,452

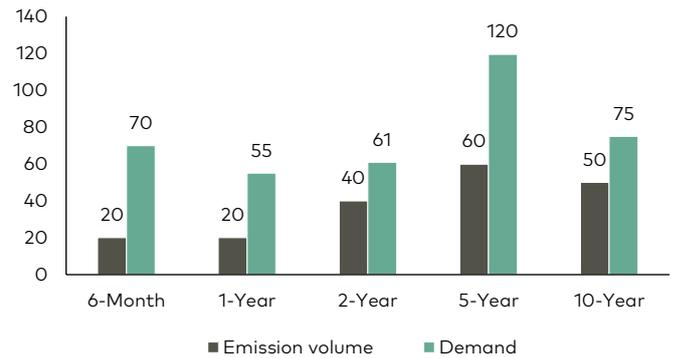
Source: MoF
*As of April 2025

T-bills / T-notes, yield curve



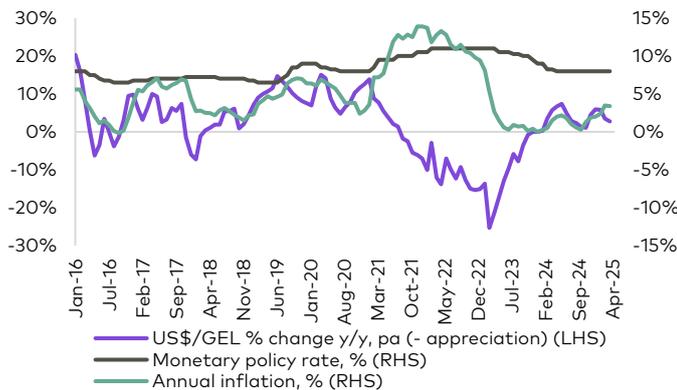
Source: NBG

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



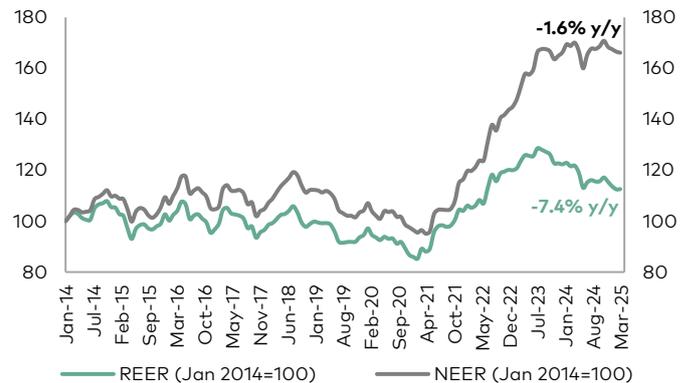
Source: NBG

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	96.24	7.14	299.59
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	89.01	8.14	446.01
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.84	9.85	616.01
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.06	7.68	242.45
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	97.34	10.64	678.97
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	98.99	10.56	686.72
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	102.29	8.21	434.66

■ 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								
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%
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	99.99	9.00%
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
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

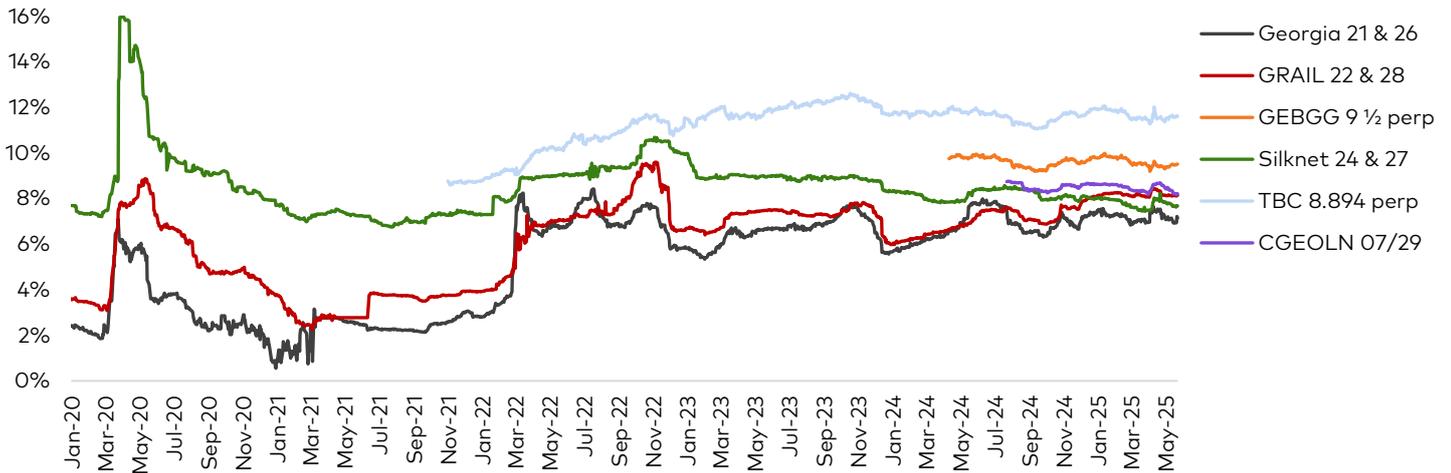
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	99.60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



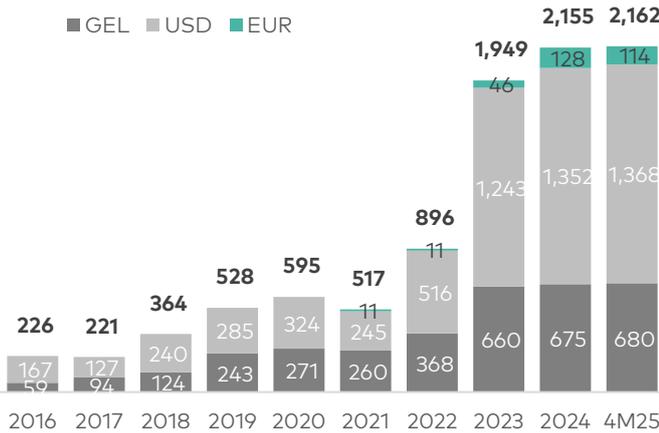
Fixed income

Georgian Eurobonds, YTM



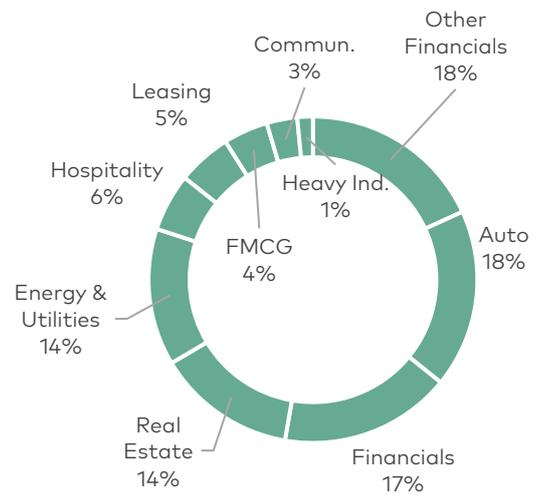
Source: Bloomberg

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

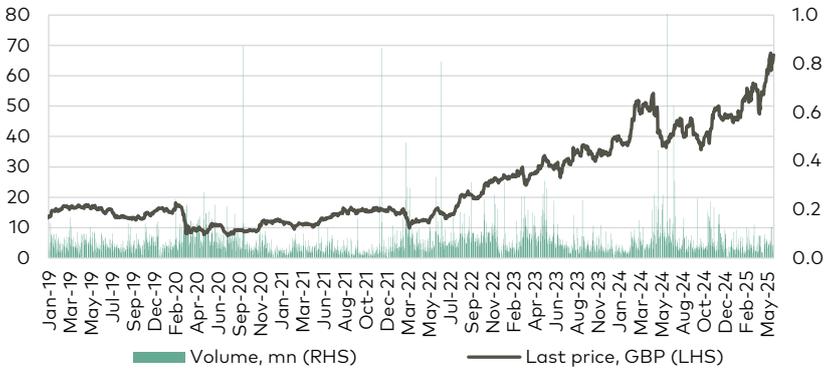


Source: Galt & Taggart



Equities

Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 66.85/share (+5.03% w/w and +17.90% m/m). More than 251k shares traded in the range of GBP 64.00 - 67.75/share. Average daily traded volume was 65k in the last 4 weeks. The volume of BGEO shares traded was at 0.57% of its capitalization.

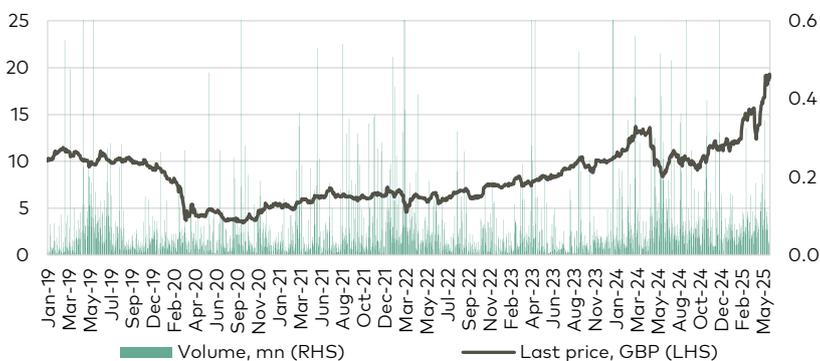
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 45.80/share (+0.88% w/w and +1.78% m/m). More than 242k shares changed hands in the range of GBP 43.75 - 46.45/share. Average daily traded volume was 93k in the last 4 weeks. The volume of TBCG shares traded was at 0.43% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 19.02/share (+1.49% w/w and +24.15% m/m). More than 163k shares traded in the range of GBP 18.44 - 19.54/share. Average daily traded volume was 99k 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	YTD chg			P/E			P/B		
					mn	6M chg	y/y chg	2023	2024	2025F	2023	2024	2025F
Lion Finance Group	BGEO	GBP	66.85	2,971	36.6%	68.6%	41.9%	4.36x	2.92x	5.49x	1.25x	1.02x	1.41x
TBC	TBC	GBP	45.80	2,579	43.3%	68.4%	46.8%	4.68x	4.80x	6.53x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	24.25	6,611	24.5%	32.4%	24.7%	2.57x	na	3.42x	0.72x	na	na
Akbank	AKBNK	TRY	51.90	269,880	-14.4%	-22.0%	-20.0%	2.86x	7.96x	4.00x	0.9x	1.4x	0.88x
Garanti	GARAN	TRY	110.80	465,360	-7.3%	10.8%	-10.9%	2.84x	5.73x	3.86x	1.00x	1.58x	1.07x
Isbank	ISCTR	TRY	11.00	275,000	-19.1%	-28.4%	-18.8%	3.23x	7.43x	3.26x	0.87x	1.06x	0.68x
PKO	PKO	PLN	74.12	92,650	36.4%	27.0%	24.0%	11.44x	na	7.91x	1.39x	na	1.67x
PEKAO	PEO	PLN	176.50	46,326	26.7%	9.0%	28.0%	5.99x	5.68x	7.25x	1.31x	1.13x	1.37x
Millennium	MIL	PLN	14.31	17,360	72.6%	63.5%	60.8%	17.78x	15.08x	na	1.47x	1.39x	1.89x
Mbank	MBK	PLN	791.60	33,641	41.3%	24.0%	44.7%	na	10.36x	9.98x	1.65x	1.31x	1.65x
BRD	BRD	RON	18.66	13,004	-1.1%	-2.3%	0.1%	7.62x	8.52x	8.61x	1.42x	1.38x	1.25x
Banca Transilvania	TLV	RON	29.04	26,626	3.0%	7.7%	7.6%	6.69x	4.86x	7.00x	1.46x	na	1.53x
Komerčni	KOMB	CZK	1,013.00	192,520	24.0%	29.9%	19.4%	8.76x	9.29x	11.49x	1.09x	1.27x	1.53x
Mean								6.57x	7.51x	6.57x	1.21x	1.27x	1.36x
Median								5.34x	7.43x	6.76x	1.25x	1.29x	1.41x

Source: Bloomberg, S&P Capital IQ

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