



Economy

NBG kept its key rate unchanged at 8.0%

On May 7, 2025, the Monetary Policy Committee of the NBG kept its key rate unchanged at 8.0%. This decision reflects a prudent approach given prevailing inflation risks. Specifically, the NBG notes that current global developments are amplifying stagflationary risks, which pose a risk of increased imported inflation for Georgia. In addition, strong domestic demand creates demand-side pressure on prices. According to the NBG's updated forecast, inflation will temporarily exceed the target rate in 2025, but it will stabilize at around 3.0% in the medium term. At the same time, the NBG raised its economic growth forecast for 2025 to 6.7% from the previous 5.0%. Further changes to the monetary policy rate will depend on updated macroeconomic forecasts and risk analysis, according to the regulator. The next NBG meeting is scheduled for June 18, 2025.

International reserves at US\$ 4.5bn in Apr-25

Gross international reserves decreased by 6.1% y/y to US\$ 4.5bn in Apr-25, according to NBG. Meanwhile, on a monthly basis, the reserves were up by 4.8% (+US\$ 207.6mn). Changes in reserves were attributed to the increase in the value of monetary gold (+US\$ 42.9mn m/m) along with 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 27 May). Notably, as of Apr-25, monetary gold accounted for 16.8% of total international reserves.

Tourism revenues estimated at US\$ 300mn in Apr-25

Tourism revenues stood at US\$ 300mn in Apr-25, according to our estimates. Overall, in 4M25, tourism revenues came in at US\$ 1.1bn (flat y/y), by our estimates.

We forecast tourism revenues to reach US\$ 4.5bn in 2025.

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/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

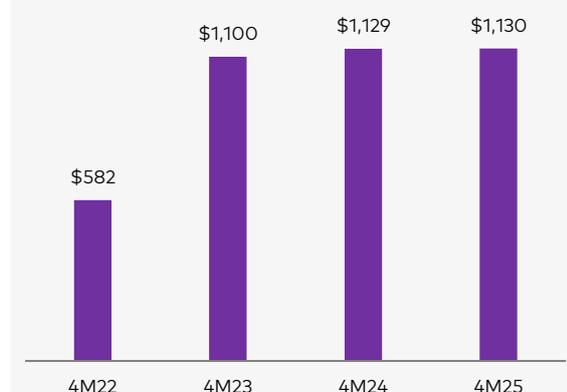
*Latest sovereign credit ratings

NBG's gross international reserves US\$ bn



Source: NBG

Tourism revenues, US\$ mn



Source: Galt & Taggart

Money market

Ministry of Finance T-bills/T-notes:

2.7-year GEL 40.0mn (US\$ 14.6mn) treasury notes were sold at the auction held at NBG on May 6, 2025. Total demand was 1.5x higher and the weighted average yield was fixed at 8.876%, up by 0.420ppts from previous auction held in Apr-25.

6-month GEL 20.0mn (US\$ 7.3mn) T-bills were sold at the auction held at NBG on May 6, 2025. Total demand was 3.5x higher and the weighted average yield was fixed at 7.403%, down by 0.085ppts from previous auction held in Apr-25.

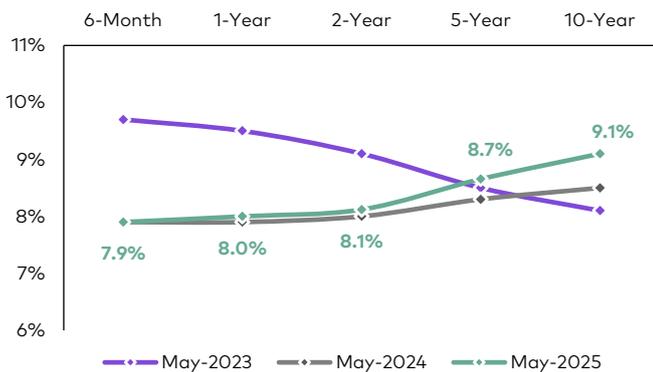
The nearest treasury security auction is scheduled for May 13, 2025, where GEL 20.0mn nominal value 1-year T-bills and GEL 30.0mn nominal value 11.3-year treasury notes will be sold.

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)	270	300	450
Long-term (over 1-year)	827	1,560	9,818
Total	1,097	1,860	10,268

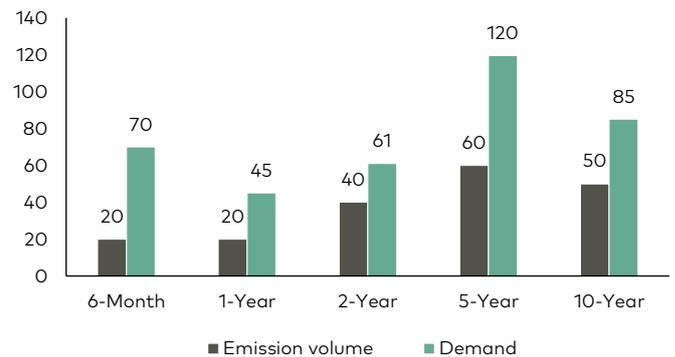
Source: MoF
*As of March 2025

T-bills / T-notes, yield curve



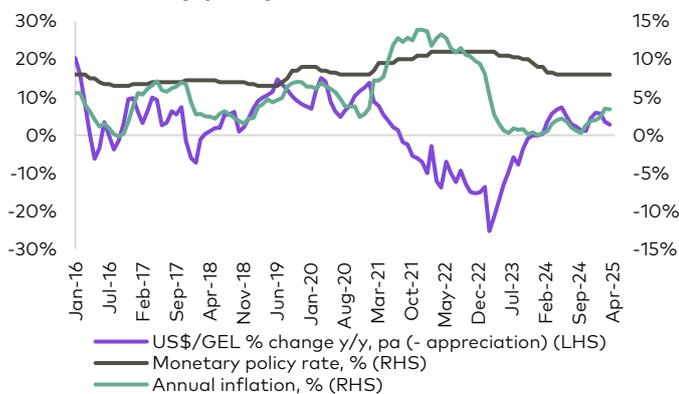
Source: NBG

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



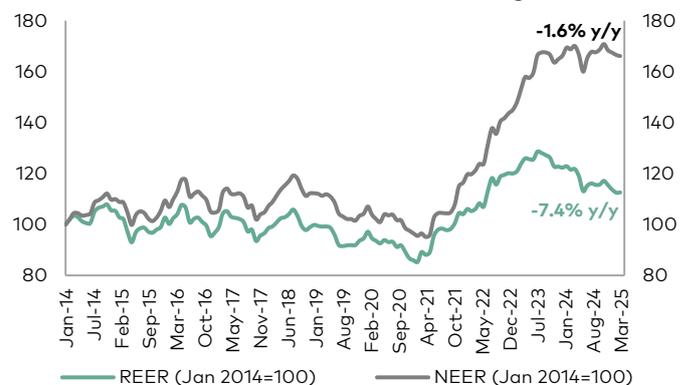
Source: NBG

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	96.13	7.07	304.88
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	88.84	8.15	437.97
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.79	9.86	605.54
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	100.89	7.80	268.95
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	96.65	11.07	704.82
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	97.98	10.86	697.53
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	101.75	8.37	447.64

■ 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

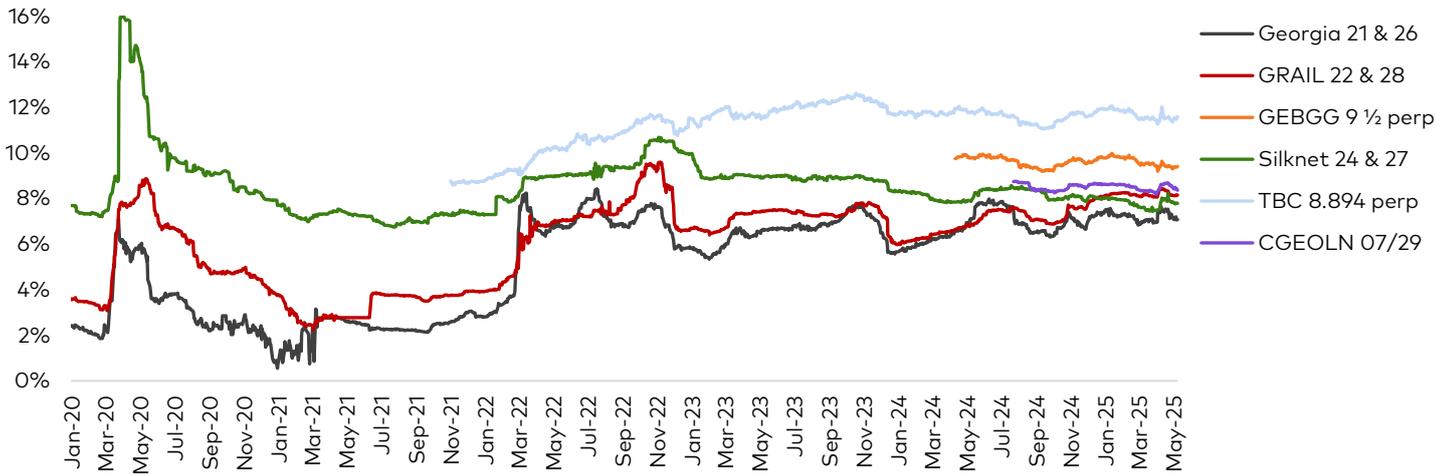
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	6.15%
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/BB-	99.60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



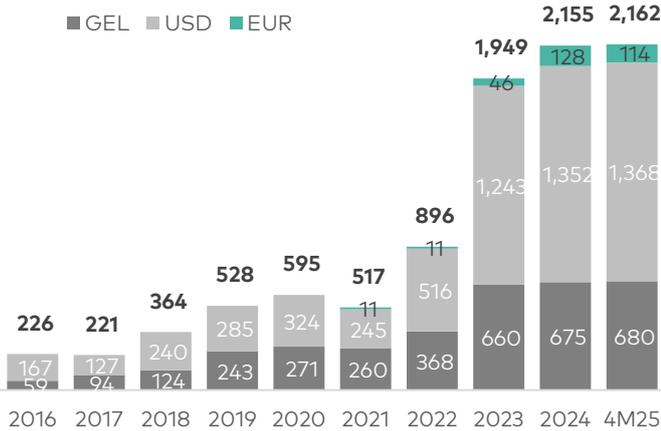
Fixed income

Georgian Eurobonds, YTM



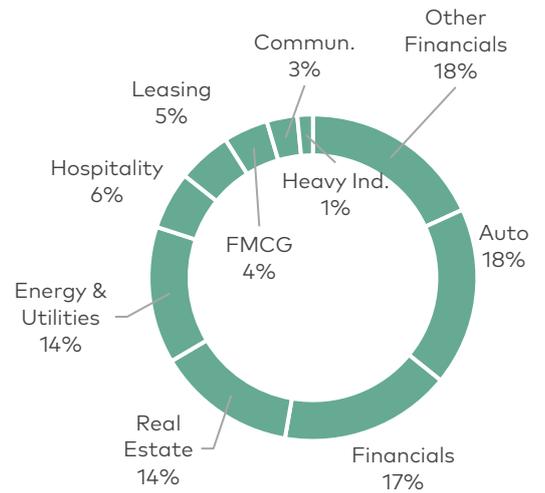
Source: Bloomberg

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

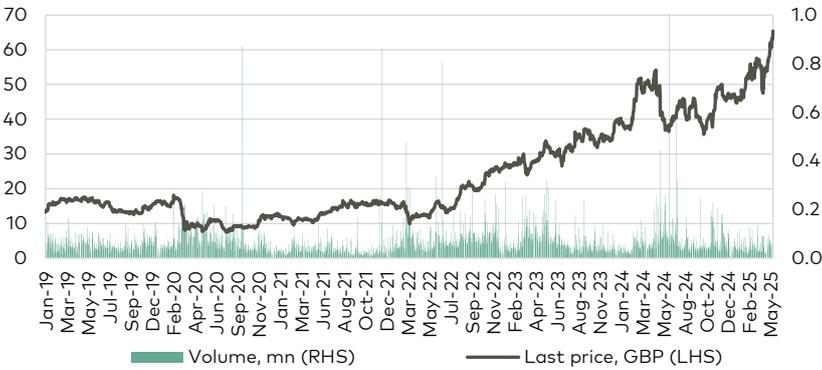


Source: Galt & Taggart



Equities

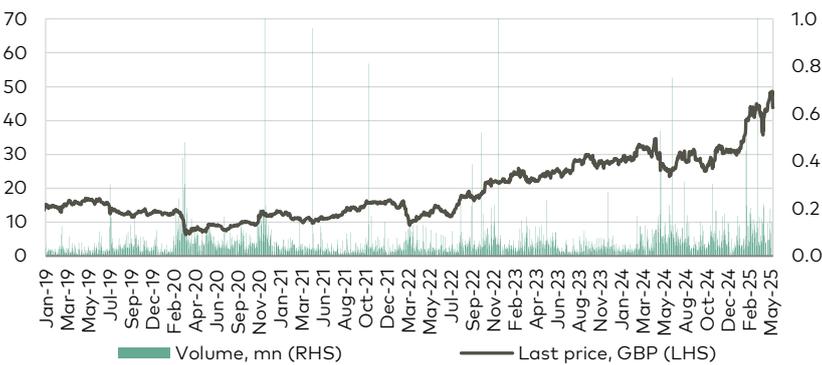
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 65.35/share (+7.75% w/w and +33.69% m/m). More than 227k shares traded in the range of GBP 60.30 - 65.55/share. Average daily traded volume was 54k in the last 4 weeks. The volume of BGEO shares traded was at 0.51% of its capitalization.

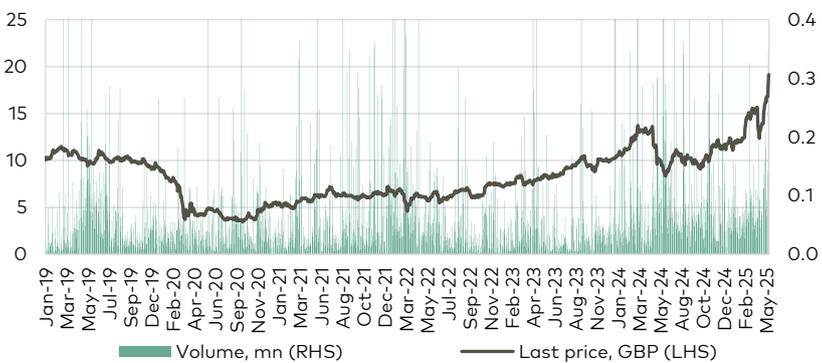
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 43.85/share (-6.70% w/w and +18.03% m/m). More than 647k shares changed hands in the range of GBP 41.05 - 49.00/share. Average daily traded volume was 103k in the last 4 weeks. The volume of TBCG shares traded was at 1.15% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 19.16/share (+14.05% w/w and +55.02% m/m). More than 671k shares traded in the range of GBP 16.46 - 19.44/share. Average daily traded volume was 123k in the last 4 weeks. The volume of CGEO shares traded was at 1.70% 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	65.35	2,904	42.8%	34.7%	38.7%	4.36x	2.92x	5.14x	1.25x	1.02x	1.37x
TBC	TBC	GBP	43.85	2,470	43.3%	51.5%	40.5%	4.68x	4.80x	6.15x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	22.90	6,243	20.1%	19.9%	17.8%	2.57x	na	3.23x	0.72x	na	na
Akbank	AKBNK	TRY	49.88	259,376	-2.6%	-16.0%	-23.1%	2.86x	7.96x	3.86x	0.9x	1.4x	0.85x
Garanti	GARAN	TRY	101.20	425,040	-7.8%	13.4%	-18.6%	2.84x	5.73x	3.94x	1.00x	1.58x	0.98x
Isbank	ISCTR	TRY	10.31	257,750	-12.6%	-24.7%	-23.9%	3.23x	7.43x	3.07x	0.87x	1.06x	0.64x
PKO	PKO	PLN	78.28	97,850	31.4%	29.1%	31.0%	11.44x	na	8.09x	1.39x	na	1.75x
PEKAO	PEO	PLN	178.40	46,825	15.0%	4.0%	29.4%	5.99x	5.68x	7.29x	1.31x	1.13x	1.38x
Millennium	MIL	PLN	14.50	17,590	60.2%	54.4%	62.9%	17.78x	15.08x	6.32x	1.47x	1.39x	1.90x
Mbank	MBK	PLN	817.80	34,754	40.0%	17.6%	49.5%	na	10.36x	7.27x	1.65x	1.31x	1.70x
BRD	BRD	RON	18.06	12,586	-4.4%	-13.2%	-3.1%	7.62x	8.52x	8.27x	1.42x	1.38x	1.20x
Banca Transilvania	TLV	RON	26.42	24,224	-6.6%	4.1%	-2.1%	6.69x	4.86x	6.20x	1.46x	na	1.38x
Komerčni	KOMB	CZK	1,045.00	198,602	27.0%	31.0%	23.2%	8.76x	9.29x	11.81x	1.09x	1.27x	1.57x
Mean								6.57x	7.51x	6.20x	1.21x	1.27x	1.34x
Median								5.34x	7.43x	6.20x	1.25x	1.29x	1.38x

Source: Bloomberg, S&P Capital IQ

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