



Regional Fixed Income Market Watch

Georgia, Armenia, Azerbaijan, Belarus, Kazakhstan, Ukraine, Russia, Turkey, Uzbekistan

Regional | Fixed Income
Monthly
July 5, 2023

Regional sovereign Eurobond market: TURKEY 26 and UZBEK 24 were the best performers in Jun-23, with yields decreasing 66.0bps and 38bps, respectively. Meanwhile, AZERB 24 was the worst performer of the month, with the yield widening by 27.4bps.

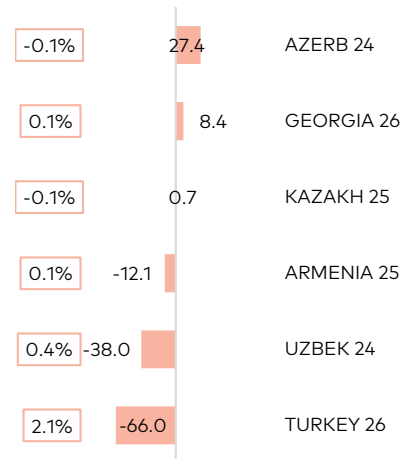
Georgian corporate Eurobond market: Among the Georgian corporate issuers, GEOCAP 24 and TBC 24 were the best performers in Jun-23, with yields decreasing by 84.1bps and 35.5bps, respectively. BOG perp was the worst performer with yield declining only by 1.0bps.

FX market: During Jun-23, regional currencies weakened vs USD as Turkish lira (TRY), Russian ruble (RUB), and Kazakh tenge (KZT) lost 25.3% m/m, 9.9% m/m and 0.9% m/m, respectively.

Georgia money market: In Jun-23, GEL 195.8mn treasury notes and GEL 40mn treasury bills were sold. Interest rates reduced on all instruments m/m (except 1-year T-bills and 2-year benchmark bonds). Weighted average interest rate on 10-year notes was 8.189%, 5-year notes was 8.459%, on 2-year notes was 8.661%, on 1-year instrument was 9.655%, and it came in at 9.488% for 6-month instruments. Notably, non-residents' treasury holdings increased by 0.5% m/m to GEL 357.3mn and the share of non-residents in total outstanding holdings stood at 4.8% (-0.1ppts m/m) in Jun-23.

Regional Sovereign Eurobond yields, change m/m in June 2023, bps

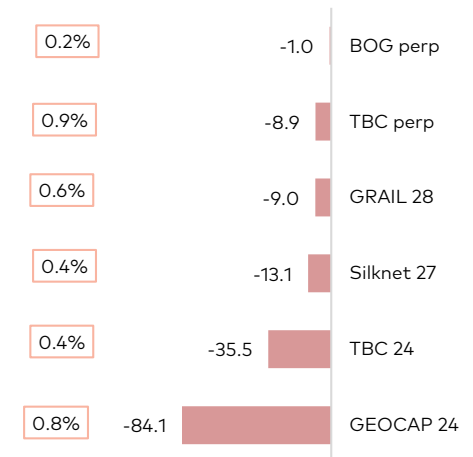
Change in price, %



Source: Bloomberg, Galt & Taggart

Georgian Corporate Eurobond yields, change m/m in June 2023, bps

Change in price, %



Source: Bloomberg, Galt & Taggart

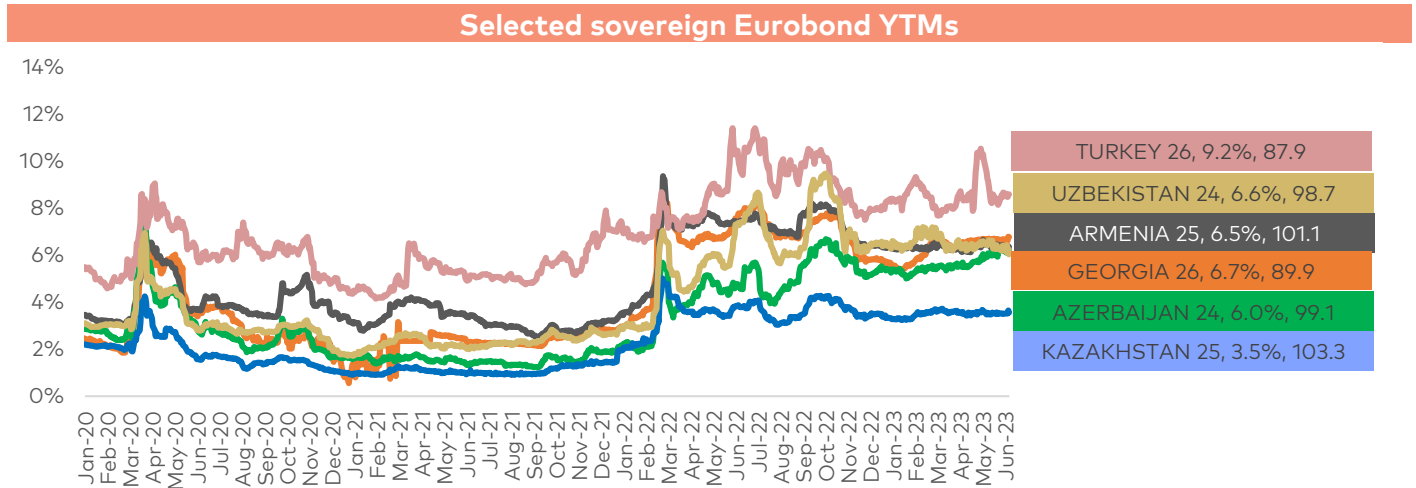
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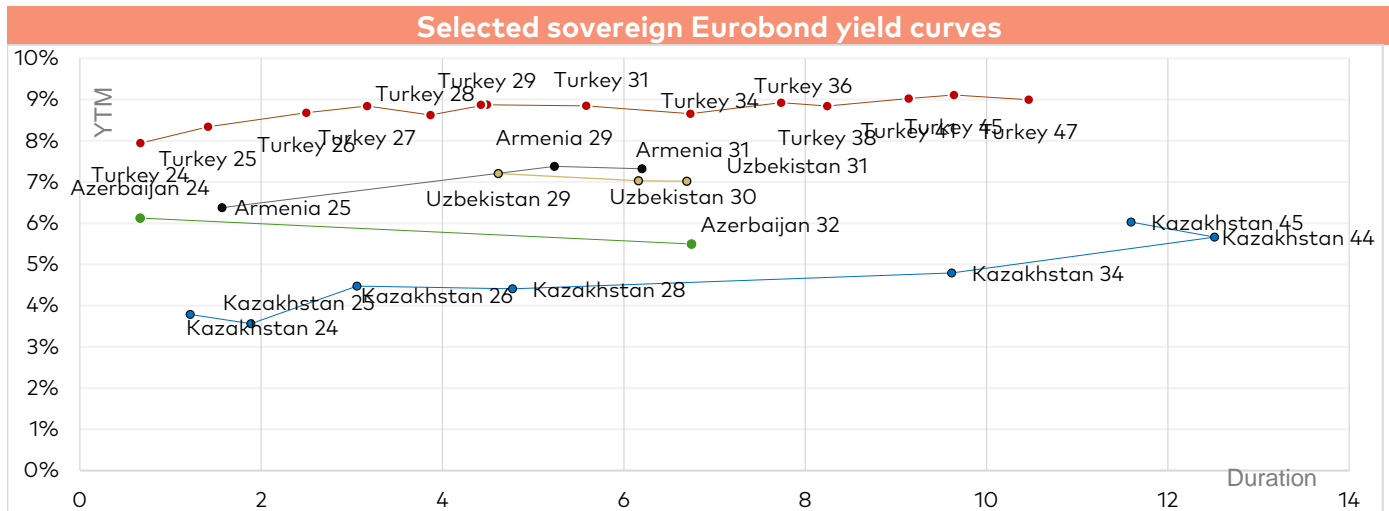
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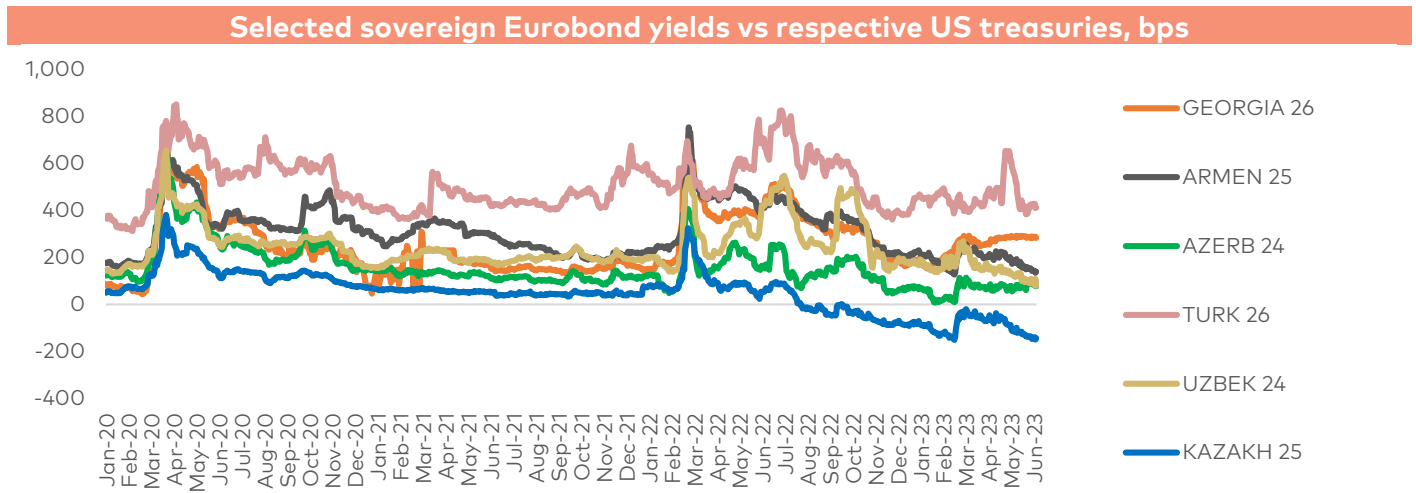
Sovereign Eurobond yields



Source: Bloomberg



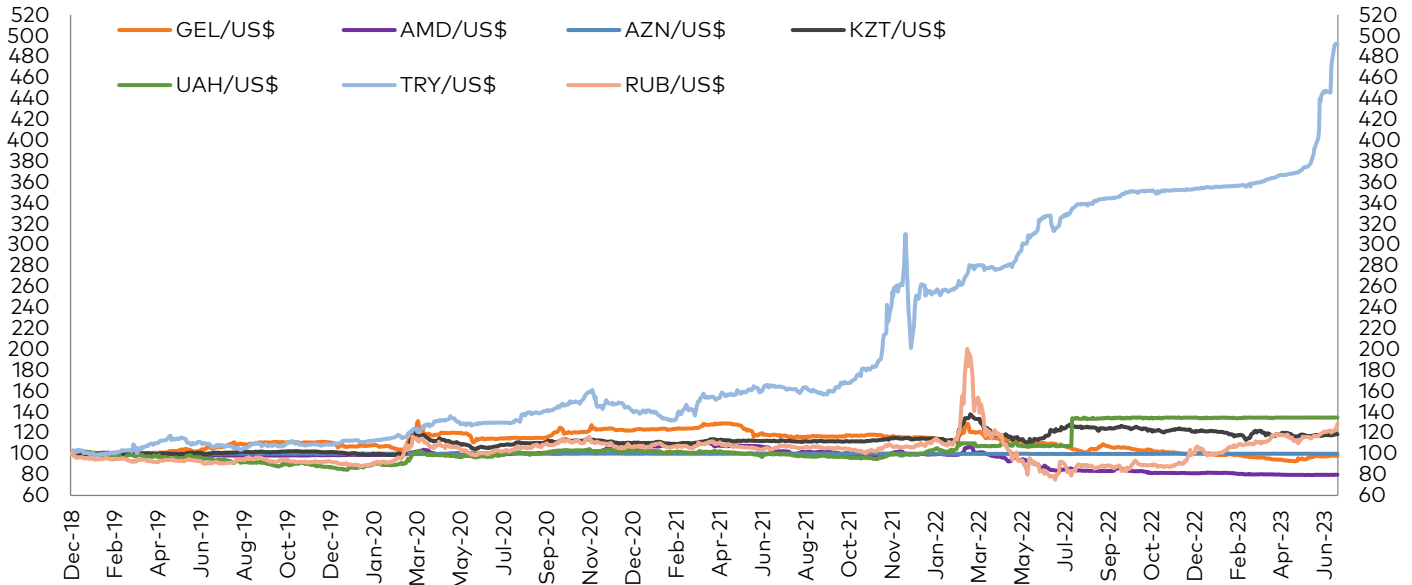
Source: Bloomberg



Source: Bloomberg



Regional currencies vs. US\$, Index Dec-18=100



Source: Bloomberg

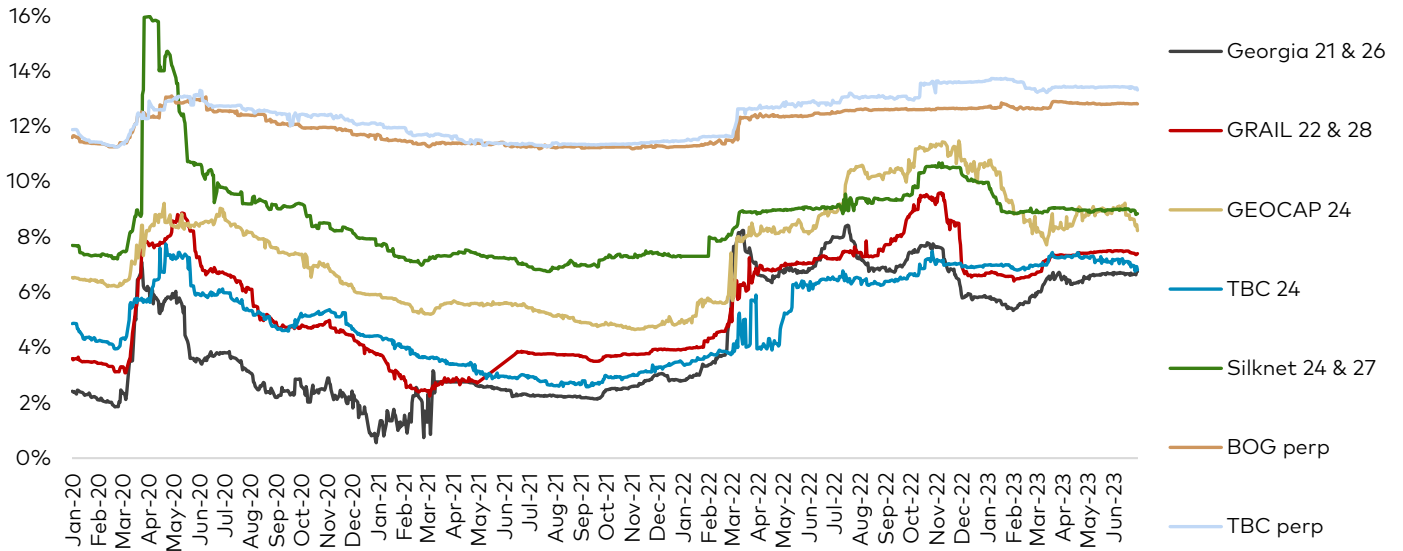
Central banks' monetary policy rates

	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Georgia	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	10.50%	10.50%
Armenia	9.25%	9.25%	9.25%	9.50%	10.00%	10.00%	10.50%	10.75%	10.75%	10.75%	10.75%	10.75%	10.75%	10.50%
Azerbaijan	7.75%	7.75%	7.75%	7.75%	7.75%	8.00%	8.00%	8.25%	8.50%	8.50%	8.75%	8.75%	9.00%	9.00%
Belarus	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	11.50%	11.50%	11.00%	10.50%	10.00%	9.50%
Ukraine	10.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Kazakhstan	14.00%	14.00%	14.50%	14.50%	14.50%	16.00%	16.00%	16.75%	16.75%	16.75%	16.75%	16.75%	16.75%	16.75%
Russia	11.00%	9.50%	8.00%	8.00%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Uzbekistan	17.00%	16.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	14.00%	14.00%	14.00%	14.00%
Turkey	14.00%	14.00%	14.00%	13.00%	12.00%	10.50%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%	8.50%	15.0%
FED	1.00%	1.75%	2.50%	2.50%	3.25%	3.25%	4.00%	4.50%	4.50%	4.75%	5.00%	5.00%	5.25%	5.25%
ECB	0.00%	0.00%	0.50%	0.50%	1.25%	2.00%	2.00%	2.50%	2.50%	3.00%	3.50%	3.50%	3.75%	4.00%

Source: Central banks



Georgian corporate Eurobond YTM



Source: Bloomberg

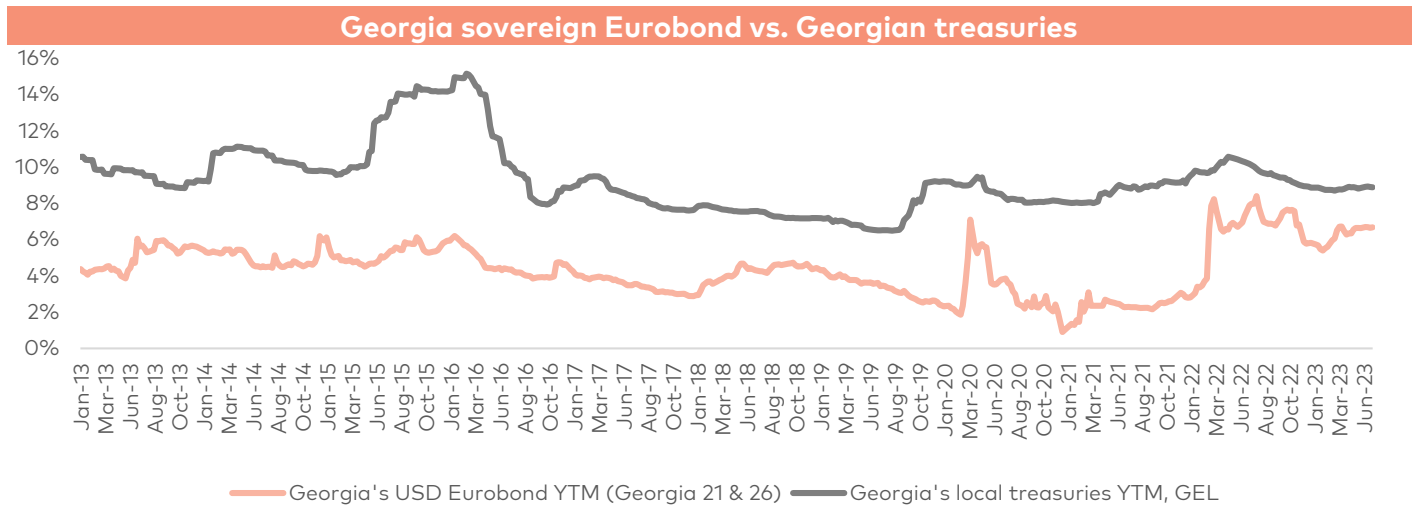
Georgian local bonds performance

Issuer	Currency	Amount, mn	Coupon	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %	Z-spread, bps
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-27	-/-/-/-	n/a	n/a	n/a
Energy Development Georgia	USD	10	8.50%	Jun-25	-/-/-/-	n/a	n/a	n/a
Evex Hospitals	GEL	50	Ref rate + 3.10%	Nov-24	-/-/-/BB	n/a	n/a	n/a
Geo. Beer Company	GEL	25	Ref rate + 4.00%	Dec-23	-/-/-/BB-	n/a	n/a	n/a
Georgia Real Estate	USD	35	8.50%	Oct-24	-/-/-/-	99.78	8.65	n/a
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-27	-/-/-/-	99.04	7.25	n/a
Geosteel	USD	15	9.00%	Apr-25	-/-/-/-	n/a	n/a	n/a
IG Development	USD	15	6.75%	Jan-24	-/-/-/-	98.23	8.90	n/a
IG Development	USD	15	8.50%	Jul-24	-/-/-/-	99.80	8.65	n/a
Lisi Lake Development	USD	12	6.50%	Dec-24	-/-/-/B+	99.59	6.75	n/a
Lisi Lake Development	USD	10	8.50%	Dec-24	-/-/-/B+	n/a	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Feb-25	B/-/-/-	n/a	n/a	n/a
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-24	-/-/-/B+	n/a	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-26	-/-/-/B+	n/a	n/a	n/a
Nikora	GEL	35	TIBR3M + 3.50%	Nov-25	-/-/-/B+	n/a	n/a	n/a
Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-24	-/-/-/B+	n/a	n/a	n/a
SRG Real Estate	USD	20	9.00%	Apr-26	-/-/-/-	n/a	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-26	BB/-/-/-	n/a	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-26	BB/-/-/-	n/a	n/a	n/a
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-25	-/-/-/BB-	n/a	n/a	n/a
Tegeta Motors	USD	20	8.50%	Apr-25	-/-/-/BB-	n/a	n/a	n/a
Tegeta Motors	EUR	5	7.00%	Apr-25	-/-/-/BB-	n/a	n/a	n/a
Tegeta Motors	GEL	20	TIBR6M + 3.50%	Dec-25	-/-/-/BB-	n/a	n/a	n/a

Source: Galt & Taggart

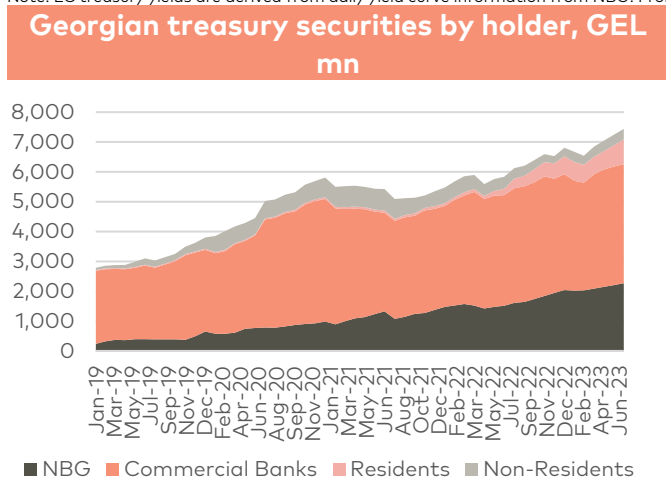


Georgian local treasury bonds

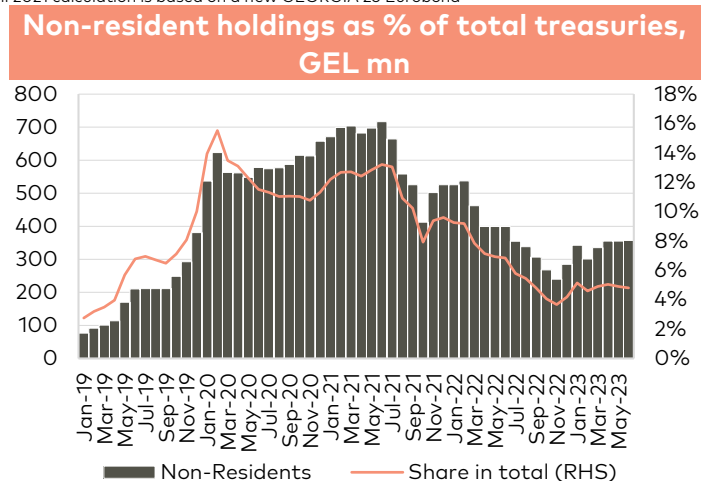


Source: Bloomberg, NBG, Galt & Taggart Research

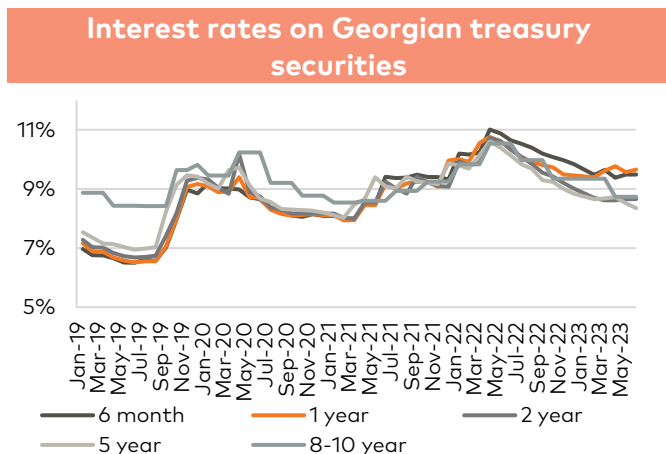
Note: LC treasury yields are derived from daily yield curve information from NBG. From April 2021 calculation is based on a new GEORGIA 26 Eurobond



Source: NBG

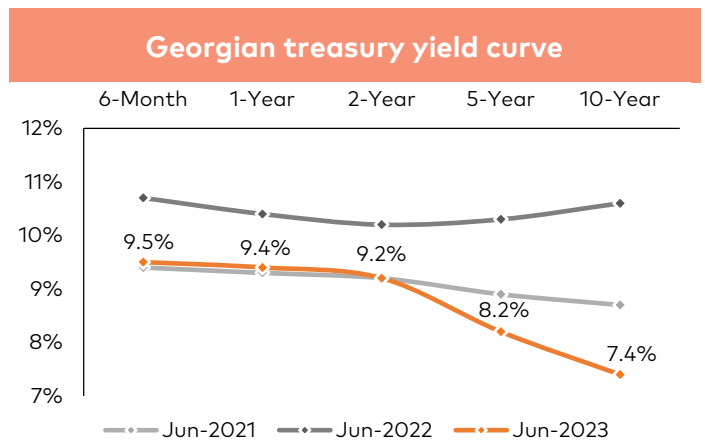


Source: NBG



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Note: The interest rates are taken from actual auctions on T-bills and T-notes.



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Sovereign

Issuer	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ARMEN	USD	7.150	3/26/2025	1.6	500	101.2	6.4	B+/-/Ba3
ARMEN	USD	3.950	9/26/2029	5.2	500	83.1	7.4	B+/-/Ba3
ARMEN	USD	3.600	2/2/2031	6.2	750	78.6	7.3	B+/-/Ba3
AZERBJ	USD	4.750	3/18/2024	0.7	1,250	99.1	6.1	BB+/-/Ba1u
AZERBJ	USD	3.500	9/1/2032	6.7	1,077	85.8	5.5	BB+/-/Ba1u
GEORG	USD	2.750	4/22/2026	2.6	500	89.8	6.8	BB/BB/Baa2
KAZAKS	USD	3.875	10/14/2024	1.2	1,500	100.1	3.8	BBB/BBB-/Baa2
KAZAKS	USD	5.125	7/21/2025	1.9	2,500	103.0	3.6	BBB/BBB-/Baa2
KAZAKS	USD	6.500	7/21/2045	11.6	1,500	105.7	6.0	BBB/BBB-/Baa2
KAZAKS	USD	4.875	10/14/2044	12.5	1,000	90.3	5.7	BBB/BBB-/Baa2
KAZAKS	EUR	0.600	9/30/2026	3.1	500	88.6	4.5	BBB/BBB-/Baa2
KAZAKS	EUR	2.375	11/9/2028	4.8	525	90.5	4.4	BBB/BBB-/Baa2
KAZAKS	EUR	1.500	9/30/2034	9.6	650	71.9	4.8	BBB/BBB-/Baa2
KAZAKS	EUR	1.550	11/9/2023	0.3	525	99.1	4.2	BBB/BBB-/Baa2
TURKEY	USD	5.750	3/22/2024	0.7	2,500	98.5	7.9	B-/B3
TURKEY	USD	7.375	2/5/2025	1.4	3,250	98.6	8.3	B/NR/B3
TURKEY	USD	4.250	4/14/2026	2.5	1,500	89.3	8.7	B-/B3
TURKEY	USD	6.000	3/25/2027	3.2	3,250	91.1	8.8	B-/B3
TURKEY	USD	5.125	2/17/2028	3.9	2,000	86.9	8.6	B-/B3
TURKEY	USD	11.875	1/15/2030	4.4	1,500	114.6	8.9	B/NR/B3
TURKEY	USD	7.625	4/26/2029	4.5	3,000	94.4	8.9	B-/B3
TURKEY	USD	5.950	1/15/2031	5.6	2,250	84.3	8.8	B-/B3
TURKEY	USD	8.000	2/14/2034	6.7	1,500	95.5	8.7	B/NR/B3
TURKEY	USD	6.875	3/17/2036	7.7	2,750	84.6	8.9	B/NR/B3
TURKEY	USD	7.250	3/5/2038	8.2	1,000	87.0	8.8	B/NR/B3
TURKEY	USD	6.000	1/14/2041	9.1	3,000	73.6	9.0	B/NR/B3
TURKEY	USD	6.625	2/17/2045	9.6	3,000	76.7	9.1	B-/B3
TURKEY	USD	5.750	5/11/2047	10.5	3,500	68.3	9.0	B-/B3
TURKEY	USD	6.350	8/10/2024	1.0	2,250	98.4	7.9	B-/B3
TURKEY	USD	7.250	12/23/2023	0.4	2,000	100.1	7.0	B-/B3
TURKEY	EUR	4.375	7/8/2027	3.3	1,500	90.4	7.2	B-/B3
TURKEY	USD	6.375	10/14/2025	2.0	2,500	95.6	8.6	B-/B3
TURKEY	EUR	5.200	2/16/2026	2.3	1,500	96.4	6.8	B-/B3
TURKEY	EUR	4.625	3/31/2025	1.6	1,250	97.1	6.4	B-/B3
TURKEY	USD	5.250	3/13/2030	5.3	2,000	82.1	8.8	B-/B3
TURKEY	USD	4.250	3/13/2025	1.6	2,000	93.4	8.5	B-/B3
TURKEY	USD	4.875	4/16/2043	10.4	3,000	64.2	8.7	B-/B3
TURKEY	USD	6.500	9/20/2033	6.9	1,500	85.0	8.7	B-/B3
TURKEY	USD	8.600	9/24/2027	3.4	2,000	98.4	9.1	B-/B3
TURKEY	USD	4.875	10/9/2026	2.9	3,000	89.2	8.7	B-/B3
TURKEY	USD	4.750	1/26/2026	2.3	1,750	91.2	8.7	B-/B3
TURKEY	USD	5.600	11/14/2024	1.3	2,500	96.5	8.4	B-/B3
TURKEY	EUR	3.250	6/14/2025	1.8	1,000	94.4	6.4	B-/B3
TURKEY	USD	6.750	5/30/2040	9.0	2,000	79.7	9.1	B/NR/B3
TURKEY	USD	6.125	10/24/2028	4.3	2,750	89.3	8.7	B-/B3
TURKEY	USD	5.875	6/26/2031	6.0	1,750	83.3	8.8	B-/B3
UZBEK	USD	4.750	2/20/2024	0.6	500	99.0	6.4	BB-/BB-/Ba3u
UZBEK	USD	5.375	2/20/2029	4.6	500	91.7	7.2	BB-/BB-/
UZBEK	USD	3.700	11/25/2030	6.2	555	81.1	7.0	BB-/BB-/
UZBEK	USD	3.900	10/19/2031	6.7	635	80.6	7.0	BB-/BB-/

Source: Bloomberg



Financial

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
IBAZAZ	Azerbaijan	USD	3.500	9/1/2024	1.1	1,000	95.3	7.8	BB-/-/-
GEBGG	Georgia	USD	6.000	7/26/2023	0.1	350	99.9	7.5	BB-/-/Ba2
TBCBGE	Georgia	USD	5.750	6/19/2024	0.9	300	99.0	6.9	BB-/-/Ba2
GEOCAP	Georgia	USD	6.125	3/9/2024	0.6	300	98.5	8.4	-/B+/B1
GEBGG	Georgia	USD	11.125	1/8 PERP	0.9	100	99.1	12.8	B-/-/-
TBCBGE	Georgia	USD	8.894	894 PERP	2.8	75	89.4	12.1	B-/-/-
TBCBGE	Georgia	USD	10.775	775 PERP	1.1	125	96.3	13.5	B-/-/-
DBKAZ	Kazakhstan	USD	5.750	5/12/2025	1.7	500	100.7	5.3	BBB-/-/Baa2
SAMRUK	Kazakhstan	USD	2.000	10/28/2026	3.1	500	90.8	5.1	BBB/BBB-/-
DBKAZ	Kazakhstan	USD	2.950	5/6/2031	6.7	500	79.5	6.3	BBB-/-/Baa2
DBKAZ	Kazakhstan	USD	6.000	3/23/2026	2.4	107	100.2	5.9	BBB/BBB-/-/Baa2
AKBNK	Turkey	USD	5.125	3/31/2025	1.6	500	94.7	8.5	B-/-/B3
ISCTR	Turkey	USD	6.125	4/25/2024	0.8	1,250	98.2	8.5	B-/-/B3
ISCTR	Turkey	USD	8.100	12/3/2029	4.1	50	74.2	14.5	B-/-/NR
YKBNK	Turkey	USD	5.850	6/21/2024	0.9	500	97.8	8.3	B-/-/B3
TCZIRA	Turkey	USD	5.125	9/29/2023	0.2	500	99.5	7.1	B-/-/B3
YKBNK	Turkey	USD	8.250	10/15/2024	1.2	500	99.5	8.7	B-/-/B3
VAKBN	Turkey	USD	6.500	1/8/2026	2.2	750	93.1	9.7	B-/-/B3
AKBNK	Turkey	USD	6.800	2/6/2026	2.2	500	95.8	8.7	B-/-/B3
TCZIRA	Turkey	USD	5.375	3/2/2026	2.3	600	90.3	9.6	B-/-/B3
QNBFB	Turkey	USD	6.875	9/7/2024	1.1	650	99.8	7.1	B-/-/B3
VAKBN	Turkey	USD	5.500	10/1/2026	2.8	500	88.5	9.7	B-/-/-
VAKBN	Turkey	USD	8.125	3/28/2024	0.7	600	99.7	8.6	B-/-/B3
VAKBN	Turkey	USD	5.250	2/5/2025	1.4	750	93.9	9.5	B-/-/B3
TSKBTI	Turkey	USD	5.875	1/14/2026	2.2	350	91.6	9.7	B-/-/B3
TSKBTI	Turkey	USD	6.000	1/23/2025	1.4	400	94.7	9.8	B-/-/B3
FCFIN	Turkey	USD	7.250	11/9/2027	0.3	150	89.5	12.8	B-/-/B2
GARAN	Turkey	USD	5.250	12/20/2024	1.4	50	101.9	3.9	B-/-/-
ISCTR	Turkey	USD	5.050	2/25/2026	2.2	13	81.1	14.1	B-/-/NR
AKBNK	Turkey	USD	6.050	11/15/2024	1.3	50	96.5	8.8	B-/-/-
YKBNK	Turkey	USD	6.050	12/10/2024	1.3	50	97.2	8.1	B-/-/B3
EXCRTU	Turkey	USD	8.250	1/24/2024	0.5	500	99.7	8.8	B-/-/B3
EXCRTU	Turkey	USD	5.750	7/6/2026	2.7	750	90.4	9.5	B-/-/B3
EXCRTU	Turkey	USD	5.375	10/24/2023	0.3	500	99.5	6.9	B-/-/B3
EXCRTU	Turkey	USD	6.125	5/3/2024	0.8	500	97.9	8.8	B-/-/B3
IPTBZU	Uzbekistan	USD	5.500	11/19/2025	2.1	300	92.7	9.0	BB-/BB-/-
SQBNZU	Uzbekistan	USD	5.750	12/2/2024	1.3	300	95.3	9.4	BB-/BB-/-
NBUZB	Uzbekistan	USD	4.850	10/21/2025	2.1	300	95.0	7.3	BB-/BB-/-

Source: Bloomberg

Basic Materials

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ELDCN	Turkey	USD	6.250	9/1/2029	4.8	500	89.7	8.4	B+/BB-/B3

Source: Bloomberg



Communications

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SILNET	Georgia	USD	8.375	1/31/2027	2.9	300	98.3	9.0	B+/-/B1
TURKTI	Turkey	USD	4.875	6/19/2024	0.9	500	95.4	10.1	B/B/-
TURKTI	Turkey	USD	6.875	2/28/2025	1.5	500	95.0	10.2	B/B/-
TCELLT	Turkey	USD	5.750	10/15/2025	2.0	500	94.6	8.4	B/B/B3u
TCELLT	Turkey	USD	5.800	4/11/2028	4.0	500	89.1	8.6	B/B/-

Source: Bloomberg

Energy

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SOIAZ	Azerbaijan	USD	6.950	3/18/2030	5.2	750	103.4	6.3	BB+/BB-/NR
SGCAZE	Azerbaijan	USD	6.875	3/24/2026	2.4	2,000	101.7	6.2	BB+/-/Ba1
TENGIZ	Kazakhstan	USD	4.000	8/15/2026	2.6	1,000	91.0	7.3	-/BB+/Baa2
TENGIZ	Kazakhstan	USD	2.625	8/15/2025	2.0	500	91.0	7.3	-/BB+/Baa2
KZOKZ	Kazakhstan	USD	6.375	10/24/2048	11.3	1,500	85.7	7.7	BBB-/Baa2
KZOKZ	Kazakhstan	USD	4.750	4/19/2027	3.4	1,000	95.0	6.2	BBB/BB+/Baa2
KZOKZ	Kazakhstan	USD	5.375	4/24/2030	5.5	1,250	93.0	6.7	BBB-/Baa2
KZOKZ	Kazakhstan	USD	3.500	4/14/2033	7.8	750	77.4	6.7	BBB-/Baa2
KZTGKZ	Kazakhstan	USD	4.375	9/26/2027	3.7	706	93.1	6.3	BBB-/Baa2
KZOKZ	Kazakhstan	USD	5.750	4/19/2047	11.5	1,250	81.4	7.4	BBB/BB+/Baa2
TENGIZ	Kazakhstan	USD	3.250	8/15/2030	6.0	750	76.8	7.5	-/BB+/Baa2
AYDEMT	Turkey	USD	7.750	2/2/2027	2.4	750	85.0	13.1	B/B/-
TUPRST	Turkey	USD	4.500	10/18/2024	1.2	700	95.8	8.0	B/-/B3
UNGUZB	Uzbekistan	USD	4.750	11/16/2028	4.5	700	82.8	8.8	BB-/BB-/

Source: Bloomberg

Other

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
GRAIL	Georgia	USD	4.000	6/17/2028	4.3	500	86.3	7.4	BB-/BB-/
SISETI	Turkey	USD	6.950	3/14/2026	2.3	700	97.3	8.1	B/-/B3
ACKAF	Turkey	EUR	3.000	5/27/2026	2.6	350	91.7	6.2	BB-/BB-/
PGSUST	Turkey	USD	9.250	4/30/2026	1.6	375	100.1	9.2	BB-/B+/-
THYAO	Turkey	USD	4.200	3/15/2027	1.8	182	89.8	7.4	BB-/B/B2
ULKER	Turkey	USD	6.950	10/30/2025	2.0	650	90.4	11.8	B/B/-
CCOLAT	Turkey	USD	4.500	1/20/2029	4.6	500	89.4	6.8	BBB/BB+/-
CCOLAT	Turkey	USD	4.215	9/19/2024	1.1	300	97.1	6.8	BBB-/WR
AEFES	Turkey	USD	3.375	6/29/2028	4.4	500	81.1	8.1	BB+ */-BB+/-
LIMISK	Turkey	USD	9.500	7/10/2036	5.4	370	88.2	11.2	B */-/B3 *
MERSIN	Turkey	USD	5.375	11/15/2024	1.3	600	97.1	7.6	B/B/-
KCHOL	Turkey	USD	6.500	3/11/2025	1.5	750	98.9	7.2	-/B+/B3
TURKSK	Turkey	USD	7.250	2/24/2027	3.0	3,000	96.4	8.4	B/-/B3
TURKSK	Turkey	USD	5.125	6/22/2026	2.7	2,500	92.0	8.2	B/-/B3
TURKSK	Turkey	USD	4.489	11/25/2024	1.3	1,000	95.5	8.0	B/-/B3
ISTNBL	Turkey	USD	10.750	4/12/2027	2.9	305	95.4	12.3	B/-/B3
ISTNBL	Turkey	USD	6.375	12/9/2025	2.1	580	89.4	11.5	B/-/B3
ZOREN	Turkey	USD	9.000	6/1/2026	2.1	300	87.2	14.6	B-/CCC+/-
UZAMTS	Uzbekistan	USD	4.850	5/4/2026	2.5	300	87.2	10.2	BB-/B+/-

Source: Bloomberg

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