



Regional Fixed Income Market Watch

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

Regional | Fixed Income
Monthly
April 4, 2023

Regional sovereign Eurobond market: TURKEY 26 and UZBEK 24 were the best performers of the month with yields tightening 107.4bps and 51.6bps, respectively. GEORGIA 26 was the worst performer of the month, with the yield widening by 47.6bps.

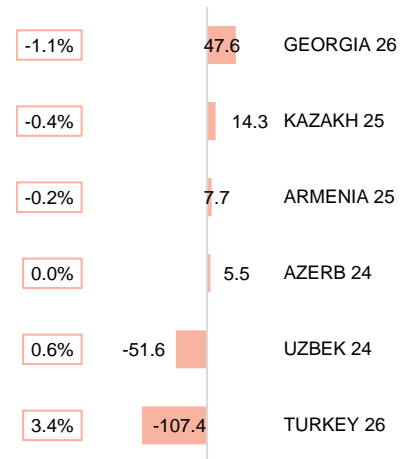
Georgian corporate Eurobond market: Among the Georgian corporate issuers, GEOCAP 24 was the best performer in Mar-23, with yield increasing by just 1.7bps. GRAIL 28 and BOG 23 were the worst performers with yields widening by 69.2bps and 39.4bps, respectively.

FX market: During Mar-23, Georgian lari (GEL) and Armenian dram (AMD) strengthened against US dollar by 2.4% m/m and 0.1% m/m, respectively, while Russian ruble (RUB), Kazakh tenge (KZT) and Turkish lira (TRY) lost 3.6% m/m, 2.4% m/m and 1.6% m/m, respectively.

Georgia money market: In Mar-23, GEL 199.8mn treasury notes and GEL 40mn treasury bills were sold. Interest rates slightly increased on all instruments m/m (except 2-year treasury notes), due to the reduced demand on government securities compared to previous months. Weighted average interest rate on 10-year notes was 8.702%, 5-year notes was 8.669%, on 2-year notes was 8.618%, on 1-year instrument was 9.615%, and it came in at 9.643% for 6-month instruments. Notably, non-residents' treasury holdings increased by 5.0% m/m to GEL 335.3mn in Mar-23, after reducing by 11.6% m/m in Feb-23 and the share of non-residents in total outstanding holdings stood at 4.9% (flat m/m) in Mar-23.

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

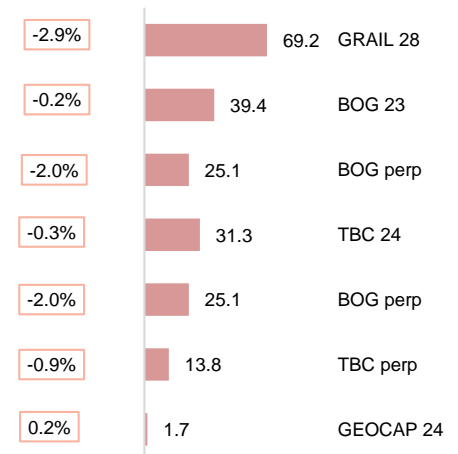
Change in price, %



Source: Bloomberg, Galt & Taggart

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

Change in price, %



Source: Bloomberg, Galt & Taggart

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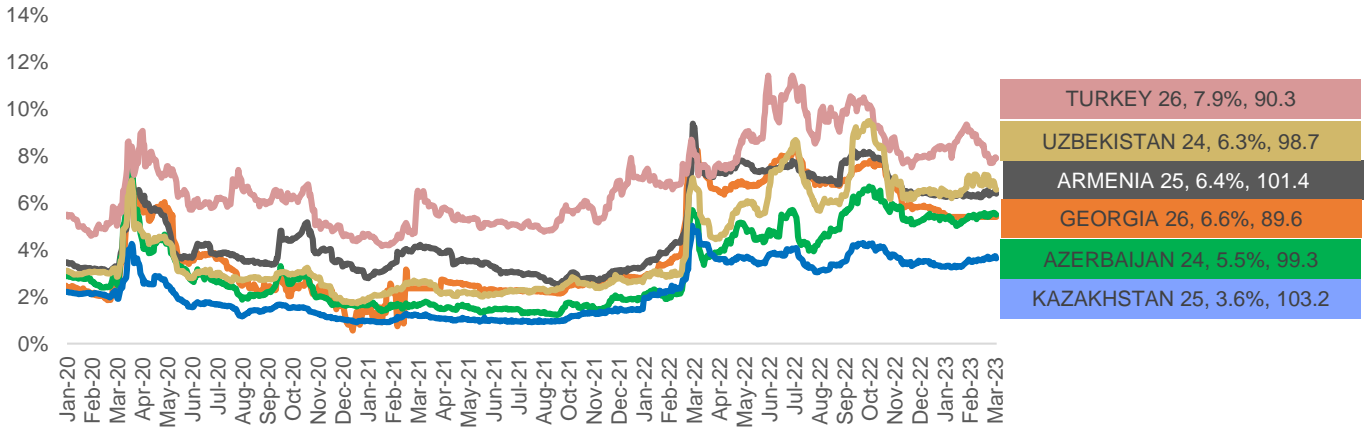
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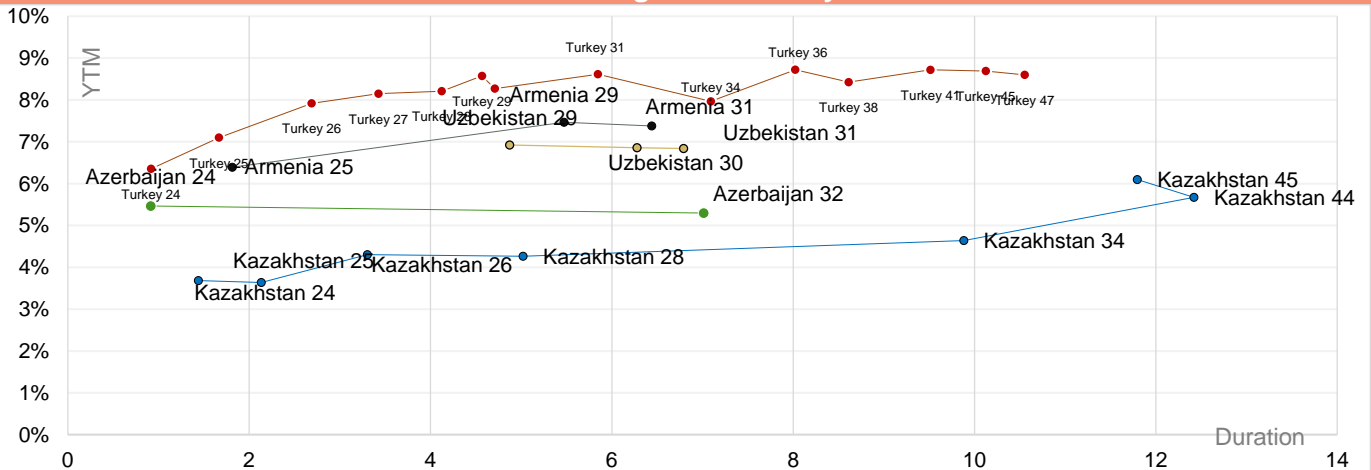
Sovereign Eurobond yields

Selected sovereign Eurobond YTM



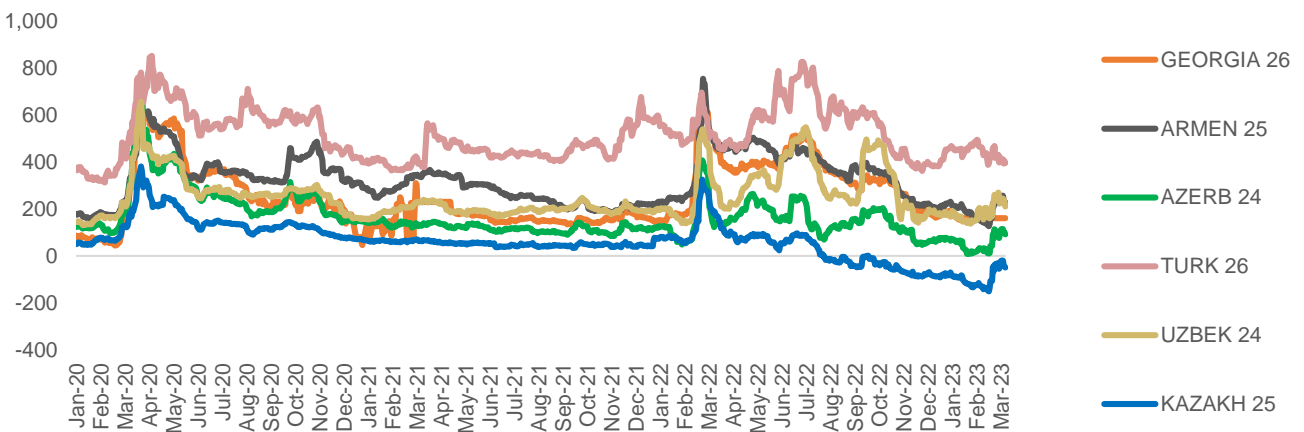
Source: Bloomberg

Selected sovereign Eurobond yield curves



Source: Bloomberg

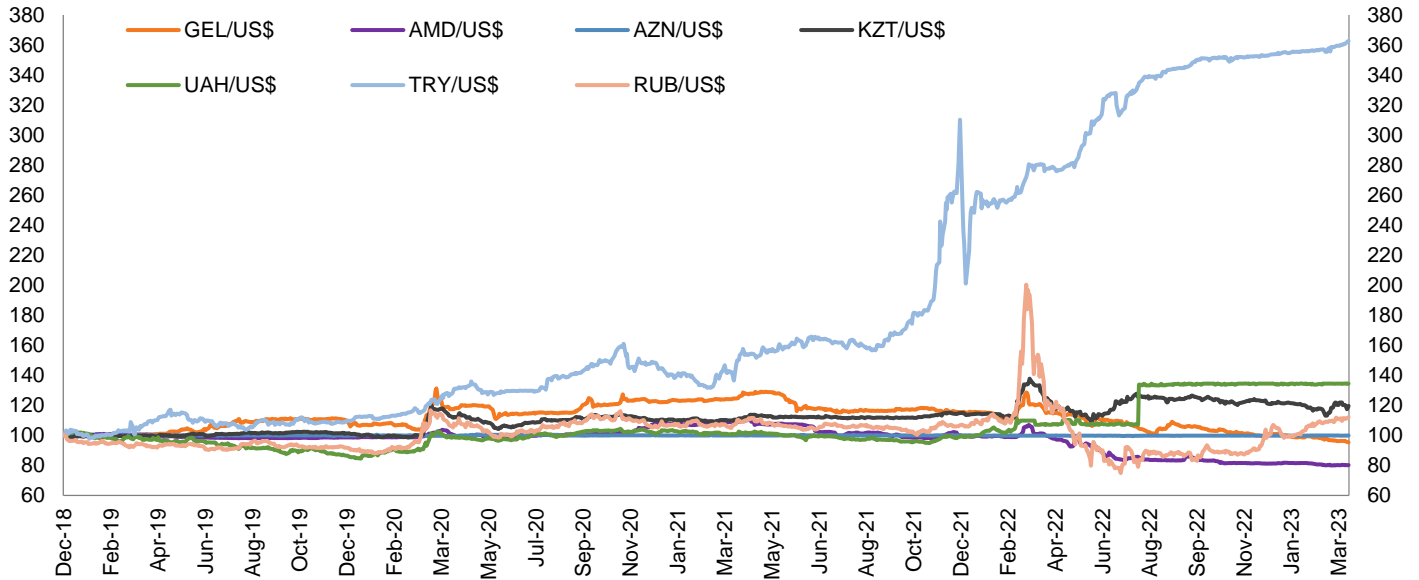
Selected sovereign Eurobond yields vs respective US treasuries, bps



Source: Bloomberg



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



Source: Bloomberg

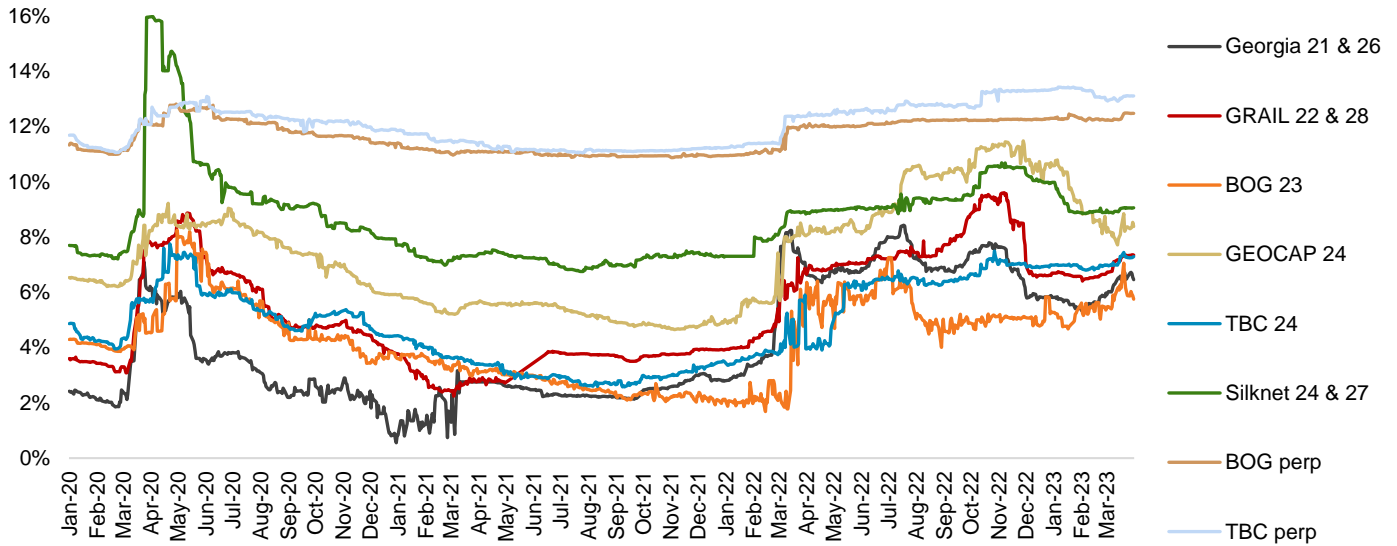
Central banks' monetary policy rates

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Georgia	10.50%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%
Armenia	8.00%	9.25%	9.25%	9.25%	9.25%	9.25%	9.50%	10.00%	10.00%	10.50%	10.75%	10.75%	10.75%	10.75%
Azerbaijan	7.50%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%	8.00%	8.00%	8.25%	8.50%	8.50%	8.75%
Belarus	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	11.50%	11.50%	11.00%
Ukraine	10.00%	10.00%	10.00%	10.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Kazakhstan	13.50%	13.50%	14.00%	14.00%	14.00%	14.50%	14.50%	14.50%	16.00%	16.00%	16.75%	16.75%	16.75%	16.75%
Russia	20.00%	20.00%	17.00%	11.00%	9.50%	8.00%	8.00%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Uzbekistan	14.00%	17.00%	17.00%	17.00%	16.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	14.00%
Turkey	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	13.00%	12.00%	10.50%	9.00%	9.00%	9.00%	8.50%	8.50%
FED	0.25%	0.50%	0.50%	1.00%	1.75%	2.50%	2.50%	3.25%	3.25%	4.00%	4.50%	4.50%	4.75%	5.00%
ECB	0.00%	0.00%	0.00%	0.00%	0.00%	0.50%	0.50%	1.25%	2.00%	2.00%	2.50%	2.50%	3.00%	3.50%

Source: Central banks



Georgian corporate Eurobond YTM



Source: Bloomberg

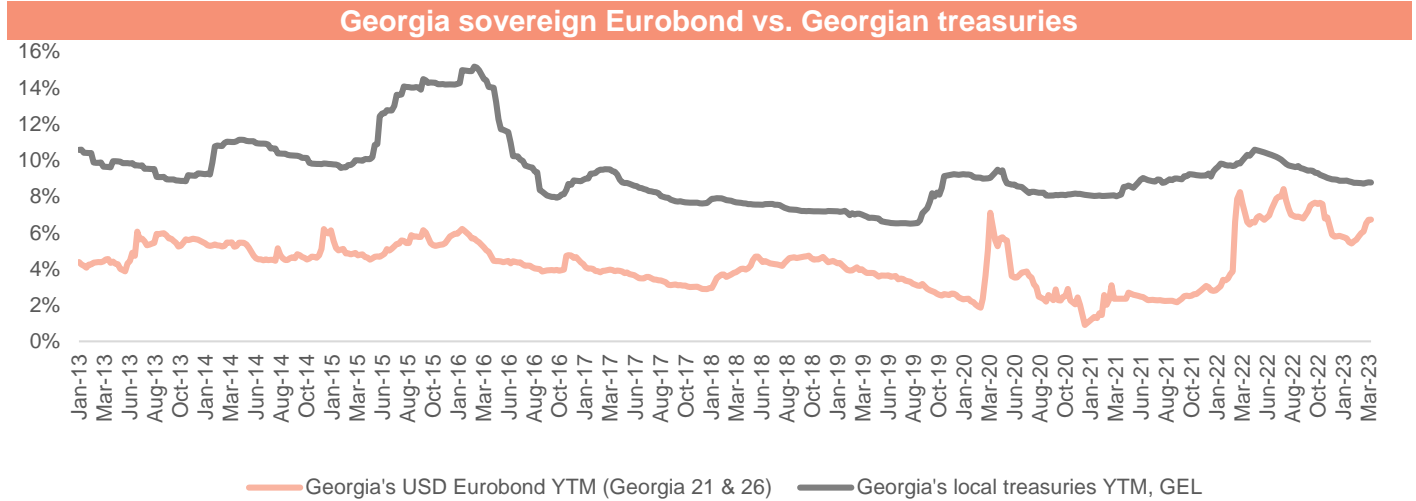
Georgian local bonds performance

Issuer	Currency	Amount, mn	Coupon	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %	Z-spread, bps
GLC	USD	12	5.75%	Jul-23	-/-/-	99.94	5.88	n/a
GLC	EUR	3	4.75%	Jul-23	-/-/-	99.99	4.75	n/a
Lisi Lake Development	USD	12	6.50%	Dec-23	-/-/-	99.59	6.75	n/a
Lisi Lake Development	USD	10	8.50%	Dec-24	-/-/-	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
Georgia Real Estate	USD	35	8.50%	Oct-24	-/-/-	99.78	8.65	n/a
Geo. Beer Company	GEL	25	15.50%	Dec-23	-/-/-	n/a	n/a	n/a
Evex Hospitals	GEL	50	13.60%	Nov-24	-/-/-	n/a	n/a	n/a
Nikora Trade	GEL	35	13.62%	Nov-24	-/-/-	n/a	n/a	n/a
Geo Renewable Power Oper.	USD	80	7.00%	Oct-27	-/-/-	99.04	7.25	-/-/-

Source: Galt & Taggart



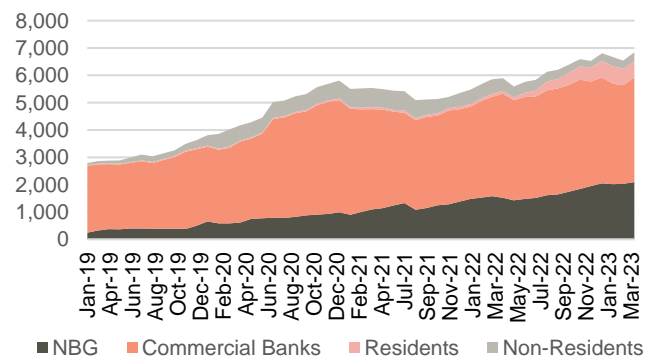
Georgian local treasury bonds



Source: Bloomberg, NBG, Galt & Taggart Research

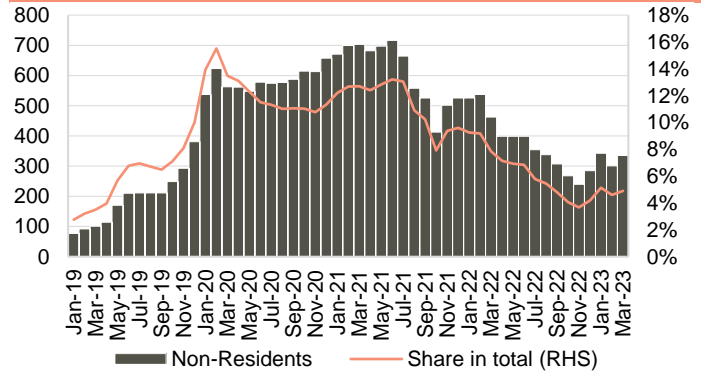
Note: LC treasury yields are derived from daily yield curve information from NBG. From April 2021 calculation is based on a new GEORGIA 26 Eurobond

Georgian treasury securities by holder, GEL mn



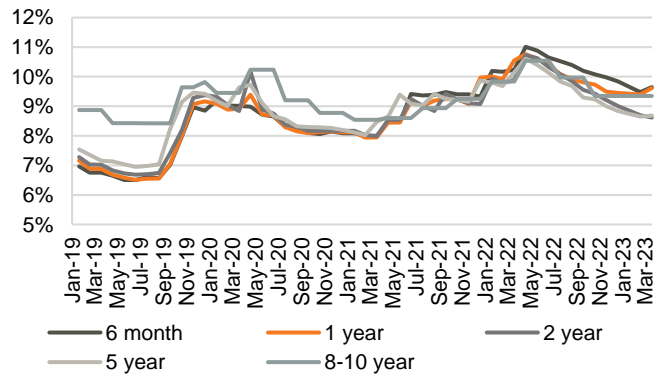
Source: NBG

Non-resident holdings as % of total treasuries, GEL mn



Source: NBG

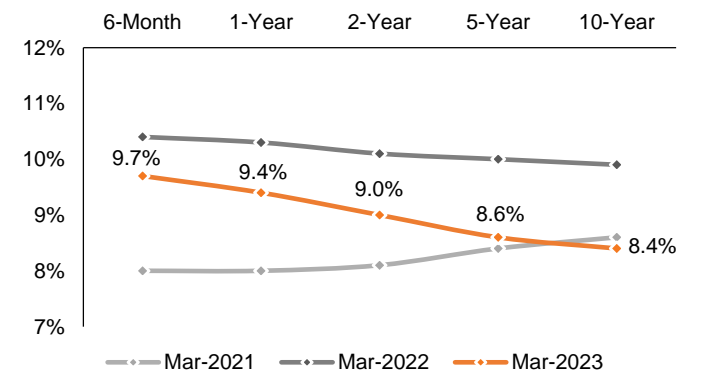
Interest rates on Georgian treasury securities



Source: NBG

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

Georgian treasury yield curve



Source: NBG

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



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	1.8	500	101.4	6.4	B+/-/Ba3
ARMEN	USD	3.950	9/26/2029	5.5	500	82.2	7.5	B+/-/Ba3
ARMEN	USD	3.600	2/2/2031	6.4	750	77.8	7.4	B+/-/Ba3
AZERBJ	USD	4.750	3/18/2024	0.9	1,250	99.3	5.5	BB+/-/Ba1u
AZERBJ	USD	3.500	9/1/2032	7.0	1,077	86.8	5.3	BB+/-/Ba1u
GEORG	USD	2.750	4/22/2026	2.8	500	89.6	6.6	BB/BB-/Ba2
KAZAKS	USD	3.875	10/14/2024	1.4	1,500	100.3	3.7	BBB/BBB-/Baa2
KAZAKS	USD	5.125	7/21/2025	2.1	2,500	103.2	3.6	BBB/BBB-/Baa2
KAZAKS	USD	6.500	7/21/2045	11.8	1,500	104.9	6.1	BBB/BBB-/Baa2
KAZAKS	USD	4.875	10/14/2044	12.4	1,000	90.1	5.7	BBB/BBB-/Baa2
KAZAKS	EUR	0.600	9/30/2026	3.3	500	88.3	4.3	BBB/BBB-/Baa2
KAZAKS	EUR	2.375	11/9/2028	5.0	525	90.8	4.3	BBB/BBB-/Baa2
KAZAKS	EUR	1.500	9/30/2034	9.9	650	72.5	4.6	BBB/BBB-/Baa2
KAZAKS	EUR	1.550	11/9/2023	0.6	525	99.1	3.1	BBB/BBB-/Baa2
TURKEY	USD	5.750	3/22/2024	0.9	2,500	99.4	6.4	B-/B3
TURKEY	USD	7.375	2/5/2025	1.7	3,250	100.5	7.1	B/NR/B3
TURKEY	USD	4.250	4/14/2026	2.7	1,500	90.3	7.9	B-/B3
TURKEY	USD	6.000	3/25/2027	3.4	3,250	92.8	8.1	B-/B3
TURKEY	USD	5.125	2/17/2028	4.1	2,000	87.8	8.2	B-/B3
TURKEY	USD	11.875	1/15/2030	4.7	1,500	118.4	8.3	B/NR/B3
TURKEY	USD	7.625	4/26/2029	4.6	3,000	95.6	8.6	B-/B3
TURKEY	USD	5.950	1/15/2031	5.8	2,250	85.1	8.6	B-/B3
TURKEY	USD	8.000	2/14/2034	7.1	1,500	100.2	8.0	B/NR/B3
TURKEY	USD	6.875	3/17/2036	8.0	2,750	85.8	8.7	B/NR/B3
TURKEY	USD	7.250	3/5/2038	8.6	1,000	90.1	8.4	B/NR/B3
TURKEY	USD	6.000	1/14/2041	9.5	3,000	75.6	8.7	B/NR/B3
TURKEY	USD	6.625	2/17/2045	10.1	3,000	79.9	8.7	B-/B3
TURKEY	USD	5.750	5/11/2047	10.6	3,500	71.2	8.6	B-/B3
TURKEY	USD	6.350	8/10/2024	1.3	2,250	99.5	6.8	B-/B3
TURKEY	USD	7.250	12/23/2023	0.7	2,000	101.0	5.7	B-/B3
TURKEY	EUR	4.375	7/8/2027	3.6	1,500	92.1	6.6	B-/B3
TURKEY	USD	6.375	10/14/2025	2.2	2,500	96.8	7.8	B-/B3
TURKEY	EUR	5.200	2/16/2026	2.6	1,500	97.8	6.0	B-/B3
TURKEY	EUR	4.625	3/31/2025	1.8	1,250	98.6	5.4	B-/B3
TURKEY	USD	5.250	3/13/2030	5.5	2,000	82.9	8.6	B-/B3
TURKEY	USD	4.250	3/13/2025	1.8	2,000	94.3	7.5	B-/B3
TURKEY	USD	4.875	4/16/2043	10.5	3,000	66.8	8.3	B-/B3
TURKEY	USD	6.500	9/20/2033	7.2	1,500	85.8	8.6	B-/B3
TURKEY	USD	8.600	9/24/2027	3.6	2,000	101.4	8.2	B-/B3
TURKEY	USD	4.875	10/9/2026	3.0	3,000	90.6	8.0	B-/B3
TURKEY	USD	4.750	1/26/2026	2.5	1,750	92.3	7.9	B-/B3
TURKEY	USD	5.600	11/14/2024	1.5	2,500	97.7	7.1	B-/B3
TURKEY	EUR	4.125	4/11/2023	0.0	1,000	100.0	1.0	B-/B3
TURKEY	EUR	3.250	6/14/2025	2.0	1,000	95.7	5.4	B-/B3
TURKEY	USD	6.750	5/30/2040	9.0	2,000	82.3	8.8	B/NR/B3
TURKEY	USD	6.125	10/24/2028	4.4	2,750	90.4	8.3	B-/B3
TURKEY	USD	5.875	6/26/2031	6.1	1,750	83.7	8.7	B-/B3
UZBEK	USD	4.750	2/20/2024	0.8	500	98.7	6.3	BB-/BB-/Ba3u
UZBEK	USD	5.375	2/20/2029	4.9	500	92.6	6.9	BB-/BB-/
UZBEK	USD	3.700	11/25/2030	6.3	555	81.5	6.9	BB-/BB-/
UZBEK	USD	3.900	10/19/2031	6.8	635	81.2	6.8	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	1.3	1,000	95.6	6.8	BB-/-
GEBGG	Georgia	USD	6.000	7/26/2023	0.3	350	100.1	5.5	BB-/-/Ba2
TBCBGE	Georgia	USD	5.750	6/19/2024	1.1	300	98.3	7.3	BB-/-/Ba2
GEOCAP	Georgia	USD	6.125	3/9/2024	0.9	300	98.1	8.3	-/B+/B1
GEBGG	Georgia	USD	11.125	1/8 PERP	1.1	100	98.2	12.4	B-/-
TBCBGE	Georgia	USD	8.894	894 PERP	3.1	75	89.6	11.6	B-/-
TBCBGE	Georgia	USD	10.775	775 PERP	1.3	125	95.4	13.1	B-/-
DBKAZ	Kazakhstan	USD	5.750	5/12/2025	1.9	500	101.0	5.2	BBB-/-/Baa2
SAMRUK	Kazakhstan	USD	2.000	10/28/2026	3.3	500	90.5	4.9	BBB/BBB-/-
DBKAZ	Kazakhstan	USD	2.950	5/6/2031	6.8	500	79.3	6.2	BBB-/-/Baa2
DBKAZ	Kazakhstan	USD	6.000	3/23/2026	2.7	107	99.6	6.1	BBB/BBB-/-/Baa2
AKBNK	Turkey	USD	5.125	3/31/2025	1.8	500	96.0	7.3	B-/-/B3
ISCTR	Turkey	USD	6.125	4/25/2024	1.0	1,250	98.9	7.2	B-/-/B3
ISCTR	Turkey	USD	8.100	12/3/2029	4.4	50	74.5	14.2	B-/-/NR
YKBNK	Turkey	USD	5.850	6/21/2024	1.1	500	98.4	7.2	B-/-/B3
TCZIRA	Turkey	USD	5.125	9/29/2023	0.5	500	99.7	5.7	B-/-/B3
YKBNK	Turkey	USD	8.250	10/15/2024	1.4	500	101.1	7.4	B-/-/B3
VAKBN	Turkey	USD	6.500	1/8/2026	2.4	750	94.2	8.9	B-/-/B3
AKBNK	Turkey	USD	6.800	2/6/2026	2.5	500	97.0	8.0	B-/-/B3
TCZIRA	Turkey	USD	5.375	3/2/2026	2.6	600	90.9	9.0	B-/-/B3
QNBFB	Turkey	USD	6.875	9/7/2024	1.3	650	100.8	6.3	B-/-/B3
VAKBN	Turkey	USD	5.500	10/1/2026	3.1	500	89.9	9.0	B-/-
VAKBN	Turkey	USD	8.125	3/28/2024	0.9	600	100.8	7.3	B-/-/B3
VAKBN	Turkey	USD	5.250	2/5/2025	1.7	750	95.3	8.1	B-/-/B3
TSKBTI	Turkey	USD	5.875	1/14/2026	2.4	350	92.9	8.8	B-/-/B3
RGYAST	Turkey	USD	7.250	4/26/2023	0.1	300	99.5	15.5	B-/Caa2
TSKBTI	Turkey	USD	6.000	1/23/2025	1.6	400	96.3	8.3	B-/-/B3
FCFIN	Turkey	USD	7.250	11/9/2027	0.1	150	92.2	11.9	B-/-/B2
GARAN	Turkey	USD	5.250	12/20/2024	1.6	50	107.6	0.8	B-/-
ISCTR	Turkey	USD	5.050	2/25/2026	2.4	13	84.6	11.6	B-/-/NR
AKBNK	Turkey	USD	6.050	11/15/2024	1.5	50	98.1	7.3	B-/-
YKBNK	Turkey	USD	6.050	12/10/2024	1.5	50	98.7	6.9	B-/-/B3
EXCRTU	Turkey	USD	8.250	1/24/2024	0.8	500	100.3	7.8	B-/-/B3
EXCRTU	Turkey	USD	5.750	7/6/2026	2.8	750	91.7	8.7	B-/-/B3
EXCRTU	Turkey	USD	5.375	10/24/2023	0.5	500	99.9	5.6	B-/-/B3
EXCRTU	Turkey	USD	6.125	5/3/2024	1.0	500	99.0	7.1	B-/-/B3
IPTBZU	Uzbekistan	USD	5.500	11/19/2025	2.3	300	92.1	8.9	BB-/BB-/-
SQBNZU	Uzbekistan	USD	5.750	12/2/2024	1.5	300	92.4	10.9	BB-/BB-/-
NBUZB	Uzbekistan	USD	4.850	10/21/2025	2.3	300	92.8	8.0	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	5.1	500	93.1	7.6	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	3.1	300	97.8	9.1	B+/-/B1
TURKTI	Turkey	USD	4.875	6/19/2024	1.1	500	95.9	8.5	B/B/-
TURKTI	Turkey	USD	6.875	2/28/2025	1.7	500	96.2	9.1	B/B/-
TCELLT	Turkey	USD	5.750	10/15/2025	2.2	500	95.4	7.8	B/B/B3u
TCELLT	Turkey	USD	5.800	4/11/2028	4.1	500	89.2	8.5	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	5.5	750	103.5	6.3	BB+/BB-/NR
SGCAZE	Azerbaijan	USD	6.875	3/24/2026	2.7	2,000	102.4	6.0	BB+/-/Ba1
TENGIZ	Kazakhstan	USD	4.000	8/15/2026	2.8	1,000	89.0	7.8	-/BB+/Baa2
TENGIZ	Kazakhstan	USD	2.625	8/15/2025	2.2	500	89.9	7.3	-/BB+/Baa2
KZOKZ	Kazakhstan	USD	4.750	4/24/2025	1.9	500	97.4	6.1	BBB-/Baa2
KZOKZ	Kazakhstan	USD	6.375	10/24/2048	11.0	1,500	84.0	7.8	BBB-/Baa2
KZOKZ	Kazakhstan	USD	4.750	4/19/2027	3.5	1,000	92.8	6.8	BBB-/BB+/Baa2
KZOKZ	Kazakhstan	USD	5.375	4/24/2030	5.5	1,250	90.0	7.2	BBB-/Baa2
KZOKZ	Kazakhstan	USD	3.500	4/14/2033	7.8	750	75.8	6.9	BBB-/Baa2
KZTGKZ	Kazakhstan	USD	4.375	9/26/2027	3.9	706	90.6	6.8	BBB-/Baa2
KZOKZ	Kazakhstan	USD	5.750	4/19/2047	11.2	1,250	78.9	7.7	BBB-/BB+/Baa2
TENGIZ	Kazakhstan	USD	3.250	8/15/2030	6.2	750	75.5	7.7	-/BB+/Baa2
AYDEMT	Turkey	USD	7.750	2/2/2027	2.7	750	85.0	12.8	B/B/-
TUPRST	Turkey	USD	4.500	10/18/2024	1.4	700	96.5	7.0	B-/B3
UNGUZB	Uzbekistan	USD	4.750	11/16/2028	4.6	700	80.2	9.4	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	4.5	500	85.8	7.3	BB-/BB/-
SISETI	Turkey	USD	6.950	3/14/2026	2.6	700	98.4	7.5	B-/B3
ACKAF	Turkey	EUR	3.000	5/27/2026	2.8	350	92.0	5.8	BB-/BB/-
PGSUST	Turkey	USD	9.250	4/30/2026	1.8	375	101.2	8.8	B+/-/B-
THYAO	Turkey	USD	4.200	3/15/2027	2.0	182	87.6	7.9	BB-/B/B2
ULKER	Turkey	USD	6.950	10/30/2025	2.2	650	88.2	12.5	B/B/-
CCOLAT	Turkey	USD	4.500	1/20/2029	4.9	500	89.8	6.7	BBB-/BB+/-
CCOLAT	Turkey	USD	4.215	9/19/2024	1.4	300	98.2	5.5	BBB-/B/WR
AEFES	Turkey	USD	3.375	6/29/2028	4.5	500	80.5	8.0	BB+ */-BB+/-
LIMISK	Turkey	USD	9.500	7/10/2036	5.3	370	83.5	12.0	B */-B3 */-
MERSIN	Turkey	USD	5.375	11/15/2024	1.5	600	97.5	7.0	B/B/-
KCHOL	Turkey	USD	6.500	3/11/2025	1.8	750	99.6	6.7	-/B/B3
TURKSK	Turkey	USD	7.250	2/24/2027	3.3	3,000	96.6	8.3	B-/B3
TURKSK	Turkey	USD	5.125	6/22/2026	2.8	2,500	91.4	8.2	B-/B3
TURKSK	Turkey	USD	4.489	11/25/2024	1.5	1,000	95.5	7.4	B-/B3
TURKSK	Turkey	USD	5.004	4/6/2023	0.0	1,250	99.9	26.9	B-/B3
ISTNBL	Turkey	USD	10.750	4/12/2027	3.0	305	99.9	10.8	B-/B3
ISTNBL	Turkey	USD	6.375	12/9/2025	2.3	580	91.6	10.0	B-/B3
ZOREN	Turkey	USD	9.000	6/1/2026	2.2	300	86.4	14.5	B-/CCC+/-
UZAMTS	Uzbekistan	USD	4.850	5/4/2026	2.7	300	86.2	10.2	BB-/B+/-

Source: Bloomberg

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