



Regional Fixed Income Market Watch

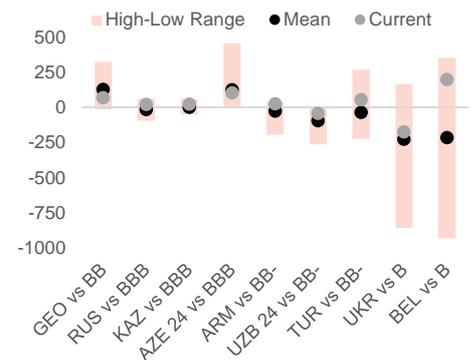
Georgia, Armenia, Azerbaijan, Belarus, Kazakhstan, Ukraine, Russia, Turkey, Uzbekistan

Regional | Fixed Income
Monthly Market Watch
September 3, 2020

Highlights

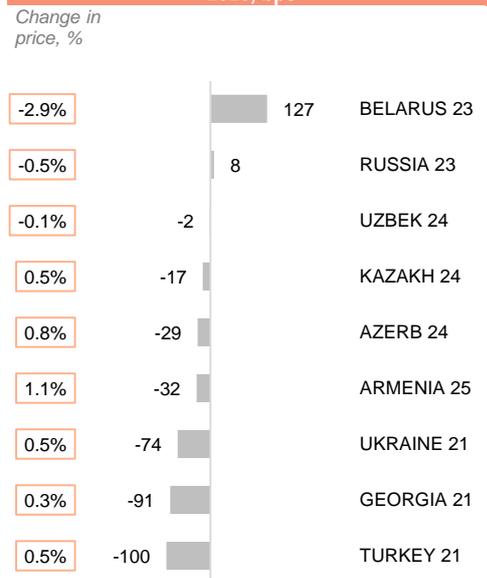
- After real yields on US Government securities being negative for most of the year, real yields on some of the corporate bonds also moved to negative territory. Unprecedented central bank support for the corporate bond market has pushed corporate bond prices up, while dragging yields down. Real yields on some of the high-quality, short-term bonds have slipped below zero, which means that some investors are willing to accept a loss for buying corporate bonds, after adjusting for inflation. This is not expected to change materially in the near future as interest rates projected to remain low, while inflation expectations are building up. Negative real yields on investment grade corporate bonds forces investors to look for alternative investment opportunities. After shifting from Government securities to investment grade corporate bonds, 'Yield-starved' investors now will turn to higher return "junk-bond markets".
- Regional central banks kept policy rates unchanged in August, with the exception of Georgia, where policy rate was cut by 25bps to 8.00%.
- Most of the regional currencies remained flat during August, with BYN of Belarus and TRY of Turkey being exceptions. BNY depreciated by 8.7% in August due to continued political turmoil in the country, while TRY depreciated by 5.3% in the same period.
- Regional Eurobonds traded mixed in August. Not surprisingly BELARUS 23 (7.5% YTM; 98.7 price) was the worst performer of the month. The yield on BELARUS 23 reached 9.7% by 17 August, before retreating to 7.5% by end of month, however this level still remains significantly higher compared to peer countries, explained by political instability. From other regional Eurobonds Turkey (3.8% YTM; 101.0 price) performed strongly with the yield declining by 100bps in August, followed by GEORGIA 21 (2.2% YTM; 102.8 price) which narrowed by 91bps in the same period. UKRAINE 21 also performed well, with the yield down by 74bps, while yield on ARMENIA 25, AZERB 24 and Kazakh 24 declined by 32bps, 29bps and 17bps, respectively. Yields on other Eurobonds remained relatively flat in August.
- Among Georgian placements, GRAIL 22 (4.9% YTM; 105.1 price) turned out to be the best performer of the month, with the yield down by 124bps, while GOGC 21 (4.1% YTM; 101.7 price) another quasi-government entity narrowed by 75bps in the same period. Among Georgian banks BOG 23 (4.5% YTM; 104.0 price) performed strongly, with the yield down by 119bps, while yields on TBC 24 (4.8% YTM; 103.3 price) and GEOCAP 24 (7.6% YTM; 95.5 price) were down by 54bps and 56bps, respectively.
- The price of the newly issued GGU Eurobond - CGEOLN 25 – has remained stable, trading at 101.1% of par translating into a yield of 7.47% as of 31 August, 2020. Yield on SILKNET 24 (9.2% YTM; 105.5 price) remained mostly flat during August.
- Notably, on 31 August Georgian Leasing Company successfully placed a 2-year, 7.5%, US\$ 10mn bond on local market.

Regional sovereign Eurobond spreads vs peers, YTD



Source: Bloomberg, Galt & Taggart Research

Change in sovereign Eurobond yields in August 2020, bps



Source: Bloomberg

Country ratings

	Fitch	Moody's	S&P
Georgia	BB	Ba2	BB
Russia	BBB	Baa3	BBB
Kazakhstan	BBB	Baa3	BBB-
Azerbaijan	BB+	Ba2	BB+
Armenia	BB-	Ba3	n/a
Uzbekistan	BB-	B1	BB-
Turkey	BB-	B1	BB-
Belarus	B	B3	B
Ukraine	B	Caa1	B

Source: Fitch, Moody's, S&P

Eva Bochorishvili - Head of Research
| evabochorishvili@gt.ge | +995 32 2401 111 ext. 8036

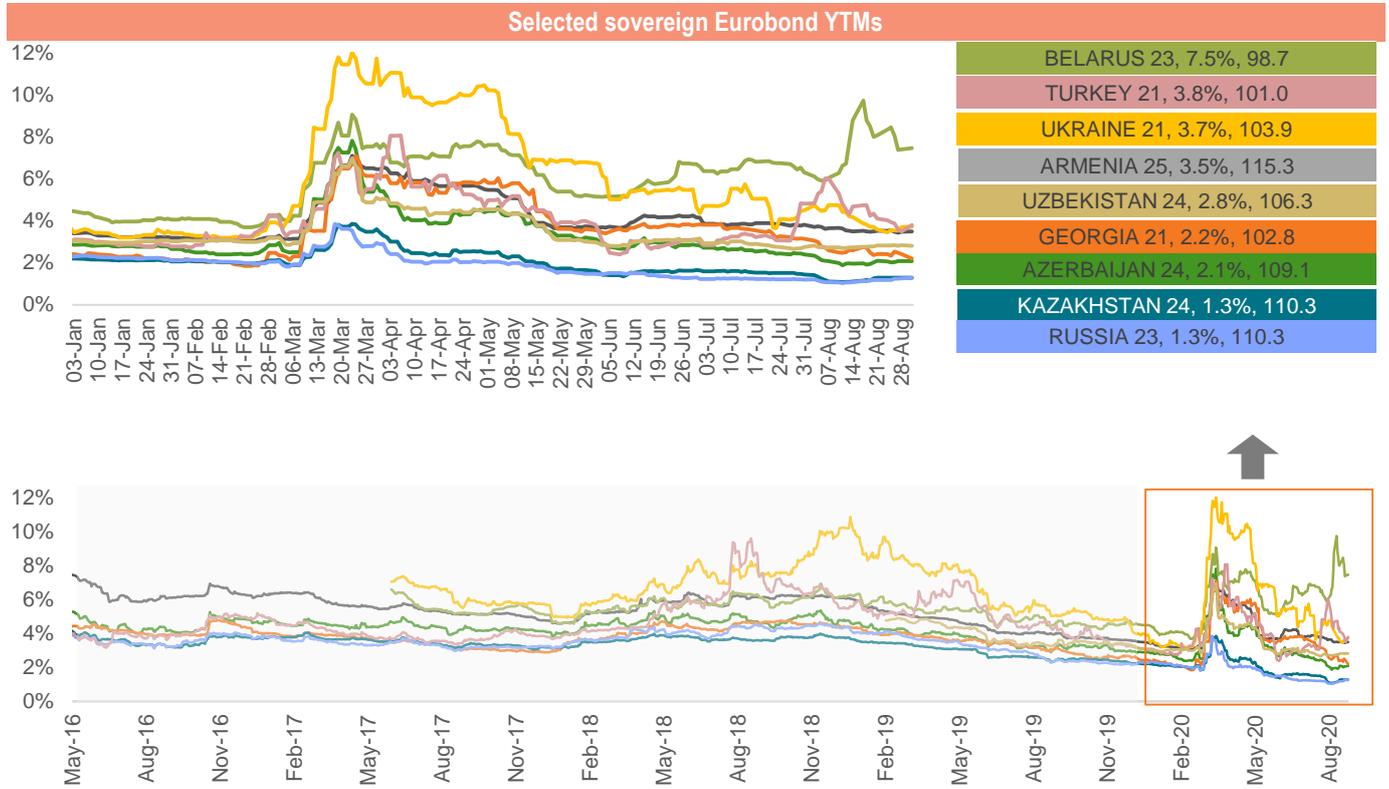
Ana Nachkebia - Senior Analyst
| ananachkebia@gt.ge | +995 32 2401 111 ext. 8137

Giorgi Iremashvili - Head of Analytics
| giremashvili@gt.ge | +995 32 2401 111 ext. 4691

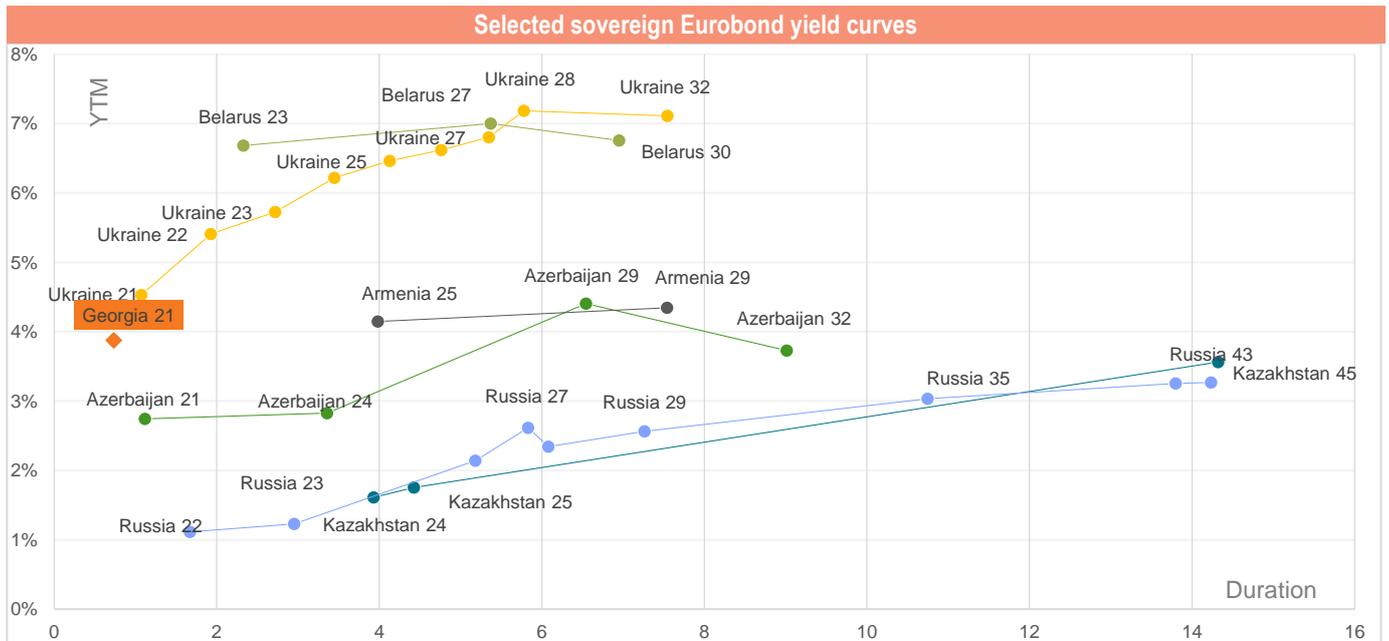
Nika Megutnishvili - Analyst
| nmegutnishvili@gt.ge | +995 32 2401 111 ext. 7875



Sovereign Eurobond yields



Source: Bloomberg

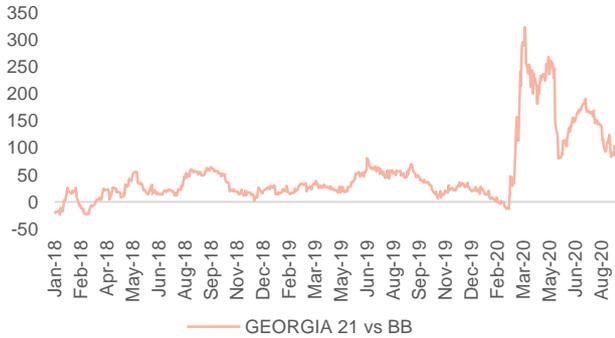


Source: Bloomberg

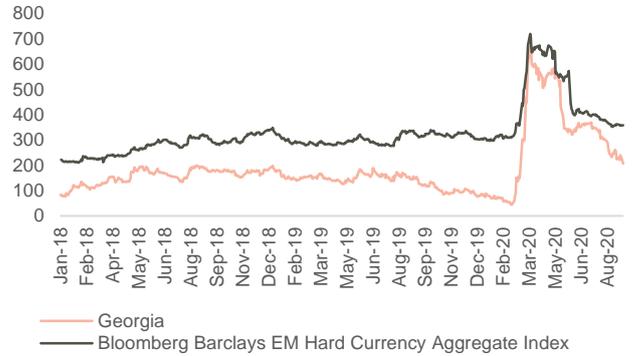
Note: data as of 31 August 2020



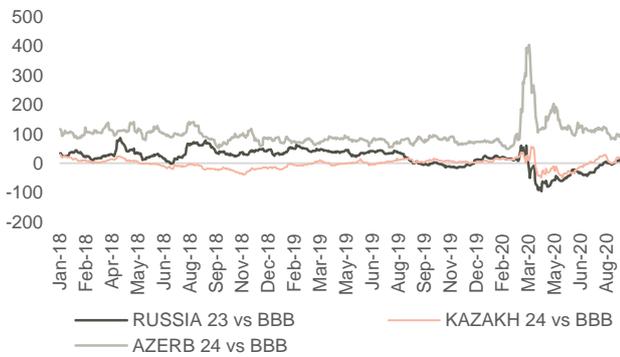
Georgia vs BB peers



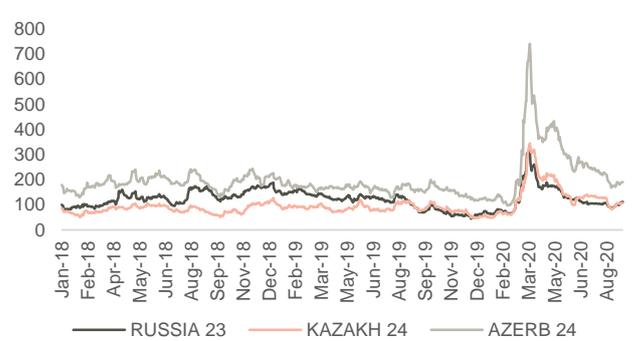
Spreads over US treasury, bps



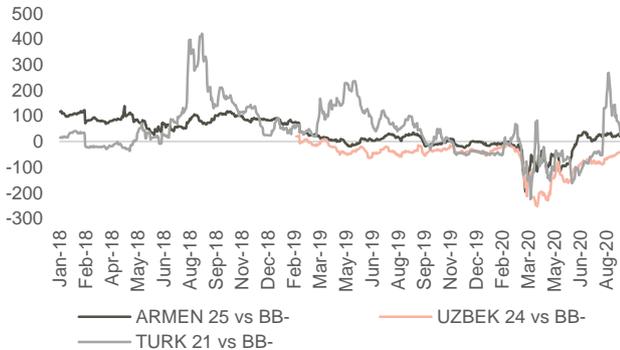
Russia, Kazakhstan and Azerbaijan vs BBB peers



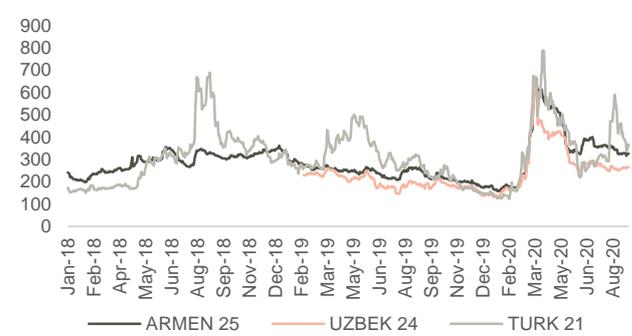
Spreads over US treasury, bps



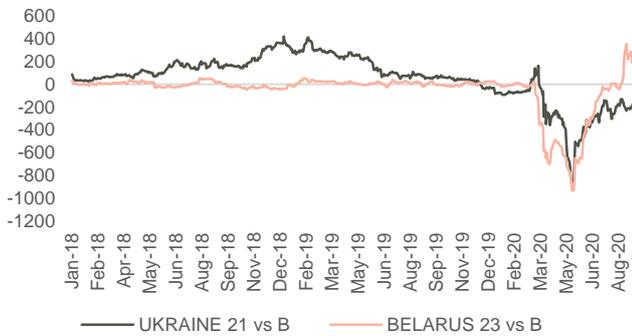
Armenia, Uzbekistan and Turkey vs BB- peers



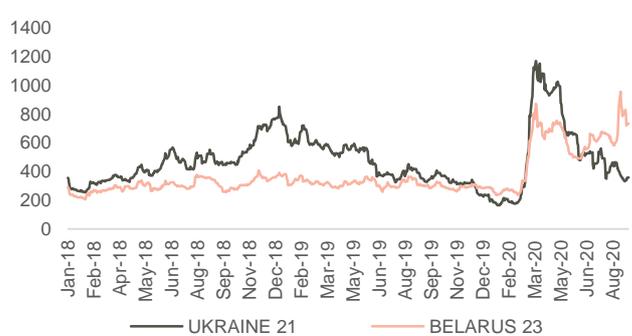
Spreads over US treasury, bps



Ukraine and Belarus vs B peers



Spreads over US treasury, bps

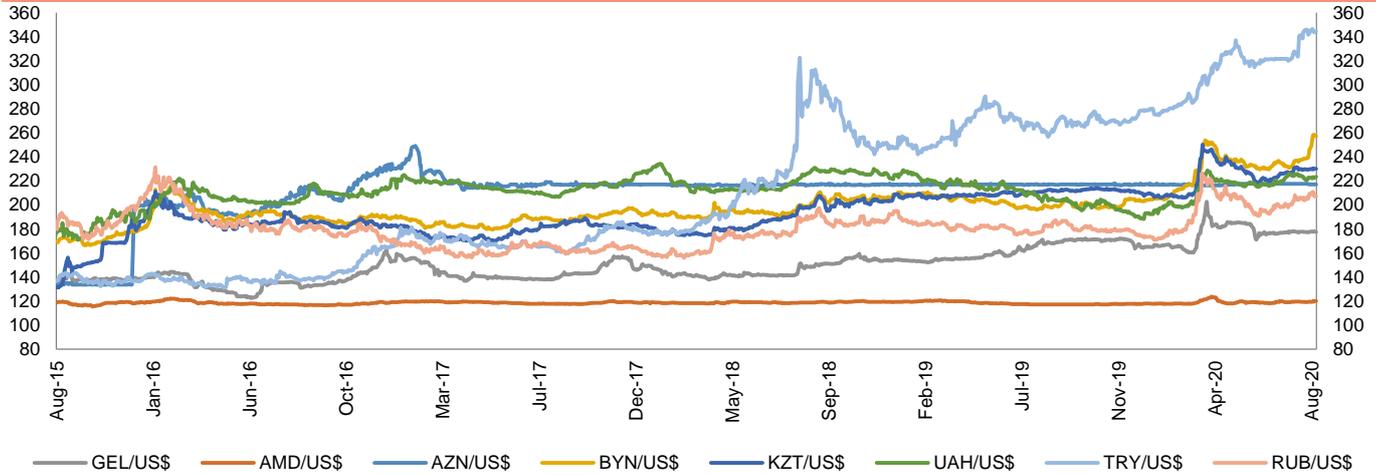


Source: Bloomberg, Galt & Taggart Research

Source: Bloomberg, Galt & Taggart Research



Regional currencies vs. US\$



Source: Bloomberg

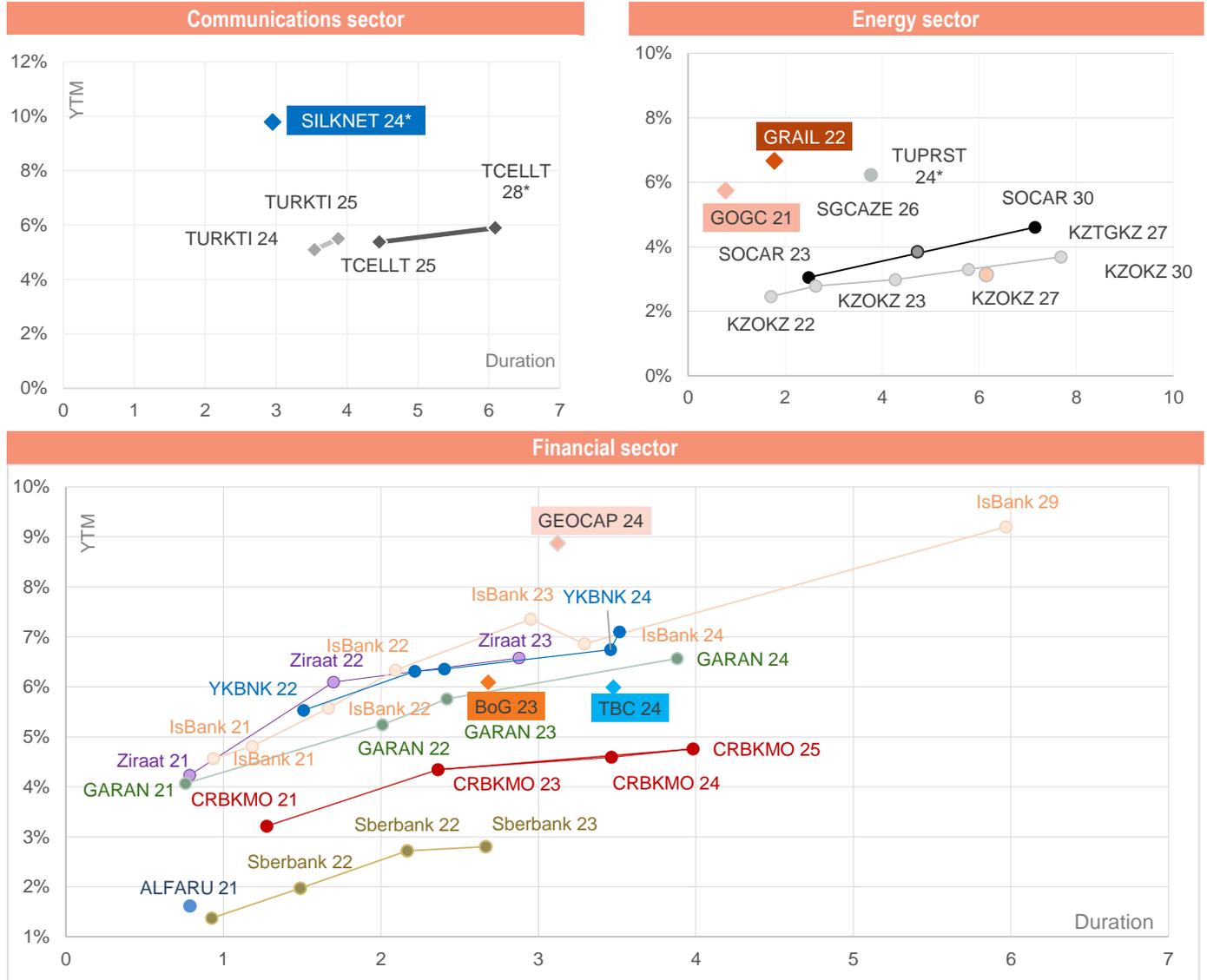
Central banks' monetary policy rates

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Georgia	6.50%	6.50%	7.50%	8.50%	8.50%	9.00%	9.00%	9.00%	9.00%	8.50%	8.25%	8.25%	8.00%
Armenia	5.75%	5.75%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.25%	5.00%	4.50%	4.50%	4.50%
Azerbaijan	8.25%	8.25%	8.00%	7.75%	7.50%	7.50%	7.25%	7.25%	7.25%	7.25%	7.00%	6.75%	6.75%
Belarus	9.50%	9.50%	9.50%	9.50%	9.00%	9.00%	9.00%	8.75%	8.75%	8.75%	8.00%	7.75%	7.75%
Ukraine	17.00%	17.00%	16.50%	15.50%	13.50%	11.00%	11.00%	11.00%	10.00%	8.00%	6.00%	6.00%	6.00%
Kazakhstan	9.00%	9.00%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	12.00%	9.50%	9.50%	9.00%	9.00%
Russia	7.25%	7.25%	7.00%	6.50%	6.50%	6.25%	6.25%	6.00%	6.00%	5.50%	4.50%	4.25%	4.25%
Uzbekistan	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	15.00%	15.00%	15.00%	15.00%
Turkey	19.75%	19.75%	16.50%	14.00%	14.00%	12.00%	11.25%	10.75%	9.75%	8.75%	8.25%	8.25%	8.25%
FED	2.25%	2.25%	2.00%	1.75%	1.75%	1.75%	1.75%	1.75%	0.25%	0.25%	0.25%	0.25%	0.25%
ECB	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Central banks



Selected corporate Eurobonds in regional countries

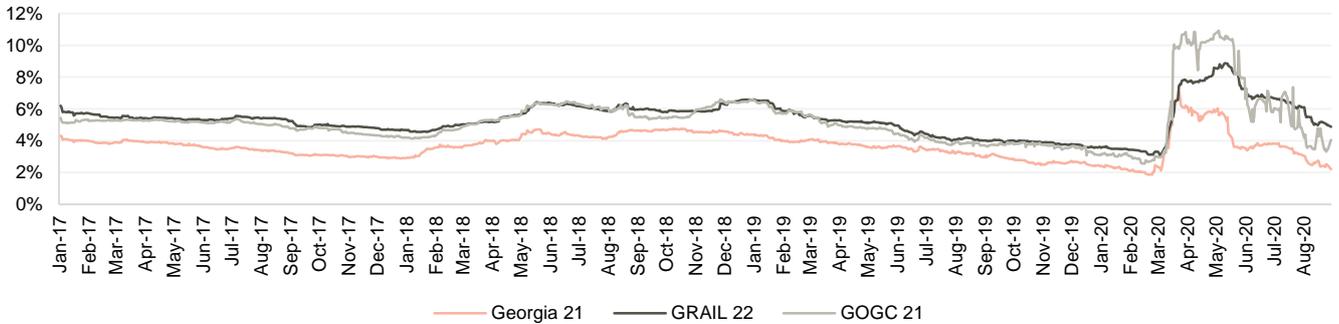


Source: Bloomberg, as of 31 August 2020
Note: GEOCAP is an investment holding company
* The notes are callable

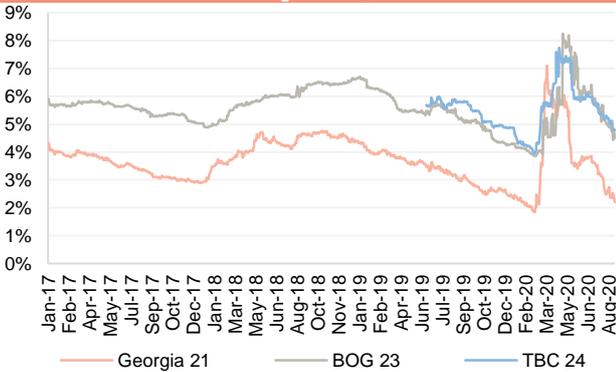


Georgian corporate Eurobond YTM

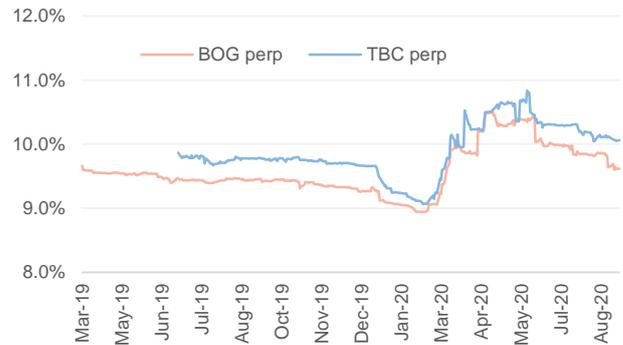
Quasi government, YTM



Banking sector, YTM



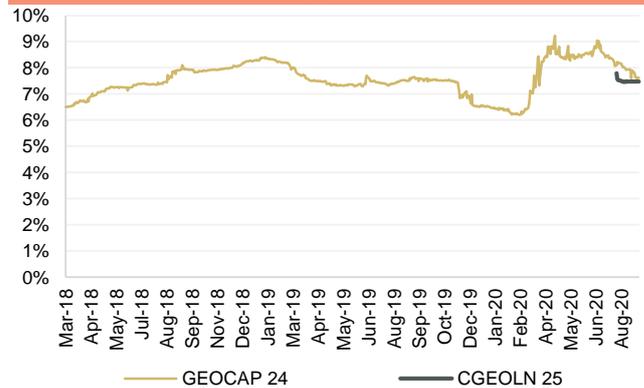
Perpetual, YTM



Communications sector, YTM



Other*



Source: Bloomberg

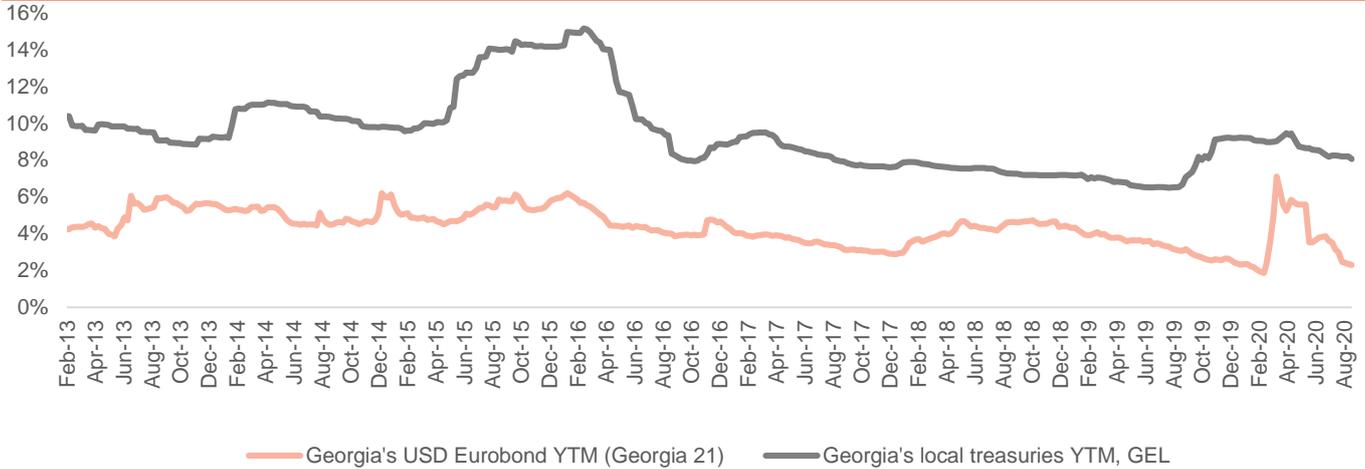
Source: Bloomberg

Note: GEOCAP is a holding company and owns 100% of GGU shares (CGEOLN 25).



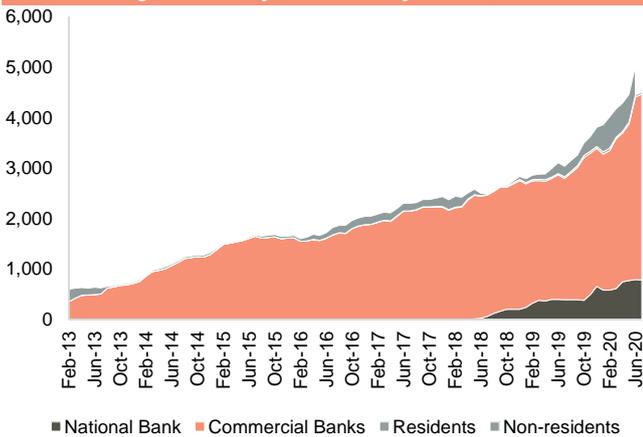
Georgian local treasury bonds

Georgia sovereign Eurobond vs. Georgian treasuries

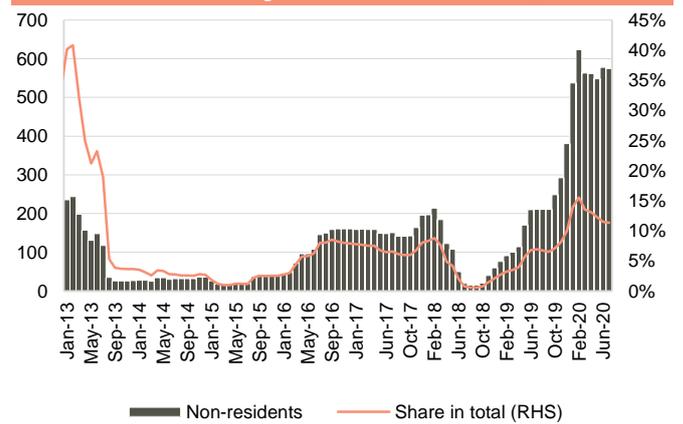


Source: Bloomberg, NBG, Galt & Taggart Research
Note: LC treasury yields are derived from daily yield curve information from NBG

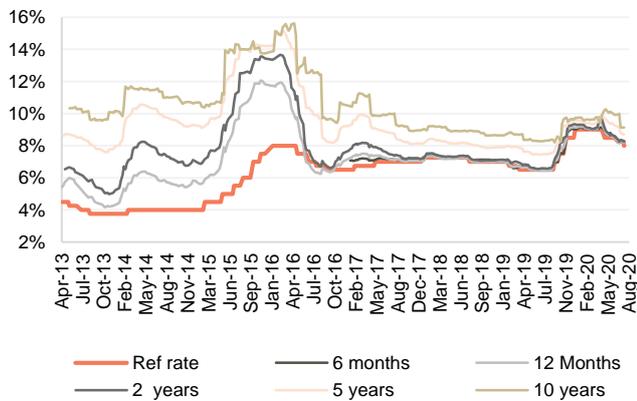
Georgian treasury securities by holder, GEL mn



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

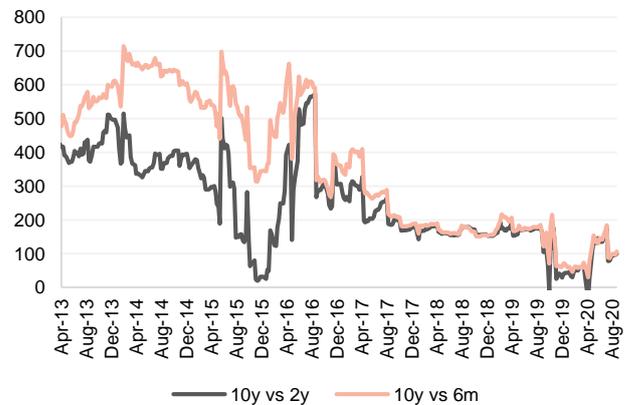


Interest rates on Georgian treasury securities



Source: NBG

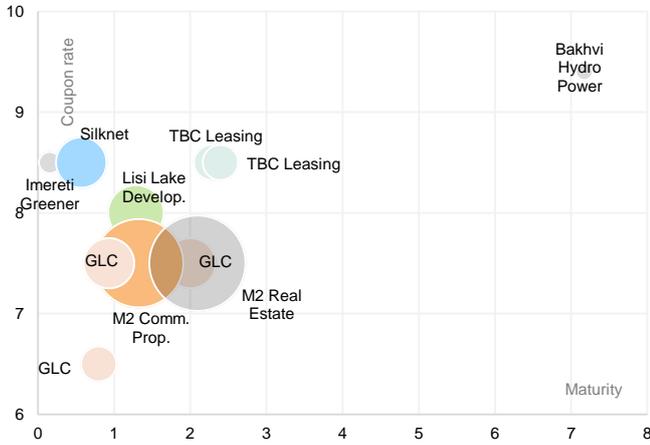
Georgian 10y vs 2y and 10y vs 6m treasury yields, bps



Source: NBG

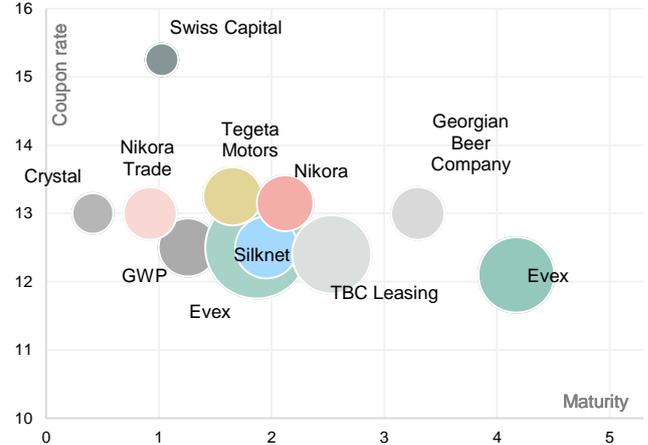
Georgian local corporate bonds

Georgian local corporate bonds, USD



Source: NBS, Galt & Taggart Research
Note: the size of the bubble corresponds to the size of issuance, with max. at US\$ 35mn

Georgian local corporate bonds, GEL



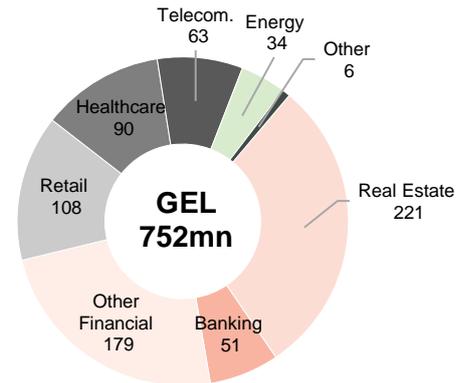
Source: NBS, Galt & Taggart Research
Note: the size of the bubble corresponds to the size of issuance, with max. at GEL 90mn
All GEL denominated bonds are floating, coupons are derived from adding spreads to a current 8.0% ref. rate

Georgian local corporate bonds outstanding, GEL mn



Source: NBS, Galt & Taggart Research

Local corporate bond distribution by sector, 2Q20



Source: NBS, Galt & Taggart Research

Appendix

Issuer	Ticker	ISIN	Currency	Coupon	Sector	Maturity	Duration	Amount, US\$ mn	Mid price	YTM Mid	Ratings (Moody's/Fitch/S&P)
Sovereign Eurobonds											
Republic of Azerbaijan	AZERBJ	XS1678622090	USD	2.8%	Government	9/1/2021	1.1	174	101.3	1.4	Ba2u/BB+/-
Republic of Azerbaijan	AZERBJ	XS1044540547	USD	4.8%	Government	3/18/2024	3.4	1,250	109.3	2.0	Ba2u/BB+/-
Republic of Azerbaijan	AZERBJ	XS1678623064	USD	5.1%	Government	9/1/2029	6.5	311	111.0	3.7	Ba2u/BB+/-
Republic of Azerbaijan	AZERBJ	XS1678623734	USD	3.5%	Government	9/1/2032	9.0	1,077	103.5	3.1	Ba2u/BB+/-
Republic of Armenia	ARMEN	XS0974642273	USD	6.0%	Government	9/30/2020	0.2	700	99.9	7.7	Ba3/BB-/-
Republic of Armenia	ARMEN	XS1207654853	USD	7.2%	Government	3/26/2025	4.0	500	115.6	3.4	Ba3/BB-/-
Republic of Armenia	ARMEN	XS2010043904	USD	4.0%	Government	9/26/2029	7.5	500	102.6	3.6	Ba3/BB-/-
Republic of Belarus	BELRUS	XS1634369067	USD	6.9%	Government	2/28/2023	2.3	800	100.5	6.6	B3u/B/B
Republic of Belarus	BELRUS	XS1634369224	USD	7.6%	Government	6/29/2027	5.4	600	102.6	7.1	B3u/B/B
Republic of Belarus	BELRUS	XS1760804184	USD	6.2%	Government	2/28/2030	7.0	600	95.0	6.9	B3u/B/B
Kazakhstan	KAZAKS	XS1120709669	USD	3.9%	Government	10/14/2024	3.9	1,500	110.8	1.2	Baa3/BBB/BBB-
Kazakhstan	KAZAKS	XS1263054519	USD	5.1%	Government	7/21/2025	4.4	2,500	117.8	1.3	Baa3/BBB/BBB-
Kazakhstan	KAZAKS	XS1263139856	USD	6.5%	Government	7/21/2045	14.3	1,500	162.4	2.9	Baa3/BBB/BBB-
Kazakhstan	KAZAKS	XS1120709826	USD	4.9%	Government	10/14/2044	15.3	1,000	138.8	2.7	Baa3/BBB/BBB-
Russia	RUSSIA	XS0767472458	USD	4.5%	Government	4/4/2022	1.7	2,000	105.2	1.1	Baa3/BBB/BBB-
Russia	RUSSIA	XS0971721450	USD	4.9%	Government	9/16/2023	3.0	3,000	110.6	1.3	Baa3/BBB/BBB-
Russia	RUSSIA	RU000A0JWHA4	USD	4.8%	Government	5/27/2026	5.2	3,000	115.3	1.9	-/BBB/-
Russia	RUSSIA	XS0088543193	USD	12.8%	Government	6/24/2028	5.8	2,500	172.9	2.4	Baa3/BBB/BBB-
Russia	RUSSIA	RU000A0JXTS9	USD	4.3%	Government	6/23/2027	6.1	2,405	113.2	2.1	-/BBB/-
Russia	RUSSIA	RU000A0ZYYN4	USD	4.4%	Government	3/21/2029	7.3	3,000	115.6	2.3	-/BBB/-
Russia	RUSSIA	RU000A1006S9	USD	5.1%	Government	3/28/2035	10.7	4,000	124.8	3.0	-/BBB/-
Russia	RUSSIA	XS0767473852	USD	5.6%	Government	4/4/2042	13.8	3,000	137.0	3.2	Baa3/BBB/BBB-
Russia	RUSSIA	XS0971721963	USD	5.9%	Government	9/16/2043	14.2	1,500	142.2	3.3	Baa3/BBB/BBB-
Russia	RUSSIA	RU000A0JXU14	USD	5.3%	Government	6/23/2047	16.1	7,000	136.8	3.2	-/BBB/-
Ukraine	UKRAIN	XS1303920083	USD	7.8%	Government	9/1/2021	1.1	1,409	103.9	3.7	B3u/B/B
Ukraine	UKRAIN	XS1303921214	USD	7.8%	Government	9/1/2022	1.9	1,384	105.6	4.8	B3u/B/B
Ukraine	UKRAIN	XS1303921487	USD	7.8%	Government	9/1/2023	2.7	1,355	107.0	5.2	B3u/B/B
Ukraine	UKRAIN	XS1303925041	USD	7.8%	Government	9/1/2024	3.4	1,339	107.0	5.8	B3u/B/B
Ukraine	UKRAIN	XS1303925470	USD	7.8%	Government	9/1/2025	4.1	1,329	106.6	6.2	B3u/B/B
Ukraine	UKRAIN	XS1303926528	USD	7.8%	Government	9/1/2026	4.8	1,318	106.7	6.4	B3u/B/B
Ukraine	UKRAIN	XS1303927179	USD	7.8%	Government	9/1/2027	5.3	1,307	106.6	6.6	B3u/B/B
Ukraine	UKRAIN	XS1902171757	USD	9.8%	Government	11/1/2028	5.8	1,600	115.9	7.1	-/B/B
Ukraine	UKRAIN	XS1577952952	USD	7.4%	Government	9/25/2032	7.5	3,000	102.3	7.1	-/B/B
Georgia	GEORG	XS0617134092	USD	6.9%	Government	4/12/2021	0.7	500	102.8	2.1	Ba2/BB/BB

Issuer	Ticker	ISIN	Currency	Coupon	Sector	Maturity	Duration	Amount, US\$ mn	Mid price	YTM Mid	Ratings (Moody's/Fitch/S&P)
Corporate Eurobonds											
SILKNET JSC	SILNET	XS1843443430	USD	11.0%	Communications	4/2/2024	2.9	200	105.9	9.0	B1/B+/-
TURK TELEKOMUNIKASYON AS	TURKTI	XS1028951264	USD	4.9%	Communications	6/19/2024	3.5	500	100.0	4.9	-/BB-/BB-
TURK TELEKOMUNIKASYON AS	TURKTI	XS1955059420	USD	6.9%	Communications	2/28/2025	3.8	500	105.3	5.5	-/BB-/BB-
TURKCELL ILETISIM HIZMET	TCELLT	XS1298711729	USD	5.8%	Communications	10/15/2025	4.4	500	102.0	5.3	B1u/BB-/BB-
TURKCELL ILETISIM HIZMET	TCELLT	XS1803215869	USD	5.8%	Communications	4/11/2028	6.0	500	99.6	5.9	/BB-/BB-
SOUTHERN GAS CORRIDOR	SGCAZE	XS1319820897	USD	6.9%	Energy	3/24/2026	4.7	2,000	120.6	2.8	Ba2/BB+/-
STATE OIL CO OF THE AZER	SOIAZ	XS0903465127	USD	4.8%	Energy	3/13/2023	2.4	1,000	105.8	2.4	Ba2/BB+/-BB-
STATE OIL CO OF THE AZER	SOIAZ	XS1196496688	USD	7.0%	Energy	3/18/2030	7.1	750	125.8	3.7	NR/BB+/-BB-
GEORGIAN OIL & GAS CORP	GEOROG	XS1319820384	USD	6.8%	Energy	4/26/2021	0.7	250	102.2	3.2	-/BB/BB- *-
KAZMUNAYGAS NATIONAL CO	KZOKZ	XS1595713279	USD	3.9%	Energy	4/19/2022	1.6	500	104.0	1.4	Baa3/BBB-/BB
KAZMUNAYGAS NATIONAL CO	KZOKZ	XS0925015074	USD	4.4%	Energy	4/30/2023	2.6	1,000	106.6	1.8	Baa3/BBB-/BB
KAZMUNAYGAS NATIONAL CO	KZOKZ	XS1807299174	USD	4.8%	Energy	4/24/2025	4.2	500	111.7	2.1	Baa3/BBB-/BB-
KAZMUNAYGAS NATIONAL CO	KZOKZ	XS1595713782	USD	4.8%	Energy	4/19/2027	5.7	1,000	114.8	2.3	Baa3/BBB-/BB
KAZMUNAYGAS NATIONAL CO	KZOKZ	XS1807300105	USD	5.4%	Energy	4/24/2030	7.7	1,250	122.6	2.7	Baa3/BBB-/BB-
KAZTRANS GAS JSC	KZTGKZ	XS1682544157	USD	4.4%	Energy	9/26/2027	6.1	750	111.5	2.6	Baa3/BBB-/BB-
TUPRAS-TURKIYE PETROL RA	TUPRST	XS1686704948	USD	4.5%	Energy	10/18/2024	3.7	700	94.5	6.0	B1/BB-/BB-
GEORGIAN RAILWAY JSC	GRAIL	XS0800346362	USD	7.8%	Industrial	7/11/2022	1.8	500	105.3	4.7	-/BB-/B+
INTERNATIONAL BANK OF AZ	IBAZAZ	XS1678463784	USD	3.5%	Financial	9/1/2024	3.7	1,000	92.6	5.6	-/B-/BB-
BANK OF GEORGIA JSC	GEBGG	XS1405775880	USD	6.0%	Financial	7/26/2023	2.7	350	104.6	4.3	Ba2/BB-/BB-
TBC BANK JSC	TBCBGE	XS1843434363	USD	5.8%	Financial	6/19/2024	3.4	300	103.6	4.7	Ba2/BB-/BB-
AKBANK TAS	AKBNK	USM0375YAK49	USD	5.0%	Financial	10/24/2022	2.0	500	98.8	5.6	B2/B+/-
AKBANK TAS	AKBNK	XS1210422074	USD	5.1%	Financial	3/31/2025	4.0	500	94.5	6.5	B2/B+/-
TC ZIRAAT BANKASI AS	TCZIRA	XS1223394914	USD	4.8%	Financial	4/29/2021	0.7	500	100.1	4.6	B2/B+/-
TC ZIRAAT BANKASI AS	TCZIRA	XS1605397394	USD	5.1%	Financial	5/3/2022	1.6	600	98.0	6.4	B2/B+/-
TC ZIRAAT BANKASI AS	TCZIRA	XS1691349010	USD	5.1%	Financial	9/29/2023	2.8	500	94.6	7.1	B2/B+/-
TURKIYE GARANTI BANKASI	GARAN	USM8931TAA71	USD	6.3%	Financial	4/20/2021	0.7	500	101.4	3.9	B2/B+/-
TURKIYE GARANTI BANKASI	GARAN	USM8931TAF68	USD	5.3%	Financial	9/13/2022	1.9	750	99.9	5.3	B2/B+/-
TURKIYE GARANTI BANKASI	GARAN	XS1576037284	USD	5.9%	Financial	3/16/2023	2.3	500	100.3	5.7	B2/B+/-
TURKIYE GARANTI BANKASI	GARAN	XS2094608580	USD	5.3%	Financial	12/20/2024	3.8	50	95.4	6.5	-/B+/-
TURKIYE IS BANKASI A.S	ISCTR	XS1079527211	USD	5.0%	Financial	6/25/2021	0.9	750	100.1	4.8	B3/B+/-
TURKIYE IS BANKASI A.S	ISCTR	XS1390320981	USD	5.4%	Financial	10/6/2021	1.1	750	100.2	5.2	B3/B+/-
TURKIYE IS BANKASI A.S	ISCTR	XS1508390090	USD	5.5%	Financial	4/21/2022	1.6	600	99.1	6.1	B3/B+/-
TURKIYE IS BANKASI A.S	ISCTR	XS0847042024	USD	6.0%	Financial	10/24/2022	2.0	1,000	98.4	6.8	Caa2/B-/BB-
TURKIYE IS BANKASI A.S	ISCTR	XS1003016018	USD	7.9%	Financial	12/10/2023	2.9	400	101.4	7.4	Caa3/B-/BB-
TURKIYE IS BANKASI A.S	ISCTR	XS1578203462	USD	6.1%	Financial	4/25/2024	3.2	1,250	96.4	7.3	B3/B+/-
TURKIYE IS BANKASI A.S	ISCTR	XS2041003901	USD	8.1%	Financial	12/3/2029	5.8	50	91.9	9.4	NR/B+/-
YAPI VE KREDI BANKASI AS	YKBNK	XS1571399754	USD	5.75%	Financial	2/24/2022	1.4	600	100.0	5.7	B2/B+/-NR

YAPI VE KREDI BANKASI AS	YKBANK	XS0861979440	USD	5.50%	Financial	12/6/2022	2.1	1,000	97.2	6.9	Caa1/B-/NR
YAPI VE KREDI BANKASI AS	YKBANK	XS1788516679	USD	6.10%	Financial	3/16/2023	2.3	500	98.2	6.9	B2/B+/NR
YAPI VE KREDI BANKASI AS	YKBANK	XS1634372954	USD	5.85%	Financial	6/21/2024	3.4	500	95.6	7.2	B2/B+/NR
YAPI VE KREDI BANKASI AS	YKBANK	XS1958649854	USD	8.25%	Financial	10/15/2024	3.4	500	102.7	7.5	B2/B+/NR
JSC GEORGIA CAPITAL	GEOCAP	XS1778929478	USD	6.13%	Financial	3/9/2024	3.1	300	95.6	7.6	B2/#N/A N/A/B
ALFA BANK (ALFA BOND)	ALFARU	US01538RAB50	USD	7.75%	Financial	4/28/2021	0.7	1,000	103.8	1.8	Ba1/BB+/BB+
CREDIT BANK OF MOSCOW (C	CRBKMO	XS1510534677	USD	5.88%	Financial	11/7/2021	1.2	500	103.6	2.7	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	US12504PAC41	USD	5.88%	Financial	11/7/2021	1.2	500	103.6	2.7	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	XS1759801720	USD	5.55%	Financial	2/14/2023	2.3	500	103.7	3.9	Ba3/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	XS1964558339	USD	7.12%	Financial	6/25/2024	3.4	500	110.0	4.2	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	US12504PAG54	USD	7.12%	Financial	6/25/2024	3.4	500	110.0	4.2	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	XS2099763075	USD	4.70%	Financial	1/29/2025	4.0	600	100.8	4.5	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	US12504PAH38	USD	4.70%	Financial	1/29/2025	4.0	600	100.8	4.5	NR/BB/BB-
CREDIT BANK OF MOSCOW (C	CRBKMO	US12504PAF71	USD	5.55%	Financial	2/14/2023	2.3	500	103.7	3.9	Ba3/BB/BB-
SBERBANK (SB CAP SA)	SBERRU	XS0638572973	USD	5.72%	Financial	6/16/2021	0.8	1,000	103.7	0.9	Baa3/BBB/NR
SBERBANK (SB CAP SA)	SBERRU	XS0743596040	USD	6.13%	Financial	2/7/2022	1.4	1,500	106.2	1.7	Baa3/BBB/NR
SBERBANK (SB CAP SA)	SBERRU	US78406JAB08	USD	6.13%	Financial	2/7/2022	1.4	1,500	106.2	1.7	Baa3/BBB/NR
SBERBANK (SB CAP SA)	SBERRU	XS0848530977	USD	5.13%	Financial	10/29/2022	2.1	2,000	105.8	2.3	Ba1/BBB-/NR
SBERBANK (SB CAP SA)	SBERRU	US78406JAC80	USD	5.13%	Financial	10/29/2022	2.1	2,000	105.8	2.3	Ba1/BBB-/NR
SBERBANK (SB CAP SA)	SBERRU	XS0935311240	USD	5.25%	Financial	5/23/2023	2.6	1,000	107.1	2.5	NR/BBB-/NR
SBERBANK (SB CAP SA)	SBERRU	US78406JAD63	USD	5.25%	Financial	5/23/2023	2.6	1,000	107.1	2.5	NR/BBB-/NR
Georgian Global Utilities	CGEOLN	XS2208644059	USD	7.75%	Utilities	7/30/2025	3.4	250	101.0	7.5	NR/B+/B

Disclaimer

This document is the property of and has been prepared by JSC Galt & Taggart ("Galt & Taggart"), a member of Bank of Georgia Group plc ("Group") solely for informational purposes and independently of the respective companies mentioned herein. This document does not constitute or form part of, and should not be construed as, an offer or solicitation or invitation of an offer to buy, sell or subscribe for any securities or assets and nothing contained herein shall form the basis of any contract or commitment whatsoever or shall be considered as a recommendation to take any such actions.

Galt & Taggart is authorized to perform professional activities on the Georgian market. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by Galt & Taggart to inform themselves about and to observe any and all restrictions applicable to them. This document is not directed to, or intended for distribution, directly or indirectly, to, or use by, any person or entity that is a citizen or resident located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The recipients of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

No representation, warranty or undertaking, express or implied, is or will be made by Galt & Taggart or any other member of the Group or their respective directors, employees, affiliates, advisers or agents or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this document and the information contained herein (and whether any information has been omitted from this document) and no reliance should be placed on it. This document should not be considered as a complete description of the markets, industries and/or companies referred to herein. Nothing contained in this document is, is to be construed as, or shall be relied on as legal, investment, business or tax advice, whether relating to the past or the future, by Galt & Taggart any other member of the Group or any of their respective directors, employees, affiliates, advisers or agents in any respect. Recipients are required to make their own independent investigation and appraisal of the matters discussed herein. Any investment decision should be made at the investor's sole discretion. To the extent permitted by law, Galt & Taggart, any other member of the Group and their respective directors, employees, affiliates, advisers and agents disclaim all liability whatsoever (in negligence or otherwise) for any loss or damages however arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection with this document, or for any act, or failure to act, by any party, on the basis of this document.

The information in this document is subject to verification, completion and change without notice and Galt & Taggart is not under any obligation to update or keep current the information contained herein. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the information since the date hereof or the date upon which this document has been most recently updated, or that the information contained in this document is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No representation or warranty, expressed or implied, is made by Galt & Taggart or any other member of the Group, or any of their respective directors, employees, affiliates, advisers or agents with respect to the accuracy or completeness of such information.

The information provided and opinions expressed in this document are based on the information available as of the issue date and are solely those of Galt & Taggart as part of its internal research coverage. Opinions, forecasts and estimates contained herein are based on information obtained from third party sources believed to be reliable and in good faith, and may change without notice. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Accordingly, undue reliance should not be placed on any such data contained in this document. Neither Galt & Taggart, any other member of the Group, nor their respective directors, employees, affiliates, advisers or agents make any representation or warranty, express or implied, of this document's usefulness in predicting the future performance, or in estimating the current or future value, of any security or asset.

Galt & Taggart does, and seeks to do, and any other member of the Group may or seek to do business with companies covered in its research. As a result, investors should be aware of a potential conflict of interest that may affect the objectivity of the information contained in this document.

Unauthorized copying, distribution, publication or retransmission of all or any part of this document by any medium or in any form for any purpose is strictly prohibited.

The recipients of this document are responsible for protecting against viruses and other destructive items. Receipt of the electronic transmission is at risk of the recipient and it is his/her responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Galt & Taggart

Address: 79 D. Agmashenebeli Avenue, Tbilisi 0102, Georgia

Tel: + (995) 32 2401 111

Email: gt@gt.ge