



Economy

International reserves at US\$ 4.8bn in Mar-24

Gross international reserves decreased by 4.5% y/y to US\$ 4.8bn in Mar-24, according to NBG. Meanwhile, on a monthly basis, the reserves increased by 0.6% (+US\$ 30.6mn). Changes in reserves were attributed to the government and banking sector FX operations, likely including NBG's FX purchases (information will be available on 25 April). Notably, the NBG added monetary gold to its FX reserves, purchasing US\$ 500mn worth in March and April 2024, totaling 7 tons of high-quality gold (999.9 purity), representing about 11% of its international reserves.

Key macro indicators

	2023	2024F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	22,481	24,844
GDP per capita (US\$)	8,210	8,861
Population (mn)	3.7	3.7
Inflation (average)	2.5%	3.0%
Gross reserves (US\$ bn)	5.0	5.2
CAD (% of GDP)	4.3%	4.7%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	39.0%	38.0%
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

Money market

Ministry of Finance T-bills/T-notes:

10-year GEL 30.0mn (US\$ 11.2mn) Benchmark bonds were sold at the auction held at NBG on April 8, 2024. Total demand was 1.5x higher and the weighted average yield was fixed at 8.363%, up by 0.010ppts from previous auction held in Feb-24.

1-year GEL 20.0mn (US\$ 7.5mn) T-Bills were sold at the auction held at NBG on April 8, 2024. Total demand was 1.5x higher and the weighted average yield was fixed at 7.860%, down by 0.298ppts from previous auction held in Feb-24.

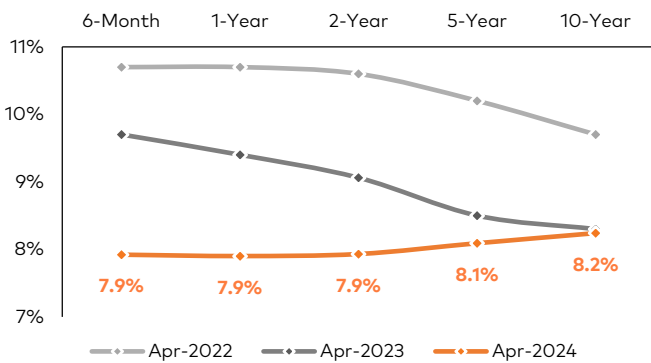
The nearest treasury security auction is scheduled for April 16, 2024, where GEL 75.0mn nominal value 7.3-year Benchmark Bonds will be sold.

T-bills / T-notes in 2024

Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	210	320	410
Long-term (over 1-year)	963	2,395	7,752
Total	1,173	2,715	8,162

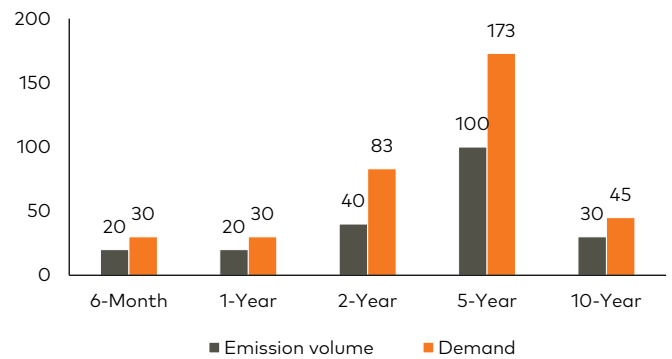
Source: MoF
*As of February 2024

T-bills / T-notes, yield curve



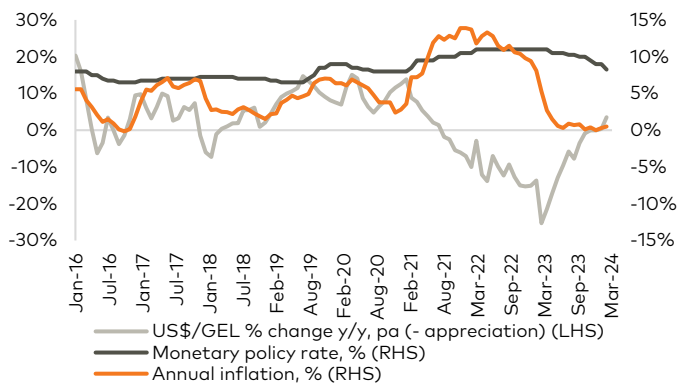
Source: NBG

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



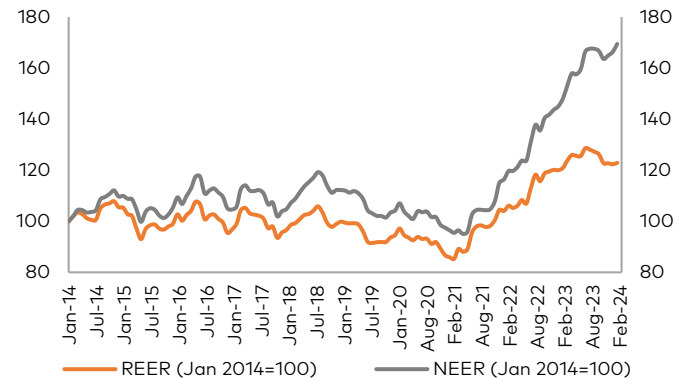
Source: NBG

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 performance

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings	Mid price	Mid yield, %	Z-spread, bps
						(Fitch/S&P/Moody/Scope)			
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	92.94	6.55	174.57
GRAIL 06/28	USD	500	4.000%	Apr-21	Jun-28	BB-/BB-/-	90.48	6.65	226.14
GEBGG 11 1/8 PERP	USD	100	11.125%	Mar-19	n/a	B-/-/-	100.49	12.82	300.30
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	101.27	7.85	269.73
TBC 06/24	USD	300	5.750%	Jun-19	Jun-24	BB-/Ba2	99.76	6.98	160.67
TBC PERP	USD	125	10.775%	Jul-19	n/a	B-/-/-	100.35	13.20	458.37

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg

Georgian local bonds performance

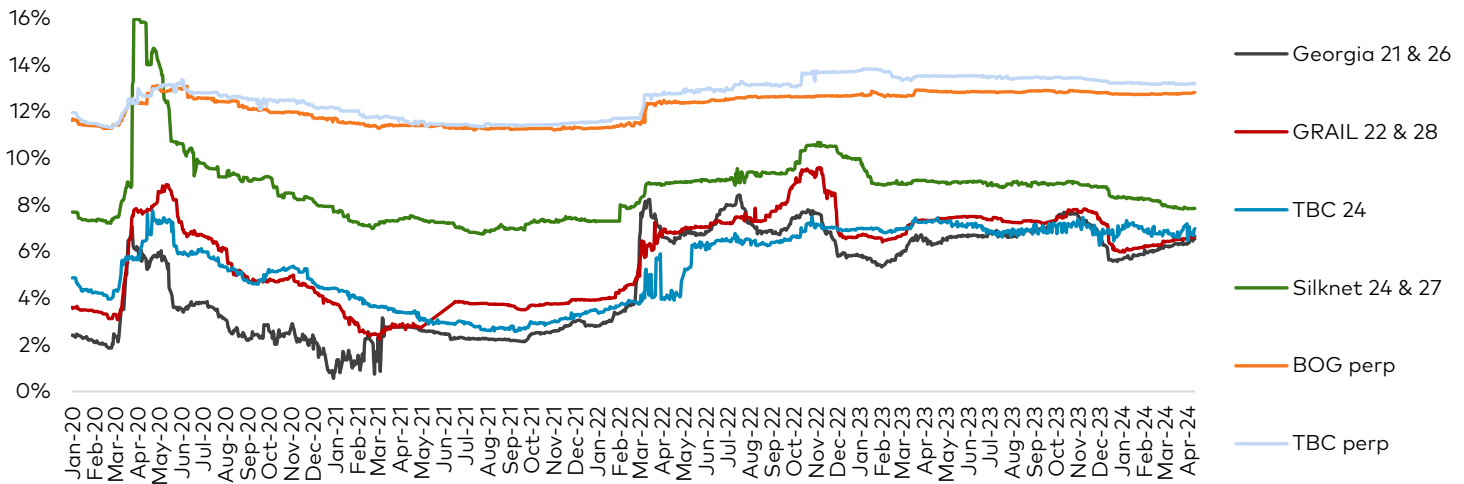
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings	Mid price	Mid yield, %
						(Fitch/S&P/Moody/Scope)		
USD								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-	n/a	n/a
Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-B+	n/a	n/a
IG Development	USD	15	8.50%	Jul-22	Jul-24	-/-/-	99.87	8.75
Georgia Real Estate	USD	35	8.50%	Oct-22	Oct-24	-/-/-	99.98	8.50
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-	99.99	7.00
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-B+	100.00	8.50
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-	99.98	9.00
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-	99.99	9.00
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-BB-	99.66	8.75
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-/-/-	101.17	8.19
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-	101.14	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	-/-/-	99.57	8.75
IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-	99.56	8.75
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/-BB-	99.67	7.25
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/-BB-	99.57	7.25
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/-BB-	100.43	6.50
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-	99.55	7.25
GEL								
Vian (Evex)	GEL	50	Ref rate + 3.10%	Nov-19	Nov-24	-/-/-BB	n/a	n/a
Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-21	Nov-24	-/-/-BB-	n/a	n/a
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-BB-	n/a	n/a
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/-B	n/a	n/a
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-BB-	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Dec-22	Feb-25	B-/-/-	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/-B+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB-/B-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB-/B-	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-25	-/-/-BB-	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg, Galt & Taggart



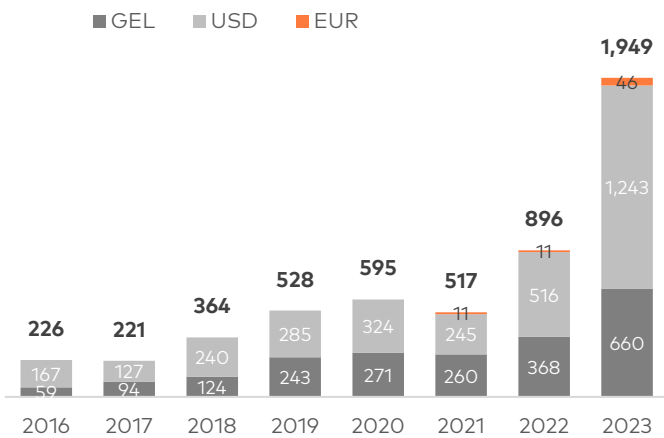
Fixed income

Georgian Eurobonds, YTM



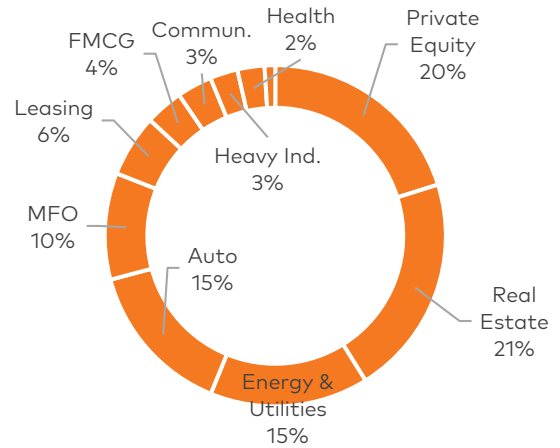
Source: Bloomberg

Georgian corporate public bonds outstanding, GEL mn



Source: Galt & Taggart
Note: USD and EUR bonds are converted into GEL as of issuance date

Georgian corporate public bonds outstanding by sector

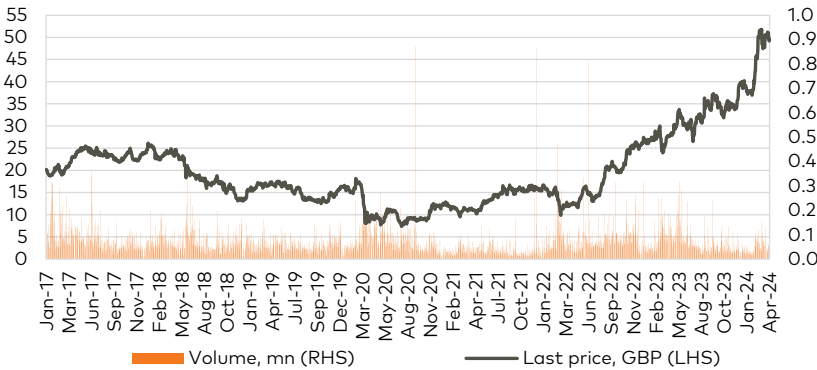


Source: Galt & Taggart



Equities

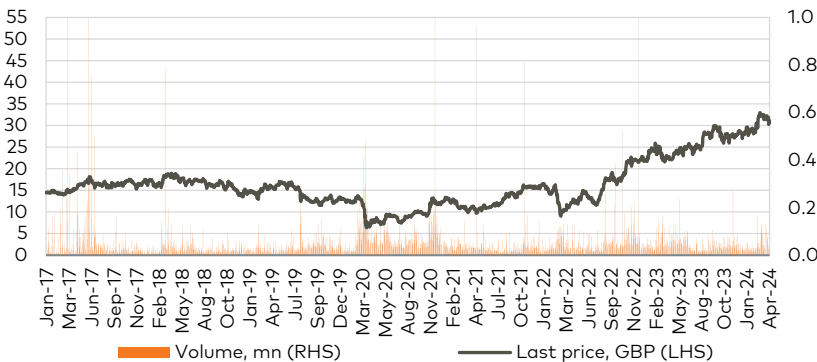
Bank of Georgia Group (BGEO LN)



Bank of Georgia Group (BGEO LN) shares closed at GBP 49.50/share (-3.32% w/w and -4.44% m/m). More than 262k shares traded in the range of GBP 48.80 - 51.50/share. Average daily traded volume was 62k in the last 4 weeks. The volume of BGEO shares traded was at 0.58% of its capitalization.

Source: Bloomberg

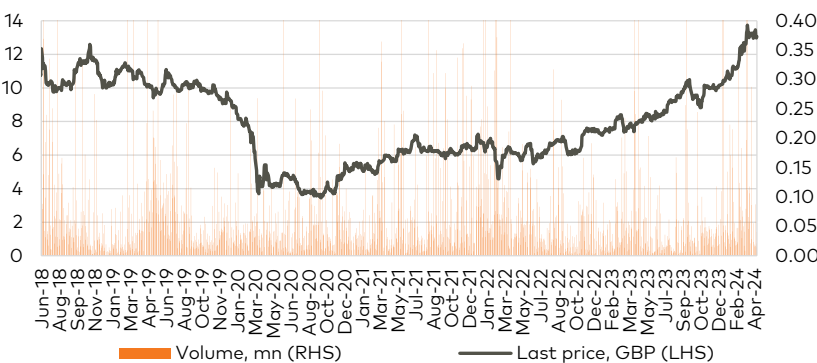
TBC Bank Group (TBCG LN)



TBC Bank Group (TBCG LN) closed the week at GBP 30.75/share (-3.61% w/w and -4.35% m/m). More than 145k shares changed hands in the range of GBP 30.25 - 32.00/share. Average daily traded volume was 54k in the last 4 weeks. The volume of TBCG shares traded was at 0.26% of its capitalization.

Source: Bloomberg

Georgia Capital (CGEO LN)



Georgia Capital (CGEO LN) shares closed at GBP 13.06/share (-0.31% w/w and +1.08% m/m). More than 181k shares traded in the range of GBP 12.90 - 13.50/share. Average daily traded volume was 62k in the last 4 weeks. The volume of CGEO shares traded was at 0.42% of its capitalization.

Source: Bloomberg

Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024F	2025F	2023	2024F	2025F
Bank of Georgia	BGEO	GBP	49.50	2,257	41.4%	77.4%	24.5%	4.36x	4.87x	4.69x	1.19x	na	na
TBC	TBC	GBP	30.75	1,703	3.7%	37.9%	8.7%	4.78x	4.57x	3.77x	1.15x	na	na
Halyk Bank	HSBK	USD	17.70	4,827	37.6%	46.0%	16.8%	2.57x	2.76x	2.84x	0.72x	0.85x	0.73x
Akbank	AKBNK	TRY	56.70	294,840	72.2%	210.0%	55.3%	2.86x	4.11x	2.76x	0.90x	1.09x	0.81x
Garanti	GARAN	TRY	74.60	313,320	49.2%	146.2%	27.8%	2.84x	4.30x	2.42x	1.00x	1.07x	0.80x
Isbank	ISCTR	TRY	12.84	321,000	30.4%	161.4%	37.4%	3.23x	3.94x	2.55x	0.87x	1.01x	0.74x
PKO	PKO	PLN	57.80	72,250	48.7%	92.7%	14.9%	11.44x	7.29x	7.64x	1.39x	1.42x	1.36x
PEKAO	PEO	PLN	180.45	47,363	60.0%	99.9%	18.7%	6.07x	7.67x	8.45x	1.32x	1.50x	1.44x
Millennium	MIL	PLN	9.56	11,597	42.4%	87.1%	14.4%	17.78x	4.15x	5.05x	1.47x	1.54x	1.27x
Mbank	MBK	PLN	687.20	29,182	54.2%	100.8%	28.4%	na	7.04x	6.58x	1.65x	1.78x	1.47x
BRD	BRD	RON	20.90	14,565	32.6%	60.5%	16.6%	7.62x	10.33x	10.27x	1.42x	1.53x	1.44x
Banca Transilvania	TLV	RON	27.95	22,322	22.6%	60.2%	15.2%	7.76x	8.57x	7.64x	1.82x	1.54x	1.32x
Komerčni	KOMB	CZK	871.00	165,533	29.2%	15.4%	20.2%	8.76x	11.13x	10.68x	1.09x	1.27x	1.25x
Mean								6.67x	6.21x	5.80x	1.23x	1.33x	1.15x
Median								5.43x	4.87x	5.05x	1.19x	1.42x	1.27x

Source: Bloomberg, S&P Capital IQ

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