



Economy

Goods exports increased by 12.6% y/y in Nov-24

In Nov-24, goods exports increased by 12.6% y/y to US\$ 542.6mn, after a 39.0% y/y growth in previous month. Goods imports rose by 10.5% y/y to US\$ 1.4bn, following a 9.1% growth y/y in previous month. Consequently, the trade deficit increased by 9.3% y/y to US\$ 890.3mn in Nov-24.

Overall, in 11M24, trade deficit increased by 4.9% y/y to US\$ 9.1bn, as exports increased by 7.9% y/y to US\$ 6.0bn and imports were up by 6.1% y/y to US\$ 15.1bn.

FDI in Georgia stood at US\$ 197.7mn in 3Q24

FDI in Georgia decreased by 55.2% y/y to US\$ 197.7mn in 3Q24, after a 10.3% y/y growth in 2Q24. This decline in FDI was primarily driven by a significant drop in equity investments (-78.1% y/y to US\$ 131.2mn), followed by reinvestments (-13.6% y/y to US\$ 358.4mn). The overall low level of FDI was further influenced by a reduction of US\$ 291.9mn in debt instruments.

The manufacturing sector was the largest FDI recipient at US\$ 63.6mn (+147.2% y/y), followed by electricity at US\$ 43.0mn (+60.4% y/y), trade at US\$ 32.1mn (-42.9% y/y), real estate at US\$ 22.9mn (-46.9% y/y) and transport at \$ 21.4mn (-68.0% y/y). Meanwhile, there was an outflow of FDI in financial sector (-US\$ 44.0mn) in 3Q24.

The Netherlands topped the list of investors with US\$ 60.2mn (30.4% of total FDI), followed by Malta at US\$ 58.3mn (29.5% of total) and UK at US\$ 55.0mn (27.8% of total).

Overall, in 9M24, FDI declined by 39.9% y/y to US\$ 966.3mn accounting for 4.0% of GDP.

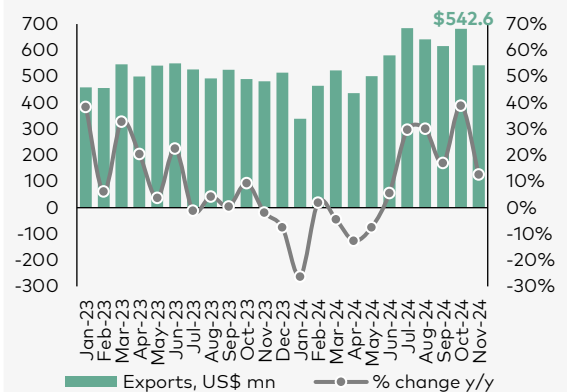
Key macro indicators

	2023	2024F
Real GDP growth (% change)	7.8%	9.7%
GDP per capita (ppp)	25,188	28,059
GDP per capita (US\$)	8,284	9,108
Population (mn)	3.7	3.7
Inflation (average)	2.5%	1.1%
Gross reserves (US\$ bn)	5.0	4.6
CAD (% of GDP)	5.6%	4.9%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	38.9%	36.8%
Fitch/S&P/Moody's*	BB/BB/Baa2	

Source: Official data, Rating agencies, Galt & Taggart

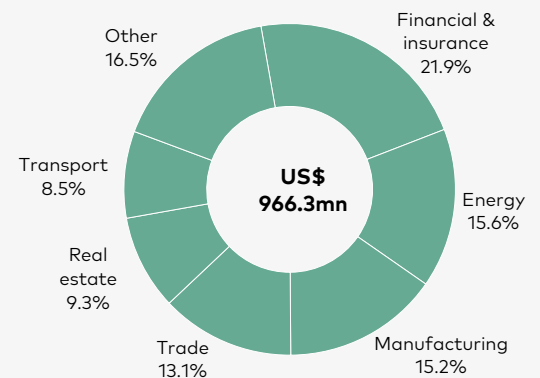
*Latest sovereign credit ratings

Goods exports



Source: Geostat

FDI by sector, 9M24



Source: Geostat

Money market

Ministry of Finance T-bills/T-notes:

10-year GEL 30.0mn (US\$ 10.7mn) Benchmark bonds were sold at the auction held at NBG on December 10, 2024. Total demand was 2.3x higher and the weighted average yield was fixed at 8.579%, up by 0.119ppts from previous auction held in Nov-24.

1-year GEL 20.0mn (US\$ 7.2mn) T-bills were sold at the auction held at NBG on December 10, 2024. Total demand was 2.8x higher and the weighted average yield was fixed at 7.661%, up by 0.037ppts from previous auction held in Nov-24.

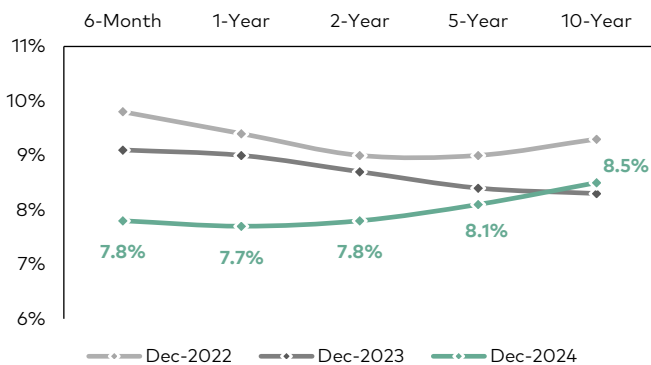
The nearest treasury security auction is scheduled for December 17, 2024, where GEL 75.0mn nominal value 6.6-year Benchmark Bonds will be sold.

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)	530	0	360
Long-term (over 1-year)	2,802	175	9,088
Total	3,332	175	9,448

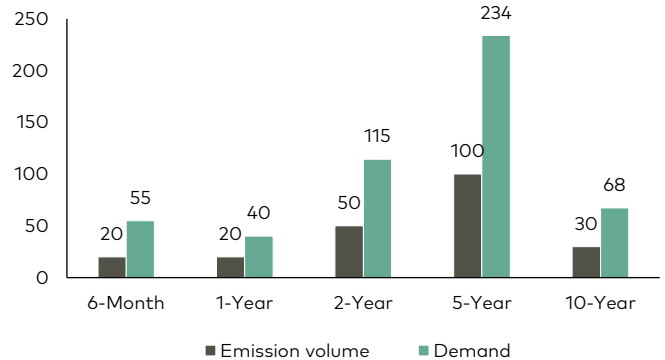
Source: MoF
*As of November 2024

T-bills / T-notes, yield curve



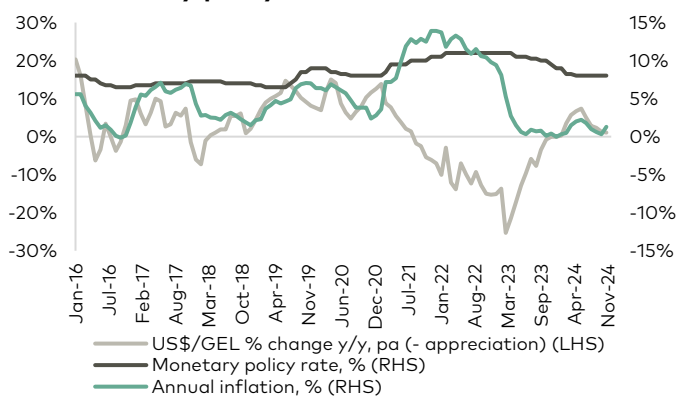
Source: NBG

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



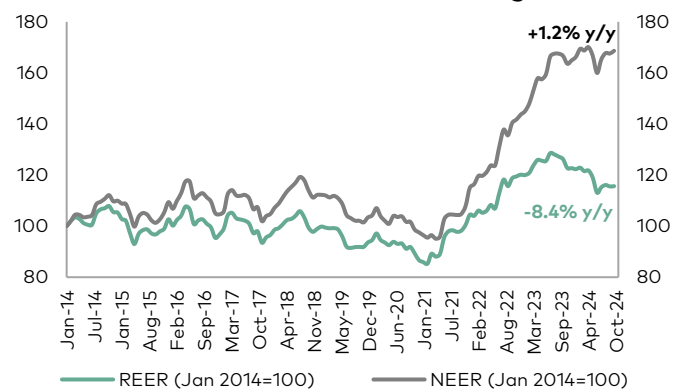
Source: NBG

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

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	94.37	7.21	308.49
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	88.16	7.94	397.41
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	98.16	10.01	607.09
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/-/B1	100.57	8.07	363.89
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	95.65	11.23	717.60
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	99.32	10.44	649.91
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	100.91	8.63	460.43

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

Georgian local bonds

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	6.75%
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-/B+	99.99	8.50%
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-/-	99.99	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-	99.77	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-/-/-	101.08	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%

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



Fixed income

Georgian local bonds

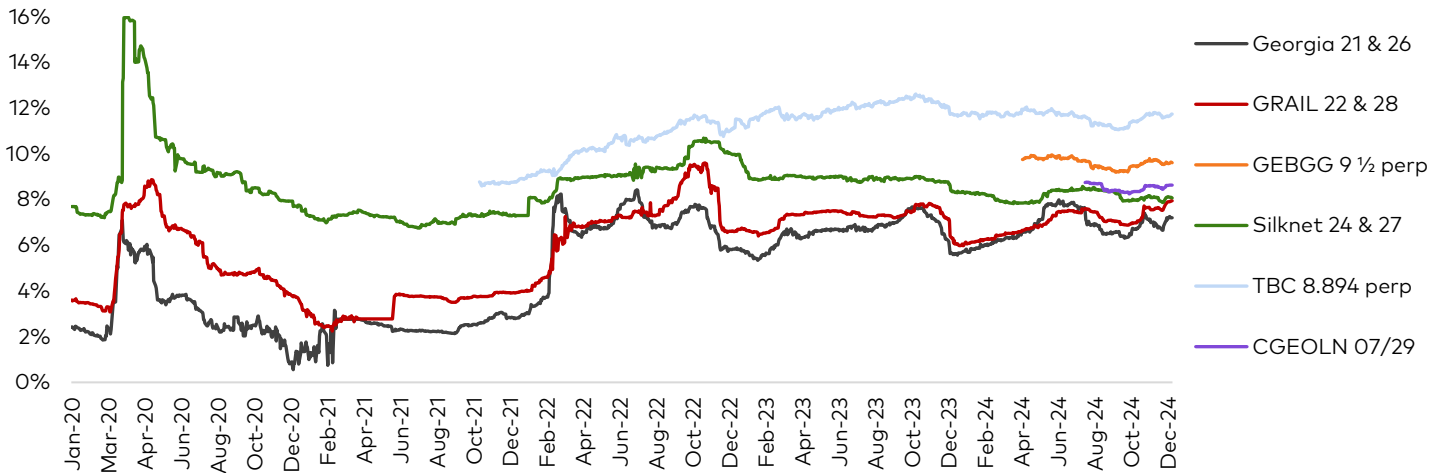
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/BB-	99.77	7.25%
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/BB-	99.63	7.25%
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/BB-	100.37	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%
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/BB-	100.00	12.83%
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-/-/BB-	100.00	13.22%
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-25	-/-/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

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



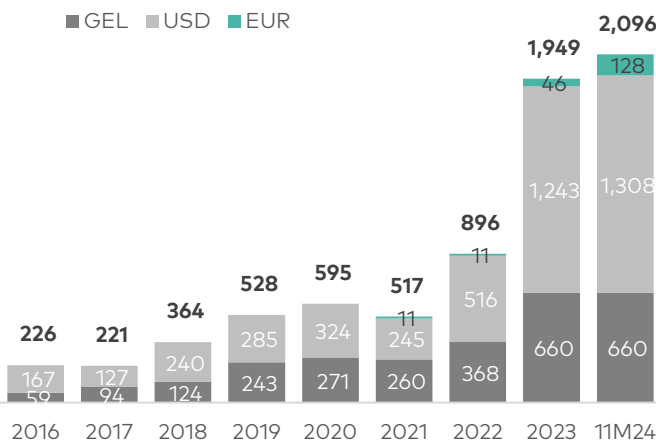
Fixed income

Georgian Eurobonds, YTM



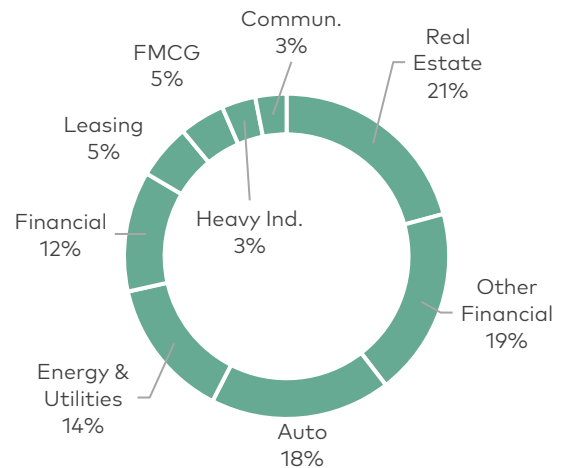
Source: Bloomberg

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

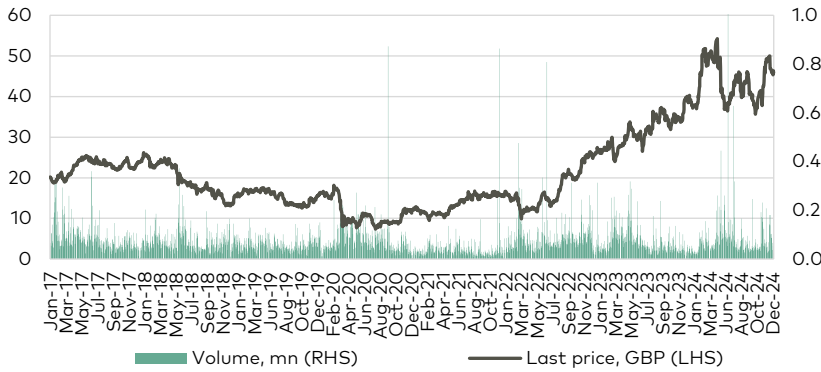


Source: Galt & Taggart



Equities

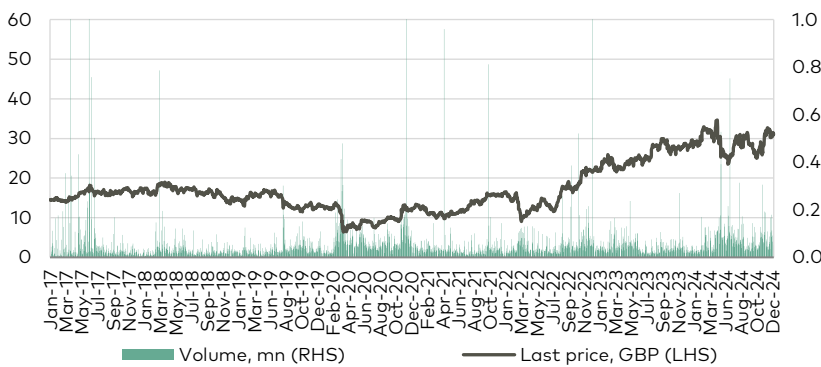
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Bank of Georgia Group (BGEO LN) shares closed at GBP 45.80/share (-0.76% w/w and -5.18% m/m). More than 248k shares traded in the range of GBP 45.00 - 46.90/share. Average daily traded volume was 78k in the last 4 weeks. The volume of BGEO shares traded was at 0.56% of its capitalization.

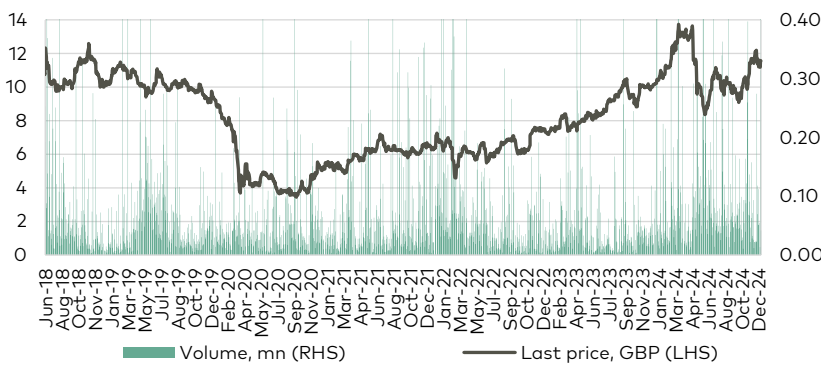
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 31.00/share (+1.14% w/w and +0.98% m/m). More than 302k shares changed hands in the range of GBP 30.45 - 32.10/share. Average daily traded volume was 77k in the last 4 weeks. The volume of TBCG shares traded was at 0.54% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 11.56/share (+3.21% w/w and -0.86% m/m). More than 1.1mn shares traded in the range of GBP 10.98 - 11.80/share. Average daily traded volume was 100k in the last 4 weeks. The volume of CGEO shares traded was at 2.49% of its capitalization.



Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn6M	chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024F	2025F	2023	2024F	2025F
Bank of Georgia	BGEO	GBP	45.80	2,035	19.1%	34.5%	15.2%	4.36x	4.16x	3.65x	1.19x	na	na
TBC	TBC	GBP	31.00	1,746	31.9%	11.1%	9.5%	4.78x	5.01x	4.23x	1.15x	na	na
Halyk Bank	HSBK	USD	17.94	4,891	1.6%	29.1%	18.3%	2.57x	2.94x	2.88x	0.72x	na	na
Akbank	AKBNK	TRY	63.55	330,460	3.3%	72.8%	74.0%	2.86x	6.87x	3.79x	0.90x	1.39x	1.06x
Garanti	GARAN	TRY	127.80	536,760	24.1%	117.0%	119.0%	2.84x	5.51x	3.94x	1.00x	1.62x	1.17x
Isbank	ISCTR	TRY	13.53	338,250	-17.0%	51.5%	44.8%	3.23x	6.37x	3.35x	0.87x	1.14x	0.87x
PKO	PKO	PLN	61.12	76,400	7.8%	23.7%	21.5%	11.44x	6.98x	6.89x	1.39x	1.51x	1.40x
PEKAO	PEO	PLN	145.30	38,137	-6.0%	-1.5%	-4.4%	6.07x	6.00x	6.25x	1.32x	1.17x	1.12x
Millennium	MIL	PLN	8.77	10,633	9.8%	8.2%	4.9%	17.78x	3.80x	4.34x	1.47x	1.36x	1.17x
Mbank	MBK	PLN	564.00	23,968	-3.1%	4.1%	5.4%	na	10.28x	6.02x	1.65x	1.52x	1.22x
BRD	BRD	RON	19.24	13,408	-0.3%	9.8%	7.4%	7.62x	9.31x	9.45x	1.42x	1.40x	1.30x
Banca Transilvania	TLV	RON	28.35	25,994	1.7%	39.0%	34.2%	7.76x	6.48x	7.47x	1.82x	1.46x	1.53x
Komerčni	KOMB	CZK	857.00	162,872	11.9%	20.4%	18.3%	8.76x	10.35x	10.51x	1.09x	1.29x	1.30x
Mean								6.67x	6.47x	5.60x	1.23x	1.39x	1.21x
Median								5.43x	6.37x	4.34x	1.19x	1.39x	1.20x

Source: Bloomberg, S&P Capital IQ

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