Economy

Georgia's economy grew by 6.0% y/y in Oct-25

In Oct-25, Georgia's economy grew by 6.0% y/y, after a 6.4% y/y growth posted in previous month. Cumulatively, real GDP increased by 7.6% y/y in 10M25. The growth in October was mainly driven by stronger activities in the ICT, transport & storage, financial & insurance and real estate sectors, while construction, mining and energy sectors contracted. We forecast real GDP growth at 7.5% in 2025 and 6.0% in 2026 (see latest macro forecasts **here**).

Bank lending increased by 12.7% y/y in Oct-25

In Oct-25, the banking sector loan portfolio grew by 12.7% y/y (+0.8% m/m), excluding FX effect, after a 13.3% y/y growth in previous month. In unadjusted terms, the loan portfolio increased by 13.2% y/y (+0.8% m/m), reaching GEL 68.0bn (US$ 25.1bn). By segment, loans to legal entities increased by 10.6% y/y (excluding FX effect), while retail loans rose by 14.6% y/y. Loan dollarization reduced to 42.0% (-0.26ppts m/m and -1.29ppts y/y) in Oct-25.

On the funding side, deposits increased by 13.9% y/y (excluding FX effect) to GEL 65.6bn (US$ 24.2bn) in Oct-25, compared with 13.7% y/y growth in previous month. In terms of currency breakdown, GEL deposits continued to accelerate, rising by 18.5% y/y (+12.7% y/y in Sep-25), while FX deposits (exc. FX effect) growth slowed to 9.5% y/y (+14.6% y/y in Sep-25). As a result, deposit dollarization reduced further to 48.8% (-0.46ppts m/m and -1.93ppts y/y) in Oct-25.

NBG purchased US$ 167.4mn in Oct-25

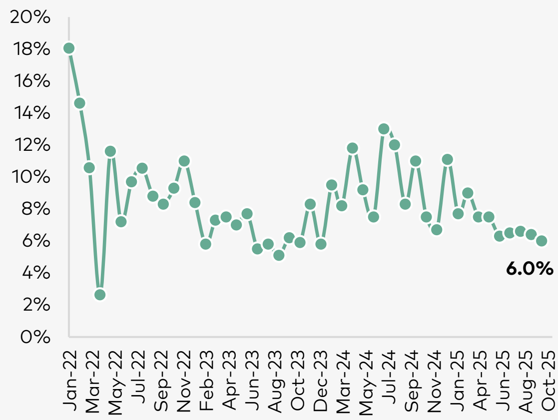
NBG intervened on FX market and purchased US$ 167.4mn through BMatch platform in Oct-25. Overall, the NBG's net purchases reached US$ 1.8bn in 10M25.

Key macro indicators

	2025E	2026F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	31,516	34,875
GDP per capita (US$)	10,265	11,387
Population (mn)	3.7	3.7
Inflation (average)	3.9%	3.0%
Gross reserves (US$ bn)	5.8	6.3
CAD (% of GDP)	5.0%	4.8%
Fiscal deficit (% of GDP)	2.5%	2.4%
Total public debt (% of GDP)	35.5%	34.5%
Fitch/S&P/Moody's*	BB/BB/Ba2	

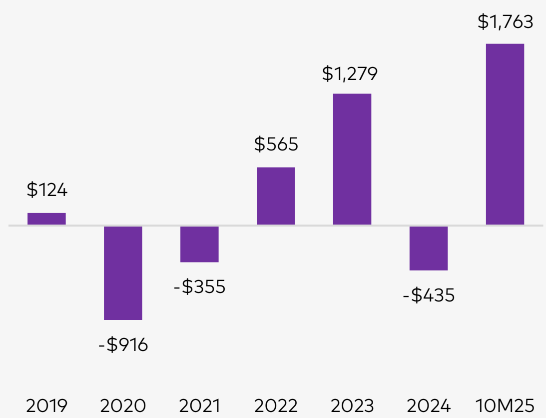
Source: Official data, Rating agencies, Galt & Taggart
*Latest sovereign credit ratings

Real GDP, % change y/y
Rapid estimates



Source: Geostat

NBG's net FX interventions, US$ mn



Source: NBG
Note: +/- signs mean reserve accumulation/selling

Money market

Ministry of Finance T-bills/T-notes

5.7-year GEL 65.0mn (US$ 24.0mn) treasury notes were sold at the auction held at NBG on November 25, 2025. Total demand was 1.8x higher and the weighted average yield was fixed at 9.468%, up by 0.056ppts from previous auction held in Oct-25.

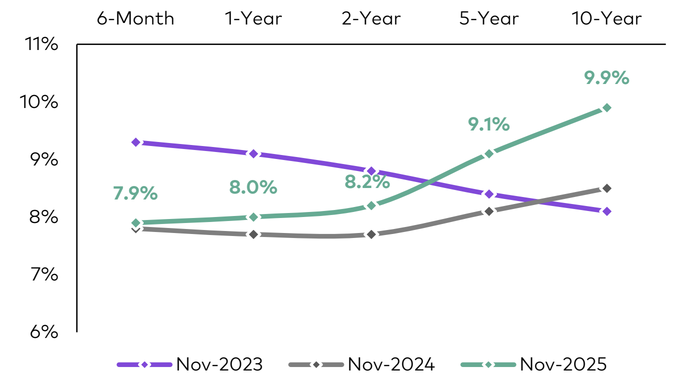
The nearest treasury security auction is scheduled for December 2, 2025, where GEL 20.0mn nominal value 6-month T-bills and GEL 50.0mn nominal value 3.7-year treasury notes will be sold.

T-bills / T-notes in 2025

Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	530	40	360
Long-term (over 1-year)	2,154	205	10,631
Total	**2,684**	**245**	**10,991**

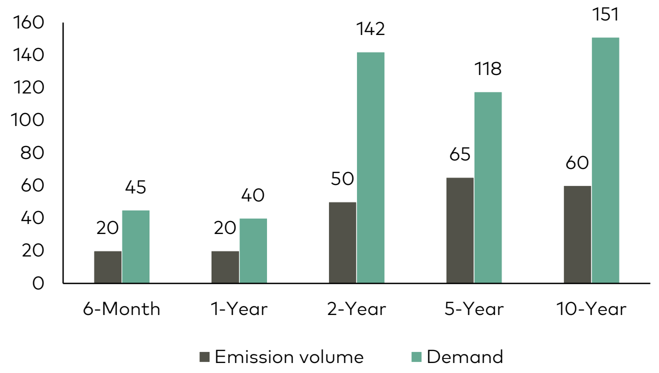
Source: MoF
*As of October 2025

T-bills / T-notes, yield curve



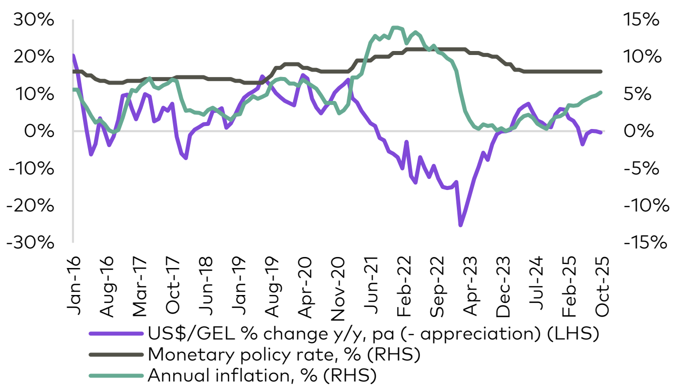
Source: NBG

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



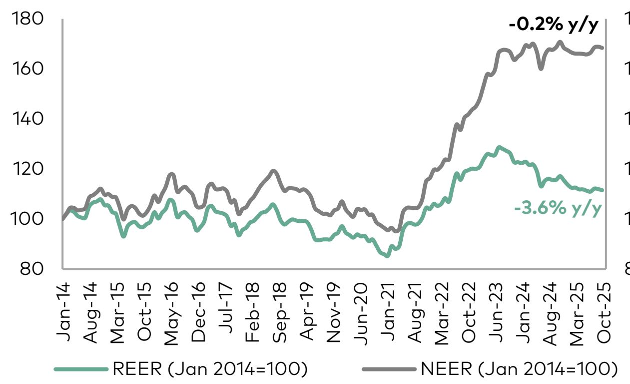
Source: NBG

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 Fitch/S&P/Moody	Mid price	Mid yield, %	Z-spread, bps
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	98.93	5.56	180.93
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	94.03	6.59	330.04
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.22	8.71	484.49
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	100.75	11.19	n/a
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	100.72	7.32	n/a
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.50	8.32	475.95
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	105.65	8.99	513.75
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	106.02	6.97	n/a

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

Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings Fitch/S&P/Moody/ Scope	Mid price	Mid yield
				USD				
Geo. Renewable Power Oper.	USD	73	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00%
Georgia Capital	USD	50	8.50%	Aug-23	Aug-28	-/BB-/-/-	101.08	8.13%
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%
Tegeta Motors	USD	5	8.25%	Dec-24	Dec-26	-/-/-/BB-	n/a	n/a
MP Development	USD	17.7	8.50%	Apr-25	Apr-27	-/-/-/-	n/a	n/a
Tegeta Motors	USD	10	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Tegeta Motors	USD	10	8.00%	Apr-25	Apr-27	-/-/-/BB-	n/a	n/a
Energy Development Georgia	USD	10	8.50%	Jun-25	Jun-27	-/-/-/-	n/a	n/a
ALMA	USD	30	8.50%	Jul-25	Jul-27	-/-/-/-	n/a	n/a
Gudauri Lodge	USD	10	8.25%	Oct-25	Oct-27	-/-/-/-	n/a	n/a

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

Fixed income

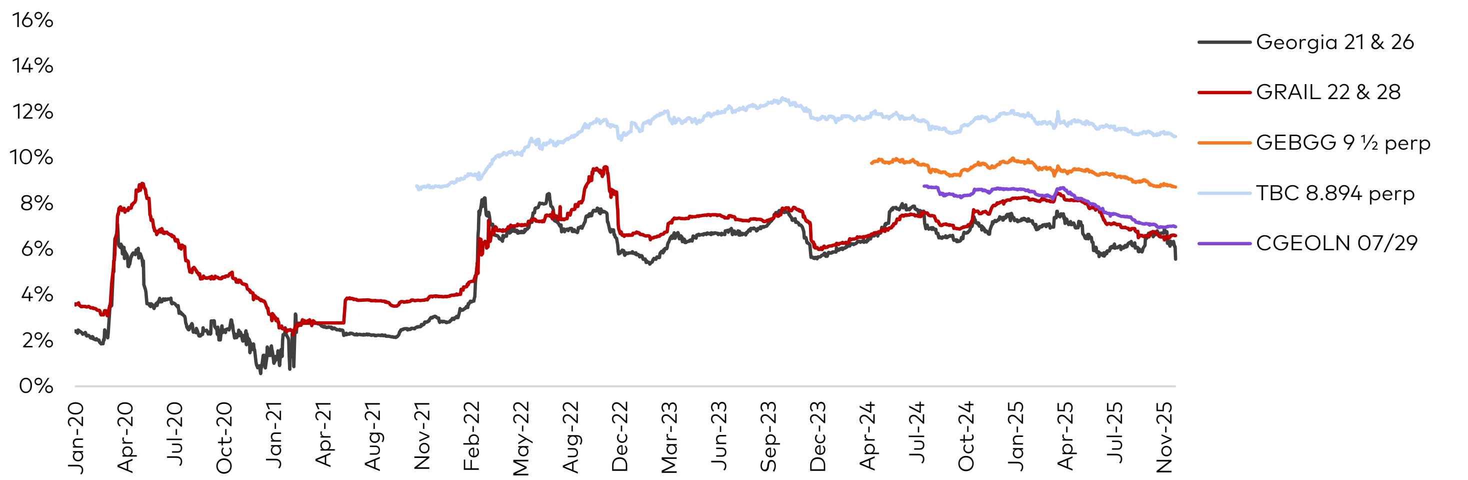
Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings Fitch/S&P/Moody/Scope	Mid price	Mid yield, %
				EUR				
Tegeta Motors	EUR	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	-/-/-/-	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	-/-/-/-	n/a	7.75%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/-/-	n/a	7.75%
ALMA	EUR	8.5	7.25%	Jul-25	Jul-27	-/-/-/-	n/a	n/a
				GEL				
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-/BB-	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/-/-/-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	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-26	-/-/-/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
MFO MBC	GEL	30	TIBR3M + 4.25%	Dec-24	Dec-26	-/-/-/B+	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.00%	Apr-25	Apr-27	-/-/-/B+	n/a	n/a
Nikora Trade	GEL	60	TIBR3M + 3.50%	Jul-25	Jul-30	-/-/-/BB-	n/a	n/a
Georgian Healthcare Group	GEL	350	TIBR + 3.75%	Sep-25	Sep-30	-/-/-/BB-	n/a	n/a
Nikora	GEL	60	TIBR3M + 3.50%	Sep-25	Sep-30	-/-/-/BB-	n/a	n/a
MFO MBC	GEL	30	TIBR3M + 4.00%	Oct-25	Oct-27	-/-/-/B+	n/a	n/a

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

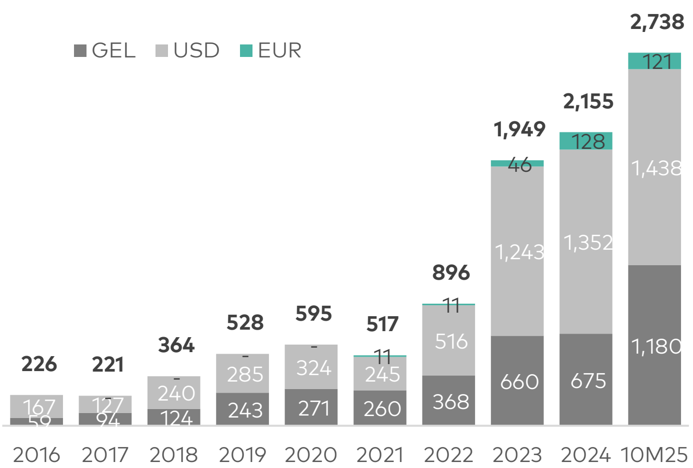
Fixed income

Georgian Eurobonds, YTM



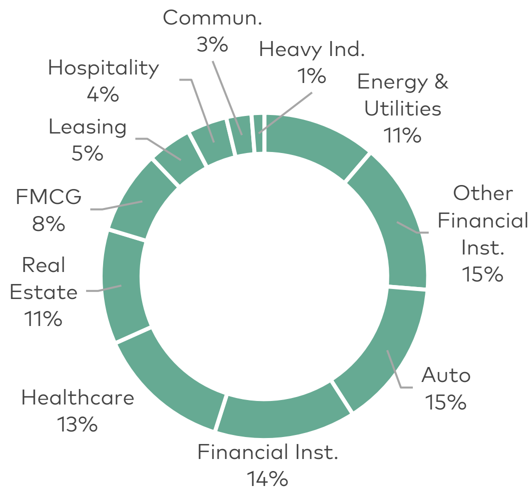
Source: Bloomberg

Georgian local corporate public bonds outstanding, GEL mn



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

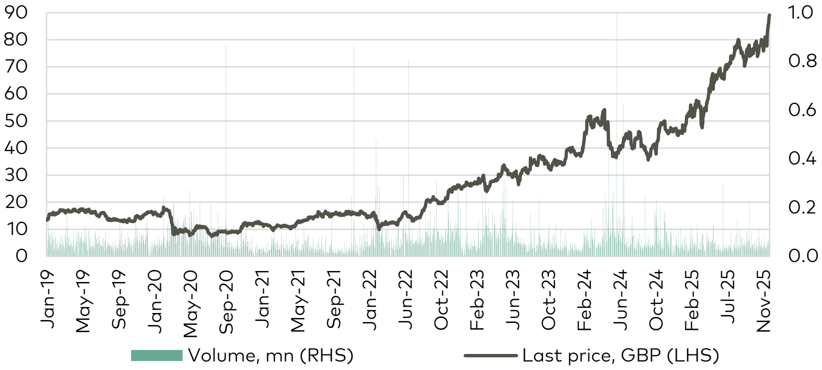
Georgian local corporate public bonds outstanding by sector



Source: Galt & Taggart

Equities

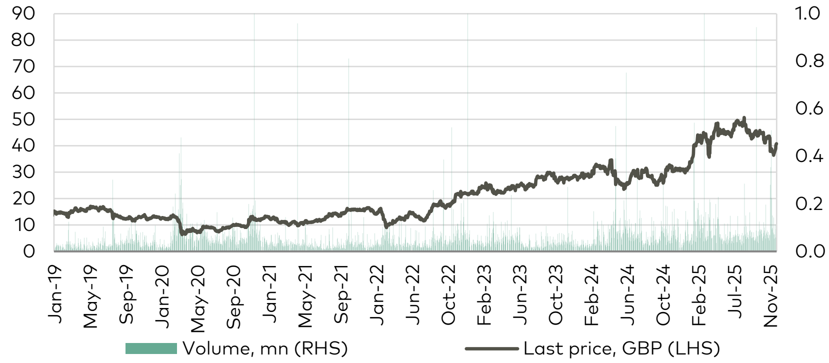
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 89.05/share (+6.90% w/w and +14.17% m/m). More than 195k shares traded in the range of GBP 84.65 - 89.15/share. Average daily traded volume was 42k in the last 4 weeks. The volume of BGEO shares traded was at 0.45% of its capitalization.

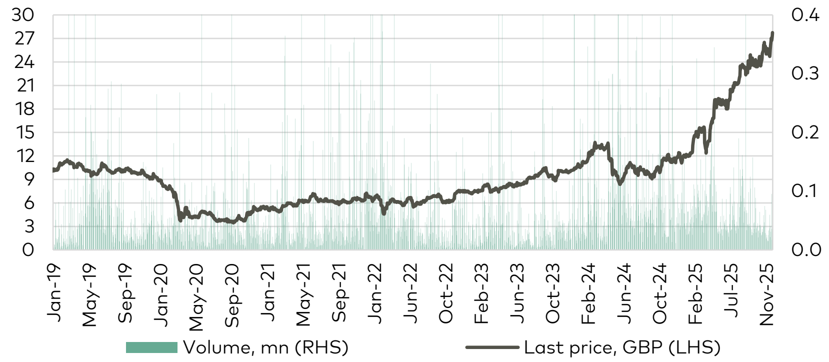
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 40.75/share (+8.38% w/w and -6.21% m/m). More than 375k shares changed hands in the range of GBP 38.15 - 40.80/share. Average daily traded volume was 134k in the last 4 weeks. The volume of TBCG shares traded was at 0.67% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 27.75/share (+6.32% w/w and +5.92% m/m). More than 179k shares traded in the range of GBP 26.25 - 27.90/share. Average daily traded volume was 32k in the last 4 weeks. The volume of CGEO shares traded was at 0.51% of its capitalization.

Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E 2023	P/E 2024	P/E 2025F	P/B 2023	P/B 2024	P/B 2025F
Lion Finance Group	BGEO	GBP	89.05	3,876	36.1%	78.3%	89.1%	4.36x	2.92x	6.68x	1.25x	1.02x	1.58x
TBC	TBC	GBP	40.75	2,278	-8.5%	26.6%	30.6%	4.68x	4.80x	5.66x	1.15x	1.12x	na
Halyk Bank	HSBK	USD	25.25	6,889	10.3%	34.9%	29.9%	2.57x	na	3.52x	0.72x	na	0.82x
Akbank	AKBNK	TRY	64.75	336,700	25.4%	8.5%	-0.2%	2.86x	7.96x	5.87x	0.9x	1.4x	1.07x
Garanti	GARAN	TRY	138.90	583,380	24.9%	13.9%	11.7%	2.84x	5.73x	4.92x	1.00x	1.58x	1.32x
Isbank	ISCTR	TRY	13.57	339,250	24.5%	0.4%	0.2%	3.23x	7.43x	4.04x	0.87x	1.06x	0.83x
PKO	PKO	PLN	77.40	96,750	-0.5%	39.6%	29.5%	11.44x	na	9.21x	1.39x	na	1.68x
PEKAO	PEO	PLN	199.95	52,481	7.2%	42.3%	45.0%	5.99x	5.68x	7.31x	1.31x	1.13x	1.50x
Millennium	MIL	PLN	15.62	18,948	0.8%	90.0%	75.5%	17.78x	15.08x	6.44x	1.47x	1.39x	2.08x
Mbank	MBK	PLN	1,026.00	43,632	19.8%	93.6%	87.5%	na	10.36x	10.54x	1.65x	1.31x	2.23x
BRD	BRD	RON	22.45	15,645	21.1%	23.8%	20.4%	7.62x	8.52x	10.30x	1.42x	1.38x	1.62x
Banca Transilvania	TLV	RON	29.34	31,990	17.2%	28.5%	29.2%	6.69x	4.86x	8.89x	1.46x	na	2.01x
Komercni	KOMB	CZK	1,166.00	221,597	13.0%	42.0%	37.4%	8.76x	9.29x	12.68x	1.09x	1.27x	1.73x
Mean								***6.57x***	***7.51x***	***7.39x***	***1.21x***	***1.27x***	***1.54x***
Median								***5.34x***	***7.43x***	***6.68x***	***1.25x***	***1.29x***	***1.60x***

Source: Bloomberg, S&P Capital IQ

Disclaimer

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