



Economy

Annual inflation at 4.8% in Jan-26

In January 2026, Georgia's annual inflation increased to 4.8% from 4.0% posted in previous month. The rise was driven by an acceleration in prices of domestically produced goods and service, up to 7.0% y/y from 6.2% y/y in Dec-25, alongside a pickup in mixed-goods inflation to 5.5% y/y (vs. 4.1% y/y in Dec-25). In contrast, imported goods prices continued to post marginal deflation of -0.1% y/y (vs. -0.2% y/y in Dec-25). Notably, core inflation - excluding food, energy, and tobacco - also increased to 2.1% y/y in Jan-26 from 1.6% in previous month.

By categories, annual inflation in Jan-26 was largely driven by price increases in food and non-alcoholic beverages (+10.6% y/y, +3.55ppts), healthcare (+8.3% y/y, +0.68ppts), hotels and restaurants (+8.1% y/y, +0.26ppts) and alcoholic beverages & tobacco (+3.5% y/y, +0.23ppts) categories. Meanwhile, deflation was recorded in communication (-4.6% y/y, -0.15ppts), recreation & culture (-2.5% y/y, -0.10ppts) and clothing and footwear (-1.8% y/y, -0.08ppts).

We forecast average annual inflation at 3.0% in 2026.

International reserves at US\$ 6.3bn in Jan-26

Gross international reserves increased by 42.0% y/y to US\$ 6.3bn in Jan-26, according to NBG. On a monthly basis, the reserves rose by 2.3% (+US\$ 140.9mn). Changes in reserves were attributed to the changes in the value of monetary gold (+US\$ 140.9mn m/m) along with the government and/or banking sector FX operations, and likely the NBG's FX trading via BMatch platform (information will be available on 25 February). Notably, as of Jan-26, monetary gold accounted for 18.1% of total international reserves.

Tourism revenues estimated at US\$ 325mn in Jan-26

Tourism revenues increased by 13.4% y/y to US\$ 325mn in Jan-26, according to our estimates.

We forecast tourism revenues at US\$ 5.0bn in 2026.

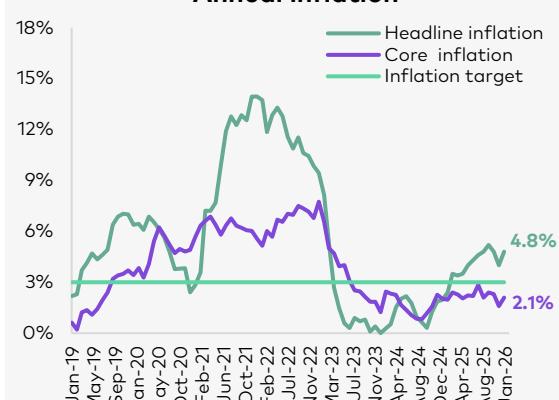
Key macro indicators

	2025E	2026F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	31,539	35,045
GDP per capita (US\$)	10,272	11,443
Population (mn)	3.7	3.7
Inflation (average)	3.9%	3.0%
Gross reserves (US\$ bn)	6.2	7.0
CAD (% of GDP)	3.2%	3.3%
Fiscal deficit (% of GDP)	2.5%	2.5%
Total public debt (% of GDP)	34.3%	33.5%
Fitch/S&P/Moody's*	BB/BB/Ba2	BB/BB/Ba2

Source: Official data, Rating agencies, Galt & Taggart

*Latest sovereign credit ratings

Annual inflation



Source: Geostat, NBG

NBG's gross international reserves



Source: NBG

Money market

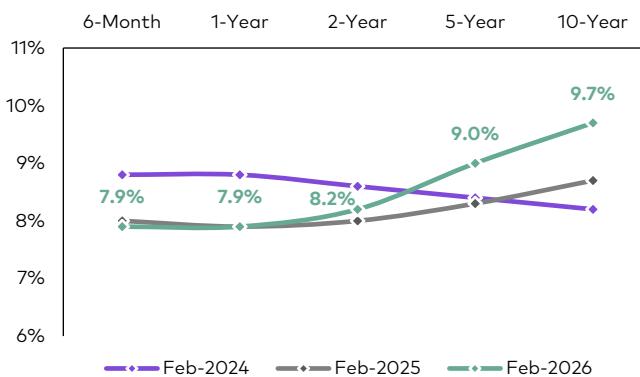
Ministry of Finance T-bills/T-notes

3.1-year GEL 40.0mn (US\$ 14.9mn) treasury notes were sold at the auction held at NBG on February 3, 2026. Total demand was 4.0x higher and the weighted average yield was fixed at 8.725%, down by 0.225pp from previous auction held in Jan-26.

6-month GEL 20.0mn (US\$ 7.4mn) treasury notes were sold at the auction held at NBG on February 3, 2026. Total demand was 2.3x higher and the weighted average yield was fixed at 7.928%, down by 0.204pp from previous auction held in Jan-26.

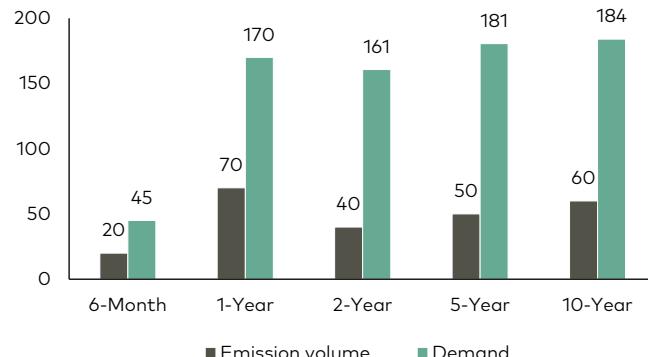
The nearest treasury security auction is scheduled for February 10, 2026, where GEL 20.0mn nominal value 1-year T-bills and GEL 30.0mn nominal value 10.6-year treasury notes will be sold.

T-bills / T-notes, yield curve



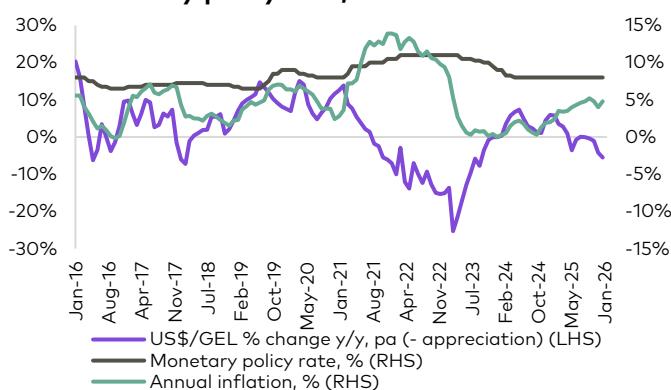
Source: NBG

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



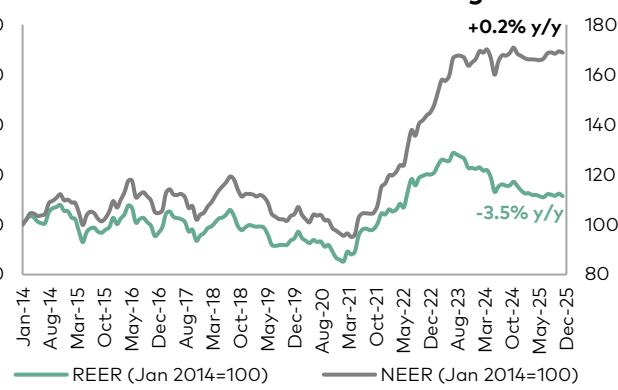
Source: NBG

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	107	2.750%	Apr-21	Apr-26	BB/BB/Ba2	99.76	4.00	40.29
GEORG 01/31	USD	500	5.125%	Jan-26	Jan-31	BB/BB/Ba2	98.73	5.45	194.32
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB/-	95.94	5.87	250.20
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-B2	105.43	8.79	426.84
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	100.21	11.39	n/a
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-B1	102.45	6.87	330.76
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.68	7.95	439.70
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	107.42	8.97	443.96
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB/-	105.88	6.95	189.33

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%
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
IG Development	USD	25	7.75%	Dec-25	Dec-27	-/-/-	n/a	n/a
TBC Leasing	USD	30	7.25%	Dec-25	Dec-28	BB/-/-	n/a	n/a
TBC Leasing	USD	15	7.25%	Dec-25	Dec-28	BB/-/-	n/a	n/a
Bank of Georgia	USD	15	4.20%	Dec-25	Dec-26	-/-/-	n/a	n/a

Galt & Taggart-led and/or co-managed deals

Source: Bloomberg, Galt & Taggart

Fixed income

Georgian local bonds

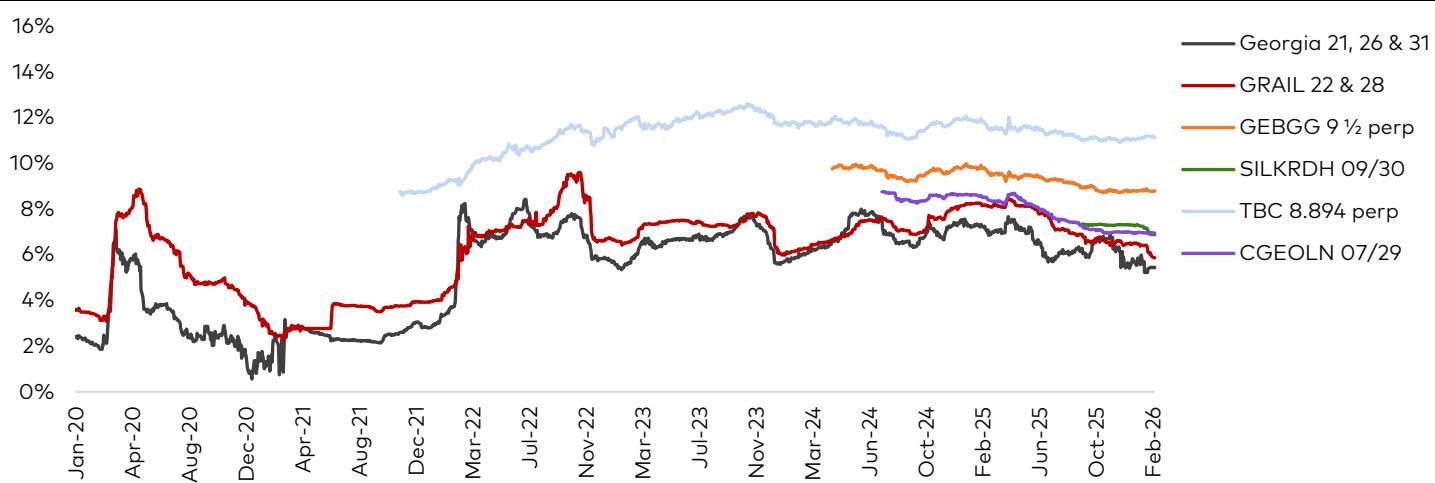
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings Fitch/S&P/Moody/ Scope	Mid price	Mid yield, %
EUR								
Tegeta Motors	EUR	10	6.75%	May-24	May-26	-/-/-/BB-	n/a	n/a
MP Development	EUR	3	7.75%	Jul-24	Jul-26	-/-/-/-	n/a	7.75%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	-/-/-/-	n/a	7.75%
ALMA	EUR	8.5	7.25%	Jul-25	Jul-27	-/-/-/-	n/a	n/a
IG Development	EUR	15	6.50%	Dec-25	Dec-28	-/-/-/-	n/a	n/a
GEL								
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
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
MFO Rico Express	GEL	200	TIBR1D + 3.00%	Dec-25	Dec-30	-/-/-/B+	n/a	n/a
Tegeta Motors	GEL	260	TIBR6M + 3.00%	Dec-25	Dec-30	-/-/-/BB-	n/a	n/a
Nova	GEL	50	TIBR6M + 3.25%	Dec-25	Dec-30	-/-/-/-	n/a	n/a

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

Source: Bloomberg, Galt & Taggart

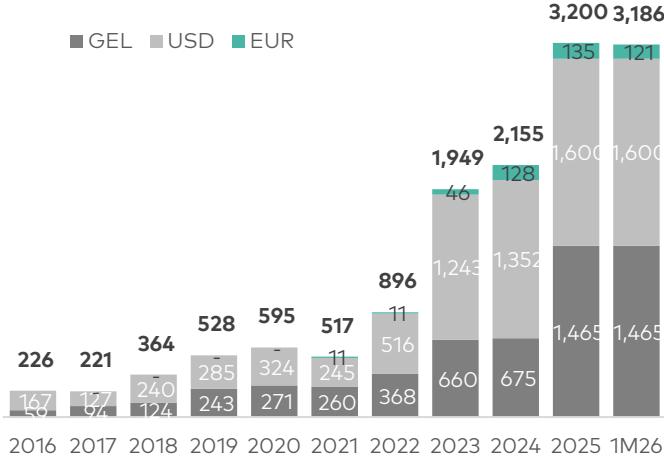
Fixed income

Georgian Eurobonds, YTM

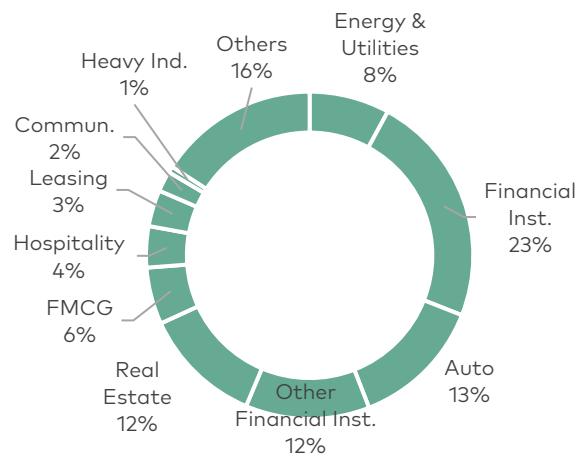


Source: Bloomberg

Georgian local corporate public bonds outstanding, GEL mn



Georgian local corporate public bonds outstanding by sector



Source: Galt & Taggart

Note: USD and EUR bonds are converted into GEL as of issuance date

Source: Galt & Taggart

Equities

Bank of Georgia Group (BGEO LN)



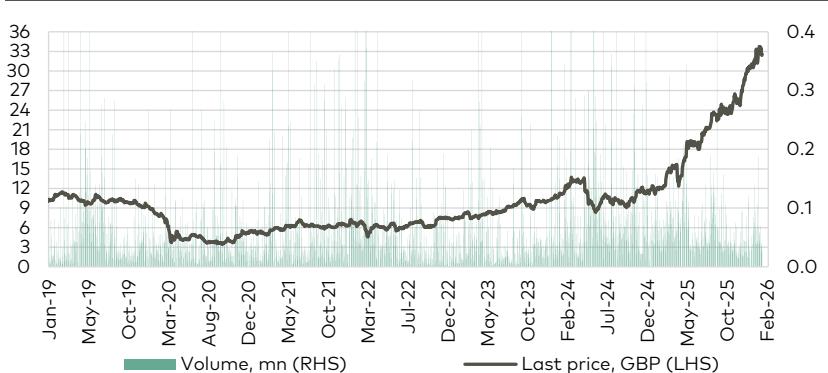
Lion Finance Group (BGEO LN) shares closed at GBP 99.95/share (-0.94% w/w and +9.29% m/m). More than 264k shares traded in the range of GBP 97.35 - 103.90/share. Average daily traded volume was 56k in the last 4 weeks. The volume of BGEO shares traded was at 0.61% of its capitalization.

TBC Bank Group (TBCG LN)



TBC Bank Group (TBCG LN) closed the week at GBP 42.65/share (+0.35% w/w and +8.52% m/m). More than 361k shares changed hands in the range of GBP 41.85 - 44.05/share. Average daily traded volume was 74k in the last 4 weeks. The volume of TBCG shares traded was at 0.65% of its capitalization.

Georgia Capital (CGEO LN)



Georgia Capital (CGEO LN) shares closed at GBP 32.55/share (-3.56% w/w and +5.34% m/m). More than 166k shares traded in the range of GBP 31.75 - 34.20/share. Average daily traded volume was 59k in the last 4 weeks. The volume of CGEO shares traded was at 0.48% of its capitalization.

Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn				P/E		P/B	
					6M chg	y/y chg	YTD chg	2026F	2027F	2026F	2027F
Lion Finance Group	BGEO	GBP	99.95	4,343	30.0%	108.7%	7.5%	6.54x	5.64x	1.49x	1.22x
TBC	TBC	GBP	42.65	2,381	-12.5%	21.3%	5.0%	5.55x	4.88x	na	na
Halyk Bank	HSBK	USD	31.25	8,527	26.3%	61.1%	4.3%	4.60x	4.82x	1.22x	na
Akbank	AKBNK	TRY	83.85	436,020	25.7%	30.1%	20.1%	3.99x	3.24x	1.08x	0.83x
Garanti	GARAN	TRY	154.80	650,160	3.5%	21.3%	7.9%	3.89x	3.25x	1.08x	0.83x
Isbank	ISCTR	TRY	16.49	412,250	9.7%	18.4%	17.0%	3.20x	2.59x	0.80x	0.60x
PKO	PKO	PLN	93.16	116,450	17.3%	40.7%	9.4%	11.44x	9.45x	1.99x	1.83x
PEKAO	PEO	PLN	230.20	60,421	8.3%	42.4%	12.2%	10.60x	9.70x	1.69x	1.59x
Millennium	MIL	PLN	17.78	21,568	21.4%	78.4%	6.9%	8.93x	8.47x	2.05x	1.76x
Mbank	MBK	PLN	1,064.00	45,247	17.9%	62.6%	0.2%	11.00x	9.18x	1.97x	1.68x
BRD	BRD	RON	28.90	20,140	45.5%	57.8%	7.4%	12.73x	11.28x	1.85x	1.74x
Banca Transilvania	TLV	RON	33.58	36,613	19.9%	45.2%	11.2%	8.94x	8.10x	1.84x	1.54x
Komercki	KOMB	CZK	1,245.00	236,611	20.9%	33.2%	7.1%	13.47x	12.69x	1.83x	1.73x
Mean								8.07x	7.18x	1.57x	1.40x
Median								8.93x	8.10x	1.76x	1.59x

Source: Bloomberg, S&P Capital IQ

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