



Economy

Tourism revenues at US\$ 3.8bn in 9M26

International visitors to Georgia (tourists and same-day visitors) increased by 3.3% y/y to 2.6mn in 3Q26. Tourist arrivals, 82.1% of the total, expanded by 4.7% y/y to a quarterly record of 2.1mn, while same-day arrivals declined by 2.8% y/y. Growth was driven by visitors from the EU (+16.6% y/y), Russia (+4.7%), Azerbaijan (+36.2%, gaining momentum after Baku-Tbilisi passenger rail services resumed in May), Israel (+19.1%, returning to growth after declining by 11.6% in 2Q26), China (+30.2%, underpinned by improved air connectivity, including direct Shanghai-Tbilisi flights launched in July) and Ukraine (+21.3%). In contrast, arrivals from Türkiye (-7.4% y/y), Armenia (-4.0%), India (-25.9%) and Saudi Arabia (-32.8%) decreased.

Over 9M26, international arrivals were broadly unchanged at 5.3mn (+0.1% y/y): tourist arrivals increased by 2.3% to 4.4mn, while same-day visits declined by 9.0% to 0.9mn.

Revenue performance was markedly stronger. Tourism inflows accelerated by 11.9% y/y to a quarterly record of US\$ 1.9bn in 3Q26, bringing the 9M26 total to US\$ 3.8bn (+4.4% y/y).

We forecast tourism revenues of US\$ 4.9bn in 2026 and US\$ 5.3bn in 2027.

NBG kept its key rate unchanged at 8.25%

On 21 October 2026, the NBG's Monetary Policy Committee kept the policy rate at 8.25% for a 4th consecutive meeting. According to the NBG, energy prices accounted for around 2ppts of September's 5.6% annual inflation, reflecting prolonged tensions in the Middle East. The more persistent components of inflation remain below headline: core and services inflation stood at 3.5% and 3.7%, respectively, which, in the regulator's view, indicates that the impact of the supply shock on inflation expectations is so far moderate. Meanwhile, the NBG raised its 2026 inflation forecast by 0.2ppts to 5.4% and upgraded its growth forecast to 7.2%. It explained that, as inflation is driven mainly by external factors, the current moderately tight stance aims to keep inflation expectations and second-round effects in check. The regulator also signaled that further moderate tightening may be needed if the prolonged shock pushes expectations higher, and that normalization will begin once the shock fades.

The next MPC meeting is scheduled for 16 December 2026.

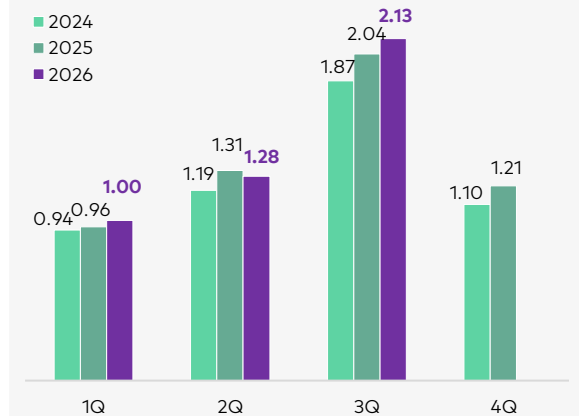
Key macro indicators

	2025	2026F
Real GDP growth (% change)	7.5%	7.5%
GDP per capita (ppp)	29,329	33,784
GDP per capita (US\$)	9,678	11,187
Population (mn)	3.9	3.9
Inflation (average)	3.9%	5.3%
Gross reserves (US\$ bn)	6.2	9.0
CAD (% of GDP)	2.9%	1.9%
Fiscal deficit (% of GDP)	1.4%	1.4%
Total public debt (% of GDP)	34.4%	31.9%
Fitch/S&P/Moody's*	BB/BB/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

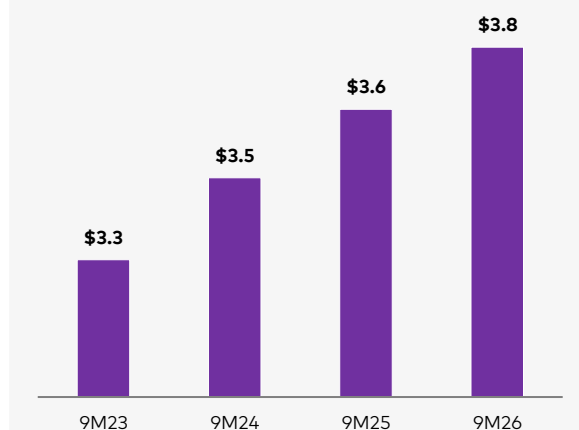
*Latest sovereign credit ratings

Tourist arrivals, mn persons



Source: GNTA

Tourism revenues, US\$ bn



Source: NBG



Money market

Ministry of Finance T-bills/T-notes

5.5-year GEL 30.0mn (US\$ 11.5mn) treasury notes were sold at the auction held at NBG on October 20, 2026. Total demand was 3.3x higher and the weighted average yield was fixed at 8.526%, up by 0.128ppts from previous auction held in Sep-26.

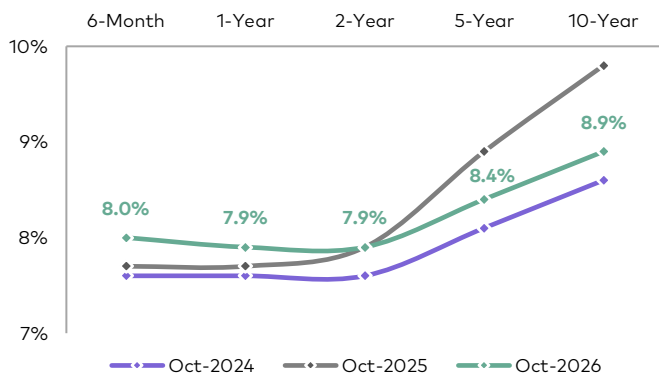
The nearest treasury security auction is scheduled for October 27, 2026, where GEL 30.0mn nominal value 4.7-year treasury notes will be sold.

T-bills / T-notes in 2026

Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	500	80	398
Long-term (over 1-year)	1,885	290	12,547
Total	2,385	370	12,945

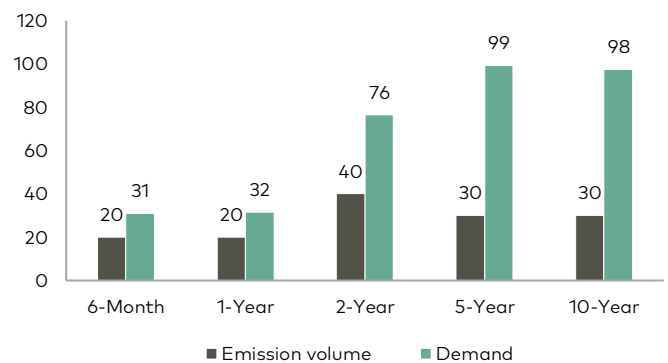
Source: MoF, Galt & Taggart
*As of September 2026

T-bills / T-notes, yield curve



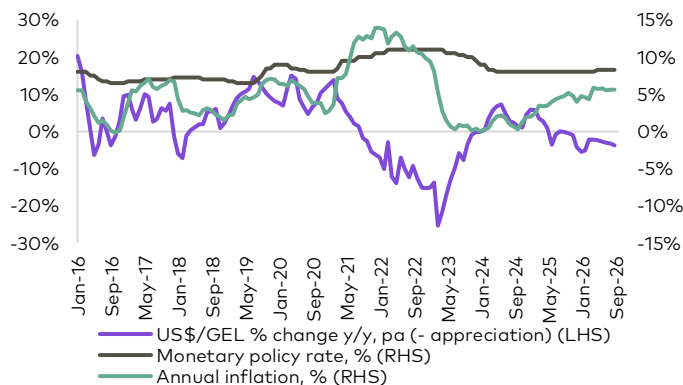
Source: NBG

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



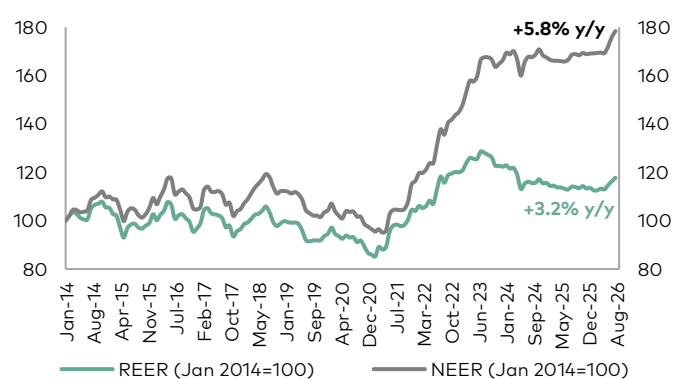
Source: NBG

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 01/31	USD	500	5.125%	Jan-26	Jan-31	BB/BB/Ba2	95.52	6.34	176.47
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	96.38	6.35	190.35
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.39	9.58	320.36
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	102.51	10.11	n/a
GEBGG 06/31	USD	300	6.500%	Jun-26	Jun-31	-/-/Ba2	97.67	7.10	260.00
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	98.73	7.88	326.72
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.36	4.00	n/a
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	104.61	9.92	386.77
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB/BB/-	103.62	7.39	216.18

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

Georgian local bonds

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Issuer Credit Rating	Mid price	Mid yield
USD								
Geo. Renewable Power Oper.	USD	73	7.00%	Oct-22	Oct-27	n/a	100.00	7.00%
Georgia Capital	USD	50	8.50%	Aug-23	Aug-28	BB-	101.08	8.13%
Silk Bank	USD	1	12.50%	Apr-24	Apr-29	n/a	n/a	n/a
JSC BasisBank	USD	20	7.00%	Aug-24	Aug-27	B+	n/a	7.00%
Liberty Bank	USD	3.6	11.00%	Sep-24	Sep-31	B+	n/a	n/a
Liberty Bank	USD	4	13.50%	Dec-24	n/a	B+	n/a	n/a
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	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	n/a
ALMA	USD	30	8.50%	Jul-25	Jul-27	n/a	n/a	n/a
Gudauri Lodge	USD	10	8.25%	Oct-25	Oct-27	n/a	n/a	n/a
IG Development	USD	25	7.75%	Dec-25	Dec-27	n/a	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	BB	n/a	n/a
Lopota	USD	1	7.75%	Apr-26	Apr-27	n/a	n/a	n/a
Bank of Georgia	USD	40	5.00%	Apr-26	Apr-27	BB	n/a	n/a
Nutrimax	USD	10	8.50%	May-26	May-28	n/a	n/a	n/a
Tegeta Motors	USD	5	5.75%	Jun-26	Dec-26	BB-	n/a	n/a
Tegeta Motors	USD	15	7.00%	Jun-26	Jun-28	BB-	n/a	n/a
IG Development Georgia	USD	39.5	7.25%	Jul-26	Jul-28	n/a	n/a	n/a
MP Development	USD	6.3	7.50%	Jul-26	Jul-27	n/a	n/a	n/a
MFO Rico Express	USD	10	7.00%	Sep-26	Sep-29	B+	n/a	n/a

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



Fixed income

Georgian local bonds

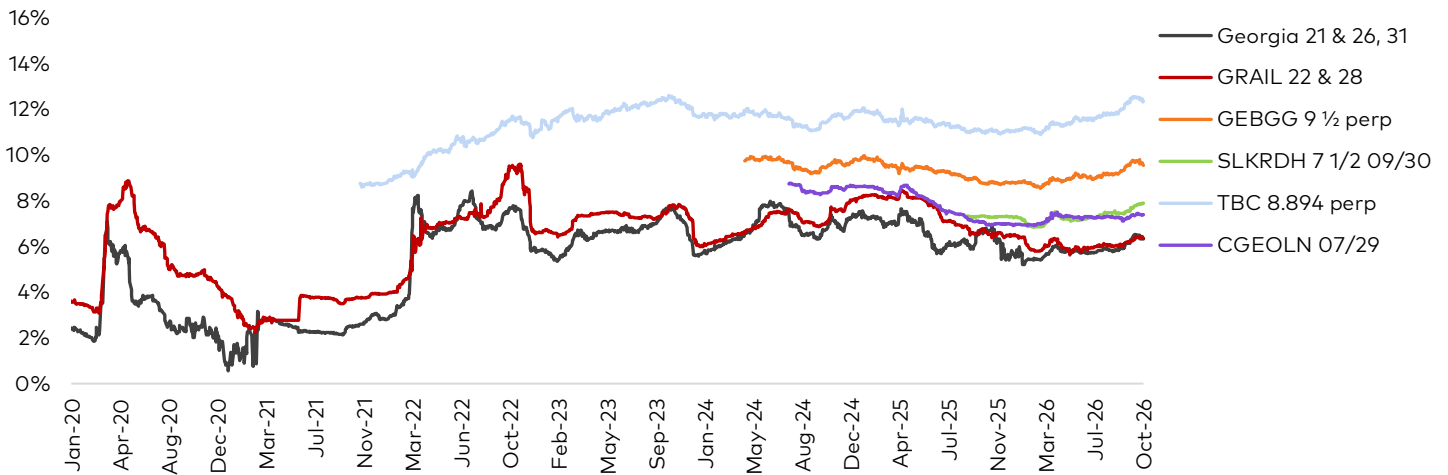
Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Issuer Credit Rating	Mid price	Mid yield, %
EUR								
ALMA	EUR	8.5	7.25%	Jul-25	Jul-27	n/a	n/a	n/a
IG Development	EUR	15	6.50%	Dec-25	Dec-28	n/a	n/a	n/a
Tegeta Motors	EUR	7.5	6.25%	May-26	May-28	BB-	n/a	n/a
Tegeta Motors	EUR	3.5	6.25%	May-26	May-28	BB-	n/a	n/a
MP Development LLC	EUR	5.3	6.50%	Jul-26	Jul-27	n/a	n/a	n/a
GEL								
Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-26	BB-	100.00	12.33%
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	B+	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	B+	n/a	n/a
TBC Leasing	GEL	160	TIBR3M + 3.00%	Mar-26	Mar-31	BB	n/a	n/a

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



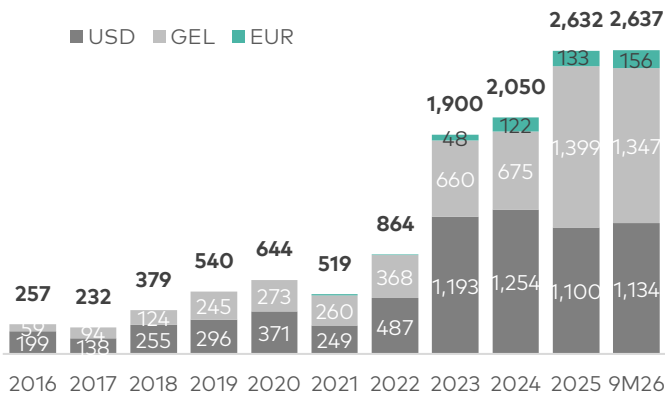
Fixed income

Georgian Eurobonds, YTM



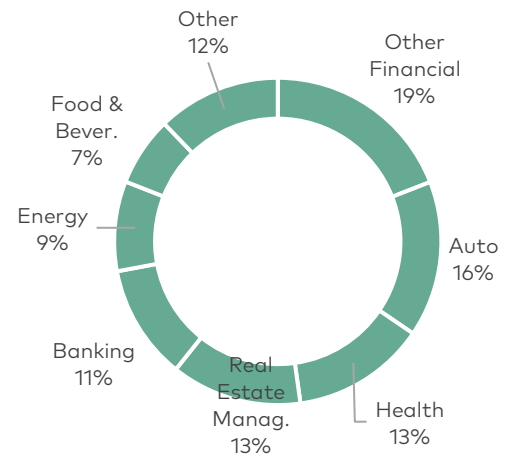
Source: Bloomberg

Georgian local corporate public bonds outstanding GEL mn



Source: NBG

Georgian local corporate public bonds outstanding by sector

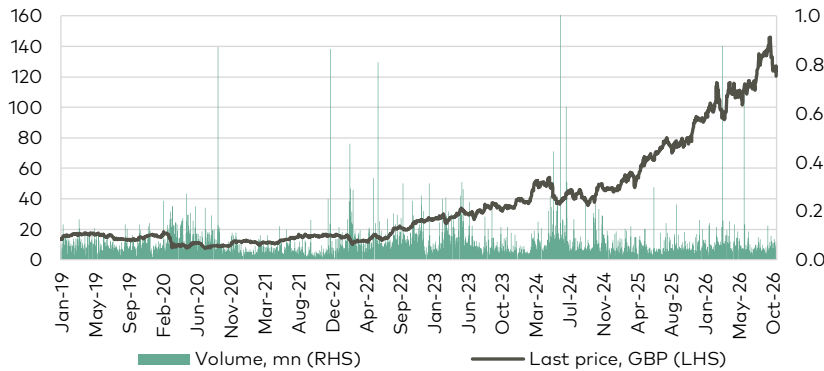


Source: NBG



Equities

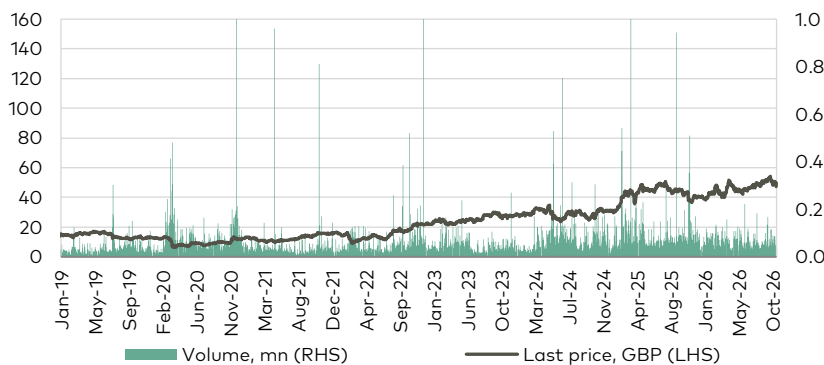
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 120.60/share (-4.13% w/w and -14.59% m/m). More than 307k shares traded in the range of GBP 119.30 - 127.00/share. Average daily traded volume was 61k in the last 4 weeks. The volume of BGEO shares traded was at 0.71% of its capitalization.

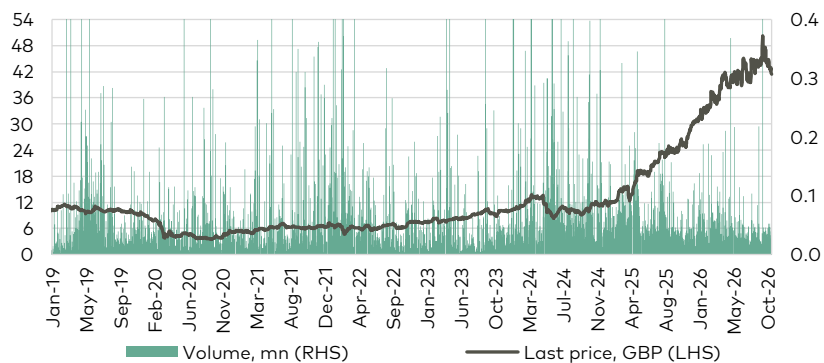
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 47.20/share (-7.09% w/w and -10.94% m/m). More than 251k shares changed hands in the range of GBP 46.70 - 50.85/share. Average daily traded volume was 64k in the last 4 weeks. The volume of TBCG shares traded was at 0.45% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 41.45/share (-2.59% w/w and -7.99% m/m). More than 185k shares traded in the range of GBP 40.40 - 43.40/share. Average daily traded volume was 37k in the last 4 weeks. The volume of CGEO shares traded was at 0.54% of its capitalization.



Equities

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E		P/B	
								2027F	2028F	2027F	2028F
Lion Finance Group	BGEO	GBP	120.60	5,213	7.7%	55.9%	29.7%	6.55x	5.61x	1.44x	1.19x
TBC	TBC	GBP	47.20	2,630	-4.8%	11.1%	16.3%	5.14x	4.46x	1.11x	0.96x
Halyk Bank	HSBK	USD	32.50	8,856	-6.6%	21.7%	8.5%	4.64x	4.91x	na	na
Akbank	AKBNK	TRY	63.35	329,420	-20.1%	8.2%	-9.2%	2.70x	2.26x	0.68x	0.53x
Garanti	GARAN	TRY	126.50	531,300	-9.3%	0.2%	-11.8%	3.00x	2.50x	0.76x	0.61x
Isbank	ISCTR	TRY	12.17	304,250	-17.7%	0.9%	-13.6%	2.15x	1.59x	0.48x	0.40x
PKO	PKO	PLN	109.54	136,925	13.3%	41.6%	28.6%	9.78x	8.87x	2.03x	1.87x
PEKAO	PEO	PLN	251.90	66,116	6.2%	31.0%	22.8%	9.48x	8.55x	1.67x	1.58x
Millennium	MIL	PLN	21.41	25,972	17.2%	37.9%	28.7%	10.93x	9.75x	1.97x	1.82x
Mbank	MBK	PLN	1,392.50	59,217	18.3%	42.3%	31.2%	11.52x	10.45x	2.19x	1.96x
BRD	BRD	RON	32.50	22,649	9.2%	49.4%	20.8%	12.36x	10.74x	1.78x	1.63x
Banca Transilvania	TLV	RON	36.18	39,448	11.3%	47.3%	37.1%	9.42x	8.58x	1.75x	1.58x
Komerčni	KOMB	CZK	993.50	188,814	-15.4%	-5.7%	-14.5%	10.16x	9.55x	1.41x	1.36x
Mean								7.52x	6.76x	1.44x	1.29x
Median								9.42x	8.55x	1.56x	1.47x

Source: Bloomberg, S&P Capital IQ



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