Economy

IMF updates world economic outlook

On 14 April 2026, the IMF released an updated World Economic Outlook. In its baseline scenario, global growth is projected at 3.1% in 2026, down 0.2ppts from the January forecast, mainly reflecting the impact of the Middle East war via higher commodity prices, elevated inflation expectations, and tighter financial conditions. IMF expects global inflation to pause its decline, rising from 4.1% in 2025 to 4.4% in 2026 before easing to 3.7% in 2027, largely driven by energy and food price pressures. For Georgia, the IMF maintains its growth forecast at 5.3% for 2026.

Tourist arrivals increased by 4.0% y/y in 1Q26

In 1Q26, international visitors to Georgia - comprising tourist and same-day arrivals - decreased marginally by 0.2% y/y to 1.2mn, reflecting the impact of Middle East escalation on travel flows in Mar-26. The decline was driven by a sharp drop in same-day arrivals (-19.0% y/y), while tourist arrivals increased by 4.0% y/y (85.2% of total).

Visitor flows weakened notably from Israel (-17.5% y/y), Iran (-48.8% y/y), Armenia (-11.2% y/y), India (-29.5% y/y), and Azerbaijan (-8.1% y/y). At the same time, arrivals increased from the EU (+30.2% y/y), Türkiye (+5.8% y/y), Russia (+5.2% y/y), China (+48.6% y/y), Ukraine (+24.5% y/y), and Saudi Arabia (+36.6% y/y).

Goods exports increased strongly in Mar-26

In Mar-26, goods exports increased strongly by 24.0% y/y to US$ 697.0mn, following a 26.6% y/y rise in previous month. Goods imports rose by 4.4% y/y to US$ 1.6bn, after growing by 10.4% y/y in Feb-26. As a result, the trade deficit narrowed by 7.0% y/y to US$ 890.4mn.

Overall, in 1Q26, the trade deficit decreased by 21.1% y/y to US$ 2.4bn, as exports grew by 23.3% y/y to US$ 1.7bn and imports were down by 7.2% y/y to US$ 4.1bn.

Money transfers increased by 9.8% y/y in Mar-26

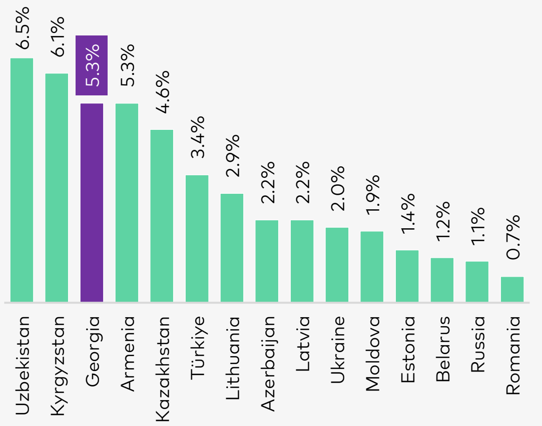
Money transfers increased by 9.8% y/y to US$ 320.6mn in Mar-26, after a 17.1% y/y growth in previous month. Among the top countries, the transfers increased from the EU (+11.0% y/y, 46.9% of total), the USA (+10.9% y/y, 19.0% of total), Israel (+25.2% y/y, 8.4% of total) and Türkiye (+33.9% y/y, 3.6% of total). Meanwhile, transfers reduced only from Kazakhstan (-2.3% y/y, 2.0% of total). Overall, in 1Q26 money transfers rose by 14.2% y/y to US$ 898.6mn. We forecast money transfers at US$ 3.8bn in 2026, up from US$ 3.6bn posted in 2025.

Key macro indicators

	2025	2026F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	31,613	35,243
GDP per capita (US$)	10,297	11,507
Population (mn)	3.7	3.7
Inflation (average)	3.9%	4.2%
Gross reserves (US$ bn)	6.2	7.0
CAD (% of GDP)	2.6%	3.2%
Fiscal deficit (% of GDP)	1.4%	2.5%
Total public debt (% of GDP)	34.2%	33.5%
Fitch/S&P/Moody's*	BB/BB/Ba2	

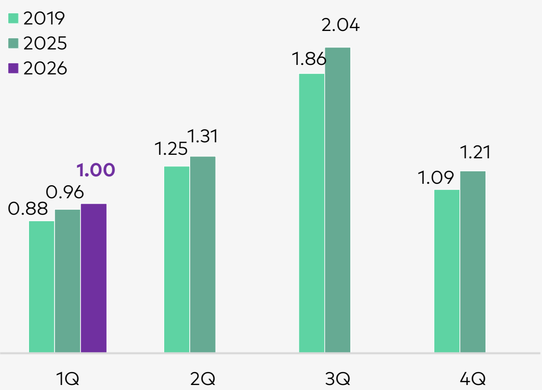
Source: Official data, Rating agencies, Galt & Taggart
*Latest sovereign credit ratings

Real GDP growth projections for 2026, IMF



Source: IMF, WEO, April 2026

Tourist arrivals, mn persons



Source: GNTA

Money market

Ministry of Finance T-bills/T-notes

10.4-year GEL 30.0mn (US$ 11.1mn) treasury notes were sold at the auction held at NBG on April 14, 2026. Total demand was 2.3x higher and the weighted average yield was fixed at 9.263%, down by 0.178ppts from previous auction held in Mar-26.

1-year GEL 20.0mn (US$ 7.4mn) treasury notes were sold at the auction held at NBG on April 14, 2026. Total demand was 3.0x higher and the weighted average yield was fixed at 8.043%, up by 0.069ppts from previous auction held in Mar-26.

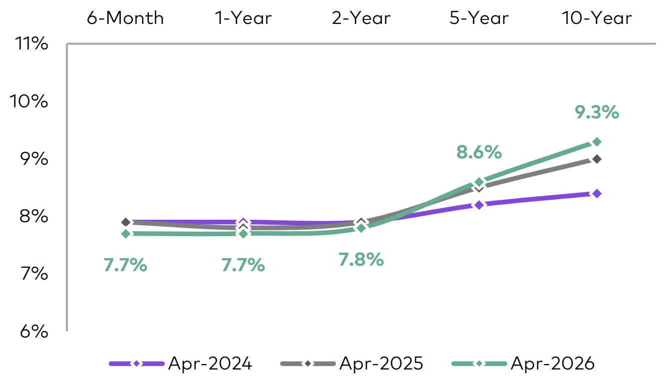
The nearest treasury security auction is scheduled for April 21, 2026, where GEL 40.0mn nominal value 8.2-year treasury notes will be sold.

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)	260	320	445
Long-term (over 1-year)	610	1,550	11,286
Total	**870**	**1,870**	**11,731**

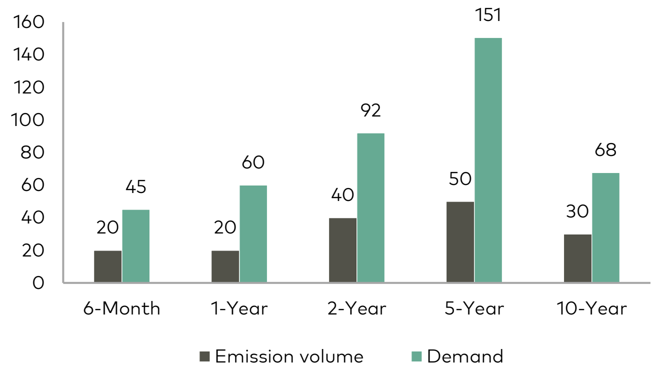
Source: MoF, Galt & Taggart
*As of March 2026

T-bills / T-notes, yield curve



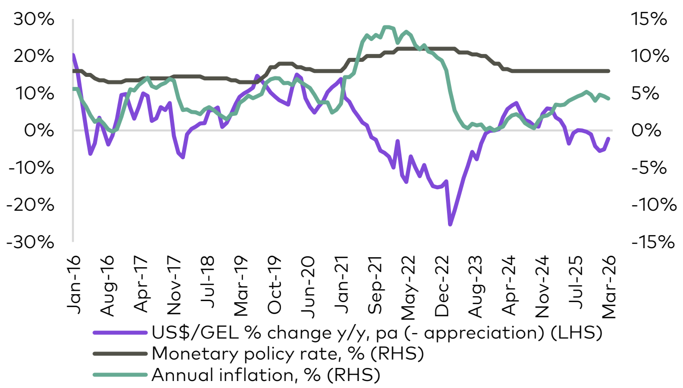
Source: NBG

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



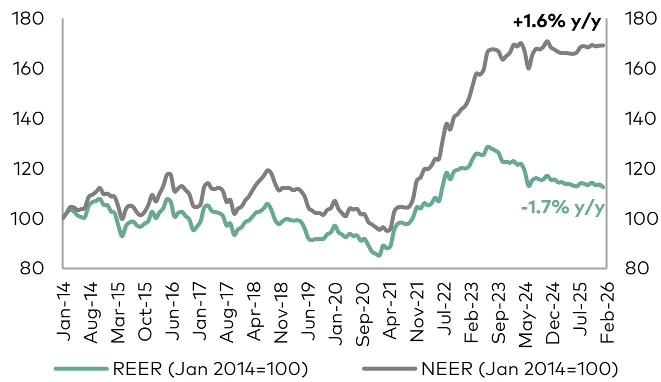
Source: NBG

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	97.34	5.77	222.15
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	96.03	5.99	245.49
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.60	8.87	435.80
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	100.63	11.21	n/a
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	100.99	7.23	364.98
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.54	8.06	412.66
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	106.76	9.12	436.28
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	104.32	7.35	323.98

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

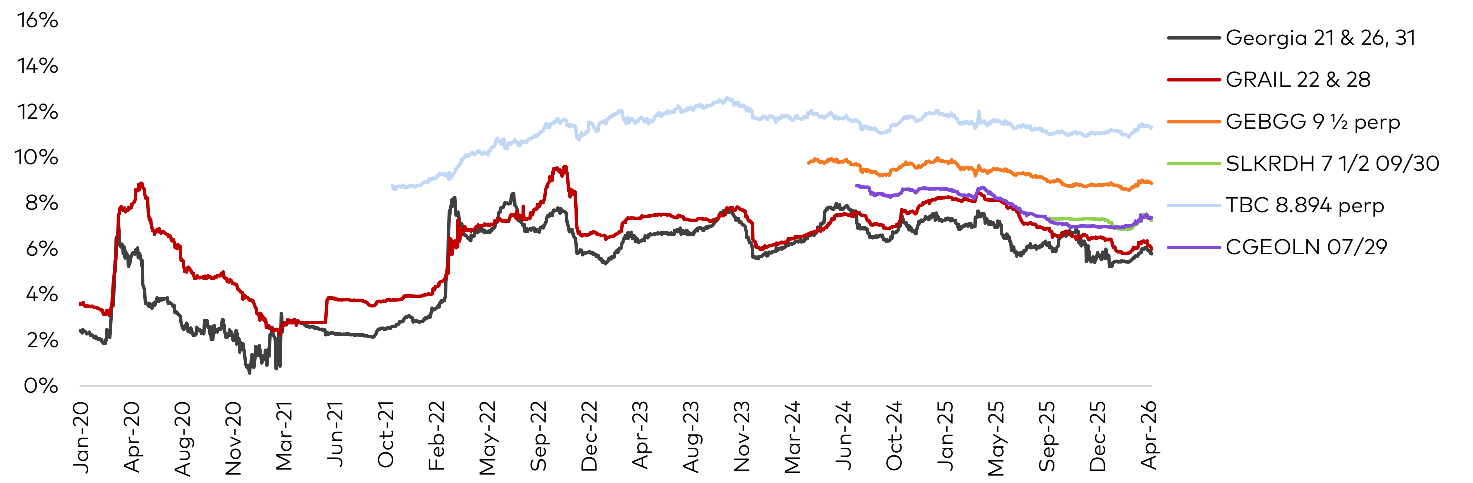
Georgian local bonds

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				
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
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: Bloomberg, Galt & Taggart

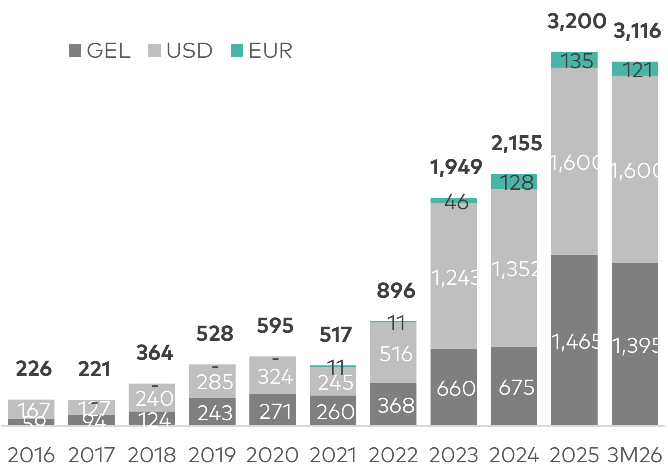
Fixed income

Georgian Eurobonds, YTM



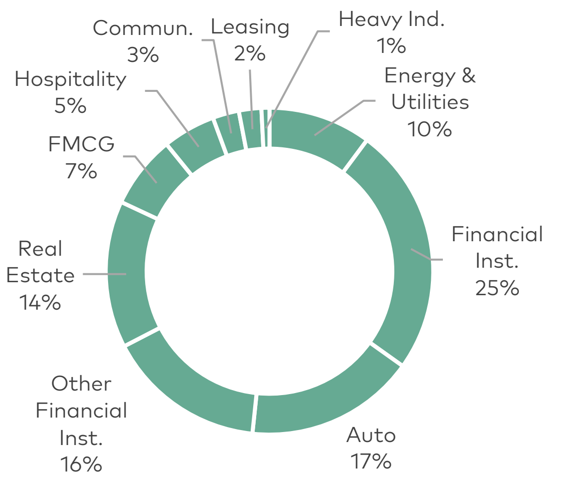
Source: Bloomberg

Georgian local corporate public bonds outstanding GEL mn



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

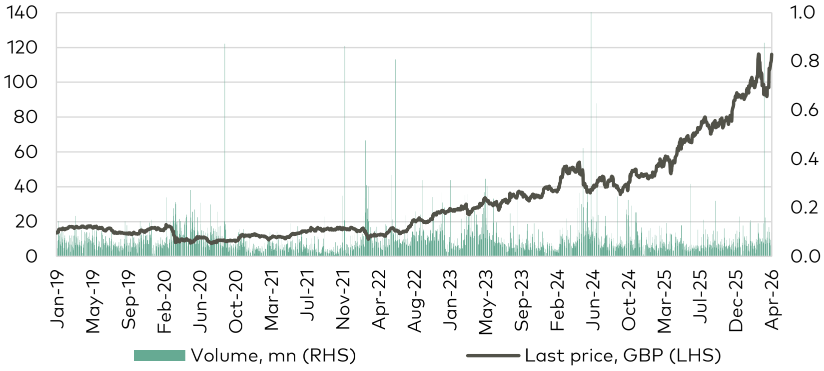
Georgian local corporate public bonds outstanding by sector



Source: Galt & Taggart

Equities

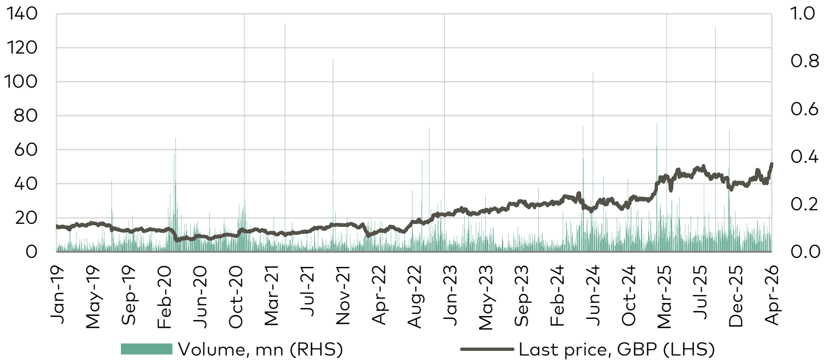
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 116.00/share (+7.81% w/w and +17.41% m/m). More than 415k shares traded in the range of GBP 105.90 - 116.20/share. Average daily traded volume was 81k in the last 4 weeks. The volume of BGEO shares traded was at 0.96% of its capitalization.

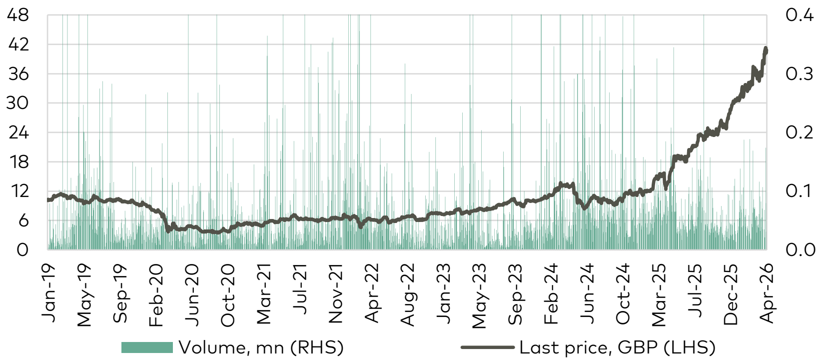
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 51.80/share (+9.84% w/w and +22.60% m/m). More than 311k shares changed hands in the range of GBP 46.18 - 52.00/share. Average daily traded volume was 73k in the last 4 weeks. The volume of TBCG shares traded was at 0.56% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 40.80/share (+0.62% w/w and +13.65% m/m). More than 339k shares traded in the range of GBP 39.50 - 41.90/share. Average daily traded volume was 58k in the last 4 weeks. The volume of CGEO shares traded was at 0.99% of its capitalization.

Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E 2026F	P/E 2027F	P/B 2026F	P/B 2027F
Lion Finance Group	BGEO	GBP	116.00	5,014	57.2%	115.6%	24.7%	7.52x	6.49x	1.77x	1.45x
TBC	TBC	GBP	51.80	2,887	25.9%	21.0%	27.6%	6.69x	5.85x	1.46x	1.27x
Halyk Bank	HSBK	USD	35.35	9,632	31.9%	62.2%	18.0%	5.05x	5.04x	1.38x	na
Akbank	AKBNK	TRY	83.55	434,460	52.3%	62.9%	19.7%	4.35x	3.16x	1.09x	0.83x
Garanti	GARAN	TRY	146.40	614,880	24.0%	39.8%	2.0%	3.93x	3.14x	1.04x	0.81x
Isbank	ISCTR	TRY	15.11	377,750	34.0%	36.6%	7.2%	3.12x	2.24x	0.71x	0.55x
PKO	PKO	PLN	102.00	127,500	37.0%	44.3%	19.8%	12.16x	10.06x	2.15x	1.99x
PEKAO	PEO	PLN	253.90	66,641	37.3%	43.8%	23.8%	11.44x	10.27x	1.84x	1.74x
Millennium	MIL	PLN	19.31	23,418	31.5%	35.5%	16.1%	11.58x	9.28x	2.35x	1.91x
Mbank	MBK	PLN	1,285.00	54,646	40.7%	61.8%	21.1%	12.49x	11.14x	2.41x	2.03x
BRD	BRD	RON	29.65	20,663	37.3%	63.6%	10.2%	12.59x	11.29x	1.81x	1.66x
Banca Transilvania	TLV	RON	38.20	41,650	37.0%	62.2%	26.5%	9.31x	8.92x	1.94x	1.76x
Komercni	KOMB	CZK	1,180.00	224,258	13.0%	9.0%	1.5%	13.01x	12.14x	1.75x	1.65x
Mean								***8.71x***	***7.62x***	***1.67x***	***1.47x***
Median								***9.31x***	***8.92x***	***1.77x***	***1.65x***

Source: Bloomberg, S&P Capital IQ

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Galt & Taggart
Address: 3 A. Pushkin Street, Tbilisi 0108, Georgia
Tel: +995 32 2401 111

Research: research@gt.ge
Tel: +995 32 2401 111 (4298)

Brokerage: sales@gt.ge
Tel: +995 32 2401 111 (4132)

Investment Banking: ib@gt.ge
Tel: +995 32 2401 111 (7457)