GALT & TAGGART
CREATING OPPORTUNITIES

Weekly Market Watch | Georgia
May 25, 2026

Economy

Unemployment rate reduced to 14.4% in 1Q26
The unemployment rate declined by 0.3ppts y/y to 14.4% in 1Q26. Total employment stood at 1,369 thousand, down 1.8% y/y, reflecting a reallocation across employment categories. Hired employment fell by 3.8% y/y to 921.5 thousand (67.3% of total employment), largely due to the discontinuation of the state employment program for socially vulnerable persons at the start of 2026. In contrast, self-employment increased by 3.4% y/y, indicating continued labor market flexibility. As program participants exited the labor force, the participation rate adjusted to 53.4% in 1Q26 (-1.4ppts y/y), bringing the total labor force to 1,599 thousand (-2.1% y/y).

Trade deficit decreased by 15.7% y/y in Apr-26
In Apr-26, goods exports increased by 16.1% y/y to US$ 716.3mn, following a 24.0% y/y rise in previous month. Goods imports fell by 2.9% y/y to US$ 1.5bn, reversing the 6.7% y/y growth in the prior month. As a result, the trade deficit narrowed by 15.7% y/y to US$ 765.5mn.
The top 5 exported commodities were cars (-31.8% y/y), petroleum (+US$ 110.3mn y/y), precious metals (+27.2% y/y), fertilizers (+145.1% y/y) and wine (-6.5% y/y) in Apr-26. A 12.0% of exports were directed to the EU (+11.4% y/y), 51.9% to the CIS (-16.0% y/y) and 36.1% to other countries (+166.2% y/y). The top 5 imports were cars (-33.8% y/y), petroleum (+39.5% y/y), pharmaceuticals (+9.8% y/y), gases (+95.9% y/y) and phones (+5.5% y/y) in Apr-26.
Overall, in 4M26, the trade deficit decreased by 18.0% y/y to US$ 3.3bn, as exports grew by 21.1% y/y to US$ 2.4bn and imports were down by 4.9% y/y to US$ 5.7bn.

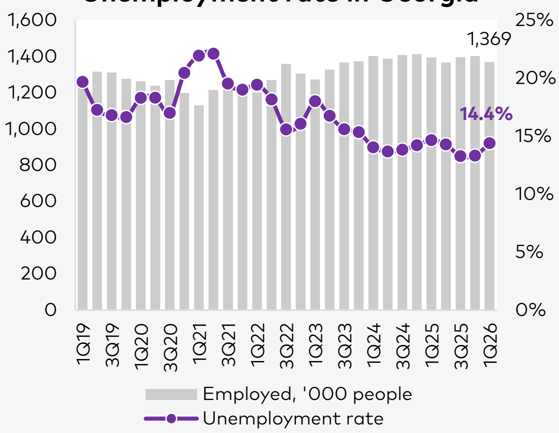
Producer price index increased by 6.7% y/y in Apr-26
Annual PPI for industrial goods increased by 6.7% in Apr-26, after a 6.5% rise in previous month. The annual growth was mainly driven by an increase in prices in the manufacturing (+5.3% y/y) and mining (+27.6% y/y) sectors.

Key macro indicators

	2025	2026F
Real GDP growth (% change)	7.5%	7.0%
GDP per capita (ppp)	29,329	32,260
GDP per capita (US$)	9,678	10,985
Population (mn)	3.9	3.9
Inflation (average)	3.9%	4.8%
Gross reserves (US$ bn)	6.2	7.0
CAD (% of GDP)	2.6%	3.2%
Fiscal deficit (% of GDP)	1.4%	2.2%
Total public debt (% of GDP)	34.2%	33.5%
Fitch/S&P/Moody's*	BB/BB/Ba2	

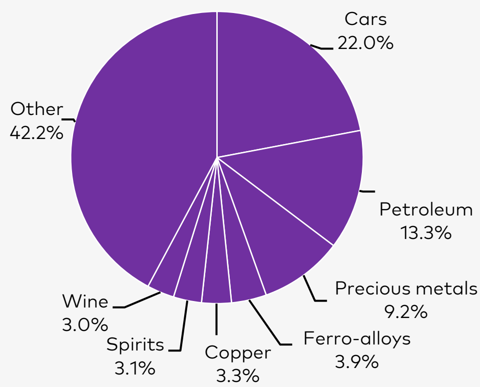
Source: Official data, Rating agencies, Galt & Taggart
*Latest sovereign credit ratings

Unemployment rate in Georgia



Source: Geostat

Goods exports structure, 4M26



Source: Geostat

Money market

Ministry of Finance T-bills/T-notes

On May 21, 2026, the Ministry of Finance of Georgia issued GEL 400mn (US$ 149.5mn) of 5.9-year treasury bonds via syndication. Demand was 4.5x oversubscribed, reflecting strong interest from both resident and non-resident investors, with the coupon rate fixed at 9.0%.

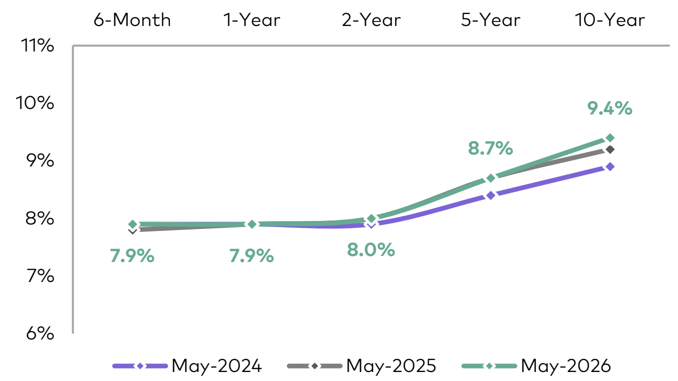
The nearest treasury security auction is scheduled for May 25, 2026, where GEL 45.0mn nominal value 5.2-year treasury notes will be sold.

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)	300	280	446
Long-term (over 1-year)	1,165	995	11,445
Total	**1,465**	**1,275**	**11,891**

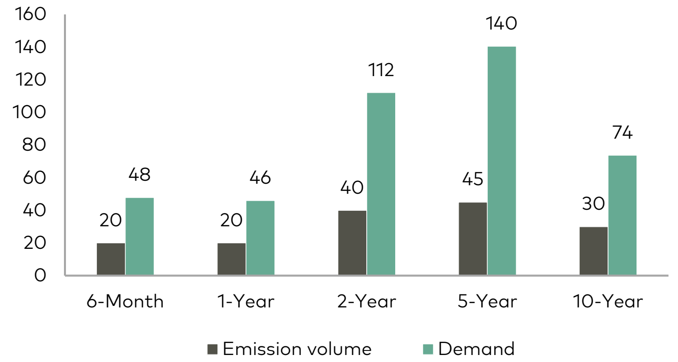
Source: MoF, Galt & Taggart
*As of April 2026

T-bills / T-notes, yield curve



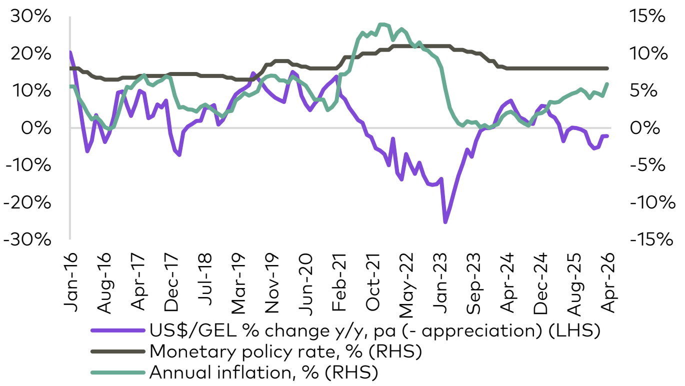
Source: NBG

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



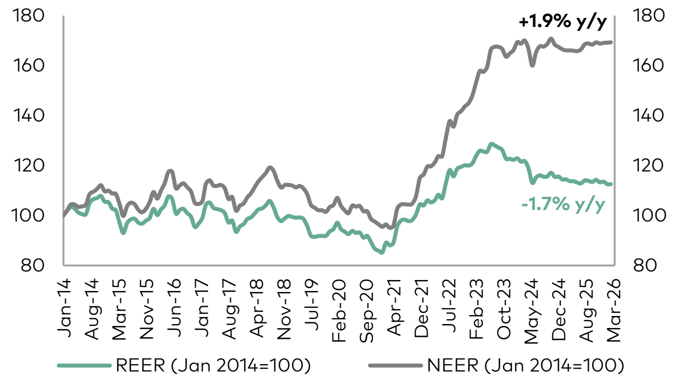
Source: NBG

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	97.10	5.84	183.21
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	96.14	6.03	202.03
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.62	9.15	381.87
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	100.73	11.15	n/a
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	101.24	7.16	307.14
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.85	6.71	309.54
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	106.99	9.33	373.51
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	104.40	7.29	265.03

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	B+	101.08	8.13%
Silk Bank	USD	1	12.50%	Apr-24	Apr-29	n/a	n/a	n/a
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	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	n/a	8.75%
JSC BasisBank	USD	20	7.00%	Aug-24	Aug-27	B+	n/a	7.00%
Georgia Real Estate	USD	25	8.50%	Aug-24	Aug-26	n/a	n/a	8.50%
Chavchavadze 64B	USD	10	8.75%	Aug-24	Aug-26	n/a	n/a	8.75%
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

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

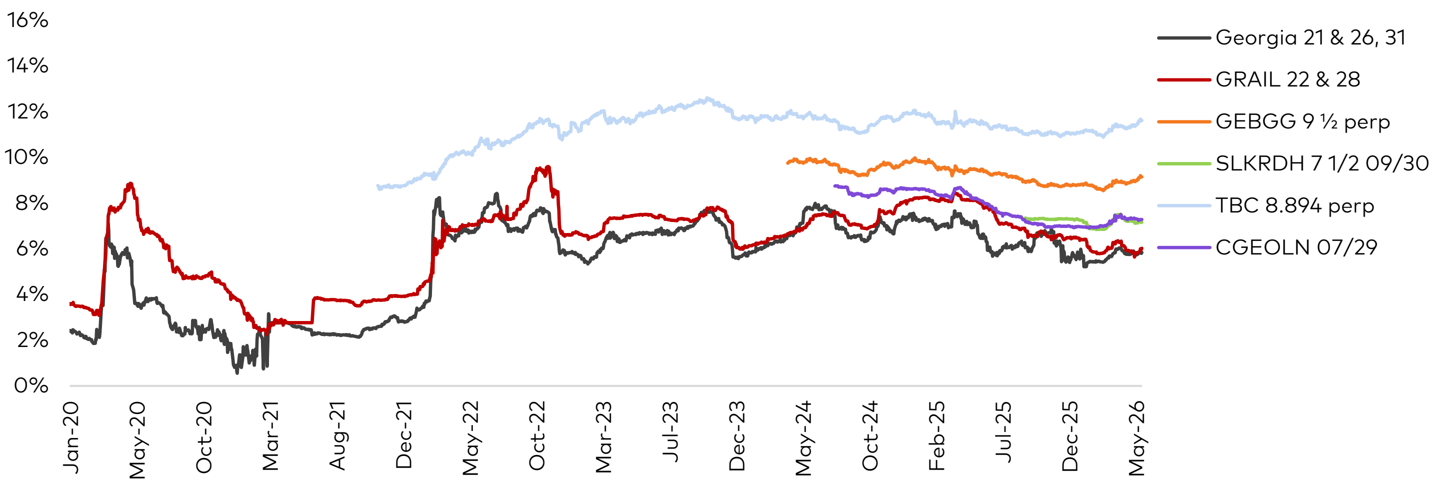
Fixed income

Georgian local bonds								
Issuer	**Currency**	**Amount, mn**	**Coupon**	**Issue date**	**Maturity date**	**Issuer Credit Rating**	**Mid price**	**Mid yield, %**
				EUR				
MP Development	EUR	3	7.75%	Jul-24	Jul-26	n/a	n/a	7.75%
Chavchavadze 64B	EUR	3	7.75%	Aug-24	Aug-26	n/a	n/a	7.75%
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
				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	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: NBG

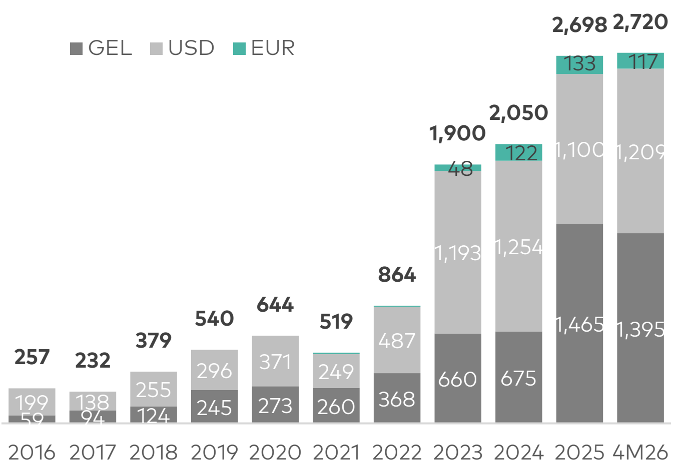
Fixed income

Georgian Eurobonds, YTM



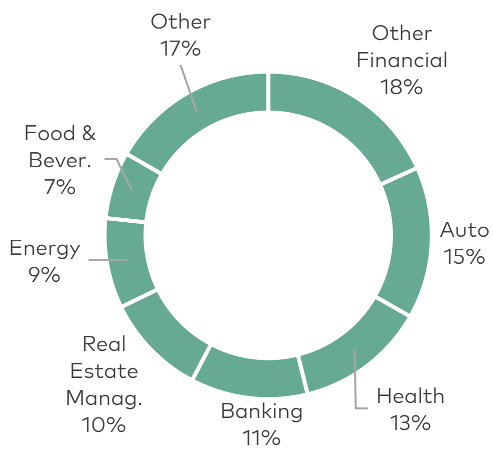
Source: Bloomberg

Georgian local corporate public bonds outstanding GEL mn



Source: NBG

Georgian local corporate public bonds outstanding by sector

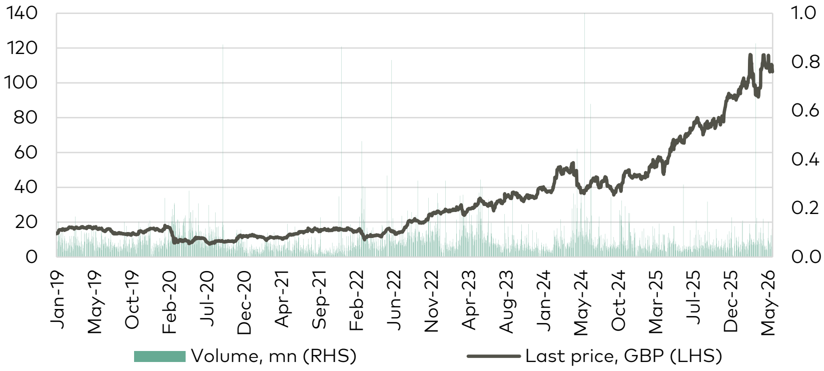


Source: NBG

Note: Source changed from Galt & Taggart estimates to official National Bank of Georgia data; figures are not directly comparable with previous publications due to methodological differences.

Equities

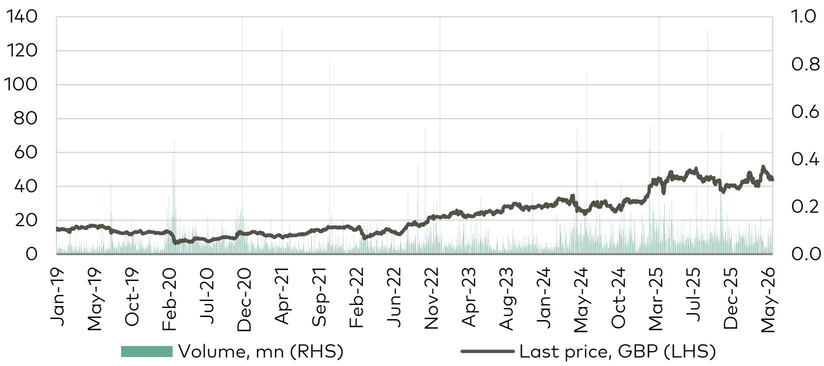
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 106.40/share (-1.85% w/w and -5.59% m/m). More than 331k shares traded in the range of GBP 105.00 - 111.80/share. Average daily traded volume was 60k in the last 4 weeks. The volume of BGEO shares traded was at 0.77% of its capitalization.

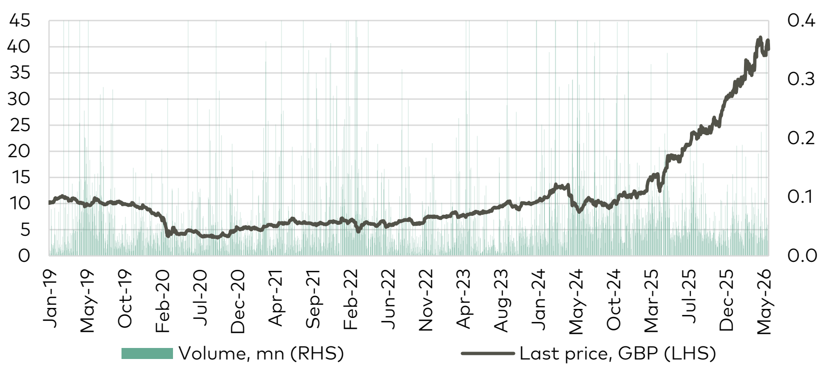
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 43.84/share (-4.24% w/w and -12.41% m/m). More than 362k shares changed hands in the range of GBP 43.00 - 46.86/share. Average daily traded volume was 61k in the last 4 weeks. The volume of TBCG shares traded was at 0.65% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 39.50/share (-2.11% w/w and -5.62% m/m). More than 182k shares traded in the range of GBP 38.90 - 41.70/share. Average daily traded volume was 62k in the last 4 weeks. The volume of CGEO shares traded was at 0.53% 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	106.40	4,599	27.7%	60.5%	14.4%	6.97x	5.98x	1.61x	1.33x
TBC	TBC	GBP	43.84	2,443	16.6%	-4.1%	8.0%	5.59x	4.88x	1.22x	1.06x
Halyk Bank	HSBK	USD	31.15	8,488	33.4%	29.3%	4.0%	4.08x	4.44x	na	na
Akbank	AKBNK	TRY	63.60	330,720	2.9%	18.5%	-8.9%	3.38x	2.40x	0.82x	0.63x
Garanti	GARAN	TRY	122.30	513,660	-8.2%	8.8%	-14.8%	3.25x	2.58x	0.85x	0.68x
Isbank	ISCTR	TRY	13.20	330,000	3.9%	18.7%	-6.3%	2.73x	1.98x	0.62x	0.48x
PKO	PKO	PLN	101.84	127,300	38.1%	36.0%	19.6%	11.92x	9.77x	2.12x	1.97x
PEKAO	PEO	PLN	238.10	62,494	24.2%	33.1%	16.1%	10.94x	9.54x	1.74x	1.63x
Millennium	MIL	PLN	19.04	23,097	21.1%	32.4%	14.5%	17.63x	9.48x	2.19x	1.90x
Mbank	MBK	PLN	1,210.00	51,456	18.9%	50.7%	14.0%	12.54x	10.12x	2.26x	1.92x
BRD	BRD	RON	31.45	21,918	45.3%	66.4%	16.9%	12.99x	11.97x	1.91x	1.76x
Banca Transilvania	TLV	RON	38.64	42,130	29.6%	59.0%	27.9%	9.68x	9.02x	1.96x	1.78x
Komercni	KOMB	CZK	988.00	187,769	-13.9%	-3.3%	-15.0%	11.11x	10.31x	1.46x	1.43x
Mean								***8.68x***	***7.11x***	***1.56x***	***1.38x***
Median								***9.68x***	***9.02x***	***1.68x***	***1.53x***

Source: Bloomberg, S&P Capital IQ

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