Economy

Fitch revised Georgia's outlook to positive

On 30 October 2026, Fitch affirmed Georgia's sovereign credit rating at BB and revised the outlook to positive from stable. According to Fitch, the positive outlook reflects Georgia's significant reserve accumulation, the prospect of sustainably lower current account deficits, and very strong growth, with GDP expanding by over 8% on average in 2023-25, more than twice the 'BB' median. The ratings are also supported by a credible macro-fiscal policy framework, moderate public debt, and a sound banking sector. Fitch forecasts growth of 7.5% in 2026, gradually easing toward its 5.0% medium-term potential over 2027-28.

Growth at 7.4% in 9M26

Real GDP growth in Georgia was 6.0% y/y in Sep-26, following 6.3% in August, bringing the 9M26 average to 7.4% y/y. Growth in September was driven mainly by construction, ICT, mining, trade, and financial services, while manufacturing contracted.

We maintain our 2026 real GDP growth forecast at 7.5% for 2026 and 6.0% for 2027 (see latest macro forecasts here).

Bank lending increased by 16.9% y/y in Sep-26

Bank credit growth accelerated to 16.9% y/y (excluding FX effects) in Sep-26, from 14.8% in August, lifting the loan book to GEL 78.1bn (US$ 30.0bn). The pickup was driven by corporate lending, which strengthened markedly to 15.3% y/y from 11.7% y/y in prior month, while retail lending continued to outpace at 18.3% y/y (17.5% in August). On the funding side, deposit growth remained robust at 20.5% y/y (excluding FX effects), following a 21.7% y/y rise in the previous month, bringing total deposits to GEL 77.4bn (US$ 29.7bn). De-dollarization stays on track. Loan dollarization edged up 0.25ppts m/m to 41.5% in September, while deposit dollarization fell 0.23ppts m/m to a record low of 43.0%. Both ratios remain below year-ago levels, down 0.34ppts and 6.28ppts y/y, respectively.

NBG purchased US$ 248.5mn in Sep-26

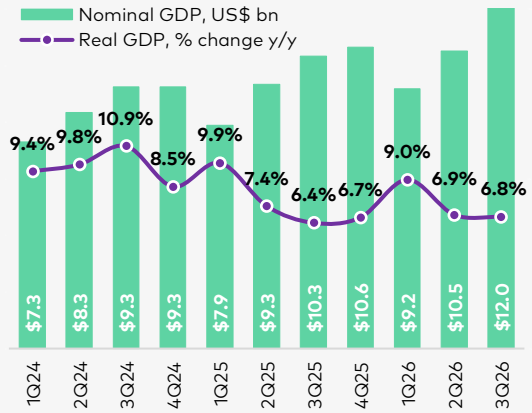
The NBG continued its interventions in the FX market, buying US$ 248.5mn via the BMatch platform in Sep-26 and bringing its total net purchases to US$ 3.4bn in 9M26.

Key macro indicators

	2025	2026F
Real GDP growth (% change)	7.5%	7.5%
GDP per capita (ppp)	29,329	33,863
GDP per capita (US$)	9,678	11,213
Population (mn)	3.9	3.9
Inflation (average)	3.9%	5.3%
Gross reserves (US$ 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

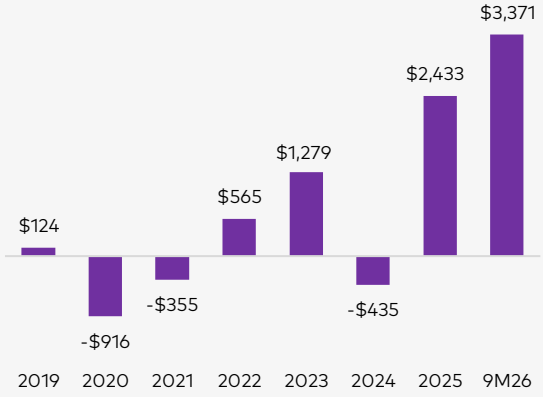
Source: Official data, Rating agencies, Galt & Taggart
*Latest sovereign credit ratings

Gross domestic product



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

4.7-year GEL 30.0mn (US$ 11.6mn) treasury notes were sold at the auction held at NBG on October 27, 2026. Total demand was 2.3x higher and the weighted average yield was fixed at 8.421%, up by 0.023ppts from previous auction held in Sep-26.

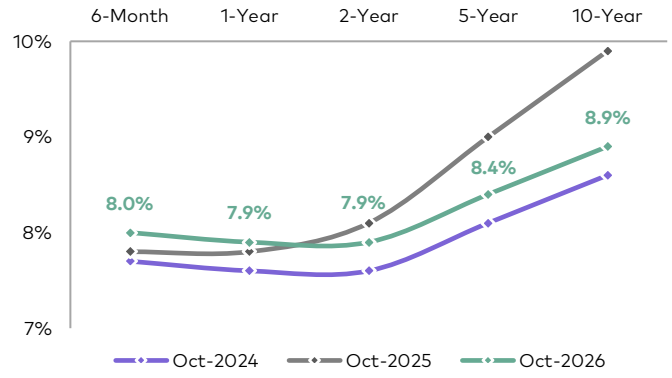
The nearest treasury security auction is scheduled for November 3, 2026, where GEL 20.0mn nominal value 6-month T-bills and GEL 40.0mn nominal value 2.3-year treasury notes will be sold.

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)	1,915	260	12,547
Total	**2,415**	**340**	**12,945**

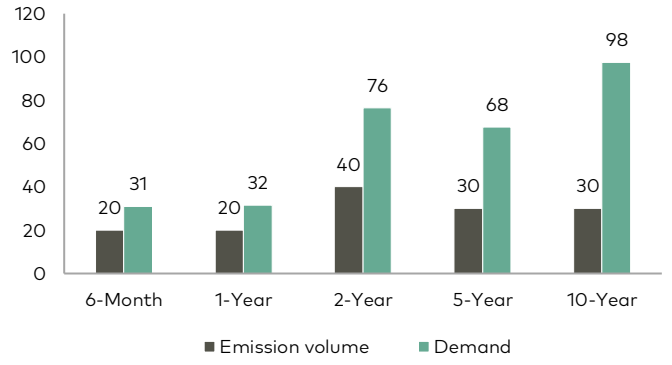
Source: MoF, Galt & Taggart
*As of September 2026

T-bills / T-notes, yield curve



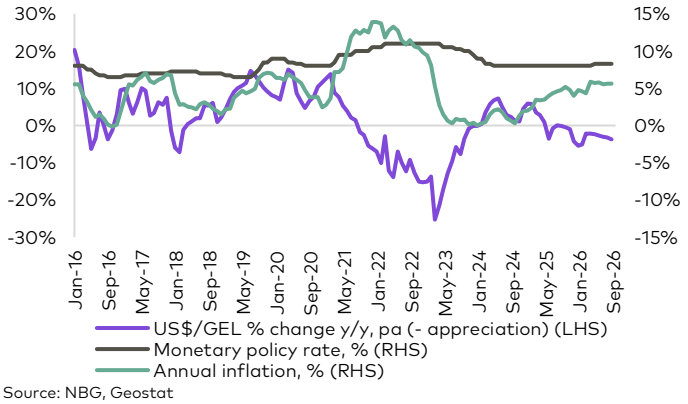
Source: NBG

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



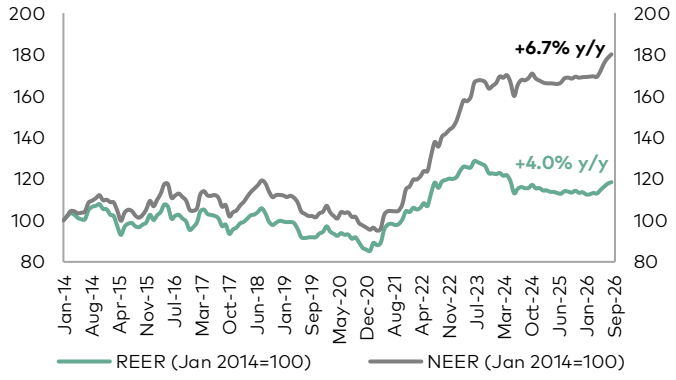
Source: NBG

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	95.72	6.29	181.64
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	96.29	6.44	195.98
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.42	9.55	319.22
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	102.59	10.06	n/a
GEBGG 06/31	USD	300	6.500%	Jun-26	Jun-31	-/-/Ba2	97.76	7.08	264.42
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	98.69	7.90	343.21
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	100.34	4.41	55.79
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	104.86	9.89	380.01
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB/BB/-	103.56	7.40	221.57

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

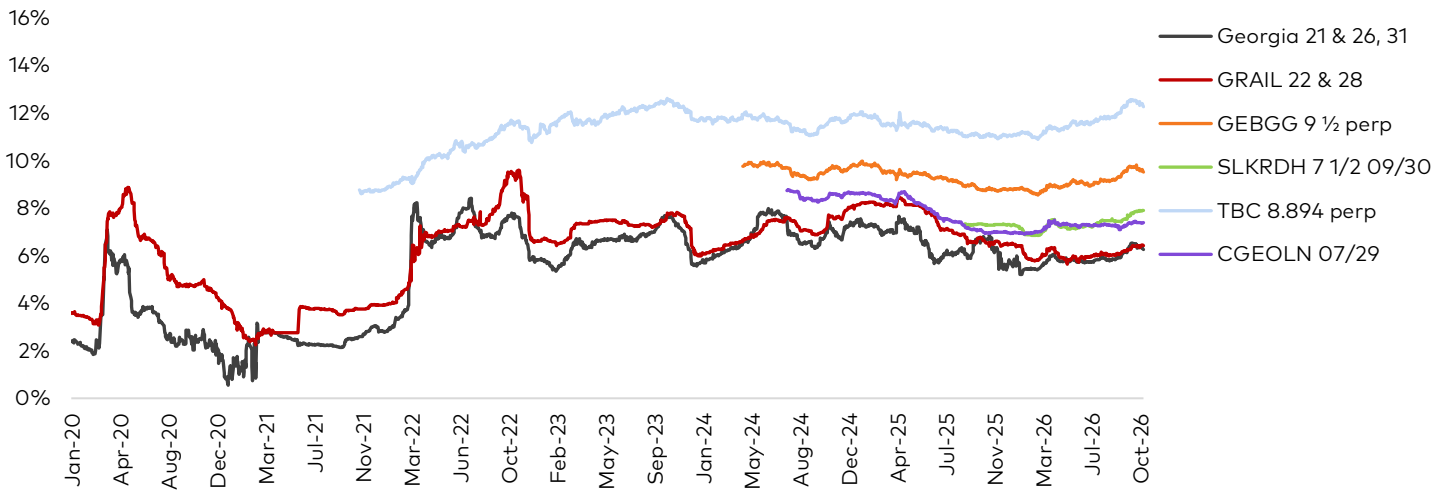
Georgian local bonds

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: NBG

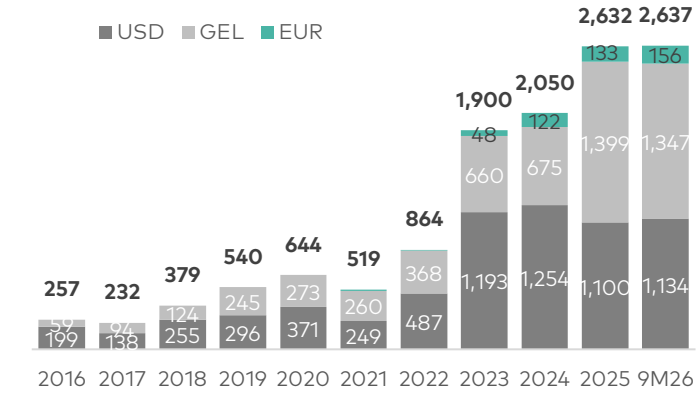
Fixed income

Georgian Eurobonds, YTM



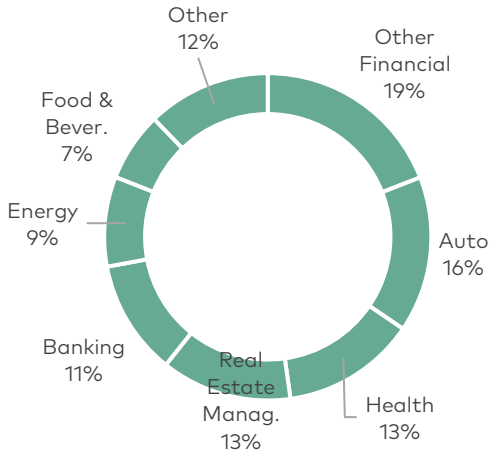
Source: Bloomberg

Georgian local corporate public bonds outstanding GEL mn



Source: NBG

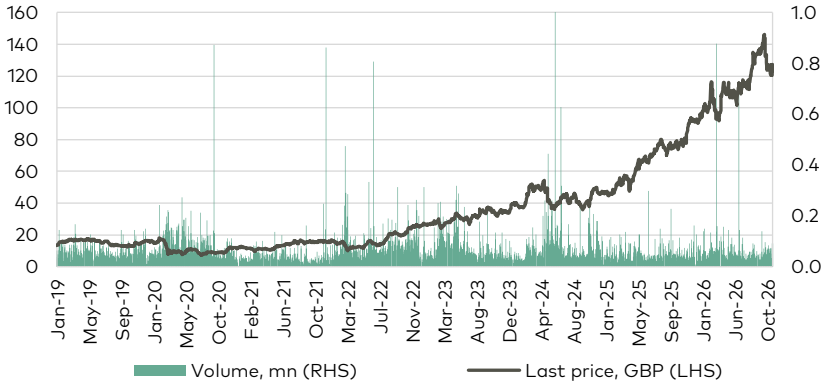
Georgian local corporate public bonds outstanding by sector



Source: NBG

Equities

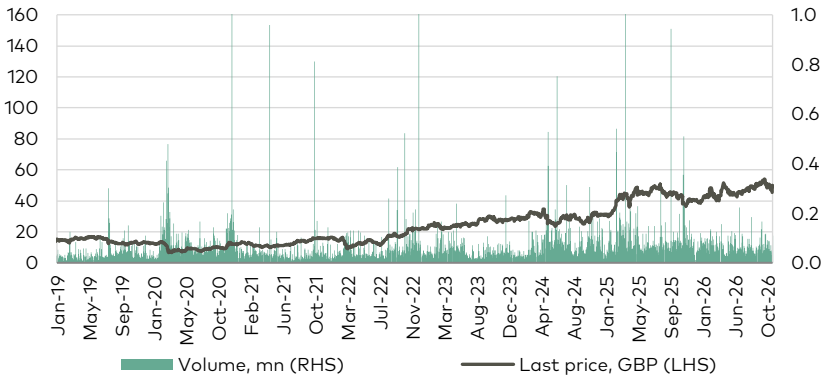
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 120.30/share (-0.25% w/w and -16.28% m/m). More than 299k shares traded in the range of GBP 119.60 - 127.20/share. Average daily traded volume was 60k in the last 4 weeks. The volume of BGEO shares traded was at 0.70% of its capitalization.

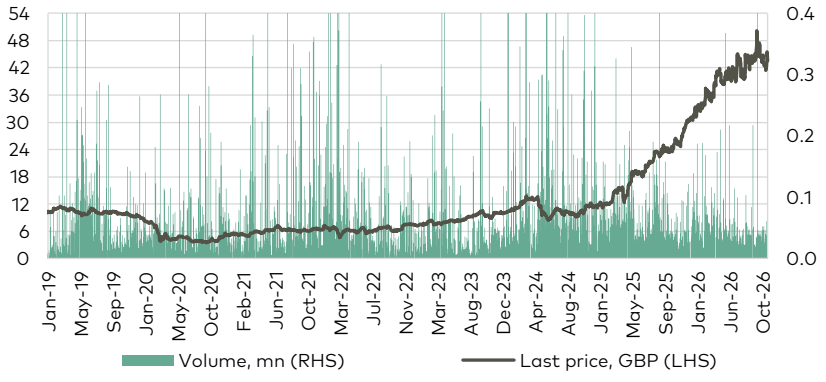
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 45.48/share (-3.64% w/w and -15.54% m/m). More than 284k shares changed hands in the range of GBP 45.48 - 50.05/share. Average daily traded volume was 58k in the last 4 weeks. The volume of TBCG shares traded was at 0.51% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 43.60/share (+5.19% w/w and -7.33% m/m). More than 234k shares traded in the range of GBP 41.40 - 46.00/share. Average daily traded volume was 39k in the last 4 weeks. The volume of CGEO shares traded was at 0.71% of its capitalization.

Equities

Eastern European banks

								P/E		P/B	
	Ticker	**Currency**	**Share price**	**Mcap, mn**	**6M chg**	**y/y chg**	**YTD chg**	**2027F**	**2028F**	**2027F**	**2028F**
Lion Finance Group	BGEO	GBP	120.30	5,171	9.0%	52.1%	29.4%	6.46x	5.53x	1.42x	1.17x
TBC	TBC	GBP	45.48	2,534	-6.2%	5.2%	12.0%	4.90x	4.25x	1.05x	0.91x
Halyk Bank	HSBK	USD	32.80	8,949	-4.4%	22.4%	9.5%	4.68x	4.96x	na	na
Akbank	AKBNK	TRY	60.90	316,680	-16.8%	2.4%	-12.8%	2.90x	2.42x	0.72x	0.57x
Garanti	GARAN	TRY	125.20	525,840	-6.4%	-3.7%	-12.8%	3.31x	2.76x	0.84x	0.68x
Isbank	ISCTR	TRY	11.65	291,250	-18.8%	-6.4%	-17.3%	2.29x	1.70x	0.51x	0.43x
PKO	PKO	PLN	114.52	143,150	21.0%	48.6%	34.5%	10.83x	9.83x	2.25x	2.07x
PEKAO	PEO	PLN	262.50	68,898	16.0%	35.4%	28.0%	10.47x	9.44x	1.85x	1.74x
Millennium	MIL	PLN	22.95	27,840	28.6%	45.8%	38.0%	12.42x	11.07x	2.24x	2.07x
Mbank	MBK	PLN	1,632.00	69,438	43.0%	60.4%	53.7%	14.31x	12.98x	2.72x	2.43x
BRD	BRD	RON	32.65	22,754	12.6%	50.5%	21.4%	13.42x	11.66x	1.94x	1.77x
Banca Transilvania	TLV	RON	36.10	45,038	13.9%	48.1%	36.8%	10.16x	9.25x	1.89x	1.71x
Komercni	KOMB	CZK	993.50	188,814	-10.2%	-8.3%	-14.5%	10.38x	9.76x	1.44x	1.39x
Mean								***8.19x***	***7.36x***	***1.57x***	***1.41x***
Median								***10.16x***	***9.25x***	***1.64x***	***1.55x***

Source: Bloomberg, S&P Capital IQ

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