Economy

Georgia's economy grew 6.2% y/y in Apr-26

Georgia's economy expanded by 6.2% y/y in Apr-26, bringing average real GDP growth to a robust 8.3% y/y in 4M26. April growth continued to be broad-based, led by manufacturing, ICT, transport & storage, trade, and financial services. Temporary weakness in construction and mining partly weighed on headline growth but is expected to reverse as investment activity strengthens. We maintain our 2026 real GDP growth forecast at 7.0% (see latest macro forecasts **here**).

Bank lending increased by 14.1% y/y in Apr-26

Georgia's banking sector continued to demonstrate solid growth dynamics in Apr-26. The total loan portfolio increased by 14.1% y/y (excluding FX effects) to GEL 72.9bn (US$ 27.1bn), holding close to the robust 14.9% y/y pace of March. By segment, lending to legal entities grew by 11.7% y/y (excluding FX effect) in Apr-26, compared to 13.2% y/y a month earlier, while retail loans growth remained strong at 16.4% y/y (+16.5% y/y in Apr-26). Loan dollarization held steady at a low 42.5% (flat m/m and -0.77ppts y/y) in Apr-26.

Funding trends stayed favorable, with deposits up 20.0% y/y (excluding FX effects) to GEL 70.0bn (US$ 26.0bn) in Apr-26, edging higher from 19.4% y/y in March. By currency, GEL deposits rose a strong 33.0% y/y (vs. 34.3% y/y in Mar-26), while FX deposits grew 8.1% y/y (vs. 6.1% y/y in Mar-26). As a result, deposit dollarization reduced to 46.4% (-0.17ppts m/m and -5.74ppts y/y) in Apr-26.

NBG purchased US$ 333.3mn in Apr-26

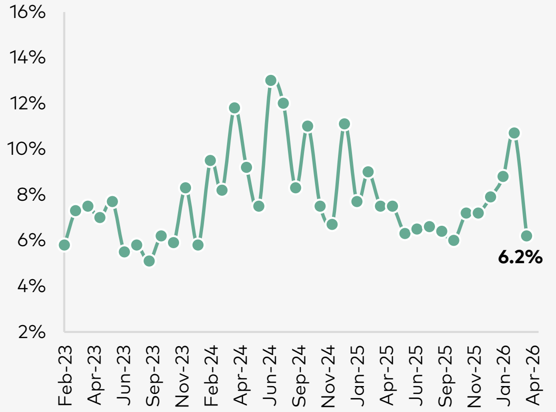
NBG intervened on FX market and purchased US$ 333.3mn through BMatch platform in Apr-26. Overall, the NBG's net purchases reached US$ 833.0n in 4M26.

Key macro indicators

	2025	2026F
Real GDP growth (% change)	7.5%	7.0%
GDP per capita (ppp)	29,329	32,354
GDP per capita (US$)	9,678	11,017
Population (mn)	3.9	3.9
Inflation (average)	3.9%	4.8%
Gross reserves (US$ bn)	6.2	7.2
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	

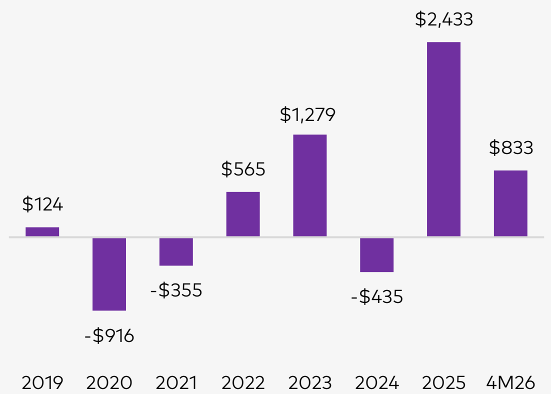
Source: Official data, Rating agencies, Galt & Taggart
*Latest sovereign credit ratings

Real GDP, % change y/y
Rapid estimate



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

5.2-year GEL 45.0mn (US$ 16.8mn) treasury notes were sold at the auction held at NBG on May 25, 2026. Total demand was 3.9x higher and the weighted average yield was fixed at 8.750%, up by 0.201ppts from previous auction held in Apr-26.

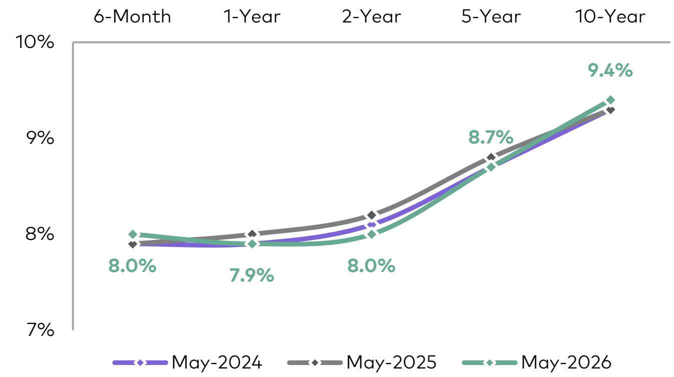
The nearest treasury security auction is scheduled for June 2, 2026, where GEL 20.0mn nominal value 6-month T-bills and GEL 40.0mn nominal value 2.8-year treasury notes will be sold.

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)	1,210	950	11,445
Total	**1,510**	**1,230**	**11,891**

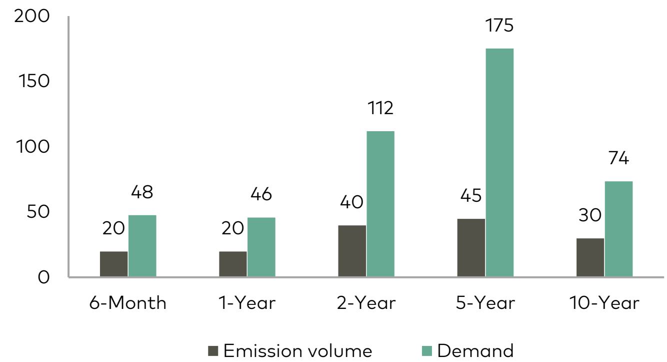
Source: MoF, Galt & Taggart
*As of April 2026

T-bills / T-notes, yield curve



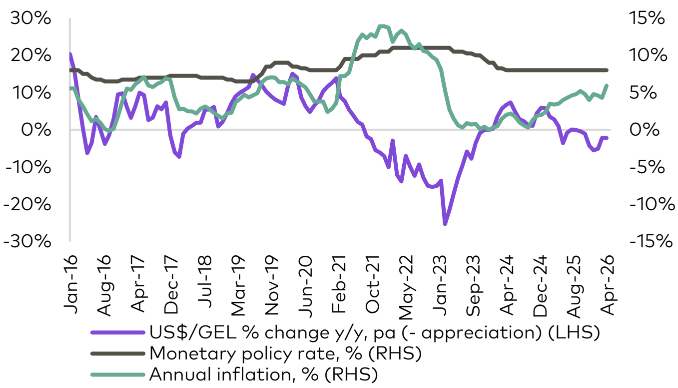
Source: NBG

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



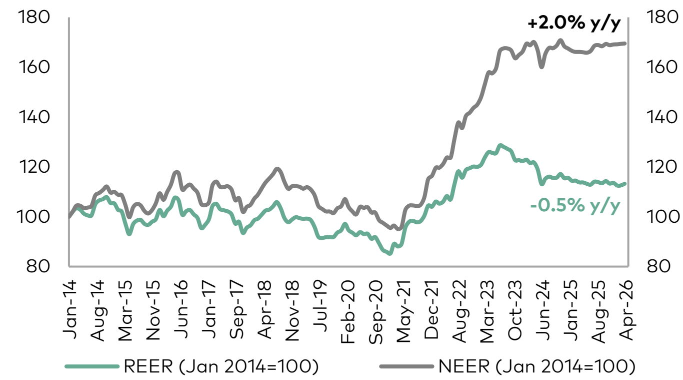
Source: NBG

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	97.56	5.73	186.57
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/-	96.48	5.85	198.58
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/-/B2	104.93	9.06	384.43
GEBGG 11/28	GEL	450	11.500%	Nov-25	Nov-28	-/-/Ba2	100.73	11.15	n/a
GEBGG 06/31	USD	300	6.500%	Jun-26	Jun-31	-/-/Ba2	100.06	6.49	257.19
SILKRDH 09/30	USD	400	7.500%	Sep-25	Sep-30	BB-/-/B1	101.12	7.19	325.25
TBC 8.894 PERP	USD	75	8.894%	Nov-21	n/a	B-/-/-	101.12	6.20	243.51
TBC 10 1/4 PERP	USD	300	10.250%	Apr-24	n/a	-/-/B2	107.18	9.24	380.19
CGEOLN 07/29	USD	300	8.875%	Jul-24	Jul-29	BB-/BB-/-	104.51	7.24	271.90

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

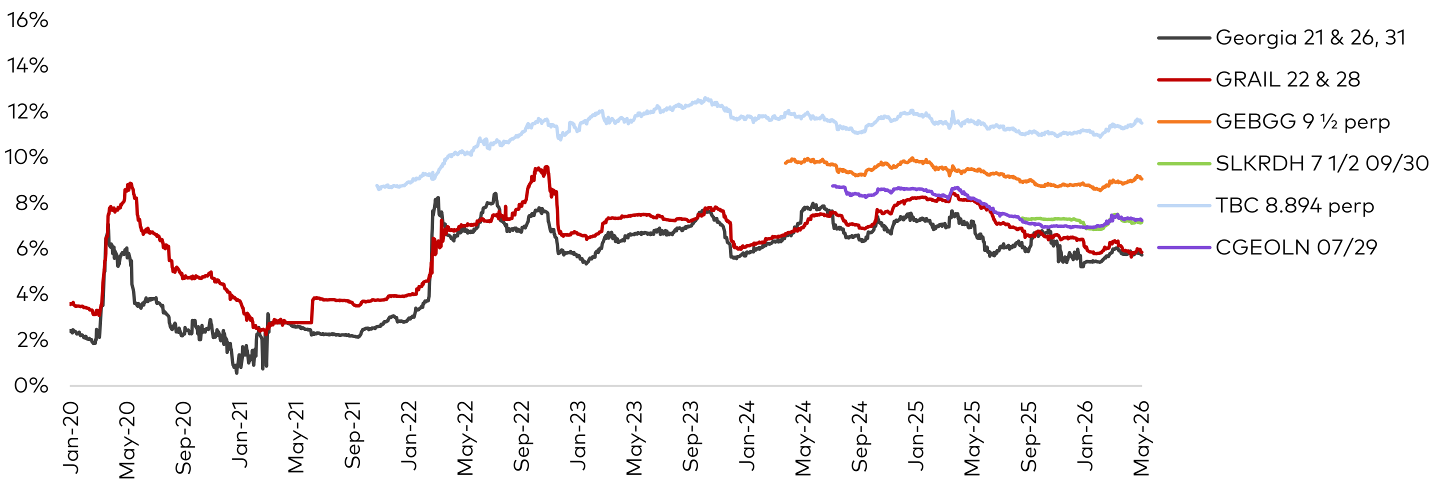
Georgian local bonds

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

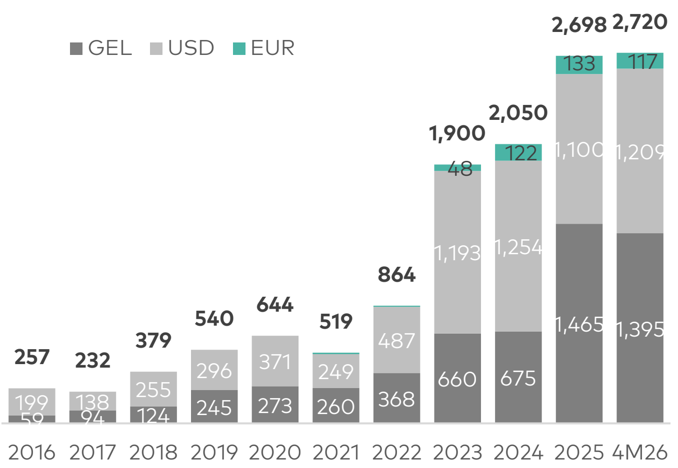
Fixed income

Georgian Eurobonds, YTM



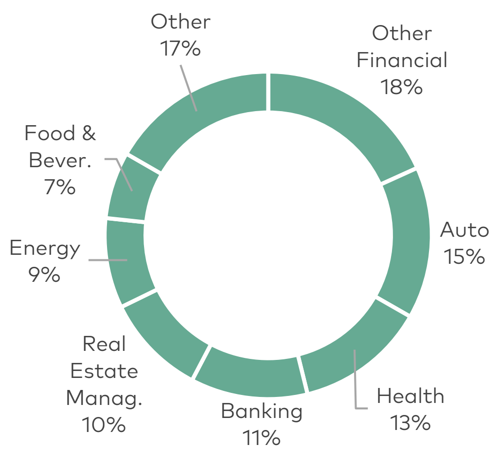
Source: Bloomberg

Georgian local corporate public bonds outstanding GEL mn



Source: NBG

Georgian local corporate public bonds outstanding by sector

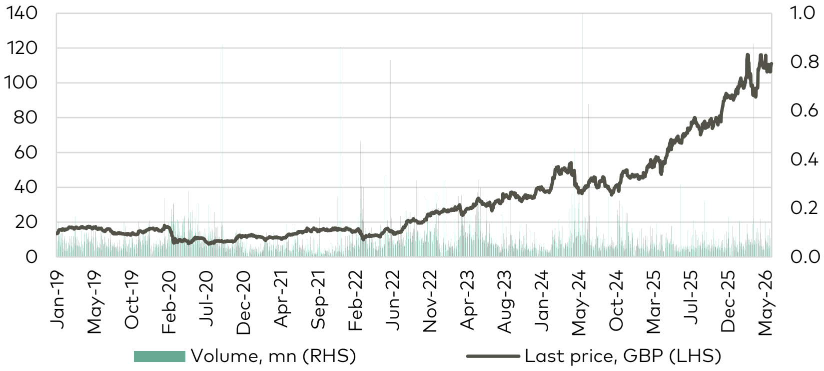


Source: NBG

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

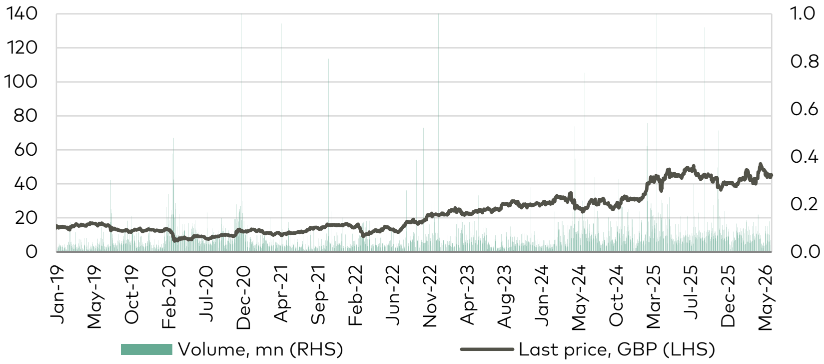
Lion Finance Group (BGEO LN)



Source: Bloomberg

Lion Finance Group (BGEO LN) shares closed at GBP 111.10/share (+4.42% w/w and +1.18% m/m). More than 247k shares traded in the range of GBP 107.70 - 112.90/share. Average daily traded volume was 68k in the last 4 weeks. The volume of BGEO shares traded was at 0.57% of its capitalization.

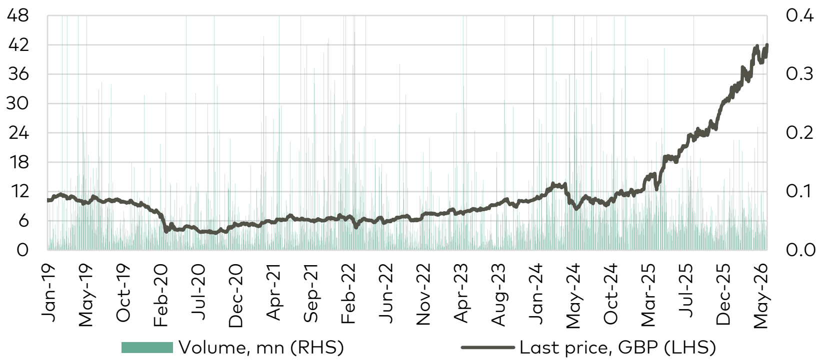
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 45.02/share (+2.69% w/w and -5.82% m/m). More than 265k shares changed hands in the range of GBP 44.00 - 46.02/share. Average daily traded volume was 71k in the last 4 weeks. The volume of TBCG shares traded was at 0.48% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 42.05/share (+6.46% w/w and +7.96% m/m). More than 304k shares traded in the range of GBP 39.70 - 42.25/share. Average daily traded volume was 72k in the last 4 weeks. The volume of CGEO shares traded was at 0.89% of its capitalization.

Equities, continued

Eastern European banks

								P/E		P/B	
	Ticker	**Currency**	**Share price**	**Mcap, mn**	**6M chg**	**y/y chg**	**YTD chg**	**2026F**	**2027F**	**2026F**	**2027F**
Lion Finance Group	BGEO	GBP	111.10	4,802	24.0%	68.3%	19.5%	7.28x	6.25x	1.68x	1.39x
TBC	TBC	GBP	45.02	2,509	10.3%	1.1%	10.9%	5.75x	5.02x	1.25x	1.09x
Halyk Bank	HSBK	USD	32.00	8,720	26.7%	41.0%	6.8%	4.19x	4.56x	na	na
Akbank	AKBNK	TRY	64.00	332,800	-1.2%	21.2%	-8.3%	3.40x	2.41x	0.82x	0.64x
Garanti	GARAN	TRY	122.90	516,180	-11.5%	12.1%	-14.4%	3.26x	2.59x	0.85x	0.68x
Isbank	ISCTR	TRY	13.14	328,500	-3.2%	19.8%	-6.7%	2.71x	1.97x	0.62x	0.48x
PKO	PKO	PLN	103.00	128,750	33.1%	35.5%	20.9%	12.07x	9.89x	2.14x	2.00x
PEKAO	PEO	PLN	241.90	63,491	21.0%	30.8%	17.9%	11.13x	9.70x	1.77x	1.66x
Millennium	MIL	PLN	19.86	24,085	27.1%	34.1%	19.4%	18.39x	9.89x	2.31x	2.01x
Mbank	MBK	PLN	1,280.00	54,433	24.8%	51.0%	20.6%	13.27x	10.71x	2.40x	2.03x
BRD	BRD	RON	31.30	21,813	39.4%	65.6%	16.4%	12.94x	11.93x	1.90x	1.76x
Banca Transilvania	TLV	RON	37.62	41,018	28.2%	50.7%	24.6%	9.33x	8.69x	1.91x	1.73x
Komercni	KOMB	CZK	988.50	187,864	-15.2%	-3.7%	-14.9%	11.12x	10.32x	1.46x	1.44x
Mean								***8.84x***	***7.23x***	***1.59x***	***1.41x***
Median								***9.33x***	***8.69x***	***1.73x***	***1.55x***

Source: Bloomberg, S&P Capital IQ

Disclaimer

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