

# Regional Fixed Income Market Watch

Georgia, Armenia, Azerbaijan, Belarus, Kazakhstan, Ukraine, Russia, Turkey, Uzbekistan

Regional | Fixed Income

Monthly

November 3, 2023

**Regional sovereign Eurobond market:** UZBEK 24 was the best performer in Oct-23, with yield decreasing 97.5bps. Meanwhile, KAZAKH 25 and GEORGIA 26 were the worst performers of the month, with the yields widening by 52.7bps and 36.1bps, respectively.

**Georgian corporate Eurobond market:** TBC perp was the best performer in Oct-23, with yield decreasing 2.3bps. GRAIL 28 was the worst performer of the month, with the yield widening by 47.8bps.

**FX market:** During Oct-23, Russian ruble (RUB), Kazakh tenge (KZT) and Ukrainian hryvnia (UAH) strengthened against US Dollar by 4.3% m/m, 1.8% m/m and 1.7% m/m, respectively, while Turkish lira (TRY) and Armenian dram (AMD) lost 3.2% m/m and 1.5% m/m, respectively.

**Georgia money market:** In Oct-23, GEL 174.9mn treasury notes and GEL 40mn treasury bills were sold. Interest rates increased on all instruments m/m (except 6-month and 1-year T-bills). Weighted average interest rate on 10-year notes was 8.464%, 5-year notes was 8.329%, on 2-year notes was 8.375%, on 1-year instrument was 9.275%, and it came in at 9.460% for 6-month instruments. Notably, non-residents' treasury holdings decreased by 33.5% m/m to GEL 236.3mn and the share of non-residents in total outstanding holdings came in at 3.0% (-1.6ppts m/m) in Oct-23.

## Regional Sovereign Eurobond yields, change m/m in October 2023, bps

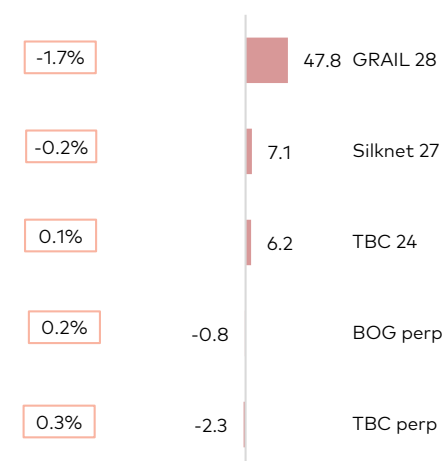
Change in price, %



Source: Bloomberg, Galt & Taggart

## Georgian Corporate Eurobond yields, change m/m in October 2023, bps

Change in price, %



Source: Bloomberg, Galt & Taggart

**Eva Bochorishvili** - Head of Research

| evabochorishvili@gt.ge | +995 32 2401 111 ext. 8036

**Lasha Kavtaradze** - Head of Macro Analysis

| lashakavtaradze@gt.ge | +995 32 2401 111 ext. 7473

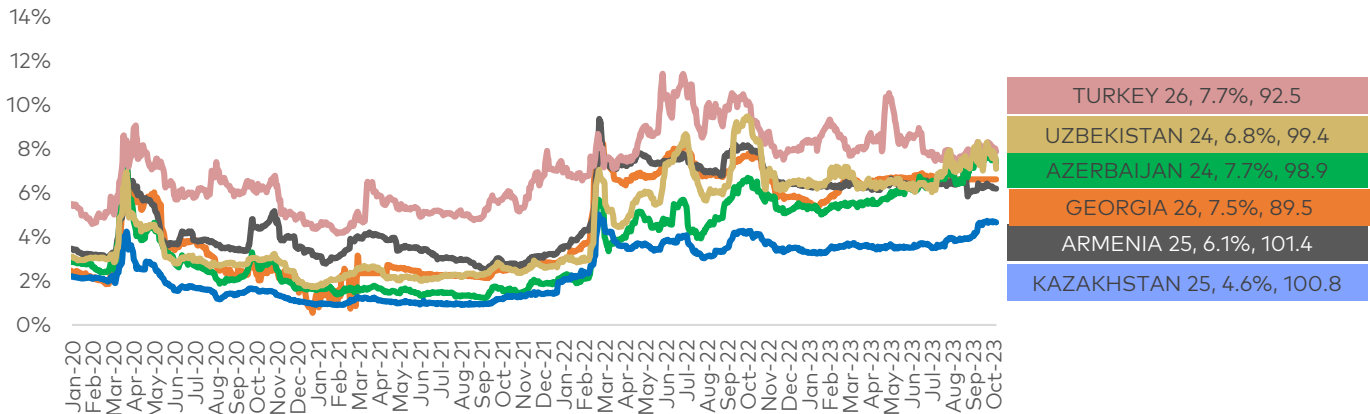
**Giorgi Iremashvili** - Head of Analytics

| giremashvili@gt.ge | +995 32 2401 111 ext. 4691



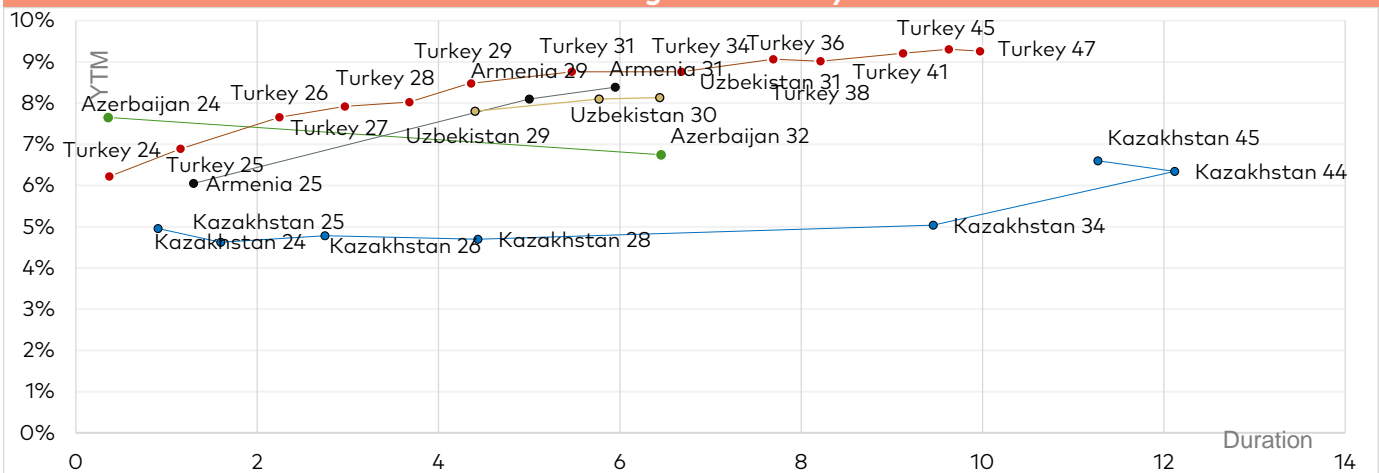
## Sovereign Eurobond yields

Selected sovereign Eurobond YTM



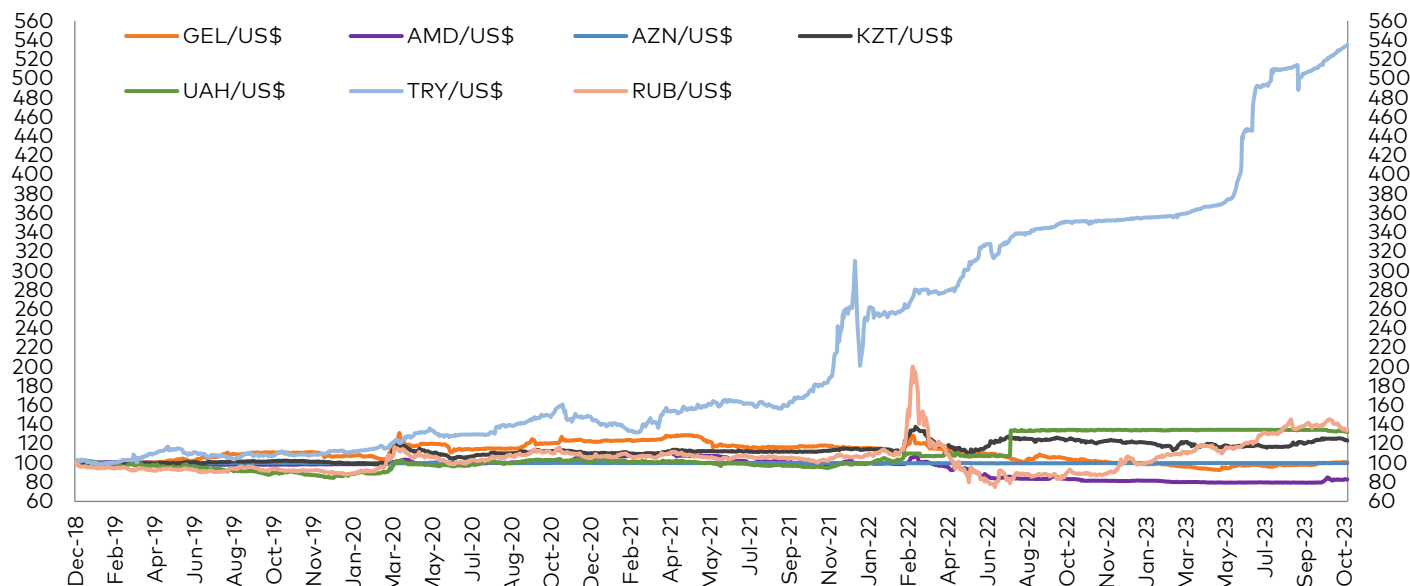
Source: Bloomberg

Selected sovereign Eurobond yield curves





**Regional currencies vs. US\$, Index Dec-18=100**



Source: Bloomberg

**Central banks' monetary policy rates**

	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
Georgia	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	11.00%	10.50%	10.50%	10.50%	10.25%	10.00%	10.00%
Armenia	10.00%	10.00%	10.50%	10.75%	10.75%	10.75%	10.75%	10.75%	10.75%	10.50%	10.50%	10.25%	9.75%	9.50%
Azerbaijan	7.75%	8.00%	8.00%	8.25%	8.50%	8.50%	8.75%	8.75%	9.00%	9.00%	9.00%	9.00%	9.00%	8.50%
Belarus	12.00%	12.00%	12.00%	12.00%	11.50%	11.50%	11.00%	10.50%	10.00%	9.50%	9.50%	9.50%	9.50%	9.50%
Ukraine	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	22.00%	22.00%	20.00%	16.00%
Kazakhstan	14.50%	16.00%	16.00%	16.75%	16.75%	16.75%	16.75%	16.75%	16.75%	16.75%	16.75%	16.50%	16.50%	16.00%
Russia	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	8.50%	12.00%	13.00%	15.00%
Uzbekistan	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Turkey	12.00%	10.50%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%	8.50%	15.0%	17.5%	25.00%	30.00%	35.00%
FED	3.25%	3.25%	4.00%	4.50%	4.50%	4.75%	5.00%	5.00%	5.25%	5.25%	5.50%	5.50%	5.50%	5.50%
ECB	1.25%	2.00%	2.00%	2.50%	2.50%	3.00%	3.50%	3.50%	3.75%	4.00%	4.25%	4.25%	4.50%	4.50%

Source: Central banks



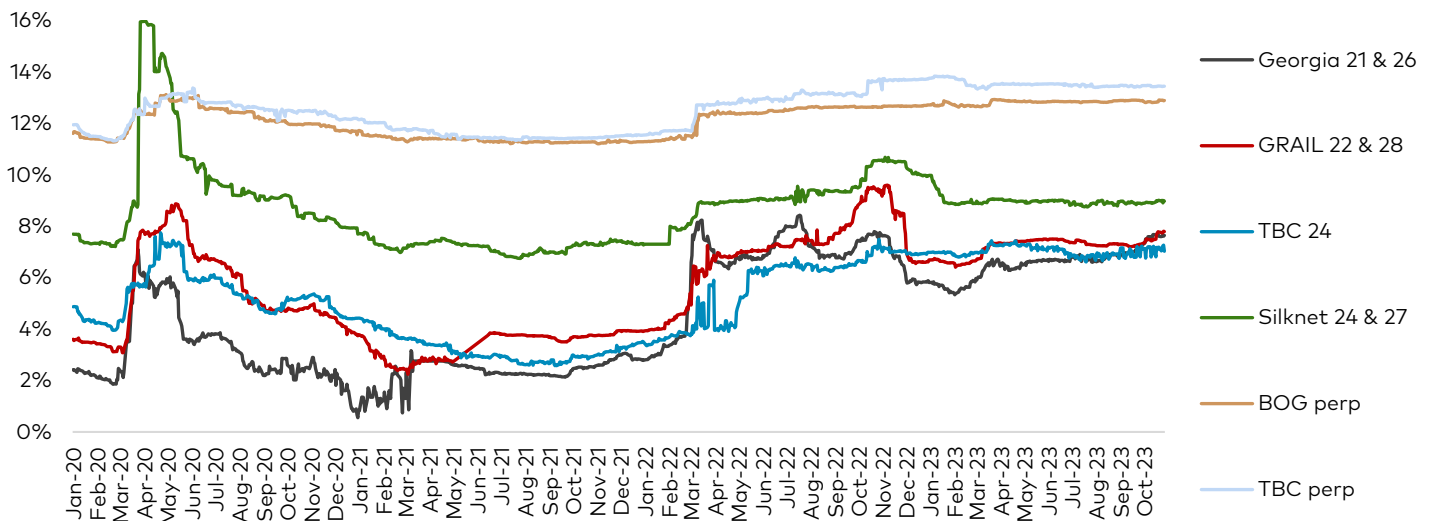
### Georgian local bonds performance

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/Scope)	Mid price	Mid yield, %
<b>USD</b>								
Bakhvi Hydro Power	USD	1.2	9.40%	Nov-17	Nov-27	-/-/-/-	n/a	n/a
Lisi Lake Development	USD	12	6.50%	Dec-21	Dec-24	-/-/-/B+	99.73	6.75
IG Development	USD	15	6.75%	Jan-22	Jan-24	-/-/-/-	99.88	7.13
Geosteel	USD	15	9.00%	Apr-22	Apr-25	-/-/-/-	100.00	9.00
Energy Development Georgia	USD	10	8.50%	Jun-22	Jun-25	-/-/-/-	n/a	n/a
IG Development	USD	15	8.50%	Jul-22	Jul-24	-/-/-/-	99.81	8.75
Georgia Real Estate	USD	35	8.50%	Oct-22	Oct-24	-/-/-/-	99.99	8.50
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-/-	100.00	7.00
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-/B+	100.00	8.50
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-/-	100.00	9.00
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-/BB-	100.00	8.50
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/-/-	101.20	8.19
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-/-	101.21	8.63
Prime Concrete	USD	7.5	10.50%	Sep-23	Sep-27	-/-/-/-	n/a	n/a
Austrian-Georgian Development	USD	15	9.00%	Oct-23	Oct-25	-/-/-/-	n/a	n/a
<b>EUR</b>								
Tegeta Motors	EUR	5	7.00%	Apr-23	25-Apr	-/-/-/BB-	100	7
<b>GEL</b>								
Geo. Beer Company	GEL	25	Ref rate + 4.00%	Dec-18	Dec-23	-/-/-/BB-	n/a	n/a
Vian (Evex)	GEL	50	Ref rate + 3.10%	Nov-19	Nov-24	-/-/-/BB	n/a	n/a
Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-21	Nov-24	-/-/-/BB-	n/a	n/a
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-/BB-	n/a	n/a
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/-/B	n/a	n/a
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-/BB-	n/a	n/a
MFO Crystal	GEL	25	TIBR6M + 4.75%	Dec-22	Feb-25	B-/-/-/-	n/a	n/a
MFO Rico Express	GEL	130	TIBR1D + 2.00%	Mar-23	Mar-26	-/-/-/B+	n/a	n/a
TBC Leasing	GEL	100	TIBR3M + 3.00%	Mar-23	Mar-26	BB/-/-/-	n/a	n/a
TBC Leasing	GEL	15	TIBR3M + 2.75%	Jun-23	Jun-26	BB/-/-/-	n/a	n/a
Tegeta Motors	GEL	20	TIBR6M + 3.50%	Jun-23	Dec-25	-/-/-/BB-	n/a	n/a

Source: Galt & Taggart



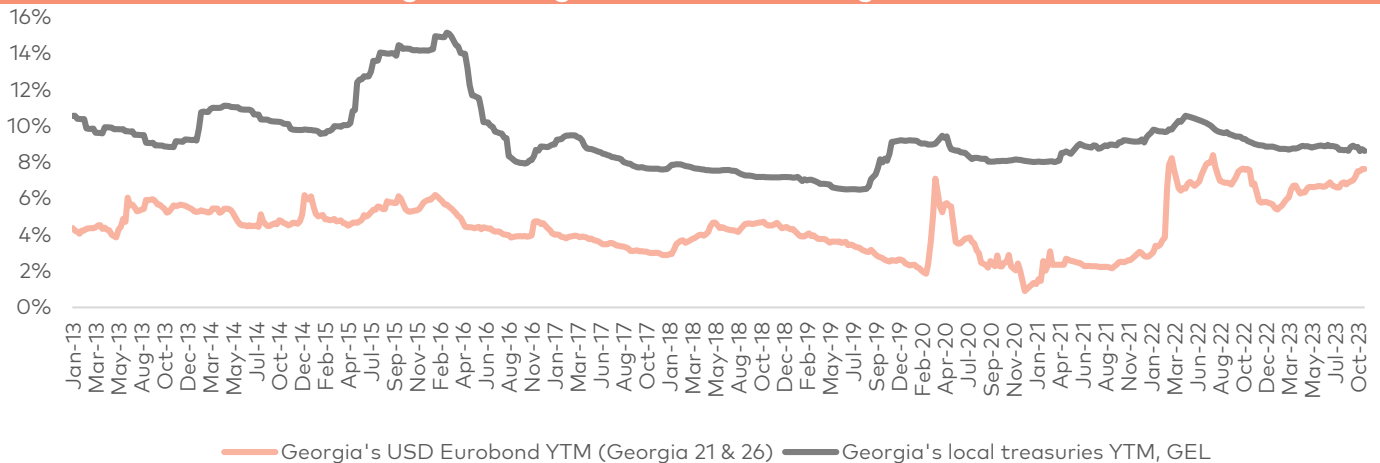
### Georgian Eurobonds, YTM





## Georgian local treasury bonds

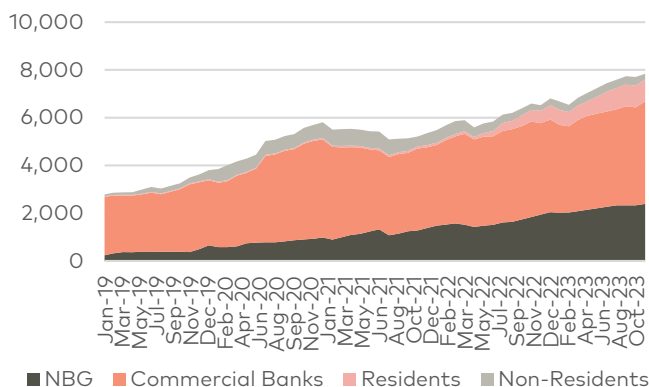
### Georgia sovereign Eurobond vs. Georgian treasuries



Source: Bloomberg, NBG, Galt & Taggart Research

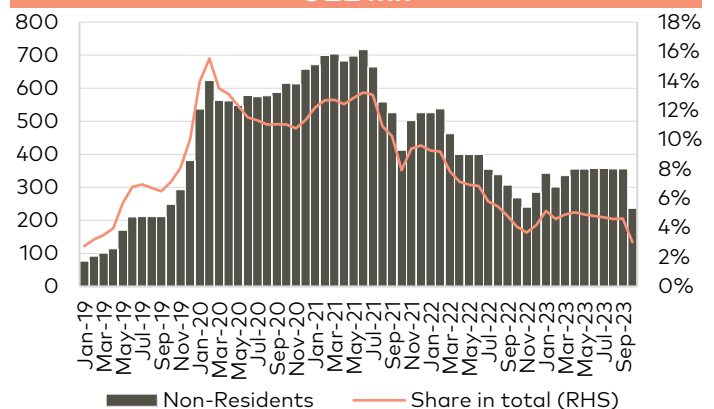
Note: LC treasury yields are derived from daily yield curve information from NBG. From April 2021 calculation is based on a new GEORGIA 26 Eurobond

### Georgian treasury securities by holder, GEL mn



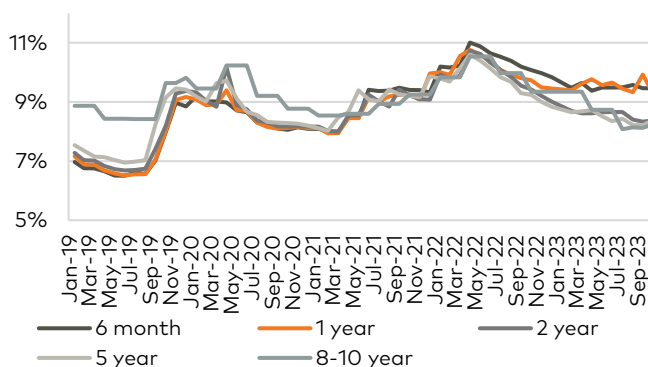
Source: NBG

### Non-resident holdings as % of total treasuries, GEL mn



Source: NBG

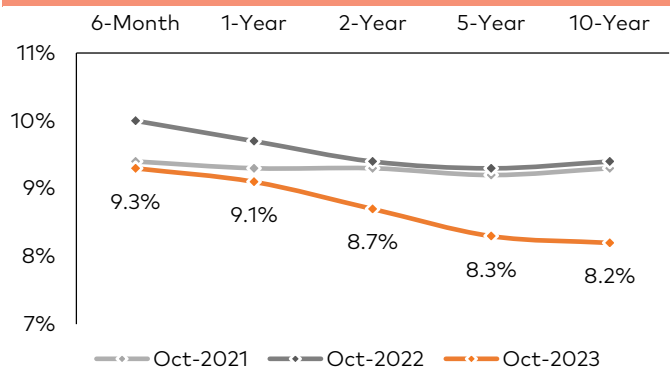
### Interest rates on Georgian treasury securities



Source: NBG

Note: The interest rates are taken from actual auctions on T-bills and T-notes.

### Georgian treasury yield curve



Source: NBG

Note: The interest rates are taken from actual auctions on T-bills and T-notes.



## Sovereign

Issuer	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ARMEN	USD	7.150	3/26/2025	1.3	500	101.4	6.1	BB-/-/Ba3
ARMEN	USD	3.950	9/26/2029	5.0	500	80.9	8.1	BB-/-/Ba3
ARMEN	USD	3.600	2/2/2031	6.0	750	74.4	8.4	BB-/-/Ba3
AZERBJ	USD	4.750	3/18/2024	0.4	1,250	98.9	7.7	BB+/-/Ba1u
AZERBJ	USD	3.500	9/1/2032	6.5	1,077	78.7	6.7	BB+/-/Ba1u
GEORG	USD	2.750	4/22/2026	2.3	500	89.5	7.5	BB/BB/Baa2
KAZAKS	USD	3.875	10/14/2024	0.9	1,500	99.0	5.0	BBB/BBB-/Baa2
KAZAKS	USD	5.125	7/21/2025	1.6	2,500	100.8	4.6	BBB/BBB-/Baa2
KAZAKS	USD	6.500	7/21/2045	11.3	1,500	98.8	6.6	BBB/BBB-/Baa2
KAZAKS	USD	4.875	10/14/2044	12.1	1,000	83.1	6.3	BBB/BBB-/Baa2
KAZAKS	EUR	0.600	9/30/2026	2.7	500	88.9	4.8	BBB/BBB-/Baa2
KAZAKS	EUR	2.375	11/9/2028	4.4	525	89.8	4.7	BBB/BBB-/Baa2
KAZAKS	EUR	1.500	9/30/2034	9.5	650	70.9	5.0	BBB/BBB-/Baa2
TURKEY	USD	5.750	3/22/2024	0.4	2,500	99.8	6.2	B/-/B3
TURKEY	USD	7.375	2/5/2025	1.2	3,250	100.6	6.9	B/NR/B3
TURKEY	USD	4.250	4/14/2026	2.2	1,500	92.5	7.7	B/-/B3
TURKEY	USD	6.000	3/25/2027	3.0	3,250	94.4	7.9	B/-/B3
TURKEY	USD	5.125	2/17/2028	3.7	2,000	89.7	8.0	B/-/B3
TURKEY	USD	11.875	1/15/2030	4.4	1,500	116.1	8.5	B/NR/B3
TURKEY	USD	7.625	4/26/2029	4.4	3,000	96.3	8.5	B/-/B3
TURKEY	USD	5.950	1/15/2031	5.5	2,250	85.2	8.8	B/-/B3
TURKEY	USD	8.000	2/14/2034	6.7	1,500	94.9	8.8	B/NR/B3
TURKEY	USD	6.875	3/17/2036	7.7	2,750	83.9	9.1	B/NR/B3
TURKEY	USD	7.250	3/5/2038	8.2	1,000	85.9	9.0	B/NR/B3
TURKEY	USD	6.000	1/14/2041	9.1	3,000	72.5	9.2	B/NR/B3
TURKEY	USD	6.625	2/17/2045	9.6	3,000	75.3	9.3	B/-/B3
TURKEY	USD	5.750	5/11/2047	10.0	3,500	66.6	9.3	B/-/B3
TURKEY	USD	6.350	8/10/2024	0.7	2,250	99.9	6.5	B/-/B3
TURKEY	USD	7.250	12/23/2023	0.1	2,000	100.3	4.8	B/-/B3
TURKEY	EUR	4.375	7/8/2027	3.2	1,500	94.1	6.2	B/-/B3
TURKEY	USD	6.375	10/14/2025	1.8	2,500	97.9	7.6	B/-/B3
TURKEY	EUR	5.200	2/16/2026	2.0	1,500	98.9	5.7	B/-/B3
TURKEY	EUR	4.625	3/31/2025	1.3	1,250	99.5	5.0	B/-/B3
TURKEY	USD	5.250	3/13/2030	5.1	2,000	83.6	8.7	B/-/B3
TURKEY	USD	4.250	3/13/2025	1.3	2,000	96.0	7.4	B/-/B3
TURKEY	USD	4.875	4/16/2043	10.3	3,000	62.2	9.0	B/-/B3
TURKEY	USD	6.500	9/20/2033	6.8	1,500	85.1	8.8	B/-/B3
TURKEY	USD	8.600	9/24/2027	3.2	2,000	101.7	8.1	B/-/B3
TURKEY	USD	4.875	10/9/2026	2.6	3,000	92.4	7.8	B/-/B3
TURKEY	USD	4.750	1/26/2026	2.0	1,750	94.1	7.7	B/-/B3
TURKEY	USD	5.600	11/14/2024	0.9	2,500	98.8	6.8	B/-/B3
TURKEY	EUR	3.250	6/14/2025	1.5	1,000	97.5	4.9	B/-/B3
TURKEY	USD	6.750	5/30/2040	8.6	2,000	78.2	9.4	B/NR/B3
TURKEY	USD	6.125	10/24/2028	4.1	2,750	91.6	8.2	B/-/B3
TURKEY	USD	5.875	6/26/2031	5.7	1,750	84.1	8.8	B/-/B3
UZBEK	USD	4.750	2/20/2024	0.3	500	99.4	6.8	BB-/BB-/Ba3u
UZBEK	USD	5.375	2/20/2029	4.4	500	89.6	7.8	BB-/BB-/
UZBEK	USD	3.700	11/25/2030	5.8	555	76.7	8.1	BB-/BB-/
UZBEK	USD	3.900	10/19/2031	6.4	635	75.6	8.1	BB-/BB-/

Source: Bloomberg



## Financial

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
IBAZAZ	Azerbaijan	USD	3.500	9/1/2024	0.8	1,000	95.3	9.6	BB-/-/-
TBCBGE	Georgia	USD	5.750	6/19/2024	0.6	300	99.0	7.4	BB/-/Ba2
GEBGG	Georgia	USD	11.125	1/8 PERP	0.6	100	99.3	12.9	B-/-/-
TBCBGE	Georgia	USD	8.894	894 PERP	2.6	75	90.5	12.4	B-/-/-
TBCBGE	Georgia	USD	10.775	775 PERP	0.8	125	97.4	13.5	B-/-/-
DBKAZ	Kazakhstan	USD	5.750	5/12/2025	1.4	500	99.7	5.9	BBB/-/Baa2
SAMRUK	Kazakhstan	USD	2.000	10/28/2026	2.8	500	89.1	6.0	BBB/BBB-/-
DBKAZ	Kazakhstan	USD	2.950	5/6/2031	6.5	500	78.5	6.6	BBB/-/Baa2
DBKAZ	Kazakhstan	USD	6.000	3/23/2026	2.2	107	98.9	6.5	BBB/BBB-/Baa2
AKBNK	Turkey	USD	5.125	3/31/2025	1.3	500	96.7	7.7	B-/-/B3
ISCTR	Turkey	USD	6.125	4/25/2024	0.5	1,250	99.6	7.1	B-/-/B3
ISCTR	Turkey	USD	8.100	12/3/2029	3.9	50	76.7	14.1	B-/-/NR
YKBNK	Turkey	USD	5.850	6/21/2024	0.6	500	99.4	6.8	B-/-/B3
YKBNK	Turkey	USD	8.250	10/15/2024	0.9	500	101.0	7.1	B-/-/B3
VAKBN	Turkey	USD	6.500	1/8/2026	1.9	750	96.4	8.3	B-/-/B3
AKBNK	Turkey	USD	6.800	2/6/2026	2.0	500	97.3	8.1	B-/-/B3
TCZIRA	Turkey	USD	5.375	3/2/2026	2.1	600	93.4	8.6	B-/-/B3
QNBFB	Turkey	USD	6.875	9/7/2024	0.8	650	100.0	6.8	B-/-/B3
VAKBN	Turkey	USD	5.500	10/1/2026	2.6	500	92.5	8.5	B-/-/-
VAKBN	Turkey	USD	8.125	3/28/2024	0.4	600	100.5	6.7	B-/-/B3
VAKBN	Turkey	USD	5.250	2/5/2025	1.2	750	97.0	7.8	B-/-/B3
TSKBTI	Turkey	USD	5.875	1/14/2026	2.0	350	94.9	8.5	B-/-/B3
TSKBTI	Turkey	USD	6.000	1/23/2025	1.1	400	97.8	7.9	B-/-/B3
FCFIN	Turkey	USD	7.250	11/9/2027	0.5	150	98.2	10.2	B/-/B2
GARAN	Turkey	USD	5.250	12/20/2024	1.1	50	100.8	4.5	B-/-/-
ISCTR	Turkey	USD	5.050	2/25/2026	1.9	13	85.3	12.8	B-/-/NR
AKBNK	Turkey	USD	6.050	11/15/2024	0.9	50	98.0	8.1	B-/-/-
YKBNK	Turkey	USD	6.050	12/10/2024	1.0	50	99.0	7.0	B-/-/B3
EXCRTU	Turkey	USD	8.250	1/24/2024	0.2	500	100.4	6.2	B-/-/B3
EXCRTU	Turkey	USD	5.750	7/6/2026	2.4	750	93.9	8.3	B-/-/B3
EXCRTU	Turkey	USD	6.125	5/3/2024	0.5	500	99.6	7.0	B-/-/B3
IPTBZU	Uzbekistan	USD	5.500	11/19/2025	1.8	300	90.6	10.8	BB-/BB-/-
SQBNZU	Uzbekistan	USD	5.750	12/2/2024	1.0	300	94.9	10.9	BB-/BB-/-
NBUZB	Uzbekistan	USD	4.850	10/21/2025	1.8	300	91.6	9.7	BB-/BB-/-

Source: Bloomberg

## Basic Materials

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
ELDCN	Turkey	USD	6.250	9/1/2029	4.6	500	86.9	9.2	B+/BB-/B3

Source: Bloomberg

## Communications

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SILNET	Georgia	USD	8.375	1/31/2027	2.7	300	98.4	8.9	BB-/-/B1
TURKTI	Turkey	USD	4.875	6/19/2024	0.6	500	97.9	8.4	B/B/-
TURKTI	Turkey	USD	6.875	2/28/2025	1.2	500	98.0	8.5	B/B/-
TCELLT	Turkey	USD	5.750	10/15/2025	1.8	500	96.2	7.9	B/B/B3u
TCELLT	Turkey	USD	5.800	4/11/2028	3.8	500	91.3	8.2	B/B/-

Source: Bloomberg





## Energy

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
SOIAZ	Azerbaijan	USD	6.950	3/18/2030	5.0	750	97.5	7.4	BB+/BB-/NR
SGCAZE	Azerbaijan	USD	6.875	3/24/2026	2.1	2,000	98.9	7.4	BB+/-/Ba1
TENGIZ	Kazakhstan	USD	4.000	8/15/2026	2.3	1,000	89.6	8.2	-/BB+/Baa2
TENGIZ	Kazakhstan	USD	2.625	8/15/2025	1.7	500	90.4	8.6	-/BB+/Baa2
KZOKZ	Kazakhstan	USD	6.375	10/24/2048	10.9	1,500	79.5	8.3	BBB-/Baa2
KZOKZ	Kazakhstan	USD	4.750	4/19/2027	3.1	1,000	93.9	6.7	BBB/BB+/Baa2
KZOKZ	Kazakhstan	USD	5.375	4/24/2030	5.3	1,250	90.0	7.3	BBB-/Baa2
KZOKZ	Kazakhstan	USD	3.500	4/14/2033	7.5	750	73.4	7.5	BBB-/Baa2
KZTGKZ	Kazakhstan	USD	4.375	9/26/2027	3.5	706	91.7	6.8	BBB-/Baa2
KZOKZ	Kazakhstan	USD	5.750	4/19/2047	11.1	1,250	75.3	8.1	BBB/BB+/Baa2
TENGIZ	Kazakhstan	USD	3.250	8/15/2030	5.7	750	74.9	8.1	-/BB+/Baa2
AYDEMT	Turkey	USD	7.750	2/2/2027	2.3	750	87.9	12.4	B/B/-
TUPRST	Turkey	USD	4.500	10/18/2024	0.9	700	97.2	7.6	B+/-/B3
UNGUZB	Uzbekistan	USD	4.750	11/16/2028	4.1	700	79.3	10.1	BB-/B+/-

Source: Bloomberg

## Other

Issuer	Country	Currency	Coupon, %	Maturity	Duration	Amount, mn	Mid price	YTM Mid	Ratings (Fitch/S&P/Moody's)
GRAIL	Georgia	USD	4.000	6/17/2028	4.0	500	85.7	7.7	BB-/BB-/B3
SISETI	Turkey	USD	6.950	3/14/2026	2.1	700	97.0	8.4	B/-/B3
ACKAF	Turkey	EUR	3.000	5/27/2026	2.3	350	92.7	6.2	BB-/BB-/B3
PGSUST	Turkey	USD	9.250	4/30/2026	1.4	375	100.8	8.9	BB-/B+/-
THYAO	Turkey	USD	4.200	3/15/2027	1.7	182	90.6	7.4	BB-/B/B3
ULKER	Turkey	USD	6.950	10/30/2025	1.8	650	93.7	10.5	B/B/-
CCOLAT	Turkey	USD	4.500	1/20/2029	4.4	500	87.7	7.4	BBB/BB+/-
CCOLAT	Turkey	USD	4.215	9/19/2024	0.8	300	97.4	7.3	BBB-/B/B3
AEFES	Turkey	USD	3.375	6/29/2028	4.1	500	81.3	8.3	BB+ */-BB+/-
LIMISK	Turkey	USD	9.500	7/10/2036	5.4	370	88.1	11.3	B */-B/B3
MERSIN	Turkey	USD	5.375	11/15/2024	0.9	600	97.8	7.6	B/B/-
KCHOL	Turkey	USD	6.500	3/11/2025	1.3	750	98.9	7.4	-/B+/B3
TURKSK	Turkey	USD	7.250	2/24/2027	2.8	3,000	97.5	8.1	B/-/B3
TURKSK	Turkey	USD	5.125	6/22/2026	2.3	2,500	93.5	7.9	B/-/B3
TURKSK	Turkey	USD	4.489	11/25/2024	1.0	1,000	97.5	7.0	B/-/B3
ISTNBL	Turkey	USD	10.750	4/12/2027	2.8	305	102.2	10.0	B/-/B3
ISTNBL	Turkey	USD	6.375	12/9/2025	1.8	580	94.2	9.5	B/-/B3
ZOREN	Turkey	USD	9.000	6/1/2026	1.8	300	92.6	12.5	B-/CCC+/-
UZAMTS	Uzbekistan	USD	4.850	5/4/2026	2.3	300	87.7	10.6	BB-/B+/-

Source: Bloomberg

## Disclaimer

This document is the property of and has been prepared by JSC Galt & Taggart ("Galt & Taggart"), a member of Bank of Georgia Group plc ("Group") solely for informational purposes and independently of the respective companies mentioned herein. This document does not constitute or form part of, and should not be construed as, an offer or solicitation or invitation of an offer to buy, sell or subscribe for any securities or assets and nothing contained herein shall form the basis of any contract or commitment whatsoever or shall be considered as a recommendation to take any such actions.

Galt & Taggart is authorized to perform professional activities on the Georgian market. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by Galt & Taggart to inform themselves about and to observe any and all restrictions applicable to them. This document is not directed to, or intended for distribution, directly or indirectly, to, or use by, any person or entity that is a citizen or resident located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The recipients of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

No representation, warranty or undertaking, express or implied, is or will be made by Galt & Taggart or any other member of the Group or their respective directors, employees, affiliates, advisers or agents or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this document and the information contained herein (and whether any information has been omitted from this document) and no reliance should be placed on it. This document should not be considered as a complete description of the markets, industries and/or companies referred to herein. Nothing contained in this document is, is to be construed as, or shall be relied on as legal, investment, business or tax advice, whether relating to the past or the future, by Galt & Taggart any other member of the Group or any of their respective directors, employees, affiliates, advisers or agents in any respect. Recipients are required to make their own independent investigation and appraisal of the matters discussed herein. Any investment decision should be made at the investor's sole discretion. To the extent permitted by law, Galt & Taggart, any other member of the Group and their respective directors, employees, affiliates, advisers and agents disclaim all liability whatsoever (in negligence or otherwise) for any loss or damages however arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection with this document, or for any act, or failure to act, by any party, on the basis of this document.

The information in this document is subject to verification, completion and change without notice and Galt & Taggart is not under any obligation to update or keep current the information contained herein. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the information since the date hereof or the date upon which this document has been most recently updated, or that the information contained in this document is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No representation or warranty, expressed or implied, is made by Galt & Taggart or any other member of the Group, or any of their respective directors, employees, affiliates, advisers or agents with respect to the accuracy or completeness of such information.

The information provided and opinions expressed in this document are based on the information available as of the issue date and are solely those of Galt & Taggart as part of its internal research coverage. Opinions, forecasts and estimates contained herein are based on information obtained from third party sources believed to be reliable and in good faith, and may change without notice. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Accordingly, undue reliance should not be placed on any such data contained in this document. Neither Galt & Taggart, any other member of the Group, nor their respective directors, employees, affiliates, advisers or agents make any representation or warranty, express or implied, of this document's usefulness in predicting the future performance, or in estimating the current or future value, of any security or asset.

Galt & Taggart does, and seeks to do, and any other member of the Group may or seek to do business with companies covered in its research. As a result, investors should be aware of a potential conflict of interest that may affect the objectivity of the information contained in this document.

Unauthorized copying, distribution, publication or retransmission of all or any part of this document by any medium or in any form for any purpose is strictly prohibited.

The recipients of this document are responsible for protecting against viruses and other destructive items. Receipt of the electronic transmission is at risk of the recipient and it is his/her responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

### **Galt & Taggart**

**Address:** 3 A. Pushkin Street, Tbilisi 0105, 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)