



Economy

International reserves at US\$ 4.8bn in Apr-24

Gross international reserves decreased by 6.3% y/y to US\$ 4.8bn in Apr-24, according to NBG. Meanwhile, on a monthly basis, the reserves increased by 0.8% (+US\$ 37.4mn). Changes in reserves were attributed to the government and banking sector FX operations, likely including NBG's FX purchases (information will be available on 27 May). Notably, the NBG added monetary gold to its FX reserves, purchasing \$529.4mn worth in March and April 2024, representing 11.0% of its international reserves.

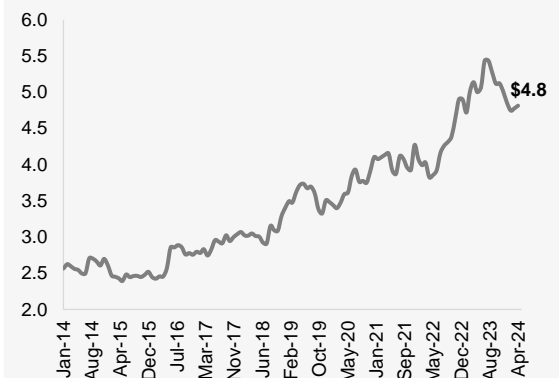
Key macro indicators

	2023	2024F
Real GDP growth (% change)	7.5%	6.0%
GDP per capita (ppp)	23,344	25,387
GDP per capita (US\$)	8,210	8,874
Population (mn)	3.7	3.7
Inflation (average)	2.5%	3.0%
Gross reserves (US\$ bn)	5.0	5.2
CAD (% of GDP)	4.3%	4.7%
Fiscal deficit (% of GDP)	2.4%	2.5%
Total public debt (% of GDP)	39.0%	38.0%
Fitch/S&P/Moody's*	BB/BB/Ba2	

Source: Official data, Rating agencies, Galt & Taggart

*Latest sovereign credit ratings

NBG's gross international reserves, US\$ bn



Source: NBG



Money market

Ministry of Finance T-bills/T-notes:

2.7-year GEL 40.0mn (US\$ 14.9mn) Benchmark bonds were sold at the auction held at NBG on May 7, 2024. Total demand was 2.5x higher and the weighted average yield was fixed at 7.983%, up by 0.104ppts from previous auction held in Apr-24.

6-month GEL 20.0mn (US\$ 7.5mn) T-Bills were sold at the auction held at NBG on May 7, 2024. Total demand was 1.5x higher and the weighted average yield was fixed at 8.048%, up by 0.237ppts from previous auction held in Apr-24.

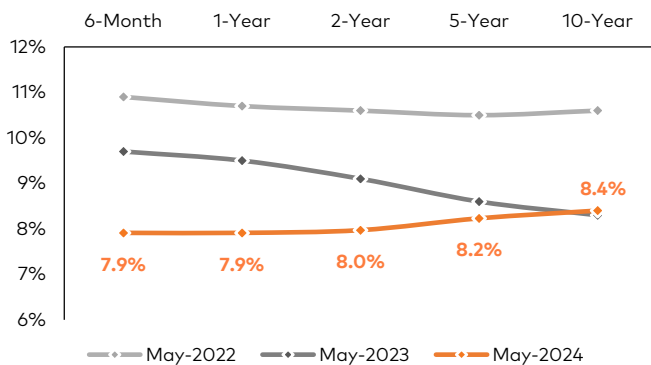
The nearest treasury security auction is scheduled for May 14, 2024, where GEL 20.0mn nominal value 1-year T-bills and GEL 30.0mn nominal value 10-year Benchmark Bonds will be sold.

T-bills / T-notes in 2024

Maturity	YTD placements, GEL mn	Remaining placements, GEL mn	Outstanding amount, GEL mn*
Short-term (less than 1-year)	230	300	410
Long-term (over 1-year)	1,164	2,195	7,972
Total	1,394	2,495	8,382

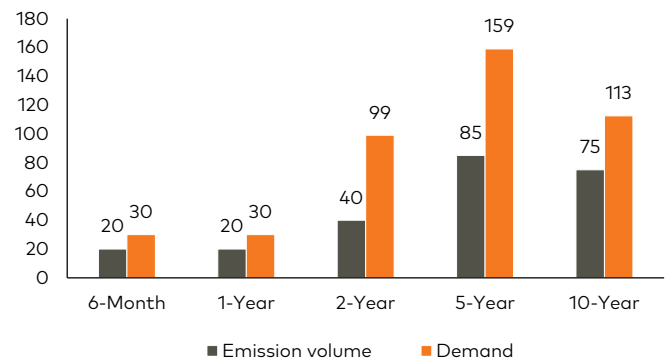
Source: MoF
*As of March 2024

T-bills / T-notes, yield curve



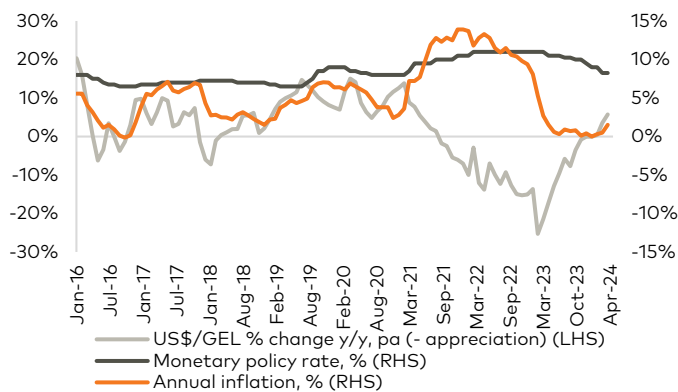
Source: NBG

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



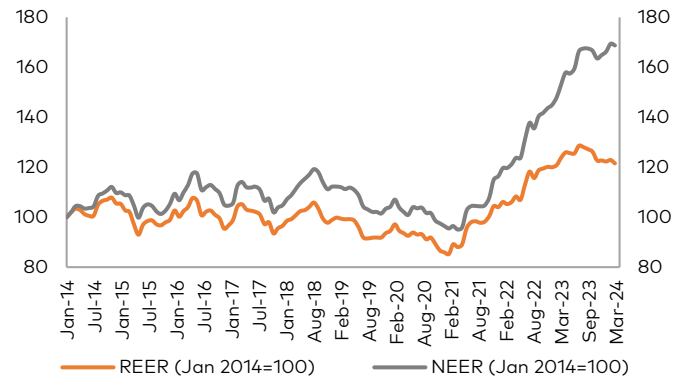
Source: NBG

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 performance

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Mood y/Scope)	Mid price	Mid yield, %	Z-spread, bps
GEORG 04/26	USD	500	2.750%	Apr-21	Apr-26	BB/BB/Ba2	92.19	7.14	233.72
GRAIL 06/28	USD	500	4.000%	Jun-21	Jun-28	BB-/BB-/	89.91	6.87	248.85
GEBGG 11 1/8 PERP	USD	100	11.125%	Mar-19	n/a	B-/	100.13	9.67	431.84
GEBGG 9 1/2 PERP	USD	300	9.500%	Apr-24	n/a	B-/	99.18	9.80	538.91
SILKNET 01/27	USD	300	8.375%	Jan-22	Jan-27	BB-/	101.00	7.95	282.83
TBC 06/24	USD	300	5.750%	Jun-19	Jun-24	BB-/	99.93	6.35	89.72
TBC PERP	USD	125	10.775%	Jul-19	n/a	B-/	100.12	10.33	493.56

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

Georgian local bonds performance

Issuer	Currency	Amount, mn	Coupon	Issue date	Maturity date	Ratings (Fitch/S&P/Moody/ Scope)	Mid price	Mid yield, %
USD								
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+	n/a	n/a
IG Development	USD	15	8.50%	Jul-22	Jul-24	-/-/-	99.87	8.75
Georgia Real Estate	USD	35	8.50%	Oct-22	Oct-24	-/-/-	99.98	8.50
Geo. Renewable Power Oper.	USD	80	7.00%	Oct-22	Oct-27	-/-/-	99.99	7.00
Lisi Lake Development	USD	10	8.50%	Dec-22	Dec-24	-/-/-B+	100.00	8.50
Geosteel	USD	15	9.00%	Apr-23	Apr-25	-/-/-	99.98	9.00
Silk Real Estate	USD	20	9.00%	Apr-23	Apr-26	-/-/-	99.99	9.00
Tegeta Motors	USD	20	8.50%	Apr-23	Apr-25	-/-/-BB-	99.66	8.75
Energy Development Georgia	USD	10	8.50%	Jun-23	Jun-25	-/-/-	n/a	n/a
Georgia Capital	USD	150	8.50%	Aug-23	Aug-28	-/BB-/	101.17	8.19
Silk Real Estate	USD	20	9.25%	Sep-23	Sep-26	-/-/-	101.14	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
MFO EuroCredit	USD	10	9.50%	Dec-23	Dec-27	-/-/-	n/a	n/a
Geosteel	USD	5	8.50%	Dec-23	Dec-25	-/-/-	99.57	8.75
IG Development	USD	20	8.50%	Dec-23	Dec-25	-/-/-	99.56	8.75

EUR

Tegeta Motors	EUR	5	7.00%	Apr-23	Apr-25	-/-/-BB-	99.67	7.25
Tegeta Motors	EUR	4	7.00%	Dec-23	Dec-25	-/-/-BB-	99.57	7.25
Tegeta Motors	EUR	7	6.75%	Dec-23	Dec-25	-/-/-BB-	100.43	6.50
IG Development	EUR	5	7.00%	Jan-24	Jan-26	-/-/-	99.55	7.25

GEL

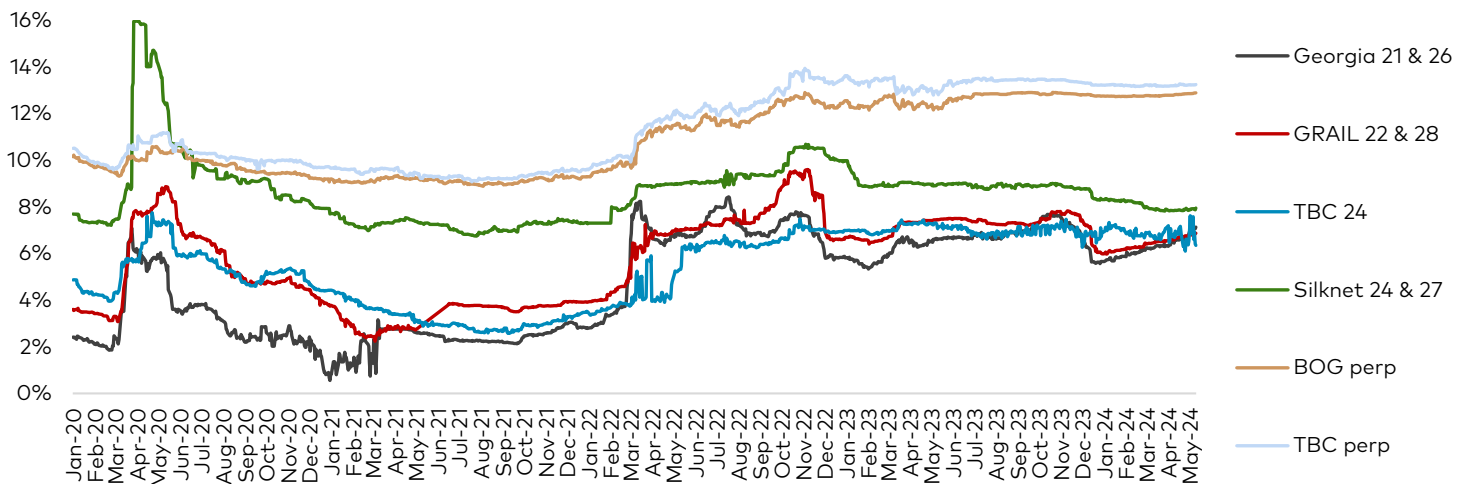
Vian (Evex)	GEL	50	Ref rate + 3.10%	Nov-19	Nov-24	-/-/-BB	n/a	n/a
Nikora Trade	GEL	35	TIBR3M + 3.50%	Nov-21	Nov-24	-/-/-BB-	n/a	n/a
Nikora	GEL	35	TIBR3M + 3.50%	Nov-22	Nov-25	-/-/-BB-	n/a	n/a
MFO MBC	GEL	15	TIBR3M + 4.50%	Dec-22	Dec-24	-/-/-B	n/a	n/a
Tegeta Motors	GEL	150	TIBR3M + 3.50%	Dec-22	Dec-25	-/-/-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
Tegeta Motors	GEL	20	14.5%	Dec-23	Dec-25	-/-/-BB-	n/a	n/a
Cellfie	GEL	65	TIBR6M + 3.50%	Dec-23	Dec-25	-/-/-BB-	n/a	n/a

■ Galt & Taggart-led and/or co-managed deals
Source: Bloomberg, Galt & Taggart



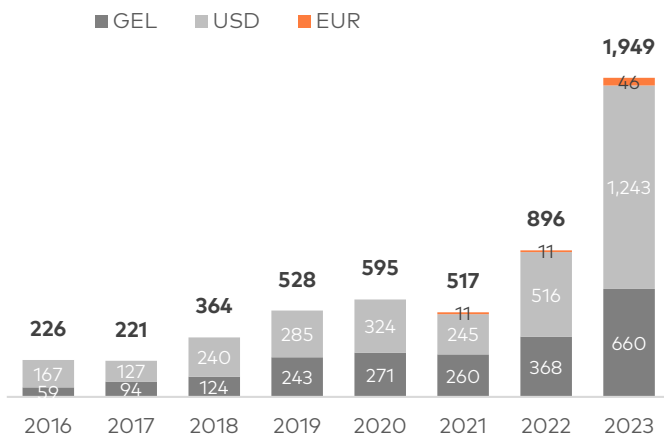
Fixed income

Georgian Eurobonds, YTM



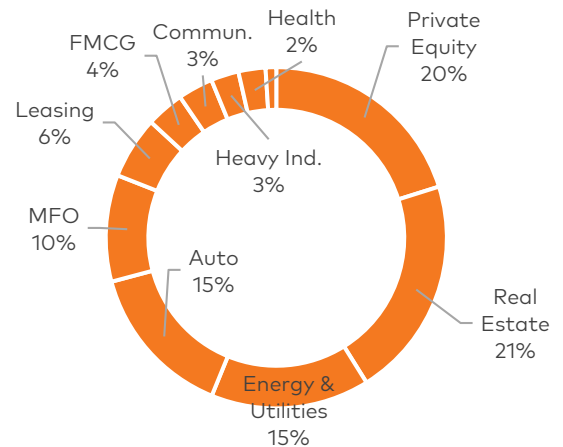
Source: Bloomberg

Georgian corporate public bonds outstanding, GEL mn



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

Georgian corporate public bonds outstanding by sector

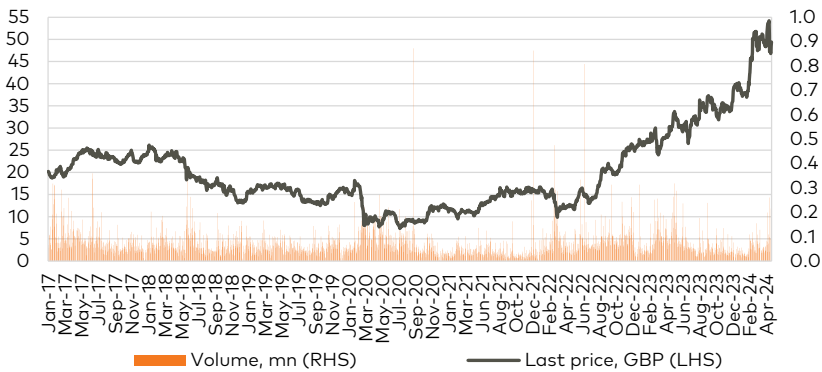


Source: Galt & Taggart



Equities

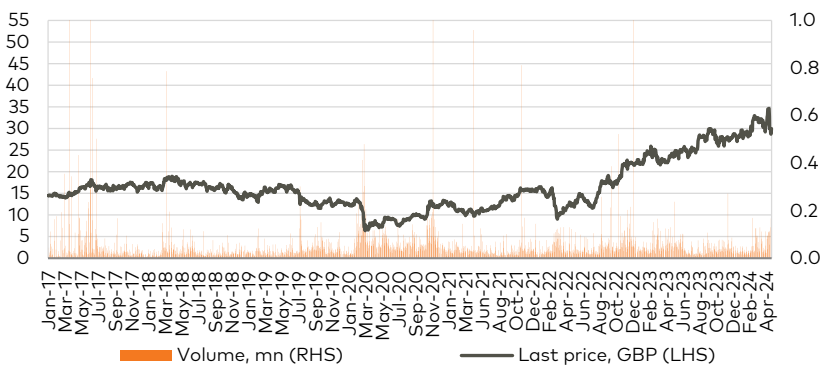
Bank of Georgia Group (BGEO LN)



Source: Bloomberg

Bank of Georgia Group (BGEO LN) shares closed at GBP 49.40/share (+4.55% w/w and -0.80% m/m). More than 424k shares traded in the range of GBP 46.40 - 50.20/share. Average daily traded volume was 90k in the last 4 weeks. The volume of BGEO shares traded was at 0.93% of its capitalization.

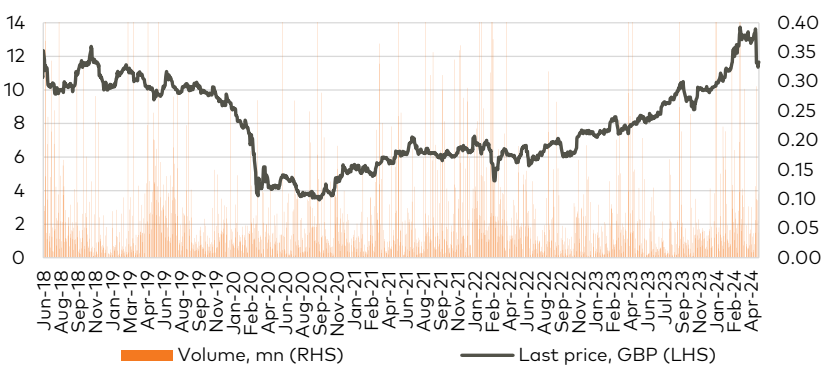
TBC Bank Group (TBCG LN)



Source: Bloomberg

TBC Bank Group (TBCG LN) closed the week at GBP 30.00/share (+0.17% w/w and -4.15% m/m). More than 454k shares changed hands in the range of GBP 28.05 - 30.25/share. Average daily traded volume was 81k in the last 4 weeks. The volume of TBCG shares traded was at 0.82% of its capitalization.

Georgia Capital (CGEO LN)



Source: Bloomberg

Georgia Capital (CGEO LN) shares closed at GBP 11.66/share (+0.52% w/w and -10.72% m/m). More than 312k shares traded in the range of GBP 11.20 - 11.86/share. Average daily traded volume was 67k in the last 4 weeks. The volume of CGEO shares traded was at 0.73% of its capitalization.



Equities, continued

Eastern European banks

	Ticker	Currency	Share price	Mcap, mn	6M chg	y/y chg	YTD chg	P/E			P/B		
								2023	2024F	2025F	2023	2024F	2025F
Bank of Georgia	BGEO	GBP	49.40	2,252	39.7%	56.8%	24.3%	4.36x	4.53x	4.61x	1.19x	na	na
TBC	TBC	GBP	30.00	1,662	9.9%	23.7%	6.0%	4.78x	4.50x	3.71x	1.15x	na	na
Halyk Bank	HSBK	USD	19.00	5,181	47.5%	38.7%	25.3%	2.57x	2.96x	3.05x	0.72x	0.91x	0.78x
Akbank	AKBNK	TRY	57.80	300,560	99.4%	243.8%	58.3%	2.86x	4.09x	2.83x	0.90x	1.11x	0.83x
Garanti	GARAN	TRY	86.50	363,300	81.0%	204.8%	48.2%	2.84x	3.84x	2.86x	1.00x	1.23x	0.93x
Isbank	ISCTR	TRY	13.51	337,750	68.2%	163.5%	44.6%	3.23x	4.08x	2.60x	0.87x	1.06x	0.77x
PKO	PKO	PLN	57.56	71,950	31.4%	84.6%	14.4%	11.44x	7.14x	7.23x	1.39x	1.43x	1.34x
PEKAO	PEO	PLN	164.80	43,255	27.3%	72.6%	8.4%	6.07x	7.37x	7.62x	1.32x	1.39x	1.31x
Millennium	MIL	PLN	8.89	10,784	20.1%	86.0%	6.4%	17.78x	4.20x	5.11x	1.47x	1.42x	1.20x
Mbank	MBK	PLN	660.00	28,027	26.1%	85.8%	23.4%	na	5.64x	6.37x	1.65x	1.66x	1.42x
BRD	BRD	RON	20.80	14,496	19.5%	73.3%	16.1%	7.62x	9.91x	10.24x	1.42x	1.53x	1.44x
Banca Transilvania	TLV	RON	29.15	23,281	29.0%	73.0%	20.2%	7.76x	8.95x	7.98x	1.82x	1.60x	1.38x
Komerční	KOMB	CZK	796.50	151,374	19.2%	15.6%	9.9%	8.76x	10.28x	9.55x	1.09x	1.20x	1.18x
Mean								6.67x	5.96x	5.67x	1.23x	1.32x	1.14x
Median								5.43x	4.53x	5.11x	1.19x	1.39x	1.20x

Source: Bloomberg, S&P Capital IQ

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