

## Georgian Weekly Market Watch (July 07 - July 11)

### Market comment

Last week, London traded Bank of Georgia Holdings (BGEO LN) closed at GBP 24.67(+0,7% w/w). During the week, more than 340 000 shares were traded in the range of GBP 24.11 – 24.94. TBC Bank closed the week at US\$14.00 (-4.1% w/w), more than 58 000 GDRs changed hands in the range of US\$ 14.00 – 14.74.

In the debt world, Georgian Railway (GRAIL 07/22,+0.4% to 113.6) and Georgian Sovereign (GEORG 04/21, +0.2% to 113.8) Eurobond prices went up. While, Bank of Georgia (GEBGG 07/17, -0.4% to 107.5) Eurobond price went down and Georgian Oil and Gas Corporation (GEOROG,+0.3% to 107.3) Eurobond price remained unchanged.

On the Georgian stock exchange, Bank of Georgia shares (GEB GG) were traded at GEL 40.00 (+11.1% w/w) and Liberty Bank shares were traded at GEL 0.0155 (-1.3% w/w). As a result, BG Index increased to the level of 911.7 (+10.9% w/w).

### Money market

Last week, the National Bank of Georgia (NBG) issued 7-day refinancing loans in the amount of GEL 400mn with an average yield amounting 4.00% (unchanged w/w). NBG also sold 182-day, GEL 35mn certificates of deposits. The average yield was 4.27% (down by 2bps).

As for treasury debt, on July 9, total of GEL 20mn 2-year T-Notes of Ministry of Finance were sold at the auction held at NBG. Minimum yield was 7.330%, maximum yield was 7.620% and the weighted average yield was fixed at 7.458%. The coupon rate was 7.500%. Coupons will be paid semi-annually. The nearest treasury securities auction is scheduled for July 16, 2014, where GEL 10mn nominal value 5-year T-Notes will be sold.

### Exchange rate

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According to the official exchange rate of the NBG, during the week Georgian Lari has slightly appreciated against USD and depreciated against EUR. 1 US Dollar equalled GEL1.7678 (-0.08% w/w) and 1 EUR reached to GEL 2.4051 (+0.02% w/w).

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