

Financial Sector Review

Analytical Tables and Charts

November

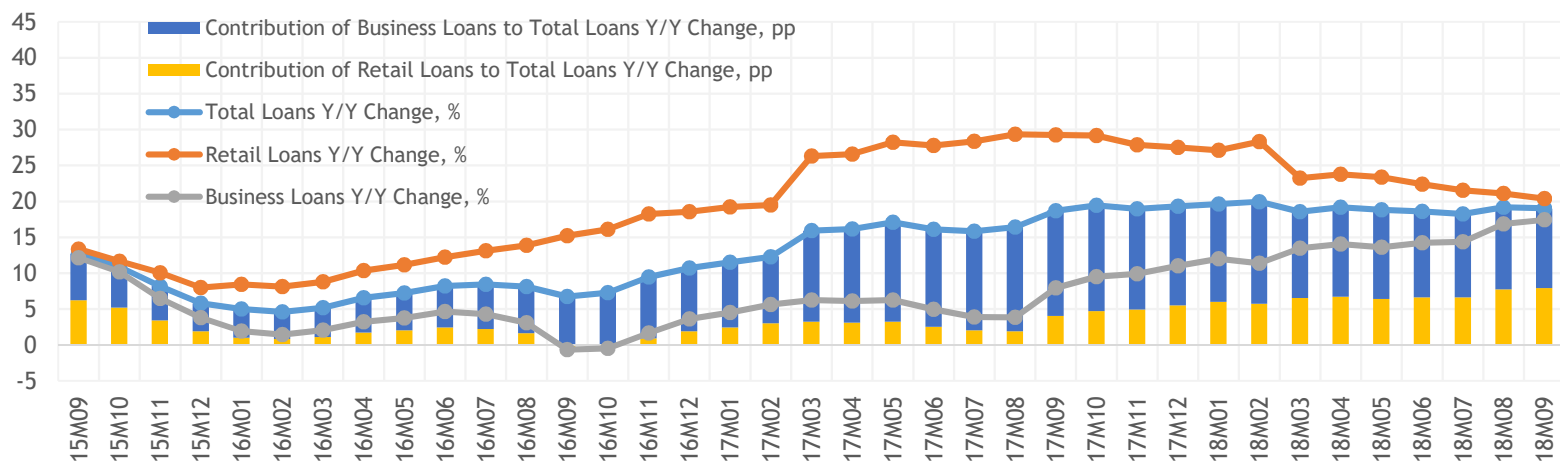
2018

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1. Loans Extended by Commercial Banks (Excluding Interbank Loans)

Figure 1.1. Y/Y Change in Total, Retail and Business Loans, %
(Exchange rate effect excluded)



Source: NBG #

Table 1.1. Loans Dynamics and Contributions of Types of Loans to Y/Y Growth

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Loans																	
GEL Billions	20.3	21.1	22.1	22.3	21.9	21.9	22.2	22.7	22.9	23.1	23.3	24.2	24.8	16.0	18.9	22.3	19.1
Y/Y Change, %	22.8	24.4	24.1	17.9	14.2	17.2	17.7	19.7	20.0	19.8	19.5	23.2	22.7	23.5	18.0	17.9	19.8
Real, % **	16.6	18.0	17.1	11.2	9.9	14.5	14.9	17.2	17.5	17.6	16.6	20.1	19.9	18.6	16.2	11.2	15.3
Excl. ExR, % ***	18.7	19.5	19.0	19.3	19.6	20.0	18.6	19.2	18.8	18.6	18.2	19.2	19.0	5.8	10.7	19.3	11.9
Contributions to Y/Y Change of the Total Loans, Excluding Exchange Rate Effect, pp																	
Retail	14.7	14.8	14.1	13.8	13.6	14.3	12.1	12.5	12.4	12.0	11.6	11.5	11.1	3.9	8.8	13.8	8.8
Consumer	3.8	3.7	3.5	3.3	2.9	2.9	1.5	1.5	2.0	1.8	1.7	1.4	1.0	1.7	4.5	3.3	3.2
Mortgage	4.8	4.9	4.6	4.6	4.8	5.0	5.2	5.4	5.8	6.0	6.0	6.4	6.5	1.2	4.3	4.6	3.4
Other	6.1	6.2	6.0	5.9	5.9	6.4	5.4	5.6	4.6	4.2	3.9	3.7	3.6	1.0	0.0	5.9	2.3
Business	4.0	4.7	4.9	5.5	6.0	5.7	6.5	6.7	6.4	6.6	6.6	7.7	7.9	1.9	1.9	5.5	3.1
Trade	1.3	1.3	1.3	1.2	0.7	0.5	0.9	1.0	1.7	1.9	2.1	2.9	4.1	1.6	1.7	1.2	1.5
Energy	1.9	1.7	1.4	1.2	1.2	1.2	0.9	0.8	0.1	-0.1	0.0	-0.1	0.0	-0.6	0.4	1.2	0.3
Agriculture	0.2	0.3	0.3	0.3	0.4	0.4	0.6	0.5	0.5	0.5	0.5	0.5	-0.2	0.3	0.3	0.3	0.3
Construction	0.6	0.8	0.8	0.6	0.7	0.6	0.7	0.6	0.4	0.4	0.4	0.4	-0.3	0.4	1.5	0.6	0.9
Manufacture	0.2	0.6	0.9	1.8	2.1	2.1	1.8	1.9	1.4	1.4	1.4	1.7	2.2	-0.4	-0.9	1.8	0.2
Transport	0.0	0.1	0.2	0.1	0.2	0.2	1.1	1.1	1.1	1.0	1.0	1.2	1.1	-0.5	-0.4	0.1	-0.2
Other	-0.2	-0.1	0.0	0.3	0.7	0.7	0.5	0.8	1.2	1.5	1.2	1.1	1.0	1.1	-0.7	0.3	0.2

* Average of 2015-2017 yearly data.

** Real Y/Y change is computed by deducting CPI inflation from Y/Y change.

*** Excluding exchange rate effect from the nominal Y/Y change.

Source: NBG #

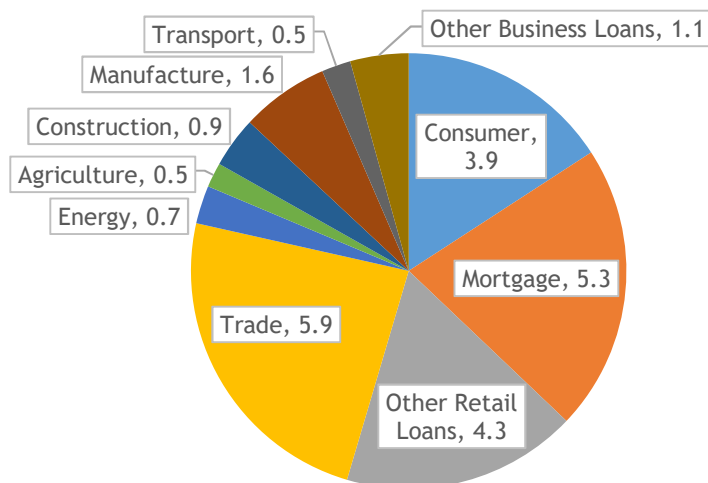
Table 1.2. Y/Y Change in Loans by Types and Sectors, %
(Exchange rate effect excluded)

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Retail	29.3	29.1	27.8	27.5	27.1	28.3	23.2	23.8	23.4	22.4	21.5	21.1	20.4	8.0	18.5	27.5	18.0
Consumer	20.9	20.6	19.6	18.9	16.6	15.9	8.5	8.2	10.9	9.8	9.5	7.7	5.7	10.3	28.8	18.9	19.4
Mortgage	28.2	28.0	25.8	25.5	26.1	27.8	29.7	30.8	32.8	33.8	33.6	35.1	34.9	8.7	28.2	25.5	20.8
Other	40.6	40.8	40.4	40.5	41.1	44.4	32.5	33.4	26.7	23.9	21.7	20.5	20.3	5.3	-0.1	40.5	15.2
Business	8.0	9.5	9.9	11.0	12.0	11.4	13.5	14.0	13.6	14.2	14.3	16.9	17.4	3.8	3.6	11.0	6.1
Trade	4.8	4.8	5.0	4.5	2.8	2.0	3.3	4.0	6.6	7.8	8.6	11.9	16.8	5.7	6.0	4.5	5.4
Energy	96.5	88.3	60.0	42.0	37.9	38.9	28.1	23.9	4.4	-2.9	0.5	-2.4	1.1	-17.7	17.2	42.0	13.8
Agriculture	6.8	10.5	11.0	10.7	18.2	18.6	25.7	23.1	23.4	24.0	23.7	21.8	-10.0	16.0	12.2	10.7	13.0
Construction	11.7	16.6	15.0	12.6	13.1	11.4	14.5	13.3	7.7	8.7	9.3	8.6	-7.0	11.8	37.2	12.6	20.5
Manufacture	3.4	8.9	15.0	29.0	35.1	35.2	32.0	33.4	23.6	24.2	26.2	31.2	39.2	-5.2	-11.5	29.0	4.1
Transport	-1.3	8.3	13.8	7.9	15.0	12.0	63.8	63.0	66.6	59.0	63.2	83.7	79.3	-18.1	-18.1	7.9	-9.4
Other	-4.9	-2.0	-0.5	6.1	12.3	13.9	12.6	18.5	31.8	40.5	27.8	27.9	29.1	22.4	-13.4	6.1	5.1

* Average of 2015-2017 yearly data.

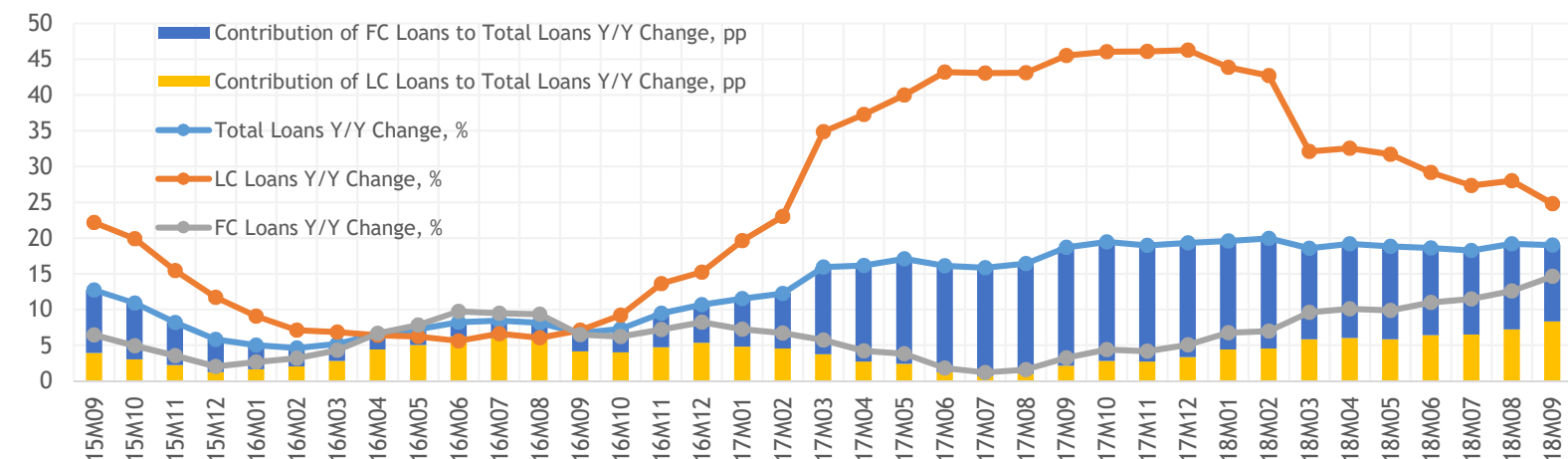
Source: NBG #

Figure 1.2. Loans Structure, pp
(As of 11/2018)



Source: NBG #

Figure 1.3. Local Currency (LC) and Foreign Currency (FC) Loans: Y/Y Change, %
(Exchange rate effect excluded)



Source: NBG #

Table 1.3. Changes in Total Loans Currency Structure
(Absolute values are given in GEL for local currency loans and in USD for foreign currency loans)

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Loans, Billions																	
LC, GEL	8.8	9.0	9.2	9.6	9.5	9.7	9.9	10.1	10.3	10.5	10.6	10.7	10.9	5.7	6.5	9.6	7.3
FC, USD	4.6	4.7	4.7	4.9	4.9	4.9	5.1	5.1	5.1	5.2	5.2	5.2	5.3	4.3	4.7	4.9	4.6
Change in Total Loans, Excluding Exchange Rate Effect, %																	
Y/Y	18.7	19.5	19.0	19.3	19.6	20.0	18.6	19.2	18.8	18.6	18.2	19.2	19.0	5.8	10.7	19.3	11.9
Contributions to Y/Y Change of the Total Loans, Excluding Exchange Rate Effect, pp																	
LC Loans	16.6	16.7	16.3	16.0	15.2	15.5	12.8	13.2	13.0	12.2	11.7	12.0	10.7	4.6	5.4	16.0	8.7
Retail	13.6	13.8	13.6	13.6	13.0	12.9	10.5	10.6	10.0	9.2	8.5	7.6	6.8	2.1	3.1	13.6	6.3
Business	3.0	2.9	2.7	2.4	2.2	2.6	2.3	2.6	3.0	3.0	3.2	4.4	3.9	2.5	2.3	2.4	2.4
FC Loans	2.1	2.8	2.7	3.3	4.4	4.5	5.8	6.0	5.8	6.4	6.5	7.2	8.3	1.2	5.3	3.3	3.3
Retail	1.2	0.9	0.5	0.2	0.7	1.4	1.6	1.9	2.4	2.8	3.1	3.9	4.3	1.8	5.7	0.2	2.6
Business	0.9	1.9	2.2	3.1	3.7	3.1	4.2	4.1	3.4	3.6	3.4	3.3	4.0	-0.6	-0.4	3.1	0.7

* Average of 2015-2017 yearly data.

Source: NBG #

Table 1.4. Y/Y Change in LC and FC Retail and Business Loans, %

(Exchange rate effect excluded)

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
LC Retail	55.4	57.2	58.0	59.4	56.1	52.7	38.0	37.5	34.5	30.9	27.9	24.6	21.8	7.6	12.9	59.4	26.6
FC Retail	4.5	3.5	1.7	0.7	2.5	5.4	6.5	7.7	9.9	11.7	13.3	16.5	18.5	8.5	24.4	0.7	11.2
LC Business	25.4	23.6	22.7	20.5	19.5	21.9	18.6	20.9	24.8	25.0	25.8	37.2	32.3	21.4	20.1	20.5	20.7
FC Business	2.4	5.0	5.9	8.1	9.7	8.1	11.7	11.7	9.9	10.4	10.2	9.9	11.9	-1.3	-1.0	8.1	1.9

* Average of 2015-2017 yearly data.

Source: NBG #

Table 1.5. Maturity of Loans, Month

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Loans																	
LC Loans	46	48	49	48	48	49	49	50	51	50	51	50	50	36	37	48	41
FC Loans	76	76	74	74	74	74	73	73	73	75	76	76	75	63	72	74	70
Business																	
LC Loans	30	29	30	31	31	32	32	32	32	32	33	33	31	26	27	31	28
FC Loans	59	58	57	57	56	57	57	56	56	57	58	59	57	52	58	57	56
Retail																	
LC Loans	54	55	55	55	55	55	57	59	58	58	59	59	58	45	43	55	48
FC Loans	106	107	107	109	105	108	108	108	101	110	109	107	106	84	94	109	95
Consumer																	
LC Loans	34	34	35	35	35	35	35	36	36	35	36	37	37	26	29	35	30
FC Loans	74	74	72	76	68	74	71	70	67	71	71	67	71	62	69	76	69
Mortgage																	
LC Loans	100	102	102	102	102	102	102	102	102	103	102	102	102	89	93	102	95
FC Loans	117	116	117	118	117	117	118	117	110	119	119	118	118	106	113	118	112

* Average of 2015-2017 yearly data.

Source: NBG #

Table 1.6. Loan Write-Offs and Confiscated Property, GEL Millions

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Loan Write-offs																	
Write-offs	25.6	21.7	35.8	77.1	28.7	29.7	68.0	30.0	22.7	26.7	27.4	31.5	33.5	22.0	55.7	77.1	51.6
Recovery of Written-off Loans	10.2	7.6	12.0	55.4	7.0	7.9	10.7	7.1	9.5	9.4	6.3	6.6	11.8	9.1	70.2	55.4	44.9
Confiscated Property																	
Stock **	195.9	191.0	199.7	209.2	209.5	211.8	222.2	218.3	214.9	212.8	200.3	200.4	166.3	142.2	159.1	209.2	170.2

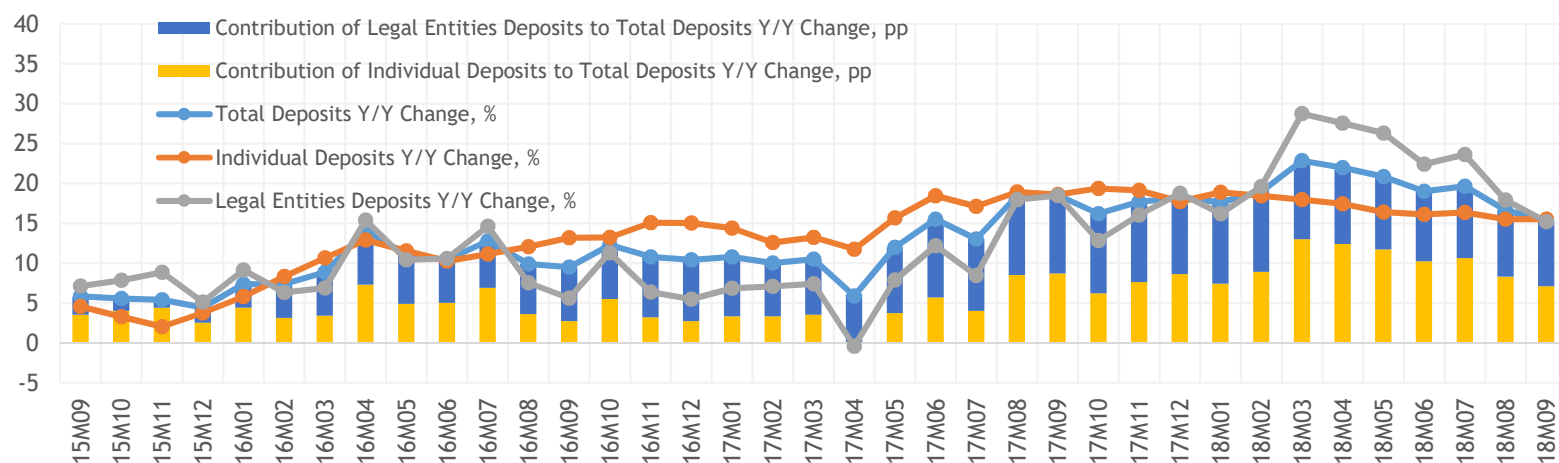
* Average of 2015-2017 yearly data.

** By end of period

Source: NBG #

2. Deposits Placed in Commercial Banks (Excluding Interbank Deposits)

Figure 2.1. Y/Y Change in Total, Individual and Legal Entities Deposits, %
(Exchange rate effect excluded)



Source: NBG #

Table 2.1. Total Deposits, Y/Y Change and Contributions to It

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Deposits																	
GEL Billions	18.3	19.0	19.9	19.8	19.2	19.2	19.6	19.9	20.0	20.3	20.5	21.5	21.9	14.3	17.0	19.8	17.0
Y/Y Change, %	23.3	21.8	23.5	16.6	11.6	15.9	21.9	22.6	22.2	20.3	21.0	21.1	19.3	23.4	18.4	16.6	19.5
Real, % **	17.2	15.4	16.6	9.9	7.3	13.1	19.0	20.1	19.8	18.1	18.2	18.0	16.6	18.6	16.6	9.9	15.0
Excl. ExR, % ***	18.5	16.2	17.7	18.2	17.7	19.0	22.8	22.0	20.8	19.0	19.6	16.6	15.4	4.4	10.4	18.2	11.0
Contributions to Y/Y Change in Total Deposits, Excluding Exchange Rate Effect, pp																	
Individual	9.8	10.0	10.1	9.6	10.3	10.1	9.8	9.6	9.1	8.8	9.0	8.3	8.3	1.9	7.7	9.6	6.4
LC	3.2	3.5	3.7	3.4	3.7	3.6	4.1	3.9	3.9	3.7	3.5	3.5	3.5	0.0	2.8	3.4	2.1
FC	6.6	6.5	6.4	6.2	6.6	6.5	5.7	5.7	5.2	5.1	5.5	4.8	4.8	1.9	4.9	6.2	4.3
CA ****	1.4	1.3	1.1	1.2	1.3	0.8	0.6	0.9	0.8	0.5	0.4	0.4	0.4	0.0	1.0	1.2	0.7
DD ****	4.1	4.1	3.9	3.5	3.9	4.0	4.0	3.6	4.0	3.7	3.2	3.0	3.4	1.3	3.7	3.5	2.8
Term	4.3	4.6	5.1	4.9	5.1	5.3	5.2	5.1	4.3	4.6	5.4	4.9	4.5	0.6	3.0	4.9	2.8
Leg. Entities	8.7	6.2	7.6	8.6	7.4	8.9	13.0	12.4	11.7	10.2	10.6	8.3	7.1	2.5	2.7	8.6	4.6
LC	8.7	7.1	7.6	8.0	8.0	8.9	10.5	10.9	10.8	11.1	9.4	7.1	6.6	-2.2	0.6	8.0	2.2
FC	0.0	-0.9	0.0	0.6	-0.6	0.0	2.5	1.5	0.9	-0.9	1.2	1.2	0.5	4.7	2.1	0.6	2.5
CA ****	2.3	0.8	1.7	2.2	0.5	0.6	0.5	-0.4	-1.2	-1.5	0.0	2.4	2.3	0.6	4.3	2.2	2.4
DD ****	4.7	4.6	5.1	5.9	4.7	5.5	8.2	7.4	6.0	4.0	2.9	0.7	0.3	1.2	-0.1	5.9	2.3
Term	1.7	0.8	0.8	0.5	2.2	2.8	4.3	5.4	6.9	7.7	7.7	5.2	4.5	0.7	-1.5	0.5	-0.1

* Average of 2015-2017 yearly data.

** Real Y/Y change is computed by deducting CPI inflation from Y/Y change.

*** Excluding exchange rate effect from the nominal Y/Y change.

**** CA indicates Current Accounts, and DD indicates Demand Deposits

Source: NBG #

Table 2.2. Y/Y Change in Individual and Leg.Entities Deposits, %
(Exchange rate effect excluded)

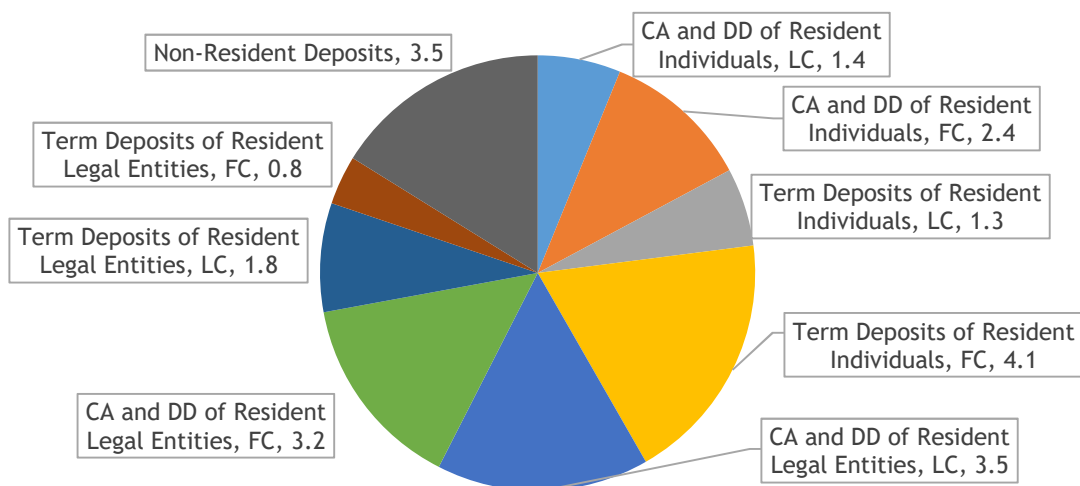
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Resident Deposits																	
Individual	18.6	19.4	19.1	17.7	18.9	18.4	17.9	17.5	16.4	16.1	16.3	15.5	15.5	3.7	15.0	17.7	12.2
LC	27.8	33.5	35.7	31.5	35.9	32.0	34.6	31.9	31.8	29.5	27.7	29.2	29.8	0.1	27.4	31.5	19.7
FC	16.0	15.8	15.1	14.2	14.9	14.9	13.4	13.4	12.0	12.2	12.9	11.5	11.4	4.9	12.0	14.2	10.4
CA	34.3	33.1	25.7	27.3	31.2	18.1	14.3	21.2	17.0	9.9	6.6	8.7	8.7	0.4	27.5	27.3	18.4
DD	25.8	26.2	24.6	20.7	23.3	23.6	23.5	21.0	23.2	21.6	18.2	17.2	19.7	9.1	24.7	20.7	18.2
Term	13.1	14.4	15.6	14.9	15.2	15.9	15.6	15.1	12.9	14.1	16.8	15.6	14.2	1.8	9.1	14.9	8.6
Leg.Entities	18.5	12.8	16.0	18.7	16.2	19.6	28.7	27.6	26.3	22.4	23.6	17.9	15.2	5.1	5.5	18.7	9.8
LC	44.9	35.6	41.1	45.4	44.7	48.6	54.7	56.4	56.3	55.2	43.3	31.8	29.1	-7.9	2.9	45.4	13.5
FC	0.1	-3.0	-0.1	2.0	-2.1	-0.1	9.8	5.9	3.8	-3.4	5.5	5.0	2.0	21.1	7.4	2.0	10.2
CA	7.9	2.9	5.7	7.3	1.6	1.8	1.5	-1.3	-3.6	-4.8	0.4	8.8	8.7	1.9	14.2	7.3	7.8
DD	91.5	85.3	94.3	126.8	90.1	113.2	171.1	145.7	111.2	72.2	44.0	9.2	3.4	29.0	-1.1	126.8	51.6
Term	13.6	6.2	6.7	4.9	20.7	27.7	43.0	57.0	80.7	90.3	81.7	46.2	38.5	5.5	-11.3	4.9	-0.3
Non-resident Deposits																	
Total	16.2	8.1	17.7	15.5	14.2	16.5	17.1	15.5	12.2	6.0	17.7	17.4	16.1	5.4	5.7	15.5	8.9
LC	63.6	-1.4	67.7	-7.1	1.7	-2.7	7.7	13.2	3.5	68.1	58.6	63.3	65.6	-17.1	149.4	-7.1	41.7
FC	13.1	9.1	14.7	18.0	15.4	18.7	18.3	15.8	13.3	0.9	13.9	13.4	11.7	7.2	-1.1	18.0	8.0
CA	5.2	6.2	23.0	-0.5	-12.0	-3.0	-6.9	-13.0	-18.4	-27.1	7.8	15.6	11.3	41.9	-4.5	-0.5	12.3
DD	34.4	15.9	31.0	40.4	38.6	36.2	47.2	46.5	46.2	38.7	31.0	20.0	27.5	23.8	8.1	40.4	24.1
Term	14.9	6.2	11.3	13.9	16.5	17.3	16.9	17.6	14.9	11.2	16.8	17.1	13.7	-10.3	9.9	13.9	4.5

* Average of 2015-2017 yearly data.

Source: NBG #

Figure 2.2. Deposits Structure, pp

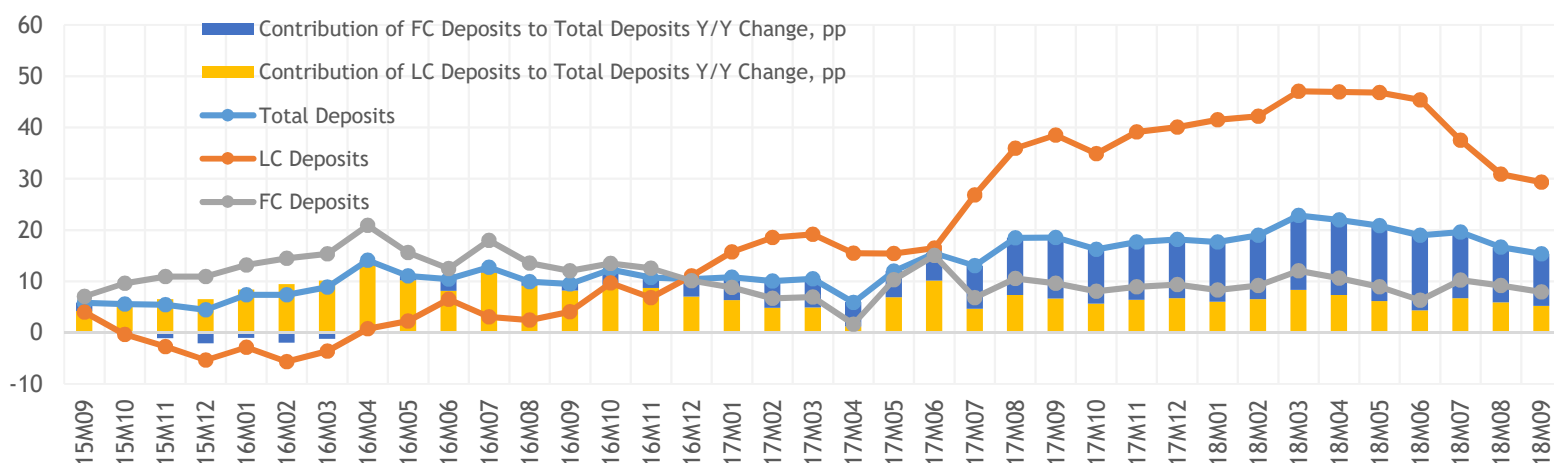
(As of 11/2018)



Source: NBG #

Figure 2.3. Y/Y Change in Total, LC and FC Deposits, %

(Exchange rate effect excluded)



Source: NBG #

Table 2.3. Contributions of LC and FC Deposits to Y/Y Change in Total Deposits, pp

(Exchange rate effect excluded)

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
LC	11.9	10.6	11.3	11.5	11.7	12.5	14.5	14.7	14.7	14.7	12.9	10.7	10.2	-2.1	3.4	11.5	4.2
CA	1.7	0.2	0.8	1.1	0.3	-0.1	-0.7	0.0	-0.3	-0.1	-0.3	1.5	1.7	-2.2	2.1	1.1	0.3
DD	4.2	4.3	4.6	4.9	4.8	5.7	6.5	5.9	6.1	5.1	3.6	2.4	2.3	0.4	1.7	4.9	2.3
Term	6.0	6.1	5.9	5.5	6.6	6.9	8.7	8.8	8.9	9.7	9.6	6.8	6.2	-0.3	-0.4	5.5	1.6
FC	6.6	5.6	6.4	6.7	6.0	6.5	8.3	7.3	6.1	4.3	6.7	5.9	5.2	6.5	7.0	6.7	6.7
CA	2.0	2.0	2.0	2.3	1.6	1.5	1.7	0.6	-0.1	-0.9	0.7	1.2	1.0	2.8	3.2	2.3	2.8
DD	4.6	4.3	4.4	4.5	3.7	3.8	5.7	5.1	3.9	2.6	2.5	1.3	1.4	2.1	2.0	4.5	2.9
Term	0.0	-0.7	0.0	-0.1	0.7	1.2	0.9	1.6	2.3	2.6	3.5	3.4	2.8	1.6	1.8	-0.1	1.1

* Average of 2015-2017 yearly data.

Source: NBG #

Table 2.4. Y/Y Change in LC and FC Deposits, %

(Exchange rate effect excluded)

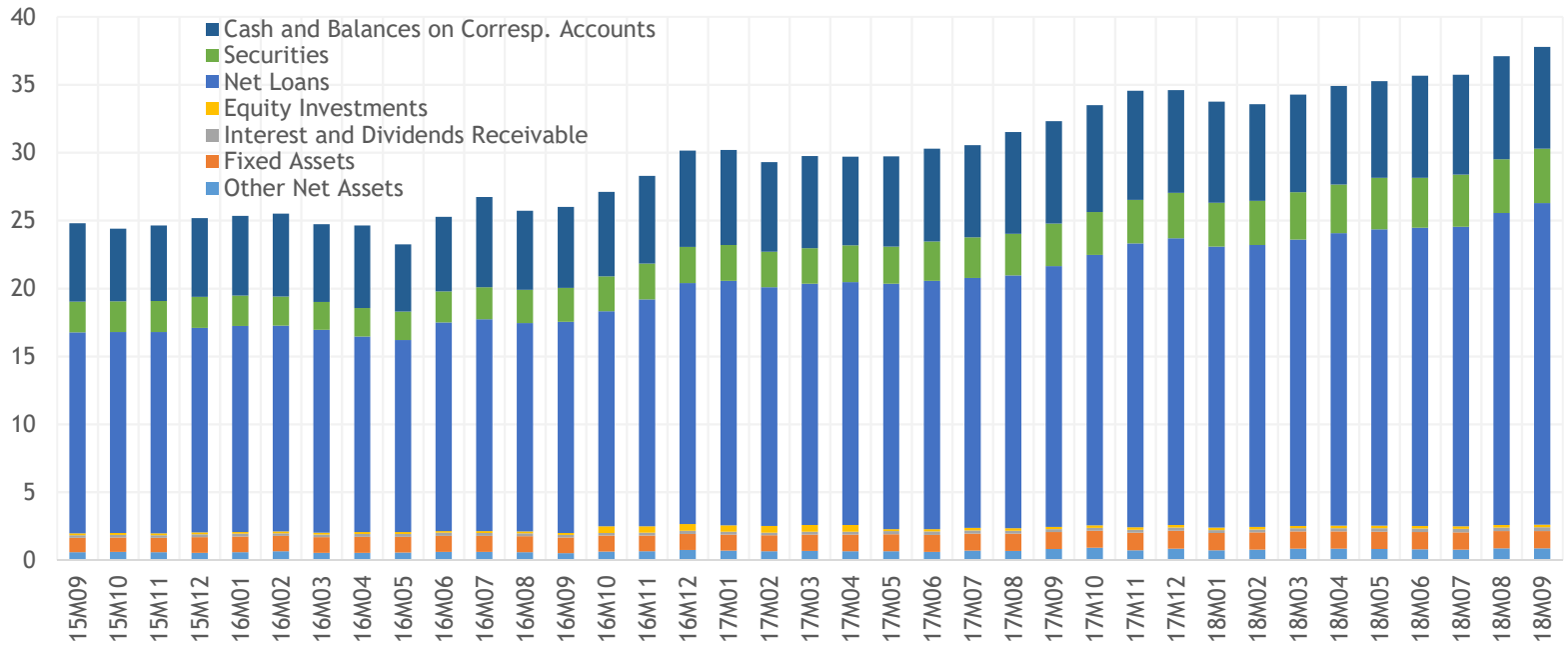
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
LC	38.5	34.9	39.2	40.1	41.5	42.2	47.1	47.0	46.8	45.4	37.5	30.9	29.3	-5.4	11.0	40.1	15.2
CA	10.5	0.8	5.1	7.2	1.6	-0.7	-3.8	0.1	-1.8	-0.9	-1.5	10.4	11.8	-10.1	13.2	7.2	3.4
DD	63.6	68.9	75.8	80.1	85.4	95.1	107.6	88.5	94.5	73.5	42.9	27.3	26.0	5.5	29.7	80.1	38.4
Term	70.6	76.5	75.7	74.7	88.5	88.9	106.1	107.7	106.4	113.9	96.6	58.1	52.8	-2.6	-4.3	74.7	22.6
FC	9.6	8.1	8.9	9.4	8.3	9.2	12.0	10.6	8.9	6.3	10.2	9.2	8.0	10.9	10.1	9.4	10.2
CA	11.6	11.1	10.6	11.8	8.2	7.8	9.5	2.9	-0.3	-4.7	3.8	7.6	6.1	19.8	17.9	11.8	16.5
DD	31.7	29.4	28.8	28.9	23.2	24.0	36.3	32.6	24.0	16.5	15.7	7.8	8.2	18.1	13.7	28.9	20.2
Term	-0.1	-2.1	-0.1	-0.3	1.9	3.4	2.5	4.7	6.9	7.9	11.1	10.8	8.8	4.7	5.0	-0.3	3.1

* Average of 2015-2017 yearly data.

Source: NBG #

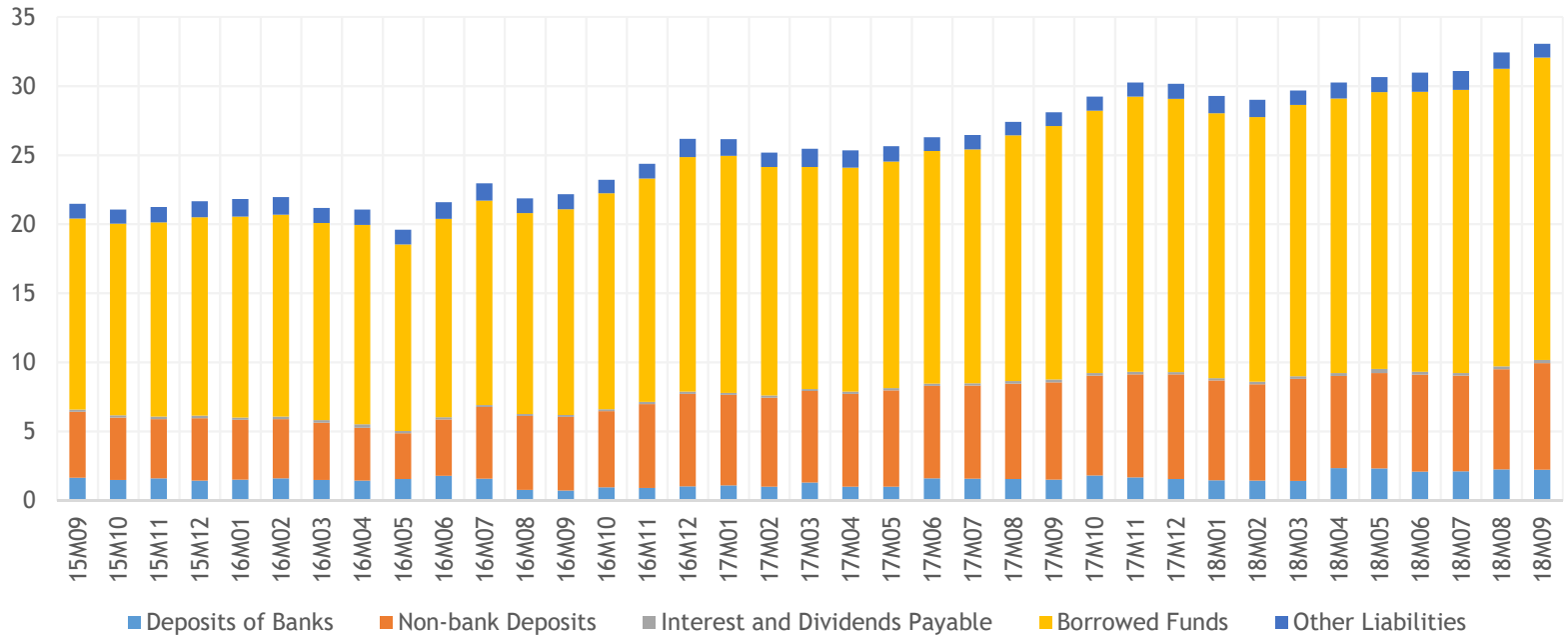
3. Balance Sheet of Commercial Banks

Figure 3.1. Asset Structure
(GEL Billions)



Source: NBG

Figure 3.2. Liability Structure
(GEL Billions)



Source: NBG

Table 3.1. Total Assets, Liabilities and Capital
(GEL Billions, End of Period)

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Assets	32.3	33.5	34.6	34.6	33.7	33.6	34.3	34.9	35.3	35.7	35.7	37.1	37.8	25.2	30.1	34.6	30.0
LC	14.6	14.9	14.9	15.6	15.7	15.7	16.0	16.3	16.5	17.2	17.3	17.5	17.7	10.3	11.9	15.6	12.6
FC	17.7	18.6	19.7	19.0	18.0	17.9	18.3	18.6	18.8	18.5	18.4	19.6	20.1	14.9	18.2	19.0	17.4
Cash and Balances on Correspondent																	
Accounts	7.5	7.9	8.0	7.6	7.4	7.1	7.2	7.2	7.1	7.5	7.4	7.6	7.5	5.8	7.1	7.6	6.8
Securities	3.1	3.2	3.2	3.3	3.2	3.3	3.5	3.6	3.8	3.7	3.8	3.9	4.0	2.3	2.7	3.3	2.8
Total Loans	20.3	21.1	22.1	22.3	21.9	21.9	22.2	22.7	23.0	23.1	23.3	24.3	25.0	16.1	18.9	22.3	19.1
Loan Loss Reserves (-)	1.1	1.2	1.2	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.3	1.3	1.0	1.2	1.2	1.1
Equity																	
Investments	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.5	0.2	0.3
Interest and Dividends																	
Receivable	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Fixed Assets	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.3	1.2
Other Assets	0.8	0.9	0.7	0.8	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.5	0.7	0.8	0.7
Total																	
Liabilities	28.1	29.2	30.2	30.2	29.3	29.0	29.7	30.2	30.6	31.0	31.1	32.4	33.0	21.7	26.2	30.2	26.0
LC	10.2	10.4	10.3	11.0	11.0	10.9	11.1	11.3	11.7	12.1	12.3	12.5	12.8	6.3	7.7	11.0	8.3
FC	17.9	18.8	19.9	19.2	18.3	18.1	18.6	18.9	18.9	18.9	18.8	19.9	20.2	15.4	18.5	19.2	17.7
Deposits of																	
Banks	1.0	1.0	1.0	1.1	1.3	1.2	1.1	1.1	1.1	1.4	1.4	1.2	1.0	1.2	1.3	1.1	1.2
Non-bank																	
Deposits	18.3	19.0	19.9	19.8	19.2	19.2	19.6	19.9	20.0	20.3	20.5	21.5	21.9	14.3	17.0	19.8	17.0
Interest and Dividends																	
Receivable	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Borrowed Funds	7.1	7.2	7.4	7.6	7.2	7.0	7.4	6.7	6.9	7.0	6.9	7.3	7.7	4.5	6.7	7.6	6.3
Other Liabilities	1.5	1.8	1.7	1.6	1.5	1.4	1.4	2.3	2.3	2.1	2.1	2.2	2.2	1.4	1.0	1.6	1.3
Total Capital	4.2	4.3	4.3	4.4	4.5	4.6	4.6	4.7	4.6	4.7	4.6	4.7	4.7	3.5	4.0	4.4	4.0
Common																	
Stocks	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.0	0.9	1.0
Asset Re-pricing Reserve	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
Undistributed Profits	2.1	2.2	2.2	2.4	2.4	2.5	2.6	2.7	2.6	2.7	2.6	2.6	2.7	1.4	1.8	2.4	1.8

* Average of 2015-2017 yearly data.

Source: NBG

4. Profit and Loss Statement of Commercial Banks

Table 4.1. Profit and Loss Statement
(GEL Millions, Over the Period)

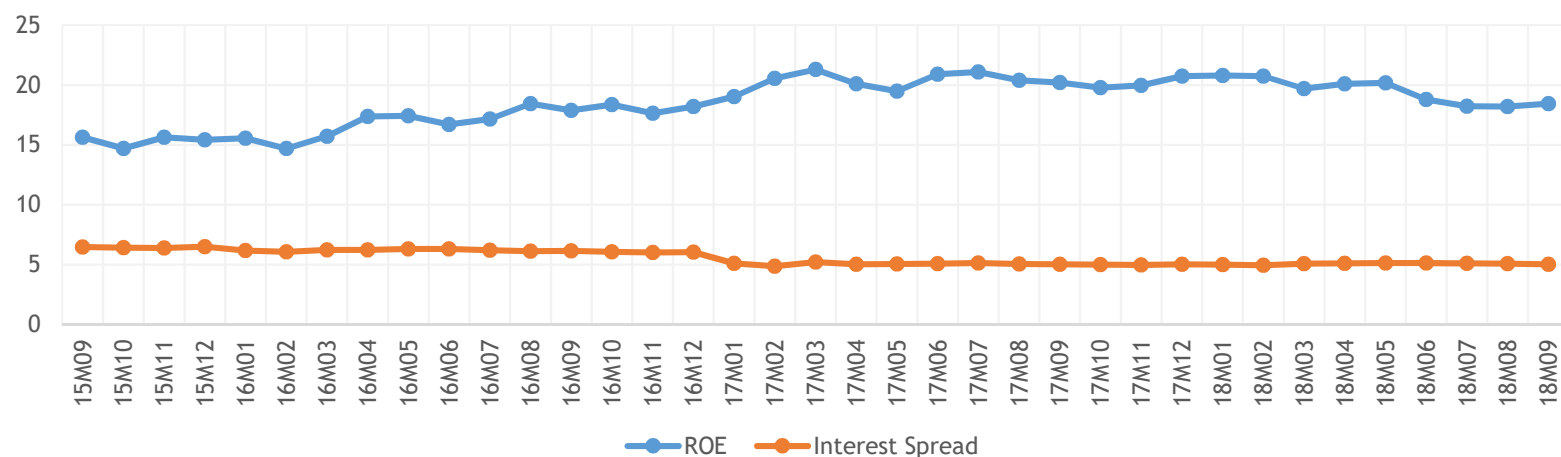
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Income	301.6	314.2	321.4	404.6	307.0	297.2	343.4	338.1	350.6	346.1	340.2	362.8	370.0	2860	3160	3610	3210
Interest Income	239.3	250.0	253.7	282.1	264.2	244.6	276.0	271.0	283.1	281.4	285.6	289.8	286.6	2268	2454	2843	2522
o/w Interest Income from Loans																	
Retail	134.8	140.5	142.9	152.4	148.4	142.3	158.2	155.6	161.5	157.3	161.1	161.8	159.4	1158	1274	1584	1339
LC	101.1	105.2	105.6	114.7	113.0	110.4	123.5	122.2	126.3	122.4	125.6	124.9	121.7	775.9	847.9	1149	924.2
FC	33.7	35.2	37.3	37.7	35.4	31.8	34.7	33.5	35.2	34.9	35.4	36.9	37.8	382.2	425.6	435.7	414.5
Business	69.0	75.4	75.2	93.5	78.3	68.1	79.8	77.7	80.1	83.5	82.3	86.0	86.3	820.0	842.0	869.8	843.9
LC	22.2	23.4	23.0	26.9	26.1	23.2	27.1	26.6	27.7	27.9	29.3	30.1	30.4	194.1	233.9	265.9	231.3
FC	46.8	52.1	52.2	66.5	52.2	44.8	52.7	51.1	52.4	55.6	53.0	55.9	55.9	625.9	608.0	603.9	612.6
Non-Interest Income	62.3	64.2	67.7	122.5	42.8	52.6	67.4	67.1	67.5	64.7	54.6	73.0	83.3	591.3	706.1	767.2	688.2
Commission Income and Other Service Fees	51.0	53.7	53.3	68.0	50.5	50.0	58.3	55.0	56.0	58.0	56.0	54.5	54.2	407.5	484.1	616.8	502.8
Profit from Money Exchange	15.0	6.0	7.8	35.7	27.3	16.3	15.6	7.0	18.3	21.1	16.3	13.8	19.5	136.0	219.3	203.0	186.1
Profit from Re-pricing Foreign Currency Assets	4.6	12.2	11.8	-12.1	-19.8	-9.2	-7.0	13.5	1.4	-2.6	0.7	19.0	8.2	69.9	-10.6	0.0	19.8
Other	-8.4	-7.7	-5.3	30.9	-15.2	-4.5	0.5	-8.3	-8.2	-11.8	-18.3	-14.2	1.4	-22.0	13.2	-52.6	-20.5
Total Expenses	198.5	214.1	212.3	234.6	219.4	186.3	220.6	213.3	216.5	219.2	224.9	223.5	227.9	1833	2003	2362	2066
Interest Expenses	105.6	115.2	114.2	118.2	116.4	102.4	116.6	115.7	121.9	121.8	126.9	127.1	125.8	939.0	1018	1249	1069
o/w Interest Expenses on Deposits	56.9	60.5	61.1	62.8	60.3	55.6	62.3	62.0	64.4	62.3	66.9	66.2	65.3	555.2	604.7	672.3	610.7
LC	32.7	35.4	35.2	38.1	36.0	34.3	39.0	39.5	40.9	40.1	43.6	42.5	41.1	249.9	302.9	371.1	308.0
FC	24.1	25.1	25.9	24.7	24.3	21.3	23.3	22.6	23.5	22.2	23.3	23.7	24.3	305.3	301.8	301.3	302.8
Non-Interest Expenses	92.9	98.9	98.0	116.4	103.0	83.9	103.9	97.6	94.6	97.4	98.0	96.4	102.1	894.1	985.0	1113	997.3
o/w Bank Staff	54.0	58.6	56.3	57.7	60.8	48.4	56.5	55.1	49.8	54.2	57.1	51.8	57.2	466.1	522.6	629.1	539.3
Total Profit	103.1	100.1	109.1	170.0	87.7	110.9	122.8	124.7	134.1	127.0	115.3	139.3	142.1	1027	1157	1248	1144
Total Loss from Possible Asset losses	26.8	58.7	59.6	-5.2	13.1	9.7	38.5	59.3	45.4	17.1	48.2	85.7	40.1	406.5	337.8	274.4	339.6
Net Profit after Taxes	70.7	37.3	48.1	152.6	68.5	90.0	75.7	60.0	68.3	47.9	54.1	48.9	89.0	537.4	679.1	869.8	695.4

* Average of 2015-2017 yearly data.

Source: NBG #

5. Financial Stability Indicators

Figure 5.1. Profitability of Commercial Banks, %



Source: NBG #

Table 5.1. Profitability of Commercial Banks, % ¹

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
ROA	2.8	2.7	2.7	2.8	2.8	2.8	2.6	2.6	2.6	2.5	2.4	2.4	2.4	2.3	2.6	2.8	2.6
ROE	20.2	19.8	20.0	20.7	20.8	20.7	19.7	20.1	20.2	18.8	18.2	18.2	18.4	15.4	18.2	20.7	18.1
Non-interest Income to Gross																	
Income	30.7	30.9	31.1	32.5	22.5	24.8	26.6	27.5	28.0	28.1	27.8	28.2	28.9	30.8	33.0	32.5	32.1
Non-interest Expenses to Gross																	
Expenses	47.0	46.9	46.8	47.1	46.9	46.1	46.4	46.3	45.7	45.5	45.2	45.0	44.9	48.8	49.2	47.1	48.4
Net-commission Income to Gross																	
Income	17.3	17.3	17.3	17.4	17.3	17.1	17.3	17.1	16.8	16.7	16.6	16.3	16.0	13.4	14.7	17.4	15.2
Profitability of																	
Assets	10.8	10.7	10.7	10.8	11.0	10.6	10.8	10.8	10.9	10.9	10.9	10.9	10.9	12.3	11.8	10.8	11.6
Loans	12.3	12.3	12.2	12.3	12.4	12.0	12.3	12.3	12.4	12.4	12.4	12.4	12.3	13.2	12.8	12.3	12.8
Expenses/Assets	4.2	4.4	4.5	4.4	4.1	3.7	4.2	4.5	4.5	4.4	4.5	4.7	4.7	5.5	5.1	4.4	5.0
Staff Exp./Assets	2.0	2.0	2.0	2.0	2.2	1.9	2.0	1.9	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.0
Interest Margin	5.1	5.0	5.0	5.1	5.3	5.2	5.3	5.3	5.4	5.4	5.4	5.3	5.3	5.6	5.5	5.1	5.4
Interest Spread	5.0	5.0	5.0	5.0	5.0	4.9	5.1	5.1	5.1	5.1	5.1	5.1	5.0	6.5	6.0	5.0	5.9
Cost/Income	47.9	48.1	48.0	47.1	54.0	48.5	47.5	46.5	45.4	45.1	45.2	44.6	44.3	46.6	46.0	47.1	46.6

* Average of 2015-2017 yearly data.

¹ Terms and notations in this table indicate the following:

ROA = (Sum of Last 12 Monthly Profits)/(Mean of Last 12 Month Assets)

ROE = (Sum of Last 12 Monthly Profits)/(Mean of Last 12 Month Equity)

Asset Profitability = (Interest Income)/(Interest-earning Assets)

Loan Profitability = (Interest Income from Loans)/(Loans)

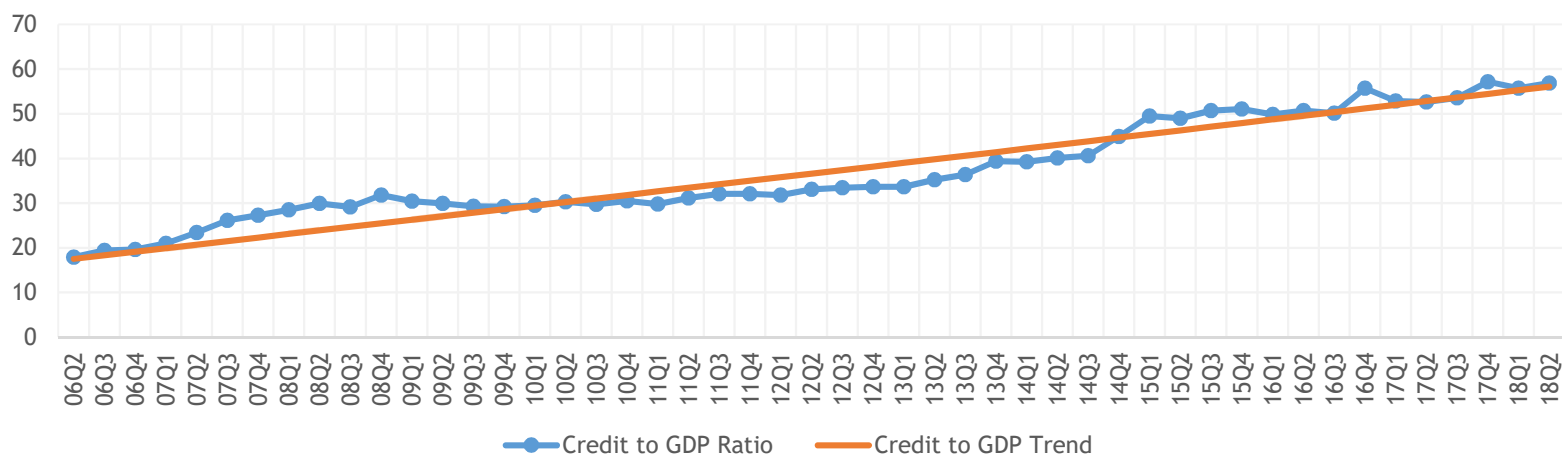
Interest Margin = (Net Interest Income)/(Interest-earning Assets)

Interest Spread = (Interest Income)/(Interest-earning Assets) - (Interest Expenses)/(Interest-bearing Liabilities)

Cost/Income = (Non-Interest Expenses)/(Net Interest Income + Non-Interest Income)

Source: NBG #

Figure 5.2. Banking Sector Credit to GDP, %



Source: NBG #

Table 5.2. Banking Sector Credit to GDP

	15Q2	15Q3	15Q4	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	2015	2016	2017	Avg. *
Credit to GDP Ratio, Trend and Gap																	
Credit to GDP Ratio	49.0	50.7	51.0	49.9	50.7	50.2	55.7	52.9	52.7	53.6	57.2	55.7	56.8	51.0	55.7	57.2	54.6
Trend	46.3	47.1	47.9	48.7	49.6	50.4	51.2	52.0	52.8	53.6	54.5	55.3	56.1	47.9	51.2	54.5	51.2
Gap, pp **	2.7	3.6	3.1	1.2	1.1	-0.2	4.5	0.9	-0.1	0.0	2.7	0.4	0.7	3.1	4.5	2.7	3.4

* Average of 2015-2017 yearly data.

Source: NBG #

Table 5.3. Commercial Banks Balance Sheet Ratios¹

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Liquid Assets to Total Assets	23.4	23.7	23.1	21.3	21.1	20.9	20.8	20.7	20.9	22.1	21.8	20.4	20.5	23.4	22.8	21.3	22.5
Liquid Assets to Total Short-term Liabilities	55.5	54.5	53.1	49.3	48.9	50.1	49.2	49.0	48.3	53.7	51.2	47.5	48.1	56.6	51.5	49.3	52.5
Liquid. Ratio	42.75	41.41	40.54	37.91	37.06	36.98	37.82	36.95	36.65	35.18	36.49	35.90	36.37	41.47	39.83	37.91	39.74
LC	36.99	36.10	34.85	33.45	35.23	36.53	37.02	36.57	35.47	32.60	31.77	33.83	32.07	46.10	35.62	33.45	38.39
FC	45.98	44.39	43.59	40.35	38.14	37.24	38.30	37.17	37.38	36.76	39.50	37.23	39.09	39.19	41.75	40.35	40.43
LCR	144.3	142.4	136.0	126.6	133.7	135.1	134.0	132.4	127.7	125.5	132.2	131.9	128.3	-	119.3	126.6	122.9
LC	136.3	123.9	125.5	120.0	125.9	130.2	127.1	125.1	123.2	122.5	123.7	124.5	119.8	-	108.4	120.0	114.2
FC	147.3	152.9	140.6	128.9	137.8	138.1	138.2	137.1	130.0	127.4	137.7	137.0	133.3	-	124.0	128.9	126.4
Loans to Deposits	110.4	110.9	111.0	112.6	114.1	114.3	113.1	114.0	114.4	114.2	113.5	112.5	113.5	111.8	111.4	112.6	111.9
Current and Demand Deposits to Total Deposits	56.8	57.1	56.9	58.6	56.3	56.5	56.9	56.2	55.7	55.1	54.2	54.5	54.6	53.9	56.4	58.6	56.3
Gross Open Position in FX to Capital	1.3	1.4	1.2	4.4	3.7	2.9	1.2	0.2	1.4	1.3	3.5	3.9	4.8	-0.7	4.7	4.4	2.8
Net Open Position in FX to Capital	4.7	5.1	4.7	6.9	4.9	4.2	3.1	2.6	5.6	3.9	6.0	7.9	10.3	-0.5	7.3	6.9	4.6
Leverage (Total Liabilities to Capital)	6.7	6.9	7.0	6.8	6.5	6.3	6.4	6.5	6.6	6.6	6.7	6.9	7.0	6.2	6.6	6.8	6.5
Current Assets to Current Liabilities	65.2	63.8	59.5	59.0	61.0	60.0	59.1	55.7	54.4	60.1	57.8	54.6	56.6	67.1	66.4	59.0	64.2
NPLs (IMF)	3.1	3.4	3.5	2.8	2.9	2.8	2.4	2.6	2.6	2.4	2.7	2.7	2.7	2.7	3.5	2.8	3.0
NPLs (NBG)	6.5	6.4	6.4	6.0	6.0	6.0	5.6	5.6	5.6	5.5	5.6	5.7	5.6	7.5	7.3	6.0	6.9
NPL Provision to NPLs	87.2	87.5	86.2	87.4	88.4	87.1	90.9	90.8	92.4	92.9	92.4	91.9	91.7	84.6	85.3	87.4	85.8
Loans Collateralized by Real Estate (Share in Total Loans)	58.3	59.3	60.1	59.0	58.7	58.9	58.7	58.4	59.1	59.5	60.0	61.0	60.8	54.8	59.2	59.0	57.7
Large Loan Coefficient ²	57.6	61.1	64.2	65.7	66.1	63.7	71.2	69.4	72.9	73.7	76.8	82.6	82.2	75.9	74.8	65.7	72.1
Tier I Capital Ratio	10.1	9.7	9.3	13.8	14.0	14.4	14.2	14.0	14.0	14.2	14.0	13.5	13.1	11.0	9.9	13.8	11.6
Capital Adequacy Ratio	16.4	15.9	15.4	18.9	18.9	19.3	19.0	18.7	18.7	18.8	18.5	18.1	17.6	17.5	15.0	18.9	17.1
Interconnected Borrowers Coefficient	12.9	13.5	14.2	13.9	13.7	13.2	15.0	15.4	16.0	16.2	16.6	15.6	15.6	14.2	14.7	13.9	14.3
All Insider Coefficient ³	11.4	10.6	10.0	10.5	10.2	9.7	12.1	11.8	12.9	13.2	13.2	12.6	11.6	8.6	9.0	10.5	9.4

* Average of 2015-2017 yearly data.

¹ Terms and notations in this table indicate the following:

Liquidity Ratio = (Average Liquid Assets)/(Average Liabilities).

Liquidity Coverage Ratio = (Stock of High-Liquid Assets)/(Total Net Cash Outflows over the Next 30 Calendar Days)

The Leverage ratio is given as a fraction, not a percentage.

NPLs (IMF) is a share of loans that past due for over 90 days.

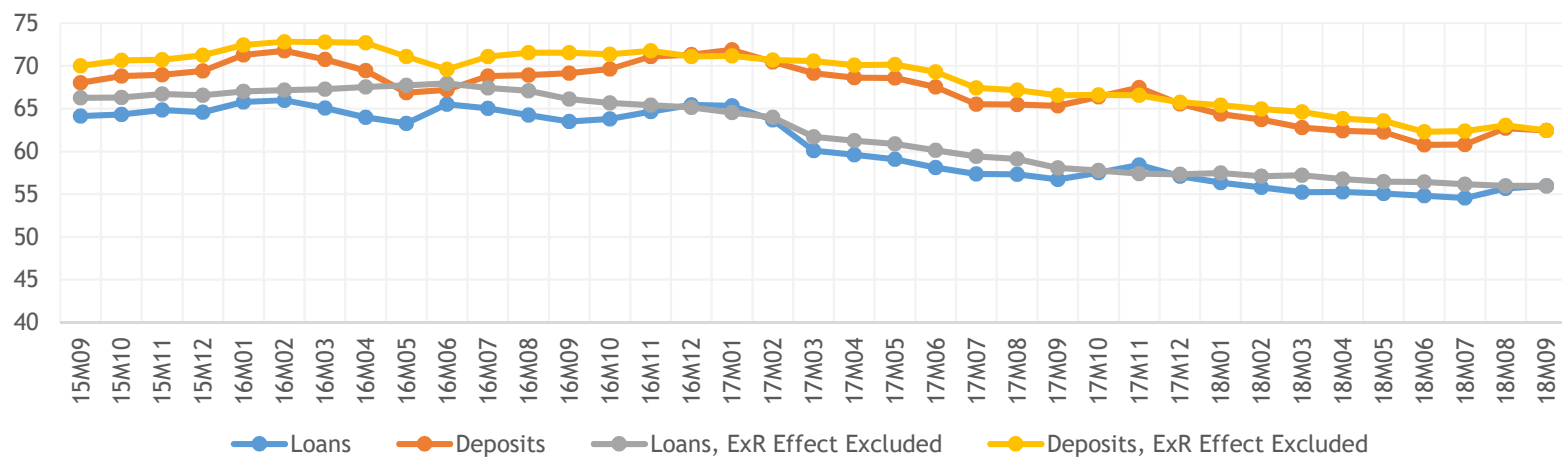
NPLs (NBG) is a share of loans classified as substandard, doubtful and loss.

Capital adequacy ratios are calculated according to Basel 2 before Dec-2017 and according to Basel 3 afterwards.

² Total amount of large loans and other liabilities granted by bank should not exceed twice the amount of regulatory capital.³ The coefficient should not exceed 25% of regulatory capital.

Source: NBG #

Figure 5.3. Dollarization in Banking Sector , %
(Exchange rate effect is excluded by taking the end-of-period exchange rate of 2018/11)



Source: NBG #

Table 5.4. Dollarization in Banking Sector, %
(Excluding Exchange Rate Effect)

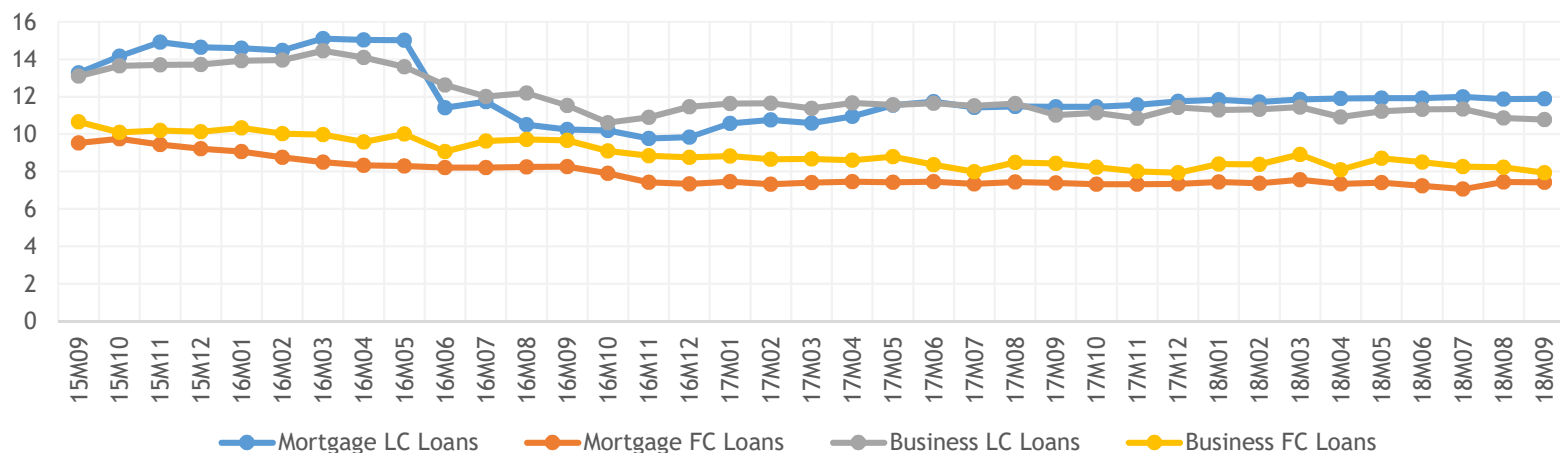
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Assets	56.1	55.9	55.8	55.1	54.8	54.5	55.2	54.9	54.6	53.3	53.1	53.0	53.1	61.0	60.4	55.1	58.8
Loans	58.1	57.8	57.4	57.3	57.5	57.1	57.2	56.8	56.5	56.4	56.2	56.0	56.0	66.6	65.2	57.3	63.0
Retail	44.3	43.9	43.5	42.6	42.8	42.6	42.2	41.9	42.0	42.4	42.6	43.3	43.6	51.6	54.0	42.6	49.4
o/w Consumer	19.3	18.7	18.5	18.0	18.7	18.3	18.4	18.0	17.8	18.1	18.0	17.8	17.8	29.1	28.2	18.0	25.1
o/w Mortgage	80.5	79.8	79.1	78.4	78.0	77.6	77.0	76.5	76.1	76.0	75.9	76.2	76.3	87.4	91.0	78.4	85.6
Business	74.1	74.1	73.8	74.4	74.5	74.2	74.7	74.4	73.8	73.3	72.6	71.4	70.8	79.7	76.4	74.4	76.8
Total Liabilities	65.1	64.8	64.9	63.6	63.6	63.7	64.3	64.2	63.0	62.5	62.0	61.6	61.2	72.5	70.4	63.6	68.8
Deposits	66.6	66.6	66.6	65.8	65.4	64.9	64.6	63.8	63.6	62.3	62.4	63.0	62.4	71.3	71.1	65.8	69.4
Individual	78.6	78.5	78.1	77.2	77.8	77.2	76.7	76.6	76.3	76.1	76.0	76.1	75.9	81.6	79.6	77.2	79.4
Leg. Entities	52.6	52.8	53.2	52.5	50.5	50.1	51.0	49.1	48.8	46.2	46.5	48.0	46.7	60.1	61.1	52.5	57.9
Term Deposits	73.9	73.1	73.4	73.5	72.1	71.9	69.7	69.6	69.2	67.6	66.3	66.8	66.8	81.6	83.0	73.5	79.4

* Average of 2015-2017 yearly data.

Source: NBG #

6. Interest Rates and Spreads on Loans and Deposits in Commercial Banks

Figure 6.1. Weighted Average Annual Interest Rates on Loans Flow, %
(Within a Month)



Source: NBG #

Table 6.1. Interest Rates on Loans Flow, %

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Loans	12.9	12.8	12.5	12.6	14.2	14.9	13.6	13.5	12.5	12.7	12.8	11.8	11.5	13.7	12.1	12.6	12.8
LC	15.4	16.2	15.9	16.5	18.0	18.4	17.8	17.4	15.8	16.2	16.0	15.8	15.4	17.2	16.1	16.5	16.6
FC	8.5	8.3	8.1	8.2	8.5	8.5	9.0	8.7	8.8	8.5	8.4	8.7	8.6	10.2	8.9	8.2	9.1
Retail																	
LC	20.6	20.8	21.4	21.2	22.1	21.7	21.3	20.1	19.7	20.0	19.9	20.1	19.8	24.6	23.6	21.2	23.1
FC	8.0	7.9	8.0	7.8	7.7	7.9	7.8	7.7	7.7	7.4	7.1	6.1	6.2	10.6	8.6	7.8	9.0
Consumer																	
LC	13.2	13.5	15.6	16.1	15.2	16.2	15.1	16.1	13.9	16.2	15.7	15.4	14.7	11.9	12.3	16.1	13.5
FC	13.6	14.0	16.9	16.8	16.8	16.9	16.0	16.8	14.6	17.7	16.9	16.5	15.6	12.7	13.1	16.8	14.2
Mortgage																	
LC	8.6	8.5	8.5	8.5	8.7	8.6	8.7	8.4	8.3	8.0	7.6	6.3	6.5	9.3	7.6	8.5	8.5
FC	11.5	11.5	11.6	11.8	11.8	11.7	11.8	11.9	11.9	11.9	12.0	11.9	11.9	14.6	9.8	11.8	12.1
Business																	
LC	11.0	11.1	10.8	11.4	11.3	11.3	11.4	10.9	11.2	11.3	11.3	10.9	10.8	13.7	11.5	11.4	12.2
FC	8.4	8.2	8.0	7.9	8.4	8.4	8.9	8.1	8.7	8.5	8.3	8.2	7.9	10.1	8.8	7.9	8.9

* Average of 2015-2017 yearly data.

Source: NBG #

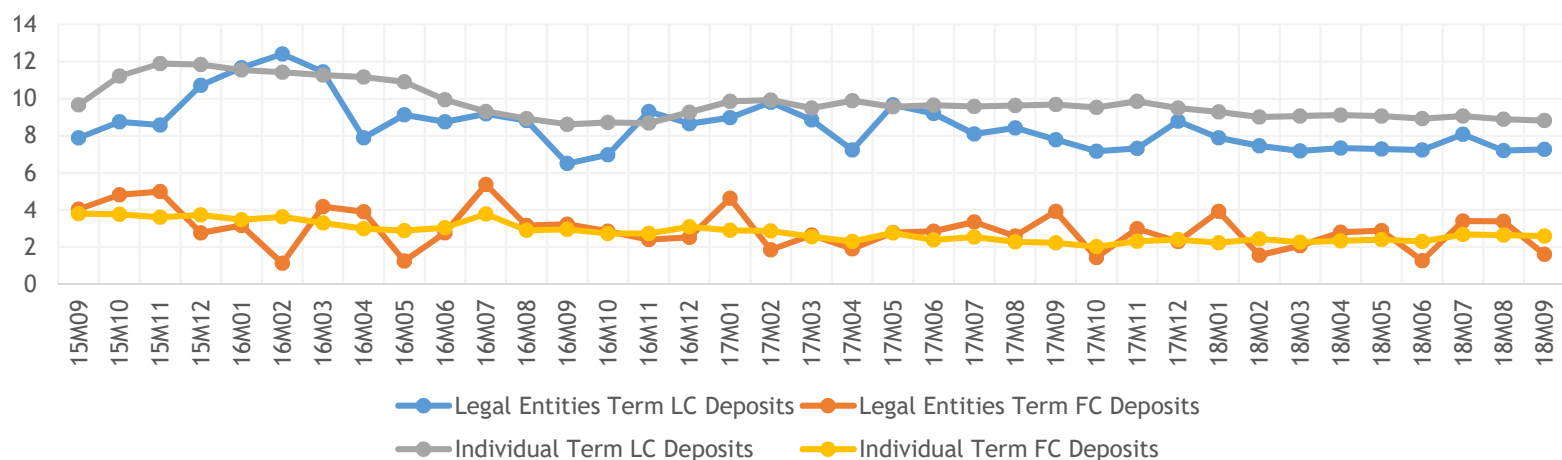
Table 6.2. Interest Rates on Loans Stock, %

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Loans	11.9	11.8	11.7	11.8	12.3	12.1	12.2	12.2	12.2	12.3	12.2	12.1	11.9	12.6	11.6	11.8	12.0
LC	16.2	16.1	16.1	16.3	17.3	16.8	16.9	17.0	16.9	16.9	16.9	16.8	16.7	16.7	16.1	16.3	16.3
FC	8.8	8.7	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.5	8.5	8.5	10.4	9.3	8.6	9.4
Mortgage																	
LC	8.4	8.3	8.3	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.3	8.1	8.0	10.3	8.4	8.4	9.0
FC	11.1	11.1	11.2	11.3	11.4	11.4	11.4	11.5	11.5	11.5	11.5	11.5	11.5	12.9	10.7	11.3	11.6
Business																	
LC	7.8	7.7	7.7	7.7	7.7	7.6	7.6	7.6	7.6	7.6	7.5	7.5	7.5	9.9	8.2	7.7	8.6

* Average of 2015-2017 yearly data.

Source: NBG #

Figure 6.2. Weighted Average Annual Interest Rates on Deposits Flow, %



Source: NBG #

Table 6.3. Interest Rates on Individual 1-Year Term Deposits Flow, %

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
LC	11.2	11.3	11.2	11.1	10.3	9.8	10.0	10.0	9.9	9.6	9.4	9.1	9.0	13.8	10.5	11.1	11.8
FC	2.5	2.6	2.5	2.6	2.6	2.7	2.9	2.9	2.9	2.9	3.0	3.0	2.8	4.1	3.2	2.6	3.3

* Average of 2015-2017 yearly data.

Source: NBG #

Table 6.4. Weighted Average Annual Interest Rates on Deposits Stock, %

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Total Deposits	3.7	3.7	3.7	3.6	3.6	3.7	3.7	3.7	3.7	3.8	3.8	3.6	3.6	4.2	3.7	3.6	3.8
LC	6.4	6.5	6.6	6.2	6.2	6.3	6.3	6.3	6.3	6.3	6.3	6.1	6.1	6.5	6.2	6.2	6.3
FC	2.5	2.4	2.5	2.4	2.4	2.4	2.3	2.4	2.3	2.4	2.3	2.3	2.3	3.4	2.9	2.4	2.9
Current Accounts																	
LC	4.6	4.7	5.0	4.4	4.1	4.5	4.4	4.4	4.5	4.5	4.2	3.9	4.0	5.3	5.4	4.4	5.0
FC	1.0	1.1	1.2	1.1	1.0	1.1	0.9	1.0	1.0	0.9	0.8	0.9	0.6	0.9	1.1	1.1	1.0
Term																	
LC	9.8	9.9	10.0	10.0	9.8	9.8	9.5	9.5	9.4	9.3	9.3	9.1	9.1	10.7	10.6	10.0	10.4
FC	4.0	3.9	3.9	3.8	3.8	3.8	3.8	3.8	3.8	3.7	3.7	3.7	3.7	5.1	4.5	3.8	4.5

* Average of 2015-2017 yearly data.

Source: NBG #

Table 6.5. Weighted Average Annual Interest Rate Spreads on Flows, %

	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Individual ¹																	
LC	1.8	1.9	1.7	2.3	2.6	2.7	2.8	2.8	2.9	3.0	2.9	3.0	3.1	2.8	0.6	2.3	1.9
FC	5.2	5.3	5.0	4.9	5.2	4.9	5.3	5.0	5.0	4.9	4.4	4.8	4.8	5.5	4.2	4.9	4.9
Leg. Entities ²																	
LC	3.2	4.0	3.5	2.6	3.4	3.9	4.3	3.6	3.9	4.1	3.3	3.6	3.5	3.0	2.8	2.6	2.8
FC	4.5	6.8	5.0	5.6	4.5	6.8	6.8	5.3	5.8	7.2	4.9	4.8	6.3	7.4	6.2	5.6	6.4

* Average of 2015-2017 yearly data.

¹ For individuals, spread is the difference between interest rates on mortgage loans and individual term deposits.

² For legal entities, spread is the difference between interest rates on business loans and legal entities term deposits.

Source: NBG #

Table 6.6. Yield Curve and Monetary Policy Rate

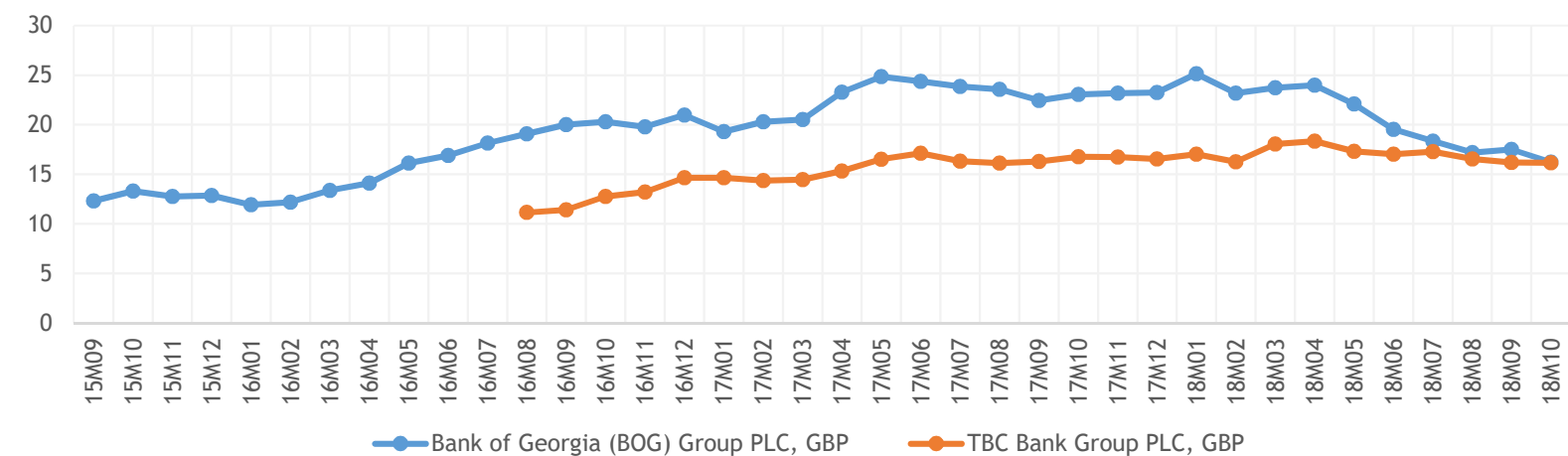
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Yield Curve, %¹																	
1-Day	7.11	6.96	7.03	7.27	7.33	7.32	7.22	7.31	7.30	7.32	7.22	7.09	7.04	7.04	8.21	6.61	7.29
7-Day	7.04	7.04	7.06	7.18	7.34	7.28	7.30	7.28	7.31	7.34	7.23	7.10	x	x	8.96	6.64	7.80
3-Month	7.11	7.09	7.13	7.33	7.38	7.34	7.26	7.26	7.29	7.29	7.31	7.13	7.14	7.13	9.87	6.82	7.94
6-Month	7.12	7.12	7.10	7.05	7.38	7.32	7.29	7.26	7.28	7.33	7.36	7.13	7.14	7.13	9.87	6.97	7.99
1-Year	7.16	7.13	7.12	7.01	7.43	7.43	7.33	7.29	7.31	7.35	7.36	7.12	7.12	7.14	11.63	7.57	8.78
2-Year	7.40	7.34	7.33	x	7.66	7.57	7.47	7.42	7.40	7.45	7.47	7.27	7.23	7.22	13.76	8.17	9.72
5-Year	7.87	7.72	7.78	7.95	8.12	7.96	7.81	x	7.72	7.75	7.69	7.48	7.43	7.40	14.77	8.94	10.37
10-Year	x	9.09	x	x	9.37	x	x	9.07	x	x	9.02	x	x	8.82	x	x	8.82
Policy Rate (Refinancing Rate), %																	
Rate	7.00	7.00	7.00	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.00	7.00	7.00	7.00	8.00	6.75	7.25

* Average of 2015-2017 yearly data.

¹ Primary Auction Data.

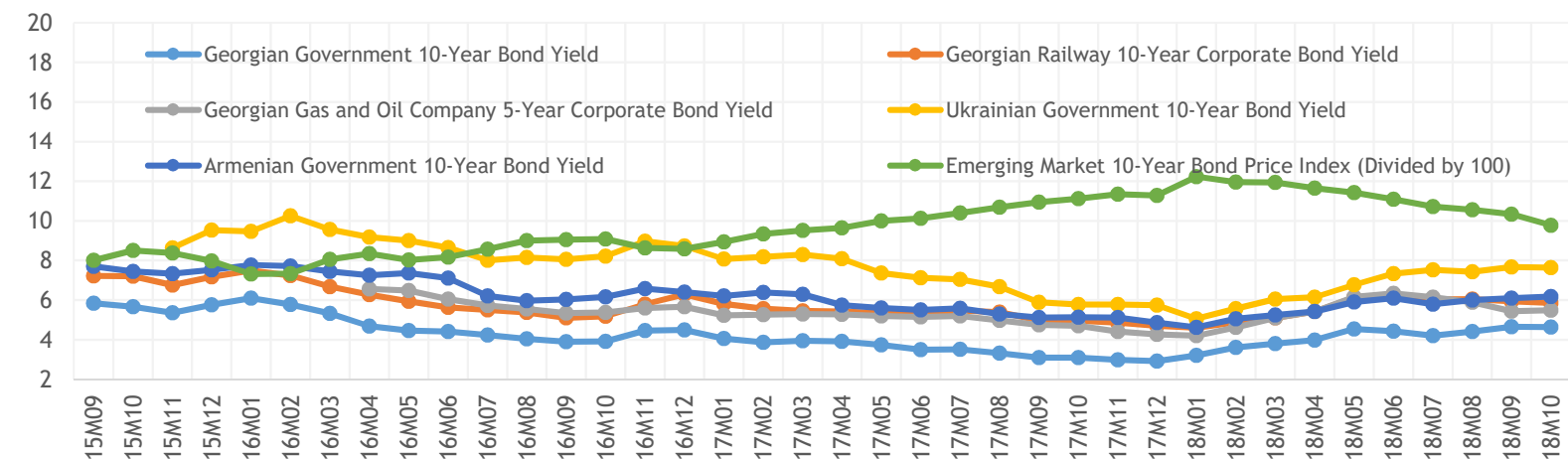
Source: NBG #

Figure 6.3. Stock Price Dynamics



Source: NBG #

Figure 6.4. Bond Yields, %



Source: NBG #

Table 6.7. Stock Prices and Bond Yields

	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	18M10	2015	2016	2017	Avg. *
Stock Prices, GBP																	
BOG Group PLC	23.1	23.2	23.2	25.2	23.2	23.7	24.0	22.1	19.5	18.3	17.2	17.5	16.2	12.9	21.0	23.2	19.0
TBC Bank Group PLC	16.8	16.8	16.6	17.0	16.3	18.0	18.3	17.3	17.0	17.3	16.6	16.2	16.2	x	14.7	16.6	15.6
Bond Yields, %																	
Georgian Government 10-Year (USD Denominated)																	
Bond Yield	3.1	3.0	2.9	3.2	3.6	3.8	4.0	4.5	4.4	4.2	4.4	4.7	4.6	5.8	4.5	2.9	4.4
Georgian Railway 10-Year Corporate (USD Denominated)																	
Bond Yield	5.0	4.9	4.7	4.6	4.9	5.1	5.4	6.1	6.3	6.0	6.0	5.9	5.9	7.2	6.3	4.7	6.1
Georgian Gas and Oil Company 5-Year Corporate (USD Denominated)																	
Bond Yield	4.7	4.4	4.3	4.2	4.6	5.1	5.4	6.2	6.3	6.1	5.9	5.4	5.5	0.0	5.7	4.3	3.3
Ukrainian Government 10-Year (USD Denominated)																	
Bond Yield	5.8	5.8	5.7	5.1	5.6	6.1	6.1	6.8	7.3	7.5	7.4	7.7	7.6	9.5	8.7	5.7	8.0
Armenian Government 10-Year (USD Denominated)																	
Bond Yield	5.1	5.1	4.9	4.6	5.0	5.2	5.4	5.9	6.1	5.8	6.0	6.1	6.2	7.5	6.4	4.9	6.3
Emerging Market 10-Year Bond																	
Price Index (/100)	11.1	11.4	11.3	12.2	12.0	11.9	11.6	11.4	11.1	10.7	10.6	10.3	9.8	8.0	8.6	11.3	9.3

* Average of 2015-2017 yearly data.

Source: NBG #

7. Household Indebtedness

Table 7.1. Household Debt Burden, %

	15Q2	15Q3	15Q4	16Q1	16Q2	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	2015	2016	2017	Avg. *
Household Debt to GDP ¹	24.6	25.9	27.0	27.1	27.9	28.3	32.1	31.1	31.5	32.3	33.2	33.1	34.2	27.0	32.1	33.2	30.8
Payment to Income ²	21.0	21.4	21.5	12.6	12.2	12.4	12.9	13.0	13.1	13.4	14.2	14.2	14.4	21.5	12.9	14.2	16.2

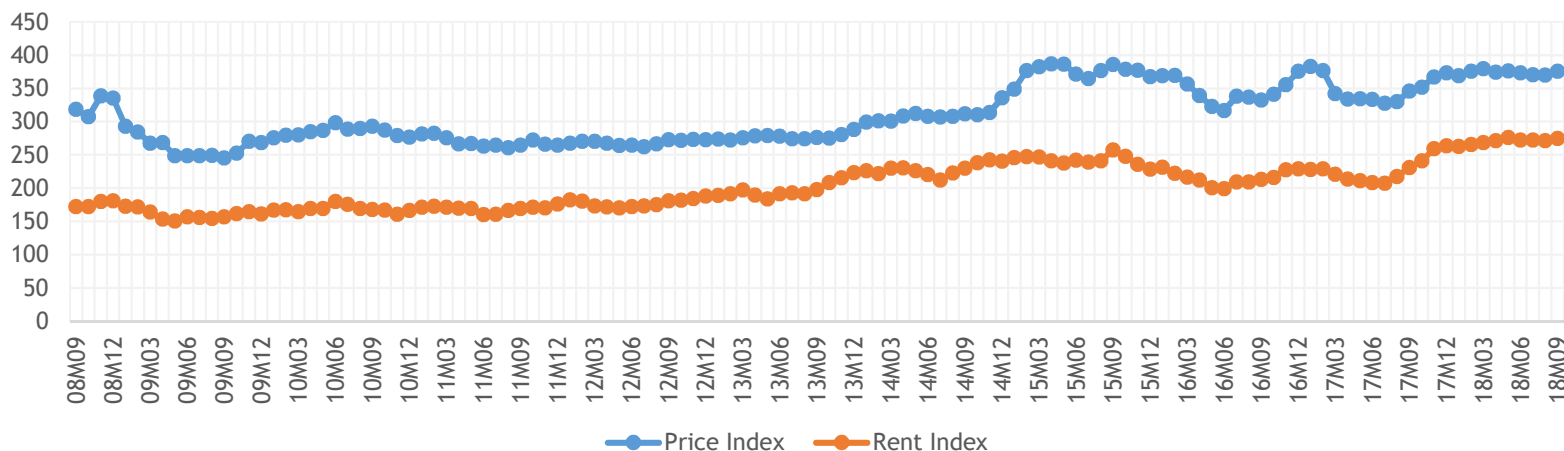
* Average of 2015-2017 yearly data.

Source: NBG #

8. Real Estate

Figure 8.1. Real Estate Indices

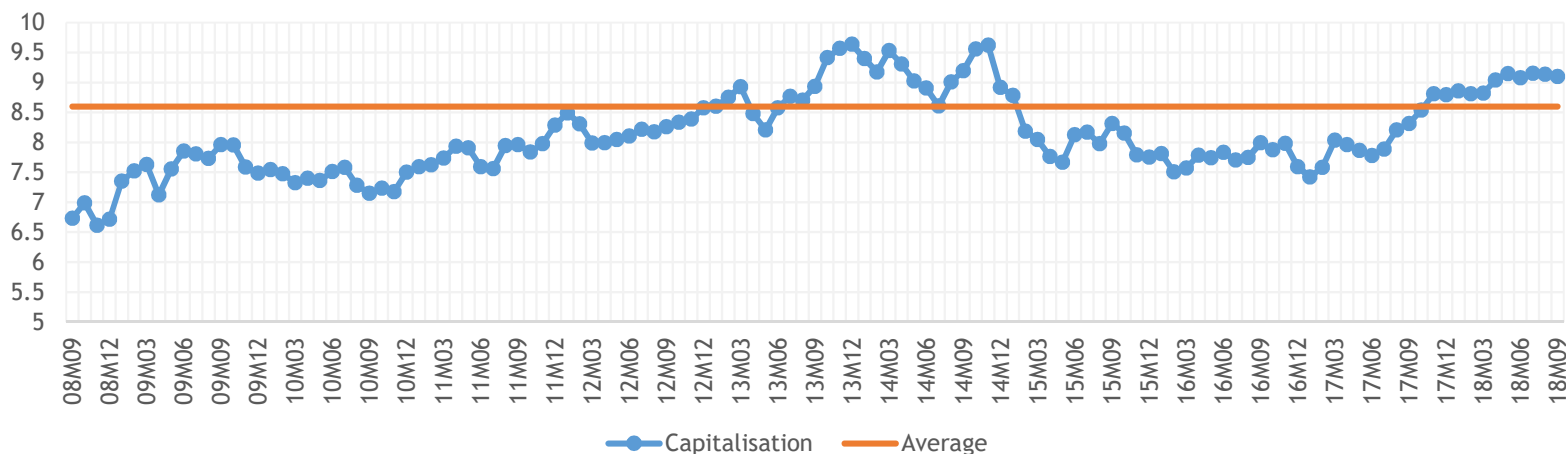
(Based on Prices in GEL. Jan-2004 = 100)



Source: NBG

Figure 8.2. Capitalisation (Rent to Price) Ratio

(Average taken over 01/2004 - 09/2018)



Source: NBG #

Table 8.1. Real Estate and Construction Sector

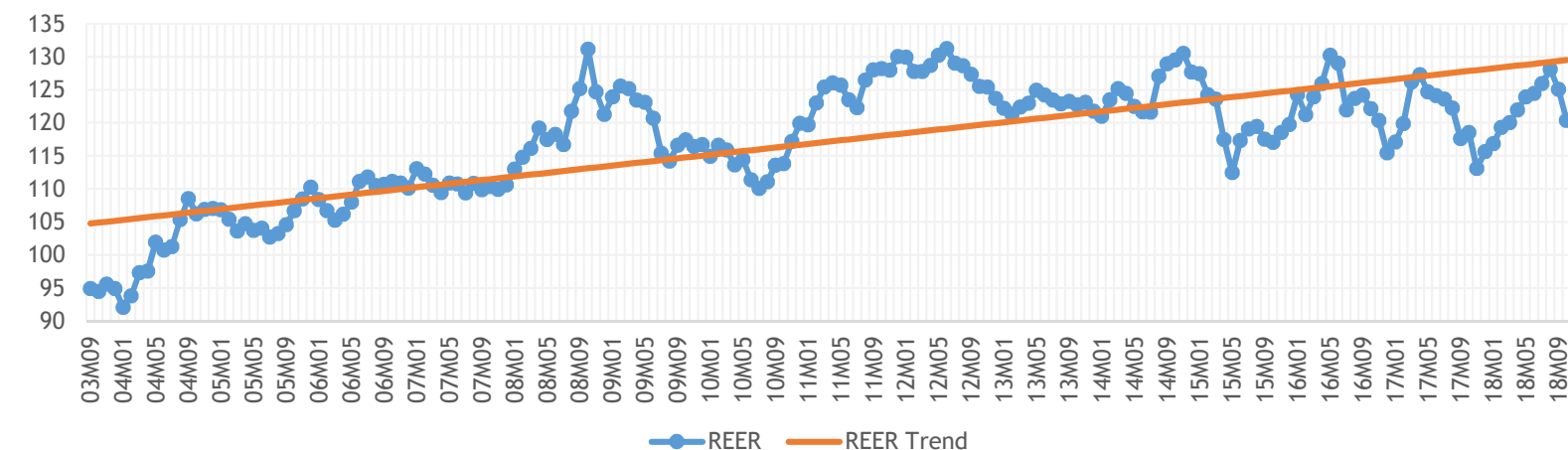
	17M09	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	2015	2016	2017	Avg. *
Price Index	345.9	351.6	366.9	373.3	369.2	375.9	379.4	374.1	376.2	373.5	370.7	369.8	375.9	367.5	375.8	373.3	372.2
Rent Index	230.9	241.1	259.6	263.5	262.6	265.8	268.7	271.5	276.3	272.3	272.3	271.2	274.7	228.7	229.1	263.5	240.5
Capitalisation, %	8.3	8.5	8.8	8.8	8.9	8.8	8.8	9.0	9.1	9.1	9.2	9.1	9.1	7.8	7.6	8.8	8.0
Price to Rent Ratio, Deviation from Average	1.7	-2.1	-6.5	-6.2	-7.2	-6.4	-6.6	-9.9	-11.5	-10.5	-11.5	-11.3	-10.8	12.1	15.4	-6.2	7.1
Share of Real Estate and Construction Loans in Total Loans, %	4.8	4.8	4.9	4.8	4.8	4.6	4.6	4.6	4.5	4.5	4.4	4.4	3.8	4.0	5.1	4.8	4.6
Share of NPL in Real Estate and Construction Loans, %	10.6	9.9	9.9	9.3	9.6	10.2	10.0	9.9	10.1	9.2	9.2	9.0	8.5	14.5	11.1	9.3	11.6
Share of Mortgage Loans in Total Loans, %	18.6	19.0	19.2	18.9	19.0	19.2	19.0	19.3	19.7	20.0	20.3	21.0	21.3	15.2	18.1	18.9	17.4
Share of NPLs in Mortgage Loans, %	2.5	2.6	2.5	2.4	2.5	2.5	2.4	2.4	2.6	2.5	2.6	2.5	2.5	3.0	2.7	2.4	2.7

* Average of 2015-2017 yearly data.

Source: NBG #

9. Exchange Rates

Figure 9.1. REER of Georgian Lari
(Index. Dec-1995 = 100)



Source: NBG

Table 9.1. Exchange Rates

	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	18M10	2015	2016	2017	Avg. *
Exchange Rates																	
GEL/USD	2.59	2.72	2.59	2.50	2.48	2.41	2.46	2.47	2.45	2.45	2.58	2.62	2.70	2.39	2.65	2.59	2.54
GEL/EUR	3.01	3.23	3.10	3.10	3.06	2.98	2.98	2.87	2.85	2.86	3.02	3.03	3.07	2.62	2.79	3.10	2.84
GEL/TRY	0.69	0.69	0.69	0.66	0.66	0.61	0.61	0.55	0.53	0.50	0.39	0.44	0.49	0.82	0.75	0.69	0.75
GEL/RUB ¹	4.48	4.67	4.49	4.46	4.44	4.21	3.94	3.95	3.90	3.90	3.79	3.97	4.12	3.27	4.30	4.49	4.02
NEER ²	266.1	252.7	257.5	259.6	265.8	269.6	275.9	281.6	285.9	290.0	295.5	292.3	282.6	261.1	260.5	257.5	259.7
NEER, adj.	96.3	91.2	93.1	94.4	96.8	98.0	99.9	101.2	102.4	103.6	104.6	103.2	100.0	95.9	93.0	93.1	94.0
REER	118.5	113.1	115.6	116.8	119.3	120.0	122.0	123.9	124.4	126.0	128.1	125.1	120.4	119.8	115.5	115.6	117.0
REER Trend	127.8	128.0	128.1	128.3	128.4	128.5	128.7	128.8	128.9	129.1	129.2	129.3	129.5	124.9	126.5	128.1	126.5
Y/Y Change, %																	
REER	-3.0	-6.0	0.1	-0.2	-0.5	-4.9	-4.2	-0.6	0.3	1.9	4.8	6.3	1.5	-6.2	-3.6	0.1	-3.2

* Average of 2015-2017 yearly data.

¹ GEL/RUB is an amount of GEL per 100 RUB

² NEER: Georgian Lari Nominal Effective Exchange Rate. NEER, adj. is an adjusted NEER for weights based on trading with the goods and services (tourism) that are sold in the currency of a partner country (non-commodity products). REER: Georgian Lari Real Effective Exchange Rate. Increase means appreciation while decrease means depreciation.

Source: Bloomberg; NBG.

10. Rest of the World

Table 10.1. Rest of the World: Interest Rates, Commodity Prices, Stock Indices

	17M10	17M11	17M12	18M01	18M02	18M03	18M04	18M05	18M06	18M07	18M08	18M09	18M10	2015	2016	2017	Avg. *
Offshore Short-term Interest Rates																	
Fed	1.25	1.25	1.50	1.50	1.50	1.75	1.75	1.75	2.00	2.00	2.00	2.00	2.25	0.50	0.75	1.50	0.92
ECB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turkey	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	17.75	24.00	24.00	17.75	17.75	17.75	17.75
Russia	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.50	7.50	7.25	7.25	7.25	7.25
LIBOR	1.38	1.49	1.69	1.78	2.02	2.31	2.36	2.32	2.34	2.35	2.32	2.40	2.54	0.61	1.00	1.69	1.10
Commodity Prices																	
Crude Oil	57.6	62.6	64.3	69.1	65.5	66.5	71.6	76.6	75.2	74.5	73.0	78.8	80.5	37.7	54.1	64.3	52.1
Gold	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.1	1.2	1.3	1.2
Food	176.5	175.7	169.1	168.4	171.4	173.2	174.0	175.8	175.3	168.8	169.8	153.4	170.3	169.1	164.3
Global Stock Indices (divided by 1000)																	
Dow Jones	23.0	23.5	24.5	25.8	25.0	24.6	24.3	24.6	24.8	24.9	25.6	26.2	25.6	17.5	19.7	24.5	20.6
STOXX	3.6	3.6	3.6	3.6	3.4	3.4	3.5	3.5	3.4	3.5	3.4	3.4	3.2	3.3	3.2	3.6	3.3
NIKKEI	21.2	22.5	22.8	23.6	22.0	21.4	21.9	22.6	22.6	22.4	22.5	23.2	22.7	19.2	19.1	22.8	20.3

* Average of 2015-2017 yearly data.

Note:

Fed: Federal Reserve Funds Rate. ECB: ECB Refinancing Rate. Turkey: Turkey Interbank Overnight Rate. Russia: The Bank of Russia Refinancing Rate. LIBOR: London Interbank Offer Rate, USD 3-Month.

Price of Crude Oil is in USD per barrel. Price of Gold is in thousand USD per troy ounce (oz t). Food is a FAO (Food and Agriculture Organization) food index.

Source: NBG #

Table 10.2. Comparison of Financial Soundness Indicators
(Across Selected Countries; 2017Q2)

	Capital to Assets	Non-Performing Loans Net of Provisions to Capital	Non-Performing Loans to Total Loans	Return on Assets	Return on Equity	Interest Margin to Gross income	Non-Interest Expenses to Gross Income	Liquid Assets to Short-Term Liabilities
Georgia	13.2	7.9	3.5	3.4	24.8	61.2	52.2	36.9
Armenia	16.1	15.5	6.3	1.3	7.9	59	54.8	157.1
Moldova ¹	17.7	12.9	17	2.5	14.3	50.7	57.2	160.4
Turkey	10.9	3.5	3	2.2	20.5	72.6	43.2	58.7
Ukraine	11.1	96.3	57.7	-0.5	-4.2	49.7	59.8	95
Russia	10.8	17.8	9.8	1.8	14	-	-	170.7
Czech Rep.	6.4	15.8	4	1.2	18.6	57.4	47.3	60.4
Poland	10.1	9.1	4.1	0.7	7.8	60.6	61.6	31.2
Estonia	10.9	3.5	0.7	1.7	12.9	56.8	52.6	28.2
Latvia	10.1	2.8	3.5	1.3	12.7	54.6	57.2	49.3
Lithuania	8.4	21	3.3	1.4	16.4	56.1	53.2	-
Germany	6.2	-	-	-	-	-	-	147.2
UK ¹	6.7	3.8	1	0.3	4.4	44.2	61.8	40.7
USA	11.7	5.7	1.1	0.4	3.5	64.5	57.4	99.2

¹ The data are obtained from Q1 2017.

Source: International Monetary Fund (IMF).

Table 10.3. Comparison of Financial Soundness Indicators
(Across Selected Countries; 2017Q2)

	Personal Expenses to non_interest Expenses	Spread Between Reference Lending and Deposit Rates	Customer Deposits to Total (Non-interbank) Loans	FX Denominated Loans to Total Loans	Household Debt Service and Principal Payments to income	Household Debt to GDP	Residential Real Estate Loans to Total Loans	Commercial Real Estate Loans to Total Loans
Georgia	49	728.8	83	57.7	13.1	30.2	28.1 ²	26.1 ²
Armenia	49.1	408.8	91.3	61.9	-	19.1	-	7.5
Moldova ¹	37	-	169.9	40	-	-	-	-
Turkey	38	466.1	75.8	31.2	-	17.3	8.9	0.5
Ukraine	38.1	637	84.8	48.6	-	-	5.1	1
Russia	-	278.4	78.1	27.1	20.5	13.2	9.3	3.4
Czech Rep.	41.5	328.4	129.6	-	-	-	-	-
Poland	39.3	282.4	94.7	24.1	-	36.6	31.1	6
Estonia	48.2	224.1	90.1	0.7	-	-	-	-
Latvia	55.7	296.8	134.5	19.4	-	-	23.2	15.3
Lithuania	42.7	264	86.3	-	-	27.7	27.5	18.6
Germany	-	270	80.6	10.4	1.2	53.2	18.1	5.5
UK ¹	53.8	-	120.5	57.3	-	91.1	19.6	2.9
USA	48.3	-	134.5	-	-	-	30.8	16.6

¹ The data are obtained from Q1 2017.

Source: International Monetary Fund (IMF).

DISCLAIMER

This report has been prepared by the Macroeconomic Research Division of the Macroeconomics and Statistics Department of the National Bank of Georgia. The information provided in the report is for current analytical purposes only as long as some data might be subject to intermittent revisions; therefore, they may involve measurement errors. Although every effort is made to ensure their timeliness, correctness, and completeness, full accuracy of the data is not guaranteed by The National Bank of Georgia due to human, mechanical and other factors. Some data in the report may be different from those published on the official website of the Bank as long as supervisory data are involved in calculations.

The data are reported as of 19/11/2018.

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Note: a source denoted by # indicates the NBG supervisory data. In other cases, the source is the NBG monetary statistics. dash (-) indicates the fact that the data are not available. x indicates the fact that the corresponding event did not take place at the given time period. dots (. . .) refer to the fact that data are still being processed.