



Parliament of Georgia

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# Monthly Macroeconomic **Review**

March, 2026

Parliamentary Budget Office  
of Georgia

2026

April

## Main Macroeconomic indicators of March, 2026

Real GDP Growth

**8.8%**



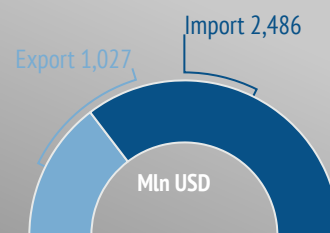
Real GDP Growth  
January - February\*

**8.4%**

In March 2026, annual CPI inflation amounted to 4.3%, while annual core inflation was observed at 2.4%.



In January-February\* 2026, goods exports increased by 22.9%, while imports decreased by 15.4% YoY.



In February\* 2026, money transfers amounted to 295.3 million USD.

EU countries - 44.9%;

USA - 18.4%;

Russia - 12.2%;

Other countries - 24.5%.



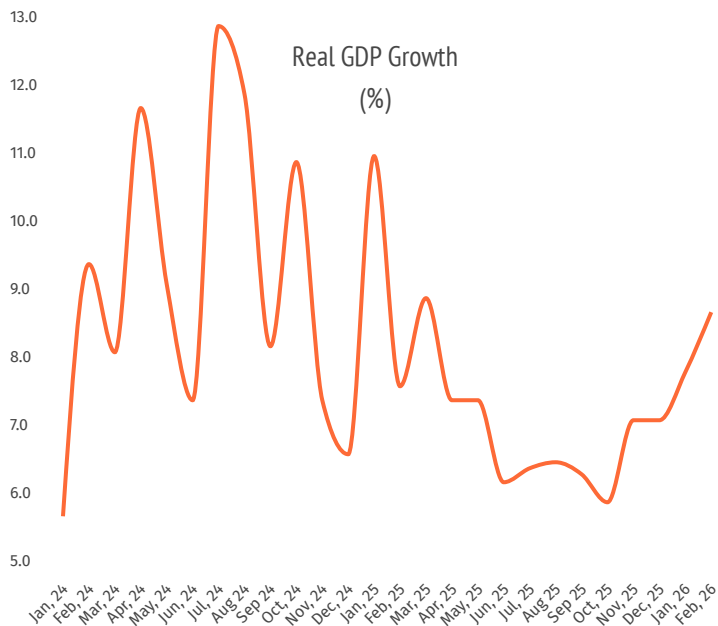
In February\* 2026, the dollarization decreased on both, deposits and loans MoM.



In March 2026, GEL depreciated against USD (by 1.4%) and appreciated against EUR (by 0.8%) MoM.



# 1. Real and Fiscal Sector

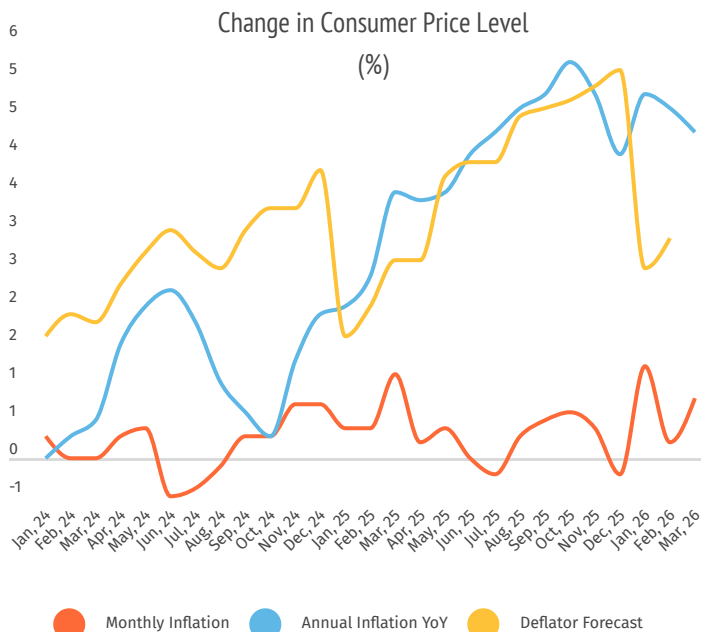
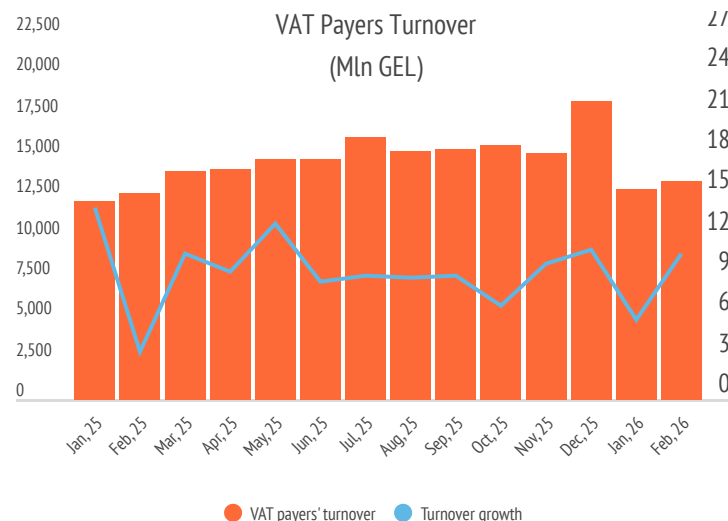


**In February\* 2026, positive annual economic growth was recorded at 8.8%.**

In accordance with the preliminary estimates of GEOSTAT, in February\* 2026, annual real GDP growth rate amounted to 8.8% YoY, and the average growth for January-February equaled to 8.4%.

The main positive contributors in economic growth were, information and communication, transportation and storage, financial and insurance activities, manufacturing, mining and quarrying.

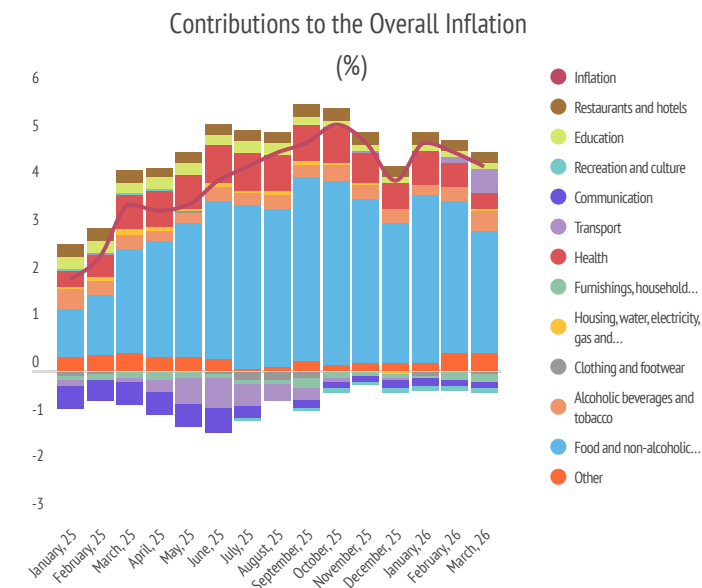
In February\* 2026, the rate of VAT turnover of enterprises amounted to 13,355.7 million GEL, which is 10.7% higher YoY.

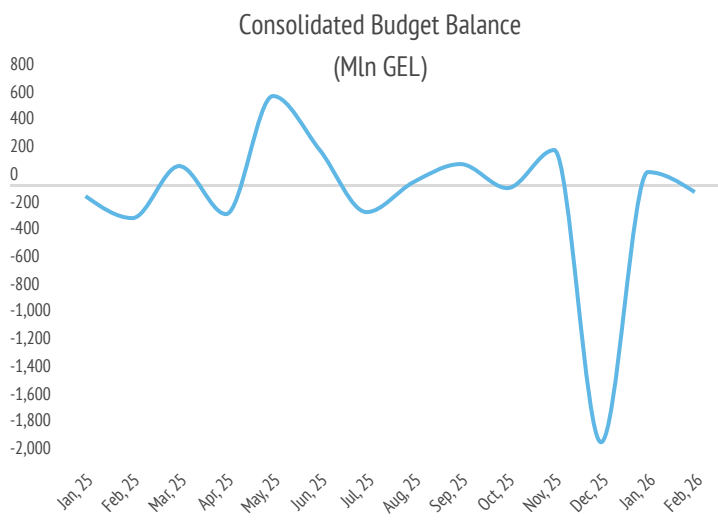


**In March 2026, annual CPI inflation amounted to 4.3% YoY.**

In March, the inflation rate amounted to 4.3% YoY, higher than the inflation target of 3.0%. Annual inflation was predominantly driven by the dynamics of prices on food and non-alcoholic beverages, transport, alcoholic beverages and tobacco. With regard to the annual core inflation (excluding food, energy and tobacco which are characterized by high fluctuations) the prices increased by 2.4% YoY.

In February\* 2026, the annual forecasted GDP deflator amounted to 2.9%.



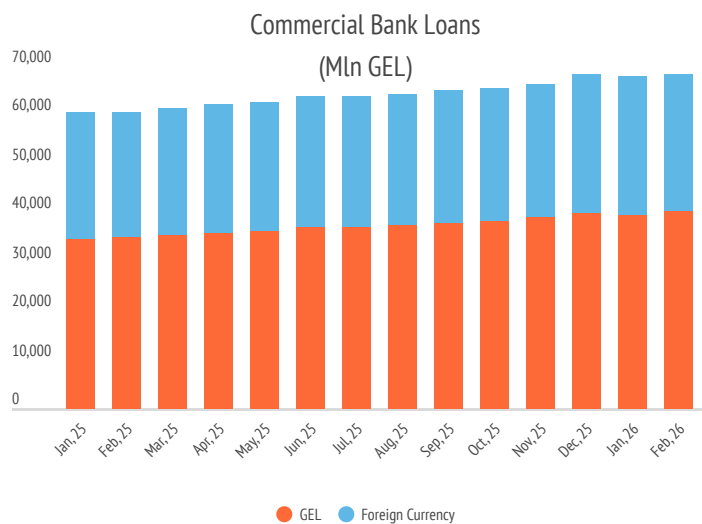


**In February\* 2026, the general government net lending/borrowing was negative.**

In February\* 2026, general government revenues increased by 3.9 YoY, while expenses increased by 3.3% YoY. In the analyzing period, the general government positive net operating balance amounted to 120.9 million GEL, while net lending/borrowing was defined -57.8 million GEL.

Worth noting that in February\* 2026, tax revenues amounted to 1,878.0 million GEL, which is 1.8% higher YoY. In the same period, property tax by 22.7%, profit tax by 20.3%, excise tax by 19.4%, VAT increased by 13.3%, income tax by 10.1% and customs duties by 9.2%. Direct taxes comprised 43.1% of total taxes, while indirect taxes made up 56.9%.

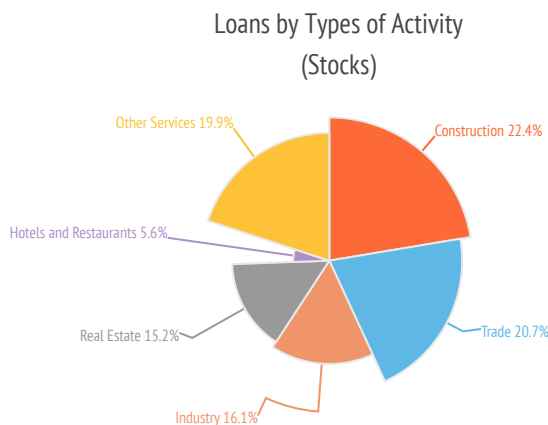
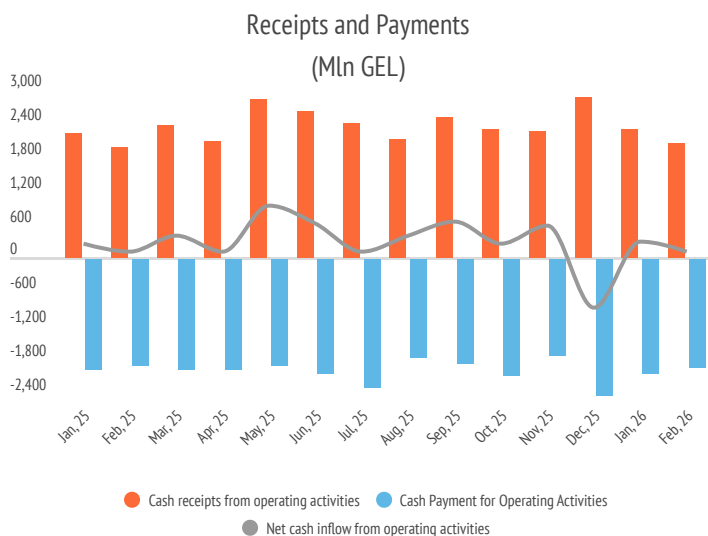
In February\*, purchasing of non-financial assets decreased by 47.8% YoY (GEL 181.5 million less).

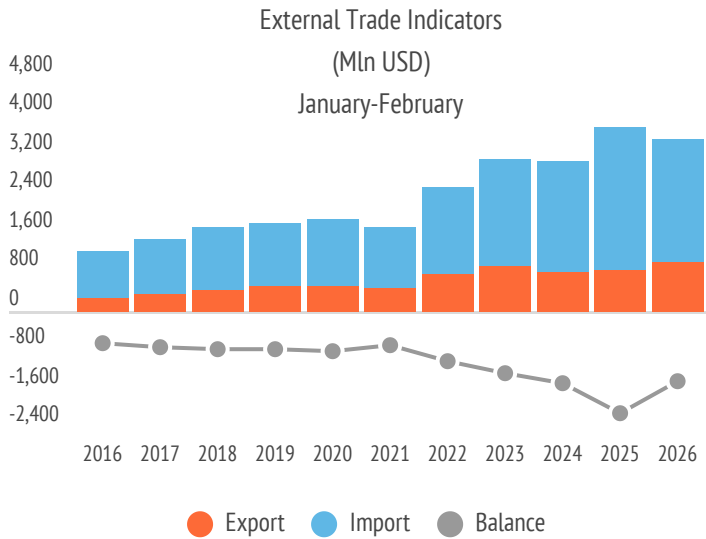


**In February\* 2026, compared to the same period of the previous year, commercial bank loans to the national economy increased in both national and foreign currencies.**

In February\*, commercial bank loans to the national economy increased by 12.8% YoY and amounted to 68,504.6 million GEL. National currency loans increased by 14.3%, while foreign currency loans increased by 10.8%. As a result, dollarization of whole commercial bank loans made up to 42.2%. It is worth mentioning, that more than half of total loans (54.3%) was distributed to households (85.5% of household loans were granted to individuals, and 14.5% to entrepreneurs). 38.5% of the issued loans are consumer loans, and 61.5% are secured by real estate.

As for loans issued by types of activity, the highest 22.4% was issued in construction, 20.7% in trade, 16.1% in industry, 15.2% in real estate and 5.6% in the field of hotels and restaurants.



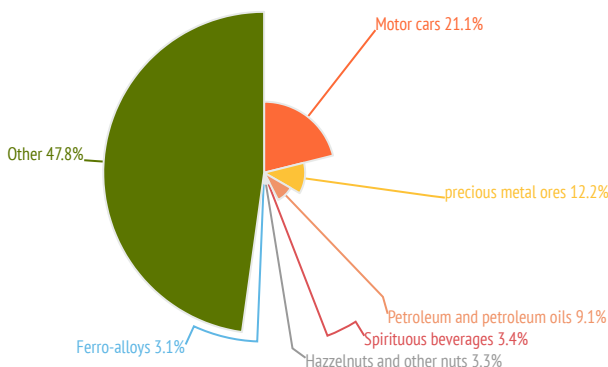


**In January-February\* 2026, compared to the same period of the previous year, export of goods increased, while import decreased.**

In January-February\*, export of goods increased by 22.9%, while imports decreased by 15.4% YoY. As a result, trade turnover amounted to 3,512.4 million USD (6.9% decrease YoY). During this period, the share of exports in external trade amounted to 29.2%. Export growth was substantial in the following countries: United Arab Emirates (462%), China (289%), Turkey (81%), Ukraine (79%), Russia (28%), Uzbekistan (8%), etc. In addition, exports decreased in Kyrgyzstan (36%), Kazakhstan (33%), Azerbaijan (3%), etc.

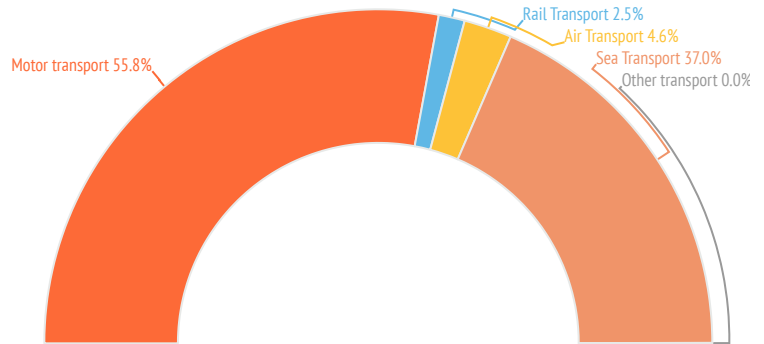
In January-February\*, by export commodity groups, growth was recorded in Petroleum and petroleum oils (480%), precious metal ores (217%), copper ores and concentrates (117%), ferro-alloys (93%), hazelnuts and other nuts (84%), nonalcoholic beverages (43%), spirituous beverages (20%), mineral and aerated waters (10%). Deterioration was recorded in motor cars (24%).

Major Commodity Groups by Exports (January- February)



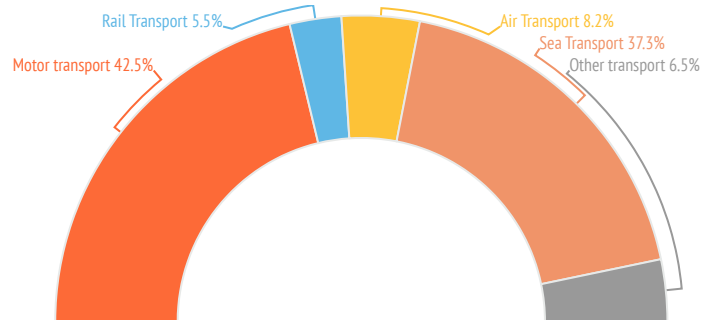
In January-February\* 2026, according to the modes of transport, the largest part of exports, 55.8% was carried out by motor transport, 37.0% - by sea, 4.6% - by air, and 2.5% by rail transport. The share of other types of transport (Pipelines, cables and other mode of transports) was 0.04%.

Export by Mode of Transport (January- February)



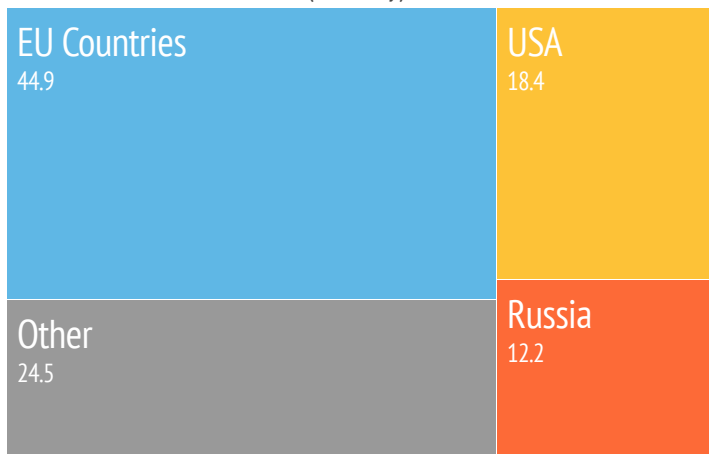
In January-February\*, according to the modes of transport, the largest part of imports, 42.5% was carried out by motor transport, 37.3% - by sea, 8.2% - by air, and 5.5% by rail transport. The share of other types of transportation amounted to 6.5%.

Import by Mode of Transport (January- February)

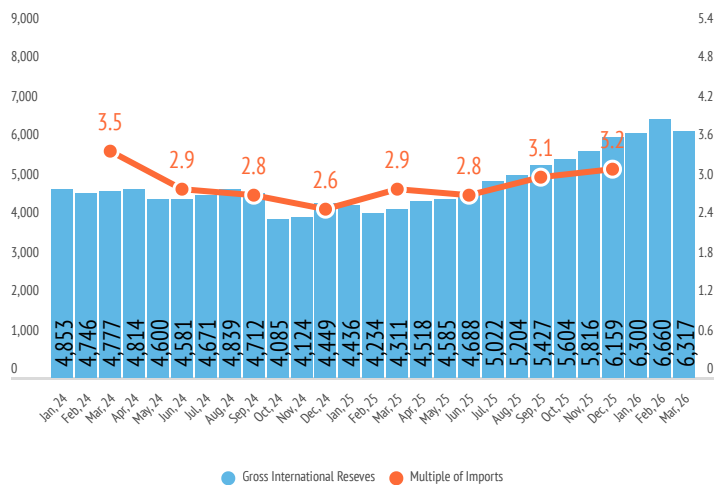


In January-February\*, domestic export from Georgia amounted 659.7 million USD, which is 70.0% higher YoY. Ten largest countries by domestic export from Georgia were the followings: China (22% of total domestic export), Russia (13%), Turkey (12%), Armenia (4%), Ukraine (3%), United Arab Emirates (3%), Azerbaijan (3%), Switzerland (3%), Italy (3%) and Togo (3.4%).

Remittance (%)  
Inflows  
(February)



Gross International Reserves  
(Mln USD)



**In February 2026\*, remittances increased.**

In February\*, remittances in Georgia increased by 17.1% YoY and amounted to 295.3 million USD. The main source of money transfers were EU countries (132.5 mln USD, 44.9% of total) and the USA (54.3 mln USD, 18.4% of total). Remittances from Russia increased by 18.8% and equaled 36.0 mln USD (12.2% of total). In terms of individual countries, remittances were significant from Italy (52.8 mln USD, 17.9% of total), Israel (25.4 mln USD), Germany (24.4 mln USD), Greece (23.7 mln USD), Turkey (10.9 mln USD), Spain (7.8 mln USD), France (5.9 mln USD) and etc.

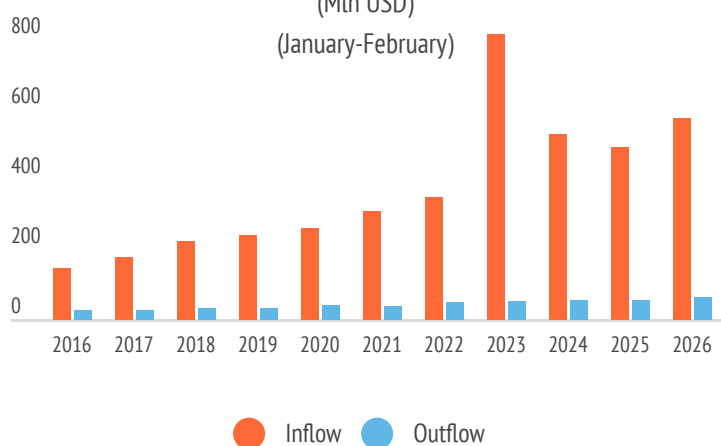
**In March 2026, international reserves reached 6,317 million USD.**

In March, international reserves amounted to 6,317 million USD, which is a 46.5% increase YoY and 5.2% increase MoM.

In March 2026, the National Bank of Georgia did not conduct foreign exchange operations at the foreign exchange auction.

\*To assess reserve adequacy it is usually used 3 months multiple of import. Additional information can be found on a [link](#).

Remittance  
(Mln USD)  
(January-February)



**In February\* 2026, compared to the same period of the previous year, monetary base increased.**

In February\*, monetary base increased by 2.9% YoY, increased national currency in circulation by 10.4% and decreased liabilities to other depository corporations by 3.6%.

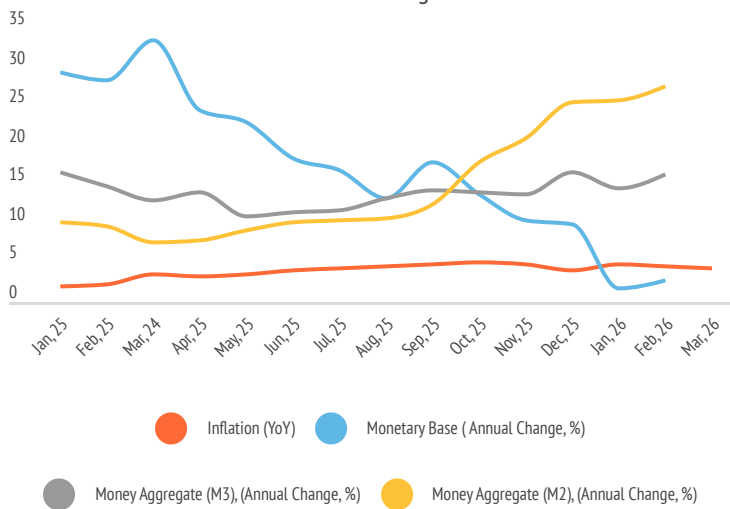
Money aggregate M2 increased by 27.7%, while money aggregate M3 increased by 16.3%. In March 2026, consumer price inflation amounted to 4.3% YoY.

In February\* 2026, the total volume of deposits amounted to 69,222.8 million GEL, which is 16.3% higher YoY. Among them, deposits in national currency made up 53.6%, while deposits in foreign currency made up 46.4% respectively.

According to the data available by the end of February\* 2026, 62.1% of deposits denominated in national currency belong to legal entities, and 37.9% to individuals.

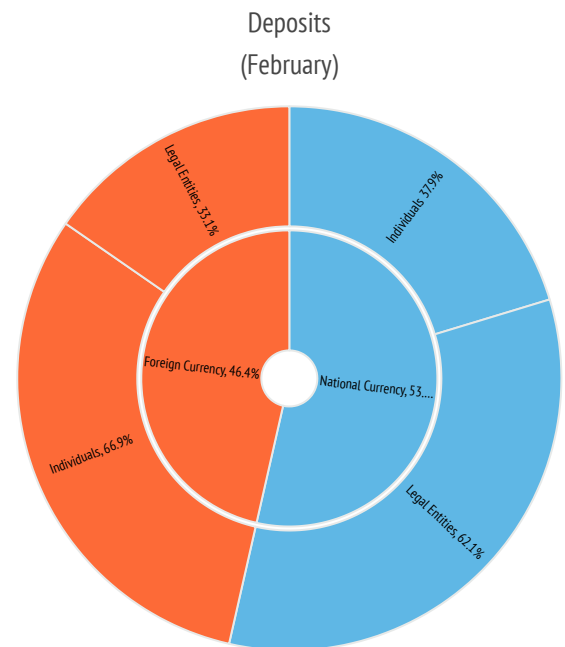
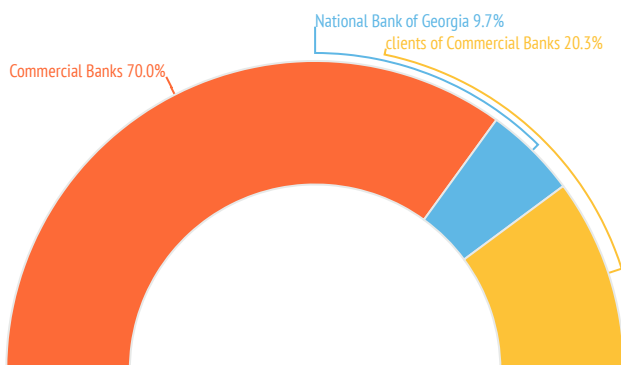
Herewith, 66.9% of foreign currency deposits were owned by individuals, and 33.1% - by legal entities.

Money Aggregates and Consumer Prices  
% Change



As of the end of March 2026, the nominal value of treasury securities issued by government was 11,591.5 million GEL. Among them, 70.0% is owned by commercial banks, 9.7% by the National Bank, and 20.3% by other resident and non-resident clients (resident – 16.0%, non-resident – 4.2%).

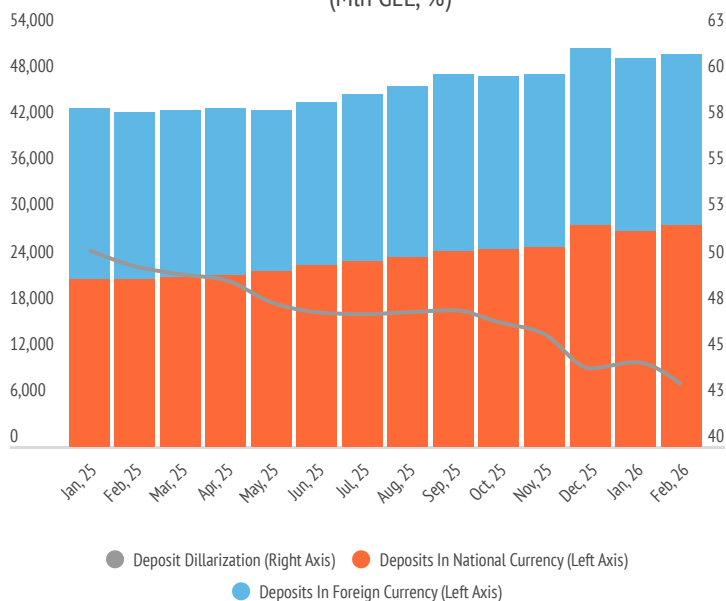
Treasury Securities  
(March)



In addition, 55.7% of deposits denominated in national currency were time deposits, 24.3% - demand deposits and 20.0% - current accounts.

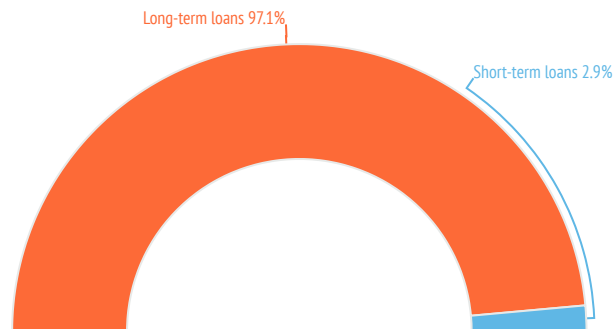
In the case of foreign currency, time deposits still hold the largest share (41.3%), followed by demand deposits (35.1%) and current accounts (23.6%).

Deposits and Dollarization  
(Mln GEL, %)



In February\* 2026, the volume of consumer loans amounted to 14,926.1 million GEL, which is 21.3% increase YoY. Among them, the share of long-term loans were 97.1%, while short-term loans comprised only 2.9%.

Consumer Loans  
(February)



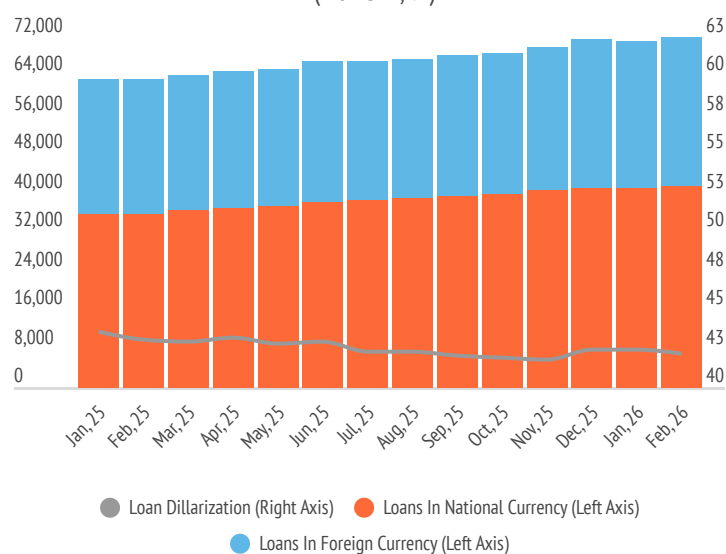
**In February\* 2026, the dollarization decreased on deposits and as well as on loans MoM.**

In February\*, the deposit dollarization indicator decreased by 1.06 pp and amounted to 43.4% MoM, while loan dollarization decreased by 0.21 pp and made up to 42.2% MoM.

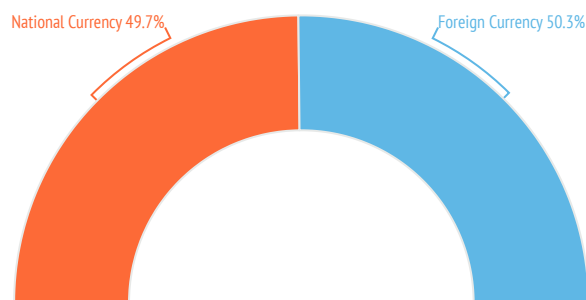
During the same period, the volume of loans secured by real estate amounted to 46,135.7 million GEL, which is 14.2% higher YoY. Among them, the share of loans issued in national currency were 49.7%, while loans denominated in foreign currency were 50.3%.

In February\*, national currency deposits increased by 2.5% MoM, while foreign currency deposits decreased by 1.8%.

Loans and Dollarization  
(Mln GEL, %)



Loans Secured by Real Estate  
(February)



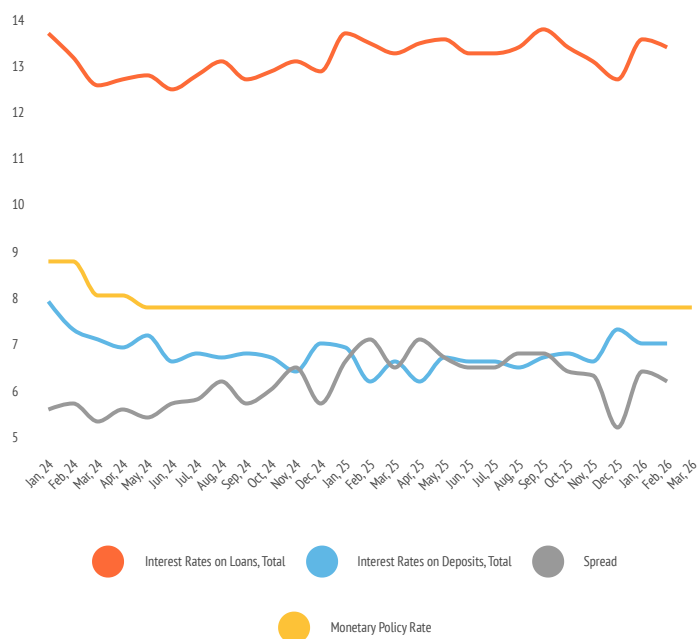
According to the data available by the end of February\* 2026, in terms of regions, 65.2% of loans issued by commercial banks denominated in national currency were granted in Tbilisi, 7.4% in Imereti, 7.3% in the Autonomous Republic of Adjara, 4.6% in Kvemo Kartli, 4.6% in Kakheti, 3.9% in Samegrelo-Zemo Svaneti. The share of loans issued in other regions is relatively small.

**In February\* 2026, interest rates decreased on both, loans by 0.24 pp and deposits by 0.02 pp MoM.**

In February\* market interest rates on loans amounted to 13.6%, while interest rates on deposits were defined at 7.2%. The interest rate spread (difference between loan and deposit rates) amounted to 6.4% as of February\* 2026, 0.88 pp lower compared to the same indicator of February 2025.

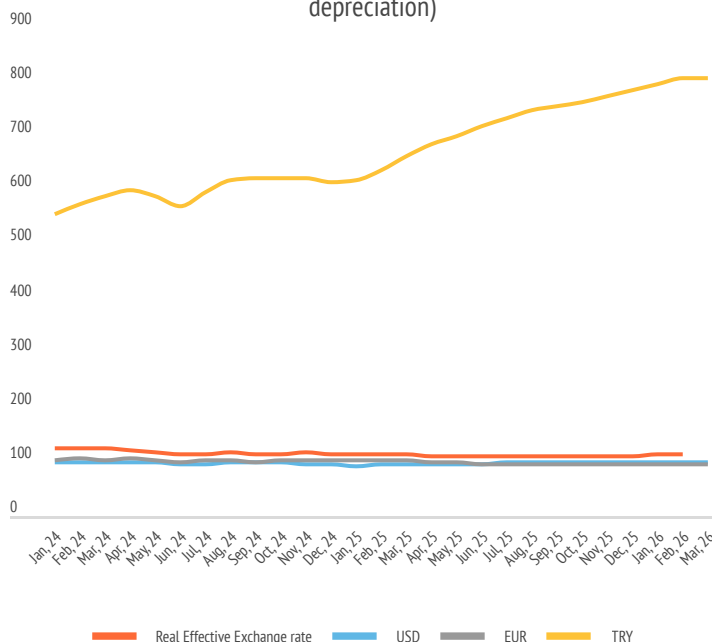
On March 25, 2026, the monetary policy committee of the National Bank of Georgia decided to maintain the monetary policy rate at 8.0%.

Market Interest Rates on Loans and Deposits (%)



GEL Exchange Rate Indices

(Increase of the Index means GEL appreciation, decrease - depreciation)



**In March 2026, compared to the previous month, the GEL depreciated against the USD, while appreciated against the EUR.**

In March, GEL depreciated against USD by 1.4% MoM, appreciated against EUR by 0.8% MoM, and appreciated against TRY by 0.3% MoM. In the analyzing period, the nominal effective exchange rate appreciated. As for the comparison to the same period of last year, in March, the GEL exchange rate appreciated by 2.2% YoY towards USD and depreciated by 4.8% YoY towards EUR, while appreciated by 21.7% YoY towards TRY.

In particular, in March, the average exchange rate of the GEL against USD was 2.72, while it was 3.15 against EUR and 0.06 against TRY.

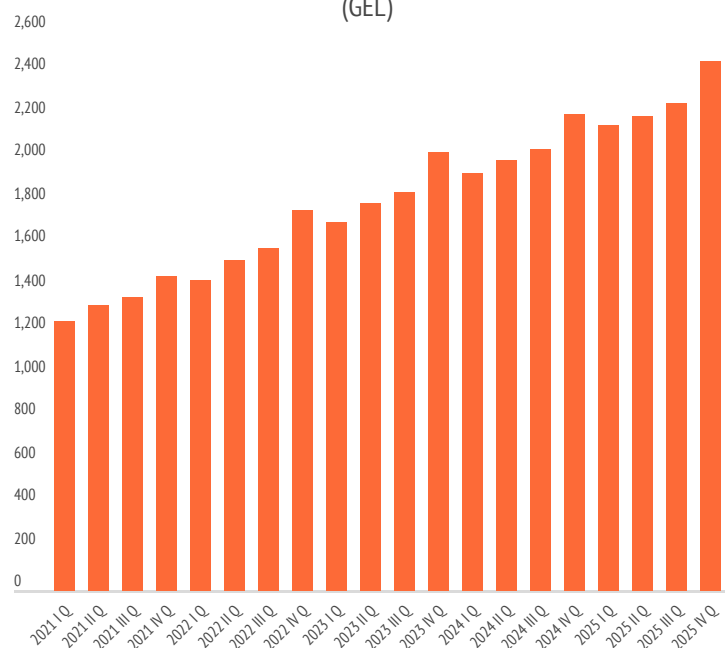
## 4. Social Sector

### In Q4\* 2025, average monthly nominal earnings of employees increased YoY.

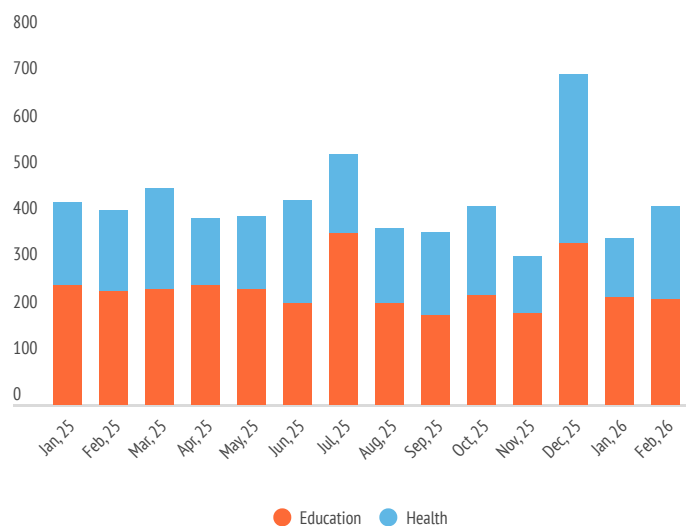
In Q4\* 2025, the average monthly nominal earnings of employees amounted to 2,466.2 GEL, which is 11.2% increase YoY (248.7 GEL more). Compared to the previous quarter the indicator increased by 8.6%, which is 194.6 GEL more.

As for the change in the average monthly nominal earnings of employees by sector, in the IV quarter of 2025, the highest average monthly salary was recorded in the field of information and communication (4,373.2 GEL; 9.1% increase YoY), in the field of construction (3,938.9 GEL; 17.2% increase YoY), in the field of financial and insurance activities (3,747.7 GEL; 11.1% increase YoY) and professional, scientific and technical activities (3,385.0 GEL; 3.9% increase YoY).

Average monthly nominal earnings of employees  
(GEL)



Public Expenditure on Education and Healthcare  
(GEL Million)



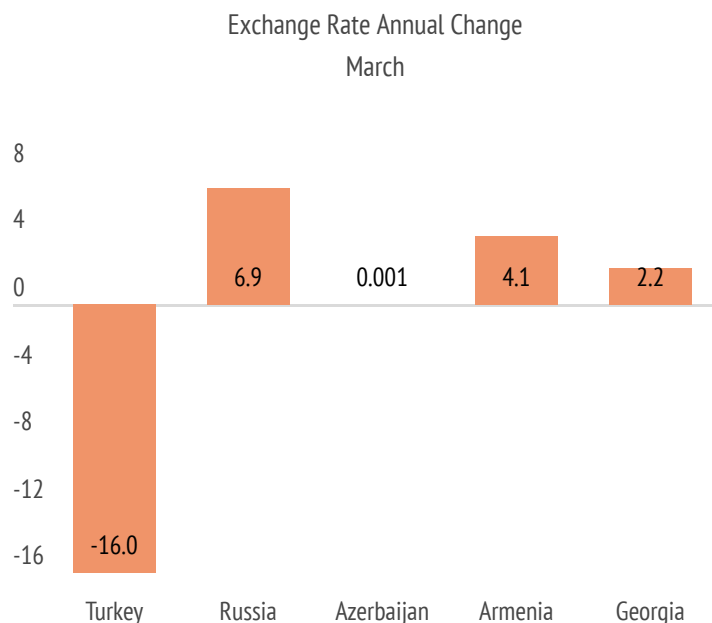
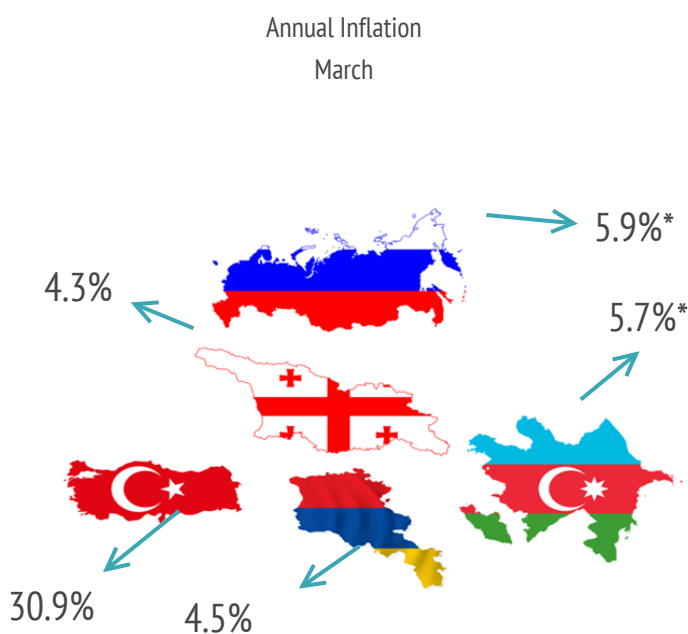
### In February\* 2026, public expenditures decreased on education and increased on healthcare YoY.

In February\*, expenditure on education (as per functional classification) amounted to GEL 226.8 million, which is 8.0% decreased YoY. Meanwhile, expenditures on healthcare amounted to GEL 200.8 million, 18.8% increased YoY.

## 5. Regional Review

**In March 2026, consumer price inflation stands out with similar dynamic trends in the region countries, except Turkey.**

Namely, in March 2026, annual inflation amounted to 30.9% in Turkey and 4.5% in Armenia. As for Azerbaijan and Russia, in February\* 2026, consumer prices increased by 5.7% YoY and by 5.9% YoY, respectively.



**In March 2026, the currencies of the region countries stand out with a tendency of appreciation, except TRY.**

Particularly, in the analyzing period TRY depreciated by 16.0% YoY toward USD, while RUB appreciated by 6.9% YoY toward USD, AMD by 4.1% YoY toward USD, GEL by 2.2% YoY toward USD, AZN by 0.001% YoY toward USD.

## Summary Tables of Main Economic Indicators

	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26
GDP Growth Rate (%)	9.0	7.5	7.5	6.3	6.5	6.6	6.4	6.0	7.2	7.2	7.9	8.8	
VAT Turnover Growth Rate (%)	10.8	9.4	13.0	8.7	9.2	9.0	9.2	7.0	10.1	11.0	5.9	10.7	
Inflation (%)	3.5	3.4	3.5	4.0	4.3	4.6	4.8	5.2	4.8	4.0	4.8	4.6	4.3
Monetary Policy Rate (%)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Deposit Dollarization (%)	0.50	0.49	0.49	0.48	0.47	0.47	0.47	0.47	0.47	0.46	0.44	0.44	
Loan Dollarization (%)	0.43	0.43	0.43	0.43	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	
Exchange Rate (GEL)	2.78	2.75	2.74	2.73	2.71	2.70	2.71	2.72	2.71	2.70	2.70	2.68	2.72
Remittances (Thousand USD)	291,863	295,541	317,421	315,507	336,988	321,548	317,792	318,709	298,395	340,484	282,637	295,319	
Export (USD Million)	562	617	580	640	610	603	703	684	782	673	480	546	
Import (USD Million)	1,520	1,525	1,486	1,511	1,608	1,497	1,565	1,557	1,512	1,892	1,149	1,337	
Trade Balance (USD Million)	-957.8	-908.3	-906.2	-870.6	-998.0	-894.1	-861.5	-873.0	-729.3	-1,219.3	-668.4	-790.6	
International Reserves (USD Million)	4,311	4,518	4,585	4,688	5,020	5,204	5,428	5,603	5,816	6,159	6,300	6,659	6,317
Revenues (GEL Million)	2,372	2,059	2,819	2,609	2,387	2,117.9	2,499.4	2,296.7	2,264.4	2,874.5	2,302.4	2,032.5	
Recurrent Expenditure (GEL Million)	1,955	1,940	1,872	2,000	2,252	1,724.8	1,845.3	2,033.9	1,687.5	3,738.7	2,005.0	1,911.6	
Capital Expenditure (GEL Million)	406	397	332	454	371	400.2	578.5	320.8	344.4	1,116.7	229.6	198.5	



Increase



Decrease



Change &lt; 1%

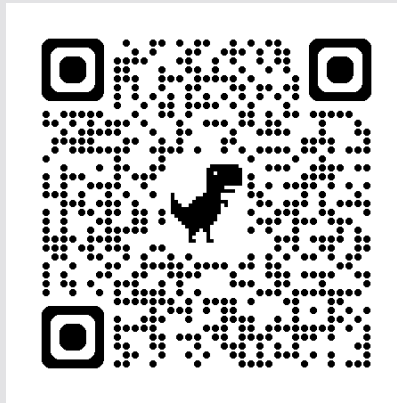
Comparison of key economic indicators with similar data for the corresponding month of last year

		03.2025	04.2025	05.2025	6.2025	7.2025	8.2025	9.2025	10.2025	11.2025	12.2025	1.2026	2.2026	3.2026
<b>Real Sector</b>	GDP Growth Rate													
	VAT Turnover Growth Rate													
<b>Monetary Sector</b>	Inflation													
	Monetary Policy Rate													
	Deposit Dollarization													
	Loan Dollarization													
<b>External Sector</b>	Exchange Rate													
	Remittances													
	Export													
	Import													
	Trade Balance													
<b>Fiscal Sector</b>	International Reserves													
	Revenues													
	Recurrent Expenditure													
	Capital Expenditure													

Comparison of key economic indicators with similar data of the previous month

		03.2025	04.2025	05.2025	6.2025	7.2025	8.2025	9.2025	10.2025	11.2025	12.2025	1.2026	2.2026	3.2026
<b>Real Sector</b>	GDP Growth Rate													
	VAT Turnover Growth Rate													
<b>Monetary Sector</b>	Inflation													
	Monetary Policy Rate													
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	Remittances													
	Export													
	Import													
	Trade Balance													
<b>Fiscal Sector</b>	International Reserves													
	Revenues													
	Recurrent Expenditure													
	Capital Expenditure													

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