



Parliament of Georgia

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# Monthly Macroeconomic **Review**

September, 2025

Parliamentary Budget Office  
of Georgia

**2025**

October

## Main Macroeconomic indicators of September, 2025

Real GDP Growth

**6.6%**



August\*

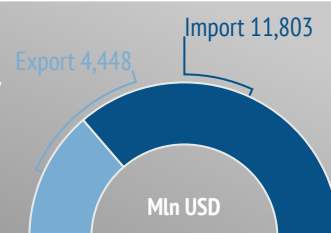
Real GDP Growth  
January - August\*

**7.9%**

In September 2025, annual CPI inflation amounted to 4.8%, while annual core inflation was observed at 2.1%.



In January - August\* 2025, goods exports increased by 6.7%, while imports increased by 9.7% YoY.



In August\* 2025, money transfers amounted to 321.5 million USD.

EU countries - 46.9%;

USA - 17.8%;

Russia - 12.4%;

Other countries - 23.0%.



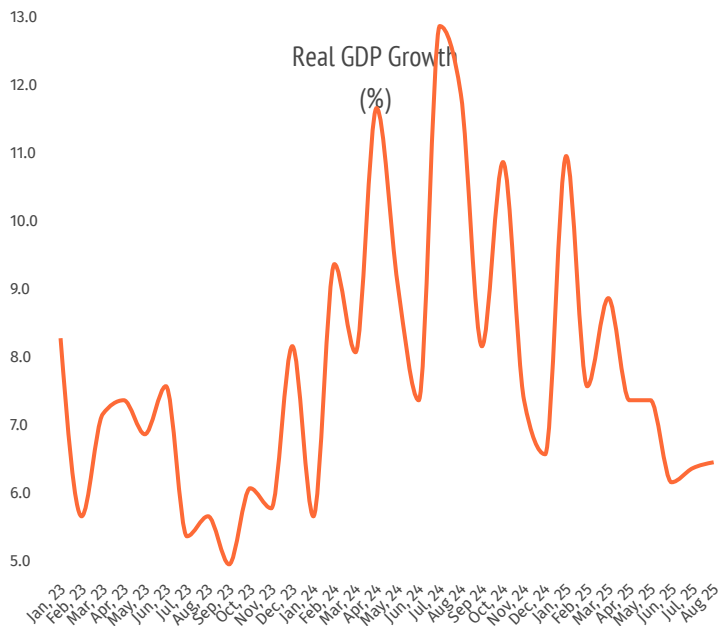
In August\* 2025, the dollarization increased on both deposits and loans MoM



In September 2025, GEL appreciated against USD (by 0.2%) and appreciated against EUR (by 1.2%) MoM.



# 1. Real and Fiscal Sector

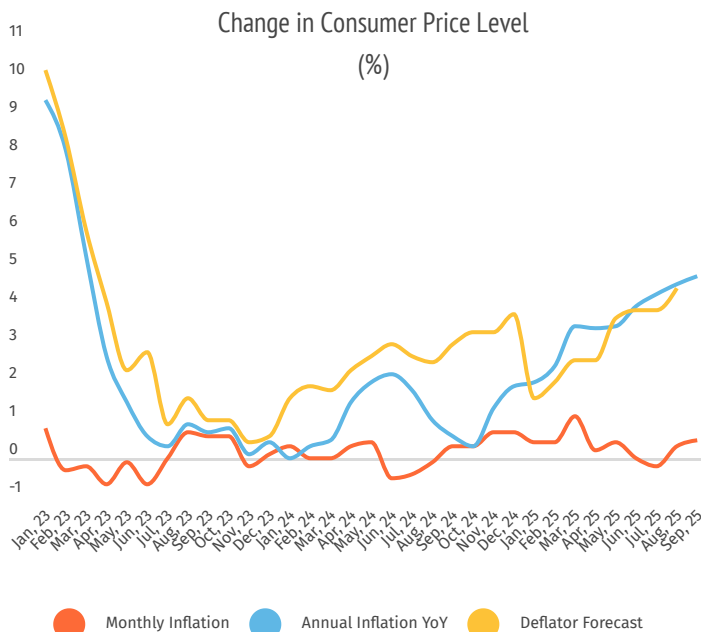
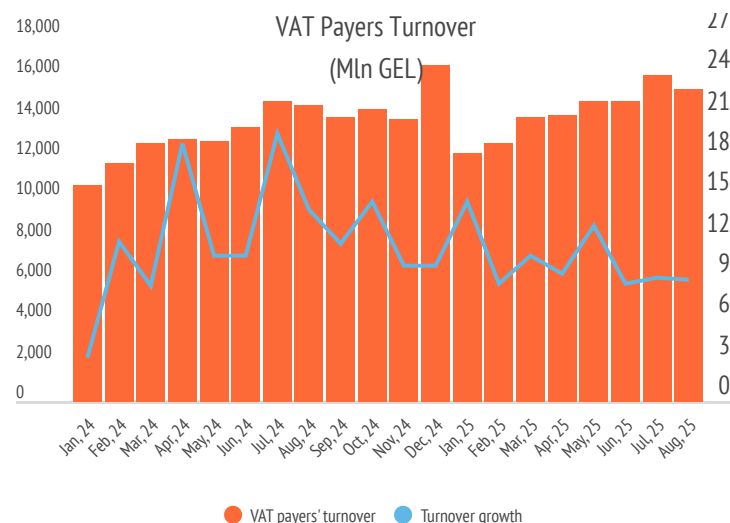


**In August\* 2025, positive annual economic growth was recorded at 6.6%.**

In accordance with the preliminary estimates of GEOSTAT, in August\*, annual real GDP growth rate amounted to 6.6% YoY, and the average growth for past eight month equaled to 7.9%.

The main positive contributors in economic growth were transportation and storage, information and communication, arts, entertainment and recreation, trade.

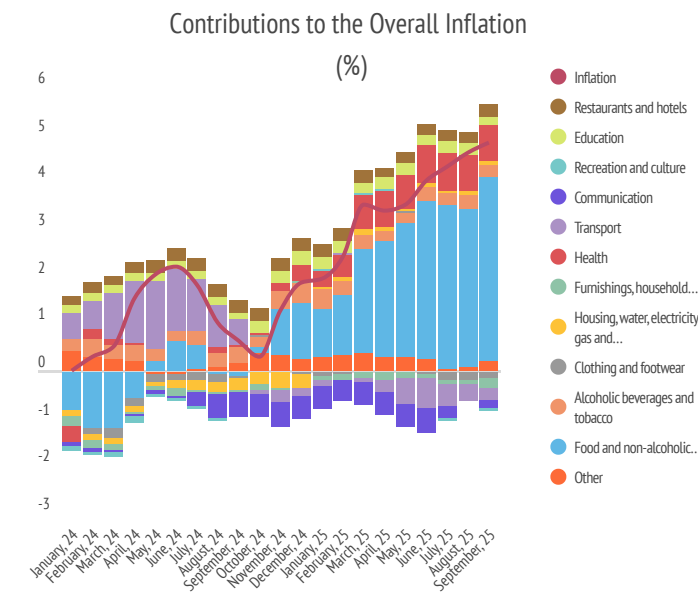
In August\* 2025, the rate of VAT turnover of enterprises amounted to 15,296.5 million GEL, which is 9.0% higher YoY.



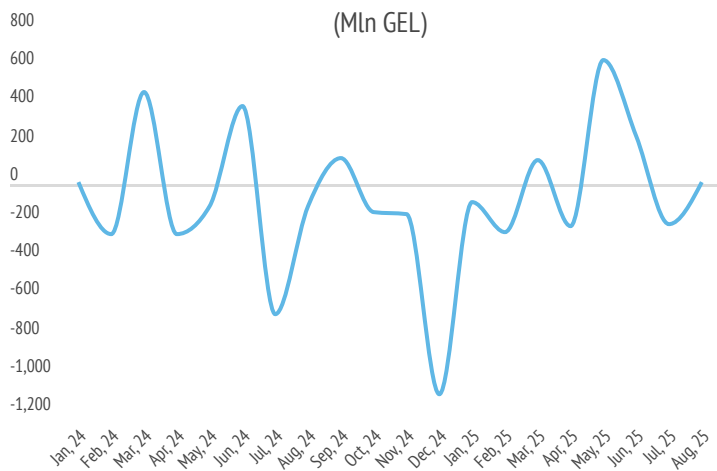
**In September 2025, annual CPI inflation amounted to 4.8% YoY.**

In September, the inflation rate amounted to 4.8% 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, health, alcoholic beverages, tobacco and transport. With regard to the annual core inflation in September (excluded food and non-alcoholic beverages, energy, tobacco, regulated tariffs, transport (specific tariffs)), the prices increased by 2.1% YoY.

In August\* 2025, the annual forecasted GDP deflator amounted to 4.5%.



Consolidated Budget Balance  
(Mln GEL)



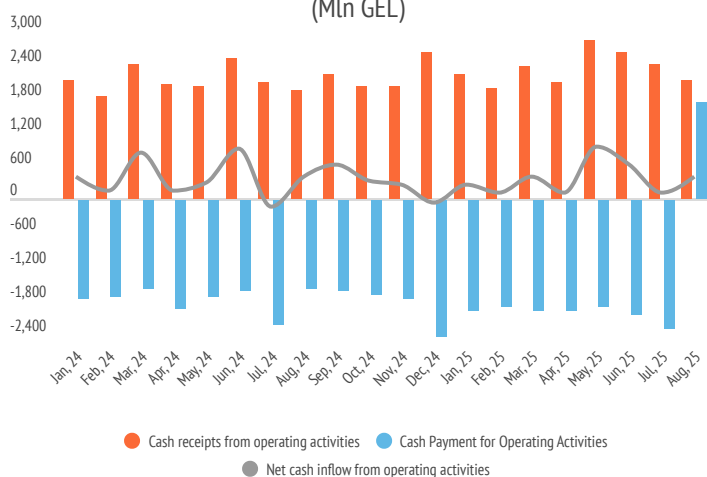
**In August\* 2025, the general government net lending/borrowing was positive.**

In August\* 2025, general government revenues increased by 8.6% YoY, while expenses increased by 12.6% YoY. In the analyzing period, the general government positive net operating balance amounted to 393.1 million GEL, while net lending/borrowing was defined at 8.8 million GEL.

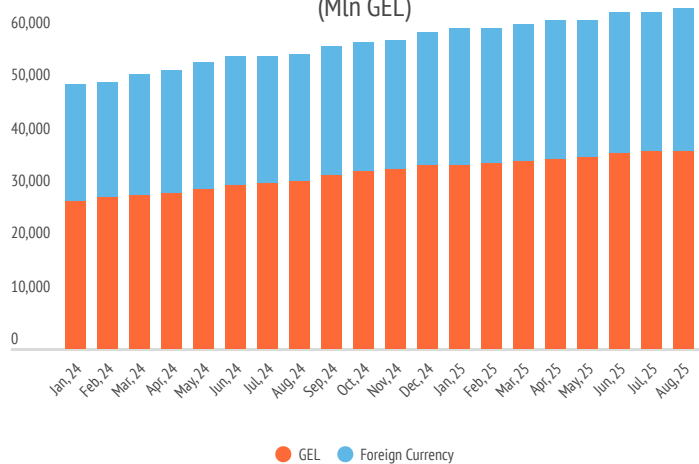
Worth noting, that in August\* 2025, tax revenues amounted to 1,969.8 million GEL, which is 11.8% upper YoY. Significant increase was observed in income tax (10%) and custom duties (7.8%). While increase was observed in property tax (55.1%), excise tax (53.6%), profit tax (2.7%) and VAT taxes (9.6%). Direct taxes comprised 43.9% of total taxes, while indirect taxes are 56.1%.

In August\*, purchasing of non-financial assets decreased by 27.9% YoY (GEL 154.8million less).

Receipts and Payments  
(Mln GEL)



Commercial Bank Loans  
(Mln GEL)

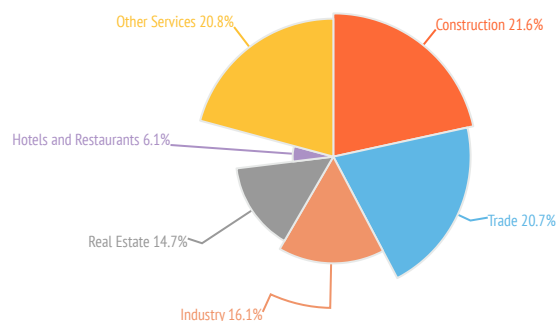


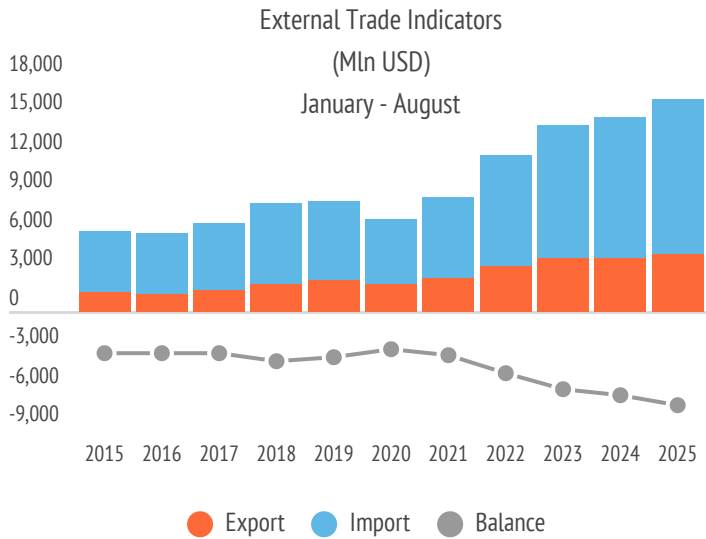
**In August\* 2025, compared to the same period of the previous year, commercial bank loans to the national economy increased in both national and foreign currencies.**

In August\*, commercial bank loans to the national economy increased by 15.3% YoY and amounted to 64,447.1 million GEL. National currency loans increased by 18.1%, while foreign currency loans increased by 11.5%. As a result, dollarization of whole commercial bank loans made up to 42.3%. It is worth mentioning, that more than half of total loans (53.7%) was distributed to households (85.0% of household loans were granted to individuals, and 15.0% to entrepreneurs). 37.9% of the issued loans are consumer loans, and 62.1% are secured by real estate.

As for loans issued by types of activity, the highest 21.6% was issued in construction, 20.7% in trade, 16.1% in industry, 14.7% in real estate and 6.1% in the field of hotels and restaurants.

Loans by Types of Activity  
(Stocks)



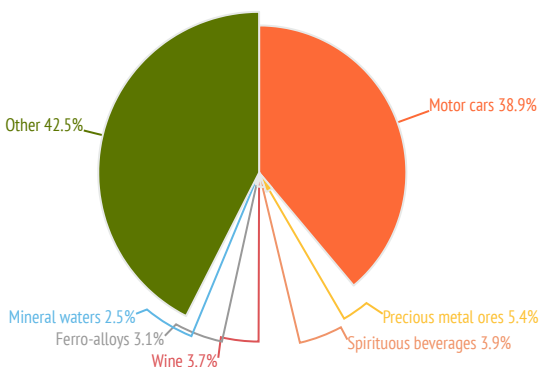


**In January-August\* 2025, compared to the same period of the previous year, export of goods as well as imports increased.**

In January-August\*, export of goods increased by 6.7%, while imports increased by 9.7% YoY. As a result, trade turnover amounted to 16,250.8 million USD (8.8% increase YoY). During this period, the share of exports in external trade amounted to 27.4%. Export growth was substantial in the following countries: Bulgaria (175%), Uzbekistan (56%), Kyrgyzstan (27%), Kazakhstan (6%), Switzerland (4%), Russia (3%), etc. In addition, exports decreased in Turkey (35%), Armenia (18%), Azerbaijan (3%), China (3%), etc.

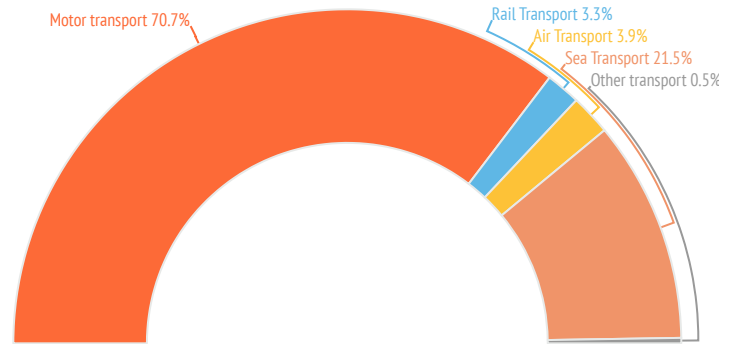
High growth was recorded in several export commodity groups: precious metal ores (62%), mineral and aerated waters, containing added sugar (24%), motor cars (17%), gold (14%), nitrogen fertilizers (9%), medicaments put up in measured doses (7%) and mineral and aerated waters, not containing sugar (2%). Deterioration was recorded in Ferro-alloys (38%), natural wine (16%) and spirituous beverages (8%).

Major Commodity Groups by Exports (January - August)



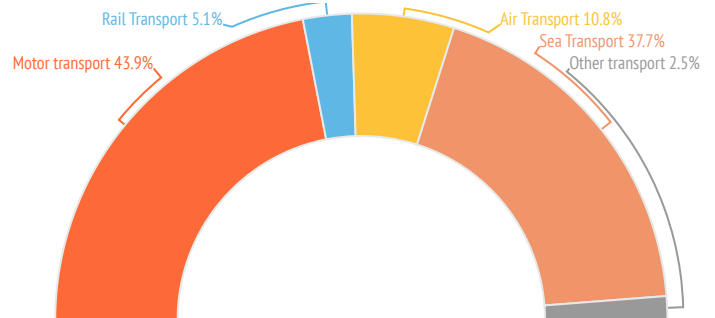
In January-August\* 2025, according to the modes of transport, the largest part of exports, 70.7% was carried out by motor transport, 21.5% - by sea, 3.9% - by air, and 3.3% by rail transport. The share of other types of transport (Pipelines, cables and other mode of transports) was 0.5%.

Export by Mode of Transport (January - August)



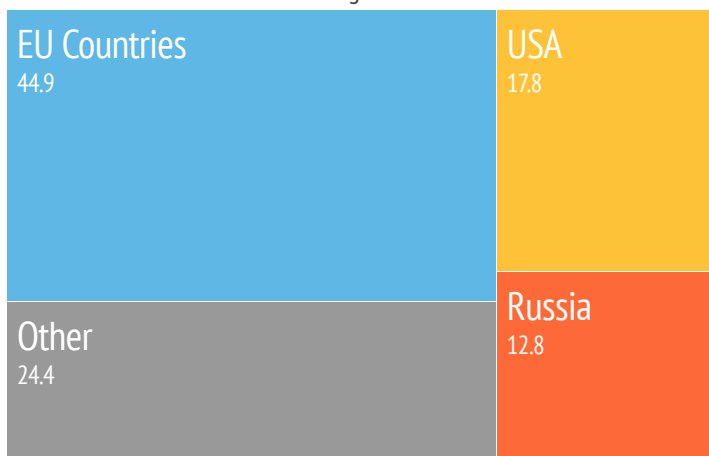
In January-August\*, according to the modes of transport, the largest part of imports, 43.9% was carried out by motor transport, 38.1% - by sea, 10.8 - by air, and 5.1% by rail transport. The share of other types of transportation amounted to 2.5%.

Import by Mode of Transport (January - August)

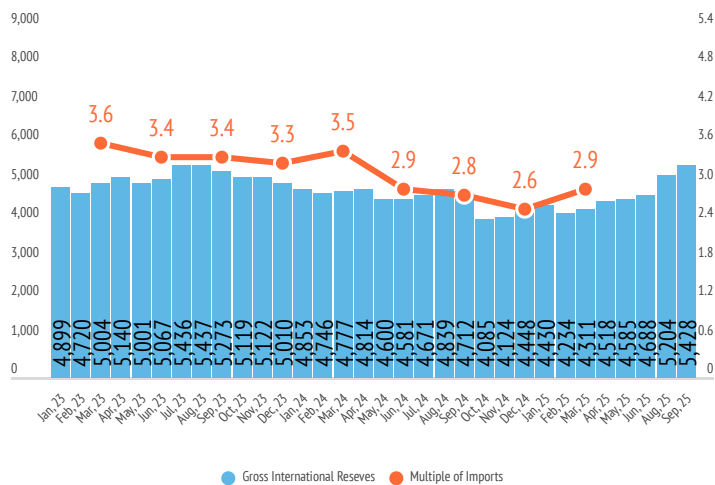


In January-August\*, domestic export from Georgia amounted 2,014.0 million USD, which is 3.1% upper YoY. Ten largest countries by domestic export from Georgia were the followings: Russia (22% of total domestic export), Turkey (9%), China (9%), Bulgaria (7%), Armenia (6%), Azerbaijan (5%), Switzerland (4%), USA (3%), Kazakhstan (3%), and Ukraine (3%).

Remittance (%)  
Inflows  
August



Gross International Reserves  
(Mln USD)



**In August 2025\*, remittances increased.**

In August\*, remittances in Georgia increased by 10.7% YoY and amounted to 321.5 million USD. The main source of money transfers were EU countries (144.3 mln USD, 44.9% of total) and the USA (59.4 mln USD, 18.4% of total). Remittances from Russia decreased by 2.9% and equaled 41.3 mln USD (12.4% of total). In terms of individual countries, remittances were significant from Italy (53.6 mln USD, 16% of total), Germany (41.3 mln USD), Greece (25.1 mln USD), Israel (22.4 mln USD), Kyrgyzstan (11.2 mln USD), Turkey (9.4 mln USD), Spain (9.2 mln USD) etc.

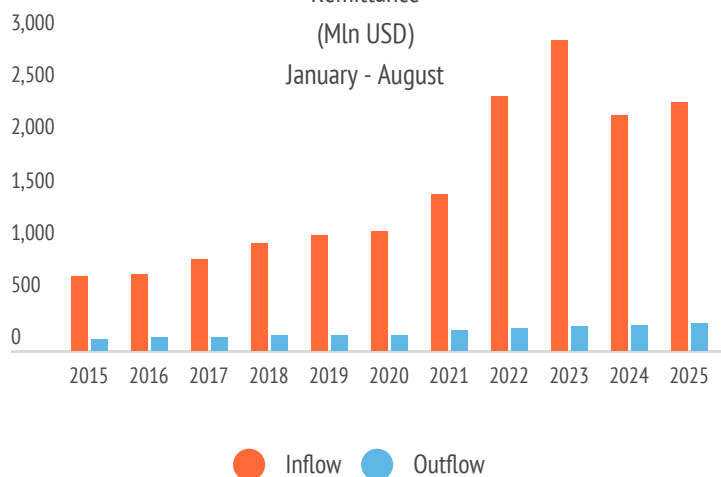
**In September 2025, international reserves reached 5,428 million USD.**

In September, international reserves amounted to 5,428 million USD, which is a 15.2% increase YoY and 4.3% increase MoM.

In September 2025, 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 - August

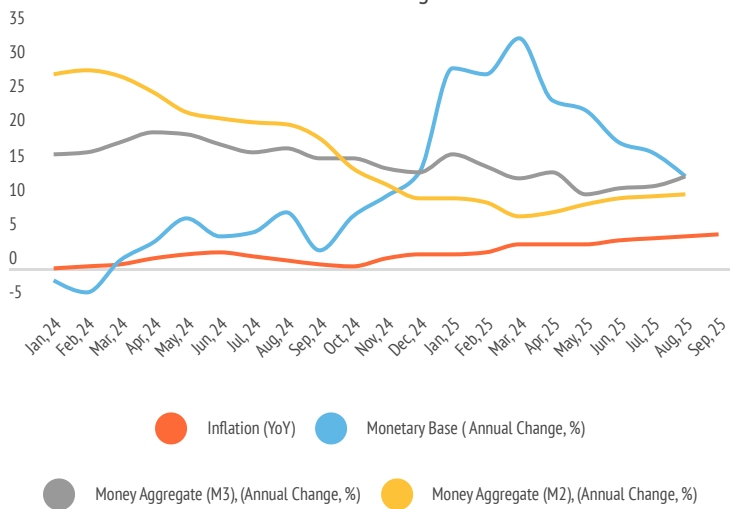


**In August\* 2025, compared to the same period of the previous year, monetary base increased.**

In August\*, monetary base increased by 13.4% YoY, including increased national currency in circulation by 8.8% and liabilities to other depository corporations by 18.5%.

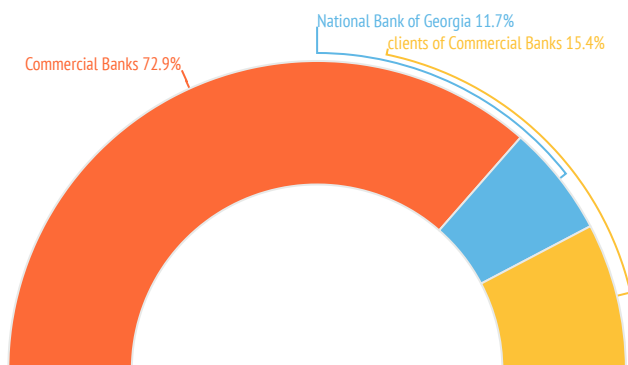
Money aggregate M2 increased by 10.8%, while money aggregate M3 increased by 13.3%. In September 2025, consumer price inflation amounted to 4.8% YoY.

Money Aggregates and Consumer Prices  
% Change



As of the end of September 2025, the nominal value of treasury securities issued by government was 10,822.6 million GEL. Among them, 72.9% is owned by commercial banks, 11.7% by the National Bank, and 15.4% by other resident and non-resident clients (resident – 14.2%, non-resident - 1.2%).

Treasury Securities  
(September)



In August\* 2025, the total volume of deposits amounted to 64,437.9 million GEL, which is 14.8% higher YoY. Among them, deposits in national currency made up 49.6%, while deposits in foreign currency made up 50.4% respectively.

According to the data available by the end of August\* 2025, 62.9% of deposits denominated in national currency belong to legal entities, and 37.1% to individuals.

Herewith, 65.6% of foreign currency deposits were owned by individuals, and 34.4% - by legal entities.

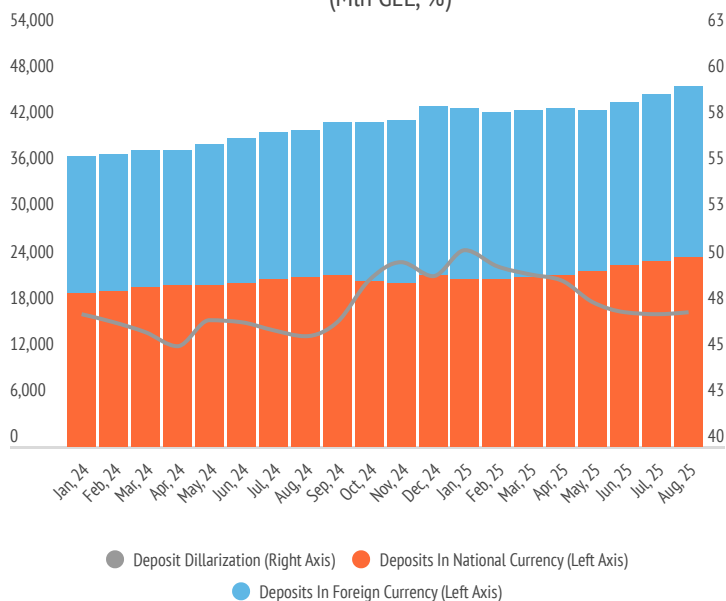
Deposits  
(August)



In addition, 53.1% of deposits denominated in national currency were time deposits, 23.3% - demand deposits and 23.6% - current accounts.

In the case of foreign currency, time deposits still hold the largest share (41.4%), followed by demand deposits (34.2%) and current accounts (24.3%).

Deposits and Dollarization  
(Mln GEL, %)

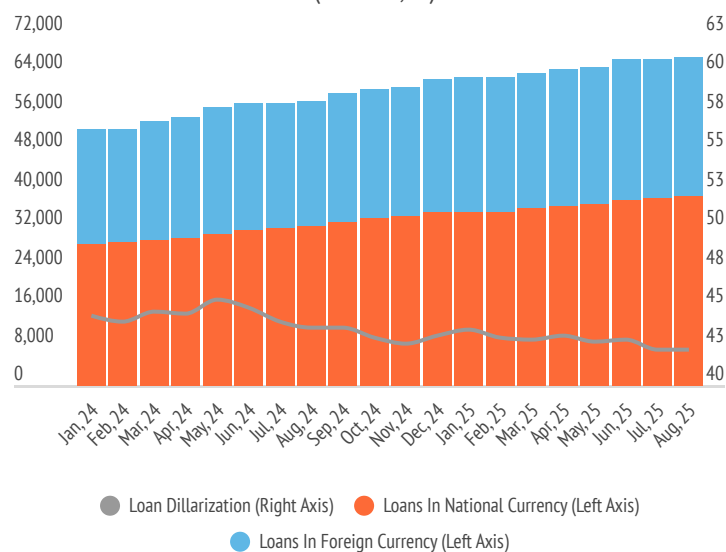


**In August\* 2025, the dollarization decreased on both deposits and loans MoM.**

In August\*, the deposit dollarization indicator increased by 0.19 pp and amounted to 47.3% MoM, while loan dollarization increased by 0.02 pp and made up to 42.3% MoM.

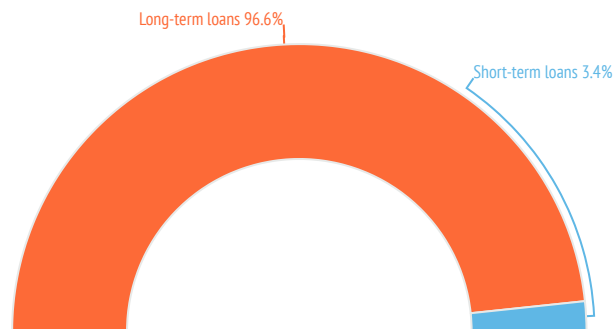
In August\*, national currency deposits increased by 1.8% MoM, while foreign currency deposits increased by 2.6%.

Loans and Dollarization  
(Mln GEL, %)



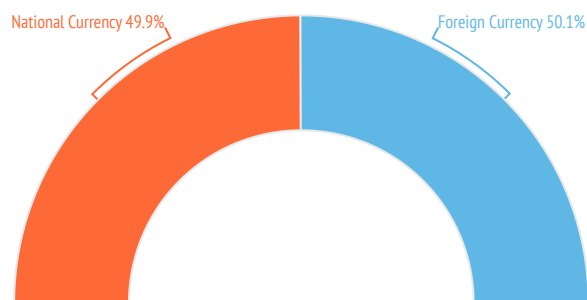
In August\* 2025, the volume of consumer loans amounted to 13,644.4 million GEL, which is 23.0% increase YoY. Among them, the share of long-term loans were 96.7%, while short-term loans comprised only 3.3%.

Consumer Loans  
(August)



During the same period, the volume of loans secured by real estate amounted to 43,870.2 million GEL, which is 14.9% higher YoY. Among them, the share of loans issued in national currency were 49.7%, while loans denominated in foreign currency were 50.3%.

Loans Secured by Real Estate  
(August)



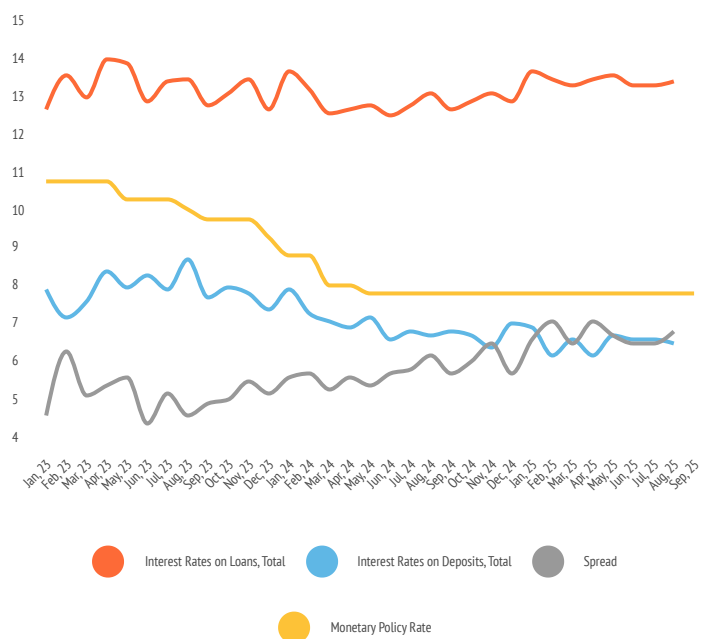
According to the data available by the end of August\* 2025, in terms of regions, 63.9% of loans issued by commercial banks denominated in national currency were granted in Tbilisi, 7.6% in Imereti, 7.3% in the Autonomous Republic of Adjara, 5.0% in Kakheti, 4.7% in Kvemo Kartli, 4.2% in Samegrelo-Zemo Svaneti. The share of loans issued in other regions is relatively small.

**In August\* 2025, increased interest rates on loans by 0.14 pp and decreased rates on deposits by 0.11 pp MoM.**

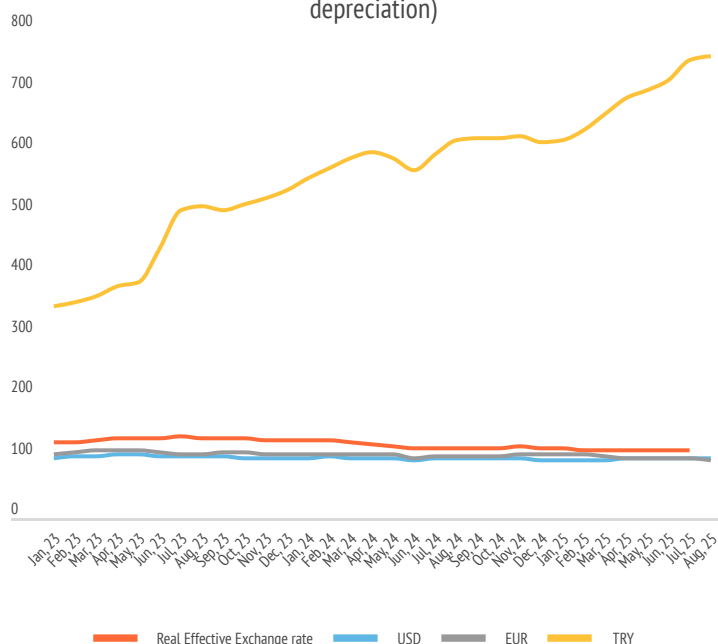
In August\* market interest rates on loans amounted to 13.6%, while interest rates on deposits were defined at 6.7%. The interest rate spread (difference between loan and deposit rates) amounted to 7% as of August\* 2025, 0.59 pp higher compared to the same indicator of August 2024.

On September 10, 2025, 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 September 2025, compared to the previous month, the GEL appreciated towards USD and appreciated towards EUR.**

In September, GEL depreciated against USD by 0.2% MoM, depreciated against EUR by 1.2% MoM, and appreciated against TRY by 1.0% MoM. In the analyzing period, the nominal effective exchange rate appreciated. In September, the GEL exchange rate depreciated by 0.04% YoY towards USD and depreciated by 5.2% YoY towards EUR, while appreciated by 21.5% YoY towards TRY.

In particular, in September, the average exchange rate of the GEL against USD was 2.71, while it was 3.17 against EUR and 0.07 against TRY.

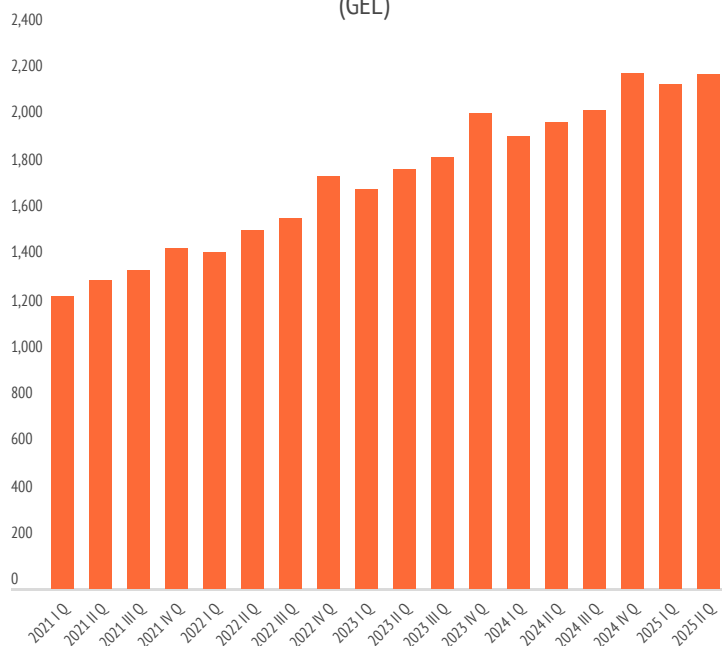
## 4. Social Sector

**In Q2\* 2025, average monthly nominal earnings of employees increased YoY.**

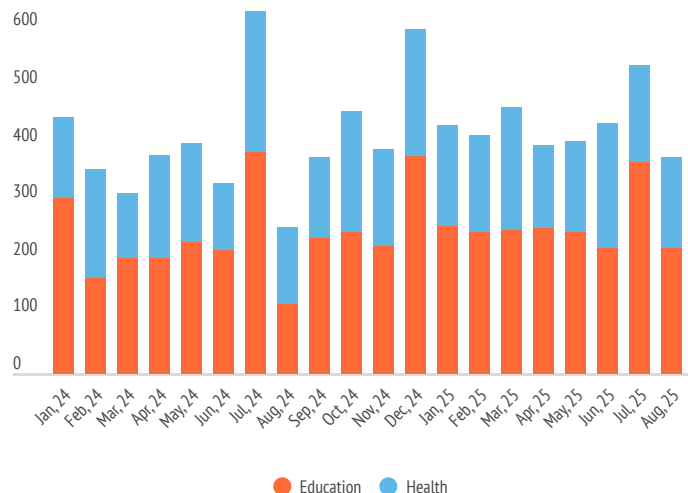
In Q2\*2025, the average monthly nominal earnings of employees amounted to 2,212.0 GEL, which is 10.3% increase YoY (207.1 GEL more). Compared to the previous quarter the indicator increased by 1.9%, which is 41.9 GEL more.

As for the change in the average monthly nominal earnings of employees by sector, in the II quarter of 2025, the highest average monthly salary was recorded in the field of information and communication (4,176.5 GEL; 5.4% increase YoY), as well as financial and insurance activities (3,732.2 GEL; 2.5% increase YoY), in the field of construction (3,467.7 GEL; 17.7% increase YoY) and professional, scientific and technical activities (2,995.3 GEL; 4.3% increase YoY).

Average monthly nominal earnings of employees (GEL)



Public Expenditure on Education and Healthcare (GEL Million)



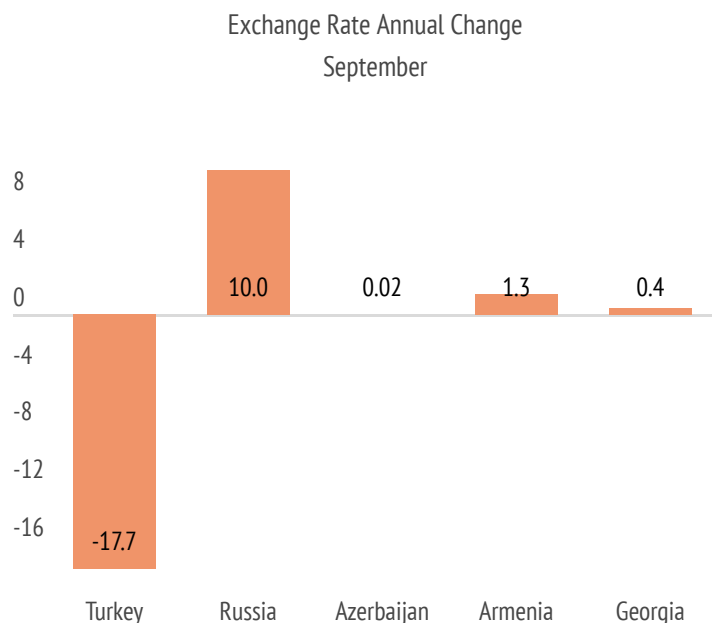
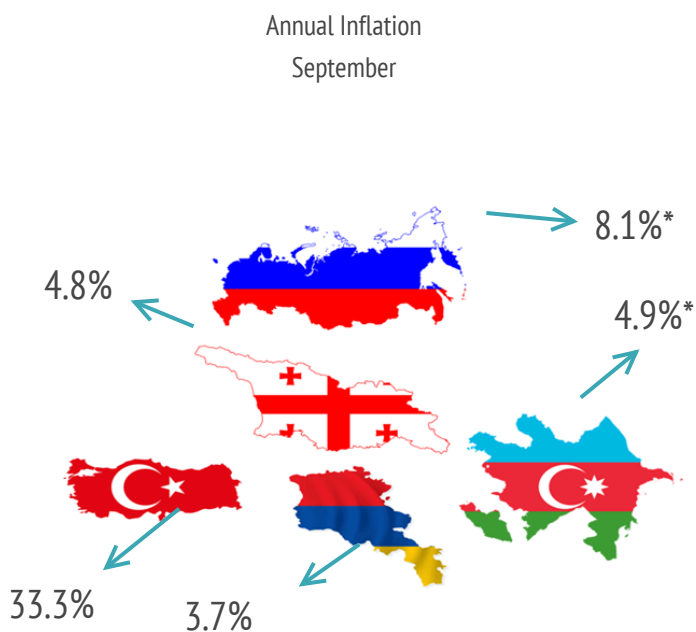
**In August\* 2025, public expenditures increased on both education and healthcare YoY.**

In August\*, expenditure on education (as per functional classification) amounted to GEL 220.6 million, which is 82.1% increase YoY. Meanwhile, expenditures on healthcare amounted to GEL 157.9 million, 17.1% increased YoY.

## 5. Regional Review

**In September 2025, consumer price inflation stands out with similar dynamic trends in the region countries, except Turkey.**

Namely, in September 2025, annual inflation amounted to 33.3% in Turkey and 3.7% in Armenia. As for Azerbaijan and Russia, in August\* 2025, consumer prices decreased by 4.9% YoY and by 8.1% YoY, respectively.



**In September 2025, the currencies of the region countries stand out with a tendency of appreciation**

Particularly, in September, GEL appreciated by 0.4% YoY towards USD. In the analyzing period TRY depreciated by 17.7% YoY toward USD, while RUB appreciated by 10.0% YoY toward USD, AMD by 1.3% YoY toward USD, AZN by 0.02% YoY toward USD.

## Summary Tables of Main Economic Indicators

	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25
GDP Growth Rate (%)	8.3	11.0	7.5	6.7	11.1	7.7	9.0	7.5	7.5	6.3	6.5	6.6	
VAT Turnover Growth Rate (%)	11.6	14.7	10.1	10.1	14.7	8.7	10.8	9.4	13.0	8.7	9.2	9.0	
Inflation (%)	0.6	0.3	1.3	1.9	2.0	2.4	3.5	3.4	3.5	4.0	4.3	4.6	4.8
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 (%)	0.46	0.47	0.49	0.50	0.49	0.51	0.50	0.49	0.49	0.48	0.47	0.47	
Loan Dollarization (%)	0.44	0.43	0.43	0.43	0.44	0.43	0.43	0.43	0.43	0.43	0.42	0.42	
Exchange Rate (GEL)	2.71	2.73	2.74	2.81	2.84	2.82	2.78	2.75	2.74	2.73	2.71	2.70	2.71
Remittances (Thousand USD)	283,385	281,060	266,696	285,395	242,440	252,282	291,863	295,541	317,421	315,507	336,988	321,548.3	
Export (USD Million)	616	682	543	549	404	432	562	617	580	640	610	603	
Import (USD Million)	1,444	1,506	1,476	1,699	1,702	1,231	1,514	1,514	1,463	1,422	1,465	1,355	
Trade Balance (USD Million)	-828.5	-824.4	-933.3	-1,149.3	-1,297.9	-799.3	-951.9	-897.6	-883.3	-781.5	-854.2	-752.4	
International Reserves (USD Million)	4,712	4,085	4,124	4,448	4,430	4,234	4,311	4,518	4,585	4,688	5,020	5,204	5,428
Revenues (GEL Million)	2,216	2,011	2,003	2,598	2,213	1,956	2,372	2,059	2,819	2,609	2,387	2,118	
Recurrent Expenditure (GEL Million)	1,599	1,937	1,721	2,648	1,932	1,851	1,955	1,940	1,872	2,000	2,252	1,724	
Capital Expenditure (GEL Million)	594	567	456	1,147	392	380	406	397	332	454	317	400	



Increase



Decrease



Change &lt; 1%

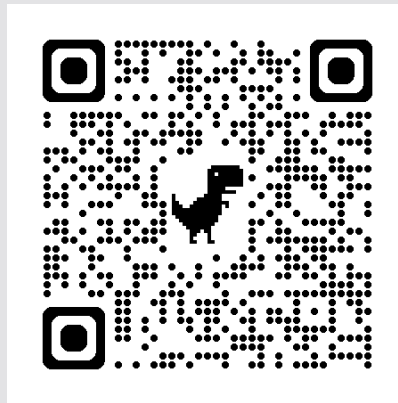
### Comparison of key economic indicators with similar data for the corresponding month of last year

	09.2024	10.2024	11.2024	12.2024	01.2025	02.2025	03.2025	04.2025	05.2025	6.2025	7.2025	8.2025	9.2025
GDP Growth Rate													
VAT Turnover Growth Rate													
Inflation													
Monetary Policy Rate													
Deposit Dollarization													
Loan Dollarization													
Exchange Rate													
Remittances													
Export													
Import													
Trade Balance													
International Reserves													
Revenues													
Recurrent Expenditure													
Capital Expenditure													

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

	09.2024	10.2024	11.2024	12.2024	01.2025	02.2025	03.2025	04.2025	05.2025	6.2025	7.2025	8.2025	9.2025
GDP Growth Rate													
VAT Turnover Growth Rate													
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Recurrent Expenditure													
Capital Expenditure													

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