

7/8/2021

Weekly Highlights

Inflation rate - According to the National Statistics Office of Georgia, In June 2021 the Consumer Price Index increased by 0.7 percent compared to the previous month, while the annual inflation rate amounted to 9.9 percent. With regard to the annual core inflation¹, the prices increased by 5.9 percent, while the annual core inflation without tobacco² amounted to 5.8 percent.

GDP- In Q1 2021 the nominal GDP amounted to GEL 11 275.7 million. The real Gross Domestic Product (GDP) declined by 4.5 percent YoY, while the GDP deflator increased by 6.8 percent.

Exchange rate- As a result of July 8, the value of one dollar became 3.1370 GEL and the value of one euro became 3.7079 GEL.

Covid 19- Confirmed coronavirus cases 373,728, within the past 24 hours - 1043 ; Recovered- 357,090 within the past 24 hours- 841; Fatal outcome- 5415, within the past 24 hours- 20.

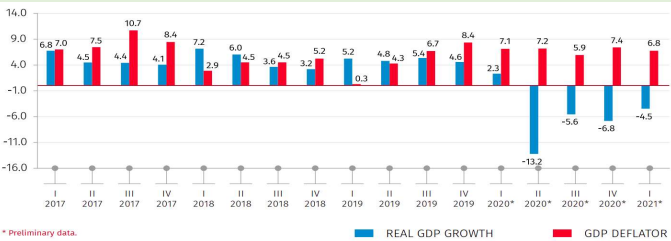
Articles of the Week

Exports of Georgian juices are growing

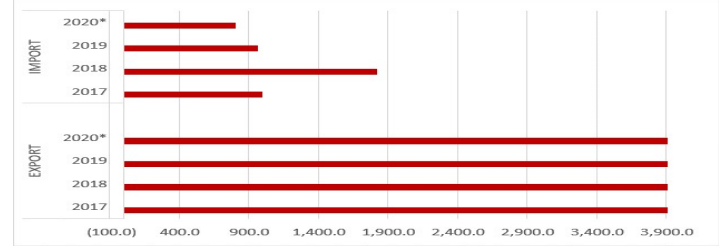
Exports of fruit and vegetable juices in 2020 increased by 44% compared to 2019. In particular, in 2020, exports amounted to 10.4 million dollars, and in 2019 - 7.2 million dollars. The list of countries exporting fruit and vegetable juices in 2020 looks like this: Germany, America, Russia, Australia and Japan. The increase in export figures also proves that 2020 has not been so difficult for juice companies compared to other businesses. However, reorganizing business plans with them also became necessary. They did not complain last year, though next year's expectations are much more hopeful and focused on revenue growth. As for the income of companies operating in this field in the country, the income of the brand "Kula" from Georgian manufacturers in 2019 amounted to 10,439,000 GEL.

Source:
<https://bm.ge/ka/article/qartuli-wvenebis-eqsporti-izrdeba/85886/>

Real GDP growth and deflator percentage change compared to the same quarter of previous year (%)

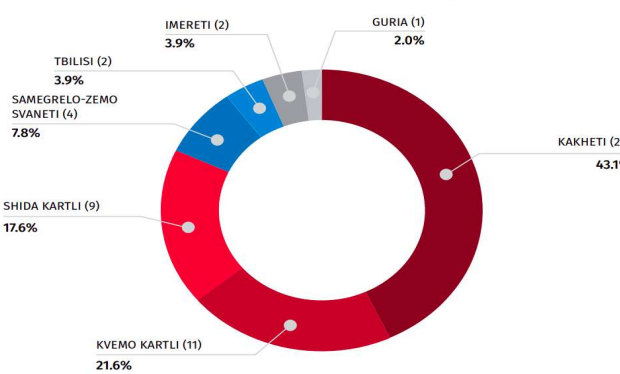


Trade balance Apricots, cherries, peaches (including nectarines), plums and sloes, fresh of Georgia according to the positions of the SITC (2020) *thousands of \$

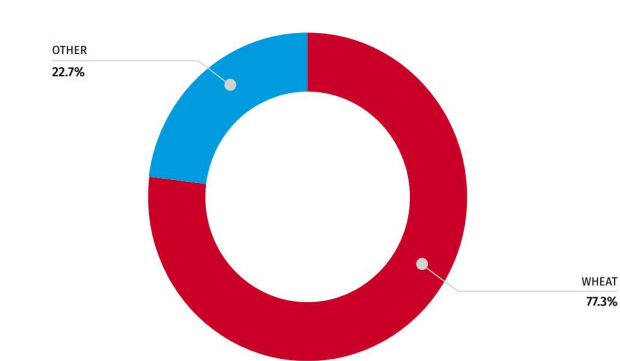


Agricultural statistics

ACTIVE ELEVATORS IN GEORGIA BY REGIONS, 2020



PRODUCTS STORED IN ELEVATORS, 2020



Governmental, Non-overnmental grants and subsidies of Agriculture

Plant The Future- Nursery Gardens component
Co-financing component of the nursery gardens includes provision of financial and technical assistance to the beneficiaries who are willing to make nursery gardens. Under the nursery gardens' component arrangement of perennial nursery gardens may be co-financed in all municipalities and self-governing cities of Georgia. The program provides co-financing for basic rootstocks for nurseries, which must be purchased from US / UK / EU countries or other country (ies) established by the LEPL Agricultural Research Center.
Financial assistance: Within the scope of the "nursery gardens" component, the financial assistance includes allocation of targeted funds for potential beneficiaries in a form of co-financing for the cultivation of new or existed nursery gardens. Under the co-financing of nursery component will only fund beneficiaries who create and / or expand, / modernize / re-equip nurseries / plant in-vitro laboratories that produce crop propagation material as part of the program of garden component. Co-financing is 50% of the total project cost / not more than 250 000 GEL per beneficiary. However, in case of creating a new nursery, total value of the amount defined b the nursery garden component should be at least GEL 100,000. The remaining cost of project of nursery gardens may be financed though own capital as well as though the bank loan.
Technical Assistance: In order to provide the knowledge required for the maintenance of the nursery gardens the beneficiaries, who will be granted financial assistance will also be trained in the following issues: a) plant propagation technologies; b) sapling certification principles. Participation in the training is the obligation of the beneficiary and is included in the agreement concluded with beneficiary. **For more information visit: www.rda.gov.ge**

Agricultural Report on Georgia #12

Agricultural commodities

Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1:COM Corn (CBOT)	USD/bu.	526.50	-4.50	-0.85%	Dec 2021	8:18 AM
W1:COM Wheat (CBOT)	USD/bu.	620.50	-1.75	-0.28%	Sep 2021	8:18 AM
O1:COM Oats (CBOT)	USD/bu.	377.00	+3.00	+0.80%	Dec 2021	8:18 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	12.88	-0.01	-0.12%	Sep 2021	7/7/2021
S1:COM Soybean (CBOT)	USD/bu.	1,318.25	-9.00	-0.68%	Nov 2021	8:18 AM
SM1:COM Soybean Meal (CBOT)	USD/T.	364.70	-0.20	-0.05%	Dec 2021	8:17 AM
BO1:COM Soybean Oil (CBOT)	USD/bb.	58.58	-1.11	-1.86%	Dec 2021	8:17 AM
RS1:COM Canola (ICE)	CAD/MT	794.30	+3.40	+0.43%	Nov 2021	8:18 AM

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,282.00	-14.00	-0.61%	Sep 2021	8:18 AM
KC1:COM Coffee 'C' (ICE)	USD/lb.	148.45	-1.50	-1.00%	Sep 2021	8:18 AM
SB1:COM Sugar #11 (ICE)	USD/lb.	17.52	-0.23	-1.30%	Oct 2021	8:18 AM
JO1:COM Orange Juice (ICE)	USD/lb.	126.20	+0.45	+0.36%	Sep 2021	8:18 AM
CT1:COM Cotton #2 (ICE)	USD/lb.	86.50	-1.13	-1.29%	Dec 2021	8:18 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	816.60	-3.80	-0.46%	Sep 2021	7/7/2021
OR1:COM Rubber (Singapore)	USD/kg	162.20	-1.20	-0.73%	Sep 2021	5:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.35	-0.03	-1.26%	Aug 2021	7/7/2021

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	120.60	-1.80	-1.47%	Aug 2021	7/7/2021
FC1:COM Feeder Cattle (CME)	USD/lb.	159.00	-1.62	-1.01%	Aug 2021	7/7/2021
LH1:COM Lean Hogs (CME)	USD/lb.	100.40	-1.95	-1.91%	Aug 2021	7/7/2021

Economic Data on Georgia

GDP							
	2018	2019	I 20*	II 20*	III 20*	IV 20*	2020*
GDP at Current Prices, Bn ₾	44.6	49.3	11.1	11.1	13.3	13.9	49.4
GDP at Constant 2015 prices, Bn ₾	38.4	40.3	9.1	8.8	9.8	10.2	37.8
GDP Real Growth, Percentage	4.8	5	2.3	-13.2	-5.6	-6.8	-4.5
GDP Deflator Change, Percentage	4.4	5.2	7.1	7.2	5.9	7.4	6.9
GDP Per Capita (At Current Prices), ₾	11 968.0	13 239.4	2 974.3	2 990.2	3586.7	3741.6	13292.7
GDP Per Capita (At Current Prices), \$	4 722.0	4 696.2	1 016.3	952.9	1156.2	1344.1	4274.6
GDP at Current Prices, Bn US Dollars	17.6	17.7	3.8	3.6	4.3	4.3	15.9
Share of Agriculture in GDP, Percentage	7.8	7.4		TBA			8.4
Population & Unemployment							
	2017	2018	2019	I 20	II 20	III 20	IV 20
Economically Active Population (Workforce), Thousand People	1641.2	1605.2	1572.8	1545.2	1515	1526.9	1505.7
Employed, Thousand People	1286.9	1295.9	1295.9	1262.7	1237.6	1269.11	1197.9
Unemployed, Thousand People	354.5	309	276.9	282.6	277.4	259.8	307.8
Unemployment Rate, Percentage	21.6	19.2	17.6	18.3	18.3	17	20.4

Consumer Price Index (Inflation)

	2015	2016	2017	2018	2019	2020
Annual Average to the Annual Average	104	102.1	106	102.6	104.9	105.2
December over Previous Year's December	104.9	101.8	106.7	101.5	107	102.4

Review of Agricultural product- Nectarines

Nectarine, (*Prunus persica*), smooth-skinned peach of the Rosaceae family that is grown throughout the warmer temperate regions of both the Northern and Southern hemispheres. A genetic variant of common peaches, the nectarine was most likely domesticated in China more than 4,000 years ago, and nectarine and peach trees are virtually indistinguishable. The expression of a recessive allele is thought to be responsible for the smooth skin of nectarine fruits, which lack the fuzzy trichomes (plant hairs) characteristic of peach fruits. The stones and kernels of the two fruits are alike in appearance and may be freestone types, which have ripe flesh that separates easily from the stone, or clingstones, which have flesh that adheres firmly to the stone. Nectarines have red, yellow, or white flesh and are a source of vitamins A and C. They are commonly eaten fresh or cooked in preserves, jams, and pies.

When peaches are crossed or self-pollinated, resulting seeds that carry the recessive allele for smooth skin will give rise to nectarines, while those that carry the dominant allele will be peaches. Nectarines may sometimes appear on peach trees as a result of the process of bud variation, or bud sporting, a vegetative deviation from the normal. Cultivation of nectarines is essentially the same as for peaches, with best results usually obtained on well-drained sandy or gravelly loams enriched with nitrogen.



Overview of Global Nectarines Market (www.tridge.com)

The top exporter in 2020 was Spain with an export value of USD 972M. The top importer in 2020 was Germany with an import value of USD 410M. The top producer in 2019 was China, with a production volume of 15.8M metric tons.

Rank	Country	Share in Export Value 2020	Export Value 2020, USD	1-Year Growth in Export Value 2019-2020	3-Year Growth in Export Value 2017-2020	Weekly Domestic Price Change 2021-07-05	Monthly Domestic Price Change 2021-07	Harvesting Seasonality
1	Spain	44.38%	\$971.54M	+10.28%	+7.77%	-1.18%	-16.37%	Low Season
2	Chile	11.31%	\$247.58M	+70.75%	+120.53%			-
3	China	6.18%	\$135.20M	-31.59%	-4.26%	-18.16%	-37.14%	-
4	Italy	5.68%	\$124.40M	-16.85%	-36.01%	-2.43%	-35.48%	Low Season
5	United States	5.67%	\$124.15M	-6.17%	-2.58%	-1.84%	-20.07%	Low Season
6	Greece	5.3%	\$116.03M	+32.55%	+30.81%			High Season
7	Uzbekistan	2.96%	\$64.87M	+40.9%	+169.53%			-
8	Hong Kong	2.2%	\$48.10M	+6.71%	+243.91%			-
9	Australia	1.9%	\$41.68M	-7.74%	+58%			-
10	Netherlands	1.87%	\$40.93M	-7.76%	+3.36%			-

Company discription- ALALI

"Alali" appeared on the Georgian market in 2018. Enterprise is located in Telavi and employs 20-25 people. The company buys raw materials from local farmers in the local market. Alali products can be purchased at Carrefour, Fresco, AgroHub, Pocket, Nikora, Zghapari and Baia in some stores. The company appeared in the US and Canadian markets last year. It will appear in the markets of Lithuania, Greece, Russia and Belarus in the future.



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