

1/4/2022

Weekly Highlights

In February 2022 the **Producer Price Index** for Industrial Products increased by 1.5 percent compared to the previous month, while compared to February 2021 the index growth amounted to 17.0 percent.

The prices for products from mining and quarrying increased by 1.9 percent compared to January 2022, resulting in a 0.15 percentage point contribution to the overall monthly PPI change. In the same period the prices for manufactured products increased by 1.3 percent, contributing 1.04 percentage points to the monthly index change. Within the group a noteworthy price increase was registered for basic metals (7.1 percent). Besides, the prices increased for electricity, gas, steam and air conditioning by 3.5 percent, contributing 0.29 percentage points to the monthly index change.

In January-February 2022 the **external merchandise trade** (excluding non-declared trade) of Georgia amounted to USD 2 542.1 million, 49.3 percent higher to the same period of 2021. The exports equaled USD 760.4 million (54.5 percent higher), while the imports stood at USD 1 781.7 million (47.2 percent higher). The negative trade balance was USD 1 021.3 million in January/February 2022 and its share in external trade turnover constituted 40.2 percent.

Exchange rate- As a result of 25th February, the value of one dollar became 3.0918 GEL and the value of one euro became 3.4195 GEL.

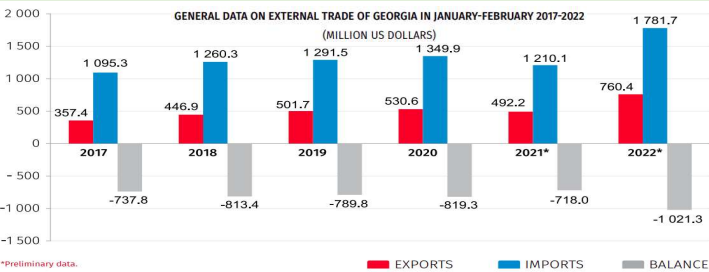
With the support of the Bank of Georgia, GEL 1.9 million was invested in the White Farm

Bank of Georgia continues to support the agricultural sector. In partnership with the bank, in the village of Signaghi district. "White Farm" in Kvemo Bodbe continues to actively develop production. "White Farm" was established in 2016, based on the successful practice of Dutch agriculture. With an investment of 1.9 million GEL allocated by the Bank of Georgia, the farm bought Dutch Holstein cattle and bought 80 hectares. A pivot irrigation system was installed on a hectare of land. Today, the farm sells 10 tons of milk daily in a network of various large stores across the country. The total cost of the project is 15 million is equal to GEL, Co-financed from the Netherlands.

"It is safe to say that the 'white farm' is based on the Dutch experience from beginning to end. Based on the involvement of a Dutch company and the practical advice they shared, we have planned a project that combines the latest technology and methodology. This is reflected in the higher quality of dairy products. Initially, we started with 200 Holstein. Over time, with the support of partners, we have doubled this number and increased production. In the future, we have a great desire to further strengthen the business," - said Dimitri Bankanashvili, director of the company.

for more: <https://bm.ge/ka/article/saqartvelos-bankis-mxardacherit-tetr-fermashi-19-mln-laris-moculobis-investicia-ganxorcielda/105458/>

External merchandise trade of Georgia in January-February 2022 (Preliminary)



*Preliminary data.

EXPORTS OF MAJOR COMMODITY GROUPS TO RUSSIA

	JANUARY-FEBRUARY 2021*		JANUARY-FEBRUARY 2022*	
	THSD. US DOLLARS	TONS	THSD. US DOLLARS	TONS
TOTAL EXPORTS	68 496.3		92 878.2	
Of which:				
Ferro-alloys	20 880.5	18 407.6	32 709.6	17 658.0
Wine of fresh grapes	14 319.9	4 938.3	20 054.8	7 189.6
Waters, natural or artificial mineral and aerated waters, not containing added sugar	8 375.5	14 863.7	9 523.0	17 204.9
Cigars, cheroots, cigarillos and cigarettes	1 693.8	248.2	4 921.1	339.1
Spirituous beverages	4 162.1	865.7	4 117.4	1 004.8
Other commodities	19 064.5		21 552.4	

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Agricultural Report on Georgia #31

The Producer Price Index

- The annual PPI rate was mainly affected by price changes for the following products:
- Products from mining and quarrying: the prices were 2.5 percent higher, contributing 0.12 percentage points to the overall annual index change. Within the group the prices were higher for the subgroup of other mining and quarrying products (18.0 percent);
 - Manufactured products: the prices increased by 22.5 percent, contributing 17.71 percentage points to the overall annual index growth. There was a notable increase in the prices for the following subgroups: food products (12.6 percent), chemicals and chemical products (189.6 percent) and basic metals (54.4 percent);
 - Electricity, gas, steam and air conditioning: the annual price decrease amounted to 7.5 percent, which contributed -0.87 percentage points to the annual index growth;
 - Water supply, sewerage, waste management and remediation services: the annual price increase amounted to 3.2 percent, which contributed 0.08 percentage points to the annual index growth.

CODE	GROUPS	OVER JANUARY 2022	CONTRIBUTIONS* TO MONTHLY CHANGES	OVER FEBRUARY 2021	CONTRIBUTIONS* TO MONTHLY CHANGES
	TOTAL	101.5	1.48	117.0	17.05
B	Mining and quarrying	101.9	0.15	102.5	0.12
05	Coal and lignite	114.9	0.01	114.9	0.02
06	Crude petroleum and natural gas	115.6	0.02	173.1	0.14
07	Metal ores	101.2	0.07	95.8	-0.30
08	Other mining and quarrying products	103.0	0.04	118.0	0.26
C	Manufactured products	101.3	1.04	122.5	17.71
10	Food products	100.2	0.05	112.6	2.38
11	Beverages	101.7	0.32	98.7	-0.25
12	Tobacco products	100.0	0.00	100.0	0.00
13	Textiles	99.4	0.00	113.6	0.05
14	Wearing apparel	99.2	-0.01	104.3	0.07
15	Leather and related products	101.5	0.00	110.6	0.01
16	Wood and of products of wood and cork, except furniture; articles of straw and plaiting materials	103.8	0.02	132.6	0.28
17	Paper and paper products	102.7	0.02	130.0	0.28
18	Printing and recording services	103.9	0.03	87.2	-0.16
19	Coke and refined petroleum products	100.7	0.00	136.7	0.19
20	Chemicals and chemical products	100.2	0.01	289.6	6.55
21	Basic pharmaceutical products and pharmaceutical preparations	91.0	-0.16	86.9	-0.26
22	Rubber and plastic products	99.7	-0.01	118.2	0.55
23	Other non-metallic mineral products	101.8	0.15	108.1	0.79
24	Basic metals	107.1	0.56	154.4	5.93

25	Fabricated metal products, except machinery and equipment	100.4	0.01	130.9	0.71
27	Electrical equipment	103.7	0.02	142.4	0.23
28	Machinery and equipment n.e.c.	105.0	0.00	118.2	0.02
30	Other transport equipment	100.0	0.00	76.8	-0.11
31	Furniture	100.7	0.01	124.3	0.31
32	Other manufactured goods	100.0	0.00	102.1	0.00
33	Repair and installation services of machinery and equipment	100.0	0.00	110.3	0.13
D	Electricity, gas, steam and air conditioning	103.5	0.29	92.5	-0.87
35	Electricity, gas, steam and air conditioning	103.5	0.29	92.5	-0.87
E	Water supply, sewerage, waste management and remediation services	100.3	0.01	103.2	0.08
36	Natural water, water treatment and supply services	100.0	0.00	101.8	0.03
38	Waste collection, treatment and disposal services; materials recovery services	100.9	0.01	106.1	0.05

Governmental, Non-governmental grants and subsidies of Agriculture

Integrated Development Program for the Pilot Regions
Program applications will be accepted from 12:00 a.m. on February 1, 2022 via E-mail: pilotregions@rda.gov.ge.
About the program
The Rural Development Agency is implementing a funding program to support the establishment of new enterprises as well as the expansion and/or re-equipment of existing enterprises. The program is being implemented in 4 pilot regions: Imereti, Kakheti, Guria, Racha-Lechkhumi and Kvemo Svaneti.
Program Objective
The goal of the program is to promote the competitiveness of the country and its regions, balanced socio-economic development, the improvement of the living conditions of the population living in the region, reducing regional inequalities and territorial development.
Program Task
A) Promote rapid economic growth in the country by financing projects in the target regions;
B) Increase the competitiveness of small and medium-sized enterprises and strengthen the regional innovative ecosystem.

For more information: https://rda.gov.ge/projects/read/pilot_regions/52:parent

IMPORTS OF MAJOR COMMODITY GROUPS FROM RUSSIA

	JANUARY-FEBRUARY 2021*		JANUARY-FEBRUARY 2022*	
	THSD. US DOLLARS	TONS	THSD. US DOLLARS	TONS
TOTAL IMPORTS	131 817.2		181 761.5	
Of which:				
Petroleum and petroleum oils	17 095.2	38 264.5	23 127.8	29 739.6
Petroleum gases and other gaseous hydrocarbons	31 558.9	129 776.6	19 686.1	77 260.9
Wheat or meslin flour	627.4	2 236.8	7 638.9	22 890.8
Telephone sets	6 705.9	6.4	7 363.2	11.2
Coke and semi-coke of coal, of lignite or of peat	2 468.9	10 646.1	7 241.9	12 882.8
Other commodities	73 360.9		116 703.5	

Agricultural commodities

Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C 1:COM Corn (CBOT)	USD/bu.	746.00	-2.75	-0.37%	May 2022	8:44 AM
W 1:COM Wheat (CBOT)	USD/bu.	1,028.00	+22.00	+2.19%	May 2022	8:44 AM
O 1:COM Oats (CBOT)	USD/bu.	728.50	+1.00	+0.14%	May 2022	8:38 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	15.95	-0.06	-0.37%	May 2022	3/31/2022
S 1:COM Soybean (CBOT)	USD/bu.	1,616.25	-2.00	-0.12%	May 2022	8:44 AM
SM1:COM Soybean Meal (CBOT)	USD/T.	469.80	+2.30	+0.49%	May 2022	8:44 AM
BO1:COM Soybean Oil (CBOT)	USD/lb.	69.87	-0.07	-0.10%	May 2022	8:44 AM
RS1:COM Canola (ICE)	CAD/MT	964.90	+2.00	+0.21%	Nov 2022	8:58 AM

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,622.00	-28.00	-1.06%	May 2022	9:00 AM
KC1:COM Coffee C' (ICE)	USD/lb.	229.10	+2.70	+1.19%	May 2022	9:01 AM
SB1:COM Sugar #11 (ICE)	USD/lb.	19.33	-0.16	-0.82%	May 2022	9:00 AM
JO1:COM Orange Juice (ICE)	USD/lb.	152.00	+0.05	+0.03%	May 2022	9:00 AM
CT1:COM Cotton #2 (ICE)	USD/lb.	136.99	+1.30	+0.96%	May 2022	9:01 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	965.30	-36.40	-3.63%	May 2022	3/31/2022
OR1:COM Rubber (Singapore)	USD/kg	174.80	+0.10	+0.06%	May 2022	5:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	Apr 2022	3/31/2022

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	137.13	-0.87	-0.63%	Jun 2022	3/31/2022
FC1:COM Feeder Cattle (CME)	USD/lb.	166.55	-2.35	-1.39%	May 2022	3/31/2022
LH1:COM Lean Hogs (CME)	USD/lb.	120.63	-3.60	-2.90%	Jun 2022	3/31/2022

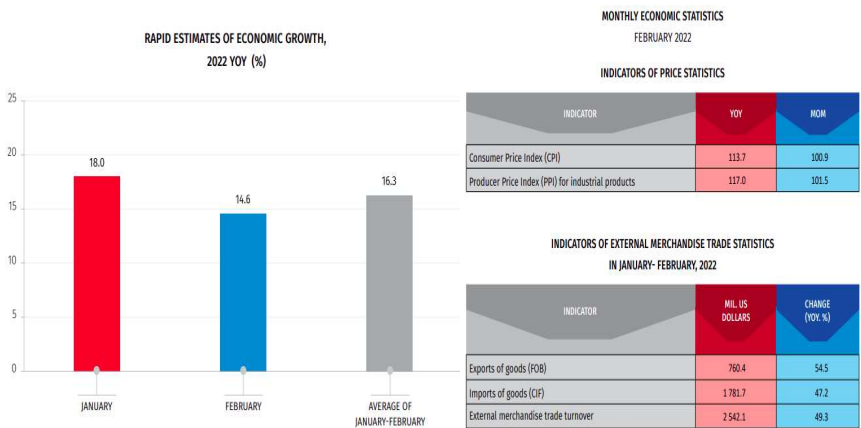
Economic Data on Georgia

GDP		2019	I 20*	II 20*	III 20*	IV 20*	2020*	I 21*	II 21*
GDP at Current Prices, Bn ₾		49.3	11.1	10.8	13.4	14	49.3	11.5	15.5
GDP at Constant 2015 prices, Bn ₾		40.3	9.2	8.7	9.7	10.1	37.6	8.8	11.2
GDP Real Growth, Percentage		5	3.3	-14.5	-8.8	-7.4	-8.8	-4.1	28.9
GDP Deflator Change, Percentage		8.2	8.4	8.5	7.9	8.6	7.3	7.9	11.6
GDP Per Capita (At Current Prices), ₾		3 238.4	2 983.3	2 897.6	3 600.1	3 753.0	13 234.1	3 081.3	4 161.4
GDP Per Capita (At Current Prices), \$		4 696.2	1 019.3	923.1	1 160.6	1 147.5	4 255.7	929.7	1 250.7
GDP at Current Prices, Bn US Dollars		7.5	3.8	3.4	4.3	4.3	15.8	3.5	4.7
Share of Agriculture in GDP, Percentage		7.4	TBA				8.4	TBA	TBA
Population & Unemployment		2019	I 20*	II 20*	III 20*	IV 20*	I 21*	II 21*	III 21*
Economically Active Population (Workforce), Thousand People		1572.8	1545.2	1515	1528.9	1505.7	1447.2	1559.1	1592
Employed, Thousand People		1296.9	1262.7	1237.6	1269.11	1197.9	1126.7	1214.6	1261.2
Unemployed, Thousand People		276.9	282.6	277.4	259.8	307.8	317.5	344.6	310.8
Unemployment Rate, Percentage		17.6	18.3	18.3	17	20.4	21.9	22.1	19.5
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		

Rapid estimates of economic growth, february 2022

The estimated real Gross Domestic Product (GDP) growth rate in February 2022 amounted to 14.6 percent YoY and the average real GDP growth for January-February 2022 equaled to 16.3 percent YoY.

In February 2022 the estimated real growth compared to the same period of the previous year was observed in the following activities: Manufacturing, Transportation and storage, Electricity, gas, steam and air conditioning supply, Hotels and restaurants, Real estate activities, Arts, entertainment and recreation and Mining and quarrying.



Bank of Georgia continues to support agricultural projects

With the financial resources allocated by the bank of Georgia in Lagodekhi, 43 ha. Hazelnut orchards were planted in the area. The investment allocated to the cooperative "Caucasus" amounted to 100,000 GEL.

Within the framework of the 11-year partnership between the Cooperative and the Bank of Georgia, a number of successful projects have been implemented.

"Initially, our activity included growing grain crops. 100 ha with the support of the Bank of Georgia. We brought wheat, corn, barley and oats to the area. A few years later, we decided to expand our activities and with the involvement of the bank, we planted on an additional 43 hectares so-called "Anakiuri" and "Gavazuri" varieties of nuts," said the company's founder, Davit Lomidze. "The cooperative annually produces and sells 600-700 tons of grain and 1300 kg hazelnuts (hazelnut crop is growing because the plants are not yet fully harvested). "In the future, with the renewed infrastructure, we plan to further expand our activities," - said the founder of the company.

For more: <https://bm.ge/ka/article/saqartvelos-bankis-mxardacherit-lagodexshi-43-ha-ze-txilis-bagebi-gashenda/105818/>

"West Best Blueberry Plant" planted blueberries in Samegrelo

The company "West Best Blueberry Plant" has planted a blueberry garden in the village of Chkhorla, Zugdidi Municipality, with the financial support of the state, and has set up a 35-ton refrigeration plant equipped with modern standards. The company benefits from the Rural Development Agency. The company has invested a total of more than GEL 1.7 million in the cultivation of blueberries and the arrangement of refrigeration facilities, including the amount of preferential agro-credit exceeding GEL 500,000.

At the same time, West Best Blueberry Plant received more than GEL 115,000 in co-financing for the cultivation of an 8-hectare blueberry orchard under the "Plant the future" program. Blueberries are grown on 750 sq. M..

The process of introducing the international standard Global Gap in the Blueberry Garden has started with the technical assistance program of the Rural Development Agency. The company also owns a greenhouse where 750 sq.m. Blueberries are grown on. According to the Ministry of Agriculture, "West Best Blueberry Plant" has purchased more than 23,000 GEL worth of mulch and herbicide equipment under the Agricultural Mechanization Program, of which more than GEL 8,000 is a grant from the Rural Development Agency.

Source: <https://bm.ge/ka/article/vest-best-bluberi-plantmaquot-samegreloshi-lurji-mocvi-gaashena/105739/>

JV "GeoHolding & KSH" Consortium
Website: <https://www.ghksh.de/> Email: Mariam.burdiladze@llceholding.eu ; Irakli.gogiberidze@llceholding.eu
Facebook: <https://www.facebook.com/JV-GeoHolding-KSH-Consortium-109650230653196/>

