

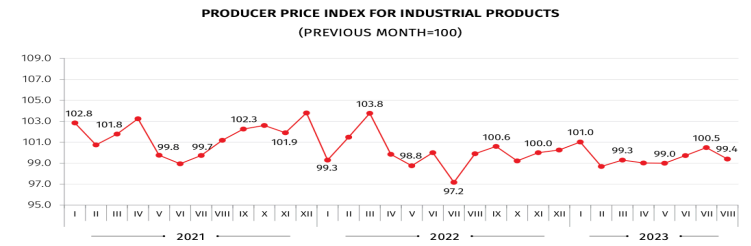
## Weekly Highlights

**Real GDP growth was 7.5% in 2Q23**  
 Georgia's economy grew by 7.5% y/y in 2Q23 according to Geostat, revised upwards from the preliminary estimate of 7.4%. In terms of economic sectors, high contributions to the growth in 2Q23 came from trade (+14.6% y/y), construction (+22.7% y/y), education (+19.6% y/y), ICT (+20.2% y/y) and public administration (+11.1% y/y). Meanwhile, agriculture (-7.1% y/y), manufacturing (-2.8% y/y) and electricity supply (-7.0% y/y) sectors contracted in 2Q23. Considering rapid estimate of real GDP growth of 5.5% in Jul-23, cumulatively Georgia's economy increased by 7.2% y/y in 7M23. For the full 2023 year, Galt & Taggart expect growth at 6.8%; Additionally, the ongoing parliamentary discussion on revision of 2023 budget, which foresees an increase in both expenditures and revenues driven by stronger macroeconomic indicators (with deficit and debt ratios to GDP at 3.0% and 38.4%, respectively), further supports our growth projection.

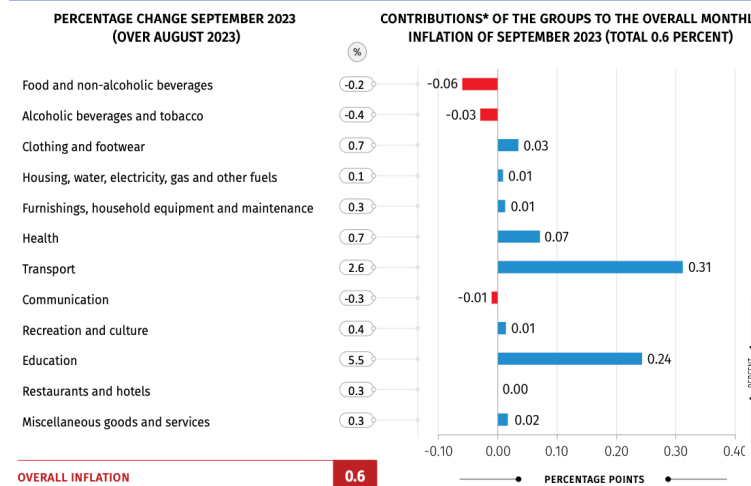
**Goods exports up 4.8% y/y in Aug-23**  
 In Aug-23, goods exports increased by 4.8% y/y to US\$ 495.8mn, after a 0.6% y/y decline in previous month. Goods imports were up by 0.9% to US\$ 1.3bn in August, after growing by 2.8% y/y in July. Consequently, the trade deficit decreased by 1.5% y/y to US\$ 778.3mn, after a 5.7% y/y growth in July. The top 5 exported commodities were cars (+58.3% y/y), copper (-50.5% y/y), wine (-24.7% y/y), spirits (+12.7% y/y) and electricity (+16.7% y/y), in Aug-23. A 11.7% of exports were directed to the EU (-30.3% y/y), 70.7% to the CIS (+21.1% y/y) and 17.6% to other countries (-13.3% y/y). The top 5 imports were cars (+30.9% y/y), petroleum (-30.1% y/y), pharmaceuticals (+35.5% y/y), phones (+14.6% y/y) and trucks (+84.0% y/y) in Aug-23.

## Producer Price Index for Industrial Products in Georgia - August 2023

In August 2023, the Producer Price Index for Industrial Products decreased by 0.6 percent compared to the previous month, while compared to August 2022 the index decrease amounted to 3.3 percent. The annual PPI rate was mainly affected by price changes for the following products:  
 • Products from mining and quarrying: the prices were 1.5 percent higher, contributing 0.1 percentage points to the overall annual index change. Within the group the prices were higher for the subgroup of other mining and quarrying products (14.2 percent);  
 • Manufactured products: the prices decreased by 3.6 percent, contributing -2.93 percentage points to the overall annual index decrease. There was a notable decrease in the prices for the following subgroups: chemicals and chemical products (-26.5 percent) and basic metals (-15.5 percent);  
 • Electricity, gas, steam and air conditioning: the annual price decrease amounted to 3.0 percent, which contributed -0.27 percentage points to the annual index change;



## Inflation in Georgia September 2023



**OVERALL INFLATION: 0.6**  
 \* Individual contributions not sum up to the total due to rounding.  
 This presentation is for information purposes only and does not constitute an offer to acquire, sell or otherwise dispose of, or issue, or any solicitation of any offer to sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision. Certain statements in this presentation are forward looking statements. These forward looking statements are based on expectations and beliefs current as of the date of this presentation, and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performance and achievement to differ materially from any expected future results, performance or achievement expressed or implied by such forward looking statements. No representation, warranty or assurance (expressed or implied) is given or made by the forward looking statements contained in this presentation are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. The presentation disclaims any obligation or undertaking to disseminate any updates or revisions to any information contained in this presentation reflect any change in expectations, events, conditions or circumstances on which that information is based.  
 Disclaimer LLC GH Agri

## Where can you buy "wine tea"? - "Stumari" company

The company "Stumari", which was founded in 2017, offers its customers a non-alcoholic drink - wine tea made from Saferavi grapes.

By 2021, "wine tea" passed all the necessary technical stages of production, more than 150 laboratory studies were conducted and the product was presented to us in its final form. Wine tea is obtained from the waste raw materials of processed wine, and its contents include wine, grape skin and pomace.

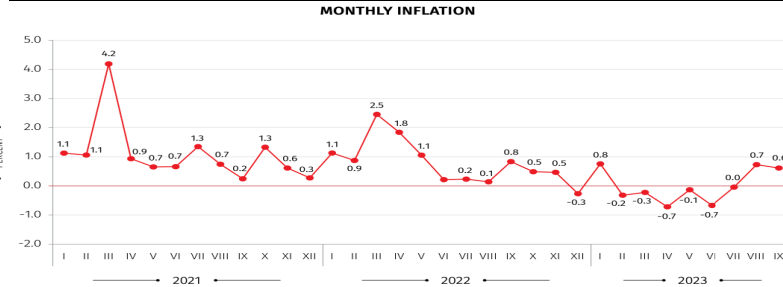
For "Stumari", export direction is one of the most important strategic goals. Currently, the company exports the product to China, while test samples have been sent to Japan and final negotiations are underway.

The company "Stumari" is actively working in several main directions, which include the following: activation of customer relations, completion of repair works of the factory, purchase of additional machinery, development/growth of the existing network and work on the diversity of the assortment in hypermarkets or Horeca (hotels, restaurants, cafes) facilities. The interest from the customer is very high and the company is entering the stage of active sales. "Stumari" was created with an investment of 1.2 million GEL and its enterprise is located in Kakheti region. The company receives the necessary raw materials from various small wineries or producers and farmers. Products can be purchased in the chain of stores "Goodwill", "Badagi", "8000 Mosavali", "Radisson Collection", "Eroproduct", Dunkin Donuts, Duty Free Georgia and others.



## Governmental, Non-governmental grants and subsidies of Agriculture

**Pilot Program for Women**  
**About the program**  
 If you are interested in a greenhouse, the Pilot Program for Women allows you to get co-financing.  
**Goal and objectives of the Program**  
 The goal of the Program is to integrate economically inactive women into full-fledged members of society within the pilot municipalities, by improving their socio-economic status and stimulating women's involvement in agricultural activities.  
 The task of the Program is to provide financial and technical assistance to potential female beneficiaries for setting up a new greenhouse in the municipalities of Chkhorotsku, Vani and Chokhatauri.  
**Program implementer**  
 The implementer of the Program is the Rural Development Agency  
 The implementation of the Program is coordinated by the Ministry of Environmental Protection and Agriculture of Georgia.  
**Geographical area of Program implementation**  
 The Program will be implemented in Chkhorotsku, Vani and Chokhatauri municipalities.  
 Receiving applications in the program will start on 20 of October.



## Agricultural commodities

### Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C 1:COM Corn (CBOT)	US\$/bu.	486.00	0.00	0.00%	Dec 2023	3:02 AM
W 1:COM Wheat (CBOT)	US\$/bu.	562.50	+2.50	+0.45%	Dec 2023	3:02 AM
O 1:COM Oats (CBOT)	US\$/bu.	435.25	+6.25	+1.46%	Dec 2023	2:15 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	15.68	+0.04	+0.22%	Nov 2023	10/4/2023
S 1:COM Soybean (CBOT)	US\$/bu.	1,268.75	-4.25	-0.33%	Nov 2023	3:02 AM
SM1:COM Soybean Meal (CBOT)	USD/T.	370.90	-110	-0.30%	Dec 2023	3:02 AM
BO1:COM Soybean Oil (CBOT)	USD/lb.	55.67	-0.32	-0.57%	Dec 2023	3:02 AM
RS1:COM Canola (ICE)	CAD/MT	709.10	-170	-0.24%	Jan 2024	3:00 AM

### Softs

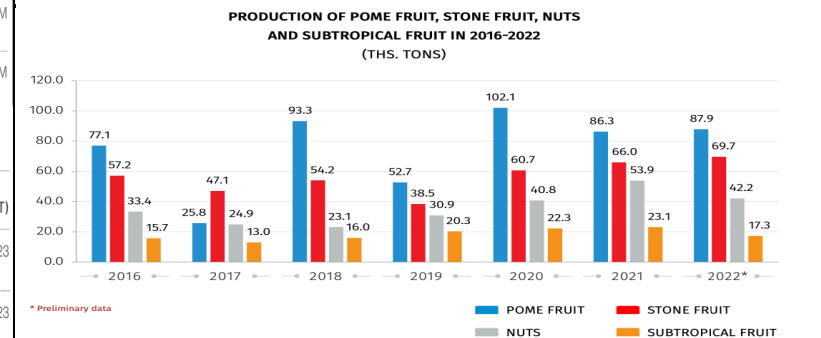
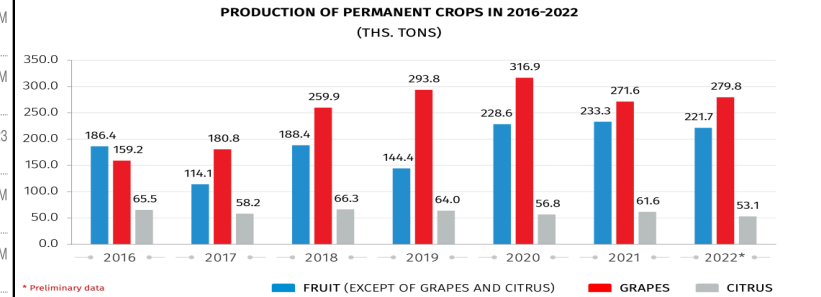
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	3,431.00	+3.00	+0.09%	Dec 2023	10/4/2023
KC1:COM Coffee 'C' (ICE)	USD/lb.	146.35	-2.40	-1.61%	Dec 2023	10/4/2023
SB1:COM Sugar #11 (ICE)	USD/lb.	25.93	+0.26	+1.01%	Mar 2024	10/4/2023
JO1:COM Orange Juice (ICE)	USD/lb.	365.95	+9.75	+2.74%	Nov 2023	10/4/2023
CT1:COM Cotton #2 (ICE)	USD/lb.	87.28	+0.27	+0.31%	Dec 2023	3:02 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	--	--	--	N/A	--
OR1:COM Rubber (Singapore)	USD/kg	139.90	-1.00	-0.71%	Jan 2024	2:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	Nov 2023	10/4/2023

### Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	186.03	+0.38	+0.20%	Dec 2023	10/4/2023
FC1:COM Feeder Cattle (CME)	USD/lb.	250.43	+0.08	+0.03%	Nov 2023	10/4/2023
LH1:COM Lean Hogs (CME)	USD/lb.	69.18	+0.10	+0.14%	Dec 2023	10/4/2023

## Agriculture of Georgia 2022

According to the preliminary data, in 2022 production of pome fruit consisted of 87.9 thousand tons in the country, which is 1.9 percent higher than in the same period of the previous year. Production of stone fruit consisted of 69.7 thousand tons (5.6 percent higher), production of nuts – 42.2 thousand tons (21.7 percent lower), production of subtropical fruit – 17.3 thousand tons (25.1 percent lower) and production of citrus – 53.1 thousand tons (decreasing by 13.8 percent). Besides this, in 2022 production of grapes increased by 3.0 percent year-on-year and equaled 279.8 thousand tons.



## How to start an agro business - 7 things that will help you implement the idea

Opportunities to start a successful business in the agricultural industry are abundant. The nature of Georgia is particularly favorable for agricultural activities, as the soil is fertile and the weather is optimal. In addition, the agricultural sector is now at an important stage of development and on the way to exploit international export resources, which, on the one hand, significantly reduces the barriers to entry into this market, and at the same time makes it more desirable.

If you want to start an agro business, you must consider several important factors and make a final decision only after that.

- >>> Define your goals and opportunities
- >>>> Discover your niche
- >>>> Make a business plan
- >>>> Get funding
- >>>> Purchase the required assets
- >>>> Run the business efficiently
- >>>> Define a marketing strategy

These are the issues that you should consider regarding agribusiness. It is true that starting a business is quite difficult, however, the Bank of Georgia is trying its best to simplify this process and give more people the opportunity to become an entrepreneur. If you are thinking of starting an agribusiness, don't stop, everything is available - enjoy the harvest for your agribusiness!

Full article on : <https://bm.ge/news/rogor-davitsyot-agro-biznesi-7-ram-rats-ideis-gankhortsiebash-dagekhmarebat>

LLC GH Agri  
 Website: <https://www.ghagri.net/>  
 Facebook: <https://www.facebook.com/ghagri/>  
 Email: [Mariam.burdiladze@llcgeoholding.org](mailto:Mariam.burdiladze@llcgeoholding.org); [Irakli.gogiberidze@llcgeoholding.org](mailto:Irakli.gogiberidze@llcgeoholding.org)

