



National Bank of  
Georgia

# Balance of Payments of Georgia

# 2018

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National Bank of Georgia

The publication is compiled according to the methodological recommendations of the sixth edition of the Balance of Payments and International Investment Position Manual (IMF, 2009) and of the External debt statistics: guide for compilers and users (IMF, 2013).

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## 1. Methodological Review

The publication reflects the external sector statistics and provides the balance of payments, international investment position and external debt statistical reports. Statistical reports are supplemented with comments, additional analytical tables, description of the compiling methodology and the list of data sources.

Data and comments are prepared according to methodology of the Balance of Payments and International Investment Position Manual, 6th edition (BPM6, IMF 2009) and external debt statistics guide for compilers and users (IMF, 2013.), Respectively.

The balance of payments, international investment position and external debt of Georgia are elaborated both quarterly and annually in million USD. These documents do not include data on the external economic operations of Abkhazia and the Tskhinvali region.

The balance of payments, international investment position and external debt statistics of Georgia are revised on a regular basis and can affect any period. All data in the following publication are corrected based on revisions existing on 30 September 2019.

### 1.1 Methodological standards on the balance of payments

The balance of payments is a macroeconomic and statistical statement that systematically summarizes, for a specified time period (quarter, year), the economic transactions of an economy with the rest of the world. The data is classified and compiled according to the international standards recommended by the International Monetary Fund's BPM6.

#### Definitions and General Principles

Structurally balance of payments consists of the current account, the capital account and the financial account. The current account covers the balance of trade of goods and services, primary income and secondary income balances. The capital account reflects non-produced, non-financial assets acquisition/disposal and capital transfers. The financial account covers: direct investments, portfolio investments, financial derivatives, other investments and re-

serve assets.

The sum of current and capital account is net lending to the rest of the world. Conceptually it's equal to net financial account balance. Financial account plus exchange rate, price and other changes reflects the difference between the beginning and the end stocks of the international investment position.

An economic unit is considered a **resident** unit when it has a **center of economic interest** and a permanent location in the **economic territory** of a country for more than one year, irrespective of citizenship.

The **economic territory** of a country consists of its geographic territory administered by a government, where persons, goods and capital circulate freely and are subject to the same monetary and fiscal policy. The economic territory also consists of the airspace and territorial waters of the country, territories in international waters over which the country has exclusive rights, and territorial enclaves situated on the territory of other countries, such as embassies, military bases, free zones, etc. Territorial enclaves that belong to other countries are not included in the economic territory of the given country.

A physical or legal person has a **center of economic interest** within a country when there exists some location – a dwelling, place of production or other premises – within the economic territory of the country, or from which the unit engages or intends to continue engaging, either indefinitely or over a finite but long period of time (over one or more years).

The BOP does not use the notion of “payments” in its general meaning, but in the meaning of transactions, because some international transactions do not involve payments of money (for example, barter) and some transactions do not elicit any such payments (for example, inheritance).

#### Institutional Sectors

The financial account components of the BOP – direct investment, portfolio investment, financial derivatives, and other investment – are disaggregated by the institutional sector of the residents involved in the operation. Four

institutional sectors are distinguished:

- Central bank – the National Bank of Georgia;
- Deposit-taking corporations, except central bank - commercial banks of Georgia;
- General government – which comprises central government institutions and local public authorities;
- Other sectors, subdivided in two categories: other financial corporations (microfinance organizations, insurance companies and investment funds) and non-financial corporations, households and non-profit institutions serving households (NPISH).

### Types of Transactions

- exchanges – most transactions likely to be recorded in the balance of payments can be characterized as exchanges in which one transactor provides an economic value to another transactor and receives equal value in return;
- transfers – transactions in which one transactor provides an economic value to another transactor and does not receive an equivalent value in return;
- This transaction has unilateral character; therefore, to preserve the double entry principle of the BOP, another entry with an opposite sign is needed.
- imputed transactions – when transactions are imputed and entries are made in the balance of payments accounts when no actual flows occur, for example, in the re-investment of a foreign investor's profit.

The transactions mentioned above are reflected in BOP accounts where structured as follows:

**Goods** comprise transactions with goods that cross the border of the country and either involve changes of ownership between residents and non-residents (general merchandise, goods procured by carriers, and non-monetary gold).

**Services** cover all types of services that are performed by residents for nonresidents and vice versa:

- Manufacture services of physical inputs owned by others (nonresidents);
- Maintenance and repair services not elsewhere classified;
- Transportation services include all types of transportation services, postal and courier services and pipelines. Passenger,

freight and other transportation services (cargo handling, storage, maintenance and clearing of transportation equipment, etc.) are specified for each type of transportation, except pipeline transportation;

- Travel services – this item records the expenditures of nonresident travelers for business and personal purposes during their visits in Georgia on the credit side. Residents' travel expenditures abroad are recorded on the debit side of this item;
- Financial services cover financial intermediary and auxiliary services conducted between residents and nonresidents subdivided into financial services explicitly charged and other services and financial intermediation indirectly measured (FISIM);
- Remaining services comprise services such as construction, insurance services, computer and information services, royalties and license fees, other business services, personal, cultural and recreational services, government services, etc.

**Income** registers two types of flows between residents and nonresidents:

- Compensation of employees in the form of salaries, wages or other benefits, in cash or in kind, paid by employers to employees when the parties have a different residency status. These remunerations also include taxes paid in the host country, which are reflected in an opposite side entry in the current transfers item. Employees' expenditures in the host country are registered as a counterpart record in the travel item;
- Investment income covers income receivable, associated with residents' holdings of external financial assets, or payable, associated with residents' liabilities to nonresidents. Investment income consists of direct investment income, portfolio investment income, income on other investment and on reserve assets. Investment income is subdivided into dividends, reinvested earnings, interest and Investment income attributable to policyholders in insurance, pension schemes, and standardized guarantees, and to investment fund shareholders.

**Secondary income** shows current transfers between residents and non-residents. It is an offsetting entry for real resources or financial items provided without quid pro quo by one economy to another. The most common examples of current transfers are grants and humanitarian aid and technical assistance. This item also covers current international cooperation,

Current taxes on income, personal transfers, social benefits, net nonlife insurance premiums, Nonlife insurance claims.

**Capital account** shows capital transfers receivable and payable between residents and nonresidents, and the acquisition and disposal of non-produced, nonfinancial items. Transfer is considered as capital if it is intended for acquisition of fixed assets or capital construction.

Non-produced nonfinancial assets include intangible assets covering contracts, leases, licenses, and marketing assets; and natural resources (generally land).

**Financial account** assets and liabilities cover functional categories: Direct investments, portfolio investment, financial derivatives, other investments and reserve assets.

**Direct investment** is a category of international investment in which a resident entity in one economy (the direct investor) acquires a lasting interest in an entity resident in another economy (the direct investment enterprise). A direct investor in an enterprise is an investor that owns 10% or more of ordinary shares or voting power (for an incorporated enterprise) or the equivalent (for an unincorporated enterprise). The “direct investment” relationship is extended to enterprises in which goods and/or money are invested from enterprises associated with them: to capital investment between associated enterprises, branches and their head offices. Direct investment includes equity capital, reinvested earnings and other capital. For the category of direct investment there are directional distinctions (abroad or in the reporting economy) for equity capital and other capital items within this category, and for assets and liabilities. Direct investment is classified as direct investor in direct investment enterprises; direct investment enterprises in direct investor (reverse investment)

**Portfolio investment** is in the form of equity and investment fund shares and debt securities.

**Financial derivatives** are financial instruments that are linked to a specific financial instrument, indicator, or commodity and through which specific financial risks can be traded in financial markets in their own right. Financial derivatives comprise transactions with swaps, options, guarantees, deposits, etc., and are registered on a net basis.

**Other investment** is primarily divided into Net acquisition of financial assets and Net incurrence of liabilities. Other investment covers other equity, currency and deposits, loans, insurance, pension, and standardized guaran-

tee schemes, trade credit and advances, other accounts receivable/payable, Special drawing rights. Other equity is included in other investment, when it is not direct investment or reserve asset. Other equity is not in the form of securities, so it is not included in portfolio investment. Participation in some international organizations is not in the form of securities and so it is classified as other equity.

Currency consists of notes and coins that are of fixed nominal values and are issued or authorized by central banks or governments.

Deposits include all claims that are (a) on the central bank, deposit-taking corporations other than the central bank, and, in some cases, other institutional units; and (b) represented by evidence of deposit.

Insurance, pension, and standardized guarantee schemes consist of the following: (a) nonlife insurance technical reserves; (b) life insurance and annuity entitlements; (c) pension entitlements, claims of pension funds on pension managers, and entitlements to non-pension funds; and (d) provisions for calls under standardized guarantees.

Trade credit and advances arise when payment for goods or services is not made at the same time as the change in ownership of a good or provision of a service. If a payment is made before the change of ownership, there is an advance.

Other accounts receivable/payable includes accounts receivable or payable other than those included in trade credit and advances or other instruments. It includes liabilities for taxes, purchase and sale of securities, securities lending fees, gold loan fees, wages and salaries, dividends, and social contributions that have accrued but not yet paid.

**Special drawing rights** SDRs are international reserve assets created by the IMF and allocated to members to supplement existing official reserves. SDRs are held only by the monetary authorities of IMF members and a limited number of international financial institutions that are authorized holders. SDR holdings represent unconditional rights to obtain foreign exchange or other reserve assets from other IMF members.

**Reserve assets** are those external assets that are readily available to and controlled by monetary authorities for meeting balance of payments financing needs, for intervention in exchange markets to affect the currency exchange rate, and for other related purposes (such as maintaining confidence in the currency and the economy, and serving as a basis for

foreign borrowing).

The BOP is constructed on the basis of a double entry book-keeping system. Every recorded transaction is represented by two (or more) entries with equal values. One of these entries is recorded under credit; the other is recorded under debit. For example, in the case where an export operation was made, the transaction value in the BOP will be reflected as credit in "Export" and as debit in "Assets - currency and deposits". The sum of all credit and debit entries should equal to zero. In practice, however, the accounts frequently do not balance. Data for balance of payments estimates are often derived from different sources and, as a result, there may be a summary net credit or net debit. A separate entry, equal to the amount with the reversed sign, is then made to balance the accounts (the net errors and omissions item).

Credit entries are recorded for exports, primary and secondary income received and acquisition of non-produced non-financial assets.

Debit entries are recorded for imports, primary and secondary income paid and disposal of non-produced non-financial assets.

The international accounts follow net recording in the financial account. Net recording, means aggregations or combinations that show net changes (increases less reductions) in a particular financial asset or a liability category on the same side of the balance sheet. Transactions on financial assets and liabilities are shown under "Net acquisition of financial assets" and "Net incurrence of liabilities". Net acquisition of assets equals increase of the asset less decrease of the same asset. Transaction with positive sign means increase, while negative sign - decrease.

Market prices are the basis for valuation in the international accounts. Market prices for transactions are defined as amounts of money that willing buyers pay to acquire something from willing sellers; the exchanges are made between independent parties and on the basis of commercial considerations only

Time of recording is real time or estimated time when ownership change occurred. This is the time when transaction was recorded in financial reports.

### **Standard and analytical representation of BOP**

**Standard representation** - BOP items are grouped corresponding to national accounts and other macroeconomic statistics standard classifications. According to standard representations sum of all transactions should be equal to zero.

**Analytical representation** denotes reorganization of standard BOP items in a way where international transactions balance is financed with international reserves, IMF or other international donor credits or other exceptional financing item.

### **Data Source**

The main sources of information used to compile the BOP of Georgia are: National bank of Georgia; commercial banks; non-bank financial corporations; Geostat, (data on trade of goods and services, the enterprise survey, the households' survey, and other specific surveys); the Ministry of Finance; other ministries and public institutions; representatives of international organizations in Georgia; and other countries' embassies.

In addition, since 2009 the International Transactions Reporting System (ITRS) has been implemented. The ITRS aims to collect information from commercial banks grouped according to BOP items.

Along with the data received through statistical reports, some estimations and adjustments are made in order to improve the data quality.

### **Imports/exports of goods**

- Imports and exports of goods are reflected in FOB prices in the balance of payments of Georgia.
- CIF prices of imported goods are converted into FOB prices. The adjustment coefficients are estimated by taking the transportation cost of unit weight for each type of transportation and region separately (the coefficients for neighboring countries equal zero).
- The official data on the import/export of goods received from the Customs Department are supplemented with estimations made by the National Bank of Georgia.

**Notice:** The reason for the differences between the data on exports and imports by the BOP and by Geostat are methodological and objective: foreign trade statistics are based on the principle of crossing a border, meanwhile, the main principle of trade of goods in the BOP is a change of ownership between residents and nonresidents. The following positions are included in external trade by the BOP and are not included in the external trade statistics of goods: goods procured in ports by carriers, non-organized trade, and non-declared export/import transactions. Besides the above mentioned cases, there are different methods of pricing. In the BOP, imports are presented in the FOB price, while in the external trade statistics imports are presented in the CIF price. In BOP export/import of goods for processing owned by nonresidents is classified as service, while in trade statistics as good.



For estimations of exports, the National Bank of Georgia uses partner countries' external trade data from the European Union, Turkey, Azerbaijan, Armenia, Russia, and Ukraine. Furthermore, partner countries' data are taken from the United Nations Statistics Department's database (COMTRADE). This method is widely used by statisticians for making estimations. Georgia's partner countries also use our export data for correction of their imports. The procedure of registration of exports by customs needs fewer resources due to the no-taxation rule on the registration of exports.

## Services

### Transportation services

- The value of transportation services of imported goods is adjusted by data derived from the conversion of CIF prices into FOB prices (see imports/exports of goods), and is divided by type of transportation (sea transport, air transport etc.).
- Additional data are collected from other sources: the "Georgian Railway" Ltd., "Sakaeronavigatsia" Ltd., and seaports and airports in Georgia. Indirect estimations of the export/import of transportation services are made based on data received from the Department of Border Defense.

### Travel

- The value of travel export/imports is derived from the data received from the household surveys. The value on business travel is additionally adjusted based upon data received from different government institutions (ministries, departments, etc.) and the banking sector.
- Information received from the Department of Border Defense concerning individuals crossing the border is also used for indirect estimations. Besides that, estimations are made on the expenses of those abroad engaged in export/import goods operations, as well as the expenses of those working abroad for less than a year.

### Other services

- The data on manufacturing services, consultation, financial and other services, are collected from those enterprises using such services. The volumes of such services are then adjusted. The data for foreign embassies, diplomatic missions and international organizations are estimated using indirect methods. The data on the diplomatic missions of Georgia abroad are obtained from the Ministry of

Foreign Affairs of Georgia. Information on financial services is obtained from the reports of commercial banks. Information about insurance services is provided by the State Insurance Supervision Agency.

## Primary income

- The estimates of the compensation of employees are mainly based on the household survey data; information on electronic money transfers from the reports of commercial banks is also used. The incomes of residents employed in international organizations and foreign embassies are also estimated.
- Investment income is calculated based on various sources: the report of the Ministry of Finance about interest payments on debts under state guarantee and reports of commercial banks on interest payments in the banking sector.

## Secondary income

- Workers' remittances are estimated using the same methodology as for the compensation of employees.
- Information on the technical and humanitarian assistance received from the external sector is obtained from the Ministry of Finance and the international organizations and foundations that have their offices in the territory of Georgia.
- The Ministry of Foreign Affairs of Georgia presents the data on the membership fees of various international organizations.
- The values of grants for the education of Georgian students abroad are estimated from the data of the Ministry of Education and from the household survey data.

## Capital Account

- Capital transfers are calculated based on information provided by the Department of Grants and Humanitarian and Technical Assistance of the Ministry of Finance, as well as on other information sources.

## Financial Account

### Direct investment

- The data on direct investments are estimated from the enterprise survey. The data on the banking sector is obtained

from commercial banks' reports, and the data on insurance companies from the State Insurance Supervision Agency.

- The direct investments of Georgia abroad are not of a large scale, but the information at our disposal about such enterprises is likely to be incomplete.

Portfolio investment

- The data on portfolio investment equity are obtained from the enterprise survey and the reports of commercial banks, microfinance organizations and insurance companies. Data on debt securities are provided by the Ministry of Finance (state and state owned enterprises' Eurobonds), the National Bank of Georgia (treasury bills and state bonds owned by non-residents), and from commercial banks and microfinance organizations.

Other investment

- The data on trade credits are estimated on the basis of information from the enterprise survey.
- The data on loans is calculated from the National bank, Ministry of Finance, commercial banks', microfinance organizations, insurance companies and enterprise survey. Certain additional information is obtained from the reports of the relevant divisions of the Ministry of

Finance.

Reserve assets

- The data source for reserve assets is the balance accounts of the National Bank of Georgia.

**1.2 Methodological standards on the international investment position**

The international investment position (IIP) of Georgia is compiled in accordance with standards recommended by the BPM6.

The international investment position of a country shows the stock of external financial assets and liabilities at a particular point in time. The IIP comprises the whole set of claims on and liabilities to non-residents in different institutional sectors: central bank, deposit-taking corporations, except the central bank, the general government, and other sectors. The main items of this document are identical to those from the financial account of the balance of payments: direct investment, portfolio investment, financial derivatives, other investment and reserve assets.

The difference between an economy's financial assets and liabilities is the economy's net international investment position. Thus the IIP can be a net debtor or a net creditor. The international investment position is worked out in the form of a table containing the following details:

	Position at the beginning of the reporting period	Changes in position reflecting:				Position at the end of the reporting period
		Financial account -Transactions	Exchange rate changes	Price changes	Other adjustments	
Net international investment position						
Assets						
Liabilities						

Thus the international investment position at the end of the reporting period consists of the stock at the beginning of the period, adjusted by transaction flows, exchange rate changes, valuation changes, and other adjustments in a given period. Transactions reflect the financial account transactions of the balance of payments. Other adjustments comprise corrections, reclassifications and changes required by the methodology of the IIP compilation.

The data source used in the compilation of the IIP is identical to that used for the compilation of the BOP financial account.

**1.3 Methodological standards on the external debt**

The external debt of Georgia is compiled according to recommendations of the IMF's External Debt Statistics: Guide for Compilers and Users, IMF 2013.

The gross external debt of Georgia is, at any given time, the outstanding amount of those actual current, and not contingent, liabilities that require payments of principal and/or interest by the debtor at some point in the future and are owed to non-residents by residents of

an economy.

The gross external debt of Georgia covers liabilities to non-residents classified by institutional sectors, maturity and instruments.

External debt consists of the following:

- Currency and deposits;
- Debt securities;
- Loans;
- Trade credits;
- Other debt liabilities;
- Allocated SDRs;
- Direct investment: Intercompany lending.

**Currency and deposits** consist of non-residents' deposits in the Georgian banking system.

**Debt securities** include debt securities issued by Georgian residents held by non-residents. Debt securities are divided by sector (issuer sector) and by the type of financial instrument.

The stock of liabilities on debt securities at any given time is the sum of the debt securities issued by Georgian residents and held by non-residents, plus accrued interest for the reported period if the interest payment is scheduled for a future period.

**Loans** consist of the following:

- Loans from the IMF – loans granted by the IMF to the NBG;
- Governmental loans – external loans received from other countries;
- Loans guaranteed by the government – external loans of the private sector agreed under the guarantee of the government;
- Private loans – external loans received by the private sector with the exception of loans from parent companies.

The stock of liabilities in the form of loans is, at any given time, the amount of the external loans received by Georgian residents minus the payments of scheduled principal and the actual advance payments of principal.

**Trade credits** consist of external liabilities arising from direct extension of credit by suppliers for transactions in goods and services. They include:

- Advance payments received by an economic agent from non-residents;
- Liabilities on the import of goods and services not paid in due time.

**Other liabilities** cover:

- Principal and interest arrears on external loans and the debt securities service.

**Direct investment: Intercompany lending** include:

- Loans from parent companies or from subsidiaries, branches and associates abroad;
- Principal and interest arrears on these loans.

The stock of intercompany lending at any given time is the amount of external loans received by Georgian subsidiaries/direct investors from their parent companies/branches minus the payments of scheduled principal and actual advance payments of principal.

The **external debt** is disaggregated by institutional sector, following classification from the BOP: the general government, central banks, deposit taking corporations and other sectors. External liabilities under guarantee are attributed to the borrower's sector; they are reclassified in the guarantor's sector only when the guarantee is activated.

Long-term is external debt with maturity of more than one year;

Short-term is external debt with original maturity of less than one year or payable immediately.

For analytical purposes, external debt is presented by maturity: short-term and long-term on an original maturity basis.

The data source used for external debt compilation is identical to the one used for the compilation of the BOP financial account and the IIP.

## 2. Balance of Payments of Georgia for 2018

### 2.1 General Overview

The current account deficit in 2018 was basically determined by the trade deficit and by income, particularly investment income. The current account deficit decreased by 8.8% year on year and amounted to 1.2 billion USD. The improvement was basically driven by increasing income in travel services. Meanwhile, goods trade deficit increased by 8.0 percent totaling 4.1 billion USD. The increase was driven by higher growth of imports (15.5 percent 1.1 billion USD) compared to exports (23.4 percent 836.6 million USD). Current account to GDP ratio accounted for 6.8 percent improving by 1.3 percentage point year on year.

The top five products exported in 2018 were cooper, automobiles (mainly re-exports), Ferroalloys, wine and tobacco. Export was distributed by major economic categories as follows: intermediate goods had the biggest share (48.5%), consumption goods had the second

biggest share (47.5%), and investment goods had a modest 4.1% share in total exports. The share of investment and consumption goods increased in 2018, while the share of intermediate goods decreased.

The major imported goods during the year were oil products, automobiles, copper (mainly for re-export), medicines and natural gas. Investment goods had a 13.1% share in total imports, intermediate goods had a 41.4% share and 45.5% were consumption goods.

The balance of services account is positive and partially offsets the current account deficit. Exports of services increased by 12.5% and imports - by 14.3% annually in 2018, thus, the overall balance of services increased by 10.8%. The largest contributor to the growth of the services export was travel. The export of travel totaled 2.7 billion USD in 2017, increasing by 19.1 percent to reach 3.2 billion USD in 2018.

Table 2.1.1 Main macroeconomic indicators, 2014-2018

Economic Indicator	Unit	2014	2015	2016	2017	2018
GDP current prices	Billion GEL	31.1	33.9	35.8	40.8	44.6
GDP current prices	Billion USD	17.6	14.9	15.1	16.2	17.6
Real GDP growth rate	%	4.4	3.0	2.9	4.8	4.8
Annual average exchange rate	USD/GEL	1.7659	2.2702	2.3667	2.5086	2.5345
Annual average exchange rate	EUR/GEL	2.3462	2.6175	2.5197	2.8322	2.9913
Current account/GDP	%	-10.1	-11.8	-12.5	-8.0	-6.8
Balance of goods and services/GDP	%	-16.9	-17.0	-15.2	-11.0	-10.6
Export of goods and services/GDP	%	39.9	40.9	40.8	46.5	50.6
Net secondary income/GDP	%	8.1	7.5	7.4	7.8	7.8
Export of goods and services/Import of goods and services	%	70.3	70.6	72.8	80.9	82.6
Import of goods and services/GDP	%	56.8	57.9	56.0	57.5	61.2
International reserves	Million USD	2,699.2	2,520.7	2,756.5	3,039.3	3,288.8
International reserves/ Import of goods and services	Month	3.2	3.5	3.9	3.9	3.7
Public and publicly guaranteed external debt/GDP	%	33.6	41.4	43.7	45.1	42.2
Public and publicly guaranteed external debt	Billion USD	5.9	5.9	6.2	6.6	7.3

In 2018 the negative balance of primary income decreased by 14.0 percent amounting to 684.6 million USD, instead of 795.7 million USD in 2017. The reason was higher growth of income credit compared to income debit that resulted from high growth in compensation of employees; at the same time interest on foreign assets increased.

The secondary income increased by 7.1 percent in 2018 reaching 1.4 billion USD. It covered 33.1% of goods trade deficit.

The positive net capital account, following 7.0 million USD annual decline equaled 76.1 million USD. Net financial account decreased by 7.1 percent, 87.2 million USD totaling 1.1 billion USD.

Gross external debt, one of the major com-

ponents in external sector statistics, amounted to 17.8 billion USD at the end of 2018. The annual growth of gross external debt equaled 2.8 percent. The external debt of the National Bank of Georgia increased by 26.2 percent (76.8 million USD); Government sector external debt increased by 1.7 percent; deposit-taking corporations' debt by 16.0 percent. While inter-company lending decreased by 6.9% and other sectors' external debt by 0.8 percent.

Reserve assets transactional increase was 278.5 million USD during the year totaling 3.3 billion USD as of 31 December 2018. Import cover ratio equaled 3.7 months of imports. The Balance of Payments of Georgia for 2014-2018 is presented in the table below by indicating the main items.

Table 2.1.2 Balance of Payments of Georgia, 2014-2018 (Million USD)

	2014	2015	2016	2017	2018
<b>Current account</b>	<b>-1,784.2</b>	<b>-1,767.0</b>	<b>-1,885.9</b>	<b>-1,307.5</b>	<b>-1,192.7</b>
<b>Credit</b>	<b>9,626.7</b>	<b>8,174.4</b>	<b>8,324.7</b>	<b>10,087.2</b>	<b>11,681.2</b>
<b>Debit</b>	<b>11,410.8</b>	<b>9,941.4</b>	<b>10,210.6</b>	<b>11,394.7</b>	<b>12,873.9</b>
<b>Goods and services</b>	<b>-2,979.7</b>	<b>-2,547.8</b>	<b>-2,305.5</b>	<b>-1,784.9</b>	<b>-1,872.0</b>
Credit	7,038.7	6,108.2	6,177.7	7,560.0	8,896.6
Debit	10,018.4	8,656.0	8,483.3	9,344.9	10,768.6
<b>Goods</b>	<b>-4,285.6</b>	<b>-3,951.9</b>	<b>-3,882.5</b>	<b>-3,809.2</b>	<b>-4,115.8</b>
Credit	3,995.1	3,021.0	2,864.7	3,569.9	4,406.5
Debit	8,280.7	6,973.0	6,747.2	7,379.1	8,522.3
<b>Services</b>	<b>1,306.0</b>	<b>1,404.1</b>	<b>1,577.0</b>	<b>2,024.3</b>	<b>2,243.8</b>
Credit	3,043.6	3,087.1	3,313.0	3,990.1	4,490.1
Debit	1,737.6	1,683.0	1,736.0	1,965.8	2,246.3
<b>Primary income</b>	<b>-229.8</b>	<b>-338.8</b>	<b>-701.4</b>	<b>-795.7</b>	<b>-684.6</b>
Credit	1,027.2	844.5	914.0	1,129.8	1,281.8
Debit	1,257.0	1,183.3	1,615.4	1,925.5	1,966.4
<b>Secondary income</b>	<b>1,425.3</b>	<b>1,119.6</b>	<b>1,121.1</b>	<b>1,273.1</b>	<b>1,363.8</b>
Credit	1,560.8	1,221.7	1,233.0	1,397.3	1,502.7
Debit	135.5	102.1	111.9	124.3	139.0
<b>Capital account</b>	<b>106.2</b>	<b>58.3</b>	<b>56.0</b>	<b>83.1</b>	<b>76.1</b>
Credit	106.2	58.3	56.0	83.1	76.1
Debit	0.0	0.0	0.0	0.0	0.0
<b>Net lending (+) / net borrowing (-) (balance from current and capital account)</b>	<b>-1,678.0</b>	<b>-1,708.7</b>	<b>-1,829.9</b>	<b>-1,224.5</b>	<b>-1,116.7</b>
<b>Financial account</b>	<b>-1,788.4</b>	<b>-1,781.2</b>	<b>-1,807.2</b>	<b>-1,235.0</b>	<b>-1,147.8</b>
<b>Direct investment</b>	<b>-1,430.3</b>	<b>-1,419.6</b>	<b>-1,243.2</b>	<b>-1,693.2</b>	<b>-925.0</b>
Assets	406.6	315.7	413.0	209.3	293.6

	2014	2015	2016	2017	2018
Liabilities	1,836.9	1,735.3	1,656.2	1,902.5	1,218.7
<b>Portfolio investment</b>	<b>-209.4</b>	<b>153.6</b>	<b>-41.5</b>	<b>77.4</b>	<b>43.9</b>
Assets	37.5	82.8	102.3	241.7	251.2
Liabilities	246.9	-70.8	143.8	164.3	207.3
<b>Financial derivatives and employee stock options</b>	<b>-8.2</b>	<b>1.8</b>	<b>4.0</b>	<b>0.5</b>	<b>1.2</b>
Assets	-11.6	-12.3	-12.8	-7.1	-9.3
Liabilities	-3.4	-14.1	-16.8	-7.6	-10.6
<b>Other investment</b>	<b>-107.2</b>	<b>-417.5</b>	<b>-771.3</b>	<b>138.2</b>	<b>-546.4</b>
Assets	253.8	782.3	271.7	655.1	51.3
Liabilities	361.0	1,199.8	1,043.0	516.9	597.6
<b>Reserve assets</b>	<b>-33.4</b>	<b>-99.4</b>	<b>244.8</b>	<b>242.0</b>	<b>278.5</b>
<b>Net errors and omissions</b>	<b>-110.4</b>	<b>-72.5</b>	<b>22.7</b>	<b>-10.5</b>	<b>-31.1</b>

## 2.2 Current account

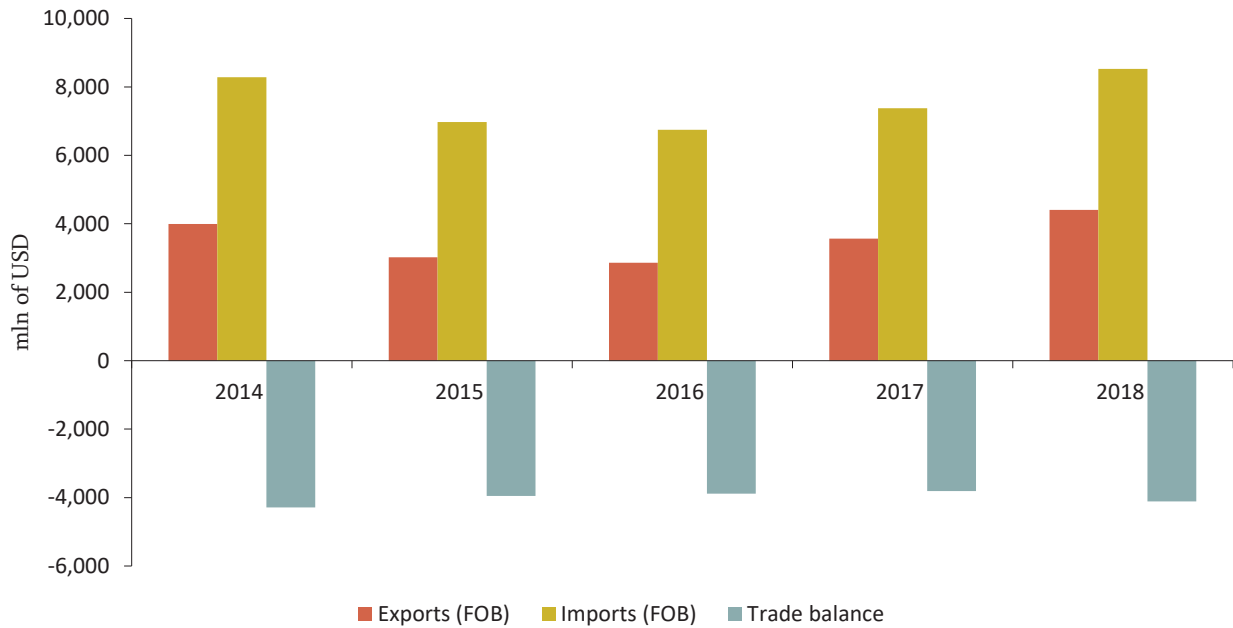
### 2.2.1 Goods

Trade deficit increased by 8.0 percent to 4.1 billion USD in 2018.

Table 2.2.1 Balance of goods, 2014-2018

	Unit	2014	2015	2016	2017	2018
Exports (FOB)	Million USD	3,995.1	3,021.0	2,864.7	3,569.9	4,406.5
Imports (FOB)	Million USD	8,280.7	6,973.0	6,747.2	7,379.1	8,522.3
Trade balance	Million USD	-4,285.6	-3,951.9	-3,882.5	-3,809.2	-4,115.8
Growth of deficit	%	22.2	-7.8	-1.8	-1.9	8.0
Exports growth	%	-4.7	-24.4	-5.2	24.6	23.4
Imports growth	%	7.6	-15.8	-3.2	9.4	15.5

Chart 1.1. Goods, 2014-2018



In 2018, exports were 4.4 billion USD, 23.4 percent higher than the previous year, and imports - 8.5 billion USD, 15.5 percent higher than in 2017.

Table 2.2.2 Current account, goods, 2014-2018 (Million USD)

	2014	2015	2016	2017	2018
<b>Goods</b>	<b>-4,285.6</b>	<b>-3,951.9</b>	<b>-3,882.5</b>	<b>-3,809.2</b>	<b>-4,115.8</b>
Exports	3,995.1	3,021.0	2,864.7	3,569.9	4,406.5
Imports	8,280.7	6,973.0	6,747.2	7,379.1	8,522.3
<b>Trade statistics</b>	<b>-4,325.0</b>	<b>-4,014.0</b>	<b>-3,963.6</b>	<b>-3,879.9</b>	<b>-4,185.6</b>
Exports	3,955.7	2,958.9	2,783.6	3,499.1	4,336.7
Imports	8,280.7	6,973.0	6,747.2	7,379.1	8,522.3
<b>Nonmonetary gold</b>	<b>39.3</b>	<b>62.1</b>	<b>81.1</b>	<b>70.7</b>	<b>69.8</b>
Exports	39.3	62.1	81.1	70.8	69.8
Imports	0.0	0.0	0.0	0.0	0.0

In 2018 registered exports, as well as imports has increased significantly. In exports annual growth amounted to 22.7 percent and imports increased by 15.0 percent, the highest growth during the last five years.

Table 2.2.3 External trade, goods, 2014-2018

	Unit	2014	2015	2016	2017	2018
Exports (FOB)	Million USD	2,861.0	2,204.2	2,113.0	2,735.8	3,355.7
Imports (CIF)	Million USD	8,601.8	7,300.2	7,294.0	7,943.3	9,136.0
Trade balance	Million USD	-5,740.8	-5,096.0	-5,180.9	-5,207.6	-5,780.2
External trade turnover	Million USD	11,462.9	9,504.4	9,407.0	10,679.1	12,491.7

	Unit	2014	2015	2016	2017	2018
Exports to previous year	%	-1.7	-23.0	-4.1	29.5	22.7
Imports to previous year	%	7.2	-15.1	-0.1	8.9	15.0
Exports to imports ratio	%	33.3	30.2	29.0	34.4	36.7

Data source: GeoStat. Shuttle trade is not included.

The export and import distribution by groups of countries is presented in tables 2.2.4 and 2.2.5 below. The group of Black Sea Economic Cooperation (BSEC) countries has the highest share in exports, 58.1 percent in the reporting year. This high share is due to exports realized to the major partner countries: Azerbaijan, Russia, Armenia, Bulgaria and Turkey. These five major trade partner countries have a share of

87.7 percent in the group's exports and 51.0 percent - in total exports of 2018.

In imports also, the BSEC group with a 47.6 percent share is on the first position. An import with Turkey and Russia with total 55.4 percent share is the highest within the group. The share of the two countries imports in total imports of 2018 is also significant - 26.3 percent.

Table 2.2.4 Export of goods (FOB) by country groups 2014-2018 (Million USD)

Country groups	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
European Union countries	617.6	644.7	565.7	655.4	730.7	11.5	21.8
CIS countries	1,464.7	840.9	737.5	1,184.8	1,669.5	40.9	49.8
BSEC countries	1,676.2	1,089.2	967.4	1,489.6	1,949.5	30.9	58.1
OECD countries	931.0	763.8	731.7	777.0	850.1	9.4	25.3

Data source: GeoStat. Shuttle trade is not included.

Table 2.2.5 Import of goods (CIF) by country groups, 2014-2018 (Million USD)

Country groups	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
European Union countries	2,365.2	2,080.9	2,215.0	2,200.7	2,506.1	13.9	27.4
CIS countries	2,127.5	1,967.9	1,981.2	2,317.8	2,694.3	16.2	29.5
BSEC countries	4,353.9	3,579.9	3,580.6	3,902.6	4,345.5	11.3	47.6
OECD countries	4,304.0	3,578.5	3,701.0	3,708.2	4,279.3	15.4	46.8

Data source: GeoStat. Shuttle trade is not included.

In 2018, the declared trade deficit increased by 11.0 percent compared to the previous year and constituted 5.8 billion USD. The foreign trade turnover of Georgia was 12.5 billion USD in 2018, growing by 17.0 percent over the year. Like the previous year, more than half of the

total amount of foreign trade turnover (56.3 percent) comes from the seven major trade partner countries (Turkey, Russia, Azerbaijan, China, Ukraine, Armenia and USA). The trade turnover with these countries totaled 7.0 billion USD.



Table 2.2.6 Foreign trade turnover with main trade partner countries in 2018 (Exports FOB, Imports CIF) (Million USD)

Country	2014	2015	2016	2017	2018	2018 structure (%)
<b>Foreign trade turnover, total</b>	<b>11,462.9</b>	<b>9,504.4</b>	<b>9,407.0</b>	<b>10,679.1</b>	<b>12,491.7</b>	<b>100.0</b>
Of which:						
Turkey	1,965.2	1,514.3	1,527.0	1,590.4	1,706.7	13.7
Russian Federation	849.8	788.0	881.7	1,183.5	1,370.7	11.0
Azerbaijan	1,182.5	779.6	644.8	839.2	1,094.8	8.8
China	823.8	713.1	721.8	934.6	1,031.9	8.3
Ukraine	688.6	515.4	491.2	570.6	689.8	5.5
Armenia	498.2	355.2	367.6	491.6	614.0	4.9
United States	490.1	357.2	282.9	390.1	519.5	4.2
Germany	531.9	506.4	506.0	479.8	482.9	3.9
Bulgaria	376.9	381.9	311.1	342.4	440.5	3.5
France	156.8	138.0	145.1	162.0	307.3	2.5
Other countries	3,899.0	3,455.4	3,527.7	3,694.8	4,233.6	33.9

Data source: GeoStat. Shuttle trade is not included.

Table 2.2.7 Trade Balance with main partner countries in 2018 (Exports FOB, Imports CIF) (Million USD)

Country	2014	2015	2016	2017	2018	2018 structure (%)
<b>Foreign trade balance, total</b>	<b>-5,740.8</b>	<b>-5,096.0</b>	<b>-5,180.9</b>	<b>-5,207.6</b>	<b>-5,780.2</b>	<b>100.0</b>
Of which:						
Turkey	-1,486.6	-1,140.7	-1,180.1	-1,157.1	-1,239.7	21.4
China	-643.0	-461.5	-373.2	-531.2	-635.9	11.0
Russian Federation	-301.4	-462.2	-469.6	-390.2	-497.4	8.6
Germany	-400.0	-355.7	-335.1	-388.5	-379.9	6.6
Ukraine	-408.6	-395.7	-344.5	-321.5	-339.7	5.9
France	-104.5	-95.9	-95.0	-107.6	-217.8	3.8
Japan	-364.9	-208.0	-185.8	-131.6	-203.9	3.5
United States	-75.4	-148.7	-146.3	-146.5	-199.6	3.5
Italy	-135.8	-123.1	-190.0	-148.5	-188.1	3.3
Netherlands	-119.3	-86.1	-180.3	-115.1	-159.0	2.8
Other countries	-1,701.3	-1,618.5	-1,681.0	-1,769.8	-1,719.4	29.7

Data source: GeoStat. Shuttle trade is not included.

Table 2.2.8 Exports (FOB) by main export partner countries in 2018 (Million USD)

Country	2014	2015	2016	2017	2018	2018 structure (%)
<b>Exports, total</b>	<b>2,861.0</b>	<b>2,204.2</b>	<b>2,113.0</b>	<b>2,735.8</b>	<b>3,355.7</b>	<b>100.0</b>
Of which:						
Azerbaijan	544.4	240.9	152.4	272.1	502.0	15.0
Russian Federation	274.2	162.9	206.0	396.7	436.6	13.0
Armenia	288.0	180.2	150.8	210.3	278.7	8.3
Bulgaria	167.1	214.2	160.8	186.9	258.9	7.7
Turkey	239.3	186.8	173.4	216.7	233.5	7.0
China	90.4	125.8	174.3	201.7	198.0	5.9
Ukraine	140.0	59.9	73.3	124.5	175.0	5.2
United States	207.4	104.2	68.3	121.8	160.0	4.8
Kazakhstan	88.6	45.0	39.8	51.8	90.8	2.7
Uzbekistan	54.8	98.0	71.3	64.2	80.5	2.4
Other countries	766.8	786.4	842.5	889.2	941.6	28.1

Data source: GeoStat. Shuttle trade is not included.

Table 2.2.9 Imports (CIF) by main import partner countries in 2018 (Million USD)

Country	2014	2015	2016	2017	2018	2018 structure (%)
<b>Imports, total</b>	<b>8,601.8</b>	<b>7,300.2</b>	<b>7,294.0</b>	<b>7,943.3</b>	<b>9,136.0</b>	<b>100.0</b>
Of which:						
Turkey	1,725.9	1,327.5	1,353.6	1,373.7	1,473.2	16.1
Russian Federation	575.6	625.1	675.6	786.9	934.0	10.2
China	733.4	587.3	547.5	732.9	833.9	9.1
Azerbaijan	638.1	538.7	492.5	567.0	592.8	6.5
Ukraine	548.6	455.6	417.9	446.0	514.8	5.6
Germany	465.9	431.0	420.5	434.2	431.4	4.7
Armenia	282.8	253.0	214.6	268.3	359.5	3.9
United States	210.1	175.1	216.8	281.3	335.3	3.7
Italy	130.7	117.0	120.0	134.8	262.6	2.9
Romania	221.9	197.7	262.7	218.0	231.4	2.5
Other countries	3,068.9	2,592.4	2,572.2	2,700.2	3,167.1	34.7

Data source: GeoStat. Shuttle trade is not included.

The commodities composition of Georgian export and import is largely invariable. During the period 2014-2018 the composition of the top ten exported products was almost unchanged, among these products were: copper ores and concentrates; motor cars; ferro-alloy; wine; cigars and cigarettes, medicaments; spir-

ituous beverages; mineral waters; mineral or chemical fertilizers and gold. The major ten export products constitute 64.4 percent of 2018 total exports (2.2 billion USD).

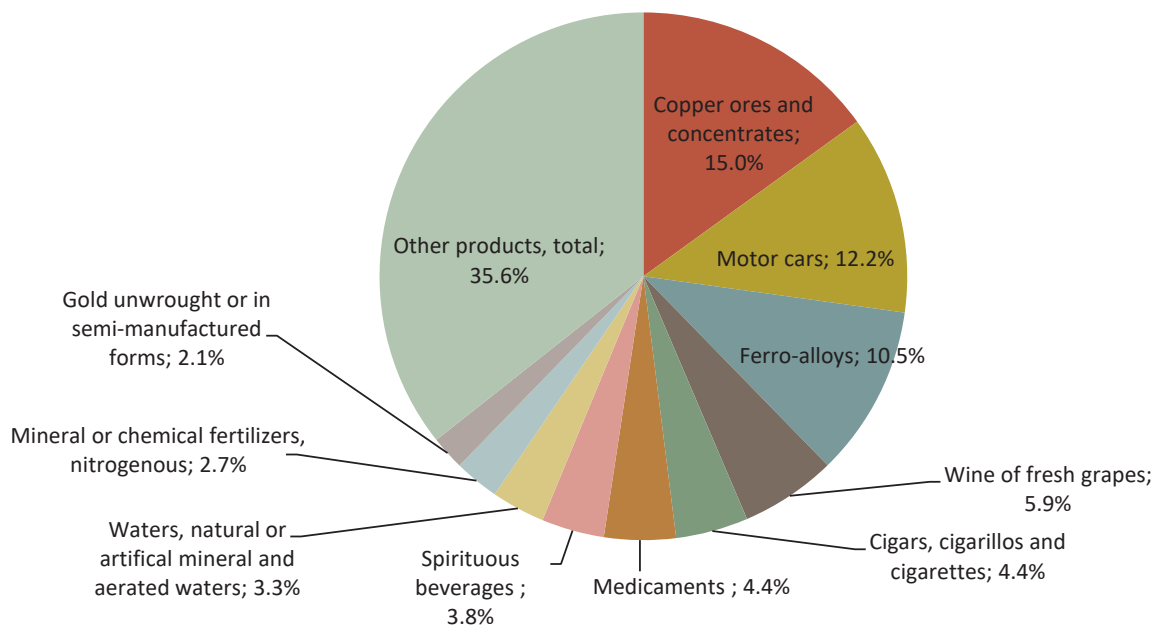
The top ten main exported products in 2018 are shown in table 2.2.10 and chart 1.2.

Table 2.2.10 Main exported products in 2018 (Million USD)

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Exports, total</b>	<b>2,861.0</b>	<b>2,204.2</b>	<b>2,113.0</b>	<b>2,735.8</b>	<b>3,355.7</b>	<b>100.0</b>
	Of Which:						
2603	Copper ores and concentrates	248.0	270.6	312.3	422.5	504.5	15.0
8703	Motor cars	517.8	179.1	166.6	234.7	408.3	12.2
7202	Ferro-alloys	285.8	194.8	169.3	306.4	352.6	10.5
2204	Wine of fresh grapes	180.4	95.8	113.5	171.4	197.0	5.9
2402	Cigars, cigarillos and cigarettes	1.6	7.2	10.4	42.3	149.0	4.4
3004	Medicaments	92.1	141.5	107.4	140.6	147.2	4.4
2208	Spirituos beverages	95.3	64.9	91.9	126.7	129.1	3.8
2201	Waters, natural or artifical mineral and aerated waters	137.1	82.2	79.8	95.8	110.2	3.3
3102	Mineral or chemical fertilizers, nitrogenous	137.6	109.8	65.6	76.4	92.0	2.7
7108	Gold unwrought or in semi-manufactured forms	39.3	62.1	81.1	70.8	69.8	2.1
	Other products, total	1,125.9	996.2	914.9	1,048.3	1,196.2	35.6

Data source: GeoStat. Shuttle trade is not included.

Chart 1.2 Main exported products in 2018 (%)



Of the top ten imported products in 2018 in first place is Petroleum, as in previous years, the import of this product significantly exceeds the value of the other main imported products. On next import positions are: motor cars, copper and medicaments, the majority of which are for re-export. The next main imported products

are: Petroleum gases and other gaseous hydrocarbons; Electrical apparatus for line telephony or telegraphy; Cigars and cigarettes; Automatic data processing machines; wheat and maslin; Turbo-jets, turbo-propellers and other gas turbines. Combined imports of the major twenty one import products has 43.5 percent share

(4.0 billion USD) in total 2018 imports.

Table 2.2.11 Main imported products in 2018 (Million USD)

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Imports, total</b>	<b>8,601.8</b>	<b>7,300.2</b>	<b>7,294.0</b>	<b>7,943.3</b>	<b>9,136.0</b>	<b>100.0</b>
	Of which:						
2710	Petroleum and petroleum oils	918.4	658.5	619.9	697.2	863.8	9.5
8703	Motor cars	715.1	468.2	477.0	476.5	613.9	6.7
2603	Copper ores and concentrates	165.3	207.9	248.5	338.4	396.7	4.3
3004	Medicaments	314.6	303.6	326.1	344.8	339.0	3.7
2711	Petroleum gases and other gaseous hydrocarbons	368.5	416.1	314.7	306.7	291.1	3.2
8517	Electrical apparatus for line telephony or telegraphy	195.7	149.1	176.5	204.9	198.0	2.2
2402	Cigars, cheroots, cigarillos and cigarettes	115.5	103.6	102.1	102.6	187.0	2.0
8471	Automatic data processing machines and unites thereof	104.2	58.9	62.2	97.7	126.6	1.4
1001	Wheat and meslin	151.8	119.4	86.1	98.2	114.9	1.3
8411	Turbo-jets, turbo-propellers and other gas turbines	69.4	30.6	27.1	11.2	83.8	0.9
7214	Bars and rods of iron or non-alloy steel	66.6	57.3	54.0	44.9	82.2	0.9
4011	Tyres of rubber	55.6	48.4	52.5	71.9	80.9	0.9
2716	Electrical energy	51.0	43.8	21.8	66.7	75.8	0.8
8704	Motor vehicles for the transport of goods	71.1	53.1	70.1	72.4	75.0	0.8
7308	Structures and parts of iron or steel	90.9	63.6	97.3	66.9	71.1	0.8
8428	Lifting, handling, loading or unloading machinery	21.2	29.0	42.7	36.7	70.1	0.8
0207	Meat of poultry	72.2	53.0	58.4	61.7	62.2	0.7
8544	Insulated wire, cable of iron or steel	58.7	51.2	64.6	54.2	62.1	0.7
7306	Tubes, pipes of iron or steel	51.9	40.6	48.6	53.5	60.1	0.7
9403	Furniture and parts thereof	73.5	54.8	51.3	54.1	60.0	0.7
1701	Sugar	57.9	49.3	65.5	67.6	58.3	0.6
	Other products, total	4,812.7	4,240.3	4,226.8	4,614.6	5,163.4	56.5

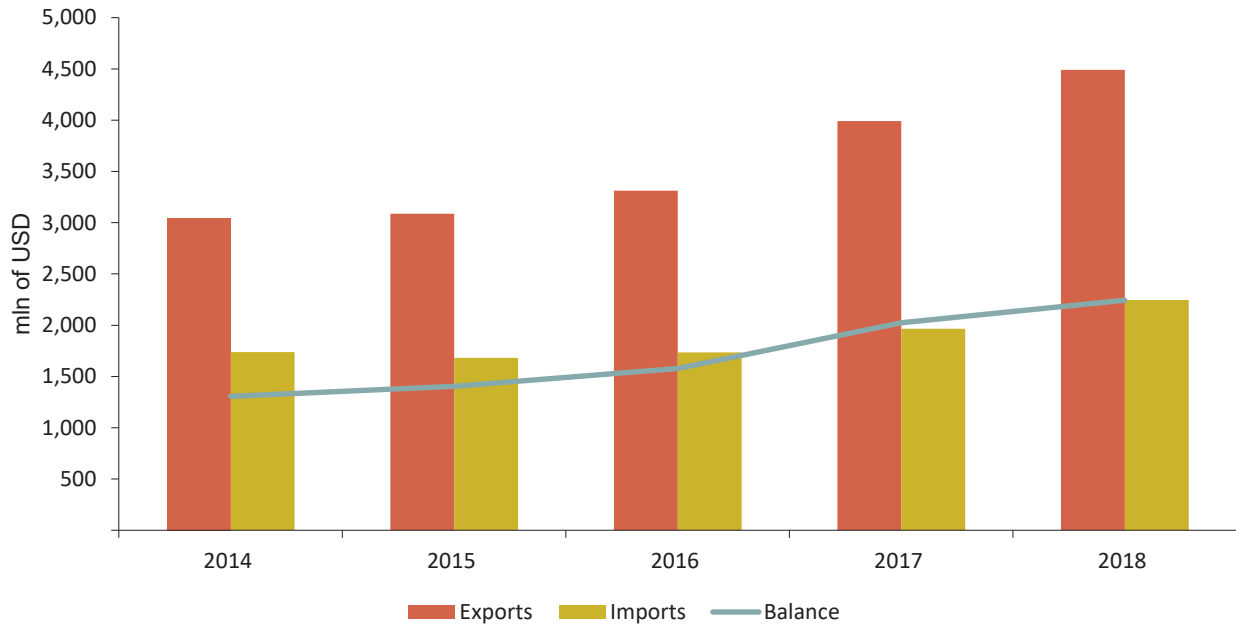
Data source: GeoStat. Shuttle trade is not included.

## 2.2.2 Services

The balance of services account was positive across the period 2014-2018. In 2018, the export of services increased by 12.5% year on

year and imports - by 14.3%; subsequently, the balance of services increased by 10.8%. The value of the balance of services account was 2.2 billion USD and accounted for 12.7% of GDP.

Chart 2.1 Service dynamics, 2014-2018



In 2018, the export of services totaled 4.5 billion USD - 1.9% more than the export of goods. At the same time, the import of services stood at 2.2 billion USD, which was 26.4% of the import of goods.

In 2018, a total of 88.7% of the turnover from trade in services was generated by travel (55.6%) and transportation (33.1%).

The positive balance of travel was significant in 2018 and amounted to 2.7 billion USD, increasing by 20.4% year on year. While the transport services featured with negative balance amounted to 284.4 million USD, as well as insurance and pension services with 122.0 million USD negative balance respectively.

Table 2.2.21 Service balance 2014-2018 (Million USD)

	2014	2015	2016	2017	2018
<b>Balance of services, total</b>	<b>1306.0</b>	<b>1404.1</b>	<b>1577.0</b>	<b>2024.3</b>	<b>2243.8</b>
Of which:					
Manufacturing services on physical inputs owned by others	22.4	18.4	17.0	12.4	5.3
Maintenance and repair services n.i.e.	-2.4	-4.6	-4.4	-2.2	-2.8
Transport	34.8	-4.8	-37.1	-122.3	-284.0
Travel	1488.0	1538.9	1724.4	2240.8	2697.3
Construction	-4.8	-1.0	1.7	-3.2	-5.3
Insurance and pension services	-127.9	-108.8	-108.2	-110.1	-122.0
Financial services	-6.2	-0.7	-4.2	-3.2	-2.1
Charges for the use of intellectual property n.i.e.	-17.7	-6.4	-15.4	-24.4	-26.8
Telecommunications, computer, and information services	10.4	5.1	5.9	30.3	1.3

	2014	2015	2016	2017	2018
Other business services	-75.0	-51.5	-25.8	-32.1	-43.2
Personal, cultural, and recreational services	4.5	2.7	5.6	8.2	2.7
Government goods and services n.i.e.	-20.2	16.8	17.5	30.3	23.2

Table 2.2.22 Exports of services 2014–2018 (Million USD)

	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
Exports of Services, total	3,043.6	3,087.1	3,313.0	3,990.1	4,490.1	12.5	100.0
Of which:							
Manufacturing services on physical inputs owned by others	23.0	18.8	17.3	13.0	7.0	-46.1	0.2
Maintenance and repair services n.i.e.	1.8	2.6	0.2	1.5	0.7	-50.1	0.0
Transport	971.5	952.1	919.9	959.7	973.9	1.5	21.7
Travel	1,787.1	1,868.5	2,110.7	2,704.3	3,222.1	19.1	71.8
Construction	5.5	9.2	9.8	5.7	4.6	-18.8	0.1
Insurance and pension services	20.2	18.2	13.5	11.8	11.3	-3.9	0.3
Financial services	7.0	11.0	13.1	16.6	19.9	19.8	0.4
Charges for the use of intellectual property n.i.e.	1.7	0.6	0.8	0.3	0.3	-18.9	0.0
Telecommunications, computer, and information services	56.4	45.0	56.2	89.9	84.6	-5.9	1.9
Other business services	62.7	58.5	61.5	70.5	50.3	-28.6	1.1
Personal, cultural, and recreational services	17.1	14.0	15.3	18.7	17.0	-8.7	0.4
Government goods and services n.i.e.	89.7	88.7	94.6	98.3	98.4	0.1	2.2

Table 2.2.23 Imports of services 2014–2018 (Million USD)

	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
Imports of Services, total	1,737.6	1,683.0	1,736.0	1,965.8	2,246.3	14.3	100.0
Of which:							
Manufacturing services on physical inputs owned by others	0.5	0.4	0.3	0.6	1.7	169.7	0.1
Maintenance and repair services n.i.e.	4.2	7.2	4.6	3.6	3.5	-2.8	0.2
Transport	936.7	956.9	957.0	1,082.0	1,257.9	16.3	56.0
Travel	299.2	329.6	386.3	463.6	524.7	13.2	23.4
Construction	10.3	10.2	8.1	8.9	9.9	10.9	0.4
Insurance and pension services	148.1	127.0	121.7	121.9	133.3	9.3	5.9

	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
Financial services	13.2	11.7	17.3	19.8	22.0	10.9	1.0
Charges for the use of intellectual property n.i.e.	19.3	7.0	16.2	24.7	27.1	9.6	1.2
Telecommunications, computer, and information services	46.0	39.9	50.4	59.6	83.2	39.6	3.7
Other business services	137.7	109.9	87.2	102.6	93.6	-8.8	4.2
Personal, cultural, and recreational services	12.5	11.3	9.8	10.5	14.3	37.2	0.6
Government goods and services n.i.e.	109.9	71.8	77.1	68.0	75.1	10.5	3.3

Travel is the largest service item for Georgia. During the last five years, travel services mainly determined the balance of services account. In 2018 the travel keeps its growing tendency and has increased by 19.1 % year on year (and by 80.3 % compared to 2014). The share of travel services exceeded half of the to-

tal exports of services (71.8%). In 2018 imports of travel services increased by 13.2% and its share in total imports of services amounted to 23.4%. In 2018, the share of personal travel in the travel balance exceeded the share of business travel, equaling 78.2%.

Table 2.2.24 Travel 2014–2018 (Million USD)

	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
<b>Exports</b>	<b>1,787.1</b>	<b>1,868.5</b>	<b>2,110.7</b>	<b>2,704.3</b>	<b>3,222.1</b>	<b>19.1</b>	<b>100.0</b>
Business	643.1	726.1	668.1	794.2	918.9	15.7	28.5
Personal	1,144.1	1,142.4	1,442.7	1,910.1	2,303.1	20.6	71.5
<b>Imports</b>	<b>299.2</b>	<b>329.6</b>	<b>386.3</b>	<b>463.6</b>	<b>524.7</b>	<b>13.2</b>	<b>100.0</b>
Business	209.8	198.7	259.3	320.2	330.7	3.3	63.0
Personal	89.3	130.9	127.0	143.4	194.0	35.2	37.0
<b>Balance</b>	<b>1,488.0</b>	<b>1,538.9</b>	<b>1,724.4</b>	<b>2,240.8</b>	<b>2,697.3</b>	<b>20.4</b>	<b>100.0</b>
Business	433.2	527.4	408.7	474.0	588.2	24.1	21.8
Personal	1,054.8	1,011.5	1,315.7	1,766.7	2,109.2	19.4	78.2

A transportation service is a significant component of services, accounting for 21.7% of total exports of services and for more than half of import services (56.0%) in 2018. During the

year, transportation service exports amounted to 973.9 million USD (increasing by 1.5% year on year), while imports amounted to 1.3 billion USD (increasing by 16.3%).

Table 2.2.25 Transportation services by means of transportation, 2014–2018 (Million USD)

	2014	2015	2016	2017	2018	Annual growth (%)	2018 structure (%)
<b>Exports</b>	<b>971.5</b>	<b>952.1</b>	<b>919.9</b>	<b>959.7</b>	<b>973.9</b>	<b>1.5</b>	<b>100.0</b>
Sea transport	154.4	169.0	159.8	134.7	126.8	-5.9	13.0
Air transport	199.7	191.0	206.7	271.7	296.2	9.0	30.4
Rail transport	149.9	129.6	87.5	66.7	56.9	-14.8	5.8
Road transport	133.7	131.9	142.6	170.5	184.7	8.3	19.0
Pipeline transport and electricity transmission	329.7	326.8	318.8	311.0	303.8	-2.3	31.2
Postal and courier services	4.1	3.8	4.4	5.0	5.4	8.4	0.6
<b>Imports</b>	<b>936.7</b>	<b>956.9</b>	<b>957.0</b>	<b>1,082.0</b>	<b>1,257.9</b>	<b>16.3</b>	<b>100.0</b>
Sea transport	308.7	305.1	257.2	271.9	309.5	13.8	24.6
Air transport	208.3	212.6	231.7	277.5	332.7	19.9	26.4
Rail transport	57.7	61.4	89.4	108.1	132.3	22.4	10.5
Road transport	360.9	376.7	377.5	422.9	481.6	13.9	38.3
Pipeline transport and electricity transmission	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Postal and courier services	1.0	1.1	1.3	1.5	1.9	22.1	0.1

During 2014-2018, pipelines had the biggest share in transportation services exports, amounting to 31.2% in 2018 – a decrease of 2.3% and 7.2 million USD over 2017. Income from air transportation increased by 9.0% compared to the previous year and accounted for 30.4% of total transportation income. On third place in transportation services exports was road transportation with 184.7 million USD of exports rise by 8.3%. Export of Railway trans-

portation, the majority of which comes from transit, decreased by 14.8% over the year.

In terms of transportation service imports, within the reporting year automobile transportation has the biggest share (38.3%) – a growth rate of 13.9% over the year. Air transportation services had 26.4% share of total transportation services imports. Sea transportation imports had a 24.6% share. The share of railway transportation services in imports was 10.5 %.

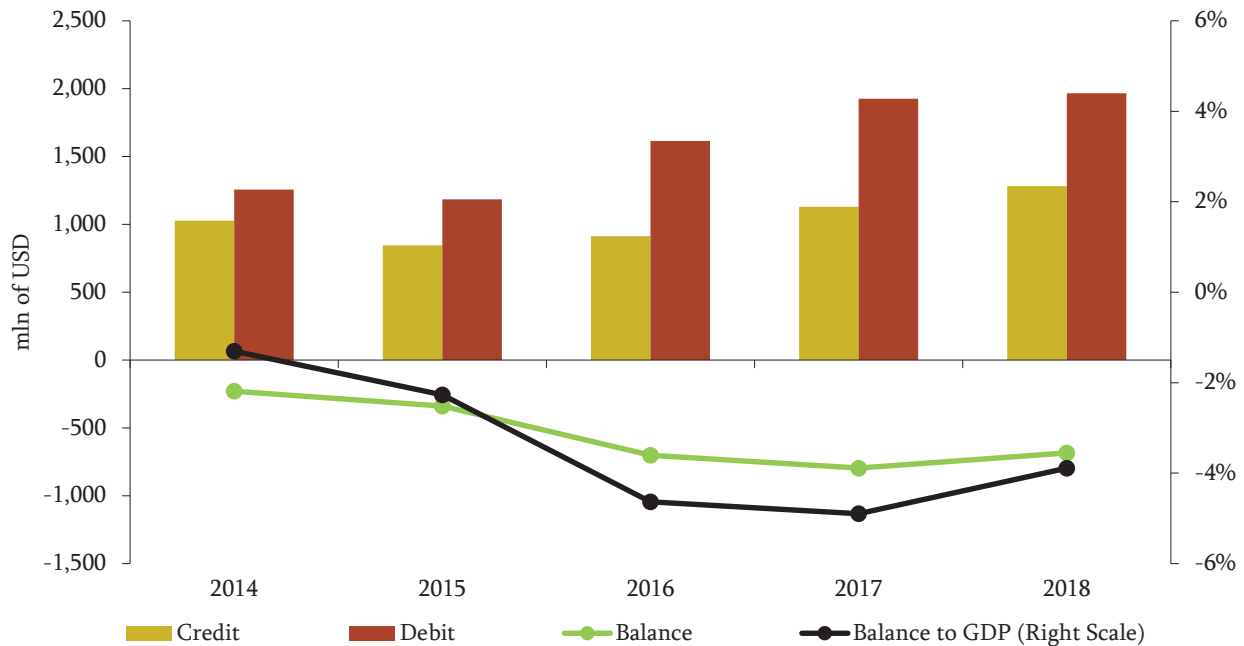


### 2.2.3 Primary income

The balance of the primary income account amounted to -684.6 million USD in 2018. That is -3.9 percent of GDP. The surplus in the compensation of employees was outweighed by a net investment income deficit, resulting in

a negative record of the primary income account. Balance of compensation of employees (mostly due to increase in credit), as well as net investment income increased. This resulted in decreased primary income deficit.

Chart 2.3 Primary income dynamics, 2014-2018



Primary income credit increased by 13.5 percent annually and amounted to 1.3 billion USD in 2018. The main contributor to primary income credit was the compensation of employees. The credit of compensation of employees amounted to 845.8 million USD, accounting for 66.0 percent of total primary income cred-

it. This figure increased by 14.1 percent year over year. Income from investments abroad increased by 12.2 percent and comprised 436.1 million USD. Investment income credit had a 34.0 percent share of total primary income credit in 2018.

Table 2.2.31 Volume and structure of primary income credit, 2014-2018

	Volume (Million USD)					Structure (%)					Annual growth (%)
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	
<b>Total</b>	<b>1,027.2</b>	<b>844.5</b>	<b>914.0</b>	<b>1,129.8</b>	<b>1,281.8</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>13.5</b>
<b>Compensation of employees</b>	<b>738.7</b>	<b>574.6</b>	<b>652.2</b>	<b>741.1</b>	<b>845.8</b>	<b>71.9</b>	<b>68.0</b>	<b>71.4</b>	<b>65.6</b>	<b>66.0</b>	<b>14.1</b>
<b>Investment income</b>	<b>288.5</b>	<b>269.9</b>	<b>261.7</b>	<b>388.7</b>	<b>436.1</b>	<b>28.1</b>	<b>32.0</b>	<b>28.6</b>	<b>34.4</b>	<b>34.0</b>	<b>12.2</b>
Foreign direct investment	248.3	212.6	204.9	316.4	318.8	24.2	25.2	22.4	28.0	24.9	0.8
Portfolio investment	1.2	4.3	8.7	11.9	21.0	0.1	0.5	1.0	1.0	1.6	76.9
Other investment	26.5	41.5	30.5	32.9	41.3	2.6	4.9	3.3	2.9	3.2	25.7

Primary income debit amounted to 2.0 billion USD in 2018 up by 2.1 percent annually. It mainly consists of investment income debit. Income accrued on investments made in Georgia by nonresidents totaled 1.8 billion USD in 2018, up by 0.6 percent year on year. Investment income debit mainly consists of dividends and reinvested earnings on foreign direct investments, totaling roughly to 1.3 billion USD. In-

come paid out on portfolio investments totaled 158.3 million USD. The remaining 393.4 million USD of investment income debit accounted to other investments. Compensation paid to foreign employees was relatively small compared to compensation paid to resident employees from abroad. During the reporting period, this figure increased by 25.4 percent and amounted to 148.4 million USD.

Table 2.2.32 Volume and structure of primary income debit, 2014-2018

	Volume (Million USD)					Structure (%)					Annual growth (%)
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	
<b>Total</b>	<b>1,257.0</b>	<b>1,183.3</b>	<b>1,615.4</b>	<b>1,925.5</b>	<b>1,966.4</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>2.1</b>
<b>Compensation of employees</b>	<b>75.8</b>	<b>86.2</b>	<b>94.4</b>	<b>118.4</b>	<b>148.4</b>	<b>6.0</b>	<b>7.3</b>	<b>5.8</b>	<b>6.1</b>	<b>7.5</b>	<b>25.4</b>
<b>Investment income</b>	<b>1,181.2</b>	<b>1,097.0</b>	<b>1,521.0</b>	<b>1,807.1</b>	<b>1,817.9</b>	<b>94.0</b>	<b>92.7</b>	<b>94.2</b>	<b>93.9</b>	<b>92.5</b>	<b>0.6</b>
Foreign direct investment	771.9	592.1	1016.7	1335.4	1266.3	61.4	50.0	62.9	69.4	64.4	-5.2
Portfolio investment	130.6	142.4	144.8	142.0	158.3	10.4	12.0	9.0	7.4	8.1	11.5
Other investment	278.7	362.5	359.5	329.7	393.4	22.2	30.6	22.3	17.1	20.0	19.3

## 2.2.4 Secondary income

The balance of secondary income reached 1.4 billion USD in 2018 that is 90.7 million USD or 7.1 percent greater than the previous year's figure. Secondary income balance over GDP accounted for 7.8 percent in 2018.

Secondary income credit increased by 7.5 percent in 2018 and amounted to 1.5 billion USD. Credit mainly consisted of those from other sectors. Credit of personal transfers totaled to 1.2 billion USD. Workers' remittances accounted to 865.3 million USD out of personal transfers. Other current transfers credit amounted to 138.1 million USD in 2018. Credit of secondary income of government sector decreased by 26.0 percent. Totally, intergovernmental grants and other types of technical or humanitarian aid received by government of Georgia amounted to 176.1 million USD. Secondary income debit was low and equaled to

139.0 million USD. This amount mainly contains taxes paid by residents to other countries and annually equals to 127.4 million USD.

While analyzing the primary and secondary income it is also important to look at the cash flows in and out of the country made through money transfer operators. This category includes both the compensation of employees and worker's remittances, also transactions between nonresidents. A total of 1.6 billion USD was transferred to Georgia during 2018 through money transfer operators, which is 13.9 percent more compared to the previous year's figure.

Money transfer outflows were relatively small compared to inflows. Total money transfer outflows were 229.7 million USD, a 9.5 percent increase compared to the previous year.

Chart 2.4 Secondary income dynamics, 2014-2018

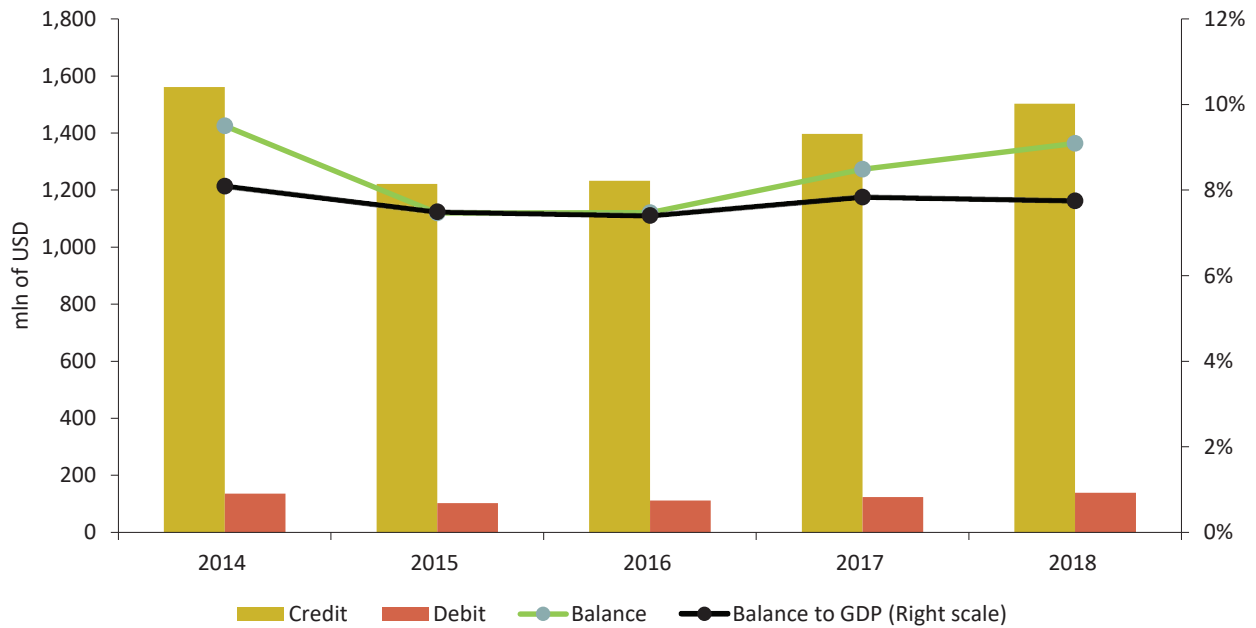


Table 2.2.41 Volume and structure of secondary income, 2014-2018

	Volume (Million USD)					Structure (%)					Annual growth (%)
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	
<b>Secondary income, Credit</b>	<b>1,560.8</b>	<b>1,221.7</b>	<b>1,233.0</b>	<b>1,397.3</b>	<b>1,502.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>7.5</b>
General government	163.7	194.1	234.2	238.0	176.1	10.5	15.9	19.0	17.0	11.7	-26.0
Financial corporations, nonfinancial corporations, households, and NPISHs	1,397.1	1,027.6	998.8	1,159.3	1,326.6	89.5	84.1	81.0	83.0	88.3	14.4
Personal transfers (Current transfers between resident and nonresident households)	1,247.8	884.2	868.6	1,052.9	1,188.5	79.9	72.4	70.4	75.3	79.1	12.9
Of which: Workers' remittances	761.1	587.7	578.6	750.4	865.3	48.8	48.1	46.9	53.7	57.6	15.3
Other current transfers	149.3	143.4	130.2	106.5	138.1	9.6	11.7	10.6	7.6	9.2	29.7
<b>Secondary income, Debit</b>	<b>135.5</b>	<b>102.1</b>	<b>111.9</b>	<b>124.3</b>	<b>139.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>11.8</b>
General government	4.6	1.4	2.6	4.6	2.7	3.4	1.4	2.3	3.7	1.9	-42.6
Financial corporations, nonfinancial corporations, households, and NPISHs	130.9	100.7	109.3	119.6	136.3	96.6	98.6	97.7	96.3	98.1	13.9

	Volume (Million USD)					Structure (%)					Annual growth (%)
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	
Personal transfers (Current transfers between resident and nonresident households)	10.3	9.6	6.1	3.8	2.7	7.6	9.4	5.5	3.0	2.0	-27.9
Other current transfers	120.6	91.1	103.2	115.9	133.6	89.0	89.2	92.2	93.2	96.1	15.3

Table 2.2.42 Volume and Structure of Money Transfers, 2014-2018

	Volume (Million USD)					Structure (%)					Annual growth (%)
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018	
<b>Total Inflow</b>	<b>1,440.4</b>	<b>1,080.0</b>	<b>1,153.4</b>	<b>1,387.2</b>	<b>1,579.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>13.9</b>
Russian Federation	709.3	432.7	394.6	455.4	457.2	49.2	40.1	34.2	32.8	28.9	0.4
Italy	121.5	109.1	123.0	148.7	192.9	8.4	10.1	10.7	10.7	12.2	29.7
Greece	204.6	117.8	124.6	142.0	170.9	14.2	10.9	10.8	10.2	10.8	20.4
USA	82.1	100.0	127.7	142.1	159.6	5.7	9.3	11.1	10.2	10.1	12.3
Israel	23.6	32.9	60.7	119.2	151.4	1.6	3.0	5.3	8.6	9.6	27.1
Turkey	64.0	68.9	87.1	109.6	105.9	4.4	6.4	7.5	7.9	6.7	-3.4
Spain	28.0	26.8	30.9	36.3	41.6	1.9	2.5	2.7	2.6	2.6	14.4
Germany	24.2	26.7	29.9	34.1	41.5	1.7	2.5	2.6	2.5	2.6	21.7
Ukraine	30.8	20.9	21.0	26.5	28.8	2.1	1.9	1.8	1.9	1.8	8.6
Azerbaijan	17.8	15.5	14.8	15.7	20.4	1.2	1.4	1.3	1.1	1.3	30.4
Other Countries	134.5	128.8	139.2	157.7	209.6	9.3	11.9	12.1	11.4	13.3	32.9
<b>Total outflow</b>	<b>178.4</b>	<b>170.8</b>	<b>194.1</b>	<b>209.9</b>	<b>229.7</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>9.5</b>
Russian Federation	72.9	77.7	87.3	89.6	90.4	40.8	45.5	45.0	42.7	39.3	0.8
Ukraine	19.2	19.1	21.5	22.4	26.0	10.8	11.2	11.1	10.7	11.3	16.0
Turkey	5.3	6.5	10.0	18.1	24.1	3.0	3.8	5.1	8.6	10.5	33.7
Azerbaijan	7.5	7.4	8.8	9.8	12.2	4.2	4.3	4.5	4.7	5.3	24.2
Greece	18.6	11.2	10.7	8.6	9.6	10.4	6.5	5.5	4.1	4.2	12.0
Armenia	5.8	4.8	6.8	6.5	7.5	3.3	2.8	3.5	3.1	3.3	15.4
Kazakhstan	3.3	3.7	4.2	4.4	4.9	1.8	2.2	2.2	2.1	2.1	12.0
Israel	1.8	2.1	3.1	4.8	4.8	1.0	1.2	1.6	2.3	2.1	1.4
USA	2.5	2.6	4.1	4.2	4.6	1.4	1.5	2.1	2.0	2.0	9.7
Uzbekistan	4.0	3.7	3.8	4.7	4.3	2.3	2.2	2.0	2.2	1.9	-8.2
Other Countries	37.5	32.0	33.8	36.9	41.3	21.0	18.7	17.4	17.6	18.0	12.0

## 2.3 Capital Account

The balance of capital account totaled 76.1 million USD decreasing by 8.4 percent year on year. Net capital transfers decreased in 2018 following the declining inflow (credit). The capital outflow, similar to precious years was insignificant. The table below shows the credit, debit and net figures of capital transfers from the balance of payments for the last five years.

Government sector was the principal contributor to total capital transfers. 94.7 percent of capital transfers credits accounted for government sector in 2018. 3.6 million USD worth debt forgiveness was observed in financial corporations, nonfinancial corporations, households and NPISHs in reporting year.

Table 2.3.11 Capital transfers (Million USD)

	2014	2015	2016	2017	2018	Annual growth (%)
<b>Capital transfers</b>	<b>106.2</b>	<b>58.3</b>	<b>56.0</b>	<b>83.1</b>	<b>76.1</b>	<b>-8.4</b>
Credit	106.2	58.3	56.0	83.1	76.1	-8.4
Debit	0.0	0.0	0.0	0.0	0.0	0.0
<b>General government</b>	<b>104.2</b>	<b>56.1</b>	<b>54.5</b>	<b>82.1</b>	<b>72.0</b>	<b>-12.3</b>
Credit	104.2	56.1	54.5	82.1	72.0	-12.3
Debit	0.0	0.0	0.0	0.0	0.0	0.0
<b>Financial corporations, nonfinancial corporations, households, and NPISHs</b>	<b>2.0</b>	<b>2.3</b>	<b>1.5</b>	<b>0.9</b>	<b>4.0</b>	<b>3.4 - times</b>
Credit	2.0	2.3	1.5	0.9	4.0	3.4 - times
Debit	0.0	0.0	0.0	0.0	0.0	0.0

There were no records made in the other component of the capital account, "Gross acquisitions/disposals of non-produced nonfinancial assets" during 2013–2017.

Balance of current and capital account was

negative in 2018. This figure indicates that Georgia was net borrower from the rest of the world. During the year net borrowing decreased by 8.8 percent and amounted to 1.1 billion USD.

## 2.4 Financial Account

### 2.4.1 Foreign Direct Investment

The stock of inward Foreign Direct Invest-

ment (FDI) to the national economy by the end of 2018 amounted to 18.3 billion USD, about 4,900 USD per capita.

Chart 2.6 Dynamics of inward foreign direct investments, 2014-2018

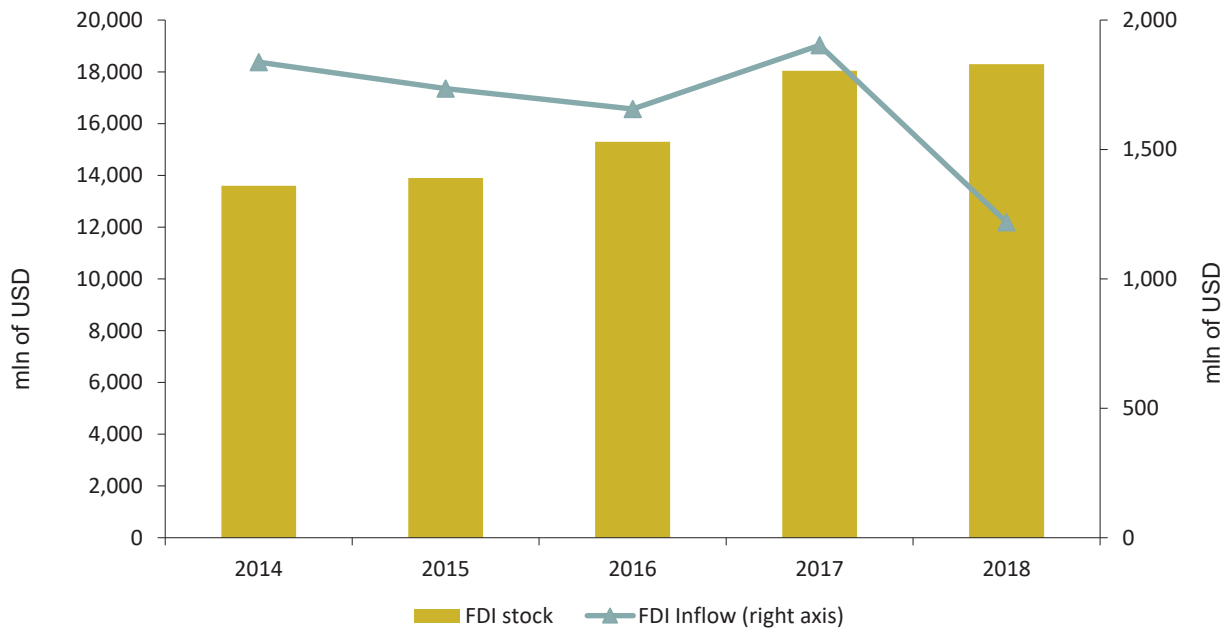


Table 2.4.1 Foreign direct investments (flows), 2014-2018 (Million USD)

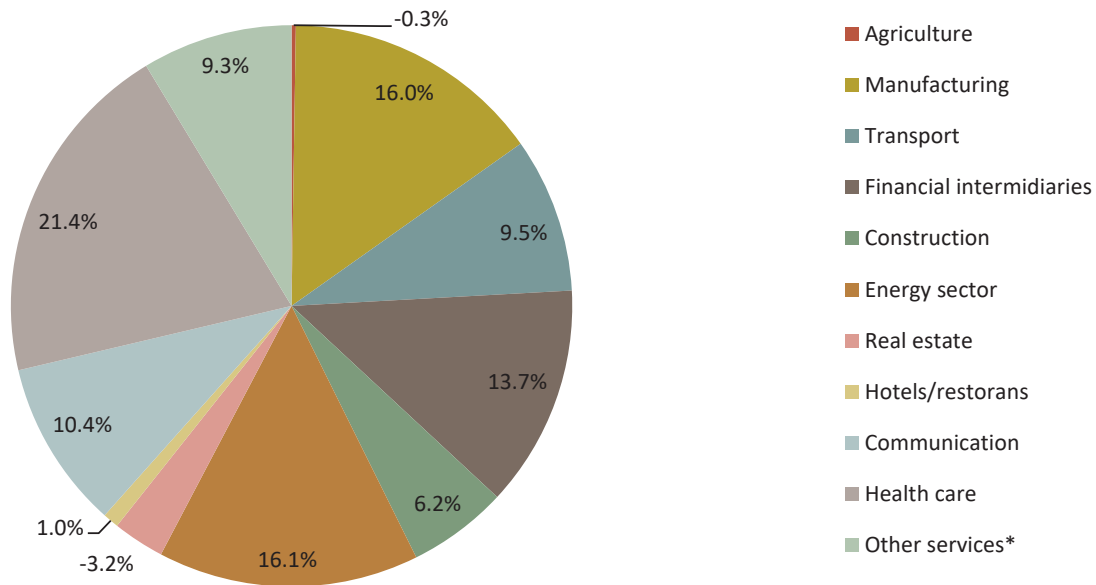
	2014	2015	2016	2017	2018
<b>Net acquisition of financial assets</b>	<b>406.6</b>	<b>315.7</b>	<b>413.0</b>	<b>209.3</b>	<b>293.6</b>
<b>Net incurrence of liabilities</b>	<b>1,836.9</b>	<b>1,735.3</b>	<b>1,656.2</b>	<b>1,902.5</b>	<b>1,218.7</b>
Equity capital	1,245.8	1,549.0	1,805.7	1,091.3	803.4
Reinvested earnings	324.9	157.7	311.0	616.6	437.2
Other capital	266.2	28.6	-460.6	194.6	-22.0

The direct investment inflow declined by 35.9 percent in 2018 equaling 1.2 billion USD. The largest FDI inflow was observed in 2017. The FDI inflow was distributed as follows: 803.4 million USD in equity capital, 437.2 million USD in reinvested earnings, and -22.0 million USD in other capital (direct investor loans).

The share of the industry accounted for

16.0%. The remaining FDI was directed to the services sectors and was distributed as follows: The largest inflow of FDI was in financial sector 21.4%. Investment in transport accounted for 16.1% of total FDI; 13.7% of FDI inflow was in construction; real estate accounted for 10.4% of FDI; energy sector for 9.5 %; share of hotels and restaurants was 6.2 %. The remaining investments were directed to other services

Chart 2.7 Foreign direct investment inflow during 2018, by field of activity



\* Trade; education; health and social work; community, social and personal service activities

## 2.4.2 Portfolio Investment

During 2018, the transactional growth of net portfolio investment amounted to 43.9 million USD. Liabilities increased by 207.3 million USD due to other sectors' transactional changes in debt securities. Meanwhile, liabilities of de-

pository corporations and government sectors decreased. The asset increase (251.2 million USD) was due to the purchase of Georgian Lari denominated foreign securities by commercial banks.

Table 2.4.2 Portfolio investment, 2014-2018 (Million USD)

	2014	2015	2016	2017	2018
<b>Portfolio investment</b>	<b>-209.4</b>	<b>153.6</b>	<b>-41.5</b>	<b>77.4</b>	<b>43.9</b>
<b>Net acquisition of financial assets</b>	<b>37.5</b>	<b>82.8</b>	<b>102.3</b>	<b>241.7</b>	<b>251.2</b>
Equity	-8.6	0.3	11.1	50.6	63.3
Debt securities	46.2	82.4	91.2	191.1	187.9
<b>Net incurrence of liabilities</b>	<b>246.9</b>	<b>-70.8</b>	<b>143.8</b>	<b>164.3</b>	<b>207.3</b>
Equity	209.6	4.9	-3.6	-2.0	4.5
Deposit-taking corporations, except central bank	206.5	3.3	-6.9	-3.4	0.0
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	3.0	1.5	3.3	1.4	4.4
Debt securities	37.3	-75.6	147.4	166.3	202.8
Deposit-taking corporations, except central bank	30.6	-49.7	-317.5	208.1	-24.5
General government	5.8	1.5	55.0	11.7	-59.3
Other sectors	0.9	-27.4	409.8	-53.5	286.6

### 2.4.3 Financial derivatives and employee stock options

Financial derivatives, as an independent component of the financial account, have not been presented for long and were previously included in portfolio investments. Following the development of financial markets, the role of financial derivatives in financial operations increased significantly. It was thus considered appropriate to show them on a separate account in a number of statistical reports. As the

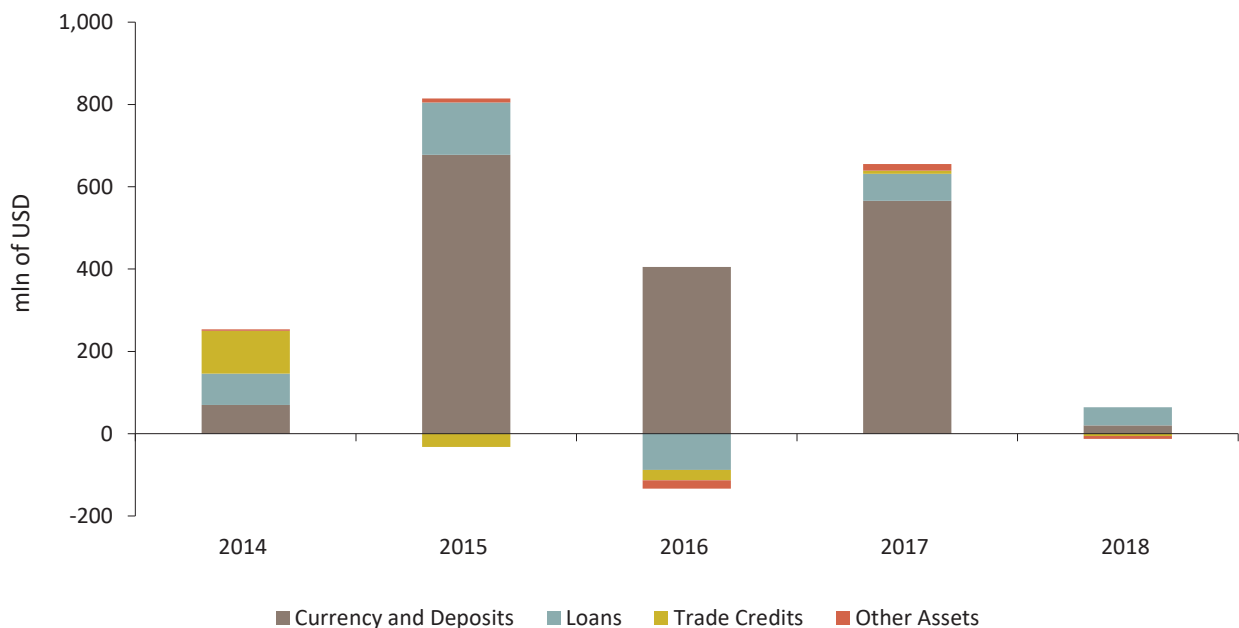
financial market in Georgia is only in its early stages, operations with financial derivatives are insignificant and are conducted only by a few banks. However, this market has the potential to develop. At the initial stages, there was only one instrument – currency swap. However, starting from the fourth quarter of 2008 new financial instruments, gold and oil futures were presented on the derivatives market in Georgia. Net financial derivatives for 2018 amounted to 1.24 million USD.

### 2.4.4 Other Investment

The net capital outflow recorded on the other investment account during 2018 equaled 546.4 million USD. The transactional growth of

residents' external assets equaled 51.3 million USD, and liabilities increased by 597.6 million USD.

Chart 2.8 Other investment – assets, 2014-2018 (Million USD)

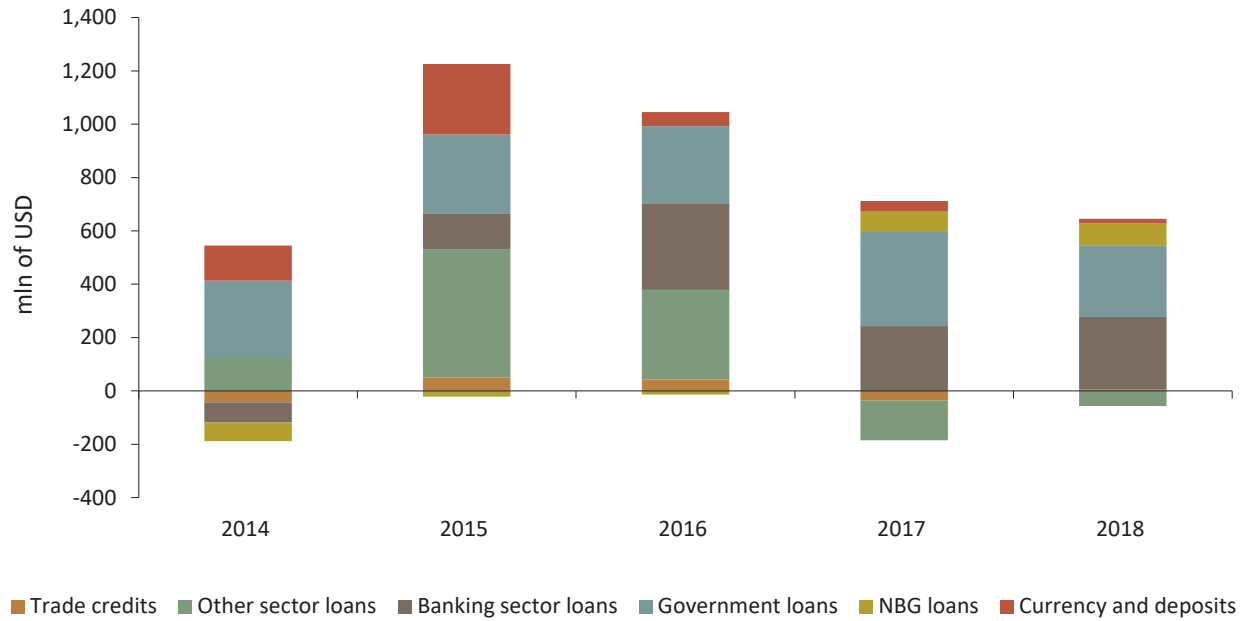


Among assets the highest growth was recorded on Loans (44.2 million USD). Cash and deposits increased by 20.0 million USD. Trans-

actional changes in other items were insignificant and negative.



Chart 2.9 Other investment - liabilities, 2014-2018 (Million USD)



The highest inflow on liability side came from government loans (266.6 million USD) and commercial banks' loans (271.3 million

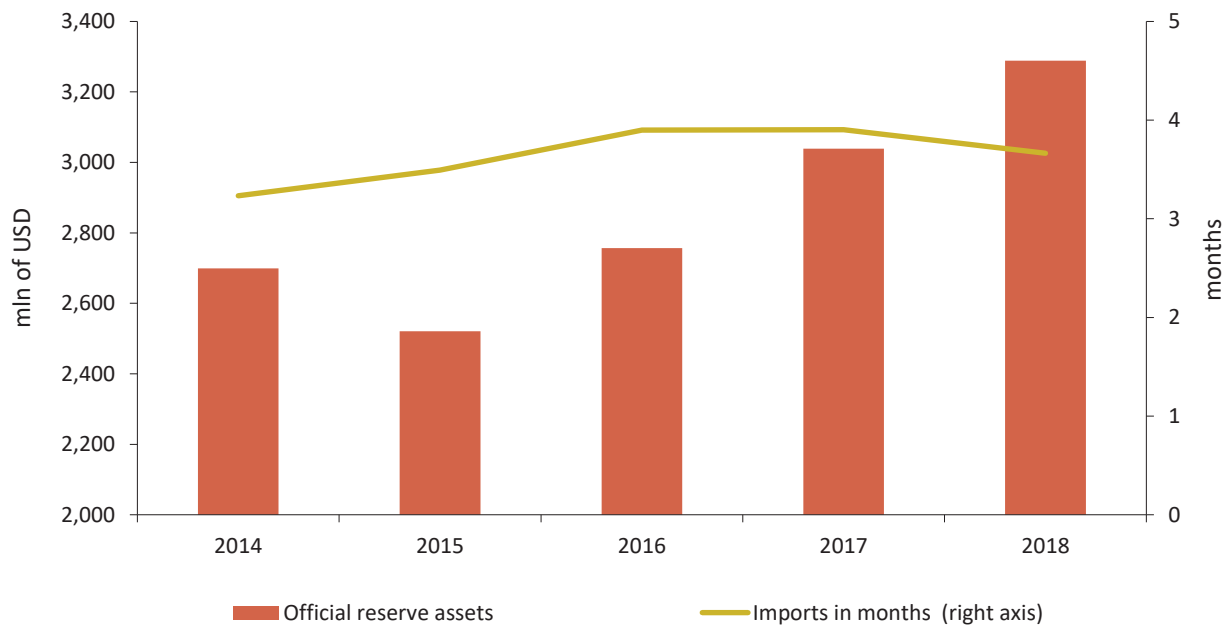
USD). National Bank's loan increased by 84.1 million USD, while other sectors' loan declined by 57.0 million USD.

### 2.4.5 Reserve Assets

By the end of 2018, the official reserve assets of Georgia amounted to 3.3 billion USD. The net increase compared to the previous year was 249.6 million USD or 8.2 %. Of that,

the transactional change was 278.5 million USD, and the remaining growth was due to exchange rate and other changes.

Chart 2.10 Reserve assets, 2014-2018 (Million USD)



Changes in the volume of the NBG’s international reserves in 2018 were affected by a number of traditional factors, including the NBG’s FX auctions, government expenditures, and loans and grants received from international organizations. During the year, net FX purchase by the NBG totaled 197.5 million USD. The loans and grants received by the Georgian government to finance various programs and projects from international financial organizations and

donor countries was 456 million USD, the funds received from the IMF amounted to 84 million USD in 2017. On the other hand, the Georgian government debt service amounted to 390 million USD and currency conversions by the government amounted to 333 million USD.

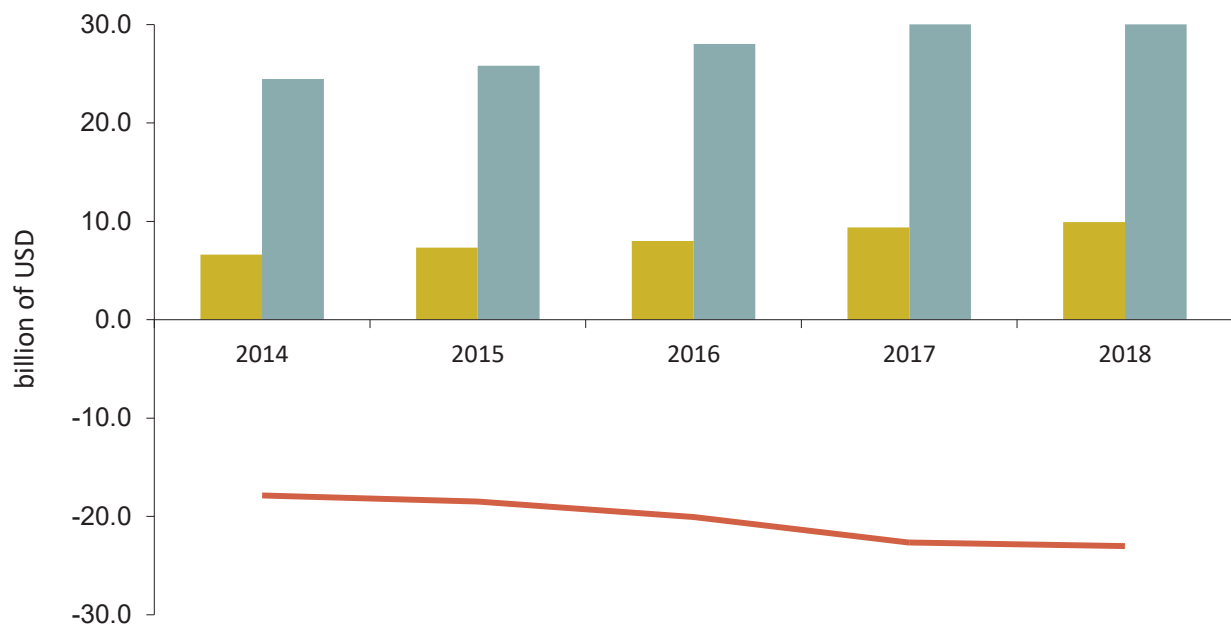
In 2018 the ratio of international reserves to average monthly imports was 3.7, which consistent with the International Monetary Fund’s criteria for reserve assets.

### 3. International Investment Position

The international investment position of Georgia (IIP) is negative and amounted to 23.0 billion USD (130.8% of GDP) as of 31 December 2018. IIP worsened by 1.9% or 429.9 million USD year on year. Transactions amounted to -1.1 billion USD. Exchange rate changes

amounted to 269.8 million USD partially offsetting the negative transactional changes. Price and other changes worsened the net international investment position by 448.1 million USD.

Chart 3.1 International investment position of Georgia, 2014-2018



By the end of 2018, the volume of total foreign assets amounted to 9.9 billion USD, an increase of 545.6 million USD (5.8%) year on year. Majority of assets (3.3 billion USD) are represented by the international reserves of the National Bank of Georgia. Another significant part comes from other investments, totaling 3.4 billion USD, represented by currency and deposits, loans and trade credits and ad-

vances. The reserve assets of the NBG comprised 33.1% and other investment comprised 33.8% of the total foreign assets of Georgia. The reserve assets of the NBG increased by 249.6 million USD, Direct investment assets increased by 161.5 million USD; portfolio investment assets increased by 186.2 million USD; the decrease of other investment assets amounted to 66.0 million USD.

Table 3.1 International investment position of Georgia, 2014-2018 (Million USD)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
<b>International Investment Position, Net</b>	<b>-17,865.4</b>	<b>-18,555.2</b>	<b>-20,095.1</b>	<b>-22,584.9</b>	<b>-23,014.7</b>
<b>Assets</b>	<b>6,609.5</b>	<b>7,321.5</b>	<b>8,001.7</b>	<b>9,377.9</b>	<b>9,923.4</b>
Direct investment	1,867.7	1,950.3	2,234.3	2,478.1	2,639.6
Portfolio investment	61.7	122.4	199.5	442.5	628.6
Financial derivatives (other than reserves) and employee stock options	1.1	0.1	0.1	0.0	14.4
Other investment	1,979.8	2,728.0	2,811.3	3,418.0	3,351.9
Currency and deposits	1,309.6	2,012.9	2,245.3	2,764.2	2,648.9
Loans	216.0	333.3	248.0	309.7	343.6
Trade credit and advances	438.0	356.8	312.3	321.0	342.5
Other accounts receivable	16.1	24.9	5.7	23.1	16.8
Reserve assets	2,699.2	2,520.7	2,756.5	3,039.3	3,288.8
<b>Liabilities</b>	<b>24,474.9</b>	<b>25,876.7</b>	<b>28,046.0</b>	<b>31,962.7</b>	<b>32,938.2</b>
Direct investment	13,593.2	13,893.0	15,297.0	18,035.6	18,291.0
Portfolio investment	2,222.6	2,093.8	1,992.1	2,217.3	2,273.8
Financial derivatives (other than reserves) and employee stock options	0.0	0.1	4.5	3.2	4.1
Other investment	8,659.1	9,889.8	10,803.2	11,706.6	12,369.2
Currency and deposits	1,002.4	1,226.0	1,258.9	1,372.1	1,457.2
Loans	6,814.5	7,813.4	8,604.5	9,398.6	9,926.8
Trade credit and advances	626.2	648.5	733.0	727.4	773.0
Other accounts payable - other	7.4	2.4	13.1	3.3	11.6
Special drawing rights (Net incurrence of liabilities)	208.6	199.5	193.6	205.3	200.6

During 2018, total liabilities increased by 3.1% (975.5 million USD) and as of 31 December 2018, reached 32.9 billion USD. Direct investments accounted for roughly half of the foreign liabilities (55.5%), totaling 18.3 billion USD. The portfolio investment's share in foreign liabilities was 6.9%, totaling 2.3 billion USD. Other investment made a 37.6% contribution to total liabilities, equaling 12.4 billion USD, mostly consisting of non-residents' loans.

The increase of liabilities was mainly due to

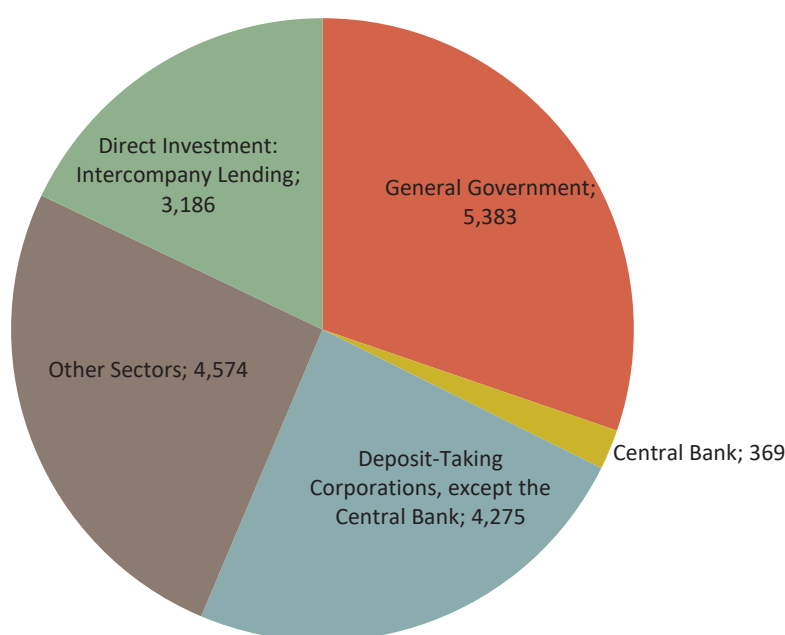
transactions totaling 2.0 billion USD. 60.5 % of total transactions came from foreign direct investment transactions. The decrease of foreign liabilities due to exchange rate changes amounted to 475.2 million USD in 2018. Exchange rate changes of direct investments was -328.9 million USD and exchange rate changes of other investments was -157.0 million USD. The price and other changes decreased foreign liabilities by 510.4 million USD and 52.0 million USD respectively.

## 4. External Debt

Gross external debt statistics are harmonized with the balance of payments statistics. The whole economy consists of four main sectors: the government sector, the monetary authorities sector, the banking sector and other sectors. In addition to those, intercompany loans are separately recorded. Other sectors

are divided into non-bank financial corporations, non-financial corporations, households and nonprofit institutions serving households. The latter sub-sector is not currently covered in the gross external debt because of difficulties related to the data compilation.

Chart 4.1 Gross external debt, breakdown by institutional sectors, 2018 (Million USD)



As of 31 December 2018, the gross external debt of Georgia was 17.8 billion USD (101.1 % of GDP). The distribution of debt across the sectors was as follows: the debt of the government sector was 5.4 billion USD (30.6 % of GDP); the debt of central bank was 369.2 million USD (2.1% of GDP); the debt of the deposit-taking corporations sector was 4.3 billion USD; the debt of other sectors was 4.6 billion USD; and intercompany loans were 3.2 billion USD.

A significant share of the gross external debt of Georgia, 26.0 %, was made up of the external liabilities of the other sectors. Debt stock attracted by government sector at the end of 2018 comprised 30.3% of gross external debt. The external debt of the deposit-taking

corporations sector was 24.0% of gross debt. Intercompany loans (loans from direct investors) constituted 17.9% of the country's gross foreign indebtedness. The majority (96.6 %) of other sectors' foreign indebtedness consisted of loans taken by non-financial corporations – amounting to 24.8% of gross external debt and totaling to 4.4 billion USD. The size of liabilities of the Central Bank were small, contributing 2.1% of the gross external debt.

The general picture of the gross external debt of Georgia by the end of 2018 is reflected in table 4.1. The table provides a short version of external debt decomposition across institutional sectors and maturity dimensions.

Table 4.1 Gross external debt, 2014-2018 (Million USD)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18	2018 structure (%)
<b>Government Sector</b>	<b>4,255.8</b>	<b>4,390.3</b>	<b>4,677.8</b>	<b>5,294.7</b>	<b>5,382.6</b>	<b>30.3</b>
Short-term	12.0	9.2	18.8	33.7	16.0	0.1
Long-term	4,243.9	4,381.1	4,658.9	5,261.0	5,366.6	30.2
<b>Central Bank</b>	<b>252.1</b>	<b>220.3</b>	<b>200.9</b>	<b>292.4</b>	<b>369.2</b>	<b>2.1</b>
Short-term	0.9	1.3	1.7	1.6	1.3	0.0
Long-term	251.2	218.9	199.3	290.9	367.9	2.1
<b>Deposit-Taking Corporations, except the Central Bank</b>	<b>2,683.4</b>	<b>2,957.1</b>	<b>2,984.4</b>	<b>3,686.0</b>	<b>4,275.3</b>	<b>24.0</b>
Short-term	1,109.5	1,332.5	1,477.1	1,585.2	1,572.4	8.8
Long-term	1,573.9	1,624.7	1,507.2	2,100.8	2,702.9	15.2
<b>Other Sectors</b>	<b>3,311.2</b>	<b>4,064.5</b>	<b>4,892.1</b>	<b>4,609.6</b>	<b>4,574.1</b>	<b>25.7</b>
Short-term	655.6	668.4	769.6	794.2	875.1	4.9
Long-term	2,655.6	3,396.1	4,122.5	3,815.4	3,698.9	20.8
<b>Other financial corporations</b>	<b>219.9</b>	<b>246.9</b>	<b>255.0</b>	<b>170.4</b>	<b>155.5</b>	<b>0.9</b>
Short-term	14.1	16.0	14.5	44.6	27.3	0.2
Long-term	205.8	231.0	240.4	125.8	128.2	0.7
<b>Nonfinancial corporations</b>	<b>3,091.3</b>	<b>3,817.6</b>	<b>4,637.1</b>	<b>4,439.1</b>	<b>4,418.5</b>	<b>24.8</b>
Short-term	641.5	652.4	755.1	749.6	847.8	4.8
Long-term	2,449.8	3,165.2	3,882.0	3,689.6	3,570.7	20.1
<b>Direct Investment: Intercompany Lending</b>	<b>3,476.1</b>	<b>3,675.7</b>	<b>3,168.4</b>	<b>3,423.2</b>	<b>3,186.3</b>	<b>17.9</b>
<b>Total</b>	<b>13,978.5</b>	<b>15,308.0</b>	<b>15,923.5</b>	<b>17,306.0</b>	<b>17,787.4</b>	<b>100.0</b>

Table 4.2 Gross external debt of Georgia by maturity, 2014-2018 (Million USD)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18	2018 structure (%)
Short-term	1,969.9	2,106.7	2,370.3	2,521.1	2,628.7	14.8
Long-term	12,008.6	13,201.3	13,553.2	14,784.8	15,158.7	85.2
<b>Total</b>	<b>13,978.5</b>	<b>15,308.0</b>	<b>15,923.5</b>	<b>17,306.0</b>	<b>17,787.4</b>	<b>100.0</b>

A total of 89.9% of the gross external debt of Georgia consisted of liabilities denominated in foreign currencies, amounting to 16.0 billion

USD. The remaining 1.8 billion USD (10.1%) was denominated in the national currency.

Table 4.3 Gross external debt in national and foreign currencies, 2014-2018 (Million USD)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18	2018 structure (%)
<b>Debt in Foreign Currency</b>						
Short-term	1,397.4	1,730.2	1,939.0	2,028.2	1,990.5	11.2
Long-term	11,626.8	12,813.6	12,995.5	13,804.4	13,999.0	78.7
<b>Total</b>	<b>13,024.2</b>	<b>14,543.8</b>	<b>14,934.5</b>	<b>15,832.6</b>	<b>15,989.6</b>	<b>89.9</b>
<b>Debt in National Currency</b>						
Short-term	572.5	376.5	431.4	493.0	638.1	3.6
Long-term	381.8	387.7	557.7	980.4	1,159.7	6.5
<b>Total</b>	<b>954.3</b>	<b>764.2</b>	<b>989.0</b>	<b>1,473.4</b>	<b>1,797.8</b>	<b>10.1</b>
<b>Gross External Debt</b>	<b>13,978.5</b>	<b>15,308.0</b>	<b>15,923.5</b>	<b>17,306.0</b>	<b>17,787.4</b>	<b>100.0</b>

Table 4.4 Gross external debt, 2018 (Million USD)

	31/12/17	Changes during the year				31/12/18
		Transactions	Exchange rate changes	Price changes	Other changes	
<b>Government Sector</b>	<b>5,294.7</b>	<b>207.3</b>	<b>-35.6</b>	<b>-83.9</b>	<b>0.0</b>	<b>5,382.6</b>
Short-term	33.7	-19.6	-0.1	1.9	0.0	16.0
Long-term	5,261.0	226.9	-35.5	-85.8	0.0	5,366.6
<b>Central Bank</b>	<b>292.4</b>	<b>84.0</b>	<b>0.0</b>	<b>-7.3</b>	<b>0.0</b>	<b>369.2</b>
Short-term	1.6	-0.2	0.0	-0.1	0.0	1.3
Long-term	290.9	84.3	0.0	-7.2	0.0	367.9
<b>Deposit-Taking Corporations, except the Central Bank</b>	<b>3,686.0</b>	<b>273.0</b>	<b>-13.1</b>	<b>-56.4</b>	<b>385.8</b>	<b>4,275.3</b>
Short-term	1,585.2	-41.0	0.0	-9.8	37.9	1,572.4
Long-term	2,100.8	314.0	-13.1	-46.6	347.9	2,702.9
<b>Other Sectors</b>	<b>4,609.6</b>	<b>236.2</b>	<b>-97.7</b>	<b>-10.0</b>	<b>-164.0</b>	<b>4,574.1</b>
Short-term	794.2	-15.2	0.0	-0.6	96.7	875.1
Long-term	3,815.4	251.4	-97.7	-9.4	-260.7	3,698.9
<b>Other financial corporations</b>	<b>170.4</b>	<b>-10.8</b>	<b>0.0</b>	<b>-3.9</b>	<b>-0.1</b>	<b>155.5</b>
Short-term	44.6	-15.5	0.0	-1.7	-0.1	27.3
Long-term	125.8	4.7	0.0	-2.3	0.0	128.2
<b>Nonfinancial corporations</b>	<b>4,439.1</b>	<b>247.0</b>	<b>-97.7</b>	<b>-6.0</b>	<b>-163.9</b>	<b>4,418.5</b>
Short-term	749.6	0.4	0.0	1.1	96.8	847.8
Long-term	3,689.6	246.6	-97.7	-7.1	-260.7	3,570.7
<b>Direct Investment: Intercompany Lending</b>	<b>3,423.2</b>	<b>-22.0</b>	<b>0.0</b>	<b>-32.5</b>	<b>-182.4</b>	<b>3,186.3</b>
<b>Gross External Debt</b>	<b>17,306.0</b>	<b>778.5</b>	<b>-146.4</b>	<b>-190.0</b>	<b>39.3</b>	<b>17,787.4</b>

The gross external debt of Georgia increased by 481.4 million USD in 2018. The external liabilities of deposit-taking corporations, government sector and central bank expanded. The increases amounted to 589.2 million USD, to 87.9 million USD and to 76.8 million USD respectively. In contrast, intercompany loans and external liabilities of other sectors decreased by 236.9 million USD and by 35.5 million USD respectively during the year.

External liabilities were accumulated in both foreign (by 324.4 million USD) and the national currency (by 157.0 million USD) in 2018.

Among the primary factors contributing to extension of deposit-taking corporations external debt were transactions in long term loans and other changes in debt securities (the counterpart was the negative record in other sec-

tors' other changes). At the same time short-term external loan of deposit-taking corporation decreased by transaction.

Exchange rate changes of short term currency and deposits. External debt of government sector increased by new long-term loan borrowings and decreased by exchange rate changes on existing debt stocks. Disbursements under IMF extended fund facility led to the increase of central banks debt in 2018.

Transactions accounted for 778.5 million USD increase out of total change of gross external debt in 2018. Other changes accounted for 39.3 million USD. Exchange rate changes and price changes were negative amounting to -190.0 million USD and -146.4 million USD respectively.



## 5. Data Source Description

The balance of payments statistics division of the National Bank of Georgia uses different data sources from various institutions and or-

ganizations in order to compile the balance of payments, international investment position and gross external debt statistics.

### Data sources of the National Bank of Georgia

Number of the reporting form	Name of the reporting form	Periodicity	Data provider
	International transactions reporting system (ITRS)	Monthly	National Bank of Georgia, Commercial banks
F9-1	Claims of commercial banks on nonresidents	Quarterly	Commercial banks
F9-2	Liabilities of commercial banks to nonresidents	Quarterly	Commercial banks
F9-3	Long-term loans of commercial banks received from nonresidents and its service	Quarterly	Commercial banks
F9-4	Assets and liabilities of commercial banks with respect to financial derivatives	Quarterly	Commercial banks
F9-5	External debts service schedule of commercial banks	Quarterly	Commercial banks
	External liabilities of micro financial organizations	Quarterly	Micro financial organizations
	Assets, liabilities and service of insurance companies	Quarterly	Insurance companies
	Balance sheet of the National Bank of Georgia	Daily	Monetary Statistics Division
	Report on international financial service	Monthly	Monetary Statistics Division
	Report on money transfers made by individuals	Monthly	Monetary Statistics Division
	Monetary survey data	Monthly	Monetary Statistics Division
	Data on income accrued on foreign assets	Monthly	Financial Markets Department
	Data on utilization and service of loans received from IMF	Monthly	Financial Markets Department
	Foreign exchange position of the National Bank of Georgia	Monthly	Financial Markets Department
RI	Income balance of commercial banks	Monthly	Supervision department
A-LS	Data on the share of foreign capital in the banking system	Monthly	Supervision department
A-LS	List of shareholders of commercial banks	Monthly	Supervision department
RC-I	Report on investments in commercial banks' equity capital	Monthly	Supervision department

Number of the reporting form	Name of the reporting form	Periodicity	Data provider
RC-B1	Data on loans received by commercial banks	Monthly	Supervision department
RC-L2	Report on loans provided by commercial banks	Monthly	Supervision department
RC-S1 RC-S2	Report on securities of commercial banks	Monthly	Supervision department
RC-C	Report on currency and deposits of commercial banks	Monthly	Supervision department
A-LD	Report on liquidity of commercial banks	Monthly	Supervision department
RC-D	Report on deposits of commercial banks	Monthly	Supervision department

## Data sources of the National Statistics Office of Georgia

Number of the reporting form	Name of the reporting form	Periodicity	Data provider
	Export, import and transit of electricity and other energy sources	Monthly	"Georgian Electrosystem" Ltd., "Gas Transportation Company" Ltd.
	Data on prices of electricity and natural gas	Monthly	Wholesale electricity market and Georgian international natural gas and oil corporation
02-01-05	Data on international communication services	Quarterly	Independent legal entities taking part in the international communications
02-01-03	Data on services provided to carriers in seaports and airports	Quarterly	Georgian seaports and airports
	External trade database	Monthly	Geostat
02-03-01	Report on Georgian Railways' international transport services and external debt service	Quarterly	"Georgian Railway" Ltd.
02-01-01	Data on international sea and air transport services	Quarterly	Georgian ships and airlines
02-01-06	Data on international communication services	Quarterly	"Georgian Post" Ltd.
02-01-07	Data on the number of individuals migrated abroad or working abroad, based on household survey	Quarterly	Geostat
	Data on external debt of private sector	Quarterly	Geostat
02-02-02	Data on international economic transactions of enterprises	Quarterly	Large enterprises
02-02-01	Data on international economic transactions of enterprises	Annual	Small and medium sized enterprises
	Data on shuttle trade and travel expenses based on specific sample survey	Conducted once only, in July - November 2006	Geostat

## Data sources of the Ministry of Finance

Number of the reporting form	Name of the reporting form	Periodicity	Data provider
	External government debt and government guaranteed debt and its service	Quarterly	The Ministry of Finance
	International grants, technical and humanitarian aid	Quarterly	The Ministry of Finance
	Balances on banking accounts abroad of state institutions	Quarterly	The Ministry of Finance
	Stock of external government debt and government guaranteed debt	Quarterly	The Ministry of Finance
	Database of custom declarations	Monthly	Income Department of the Ministry of Finance

## Data sources received from various institutions

Number of the reporting form	Name of the reporting form	Periodicity	Data provider
02-03-09	Data on money flows on banking accounts abroad of Georgian embassies and consulates	Quarterly	The Ministry of Foreign Affairs
02-03-11	Data on payments to international organizations	Quarterly	The Ministry of Foreign Affairs
	Administrative database of individuals crossing state border	Monthly	Information-analytical department of the Ministry of Internal Affairs
	Administrative database of transport carriers crossing state border	Quarterly	Information-analytical department of the Ministry of Internal Affairs
02-03-07	Data on internships, seminar participation, and other business trips	Quarterly	Ministries, departments, and other state institutions
02-03-08	Data on international grants, technical and humanitarian aid	Quarterly	Ministries, departments, and other state institutions

## 6. Appendices

### Appendix 1. Balance of Payments of Georgia, 2014-2018, analytical presentation (Million USD)<sup>1</sup>

	2014	2015	2016	2017	2018
<b>A. Current Account</b>	<b>-1,860.5</b>	<b>-1,869.5</b>	<b>-1,969.0</b>	<b>-1,420.8</b>	<b>-1,265.4</b>
Goods: exports f.o.b.	3,995.1	3,021.0	2,864.7	3,569.9	4,406.5
Goods: imports f.o.b.	8,280.7	6,973.0	6,747.2	7,379.1	8,522.3
Services: credit	3,043.6	3,087.1	3,313.0	3,990.1	4,490.1
Services: debit	1,737.6	1,683.0	1,736.0	1,965.8	2,246.3
Balance on goods and services	-2,979.7	-2,547.8	-2,305.5	-1,784.9	-1,872.0
Primary income: credit	1,027.2	844.5	914.0	1,129.8	1,281.8
Primary income: debit	1,257.0	1,183.3	1,615.4	1,925.5	1,966.4
Balance on goods, services, and primary income	-3,209.5	-2,886.6	-3,006.9	-2,580.6	-2,556.5
Secondary income: credit	1,484.5	1,119.2	1,149.9	1,284.0	1,430.1
Secondary income: debit	135.5	102.1	111.9	124.3	139.0
<b>B. Capital Account</b>	<b>106.2</b>	<b>58.3</b>	<b>56.0</b>	<b>83.1</b>	<b>76.1</b>
Capital account: credit	106.2	58.3	56.0	83.1	76.1
Capital account: debit	0.0	0.0	0.0	0.0	0.0
<b>Net lending(+)/ net borrowing (-) (balance from current and capital accounts)</b>	<b>-1,754.3</b>	<b>-1,811.2</b>	<b>-1,913.0</b>	<b>-1,337.8</b>	<b>-1,189.3</b>
<b>C. Financial Account</b>	<b>-1,667.7</b>	<b>-1,423.9</b>	<b>-1,012.2</b>	<b>-1,249.7</b>	<b>-1,084.3</b>
Direct investment: assets	406.6	315.7	413.0	209.3	293.6
Direct investment: liabilities	1,647.4	1,540.9	1,261.2	1,721.8	1,053.9
Portfolio investment: assets	37.5	82.8	102.3	241.7	251.2
Equity and investment fund shares	-8.6	0.3	11.1	50.6	63.3
Debt securities	46.2	82.4	91.2	191.1	187.9
Portfolio investment: liabilities	246.9	-70.8	143.8	164.3	207.3
Equity and investment fund shares	209.6	4.9	-3.6	-2.0	4.5
Debt securities	37.3	-75.6	147.4	166.3	202.8
Financial derivatives (other than reserves) and employee stock options: net	-8.2	1.8	4.0	0.5	1.2
Financial derivatives (other than reserves) and employee stock options: assets	-11.6	-12.3	-12.8	-7.1	-9.3
Financial derivatives (other than reserves) and employee stock options: liabilities	-3.4	-14.1	-16.8	-7.6	-10.6

<sup>1</sup> Differences between accounts in analytical presentation and corresponding accounts in standard presentation come from dissimilarities in placing of exceptional financings. In analytical presentation exceptional financings are subtracted from relative accounts and transferred to the special item.

Million USD

	2014	2015	2016	2017	2018
Other investment: assets	253.8	782.3	271.7	655.1	51.3
Other equity	0.0	0.0	0.0	0.0	0.0
Other debt instruments	253.8	782.3	271.7	655.1	51.3
Central bank	-0.5	0.0	0.0	-0.1	0.0
Deposit-taking corporations (except the central bank)	-130.3	475.2	-105.6	200.6	-275.5
General government	-0.8	0.1	0.2	0.1	-0.3
Other sectors	385.4	307.0	377.1	455.3	327.0
Other financial corporations	2.3	4.2	-2.5	7.2	-8.2
Nonfinancial corporations, households, and NPISHs	383.1	302.8	379.6	448.1	335.2
Other investment: liabilities	463.1	1,136.3	398.3	470.2	420.4
Other equity	-86.6	-99.4	-768.9	-154.0	-12.5
SDR allocation	0.0	0.0	0.1	0.2	0.1
Other debt instruments	549.8	1,235.7	1,167.1	624.0	432.8
Central bank	-0.2	0.6	0.5	-0.2	-0.2
Deposit-taking corporations (except the central bank)	80.2	431.2	449.9	269.9	299.6
General government	353.4	345.2	284.0	377.7	318.6
Other sectors	116.3	458.7	432.6	-23.4	-185.1
Other financial corporations	30.5	32.1	2.5	25.8	-8.5
Nonfinancial corporations, households, and NPISHs	85.8	426.6	430.1	-49.2	-176.6
<b>D. Net Errors and Omissions</b>	<b>-110.4</b>	<b>-72.5</b>	<b>22.7</b>	<b>-10.5</b>	<b>-31.1</b>
<b>E. Overall Balance</b>	<b>197.0</b>	<b>459.8</b>	<b>878.1</b>	<b>98.6</b>	<b>136.2</b>
<b>F. Reserves and Related Items</b>	<b>-197.0</b>	<b>-459.8</b>	<b>-878.1</b>	<b>-98.6</b>	<b>-136.2</b>
Reserve assets	-33.4	-99.4	244.8	242.0	278.5
Credit and loans from the IMF	-136.5	-73.3	-13.7	71.2	27.5
Exceptional financing	300.1	433.6	1,136.6	269.4	387.2

## Appendix 2. Balance of Payments of Georgia, quarters of 2018, analytical presentation (Million USD)<sup>2</sup>

	Q1	Q2	Q3	Q4	Total
<b>A. Current Account</b>	<b>-434.6</b>	<b>-352.9</b>	<b>3.2</b>	<b>-481.1</b>	<b>-1,265.4</b>
Goods: exports f.o.b.	958.1	1,137.9	1,122.4	1,188.1	4,406.5
Goods: imports f.o.b.	1,950.5	2,156.0	2,115.9	2,299.8	8,522.3
Services: credit	847.8	1,120.6	1,562.0	959.7	4,490.1
Services: debit	457.7	559.0	627.7	601.9	2,246.3
Balance on goods and services	-602.3	-456.6	-59.2	-753.9	-1,872.0
Primary income: credit	302.4	322.5	315.1	341.8	1,281.8
Primary income: debit	468.0	558.9	556.1	383.3	1,966.4
Balance on goods, services, and primary income	-768.0	-693.0	-300.2	-795.4	-2,556.5
Secondary income: credit	364.2	372.0	339.6	354.4	1,430.1
Secondary income: debit	30.8	32.0	36.2	40.0	139.0
<b>B. Capital Account</b>	<b>15.2</b>	<b>17.3</b>	<b>15.6</b>	<b>28.0</b>	<b>76.1</b>
Capital account: credit	15.2	17.3	15.6	28.0	76.1
Capital account: debit	0.0	0.0	0.0	0.0	0.0
<b>Net lending(+)/ net borrowing (-) (balance from current and capital accounts)</b>	<b>-419.4</b>	<b>-335.6</b>	<b>18.8</b>	<b>-453.1</b>	<b>-1,189.3</b>
<b>C. Financial Account</b>	<b>-432.3</b>	<b>-312.6</b>	<b>-139.4</b>	<b>-199.9</b>	<b>-1,084.3</b>
Direct investment: assets	98.8	69.5	60.9	64.5	293.6
Direct investment: liabilities	314.2	351.2	357.5	31.0	1,053.9
Portfolio investment: assets	47.1	15.2	111.3	77.5	251.2
Equity and investment fund shares	12.3	16.8	9.5	24.8	63.3
Debt securities	34.8	-1.6	101.9	52.8	187.9
Portfolio investment: liabilities	282.3	-98.9	-30.0	54.0	207.3
Equity and investment fund shares	1.3	2.1	1.1	0.0	4.5
Debt securities	281.0	-101.1	-31.1	54.0	202.8
Financial derivatives (other than reserves) and employee stock options: net	0.3	0.8	0.5	-0.3	1.2
Financial derivatives (other than reserves) and employee stock options: assets	-1.1	-0.7	-2.9	-4.6	-9.3
Financial derivatives (other than reserves) and employee stock options: liabilities	-1.4	-1.5	-3.4	-4.3	-10.6
Other investment: assets	71.3	-123.2	-6.0	109.1	51.3
Other equity	0.0	0.0	0.0	0.0	0.0
Other debt instruments	71.3	-123.2	-6.0	109.1	51.3
Central bank	0.0	0.1	0.0	-0.1	0.0
Deposit-taking corporations (except the central bank)	-68.1	-19.4	-168.7	-19.3	-275.5

<sup>2</sup> Differences between accounts in analytical presentation and corresponding accounts in standard presentation come from dissimilarities in placing of exceptional financings. In analytical presentation exceptional financings are subtracted from relative accounts and transferred to the special item.

Million USD

	Q1	Q2	Q3	Q4	Total
General government	0.0	0.7	0.1	-1.2	-0.3
Other sectors	139.9	-105.1	163.1	129.2	327.0
Other financial corporations	-6.2	-0.3	0.6	-2.3	-8.2
Nonfinancial corporations, households, and NPISHs	146.2	-104.8	162.4	131.4	335.2
Other investment: liabilities	53.3	22.7	-21.4	365.8	420.4
Other equity	-0.2	-0.5	-3.1	-8.8	-12.5
SDR allocation	0.0	0.0	0.0	0.0	0.1
Other debt instruments	53.4	23.2	-18.4	374.5	432.8
Central bank	0.1	-0.8	0.3	0.1	-0.2
Deposit-taking corporations (except the central bank)	31.2	43.0	46.9	178.4	299.6
General government	39.8	8.4	-8.6	279.0	318.6
Other sectors	-17.6	-27.5	-57.0	-82.9	-185.1
Other financial corporations	11.6	23.0	-20.0	-23.1	-8.5
Nonfinancial corporations, households, and NPISHs	-29.2	-50.6	-37.0	-59.9	-176.6
<b>D. Net Errors and Omissions</b>	<b>-32.3</b>	<b>-19.1</b>	<b>-10.5</b>	<b>30.8</b>	<b>-31.1</b>
<b>E. Overall Balance</b>	<b>19.3</b>	<b>42.1</b>	<b>-147.7</b>	<b>222.4</b>	<b>136.2</b>
<b>F. Reserves and Related Items</b>	<b>-19.3</b>	<b>-42.1</b>	<b>147.7</b>	<b>-222.4</b>	<b>-136.2</b>
Reserve assets	-21.0	8.1	154.6	136.8	278.5
Credit and loans from the IMF	-14.5	28.1	-13.9	27.7	27.5
Exceptional financing	12.8	22.0	20.8	331.5	387.2

**Appendix 3. Balance of Payments of Georgia, quarters of 2018, Standard presentation, short-form (Million USD)**

	Q1	Q2	Q3	Q4	Total
<b>Current account</b>	<b>-427.3</b>	<b>-339.4</b>	<b>9.4</b>	<b>-435.4</b>	<b>-1,192.7</b>
<b>Credit</b>	<b>2,479.7</b>	<b>2,966.5</b>	<b>3,345.3</b>	<b>2,889.6</b>	<b>11,681.2</b>
<b>Debit</b>	<b>2,907.0</b>	<b>3,305.9</b>	<b>3,335.9</b>	<b>3,325.1</b>	<b>12,873.9</b>
<b>Goods and services</b>	<b>-602.3</b>	<b>-456.6</b>	<b>-59.2</b>	<b>-753.9</b>	<b>-1,872.0</b>
Credit	1,805.9	2,258.5	2,684.4	2,147.8	8,896.6
Debit	2,408.2	2,715.1	2,743.6	2,901.7	10,768.6
<b>Goods</b>	<b>-992.4</b>	<b>-1,018.2</b>	<b>-993.5</b>	<b>-1,111.7</b>	<b>-4,115.8</b>
Credit	958.1	1,137.9	1,122.4	1,188.1	4,406.5
Debit	1,950.5	2,156.0	2,115.9	2,299.8	8,522.3
<b>Services</b>	<b>390.1</b>	<b>561.6</b>	<b>934.3</b>	<b>357.8</b>	<b>2,243.8</b>
Credit	847.8	1,120.6	1,562.0	959.7	4,490.1
Debit	457.7	559.0	627.7	601.9	2,246.3
<b>Primary income</b>	<b>-165.7</b>	<b>-236.4</b>	<b>-241.0</b>	<b>-41.5</b>	<b>-684.6</b>
Credit	302.4	322.5	315.1	341.8	1,281.8
Debit	468.0	558.9	556.1	383.3	1,966.4
<b>Secondary income</b>	<b>340.7</b>	<b>353.6</b>	<b>309.6</b>	<b>360.0</b>	<b>1,363.8</b>
Credit	371.4	385.5	345.7	400.0	1,502.7
Debit	30.8	32.0	36.2	40.0	139.0
<b>Capital account</b>	<b>15.2</b>	<b>17.3</b>	<b>15.6</b>	<b>28.0</b>	<b>76.1</b>
<b>Credit</b>	<b>15.2</b>	<b>17.3</b>	<b>15.6</b>	<b>28.0</b>	<b>76.1</b>
<b>Debit</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net lending (+) / net borrowing (-) (balance from current and capital account)</b>	<b>-412.1</b>	<b>-322.1</b>	<b>25.0</b>	<b>-407.4</b>	<b>-1,116.7</b>
<b>Financial account</b>	<b>-444.4</b>	<b>-341.2</b>	<b>14.4</b>	<b>-376.7</b>	<b>-1,147.8</b>
<b>Direct investment</b>	<b>-222.2</b>	<b>-291.6</b>	<b>-306.9</b>	<b>-104.4</b>	<b>-925.0</b>
Assets	98.8	69.5	60.9	64.5	293.6
Liabilities	320.9	361.1	367.7	168.9	1,218.7
<b>Portfolio investment</b>	<b>-235.2</b>	<b>114.2</b>	<b>141.4</b>	<b>23.5</b>	<b>43.9</b>
Assets	47.1	15.2	111.3	77.5	251.2
Liabilities	282.3	-98.9	-30.0	54.0	207.3
<b>Financial derivatives and employee stock options</b>	<b>0.3</b>	<b>0.8</b>	<b>0.5</b>	<b>-0.3</b>	<b>1.2</b>
Assets	-1.1	-0.7	-2.9	-4.6	-9.3
Liabilities	-1.4	-1.5	-3.4	-4.3	-10.6
<b>Other investment</b>	<b>33.6</b>	<b>-172.6</b>	<b>24.9</b>	<b>-432.3</b>	<b>-546.4</b>
Assets	71.3	-123.2	-6.0	109.1	51.3
Liabilities	37.7	49.4	-30.9	541.4	597.6
<b>Reserve assets</b>	<b>-21.0</b>	<b>8.1</b>	<b>154.6</b>	<b>136.8</b>	<b>278.5</b>
<b>Net errors and omissions</b>	<b>-32.3</b>	<b>-19.1</b>	<b>-10.5</b>	<b>30.8</b>	<b>-31.1</b>



## Appendix 4. International Investment Position of Georgia, 2014-2018 (Million USD)

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
<b>Net International Investment Position</b>	<b>-17,865.4</b>	<b>-18,555.2</b>	<b>-20,095.1</b>	<b>-22,584.9</b>	<b>-23,014.7</b>
<b>Assets</b>	<b>6,609.5</b>	<b>7,321.5</b>	<b>8,001.7</b>	<b>9,377.9</b>	<b>9,923.4</b>
<b>Direct investment</b>	<b>1,867.7</b>	<b>1,950.3</b>	<b>2,234.3</b>	<b>2,478.1</b>	<b>2,639.6</b>
<b>Equity and investment fund shares</b>	<b>1,541.3</b>	<b>1,614.9</b>	<b>1,891.9</b>	<b>2,181.6</b>	<b>2,387.8</b>
Direct investor in direct investment enterprises	1,541.3	1,614.9	1,891.9	2,181.6	2,387.8
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0
<b>Debt instruments</b>	<b>326.5</b>	<b>335.4</b>	<b>342.4</b>	<b>296.5</b>	<b>251.9</b>
Direct investor in direct investment enterprises	197.1	204.8	212.2	216.0	218.8
Direct investment enterprises in direct investor (reverse investment)	129.3	130.6	130.3	80.5	33.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0
<b>Portfolio investment</b>	<b>61.7</b>	<b>122.4</b>	<b>199.5</b>	<b>442.5</b>	<b>628.6</b>
<b>Equity and investment fund shares</b>	<b>13.4</b>	<b>11.1</b>	<b>20.2</b>	<b>76.5</b>	<b>95.2</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	11.3	7.0	16.9	61.7	69.9
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	2.0	4.2	3.3	14.9	25.3
Other financial corporations	0.0	0.0	0.0	0.0	0.2
Nonfinancial corporations, households, and NPISHs	2.0	4.2	3.3	14.9	25.1
Equity securities other than investment fund shares	13.4	11.1	20.2	76.5	95.2
Listed	11.3	7.0	16.9	61.7	69.9
Unlisted	2.0	4.2	3.3	14.9	25.3
Investment fund shares or units	0.0	0.0	0.0	0.0	0.0
<b>Debt securities</b>	<b>48.4</b>	<b>111.3</b>	<b>179.3</b>	<b>365.9</b>	<b>533.4</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	42.8	108.2	164.7	352.0	509.0
Short-term	0.6	1.2	0.6	0.0	0.0
Long-term	42.2	107.0	164.1	352.0	509.0
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	5.6	3.1	14.6	13.9	24.4
Short-term	2.0	0.0	0.0	0.0	0.0
Long-term	3.6	3.1	14.6	13.9	24.4
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	5.6	3.1	14.6	13.9	24.4
Short-term	2.0	0.0	0.0	0.0	0.0
Long-term	3.6	3.1	14.6	13.9	24.4
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>1.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>14.4</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	1.1	0.1	0.1	0.0	14.4
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	0.0	0.0	0.0	0.0	0.0
Financial derivatives (other than reserves)	1.1	0.1	0.1	0.0	14.4
Options	0.0	0.0	0.0	0.0	0.0
Forward-type contracts	1.1	0.1	0.1	0.0	14.4
Employee stock options	0.0	0.0	0.0	0.0	0.0
<b>Other investment</b>	<b>1,979.8</b>	<b>2,728.0</b>	<b>2,811.3</b>	<b>3,418.0</b>	<b>3,351.9</b>
<b>Other equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Currency and deposits</b>	<b>1,309.6</b>	<b>2,012.9</b>	<b>2,245.3</b>	<b>2,764.2</b>	<b>2,648.9</b>
Central banks	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	582.8	914.3	938.8	1,119.0	792.8
Short-term	582.8	914.3	938.8	1,119.0	792.8
Long-term	0.0	0.0	0.0	0.0	0.0
General government	0.5	0.4	0.6	0.7	0.4
Short-term	0.5	0.4	0.6	0.7	0.4
Long-term	0.0	0.0	0.0	0.0	0.0
Other sectors	726.3	1,098.2	1,305.8	1,644.5	1,855.7
Short-term	726.3	1,098.2	1,305.8	1,644.5	1,855.7
Long-term	0.0	0.0	0.0	0.0	0.0
Other financial corporations	12.6	15.6	13.0	19.5	10.9
Short-term	12.6	15.6	13.0	19.5	10.9
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	713.7	1,082.5	1,292.9	1,625.0	1,844.8
Short-term	713.7	1,082.5	1,292.9	1,625.0	1,844.8
Long-term	0.0	0.0	0.0	0.0	0.0
<b>Loans</b>	<b>216.0</b>	<b>333.3</b>	<b>248.0</b>	<b>309.7</b>	<b>343.6</b>

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Central bank	0.0	0.0	0.0	0.0	0.0
Credit and loans with the IMF (other than reserves)	0.0	0.0	0.0	0.0	0.0
Other short-term	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	186.5	283.2	160.0	207.5	257.9
Short-term	13.9	124.1	12.8	46.7	40.8
Long-term	172.6	159.1	147.3	160.8	217.1
General government	0.0	0.0	0.0	0.0	0.0
Credit and loans with the IMF (other than reserves)	0.0	0.0	0.0	0.0	0.0
Other short-term	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0
Other sectors	29.5	50.1	88.0	102.2	85.7
Short-term	0.8	0.7	18.3	7.6	8.8
Long-term	28.8	49.3	69.7	94.6	77.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	29.5	50.1	88.0	102.2	85.7
Short-term	0.7	0.7	18.3	7.6	8.8
Long-term	28.8	49.3	69.7	94.6	77.0
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Trade credit and advances	438.0	356.8	312.3	321.0	342.5
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	0.0	0.0	0.0	0.0	0.0
General government	32.4	32.4	32.4	32.4	32.4
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	32.4	32.4	32.4	32.4	32.4
Other sectors	405.7	324.5	280.0	288.6	310.2
Short-term	405.7	324.5	280.0	288.6	310.2
Long-term	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	405.7	324.5	280.0	288.6	310.2
Short-term	405.7	324.5	280.0	288.6	310.2
Long-term	0.0	0.0	0.0	0.0	0.0

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
<b>Other accounts receivable</b>	<b>16.1</b>	<b>24.9</b>	<b>5.7</b>	<b>23.1</b>	<b>16.8</b>
Central bank	0.0	0.0	0.1	0.0	0.0
Short-term	0.0	0.0	0.1	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	14.5	23.3	4.1	22.2	12.9
Short-term	14.5	23.3	4.1	22.2	12.9
Long-term	0.0	0.0	0.0	0.0	0.0
General government	1.3	1.3	1.3	0.6	0.5
Short-term	1.3	1.3	1.3	0.6	0.5
Long-term	0.0	0.0	0.0	0.0	0.0
Other sectors	0.3	0.3	0.3	0.3	3.4
Short-term	0.3	0.3	0.3	0.3	3.4
Long-term	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	0.3	0.3	0.3	0.3	3.4
Short-term	0.3	0.3	0.3	0.3	3.4
Long-term	0.0	0.0	0.0	0.0	0.0
<b>Reserve assets</b>	<b>2,699.2</b>	<b>2,520.7</b>	<b>2,756.5</b>	<b>3,039.3</b>	<b>3,288.8</b>
Monetary gold	0.0	0.0	0.0	0.0	0.0
Gold bullion	0.0	0.0	0.0	0.0	0.0
Unallocated gold accounts	0.0	0.0	0.0	0.0	0.0
Special drawing rights	208.6	199.7	193.7	206.1	200.7
Reserve position in the IMF	0.0	0.0	0.0	0.0	0.0
Other reserve assets	2,490.5	2,321.0	2,562.8	2,833.1	3,088.1
Currency and deposits	975.6	693.6	633.5	663.9	530.8
Claims on monetary authorities	284.0	322.0	320.1	275.0	283.8
Claims on other entities	691.6	371.6	313.3	388.9	247.0
Securities	1,514.9	1,627.4	1,929.3	2,168.9	2,558.3
Debt securities	1,514.9	1,627.4	1,929.3	2,168.9	2,558.3
Short-term	1,514.9	1,627.4	1,929.3	2,168.9	2,558.3
Long-term	0.0	0.0	0.0	0.0	0.0
Equity and investment fund shares	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.3	-1.0
Other claims	0.0	0.0	0.0	0.0	0.0
<b>Liabilities</b>	<b>24,474.9</b>	<b>25,876.7</b>	<b>28,096.9</b>	<b>31,962.7</b>	<b>32,938.2</b>
<b>Direct investment</b>	<b>13,593.2</b>	<b>13,893.0</b>	<b>15,297.0</b>	<b>18,035.6</b>	<b>18,291.0</b>
<b>Equity and investment fund shares</b>	<b>10,117.1</b>	<b>10,217.3</b>	<b>12,128.6</b>	<b>14,612.4</b>	<b>15,104.7</b>

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Direct investor in direct investment enterprises	10,117.1	10,217.3	12,128.6	14,612.4	15,104.7
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0
<b>Debt instruments</b>	<b>3,476.1</b>	<b>3,675.7</b>	<b>3,168.4</b>	<b>3,423.2</b>	<b>3,186.3</b>
Direct investor in direct investment enterprises	3,476.1	3,675.7	3,168.4	3,423.2	3,186.3
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0
Of which: Debt securities	0.4	0.3	0.1	0.1	0.1
Direct investor in direct investment enterprises	0.4	0.3	0.1	0.1	0.1
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0
<b>Portfolio investment</b>	<b>2,222.6</b>	<b>2,093.8</b>	<b>1,992.2</b>	<b>2,217.3</b>	<b>2,273.8</b>
<b>Equity and investment fund shares</b>	<b>379.3</b>	<b>351.3</b>	<b>40.2</b>	<b>41.2</b>	<b>41.9</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	358.3	333.5	21.2	20.5	15.1
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	21.0	17.8	19.1	20.7	26.8
Other financial corporations	1.1	1.9	1.9	1.9	4.3
Nonfinancial corporations, households, and NPISHs	19.9	16.0	17.2	18.8	22.5
Equity securities other than investment fund shares	379.3	351.3	40.2	41.2	41.9
Listed	299.3	274.4	10.4	6.6	0.6
Unlisted	80.0	76.9	29.9	34.5	41.3
<b>Debt securities</b>	<b>1,843.3</b>	<b>1,742.5</b>	<b>1,952.0</b>	<b>2,176.2</b>	<b>2,231.9</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	460.7	413.4	98.9	299.4	604.2
Short-term	27.3	13.8	17.6	0.0	50.6
Long-term	433.4	399.6	81.3	299.4	553.6
General government	551.8	545.6	620.3	647.3	556.5
Short-term	12.0	9.2	18.8	33.7	16.0
Long-term	539.8	536.3	601.5	613.6	540.5
Other sectors	830.8	783.5	1,232.8	1,229.5	1,071.2
Short-term	1.4	1.0	1.6	1.5	1.1
Long-term	829.3	782.5	1,231.2	1,228.0	1,070.2
Other financial corporations	1.4	1.0	1.6	1.4	1.1

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Short-term	1.4	1.0	1.6	1.4	1.1
Long-term	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	829.3	782.5	1,231.2	1,228.1	1,070.2
Short-term	0.0	0.0	0.0	0.1	0.0
Long-term	829.3	782.5	1,231.2	1,228.0	1,070.2
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>0.0</b>	<b>0.1</b>	<b>4.5</b>	<b>3.2</b>	<b>4.1</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	0.0	0.1	4.5	3.2	4.1
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0
Financial derivatives (other than reserves)	0.0	0.1	4.5	3.2	4.1
Options	0.0	0.0	0.0	0.0	0.0
Forward-type contracts	0.0	0.1	4.5	3.2	4.1
Employee stock options	0.0	0.0	0.0	0.0	0.0
<b>Other investment</b>	<b>8,659.1</b>	<b>9,889.8</b>	<b>10,803.2</b>	<b>11,706.6</b>	<b>12,369.2</b>
<b>Other equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Currency and deposits</b>	<b>1,002.4</b>	<b>1,226.0</b>	<b>1,258.9</b>	<b>1,372.1</b>	<b>1,457.2</b>
Central banks	0.6	0.3	1.0	0.5	0.3
Short-term	0.6	0.3	1.0	0.5	0.2
Long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	1,001.8	1,225.7	1,257.9	1,371.5	1,457.0
Short-term	951.8	1,175.6	1,207.9	1,321.5	1,406.9
Long-term	50.1	50.1	50.1	50.1	50.1
General government	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0
<b>Loans</b>	<b>6,814.5</b>	<b>7,813.4</b>	<b>8,604.5</b>	<b>9,398.6</b>	<b>9,926.8</b>
Central bank	42.6	19.4	5.6	85.6	167.3
Credit and loans with the IMF	42.6	19.4	5.6	85.6	167.3
Other short-term	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	1,213.7	1,316.7	1,615.1	2,012.9	2,203.5
Short-term	83.3	101.6	199.1	221.4	64.2
Long-term	1,130.5	1,215.1	1,416.0	1,791.5	2,139.3
General government	3,704.0	3,844.8	4,057.5	4,647.5	4,826.1

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Credit and loans with the IMF	169.5	111.1	107.7	107.1	48.9
Other short-term	0.0	0.0	0.0	0.0	0.0
Other long-term	3,534.5	3,733.7	3,949.7	4,540.4	4,777.3
Other sectors	1,854.2	2,632.5	2,926.3	2,652.7	2,729.8
Short-term	27.9	18.9	35.1	65.3	101.0
Long-term	1,826.3	2,613.6	2,891.2	2,587.4	2,628.8
Other financial corporations	218.5	246.0	253.4	169.0	154.5
Short-term	12.6	15.0	13.0	43.2	26.2
Long-term	205.8	231.0	240.4	125.8	128.2
Nonfinancial corporations, households, and NPISHs	1,635.7	2,386.5	2,672.9	2,483.7	2,575.3
Short-term	15.3	3.9	22.1	22.1	74.8
Long-term	1,620.5	2,382.6	2,650.8	2,461.6	2,500.5
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Trade credit and advances</b>	<b>626.2</b>	<b>648.5</b>	<b>733.0</b>	<b>727.4</b>	<b>773.0</b>
Central bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	0.0	0.0	0.0	0.0	0.0
General government	0.0	0.0	0.0	0.0	0.0
Other sectors	626.2	648.5	733.0	727.4	773.0
Short-term	626.2	648.5	733.0	727.4	773.0
Long-term	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	626.2	648.5	733.0	727.4	773.0
Short-term	626.2	648.5	733.0	727.4	773.0
Long-term	0.0	0.0	0.0	0.0	0.0
<b>Other accounts payable - other</b>	<b>7.4</b>	<b>2.4</b>	<b>13.1</b>	<b>3.3</b>	<b>11.6</b>
Central bank	0.3	1.0	0.6	1.0	1.0
Short-term	0.3	1.0	0.6	1.0	1.0
Long-term	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	7.0	1.4	12.5	2.2	10.6
Short-term	7.0	1.4	12.5	2.2	10.6
Long-term	0.0	0.0	0.0	0.0	0.0
General government	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Other sectors	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Special drawing rights (Net incurrence of liabilities)</b>	<b>208.6</b>	<b>199.5</b>	<b>193.6</b>	<b>205.3</b>	<b>200.6</b>

**Appendix 5. International Investment Position of Georgia, 2018 Integrated (Million USD)**

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
<b>Net International Investment Position</b>	<b>-22,584.9</b>	<b>-1,147.8</b>	<b>269.8</b>	<b>475.7</b>	<b>-27.6</b>	<b>-23,014.7</b>
<b>Assets</b>	<b>9,377.9</b>	<b>865.2</b>	<b>-205.4</b>	<b>-34.7</b>	<b>-79.6</b>	<b>9,923.4</b>
<b>Direct investment</b>	<b>2,478.1</b>	<b>293.6</b>	<b>-131.4</b>	<b>0.0</b>	<b>-0.7</b>	<b>2,639.6</b>
<b>Equity and investment fund shares</b>	<b>2,181.6</b>	<b>336.5</b>	<b>-130.3</b>	<b>0.0</b>	<b>0.0</b>	<b>2,387.8</b>
Direct investor in direct investment enterprises	2,181.6	336.5	-130.3	0.0	0.0	2,387.8
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0
<b>Debt instruments</b>	<b>296.5</b>	<b>-42.9</b>	<b>-1.0</b>	<b>0.0</b>	<b>-0.7</b>	<b>251.9</b>
Direct investor in direct investment enterprises	216.0	3.7	-0.1	0.0	-0.7	218.8
Direct investment enterprises in direct investor (reverse investment)	80.5	-46.6	-0.9	0.0	0.0	33.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0
<b>Portfolio investment</b>	<b>442.5</b>	<b>251.2</b>	<b>-17.2</b>	<b>-47.8</b>	<b>0.0</b>	<b>628.6</b>
<b>Equity and investment fund shares</b>	<b>76.5</b>	<b>63.3</b>	<b>3.1</b>	<b>-47.7</b>	<b>0.0</b>	<b>95.2</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	61.7	38.3	-0.9	-29.1	0.0	69.9
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	14.9	25.0	4.0	-18.6	0.0	25.3
Other financial corporations	0.0	0.2	0.0	0.0	0.0	0.2
Nonfinancial corporations, households, and NPISHs	14.9	24.8	4.0	-18.6	0.0	25.1
Equity securities other than investment fund shares	76.5	63.3	3.1	-47.7	0.0	95.2
Listed	61.7	38.3	-0.9	-29.1	0.0	69.9
Unlisted	14.9	25.0	4.0	-18.6	0.0	25.3
<b>Debt securities</b>	<b>365.9</b>	<b>187.9</b>	<b>-20.3</b>	<b>-0.1</b>	<b>0.0</b>	<b>533.4</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	352.0	177.3	-20.3	-0.1	0.0	509.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	352.0	177.3	-20.3	-0.1	0.0	509.0
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	13.9	10.5	0.0	0.0	0.0	24.4



Million USD

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	13.9	10.5	0.0	0.0	0.0	24.4
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	13.9	10.5	0.0	0.0	0.0	24.4
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	13.9	10.5	0.0	0.0	0.0	24.4
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>0.0</b>	<b>-9.3</b>	<b>14.2</b>	<b>9.5</b>	<b>0.0</b>	<b>14.4</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	0.0	-9.3	14.2	9.5	0.0	14.4
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives (other than reserves)	0.0	-9.3	14.2	9.5	0.0	14.4
Options	0.0	0.0	0.0	0.0	0.0	0.0
Forward-type contracts	0.0	-9.3	14.2	9.5	0.0	14.4
Employee stock options	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other investment</b>	<b>3,418.0</b>	<b>51.3</b>	<b>-38.4</b>	<b>0.0</b>	<b>-78.9</b>	<b>3,351.9</b>
<b>Other equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Currency and deposits</b>	<b>2,764.2</b>	<b>20.0</b>	<b>-35.5</b>	<b>0.0</b>	<b>-99.8</b>	<b>2,648.9</b>
Central banks	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	1,119.0	-312.5	-14.1	0.0	0.4	792.8
Short-term	1,119.0	-312.5	-14.1	0.0	0.4	792.8
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.7	-0.3	-0.1	0.0	0.0	0.4
Short-term	0.7	-0.3	-0.1	0.0	0.0	0.4
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	1,644.5	332.8	-21.4	0.0	-100.2	1,855.7
Short-term	1,644.5	332.8	-21.4	0.0	-100.2	1,855.7
Long-term	0.0	0.0	0.0	0.0	0.0	0.0

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
Other financial corporations	19.5	-8.2	-0.4	0.0	0.0	10.9
Short-term	19.5	-8.2	-0.4	0.0	0.0	10.9
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	1,625.0	341.0	-21.1	0.0	-100.1	1,844.8
Short-term	1,625.0	341.0	-21.1	0.0	-100.1	1,844.8
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
<b>Loans</b>	<b>309.7</b>	<b>44.2</b>	<b>0.1</b>	<b>0.0</b>	<b>-10.3</b>	<b>343.6</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Credit and loans with the IMF (other than reserves)	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	207.5	47.5	0.1	0.0	2.8	257.9
Short-term	46.7	-4.4	0.2	0.0	-1.7	40.8
Long-term	160.8	51.9	-0.1	0.0	4.6	217.1
General government	0.0	0.0	0.0	0.0	0.0	0.0
Credit and loans with the IMF (other than reserves)	0.0	0.0	0.0	0.0	0.0	0.0
Other short-term	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	102.2	-3.3	0.0	0.0	-13.2	85.7
Short-term	7.6	0.7	0.0	0.0	0.5	8.8
Long-term	94.6	-4.0	0.0	0.0	-13.6	77.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	102.2	-3.3	0.0	0.0	-13.2	85.7
Short-term	7.6	0.7	0.0	0.0	0.5	8.8
Long-term	94.6	-4.0	0.0	0.0	-13.6	77.0
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Trade credit and advances	321.0	-5.5	-4.1	0.0	31.3	342.5
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	0.0	0.0	0.0	0.0	0.0	0.0
General government	32.4	0.0	0.0	0.0	0.0	32.4
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	32.4	0.0	0.0	0.0	0.0	32.4

Million USD

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
Other sectors	288.6	-5.5	-4.1	0.0	31.3	310.2
Short-term	288.6	-5.5	-4.1	0.0	31.3	310.2
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	288.6	-5.5	-4.1	0.0	31.3	310.2
Short-term	288.6	-5.5	-4.1	0.0	31.3	310.2
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other accounts receivable</b>	<b>23.1</b>	<b>-7.4</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>16.8</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	22.2	-10.4	1.2	0.0	0.0	12.9
Short-term	22.2	-10.4	1.2	0.0	0.0	12.9
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.6	0.0	0.0	0.0	0.0	0.5
Short-term	0.6	0.0	0.0	0.0	0.0	0.5
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	0.3	3.0	0.0	0.0	0.0	3.4
Short-term	0.3	3.0	0.0	0.0	0.0	3.4
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, NPISHs	0.3	3.0	0.0	0.0	0.0	3.4
Short-term	0.3	3.0	0.0	0.0	0.0	3.4
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
<b>Reserve assets</b>	<b>3,039.3</b>	<b>278.5</b>	<b>-32.6</b>	<b>3.7</b>	<b>0.0</b>	<b>3,288.8</b>
Monetary gold	0.0	0.0	0.0	0.0	0.0	0.0
Gold bullion	0.0	0.0	0.0	0.0	0.0	0.0
Unallocated gold accounts	0.0	0.0	0.0	0.0	0.0	0.0
Special drawing rights	206.1	-0.7	-4.7	0.0	0.0	200.7
Reserve position in the IMF	0.0	0.0	0.0	0.0	0.0	0.0
Other reserve assets	2,833.1	279.1	-27.9	3.7	0.0	3,088.1
Currency and deposits	663.9	-133.6	0.5	0.0	0.0	530.8

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
Claims on monetary authorities	275.0	9.0	-0.3	0.0	0.0	283.8
Claims on other entities	388.9	-142.6	0.7	0.0	0.0	247.0
Securities	2,168.9	414.0	-28.3	3.7	0.0	2,558.3
Debt securities	2,168.9	414.0	-28.3	3.7	0.0	2,558.3
Short-term	2,168.9	414.0	-28.3	3.7	0.0	2,558.3
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Equity and investment fund shares	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.3	-1.2	0.0	0.0	0.0	-1.0
Other claims	0.0	0.0	0.0	0.0	0.0	0.0
<b>Liabilities</b>	<b>31,962.7</b>	<b>2,013.0</b>	<b>-475.2</b>	<b>-510.4</b>	<b>-52.0</b>	<b>32,938.2</b>
<b>Direct investment</b>	<b>18,035.6</b>	<b>1,218.7</b>	<b>-328.9</b>	<b>-363.3</b>	<b>-271.0</b>	<b>18,291.0</b>
<b>Equity and investment fund shares</b>	<b>14,612.4</b>	<b>1,240.6</b>	<b>-296.4</b>	<b>-363.3</b>	<b>-88.6</b>	<b>15,104.7</b>
Direct investor in direct investment enterprises	14,612.4	1,240.6	-296.4	-363.3	-88.6	15,104.7
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0
<b>Debt instruments</b>	<b>3,423.2</b>	<b>-22.0</b>	<b>-32.5</b>	<b>0.0</b>	<b>-182.4</b>	<b>3,186.3</b>
Direct investor in direct investment enterprises	3,423.2	-22.0	-32.5	0.0	-182.4	3,186.3
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Debt securities	0.1	0.0	0.0	0.0	0.0	0.1
Direct investor in direct investment enterprises	0.1	0.0	0.0	0.0	0.0	0.1
Direct investment enterprises in direct investor (reverse investment)	0.0	0.0	0.0	0.0	0.0	0.0
Between fellow enterprises	0.0	0.0	0.0	0.0	0.0	0.0
<b>Portfolio investment</b>	<b>2,217.3</b>	<b>207.3</b>	<b>-0.8</b>	<b>-147.1</b>	<b>-2.9</b>	<b>2,273.8</b>
<b>Equity and investment fund shares</b>	<b>41.2</b>	<b>4.5</b>	<b>-0.2</b>	<b>-0.7</b>	<b>-2.8</b>	<b>41.9</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	20.5	0.0	-0.2	0.1	-5.2	15.1
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	20.7	4.4	0.1	-0.8	2.4	26.8
Other financial corporations	1.9	1.1	-0.3	-0.8	2.4	4.3

Million USD

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
Nonfinancial corporations, households, and NPISHs	18.8	3.3	0.4	0.0	0.0	22.5
Equity securities other than investment fund shares	41.2	4.5	-0.2	-0.7	-2.8	41.9
Listed	6.6	0.0	0.2	-1.1	-5.2	0.6
Unlisted	34.5	4.4	-0.4	0.4	2.4	41.3
<b>Debt securities</b>	<b>2,176.2</b>	<b>202.8</b>	<b>-0.6</b>	<b>-146.4</b>	<b>-0.1</b>	<b>2,231.9</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	299.4	-24.5	-4.6	-13.1	347.1	604.2
Short-term	0.0	50.4	0.2	0.0	0.0	50.6
Long-term	299.4	-74.9	-4.9	-13.1	347.1	553.6
General government	647.3	-59.3	4.0	-35.5	0.0	556.5
Short-term	33.7	-19.6	1.9	-0.1	0.0	16.0
Long-term	613.6	-39.7	2.1	-35.5	0.0	540.5
Other sectors	1,229.5	286.6	0.0	-97.7	-347.2	1,071.2
Short-term	1.5	-0.3	0.0	0.0	-0.1	1.1
Long-term	1,228.0	286.9	0.0	-97.7	-347.1	1,070.2
Other financial corporations	1.4	-0.2	0.0	0.0	-0.1	1.1
Short-term	1.4	-0.2	0.0	0.0	-0.1	1.1
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	1,228.1	286.9	0.0	-97.7	-347.1	1,070.2
Short-term	0.1	-0.1	0.0	0.0	0.0	0.0
Long-term	1,228.0	286.9	0.0	-97.7	-347.1	1,070.2
<b>Financial derivatives (other than reserves) and employee stock options</b>	<b>3.2</b>	<b>-10.6</b>	<b>11.5</b>	<b>0.0</b>	<b>0.0</b>	<b>4.1</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	3.2	-10.6	11.5	0.0	0.0	4.1
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives (other than reserves)	3.2	-10.6	11.5	0.0	0.0	4.1
Options	0.0	0.0	0.0	0.0	0.0	0.0
Forward-type contracts	3.2	-10.6	11.5	0.0	0.0	4.1
Employee stock options	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other investment</b>	<b>11,706.6</b>	<b>597.6</b>	<b>-157.0</b>	<b>0.0</b>	<b>222.0</b>	<b>12,369.2</b>
<b>Other equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
<b>Currency and deposits</b>	<b>1,372.1</b>	<b>17.3</b>	<b>-10.7</b>	<b>0.0</b>	<b>78.6</b>	<b>1,457.2</b>
Central banks	0.5	-0.2	0.0	0.0	0.0	0.3
Short-term	0.5	-0.2	0.0	0.0	0.0	0.2
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	1,371.5	17.5	-10.7	0.0	78.6	1,457.0
Short-term	1,321.5	17.5	-10.7	0.0	78.6	1,406.9
Long-term	50.1	0.0	0.0	0.0	0.0	50.1
General government	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0
Short-term	0.0	0.0	0.0	0.0	0.0	0.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
<b>Loans</b>	<b>9,398.6</b>	<b>565.1</b>	<b>-142.2</b>	<b>0.0</b>	<b>105.3</b>	<b>9,926.8</b>
Central bank	85.6	84.1	-2.4	0.0	0.0	167.3
Credit and loans with the IMF	85.6	84.1	-2.4	0.0	0.0	167.3
Other short-term	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	2,012.9	271.3	-40.8	0.0	-39.9	2,203.5
Short-term	221.4	-117.5	1.0	0.0	-40.7	64.2
Long-term	1,791.5	388.8	-41.8	0.0	0.8	2,139.3
General government	4,647.5	266.6	-88.0	0.0	0.0	4,826.1
Credit and loans with the IMF	107.1	-56.7	-1.6	0.0	0.0	48.9
Other short-term	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term	4,540.4	323.3	-86.4	0.0	0.0	4,777.3
Other sectors	2,652.7	-57.0	-11.0	0.0	145.1	2,729.8
Short-term	65.3	-21.4	-1.7	0.0	58.8	101.0
Long-term	2,587.4	-35.5	-9.4	0.0	86.3	2,628.8
Other financial corporations	169.0	-10.6	-3.9	0.0	0.0	154.5
Short-term	43.2	-15.3	-1.7	0.0	0.0	26.2
Long-term	125.8	4.7	-2.3	0.0	0.0	128.2
Nonfinancial corporations, households, and NPISHs	2,483.7	-46.4	-7.1	0.0	145.1	2,575.3
Short-term	22.1	-6.1	0.0	0.0	58.8	74.8
Long-term	2,461.6	-40.3	-7.1	0.0	86.3	2,500.5
<b>Insurance, pension, and standardized guarantee schemes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Million USD

	31/12/17	Changes				31/12/18
		Transactions	Exchange rate	Price	Other	
<b>Trade credit and advances</b>	<b>727.4</b>	<b>6.5</b>	<b>1.1</b>	<b>0.0</b>	<b>38.1</b>	<b>773.0</b>
Central bank	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.0	0.0	0.0	0.0	0.0	0.0
Other sectors	727.4	6.5	1.1	0.0	38.1	773.0
Short-term	727.4	6.5	1.1	0.0	38.1	773.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0
Nonfinancial corporations, households, and NPISHs	727.4	6.5	1.1	0.0	38.1	773.0
Short-term	727.4	6.5	1.1	0.0	38.1	773.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other accounts payable - other</b>	<b>3.3</b>	<b>8.6</b>	<b>-0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>11.6</b>
Central bank	1.0	0.0	0.0	0.0	0.0	1.0
Short-term	1.0	0.0	0.0	0.0	0.0	1.0
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except central bank	2.2	8.6	-0.3	0.0	0.0	10.6
Short-term	2.2	8.6	-0.3	0.0	0.0	10.6
Long-term	0.0	0.0	0.0	0.0	0.0	0.0
General government	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Other sectors	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Special drawing rights (Net incurrence of liabilities)</b>	<b>205.3</b>	<b>0.1</b>	<b>-4.8</b>	<b>0.0</b>	<b>0.0</b>	<b>200.6</b>

**Appendix 6. Gross External Debt of Georgia, 2014-2018 (Million USD)**

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
<b>General Government</b>	<b>4,255.8</b>	<b>4,390.3</b>	<b>4,677.8</b>	<b>5,294.7</b>	<b>5,382.6</b>
<b>Short-term</b>	<b>12.0</b>	<b>9.2</b>	<b>18.8</b>	<b>33.7</b>	<b>16.0</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	12.0	9.2	18.8	33.7	16.0
Loans	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Long-term</b>	<b>4,243.9</b>	<b>4,381.1</b>	<b>4,658.9</b>	<b>5,261.0</b>	<b>5,366.6</b>
Special drawing rights (SDRs), Allocation	0.0	0.0	0.0	0.0	0.0
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	539.8	536.3	601.5	613.6	540.5
Loans	3,704.0	3,844.8	4,057.5	4,647.5	4,826.1
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Central Bank</b>	<b>252.1</b>	<b>220.3</b>	<b>200.9</b>	<b>292.4</b>	<b>369.2</b>
<b>Short-term</b>	<b>0.9</b>	<b>1.3</b>	<b>1.7</b>	<b>1.6</b>	<b>1.3</b>
Currency and deposits <sup>1</sup>	0.6	0.3	1.0	0.5	0.2
Debt securities	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.3	1.0	0.6	1.0	1.0
<b>Long-term</b>	<b>251.2</b>	<b>218.9</b>	<b>199.3</b>	<b>290.9</b>	<b>367.9</b>
Special drawing rights (SDRs), Allocation	208.6	199.5	193.6	205.3	200.6
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0
Loans	42.6	19.4	5.6	85.6	167.3
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Deposit-Taking Corporations, except the Central Bank</b>	<b>2,683.4</b>	<b>2,957.1</b>	<b>2,984.4</b>	<b>3,686.0</b>	<b>4,275.3</b>
<b>Short-term</b>	<b>1,109.5</b>	<b>1,332.5</b>	<b>1,477.1</b>	<b>1,585.2</b>	<b>1,572.4</b>
Currency and deposits <sup>1</sup>	991.8	1,215.7	1,247.9	1,361.5	1,447.0
Debt securities	27.3	13.8	17.6	0.0	50.6
Loans	83.3	101.6	199.1	221.4	64.2
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	7.0	1.4	12.5	2.2	10.6
<b>Long-term</b>	<b>1,573.9</b>	<b>1,624.7</b>	<b>1,507.2</b>	<b>2,100.8</b>	<b>2,702.9</b>
Currency and deposits <sup>1</sup>	10.0	10.0	10.0	10.0	10.0
Debt securities	433.4	399.6	81.3	299.4	553.6



Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Loans	1,130.5	1,215.1	1,416.0	1,791.5	2,139.3
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Other Sectors</b>	<b>3,311.2</b>	<b>4,064.5</b>	<b>4,892.1</b>	<b>4,609.6</b>	<b>4,574.1</b>
<b>Short-term</b>	<b>655.6</b>	<b>668.4</b>	<b>769.6</b>	<b>794.2</b>	<b>875.1</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	1.4	1.0	1.6	1.5	1.1
Loans	27.9	18.9	35.1	65.3	101.0
Trade credit and advances	626.2	648.5	733.0	727.4	773.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Long-term</b>	<b>2,655.6</b>	<b>3,396.1</b>	<b>4,122.5</b>	<b>3,815.4</b>	<b>3,698.9</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities <sup>4</sup>	829.3	782.5	1,231.2	1,228.0	1,070.2
Loans	1,826.3	2,613.6	2,891.2	2,587.4	2,628.8
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Other financial corporations</b>	<b>219.9</b>	<b>246.9</b>	<b>255.0</b>	<b>170.4</b>	<b>155.5</b>
<b>Short-term</b>	<b>14.1</b>	<b>16.0</b>	<b>14.5</b>	<b>44.6</b>	<b>27.3</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	1.4	1.0	1.6	1.4	1.1
Loans	12.6	15.0	13.0	43.2	26.2
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Long-term</b>	<b>205.8</b>	<b>231.0</b>	<b>240.4</b>	<b>125.8</b>	<b>128.2</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.0	0.0
Loans	205.8	231.0	240.4	125.8	128.2
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Nonfinancial corporations</b>	<b>3,091.3</b>	<b>3,817.6</b>	<b>4,637.1</b>	<b>4,439.1</b>	<b>4,418.5</b>
<b>Short-term</b>	<b>641.5</b>	<b>652.4</b>	<b>755.1</b>	<b>749.6</b>	<b>847.8</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	0.1	0.0
Loans	15.3	3.9	22.1	22.1	74.8
Trade credit and advances	626.2	648.5	733.0	727.4	773.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Long-term</b>	<b>2,449.8</b>	<b>3,165.2</b>	<b>3,882.0</b>	<b>3,689.6</b>	<b>3,570.7</b>
Currency and deposits <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Debt securities	829.3	782.5	1,231.2	1,228.0	1,070.2
Loans	1,620.5	2,382.6	2,650.8	2,461.6	2,500.5

Million USD

	31/12/14	31/12/15	31/12/16	31/12/17	31/12/18
Trade credit and advances	0.0	0.0	0.0	0.0	0.0
Other debt liabilities <sup>2,3</sup>	0.0	0.0	0.0	0.0	0.0
<b>Direct Investment: Intercompany Lending</b>	<b>3,476.1</b>	<b>3,675.7</b>	<b>3,168.4</b>	<b>3,423.2</b>	<b>3,186.3</b>
Debt liabilities of direct investment enterprises to direct investors	3,476.1	3,675.7	3,168.4	3,423.2	3,186.3
Debt liabilities of direct investors to direct investment enterprises	0.0	0.0	0.0	0.0	0.0
Debt liabilities to fellow enterprises	0.0	0.0	0.0	0.0	0.0
<b>Gross External Debt Position</b>	<b>13,978.5</b>	<b>15,308.0</b>	<b>15,923.5</b>	<b>17,306.0</b>	<b>17,787.4</b>
<b>Memorandum Items:</b>					
<b>Arrears: By Sector</b>	646.6	747.2	340.0	295.0	593.4
General government	48.5	51.0	53.5	32.6	33.1
Central Bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	0.0	0.0	0.0	0.0	0.0
Other sectors	71.5	88.5	96.6	110.4	319.2
Direct investment: Intercompany lending	<b>526.7</b>	<b>607.8</b>	<b>189.8</b>	<b>152.0</b>	<b>241.1</b>
<b>Debt Securities: By Sector</b>	1,771.3	1,692.7	1,851.4	2,013.2	2,219.5
General government	521.3	519.8	566.8	582.1	528.4
Central Bank	0.0	0.0	0.0	0.0	0.0
Deposit-taking corporations, except the central bank	449.6	401.6	98.9	299.4	612.6
Other sectors	800.5	771.3	1,185.7	1,131.7	1,078.4

1 It is recommended that all currency and deposits be included in the short-term category unless detailed information is available to make the short-term/long-term attribution.

2 Other debt liabilities comprise insurance, pension, and standardized guarantee schemes, and other accounts payable-other in the IIP statement. In the absence of information to make the short-term/long-term attribution, it is recommended that insurance, pension, and standardized guarantee schemes be classified as long term.

3 Arrears are recorded in the original debt instrument rather than in other debt liabilities, short term, and separately identified by sectors in memorandum items.

4 Debt securities are valued at market value in the table, and at nominal value in the Memorandum items. Debt securities in the memorandum items do not include those that may be included in Direct investment: Intercompany lending.

**Appendix 7. Top trading partners by exports (FOB), 2014-2018 (Million USD)**

	2014	2015	2016	2017	2018
<b>Exports total</b>	<b>2,861.0</b>	<b>2,204.2</b>	<b>2,113.0</b>	<b>2,735.8</b>	<b>3,355.7</b>
Of which:					
Azerbaijan	544.4	240.9	152.4	272.1	502.0
Russian Federation	274.2	162.9	206.0	396.7	436.6
Armenia	288.0	180.2	150.8	210.3	278.7
Bulgaria	167.1	214.2	160.8	186.9	258.9
Turkey	239.3	186.8	173.4	216.7	233.5
China	90.4	125.8	174.3	201.7	198.0
Ukraine	140.0	59.9	73.3	124.5	175.0
United States	207.4	104.2	68.3	121.8	160.0
Kazakhstan	88.6	45.0	39.8	51.8	90.8
Uzbekistan	54.8	98.0	71.3	64.2	80.5
Switzerland	13.6	30.8	81.8	71.6	77.5
Iran, Islamic Republic of	28.2	35.8	46.6	76.4	74.2
Spain	70.4	41.9	41.4	59.3	62.1
Romania	4.3	27.0	36.7	75.3	57.8
Germany	66.0	75.3	85.5	45.7	51.5
Netherlands	29.3	42.2	37.0	40.1	46.3
United Arab Emirates	28.0	28.1	32.0	37.4	45.5
France	26.1	21.0	25.0	27.2	44.7
Lithuania	31.7	33.3	25.2	35.1	43.4
Italy	86.1	74.6	72.7	69.5	43.3
<b>Other countries</b>	<b>383.1</b>	<b>376.3</b>	<b>358.7</b>	<b>351.7</b>	<b>395.2</b>

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

**Appendix 8. Top trading partners by imports (CIF), 2014-2018 (Million USD)**

	2014	2015	2016	2017	2018
<b>Imports total</b>	<b>8,601.8</b>	<b>7,300.2</b>	<b>7,294.0</b>	<b>7,943.3</b>	<b>9,136.0</b>
Of which:					
Turkey	1,725.9	1,327.5	1,353.6	1,373.7	1,473.2
Russian Federation	575.6	625.1	675.6	786.9	934.0
China	733.4	587.3	547.5	732.9	833.9
Azerbaijan	638.1	538.7	492.5	567.0	592.8
Ukraine	548.6	455.6	417.9	446.0	514.8
Germany	465.9	431.0	420.5	434.2	431.4
United States	282.8	253.0	214.6	268.3	359.5

Million USD

	2014	2015	2016	2017	2018
Armenia	210.1	175.1	216.8	281.3	335.3
France	130.7	117.0	120.0	134.8	262.6
Italy	221.9	197.7	262.7	218.0	231.4
Japan	368.2	211.3	188.4	138.9	215.2
Romania	312.1	207.1	190.3	191.0	209.2
Netherlands	148.6	128.2	217.2	155.2	205.4
Bulgaria	209.8	167.6	150.4	155.5	181.6
Iran, Islamic Republic of	122.7	92.3	84.5	105.2	177.7
Turkmenistan	69.3	111.6	75.9	119.6	174.5
United Arab Emirates	199.1	210.2	138.2	145.0	155.8
Poland	93.1	91.1	101.5	127.7	142.6
Brazil	107.9	71.2	77.1	95.7	130.8
Austria	72.1	83.8	70.4	63.3	115.2
<b>Other countries</b>	<b>1,366.0</b>	<b>1,217.9</b>	<b>1,278.2</b>	<b>1,402.9</b>	<b>1,459.1</b>

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

### Appendix 9. Exports of main goods to Turkey, 2014-2018 (Thousand USD)

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Exports to Turkey</b>	<b>239,301.6</b>	<b>186,802.2</b>	<b>173,449.0</b>	<b>216,673.6</b>	<b>233,497.2</b>	<b>100.0</b>
	Of which:						
6109	T-shirts and other vests, knitted or crocheted	36,404.3	40,468.2	37,238.7	42,955.7	40,528.2	17.4
7202	Ferro-alloys	10,946.3	4,586.1	11,743.0	24,522.9	32,519.1	13.9
7207	Semi-finished products of iron or non-alloy steel	32,295.2	19,018.2	12,026.9	26,653.6	22,573.8	9.7
2603	Copper ores and concentrates	0.0	5,620.4	0.0	0.0	18,485.9	7.9
2716	Electrical energy	16,919.2	18,362.1	13,110.8	11,986.0	13,782.7	5.9
6103	Men's or boys' suits, ensembles, trousers, knitted or crocheted	7,982.6	8,803.1	10,025.9	9,554.2	11,029.7	4.7
2301	Flours, meals and pellets, unfit for human consumption; greaves	15,093.7	10,525.3	13,715.7	10,407.0	9,599.5	4.1
7204	Ferrous waste and scrap of iron or steel	124.3	0.0	5.3	3,415.9	7,855.5	3.4
2837	Cyanides, cyanide oxides and complex cyanides	2,938.1	2,368.7	2,164.3	7,614.1	7,788.2	3.3
1504	Fats and oils, of fish or marine mammals	5,888.2	5,279.6	4,675.0	4,246.9	6,866.4	2.9
	Other products	110,709.7	71,770.6	68,743.4	75,317.2	62,468.0	26.8

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

**Appendix 10. Imports of main goods from Turkey, 2014-2018 (Thousand USD)**

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Imports from Turkey</b>	<b>1,725,895</b>	<b>1,327,478</b>	<b>1,353,585</b>	<b>1,373,739</b>	<b>1,473,173</b>	<b>100.0</b>
	Of which:						
3004	Medicaments put up in measured doses	71,053	77,949	51,017	66,703	60,501	4.1
7306	Other tubes, pipes and hollow profiles, of iron or steel	40,306	31,838	41,089	46,374	49,082	3.3
8703	Motor cars	6,041	6,016	10,829	31,858	46,868	3.2
7308	Medicaments put up in measured doses	43,608	41,094	57,405	37,607	36,952	2.5
8544	Insulated wire, cable and other insulated electric conductors	37,201	24,627	38,259	27,069	31,194	2.1
4011	Pneumatic tyres, of rubber	18,548	18,734	19,247	22,620	27,082	1.8
9619	napkins and napkin liners for babies and similar articles	37,383	35,282	34,641	31,625	26,980	1.8
6307	Dress patterns and other made up articles	27,453	27,422	21,641	29,398	26,705	1.8
3917	Tubes, pipes, hoses of plastics	33,486	36,987	29,238	28,428	25,398	1.7
3402	Washing and cleaning preparations	27,488	31,074	26,551	24,645	25,163	1.7
	Other products	1,383,330	996,456	1,023,668	1,027,412	1,117,247	75.8

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

**Appendix 11. Exports of main goods to Russia, 2014-2018 (Thousand USD)**

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Exports to Russia</b>	<b>274,214</b>	<b>162,886</b>	<b>206,044</b>	<b>396,672</b>	<b>436,647</b>	<b>100.0</b>
	Of which:						
7202	Ferro-alloys	16,886	22,645	39,435	128,416	128,440	29.4
2204	Wine of fresh grapes	111,417	43,344	55,801	98,927	114,573	26.2
2201	Waters, natural or artificial mineral and aerated waters, not containing added sugar	66,381	33,027	35,301	45,598	50,192	11.5
2208	Undenatured ethyl alcohol, spirits, liqueurs and other spirituous beverages	17,607	10,572	12,531	22,699	21,317	4.9
8421	Filtering or purifying machinery, for liquids or gases	24	106	16	2,887	15,816	3.6
0805	Citrus fruit, fresh or dried	9,066	9,621	6,009	7,478	10,874	2.5
3004	Medicaments	1,511	5	3,614	11,271	10,500	2.4
2202	Mineral and aerated waters, containing added sugar	3,814	2,778	2,852	5,817	8,355	1.9
8703	Motor cars	16,433	4,444	6,998	13,136	7,594	1.7
0802	Other nuts, fresh or dried	3,982	10,665	9,626	11,660	7,589	1.7
	Other products	27,093	25,680	33,861	48,782	61,397	14.1

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

**Appendix 12. Imports of main goods from Russia, 2014-2018 (Thousand USD)**

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Imports from Russia</b>	<b>575,568</b>	<b>625,066</b>	<b>675,628</b>	<b>786,865</b>	<b>934,007</b>	<b>100.0</b>
	Of which;						
2710	Petroleum and petroleum oils	47,687	69,355	102,383	134,682	198,547	21.3
1001	Wheat and meslin	131,503	114,568	85,920	97,723	95,783	10.3
2704	Coke and semi-coke	0.0	3,237	7,660	15,178	38,901	4.2
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof	16,809	22,138	27,536	29,007	33,543	3.6
8517	Electrical apparatus for line telephony or telegraphy	718	680	19,085	37,350	30,085	3.2
2701	Coal	6,248	9,564	8,159	16,054	26,151	2.8
1806	Chocolate and other food preparations containing cocoa	17,097	14,402	17,951	22,873	26,131	2.8
1905	Bread, pastry, cakes and the like	9,273	9,245	10,420	14,199	17,197	1.8
8528	Television receivers	48	6,184	13,760	19,468	13,909	1.5
1005	Maize	7,861	10,311	11,411	13,111	13,872	1.5
	Other products	338,324	365,382	371,343	387,218	439,887	47.1

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

**Appendix 13. Exports of main goods to Azerbaijan, 2014-2018 (Thousand USD)**

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Exports to Azerbaijan</b>	<b>544,448</b>	<b>240,870</b>	<b>152,375</b>	<b>272,150</b>	<b>502,042</b>	<b>100.0</b>
	Of which:						
8703	Motor cars	267,958	63,546	48,957	88,015	189,723	37.8
2402	Cigars and cigarettes		43	1,163	24,487	99,131	19.7
3004	Medicaments	27,818	26,347	18,878	22,310	32,818	6.5
0102	Live bovine animals	30,067	17,822	1,279	9,816	15,231	3.0
2202	Mineral and aerated waters, containing added sugar	10,144	8,411	4,330	6,058	11,465	2.3
7214	Bars and rods of iron or non-alloy steel	57,264	5,656	4,088	9,070	10,125	2.0
7202	Ferro-alloys	4,378	4,051	4,103	5,314	8,046	1.6
8704	Motor vehicles for the transport of goods	15,789	4,456	1,032	2,866	6,437	1.3
3923	Articles for the packing of goods; stoppers and lids of plastics	1,964	1,553	2,160	4,406	5,637	1.1
8431	Parts suitable for use with the hoisting machinery	1,348	1,217	678	1,157	4,939	1.0
	Other products	127,717	107,768	65,707	98,651	118,492	23.6

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

### Appendix 14. Imports of main goods from Azerbaijan, 2014-2018 (Thousand USD)

Code	Product name	2014	2015	2016	2017	2018	2018 structure (%)
	<b>Total Imports from Azerbaijan</b>	<b>638,066</b>	<b>538,688</b>	<b>492,472</b>	<b>567,034</b>	<b>592,760</b>	<b>100.0</b>
	Of which;						
2711	Other aircrafts	287,338	309,203	278,986	275,218	273,932	46.2
2710	Flat-rolled products of non-alloy steel	240,841	138,146	104,791	112,525	109,971	18.6
2716	Automatic data processing machines	9,737	7,320	5,772	47,115	63,447	10.7
2523	New pneumatic tyres, of rubber	1,362	4,205	8,927	15,292	18,471	3.1
2603	Footwear with outsoles and uppers of rubber or plastics	0	6,668	15,944	20,731	12,729	2.1
7214	Lamps and lighting fittings	124	516	957	7,103	11,361	1.9
2520	Air conditioning machines	26,817	11,778	11,496	13,042	9,249	1.6
0703	Television receivers	0	0	126	949	6,676	1.1
8606	Other toys, reduced-size models	0	83	0	770	5,244	0.9
8431	Electrical apparatus for line telephony or telegraphy	787	1,642	192	542	3,782	0.6
	Other products	71,061	59,129	65,281	73,747	77,898	13.1

Data source: National Statistics Office of Georgia, GeoStat. Shuttle trade is not included.

