

In 2016, compared to 2015:

- The volume of imports decreased by 0.5%;
- The volume of exports decreased by 4.1% while the volume of re-exports decreased by 19.6%. The share of re-exports in total exports reached 21.6%;
- Russia is again Georgia's number one trading partner in terms of exports;
- Turkey is still the number one trading partner in terms of imports.

Exports, Imports and Trade Balance, 2016



In 2016, compared to the indicator for the corresponding period in 2015, the volume of registered trade of goods decreased by 1.4% and amounted to 9 357 mln USD.

In this period, the volume of imports* (-0.5%) as well as the volume of exports (-4.1%) decreased. Therefore, the trade balance deteriorated (-1.1%).

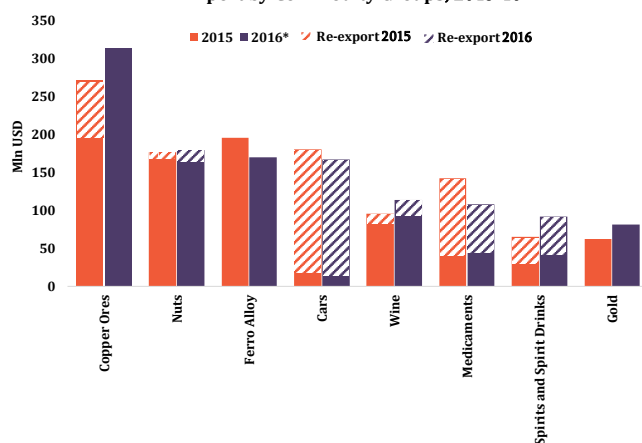
In 2016, the most exported commodities are the following: copper (14.7% of total exports, 312 mln USD), nuts (8.4% of total exports, 179 mln USD), ferro-alloys (8.0% of total exports, 169 mln USD), cars (7.9% of total exports, 167 mln USD), wine (5.4% of total export, 113 mln USD).

Source: National Statistics Office of Georgia

It should be noted that the rate of re-export among several of the most exported commodities is high. For instance, 95% of exported cars are re-exported (159 mln USD). The proportion of re-exports within exported medicaments is 74% (79 mln USD) and for spirits the share is 56% (52 mln USD).

In 2016, compared to 2015, there has been growth in the export of spirits (41.5%), gold (30.6%), wines (18.5%), copper ores (15.2%) and nuts (1.3%). Meanwhile, there has been a reduction in the export of medicaments (-24.1%), ferro-alloys (-13.1%) and cars (-7.2%).

Export by Commodity Groups, 2015-16*



Major Partner Countries by Export, 2015-16*



Source: National Statistics Office of Georgia

In 2016, the breakdown of exports by partner country changed. For the first time since 2005 Russia is again the number one trade partner in terms of export. The volume of exports to Russia increased by 26.6% and amounted to 9.8% of total exports. The volume of exports to China increased as well (34.8%) and amounted to 8.0% of total export. On the other hand, the volume of exports to Azerbaijan decreased by 36.3% which is mostly due to the reduction of export of cars (-44%) and medicaments (-48%). The share of Azerbaijan amounted to 7.3% and ranked as the fifth biggest trade partner in terms of exports, dropping from first place in 2015. It should be noted that the volume of exports in Switzerland (165.1%) and in Germany (12.5%) increased while the volume of exports in Bulgaria (-22.0%), Armenia (-16.4%) and in Turkey (-7.1%).

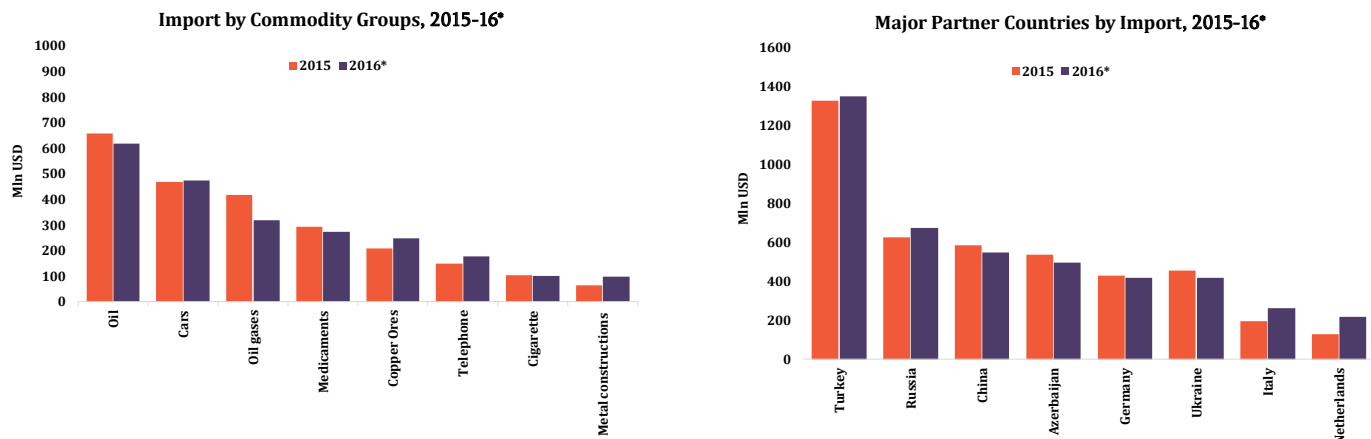
Among the top eight trade partner countries, re-export amounts to 20.7% of total exports (245 mln USD). In 2016, compared to 2015, the volume of re-exports in these countries decreased by 26.7%. The share of re-export is high for Azerbaijan (63.4%), Armenia (56.3%) and Switzerland (39%).

* This indicator does not cover hepatitis C medicaments. These medicaments were mostly imported from Ireland and Canada and are valued at 2 609 mln USD in 2016.

In 2016, the share of re-export in total exports is 21.6%. The volume of re-exports is 19.6% lower compared to the corresponding indicator in 2015. The breakdown of re-exports is as follows: cars (35% of total re-export), spirits (11%), tyres (4%) and cigars (2%). It should be noted that the re-export of medicaments decreased significantly (-30.7%) and there was also a decrease in the re-export of cars (-7.5%).

In 2016, compared to 2015, the volume of imports decreased by 0.5% and amounted to 7.2 bln USD. The most imported commodities are: oil (8.5% of total imports, 619 mln USD), cars (6.5% of total imports, 475 mln USD), gases (4.4% of total imports, 318 mln USD), medicaments (3.8% of total imports, 272 mln USD) and copper ores (3.4% of total imports, 207.9 mln USD).

In 2016, compared to 2015, the import of gases decreased significantly (-23.6%) as did the import of the following products: medicaments (-7.0%), oil (-6.1%) and cigarettes (-1.7%). In this period, the import of metal construction increased (52.9%), copper ores (19.6%), telephones (18.3%) and cars (1.1%).



Source: National Statistics Office of Georgia

Excluding the import of hepatitis C medicaments as a gift from Ireland and Canada**, the largest trade partner in terms of imports is still Turkey (18.7% of total imports). The second largest trade partner in terms of imports is Russia (9.3% of total imports, 675 mln USD). In 2016, compared to 2015, the imports from Russia increased by 8%. The import of gases and petroleum products has increased significantly (46.9%) while the import of wheat decreased (25%).

In 2016, compared to 2015, imports from the Netherlands (69.3%) and from Italy (33.0%) increased significantly. From the Netherlands and Italy it is mostly taps and pipes that are imported (13.3% of imports from the Netherlands; 9.2% of imports from Italy).

In this period, imports decreased from Ukraine (-8.4%), from Azerbaijan (-8.1%), from China (-6.8%) and from Germany (-2.8%). From Ukraine, the most imported product was cigars (12.0% of imports from Ukraine), from Azerbaijan it was oil and petroleum (19.3% of imports from Azerbaijan), from China it was flat metal (3.8% of imports from China) and from Germany it was cars (18.7% of imports from Germany).

** In 2016, if we include the import of hepatitis C medicaments, Canada is the largest trade partner in terms of imports (18.2% of total imports). Similar to Canada, the share of Ireland in total imports increased significantly and amounted to 8.6% which is due to the import of hepatitis C medicaments.

Basic Economic Indicators	2014	I 2015	II 2015	III 2015	IV 2015	2015	I 2016	II 2016	III 2016
Nominal GDP (Mln USD)	16528.5	3325.0*	3407.6*	3545.0*	6682.3*	13959.9*	3018.8*	3642.6*	3767.3*
Per Capita GDP (USD)	3680.8	884.5*	913.4*	950.5*	994.7*	3743.1*	811.4*	979.1*	1012.6*
GDP Real Growth (%)	4.8%	3.2%*	2.5%*	2.5%*	2.9%*	2.8%*	2.6%*	3.0%*	2.3%
Inflation	3.1%					4.0%			
Foreign Direct Investment (Mln USD/0)	1 758.4	175.3*	354.7*	489.0*	267.9*	1 351.1*	388.6*	445.3	463.3*
Unemployment Rate (%)	12.4%					12%			
External Government Debt (Mln USD)	4200	3989	4181	4195	4315	4315	4396	4404	4461
Poverty Level (Relative)	21.4%					20.1%			

Source: National Statistics Office of Georgia
National Bank of Georgia
Ministry of Finance of Georgia

Forecasted*