

In June 2015, compared to June 2014, consumer prices increased by 4.5%.

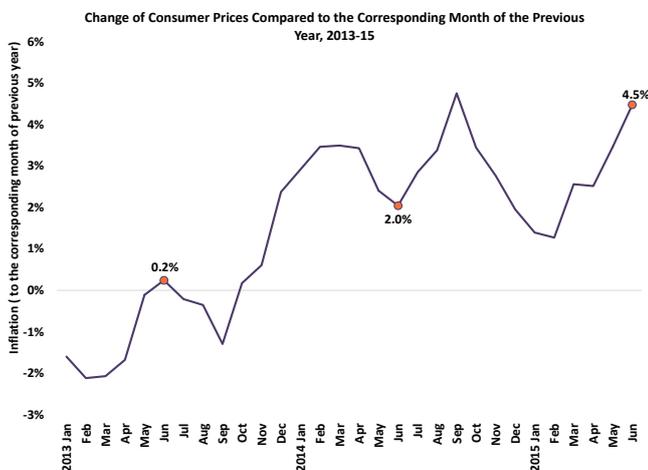
In this period, the highest growth of prices recorded on the following categories:

- Alcoholic beverages and tobacco (11.4%). Among them increased the prices of vodka (28.5%), domestically produced non- filter cigarette (23.6%) and beer (14.6%).
- Furnishings, household equipment and maintenance (8.2%). Among them increased the prices of paper napkins (21.6%), vacuum cleaner (16.8%) and air conditioner (14.6%).
- Health care (7.4%). Among them the prices increased on anti-inflammatory medicines (28.2%), vitamins (21.4%), antibiotics (20.3%) and hospital services (5.1%).

In this period, the largest reduction of prices recorded on the following categories:

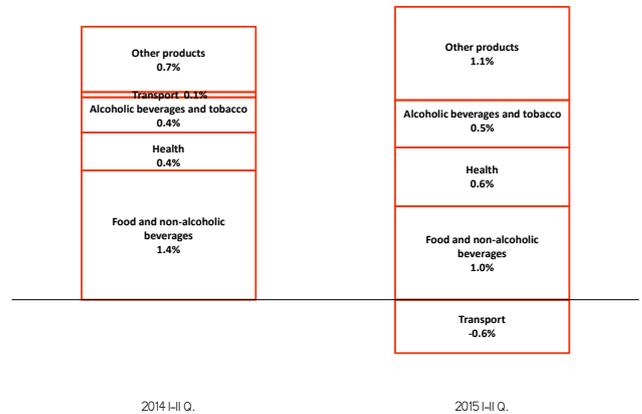
- Clothing and footwear (-3.3%). Among them prices declined on child's jacket (-12.8%), man's suit (-10.0%), child's shirt (-5.2%) and girl's summer shoes (-4.6%).
- Transport (-0.6%). Among them prices declined on diesel fuel (-7.5%) and intercity motor transport tariff (-7.1%).

In June 2015, the prices of commodities of the subsistence minimum basket increased on average by 18.2%, while the subsistence minimum for working age male increased on average by 7.9 %.



Source: GeoStat

The Shares of Categories in the Average Price Change in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year

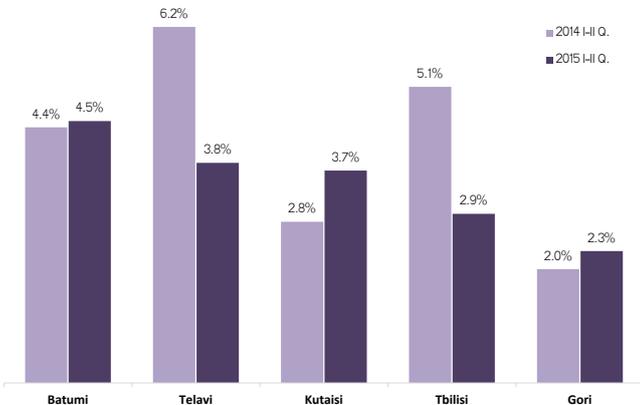


Source: GeoStat

In 2015, an updated consumer basket consists of 295 varieties of consumer goods and services. The largest share in the basket has food and non-alcoholic beverages (31%), transport (12%), health care (9%), housing, water, electricity and natural gases (9%) and recreation and culture (7%).

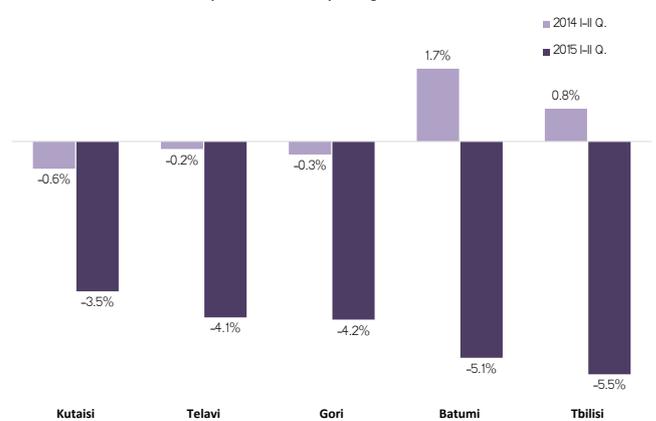
In the period of January-June 2015, compared to the corresponding period in 2014, the prices increased by 2.6% on average. The largest share in this growth has food and non-alcoholic beverages (1 percentage point). It should be noted that in the period of January - June 2014, compared to the corresponding period in 2013, the share of transport in the growth of prices was positive (0.1%), but in the corresponding period in 2015 this indicator is negative (-0.6% point).

Average Change of Prices on Food and Non-alcoholic Beverages by Regions in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year



Source: GeoStat

Average Change of Prices on Transport by Regions in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year

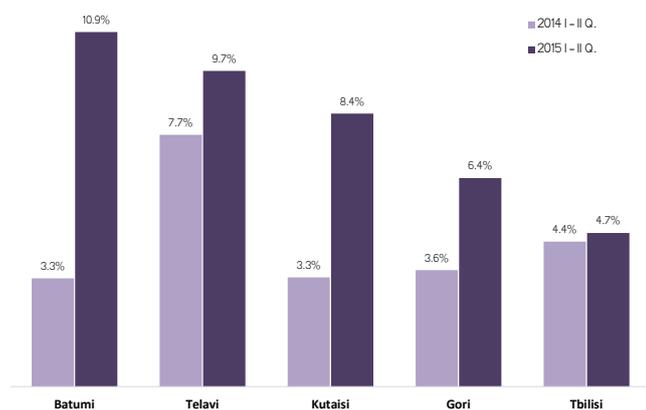


Source: GeoStat

In the period of January-June 2015, compared to the corresponding period in 2014, the prices of food and non-alcoholic beverages increased by 3.3% on average. In this category the highest growth of prices was recorded in the following products: peach (64.0%), tangerine (62.8%) and walnut (56.2%). In this period, the highest increase of the prices of food and non-alcoholic beverages was recorded in Batumi (4.5%), while the lowest - in Gori (2.3%).

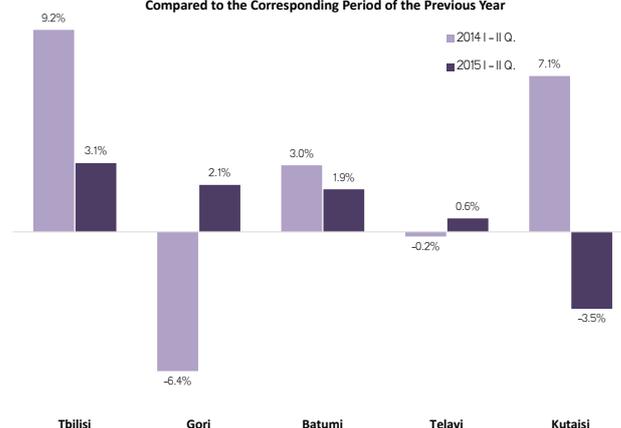
In the period of January-June 2015, compared to the corresponding period in 2014, the prices in the transport group declined by 4.9%, which is due to the reduction of the prices on the following products: diesel fuel (-14.4%), gasoline (-14.0%) and intercity motor transport tariff (-5.5%). In this period, the highest reduction of prices in transport group was recorded in Tbilisi (-5.5%), while the lowest- in Kutaisi (-3.5%).

Average Change of Prices on Health by Regions in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year



Source: GeoStat

Average Change of Prices on Housing, Water, Electricity, Gas and other Fuels by Regions in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year



Source: GeoStat

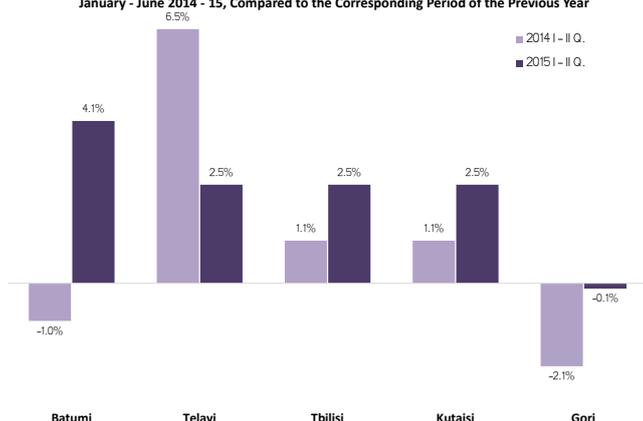
In the period of January-June 2015, compared to the corresponding period in 2014, the prices in health care group increased (6.7%). Among them, the highest growth of prices was recorded on anti-inflammatory drugs (20.0%), on antibiotics (15.1%) and on vitamins (14.4%).

In this period, the highest increase of prices was recorded in Batumi (10.9%), while the lowest - in Tbilisi (4.7%).

In the period of January-June 2015, compared to the corresponding period in 2014, the prices on housing, water, electricity and gas increased (1.4%). The highest growth of prices was recorded on the following products: window glass (22.5%), emulsion paint (12.1%) and plumber's service (11.4%).

In this period, the prices of this category increased in Tbilisi (3.1%), Gori (2.1%), Batumi (1.9%) and Telavi (0.6%), while declined in Kutaisi (-3.5%).

Average Change of Prices on Recreation and Culture by Regions in the Period of January - June 2014 - 15, Compared to the Corresponding Period of the Previous Year



Source: GeoStat

In the period of January-June 2015, compared to the corresponding period in 2014, the prices on recreation and culture increased (2.6%). The highest increase of prices was recorded on the following products: newspaper (9.8%), school books (9.0%) and cable TV fee (7.6%).

In this period, the highest increase of prices in this category was recorded in Batumi (4.1%). The prices increased equally in Telavi, Tbilisi and Kutaisi (2.5%), while the prices declined in Gori (-0.1%).

Basic Economic Indicators	2012	2013	I 2014*	II 2014*	III 2014*	IV 2014*	2014*	I 2015*
Nominal GDP (mIn USD)	15846.8	16139.9	3605.3	4064.1	4320.4	4527.8	16528.5	3298.9
Per capita GDP (USD)	3523.4	3599.6	802.9	905.0	962.1	1 008,3	3680.8	884.5
GDP real growth (%)	6.4%	3.3%	7.2%	5.2%	5.6%	1.8%	4.8%	3.2%
Consumer Price Index (annual average)	99.1	99.5					103.1	
Foreign Direct Investment (USD)	911.6	941.9	265.3*	150.5*	507.5*	349.2*	1 272.5*	175.3
Unemployment Rate (%)	15%	14.6%					12.4%	
External Public Debt (mIn USD)	4739	4202		4082				
Poverty level (registered)	9.7%	9.7%					11.6%	

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

\* Forecasted