



CENTRAL BANK OF THE REPUBLIC OF ARMENIA

MAIN FINANCIAL STABILITY INDICATORS

3rd quarter of 2024

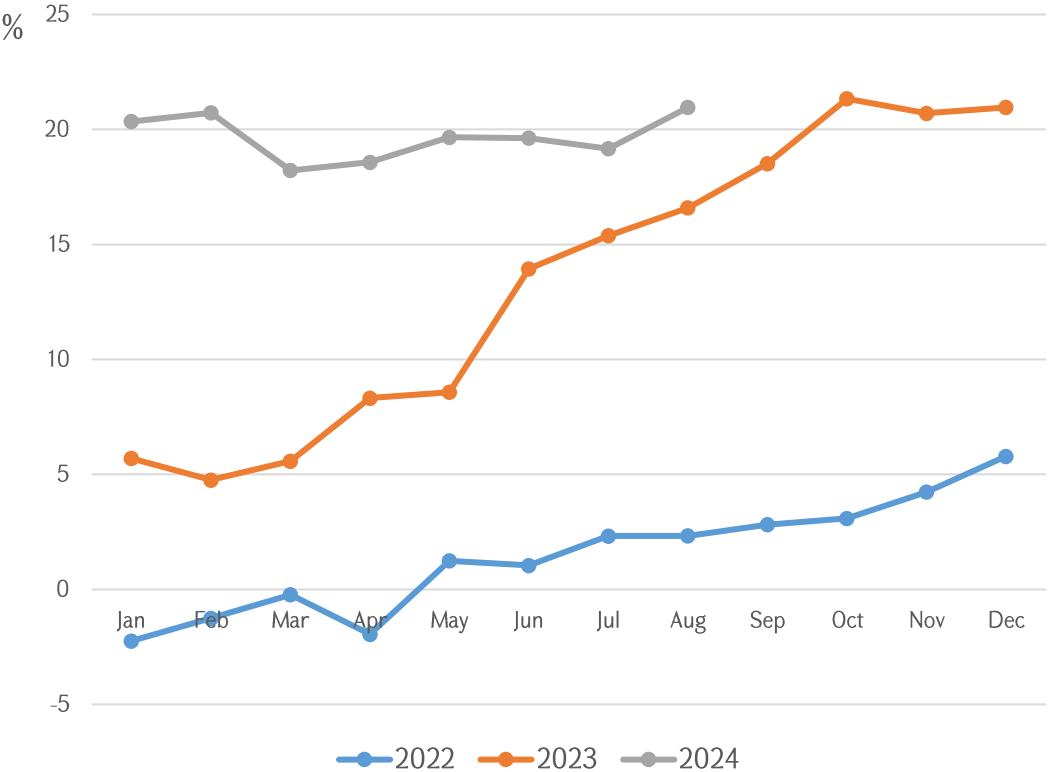
Main indicators of the banking system have improved*

	Indicator value as of Aug	12-month change
ASSETS	9.77 trillion AMD	15.6%
Loans	5.34 trillion AMD	20.96%
Non-performing loan ratio	1.3%	-1.5 p.p.
LIABILITIES	8.18 trillion AMD	14.32%
Attracted deposits	5.36 trillion AMD	10.94%
EQUITY	1.59 trillion AMD	19.01%
Total capital adequacy ratio	20.3%	-0.1 p.p.
Total liquidity ratio	33.2%	-1.7 p.p.
Return on Equity	18.5%	1.3 p.p.
Return on Assets	2.9%	0.3 p.p.

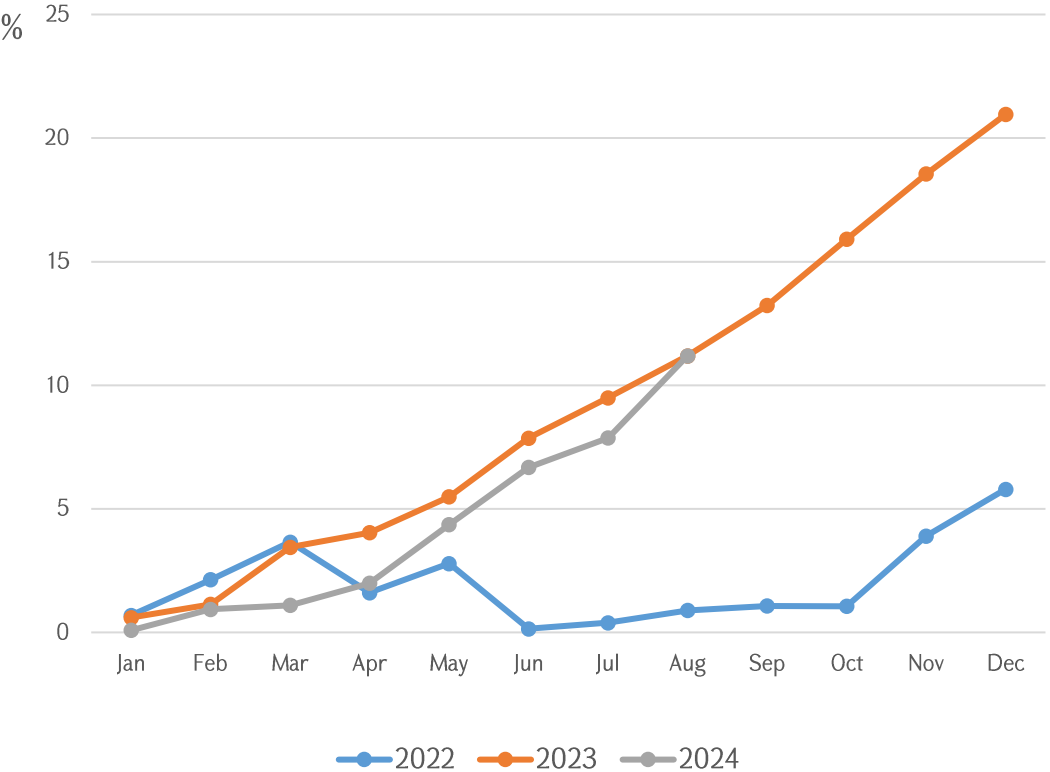
* Information is as of Aug 2024

The growth rates of total credit portfolio remained high during the year

12-month growth rate of total credit stock

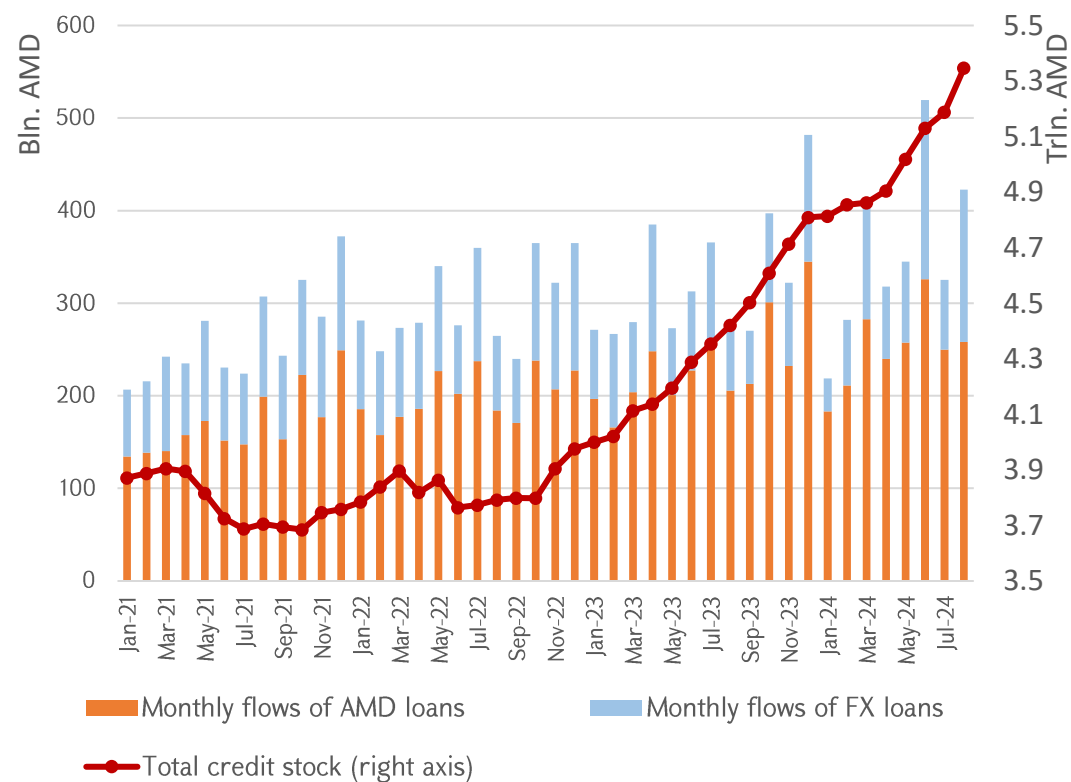


Growth rates of total credit stock compared to previous year end

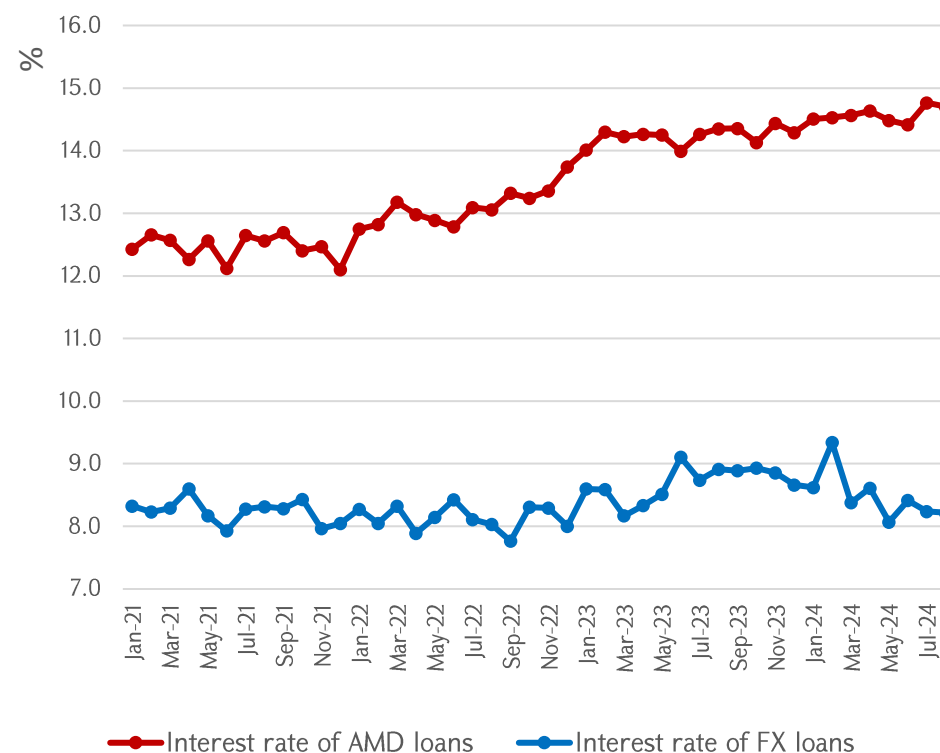


The total credit stock has grown significantly during previous year

Stock and flows of total credit stock

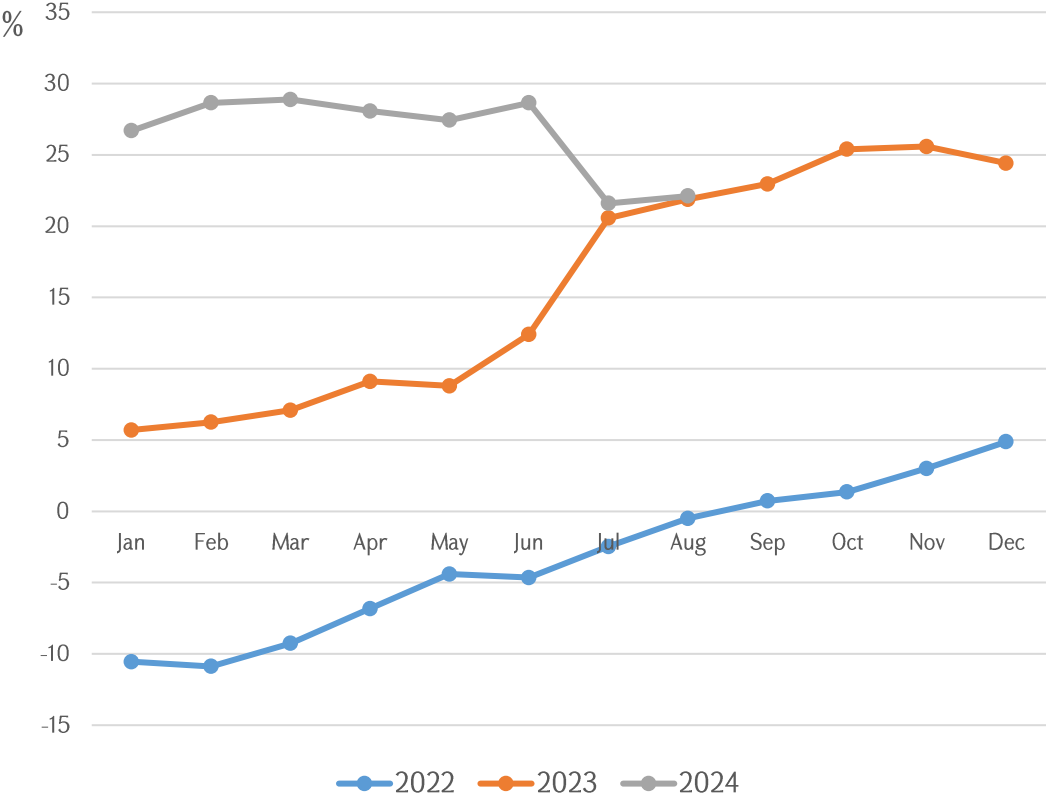


Interest rates of total credit by currency denomination

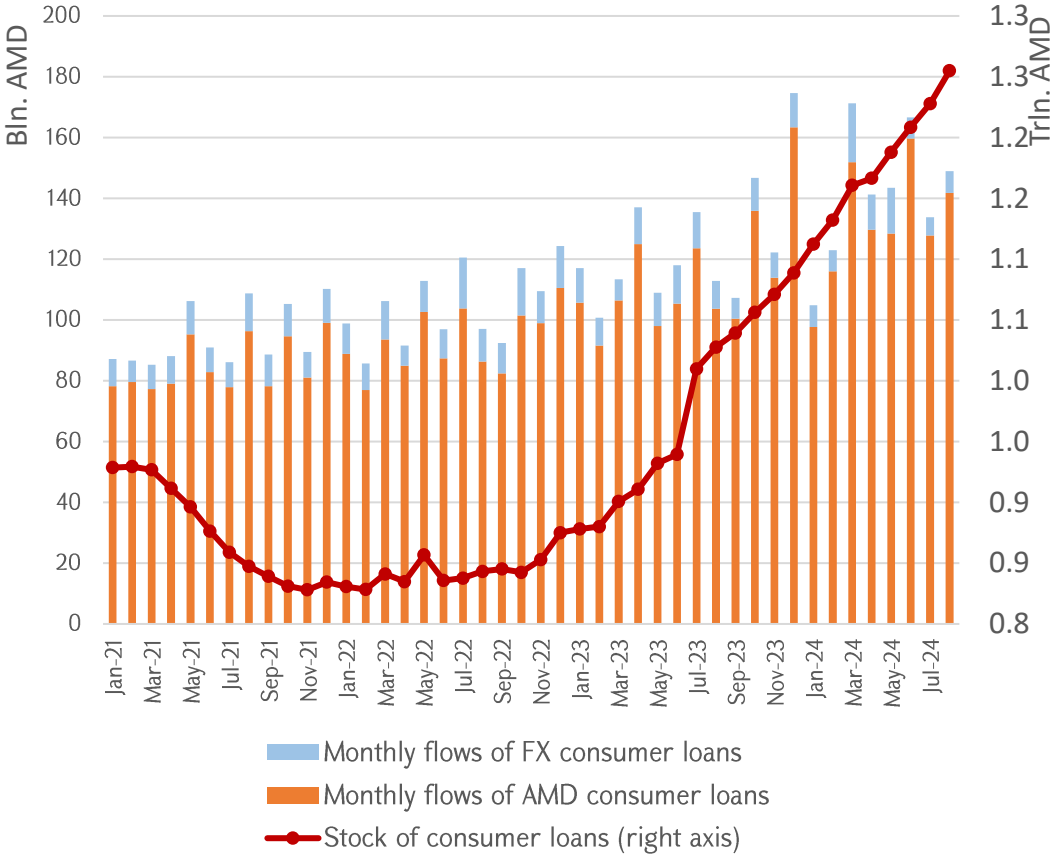


The growth rate of consumer loans have been high compared to previous years

12-month growth rate of consumer credit stock

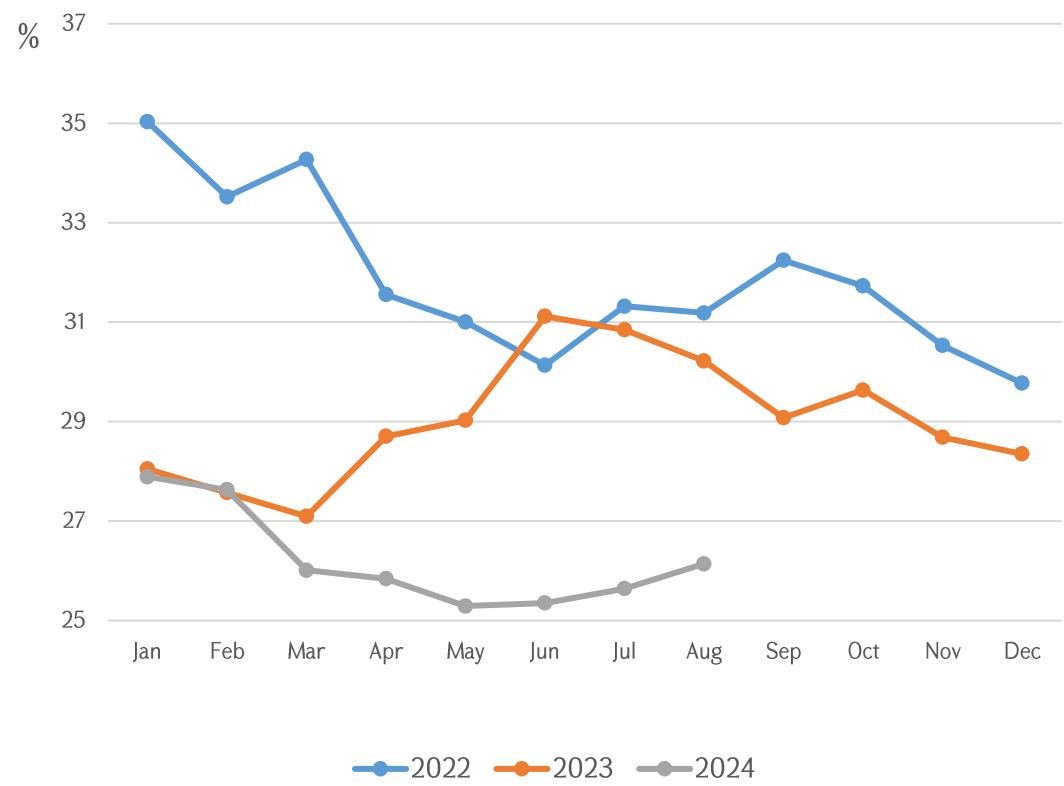


Stock and flows of consumer credit stock

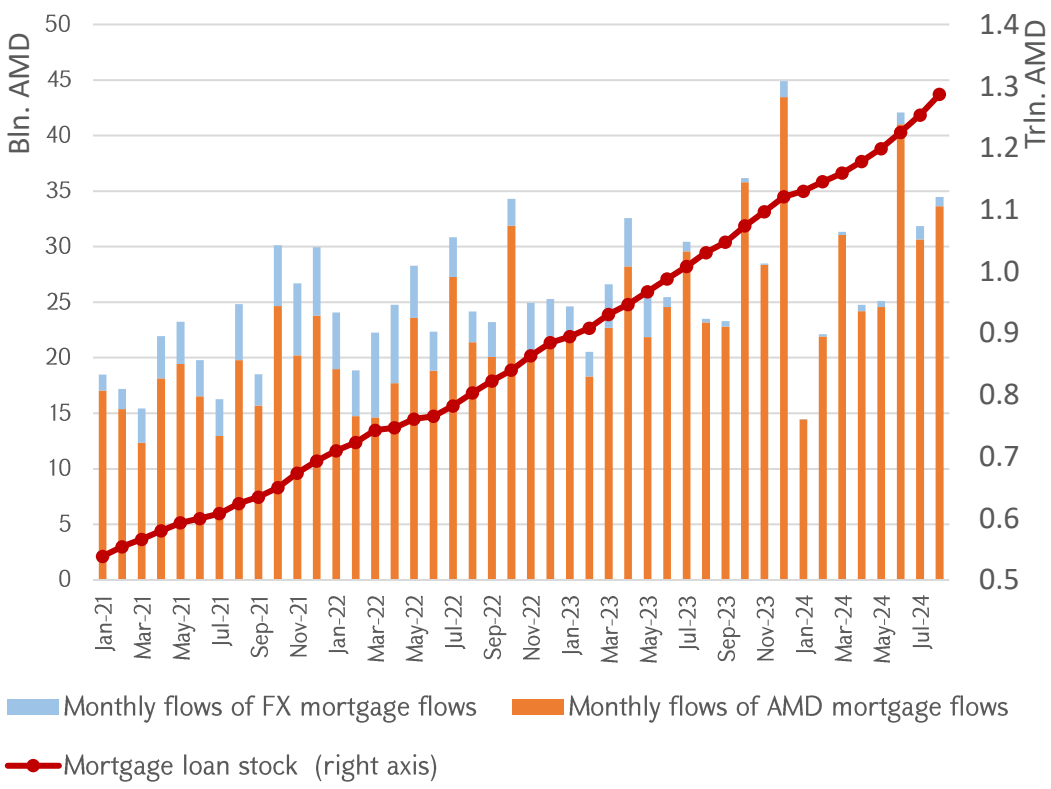


The growth rate of mortgage loans remained high. New mortgage flows were high as in previous years

12-month growth rate of mortgage credit stock

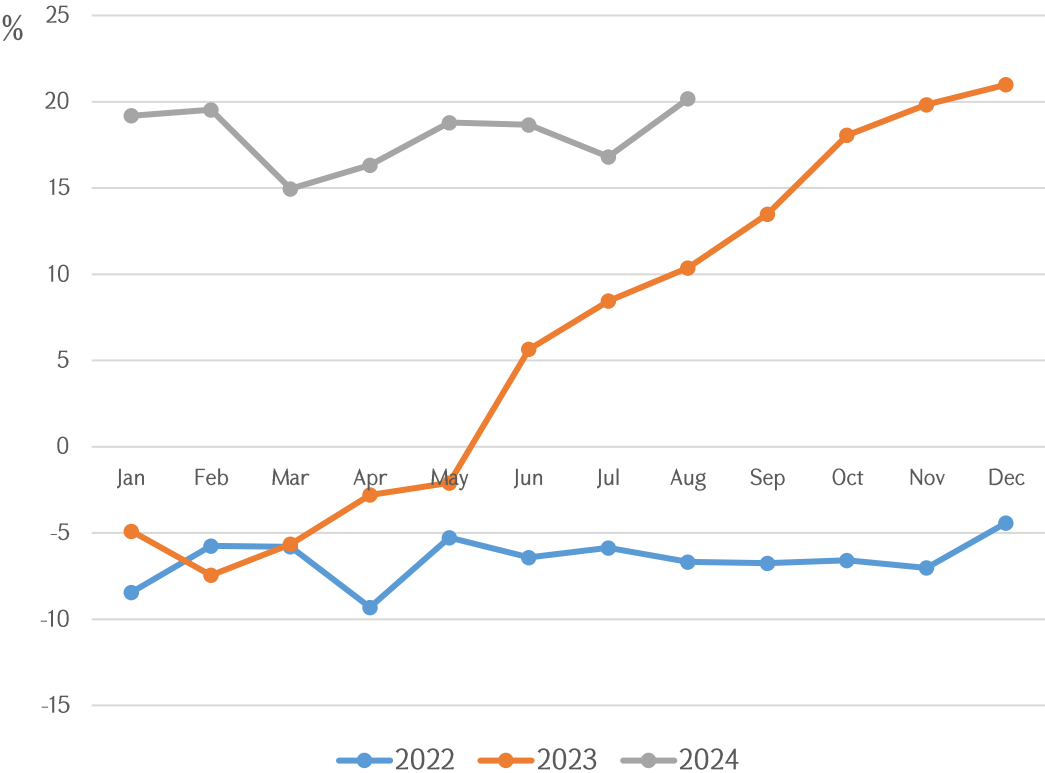


Stock and flows of mortgage credit stock

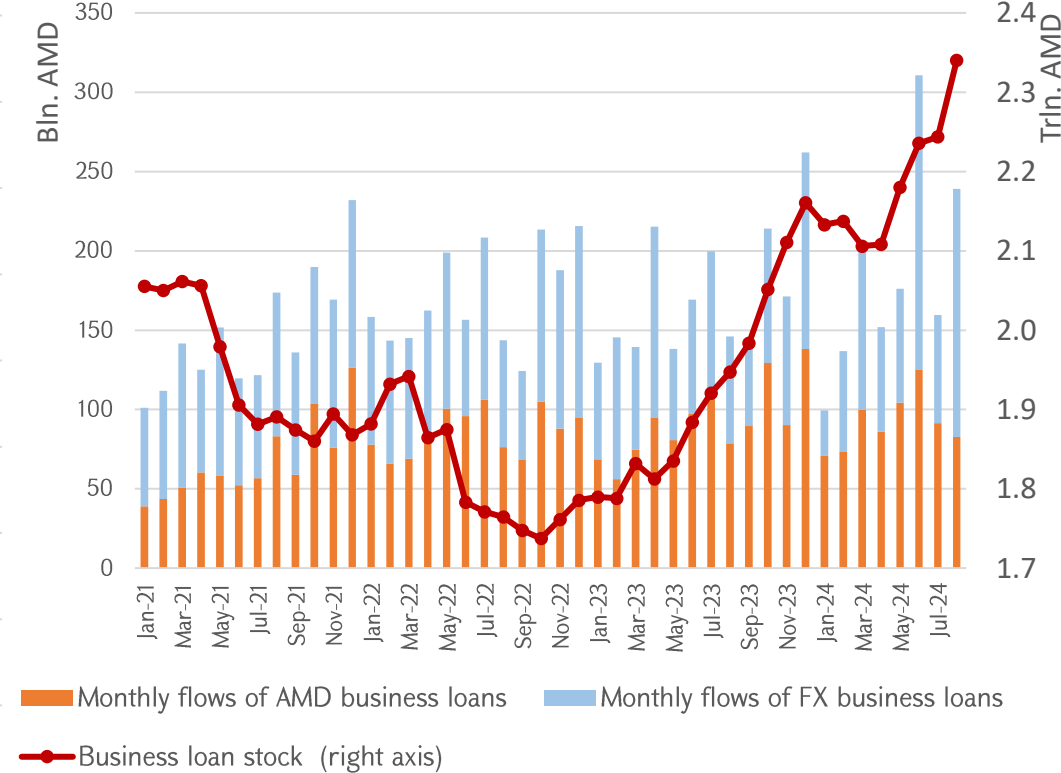


Business loans' growth rates also remained high during the year

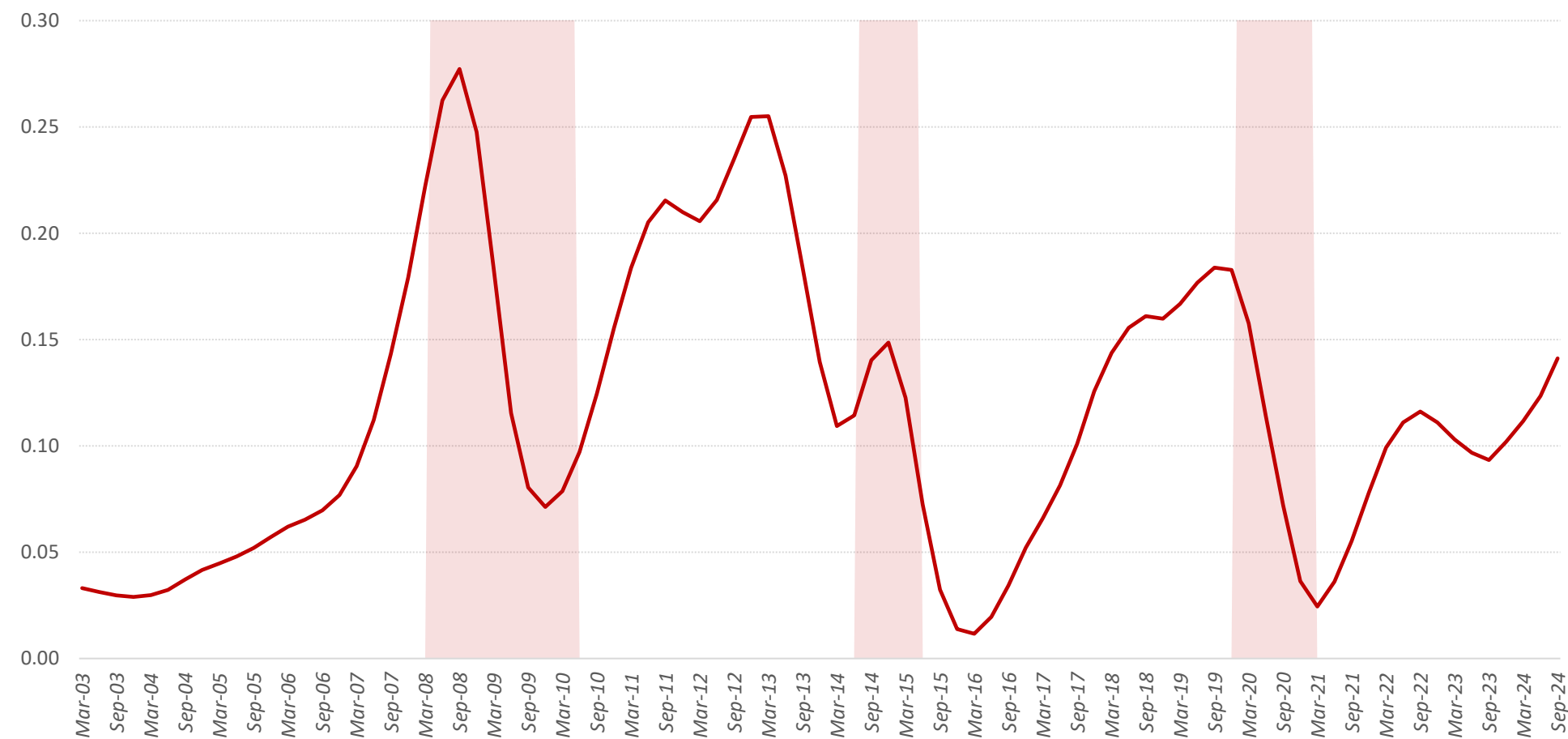
12-month growth rate of business credit stock



Stock and flows of mortgage credit stock

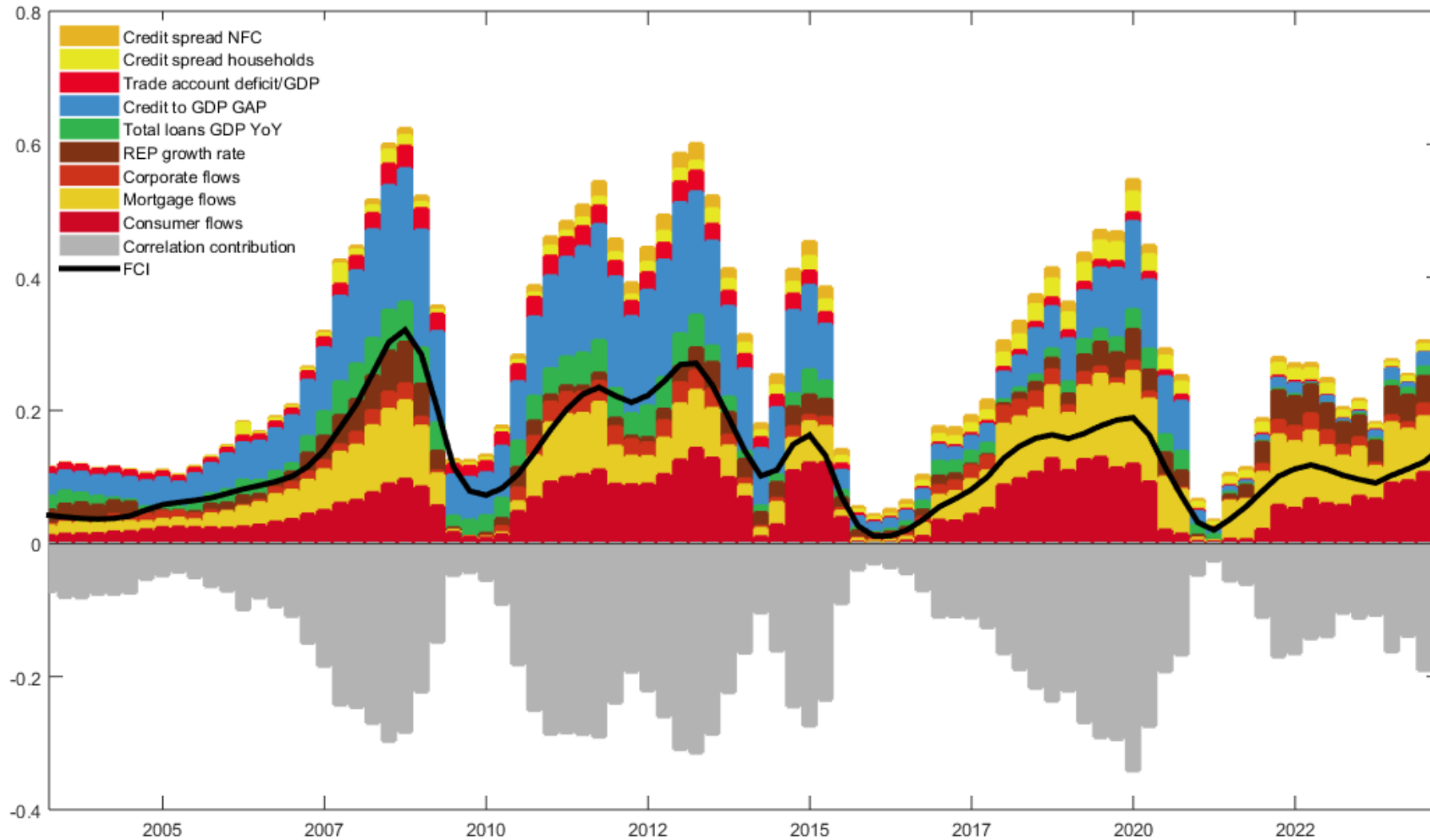


Financial Cycle Index has increased



Source: CBA

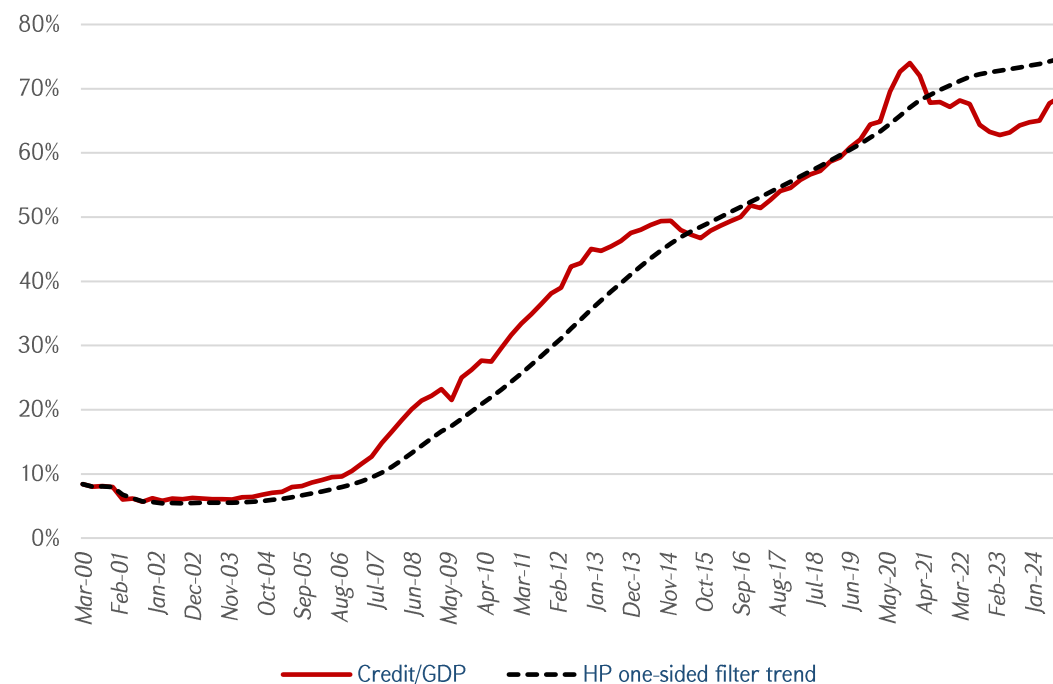
...which is mainly due to growths in consumer and mortgage loans



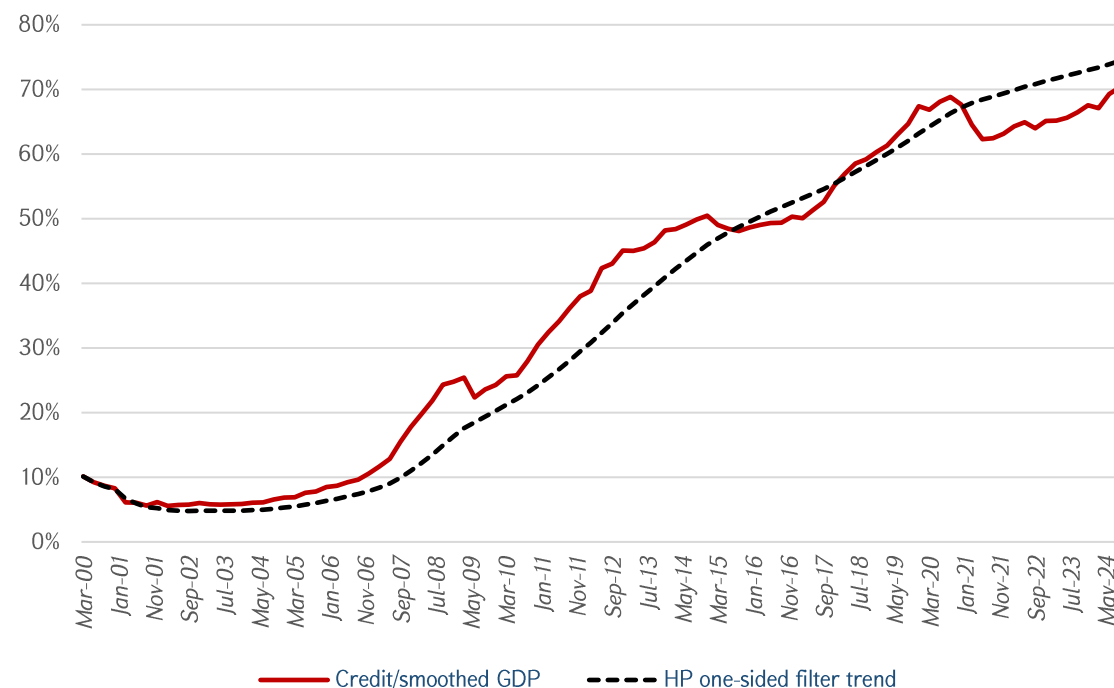
Source: CBA

Credit-to-GDP gap has shrunk, though still being negative

Credit-to-GDP ratio and its long-term trend



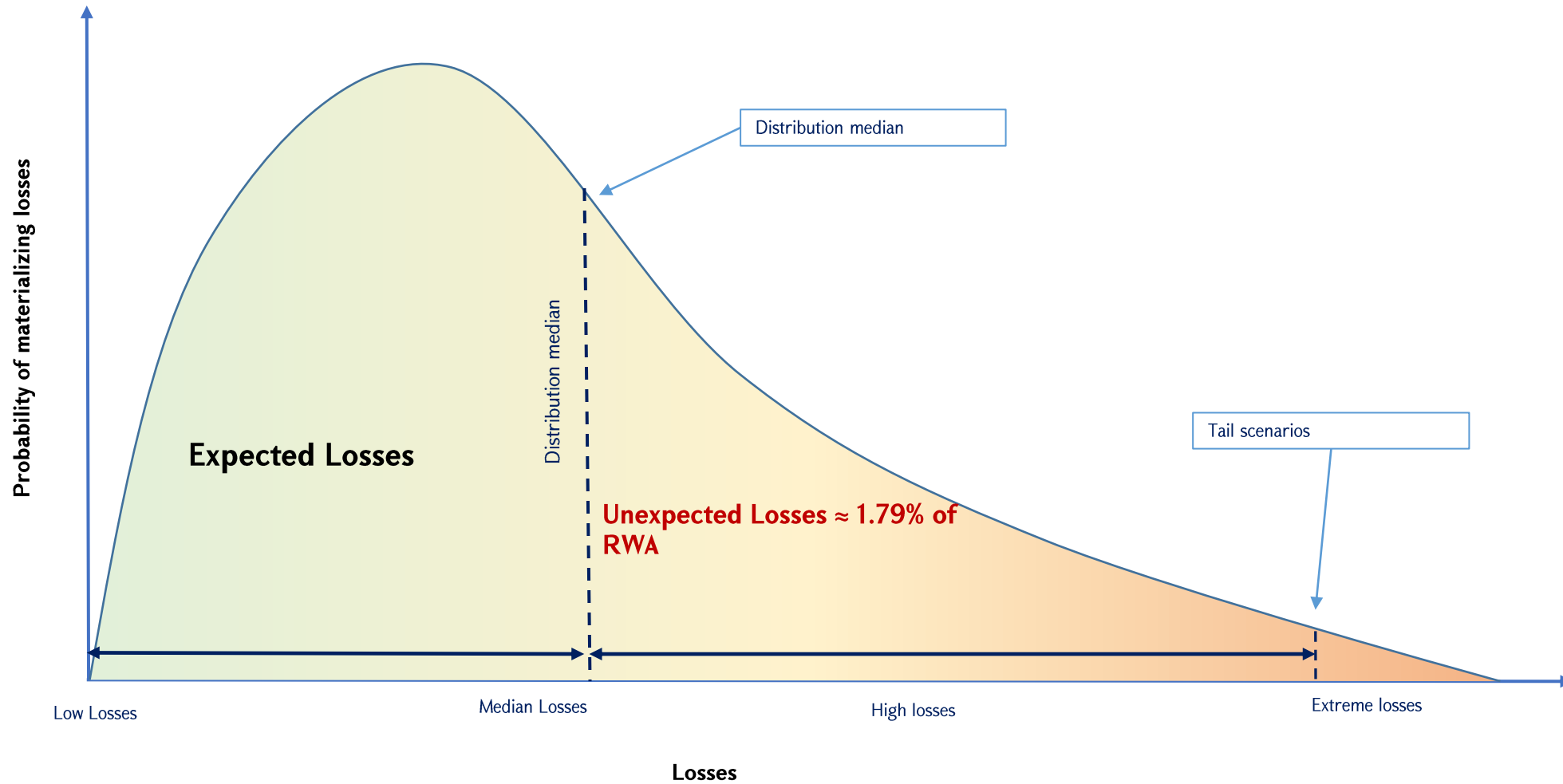
*Credit-to-smoothed GDP ratio and its long-term trend**



Source: CBA and Statistical Committee

* The indicator has been calculated on the basis of smoothed GDP series

Losses as a result of shock scenarios amount to 1.79% of RWA



Source: CBA

Conclusion

Taking into account that

- ✓The Financial Cycle Index continued to grow,
- ✓Growth rates of total credit portfolio remained high during the year, which was highly contributed by household and construction loans,
- ✓Growth rates of consumer loans have been high, mortgage flows remained high as in previous years,
- ✓Loans to construction sector are growing rapidly,
- ✓Losses as a result of shock scenarios amount to 1.79% of RWA,

The Countercyclical buffer rate has been increased by 0.25 percentage points and set to 1.75%