

Monthly Report Published by the Union of Credit Organizations of the Republic of Armenia

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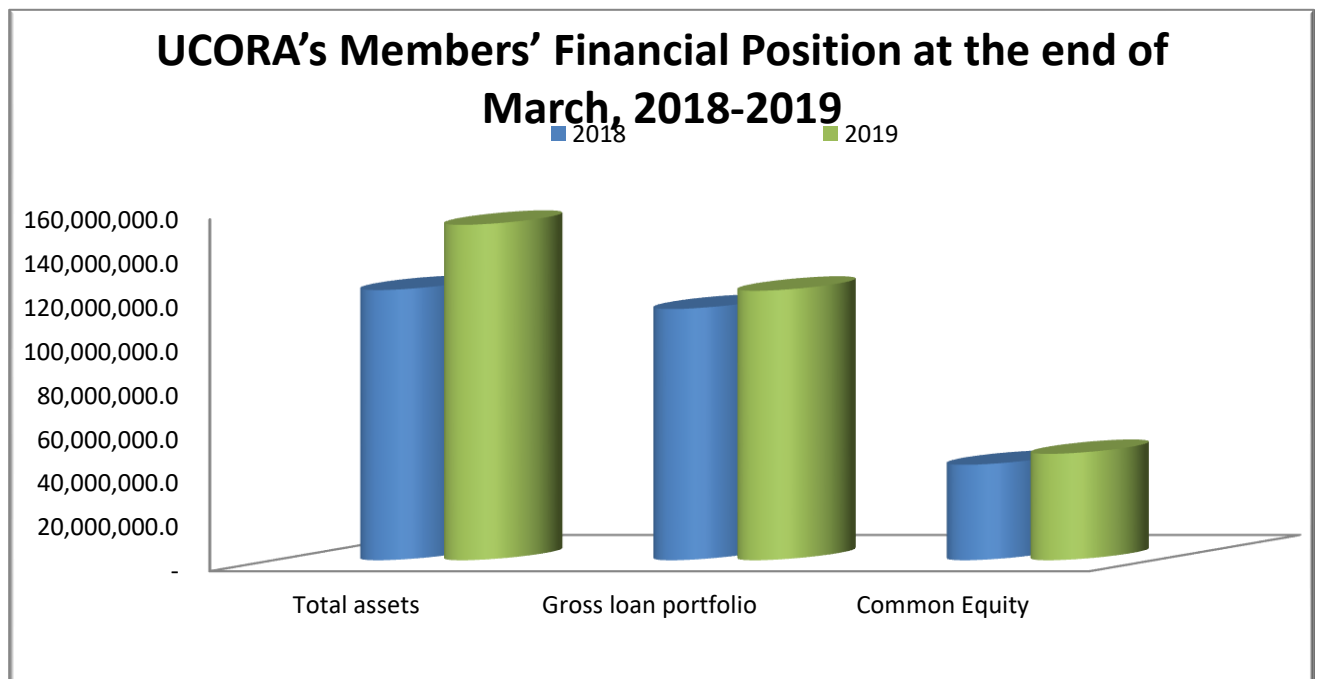
Summary of the Used Economic Indicators

The members of the Union of Credit Organizations of the Republic of Armenia (UCORA) provide ten economic indicators about their economic activity to UCORA on a monthly basis. Based on these indicators UCORA implements financial analysis which aims to introduce economic movements in loan industry to the members of the Union. Some of the indicators are publicly available information which have been obtained from the quarterly reports of the credit organizations. However, UCORA's member organizations provide other economic indicators which are not represented in their public quarterly reports.

Financial Position

- **Assets:** As of 31 March 2019 the total assets of the UCORA's members reached AMD 152.4 billion which increased compared with March 2018 by 24.02% and by 1.5% compared with February 2018. (Figure 1)
- **Loan portfolio:** As of 31 March 2019 the loan portfolio of the UCORA's members amounted to AMD 123 billion. The loan portfolio increased by 7.2% compared with March 2018 and by 1.5% compared with February 2018.
- **Equity:** As of the end of March 2018 the total equity of the UCORA's members reached AMD 48.7 billion. Compared with the same date of 2018 the total equity grew by 11.4% and compared with February 2018 increased by 0.8%.

Figure 1: UCORA's Members' Financial Position at the end of March 2018-2019

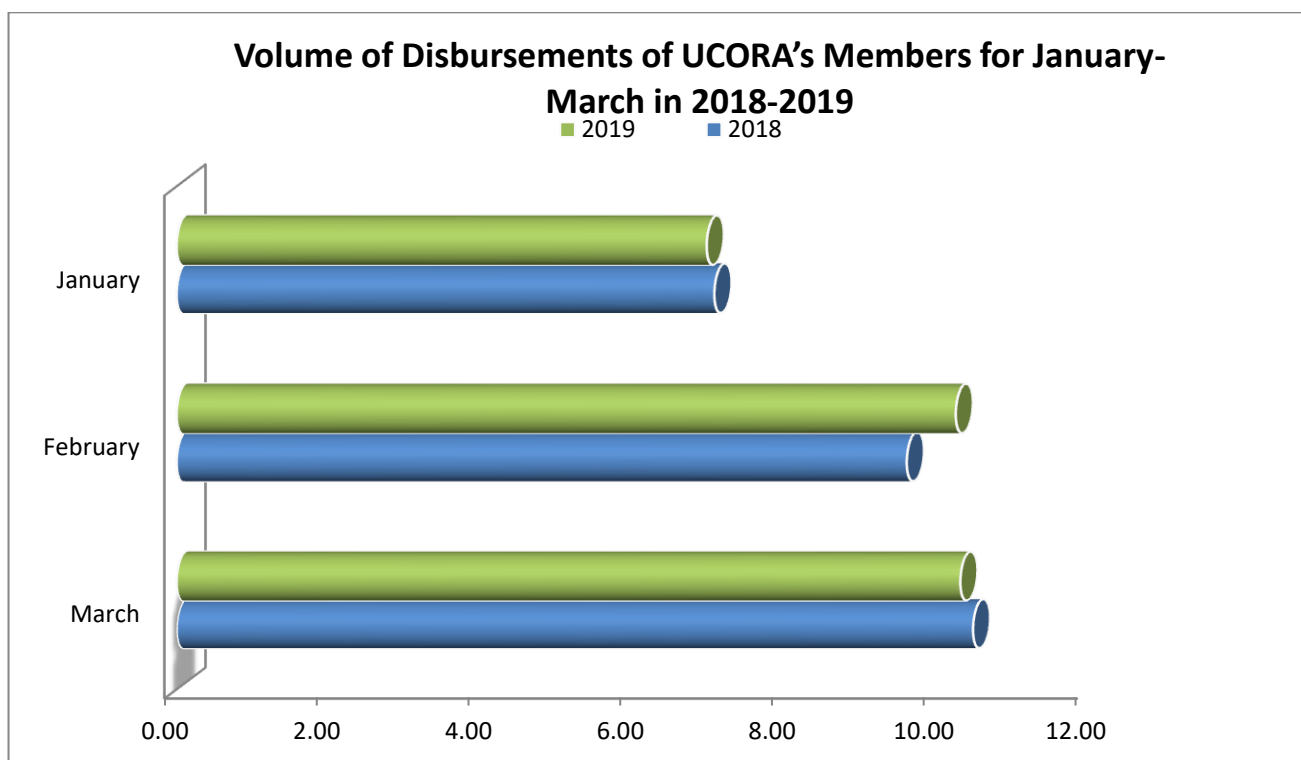


Loan Portfolio and Comparisons

Volume of Disbursements

- As of 31 March 2019 UCORA's members provided AMD 10.3 billion loans which decreased by 1.6% compared with the previous year and increased by 0.6% compared with February 2018. (Figure 2)

Figure 2: Volume of Disbursements of UCORA's Members in January-March of 2018 and 2019



Number of Disbursements

- As of March 2019 UCORA's members provided 19,866 loans which increased by 3.7% compared with the previous month and decreased by 3.8% compared with March 2018. (Figure 3)
- UCORA's members had 153,509 clients by the end of March 2019. Compared with March 2018 the number of clients decreased by 2.4% and increased by 1.3% compared with February 2018.
- As of March 2019 average loan size provided by UCORA's members was AMD 518 thousand and average loan size of gross loan portfolio was AMD 799 thousand. As of March 2018 the same indicators were respectively AMD 507 and 727 thousand. (Figure 4)

Figure 3: Number of Disbursements of UCORA's Members in January-March of 2018 and 2019

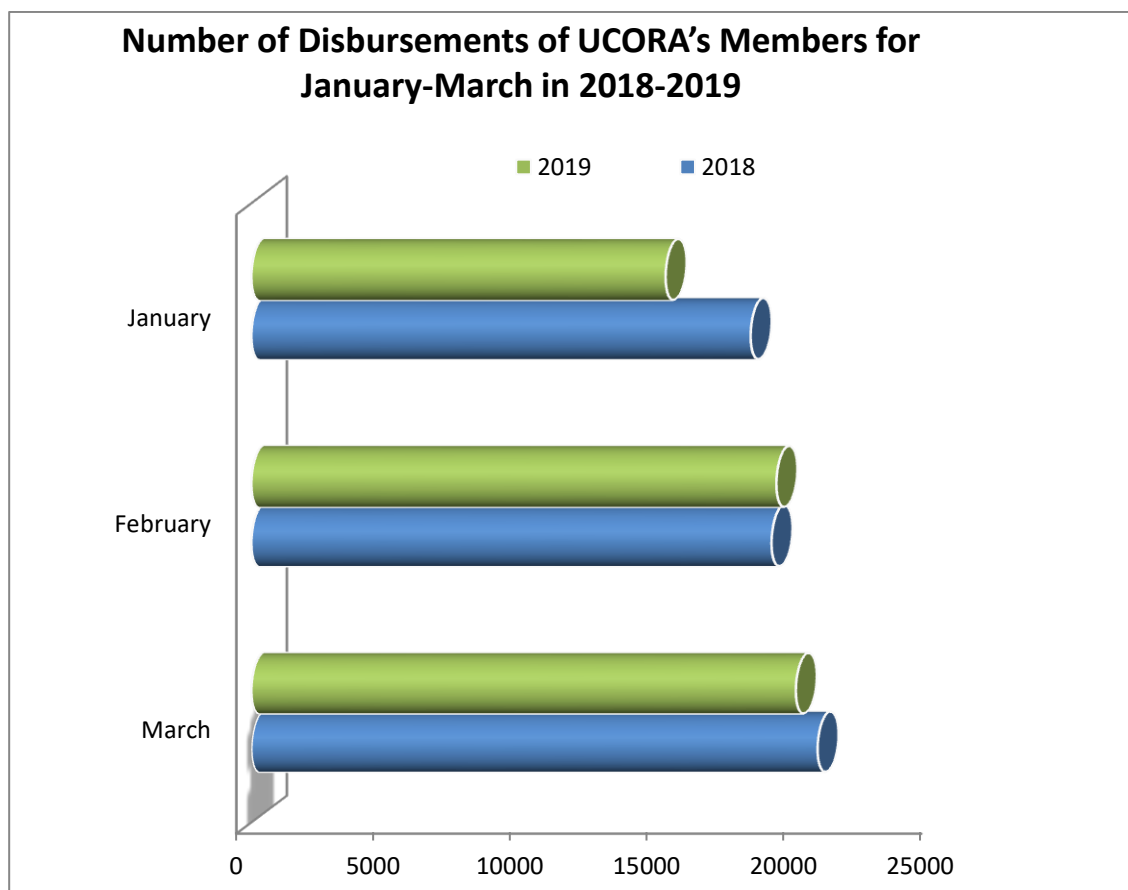
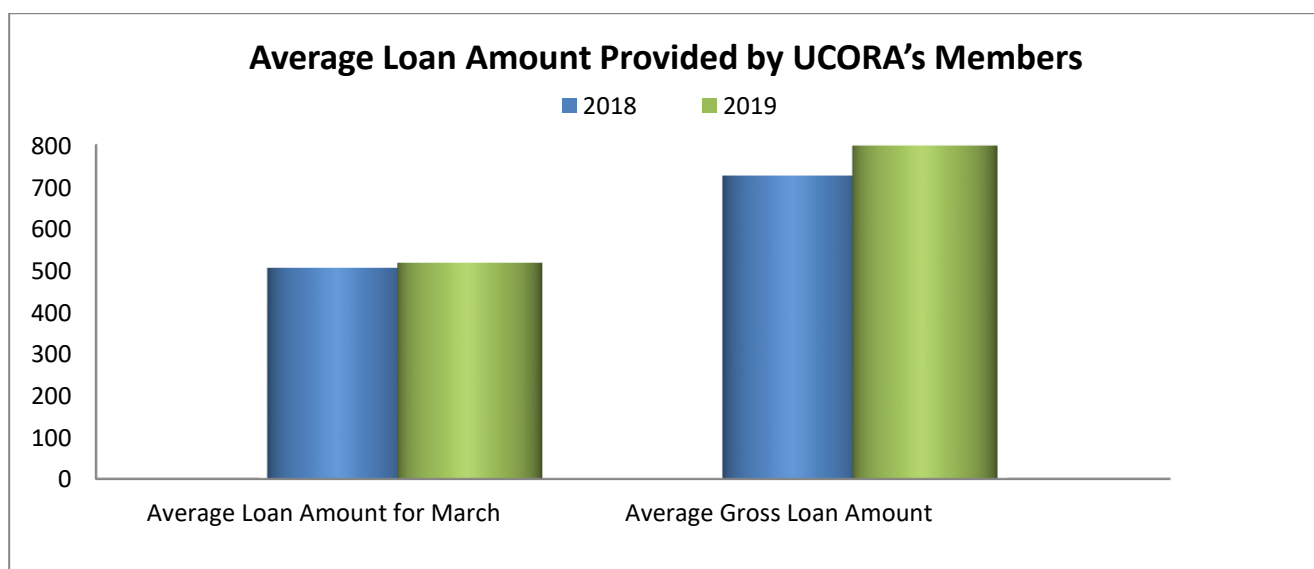


Figure 4: Average Loan Amount Provided by UCORA's Members

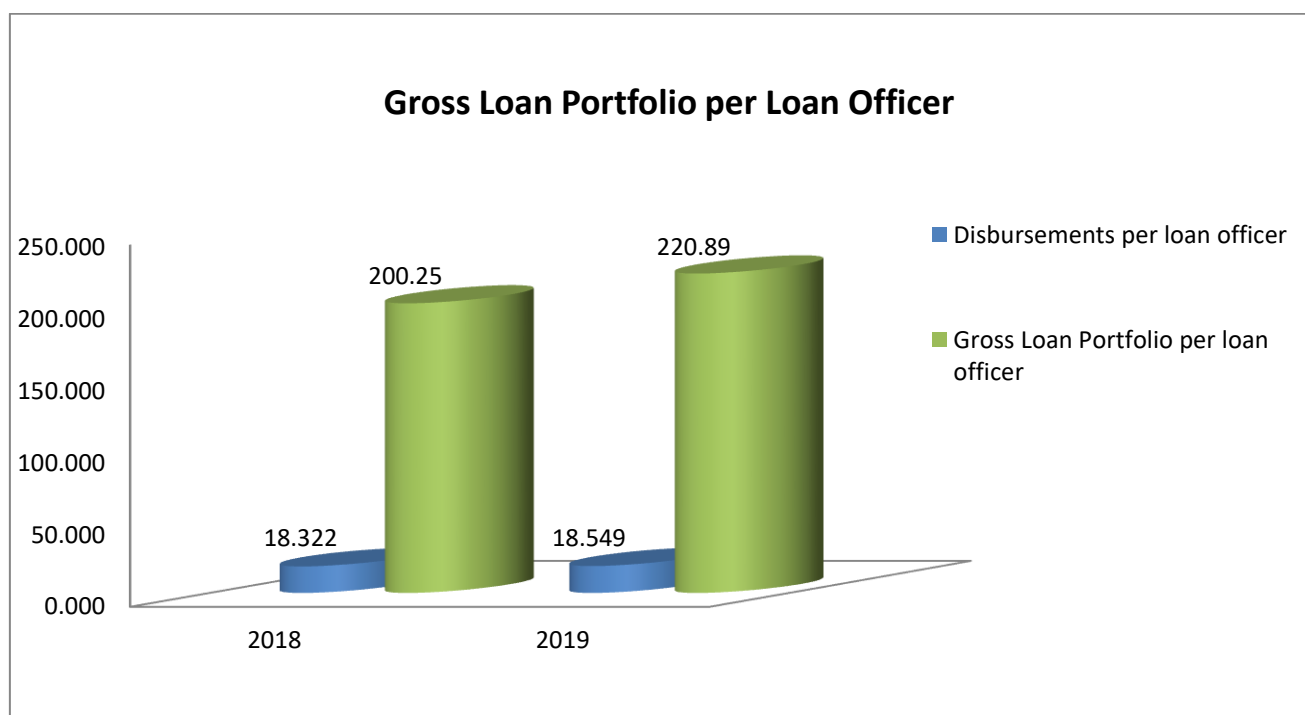


Branches and Loan Portfolio Indicators

- As of March 2019 UCORA's members jointly had 139 branches. The number of branches in Armenia increased by 4 compared with March 2018.

- As of March 2019 UCORA's members had 555 credit officers which decreased by 16 compared to the same number at March 2018.
- As of March 2019 the average loan portfolio per loan officer amounted to AMD 18.6 million. In previous month the same indicator amounted to AMD 18.5 million and AMD 18.3 million in March 2018. (Figure 5)
- As of the end of March 2019 UCORA's members' gross loan portfolio per loan officer amounted to AMD 221 million compared to AMD 218 million in previous month and AMD 202 million in March 2018.

Figure 5: Gross Loan Portfolio per Loan Officer

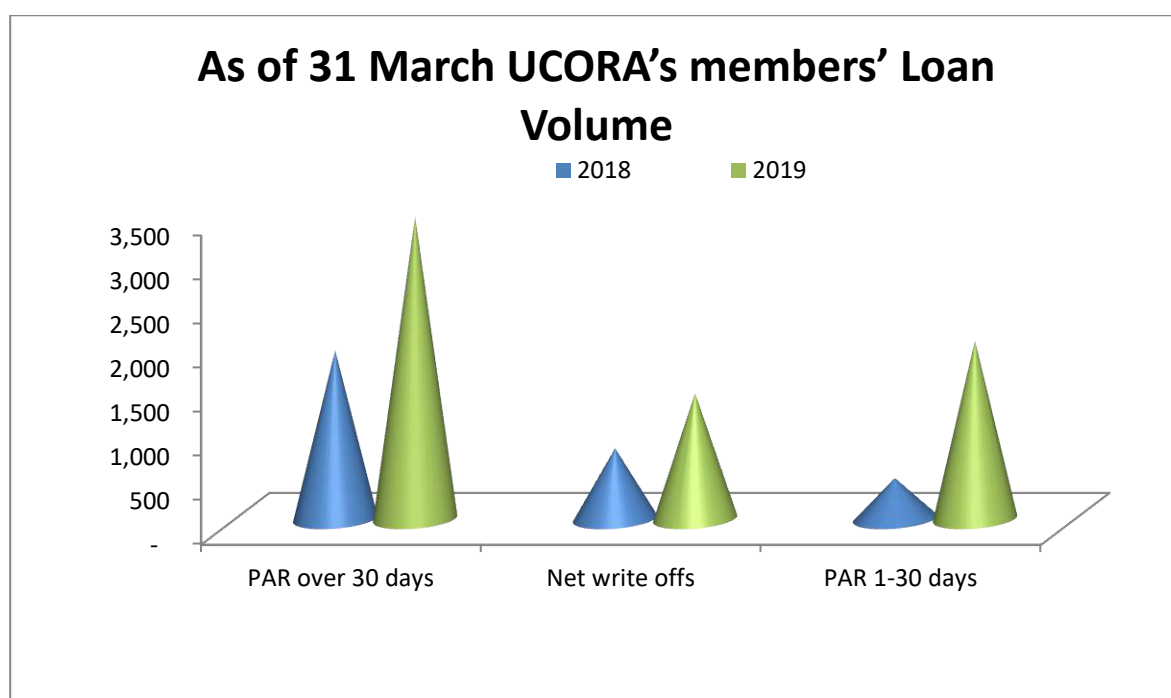


Loan management

- **Up to 30 days PAR:** As of the end of March 2019 UCORA's members' up to 30 days PAR volume amounted to AMD 1,425 million compared to AMD 1,194 million in previous month and 800 million in March 2018. Up to 30 days PAR volume increased by 77.9% compared with the same period of the last year and by 19.4% compared with February 2019. Up to 30 days PAR comprised 1.16% share of the total loan portfolio as of the end of March 2019, and 0.01% share in March of 2018 (Figure 6).

- **PAR over 30 days:** As of the end of March 2019 UCORA's members' volume of PAR over 30 days amounted to AMD 3,422 million compared to AMD 3,542 million in previous month and AMD 1,908 million in March 2018. PAR over 30 days volume increased by 79.3% compared with the same period of the last year and decreased by 3.4% compared with February 2019. As of the end of March 2019 over 30 days PAR comprised 2.79% share of the total loan portfolio. In March 2018 the share of 30 days PAR in the total loan portfolio 0.02%.
- **Net write offs:** As of the end of March 2019 UCORA's members' volume of net write offs amounted to AMD 2,018 million compared to previous month's volume which was AMD 1,603 million and the volume in March 2018, which was AMD 463 million. Net write offs volume increased by 25.9% compared with the previous month and increased by 335.7%-compared with March 2018. UCORA's members' net write offs loan volume amounted to 1.65% share of total loan portfolio in March of this year compared to 1.33% share of the previous month and 0.00% of March 2018.

Figure 6: As of 31 March UCORA's members' portfolio at risk



Analytical ratios

- As of March 2019 UCORA's members' gross loan portfolio to assets ratio amounted to 80.4%, which reflects the fact that the vast majority of assets is directed to lending. The same indicator amounted to 93% in March 2018. (Figure 7)
- As of March of this year UCORA's members' total equity to loan portfolio ratio amounted to 39.7%. This indicator shows that 39.7% of UCORA's members' loan volume is carried out due to the equity. The same indicator amounted to 38% in March 2018.
- As of the end of March 2019 UCORA's members' total equity to assets ratio amounted to 32% which indicates about high capitalization of the member credit organizations. The same indicator amounted to 36% in March 2018.
- Debt to equity ratio indicates the portion of liabilities per unit of equity. This indicator also shows loan business management efficiency level. As of March 2019 this indicator for UCORA's members' amounted to 2.13 which means that the liabilities per unit of equity exceeded the level of equity by 2.13 times. The same indicator amounted to 1.81 for March of the previous year.

Figure 7: Analytical Ratios for UCORA's Members

