

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

November, 2015



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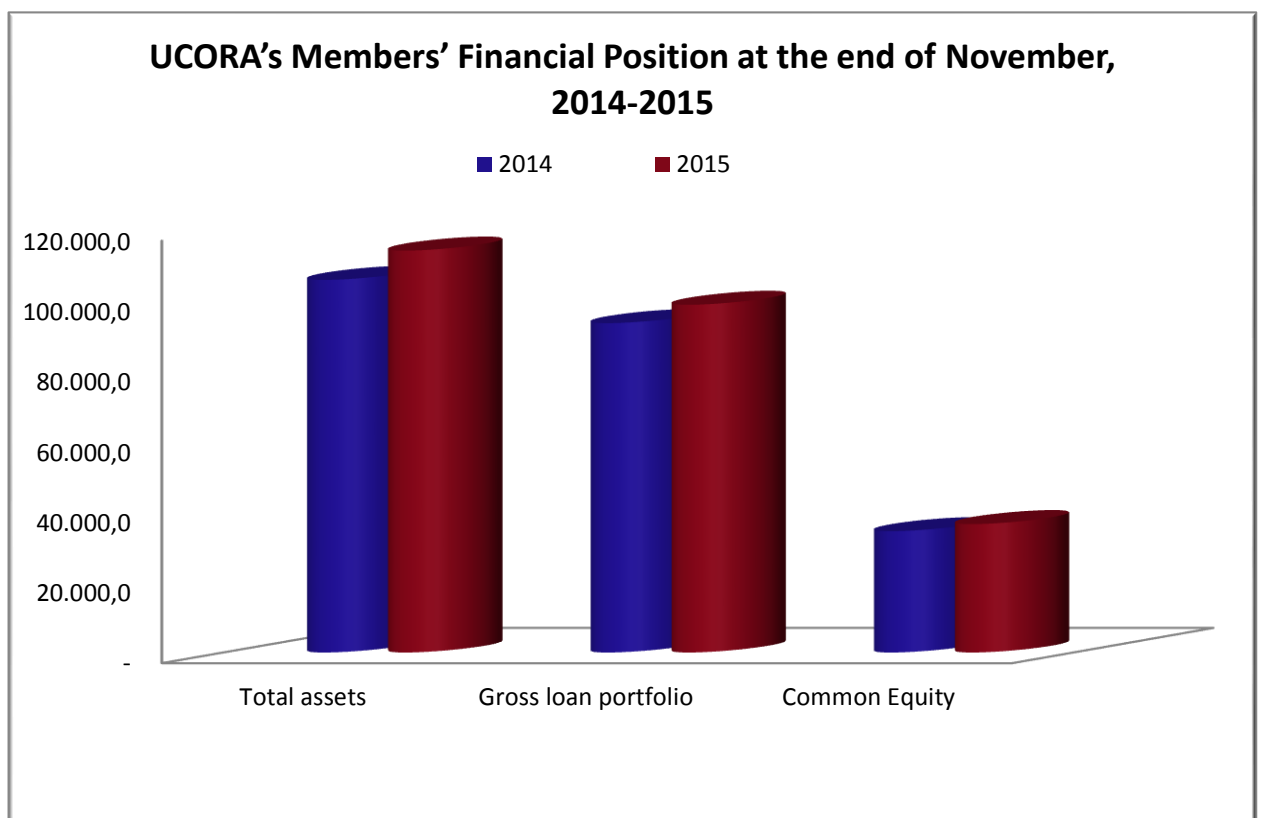
## **Summary of the Used Economic Indicators**

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 30 November 2015 the total assets of the UCORA's members reached AMD 114.2 billion which exceeded the same indicator on November 2014 by 7.9% and in October 2015 increased by 2.2%. (Figure 1)
- **Loan portfolio:** As of 30 November 2015 the loan portfolio of the UCORA's members amounted to AMD 98.8 billion. The loan portfolio increased by 5.6% compared with November 2014 and decreased by 1.4% compared with October 2015.
- **Equity:** As of the end of November 2015 the total equity of the UCORA's members reached AMD 36,5 billion. Compared with the same date of 2014 the total equity grew by 5.9% and compared with October 2015 by 0.1%.

Figure 1: UCORA's Members' Financial Position at the end of November, 2014-2015

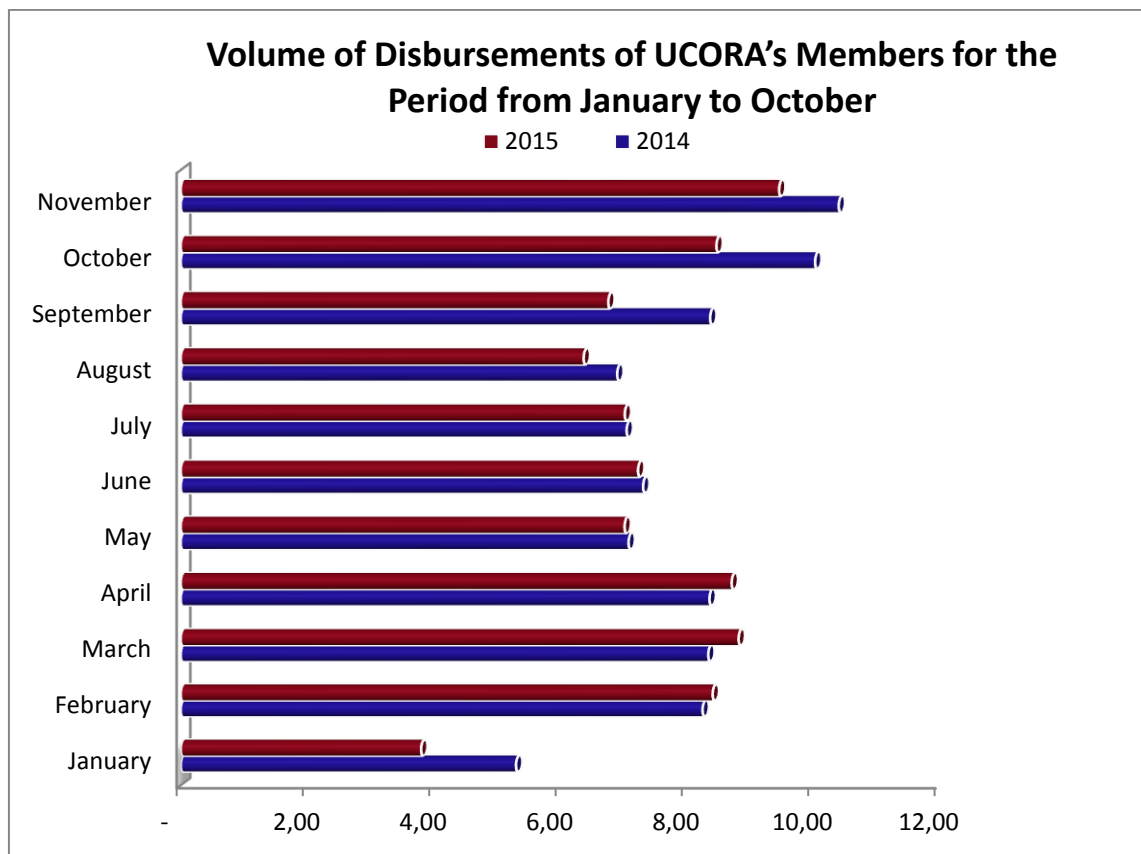


## Loan Portfolio and Comparisons

### Volume of Disbursements

- As of 30 November 2015 UCORA's members provided AMD 9.5 billion loans which increased by 11.7% compared with the previous month and decreased by 9.1% compared with November 2014. (Figure 2)
- For the period from January to November 2015 the total loan volume provided by UCORA's members amounted to AMD 82.1 billion which decreased by 6.1% compared with the same period of the 2014.

**Figure 2: Volume of Disbursements of UCORA's Members for the Period from January to November**

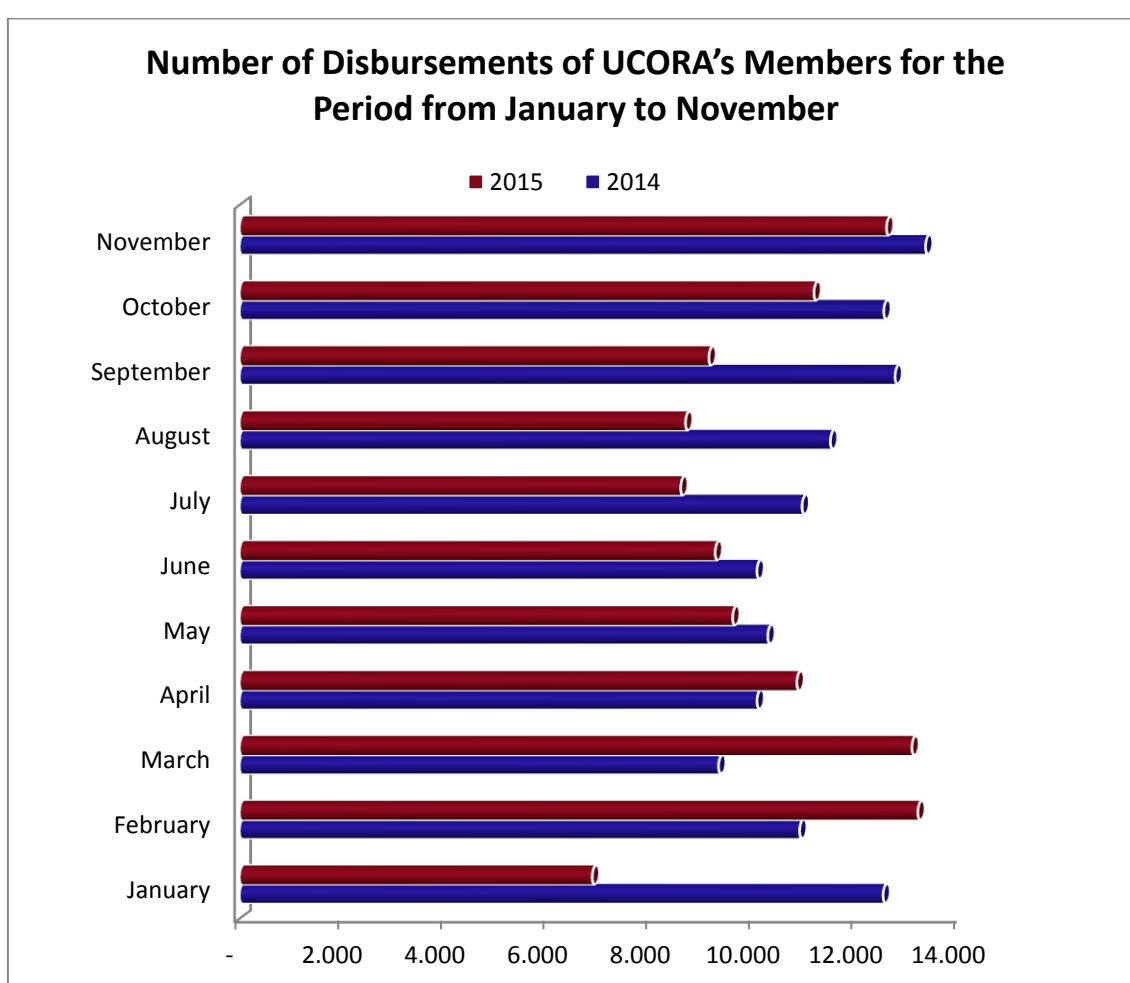


### Number of Disbursements

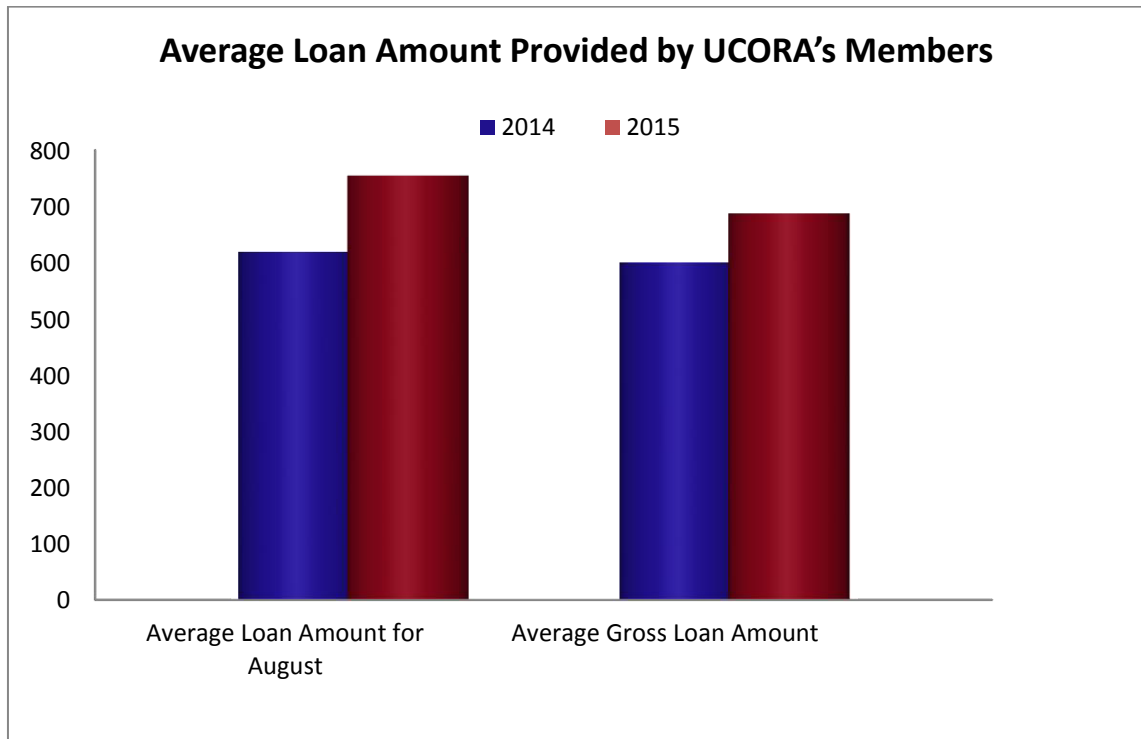
- As of November 2015 UCORA's members provided 13,297 loans which increased by 12.8% compared with the previous month, but decreased by 5.8% compared with November 2014 (Figure 3).
- For the period from January to November 2015 UCORA's members provided 112,499 loans which decreased by 6.1% compared with the same period of 2014.

- UCORA's members had 143,749 clients by the end of November 2015. Compared with November 2014 the number of clients increased by 1.5% and decreased by 0.2% compared with October 2015.
- As of November 2015 average loan volume provided by UCORA's members was AMD 754 thousand and average loan volume of gross loan portfolio was AMD 657 thousand. As of October 2014 the same indicators were respectively AMD 619 and 600 thousand. (Figure 4)

**Figure 3: Number of Disbursements of UCORA's Members for the Period from January to November**



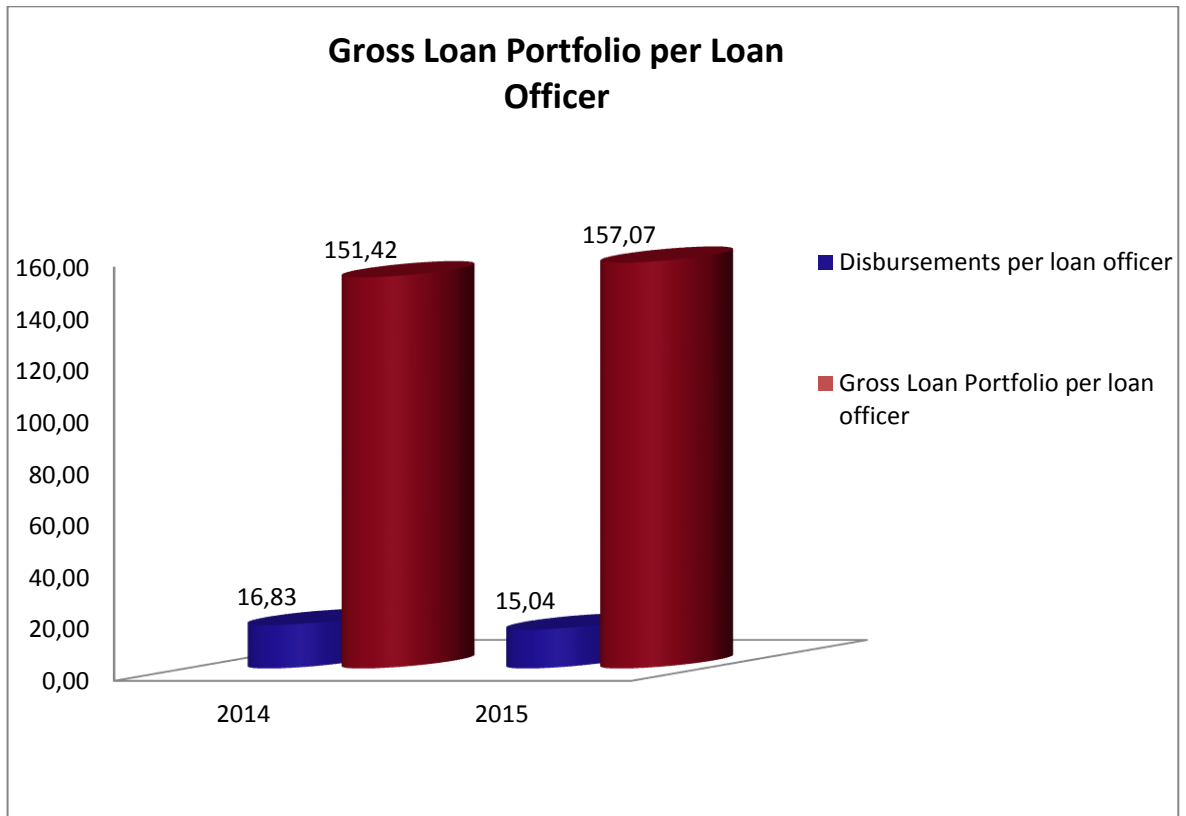
**Figure 4: Average Loan Amount Provided by UCORA's Members**



### **Branches and Loan Portfolio Indicators**

- As of November 2015 UCORA's members jointly had 128 branches. The number of branches in Armenia increased by 13 compared with November 2014.
- As of November 2015 UCORA's members had 629 credit officers while in November of 2014 the number of credit officers was 614.
- As of November 2015 the average loan portfolio per loan officer amounted to AMD 15.04 million. In previous month the same indicator amounted to AMD 13.5 million and in November 2014 amounted to AMD 16.8 million. (Figure 5)
- As of the end of November 2015 UCORA's members' gross loan portfolio per loan officer amounted to AMD 157,1 million compared to AMD 155.4 million in previous month and AMD 151.4 million in November 2014.

Figure 5: Gross Loan Portfolio per Loan Officer



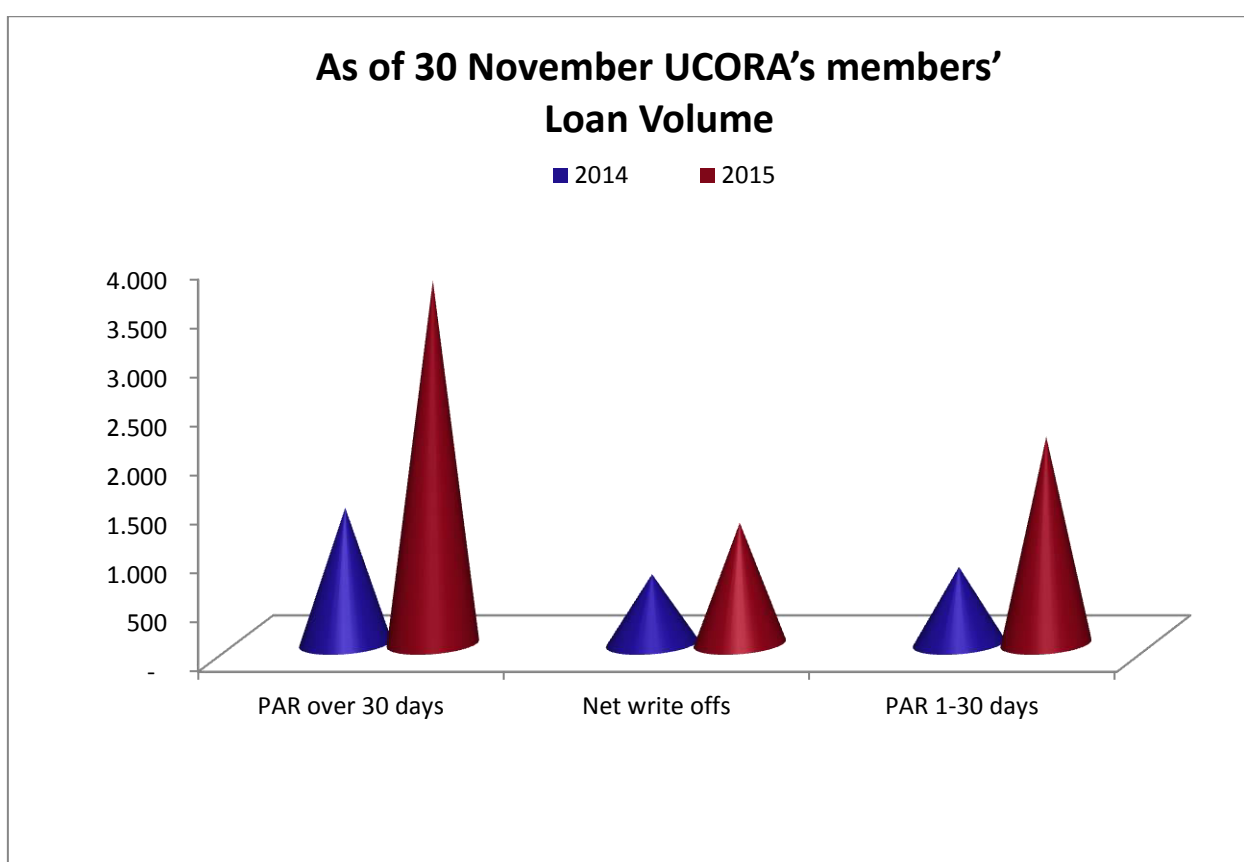
### Loan management

- **Up to 30 days PAR:** As of the end of November 2015 UCORA's members' up to 30 days PAR volume amounted to AMD 1,239 million compared to AMD 1,763million in previous month and AMD 710.9 million in November 2014. Up to 30 days PAR volume increased by 74.2% compared with the same period of the last year and by 29.7% compared with October 2015. Up to 30 days PAR comprised 1.25% share of the total loan portfolio as of the end of November 2015, and 0.78% share in November of 2014 (Figure 6).
- **PAR over 30 days:** As of the end of November 2015 UCORA's members' volume of PAR over 30 days amounted to AMD 3,705.4 million compared to AMD 3,352 million in previous month and AMD 1,388 million in November 2014. PAR over 30 days volume increased by 166% compared with the same period of the last year and by 4.9% compared with October2015. As of the end of November 2015 over 30 days PAR comprised 3.75% share of the total loan portfolio. In November 2014 the share of 30 days PAR in the total loan portfolio was 1.52%.



- **Net write offs:** As of the end of November 2015 UCORA's members' volume of net write offs amounted to AMD 2,114.9 million compared to previous month's volume which was AMD 1,789.8 million and the volume in November 2014 which was AMD 680.2 million. Net write offs volume increased by 18.2% compared with the previous month and nearly 1.5 times compared with November 2014. UCORA's members' net write offs loan volume amounted to 2.14% share of total loan portfolio in November of this year compared to 1.84% share of the previous month and 0.74% of November 2014.

Figure 6: As of 30 November UCORA's members' Loan Volume



### Analytical ratios

- As of November 2015 UCORA's members' gross loan portfolio to assets ratio amounted to 86.5% which reflects the fact that the vast majority of assets is directed to lending. The same indicator amounted to 88.4% in November 2014. (Figure 7)
- As of November of this year UCORA's members' total equity to loan portfolio ratio amounted to 36.9%. This indicator shows that approximately 37% of UCORA's

members' loan volume is carried out due to the equity. The same indicator amounted to 35.9% in November 2014.

- As of the end of November 2015 UCORA's members' total equity to assets ratio amounted to 32.0% which indicates about high capitalization of the member credit organizations. The same indicator amounted to 31.7% in November 2014. The decrease of this indicator compared to the last year shows that member credit organizations have attracted more funds during last year.
- A total liability to equity ratio indicates the portion of liabilities per unit of equity. This indicator also shows loan business management efficiency level. As of November 2015 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 2.07 for November of the previous year. The growth of equity to liabilities ratio indicates about the increase of loan business management

**Figure 7: Analytical Ratios for UCORA's Members**

