

UNION OF CREDIT ORGANIZATIONS OF THE REPUBLIC OF ARMENIA



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*The Structure of Loans Disbursed from Banks and  
Credit Organizations of RA*



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## Abstract

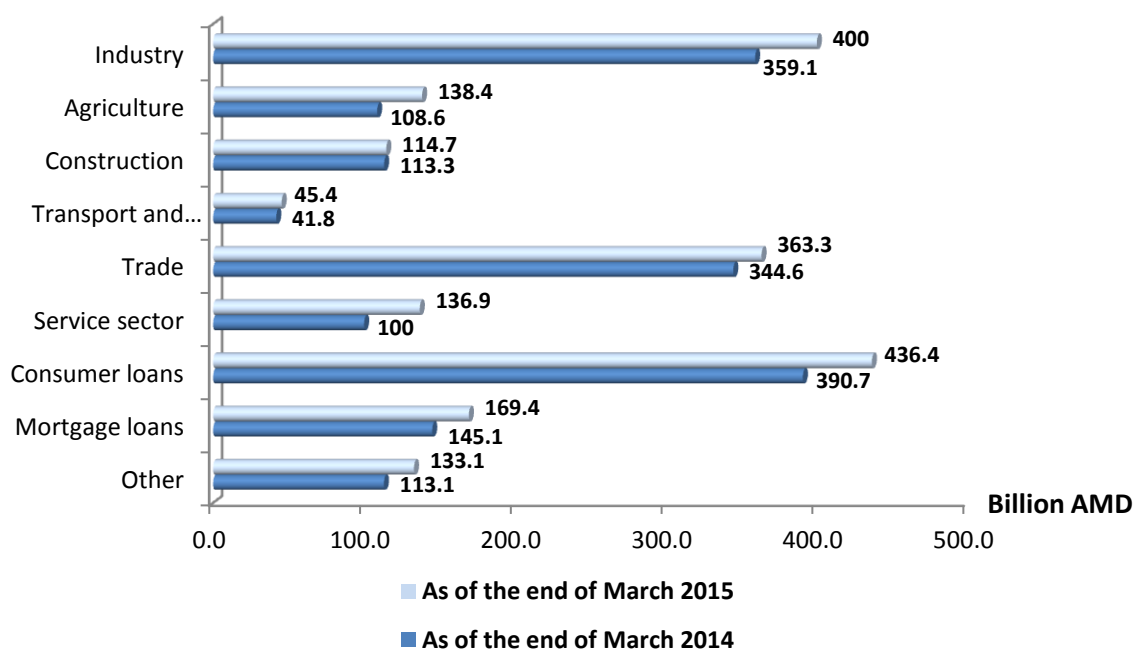
The purpose of this work is to analyze the structure of loans disbursed from the banks and credit organizations and to compare the volumes of disbursements to different economy sectors.

Financial information has been obtained from the statistical data section of the Central Bank. The analysis includes loan portfolios of banks and credit organizations operating in the Republic of Armenia.

## The Structure of Loans Disbursed from Banks and Credit Organizations of RA

As of the end of March 2015 the loans provided by banks and credit organizations of RA amounted to AMD 1,938 billion which increased by 12.9% compared with March 2014 and decreased by 3.6% compared with December 2014. Consumer loans, loans provided to industry and commercial sectors have relatively big share in the gross loan portfolio of Armenia.

**Figure 1. Loan disbursements by banks and credit organizations of RA**



**Table 1. The structure of loans disbursed from banks and credit organizations of RA**

Billion AMD			
	<i>March 2014</i>	<i>December 2014</i>	<i>March 2015</i>
Industry	359.1	429.1	400
Agriculture	108.6	127.6	138.4
Construction	113.3	124.2	114.7
Transport and communication	41.8	44.3	45.4
Trade	344.6	386.3	363.3
Service sector	100	133.7	136.9
Consumer loans	390.7	451.5	436.4
Mortgage loans	145.1	172.4	169.4
Other	113.1	141.1	133.1
<b>Total</b>	<b>1,716.3</b>	<b>2,010.2</b>	<b>1,937.6</b>

**Industry:** As of the end of March AMD 400 billion loans were provided to the industry sector which comprised 20.6% share of the total loan portfolio. The amount of loans provided to industry sector increased by 11.4% compared with March 2014 and decreased by 6.8% compared with December 2014.

**Agriculture:** As of 31 March 2015 agricultural loans amounted to AMD 138.4 billion which comprised 7.1% share of the total loan portfolio. Agricultural loans grew by 27.4% compared with March 2014 and by 8.5% compared with December 2014.

**Construction:** As of the end of March 2015 AMD 114.7 billion loans were provided to construction sector which constituted 5.9% share of the total loan industry. The loans provided to industry sector increased by 1.25% compared with March 2014 and decreased by 7.7% compared with December 2014.

**Trade:** As of March 2015 AMD 363.3 billion were provided to commercial sector which comprised 18.8% share of the total loan portfolio. Compared with the same period of the previous year the amount of commercial loans increased by 5.5% and compared with December 2014 decreased by 5.9%.

**Service:** As of March 2015 AMD 114.7 billion loans were disbursed to construction sector which constituted 5.9% share of the total loan industry. The loans provided to industry sector increased by 1.25% compared with March 2014 and decreased by 7.7% compared with December 2014.

**Consumer loans:** As of March 2015 consumer loans amounted to AMD 436.4 billion which comprised 22.5% share of the total loan portfolio. Compared with the same period of the previous year consumer loans increased by 11.7% while compared with December 2014 the amount of consumer loans decreased by 3.3%.

**Mortgages:** As of the end of March 2015 mortgage loans amounted to AMD 169.4 billion which comprised 8.7% share of the total loan portfolio. Compared with the end of 2014 mortgage loans decreased by 1.7% and compared with March 2014 increased by 16.7%.

**Other loans:** As of the end of March 2015 other loans amounted to AMD 133.1 billion which comprised 6.9% share of the total loan portfolio. Other loans grew by 17.6% compared with the same period of the previous year and decreased by 5.7% compared with December 2014.

Figure 2. Loan disbursements by economy sectors as of March 2015

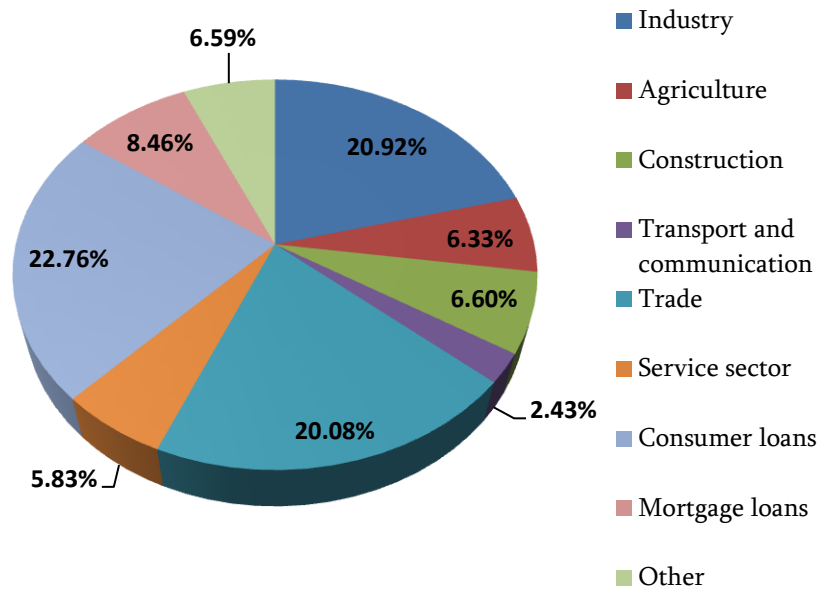
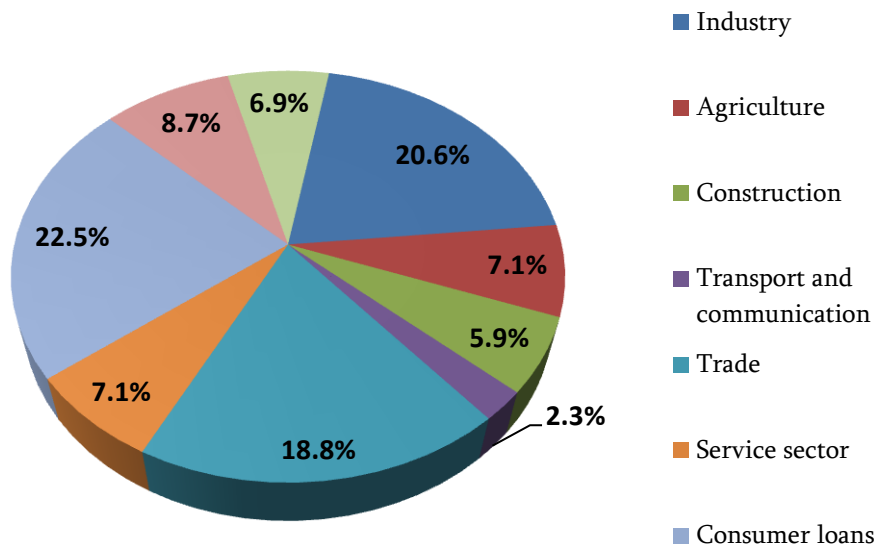


Figure 3. Loan disbursements by economy sectors as of March 2014



## Summary

Thus, based on the above mentioned information it can be seen that as of March 2015 the total disbursements of banks and credit organizations of RA increased by 13% compared with March 2014 due to the disbursements growth of all sectors while there exists downward trend compared with December 2014 (by 3.6%). For the period from December 2014 to March 2015 loans of construction, industry, commercial and other sectors mostly decreased because of the fact that during that period loan repayments exceeded the loan disbursements.