

Government Debt of RA

as of March 31, 2024

Summary of Monthly Bulletin

The bulletin was updated on April 12, 2024



Ministry of Finance of RA

The purpose of publishing this bulletin is to ensure transparency, accountability, predictability and publicity on Government Debt and to inform the wide range of beneficiaries about Government Debt operations and latest developments.

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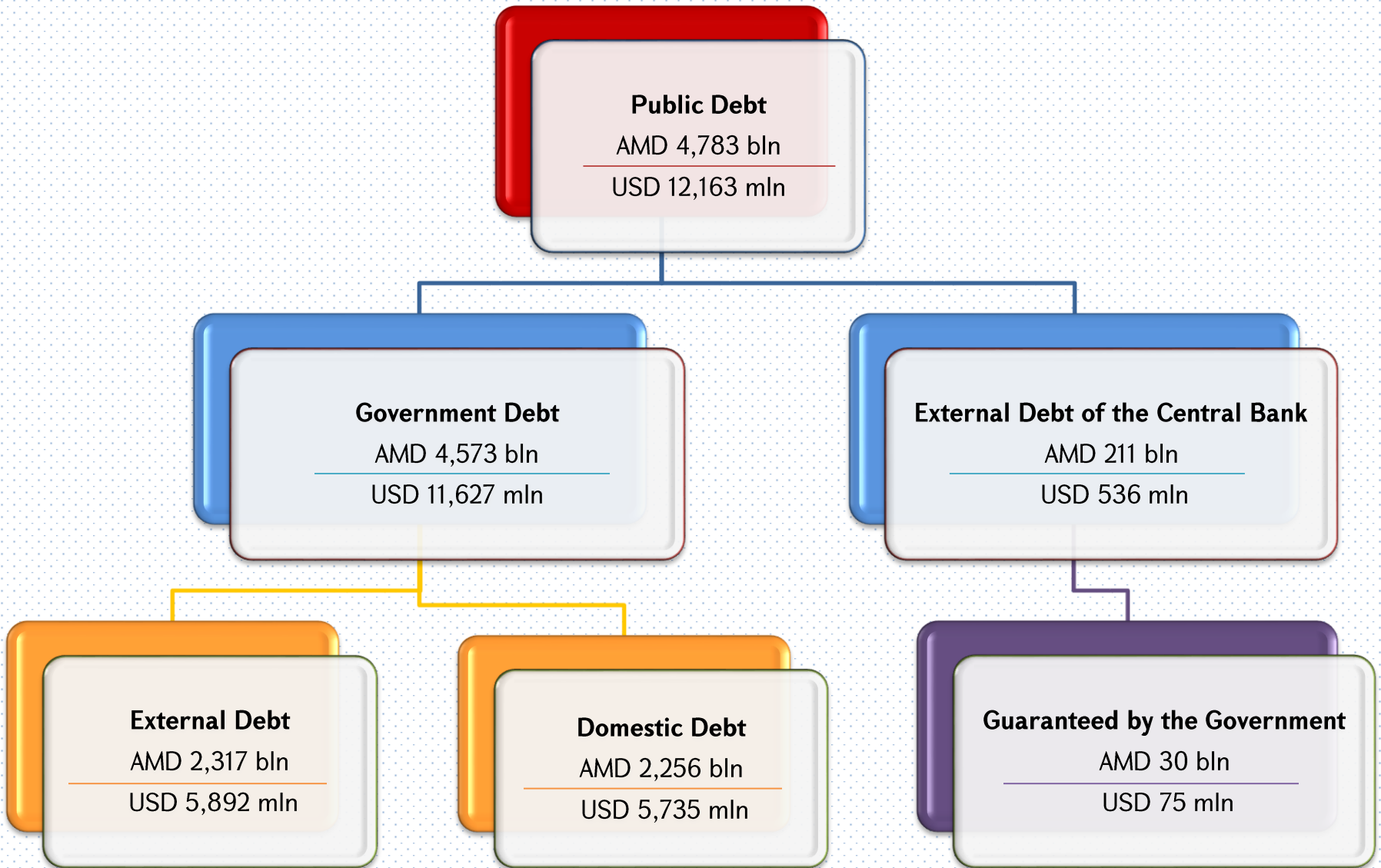
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Public Debt (1)

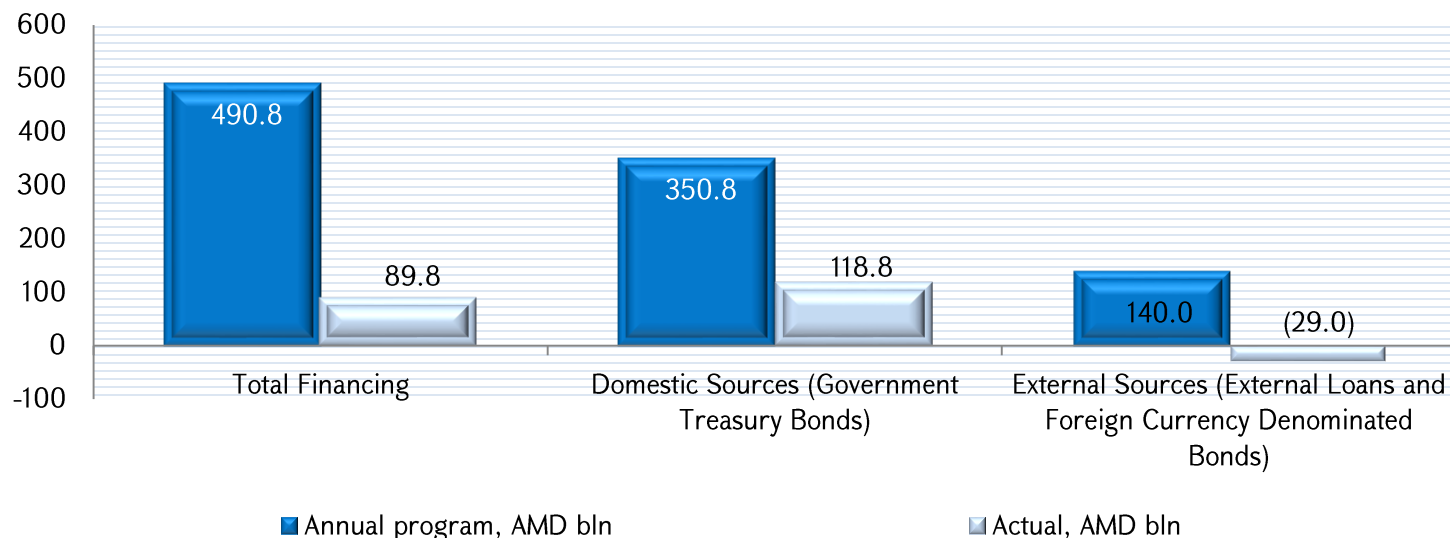


Public debt (2)

AMD bln	31.12.2023	31.03.2024	Change	
			AMD bln	%
Public Debt of RA	4,794.9	4,783.5	(11.4)	(0.2)
Government Debt	4,571.9	4,572.6	0.7	0.0
<i>External Debt</i>	2,408.8	2,317.1	(91.7)	(3.8)
External Credits and Loans	1,836.1	1,734.3	(101.8)	(5.5)
Government Treasury Securities purchased by non-residents	146.0	170.3	24.3	16.7
Foreign Currency Denominated Bonds purchased by non-residents	423.7	409.7	(14.0)	(3.3)
External guarantees	3.0	2.7	(0.3)	(9.1)
<i>Domestic Debt</i>	2,163.2	2,255.6	92.4	4.3
Domestic Credits and Loans	-	-	-	-
Government Treasury Securities purchased by residents	1,946.9	2,043.4	96.5	5.0
Foreign Currency Denominated Bonds purchased by residents	209.1	205.1	(4.0)	(1.9)
Domestic guarantees	7.2	7.1	(0.1)	(1.7)
External Debt of the Central Bank	223.0	210.9	(12.1)	(5.4)
Guaranteed by the Government	31.3	29.6	(1.7)	(5.4)

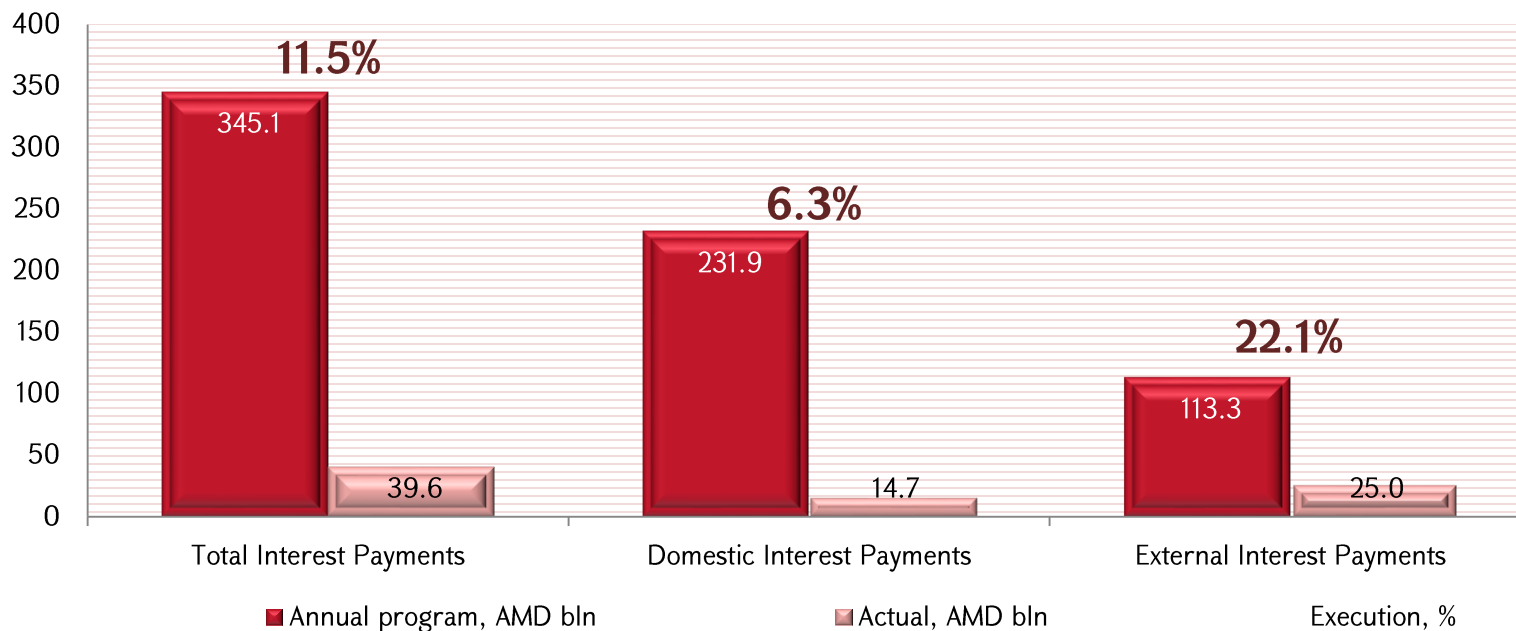
USD mln	31.12.2023	31.03.2024	Change	
			USD mln	%
Public Debt of RA	11,845.4	12,163.0	317.6	2.7
Government Debt	11,294.6	11,626.9	332.3	2.9
<i>External Debt</i>	5,950.7	5,891.7	(59.0)	(1.0)
External Credits and Loans	4,536.0	4,409.9	(126.1)	(2.8)
Government Treasury Securities purchased by non-residents	360.6	433.0	72.4	20.1
Foreign Currency Denominated Bonds purchased by non-residents	1,046.6	1,041.8	(4.9)	(0.5)
External guarantees	7.4	7.0	(0.5)	(6.4)
<i>Domestic Debt</i>	5,343.9	5,735.2	391.3	7.3
Domestic Credits and Loans	-	-	-	-
Government Treasury Securities purchased by residents	4,809.6	5,195.9	386.2	8.0
Foreign Currency Denominated Bonds purchased by residents	516.5	521.4	4.9	0.9
Domestic guarantees	17.7	17.9	0.2	1.1
External Debt of the Central Bank	550.8	536.1	(14.7)	(2.7)
Guaranteed by the Government	77.3	75.2	(2.0)	(2.6)

State budget deficit financing from net borrowings



AMD bln	01.01.2024-31.03.2024	%
Financing of the state budget deficit from the net borrowings	89.8	100.0
<i>from domestic sources</i>	118.8	132.3
<i>proceeds from placement of Government Treasury Securities</i>	118.8	
proceeds from placement	160.5	
repayments / buyback	(41.6)	
<i>from external sources</i>	(29.0)	(32.3)
<i>Credits and Loans</i>	(29.0)	
Disbursements	9.3	
project loans	9.3	
budget support loans	-	
repayments	(38.3)	
proceeds from placement of Foreign Currency Denominated Bonds	-	
proceeds from placement	-	
repayments / buyback	-	

Government Debt servicing (interest payments)

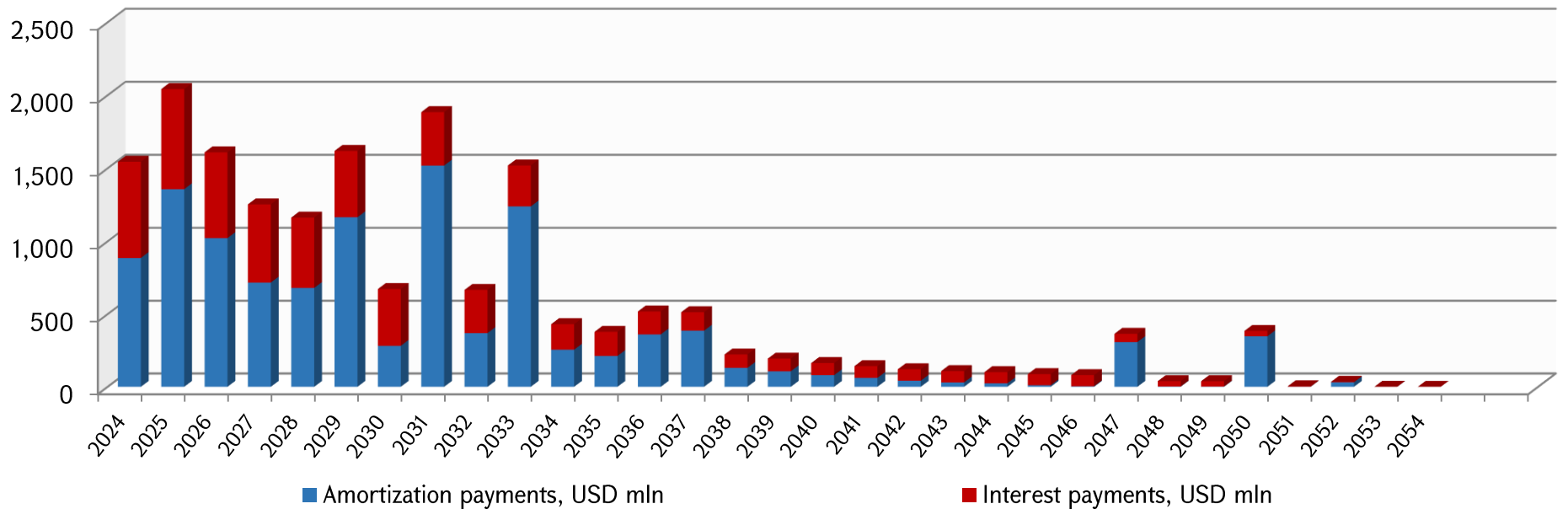


AMD bln	01.01.2024-31.03.2024	%
Total interest payments	39.6	100.0
<i>domestic interest payments</i>	<i>14.7</i>	<i>37.0</i>
interest payments on Government Securities	14.7	37.0
<i>external interest payments</i>	<i>25.0</i>	<i>63.0</i>
interest payments on External Loan and Credits	11.1	27.9
interest Payments on Foreign Currency Denominated Bonds	13.9	35.1

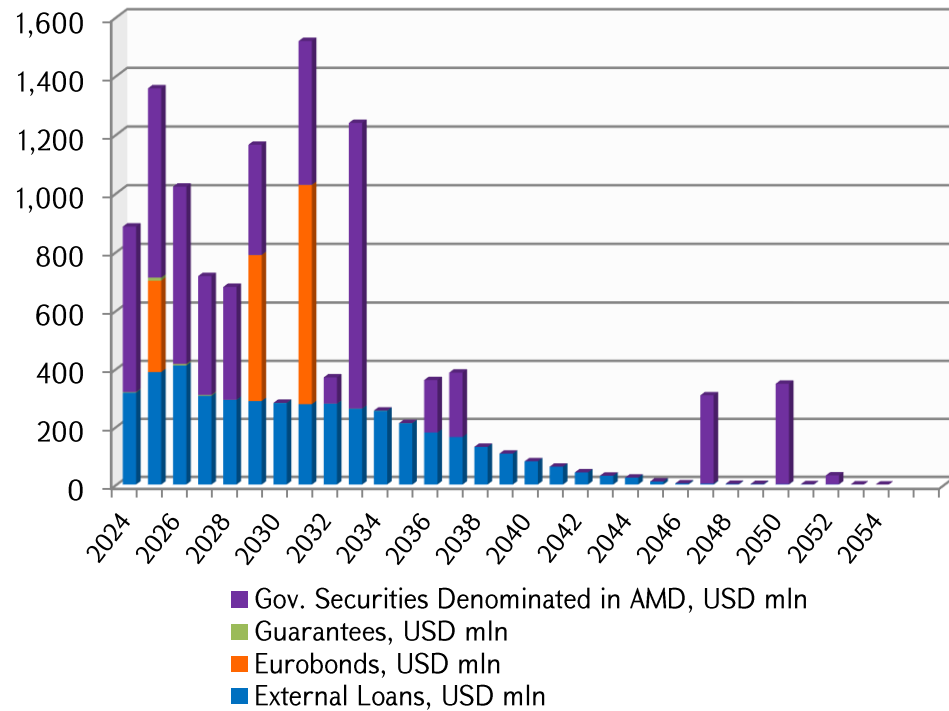
Indicators characterizing Government Debt and benchmarks for 2024-2026

	Benchmark	31.12.2023 actual	31.03.2024 actual
Weighted Average Interest Rate, %		7.0	7.2
Refinancing risk			
Weighted Average Time to Maturity (ATM), years	7 - 10	7.4	7.2
Debt Share Maturing in Upcoming 3 Years, %	maximum 35%	28.6	28.7
Debt Share Maturing in Upcoming 365 Days, %		9.1	9.0
The share of Government Treasury Securities maturing in the next year in total TS (at the end of the year), %	maximum 20%	11.8	11.2
Interest rate risk			
The share of fixed rate debt in the total debt, %	at least 80%	84.1	84.9
Weighted Average Time to Refixing (ATR), years		6.4	6.2
Debt Share Refixing in Upcoming 365 Days, %		21.6	21.3
Exchange rate risk			
Share of domestic debt in total debt, %	at least 40%	47.3	49.3
Share of AMD denominated debt in total debt, %	at least 40%	45.9	48.6

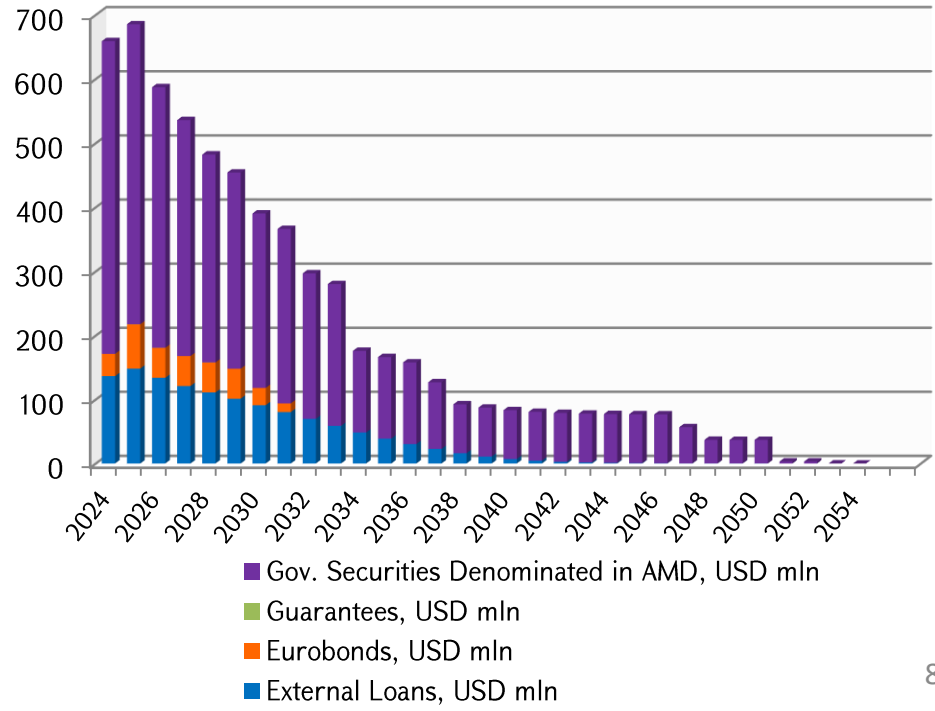
Amortization and servicing profiles of Government Debt



Amortization profile of Government Debt

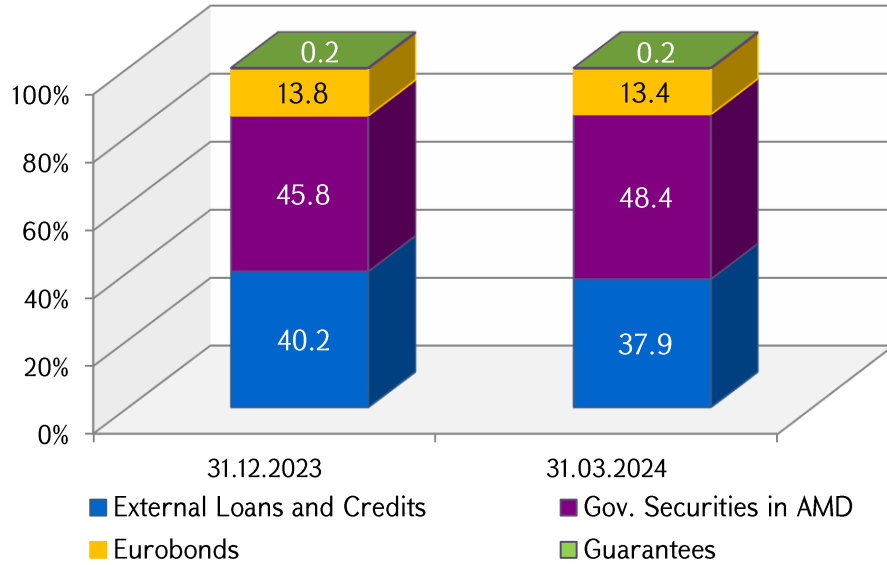


Servicing profile of Government Debt

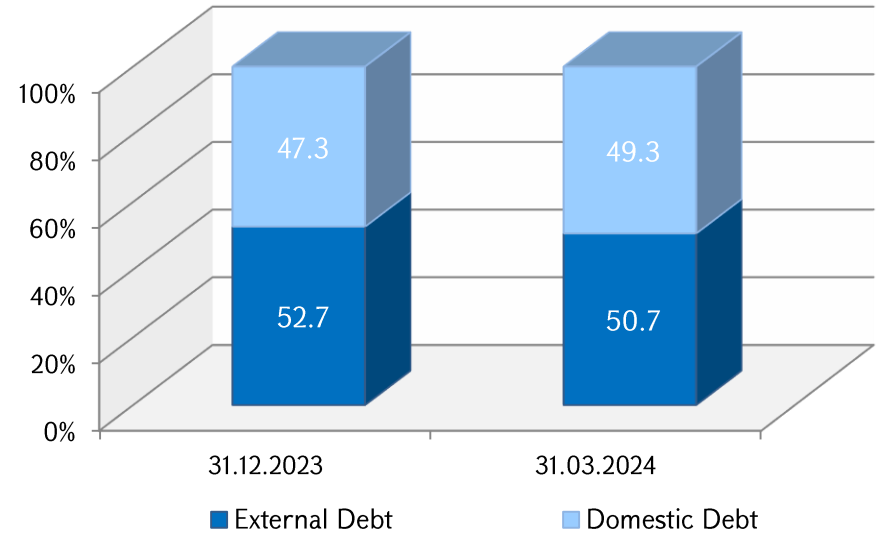


Government Debt structure (1)

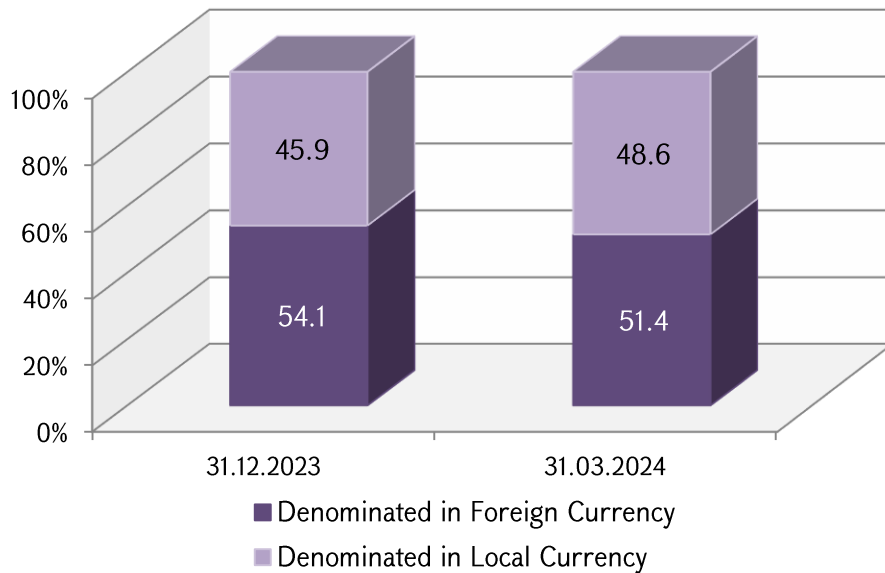
Structure by Instruments



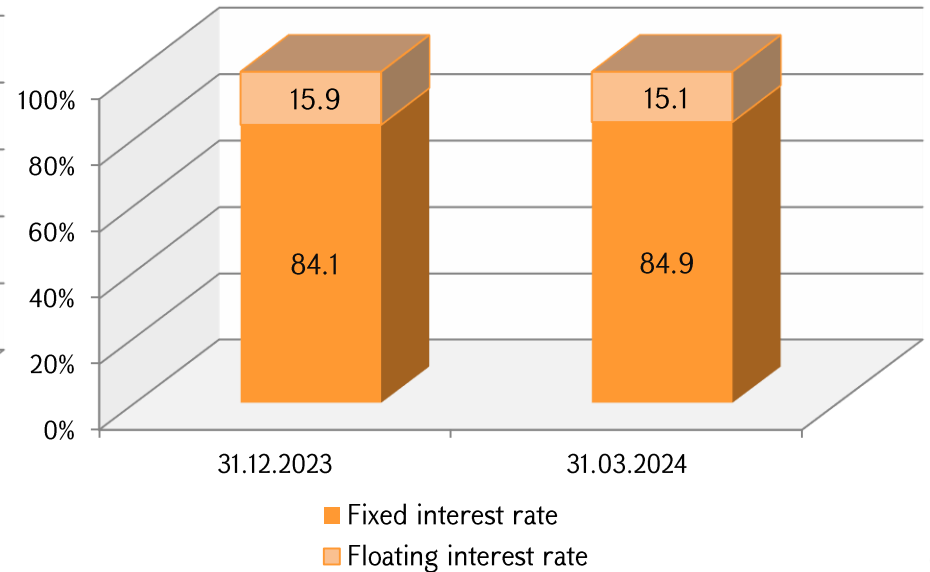
Structure by Residency



Structure by Currency

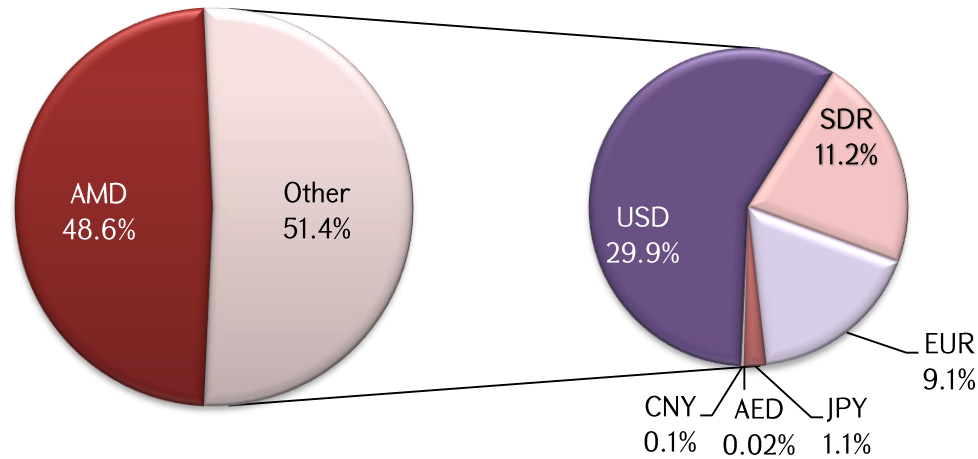


Structure by Type of Interest Rate

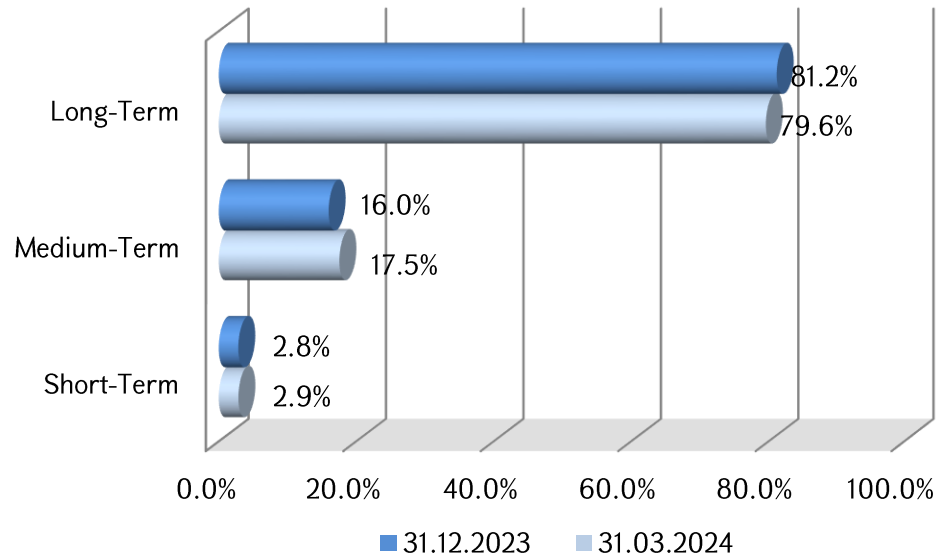


Government Debt structure (2)

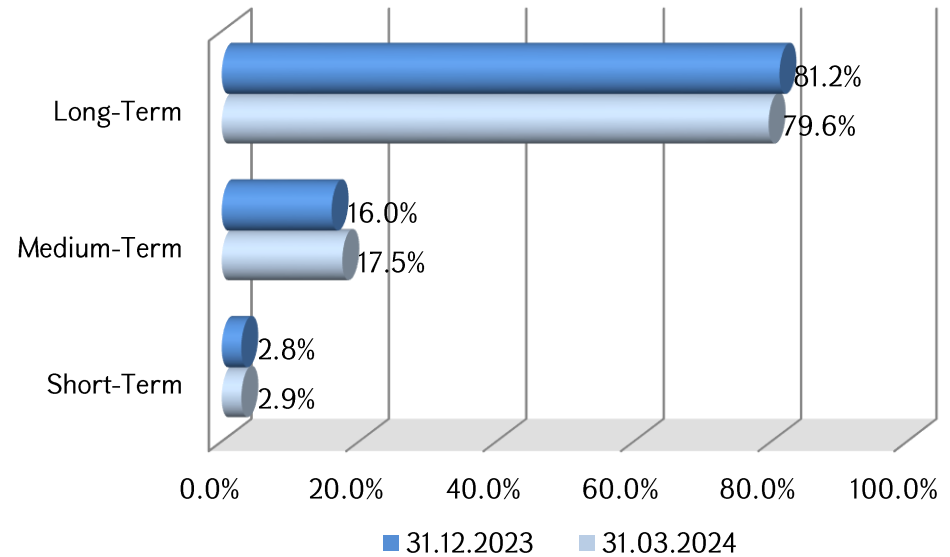
Structure by Currency



Structure by Initial Maturity



Structure by Average Time to Maturity (ATM)



Government Treasury Securities (1)

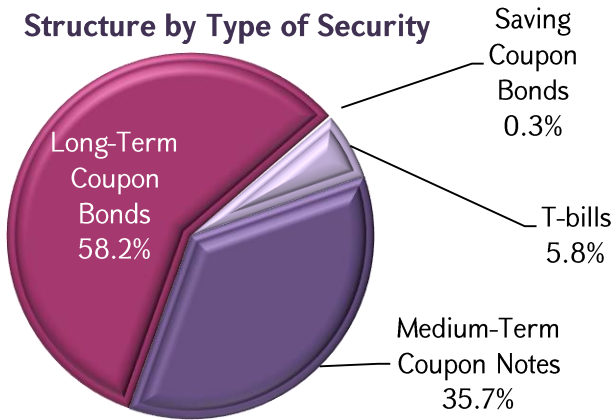
	31.12.2023	31.03.2024
Stock outstanding, AMD bln	2,092.9	2,213.7
Weighted Average Yield, %	10.72	10.67
Weighted Average Time to Maturity, days	2,932	2,806

Type of Security	Average Time to Maturity, days	Weighted Average Yield, %
T-bills	149	10.59
Medium-Term Coupon Notes	745	10.33
Long-Term Coupon Bonds	4,349	10.90
Saving Coupon Bonds	405	9.29

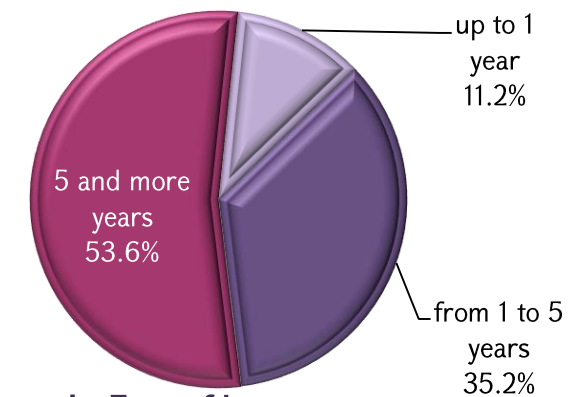
Weighted average yield of Government Securities allocated on the Primary Market in January-March, 2024 equals to 10.33%, and weighted average time to maturity – 1,669 days.

Benchmark Bonds Outstanding

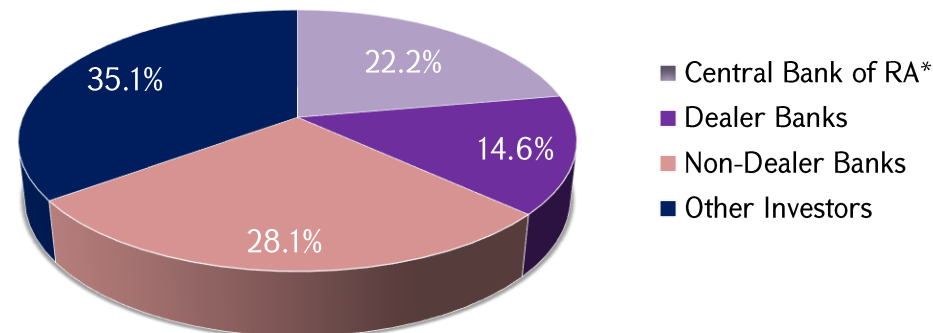
ISIN	Coupon Yield	Outstanding, AMD bln	Maturity Date
AMGN36294251	9.25%	123.94	29-Apr-2025
AMGN36294269	9.00%	134.25	29-Apr-2026
AMGN60294284	9.25%	135.60	29-Apr-2028
AMGB1129A332	9.60%	384.05	29-Oct-2033
AMGB2029A366	13.00%	71.00	29-Oct-2036
AMGB3129A504	9.75%	136.16	29-Oct-2050



Structure by Average Time to Maturity



Structure by Type of Investors



* includes repo / reverse repo transactions

Government Treasury Securities (2)

Placement of Government Securities in March, 2024

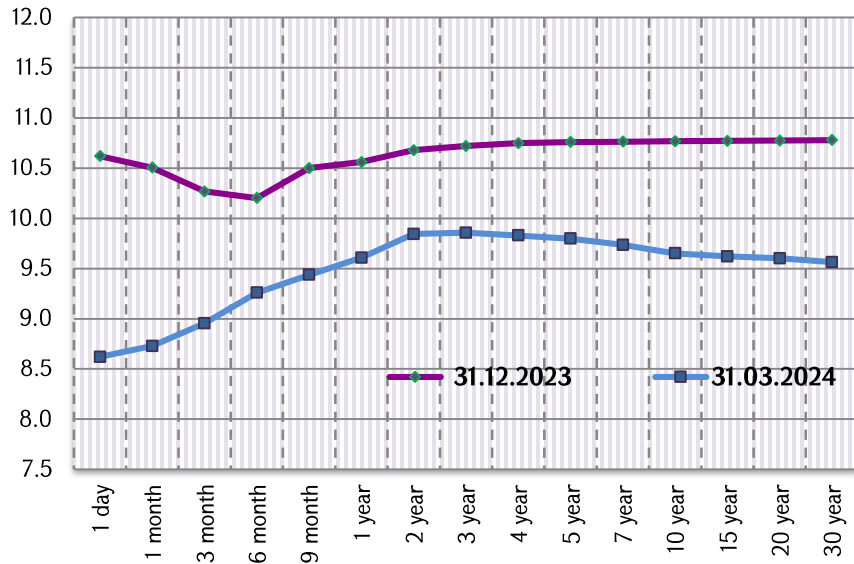
Auction Date	Settlement Date	ISIN	Type of Placement	Offering Amount	Demand	Allocation	Price	Weighted Average Yield	Cut-off Yield	Maturity Date
4-Mar-2024	5-Mar-2024	AMGT52033256	Competitive	5,000,000,000	14,925,200,000	5,000,000,000	91.02	9.7875%	10.3401%	3-Mar-2025
5-Mar-2024	5-Mar-2024	AMGT52033256	Non competitive	1,000,000,000	1,000,000,000	1,000,000,000	91.02	9.7875%	9.7875%	3-Mar-2025
5-Mar-2024	5-Mar-2024	AMGT52033256	Direct placement			38,240,000	91.02	9.7875%		3-Mar-2025
12-Mar-2024	13-Mar-2024	AMGN36294269	Competitive	30,000,000,000	49,403,100,000	30,000,000,000	101.73	9.8508%	9.9900%	29-Apr-2026
13-Mar-2024	13-Mar-2024	AMGN36294269	Non competitive	6,000,000,000	5,840,800,000	5,840,800,000	101.73	9.8508%	9.8508%	29-Apr-2026
13-Mar-2024	13-Mar-2024	AMGN36294269	Direct placement			2,000,000	101.73	9.8508%		29-Apr-2026
18-Mar-2024	19-Mar-2024	AMGT52131258	Competitive	5,000,000,000	12,700,000,000	5,000,000,000	92.66	9.5024%	9.6800%	13-Jan-2025
19-Mar-2024	19-Mar-2024	AMGT52131258	Non competitive	1,000,000,000	670,000,000	670,000,000	92.66	9.5024%	9.5024%	13-Jan-2025
19-Mar-2024	19-Mar-2024	AMGT52131258	Direct placement			252,874,000	92.66	9.5024%		13-Jan-2025
25-Mar-2024	26-Mar-2024	AMGT52309243	Competitive	3,000,000,000	12,079,200,000	3,000,000,000	95.39	9.2581%	9.2989%	30-Sep-2024
26-Mar-2024	26-Mar-2024	AMGT52309243	Direct placement			21,300,000	95.39	9.2581%		30-Sep-2024
Total				51,000,000,000	96,618,300,000	50,825,214,000		9.7674%		

Buyback of Government Securities in March, 2024

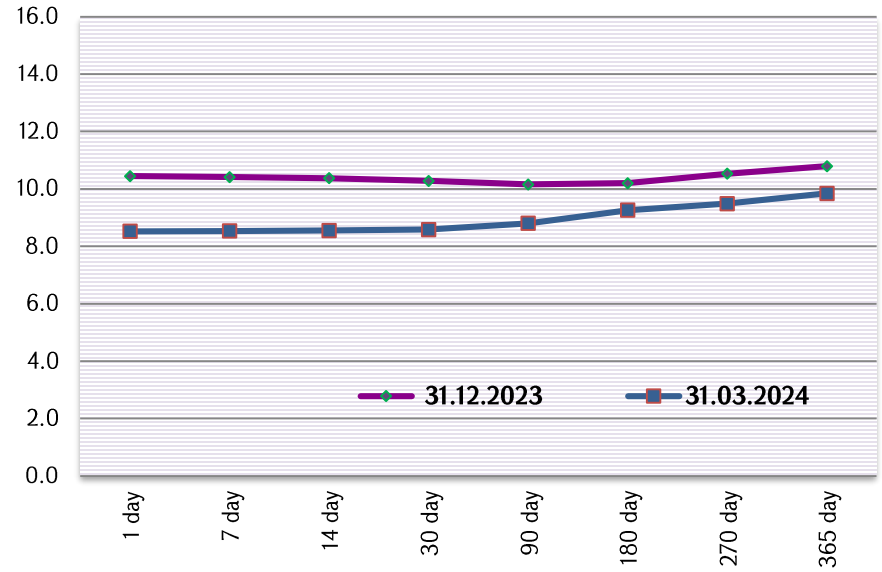
Buyback Date	Settlement Date	ISIN	Offering Amount	Supply	Buyback Volume	Price	Weighted Average Yield	Cut-off Yield	Maturity Date
Total			-	-	-		-		

Government Treasury Securities (3)

Yield Curve for T-Bonds (%)



Yield Curve for T-Bills (%)

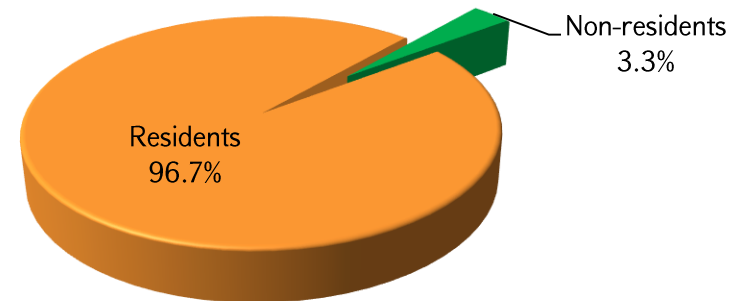


Treasury Direct

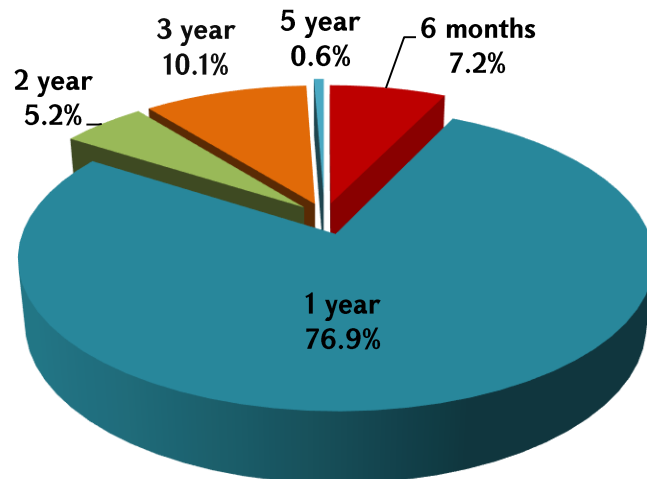
	31.12.2023	31.03.2024
Turnover Volume of Treasury Direct (AMD mln)	7,830.3	8,162.5
Share of Treasury Direct in Government Treasury Bonds, %	0.37	0.37
Total Number of Depo Accounts (cumulative)	1,956	1,985

The volume of investment made through TD in January-March, 2024 equals to AMD 2,013.2 mln, of which the investment in Saving Coupon Bonds amounts to AMD 624.03 mln.

Investors' Structure by Residency



Investment Structure in January-March, 2024



Saving Coupon Bonds' Terms available for sale as of 31.03.2024

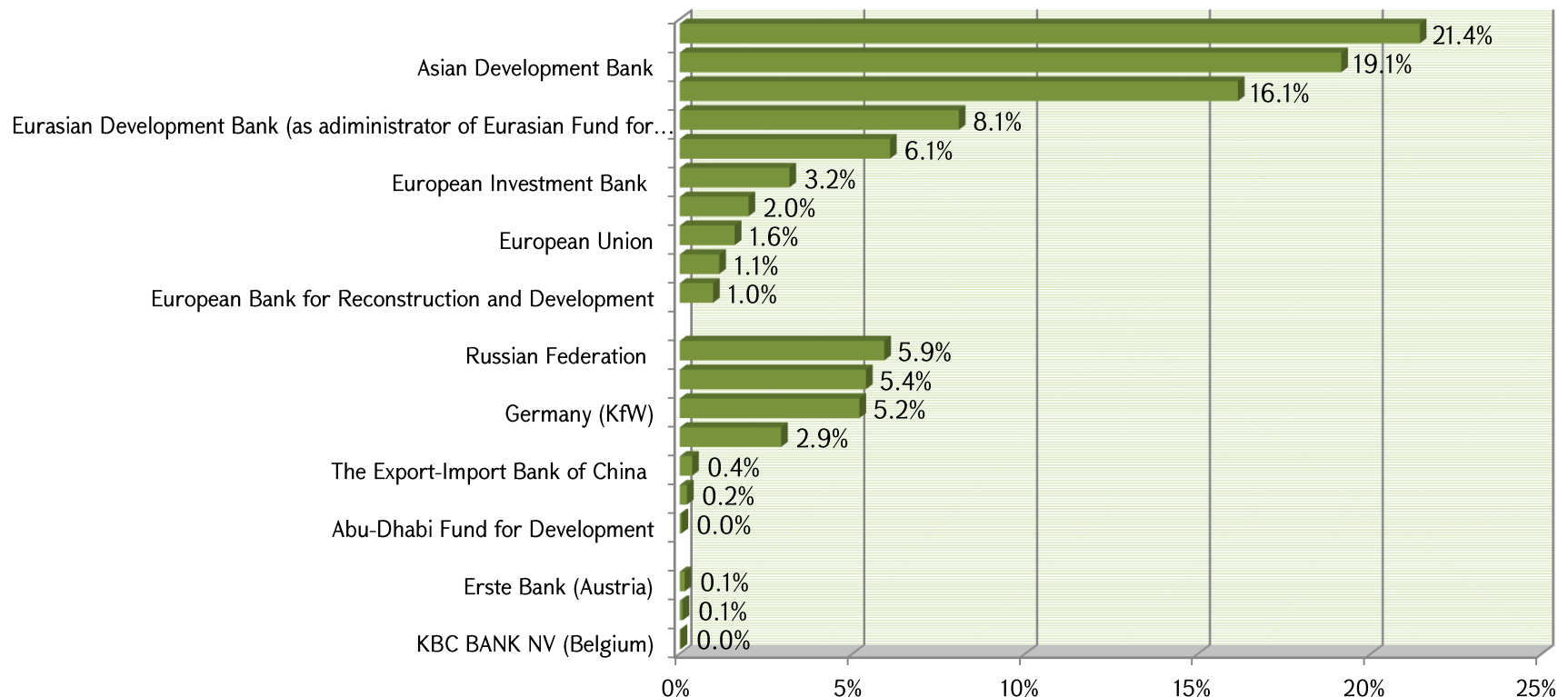
Maturity	Coupon yield, %
6 months	8.5
12 months	9.0
24 months	9.2
36 months	9.5

Government External Credits and Loans

	31.12.2023	31.03.2024
Stock Outstanding (USD mln)	4,536.0	4,409.9
<i>of which</i>		
Multilateral Creditors	3,590.1	3,515.0
Bilateral Creditors	933.9	883.9
Commercial Banks	12.1	11.0
Weighted Average Interest Rate, %	3.6	3.7
Weighted Average Time to Maturity (ATM), years	7.3	7.2

Operations implemented (2024 January-March, USD mln)	
Interest payments	27.3
Principal payments	94.6
Disbursements	23.3

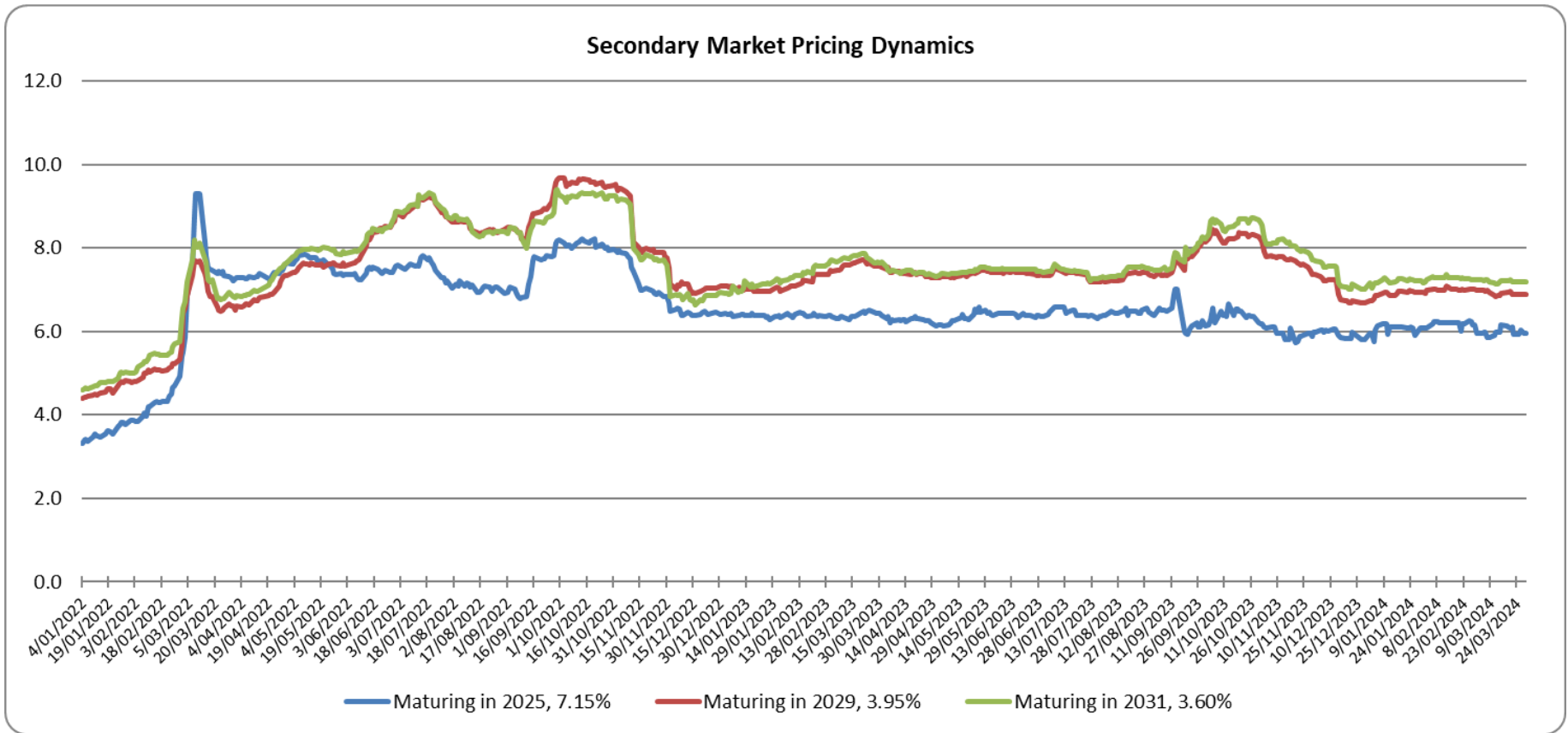
Structure of External credits and loans by creditors



Foreign Currency Denominated Bonds (1)

Terms of Issuance	Armenia 7.15% 2025	Armenia 3.95% 2029	Armenia 3.60% 2031
Issuer	The Republic of Armenia	The Republic of Armenia	The Republic of Armenia
Issuance Format	RegS / 144A	RegS / 144A	RegS / 144A
Ratings	Ba3 (Moody's) / B+ (Fitch)	Ba3 (Moody's) / B+ (Fitch)	Ba3 (Moody's) / B+ (Fitch)
ISIN	US042207AB67 / XS1207654853	US042207AC41 / XS2010043904	US042207AD24 / XS2010028939
Index Eligibility	IMBIG	IMBIG	IMBIG
Issue Size	500,000,000 USD	500,000,000 USD	750,000,000 USD
Pricing/Quotation Date	19 March of 2015	19 September of 2019	26 January, 2021
Issue Date	26 March of 2015	26 September of 2019	2 February, 2021
Maturity Date	26 March of 2025	26 September of 2029	2 February, 2031
Tenor	10 years	10 years	10 years
Time to Maturity, years	1.0 years	5.5 years	6.8 years
Maturity Type	Bullet	Bullet	Bullet
Coupon	7.15%	3.95%	3.60%
Coupon Frequency	Semi-annual 26 March and 26 September	Semi-annual 26 March and 26 September	Semi-annual 2 February and 2 August
First Coupon Payment Date	26 September of 2015	26 March of 2020	2 August, 2021
Yield	7.50%	4.20%	3.875%
Benchmark	UST due to 2025 - 2.0%	UST due to 2029 - 1.625%	UST due to 2030 - 1.039%
Spread to benchmark	+551.8 b.p.	+242.8 b.p.	+ 283.6 b.p.
Spread to mid-swap	+543.7 b.p.	+255 b.p.	+ 280.2 b.p.
Listing	Irish Exchange Stock	Irish Exchange Stock	Irish Exchange Stock
Lead Managers	J.P.Morgan, Deutsche Bank, HSBC	J.P.Morgan, Citigroup	J.P.Morgan, Citigroup, HSBC
Issue Price	97.568	97.976	97.738
Proceeds	487,840,000 USD	489,880,000 USD	733,035,000 USD
Buyback Size	186,834,000 USD	- USD	- USD
Redemption	- USD	- USD	- USD
Outstanding Amount	313,166,000 USD	500,000,000 USD	750,000,000 USD
Paid Coupon (cumulative)	321,972,644 USD	88,875,000 USD	81,000,000 USD
Discount and Premium	15,896,680 USD	10,120,000 USD	16,965,000 USD

Foreign Currency Denominated Bonds (2)

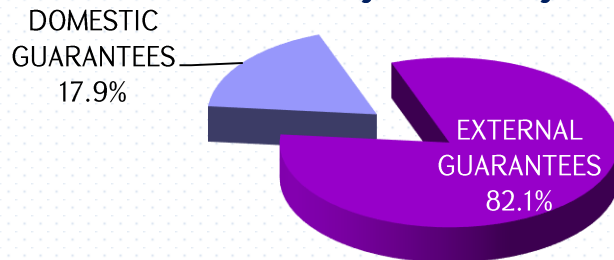


Source: Bloomberg

Government Guarantees

Principal	Beneficiary	31.12.2023	31.03.2024
Total guarantees, USD mln		102.5	100.2
External guarantees		84.7	82.2
Guarantees provided for the external loans of the CBA		77.3	75.2
Central Bank of RA	International Bank for Reconstruction and Development	34.2	33.1
Central Bank of RA	Asian Development Bank	10.9	10.8
Central Bank of RA	Germany (KfW)	32.1	31.3
Other external guarantees		7.4	7.0
“Nork – Marash” Medical Center CJSC	Erste Bank (Austria)	7.4	7.0
Domestic guarantees		17.7	17.9
"IJEVAN WINE AND BRANDY FACTORY" CJSC, 12.09.2022	"Inecobank" CJSC	0.9	0.6
"PROSHYAN BRANDY FACTORY" LLC, 28.11.2022	"Inecobank" CJSC	3.1	3.2
"YERASKH WINE FACTORY" LLC, 29.11.2022	"ArmSwissBank" CJSC	0.3	0.4
"MAP" CJSC, 28.11.2022	"Evocabank" CJSC	2.2	2.3
"ARARAT WINE FACTORY" LTD, 02.12.2022	"Ardshinbank" CJSC	0.6	0.6
"GETAP WINE BRANDY FACTOR" LLC, 20.12.2022	"ArmSwissBank" CJSC	0.5	0.6
"ARTASHAT-VINCON" CJSC, 23.12.2022	"ArmSwissBank" CJSC	1.7	1.8
"VEDI ALCO" CJSC, 26.12.2022	"ArmSwissBank" CJSC	1.7	1.7
IJEVAN WINE AND BRANDY FACTORY CJSC, 16.11.2023	"Inecobank" CJSC	1.9	1.9
"IJEVAN WINE AND BRANDY FACTORY" CJSC, 04.12.2023	"Development And Investments Corporation of Armenia" CJSC	0.4	0.4
"PROSHYAN BRANDY FACTORY" LLC, 11.12.2023	"ArmSwissBank" CJSC	1.2	1.3
"VEDI ALCO" CJSC, 26.12.2023	"ArmSwissBank" CJSC	3.2	3.3

Structure by residency



Payments made by the Government of the Republic of Armenia on guarantees' servicing, due to default on payment obligations by the principal (2024 January-March)

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USD mln

Summary annual indicators and ratios (1)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt of the Government of RA, AMD bln	1,900.6	2,225.9	2,631.4	2,988.4	3,082.5	3,277.3	3,923.9	4,209.8	3,969.7	4,571.9
Debt of the Government of RA, USD mln	4,001.6	4,601.4	5,437.4	6,173.1	6,372.1	6,831.9	7,508.5	8,767.9	10,086.4	11,294.6
% of GDP	39.4	44.1	51.9	53.7	51.2	50.1	63.5	60.2	46.7	48.1
Structure by Residency, %										
Domestic Debt	16.2	16.4	20.9	20.4	21.8	22.5	25.4	29.4	41.6	47.3
External Debt	83.8	83.6	79.1	79.6	78.2	77.5	74.6	70.6	58.4	52.7
Structure by Instruments, %										
External Credits and Loans	67.1	63.8	62.2	65.1	65.0	63.0	62.1	51.1	44.7	40.2
Domestic Credits and Loans	0.1	-	-	-	-	-	-	-	-	-
Government Treasury Bonds	15.3	14.4	19.3	18.4	19.1	20.8	24.4	28.7	37.7	45.8
Foreign Currency Denominated Bonds	17.5	21.7	18.4	16.2	15.7	16.1	13.3	20.0	17.4	13.8
External Guarantees	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Domestic Guarantees	0.05	0.04	0.13	0.15	0.14	-	-	0.1	0.2	0.2
Structure by Currency, %										
Denominated in Local Currency	15.3	14.4	19.3	18.4	19.1	20.8	24.4	28.8	37.9	45.9
Denominated in Foreign Currency	84.7	85.6	80.7	81.6	80.9	79.2	75.6	71.2	62.1	54.1
USD	30.2	37.5	39.5	42.0	43.6	43.9	38.3	41.6	36.8	30.9
SDR	40.9	35.7	29.3	26.5	24.1	21.1	23.0	18.1	14.9	12.1
EUR	7.2	6.6	7.0	8.7	9.2	10.6	10.9	8.9	8.6	9.6
JPY	6.3	5.2	4.4	3.9	3.7	3.3	3.0	2.2	1.6	1.3
AED	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.04	0.03	0.02
CNY	-	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.2	0.1
Structure by Weighted Average Time to Maturity (ATM), %										
Short-Term	3.2	2.5	4.4	3.0	2.6	4.4	3.1	3.1	5.0	7.6
Medium-Term	10.2	21.8	21.5	23.4	22.7	16.4	27.9	27.3	29.3	26.7
Long-Term	86.6	75.7	74.0	73.5	74.6	79.2	69.0	69.6	65.7	65.7

Summary annual indicators and ratios (2)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Structure by Initial Maturity, %										
Short-Term	0.7	1.0	3.0	0.8	1.0	0.7	1.2	1.2	2.6	2.8
Medium-Term	8.0	6.9	8.1	8.2	7.6	6.9	6.9	9.1	13.0	16.0
Long-Term	91.3	92.1	88.8	91.1	91.4	92.4	91.9	89.7	84.3	81.2
Structure by Type of Interest Rate, %										
With floating interest rate	10.8	10.5	12.5	13.5	15.0	16.2	19.6	17.1	16.5	15.9
With fixed interest rate	89.2	89.5	87.5	86.5	85.0	83.8	80.4	82.9	83.5	84.1
Weighted Average Interest Rate of Government Debt, %	4.2	4.5	4.9	4.9	5.0	4.8	4.3	4.7	6.3	7.0
Weighted Average Time to Maturity (ATM) of Government Debt, years	9.8	9.7	9.2	9.0	8.7	9.1	8.8	8.4	7.7	7.3
Interest payments on Government Debt, AMD bln	61.6	74.1	98.3	122.1	139.0	157.5	164.7	180.8	198.3	253.4
% of GDP	1.3	1.5	1.9	2.2	2.3	2.4	2.7	2.6	2.3	2.7
% of the state budget expenditures	5.0	5.3	6.8	8.1	9.6	9.7	8.7	9.0	8.8	
Financing of State Budget Deficit from Net Borrowings, AMD bln	83.8	316.8	409.4	278.7	132.9	233.4	354.6	591.0	318.2	287.0
% of GDP	1.7	6.3	8.1	5.0	2.2	3.6	5.7	8.5	3.7	3.0
From domestic sources, %	17.9	4.4	41.8	16.4	36.1	43.7	84.7	40.6	79.2	125.5
From External sources, %	82.1	95.6	58.2	83.6	63.9	56.3	15.3	59.4	20.8	(25.5)

Definitions and methodology (1)

Institutional coverage

Government Debt includes all direct Government Debt obligations, which are repaid and serviced at the expense of the RA state budget, and debt obligations guaranteed by the Government.

Applicable classifications:

Government Debt is classified according to the following characteristics:

- *by residency: domestic and external,*
- *by maturity (initial and residual maturity): short-term (up to one year inclusive), medium-term (1-5 years inclusive), long-term (more than 5 years),*
- *by instruments: credits and loans, government treasury bonds, foreign currency government bonds, guarantees,*
- *by currency: denominated in local currency and denominated in foreign currency,*
- *by interest rate type: fixed and floating.*

The principle of accounting

Government Debt data is recorded at nominal value on gross basis and cash basis (except for foreign loan disbursements, which are accounted as of the value date of creditor).

The following concepts and methodological approaches are defined by the RA Law on Public Debt:

- **debt obligation** means borrowing (including securities placed in domestic and external markets) or amount received under a loan agreement and due to repayment at a point of time, including interests not paid within the deadline, as well as the amount of the issued public guarantees,
- **public debt** means aggregate debt obligations existing as at a point of time in the name of the Republic of Armenia and the Central Bank of RA (without debt obligations of the Central Bank to residents). It comprises the aggregate of the Government debt and Central Bank's debt.
- **Government debt** means aggregate debt obligations raised by the Government of RA at a point of time,
- **debt of the Central Bank** means aggregate debt obligations to non-residents, foreign states and international organizations raised by the Central Bank at a point of time,
- **public domestic debt** means aggregate debt obligations to RA residents outstanding at a point of time undertaken by the authorized body of the Government in the name of the Republic of Armenia under borrowing or loan agreements,
- **public external debt** means aggregate debt obligations to non-residents of RA, foreign states and international organizations undertaken in the name of the Republic of Armenia and the Central Bank and outstanding at a point of time,

Definitions and methodology (2)

- **public guarantee** means obligation of the Government (budget guarantee) to the lenders and creditors, as well as obligation of the Central Bank to non-resident lenders and creditors to partially or fully repay the amounts due to payment by resident borrowers and debtors, where these residents fail to repay their debt within the established timeframe,
 - **debt repayment** means the performance of debt obligation under a borrowing or loan agreement,
 - **debt servicing** means payment of interests, commissions, penalties and other fees under a borrowing or loan agreement;
 - **domestic public guarantees** are the budget guarantees issued to the residents of RA,
 - **external public guarantees** are the public guarantees issued to non-residents and foreign countries by RA and the Central Bank.
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- The Ministry of Finance and the Central Bank in terms of its debt are authorized to manage public debt.
 - The Ministry of Finance and the Central Bank register, account public debt and are responsible for reliability of that accounting.
 - The public debt is published in national currency of the RA, it can also be published in other currencies.
 - The components of public debt are domestic public debt, external public debt and public guarantees.
 - Public debt by maturity can be short-term (up to 1 year inclusive), medium-term (1-5 years inclusive) and long-term (more than 5 years).
 - If at the same time the Government and the Central Bank has provided a guarantee for the same liability, then one of them (maximum) is included in the public debt.
 - The external public guarantee provided by the Government to the Central Bank is accounted for as a debt of the Central Bank.

The instruments of debt formation are:

- *loan agreements signed with financial and credit organizations, foreign countries and international organizations,*
- *contracts signed with physical and legal entities,*
- *issued government treasury securities and foreign currency bonds,*
- *liabilities of third parties restored as public debt as a result of debt transfer transaction in accordance with the RA legislation,*
- *debt restructuring agreements,*
- *public guarantees.*