

# SUMMARY ANALYSIS OF BONDS OPERATIONS ISSUED BY ARMSWISSBANK CJSC

## 2021 1<sup>st</sup> semester

"ARMSWISSBANK" CJSC considers the bond market as an effective alternative to attracting financial resources for the Bank. Since 2015 the Bank has entered into the bond market as an issuer and actively operates there.

Below is presented more detailed information:

### PRIMARY MARKET

As of 30.06.2021 the Bank has attracted about AMD 60,589 million worth bonds from the primary market, which is about 15% of the Bank's liabilities.

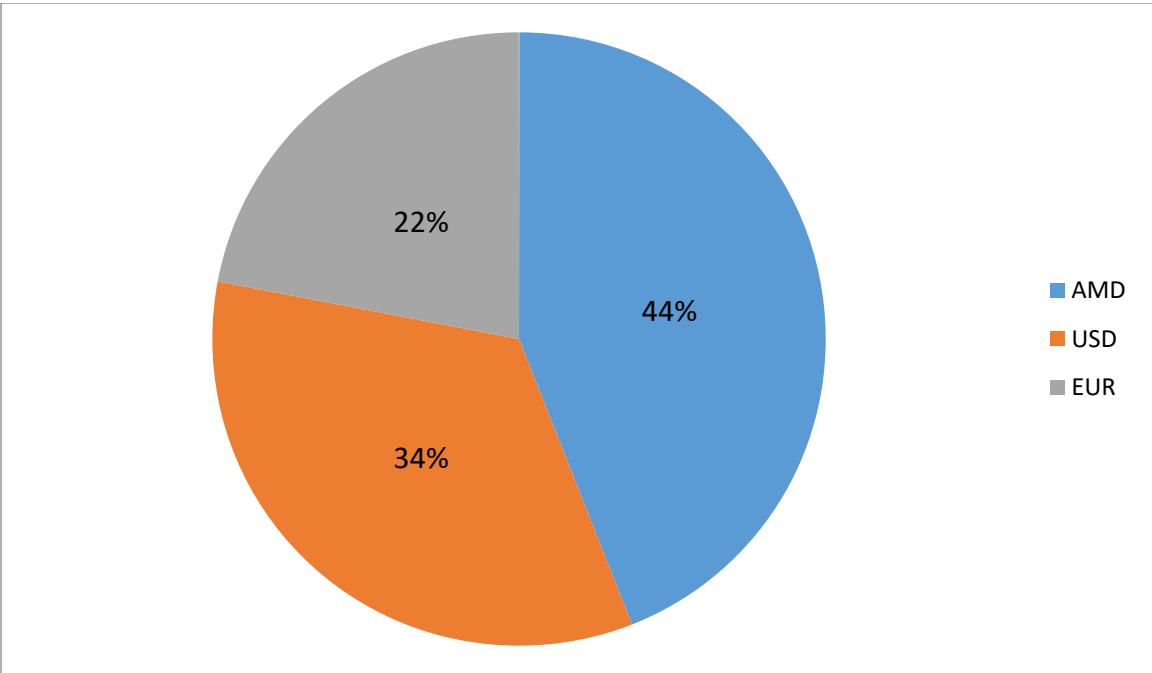


Figure 1. Currency structure of funds attracted with bonds

Below is a brief description of all the bonds placed by the Bank.

Table 1. Bonds issued and placed by the Bank as of 01.01.2020

	Issue value	Issue volume	Duration	Coupon	Maturity date	Maturity date
<b>2015</b>						
SWISB1	USD	2,000,000	3 years	7.50 %	16.04.2018	1,000
SWISB2	USD	3,000,000	4 years	8.00 %	16.04.2019	1,000
SWISB3	USD	5,000,000	5 years	8.50 %	27.04.2020	1,000
<b>2017</b>						
SWISB4	USD	10,000,000	7 years	6.75%	15.06.2024	100
SWISB5	EUR	10,000,000	6 years	5.00%	15.06.2023	100
SWISB6	AMD	2,000,000,000	4 years	12.75%	15.06.2021	50,000
<b>2018</b>						
SWISB7	AMD	3,000,000,000	5 years	11.5%	24.05.2023	50,000
SWISB8	USD	6,000,000	7 years	6.5%	23.05.2025	100
SWISB9	USD	10,000,000	6 years	6%	22.11.2024	100
<b>2019</b>						
SWISB7	AMD	3,000,000	5 years	11.5%	24.05.2023	50,000
SWISB2A	USD	5,000	6 years	6.5%	02.05.2025	100
SWISB2B	EUR	3,000	4 years	4%	02/05/2023	100
<b>2020</b>						
SWISBC	AMD	10,000,000	5 years	9%	01.06.2025	50,000
SWISBD	USD	10,000	6 years	6.0%	01.06.2026	100
SWISBE	EUR	5,000	5 years	3.5%	01.06.2025	100
SWISBF	AMD	10,000,000	6 years	8.5%	28.09.2026	50,000

All the bonds were listed on the Armenia Securities Exchange. Bonds issued by the Bank are distinguished by the fact that they are the most long-term bonds issued in the corporate bonds market.

In the first semester of 2021, SWISB6 bond worth AMD 2,000,000,000 have been repaid.

Summing up the above mentioned issues, the Bank attracted AMD 28 billion, USD 51 million and EUR 18 million /nominal value/ from the primary market.

## **SECONDARY MARKET**

The characteristics of investors' interests towards any securities and its issuer are disclosed in the secondary market with the stock exchange indexes on those securities.

Below is a brief analysis of the indicators characterizing the secondary market of all Bonds issued by the Bank.

The transactions in Armenia Securities Exchange during 2017-2021.

2017

Table 2

The bond exchange abbreviation	Average value of transaction	Quantity of transaction	Quantity of bond	Total volume (thousand)	Last transaction value
SWISB1	3.74%	1	1	1.0 USD	3.74%
SWISB2	4.25%	1	19	20.9 USD	4.25%
SWISB3	4.74%	5	85	94.3 USD	4.70%
SWISB4	6.70%	33	12,972	1,321.9 USD	6.24%
SWISB5	4.78%	7	1,193	122,0 EUR	4.69%
SWISB6	12.61%	9	2,353	120,631.2 AMD	11.6%

2018

Table 3

The bond exchange abbreviation	Average value of transaction	Quantity of transaction	Quantity of bond	Total volume (thousand)	Last transaction value
SWISB2	5.4%	3	75	78.6 USD	4.00%
SWISB3	5.13%	2	33	35.5 USD	5.35%
SWISB4	6.36%	15	2,642	273.4 USD	5.85%
SWISB5	4.97%	21	64,140	6,554.9 EUR	4.30%
SWISB6	12.15%	20	8,692	459,788.9 AMD	9.23%
SWISB7	11.18%	20	30,108	1,582,395.0 AMD	10.39%
SWISB8	6.50%	35	41,712	4,270.3 USD	6.00%

2019

Table 4

The bond exchange abbreviation	Average value of transaction	Quantity of transaction	Quantity of bond	Total volume	Last transaction value
SWISB2	3.18%	5	82	83.3 USD	2.75%
SWISB3	3.09%	8	73	76.4 USD	2.0%
SWISB4	5.84%	32	10,906	1,159.0 USD	5.60%
SWISB5	3.51%	7	3,620	387.7 EUR	3.19%
SWISB6	9.30%	27	3,195	173,029.5 AMD	8.95%
SWISB7	10.35%	25	32,763	1,759,695.5 AMD	10.00%
SWISB8	5.89%	19	2,308	240.2 USD	5.60%
SWISB9	5.63	1	180	18.5 USD	5.63%
SWISB2A	6.10%	21	5,959	616.3 USD	6.0%
SWISB2B	3.60%	11	1,729	176.85 EUR	3.19%

2020

Table 5

The bond exchange abbreviation	Average value of transaction	Quantity of transaction	Quantity of bond	Total volume	Last transaction value
SWISB3	2.03%	3	48	48.96 USD	1.6%
SWISB4	5.22%	14	4,955	530.99 USD	5.43%
SWISB5	3.29%	11	3,046	324.1 EUR	3.3%
SWISB6	7.11%	20	2,855	155,369.9 AMD	6.68%
SWISB7	8.57%	18	8,235	454,972 AMD	8.0%
SWISB8	5.42%	17	3,463	367.2 USD	5.5%
SWISB9	5.47%	5	1444	148.8 USD	5.63%
SWISB2A	5.67%	6	314	32.97 USD	5.63%
SWISB2B	3.72%	10	845	85.3 EUR	3.53%
SWISBC	8.98%	5	11,546	590,615.7	8.55%
SWISBD	5.05%	9	2,944	304.2 USD	5.38%
SWISBE	-	-	-	-	-
SWISBF	-	-	-	-	-

2021 1<sup>st</sup> semester

Table 6

The bond exchange abbreviation	Average value of transaction	Quantity of transaction	Quantity of bond	Total volume	Last transaction value
SWISB4	5%	7	1,856	196.9 USD	4.15%
SWISB5	2.1%	5	2,314	248.9 EUR	2.0%
SWISB6	7.01%	9	1,800	94,094.6 AMD	7.54%
SWISB7	8.55%	8	2,819	153,386.2 AMD	8.55 %
SWISB8	4.82%	7	1,658	178.7 USD	4.13%
SWISB9	-	-	-	-	-
SWISB2A	4.72%	3	409	43.9 USD	4.4%
SWISB2B	1.95%	3	1000	104.4 EUR	1.57%
SWISBC	8.99%	6	4,351	221,360.9 AMD	9.0%
SWISBD	4.65%	10	3,959	428.7 USD	3.83%
SWISBE	2.18%	3	1,269	133.7 EUR	2.0%
SWISBF	-	-	-	-	-

In order to ensure a sufficient level of liquidity of the aforementioned bonds, the Bank uses the market maker's services, which enables to provide two-sided quotes of bond at each trading session at Armenia Securities Exchange, that means, the market-maker organization daily in the trading system of the stock exchange, simultaneously, places the purchase and sale bids of the bonds, at least 0.5% of the output volume.

At the same time, it is interesting to examine the ratio of coupon yields of the Bank and the quotations of the stock exchange at the first semester of 2021, which are presented in Table 7.

Table 7

The bond exchange abbreviation	Issue value (thousand)	Maturity date	Remaining term to maturity	Coupon yield	Current sales quote	Change / Percent Point
SWISB4	10,000 USD	15.06.2024	1081	6.75%	4.15%	-2.6%
SWISB5	10,000 EUR	15.06.2024	714	5.00%	1.65%	-3.35%

		3				
<b>SWISB7</b>	6,000,000 AMD	24.05.202 3	690	11.50%	8.55%	-2.9%
<b>SWISB8</b>	6,000 USD	23.05.202 5	1419	6.5%	3.95%	-2.55%
<b>SWISB9</b>	10,000 USD	22.11.202 4	1236	6.00%	3.94%	-2.06%
<b>SWISB2A</b>	5,000 USD	02.05.202 5	1396	6.50%	4.12%	-2.38%
<b>SWISB2B</b>	3,000 EUR	02.05.202 3	664	4.00%	1.72%	-2.28%
<b>SWISBC</b>	10,000,000 AMD	01.06.202 5	1424	9.00%	8.58%	-0.42%
<b>SWISBD</b>	10,000 USD	01.06.202 6	1788	6.00%	3.77%	-2.23%
<b>SWISBE</b>	5,000 EURO	01.06.202 5	1422	3.50%	1.98%	-1.52%
<b>SWISBF</b>	10,000,000 AMD	28.09.20 26	1905	8.50%	8.05%	-0.45%