

Annual report 2012

2013-04-02

Chairman's message

Dear Reader,

This is our Annual Report for 2012. It provides an inclusive account on how we maintained price and financial stability as well as summarizes the results of other important tasks set before the 2 Central Bank during that past year. The year was successful in terms of both price stability and financial sustainability. One of the most important achievements of the 2012 was that we maintained macroeconomic stability which created a favorable environment for economic growth in the upcoming years. We had 3.2 percent inflation in the reporting year: the Central Bank was able to stabilize inflation around the target through policy coordination and anchoring peoples' inflation expectations.

Stabilizing macroeconomic environment contributed to a healthier financial system. Though small, but dynamic, Armenia's financial system has already proved its ability to withstand shocks. The year 2012 was prominent in that the real and financial sectors integrated at high speed. At the end of the year, the amount of assets of the financial sector totaled 68 percent and the amount of loans, 41 percent of GDP, each having posted a 9 percentage point increase in relation to 2011.

In the reporting year the International Monetary Fund and the World Bank carried out the Financial Sector Assessment Program in Armenia. The program mission summed up Armenia's financial system stability and issued valuable recommendations a considerable part of which had been implemented. General evaluation is that the banking system of Armenia is resilient enough to withstand possible shocks and the Central Bank has an effective supervision system as well as a viable crises management mechanism in place. Overall, financial performance of participants of the financial sector of Armenia for 2012 was reassuring.

Chairman
ARTHUR JAVADYAN

[Annual report 2012 \(1st part\)](#)

[Annual report 2012 \(2nd part\)](#)

[Annual report 2012 \(3rd part\)](#)

[Annual report 2012 \(4rd part\)](#)