

Annual report 2013

2014-04-29

Chairman's address

Dear reader,

This is Annual Report of the Central Bank for 2013. It provides an inclusive account of the tasks and goals of the Bank. In the period under review, the Bank operated exactly in line with the preannounced strategy as well as vision, values and objectives prescribed in there. The Bank sought to retain high respect as guarantor of price and financial stability in the Republic of Armenia. We looked forward to ensuring sustainable development of the economy, further integrating with international markets and playing an important role as provider of financial services in the region. In pursuit of the objective of price stability, the Bank carried out an anti-cyclic policy, consistent with the macroeconomic environment. In August, the Board of the Bank raised the refinancing rate in response to second round effects of increased energy prices and, hence, inflationary expectations. Then, late in the year, the Bank gradually loosened the monetary conditions as the inflation rate reduced and economic activity slowed down.

The year was prominent in terms of building more resilient financial sector and stronger rate of intermediation of the financial system in the economy. The financial sector had an operational year with positive results encouraging rise in the main prudential indicators of the sector that facilitated further integration of the real and financial sectors to the economy. At the end of 2013, assets of the financial sector amounted to 77.1 percent of gross domestic product, growing by 9.1 pp against the previous year.

During the year, we had a bunch of anniversaries and other important events dedicated to the national currency. On November 22, 2013, the Republic of Armenia celebrated the 20th anniversary of introduction of the national currency, the Dram. Over these years, the Dram has gone through major changes to become a modern and secure currency. I would like to conclude that throughout the year the Bank maintained commitment to implementing a merits-based policy, and we are proud that all achievements of the Bank unquestionably come from its people working in a thoughtful, attentive and concerted teamwork.

[Annual report 2013 \(1st part\)](#)

[Annual report 2013 \(2nd part\)](#)

Chairman
ARTHUR JAVADYAN