Monetary Policy Chart Pack

2025 Q4

Central Bank of Armenia

Table of contents

01. Current Economic Conditions

1.1 Global economy and trading partners
a. USA
b. EU
c. Russia
1.2 Domestic economy
a. GDP by production & expenditure approach
b. Fiscal Policy
c. Current Account Developments
d. Inflow of Non-Commercial Transfers
e. Labor Market Indicators
f. Conventional Measures of Underlying Inflation
g. Non-Traded Sticky Prices
h. Survey of Inflation Expectations
i. Open Market Operations and Money Market Rates
j. Deposits and Loans
k. Market Expectations for Policy Rate
l. Long-Term Market Expectations

02. General Assumptions and Judgements

a. Long-Term Growth Potential in Armenia
b. Cyclical Indicators
c. Real Effective Exchange Rate
d. Monetary Policy and Equilibrium Interest Rate

03. Illustrative Case A & B type of scenarios

a. United States main economic indicators (Case A&B)
b. Euro Area main economic indicators (Case A&B)
c. Russia main economic indicators (Case A&B)
d. International Food & Commodity prices (Case A&B)
e. Armenia Main Macroeconomic indicators (Case A&B)

Current Economic Conditions

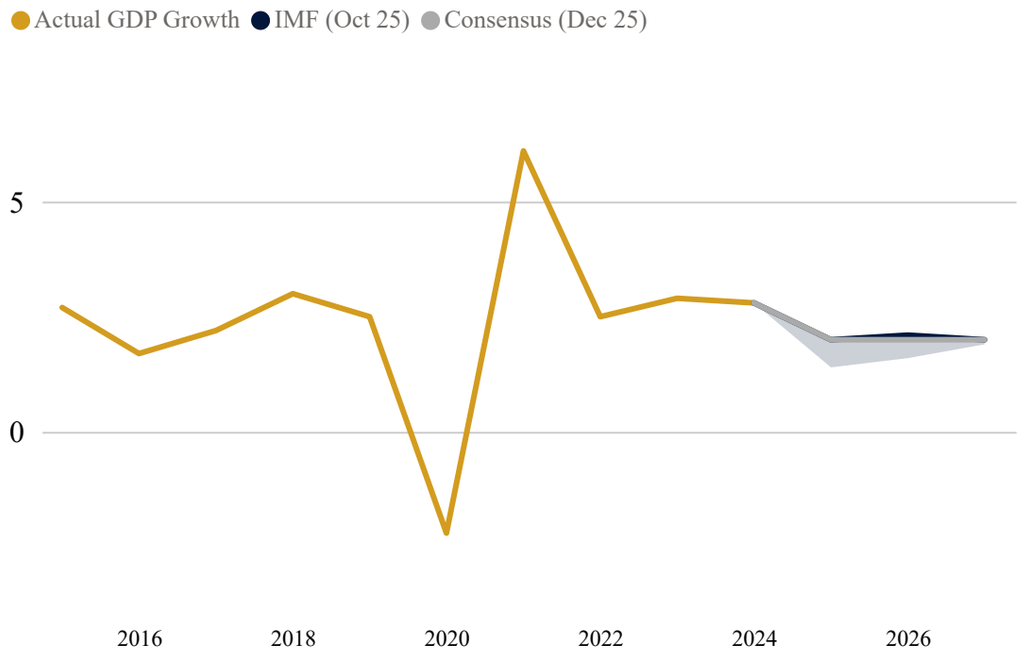
1.1 Global Economy

Global economy and trading partners

United States: Main Economic Indicators

US Annual Real GDP Growth and Projections

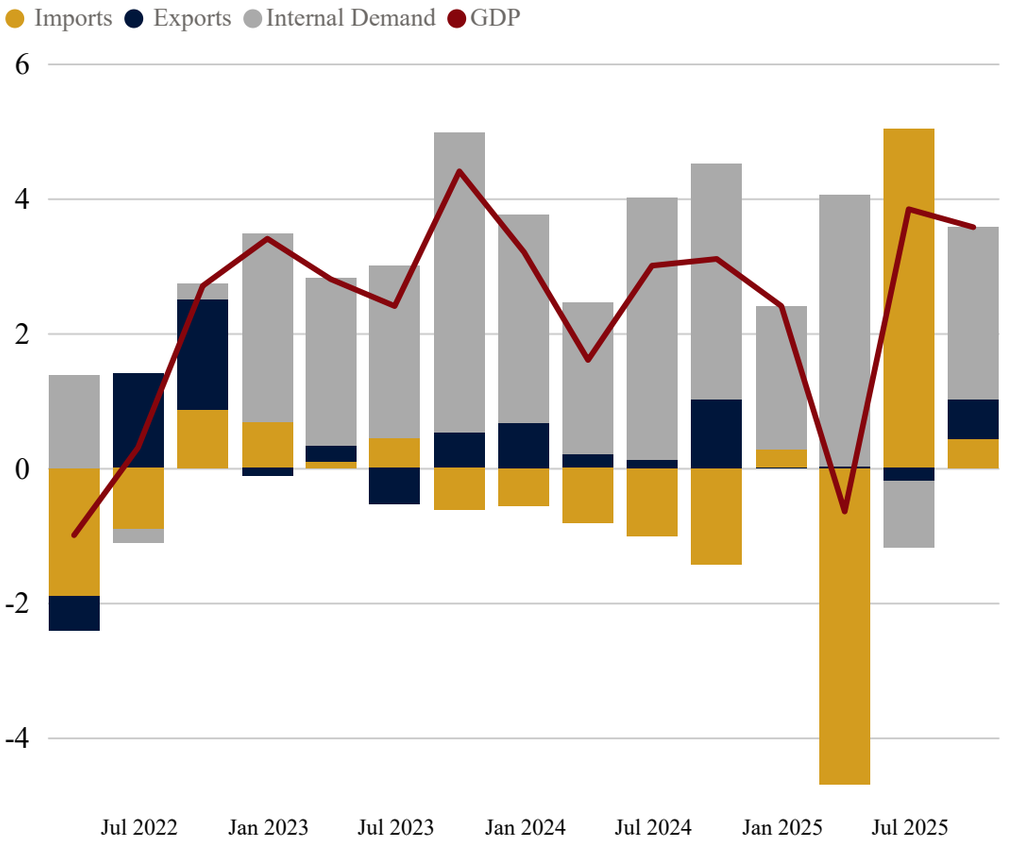
Annual Real Growth Rate, %



Year	IMF (Oct25)	OECD Dec 25)	WB (Jun 25)	Fed (Dec 25)	Consens. (Dec 25)
2027	2.0	1.9	1.9	2.0	2.0
2026	2.1	1.7	1.6	2.3	2.0
2025	2.0	2.0	1.4	1.7	2.0

Contribution to US Real GDP Growth

Percentage Points, QoQ Annualized Change, %



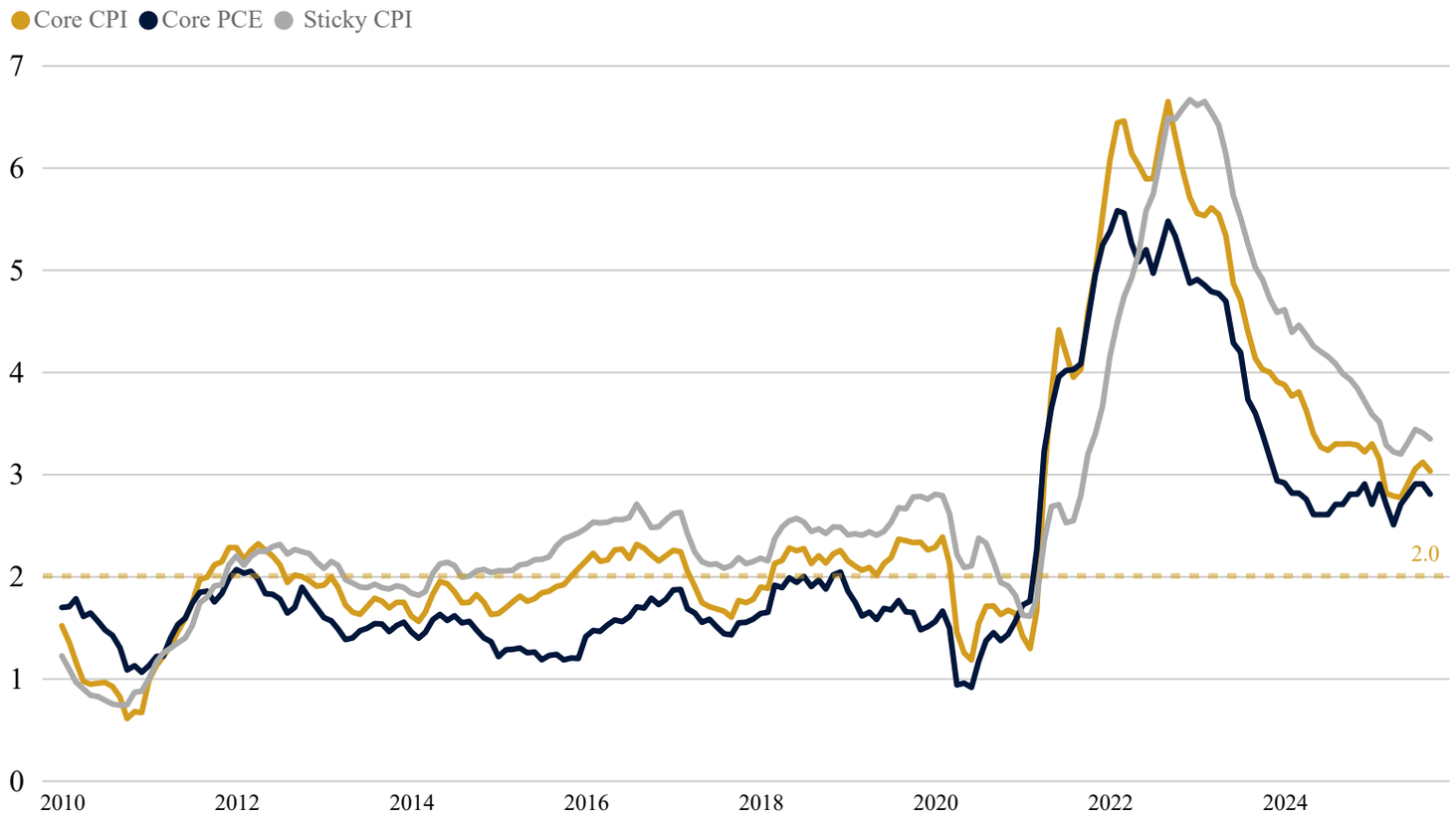
Source: Fred, IMF, OECD, WB, Bureau of Economic Analysis, FED, Bloomberg Consensus Forecasts
Note: The last point on left-hand side chart is 2027. The last point on right-hand side chart is 2025 Q3.

Global economy and trading partners

United States: Main Economic Indicators

Underlying Inflation Measures

YoY growth, %



Underlying Inflation Measures

YoY growth, %

Year	Month	Core CPI	Core PCE	Sticky CPI
2024	February	3.8	2.8	4.4
2024	March	3.8	2.8	4.5
2024	April	3.6	2.8	4.4
2024	May	3.4	2.6	4.2
2024	June	3.3	2.6	4.2
2024	July	3.2	2.6	4.1
2024	August	3.3	2.7	4.1
2024	September	3.3	2.7	4.0
2024	October	3.3	2.8	3.9
2024	November	3.3	2.8	3.8
2024	December	3.2	2.9	3.7
2025	February	3.1	2.9	3.5
2025	March	2.8	2.7	3.3
2025	April	2.8	2.5	3.2
2025	May	2.8	2.7	3.2
2025	June	2.9	2.8	3.3
2025	July	3.0	2.9	3.4
2025	August	3.1	2.9	3.4
2025	September	3.0	2.8	3.3

Source: Bureau of Economic Analysis
Note: The last point on the chart is September 2025

Global economy and trading partners

Euro Area: Main Economic Indicators

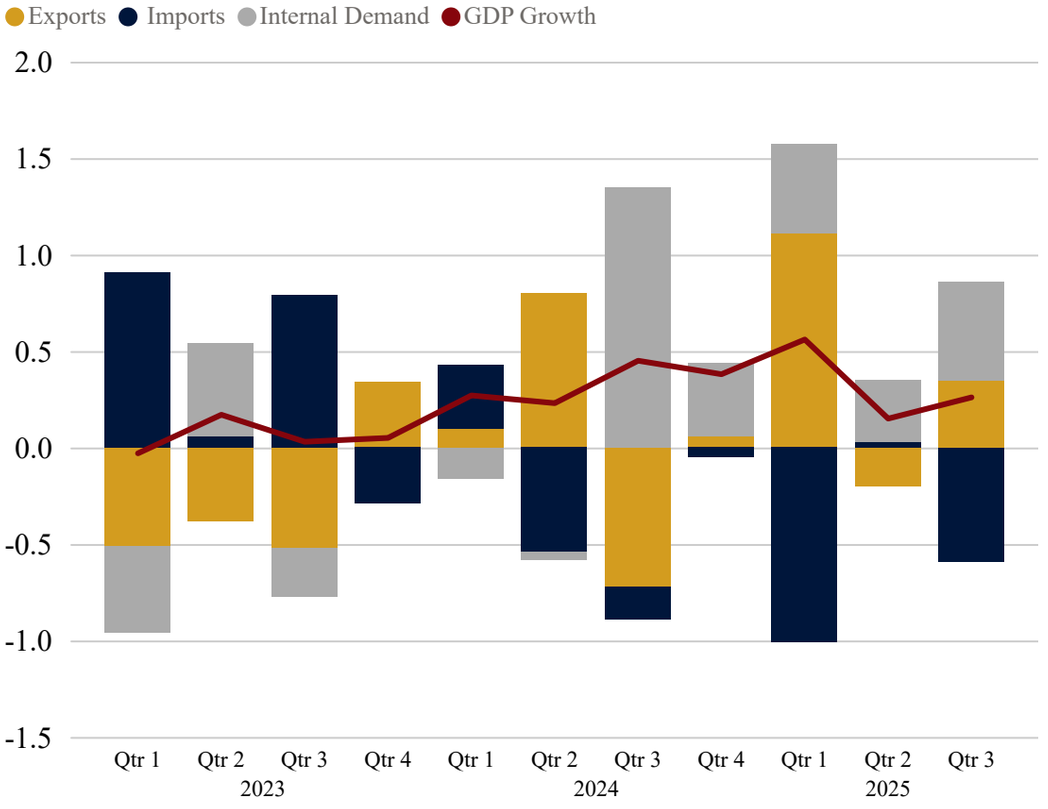
EU Annual Real GDP Growth and Projections

Annual Real Growth Rate, %



Contribution to EU Real GDP Growth

Percentage Points, QoQ Change, %



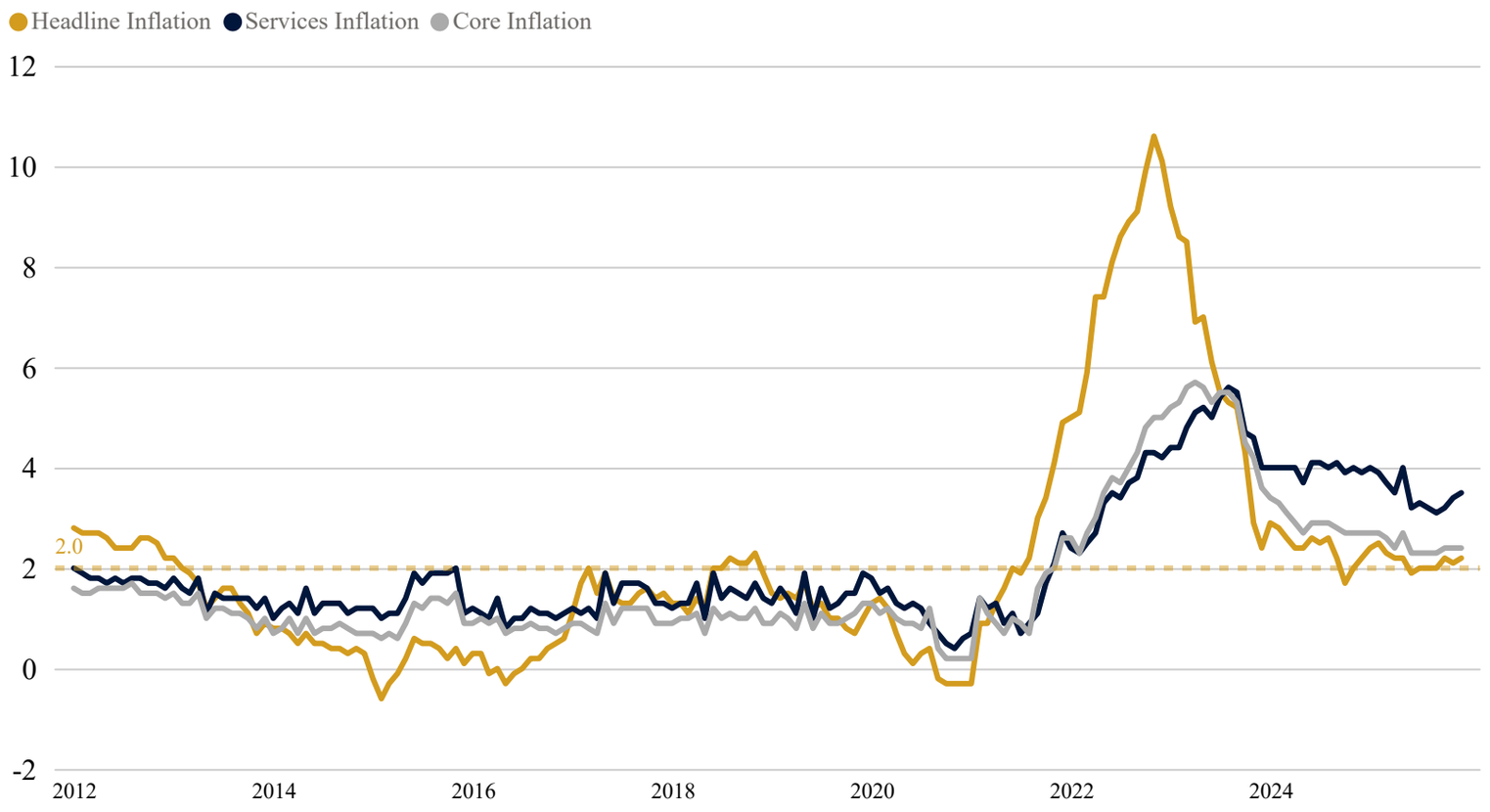
Source: Fred, IMF, OECD, WB, Eurostat, ECB, Bloomberg Consensus Forecasts
Note: The last point on left-hand side chart is 2027. The last point on right-hand side chart is 2025 Q3.

Global economy and trading partners

Euro Area: Main Economic Indicators

Underlying Inflation Measures

YoY growth, %



Underlying Inflation Measures

YoY growth, %

Year	Month	Headline	Services	Core
2024	October	2.0	4.0	2.7
2024	November	2.2	3.9	2.7
2024	December	2.4	4.0	2.7
2025	January	2.5	3.9	2.7
2025	February	2.3	3.7	2.6
2025	March	2.2	3.5	2.4
2025	April	2.2	4.0	2.7
2025	May	1.9	3.2	2.3
2025	June	2.0	3.3	2.3
2025	July	2.0	3.2	2.3
2025	August	2.0	3.1	2.3
2025	September	2.2	3.2	2.4
2025	October	2.1	3.4	2.4
2025	November	2.2	3.5	2.4

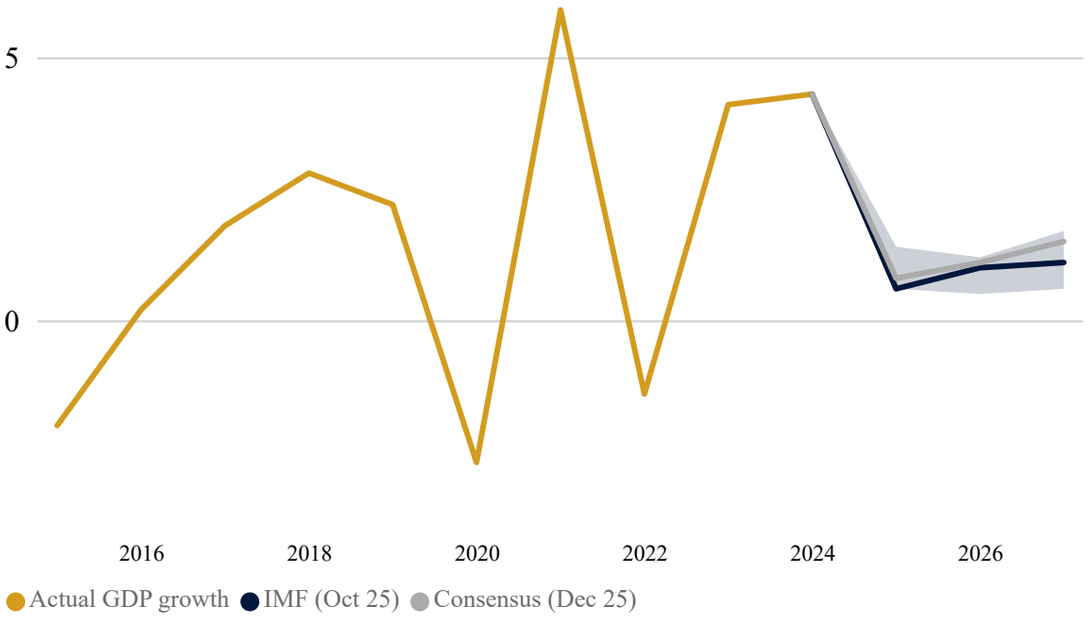
Source: Eurostat
Note: The last point on the chart is November 2025

Global economy and trading partners

Russia: Main Economic Indicators

Russia Annual Real GDP Growth and Projections

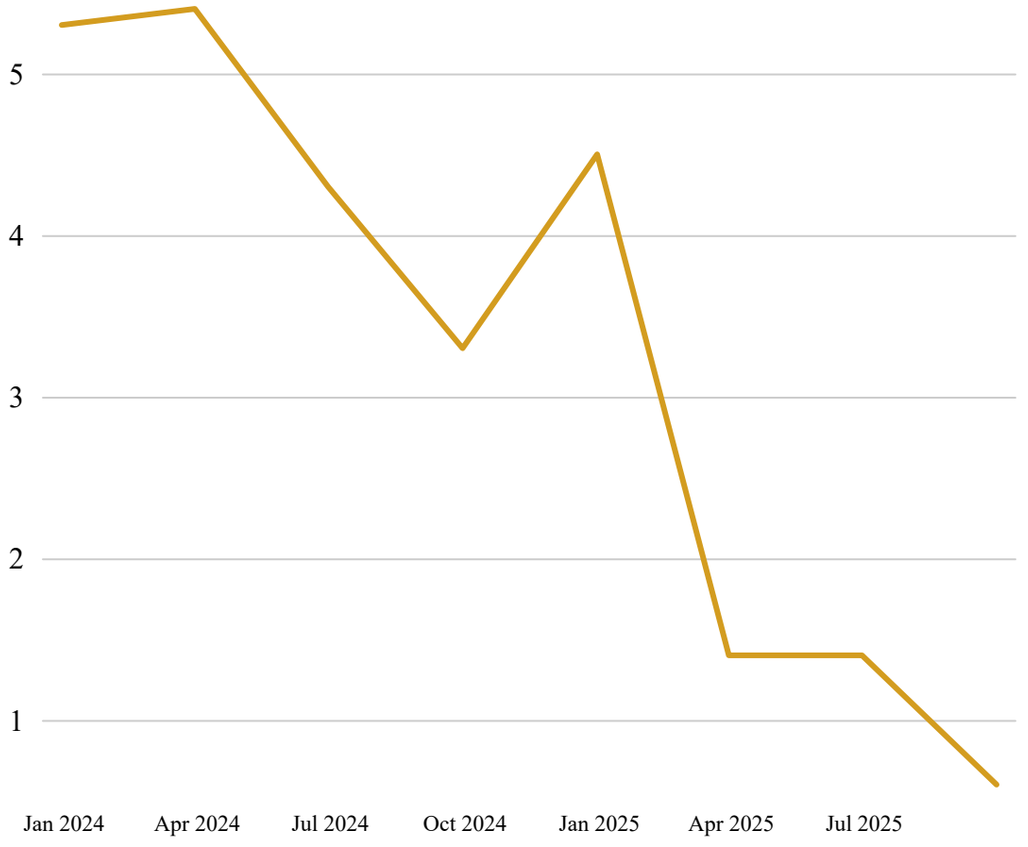
Annual Real Growth Rate, %



Year	IMF (Oct 25)	OECD (Dec 25)	WB (Jun 25)	CBR (Dec 25)	Consens. (Dec 25)
2025	0.60	0.70	1.40	0.90	0.80
2026	1.00	0.50	1.20	1.10	1.10
2027	1.10	0.60	1.20	1.70	1.50

Russia Real GDP Growth

Percentage Points, YoY Change, %



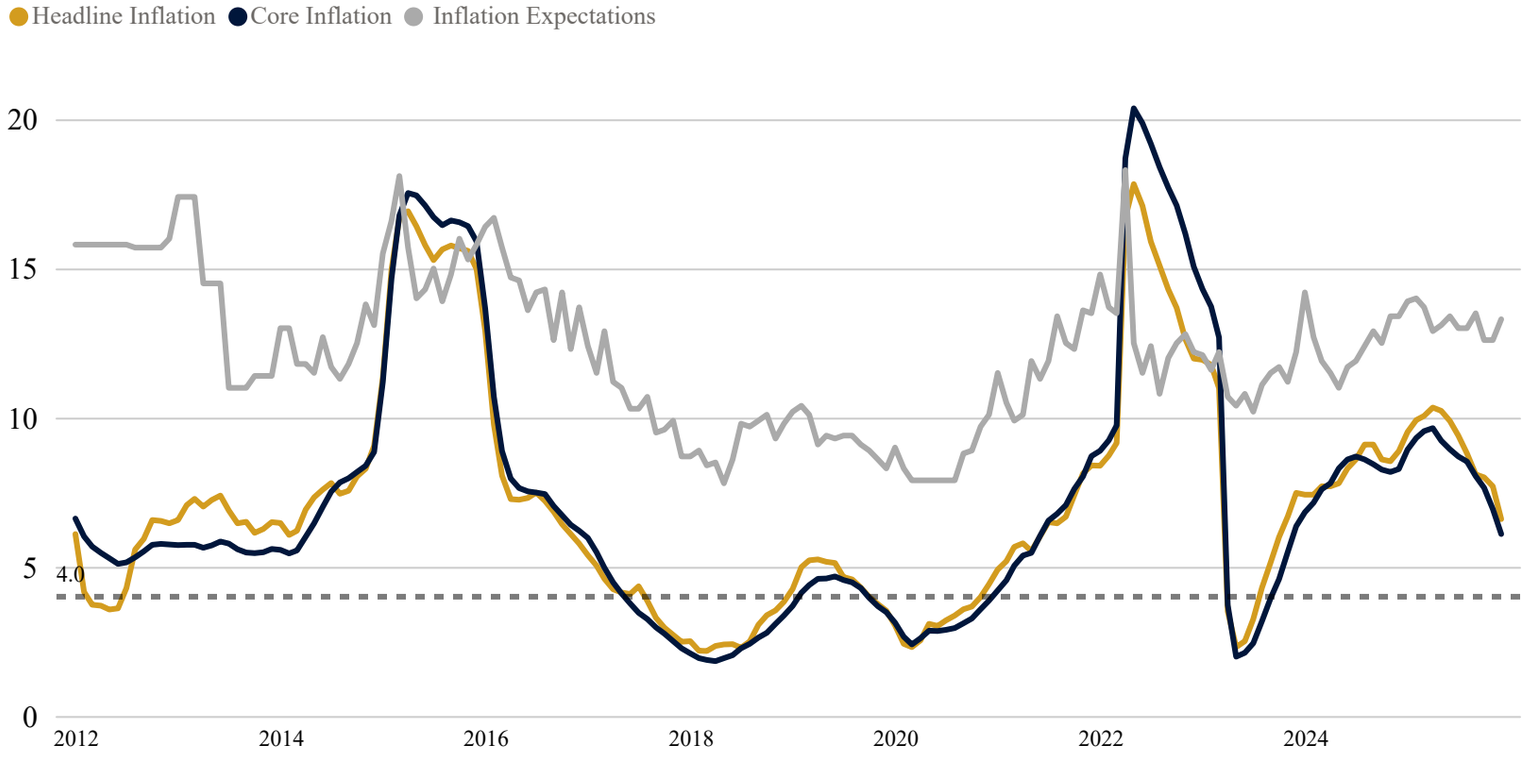
Source: IMF, OECD, WB, Rosstat, CBR, Bloomberg Consensus Forecasts
Note: The last point on left-hand side chart is 2027. The last point on right-hand side chart is 2025 Q3.

Global economy and trading partners

Russia: Main Economic Indicators

Underlying Inflation Measures

YoY growth, %



Underlying Inflation Measures

YoY growth, %

Year	Month	Headline	Core	Inflation Expectations
2024	October	8.5	8.2	13.4
2024	November	8.9	8.3	13.4
2024	December	9.5	8.9	13.9
2025	January	9.9	9.3	14.0
2025	February	10.1	9.6	13.7
2025	March	10.3	9.7	12.9
2025	April	10.2	9.2	13.1
2025	May	9.9	8.9	13.4
2025	June	9.4	8.7	13.0
2025	July	8.8	8.5	13.0
2025	August	8.1	8.0	13.5
2025	September	8.0	7.7	12.6
2025	October	7.7	6.9	12.6
2025	November	6.6	6.1	13.3

Source: Central Bank of Russia, Rosstat
Note: The last point on the chart is November 2025

Current Economic Conditions

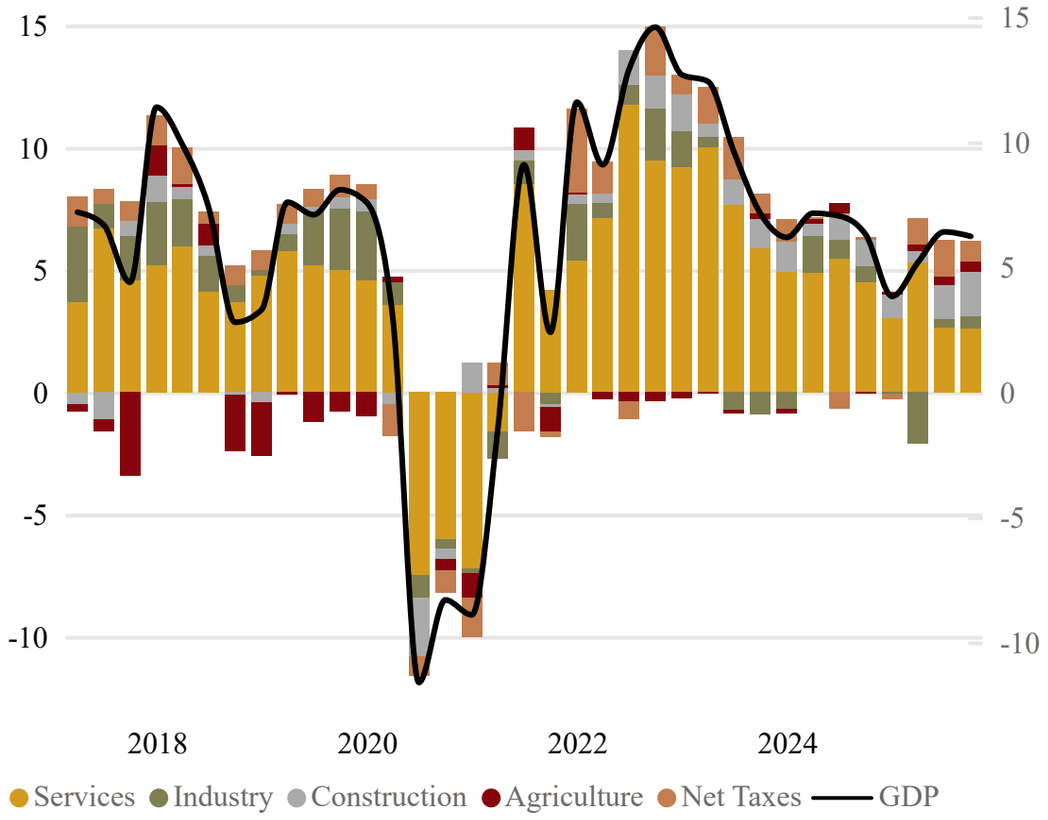
1.2 Domestic Economy

Domestic economy

GDP by Production Approach

Contribution to GDP Growth

Percentage Points, Real Growth Rate, YoY, %



Contribution to GDP Growth

Percentage Points, Real Growth Rate, YoY, %

Date	Services	Industry	Construction	Agriculture	Net Taxes	GDP
2024/Q2	5.5	0.8	1.1	0.4	-0.7	7.1
2024/Q3	4.5	0.7	1.1	-0.1	0.1	6.3
2024/Q4	3.1	-0.1	1.0	0.1	-0.2	3.8
2025/Q1	5.3	-2.1	0.5	0.3	1.0	5.2
2025/Q2	2.6	0.4	1.4	0.3	1.5	6.4
2025/Q3	2.6	0.5	1.8	0.4	0.8	6.2

Growth Rates By Sector

Real Growth Rate, YoY, %

Date	Services	Industry	Construction	Agriculture	Net Taxes	GDP
2024/Q2	7.8	4.4	18.5	5.8	-8.1	7.1
2024/Q3	9.0	5.2	17.5	-0.6	1.1	6.3
2024/Q4	6.1	0.3	10.6	1.2	-2.0	3.8
2025/Q1	8.4	-12.4	14.0	8.1	9.0	5.2
2025/Q2	4.1	2.8	24.4	5.4	22.0	6.4
2025/Q3	4.6	3.9	24.6	3.7	8.4	6.2

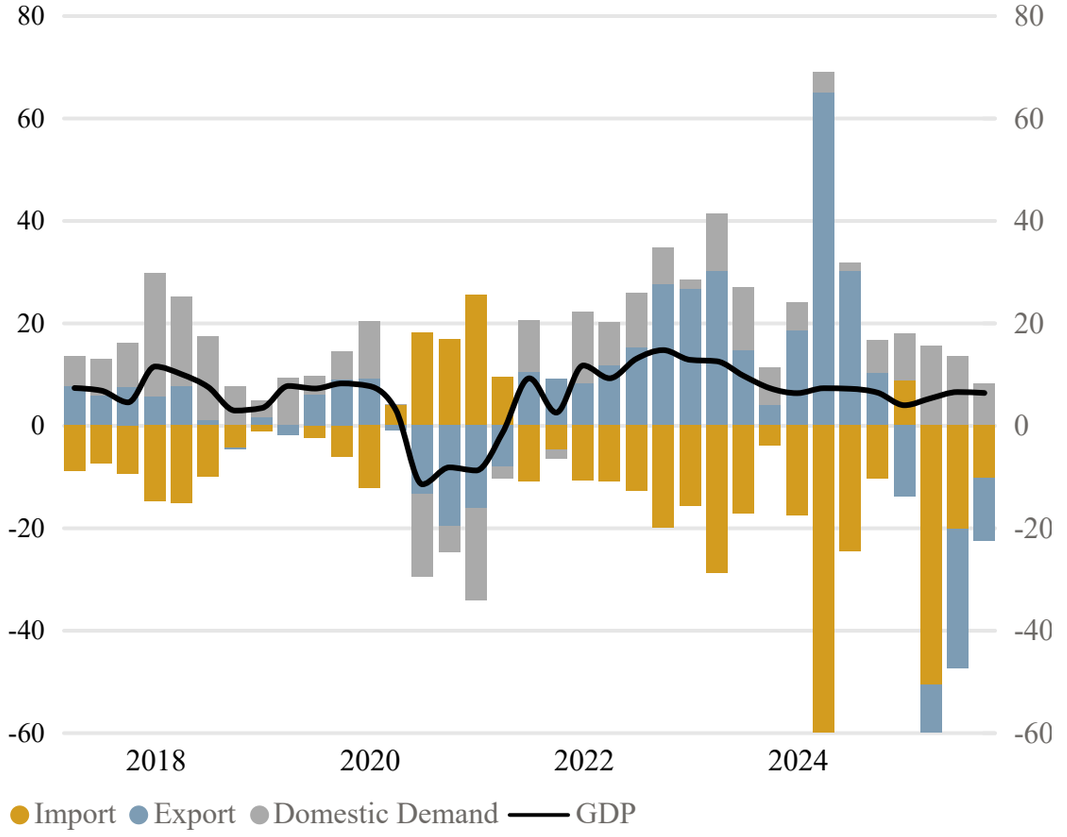
Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is 2025 Q3.

Domestic economy

GDP by Expenditure Approach

Contribution to GDP Growth

Percentage Points, Real Growth Rate, YoY, %



Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is 2025 Q3.

Contribution to GDP Growth

Percentage Points, Real Growth Rate, YoY, %

Date	Private Consumption	Public Consumption	Investment	Export	Import	GDP
2024/Q2	1.5	-0.1	0.2	30.2	-24.6	7.1
2024/Q3	5.9	-1.3	1.8	10.2	-10.4	6.3
2024/Q4	5.4	-2.5	6.3	-13.9	8.6	3.8
2025/Q1	11.8	1.4	2.1	-60.8	-50.6	5.2
2025/Q2	6.3	0.3	6.7	-27.1	-20.3	6.4
2025/Q3	4.2	0.1	3.7	-12.2	-10.4	6.2

Growth Rates, Categories

Real Growth Rate, YoY, %

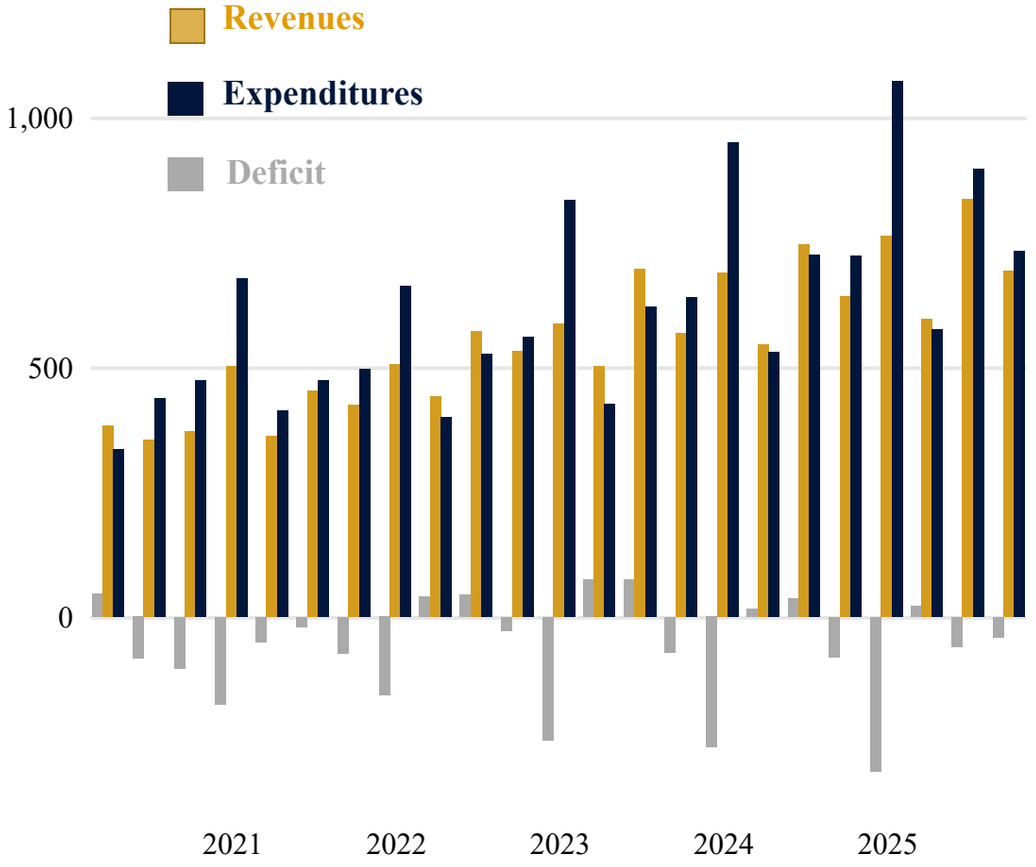
Date	Private Consumption	Public Consumption	Investment	Export	Import	GDP
2024/Q2	2.0	-1.0	0.8	52.1	39.0	7.1
2024/Q3	9.3	-10.3	8.5	19.2	20.4	6.3
2024/Q4	9.7	-18.3	24.0	-22.5	-14.1	3.8
2025/Q1	16.9	17.3	12.1	-53.5	-43.5	5.2
2025/Q2	9.0	2.5	33.9	-32.2	-23.8	6.4
2025/Q3	6.1	1.2	16.9	-19.5	-16.8	6.2

Domestic economy

Fiscal Policy

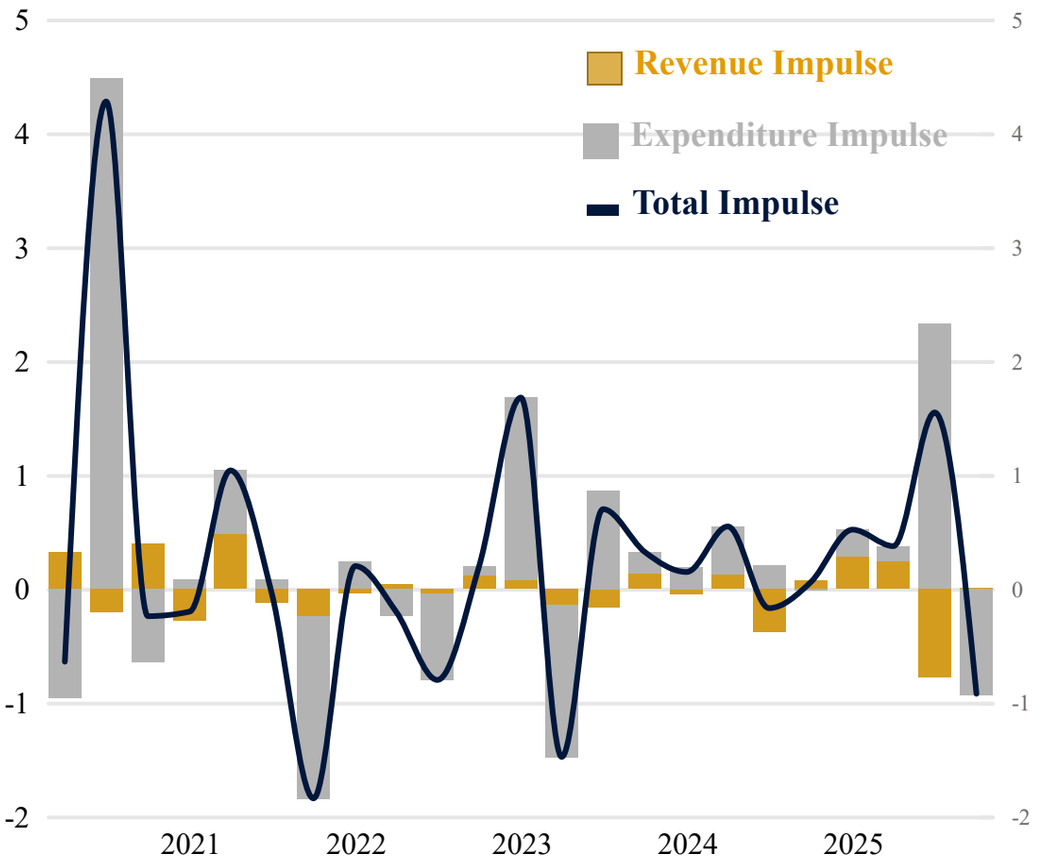
Public Revenues and Expenditures

Bln AMD



Fiscal Impulse

Percentage points impact on GDP, QoQ %

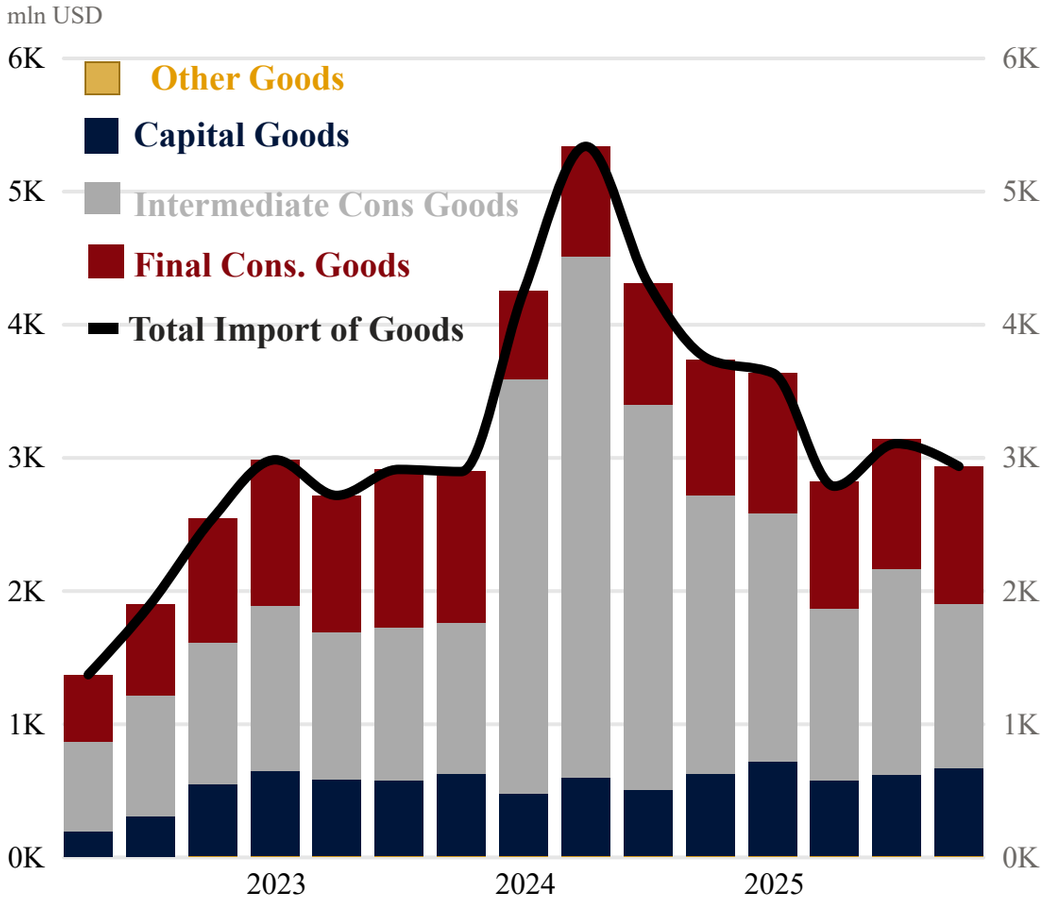


Source: Statistical Committee of RA, CBA calculations
Notes: Fiscal Impulse is Based on Seasonally Adjusted Revenues and Expenditures. The last point on the chart is 2025 Q3.

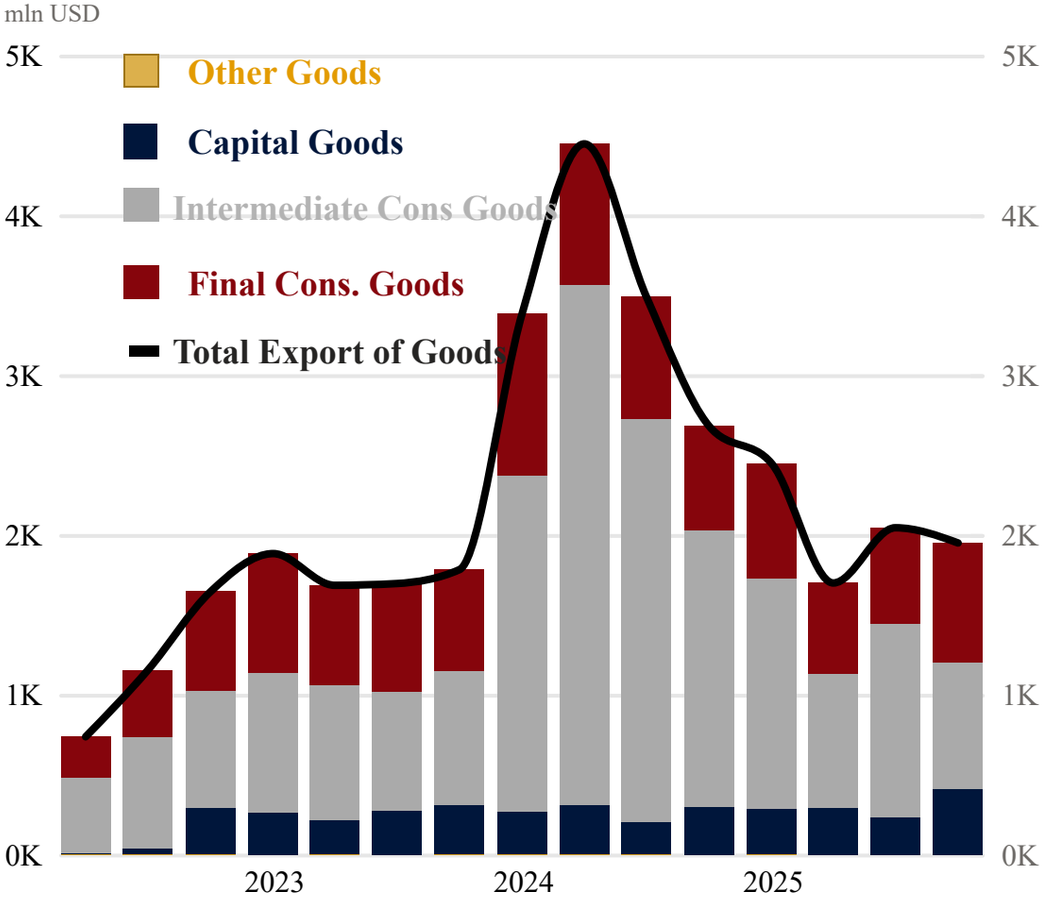
Domestic economy

Current Account Developments

Nominal Imports in USD



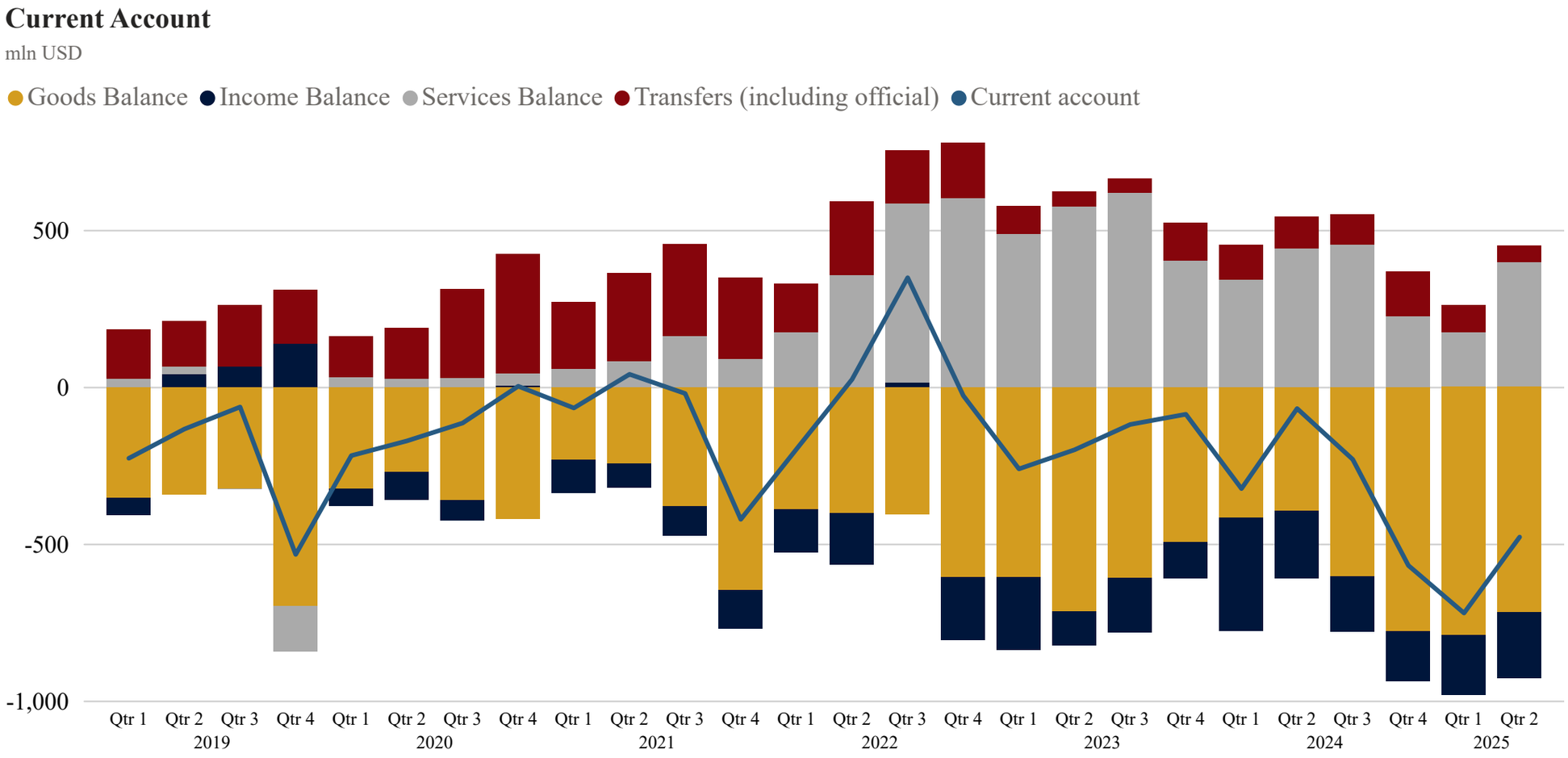
Nominal Exports in USD



Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is 2025 Q3.

Domestic economy

Current Account



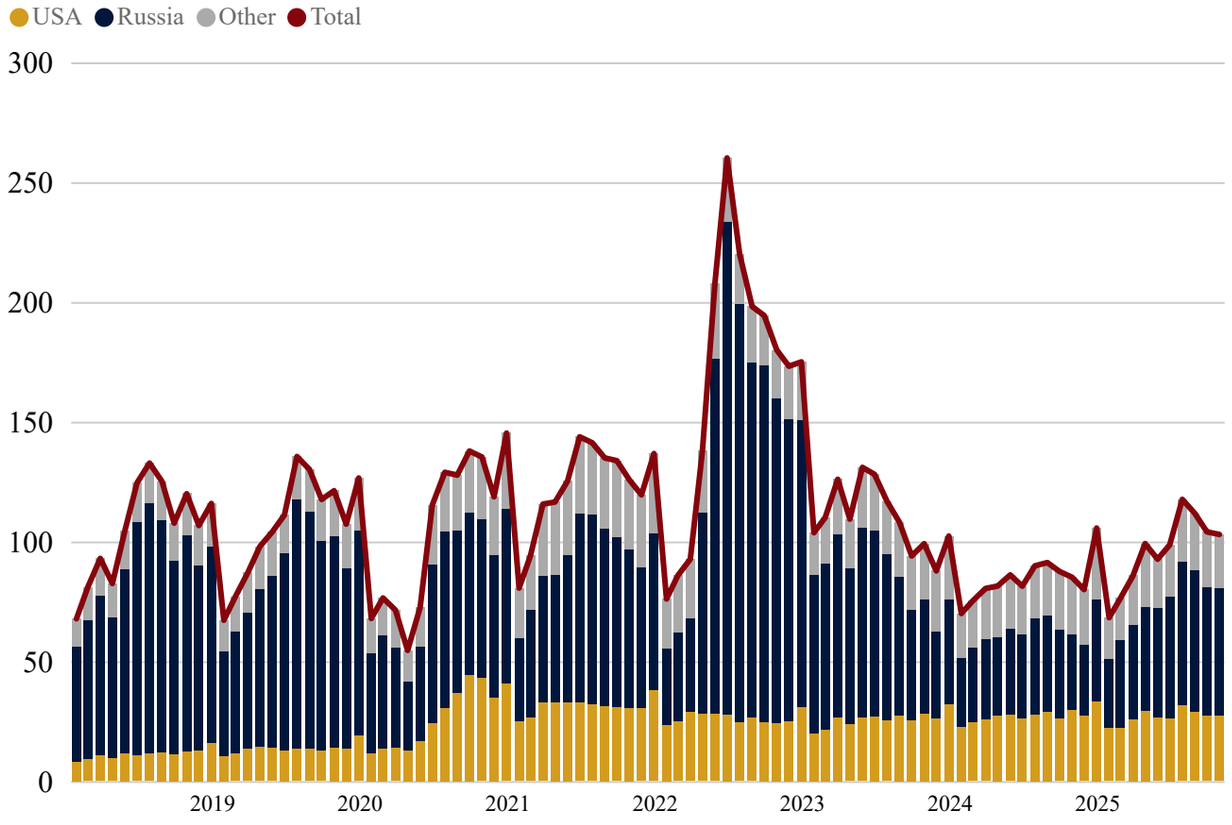
Source: Statistical Committee of RA, CBA
Note: The last point on the chart is 2025 Q2

Domestic economy

Inflow of Non-Commercial Transfers

Inflow of Non-Commercial Transfers by Countries

Nominal, mln USD



Non-Commercial Transfers by Countries

Inflow, Nominal, mln USD

Date	USA	Russia	Other	Total
2025-03	26	39	21	86
2025-04	29	43	26	99
2025-05	26	46	20	93
2025-06	26	51	22	99
2025-07	32	60	26	118
2025-08	29	59	24	112
2025-09	28	53	23	104
2025-10	28	53	22	103

Non-Commercial Transfers By Countries

Inflow, YoY change, %

Date	USA	Russia	Other	Total
2025-04	7.5	32.8	23.1	21.8
2025-05	-5.3	28.1	-9.3	7.6
2025-06	0.1	44.5	7.9	21.2
2025-07	14.5	49.5	17.9	30.9
2025-08	0.6	46.4	7.5	22.5
2025-09	4.4	45.1	-4.9	18.9
2025-10	-7.2	68.1	-6.4	21.0

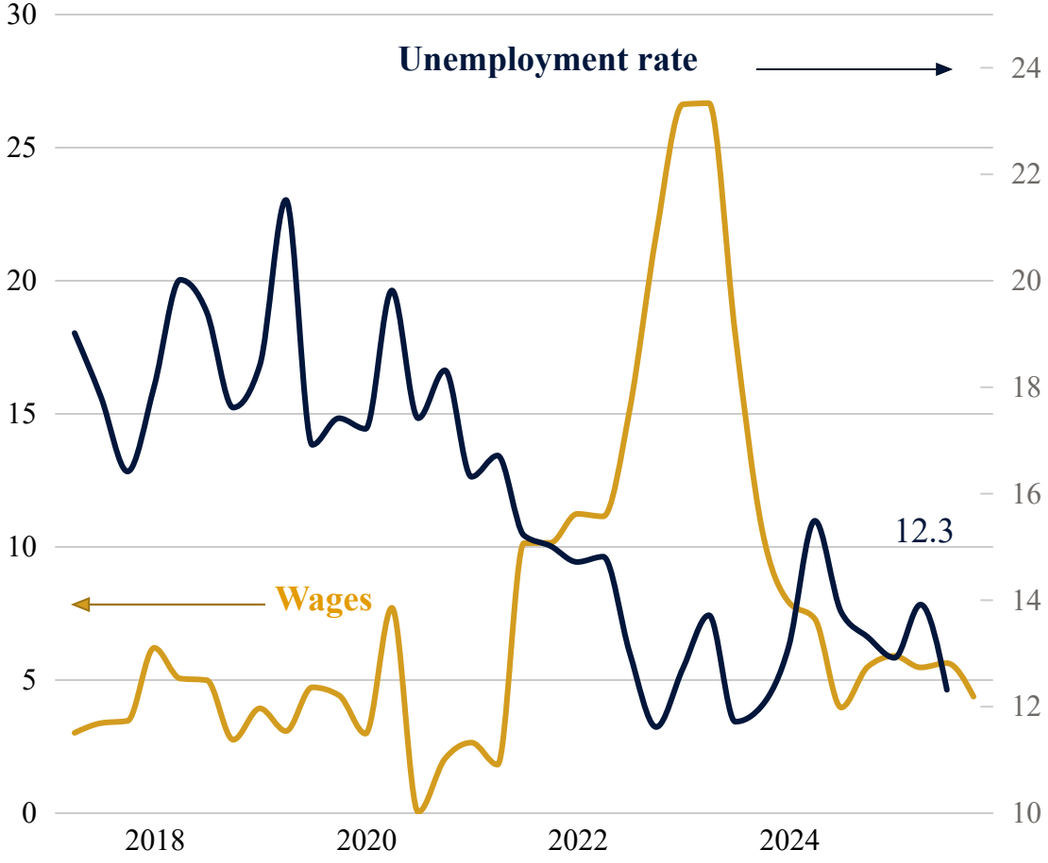
Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is October 2025.

Domestic economy

Labor Market Indicators

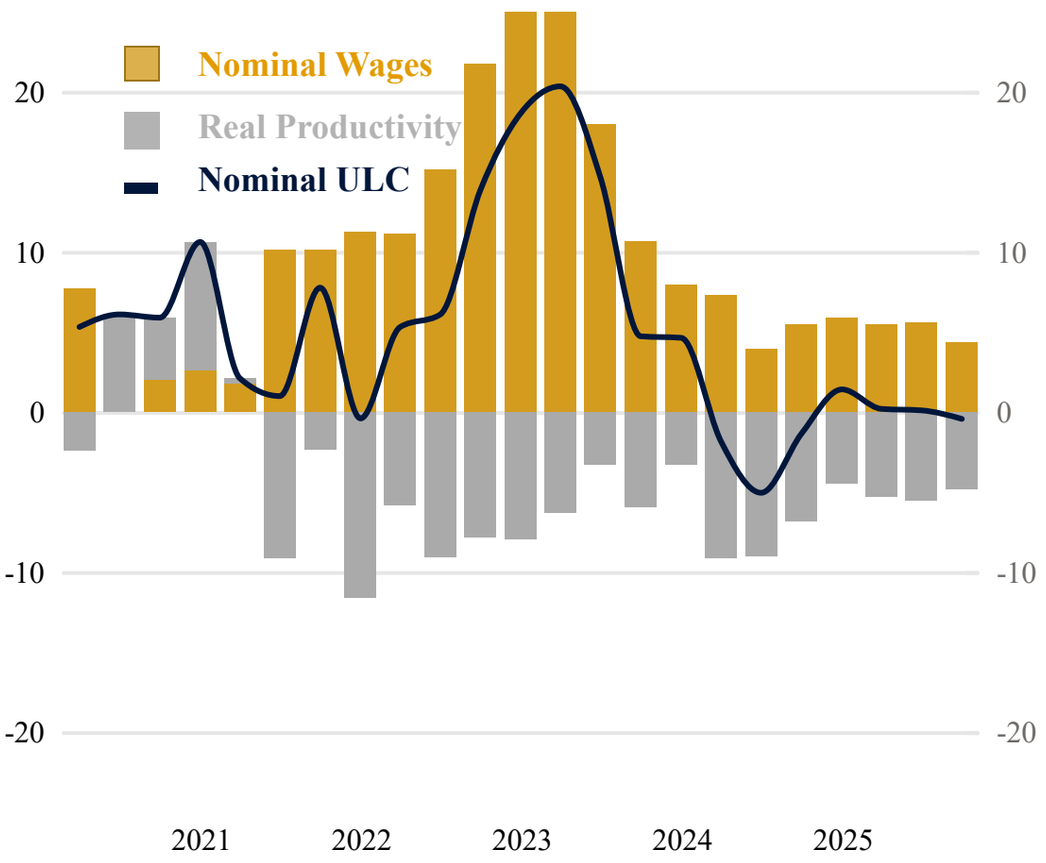
Unemployment Rate and Nominal Private Wage Growth

Percent, %



Contributions to Unit Labor Costs Growth

Percentage Points, YoY change, %



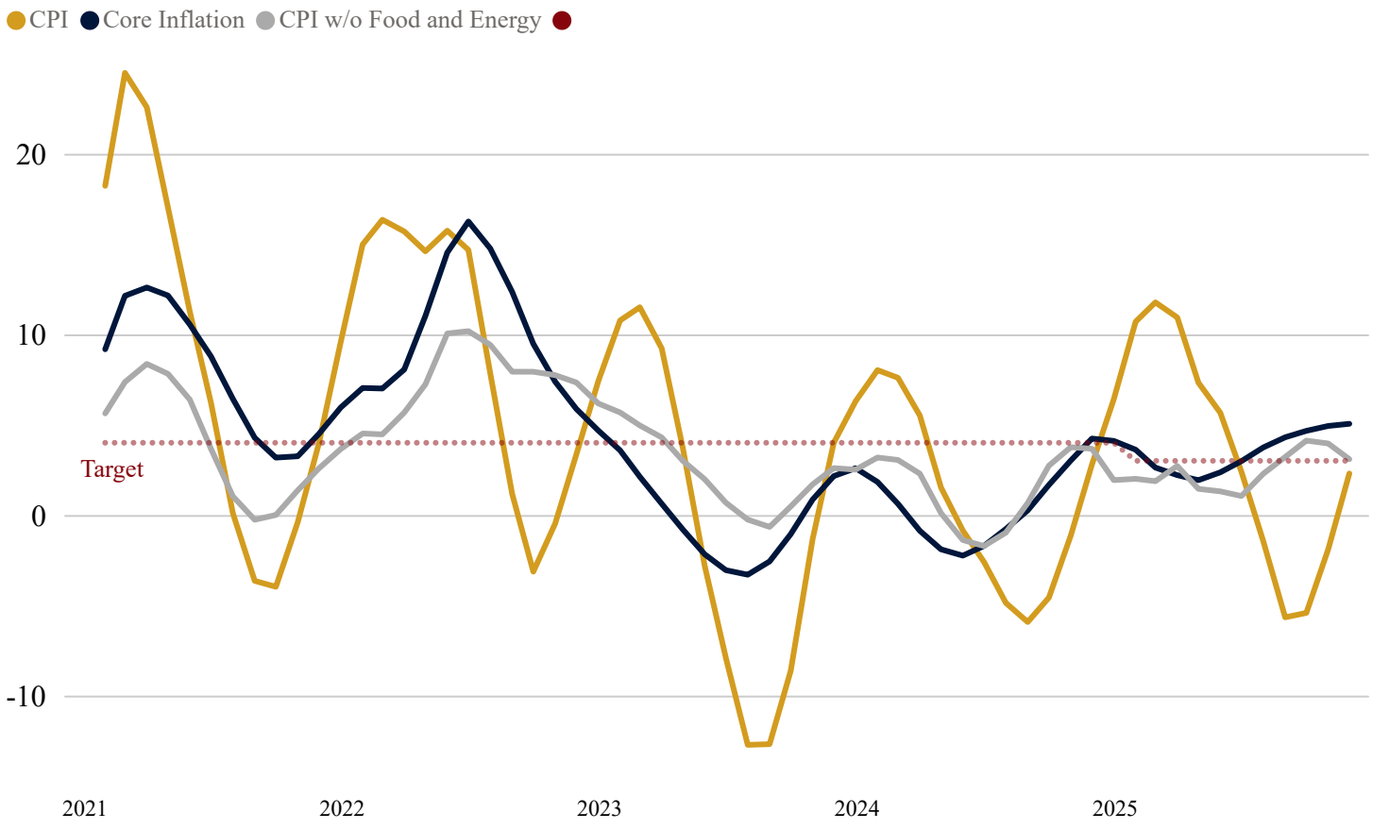
Source: Statistical Committee of RA, CBA
Note: The last point on left-hand side chart is 2025 Q3. The last point on right-hand side chart is 2025 Q3.

Domestic economy

Conventional Measures of Underlying Inflation, 3m-o-3m

CPI and Core inflation

3m-o-3m annualized change, %



CPI and Core inflation

3m-o-3m annualized growth rate, %

Date	CPI	Core	CPI w/o Food and Energy
2024-08	-5.9	0.3	0.7
2024-09	-4.6	1.7	2.7
2024-10	-1.1	3.0	3.8
2024-11	2.8	4.2	3.7
2024-12	6.4	4.1	1.9
2025-01	10.7	3.6	2.0
2025-02	11.8	2.6	1.9
2025-03	10.9	2.2	2.7
2025-04	7.3	1.9	1.4
2025-05	5.7	2.4	1.3
2025-06	2.4	3.0	1.1
2025-07	-1.5	3.7	2.3
2025-08	-5.7	4.3	3.2
2025-09	-5.4	4.7	4.1
2025-10	-1.9	4.9	4.0
2025-11	2.3	5.1	3.1

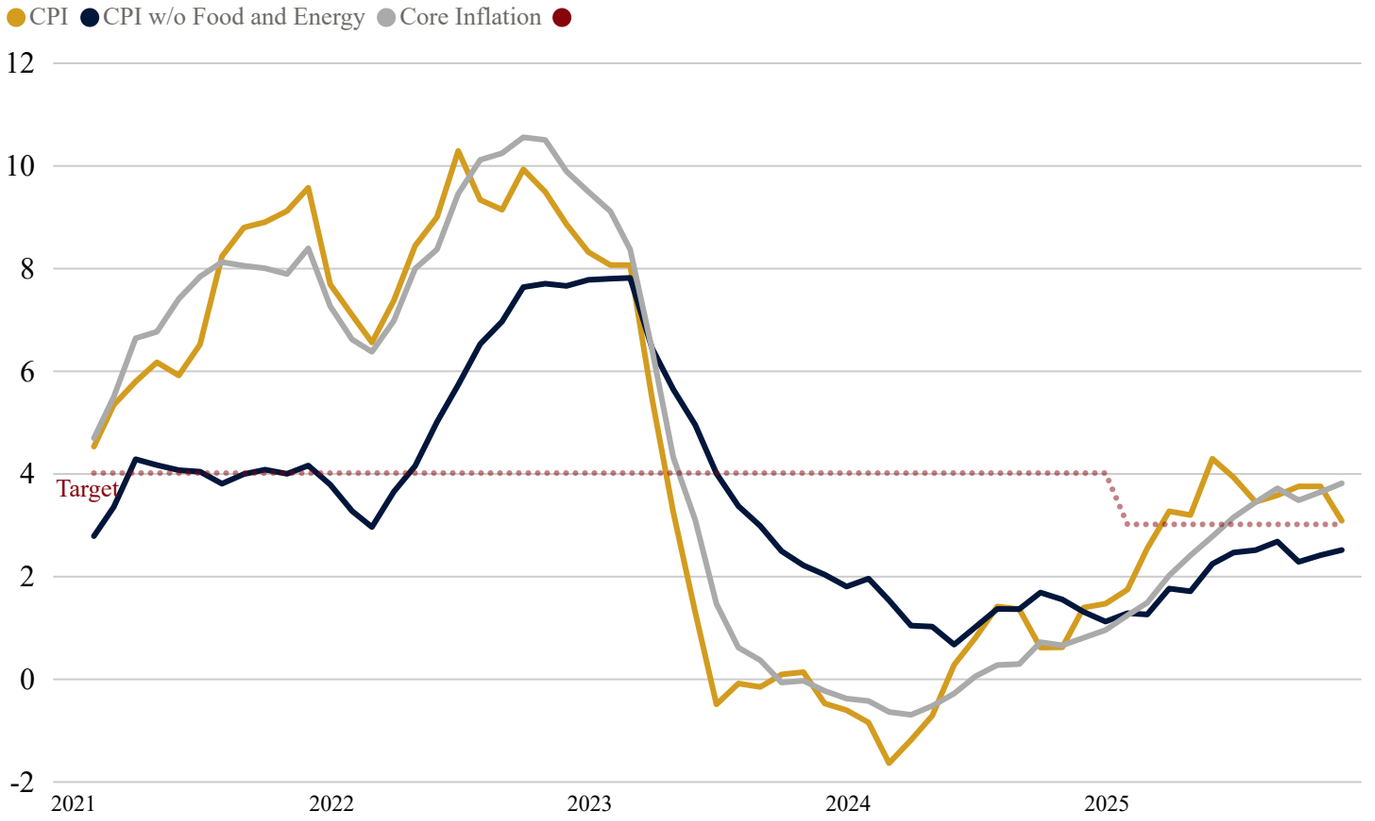
Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is November 2025.

Domestic economy

Conventional Measures of Underlying Inflation, YoY

CPI and Core inflation

YoY change, %



CPI and Core inflation

YoY Change, %

Date	CPI	Core Inflation	CPI w/o Food and Energy
2024-08	1.3	0.3	1.3
2024-09	0.6	0.7	1.7
2024-10	0.6	0.6	1.5
2024-11	1.4	0.8	1.3
2024-12	1.5	0.9	1.1
2025-01	1.7	1.2	1.3
2025-02	2.5	1.5	1.2
2025-03	3.3	2.0	1.7
2025-04	3.2	2.4	1.7
2025-05	4.3	2.8	2.2
2025-06	3.9	3.1	2.5
2025-07	3.4	3.4	2.5
2025-08	3.6	3.7	2.7
2025-09	3.7	3.5	2.3
2025-10	3.7	3.6	2.4
2025-11	3.1	3.8	2.5

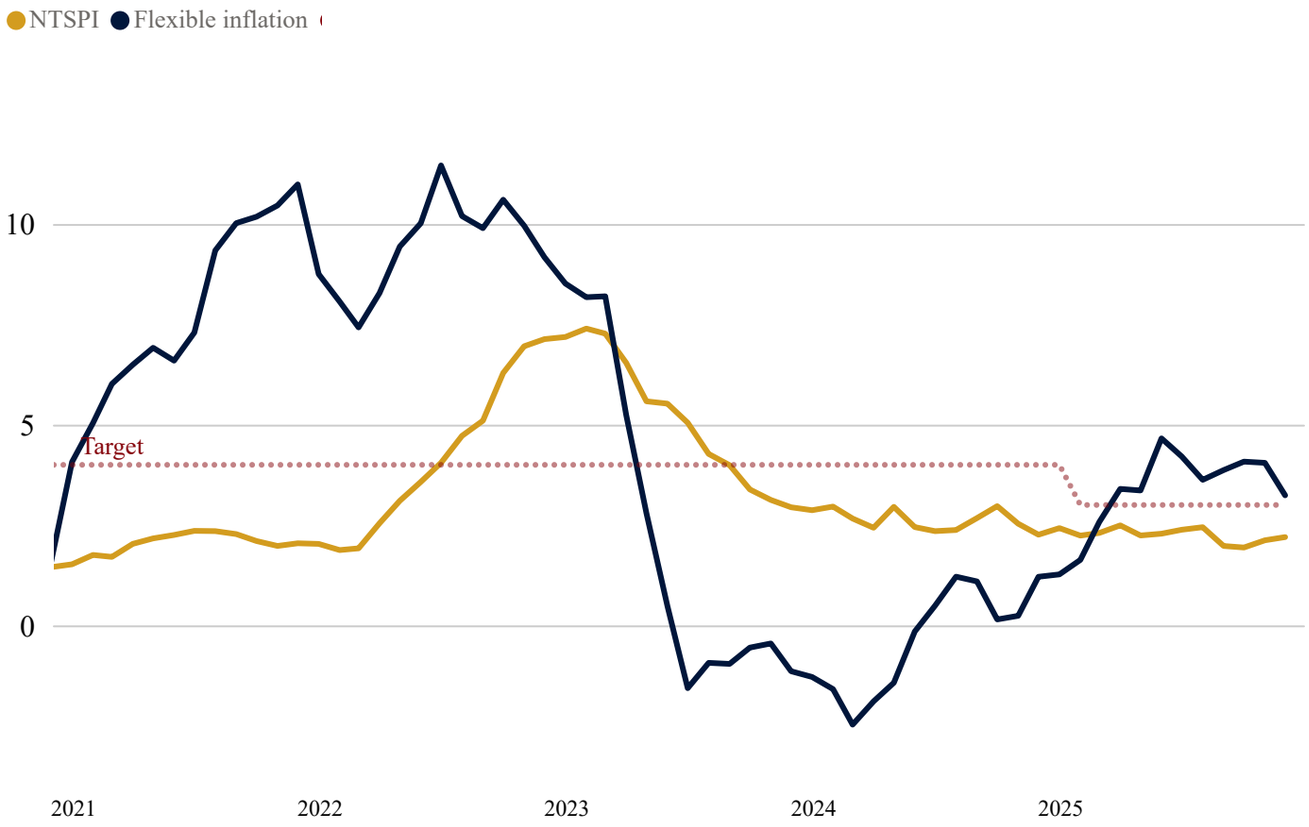
Source: Statistical Committee of RA, CBA calculations
Note: The last point on the chart is November 2025.

Domestic economy

Non-traded Sticky Prices

Non-traded Sticky Prices and Flexible Prices

YoY change, %



Non-traded Sticky Prices and Flexible Prices

Change, %

Date	Flexible inflation YoY	NTSPI, YoY	NTSPI, 3m-o-3m	Flexible price, 3m-o-3m
2024-09	0.1	3.0	2.4	-5.9
2024-10	0.2	2.5	4.1	-2.0
2024-11	1.2	2.3	4.8	2.6
2024-12	1.3	2.4	2.8	7.2
2025-01	1.6	2.2	1.4	12.5
2025-02	2.6	2.3	1.1	13.8
2025-03	3.4	2.5	2.0	12.7
2025-04	3.4	2.2	2.4	8.3
2025-05	4.7	2.3	2.0	6.4
2025-06	4.2	2.4	1.5	2.6
2025-07	3.6	2.4	0.9	-1.9
2025-08	3.9	2.0	0.6	-6.9
2025-09	4.1	1.9	1.7	-6.8
2025-10	4.1	2.1	2.7	-2.8
2025-11	3.2	2.2	4.0	2.0

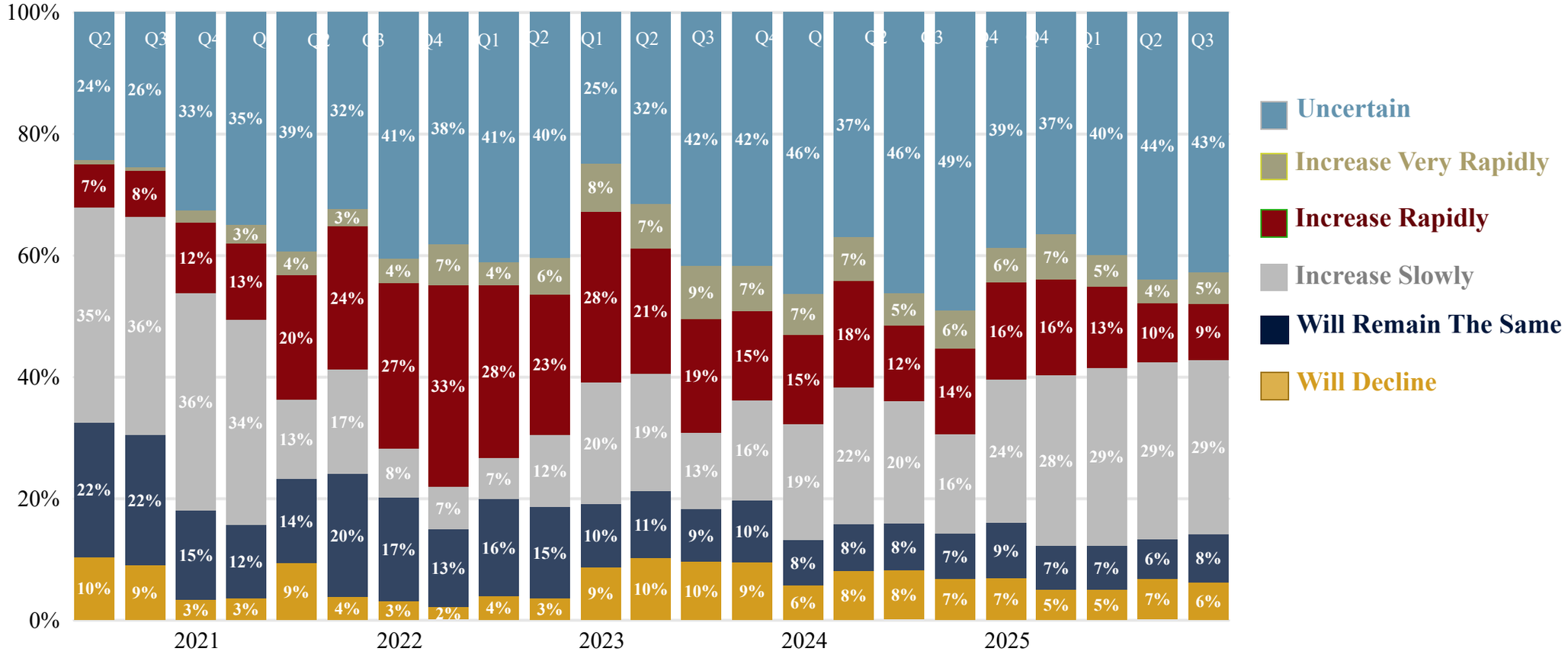
Source: Statistical Committee of RA, CBA calculations
Notes: The last point on the chart is November 2025.
"Non-Tradeable Sticky Price Inflation: Developing Better Concepts for Monetary Policy Analysis", Papikyan, Avetisyan, Laxton et al, 2023

Domestic economy

Survey of Inflation Expectations

Survey of Households on Inflation Expectations

Share of Total Answers, %



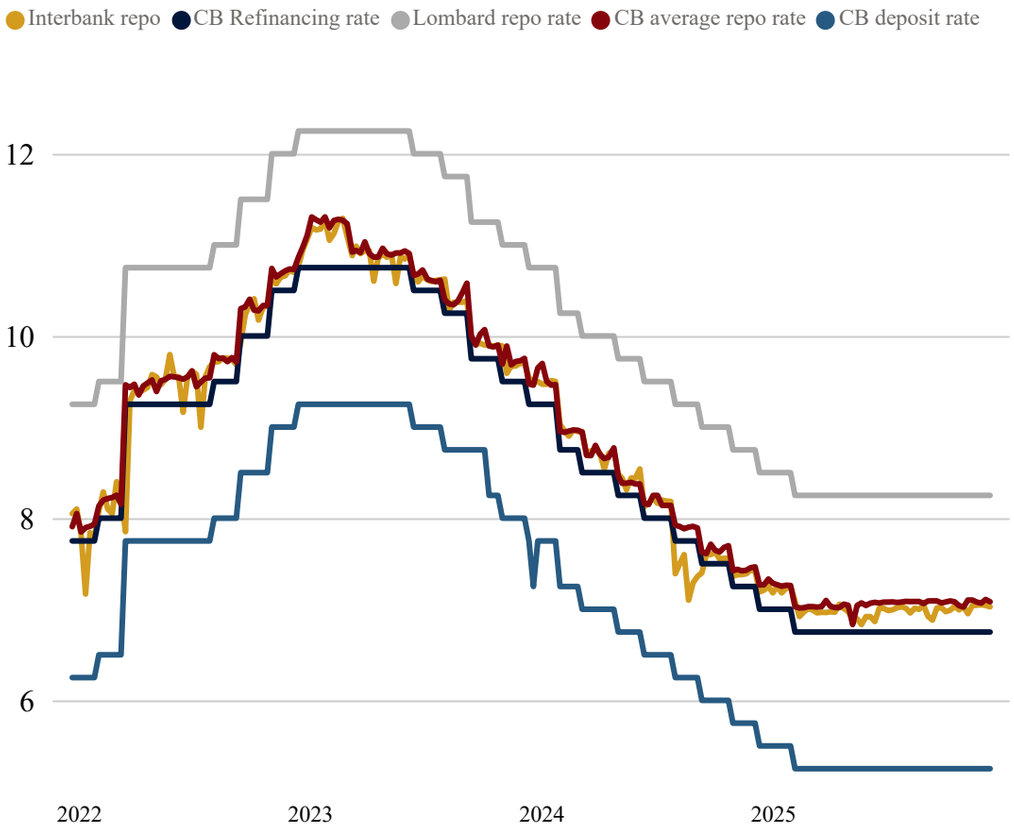
Source: Statistical Committee of RA, CBA calculations
Notes: The last point on the chart is 2025 Q4.

Domestic economy

Open Market Operations and Money Market Rates

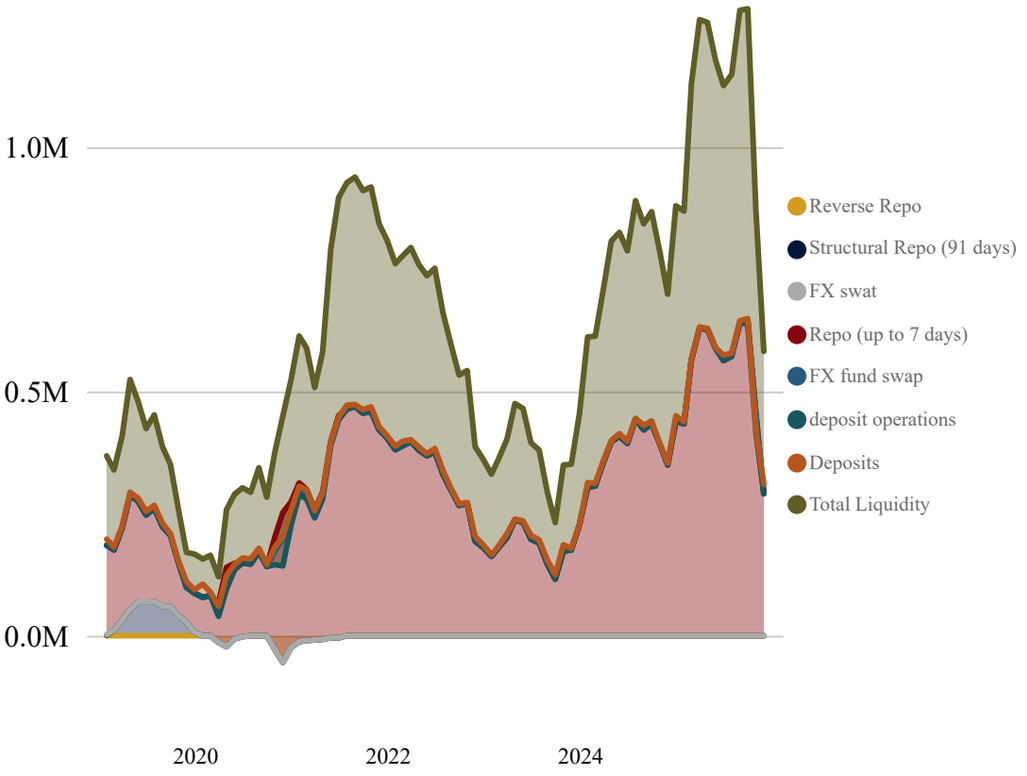
Repo Market Interest Rates

%



CBA Operations

mln AMD



Source: CBA

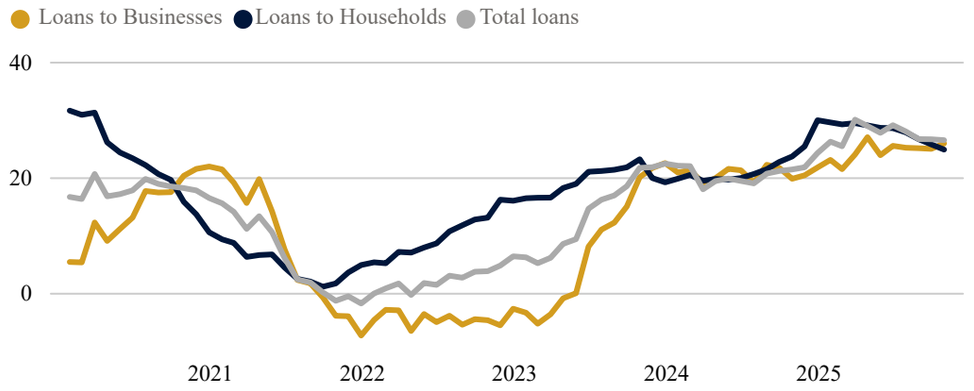
Notes: The last point on left-hand side chart is December 2025. The last point on right-hand side chart is November 2025.

Domestic economy

Deposits and Loans

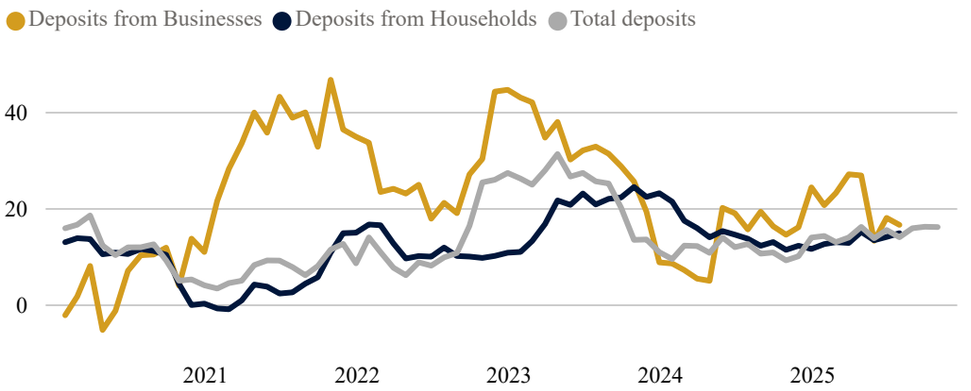
Loans to Households and Businesses

YoY change, %



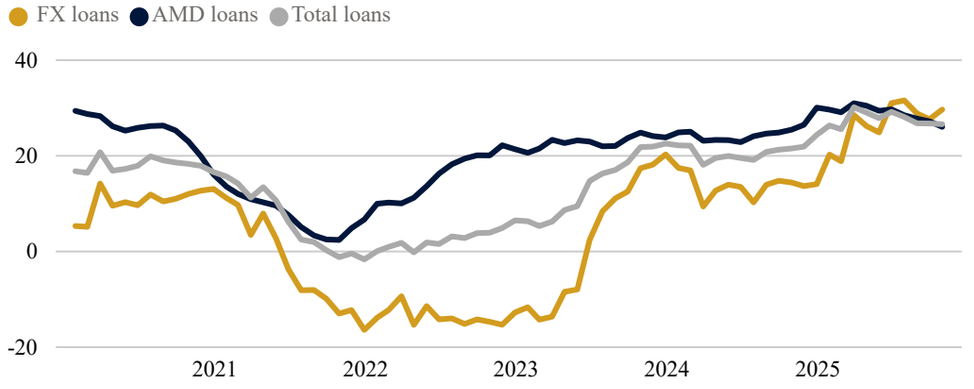
Deposits from Households and Businesses

YoY change, %



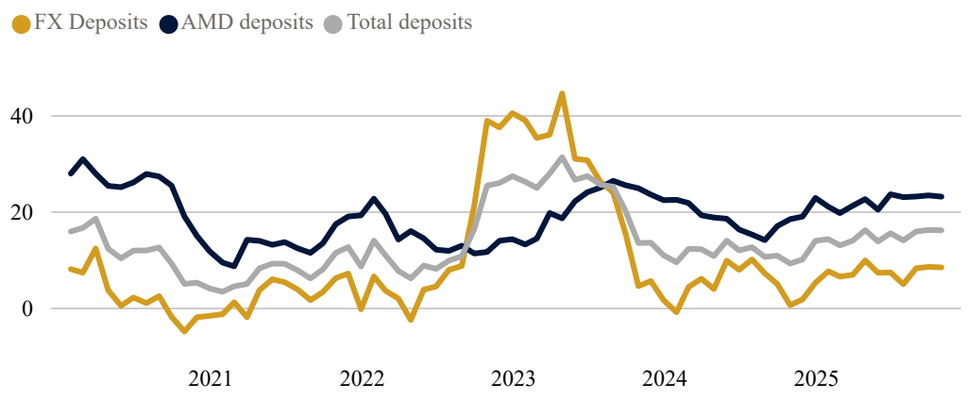
Loans by Currency

YoY change, %



Deposits by Currency

YoY change, %

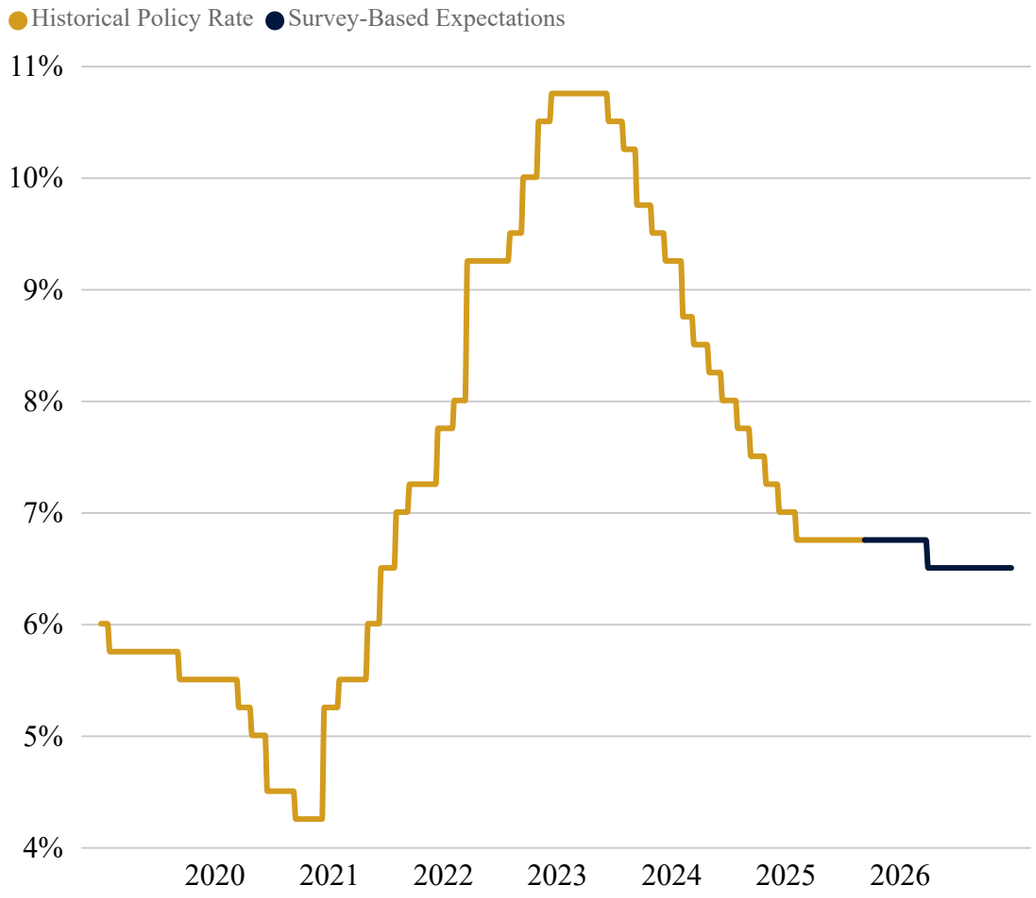


Source: Statistical Committee of RA, CBA calculations
Notes: The last point on the chart is October 2025.

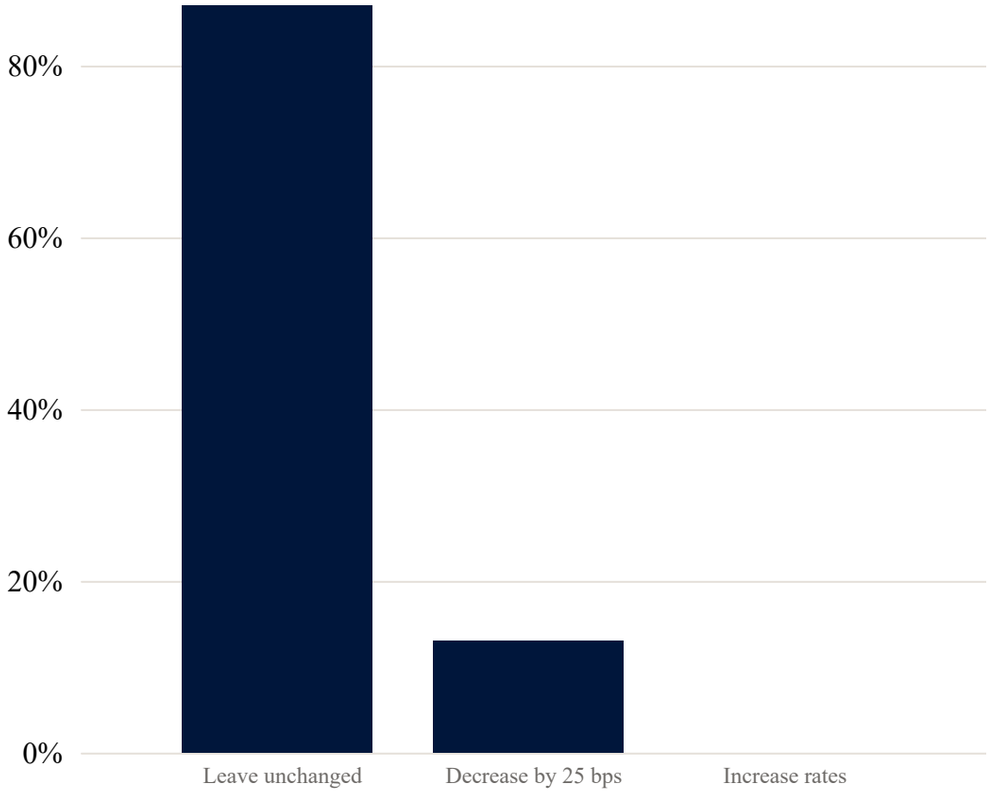
Domestic economy

Market Expectations for Policy Rate

Market Expectations of Policy Rate



Probability of Policy Rate Change for Upcoming December 2025 Decision Based on Market Participants' Survey



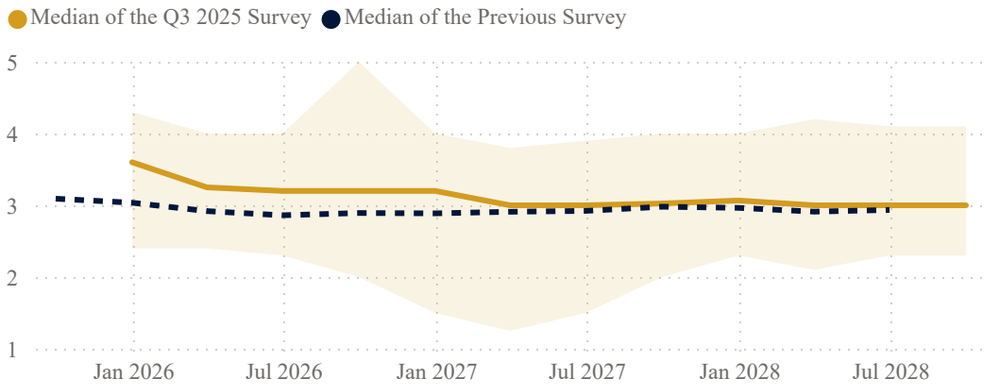
Source: CBA Survey of Market Participants, CBA calculations

Domestic economy

Long-Term Market Expectations

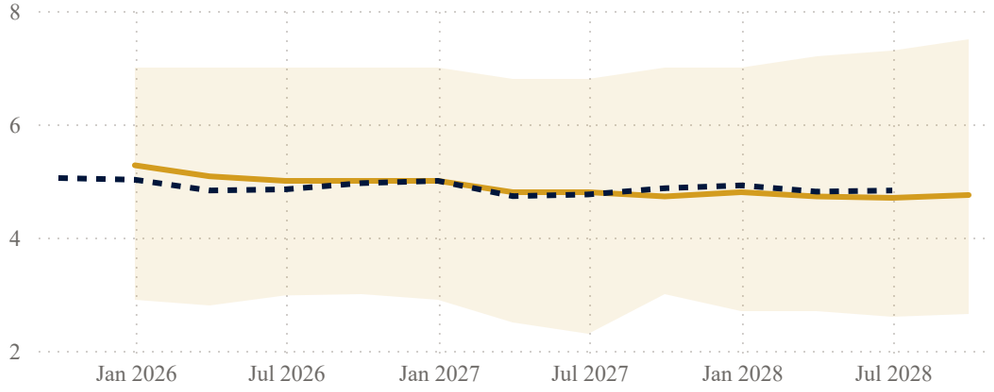
Inflation

YoY change, %



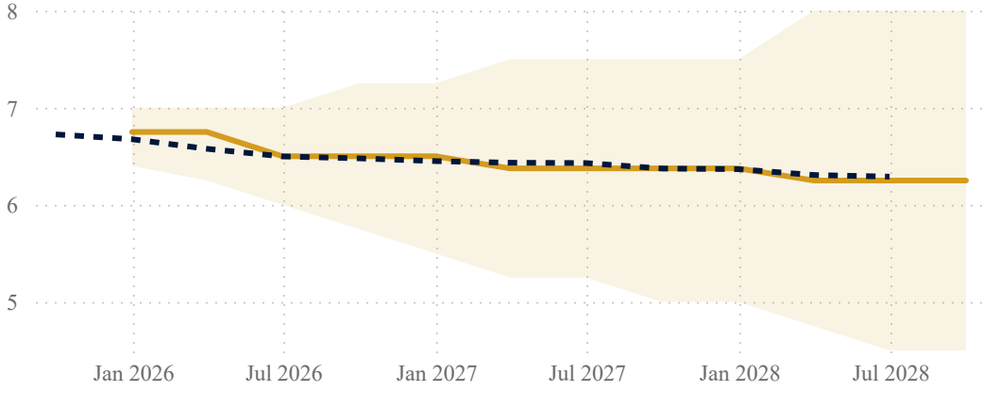
GDP Growth

YoY change, %



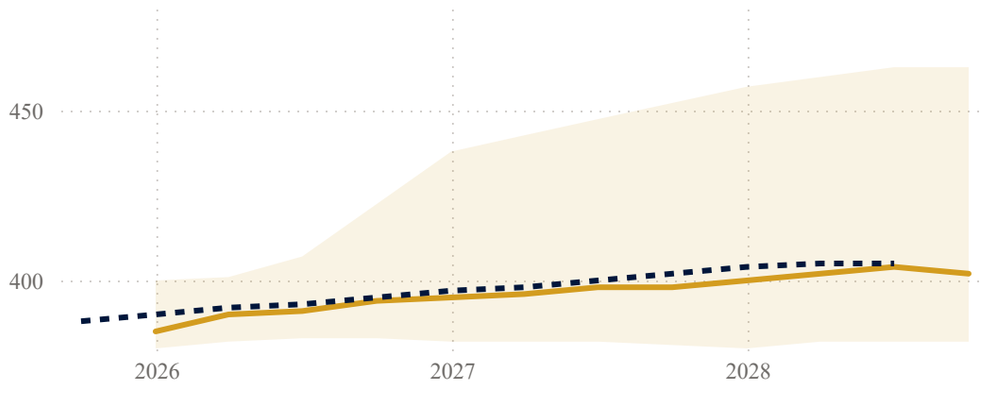
Policy Rate

YoY change, %



Nominal Exchange Rate (USD/AMD)

YoY change, %



Source: CBA Quarterly Survey of Commercial Banks
Notes: The last point on the chart is Q3 2028.

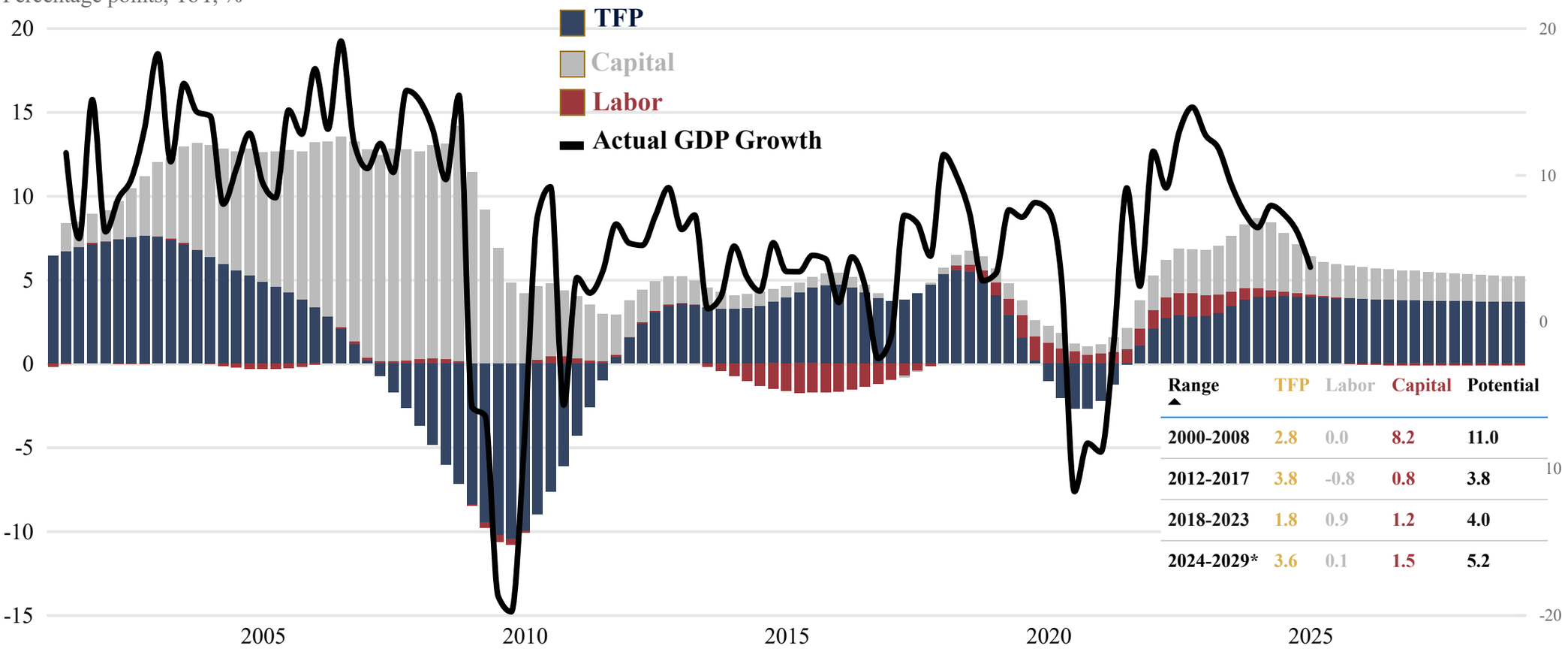
General Assumptions and Judgements

General Assumptions and Judgements

Long-Term Growth Potential in Armenia

Contribution to Potential GDP Growth

Percentage points, YoY, %



Range	TFP	Labor	Capital	Potential
2000-2008	2.8	0.0	8.2	11.0
2012-2017	3.8	-0.8	0.8	3.8
2018-2023	1.8	0.9	1.2	4.0
2024-2029*	3.6	0.1	1.5	5.2

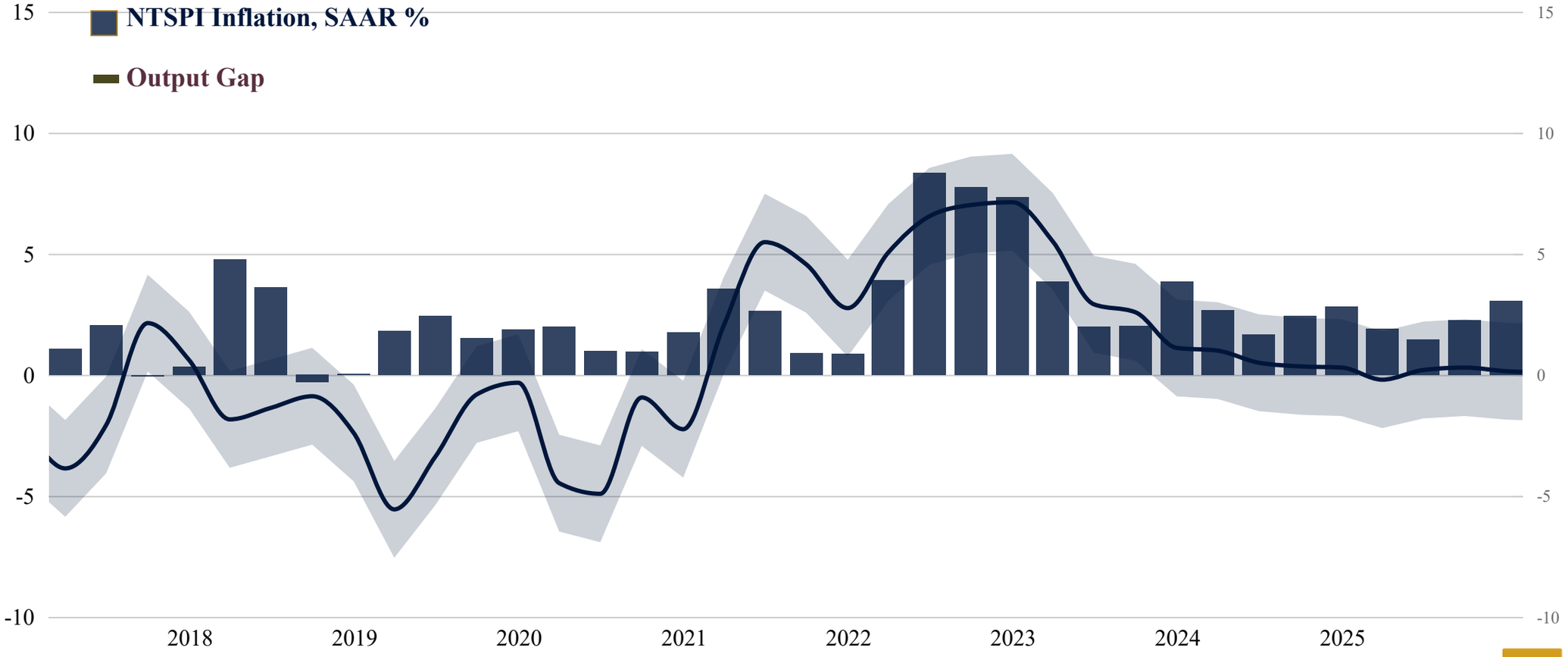
Source: CBA calculations
Notes: Estimates are based on Staff Judgements and are subject to Uncertainty

General Assumptions and Judgements

Cyclical Indicators

Output Gap And Inflation

Q-o-Q, %, Shaded Area Reflects Uncertainty Around The Output Gap estimates



Source: CBA calculations

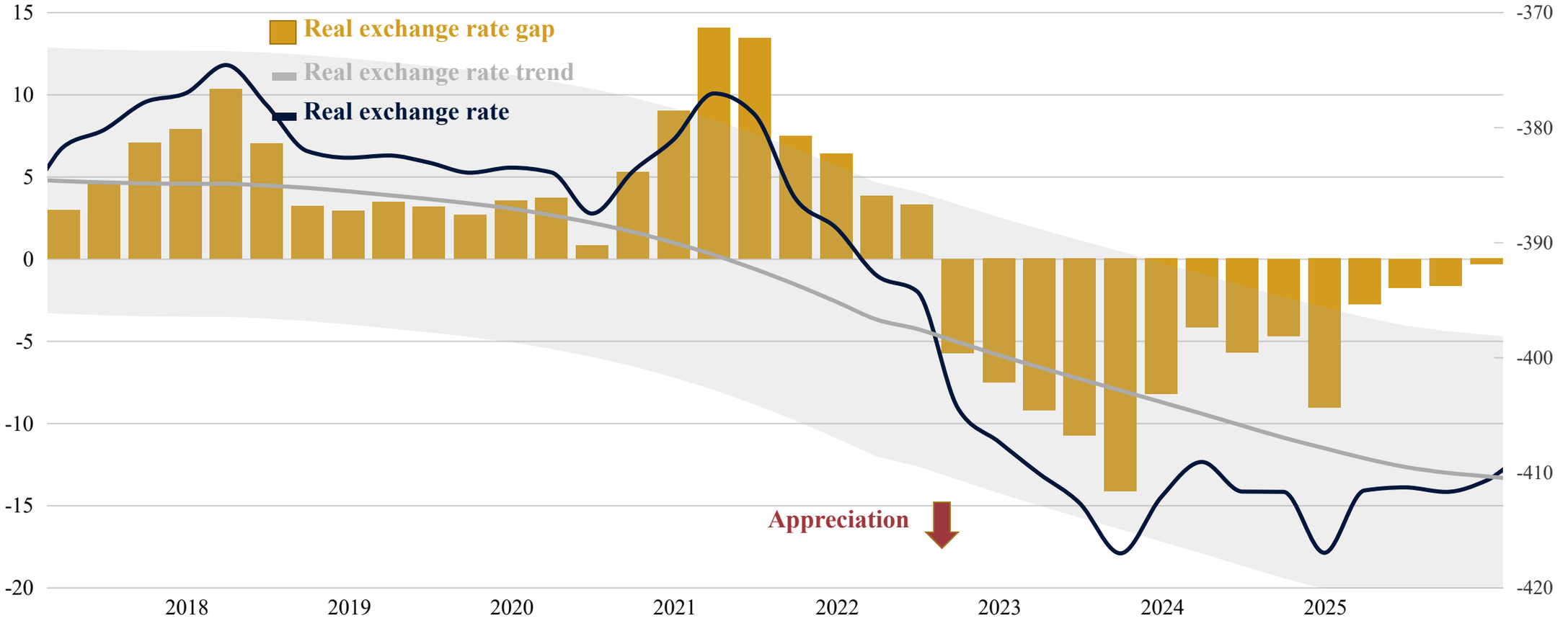
Notes: Estimates are based on Staff Judgements and are subject to Uncertainty
The last point on the chart is Q4 2025.

General Assumptions and Judgements

Real Effective Exchange Rate

Real Effective Exchange Rate and Trend

100 log Index, percentage deviation from trend



Source: CBA calculations

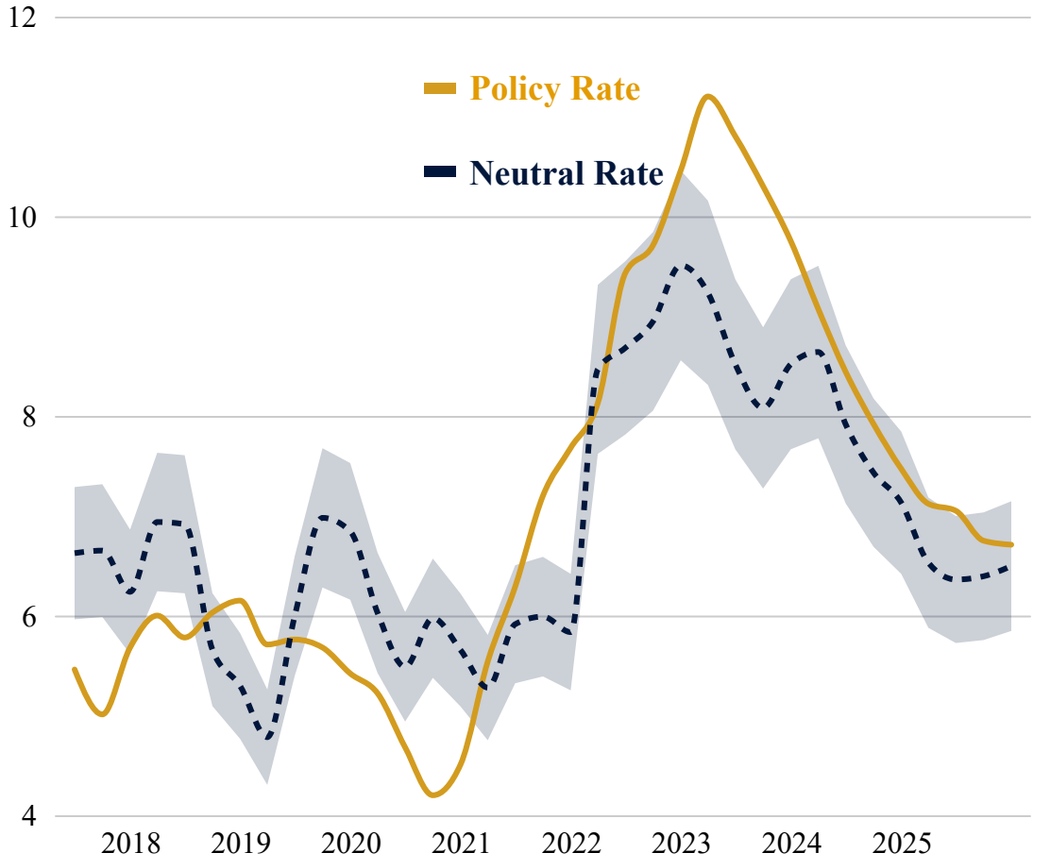
Notes: Estimates are based on Staff Judgements and are subject to Uncertainty. The RER is based on 3 country.
The last point on the chart is Q4 2025.

General Assumptions and Judgements

Monetary Policy and Equilibrium Interest Rate

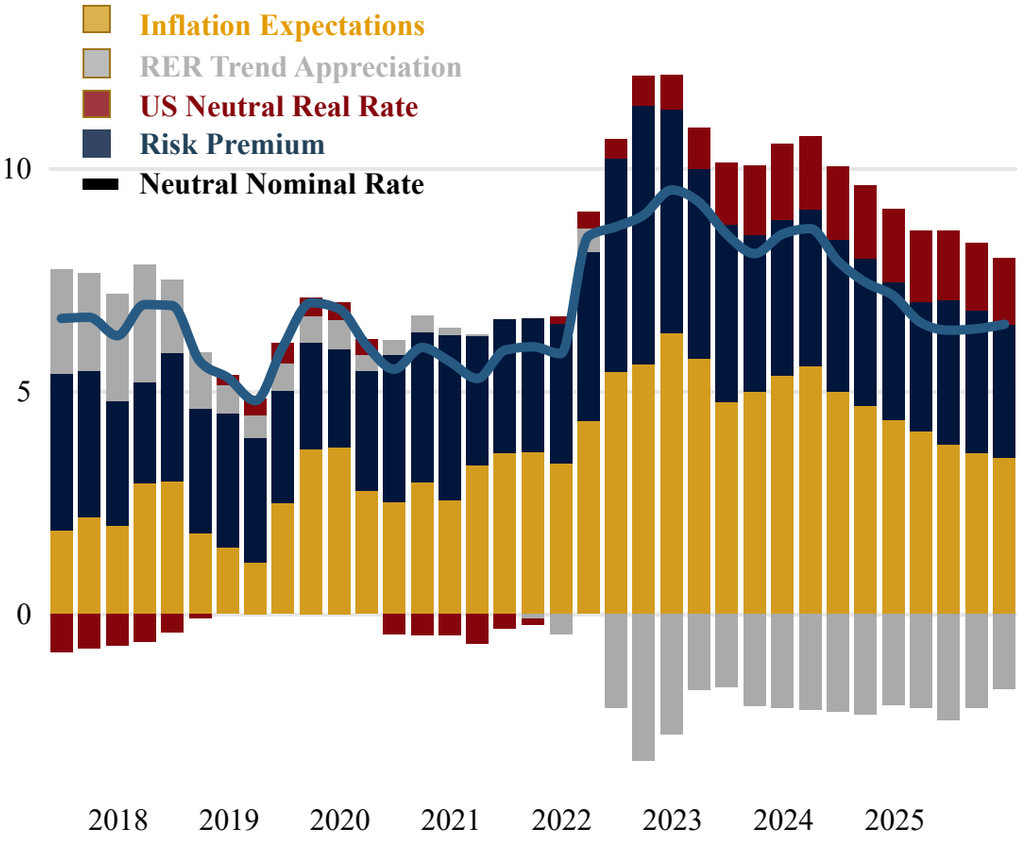
Nominal Policy Rate and Neutral Rate Estmate

Percent, %, Shaded Area Reflects Uncertainty Around The Neutural Rate Estimate



Contribution to Nominal Neutral Interest Rate Estimate

%

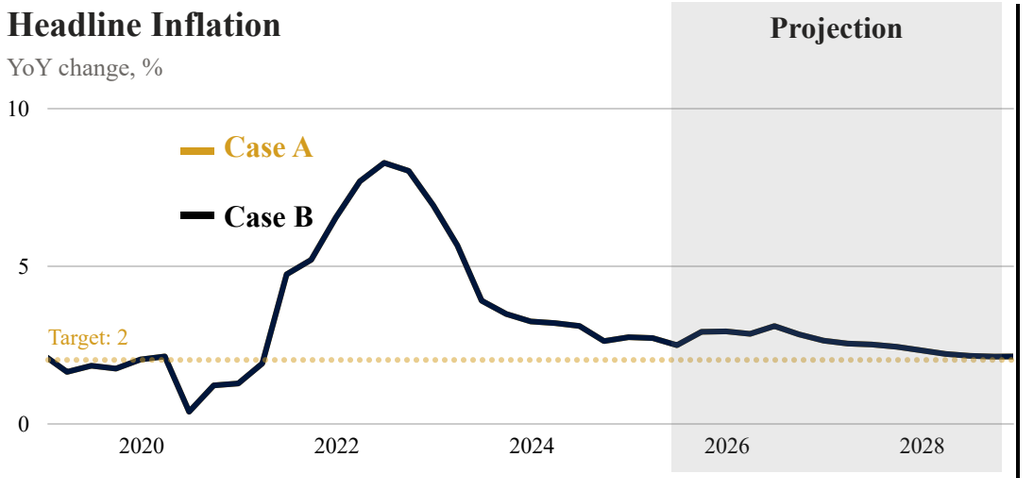


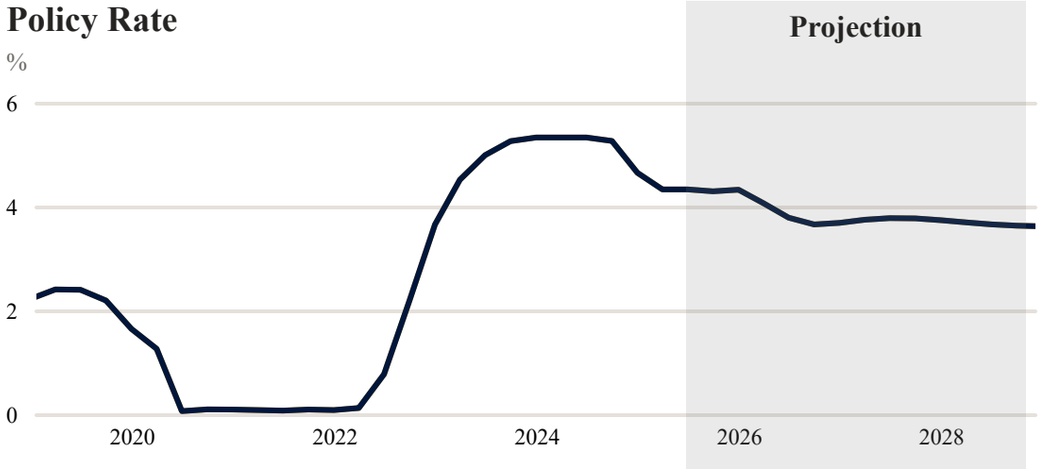
Source: CBA calculations
Notes: Estimates are based on Staff Judgements and are subject to Uncertainty
The last point on the chart is Q4 2025.

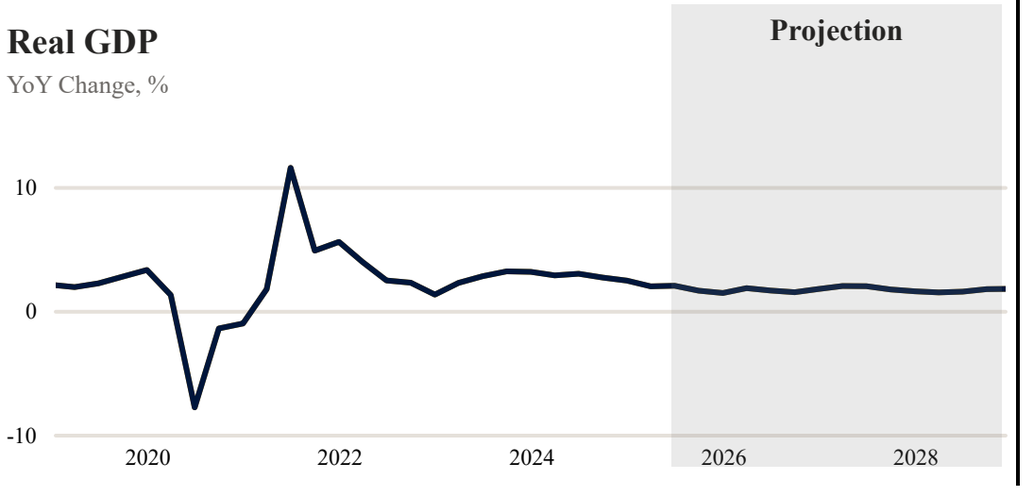
Illustrative Case A & B Scenarios

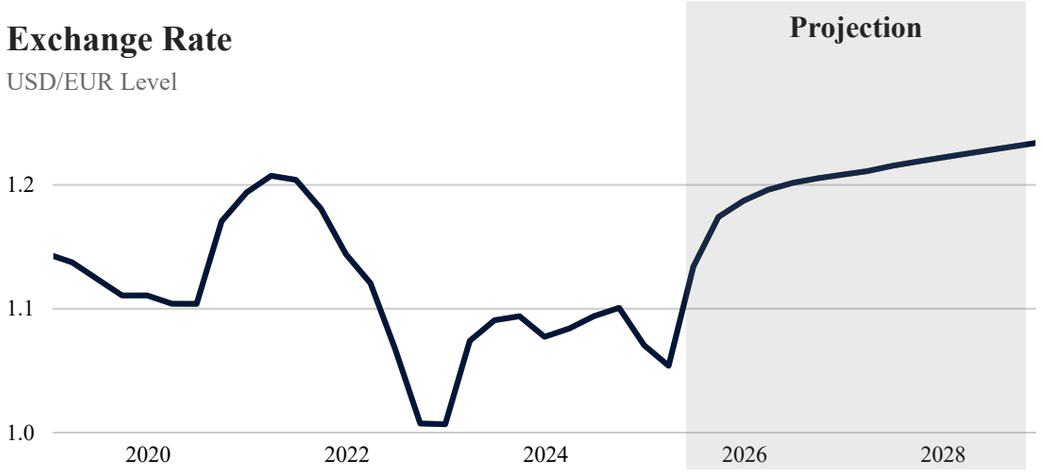
Illustrative Case A&B scenarios

United States: Main Economic Indicators





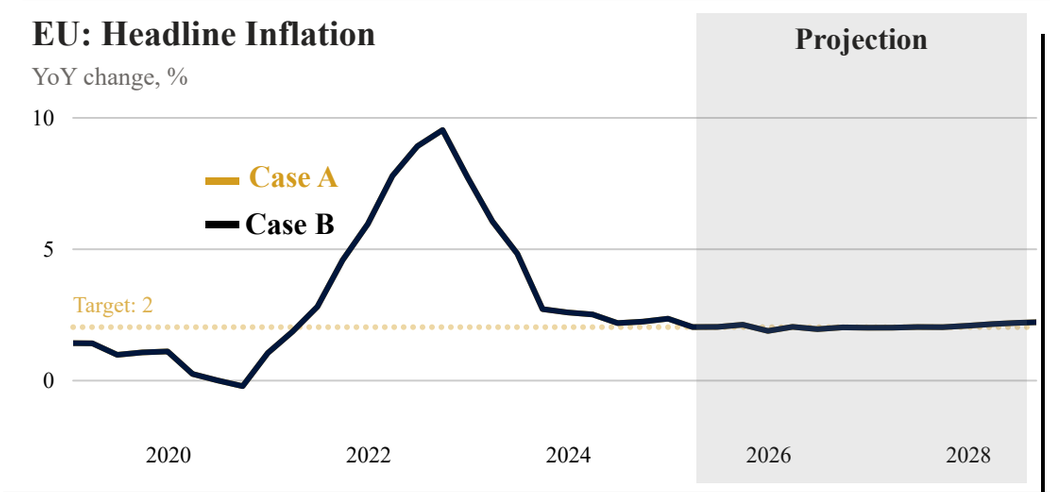


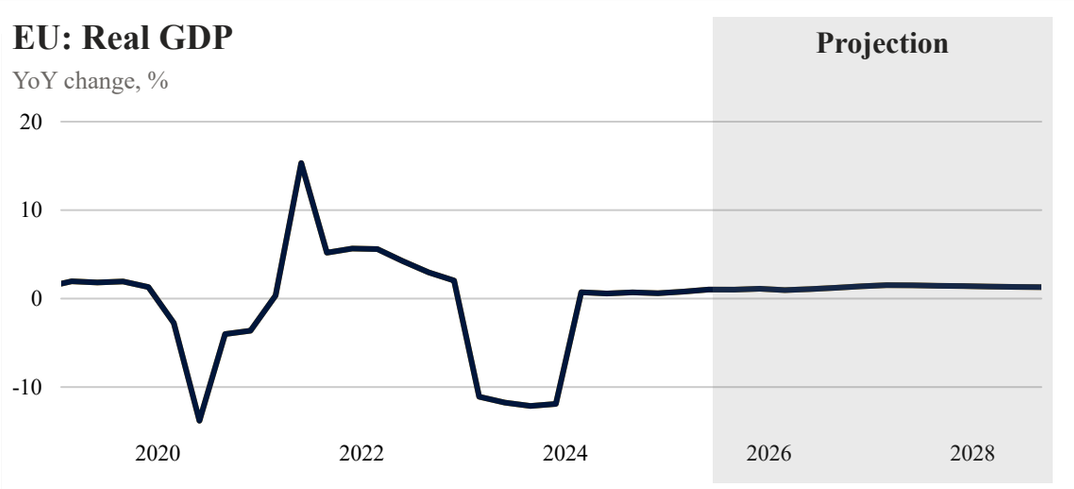


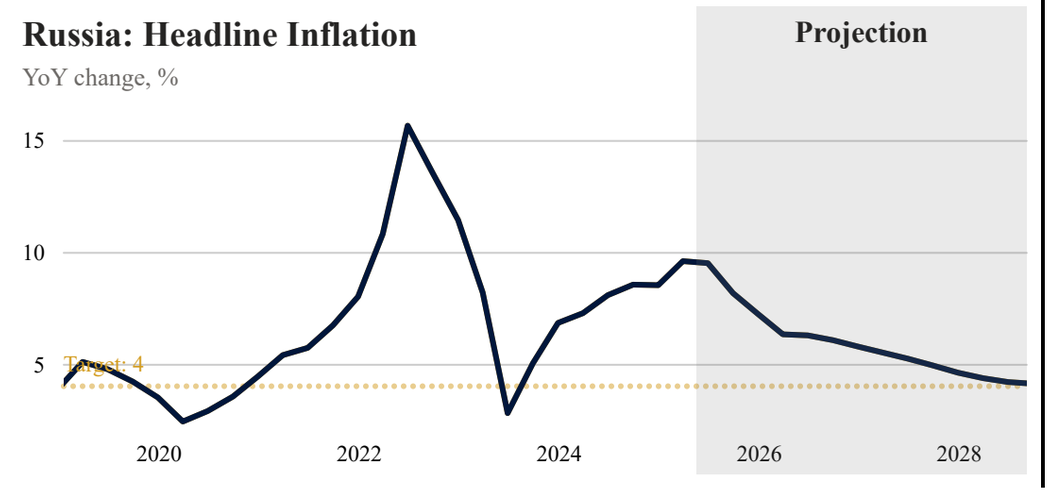
Source: Bloomberg, CBA calculations
Notes: This is an illustrative market reference scenario, Projections for 3 year medium term horizon.

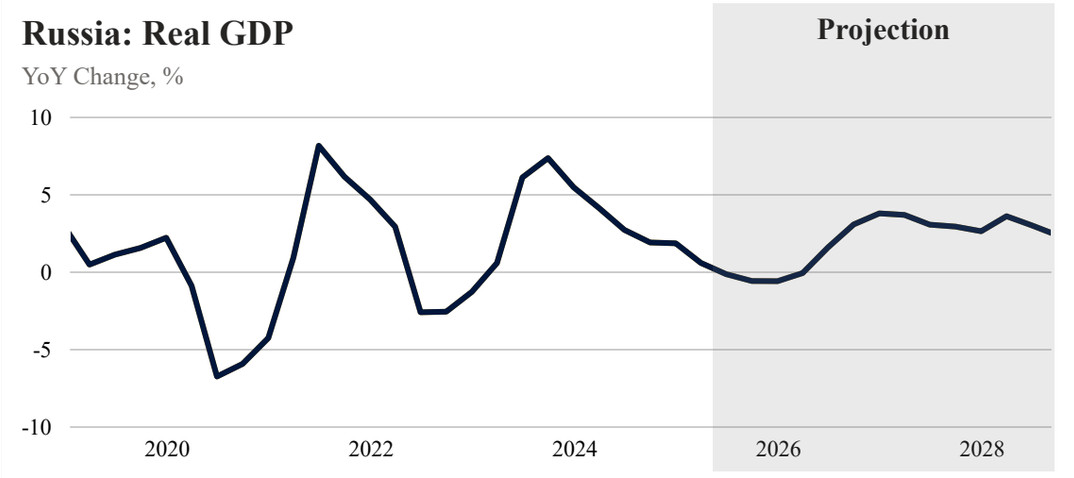
Illustrative Case A&B scenarios

Euro Area & Russia: Main Economic Indicators





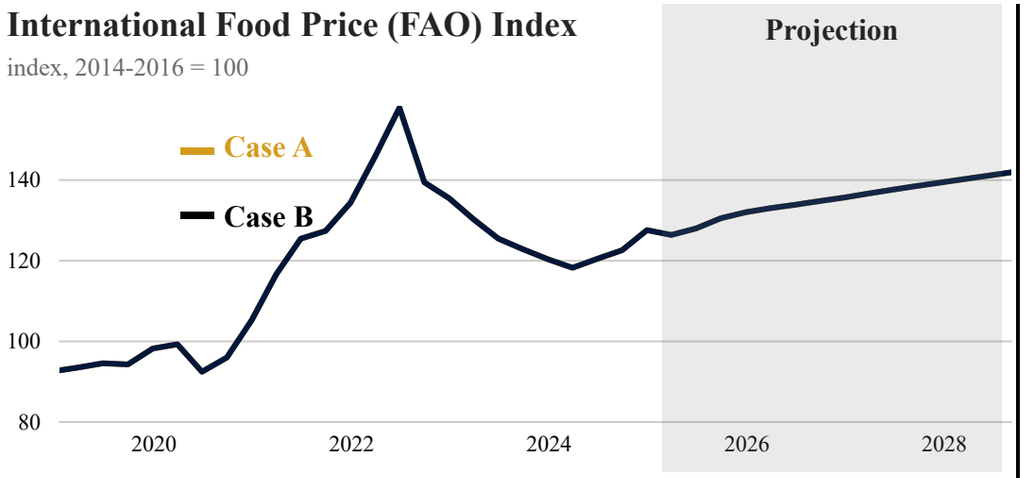


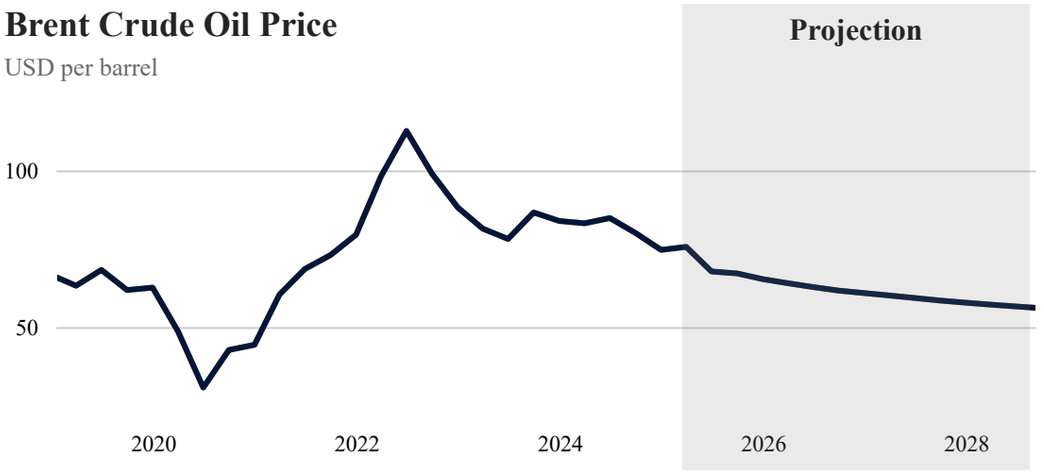


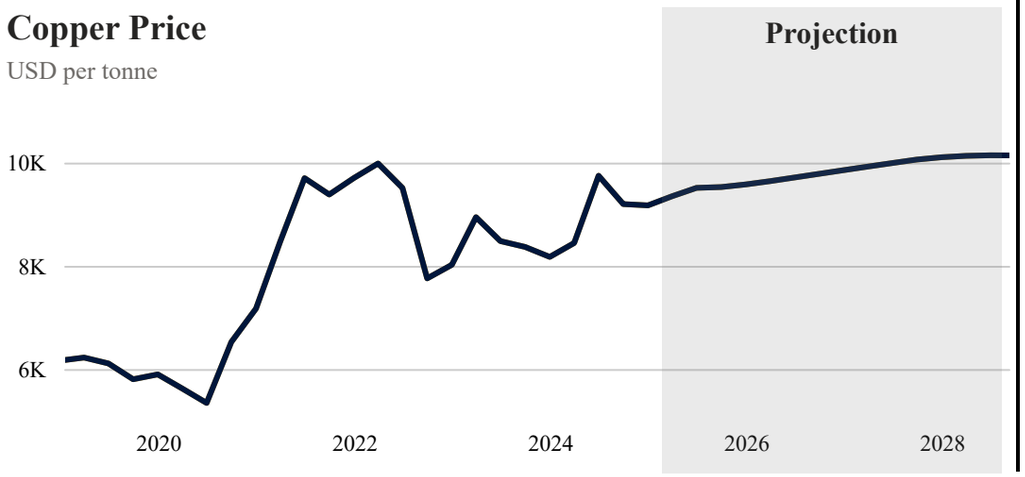
Source: Bloomberg, CBA calculations
Notes: This is an illustrative market reference scenario, Projections for 3 year medium term horizon.

Illustrative Case A&B scenarios

International Food And Commodity Prices



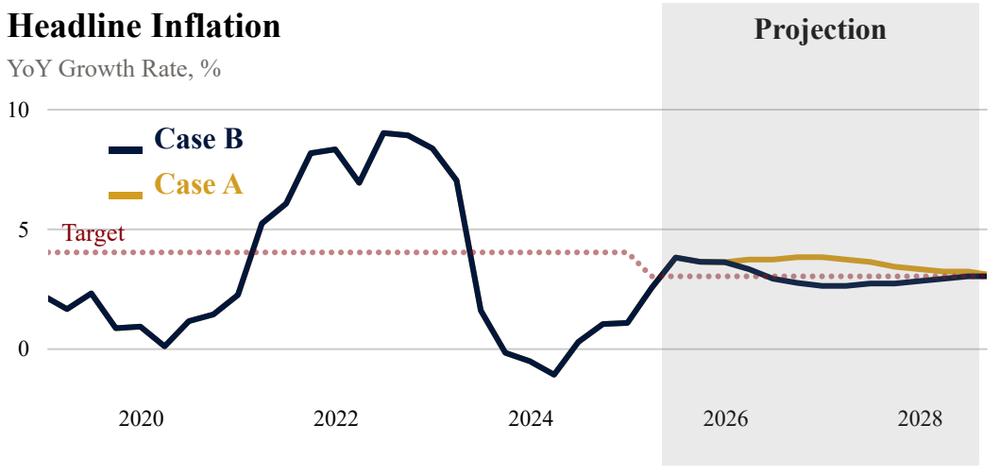


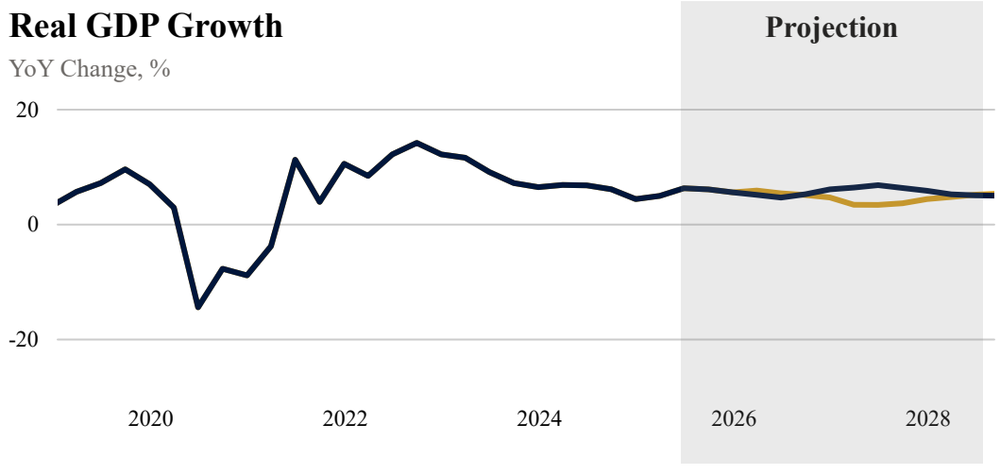


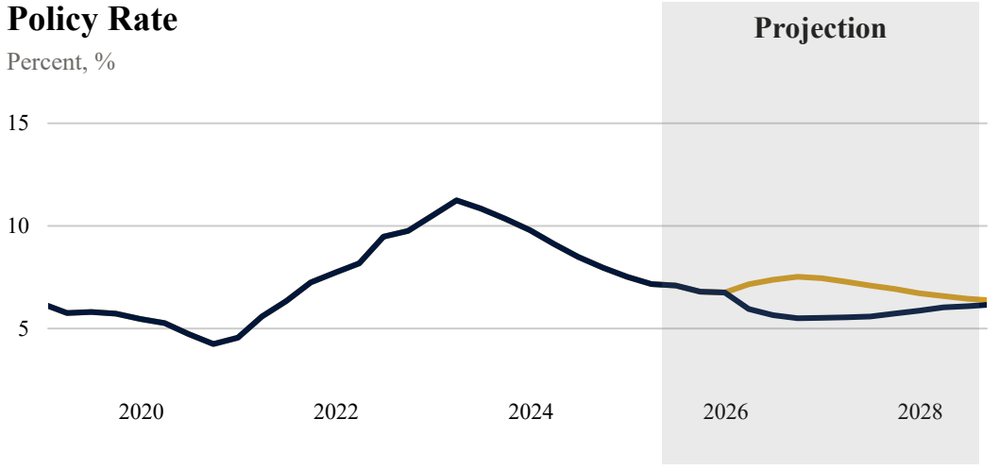
Source: Bloomberg, CBA calculations
Notes: This is an illustrative market reference scenario, Projections for 3 year medium term horizon.

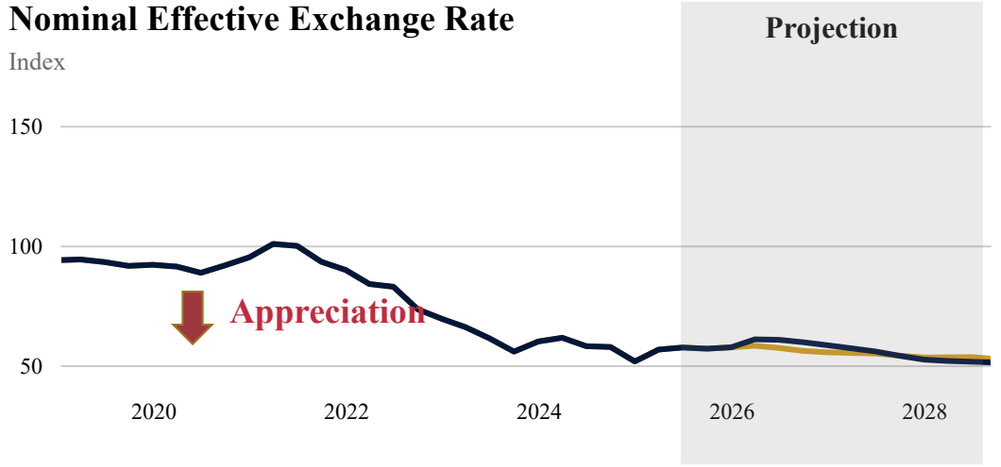
Illustrative Case A&B scenarios

Illustrative Case A&B Scenarios





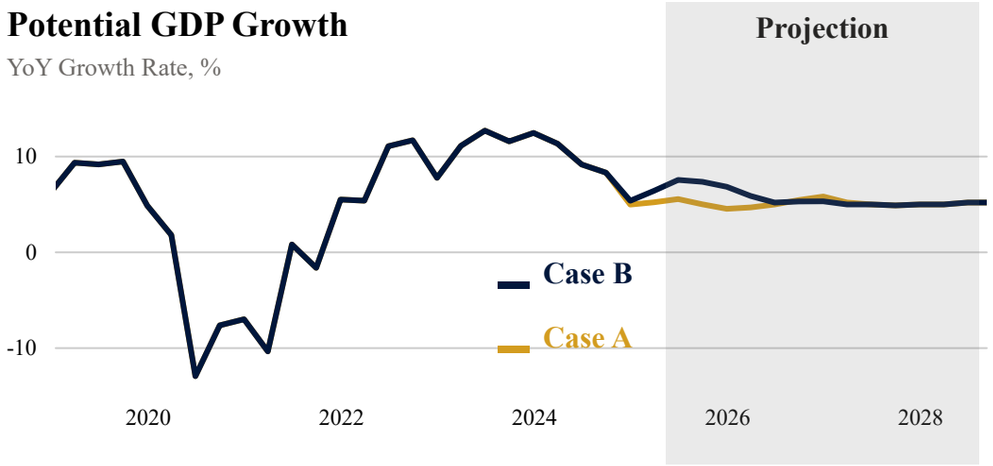


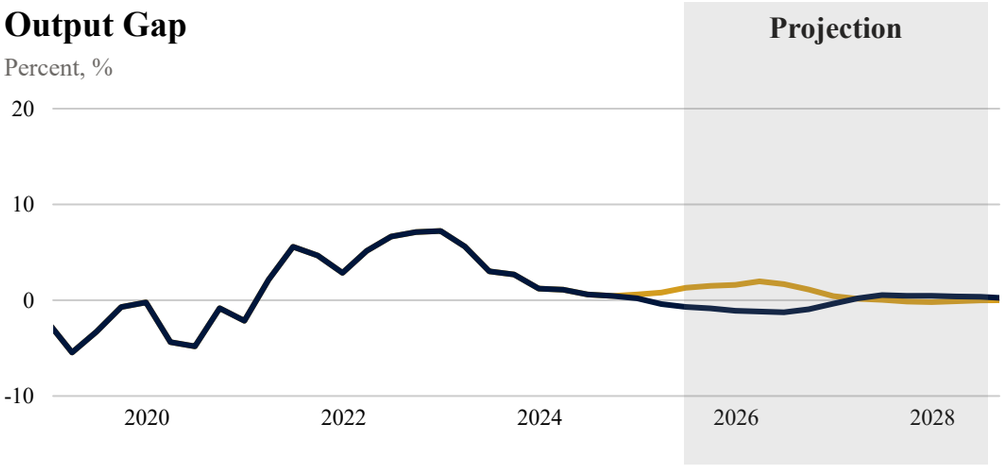


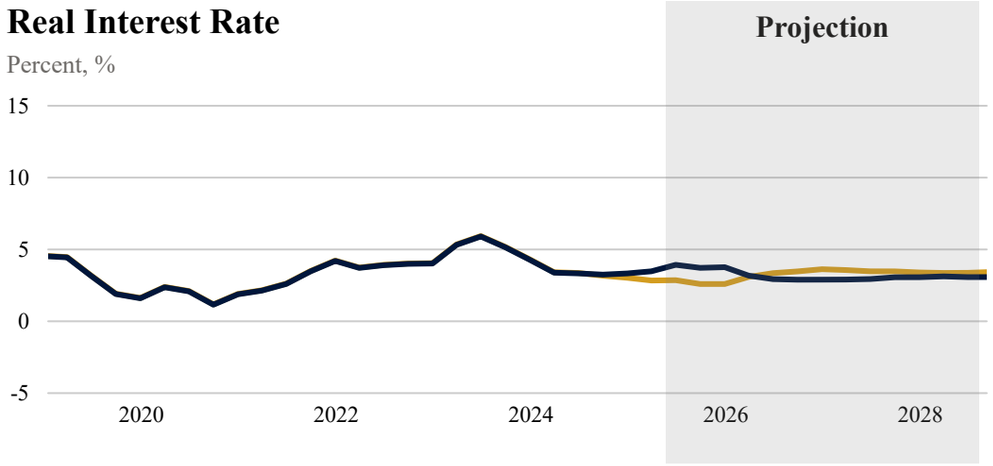
Source: CBA projections:
Note: This are illustrative Case A & B scenarios, which reflects developments that require higher or lower policy rate path compared to what is priced in the markets. Projections for 3 year medium term horizon.

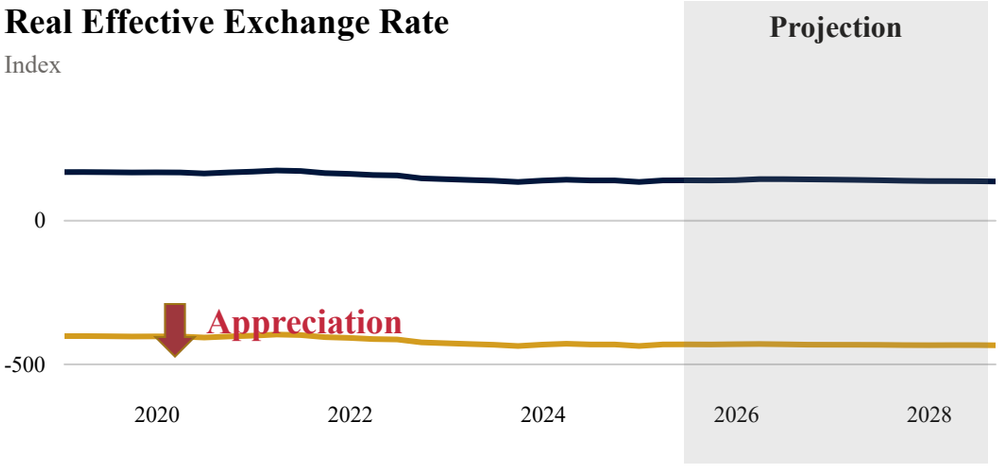
Illustrative Case A&B scenarios

Illustrative Case A&B Scenarios





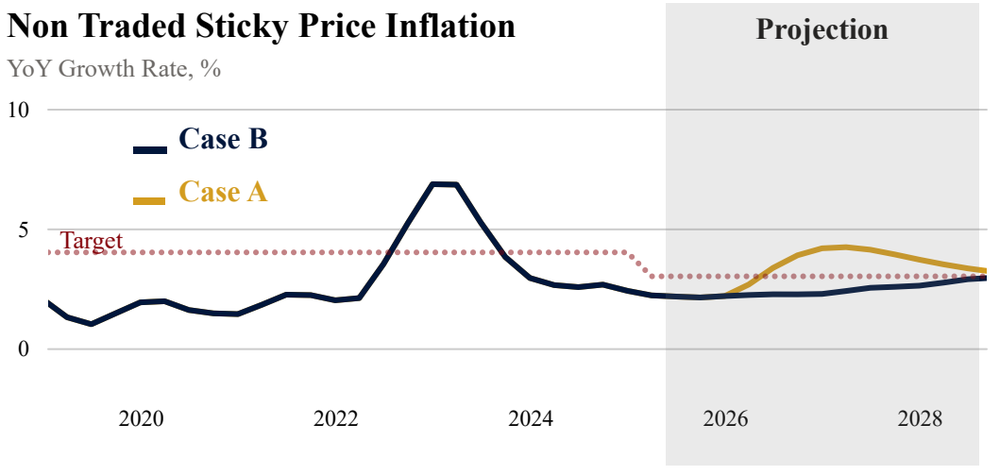


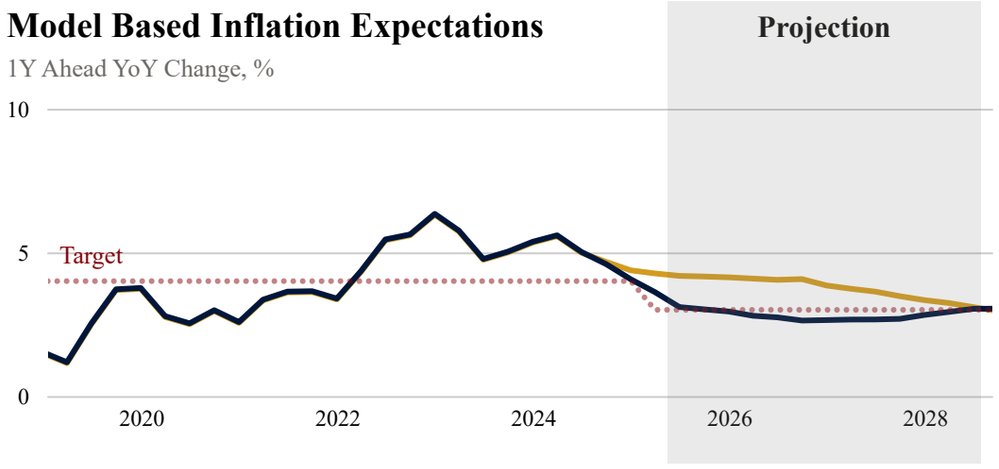


Source: CBA projections:
Note: This are illustrative Case A & B scenarios, which reflects developments that require higher or lower policy rate path compared to what is priced in the markets. Projections for 3 year medium term horizon.

Illustrative Case A&B scenarios

Illustrative Case A&B Scenarios





Source: CBA projections:
Note: This are illustrative Case A & B scenarios, which reflects developments that require higher or lower policy rate path compared to what is priced in the markets. Projections for 3 year medium term horizon.