
Armenia Has A Stable Financial System

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Armenia's financial system does not respond to the international crisis, at least for the time being. Moreover, the situation here is quite stable, ARTHUR JAVADYAN, Chairman of the Central Bank, said in response to the questions of the journalists.

"The situation with the financial system of Armenia is currently stable.

The banks are overcapitalized, and their assets are overliquidated. If the conversation is about loan investments, almost all the banks have revised the processes of loan payments. In this respect, they have revealed new risks, learnt lessons from the international crisis and have simply established stricter rules for the loan payments."

However, if we look upon the paces of the growth of loan payments, we'll see that they haven't even decreased. Since the beginning of the year, we have had an absolute growth of 62 percent. The mortgage loans have increased by 52 percent. Many people come to me and say that there are no loan payments provided now. That isn't true. Mortgage loans are provided; the thing is that the terms of their payment have been revised, and stricter rules have been established. There are several banks which have been engaged in such process over the recent two-three days.

Therefore, I can say that the banks of Armenia do not yet incur the impact of the international crisis. Of course, we have prepared a list of anti-crisis measures in any case, and we can implement them upon necessity.

Those measures also bear a preventive character, and we will soon start implementing them. Anyway, I can say that there is no non-payment in any bank. I assure you that the deposits and the investments in the banking system are in reliable hands."

"What about the transfers? Haven't they decreased in number?"

"On the contrary. We even have a growth of private transfers. During the month of September, transfers equivalent to the sum of 203 Dollars have entered Armenia. This is an unprecedented index in comparison both with last year and the previous months."

"There is an opinion that the financial crisis will anyway produce an impact on the banking system of Armenia, and the volumes of the loan payments are expected to be become less."

"Over the recent days, a number of significant events have occurred in the sphere of our banking system. First, one of our banks - 'AGBA Credit-Agricol', received a loan in the amount of 42 million Euros from 'Credit Agricol', its mother bank. The amount is already on the correspondent account of the bank. If there were any problem in any other bank, the sum would not have been paid."

"Last week, 'Eurobank' also approved funding programs for the small and medium enterprises of Armenia, envisaging 10 million Euros in one case, and a smaller amount in the other."
