



**AZERBAIJAN  
BANKS  
ASSOCIATION**

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# **MACROFINANCE REVIEW**

**01.09.2024**

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## 1. Real sector

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>GDP (mln. AZN)</b>	<b>79797.3</b>	<b>81681</b>	<b>72432.2</b>	<b>92857,7</b>	<b>133825.8</b>	<b>123005.5</b>	<b>80960.3</b>
	<i>Annual growth rate of GDP (%)</i>	<i>1.4</i>	<i>2.2</i>	<i>-4.3</i>	<i>5,6</i>	<i>4.6</i>	<i>1.1</i>	<i>4.3</i>
2	<b>Non-oil GDP (mln. AZN)</b>	<b>46671.3</b>	<b>50391.8</b>	<b>50792.5</b>	<b>57786,2</b>	<b>69826</b>	<b>68341.3</b>	<b>53086.0</b>
	<i>Annual growth rate of non-oil GDP (%)</i>	<i>1.8</i>	<i>3.5</i>	<i>-2.6</i>	<i>7,2</i>	<i>9.1</i>	<i>3.7</i>	<i>7</i>
3	<b>Investment in fixed capital (mln. AZN)</b>	<b>17238.2</b>	<b>17184.3</b>	<b>17028.1</b>	<b>16127</b>	<b>18272.3</b>	<b>20296.6</b>	<b>11216.9</b>
	<i>Annual growth rate of investment in fixed capital (%)</i>	<i>-4.4</i>	<i>-2.3</i>	<i>-8.3</i>	<i>-8,2</i>	<i>5.5</i>	<i>9.8</i>	<i>1.7</i>
4	<b>Nominal money income of the population (mln. AZN)</b>	<b>53688.6</b>	<b>57035.0</b>	<b>55726.1</b>	<b>57181,5</b>	<b>68914.6</b>	<b>78050.2</b>	<b>53947.2</b>
	<i>Annual growth rate of nominal money income of the population (%)</i>	<i>9.2</i>	<i>7.4</i>	<i>-1.8</i>	<i>2,6</i>	<i>20.5</i>	<i>12.8</i>	<i>6.1</i>
5	<b>Nominal average monthly salary (AZN)</b>	<b>540.1</b>	<b>623.1</b>	<b>703.5</b>	<b>724,1</b>	<b>829.9</b>	<b>923.1</b>	<b>1002.4</b>
	<i>Annual growth rate of nominal average monthly salary (%)</i>	<i>2.9</i>	<i>15.4</i>	<i>12.9</i>	<i>2,9</i>	<i>14.6</i>	<i>11.2</i>	<i>8.3</i>
6	<b>Inflation (%)</b>	<b>2.3</b>	<b>2.6</b>	<b>2.8</b>	<b>6,7</b>	<b>13.9</b>	<b>8.8</b>	<b>1.3</b>

## 2. Monetary sector

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>Monetary base</b>	<b>10318.4</b>	<b>13125.3</b>	<b>15052.9</b>	<b>19761,4</b>	<b>20900.3</b>	<b>19955.3</b>	<b>23205.4</b>
	Monetary base in manats (mln. AZN)	9545.7	12152.5	13564.2	17937,6	17460.3	18402.0	20550.0
	<i>Monetary base with manat (the last 12 month non-oil GDP, %)</i>	<i>20.5</i>	<i>24.1</i>	<i>26.7</i>	<i>31,0</i>	<i>25.0</i>	<i>24.1</i>	<i>25.1</i>
	<i>Monetary base with manat (the rate of change from the beginning of the year, %)</i>	<i>11.7</i>	<i>27.3</i>	<i>11.62</i>	<i>32,24</i>	<i>-2.66</i>	<i>5.4</i>	<i>-1.6</i>
	Cash in circulation	8364.1	10405.5	11839.7	12310,0	14714.4	16343.2	17409.2
	Correspondent accounts	1755.5	2543.2	3204.2	7440,0	6169.7	3610.0	5796.1
	Mandatory reserves	163.0	165.4	149.5	173,4	1389.2	2672.0	5101.0
2	<b>Monetary aggregates</b>							
	M0 (mln. manats)	7601.4	9501.1	10773.4	10940,8	13297.5	14941.4	15896.4
	M1 (mln. manats)	12274.6	15397.9	17864.6	20572,5	25365.8	28076.6	28306.4
	M2 (mln. manats)	14643.6	18238.6	20305.5	23874,9	29565.6	33433.7	35273.4
	M3 (mln. manats)	24060.4	28866.3	29185.8	34646,6	42824.9	42894.2	45021.3
3	<b>Reserves and exchange rate</b>							
	Reserves of CBAR (mln. USD)	5622.5	6258.0	6369.4	7075,4	8995.7	10508.1	11783.5
	AZN/USD official exchange rate	1.7000	1.7000	1.7000	1,7000	1.7000	1.7000	1.7000
	AZN/EURO official exchange rate	1.9468	1.9035	2.0694	1,9222	1.7997	1.7961	1.8981
	Real Effective Exchange Rate (REM) (2000=100)	99.5	99.0	100.4	113,6	122.3	125.1	118.8
On non-oil sector REM (2000=100)	95.3	93.4	97.2	109,2	113.1	123.0	115.2	

### 3. Banking Sector

#### 3.1. Structure and service network of banking market

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>Number of banks</b>	<b>30</b>	<b>30</b>	<b>26</b>	<b>26</b>	<b>25</b>	<b>23</b>	<b>22</b>
	Number of banks getting license since the beginning of the year	0	0	0	0	0	0	0
	Number of banks whose license has been canceled since the beginning of the year	0	0	4	0	1	2	1
	Number of state banks	2	2	2	2	2	2	2
	Number of private banks	28	28	24	24	23	21	20
	Number of banks with foreign capital	15	14	12	12	11	9	9
	<i>Banks with foreign capital more than 50% of the authorized capital</i>	8	7	7	7	6	5	5
	also local branch of foreign banks	2	2	2	2	1	1	1
	<i>Banks with foreign capital up to 50% of the authorized capital</i>	7	7	5	5	5	3	3
2	<b>Service network of banks</b>							
	Number of bank branches	508	509	455	479	487	475	481
	Number of bank departments	130	133	109	97	91	96	88
	Number of ATM-s	2502	2647	2715	2907	2997	3040	3125
	Number of POS Terminals	66110	67468	57120	60936	79100	86383	101066
3	<b>Number of employees working in banking sector</b>	<b>17415</b>	<b>19460</b>	<b>18708</b>	<b>20329</b>	<b>22777</b>	<b>23569</b>	<b>24523</b>
4	<b>Number of non-bank credit organizations</b>	<b>104</b>	<b>90</b>	-	-	-	-	<b>57</b>

### 3.2. Main indicators of banking sector

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>Assets (mln. AZN)</b>	<b>29502.4</b>	<b>32722.8</b>	<b>32055.3</b>	<b>38462,2</b>	<b>47054.9</b>	<b>49178.2</b>	<b>49567.7</b>
	<i>Assets (the last 12 month non-oil GPD ,%)</i>	63.2	64.9	63.1	66,56	67.39	71.96	60.52
2	<b>Total credit investments to the economy (mln. AZN)</b>	<b>13020.3</b>	<b>15298.2</b>	<b>14530.4</b>	<b>17119,8</b>	<b>20184</b>	<b>23979.1</b>	<b>27649.4</b>
	<i>Total credit investments (the last 12 month non-oil GPD ,%)</i>	27.9	30.4	28.6	29,63	28.91	35.09	33.76
	Overdue loans (mln.AZN)	1585.0	1273.1	893.1	719,4	593.7	437.8	473.1
	<i>Overdue loans(%)</i>	12.2	8.3	6.1	4,2	2.9	1.8	1.7
	<b>Aggregate loan portfolio of the banking sector (mln. AZN)</b>	<b>12628.3</b>	<b>14900.9</b>	<b>14157.0</b>	<b>16659,1</b>	<b>19594.4</b>	<b>23183.0</b>	<b>26075.6</b>
	Business loans (mln. AZN)	8113	9032	8478.3	9740	10855.1	12616.8	13999.8
	Consumer loans (mln. AZN)	4515	5869	5678.7	6919,1	8739.3	10566.2	12075.8
	Aggregate loan portfolio of non-bank financial organizations (BOKT) (mln. AZN)	392.0	397.2	373.4	460,7	589.6	796.2	1573.8
	Credit investments in national currency (mln. AZN)	8073.6	10000.8	10204	12696,5	16194.3	18816.1	22038.1
	Credit investments in foreign currency (mln. AZN)	4946.7	5297.4	4326.4	4423,4	3989.6	4366.8	4611.3
	Credit investments in foreign currency (mln. USD)	2909.8	3116.1	2544.9	2603,5	2346.8	2568.7	2712.5
	<i>Credit dollarization (%)</i>	38.0	35.6	29.8	25,84	19.77	23.21	16.68
	3	<b>Total capital (* - marked with periods without IBA)</b>	<b>4071.8</b>	<b>4583.0</b>	<b>4699.2</b>	<b>4969,3</b>	<b>5622.1</b>	<b>6063.4</b>
<i>Total capital (the last 12 month non-oil GPD ,%)</i>		8.7	9.1	9.3	8,6	8.1	8.9	7.7
4	<b>Total deposits (mln. AZN)</b>	<b>21870.4</b>	<b>24746.0</b>	<b>23666.9</b>	<b>29027,7</b>	<b>36249.8</b>	<b>36965.1</b>	<b>37397.5</b>
	Deposits in national currency (mln. AZN)	7581.7	9657.6	10328.0	14681,8	18704.6	22243.8	22227.9
	Deposits in foreign currency (mln. AZN)	14288.7	15088.4	13338.9	14346	17545.2	14721.3	15169.6
	Deposits in foreign currency (mln. USD)	8405.1	8875.5	7846.4	8443,8	10320.7	8659.6	8923.3
	<i>Deposit dollarization (%)</i>	65.3	61.0	56.4	49,4	48.4	39.8	40.6
	<b>Savings of households (mln. AZN)</b>	<b>8375.4</b>	<b>8637.9</b>	<b>8177.9</b>	<b>9241,5</b>	<b>11743.0</b>	<b>12947.8</b>	<b>14185.5</b>
	Savings with national currency (mln. AZN)	3142.3	4132.8	4027.1	5452,2	7139.4	8646.1	9371.6
	Savings with foreign currency (mln. AZN)	5233.1	4505.2	4150.8	3789,3	4603.6	4301.7	4813.9
	Savings with foreign currency (mln. USD)	3078.3	2650.1	2441.7	2230,3	2708.0	2530.4	2831.7
	<i>Savings dollarization (%)</i>	62.5	52.2	50.8	41,0	39.2	33.2	33.9
Deposits of financial organizations (mln. AZN)	1547.7	1726.7	1885.1	1892,7	2481.8		2232.9	
Deposits of non-financial organizations (mln. AZN)	11947.4	14381.5	13603.9	17893,6	22025		20979.1	
5	<b>Foreign liabilities of bank sector (mln.AZN)</b>	<b>1828.1</b>	<b>1645.6</b>	<b>1220.7</b>	<b>1063,2</b>	<b>1761.9</b>	<b>2598.2</b>	<b>2539.5</b>
	Foreign liabilities of bank sector (mln.USD)	1075.4	968.0	718.1	625,8	1036.4	1528.3	1493.8

### 3.3. Profit (loss) indicators of banking sector (mln.AZN)

№	Indicators	2017	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>Net interest income</b>	<b>950.3</b>	<b>1171.1</b>	<b>1330.3</b>	<b>1368.1</b>	<b>1537,5</b>	<b>2040.6</b>	<b>2653.5</b>	<b>1874.5</b>
	Interest income	1775.2	1753.0	1922.2	1920.5	2107,0	2738.8	3492.9	2648.5
	Interest expense	824.9	581.9	547.9	492.5	538,4	657.8	839.4	774.0
2	<b>Net non-interest income</b>	<b>-42.1</b>	<b>-476.5</b>	<b>-481.3</b>	<b>-564.4</b>	<b>-594,7</b>	<b>-669.2</b>	<b>-967.5</b>	<b>-690.3</b>
	Non-interest income	938.5	549.1	723.7	672.1	876,0	1216.0	1368.2	1093.6
	Non-interest expense	980.6	1025.6	1205.0	1236.5	1470,7	1885.2	2335.7	1783.9
3	<b>Net operating profit (loss)</b>	<b>908.2</b>	<b>694.6</b>	<b>849.0</b>	<b>803.7</b>	<b>942,8</b>	<b>1371.4</b>	<b>1641.2</b>	<b>1148.2</b>
4	<b>Special reserves allocations for assets</b>	<b>26.5</b>	<b>345.4</b>	<b>177.3</b>	<b>71.0</b>	<b>168,9</b>	<b>195.5</b>	<b>259.3</b>	<b>203.2</b>
5	<b>Profit until the taxes are paid</b>	<b>938.8</b>	<b>351.7</b>	<b>693.0</b>	<b>733.3</b>	<b>774,6</b>	<b>1176.0</b>	<b>1384.6</b>	<b>947.5</b>
6	<b>Net (after taxes) profit</b>	<b>883.6</b>	<b>279.4</b>	<b>536.9</b>	<b>567.8</b>	<b>609,0</b>	<b>914.5</b>	<b>1076.4</b>	<b>772.3</b>

### 3.4. Financial stability indicators of banking sector

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>Cumulative capital adequacy ratio (without IBA) (%)</b>	-	<b>22.6*</b>	-				
	<b>Aggregate capital</b>	<b>3621</b>	<b>4108</b>	-				
2	<b>Asset quality</b>							
	Share of non-performing loans in the loan portfolio (%)	12.2	8.3	6.1	4,2	2.9	1.9	1.7
	Rate of change of non-performing loans (since the beginning of the year,%)	-2.6	19.7	-29.8	-19,4	-17.5	-25.9	-0.1
3	<b>Profitability</b>							
	Ratio of Net Profit to Assets (%)	0.9%	1.6%	1.8%	1,6%	1.9%	2.2%	1.6%
	Ratio of Net Profit to Total Equity (%)	6.9	11.7	12.1	12,3	154.0	245.8	12.2
	Ratio of interest margin to net operating profit (%)	168.6	156.7	170.2	163,1	148.8	161.7	163.3
	Ratio of net non-interest income to net operating profit (%)	-68.6	-56.7	-70.2	-63,1	-48.8	-58.9	-60.1

\*Including IBA

### 3.5. Policy and market interest rates

№	Indicators	2018	2019	2020	2021	2022	2023	01.09.2024
1	<b>CBAR's interest rate corridor (at the end of the period)</b>							
	The lower limit of the corridor (%)	6.25	5.75	5.75	6	6.25	6.5	6.25
	The upper limit of the corridor (%)	8.25	9.25	6.75	9	9.25	9.0	8.25
	Accounting interest rate (%)	7.25	7.50	6.25	7,5	8.25	8.0	7.25
	Refinancing volume (mln.AZN) (residual at the end of the period)	602.00	681.7	1025.5	977	835.4	664.2	602.00
2	<b>Average interest rates on state securities (at the end of the period)</b>							
	Interest rate on CBAR notes	8.44	5.76	5.76	6,01	6.17	7.23	8.44
	The average interest rate on government short-term bonds	9.46	7.8	5.96	7,00	4.50	5.99	9.46
3	<b>Average interest rates on deposits (at the end of the period)</b>	<b>5.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4,3</b>	<b>4.3</b>	<b>4.7</b>	<b>5.5</b>
	<b>Average interest rates on deposits of legal persons</b>	4.9	<b>2.9</b>	<b>3.5</b>	<b>3,2</b>	<b>3.0</b>	3.8	4.9
	<i>With manats</i>	6.82	4.71	5.92	5,32	5.12	5.63	6.82
	<i>With foreign currency</i>	2.99	1.1	1.05	0,99	0.91	1.92	2.99
	<b>Average interest rates on deposits of physical persons</b>	6.07	<b>6.0</b>	<b>5.58</b>	<b>5,47</b>	<b>5.54</b>	5.67	6.07
	<i>With manats</i>	9.38	9.68	9	9,12	9.28	9.26	9.38
	<i>With foreign currency</i>	2.76	2.4	2.2	1,8	1.8	2.08	2.76
4	<b>Average interest rates on loans to customers (to the end of the period)</b>	<b>9.2</b>	<b>9.69</b>	<b>9.22</b>	<b>9,15</b>	<b>9.02</b>	<b>8.99</b>	<b>9.2</b>
	<b>Average interest rates on loans of legal persons</b>	8.0	<b>7.1</b>	<b>7.1</b>	<b>7,3</b>	<b>7.4</b>	7.6	8.0
	<i>With manats</i>	10.5	8.8	9.27	9,98	9.99	10.14	10.5
	<i>With foreign currency</i>	5.5	5.33	4.98	4,71	4.78	5.16	5.5
	<b>Average interest rates on loans of physical persons</b>	10.4	<b>12.3</b>	<b>11.3</b>	<b>10,9</b>	<b>10.7</b>	10.3	10.4
	<i>With manats</i>	16.2	16.63	16.09	16,44	16.04	16.00	16.2
	<i>With foreign currency</i>	4.6	8.01	6.53	5,45	5.26	4.67	4.6
5	<b>Average interest rates on interbank loans (to the end of the period)</b>	<b>8.6</b>	<b>6.3</b>	<b>6.1</b>	<b>6,5</b>	<b>6.5</b>	<b>8.3</b>	<b>8.6</b>
	<i>With manats</i>	10.11	8.97	7.19	8,44	8.7	9.64	10.11
	<i>With foreign currency</i>	7.10	3.67	4.92	4,5	4.36	6.92	7.10

## 4. External Sector

№	Göstəricilər	2015	2020	2021	2022	2023	2024 6 months
<b>1</b>	<b>Current Operations Balance (mln. USD)</b>	<b>-223</b>	<b>-228</b>	<b>8,292</b>	<b>23,478</b>	<b>8,329</b>	<b>2,625</b>
2	External trade balance (mln. USD)	5,812	2,511	11,274	28,697	12,806	4,623
3	Goods export (mln. USD)	15,586	12,588	21,692	42,207	29,202	12,353
4	Non-oil export (mln. USD)	1,498	1,771	2,547	2,940	3,267	1,569
5	Import of goods (mln. USD)	-9,774	-10,077	-10,419	-13,509	-16,397	-7,729
6	Non-oil import (mln. USD)	-7,370	-8,201	-8,794	-10,970	-13,548	-6,591
7	Services Balance (mln. USD)	-4,228	-2,841	-2,123	-2,698	-2,335	-1,112
8	Transportation services balance (mln. USD)	508	343	831	2,233	1,160	560
9	Construction services balance (mln. USD)	-3,497	-1,113	-1,655	-1,135	-1,431	-688
10	Other services balance	-1,239	-2,071	-1,299	-3,795	-2,064	-984
11	Income balance (mln. USD)	-1,807	102	-859	-2,522	-2,142	-886
<b>12</b>	<b>Capital and financial mobility account (mln. USD)</b>	<b>-8,982</b>	<b>-2,394</b>	<b>-5,048</b>	<b>-12,485</b>	<b>-4,274</b>	<b>-2,210</b>
13	Direct Investments Balance (BİB)	4,223	3,702	4,718	6,104	4,783	2,557
14	Repatriation of attracted investments	-3,438	-4,472	-6,960	-11,203	-6,876	-3,352
15	Portfolio investments balance	-9,813	-2,083	-3,268	-7,838	-2,662	-1,870
16	Oil bonus	2	452	457	452	471	456
17	Reserve Assets Change (USD mln)	<b>-11,330</b>	<b>-1,988</b>	<b>3,081</b>	<b>9,375</b>	<b>5,356</b>	<b>648</b>
18	Balancing agents (mln USD)	<b>-2,037</b>	<b>648</b>	<b>-154</b>	<b>-1,618</b>	<b>1,321</b>	<b>232</b>



## 5. Fiscal Sector

<b>№</b>	<b>Indicators</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>01.09.2024</b>
<b>1</b>	<b>Income of state budget (mln AZN)</b>	<b>22411.2</b>	<b>24199.6</b>	<b>24673.1</b>	<b>26419,1</b>	<b>30660.5</b>	<b>35574.8</b>	<b>25223.4</b>
	<i>Ratio to GDP of State Budget Revenues (%)</i>	<i>28.1</i>	<i>29.6</i>	<i>34.1</i>	<i>28,5</i>	<i>22.9</i>	<b>28.9</b>	<b>31.2</b>
<b>2</b>	<b>Expense of state budget (mln. AZN)</b>	<b>22718.9</b>	<b>24404.8</b>	<b>26417.1</b>	<b>27412,8</b>	<b>32063.3</b>	<b>36458.5</b>	<b>22362.4</b>
	<i>Ratio to GDP of State Budget Expenditures (%)</i>	<i>28.5</i>	<i>29.9</i>	<i>36.5</i>	<i>29,5</i>	<i>24.0</i>	<b>29.6</b>	<b>27.6</b>
<b>3</b>	<b>State budget deficit (mln. AZN)</b>	<b>-307.7</b>	<b>-205.2</b>	<b>-1744.0</b>	<b>-993,7</b>	<b>-1402.8</b>	<b>-883.7</b>	<b>2861</b>
	<i>Ratio to GDP of State Budget Deficit (%)</i>	<i>-0.4</i>	<i>-0.3</i>	<i>-2.4</i>	<i>-1,1</i>	<i>-1.0</i>	<b>-0.7</b>	<b>3.5</b>
<b>4</b>	<b>Incomes of State Oil Fund (mln. AZN)</b>	<b>17614.1</b>	<b>19030.6</b>	<b>9360.8</b>	<b>15985,6</b>	<b>9586.0</b>	<b>21661.9</b>	<b>-</b>
<b>5</b>	<b>Expenses of State Oil Fund (mln. AZN)</b>	<b>11455.6</b>	<b>11588.6</b>	<b>12425.3</b>	<b>11382,7</b>	<b>4699.0</b>	<b>11832.6</b>	<b>-</b>
<b>6</b>	<b>Transfers to state budget from State Oil Fund (mln. AZN)</b>	<b>10959.0</b>	<b>11364.3</b>	<b>12200.0</b>	<b>11350,0</b>	<b>7923.0</b>	<b>11737.6</b>	<b>-</b>
<b>7</b>	<b>Transfers to the CBAR for the purpose of macroeconomic stability (mln.AZN)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>8</b>	<b>Volume of State Oil Fund Assets (mln. USD)</b>	<b>38515.2</b>	<b>43323.3</b>	<b>43564.3</b>	<b>45025,1</b>	<b>49033.6</b>	<b>56069.7</b>	<b>-</b>

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