



SIRIUS_{CAPITAL}

Armenia:
Investment Ideas

MARCH 2025

Armenian Eurobonds



New 2035 Eurobond Issuance Details

Issued Amount	\$750 million
Maturity	March 12, 2035 (10-year bond)
Final Yield	7.1% (initial pricing: 7.5%)
Coupon	6.75%
Investor Demand	Over \$2.6 billion in orders
Use of Proceeds	Refinancing of 2025 Eurobonds, Budget Spending
Credit Ratings	BB- / BB- / Ba3
Lead Managers	J.P. Morgan, Citigroup, Crédit Agricole CIB

Armenian Eurobonds

Key Investment Case

△ Potential Credit Rating Upgrade:

Lower geopolitical risk + improving fiscal metrics could drive a move from **BB-** to **BB+** in the next 12-24 months.

☑ Strong Investor Demand:

March 2025 issuance was **oversubscribed** (\$2.6B+ orders vs. \$750M issued)

☑ Geopolitical Risk Reduction:

Peace treaty progress with Azerbaijan improves investor sentiment

☑ Stable Debt Profile:

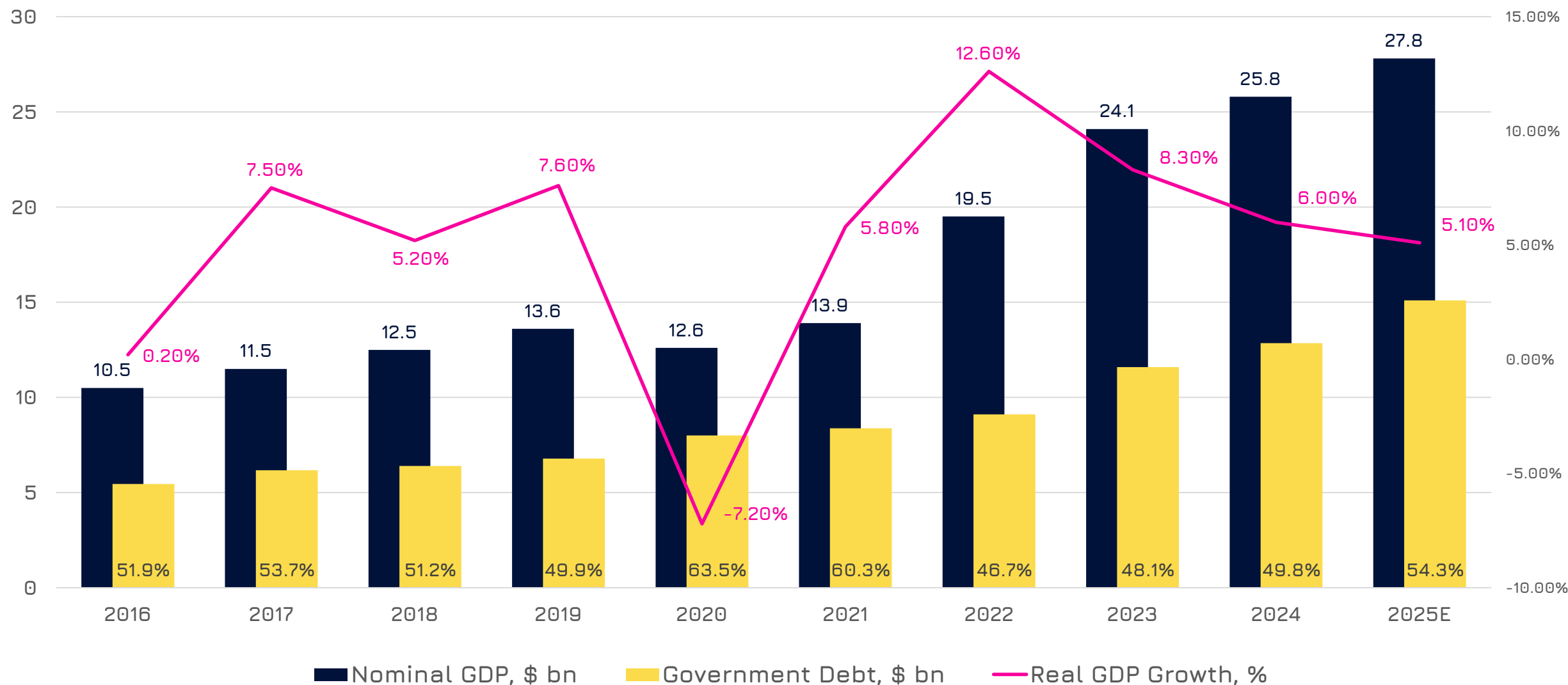
Moderate **debt-to-GDP** (49.8% in 2024), proactive refinancing reduces rollover risk

☑ Macroeconomic Strength:

Robust **GDP growth** (6% in 2024), and **stable fiscal discipline** (budget deficit 5.5% GDP) support credit quality

Armenian Eurobonds

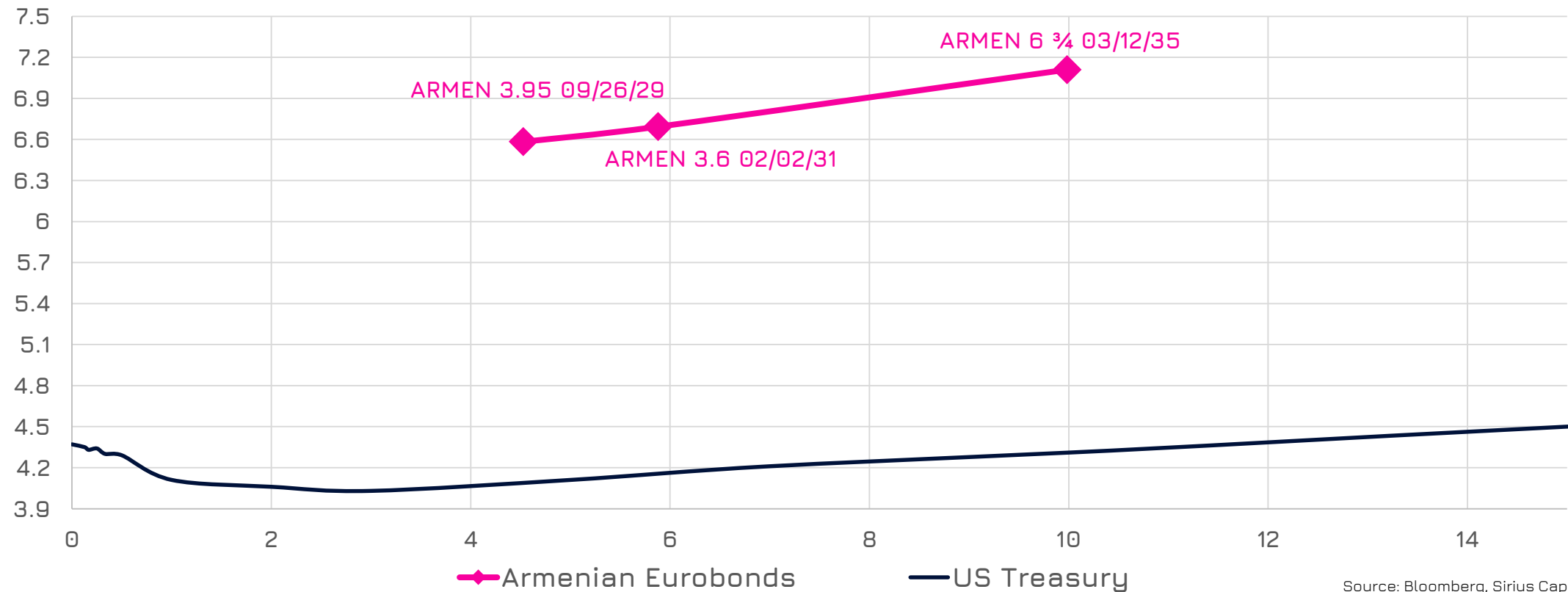
Government Debt's Share in GDP



Armenian Eurobonds

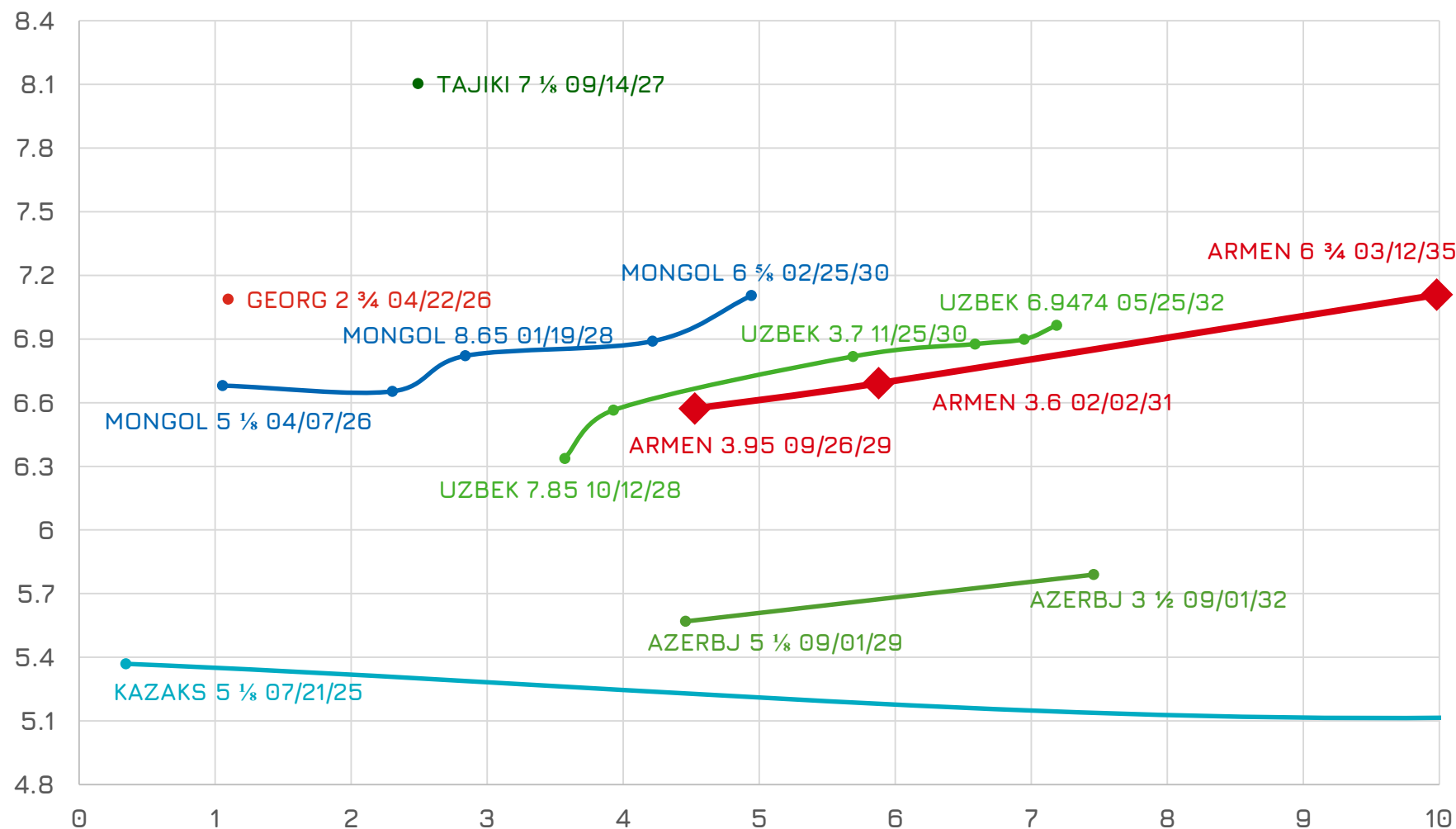
Armenia's Presence in International Capital Markets

- First Eurobond issued in 2013
- 5 issuances: Total issued amount \$3.2 billion
- 4 active issues: Outstanding amount \$2.3 billion
- 2025 Eurobond maturing on March 26: \$313 million outstanding



Armenian Eurobonds

CIS+ USD Sovereign Eurobonds

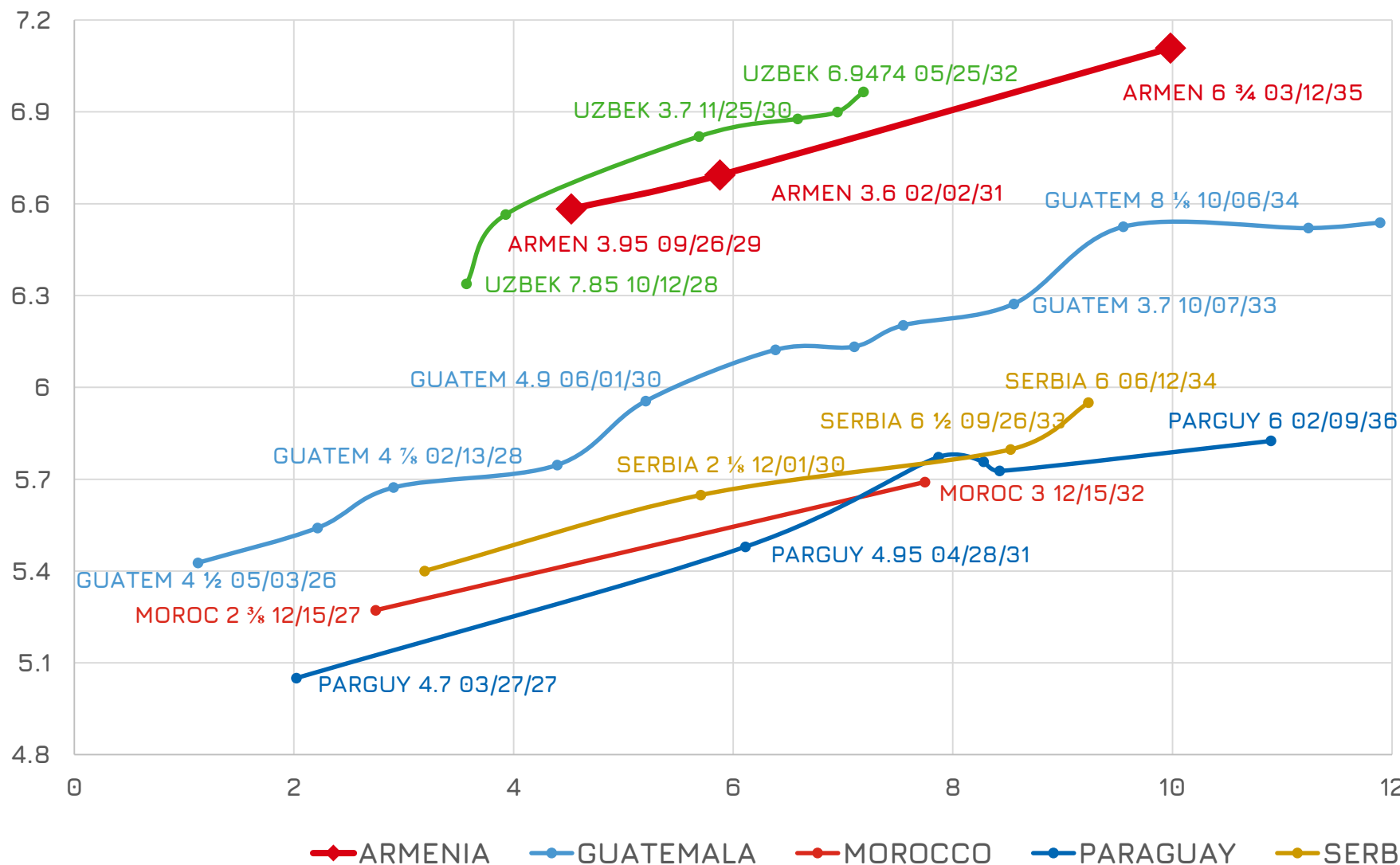


Country	S&P	Moody's	Fitch
Armenia	BB-	Ba3	BB-
Azerbaijan	BB+	Ba1	BBB-
Georgia	BB	Ba2	BB
Kazakhstan	BBB-	Baa1	BBB
Mongolia	B+	B2	B+
Tajikistan	B	B3	NR
Uzbekistan	BB-	Ba3	BB-

ARMENIA AZERBAIJAN GEORGIA KAZAKHSTAN MONGOLIA TAJIKISTAN UZBEKISTAN

Armenian Eurobonds

EM & Frontier USD Sovereign Eurobonds



Country	S&P	Moody's	Fitch
Armenia	BB-	Ba3	BB-
Guatemala	BB	Ba1	BB
Morocco	BB+	Ba1	BB+
Paraguay	BB+	Baa3	BB+
Serbia	BBB-	Ba2	BB+
Uzbekistan	BB-	Ba3	BB-

Armenian Dram Carry Trade



Key Investment Case

☒ High Yield Advantage

CBA refinancing rate at 6.75%, 3-year AMD bonds yielding ~9.4%, offering a strong rate differential vs. low-yielding funding currencies (CHF, JPY, EUR)

☒ Stable Currency & FX Accessibility

AMD remains resilient, with low historical volatility and full settlement availability via Clearstream (CDA) for international investors

☒ Strong Fiscal Discipline & Debt Management

Moderate debt-to-GDP, prudent refinancing strategies, and controlled budget deficits ensure a stable macroeconomic environment

☒ No Capital Controls & Free Repatriation

Unrestricted conversion, transfer, and repatriation of funds make it a fully accessible carry trade market

Armenian Dram Carry Trade

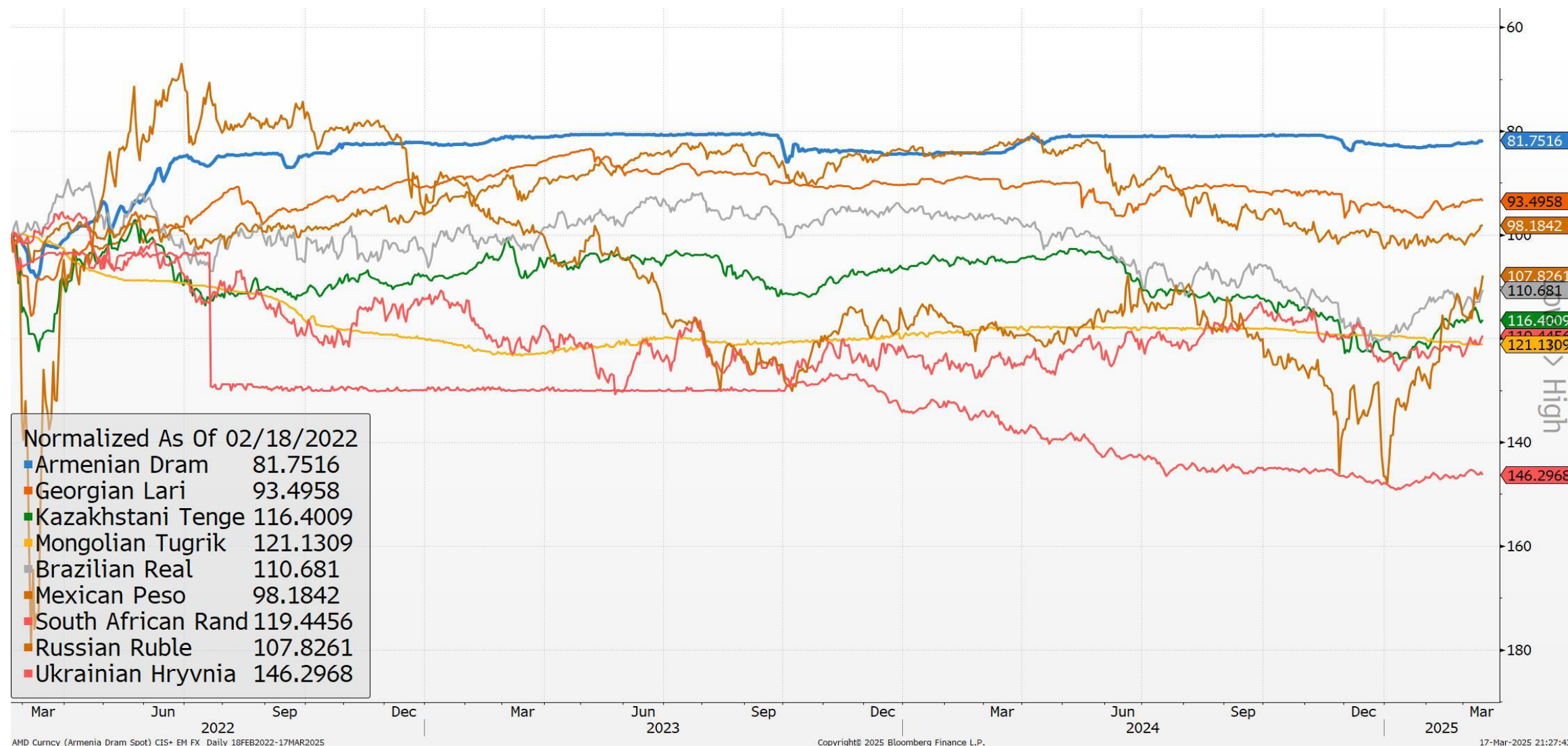


Key Macroeconomic Indicators:

Indicator	Value
Volume of AMD Government Securities' Issuance (2024)	679.4 bn AMD
Outstanding AMD Government Securities Volume (as of 31-Dec-2024)	2474 bn AMD
Armenia Real GDP Growth 2024	6.00%
Armenia Real GDP Growth 2025 (estimated)	5.10%
Armenia CPI YoY 2024	0.30%
Armenia CPI YoY 2025 (estimated)	3.50%
Central Bank of Armenia Refinancing Rate	6.75%
3-Year AMD Treasury Bond Yield (Primary)	~9.40%
Armenia FX Reserves (as of 31-Dec-2024)	3.67 bn USD

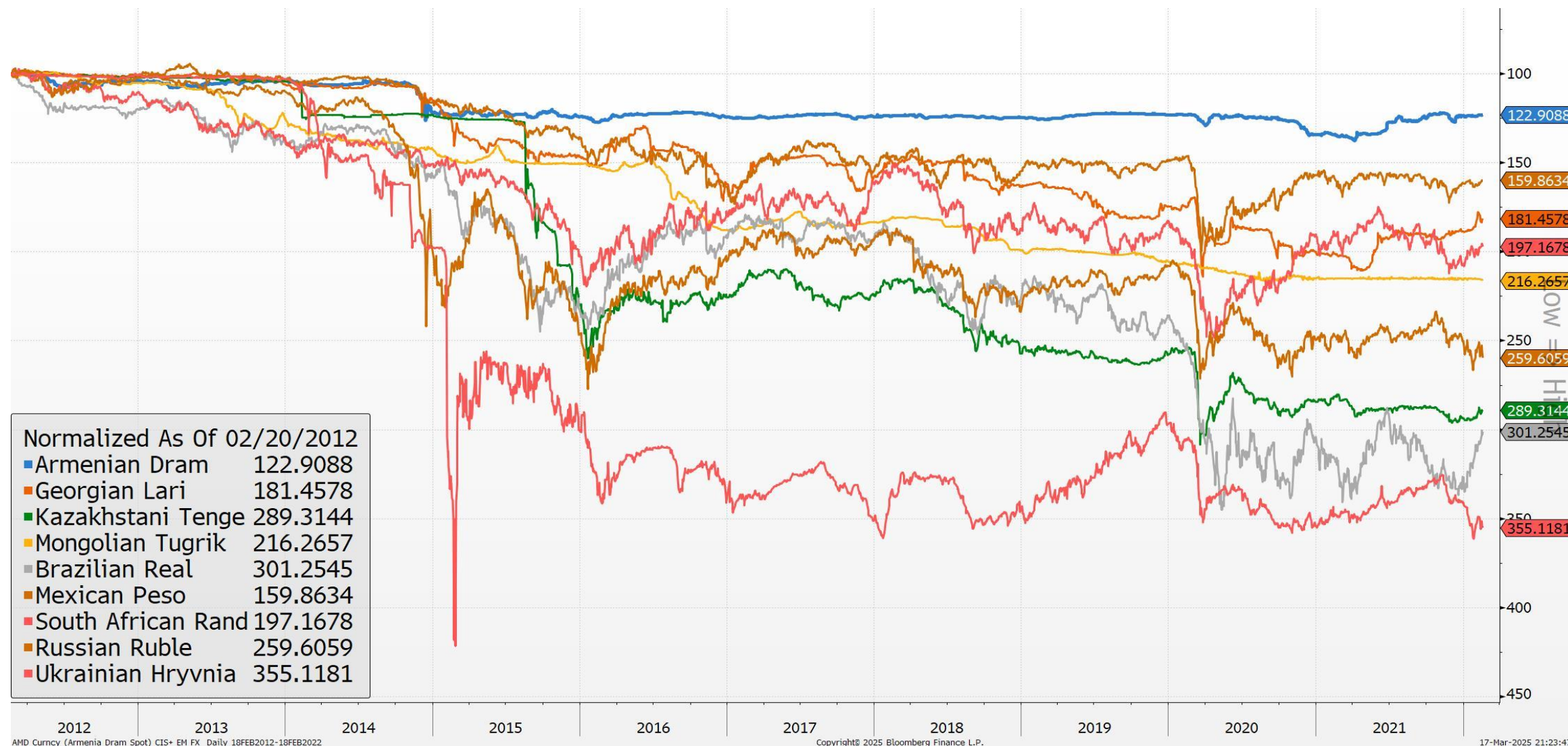
Armenian Dram Carry Trade

Emerging & Frontier Markets Currencies vs USD 2022-2025



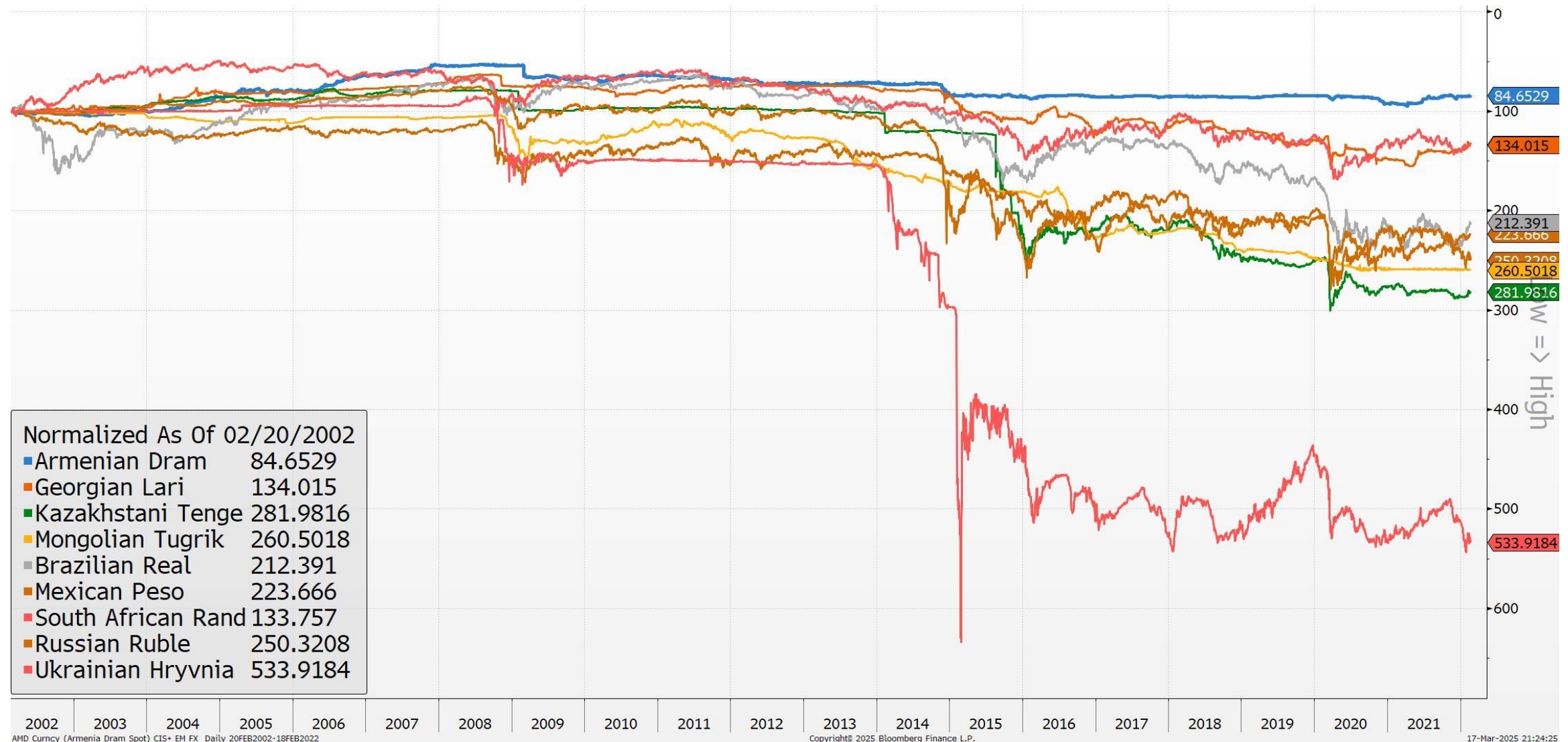
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Emerging & Frontier Markets Currencies vs USD 2012-2022



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Emerging & Frontier Markets Currencies vs USD 2002-2022



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CIS+ Interest Rates:

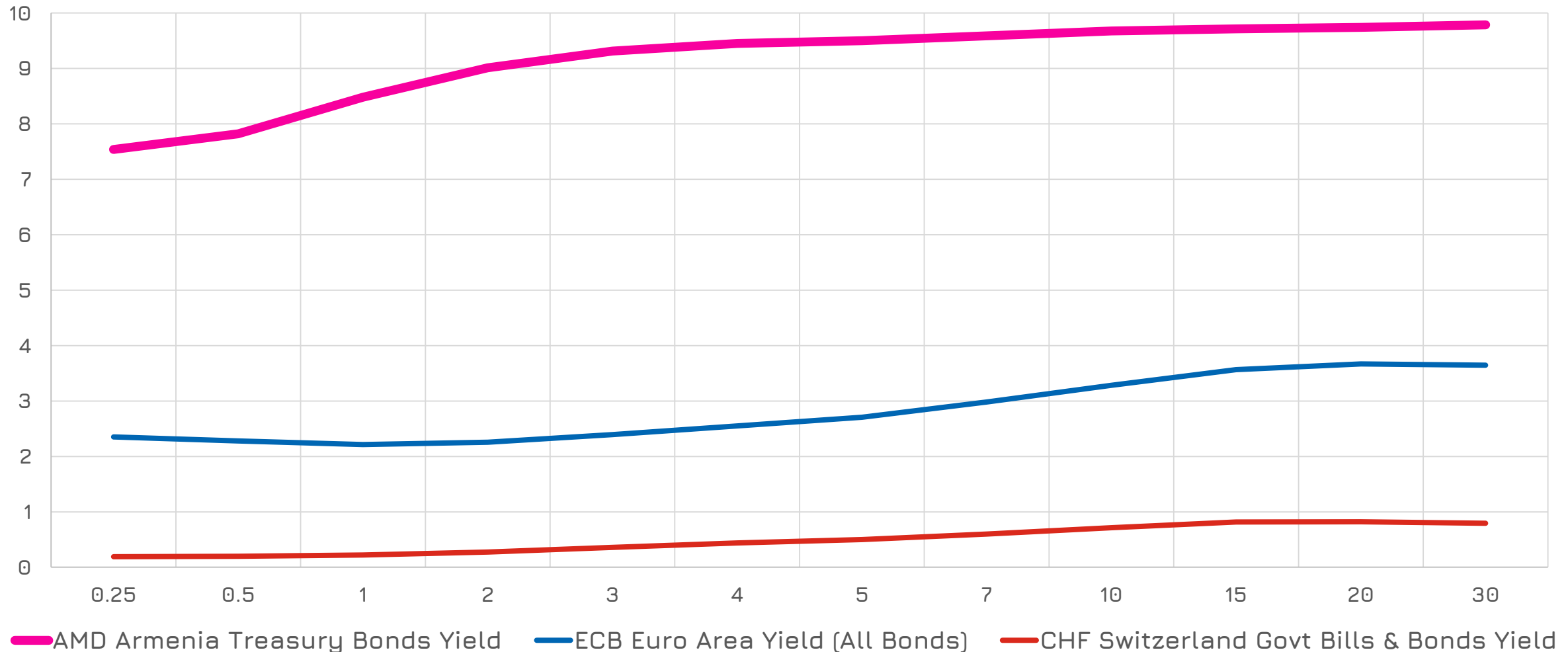
Country/Currency	Interest Rate (%)
Armenia	6.75
Azerbaijan	7.5
Belarus	9.75
Georgia	11
Kazakhstan	10.75
Kyrgyzstan	9
Moldova	6
Mongolia	12
Russia	21
Tajikistan	13
Turkmenistan	5
Uzbekistan	14
Ukraine	25

DM & EM Interest Rates:

Country/Currency	Interest Rate (%)
United States	4.5
Eurozone	2.65
Japan	-0.1
Switzerland	0.5
China	3
India	6.5
Brazil	13.25
South Africa	7.5
Mexico	9.5
Canada	3
United Kingdom	4.5
New Zealand	3.75
Australia	4.1

Armenian Dram Carry Trade

Treasury Bills & Bonds Curves



About Sirius



Innovative Digital DMA Trading Platform:

Our proprietary iOS & Android app provides seamless access to global financial markets, advanced trading tools, and real-time analytics

Global Markets Brokerage:

- Equities, fixed income, structured notes, and derivatives via our brokerage desk
- Over 80 trading lines with leading global brokers and investment banks
- Diversified prime brokers setup

Global Custody Setup

Access to Euroclear, CDA, DTCC, CCASS

FX Conversion Services:

AMD, USD, EUR, RUB, AED, CNY, and other currencies

Derivatives & Structured Products

OTC notes, certificates, or derivatives under ISDA framework

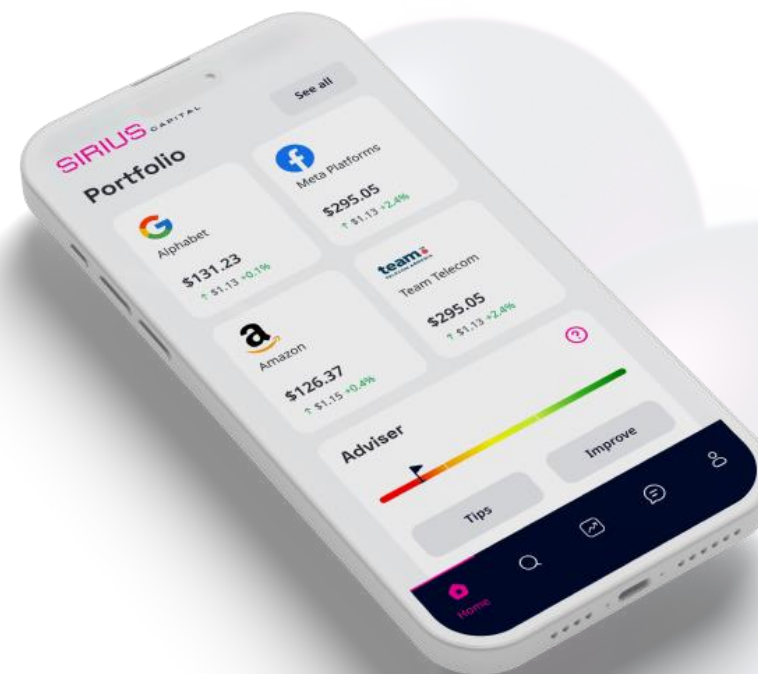
Liquidity Management Solutions

For corporate clients to enhance capital efficiency

Wealth & Asset Management

Investment Banking Services

- ECM, DCM solutions in Armenia and globally
- Sell-side research in Bloomberg, Refinitiv, IHS Markit



Core Team



ARARAT MKRTCHYAN
CEO, Founder

Ararat is the founder of Sirius Capital and Beta FT, bringing over 15 years of expertise in structured finance, derivatives, fixed income, and interest rate trading. He began his career in the Big 4 before advancing to senior managerial roles at leading investment banks, including Sova Capital and BCS, across London and Moscow



GRAIR SARKISIAN
Head of Trading, Partner

With a decade of expertise in quantitative finance, derivatives, and treasury management, Grair currently spearheads index engineering at Beta FT and leads trading at Sirius Capital. His career spans significant roles in quantitative finance at leading institutions, including VTB Capital, Sberbank CIB, and BCS



ELIZAR BUBNOV
Chief Investment Officer

Elizar brings a decade of experience in portfolio management, structured finance, and derivatives, honed at investment banks such as Renaissance Capital, KIT Finance, and Sberbank. His work across Emerging and Frontier markets has garnered recognition through esteemed European awards



RITA TSOVYAN
Head of Credit Research

Rita brings over 14 years of experience as a sell-side credit research analyst at leading financial institutions, including Renaissance Capital, Sberbank CIB, and Raiffeisenbank. She specializes in covering Emerging and Frontier market sovereign and corporate debt



ANNA KAZARIAN
Head of Equity Research

Anna has over 10 years of experience as a sell-side equity research analyst at top financial institutions, including Credit Suisse and VTB Capital, with a focus on Emerging and Frontier markets. Most recently, she served as Investor Relations Manager at VK (formerly Mail.ru Group)

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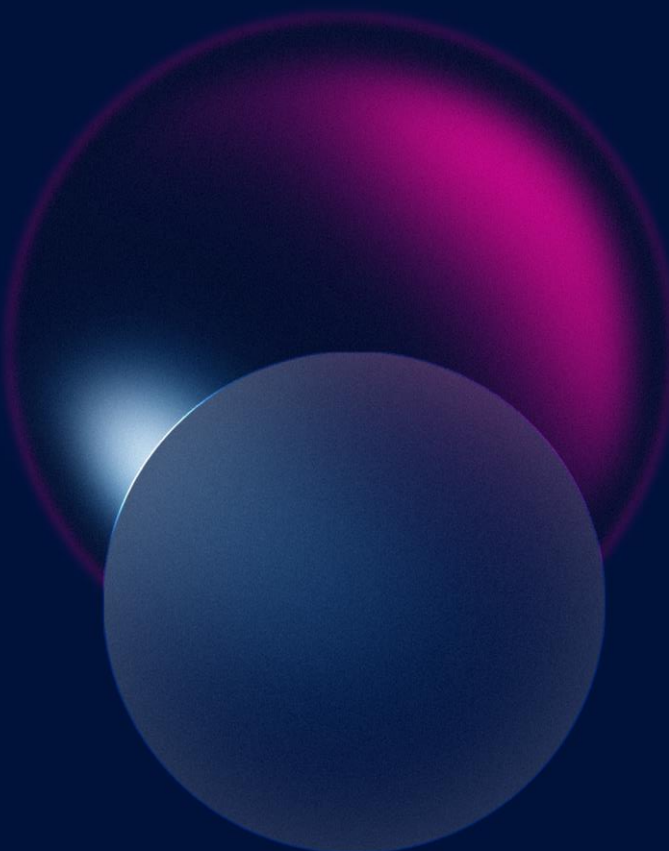
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