



Q1 2026 Summary: Armenia's Corporate Bond Market: The New Locomotive of Capital Markets?

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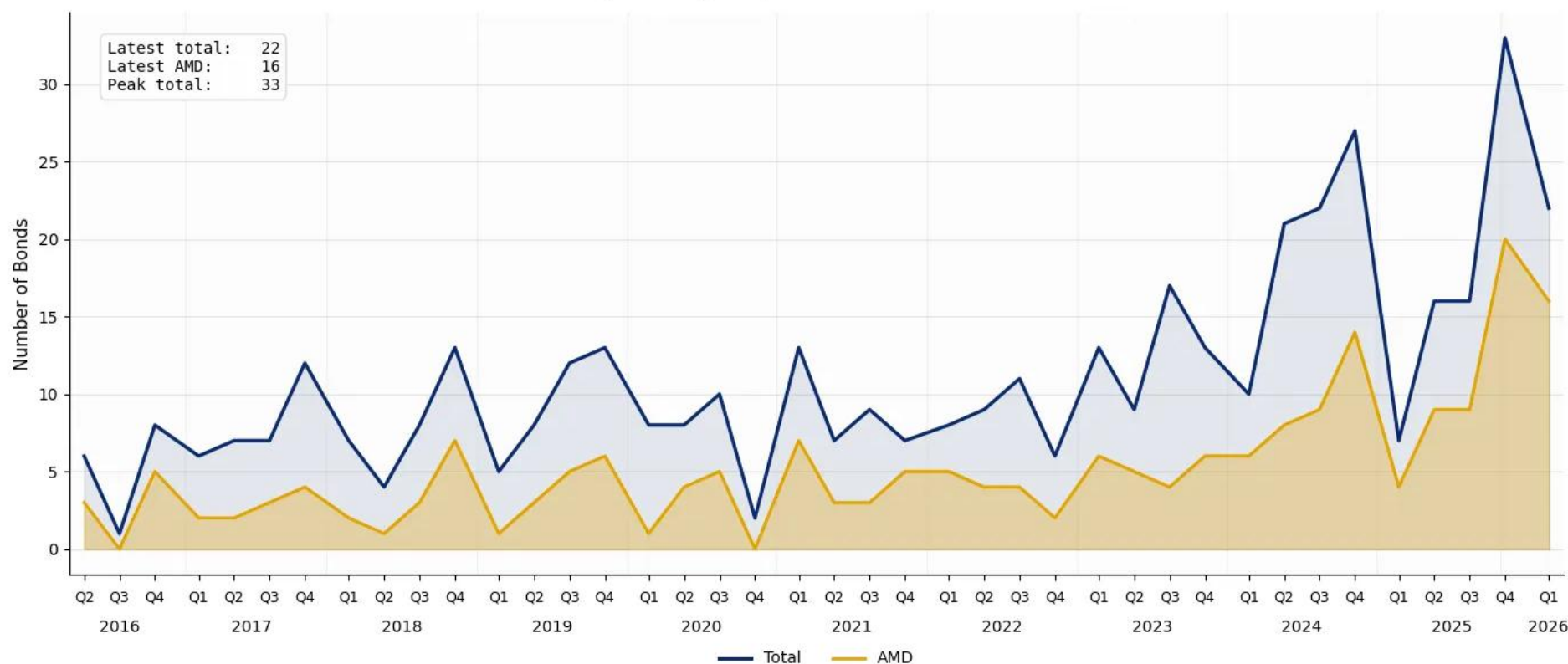
Summary

- **Rise of the Non-Financial Sector:** There is a marked increase in activity from non-financial entities. In the first quarter of 2026, issuances from non-financial corporations began to rival the banking sector in volume, becoming the primary engine of market growth.
- **Record-Breaking Activity:** Trading volume on the Armenia Securities Exchange (AMX) reached a historic high of 1,804 transactions. This surge signals a robust secondary market and heightened investor confidence.
- **Currency Stability:** The majority of instruments in circulation remain denominated in AMD (Armenian Dram). This trend is a result of strong AMD and strengthens the foundation of the local capital market.
- **Maturity Shifts:** While 1-3 year bonds remain dominant, there is a gradual and noticeable shift in interest toward longer-term instruments in the 3-5 year range.
- **Market Liquidity:** Stability and liquidity are underpinned by leading financial institutions-such as Ardshinbank, Armswissbank, ID Bank and Ameriabank-acting as key market makers.
- **The corporate bond market** has officially stepped into its role as a new major source of financing, facilitating a direct and efficient link between investors and expanding businesses.

Growth in Issuance Volume and Currency Structure

The pace of market development evidences an increase in investor confidence and issuer activity. Over the past decade, the growth of corporate bond issuances has become particularly noticeable during the 2024–2026 period, when the number of quarterly issuances reached historical maximum levels.

Quarterly Corporate Bond Issuance



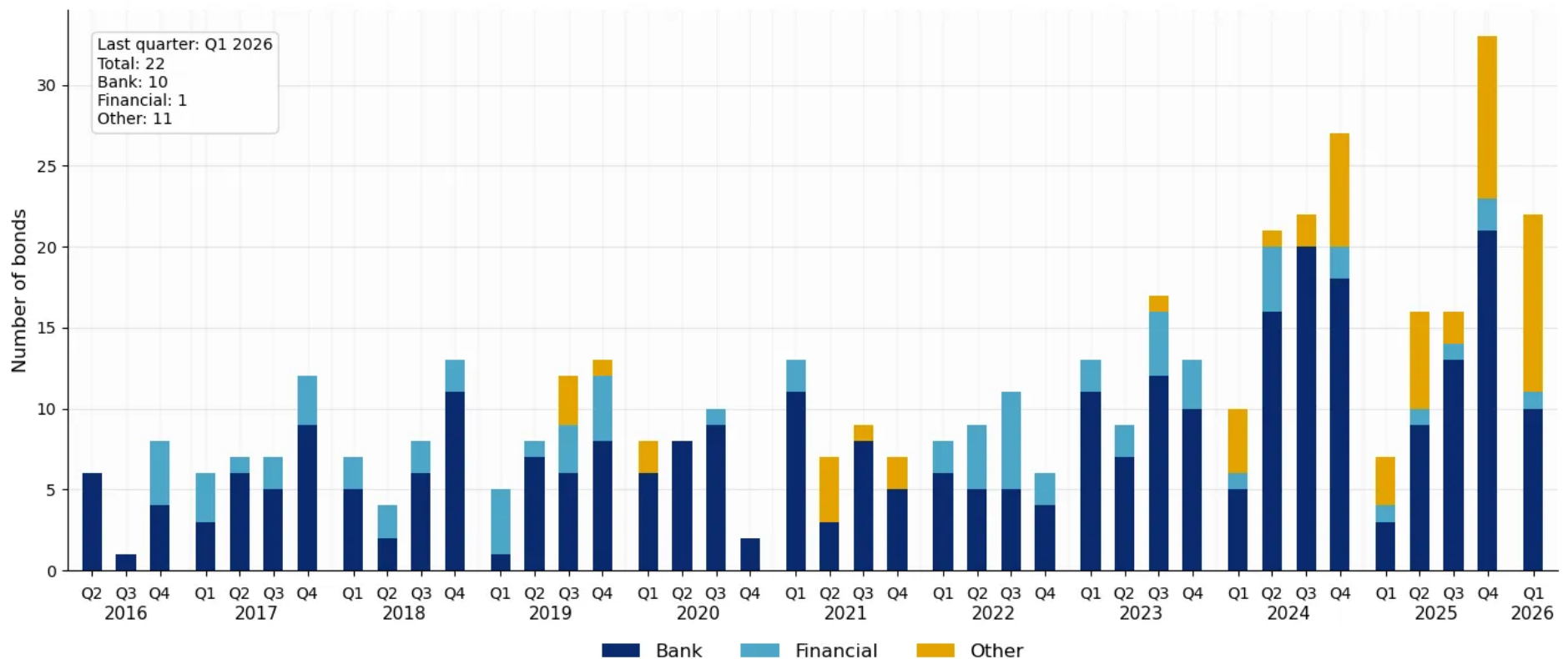
Data: AMX, Bloomberg | Analysis: KK Partners

It is noteworthy that the share of bonds denominated in AMD remains stable. Despite the demand for foreign currency instruments, issuances in the local currency continue to be the pillar of the market, ensuring stability and reducing exchange rate risks for issuers.

Activity in the Non-Financial Sector

For a long time, banks held a dominant position in the market; however, the pattern of recent quarters shows that the structure is gradually changing. Data from the first quarter of 2026 demonstrate that the non-financial corporate sector has begun to seriously compete with the banking system in terms of the number of issuances.

Quarterly Corporate Bond Issuance by Industry

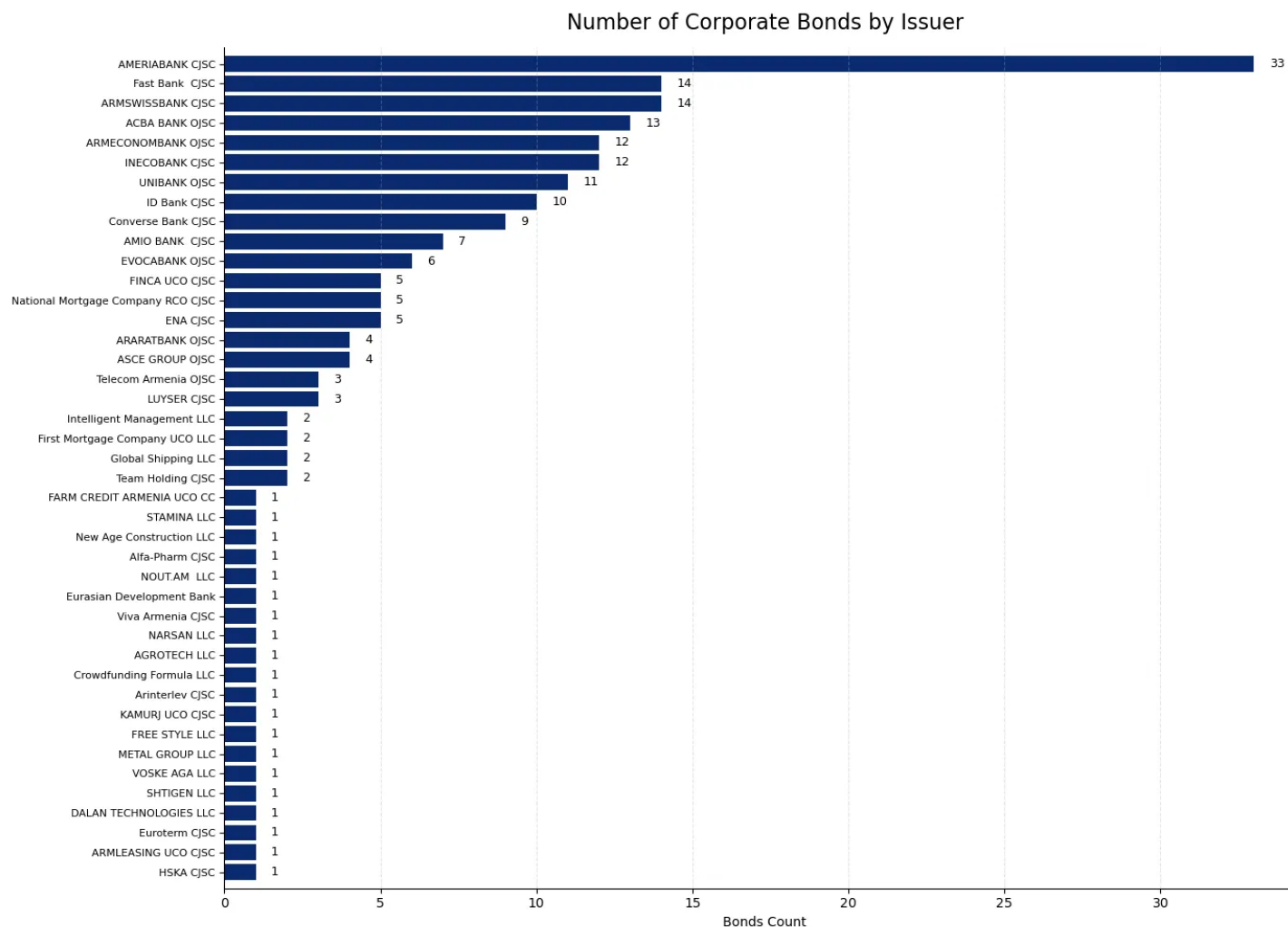


Data: AMX, Bloomberg | Analysis: KK Partners

This is an important signal for the entire economy. While in the past bonds were primarily a tool for managing bank liquidity, they now directly nourish the energy, telecommunications, and industrial sectors.

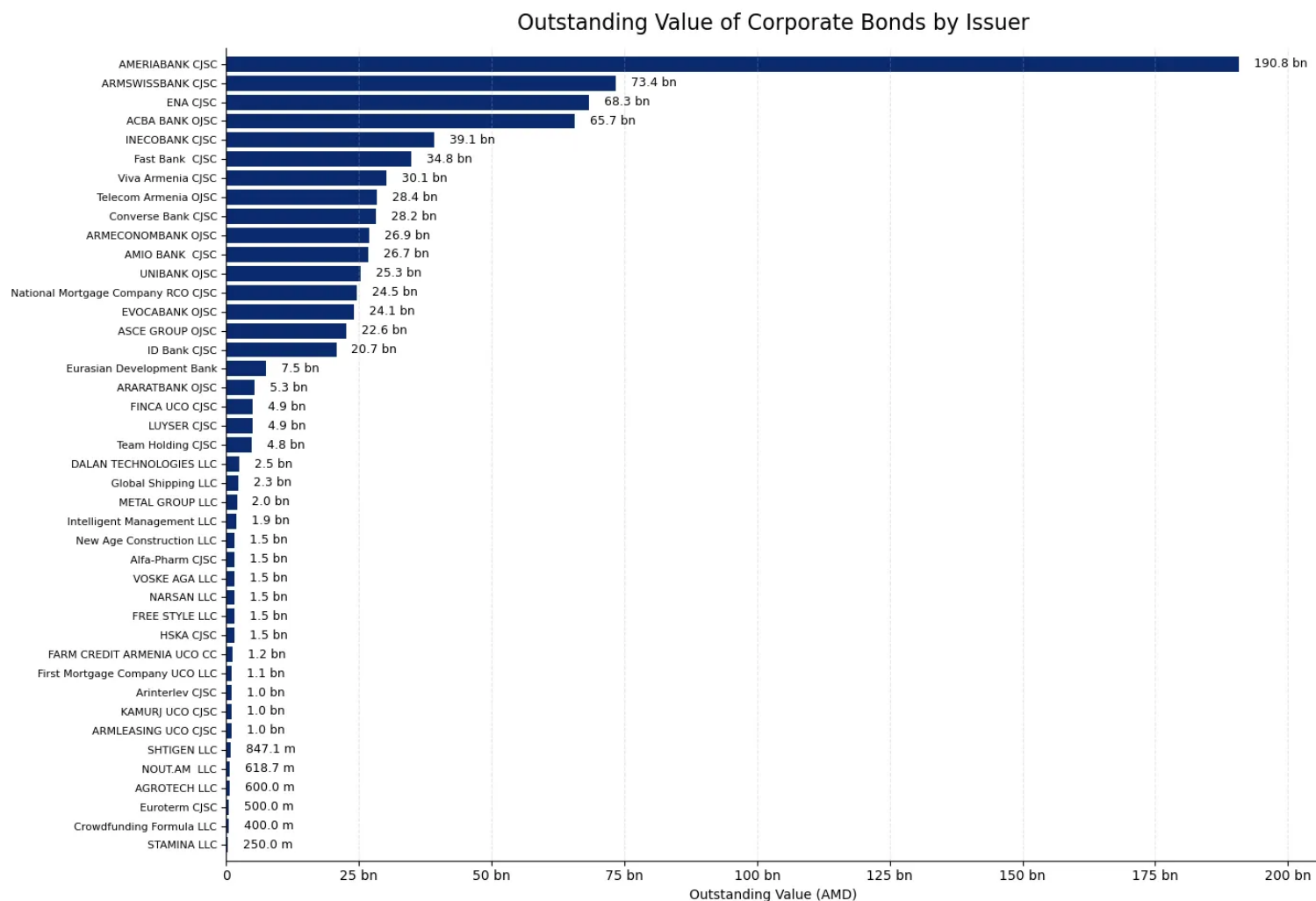
Leading Issuers in the Market

A quantitative analysis of issuers shows that there is a distinct group of leaders in the market. Ameriabank continues to maintain its position as the most active issuer.



Data: AMX | Analysis: KK Partners

When assessing the market structure, it is important to consider not only the number of issuances but also the nominal volume of bonds in circulation. Ameriabank is the leader by this indicator as well; however, representatives of the non-financial sector have also become more visible among the largest players.



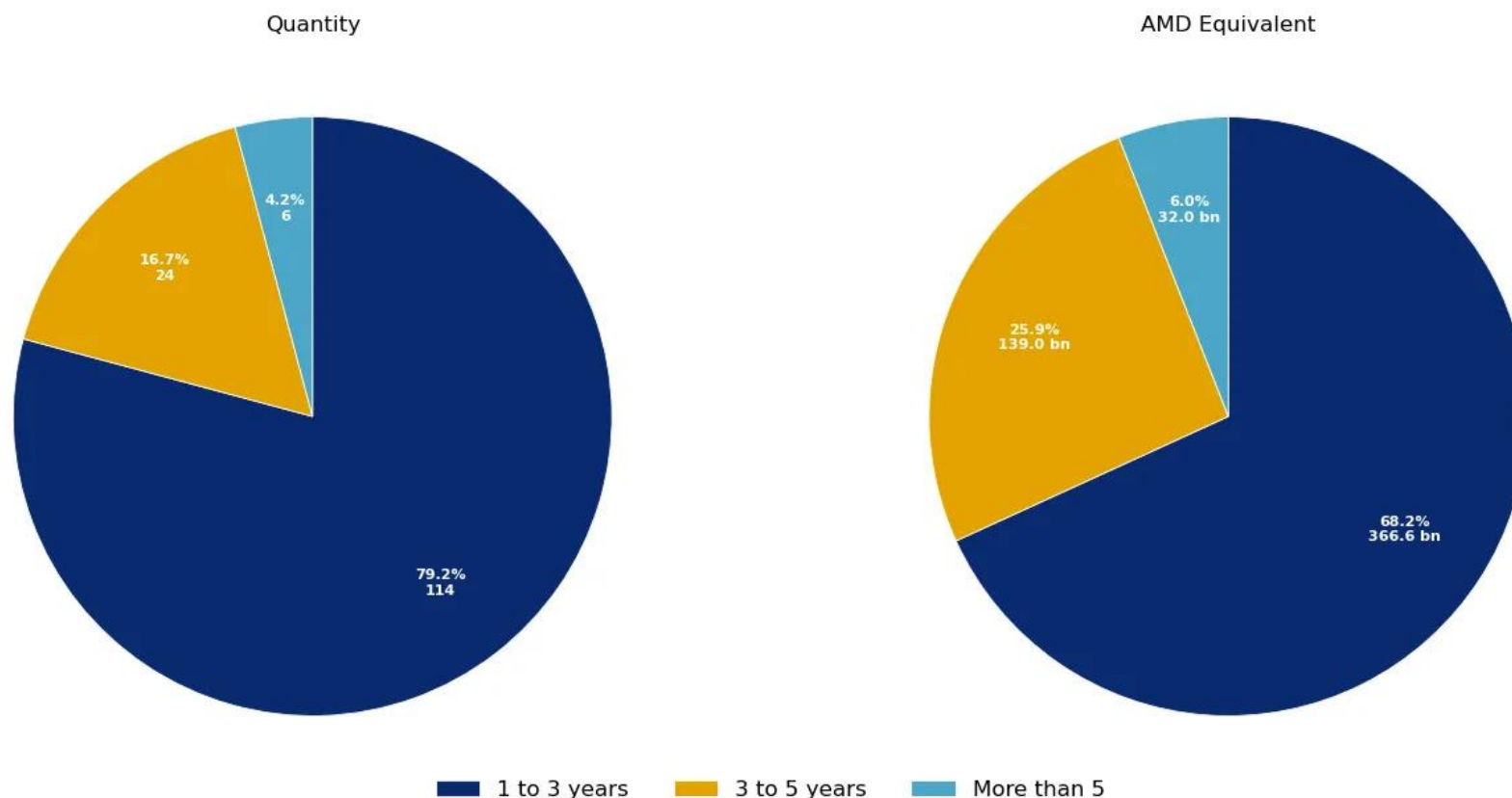
All foreign currency-denominated bonds are converted into AMD.

Data: AMX, Bloomberg | Analysis: KK Partners

Maturity Periods and Investment Horizon

The maturity structure of the bonds suggests that investors continue to prefer medium-term instruments. Bonds with a maturity of 1 to 3 years continue to constitute the predominant part of the market, both in terms of quantity and volume.

Corporate Bonds Distribution by Maturity



All foreign currency-denominated bonds are converted into AMD.

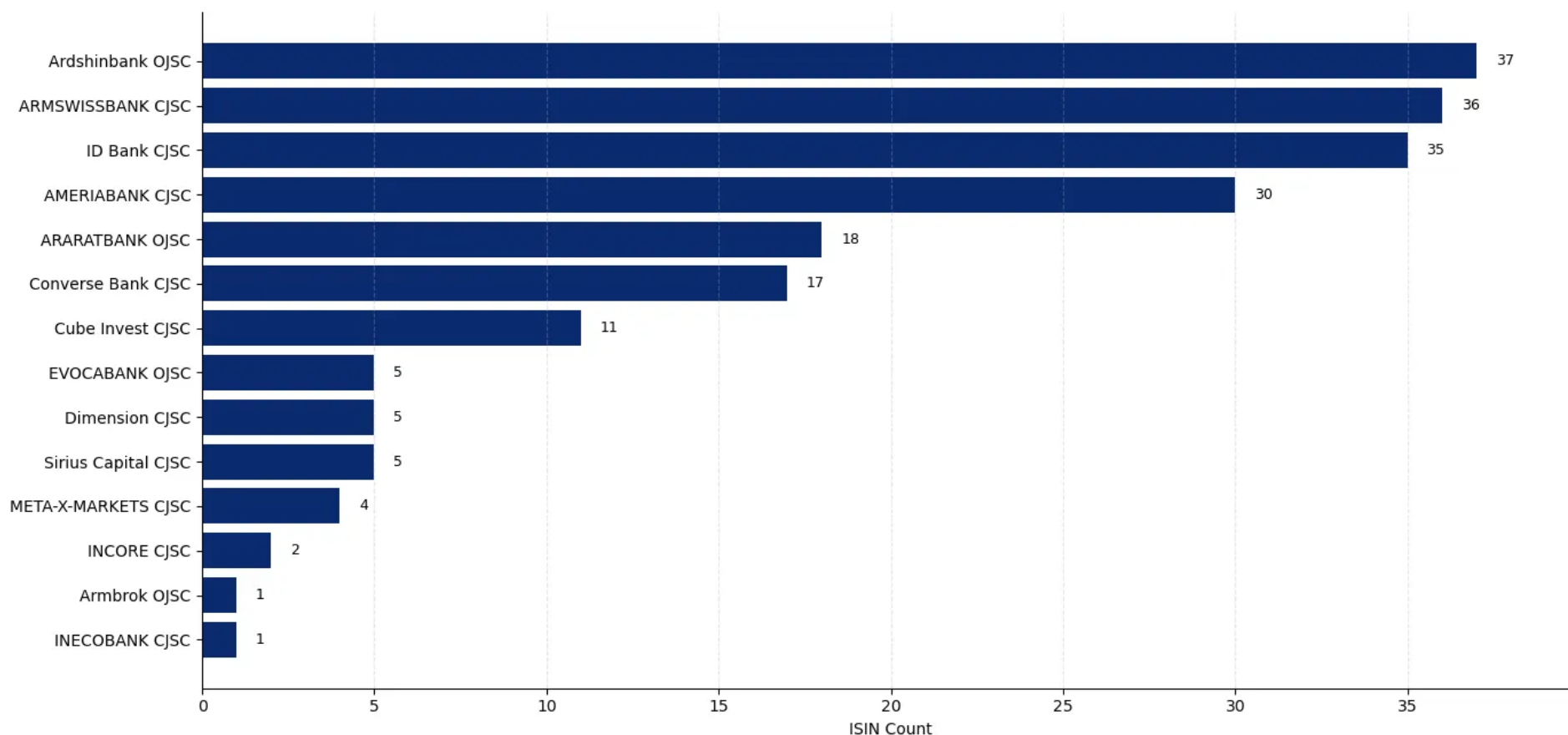
Data: AMX, Bloomberg | Analysis: KK Partners

The scarcity of instruments with maturities exceeding 5 years remains a challenge for financing long-term investment projects. However, the gradual growth in the 3–5 year segment is encouraging and evidences the expansion of the investors' horizon.

Market Makers and Liquidity

Activity on the trading platform largely depends on the work of market makers. Ardshinbank, Armswissbank, and ID Bank are the primary liquidity providers, covering the largest number of bonds.

Corporate Bonds Covered by Market Maker



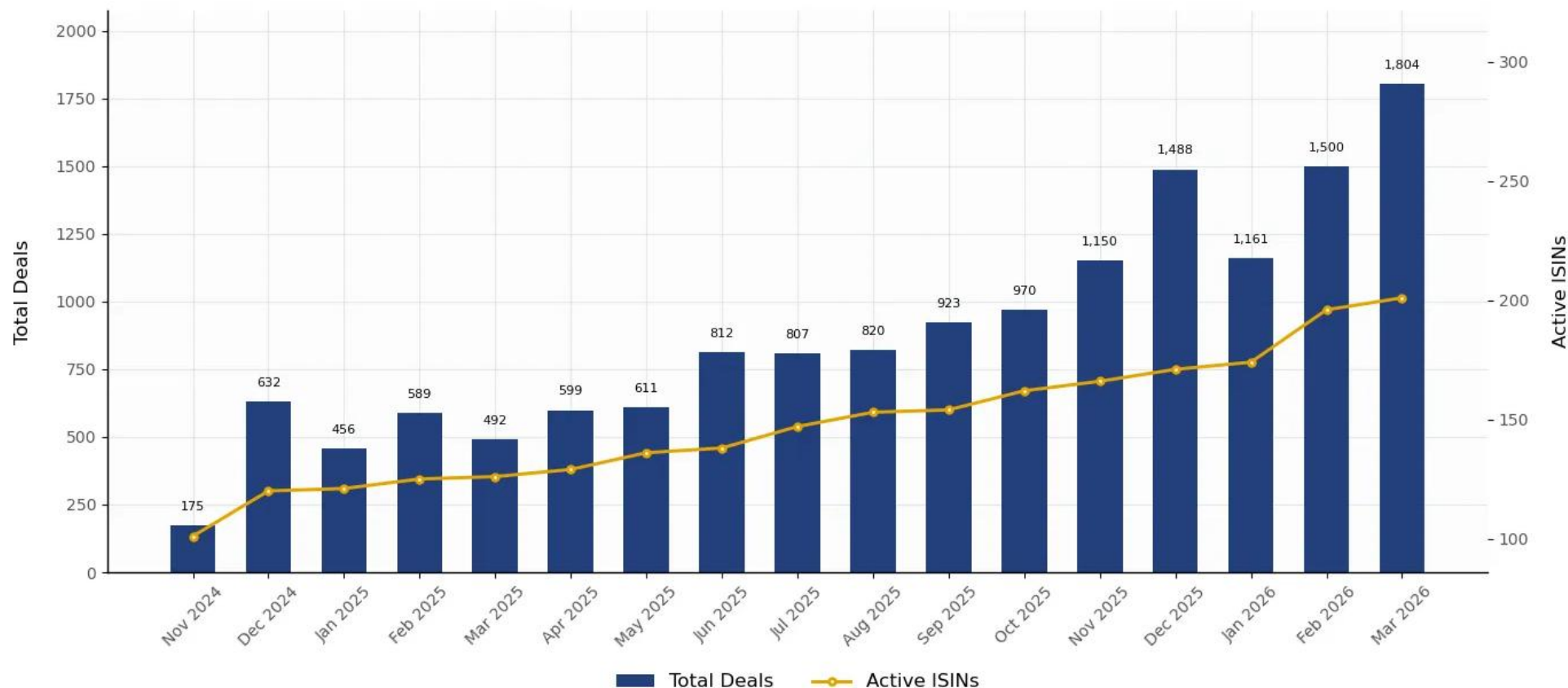
Data: AMX, Bloomberg | Analysis: KK Partners

The role of these institutions is pivotal, as they are the ones ensuring the possibility of buying and selling instruments in the secondary market, transforming bonds into a liquid investment asset.

Growth in Activity and Future Prospects

The growth rates of corporate transaction volumes and active bonds on the Armenia Securities Exchange over recent years evidence the maturation of the market. By the end of the first quarter of 2026, the number of transactions reached record levels, which is a key indicator of the market's expanding activity and the level of investor engagement.

Growth Trend in Corporate Bond Deals in AMX



Data: AMX, Bloomberg | Analysis: KK Partners

Can corporate bonds become the new driving force of Armenia's economy? Current data suggest that such potential is clearly taking shape.

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