



Bank Base Rate

Bank Base Rate	
AMD	9.50%
USD	9.25%
EUR	8.00%

AMD Base Rate (not amended)

AMD Base Rate is equal to the Refinancing (Repo) Rate announced by the Central Bank of Armenia plus a fixed margin. Repo Rate is always published on the Central Bank's web-site: www.cba.am

If there is a move (up or down) in the Repo Rate by 200 basis points (2 percentage points) since the date of last review of the AMD Base Rate by the Bank, the Bank is entitled to change AMD Base Rate. The fixed margin over the Repo Rate may be amended at any time at the Bank's discretion to reflect local or international market changes.

AMD Base Rate last review date is 24 October, 2017

Effective from 01 December, 2017

USD Base Rate (amended)

USD Base Rate is equal to the US Federal Funds Target Rate (rate announced by the US Federal Reserve - Central Bank of the United States of America) plus a fixed margin. US Federal Reserve Target Rate is always published on the Federal Reserve's web-site:

<http://www.federalreserve.gov/fomc/fundsrate.htm>

If there is a move in the US Federal Funds Target Rate by 200 basis points (up or down) since the date of the last review of the USD Base Rate by the Bank, the Bank is entitled to change USD Base Rate. The fixed margin over the US Federal Funds Target Rate may be amended at any time at the Bank's discretion to reflect local or international market changes.

USD Base Rate last review date is 27 March, 2018

Effective 01 May, 2018



Explanatory Note on USD Base Rate change

On 27 March 2018, after detailed analysis of the market "HSBC Bank Armenia" CJSC has made a decision to review USD Base Rate and decrease it by 50 basis points from 9.75% to 9.25% effective from 01 May, 2018. This decision is based on the following factors:

Decreasing tendency in USD interest rates in the Armenian market mainly driven by significant excess of USD liquidity.

Reduced mandatory reserve requirements by Central Bank of Armenia against funds attracted in foreign currency (from 20% to 18%) and stability at that level.

Forward looking outlook of Long-Term Foreign and Local-Currency Issuer Default Ratings set by international Rating agencies for Armenia has been changed from "stable" to "positive", which is expected to have downward influence on borrowing costs.

EUR Base Rate (not amended)

EUR Base Rate is equal to the Main Refinancing Operations Fixed Rate announced by the European Central Bank (ECB Main Refinancing Operations Fixed Rate) plus a fixed margin. ECB Main Refinancing Operations Fixed Rate is always published on the European Central Bank's web-site:

<http://www.ecb.europa.eu/stats/monetary/rates/html/index.en.html>

If there is a move in the ECB Main Refinancing Operations Fixed Rate by 200 basis points (up or down) since the date of the last review of the EUR Base Rate by the Bank, the Bank is entitled to change EUR Base Rate. The fixed margin over the ECB Main Refinancing Operations Fixed Rate may be amended at any time at the Bank's discretion to reflect local or international market changes.

EUR Base Rate last review date is 18 March 2015

Effective 02 May 2015

As a result, the components of the Bank Base Rate have the following values:

AMD Base Rate - 9.50%, where the Refinancing (Repo) Rate announced by the Central Bank of Armenia is 6.00% and the fixed margin is 3.50%;

USD Base Rate - 9.25%, where US Federal Funds Target Rate (rate announced by the US Federal Reserve - Central Bank of the United States of America) is 1.50% and the fixed margin is 7.75%;

EUR Base Rate - 8.00%, where the Main Refinancing Operations Fixed Rate announced by the European Central Bank (ECB Main Refinancing Operations Fixed Rate) is 0.05% and the fixed margin is 7.95%.

Note: In case of discrepancies between the Armenian and English versions of this page, the Armenian version shall prevail.

Last updated on: 06/04/2018 15:00

www.hsbc.am
+374 60 655 000