

ARMENIAN BOND MARKET

September 2026 Monthly Report

Reporting period 1 to 30 September 2026 | Month-end comparison 31 August to 30 September

Sovereign yields rose across the quoted maturity range as monetary policy tightened. Corporate activity diverged by currency: dollar turnover increased through larger transactions, while dram turnover and total deal count fell.

8.01%

Sovereign ask yield

+44 bp | six-bond cohort

1,893

Corporate trades

-8.6% | regular market

AMD 45bn

Cash auction nominal

1.81x | bid-to-offer cover

USD 15.15m

USD corporate turnover

+5.4% | regular market

Repricing. All six common sovereign ask yields increased. The 2033 and 2035 maturities rose by about 70 bp, the largest changes in the cohort. [1]

Auction demand. Aggregate coverage fell, but the mix matters: bill cover dropped to 1.68x while coupon-bond cover edged up to 1.85x. [1]

Trade sizes. The median USD trade rose about 42% in the reconciled sample, while the number of USD bonds traded fell from 84 to 82. [1]

The largest quoted yield rises were in 2033 and 2035

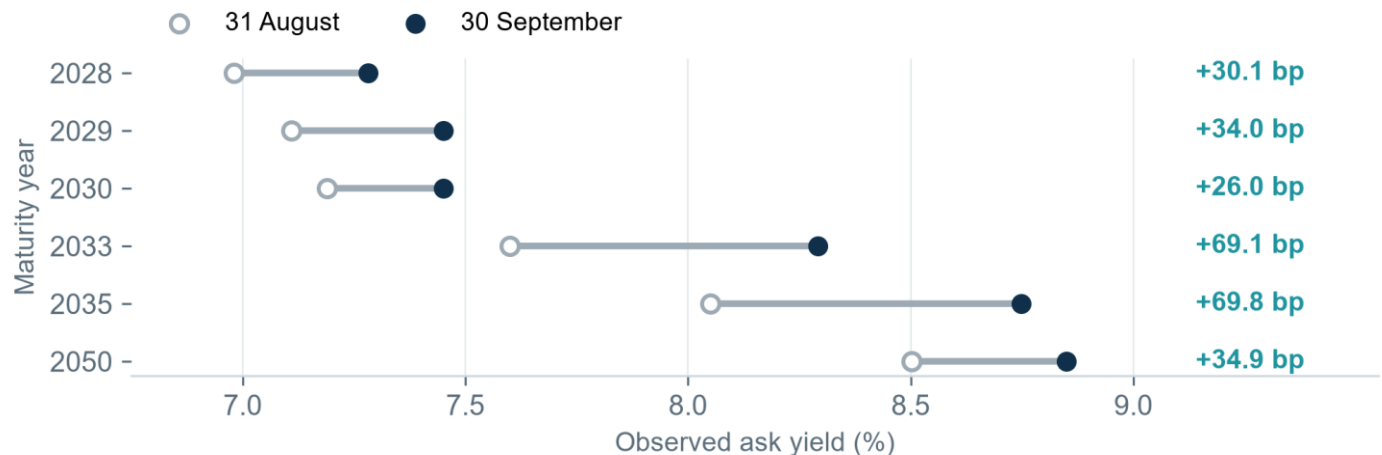


Figure 1. Same six AMD government bonds at both month ends. Source: AMX; KK Partners calculations. The headline 8.01% is an equal-weight mean of these quotes, not a market index or realized return. [1]

Watch next. Follow auction demand within comparable maturities, the persistence of higher sovereign yields, and whether larger USD tickets are sustained.

Sovereign yields rose across the curve

The common six-bond cohort moved from an average ask yield of 7.57% to 8.01%, a rise of 44 bp. The change was uneven: yields rose 26-34 bp in the 2028-2030 bonds, around 70 bp in the 2033 and 2035 bonds, and 35 bp in the 2050 issue. [1]

Observed quotations show the September repricing

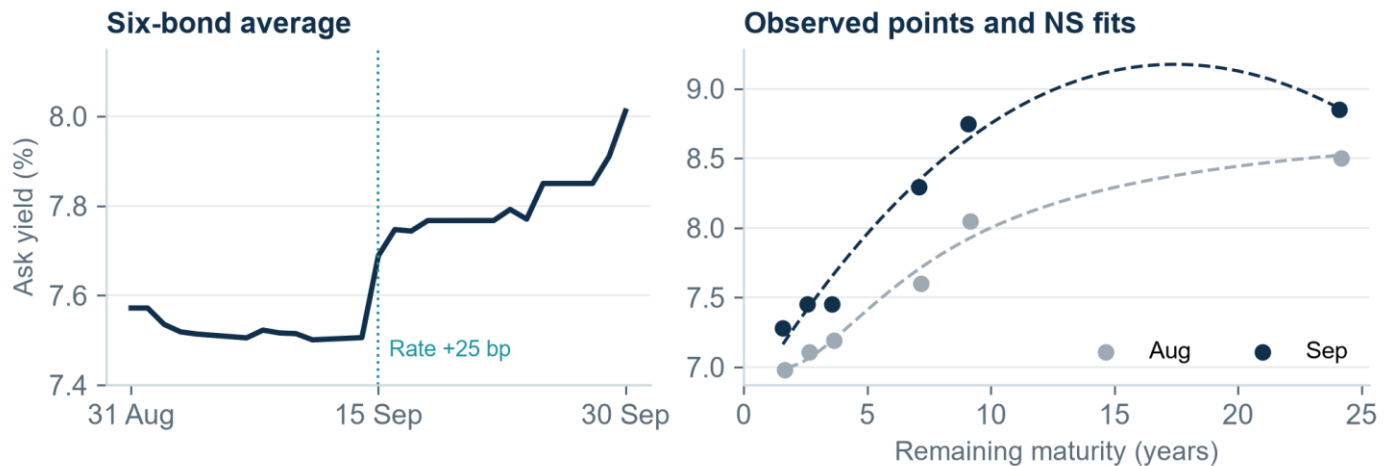


Figure 2. Fixed-cohort daily ask yields (left); month-end points and Nelson-Siegel fits (right). September's fit reaches its parameter bound. Dashed curves are model estimates. Sources: AMX, CBA; KK Partners calculations. [1, 2]

Maturity	ISIN	Aug ask yield %	Sep ask yield %	Change bp	Ask price change %
2028	AMGN36294285	6.98	7.28	+30.1	-0.53
2029	AMGN60294292	7.11	7.45	+34.0	-0.86
2030	AMGN60294300	7.19	7.45	+26.0	-0.87
2033	AMGB1129A332	7.60	8.29	+69.1	-3.59
2035	AMGB1129A357	8.05	8.75	+69.8	-4.25
2050	AMGB3129A504	8.50	8.85	+34.9	-3.38

Table 1. 31 August to 30 September. Ask price changes exclude coupon income and currency conversion; they are not total returns. Price quotes are expressed per 100 of nominal. [1]

The average yield was 7.51% on 14 September and 7.69% on the policy-decision date, before reaching 8.01% at month end. The timing is consistent with policy repricing, but the quotations do not isolate the cause of the whole move. The CBA raised its policy rate by 25 bp to 6.75% on 15 September. [1, 2]

The 2035 ask price fell 4.25%, versus 0.53% in the 2028 issue. Coupon rates alone do not measure interest-rate exposure. Regular and negotiated sovereign trading together totalled 91 transactions and AMD 44.80bn, reconciling to the published monthly exchange total. [1, 3]

Quote coverage and model limits

Two longer bonds lacked a positive bid at month end, so all six are compared on the ask side. A separate four-bond basket with two-sided quotes rose 43.4 bp on a midpoint basis. The broad direction is therefore also visible in that smaller sample. [1]

Auction demand and scheduled redemptions

Cash auctions accepted AMD 45.0bn nominal against AMD 81.44bn of bids. Overall cover fell from 2.05x in August to 1.81x, but bill and coupon-bond demand moved in different directions. Cash proceeds were AMD 45.47bn. [1]

Bill coverage fell while coupon bond coverage edged up

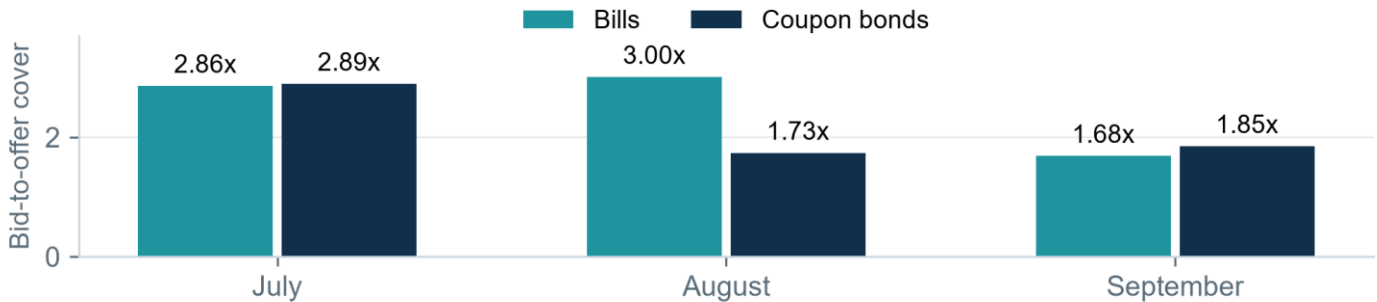


Figure 3. Submitted bids divided by offered nominal, aggregated within each category. Tenors still vary within categories. Source: Ministry of Finance; KK Partners calculations. [1]

Date	ISIN	Maturity	Accepted AMD bn	Cover	Weighted yield %
08 Sep	AMGN36294293	29 Apr 2029	35.0	1.85x	7.2689
14 Sep	AMGT52139277	13 Sep 2027	5.0	2.31x	6.6233
28 Sep	AMGT52127272	12 Jul 2027	5.0	1.06x	6.8765

Table 2. Offered volume equalled accepted nominal in each cash auction. The 28 September bill had only 1.06x cover. These are different securities, so their yield differences are not same-bond changes. [1]

The 8 September exchanges placed AMD 2.908bn nominal and repurchased AMD 3.085bn. They moved obligations from 2054 into 2050 and from 2027 into 2029. Those amounts are separate from cash borrowing. [4, 5]

Coupon bond principal is concentrated in April maturities

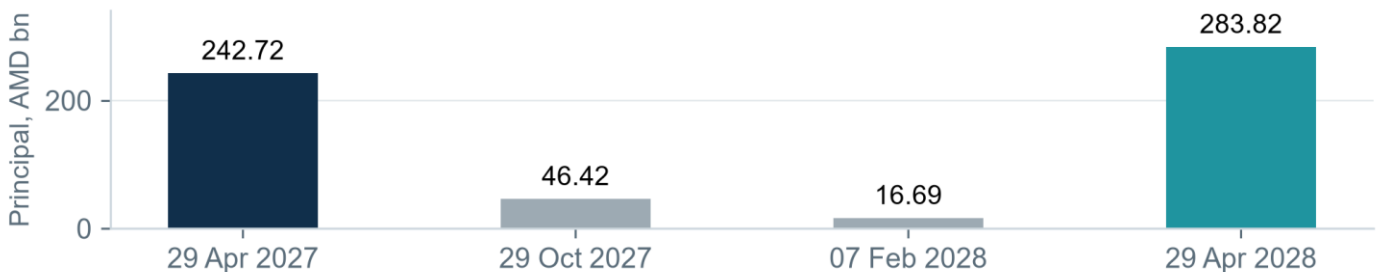


Figure 4. Scheduled principal through 30 September 2028, from the 29 September 2026 Ministry of Finance snapshot. Coupon bonds only; excludes bills, savings bonds, Eurobonds and interest. [1, 8]

This cohort has AMD 242.72bn due within 12 months and AMD 589.65bn within 24 months. April 2027 and April 2028 account for 89.3% of the two-year amount. This is a maturity calendar for outstanding coupon bonds, not a forecast of net funding needs; future issuance, buybacks and exchanges can change it. [1, 8]

Corporate trading and liquidity indicators

Regular-market corporate trades fell 8.6% to 1,893. Dram turnover declined 12.3% to AMD 9.07bn, while dollar turnover rose 5.4% to USD 15.15m. Euro turnover fell 82.9% to EUR 90.2k from a small and volatile base. [1]

Currency unit	Aug turnover	Sep turnover	Change	Aug trades	Sep trades
AMD bn	10.34	9.07	-12.3%	1,396	1,317
USD m	14.37	15.15	+5.4%	661	560
EUR k	528.54	90.19	-82.9%	15	16

Table 3. Daily AMX totals for regular ABOND, BBOND and CBOND markets. Repos, auctions and negotiated trades are excluded. Turnover remains in each instrument currency. [1]

Calendar adjustment preserves the monthly comparison

Both August and September contain 21 recorded AMX trading dates, so average daily turnover changed by the same percentages as monthly turnover. September averaged AMD 431.7m, USD 721.4k and EUR 4.3k per recorded trading day. July had 23 dates and should be compared using daily averages. [1]

Quoted availability and actual trading are different measures

Currency	Aug traded / recorded ISINs	Sep traded / recorded ISINs	Two-sided quotes Aug / Sep	Days with a trade Aug / Sep	Top 5 issuer share Aug / Sep
AMD	112 / 122	115 / 127	95.0% / 97.4%	34.6% / 29.9%	57.1% / 54.7%
USD	84 / 96	82 / 98	95.4% / 95.3%	20.7% / 19.1%	75.0% / 75.3%
EUR	5 / 6	6 / 6	94.4% / 97.6%	10.4% / 12.7%	100.0% / 100.0%

Table 4. Quote and trading-day percentages use recorded ISIN-days as the denominator. Top-five issuer shares use regular turnover within each currency. Source: AMX; KK Partners calculations. [1]

Across currencies, 203 bonds traded at least once, up from 201, while 231 appeared in daily records, up from 224. Within the USD segment, traded breadth fell from 84 to 82 even though recorded breadth rose from 96 to 98. More available issues did not translate into more issues trading that month. [1]

Positive bid and ask quotes were present on roughly 95% of recorded USD bond-days. Trades occurred on only 19.1% of all recorded USD bond-days, down from 20.7%. Quote presence does not establish freshness, executable size or low transaction costs. Missing records are excluded rather than treated as zero activity. [1]

Reconciling the wider exchange total

Adding 13 negotiated trades gives 1,906 corporate transactions. Same-day CBA currency conversion produces AMD 15.42bn of combined turnover, matching the published AMX headline of about AMD 15.4bn. AMX reported 56% year-on-year growth; the regular-market comparisons above are month-on-month and use a narrower scope. [1, 3]

Larger dollar trades supported turnover

USD corporate turnover rose despite a decline in trade count from 661 to 560. The full daily aggregates imply a mean ticket of USD 27,053, up 24.5% from USD 21,737. The transaction distribution shows that the increase extended beyond the largest trades. [1]

The median USD ticket rose along with the upper tail

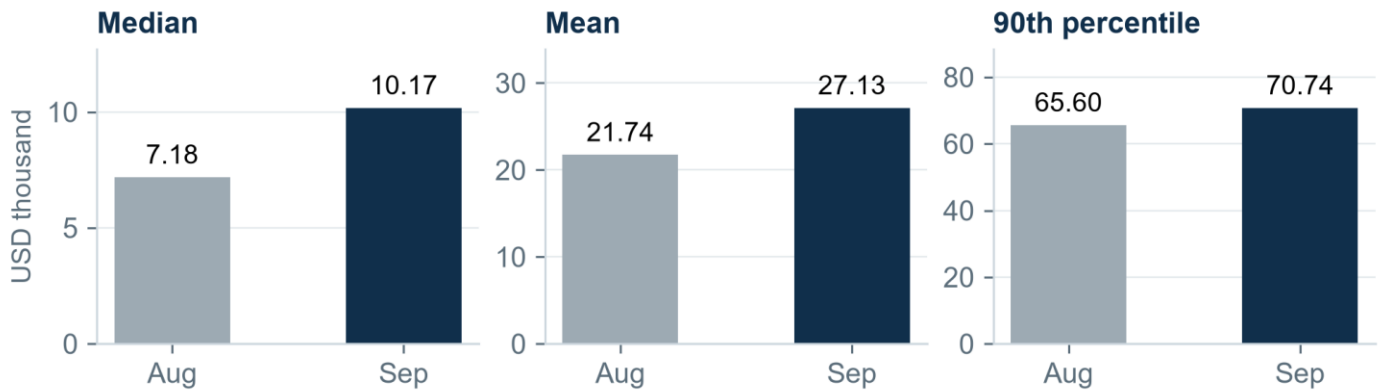


Figure 5. Settlement amounts including accrued interest in fully reconciled ISIN-days. August: 661 trades; September: 558 trades, 99.93% of USD regular turnover. The sample mean differs slightly from the full-market mean. [1]

The sample median increased 41.6%, from USD 7,183 to USD 10,172. The 90th percentile rose 7.8% to USD 70,743. The ten largest trades accounted for 14.7% of sample turnover, compared with 12.3% in August. [1]

Larger tickets coincided with slightly narrower traded breadth

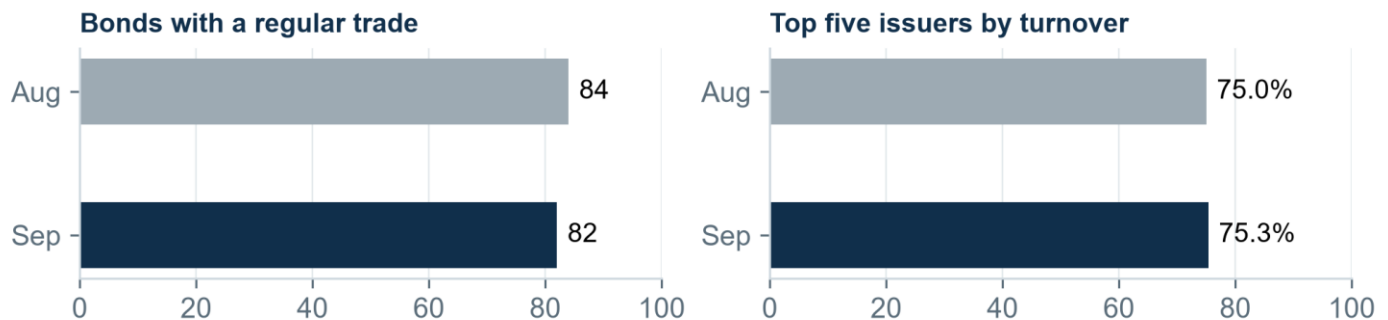


Figure 6. Full daily regular-market aggregates. Top-five issuer concentration remained near 75%; traded USD ISINs fell from 84 to 82. Source: AMX; KK Partners calculations. [1]

Ameriabank remained the largest issuer by USD regular turnover, at 42.2% versus 41.8% in August. The top five issuers together accounted for 75.3%, little changed from 75.0%. Higher ticket sizes therefore coincided with broadly stable issuer concentration, rather than a large increase in concentration by issuer. [1]

What the distribution establishes

September brought larger typical USD transactions and fewer trades across slightly fewer bonds. Changes in which bonds traded may explain part of the distribution shift. Trade size does not identify retail or institutional investors, and these data do not show the number of unique buyers.

Admissions monetary policy and the dram

Ten non-government debt issues were admitted: eight bank issues, one IKO Machinery bond and one EBRD bond. Six are in AMD and four in USD. Admission is a trading milestone and may follow issuance by several months. [1, 6]

Issuer	ISIN	Admitted	Maturity	CCY	Coupon
IDBank	AMANLBBM6ER7	04 Sep	17 Mar 2029	USD	5.00%
IDBank	AMANLBBM8ER3	04 Sep	15 Sep 2028	USD	5.00%
AMIO Bank	AMARBBB2RER3	04 Sep	17 Aug 2029	AMD	9.75%
EBRD	AMEBRDB25UK6	08 Sep	07 Jul 2029	AMD	Floating
Armeconombank	AMHEZBB2SER1	09 Sep	01 Apr 2029	AMD	9.75%
Converse Bank	AMCOVSB2RER1	17 Sep	26 Aug 2029	AMD	9.50%
Ardshinbank	AMASHBB2NER5	18 Sep	17 Aug 2031	USD	5.00%
IKO Machinery	AMIKOMB21ER4	22 Sep	17 Aug 2029	AMD	12.50%
Ameriabank	AMAMRBBNRER2	28 Sep	02 Jul 2031	USD	5.00%
AMIO Bank	AMARBBB2SER1	30 Sep	01 Sep 2029	AMD	9.75%

Table 5. AMX current and archived security records. Coupons are contractual rates, not secondary yields. The EBRD rate resets. [1, 6]

The AMD 5bn EBRD issue began trading on 8 September after its July issuance. It matures in July 2029 and pays semi-annually; the floating rate makes its interest-rate exposure different from that of fixed-coupon bonds. New listings should be assessed by subsequent trading activity as well as admission counts. [6]

Policy tightened while the dram appreciated

The CBA raised the policy rate to 6.75% on 15 September, citing demand and inflation risks. September annual inflation was subsequently reported at 4.3%, with prices up 0.2% during the month. That release came on 5 October and was not available for the September decision. [2, 7]

The dram strengthened by about 0.45 percent against the dollar



Figure 7. CBA reference rate, 31 August to 30 September. Lower AMD per USD denotes a stronger dram. Source: CBA; KK Partners calculations. [1]

The reference rate moved from AMD 364.47 to AMD 362.83 per dollar. Currency appreciation coincided with falling quoted prices of the sovereign bonds in Table 1. An investor's combined result also depends on coupons, currency of measurement and the bond held; the FX move alone is not a bond total return. [1]

Definitions methods and sources

Coverage. Market observations end on 30 September 2026; the report includes later releases describing September. Month-end comparisons use 31 August and 30 September. Data accessed on 15 October 2026. The coupon-bond maturity calendar uses the latest available snapshot at or before month end, dated 29 September.

Sovereign yields and fitting. The six ISINs in Table 1 form a fixed, equal-weight ask cohort. One basis point is 0.01 percentage points. Figure 2 uses Nelson-Siegel fits to six observations, with remaining maturity measured as remaining days divided by 365. Initial values and parameter bounds are consistent across both month ends. Fit RMSE is 7.1 bp in August and 10.9 bp in September. Curves are shown only within observed maturity ranges.

The September fit reaches the decay-parameter ceiling of 100 years. There are no observations between roughly 9 and 24 years, making the fitted hump model-dependent. Conclusions rely on observed points; the curve is neither a forecast nor evidence of an arbitrage opportunity.

Trading and liquidity. Daily AMX ABOND, BBOND and CBOND aggregates determine regular turnover and trade counts. Negotiated trades are added only for exchange-wide reconciliation, using settlement amounts and same-day CBA FX. Average daily turnover divides by the number of recorded trading dates. Recorded ISIN-days, not the month-end listed universe, underpin quote and trade-day percentages. Quote presence means positive bid and ask prices; it does not test freshness or depth.

Trade-size sample. Duplicate transaction records are removed by trading date and trade number, retaining the latest available record. Require each included ISIN-day to match daily trade count and settlement value within 0.1 currency unit. Use settlement amounts including accrued interest. Medians and linear-interpolated 90th percentiles use that matched sample; monthly headlines and issuer shares use complete daily aggregates.

Sample control. August USD records reconcile fully. One September USD trade is absent from the available transaction records; excluding the affected ISIN-day removes two trades from distribution analysis, leaving 558 of the 560 daily-count trades. Full daily aggregates remain the source for monthly turnover, mean tickets, breadth and issuer concentration. No missing transactions are imputed.

Auctions and principal. Coverage is bids / offered nominal, not proceeds. Bills and coupon bonds are separated, but tenor mix still varies. Exchange auctions are separate from cash borrowing. The redemption calendar sums positive outstanding principal once per ISIN in the 29 September snapshot, for AMGN and AMGB coupon bonds. It excludes Treasury bills, savings bonds, Eurobonds, coupons and future issuance or buybacks.

Sources

[1] AMX, Ministry of Finance and CBA data, accessed 15 October 2026. Daily prices and yields, security lists, auctions, transactions, exchange rates and Treasury debt records. Calculations by KK Partners.

[2] CBA Executive Monetary Policy Statement. 15 September 2026; policy decision and rationale.

[3] AMX September market summary via Banks.am. 6 October 2026; exchange totals, listings and year-on-year growth.

[4] AMX exchange auction results via ArmBanks. 9 September 2026; switch results.

[5] AMX government auction calendar. Cash and exchange auction identifiers.

[6] Converse Bank EBRD announcement via ArmBanks. 9 September 2026; listing, amount and floating terms.

[7] Statistical Committee CPI release via ARKA. 5 October 2026; September inflation.

[8] Ministry of Finance marketable bonds outstanding. 29 September snapshot.

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