



Module: CH@WORLD: **A754**

Representation of Switzerland in: Yerevan	
Country : Armenia	Last updated: 22.06.2017

Annual economic report: Armenia 2016

0 Executive Summary

Compared with the other countries of the CIS, Armenia can be considered an open economy. Its ranking in international listings shows a mixed record, with an upward tendency overall¹. This makes Armenia a potentially interesting place for Swiss companies to do business. The full potential in bilateral trade and investment is not yet realised. Notable downsides are the limited size of the domestic market and the country's difficult geopolitical situation. Past trends towards favouritism and monopolisation add to the difficulties foreign businesses can encounter. Due to its dependence in security and foreign energy supply, Armenia is particularly exposed to swings in the international and regional situation. The resilience it has gained in 26 years of independence is a positive for its internal and external security, but it also contributes to putting a brake on economic growth. The country's unexpected adherence to the Eurasian Economic Union (EaEU) in 2013 makes it more dependent on the Russian economy. A reform-minded government, in place since 2016, and orderly parliamentary elections in April 2017 have recently improved the outlook for a stable economic framework.

1 Economic problems and issues

With its young and well-educated workforce, competitive services sector, comparatively low wages, ambitious business culture, well-connected diaspora, favourable living conditions, and a traditional spirit of innovation, **Armenia aspires** to quickly join the class of **successful emerging markets**.

Given the **small domestic market** and rather challenging geopolitical surroundings, every Armenian government since the country's independence in 1991 has tried to push a liberal market agenda. Shortcomings in governance, the legal system, and an individualistic societal culture disinclined towards sector association still have a negative incidence on economic performance. SME access to the financial market is only slowly improving. The ability to retain its ambitious and well-educated young generation is one of Armenia's major challenges.

Remittances, mainly from workers in Russia, play an important role for sustaining domestic consumption. Their overall value amounts to 12,3% of GDP² and makes society strongly dependent on the value of the Russian ruble. Another strong dependency lies in the price of copper and other metals which the country produces, thus increasing the vulnerability to external shocks. Armenia's **geopolitical isolation** – its longest land borders with neighbouring countries Turkey and Azerbaijan are closed – is mostly due to circumstances not under its control. Still, the country could improve the outlook for its future generations by better identifying and more decisively pursuing cross-border opportunities in the region. Attempts are being made with its southern neighbour Iran. Further easing of international sanctions against Iran would allow for more productive exchanges across the border. Hindrances in the movements of goods and services especially with Turkey impose a high cost on Armenia.

¹ WEF Global Competitiveness Index: Armenia ranks 79th of 138.

² 2016, 1st half. Before the ruble weakness at the end of 2014, the value amounted to nearly 20% of GDP.

Unemployment remains high at 16.8%, despite a productive educational system in economically relevant sectors (technology, science). Armenia's GDP grew by a modest 0.2% in 2016. This figure remained below general expectation, which was mostly due to lower remittances and the decreasing copper price. Nevertheless, **exports** continued to **grow strongly** in 2016 despite rather unfavourable national and global conditions, with markedly increased trade volumes, especially with Russia³ and the Middle East.

The **main drivers of GDP** growth⁴ were entertainment services⁵ (+34.9%), utilities (+17.9%), mining (+11.6%), transportation and logistics (+7.6%), and manufacturing (+5.0%). At the other end, construction continued its downward trend with -10.8% and agriculture by -5.8% despite continuing improved perspectives for exports⁶. The importance of mining further increased, with the new Teghut copper mine going online in 2016. More mining projects are expected to start producing in the years to come. Of the ~70 mining licenses awarded by the authorities, only about a third is operational today. Armenia was successful in its bid to join the Extracting Industries Transparency Initiative (EITI). Net exports contributed with 2.9% to GDP growth, whereas state final consumption decreased (-0.2%). Private consumption also declined in 2016. Exports account for nearly 30% of GDP.

A **new Tax Code** was approved by parliament in September, which the IMF expects to improve the tax environment and **boost revenues** by about 2% of GDP in the medium term. 2016 was a year of further institutional strengthening in the financial sector. The Central Bank (CBA) set **new capital requirements** in 2015. The CBA deadline was successfully met by most banks at the close of 2016, through mergers or by raising capital. A **pension reform** launched in 2013 remains on track, but the final deadline for implementation was postponed from 2017 to July 2018. Although the reform's criteria are sound and in line with international standards, the government is **lacking the necessary degree of trust**. This is especially the case among the younger generations, who are expected to contribute most to the new pension system.

The **fiscal deficit** in 2016 is expected to be significantly above earlier targets, with the end-December target to be missed by a wide margin of nearly 1.75% of GDP according to IMF. The main reason for this is the higher than expected capital expenditure due to stepped-up implementation of foreign-financed infrastructure projects. In other words, by **catching up on the delays of previous years**, the new government produces an unforeseen fiscal deficit which is not directly imputable to its reform policy. Another reason lies in the continuing revenue weakness. IMF expects the **fiscal deficit for 2016 to reach 5.9%** of GDP.

The headline **overall deficit for 2017** is set to decline by more than 3% of GDP compared to 2016. This might prove to be challenging, both politically and economically. The government has shown determination to adhere to the fiscal rule and has presented to parliament a budget that achieves the required consolidation on account of higher revenue, freeze or reduction of current spending and lower capital expenditure. The new Tax Code which will become effective in 2017 is hoped to increase revenue conducting to the necessary budgetary consolidation over the medium term.

Armenia's external **debt-to-GDP ratio** remains high but is projected by IMF to gradually improve over the medium-term. IMF expects the ratio of external debt to GDP to rise to almost 90% of GDP in 2017 before gradually falling back to ~75% in the following years. Despite Armenia's cautious policy and close cooperation with the IMF programme, some near-term risks remain. Adverse global conditions, such as a flight to quality in international financial markets, could diminish Armenia's financing options and make the roll-over of external debt more expensive. Armenia has **successfully placed two Eurobonds**, in 2013 (700 mln. USD, 10 years at 6..25%), and in 2015 (500 mln. USD, 10 years at 7.5%).

³ The IMF sees anecdotal evidence that sanctions on products from the EU and Turkey may have resulted in some import substitution toward Armenian products, particularly agricultural and textile exports. Earlier sanctions on the EU may also have had an impact.

⁴ National Statistics Office of Armenia: http://www.armstat.am/file/article/sv_03_17r_112.pdf

⁵ Mostly betting shops, bookmakers and gambling facilities.

⁶ This statistically registered trend in agriculture seems to contradict the sector's own appreciation, which sees 2016 as an overall positive year.

The weakening of economic activity and domestic demand, as well as the increase in exports have helped consolidate the **narrowing of the current account deficit** (IMF: 2015 -0.5%; 2016 -0.4% of GDP). This has created comfortable conditions for the Central Bank to rebuild its foreign reserves.

Armenia's inflation rate was negative at the end of the year (IMF est.: -1.4% CPI period average). The Central Bank's monetary easing since the last quarter of 2015 has helped reduce key market interest rates and supported a nascent recovery in bank credit. However, weak domestic demand and deflationary conditions give reason for further concern to the IMF. The foreign exchange market has further stabilised during the year.

Agriculture possesses a **strong potential** which is only partly realised today. The sector generated 15.9% of GDP in 2016. Armenia's post-soviet agriculture sector still consists mostly of subsistence farming. Rationalisation and improvements in most fields (cattle farming, erosion control, winter production / greenhouses, local market connectivity, high-quality viticulture etc.) have only started in recent years. Export promotion and diversification are crucial for Armenia's agricultural sector⁷.

Lacking oil and gas resources, Armenia is **dependent on energy imports**, notably from Russia. The Government sold its last stake of 20% in the domestic Gazprom affiliate to Russia in view of an external debt reduction. After Armenia's accession to the EaEU and after signature of a supply agreement until 2018, Russia gradually lowered the price of natural gas, but the end-user price is still perceived by public opinion as being "non-preferential". Armenia is a net electricity exporter thanks to the soviet-built Medzamor nuclear plant, broad hydropower resources and, more recently, electricity production with natural gas from Russia and Iran. Dependence on Russia is observable also in the field of electricity, however, as Armenia relies on Russian know-how for the maintenance of its nuclear plant and Russian investors are active in the sector of power generation. Armenia's government strives to **diversify its energy production** and dependence, notably through the development of sources of **renewable energy**.

2 International and regional economic agreements

2.1 Country's policy and priorities

In 2013, Armenia undertook a **pivotal shift** in external policy, by joining the **Eurasian Economic Union** (EaEU) of which it is a full member since January 2015. Previously, Armenia was seen, together with Georgia, as one of the countries vigorously pursuing their association process with the European Union. Despite this re-orientation, Armenia remains committed to closer ties with the west and especially the European Union⁸. In terms of its trade policy this step is nevertheless a major shift, since the EaEU's customs union is not compatible with the affiliation to the EU's Deep and Comprehensive Free Trade Agreement (DCFTA). This choice is less motivated by trade policy considerations than by **Armenia's security needs**, Russia being Armenia's most important partner in national defense.

Armenia is a member of the World Trade Organisation (WTO) since 2003. It has concluded bilateral free trade agreements with Georgia and Iran, and is now aligned with the EaEU's common set of free trade instruments.

By becoming an EaEU member, Armenia has joined the mid-term perspective of the bloc's free trade agreement with the European Free Trade Association (**EFTA**), through which it would also become a **free trade partner of Switzerland**. This would imply that negotiations

⁷ Exports of bulk agricultural products to Switzerland since 2015 have shown that transport logistics is broadly available, and Armenia's problems in this respect are generally overstated.

⁸ Negotiations on a Comprehensive and Enhanced Partnership Agreement were concluded on 26 February 2017, with the signature expected in autumn 2017.

between EFTA and the EaEU (at the time a customs union between Russia, Belarus and Kazakhstan) can be resumed⁹.

2.2 Outlook for Switzerland (potential for discrimination)

The following bilateral agreements ruling economic and trade exchanges are in force between Switzerland and Armenia:

- Agreement on Trade and Economic Cooperation of 19 November 1998
- Agreement on the Promotion and Reciprocal Protection of Investments of 19 November 1998
- Agreement on the Avoidance of Double Taxation with Respect to Taxes on Income and Capital of 12 June 2006

These three agreements provide a solid legal framework for the development of bilateral trade and economic relations. The Embassy has no information on intended or collateral discrimination against Swiss economic interests in Armenia. As a rule, Armenia is interested in diversifying its external economic relations to the biggest extent possible and welcomes the attention of Swiss investors and trade partners.

Armenia is not a signatory of the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information and Intended First Information Exchange Date (MCAA).

3 Foreign trade

3.1 Development and general outlook

Armenia joined the World Trade Organisation (WTO) in 2003. It pursues a policy of free trade.

3.1.1 Trade in goods

The principal foreign trade partners for Armenia in 2016 for exports were Russia (over 20% of exports), Bulgaria, Georgia, Canada and Germany. Armenia's top exported goods are ores and minerals¹⁰, processed food, precious stones, non-precious metals, and textiles.

2016 imports originated mainly from Russia (22.5%), Georgia, United Arab Emirates, China, and Germany. The main imported goods were ores and minerals, machinery, processed food, chemicals (incl. pharmaceuticals), and textiles.

Russia remains Armenia's main trade partner by far; its share has only slightly diminished over the last few years and remains robustly above 20%. Iran's (8th) share diminished in 2016 compared to previous years, despite both sides' efforts of boosting their bilateral trade. Taken as a whole, the EU commands a bigger share than Russia, with around 25% of Armenia's foreign trade. An interesting case remains Turkey, which has decreed a trade embargo against Armenia since 1994. Despite this fact, Turkey is Armenia's 8th most important trading partner in imports. In 2016, Turkish goods for USD 146 mln were exported to Armenia – illegally, from the Turkish point of view – through third countries.

With the exception of visitor statistics in tourism, no systematic collection of data on international trade in services is being conducted. This omission is distorting the increasing importance of Armenia's budding information technology sector. The Central Bank of Armenia is currently considering an international transactions reporting system that would allow for collecting of data on all cross-border payments and receipts going through the banking system. Tourism is developing very dynamically, with yearly growth rates of 5-10%. The number of international visitors to Armenia has tripled in the past ten years since 2006.

⁹ In the meantime, Vietnam has concluded an FTA with EaEU. Israel, Serbia, Iran and China (non-preferential) are in negotiations. Singapore, South Korea, Egypt, Peru, Chile, Cambodia and Mongolia have manifested their interest. New Zealand has cancelled negotiations in 2014.

¹⁰ This category also includes oil and gas in Armenian statistics.

3.2 Bilateral trade

According to Armenian statistics, bilateral trade with Switzerland has already reached a considerable level. From our host country's perspective, the overall trade volume with Switzerland amounted to USD 220 mln in 2016. Switzerland ranks 9th among the recipient countries of Armenian exports with USD 74.6 mln, and 7th among exporters to Armenia with USD 146.0 mln. The trade turnover between the two countries is more modest and less balanced according to Swiss statistics for 2016, with Swiss imports from Armenia amounting to USD 3.06 mln and exports to Armenia valued at USD 32.8 mln.¹¹ Switzerland exports mainly pharmaceuticals, precious metals, machinery, and watch parts, and imports watch parts, textiles and agricultural goods from Armenia. The reciprocal trade in watch parts and watches is a documented trend over several years and points to active cooperation of both countries' private sectors in that same value chain. This assumption is corroborated by investments of the Swiss watchmaking sector in Armenia.

Armenia is a potential beneficiary of Swiss customs' duties exemption or easing through Switzerland's Generalized System of Preferences (GSP). However, this instrument which can significantly benefit Armenian exporters is hardly known and has not been used so far.

4 Direct investments

4.1 Development and general outlook

Armenia's policy on foreign direct investment is considered as being **one of the most open and liberal among the CIS countries**. Foreign direct investment is actively encouraged and enjoys the same rights as locally originated investment. It is governed by the Law on Foreign Investment, as well as under bilateral investment treaties (of which Armenia has concluded about 40). The activities of foreign investors and legal entities with foreign investments can be restricted in some territories and areas based on national security considerations. In practice, there is only one strict limitation, for television broadcasting, where at least 50% of shareholdings must be controlled by Armenian nationals. Less strict limitations apply to some financial institutions, as well as in relation to gambling and games of chance.

Foreign individuals are not allowed to own land; however, they can obtain long-term leases. Ownership of buildings is allowed for foreigners. A local company registered in Armenia by a foreign national can acquire land.

Several **grants or incentives** are available to investors (foreign and domestic), particularly in the fields of agriculture and IT start-ups. Imports of machinery can enjoy the postponing of VAT payments. The new 2016 Tax Code is expected to reduce tax distortions and compliance costs.

In the course of the last decade, Armenia has attracted foreign direct investment notably in the sectors of telecommunications and transports, food industry and agriculture, utilities and public services, mining, manufacturing, and financial services. **Russia** holds by far the biggest share of direct foreign investment, amounting to almost half of the total of invested foreign capital. Its stock diminished by -3.0% in 2016. Russia is followed by Argentina (6.7% share) and Lebanon (5.3%), both countries hosting important Armenian diaspora wealth.

With Armenia joining the **EaEU** in 2015, a selling point of the authorities is that the country can be used as a **platform for exportation** to the bigger markets in the region, due to more ease of doing business and better living conditions. While this assertion possesses much appeal, the **proof of success** for the underlying business model **still awaits to be made**.

¹¹ Swiss and Armenian figures are more in line for the first third of 2017: Exports: CHF 21.31 mln, Imports: CHF 48.54 mln, according to the Federal Customs Administration, both sides confirming the picture of a dynamic development of bilateral trade for the first half of 2017.

4.2 Bilateral investment

Swiss direct investment in Armenia is known in the financial services, manufacturing (watchmaking), pharmaceutical research and food industry sectors. Switzerland is traditionally a **top-ten investor** in Armenia, presently ranking 9th, with net stocks of USD 81 mln on end-2016. This amounts to a share of 2.2% in total foreign investment (2015).

5 Trade, economic and tourism promotion

Several organisations are active in the promotion of trade and economic relations between Armenia and Switzerland. Most of these private initiatives are attributable to a relatively small, but **very enterprising Armenian diaspora in Switzerland**.

5.1 Foreign economic promotion instruments

A joint government-business mission led by Ambassador Livia Leu (SECO) visited Armenia from 16 to 18 June 2014.

An economic forum on Armenia was organized on 7 Mai 2014 in Zurich by the Armenian-Swiss Business Development Association (ASBDA) and the Joint Foreign Chambers of Commerce Switzerland CIS (JCC), with the participation of Ambassador Livia Leu (SECO) and Armenia's First Deputy Minister of Economy Garegin Melkonian.

In March 2014 the Embassy of the Republic of Poland in Yerevan started issuing Swiss Schengen visas for resident private and business travelers based on a bilateral agreement between the two countries. Before that, Armenian business travellers had to travel to the Embassy of Switzerland in Tbilisi in order to obtain their visas.

In October 2013, the responsible officer for bilateral economic relations at SECO, Ms. Andréa Schmid-Riemer, visited Armenia on an exploratory mission.

The Armenian-Swiss Business Development Association (ASBDA) was founded in 2012 in Yerevan, representing Armenian and Swiss businesses.

In June 2012, a conference of Armenian and Swiss tourism experts took place in Switzerland.

5.2 Armenia's interest in Switzerland

The number of Armenian tourists visiting Switzerland is small and the potential rather limited. Armenia is interesting for Swiss tourists in the field of culture and history. Swiss tourists spend more time and money in the country than the average foreign visitor. With its cultural heritage, rich landscapes and good hospitality culture, Armenia possesses a considerable potential for attracting international tourism. Challenges such as lacking infrastructure, difficult international communication access, and the general perception as a country in a state of war (despite a nearly spotless domestic security situation) prevent Armenia from fully realising this potential.

5.3 Switzerland as a financial centre

Switzerland enjoys an excellent and respected image, notably its banking and finance sectors. Parts of the Armenian business community would like to see more interest from the Swiss insurance sector, pointing to the low ratio of insurance premiums of just 0.85% of GDP. Insurance premiums per capita stand at just AMD 11'000 / USD 23.00. In comparison with other services sectors, insurance is still underdeveloped in Armenia and could offer opportunities to the Swiss providers.

Economic structure

	2015	2016
Distribution of GDP		
Primary sector	19.3 %	18.5 %
Manufacturing sector	23.6 %	22.1 %
Services	48.3 %	51.2 %
- of which public services	12.6 %	12.9 %

Distribution of employment		
Primary sector	35 %	n.a. %
Manufacturing sector	16 %	n.a. %
Services	49 %	n.a. %
- of which public services	n.a. %	n.a. %

*Source: www.armstat.am
http://www.armstat.am/file/article/sv_03_17r_112.pdf
http://www.armstat.am/file/article/6.trud_2016_1.pdf

Main economic data*

	2014	2015	2016
GDP (USD million)	11'216	11'609	12'039
GDP per capita (USD)	3'405	3517.3	3'640
Growth rate (% of GDP)	4.258	4.5	0.2
CPI Inflation (%)	3.0	3.7	-1.4
Unemployment rate (%)	16.2	17.6	16.8
Fiscal balance (% of GDP)	-1.9	-4.8	-5.9
Current account balance (% of GDP)	-7.6	-2.7	-2.9
Total external debt (% of GDP)	42.137%	43.012%	43.641%
Debt-service ratio (% of exports)	8.6	12.5	7.2
Reserves (months of imports)	4.0	4.9	5.0

* Source: IMF, Republic of Armenia, Fourth Review under the extended arrangement and request for modification of performance criteria, December 2016
http://www.imf.org/~media/Websites/IMF/imported-full-text-pdf/external/pubs/ft/scr/2016/_cr16380.ashx
 IMF April 2017 Article IV Visit to Armenia (press release)

Trade partners – year 2016

Representation in: Erevan	
Country: Armenia	Last updated: 16.06.2017

Host country view

Rank	Country	Exports from the host country (USD million)	Share	Change ¹²	Rank	Country	Imports to the host country (USD million)	Share	Change ¹⁰
1	Russia	371.0	20.8%	51.5%	1	Russia	740.9	22.5%	14.4%
2	Bulgaria	152.2	8.5%	93.1%	2	Georgia	240.7	7.3%	8.1%
3	Georgia	147.0	8.2%	17.3%	3	UAE	190.6	5.8%	10.6%
4	Canada	140.0	7.9%	29.2%	4	China	165.9	5.0%	6.8%
5	Germany	138.9	7.8%	-0.9%	5	Germany	153.9	4.7%	3.9%
6	Iraq	137.9	7.7%	5.6%	6	Iran	151.1	4.6%	-17.2%
7	China	96.4	5.4%	-41.7%	7	Switzer- land	146.0	4.4%	18.0%
8	Iran	74.8	4.2%	-8.4%	8	Turkey	114.3	3.5%	25.5%
9	Switzer- Land	74.6	4.2%	91.6%	9	Italy	101.5	3.1%	-15.7%
10	UAE	63.8	3.6%	708.0%	10	Ukraine	100.0	3.0%	-16.5%
11	Nether- lands	50.8	2.8%	7.4%	11	United Kingdom	78.8	2.4%	-11.1%
12	Belgium	41.6	2.3%	-2.0%	12	USA	73.2	2.2%	-31.7%
13	USA	38.7	2.2%	-26.7%	13	Belgium	66.1	2.0%	12.2%
14	Italy	31.8	1.8%	-2.0%	14	France	59.4	1.8%	-27.0%
15	Romania	26.5	1.5%	-30.7%	15	Nether- lands	51.7	1.6%	-6.1%
	EU	478.7	26.8%	15.9%		EU	791.0	24.0%	-5.5%
	Total	1'782.9	100 %	20.0%		Total	3'292.4	100 %	1.6%

Source: National Statistics Office of Armenia - <http://www.armstat.am/file/doc/99491328.pdf>

¹² Change from the previous year in %

Bilateral trade 2016

PROVISORISCHE ERGEBNISSE

Eidgenössische Zollverwaltung EZV, Aussenhandelstatistik, 3003 Bern

TN103: Schweizerischer Aussenhandel nach Ländern und Kapiteln

Periode: Januar bis Dezember 2016

Land: 185 Armenien

* = Veränderungsrate / Anteile nicht berechenbar

** = Veränderungsrate > 999.9%

Total 2: Ergebnisse inklusive Gold in Barren und anderen Edelmetallen, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten

Total 2		Import in Mio. CHF				Export in Mio. CHF				Saldo in Mio. CHF	
		2015	2016	+/-%	Anteil	2015	2016	+/-%	Anteil	2015	2016
Total		5.99	3.06	-48.9	100.0	33.03	32.81	-0.7	100.0	27.04	29.75
01-24	Landwirtschaftliche Produkte	0.09	0.15	64.3	4.9	0.49	0.43	-12.2	1.3	0.40	0.28
25-26	Mineralische Stoffe	0.01	0.01	-15.4	0.4			*	*	-0.01	-0.01
27	Energieträger			*	*	0.00	0.00	-91.6	0.0	0.00	0.00
28-29	Chemische Grundprodukte	0.00	0.00	3.1	0.1	0.01	0.01	-7.3	0.0	0.01	0.01
30	Pharmazeutische Erzeugnisse	0.04	0.01	-73.4	0.4	10.30	11.25	9.2	34.3	10.26	11.24
31-32	Düngemittel, Farbstoffe, Pigmente			*	*	0.06	0.11	94.1	0.3	0.06	0.11
33-34	Schönheitsmittel, Waschmittel	0.00	0.01	271.7	0.2	0.06	0.22	289.4	0.7	0.05	0.21
35-38	Stärke, versch. chemische Erzeugnisse	0.00	0.00	110.2	0.1	0.36	0.58	62.5	1.8	0.36	0.58
39-40	Kunststoffe, Kautschuk	0.00	0.00	-10.8	0.0	0.24	0.26	8.6	0.8	0.24	0.26
41-43	Felle, Leder, Lederwaren	0.02	0.00	-88.3	0.1	0.00	0.01	50.3	0.0	-0.01	0.00
44-46	Holz, Kork, Flechtwaren	0.00	0.04	**	1.4	0.03	0.05	60.2	0.2	0.03	0.01
47-49	Papier und Papierwaren	0.02	0.01	-49.4	0.3	0.72	0.64	-10.3	2.0	0.70	0.64
50-63	Textilien und Bekleidung	1.16	0.87	-24.8	28.6	0.58	0.60	2.2	1.8	-0.58	-0.28
64-67	Schuhe, Schirme usw.	0.00	0.00	-41.8	0.0	0.01	0.01	-49.6	0.0	0.01	0.00
68-70	Waren aus Steinen, Keramik, Glas	0.00	0.00	-18.5	0.1	0.08	0.09	8.1	0.3	0.08	0.09
71	Edelsteine, Edelmetalle, Bijouterie	3.01	0.01	-99.8	0.2	11.74	9.37	-20.1	28.6	8.73	9.37
72-83	Unedle Metalle und Waren daraus	0.04	0.47	**	15.3	0.59	0.29	-51.2	0.9	0.54	-0.18
84	Maschinen (nicht elektrisch)	0.01	0.00	-61.0	0.2	2.46	3.86	56.7	11.8	2.45	3.86
85	Maschinen (elektrisch)	0.02	0.04	145.9	1.3	0.44	0.34	-23.4	1.0	0.42	0.30
86-89	Fahrzeuge, Flugzeuge usw.			*	*	0.32	0.04	-87.1	0.1	0.32	0.04
90	Opt./medizin. Instrumente	0.01	0.01	175.6	0.5	1.18	0.84	-28.8	2.6	1.18	0.83
91	Uhrmacherwaren	1.54	1.40	-8.6	45.9	3.16	3.57	13.1	10.9	1.62	2.17
92	Musikinstrumente	0.00	0.00	640.7	0.1	0.00		-100.0	*	0.00	0.00
93	Waffen und Munitionen			*	*		0.00	*	0.0		0.00
94	Möbel, Bettzeug usw.		0.00	*	0.1	0.02	0.02	7.6	0.1	0.02	0.02
95-96	Spielzeuge, Sportgeräte usw.		0.00	*	0.0	0.17	0.21	19.5	0.6	0.17	0.21
97	Kunstgegenstände, Antiquitäten	0.02		-100.0	*		0.00	*	0.0	-0.02	0.00

Trade progress

	<i>Exports (CHF mln)</i>	Change (%)	<i>Imports (CHF mln)</i>	Change (%)	<i>Balance (CHF mln)</i>
1995	0.8		0.1		0.7
2000	4.7	83	1.3	179	3.4
2002	13.9	59	1.4	-70	12.5
2003	8.3	-40	1.6	12	6.7
2004	7.2	-13	1.1	-29	6.1
2005	11.7	63	1.3	18	10.4
2006	15.0	27	2.0	57	13.0
2007	23.0	54	16.6	698	6.4
2008	33.3	45	2.6	-84	30.7
2009	39.5	18	1.7	-32	37.8
2010	35.2	-11	3.3	262	28.7
2011	25.8	-26	6.0	81	19.8
2012	78.6	204.5	8.5	39.4	70.1
2013	78.2	-0.5	7.5	-11.4	70.7
2014	114.9	46.9	4.4	-41.0	110.5
2015	33.0	-71.2	5.9	-24.9	27.4
2016	32.8	-0.7	3.0	-48.9	29.7

Main investing countries, year: 2016

Rank	Country	Direct investments (AMD mln, net stocks, end-2015)	Share	Variation (stock)	Inflows over past year (AMD mln)
1	Russia	856'229.6	48.3%	-3.0%	-26'290.5
2	Argentina	119'295.0	6.7%	2.9%	3'505.5
3	Lebanon	94'114.2	5.3%	-16.7%	-15'765.0
4	France	86'053.4	4.9%	3.9%	3'385.9
5	USA	84'924.2	4.8%	2.5%	2'109.5
6	Germany	80'863.7	4.6%	-0.7%	-571.0
7	United Kingdom	60'674.9	3.4%	54.1%	32'829.9
8	Netherlands	46'995.0	2.6%	-3.0%	-1'402.3
9	Switzerland	38'976.2	2.2%	0.2%	92.9
10	Cyprus	34'475.5	1.9%	100.3%	34'583.5
	EU	n.a.	n.a.	n.a.	n.a.
	Total AMD mln	1'773'942.0	100 %	3.5%	62'679.3
	Total USD bln	3'692.0	100 %	3.5%	130.5

Source: National Statistics Office of Armenia http://www.armstat.am/file/article/sv_02_17r_420.pdf

USD average exchange rate for 2016: 1 USD = 480.48 AMD