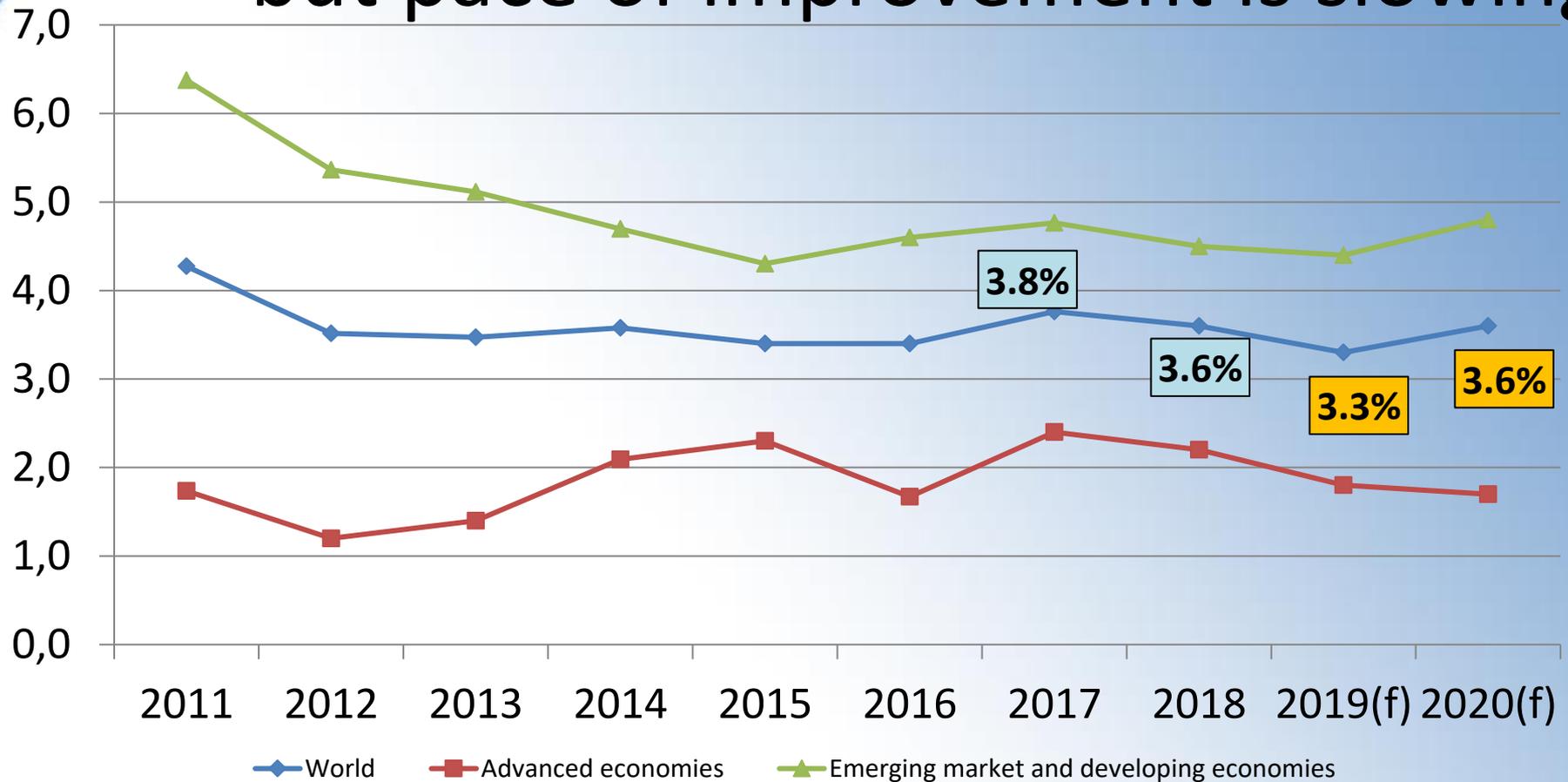


# ANNUAL REPORT-2018



Promoting Sustainable Development and Integration

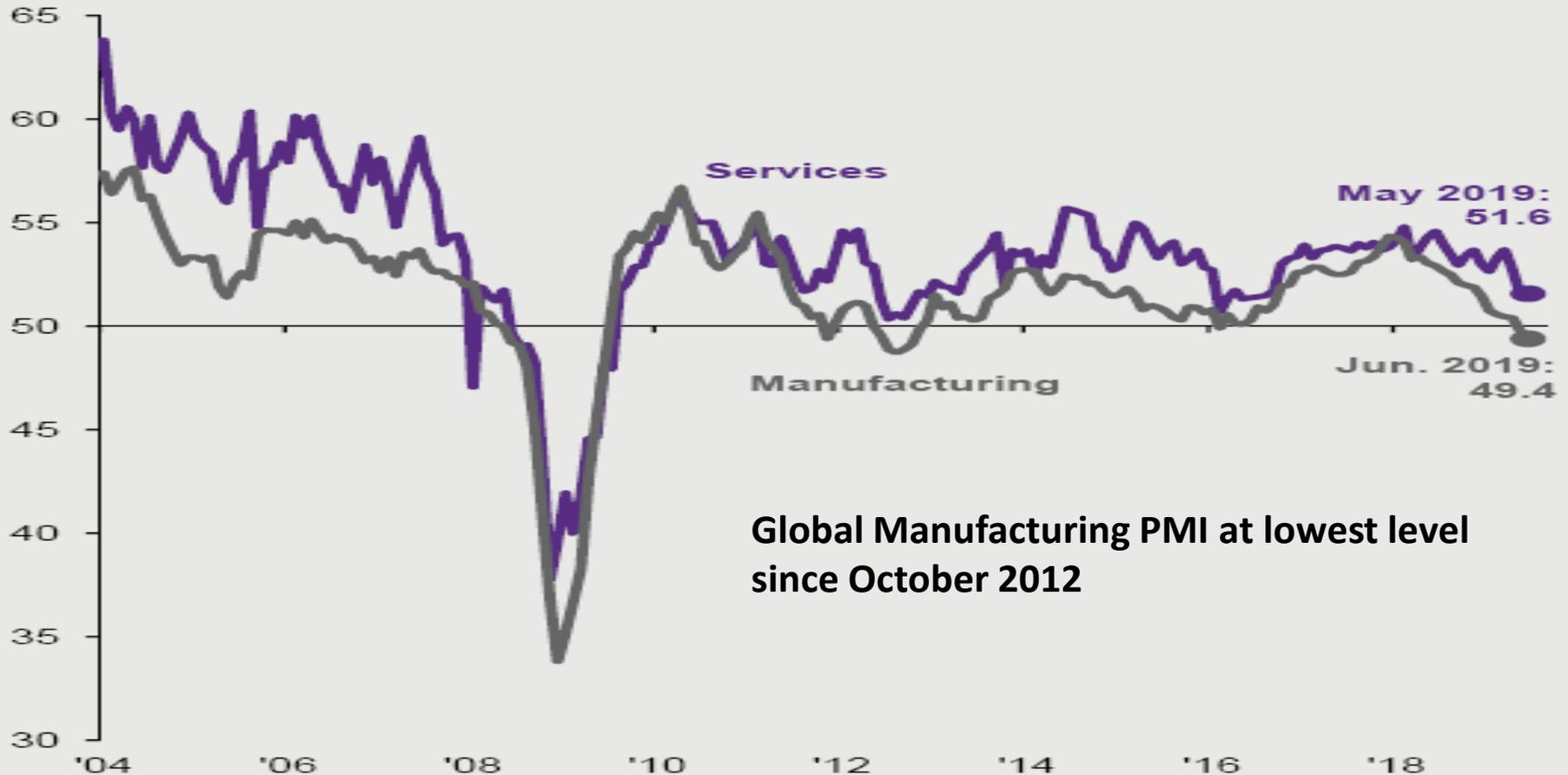
# Global growth continued to recover but pace of improvement is slowing



GDP Growth (% change) Source:IMF-WEO (April 2019)

# Global production and trade growth loses momentum

**Global PMI for manufacturing and services**  
Monthly



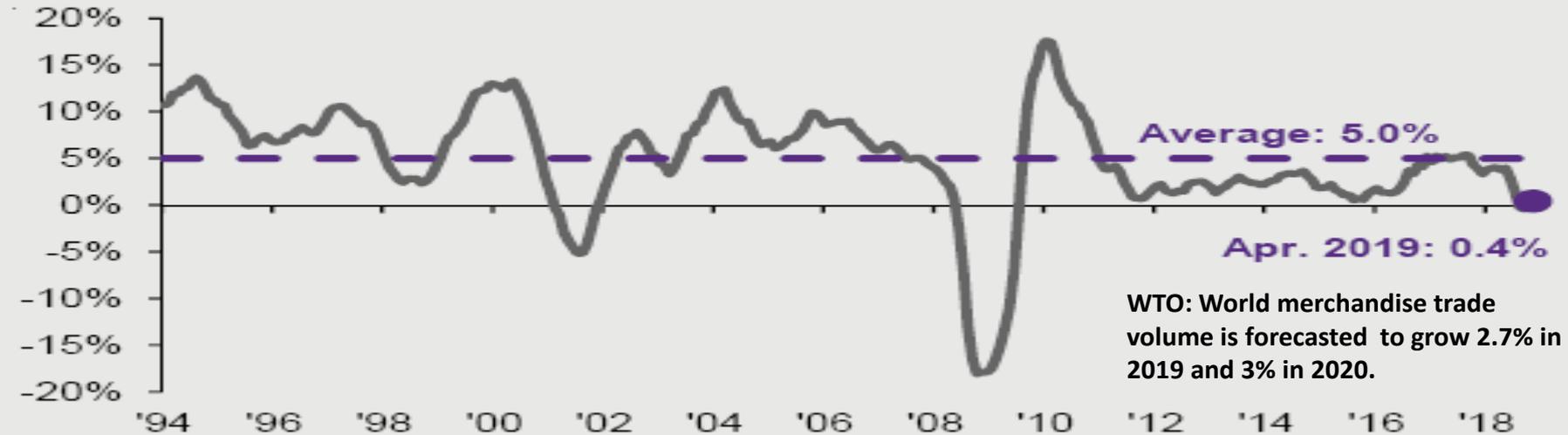
**Global Manufacturing PMI at lowest level since October 2012**



# Role of trade driving global growth

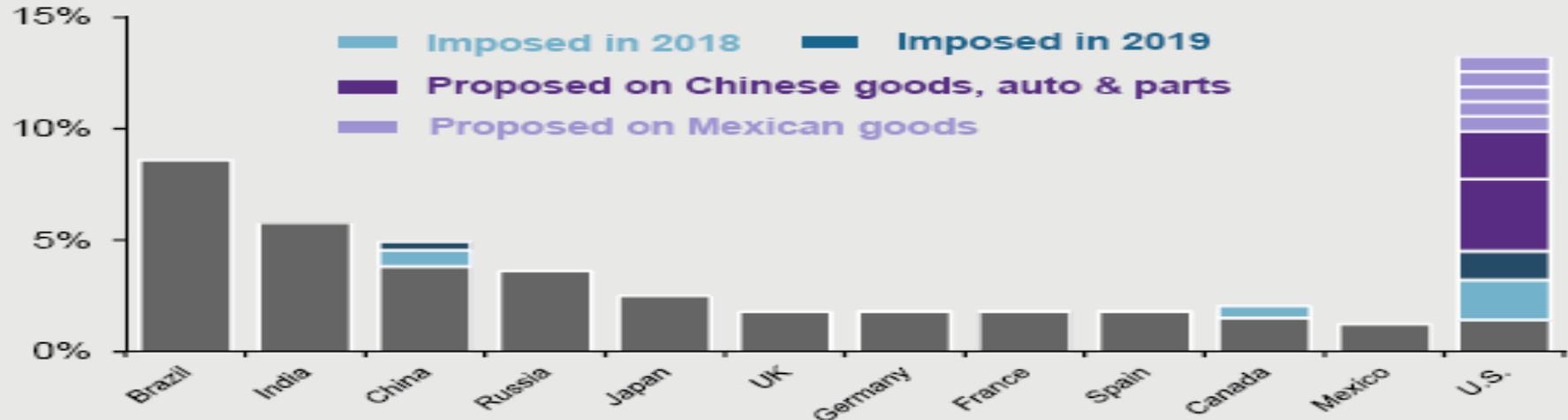
## World trade volume

Year-over-year, % change, 3-month moving average, monthly

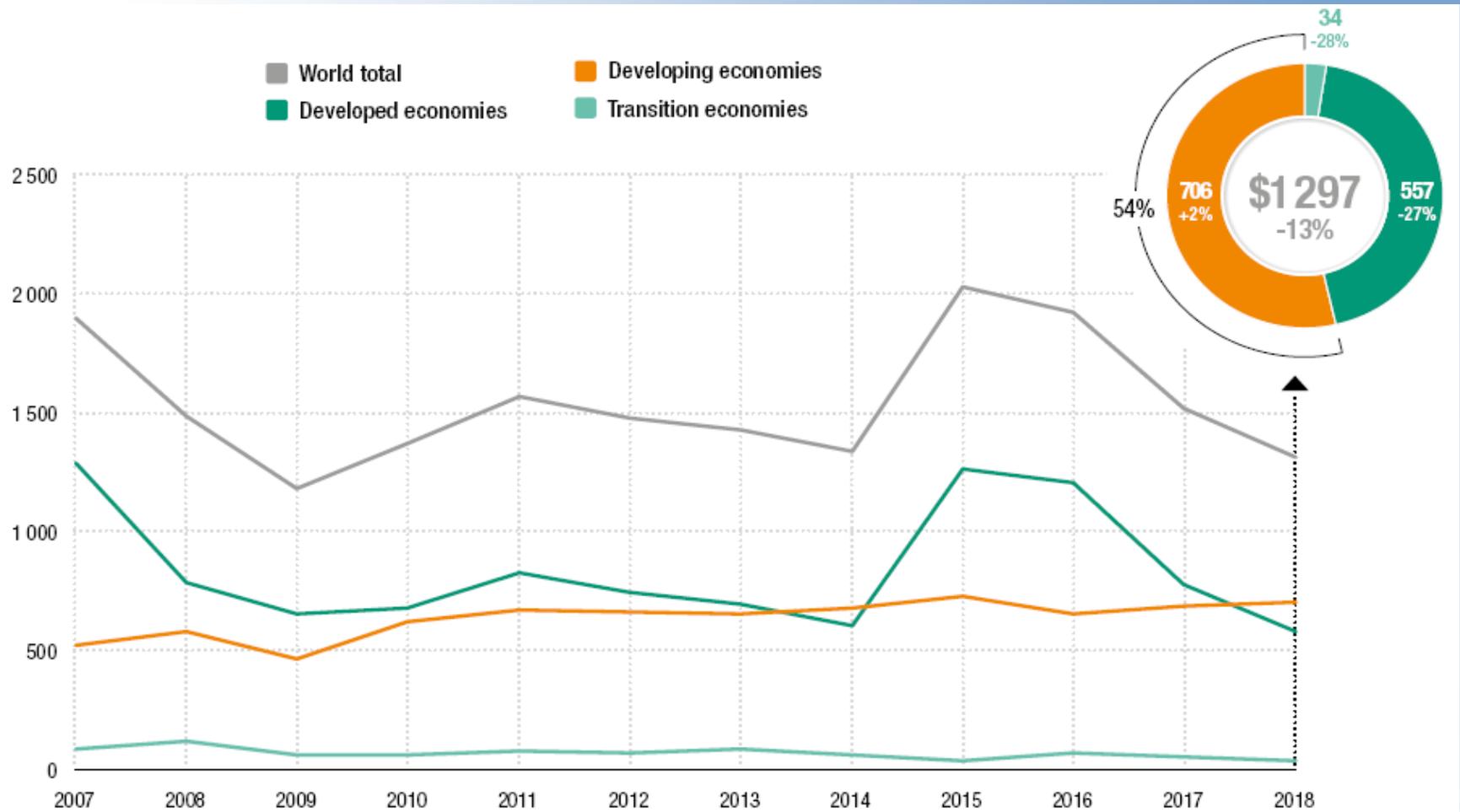


## Global tariffs

Tariff rate, applied, weighted mean, all products



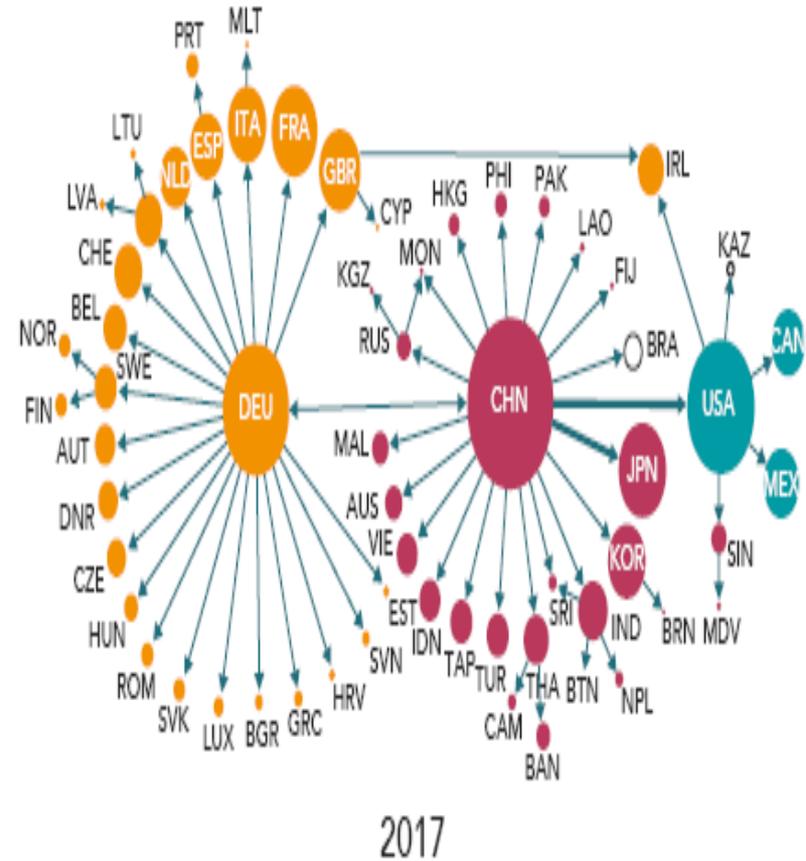
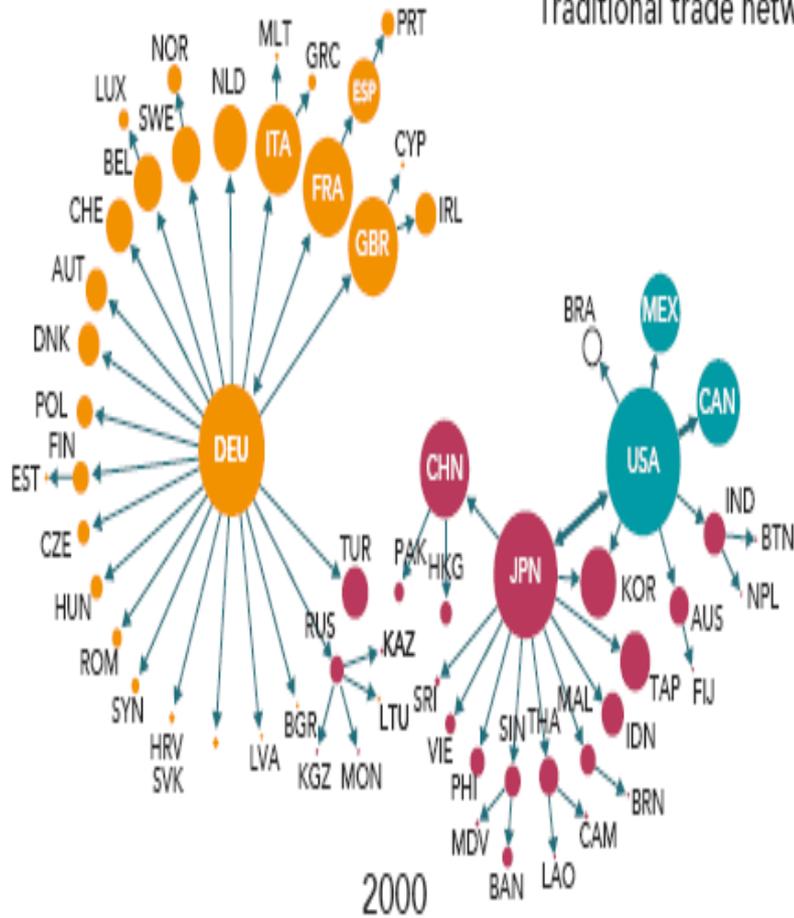
# Global FDI flows continued to slide



Source: UNCTAD, FDI/MNE database ([www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)).

# Change in global value-added chain

Traditional trade networks (all goods and services)

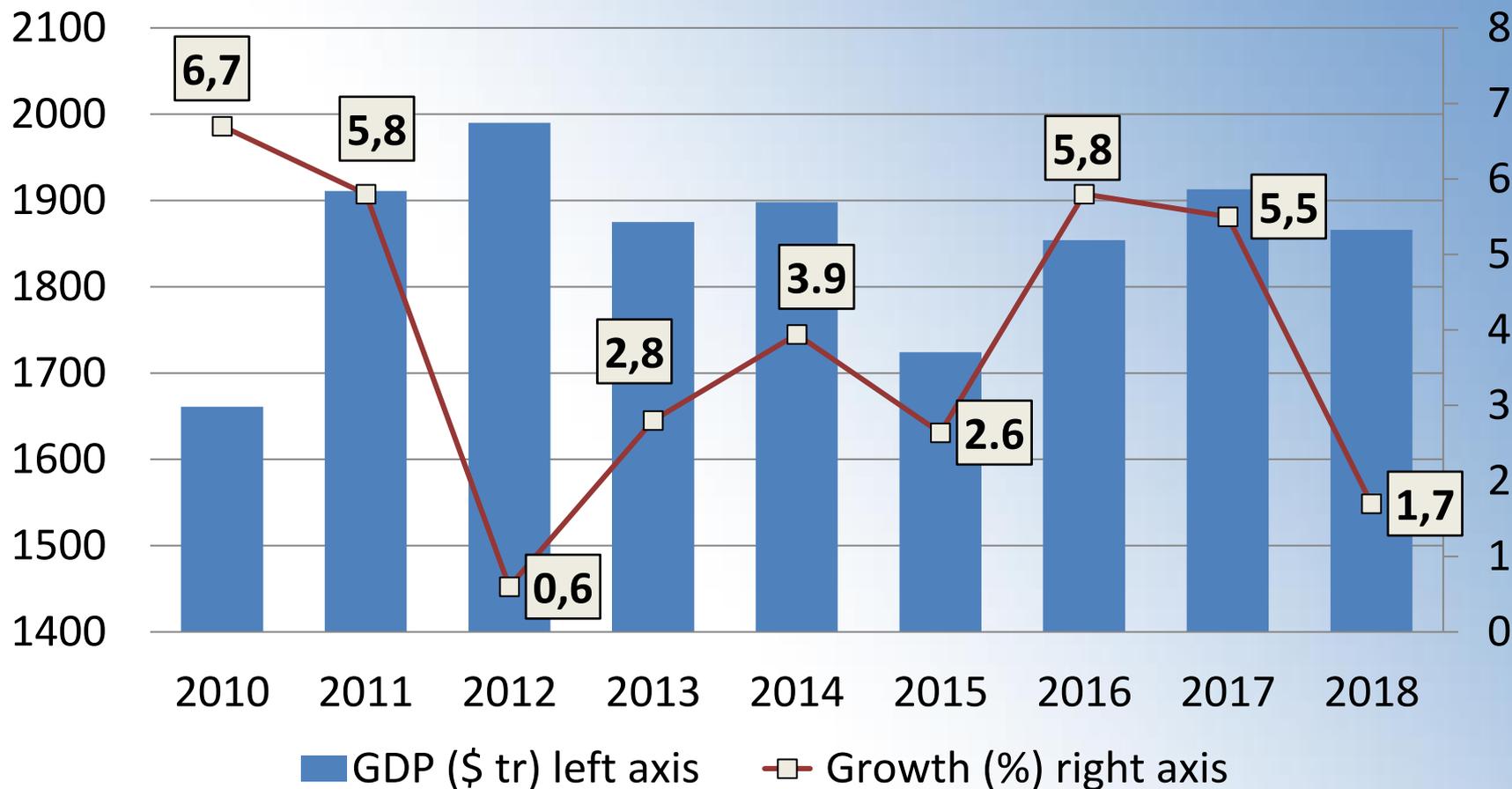


Source: Global Value Chain Development Report 2019

# Risks on the sustainable global recovery

- Protectionism trends in global trade
- Geopolitical tensions
- Normalization in monetary policies of advanced economies
- Debt levels are rising in many advanced economies, and emerging markets
- Higher borrowing costs
- Increase in commodity prices
- Weak productivity trends, technological innovation, big data and artificial intelligence,
- Regulations on cyber-security, compliance, AML procedures, crypto-assets, payment systems including across borders, etc.

# Real GDP Growth rates of ECO Countries



# Key Economic Indicators 2018

	Real GDP Growth (percent)	Inflation (percent), average consumer	Central Gov. Budget Balance/GDP (percent)	Current Account Balance/GDP (percent)	Unemployment rate (%)	Foreign Direct Investment (USD mln)	Gross Government Debt/GDP (%)
Afghanistan	2.3	0.6	-0.9	4.7	8.8	0.13	7.0
Azerbaijan	1.3	2.3	3.9	12.5	5.0	1.4	19.3
Iran	-3.9	31.1	-3.8	4.3	13.9	3.4	33.1
Kazakhstan	4.1	5.3	0.5	0.6	4.9	3.8	21.8
Kyrgyzstan	3.4	1.5	-1.3	-9.8	6.8	0.04	56
Pakistan	5.8	3.9	-6.4	-6.4	6.08	3.8	72.1
Tajikistan	7.0	3.8	-4.7	-5.3	NA	0.3	47.8
Turkey	2.6	16.3	-3.6	-3.5	10.8	6.5	32.6
Turkmenistan	6.2	13.5	0.6	3.1	NA	1.9	29.2
Uzbekistan	5.0	17.8	3.1	-7.8	NA	0.4	23.5
ECO	1.75	16.2	-3.2	-1.2	-	21.5	-

# ACHIEVEMENT OF STRATEGIC GOALS

- Since 2008, total disbursed loans reached to USD 1.58 billion as end of December 2018.
- Good asset quality with well diversified portfolio without any non-performing loans (NPLs)
- Strengthened the operating structure and processes
- Various efficiency measures are employed
- More lending rather than treasury placements
- Improved the Enterprise-wide Risk Management (ERM) perspective
- Expanded the membership base
- Enhanced co-financing arrangements with IFC, BSTDB, EBRD, IsDB, ADB, etc.
- Human resources and IT system capabilities are improved

# Main Business Perspective

## Intermediated Operations through FIs

- Trade Finance Credit Lines
- SMEs Finance Loans
- Microfinance Loans

## Corporate Loans and Project Finance Operations

**Guarantees**

**Tech. Asst. and  
advisory services**

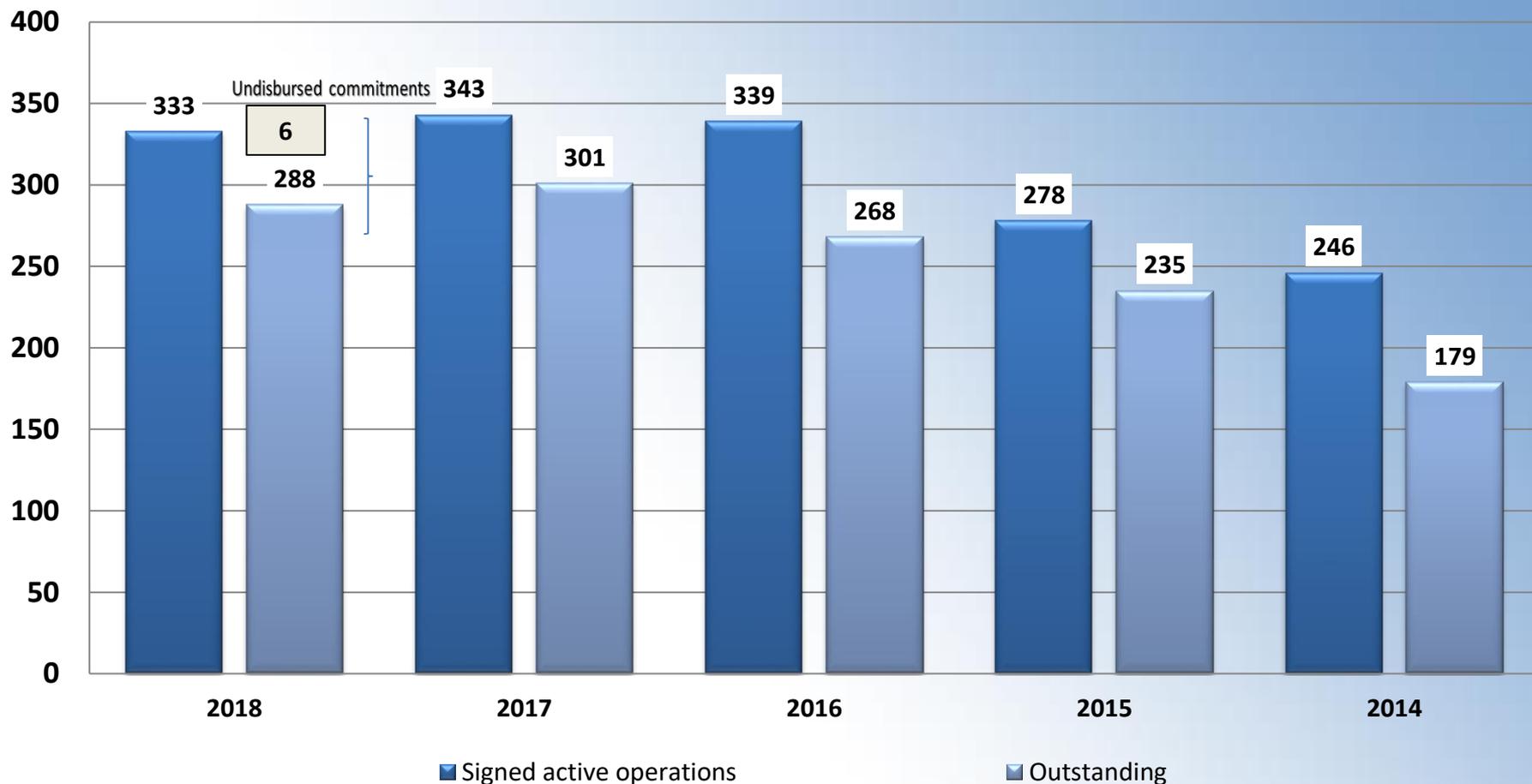
All operations are required to observe criteria set within the negative list of products policy, anti-money laundering regulations as well as environmental policy

# Total Loan disbursements by country 2008-2018 (thousand USD)

	Iran	Pakistan	Turkey	Azerbaijan	Bank
<b>M-SMEs Dev. Loans</b>	52.13	62.50	246.54	3.00	364.17
<b>Trade Finance</b>	94.34	156.13	403.00	3.83	657.30
<b>Corporate Finance</b>	89.09	219.99	72.80	0.00	381.88
<b>Project Finance</b>	84.66	57.46	35.00	0.00	177.12
<b>Total</b>	<b>320.22</b>	<b>496.08</b>	<b>757.34</b>	<b>6.83</b>	<b>1,580.47</b>

The Bank has successfully launched its credit operation in Azerbaijan and looking for opportunities in Afghanistan and Kyrgyzstan as well.

# Portfolio Development 2014-2018 (SDR million)



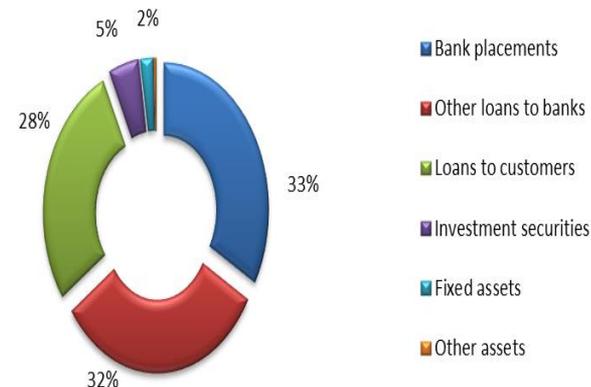
# Financial Highlights

- Robust loan portfolio
- No NPLs
- Sustainable income
- RoE @ 2,5% (2018)

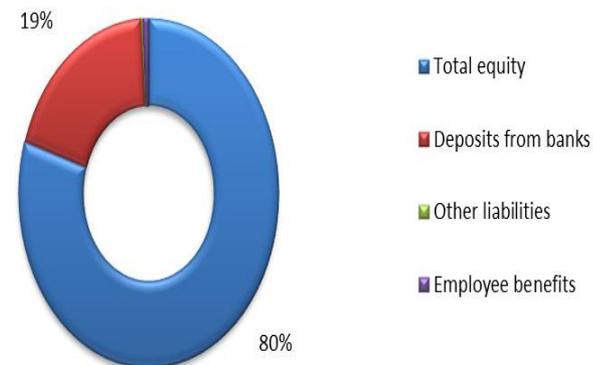
Thousand SDR

	2014	2015	2016	2017	2018
<b>Total Assets</b>	459,400	466,527	474,375	495,511	481,759
<b>Outstanding Loans</b>	178,823	235,154	267,805	301,428	288,331
<b>Undisbursed Commitments</b>	46,621	35,335	50,947	12,632	5,592
<b>Net Profit</b>	5,09	6,37	7,47	9,74	9,50
<b>Total Equity</b>	337,090	347,410	359,327	373,346	384,507
<b>Funding</b>	116,015	114,759	109,139	117,228	92,692

Composition of Assets  
31 December 2018



Composition of Liabilities & Equity  
31 December 2018



# Challenges of the ETDB

- Sustaining a high quality loan portfolio
- Enhancing cooperation with the banks in the member states
- Access to corresponding banking services
- Enhancing the capital resources
- Encouraging new members (Kazakhstan, Tajikistan, Turkmenistan and Uzbekistan)

**Thank you....**

---

[www.etdb.org](http://www.etdb.org)