

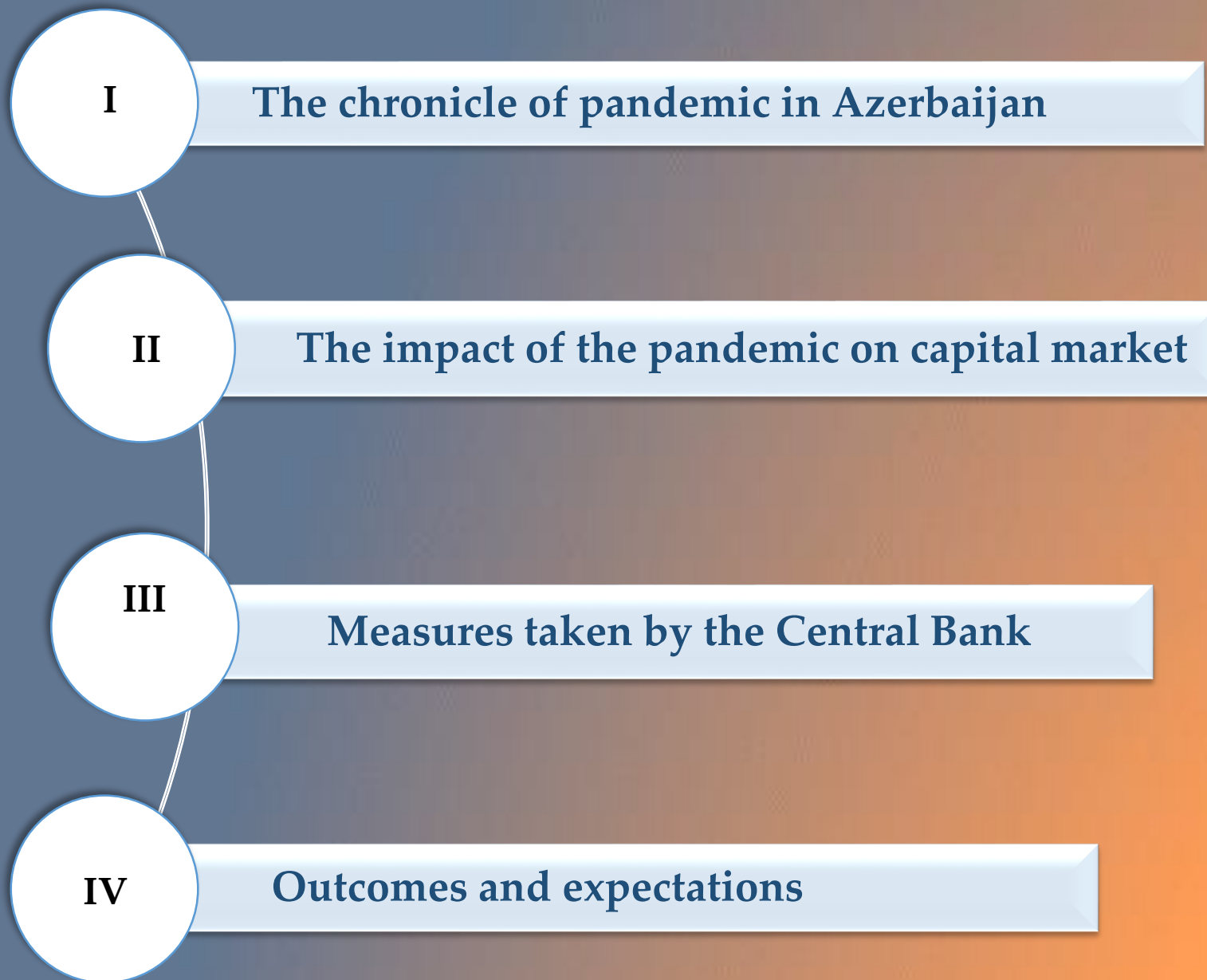


**CENTRAL BANK**  
OF THE REPUBLIC OF AZERBAIJAN

# Covid-19 Pandemic Responses of the COMCEC Capital Market Regulatory Authorities

**14 th October 2020**

# CONTENT



# CHRONICLE OF PANDEMIC IN AZERBAIJAN

The massive spread of coronavirus, and quarantine regime **MARCH**

Tightening the quarantine regime (sms application) **APRIL**

Reaching the peak of infection (590 persons per day) **JUNE**

Extension of the quarantine regime and decrease in the cases of infection **AUGUST**

Softening of quarantine regime **SEPTEMBER**

# THE IMPACT OF THE PANDEMIC ON CAPITAL MARKET

Indicators for the first half of 2020 compared to the end of 2019

## *Decrease in securities market*

- **40% Decrease** in the total volume of securities market transactions:
  - *Corporative securities* **10%**
  - *Government securities* **-56%**

## *Decrease in the volume of customer assets*

- **24% decrease** in the total volume of customer assets
  - *Portfolio management* **-59%**
  - *Brokerage services via omnibus account* **-6%**
  - *Margin trading (CFD's)* **-20%**

## *Decrease in profitability*

- Deferment of bond issues
- Decrease in profits of several investment companies

# MEASURES TAKEN BY THE CENTRAL BANK

## Regulatory holidays

1. Postponement of the impact measurement of Central Bank in capital adequacy breach cases until 01.01.2021
2. Extension of the submission of annual audited financial statements to the Central Bank until 30.09.2020;
3. Extension of the disclosure of the annual and semi-annual reports in Electronic Information Disclosure System for 1 month;
4. Postponement of the on-side inspections of the activities of licensed entities in the securities market until 30.09.2020.

## Concessions

1. Cancellation of some registry and depository fees until 30.09.2020;
2. Cancellation of listing fees on corporate bonds from 01.04.2020 to 01.01.2021;
3. Switching the settlement mode from “T + 1” to “T + 0 for the secondary market operations with government securities until 30.09.2020;
4. Minimization of the list of documents submitted to the stock exchange until 01.01.2021.

# OUTCOMES AND EXPECTATIONS

The volume of the transactions held in BSE

