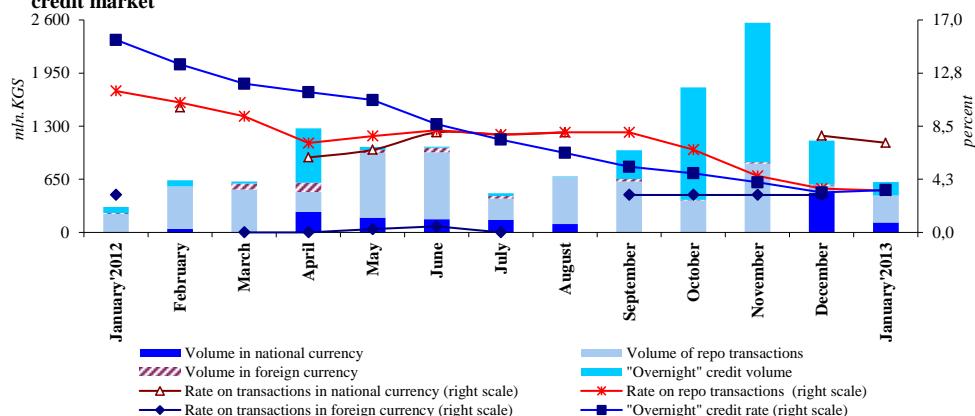


Interbank Market of Credit Resources (January 2013)

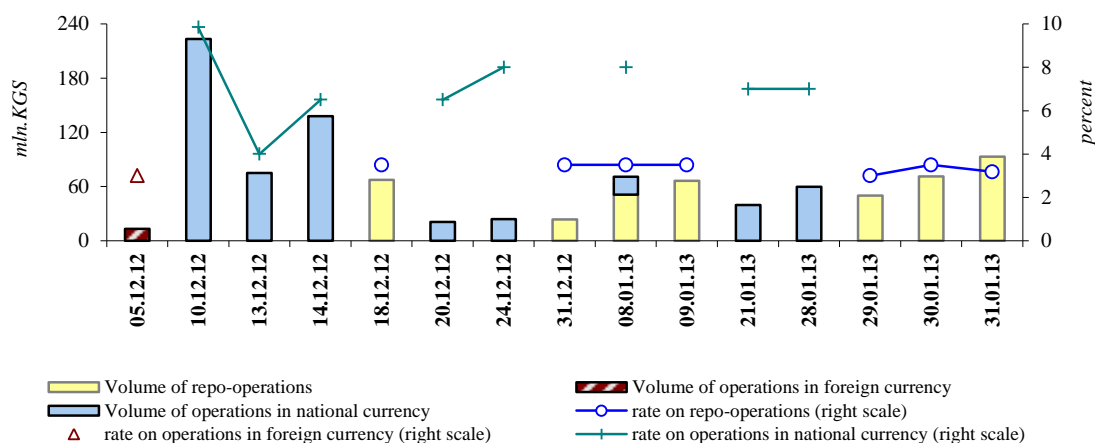
Graph 1. Dynamics of operations volume and interest rates in the domestic interbank credit market



In January, the average daily volume of excess reserves in the banking system continued to increase, reaching KGS 4.0 billion comparing to KGS 3.2 billion in the previous month. Significant participants of the market had sufficient liquidity, so that not only the interbank crediting rates, but also the volume of granted “overnight” credits decreased. Another result of the market activity decrease was the reduction of the cost of loans in the interbank credit market, that was possible also due to the increased terms of issuance of loans in national currency.

The total volume of operations in the domestic interbank credit market constituted KGS 450.3 million, decreased by 22.9 percent comparing to the indicator of December 2012. The main reason was the reduction of the volume of interbank loans in national currency by 75.2 percent and the absence of credit transactions in foreign currency in the period under review. At the same time the growth of operations under the repo terms was observed, increased by 3.7 times to KGS 331.2 million in a month.

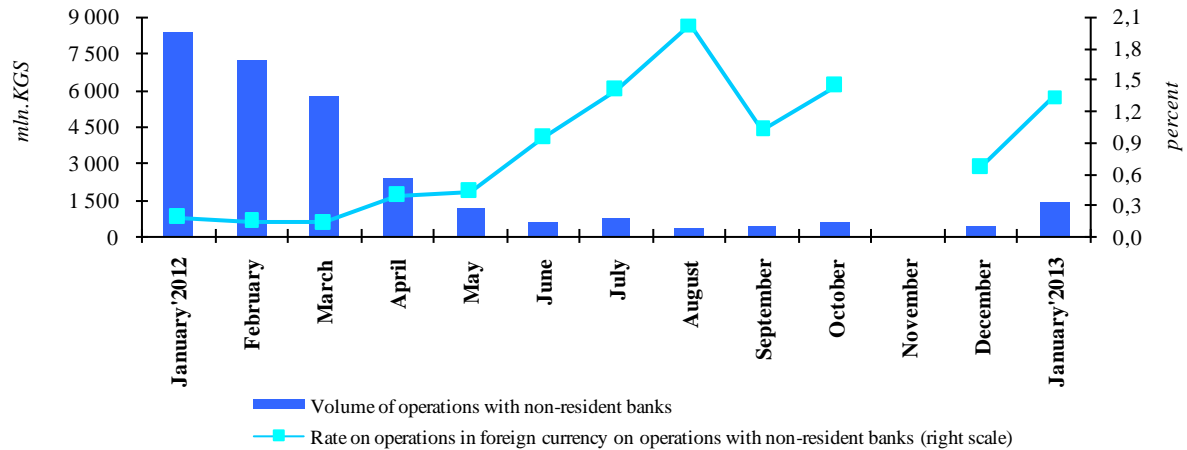
Graph 2. Daily turnover and rates in the domestic interbank credit market



The value of interbank resources in the domestic interbank market decreased - loans in national currency and under the repo terms were issued at rate 7.2 and 3.3 percent, respectively (in December 2012, the rate for loans in national currency constituted 7.7 percent, for the repo operations - 3.5 percent). The average weighted term for loans in national currency, reached 161 days in December 2012, increased to 179 days. The average weighted term for loans under the repo terms constituted three days comparing to four days in December of the previous year¹.

¹ Note: the average weighted terms per month were taken for comparison.

Graph 3. Dynamics of operations volume and interest rates in the interbank credit market on transactions in foreign currency with non-resident banks



The concentration index of creditors decreased from 0.31 to 0.27 in a month, and the concentration index of debtors formed at 0.23 comparing to 0.72 in December 2012. The values of these indices indicate a continuing high level of concentration of the market and correspond to the presence of the four creditors and four borrowers with equal shares on the market.

The volume of credit transactions in foreign currency with non-resident banks amounted to 1.4 billion in som equivalent, increased by 3.3 times compared to the similar index for December 2012. The loan currencies were USD and euro. The average weighted interest rate on credit transactions with non-resident banks formed during the month at 1.3 percent (+0.6 percentage points).

Table 1. Dynamics of interbank credits in national currency (in terms of urgency)

Period	Bcero			Including by terms																	
	Volume (mln.K GS)	Quantity of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		over 360 days	
				Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)
January 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
February	40,0	1	10,0	-	-	40,0	10,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April	250,0	2	6,0	150,0	8,0	100,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
May	177,0	4	6,6	25,0	3,0	152,0	7,2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
June	160,0	3	8,0	-	-	160,0	8,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July	150,0	3	7,8	-	-	100,0	7,8	50,0	8,0	-	-	-	-	-	-	-	-	-	-	-	-
August	100,0	2	8,0	-	-	50,0	8,0	50,0	8,0	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
December	480,6	11	7,7	75,0	4,0	-	-	23,5	9,0	22,4	9,0	80,2	10,1	-	-	120,8	9,6	69,0	6,5	89,7	6,5
January 2013	119,1	3	7,2	-	-	-	-	-	-	-	-	-	-	-	-	119,1	7,2	-	-	-	-

Table 2. Repo operations of commercial banks (in terms of urgency)

Period	Total			Including by terms																	
	Volume (mln.K GS)	Quantity of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		over 360 days	
				Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)		
January 2012	225,7	6	11,3	72,7	12,0	128,0	11,0	25,0	11,0	-	-	-	-	-	-	-	-	-	-	-	-
February	522,5	15	10,4	173,7	10,4	348,8	10,4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
March	525,9	19	9,3	95,2	9,0	430,7	9,3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April	242,8	7	7,1	104,7	7,0	138,0	7,3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
May	792,7	15	7,7	190,1	7,5	602,5	7,8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
June	820,6	19	8,2	231,5	8,2	534,6	8,2	54,4	8,0	-	-	-	-	-	-	-	-	-	-	-	-
July	261,4	4	7,8	-	-	261,4	7,8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
August	578,4	10	8,0	13,2	8,0	565,2	8,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
September	620,7	11	8,0	98,1	8,0	522,6	8,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	389,2	5	6,6	100,1	7,5	289,1	6,3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	841,7	12	4,5	41,6	4,0	800,1	4,5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
December	90,7	3	3,5	-	-	67,2	3,5	23,5	3,5	-	-	-	-	-	-	-	-	-	-	-	-
January 2013	331,2	6	3,3	-	-	298,2	3,3	33,1	3,5	-	-	-	-	-	-	-	-	-	-	-	-

Table 3. Dynamics of interbank credits in foreign currency between resident banks (in terms of urgency)

Period	Total			Including by terms																	
	Volume (mln.K GS)	Quantity of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		over 360 days	
				Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)	Volume (mln.K GS)	Rate (%)
January 2012	9,5	3	3,0	9,5	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
March	70,1	4	0,0	-	-	23,4	0,0	23,4	0,0	23,4	0,0	-	-	-	-	-	-	-	-	-	-
April	112,4	6	0,0	-	-	89,0	0,0	23,5	0,0	-	-	-	-	-	-	-	-	-	-	-	-
May	38,4	4	0,2	3,2	3,0	35,3	0,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
June	56,0	4	0,5	2,9	3,0	53,1	0,3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
July	33,0	1	0,0	-	-	33,0	0,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
September	33,1	6	3,0	24,1	3,0	9,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	7,6	1	3,0	-	-	7,6	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	18,2	3	3,0	12,2	3,0	6,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
December	13,0	1	3,0	13,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
January 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-