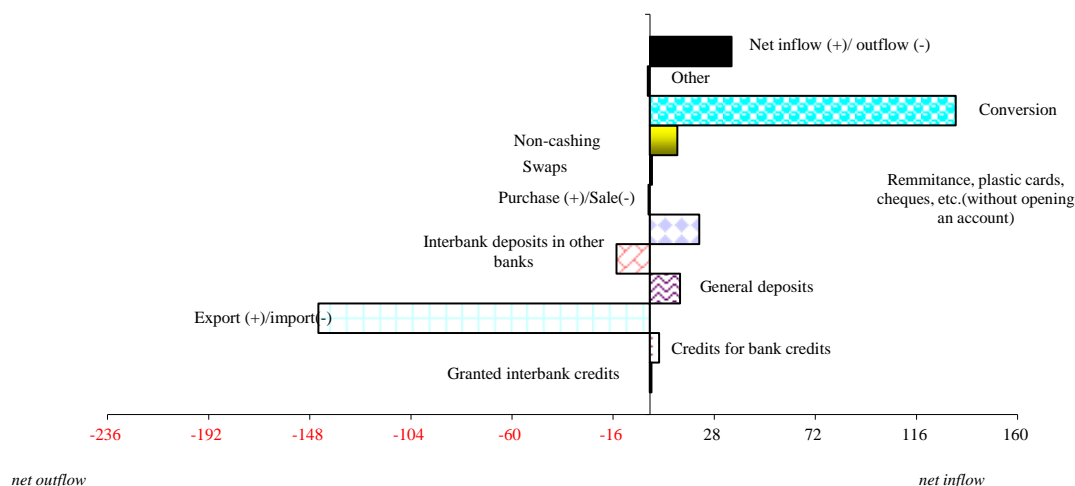
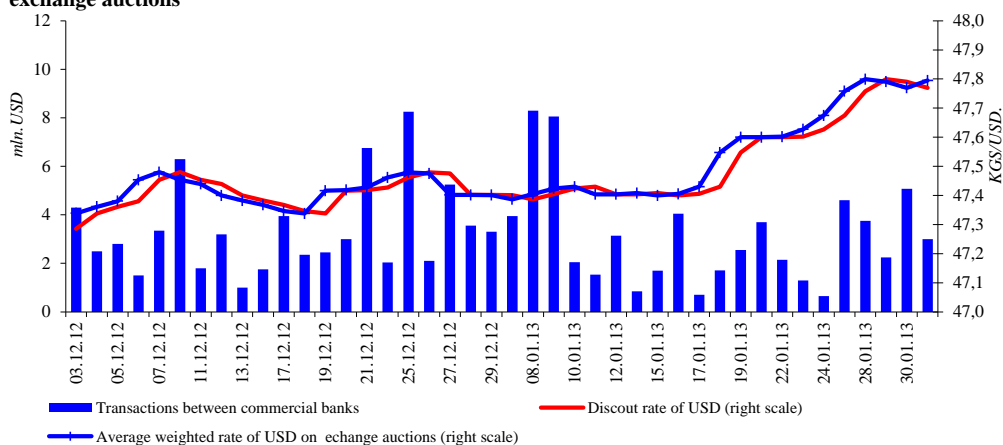


Foreign Exchange Market (January 2013)

Graph 1. Net inflow (outflow) of non-cash USD in commercial banks (mln.USD)



Graph 2. Dynamics of USD exchange and operations volume in the interbank exchange auctions



The continuation of tendency of consistent growth of exchange rate of US dollar outlined at the end of the previous year was observed in January. The American currency has risen by 0.8 percent in a month, from KGS 47.4012 to 47.7696 per U.S. dollar (in January 2012, the exchange rate increased by 0.6 percent). During the period under review the dynamics of exchange rate change was multidirectional, but with the decadal approach subsequent acceleration of its increase rates was observed. The volume of incoming trans-border remittances of individuals, still restraining the pressure on the KGS rate of the prevailing import, increased by 28.8 percent compared to the similar indicator of January 2012 and constituted USD 129.8 million¹.

In the period under review the volume of operations on purchase and sale of foreign currency decreased by 14.7 percent, constituted the amount of KGS 22.3 billion. The reason was the decrease in business activity both in cash and non-cash market segments: the volume of cash operations of commercial banks decreased to KGS 15.9 billion, which is 14.5 percent lower than the similar indicator of the previous month, the volume of performed non-cash operations of commercial banks amounted to KGS 3.3

¹ Without considering outflow.

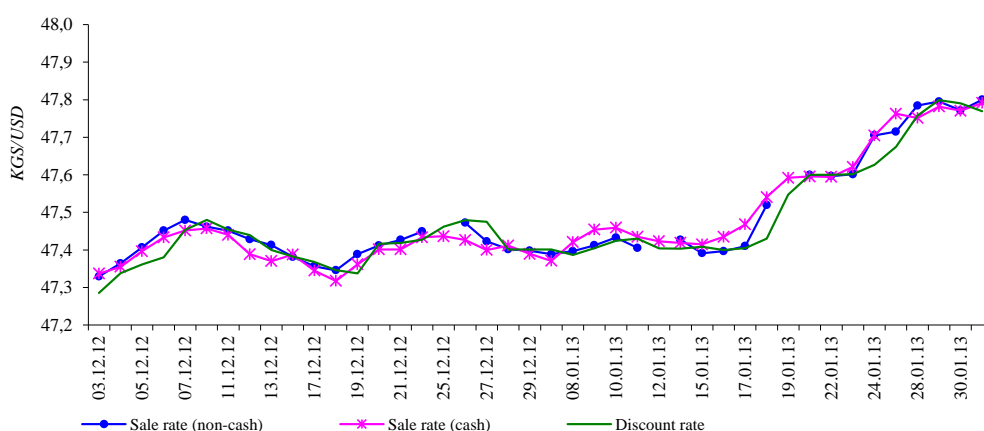
billion (-15.9 percent), cash operations of exchange offices – KGS 3.2 billion (-14.1 percent).

The aggregate turnover of interbank currency trading decreased to USD 61.1 million (-19.0 percent) due to the reduction of the volume of transactions between commercial banks. In the period under review interventions of the National Bank implemented to prevent sharp fluctuations in the exchange rate, were not carried out.

In the period under review, NBKR did not carry out swaps with commercial banks.

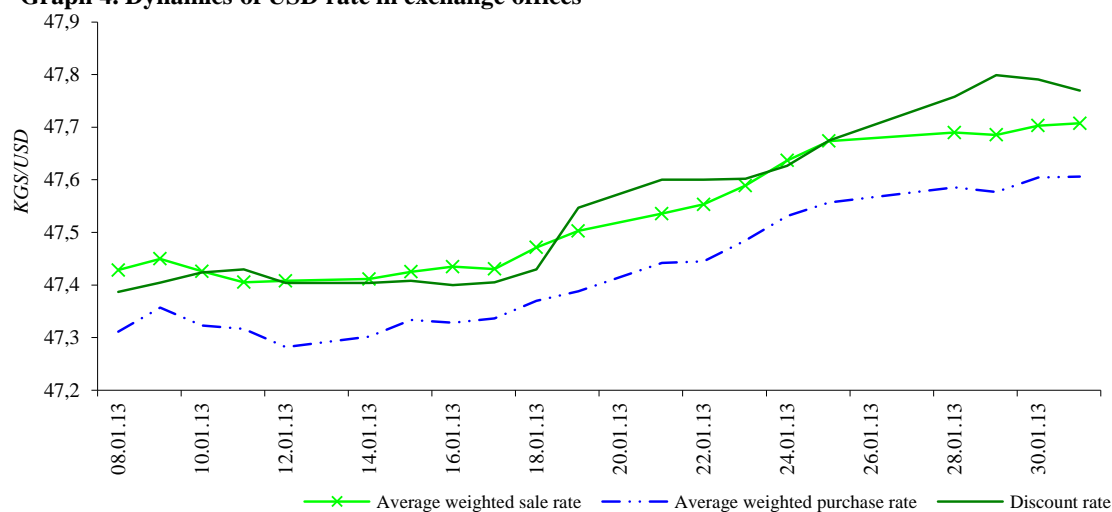
In the currency breakdown, the decrease of the volume of the operations in all major currency types was observed. At the same time, the share ratio of currencies to the total performed operations was distributed as follows: the share of operations in US dollars increased by 1.3 percentage points, to 59.6 percent; in euro and Russian rubles - by 0.4 percentage points, to 3.4 and 30.1 percent, respectively. The share of transactions in Kazakh tenge amounted to 6.9 percent, decreased by 2.0 percentage points.

Graph 3. Dynamics of sale rates of non-cash and cash USD in commercial banks



**breakdowns in graph due to the absence of transactions*

Graph 4. Dynamics of USD rate in exchange offices



Graph 5. Dynamics of rate of changes in the rates of major currencies in exchange offices and the USD rate on world markets

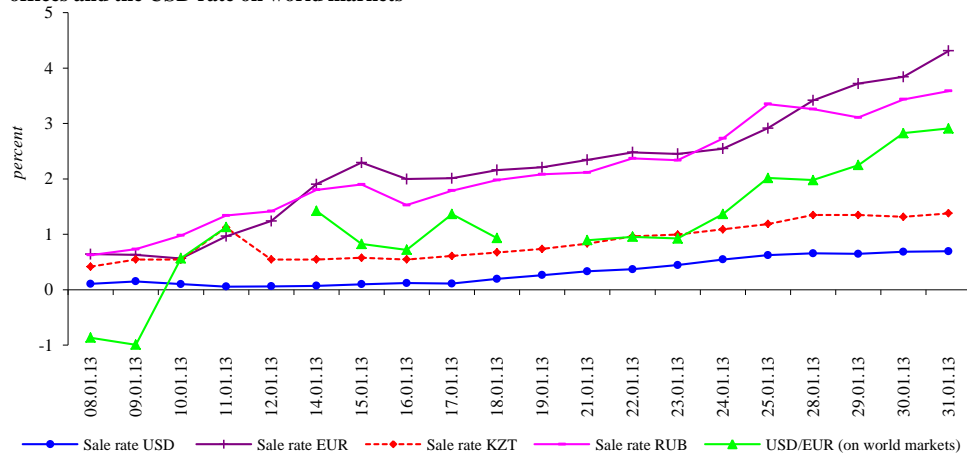


Table 1. Volume of purchase and sale of foreign exchange operations by type (in KGS equivalent)

mln.KGS

Period	Total volume of operations	non-cash operations of commercial banks		cash operations of commercial banks		cash operations of exchange offices	
		volume of operations	share (%)	volume of operations	share (%)	volume of operations	share (%)
January '2012	16,603.8	3,735.1	22.5	10,272.7	61.9	2,596.0	15.6
February	17,006.6	2,779.5	16.3	11,123.2	65.4	3,103.9	18.3
March	19,121.0	3,583.7	18.7	12,287.9	64.3	3,249.3	17.0
April	20,350.6	3,357.6	16.5	13,811.8	67.9	3,181.1	15.6
May	22,178.7	4,749.7	21.4	14,164.9	63.9	3,264.1	14.7
June	21,816.2	3,649.6	16.7	14,943.6	68.5	3,223.1	14.8
July	26,251.1	4,816.3	18.4	17,906.6	68.2	3,528.2	13.4
August	27,886.3	5,568.0	20.0	18,670.4	67.0	3,647.9	13.1
September	26,294.6	5,115.6	19.5	17,689.1	67.3	3,489.9	13.3
October	29,651.0	6,215.6	21.0	19,649.2	66.3	3,786.2	12.8
November	28,722.7	5,018.0	17.5	19,820.7	69.0	3,884.0	13.5
December	26,180.1	3,958.3	15.1	18,549.8	70.9	3,672.1	14.0
January'2013	22,335.6	3,330.8	14.9	15,850.9	71.0	3,153.8	14.1

Table 2. Volume of purchases and sales of foreign currency by currency (in KGS equivalent)

mln.KGS

Period	Total volume of operations	USD		Euro		RUB		KZT		Other	
		volume	share	volume	share	volume	share	volume	share	volume	share
January'2012	16,603.8	10,613.6	63.9	804.8	4.8	3,840.3	23.1	1,340.1	8.1	5.1	0.0
February	17,006.6	9,995.9	58.8	799.3	4.7	4,612.5	27.1	1,593.0	9.4	5.9	0.0
March	19,121.0	11,570.1	60.5	738.8	3.9	5,208.2	27.2	1,597.7	8.4	6.1	0.0
April	20,350.6	11,828.5	58.1	851.6	4.2	6,054.5	29.8	1,609.5	7.9	6.5	0.0
May	22,178.7	13,619.2	61.4	763.8	3.4	5,899.4	26.6	1,887.6	8.5	8.7	0.0
June	21,816.2	12,853.2	58.9	725.5	3.3	5,871.4	26.9	2,354.9	10.8	11.2	0.1
July	26,251.1	15,332.9	58.4	852.5	3.2	7,261.0	27.7	2,789.6	10.6	15.1	0.1
August	27,886.3	16,310.4	58.5	783.4	2.8	7,674.5	27.5	3,109.5	11.2	8.4	0.0
September	26,294.6	15,579.2	59.2	895.6	3.4	7,392.4	28.1	2,417.6	9.2	9.8	0.0
October	29,651.0	17,967.8	60.6	1,011.8	3.4	7,754.5	26.2	2,906.2	9.8	10.8	0.0
November	28,722.7	17,122.7	59.6	931.1	3.2	7,595.5	26.4	3,065.3	10.7	8.0	0.0
December	26,180.1	15,270.4	58.3	799.9	3.1	7,780.8	29.7	2,322.7	8.9	6.3	0.0
January'2013	22,335.6	13,317.6	59.6	763.0	3.4	6,716.9	30.1	1,532.3	6.9	5.8	0.0

Table 3. Data on the discount rate of foreign currencies to KGS

Period	Discount rate at the end of month				Change of the discount rate for the month			
	USD	Euro	RUB	KZT	USD	Euro	RUB	KZT
January' 2012	46.7757	61.4773	1.5405	0.3148	0.6%	2.4%	6.7%	0.5%
February	46.4900	62.4547	1.6059	0.3149	-0.6%	1.6%	4.2%	0.0%
March	46.8275	62.4819	1.5967	0.3169	0.7%	0.0%	-0.6%	0.6%
April	46.8494	62.0428	1.5960	0.3169	0.0%	-0.7%	0.0%	0.0%
May	46.9352	58.4085	1.4463	0.3173	0.2%	-5.9%	-9.4%	0.1%
June	47.2445	59.4241	1.4396	0.3162	0.7%	1.7%	-0.5%	-0.4%
July	47.1487	57.7998	1.4640	0.3143	-0.2%	-2.7%	1.7%	-0.6%
August	46.0274	57.8127	1.4341	0.3081	-2.4%	0.0%	-2.0%	-2.0%
September	47.1484	61.0289	1.5250	0.3146	2.4%	5.6%	6.3%	2.1%
October	47.1513	60.9838	1.4952	0.3129	0.0%	-0.1%	-2.0%	-0.6%
November	47.2578	61.3170	1.5217	0.3140	0.3%	0.5%	1.8%	0.4%
December	47.4012	62.6573	1.5607	0.3145	0.3%	2.2%	2.6%	0.2%
January'2013	47.7696	64.5105	1.5909	0.3167	0.8%	3.0%	1.9%	0.7%

Table 4. Data on the exchange rates to KGS in exchange offices

Period	Average marging for the month				Average daily derivation of the currency selling rate				Changing in the currency selling rate for the month			
	USD	Euro	RUB	KZT	USD	Euro	RUB	KZT	USD	Euro	RUB	KZT
October'2011	0,3%	0,5%	0,8%	0,8%	0,1%	0,2%	0,6%	0,2%	1,1%	4,9%	5,9%	1,2%
November	0,3%	0,5%	0,9%	0,7%	0,1%	0,3%	0,2%	0,1%	2,9%	-2,3%	-0,2%	3,0%
December	0,3%	0,5%	1,0%	0,9%	0,1%	0,2%	0,2%	0,2%	-0,1%	-3,6%	-3,0%	-1,0%
January' 2012	0,3%	0,5%	0,9%	0,7%	0,0%	0,3%	0,3%	0,1%	-0,3%	1,8%	6,6%	0,3%
February	0,3%	0,5%	1,0%	0,7%	0,1%	0,1%	0,3%	0,1%	-0,3%	1,7%	3,7%	0,2%
March	0,3%	0,6%	0,8%	0,7%	0,1%	0,3%	0,3%	0,1%	0,0%	0,4%	0,6%	-0,1%
April	0,2%	0,5%	0,6%	0,7%	0,0%	0,1%	0,2%	0,1%	0,4%	-0,6%	-1,1%	0,1%
May	0,3%	0,5%	0,8%	0,7%	0,1%	0,2%	0,4%	0,1%	0,4%	-5,2%	-9,3%	0,4%
June	0,3%	0,6%	0,8%	0,7%	0,0%	0,2%	0,4%	0,1%	0,6%	1,1%	-1,0%	-0,2%
July	0,2%	0,5%	0,7%	0,7%	0,0%	0,2%	0,3%	0,1%	0,2%	-2,6%	1,9%	-0,1%
August	0,3%	0,5%	0,8%	0,5%	0,1%	0,2%	0,2%	0,2%	-1,2%	0,3%	-1,0%	-2,0%
September	0,3%	0,5%	0,6%	1,0%	0,1%	0,2%	0,4%	0,2%	0,8%	4,9%	4,8%	1,3%
October	0,2%	0,4%	0,6%	0,7%	0,0%	0,1%	0,2%	0,1%	0,4%	0,6%	-0,2%	-0,2%