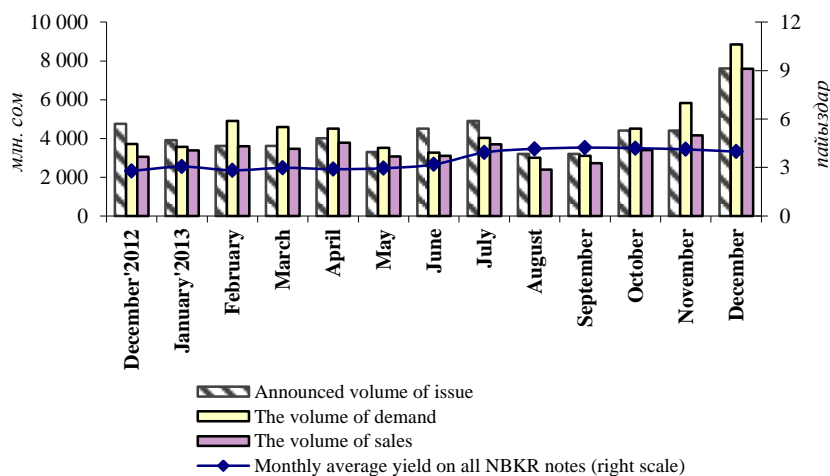


Notes of the National Bank of the Kyrgyz Republic (December 2013)

Graph 1. Demand and placement of NBKR notes

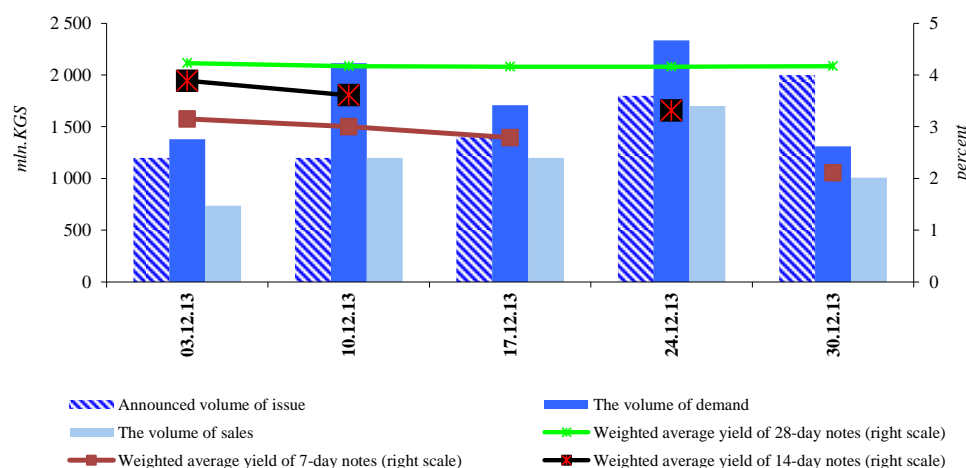


At five auctions of notes of the National Bank of the Kyrgyz Republic took place in December, the announced volume of issues amounted to 7.6 billion KGS, which is by 72.7 percent higher than the previous year similar indicator.

Average auction¹ demand in the reporting period increased by 21.5 percent and constituted 1.8 billion KGS. In the reporting period, the volume of sales was mainly presented by the 7-, 14- and 28-day notes, and the majority of them were purchased by four commercial banks with the total share in the structure of sales at 82.7 percent. The average auction volume of sales in the reporting period constituted 1.2 billion KGS having increased by 18.2 percent as compared to the previous month indicator.

Overall weighted average yield of the NBKR notes decreased by 0.2 percentage points as compared with the previous month indicator and constituted 4.0 percent. Yield on 7-day notes constituted 2.6 percent (-0.8 percentage points), on 14-day notes – 3.5 percent (-0.7 percentage points), on 28- day notes – 4.2 percent (-0.01 percentage points).

Graph 2. The dynamics of demand, sales and yield of NBKR notes



In the reporting period, the volume of notes in circulation increased by 67.8 percent and remained at the level of 6.6 billion KGS. This increase was due to the increase in the volume of notes of commercial banks (+80.8 percent) and constituted 58.6 percent (+4.2 percentage points) and resident legal entities (+51.2 percent) with the share of 41.1 percent (-4.5 percentage points).

¹ This indicator is used instead of the total demand/ supply over the month, as the number of auctions over the month is not constant value.

Specific weight of the institutional investors constituted 0.3 percent. Physical entities did not participate in the auctions.

Graph 3. The dynamics of sales of NBKR notes

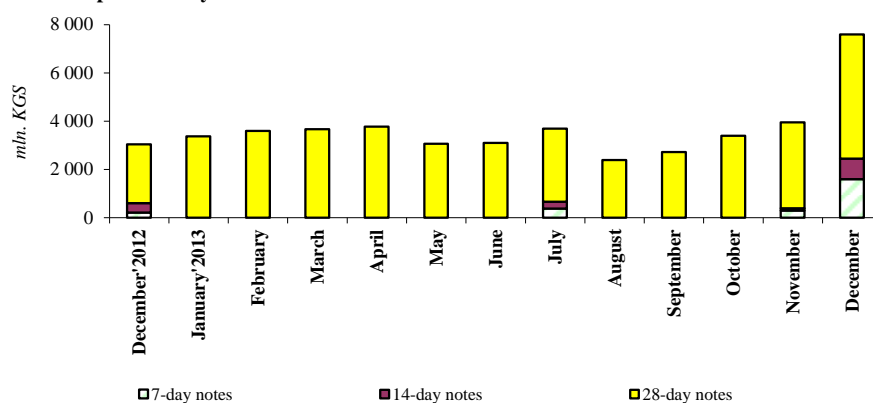


Table 1. The structure of the holders of NBKR notes at par value

mln. KGS

Date	TOTAL	Including							
		Commercial Banks		Resident companies		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.01.2013	3 050,0	3 006,4	98,6%	13,5	0,4%	-	0,0%	30,1	1,0%
01.02.2013	3 379,5	3 316,9	98,1%	40,6	1,2%	-	0,0%	22,0	0,7%
01.03.2013	3 600,0	2 562,7	71,2%	1 036,0	28,8%	1,3	0,0%	-	0,0%
01.04.2013	3 673,1	2 019,8	55,0%	1 653,3	45,0%	-	0,0%	-	0,0%
01.05.2013	3 143,0	2 140,5	68,1%	1 002,5	31,9%	-	0,0%	-	0,0%
01.06.2013	3 073,0	1 811,0	58,9%	1 262,0	41,1%	-	0,0%	-	0,0%
01.07.2013	3 105,5	1 836,0	59,1%	1 269,5	40,9%	-	0,0%	-	0,0%
01.08.2013	2 680,6	960,5	35,8%	1 636,1	61,0%	-	0,0%	84,0	3,1%
01.09.2013	2 400,0	370,5	15,4%	2 029,5	84,6%	-	0,0%	-	0,0%
01.10.2013	2 720,0	1 098,6	40,4%	1 621,4	59,6%	-	0,0%	-	0,0%
01.11.2013	2 895,4	1 229,5	42,5%	1 665,9	57,5%	-	0,0%	-	0,0%
01.12.2013	3 959,0	2 152,6	54,4%	1 806,4	45,6%	-	0,0%	-	0,0%
01.01.2014	6 645,0	3 892,2	58,6%	2 730,7	41,1%	1,0	0,0%	21,1	0,3%