

NBKR Notes (March 2018)

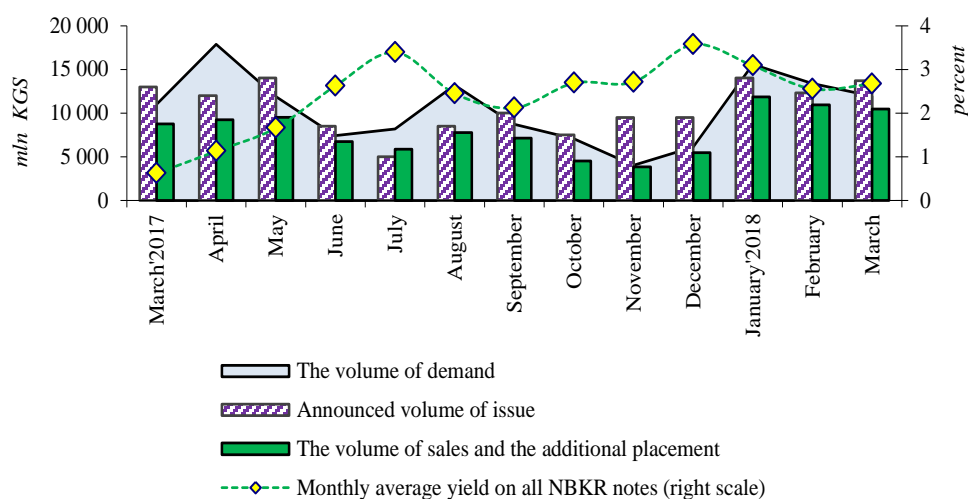
In the reporting period, the National Bank of the Kyrgyz Republic issued the notes in the amount of KGS 13.7 billion (+11.4 percent). The total volume of demand for the notes of the National Bank of the Kyrgyz Republic decreased by 10.8 percent, down to KGS 11.9 billion over the month. The average auction¹ volume of demand for the notes of the National Bank of the Kyrgyz Republic decreased by 10.8 percent during the month and amounted to KGS 3.0 billion. In line with the National Bank of the Kyrgyz Republic monetary policy, the sales volume in the reporting period was presented by 7-day, 28-day and 91-day notes, the total volume of placement amounted to KGS 10.5 billion (-4.3 percent per month). The average auction volume of sales decreased by 4.3 percent and amounted to KGS 2.6 billion.

At the end of March, the total concentration index of the National Bank of the Kyrgyz Republic notes was 0.21 which indicated a high level of concentration and corresponded to the presence of five main investors at the market.

In the reporting period, the weighted average yield of the National Bank of the Kyrgyz Republic notes was observed at the level of 2.7 percent (-0.1 percentage point). Thus, the weighted average yield of the National Bank 7-day notes made 1.9 percent (+0.2 percentage points), 28-day notes – 3.9 percent (-0.3 percentage points) and the yield on 91-day notes made 5.0 percent (+0.06 percentage points). The yield on all maturities was within the policy rate corridor. The boundaries of the interest rate corridor were retained: the top boundary of the interest rate corridor (the rate on “overnight” credits) was at the level of 6.25 percent, and the bottom boundary (the rate on “overnight” deposits) - at the level of 0.25 percent.

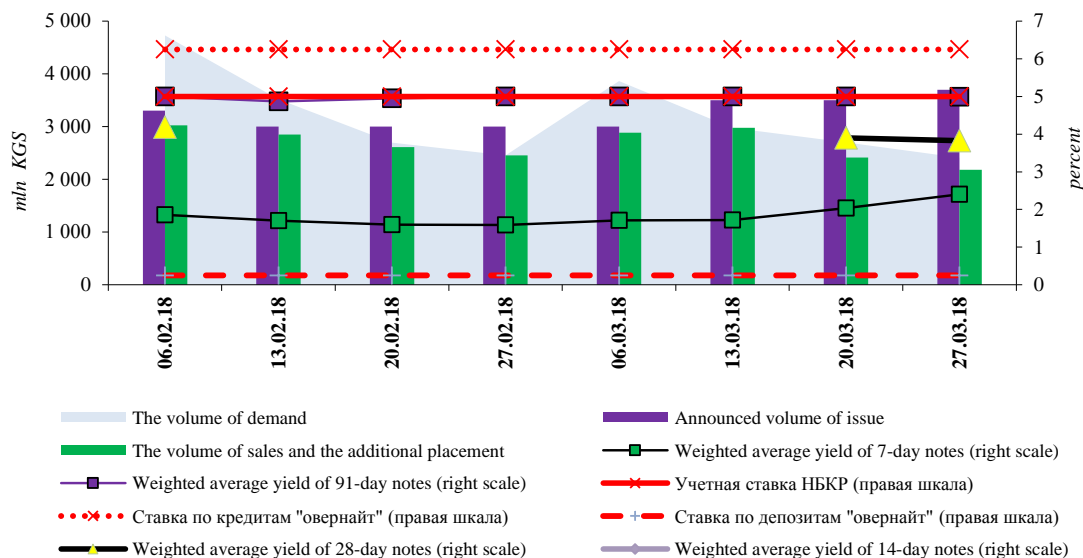
At the end of the reporting year, the volume of notes in circulation increased by 78.5 percent year-to-date and amounted to KGS 9.3 billion. The commercial banks were the main holders of the National Bank of the Kyrgyz Republic notes with the share of 99.99 percent and the resident legal entities with the share of 0.01 percent.

Graph 1. Demand and placement of NBKR notes



¹ This index is used instead of total volume of demand/supply for a month as the quantity of auctions held during the month is not constant.

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



Graph 3. The dynamics of sales of NBKR notes

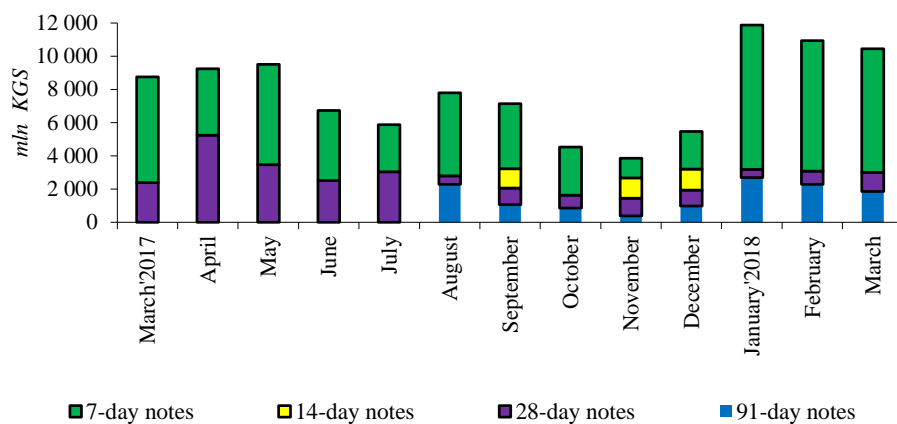


Table 1. The structure of the holders of NBKR notes at par value

mln KGS

Date	TOTAL	Including							
		Commercial Banks		Legal entities - residents		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.04.2017	4 280,0	4 280,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.05.2017	5 250,0	5 250,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.06.2017	4 325,0	4 325,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.07.2017	3 511,0	3 511,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.08.2017	3 555,0	3 555,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.09.2017	3 795,5	3 795,5	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.10.2017	6 290,5	6 279,1	99,8%	11,4	0,2%	0,0	0,0%	0,0	0,0%
01.11.2017	5 281,0	5 265,6	99,7%	15,4	0,3%	0,0	0,0%	0,0	0,0%
01.12.2017	3 748,3	3 727,1	99,4%	21,2	0,6%	0,0	0,0%	0,0	0,0%
01.01.2018	5 230,0	5 108,2	97,7%	4,0	0,1%	0,0	0,0%	117,8	2,3%
01.02.2018	6 587,0	6 587,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.03.2018	8 624,5	8 474,0	98,3%	0,5	0,01%	0,0	0,0%	150,0	1,7%
01.04.2018	9 335,5	9 335,0	99,99%	0,5	0,01%	0,0	0,0%	0,0	0,0%