

## Market of State Treasury Bonds (March 2018)

Two auctions on placement of state treasury bonds in the primary market issued by the Ministry of Finance of the Kyrgyz Republic were held in the reporting period.

The securities with the maturity of 2 and 5 years were presented in the market of state treasury bonds. The total amount of the announced ST-Bonds issue made KGS 1.3 billion having increased by 18.2 percent over the month. Meanwhile, the overall demand for ST-Bonds continued growing and made KGS 4.3 billion in the reporting period. However, the total volume of sales decreased down to KGS 1.1 billion (-52.6 percent) as additional placements of these securities were held in the previous month. Thus, based on the results of the auctions, market participants purchased 2-year ST-Bonds in the amount of KGS 338.0 million at the average weighted rate of 8.5 percent and 5-year ST-Bonds in the amount of KGS 800.0 million at the average weighted rate of 12.4 percent.

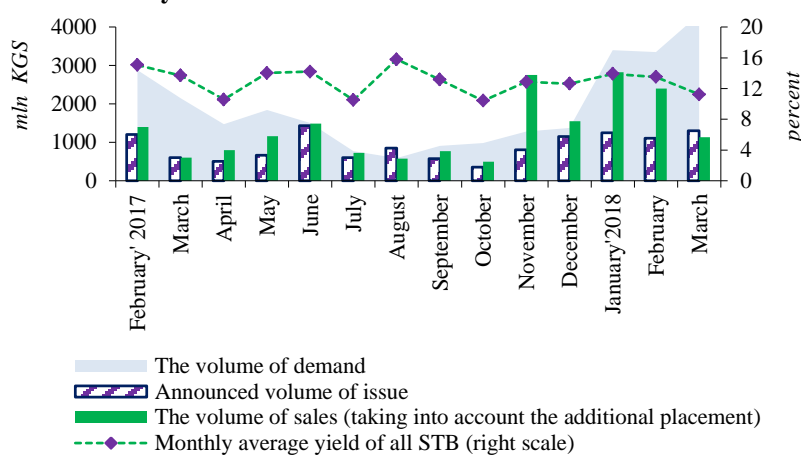
In the reporting period, the overall average monthly yield on ST-Bonds decreased by 2.3 percentage points against the previous month and made 11.2 percent.

At the end of the reporting period, the volume of ST-Bonds in circulation increased by 23.3 percent from the beginning of the year and amounted to KGS 29.3 billion. In the structure of ST-Bonds holders the share of the institutional investors was 57.4 percent, the share of the commercial banks – 31.6 percent, the share of the non-resident legal entities – 10.5 percent, and the share of resident legal entities – 0.5 percent.

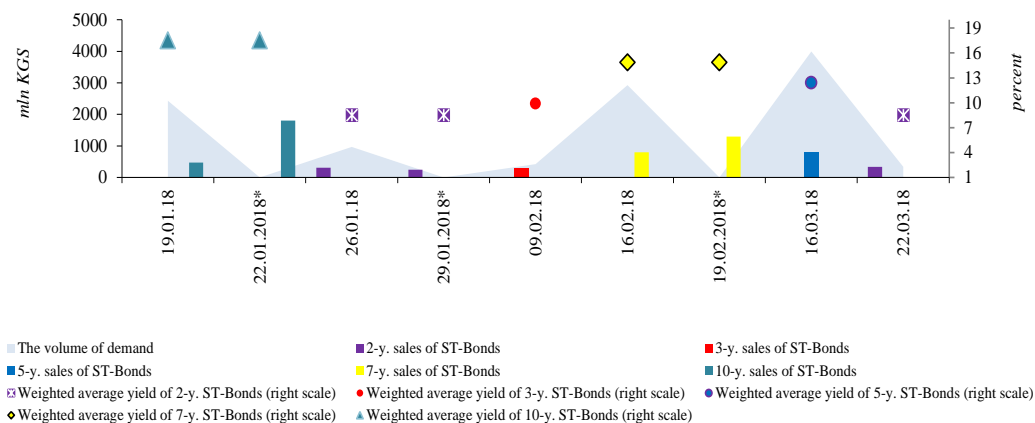
Thus, the total concentration index of the ST-Bonds was 0.28 which indicated a high level of concentration and corresponded to the presence of four main investors at the market.

In the reporting period, the transactions on purchase/sale of ST-Bonds were not conducted in the secondary market.

**Graph 1. The dynamics of volume of supply and demand and yield of STB**



**Graph 2. The dynamics of volume of supply and demand and yield of STB**



\* -additional placement

**Table 1. The structure of the STB holders at face value**

Date	TOTAL	of which									
		Commercial Banks		Institutional Investors		Legal entities - residents		Legal entities - non-residents		individuals - residents	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.04.2017	15 242 261,3	6 093 383,8	40,0	9 032 864,5	59,3	116 013,0	0,8	0,0	0,0	0,0	0,0
01.05.2017	16 042 261,3	6 658 175,0	41,5	9 271 073,3	57,8	113 013,0	0,7	0,0	0,0	0,0	0,0
01.06.2017	17 002 261,3	7 025 135,2	41,3	9 854 005,1	58,0	123 121,0	0,7	0,0	0,0	0,0	0,0
01.07.2017	17 492 261,3	7 036 419,6	40,2	10 332 720,7	59,1	123 121,0	0,7	0,0	0,0	0,0	0,0
01.08.2017	18 731 111,3	7 140 239,8	38,1	11 465 900,5	61,2	124 971,0	0,7	0,0	0,0	0,0	0,0
01.09.2017	19 307 011,3	7 444 739,8	38,6	11 721 900,5	60,7	140 371,0	0,7	0,0	0,0	0,0	0,0
01.10.2017	19 706 511,3	7 783 243,8	39,5	11 772 310,9	59,7	150 956,6	0,8	0,0	0,0	0,0	0,0
01.11.2017	20 005 021,3	7 826 710,3	39,1	12 027 354,4	60,1	150 956,6	0,8	0,0	0,0	0,0	0,0
01.12.2017	22 634 744,5	8 124 965,0	35,9	14 357 696,9	63,4	152 082,6	0,7	0,0	0,0	0,0	0,0
01.01.2018	23 748 352,5	8 499 917,1	35,8	15 095 715,8	63,6	152 719,6	0,6	0,0	0,0	0,0	0,0
01.02.2018	26 188 852,5	8 586 247,0	32,8	15 402 051,2	58,8	151 735,4	0,6	2 048 818,9	7,8	0,0	0,0
01.03.2018	28 438 852,5	9 114 090,4	32,0	16 232 624,6	57,1	3 092 137,5	10,9	0,0	0,0	0,0	0,0
01.04.2018	29 274 352,5	9 265 213,6	31,6	16 790 124,6	57,4	152 746,0	0,5	3 066 268,3	10,5	0,0	0,0