

## Market of State Treasury Bills (January 2018)

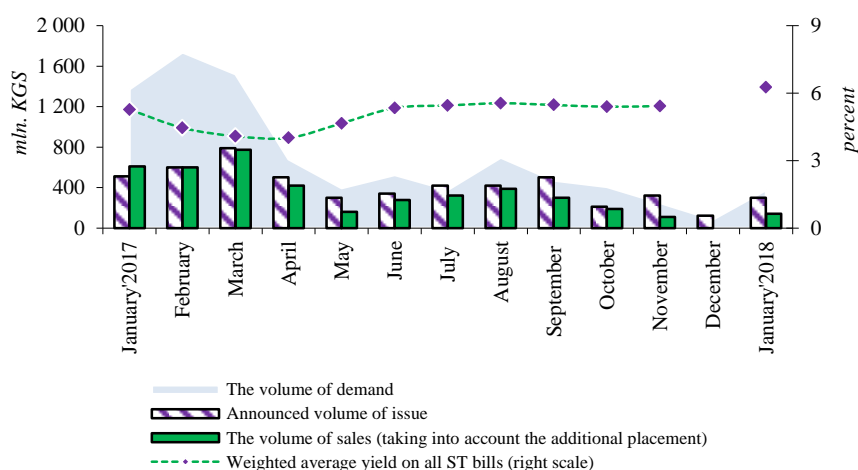
In the current month, the auctions on placement of 3-month ST-Bill were not announced by the Ministry of Finance of the Kyrgyz Republic, and the auctions on placement of 6-month ST-Bills were declared void due to high volatility of the yield thereof. Meanwhile, the auction on placement of 12-month ST-Bills was held, where the volume of sales amounted to KGS 140.0 million at the average weighted interest rate of 6.3 percent. In the reporting period, the total volume of ST-Bills announced issue amounted to KGS 300.0 million with the demand in the amount of KGS 376.1 million.

The net financing of the Kyrgyz Republic budget deficit within the reporting period was formed in the amount of KGS -225.6 million. In the reporting month, the Ministry of Finance of the Kyrgyz Republic redeemed previously issued ST-Bills in the amount of KGS 357.3 million.

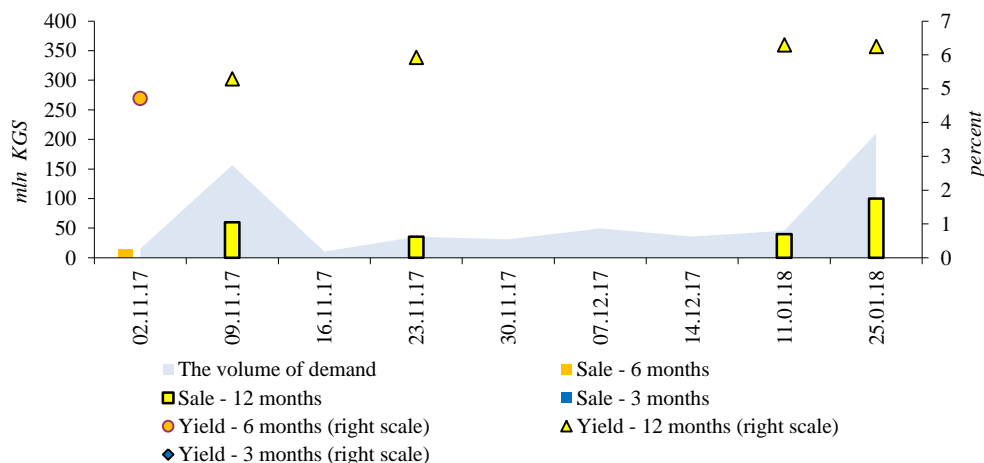
Thus, at the end of January 2018, the volume of ST-Bills in circulation decreased down to KGS 2.7 billion (-8.2 percent) year-to-date. Therefore, the structure of ST-Bills main holders changed insignificantly: the share of ST-Bills main holders – commercial banks increased by 0.8 percentage points, up to 79.0 percent, the share of resident legal entities increased up to 1.0 percent (+0.3 percentage points), the share of institutional investors, by contrast, decreased by 1.1 percentage points, down to 20.0 percent.

In the reporting period, the transactions with ST-Bills were not conducted in the secondary market.

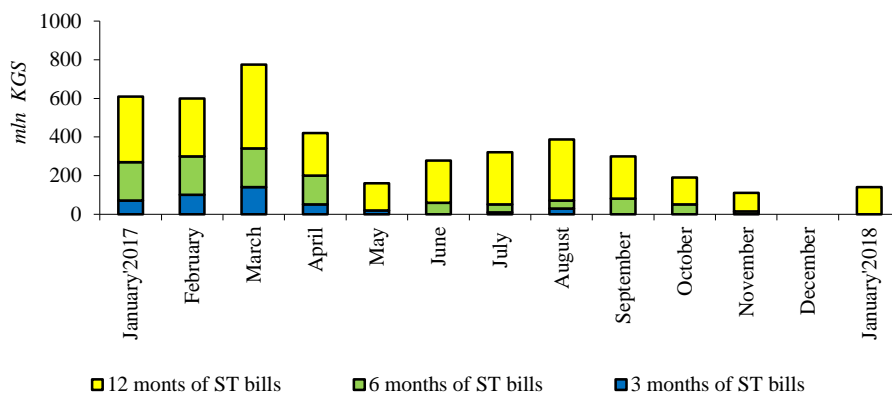
**Graph 1. Demand and placement of ST-Bills**



**Graph 2. Dynamics of volume of supply, demand and yield of ST-Bills**



**Graph 3. The dynamics of sales of ST-Bills**



**Table 1. The structure of ST bills holders at face value**

*thousand KGS*

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.02.2017	4 511 920,0	2 947 828,0	65,3%	1 530 072,0	33,9%	0,0	0,0%	34 020,0	0,8%
01.03.2017	4 713 900,0	3 168 404,2	67,2%	1 520 525,8	32,3%	0,0	0,0%	24 970,0	0,5%
01.04.2017	4 906 400,0	3 416 240,2	69,6%	1 459 925,8	29,8%	0,0	0,0%	30 234,0	0,6%
01.05.2017	4 719 100,0	3 583 635,2	75,9%	1 107 775,8	23,5%	0,0	0,0%	27 689,0	0,6%
01.06.2017	4 216 600,0	3 318 030,8	78,7%	870 880,2	20,7%	0,0	0,0%	27 689,0	0,7%
01.07.2017	4 055 100,0	3 362 220,2	82,9%	664 470,8	16,4%	0,0	0,0%	28 409,0	0,7%
01.08.2017	3 625 400,0	2 865 164,8	79,0%	730 801,2	20,2%	0,0	0,0%	29 434,0	0,8%
01.09.2017	3 432 900,0	2 676 586,5	78,0%	726 829,5	21,2%	0,0	0,0%	29 484,0	0,9%
01.10.2017	3 312 900,0	2 586 486,5	78,1%	710 779,5	21,5%	0,0	0,0%	15 634,0	0,5%
01.11.2017	3 097 900,0	2 320 486,5	74,9%	760 779,5	24,6%	0,0	0,0%	16 634,0	0,5%
01.12.2017	2 980 950,0	2 284 826,5	76,6%	674 779,5	22,6%	0,0	0,0%	21 344,0	0,7%
01.01.2018	2 922 450,0	2 284 826,5	78,2%	616 279,5	21,1%	0,0	0,0%	21 344,0	0,7%
01.02.2018	2 682 450,0	2 119 068,5	79,0%	536 300,0	20,0%	0,0	0,0%	27 081,5	1,0%

**Table 2. The dynamics of average monthly yield of ST bills**

*percent*

Period	Weighted average yield	By types of urgency		
		3-month ST bills	6-month ST bills	12-month ST bills
January'2017	5,3	2,7	4,3	6,8
February	4,5	2,0	3,2	6,1
March	4,1	1,6	2,8	5,5
April	4,0	1,5	2,9	5,3
May	4,7	2,0	-	5,0
June	4,3	-	4,0	5,7
July	5,5	2,5	4,6	5,7
August	5,6	2,7	4,7	5,9
September	5,5	-	5,0	5,7
October	5,4	-	5,0	5,6
November	5,4	-	4,7	5,5
December	-	-	-	-
January'2018	6,3	-	-	6,3

"-" all announced auctions were declared invalid