

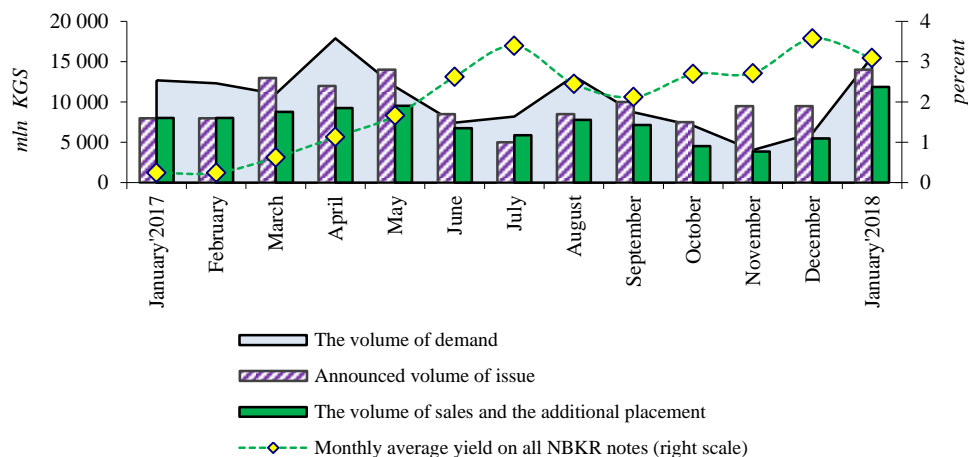
NBKR Notes (January 2018)

In the reporting period, the National Bank of the Kyrgyz Republic held five auctions for notes placement, where the total volume of the announced issue increased by 47.4 percent compared to the previous month and amounted to KGS 14.0 billion. Therefore, in the reporting period, demand for the notes of the National Bank of the Kyrgyz Republic increased by 2.6 times and exceeded the volume of announced issue by 11.3 percent. As a result, one more additional placement of 7-day notes to the total amount of KGS 500.0 million was held. The average auction¹ volume of demand for the notes of the National Bank of the Kyrgyz Republic increased by 2.0 times during the month and amounted to KGS 3.1 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 11.9 billion (an increase by 2.2 times over the month). In the reporting period, the average auction volume of sales increased by 73.4 percent over the month and amounted to KGS 2.4 billion.

Thus, in January, the weighted average yield of the National Bank of the Kyrgyz Republic notes decreased by 0.48 percentage points, down to 3.1 percent. Thus, the weighted average yield of the National Bank 7-day notes made 2.4 percent (-0.2 percentage points), 28-day notes – 4.7 percent (-0.1 percentage point) and the yield on 91-day notes made 5.0 percent (-0.01 percentage point). 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.

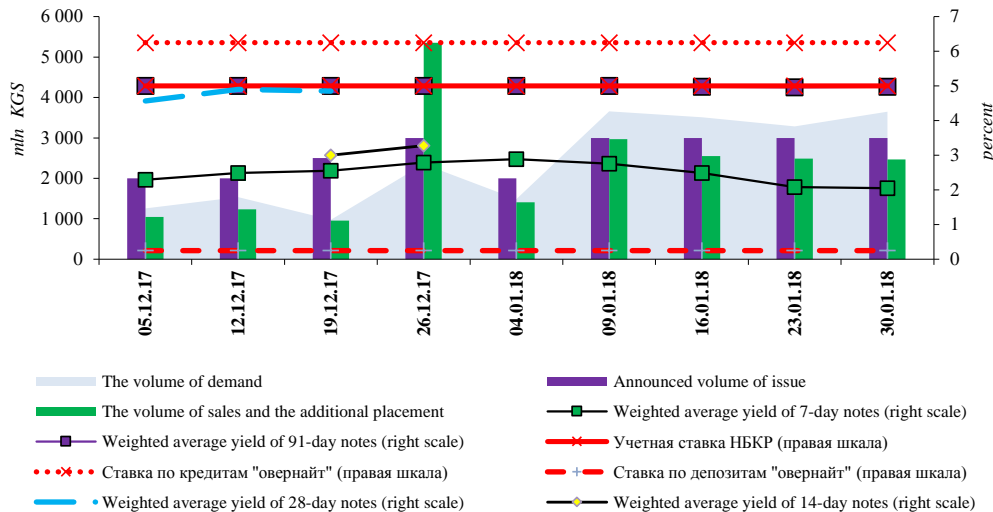
At the end of the reporting period, the volume of notes in circulation increased by 25.9 percent year-to-date and amounted to KGS 6.6 billion. The commercial banks were the single holders of the National Bank of the Kyrgyz Republic notes.

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

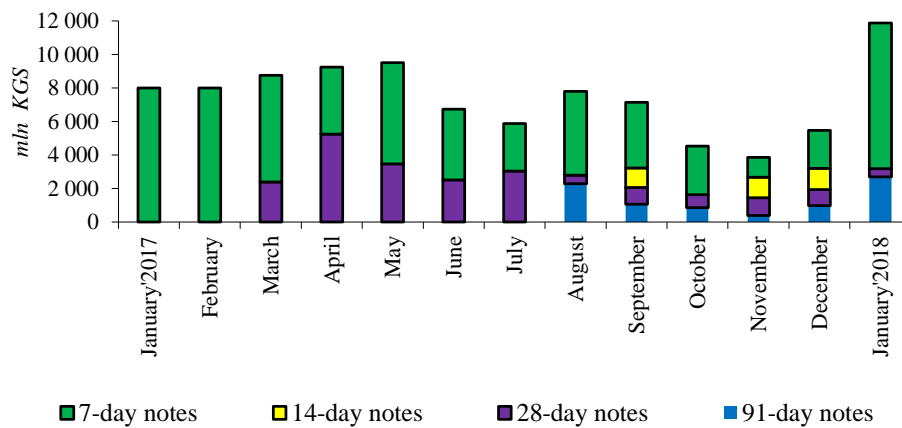


Table 1. The structure of the holders of NBKR notes at par value

mln KGS

Date	TOTAL	Including							
		Commercial Banks		Legal entities - residents		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.02.2017	2 000,0	2 000,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
01.03.2017	2 000,0	2 000,0	100,0%	0,0	0,0%	0,0	0,0%	0,0	0,0%
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%