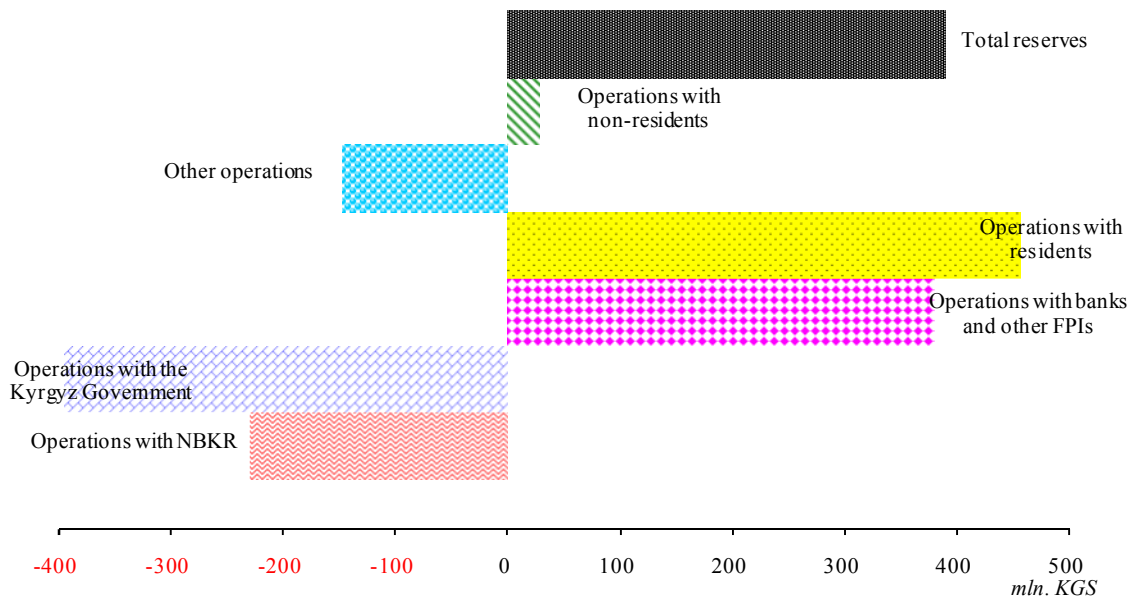


## The interbank market of lending resources (July 2012)

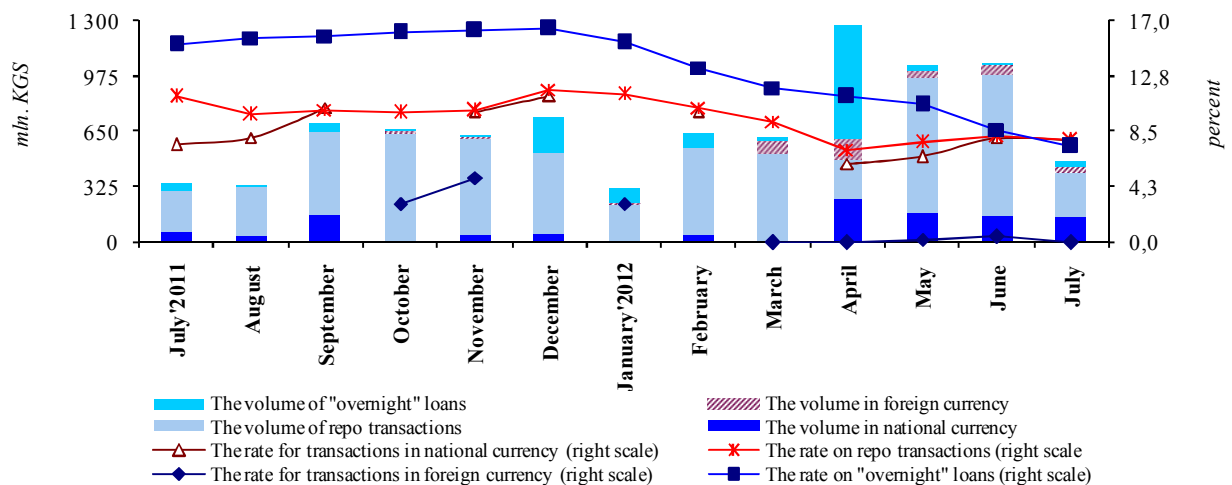
**Graph 1. The factors of changes in the liquidity in the banking system\***



\* - in accordance with the direction of their impact on aggregate bank reserves

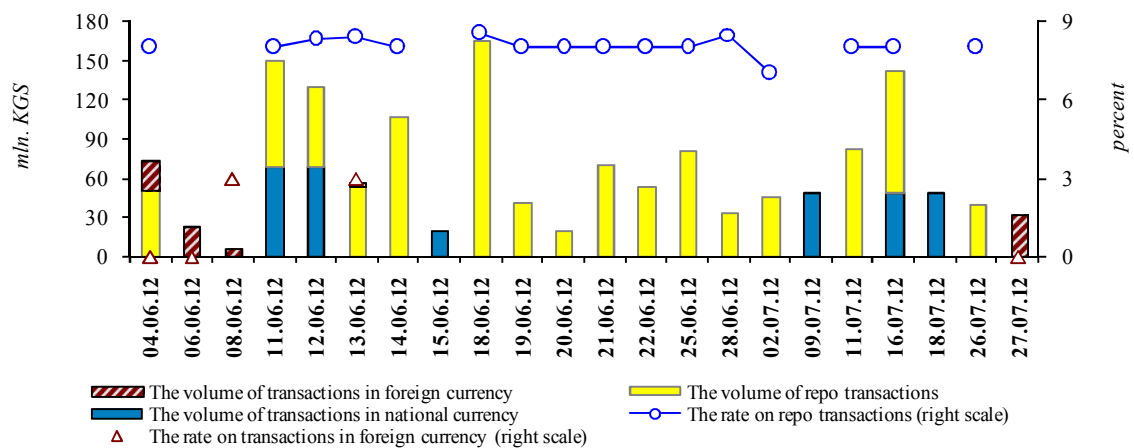
In July, there was a decrease of total transactions on the domestic interbank credit market by 57.1 percent compared with the previous month, to 444.4 million KGS, caused by decreased activity in all segments of this lending market. Major changes have affected the repo segment: in the period under review, there were four transactions worth 261.4 million KGS, whereas in June the number of transactions reached 19, and the volume of loans amounted to 820.6 million KGS. The volume of credit transactions in national and foreign currency also fell to 150.0 million KGS (-6.3 percent) and 33.0 million in som equivalent (-41.1 percent), respectively. The drop in demand for interbank loans has affected the formation of their value: based on the results of the month, the weighted average interest rate on repo transactions decreased by 0.4 percentage points to 7.8 percent; the rate on som loans fell to 7.8 percent (-0.2 p.p.). In the reporting period, in the domestic interbank credit market, one credit in foreign currency was issued at a zero rate.

**Graph 1. The dynamics of the transactions and the interest rates on the domestic interbank credit market**



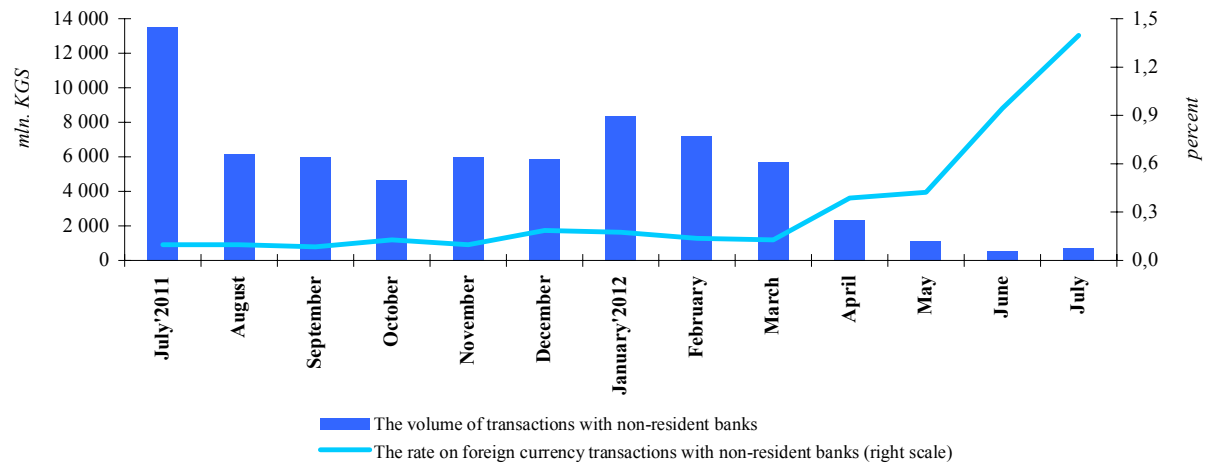
Over the month, the weighted average terms for entered repo transactions and credit transactions in local currency rose to 6 and 4 days, respectively (in June, corresponding figures constituted 3 and 4 days). An interbank loan in foreign currency has been issued for 4 days, which is 2 days less than the average for the previous month.

**Graph 2. Daily turnover and rates in the domestic interbank credit market**



In July, the concentration index of creditors increased from 0.2 to 0.3, and the concentration index of debtors formed at 0.8 against 0.4 in the previous month. The values of these indices indicate a continuing high level of concentration of the market and correspond to the presence of the three creditors with equal shares and one borrower on the market.

**Graph 3. The dynamics of the operations and the interest rates on the interbank credit market on transactions in foreign currency with non-resident banks**



The volume of transactions with non-resident banks, compared with the previous month, increased by almost a third to 739.9 million in som equivalent. Of these, 79.8 percent of the total of such loans include interbank borrowings in U.S. dollars, and the rest of the money was given in euros. Moreover, all operations were carried out by one commercial bank acting as a creditor. According to the results in July, the weighted average interest rate on credit transactions with non-resident banks formed at 1.4 percent (in June – 0.9 percent).

**Table 1. The dynamics of inter-bank loans in national currency (in terms of urgency)**

Period	Total			Including by terms															
	Volume (mln. KGS)	Qty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days	
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)
July 2011	66,5	1	7,5	-	66,5	7,5	-	-	-	-	-	-	-	-	-	-	-	-	-
August	39,6	2	8,0	-	20,0	11,0	-	-	-	19,6	5,0	-	-	-	-	-	-	-	-
September	164,6	5	10,4	-	94,6	10,5	70,0	10,3	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	40,0	1	10,0	-	40,0	10,0	-	-	-	-	-	-	-	-	-	-	-	-	-
December	61,0	2	11,3	-	40,0	12,0	21,0	10,0	-	-	-	-	-	-	-	-	-	-	-
January 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
February	40,0	1	10,0	-	40,0	10,0	-	-	-	-	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April	250,0	2	6,0	150,0	8,0	100,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-
May	177,0	4	6,6	25,0	3,0	152,0	7,2	-	-	-	-	-	-	-	-	-	-	-	-
June	160,0	3	8,0	-	-	160,0	8,0	-	-	-	-	-	-	-	-	-	-	-	-
July	150,0	3	7,8	-	-	100,0	7,8	50,0	8,0	-	-	-	-	-	-	-	-	-	-

Table 2. Repo operations of commercial banks (in terms of urgency)

Period	Total			Including by terms															
	Volume (mln. KGS)	Q-ty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days	
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)
July 2011	233,0	9	11,3	-	-	195,0	11,0	9,0	11,0	29,0	13,0	-	-	-	-	-	-	-	-
August	289,7	10	9,9	-	-	289,7	9,9	-	-	-	-	-	-	-	-	-	-	-	-
September	487,0	13	10,2	-	-	376,2	10,2	110,8	10,4	-	-	-	-	-	-	-	-	-	-
October	653,1	12	10,0	81,4	10,0	571,7	10,0	-	-	-	-	-	-	-	-	-	-	-	-
November	563,1	14	10,2	170,4	10,2	392,7	10,2	-	-	-	-	-	-	-	-	-	-	-	-
December	460,4	15	11,8	-	-	408,0	11,9	52,4	10,3	-	-	-	-	-	-	-	-	-	-
January 2012	225,7	6	11,3	72,7	12,0	128,0	11,0	25,0	11,0	-	-	-	-	-	-	-	-	-	-
February	522,5	15	10,4	173,7	10,4	348,8	10,4	-	-	-	-	-	-	-	-	-	-	-	-
March	525,9	19	9,3	95,2	9,0	430,7	9,3	-	-	-	-	-	-	-	-	-	-	-	-
April	242,8	7	7,1	104,7	7,0	138,0	7,3	-	-	-	-	-	-	-	-	-	-	-	-
May	792,7	15	7,7	190,1	7,5	602,5	7,8	-	-	-	-	-	-	-	-	-	-	-	-
June	820,6	19	8,2	231,5	8,2	534,6	8,2	54,4	8,0	-	-	-	-	-	-	-	-	-	-
July	261,4	4	7,8	-	-	261,4	7,8	-	-	-	-	-	-	-	-	-	-	-	-

Table 3. The dynamics of inter-bank loans in foreign currency between resident banks (in terms of urgency)

Period	Total			Including by terms															
	Volume (mln. KGS)	Q-ty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days	
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)		
July 2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	4,0	1	3,0	4,0	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	18,6	1	5,0	-	-	-	-	-	-	-	18,6	5,0	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
January 2012	9,5	3	3,0	9,5	3,0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
March	70,1	4	0,0	-	-	23,4	0,0	23,4	0,0	23,4	0,0	-	-	-	-	-	-	-	-
April	112,4	6	0,0	-	-	89,0	0,0	23,5	0,0	-	-	-	-	-	-	-	-	-	-
May	38,4	4	0,2	3,2	3,0	35,3	0,0	-	-	-	-	-	-	-	-	-	-	-	-
June	56,0	4	0,5	2,9	3,0	53,1	0,3	-	-	-	-	-	-	-	-	-	-	-	-
July	33,0	1	0,0	-	-	33,0	0,0	-	-	-	-	-	-	-	-	-	-	-	-