

Market of State Treasury Bills (March 2017)

In the reporting period, five auctions were held on placement of treasury bills in the primary market by the Ministry of Finance of the Kyrgyz Republic. The total volume of the announced ST Bills issue made KGS 790.0 million (+31.7 percent) at the auctions, while the demand for ST bills made KGS 1.5 billion (-12.4 percent).

Sales of 3-month ST-Bills increased by 40.0 percent over the month and amounted to KGS 140.0 million in the reporting period; 6-month ST Bills amounted to KGS 200.0 million without changing over the month; 12-month ST-Bills increased by 45.0 percent and amounted to KGS 435.0 million.

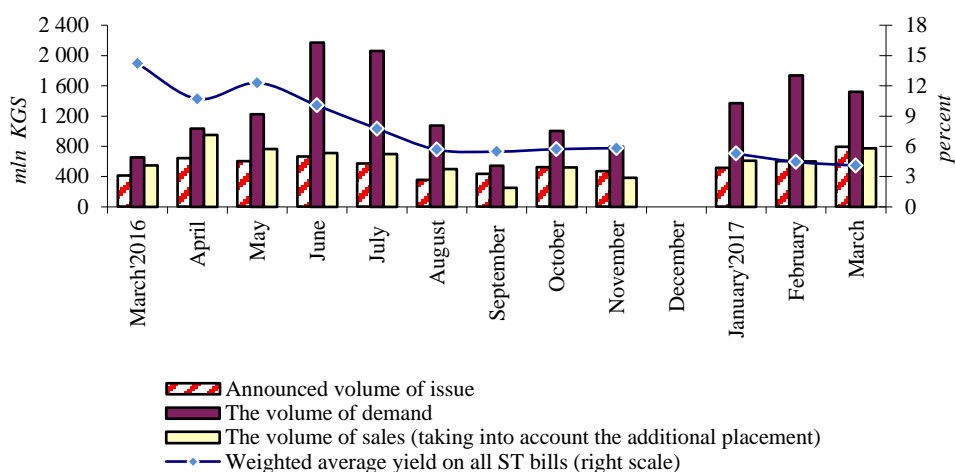
The overall weighted average yield on all types of the ST-Bills decreased by 0.4 percentage points in the reporting period to account for 4.1 percent. At the same time, the yield on the 3-month ST-Bills accounted for 1.6 percent (-0.4 percentage points), that on the 6-month ST-Bills – 2.8 percent (-0.5 percentage points), and that on the 12-month ST-Bills – 5.5 percent (-0.6 percentage points).

The net financing of the budget deficit within the reporting period was formed in the amount of KGS 400.3 million having increased by 85.5 percent. In the reporting period, the Ministry of Finance of the Kyrgyz Republic redeemed previously issued ST-Bills in the amount of KGS 348.5 million (-4.0 percent).

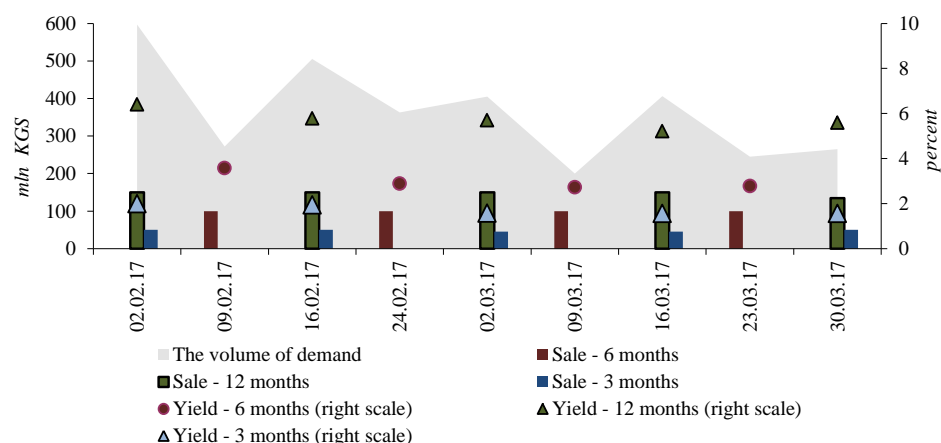
In the reporting period against the comparable indicator in the beginning of the year, the volume of ST-Bills in circulation increased to KGS 4.9 billion (+13.9 percent): the share of the main ST-Bills holders – commercial banks – increased by 3.8 percentage points, up to 69.6 percent; the share of institutional investors, by contrast, decreased by 3.6 percentage points, down to 29.8 percent, and the share of resident legal entities decreased by 0.2 percentage points, down to 0.6 percent;

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

Graph 1. Demand and placement of state treasury bills



Graph 2. Dynamics of Volume of supply, Demand and Yield of ST Bills



Graph 3. The dynamics of sales of ST bills

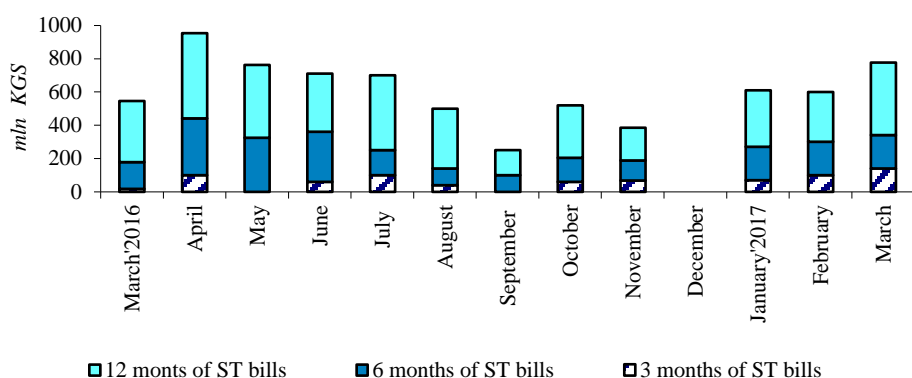


Table 1. The structure of ST bills holders at face value

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.04.2016	3 504 320,0	2 087 444,1	59,6%	1 404 360,9	40,1%	0,0	0,0%	12 515,0	0,4%
01.05.2016	3 912 250,0	2 417 635,4	61,8%	1 479 554,6	37,8%	0,0	0,0%	15 060,0	0,4%
01.06.2016	4 546 050,0	2 691 604,4	59,2%	1 839 585,6	40,5%	0,0	0,0%	14 860,0	0,3%
01.07.2016	4 669 410,0	2 730 525,0	58,5%	1 914 675,0	41,0%	0,0	0,0%	24 210,0	0,5%
01.08.2016	4 841 910,0	2 966 745,4	61,3%	1 849 194,6	38,2%	0,0	0,0%	25 970,0	0,5%
01.09.2016	4 950 910,0	3 018 660,4	61,0%	1 891 879,6	38,2%	0,0	0,0%	40 370,0	0,8%
01.10.2016	4 818 410,0	2 971 010,4	61,7%	1 802 379,6	37,4%	0,0	0,0%	45 020,0	0,9%
01.11.2016	4 998 910,0	3 176 484,1	63,5%	1 777 405,9	35,6%	0,0	0,0%	45 020,0	0,9%
01.12.2016	4 587 210,0	3 055 547,5	66,6%	1 494 642,5	32,6%	0,0	0,0%	37 020,0	0,8%
01.01.2017	4 307 710,0	2 835 547,5	65,8%	1 435 142,5	33,3%	0,0	0,0%	37 020,0	0,9%
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%

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
March'2016	14,2	5,7	12,5	15,1
April	10,7	4,3	10,7	13,7
May	12,3	-	10,4	13,6
June	10,1	3,2	9,2	12,3
July	7,8	2,7	6,4	10,1
August	5,7	2,2	3,8	7,2
September	5,5	-	4,2	6,4
October	5,7	2,8	4,8	6,7
November	5,8	3,0	4,9	7,4
December	-	-	-	-
January'2017	5,3	2,7	4,3	6,8
February	4,5	2,0	3,2	6,1
March	4,09	1,56	2,76	5,51

"-" all announced auctions were declared invalid