Inter-Bank Market of Credit Resources

(September 2014)

A decrease was observed in the average daily level of liquidity of commercial banks at the interbank market by 3.5 percent, to 745.9 million KGS in the period under consideration as compared to similar index for the previous month.

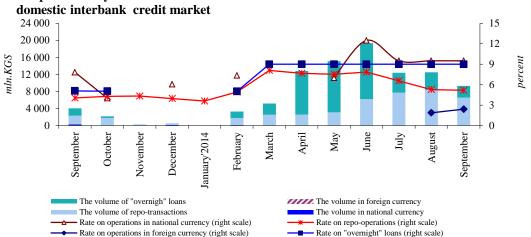
In the reporting period, there were transactions on REPO conditions in the interbank market of credits and credit transactions based on standard conditions in the national currency. No credit transactions in foreign currency were committed between banks as before. At the same time, the transactions on REPO conditions were committed according to the weighted average rate of 5.2 percent per annum (-0.1 percentage points). The volume of these credits amounted to 6.6 billion KGS by having decreased by 21.5 percent as compared to the previous month.

The volume of transactions in the national currency amounted to 26.8 million KGS by having increased by 2.2 percent in comparison with the same period of the previous month. The weighted average interest rate on these credits remained at the level of the previous month and amounted to 9.5 percent.

Besides, in the reporting period there was some decrease in demand for overnight credits, a tool of the National Bank of the Kyrgyz Republic, the volume of which amounted to 2.7 billion KGS, (-33.7 percent). The weighted average rate on overnight credits established by the National Bank of the Kyrgyz Republic remained at 9.0 percent.

In the reporting period, the National Bank issued credits to commercial banks based on credit auctions at the total amount of 720.0 million KGS (+44.0 percent), 7-day credits and intraday credits were not issued.

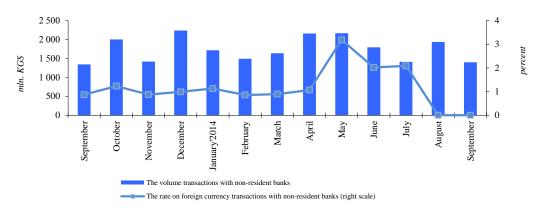
In the reporting period, the National Bank continued to allocate funds of commercial banks on deposits based on overnight conditions in the amount of 6.1 billion KGS (-57.4 percent).



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

The concentration index of creditors decreased over the last month from 0.74 to 0.57, and the concentration index of debtors from 0.65 to 0.27. The values of these indices indicate to the low level of market concentration and correspond to the presence of two creditors and four debtors in the market with equal shares.

Graph 2. 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 credit transactions in foreign currency with non-resident banks amounted to 1.4 billion in KGS equivalent, by having increased by 27.7 percent as compared to the same period of the previous month. The weighted average interest rate on credit transactions with non-resident banks committed in the period under review constituted 2.4 percent (+0.5 percentage points).

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

Period		Total			Including by terms																	
					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			
			Q-ty of transact ions	Rate (%)	Volume (mln. KGS)	Rate (%)																
	09	297,4	6	.,			50,4										49,0	8,5	50,4	8,5	147,6	8,5
2013	10	40,5	1	4,0			40,5	4,0														
	11 12	169,3	3	6,1					40,0	3,0							59.3	7.0	70.0	7.0		
	01	207,0		.,,,					,.	-,-								.,,,	,.	.,,,		
	02	155,8	3,0	7,3																		
	03																					
	04																					
2014	05	104,0	1	7,0			104,0	7,0														
	06	78,8	1	12,5															78,8	12,5		
	07	51,9	2	9,5					51,9	9,5												
	08	26,2	1	9,50					26,2	9,50												
	09	26,8	1	9,50					26,8	9,50												

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

		Total				Including by terms																
Period					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			
			Q-ty of transact ions	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 (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)
	09	2070,1	28	4,0	823,1	4,0		4,1														
2013	10	1792,3	29	4,3	-	4,3		4,2														
	11	317,5	12	4,3	199,0	4,4		4,2														
	12	419,2	6	4,0	20,0	3,5	399,1	4,0														
	01	101,4	3	3,6	66,2	3,5	35,3	3,8														
	02	1626,8	36	4,9	508,0	5,3	1060,3	4,7	58,4	5,0												
	03	2574,9	62	8,1	787,7	8,4	1787,2	7,9														
	04	2606,1	64	7,7	401,3	7,6	2056,6	7,6	148,2	8,4												
2014	05	3035,2	53	7,5	620,1	7,7	2297,3	7,5	117,9	8,0												
	06	6174,1	76	7,8	3279,6	8,0	2630,4	7,6	215,0	8,5	49,2	8,0										
	07	7717,8	78	6,6	4506,8	6,0	2906,5	7,2	304,6	8,0												
	08	8 395,2	59	5,27	4 598,9	5,09	3 787,0	5,48	9 299	6,00												
	09	6 588,7	72	5,17	361,2	4,90	6 187,4	5,17	40 102	7,00												