

Interbank Market of Credit Resources (August 2017)

In the reporting period, the average monthly level of excess liquidity in the banking system increased by 1.2 percent and amounted to KGS 1.6 billion against the previous month. The total volume of repo transactions conducted in the interbank market decreased by 30.2 percent down to KGS 565.4 million due to the fact that the transactions in the national currency were not conducted compared to the previous month. The transactions in foreign currency were not conducted in the reporting period.

“Overnight” credits of the National Bank of the Kyrgyz Republic were not requested by the commercial banks in the reporting period since May 2017. At the same time, commercial banks continued to allocate funds in the National Bank of the Kyrgyz Republic on deposits based on “overnight” conditions in the amount of KGS 148.0 billion (+8.3 percent) in the reporting period. Credit auctions were not conducted in the reporting period.

At the end of the month, the concentration index of creditors made 0.92 (+0.13) and the concentration index of debtors made 0.92 (+0.13) which indicates a high level of market concentration and corresponds to the presence of one creditor and one debtor in the market.

In the reporting period, the volume of credit transactions in foreign currency with non-resident banks increased up to KGS 12.4 billion (+74.8 percent). The weighted average interest rate on credit transactions with non-resident banks made 1.1 percent (-0.1 percentage point per month).

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



