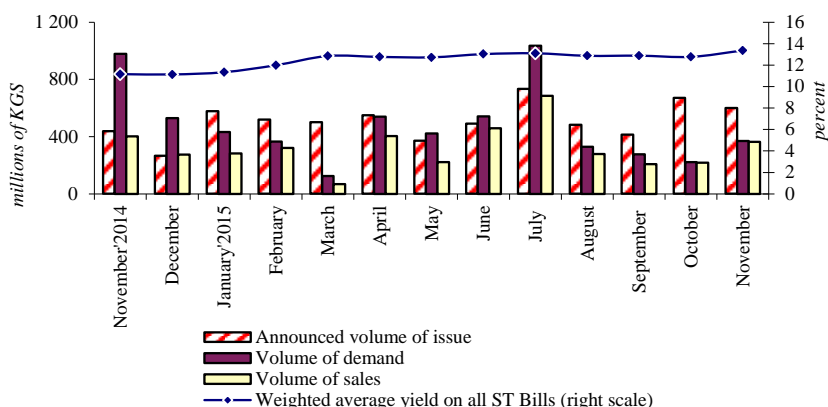


Market of State Treasury Bills (November 2015)

Chart 1. Demand and Placement of ST Bills

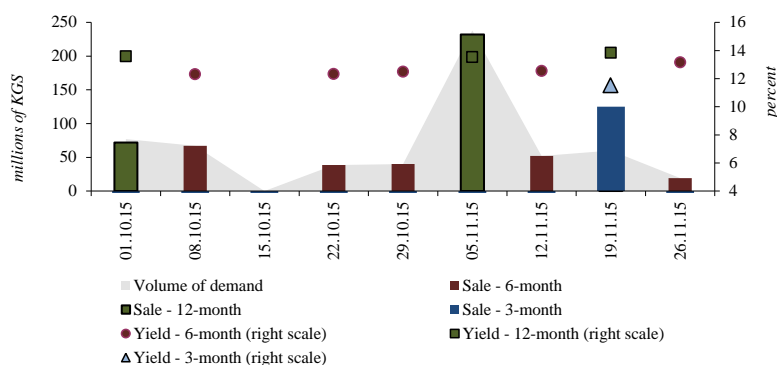


In the reporting period, as compared with the previous month, the announced volume of issue of state treasury bills of the Ministry of Finance was decreased by 10.4 percent and constituted KGS 600.0 million.

The volume of demand increased by 65.9 percent, to KGS 369.2 million, due to increase in the activity of commercial banks in this segment of the financial market. At the same time, the sales of 12-month ST Bills increased by 3.9 times and amounted to KGS 282.3 million, on the other hand, the sales of 6-month ST Bills decreased by 51.1 percent, to KGS 71.2 million, the sales of 3-month ST Bills amounted to KGS 10.0 million.

In the reporting period, the overall weighted average yield on all types of ST Bills was observed at the rate of 13.4 percent having increased by 0.6 percentage points over the month. The yield on 6-month securities was 12.7 percent (+0.3 percentage points), on 3-month securities constituted 11.5 percent, and on 12-month securities – 13.6 percent (has not changed over the month).

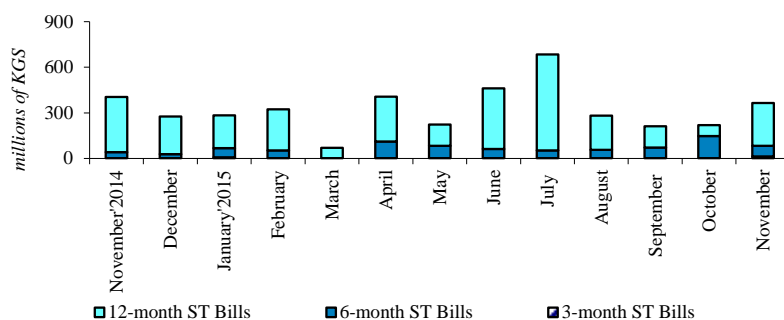
Chart 2. Dynamics of Volume of Supply, Demand and Yield of ST Bills



The average auction¹ volume of demand amounted to KGC 92.3 million, having increased by 65.9 percent as compared to the previous month, the average auction volume of sales increased by 67.1 percent, to KGS 90.9 million.

The net financing of the budget deficit within the reporting month was formed in the amount of KGS (-) 252.6 million. In the reporting period, the Ministry of Finance redeemed previously issued ST Bills to the amount of KGS 615.0 million (+2.4 times).

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.

Chart 2. Dynamics of ST Bills Sales

In the reporting period, as compared to the beginning of this year, the volume of ST Bills in circulation increased to KGS 3.5 billion (+15.3 percent): the share of principal holders of ST Bills – commercial banks decreased by 3.7 percentage points, to 54.0 percent. The share of institutional investors constituted 45.0 percent (+3.8 percentage points), the share of resident legal entities made 0.9 percent (-0.1 percentage point).

In the reporting period, no transactions with ST Bills were carried out in the secondary market.

Table 1. Dynamics of ST Bills Average Montly Yield

percent

Period	Weighted average yield	By types of urgency		
		3-month ST Bills	6-month ST Bills	12-month ST Bills
November'2014	11,2	-	10,2	11,3
December	11,1	-	10,6	11,2
January'2014	11,3	4,6	11,2	11,5
February	12,0	-	11,7	12,0
March	12,9	-	-	12,9
April	12,8	-	11,9	13,1
May	12,7	-	11,9	13,2
June	13,0	-	11,8	13,2
July	13,1	-	12,0	13,2
August	12,9	-	12,0	13,1
September	12,9	-	12,2	13,2
October	12,8	-	12,4	13,6
Ноябрь	13,4	11,5	12,7	13,6

"-" all announced auctions were declared invalid

Table 2. Structure of ST Bills Holders at Face Value

thousands of KGS

Date	TOTAL	including							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident Legal Entities	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.12.2014	3 036 650,0	1 797 448,0	59,2%	1 180 052,0	38,9%	1 000,0	0,0%	58 150,0	1,9%
01.01.2015	3 048 150,0	1 758 855,4	57,7%	1 258 168,7	41,3%	1 000,0	0,0%	30 125,9	1,0%
01.02.2015	3 084 670,0	1 763 575,4	57,2%	1 289 968,7	41,8%	1 000,0	0,0%	30 125,9	1,0%
01.03.2015	3 016 170,0	1 771 153,2	58,7%	1 213 890,9	40,2%	1 000,0	0,0%	30 125,9	1,0%
01.04.2015	3 045 170,0	1 737 808,8	57,1%	1 281 075,3	42,1%	1 000,0	0,0%	25 285,9	0,8%
01.05.2015	3 087 710,0	1 579 420,3	51,2%	1 491 149,7	48,3%	1 000,0	0,0%	16 140,0	0,5%
01.06.2015	3 066 260,0	1 559 035,7	50,8%	1 490 034,3	48,6%	0,0	0,0%	17 190,0	0,6%
01.07.2015	3 398 360,0	1 675 842,8	49,3%	1 697 227,2	49,9%	0,0	0,0%	25 290,0	0,7%
01.08.2015	3 580 210,0	1 871 881,5	52,3%	1 681 413,5	47,0%	0,0	0,0%	26 915,0	0,8%
01.09.2015	3 925 210,0	2 087 081,8	53,2%	1 804 663,2	46,0%	0,0	0,0%	33 465,0	0,9%
01.10.2015	3 893 960,0	2 032 681,8	52,2%	1 827 363,2	46,9%	1,0	0,0%	33 915,0	0,9%
01.11.2015	3 789 040,0	1 956 331,8	51,6%	1 798 793,2	47,5%	0,0	0,0%	33 915,0	0,9%
01.12.2015	3 514 990,0	1 899 330,4	54,0%	1 582 794,6	45,0%	0,0	0,0%	32 865,0	0,9%