### **Interbank Market of Credit Resources**

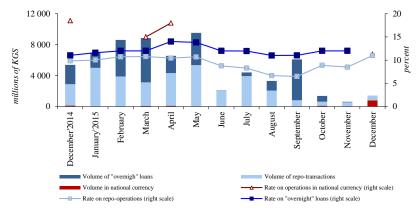
(December 2015)

An increase was observed in the average daily level of excessive liquidity of commercial banks in the interbank market by 60.7 percent, to KGS 1.0 billion in the reporting period as compared to similar index for the previous month.

REPO conditions based transactions and standard transactions in the national currency were conducted in the domestic interbank credit market. At the same time, these transactions were conducted at the weighted average rate of 11.0 percent per annum (+2.5 percentage points) and 11.2 percent per annum respectively. The volume of the credits issued on REPO conditions amounted to KGS 611.9 million having increased by 14.6 percent as compared to the previous month. In the reporting period, the volume of loans in the national currency amounted to KGS 798.2 million; meanwhile, such transactions were not conducted in the previous month.

# <u>Chart 1.</u>

Dynamics of Transactions and Interest Rates in the Domestic Inter-Bank Credit Market



Standard transactions in foreign currency were not carried out in the domestic market.

Besides, in the reporting period, there was no demand for overnight credits, a tool of the National Bank of the Kyrgyz Republic, on the part of the market participants.

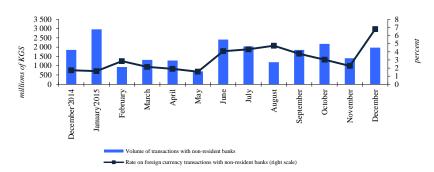
In the reporting period, the National Bank of the Kyrgyz Republic did not issue credits based on credit auctions, 7-day credits and intraday credits to commercial banks.

In the reporting period, the National Bank continued to allocate funds of commercial banks on deposits based on overnight conditions in the amount of KGS 43.7 billion (+48.8 percent).

The concentration index of creditors decreased from 0.55 to 0.37 over the month and the concentration index of debtors increased from 0.39 to 0.50. The values of these indices indicate the high level of market concentration and correspond to the presence of three principal creditors and two debtors at the market.

## <u>Chart 2.</u>

Dynamics of Operations and Interest Rates in the Inter-Bank 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 KGS 2.0 billion having increased by 40.9 percent as compared to the same index of the previous month. The weighted average interest rate on credit transactions with non-resident banks committed in the reporting period formed at the level of 6.8 percent (+4.5 percentage points).

Table 1. Dynamics of Inter-Bank Loans	in National Currency (in Terms of Urgency)
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		Total Including by terms																						
	Period						Up to 1 day		2-7 days		8-14	days	15-30		31-60 days		61-90 days		91-180 days		181-360 days		more that	n 360 days
Per			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 (%)		
2014	12	120,0	2	18,5					120,0	18,5														
2015	01 02 03 04 05 06 07 08 09 10 11 12	60,8 100,0 100,0 798,2	1				490,0	11,0	60,8				100,0	12,0			100,0	18,0						

#### Table 2. REPO Operations of Commercial Banks (in Terms of Urgency)

			Total										Inclu	iding by te	rms							
	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		n 360 days
Per			Volume Q-ty of (mln. transact		Volume (mln.	Rate (%)	Volume (mln.	Rate (%)	Volume (mln.	Rate (%)	Volume (mln.	Rate (%)		Rate (%)		Rate (%)	Volume (mln.	Rate (%)	Volume (mln.	Rate (%)	Volume (mln.	Rate (%)
2014	12	KGS) 2759.7	ions 65	9,8	KGS) 948,1	9.7	KGS) 1602,6	9,8	KGS) 183,1	10,4	KGS) 26,0	10,9	KGS)		KGS)		KGS)		KGS)		KGS)	
2014	01	4997.1			2180,1	9,7		9,8			26,0	10,9										
												10,0										
	02	3882,8			1021,7	10,5				10,0												
	03	3063,9			1337,8					11,3												
	04	4219,1	74	10,4	1940,9	10,3	2278,2	10,5														
	05	5351,6	90	10,7	2485,5	11,1	2639,1	10,4	226,9	10,2												
2015	06	2106,0	43	8,8	208,4	8,1	1523,8	8,7	373,8	9,5												
2015	07	3924,3	84	8,3	1347,5	8,4	1965,5	8,2	590,6	8,2	20,7	9,0										
	08	2057,8	38	6,7	578,5	6,3	1029,4	6,6	449,9	7,4												
	09	807,3	24	6,5	530,6	6,1	276,8	7,3														
	10	521,3	23	8,9	140,5	8,2	254,5	8,7	126,3	10,0												
	11	533,8	11	8,5	109,2	8,6	424,6	8,5														
	12	611,9	11	11,0	206,0	8,2	151,5	9,9	155,2	14,4	99,4	13,0										

#### Table 3. Dynamics of Inter-Bank Loans in Foreign Currency between Resident Banks (in Terms of Urgency)

			Total																			
						Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		days	91-180 days		181-360 days		more than 360 days	
Period		Volume (mln. KGS)	Q-ty of transact ions		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 (%)
2014	12	115,2	1	0,5			115,2	0,5														
2015	01 02 03 04 05 06 07 08 09 10 11 12	377,4 43,4					377,4 43,4	0,8 2,0														