

Interbank Market of Credit Resources

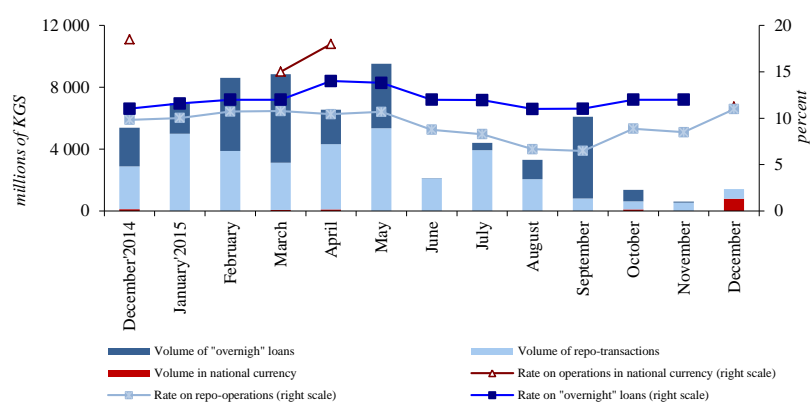
(December 2015)

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.

Chart 1.

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.

