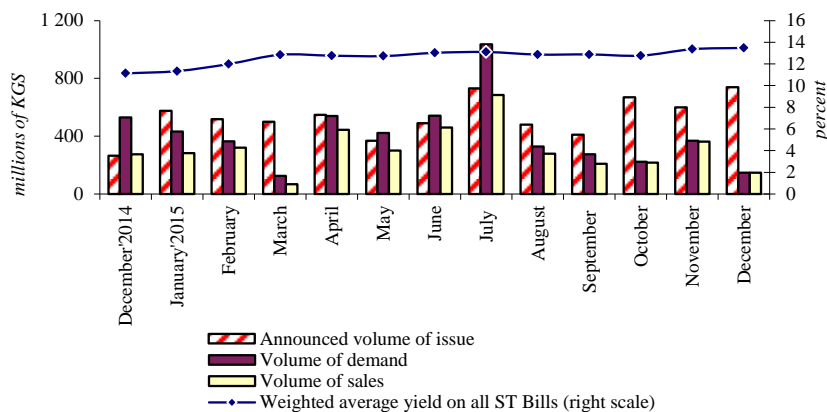


Market of State Treasury Bills (December 2015)

Chart 1. Demand and Placement of ST Bills

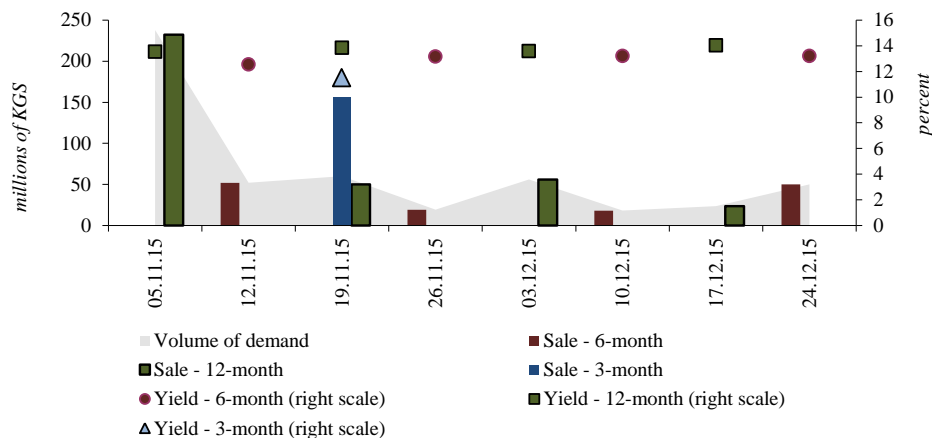


In the reporting period, as compared with the previous month, the announced volume of issue of state treasury bills of the Ministry of Finance was increased by 23.3 percent and constituted KGS 740.0 million.

The volume of demand decreased by 60.0 percent over the month, to KGS 147.6 million, due to decrease in the activity of commercial banks in this segment of the financial market. At the same time, the sales of 12-month ST Bills decreased by 71.8 percent and amounted to KGS 79.5 million, the sales of 6-month ST Bills decreased by 4.3 percent, to KGS 68.1 million, market participants did not use 3-month ST Bills.

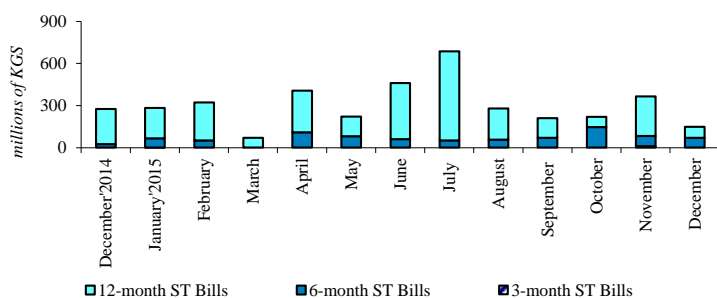
In the reporting period, the overall weighted average yield on all types of ST Bills was observed at the rate of 13.5 percent having increased by 0.1 percentage point over the month. The yield on 6-month securities was 13.2 percent (+0.5 percentage points), on 12-month securities constituted 13.7 percent (+0.1 percentage point).

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



The net financing of the budget deficit within the reporting month was formed in the amount of KGS (-) 147.1 million. In the reporting period, the Ministry of Finance redeemed previously issued ST Bills to the amount of KGS 280.8 million (-54.3 percent).

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 3.4 billion (+10.0 percent): the share of principal holders of ST Bills – commercial banks decreased by 3.3 percentage points, to 54.4 percent. The share of institutional investors constituted 45.2 percent (+3.9 percentage points), the share of resident legal entities made 0.4 percent (-0.6 percentage points).

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

Period	Weighted average yield	By types of urgency		
		3-month ST Bills	6-month ST Bills	12-month ST Bills
December'2014	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
November	13,4	11,5	12,7	13,6
December	13,5	-	13,2	13,7

"-" 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
01.01.2015	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%	0,0	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%
01.01.2016	3 353 030,0	1 825 700,7	54,4%	1 513 964,3	45,2%	0,0	0,0%	13 365,0	0,4%