

## Market of State Treasury Bills

(April 2017)

In the reporting period, four auctions were held on placement of treasury bills in the primary market by the Ministry of Finance of the Kyrgyz Republic. The total volume of the announced ST-Bills issue made KGS 500.0 million (-36.7 percent) at the auctions, while the demand made KGS 680.0 million (-55.3 percent).

Volumes of STB placement, broken down by urgency, were as follows. In the reporting period, sales of 3-month ST Bills amounted to KGS 50.0 million (-64.3 percent per month); 6-month ST-Bills – KGS 150.0 million (-25.0 percent), and sales of 12-month ST-Bills – KGS 220.0 million (-49.4 percent).

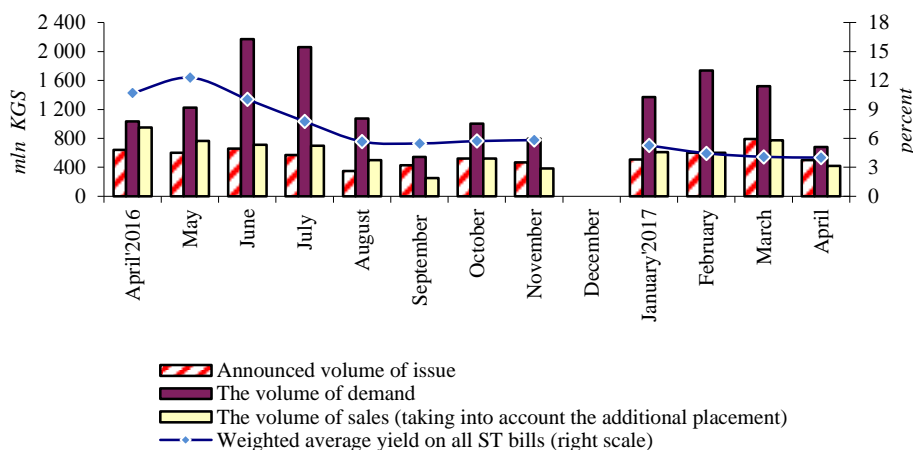
The overall weighted average yield on all types of the ST-Bills decreased by 0.1 percentage points in the reporting period to account for 4.0 percent. At the same time, the yield on 3-month ST-Bills accounted for 1.5 percent (-0.1 percentage points), that on the 6-month ST-Bills – 2.9 percent (+0.2 percentage points), and that on the 12-month ST-Bills – 5.3 percent (-0.2 percentage points).

The net financing of the budget deficit within the reporting period was formed in the amount of KGS -249.8 million. In the reporting period, the Ministry of Finance of the Kyrgyz Republic redeemed previously issued ST-Bills in the amount of KGS 656.2 million (+88.3 percent).

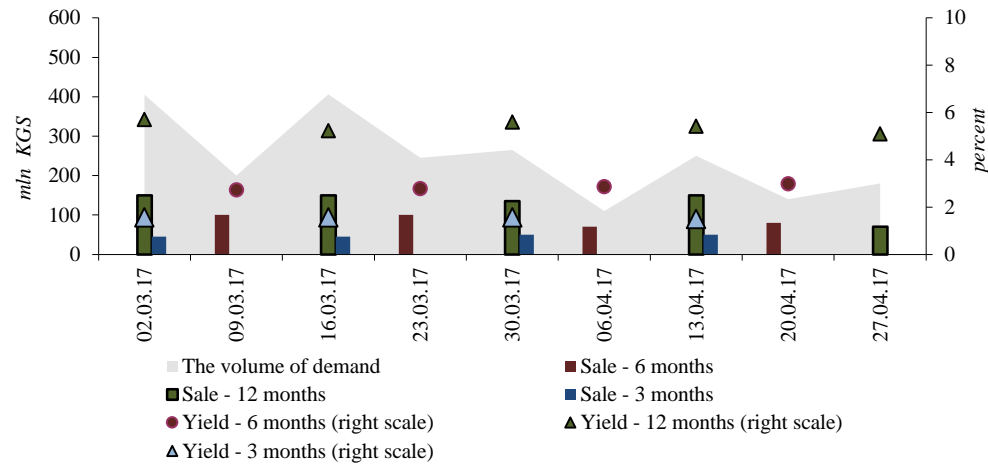
In the reporting period against the comparable indicator in the beginning of the year, the volume of ST-Bills in circulation increased to KGS 4.7 billion (+9.6 percent): the share of the main ST-Bills holders – commercial banks – increased by 10.1 percentage points, up to 75.9 percent; the share of institutional investors, by contrast, decreased by 9.8 percentage points, down to 23.5 percent, and the share of resident legal entities decreased by 0.3 percentage points, down to 0.6 percent.

In the reporting period, the transactions with ST-Bills were conducted in the secondary market for the amount of KGS 23.1 million.

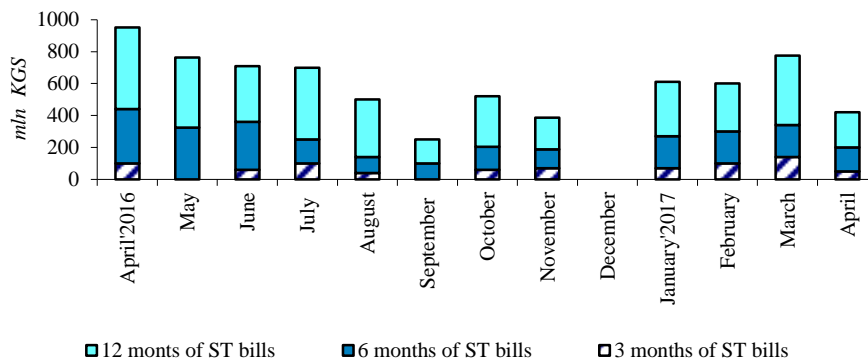
**Graph 1. Demand and placement of state treasury bills**



**Graph 2. Dynamics of Volume of supply, Demand and Yield of ST Bills**



**Graph 3. The dynamics of sales of ST bills**



**Table 1. The structure of ST bills holders at face value**

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.05.2016	3 912 250,0	2 417 635,4	61,8%	1 479 554,6	37,8%	0,0	0,0%	15 060,0	0,4%
01.06.2016	4 546 050,0	2 691 604,4	59,2%	1 839 585,6	40,5%	0,0	0,0%	14 860,0	0,3%
01.07.2016	4 669 410,0	2 730 525,0	58,5%	1 914 675,0	41,0%	0,0	0,0%	24 210,0	0,5%
01.08.2016	4 841 910,0	2 966 745,4	61,3%	1 849 194,6	38,2%	0,0	0,0%	25 970,0	0,5%
01.09.2016	4 950 910,0	3 018 660,4	61,0%	1 891 879,6	38,2%	0,0	0,0%	40 370,0	0,8%
01.10.2016	4 818 410,0	2 971 010,4	61,7%	1 802 379,6	37,4%	0,0	0,0%	45 020,0	0,9%
01.11.2016	4 998 910,0	3 176 484,1	63,5%	1 777 405,9	35,6%	0,0	0,0%	45 020,0	0,9%
01.12.2016	4 587 210,0	3 055 547,5	66,6%	1 494 642,5	32,6%	0,0	0,0%	37 020,0	0,8%
01.01.2017	4 307 710,0	2 835 547,5	65,8%	1 435 142,5	33,3%	0,0	0,0%	37 020,0	0,9%
01.02.2017	4 511 920,0	2 947 828,0	65,3%	1 530 072,0	33,9%	0,0	0,0%	34 020,0	0,8%
01.03.2017	4 713 900,0	3 168 404,2	67,2%	1 520 525,8	32,3%	0,0	0,0%	24 970,0	0,5%
01.04.2017	4 906 400,0	3 416 240,2	69,6%	1 459 925,8	29,8%	0,0	0,0%	30 234,0	0,6%
01.05.2017	4 719 100,0	3 583 635,2	75,9%	1 107 775,8	23,5%	0,0	0,0%	27 689,0	0,6%

**Table 2. The dynamics of average monthly yield of ST bills**

*percent*

Period	Weighted average yield	By types of urgency		
		3-month ST bills	6-month ST bills	12-month ST bills
April'2016	10,7	4,3	10,7	13,7
May	12,3	-	10,4	13,6
June	10,1	3,2	9,2	12,3
July	7,8	2,7	6,4	10,1
August	5,7	2,2	3,8	7,2
September	5,5	-	4,2	6,4
October	5,7	2,8	4,8	6,7
November	5,8	3,0	4,9	7,4
December	-	-	-	-
January'2017	5,3	2,7	4,3	6,8
February	4,5	2,0	3,2	6,1
March	4,1	1,6	2,8	5,5
April	4,0	1,5	2,9	5,3

*"-" all announced auctions were declared invalid*