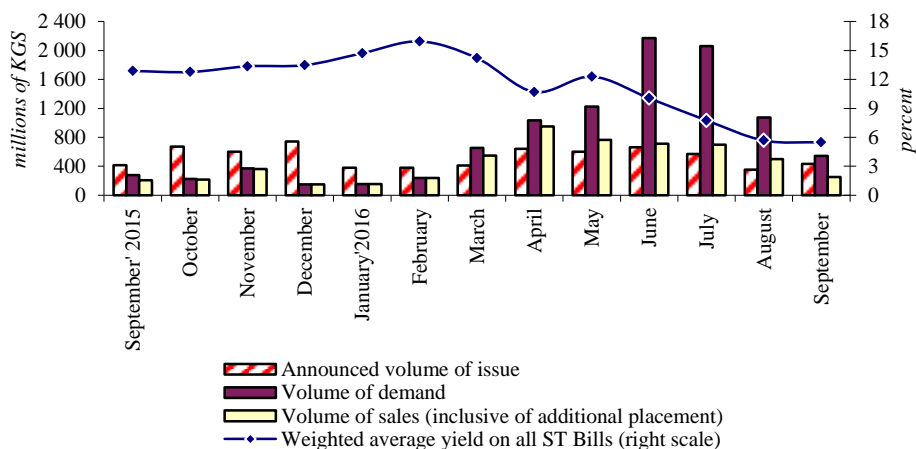


Market of State Treasury Bills (September 2016)

Chart 1. Demand and Placement of ST Bills

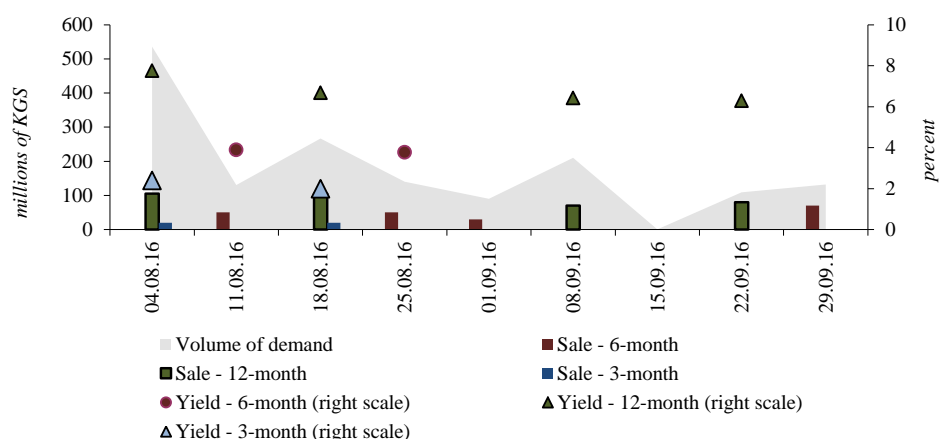


In the reporting period, four auctions on placement of treasury bills by the Ministry of Finance of the Kyrgyz Republic were held at the primary market. The total amount of the announced ST Bills issue at the auctions amounted to KGS 430.0 million having increased by 22.9 percent over the month.

The volume of demand decreased by 49.5 percent over the month, to KGS 541.6 million. At the same time, the sales of 6-month ST Bills amounted to KGS 100.0 million as in the previous month, the sales of 12-month ST Bills decreased by 58.3 percent, to KGS 150.0 million.

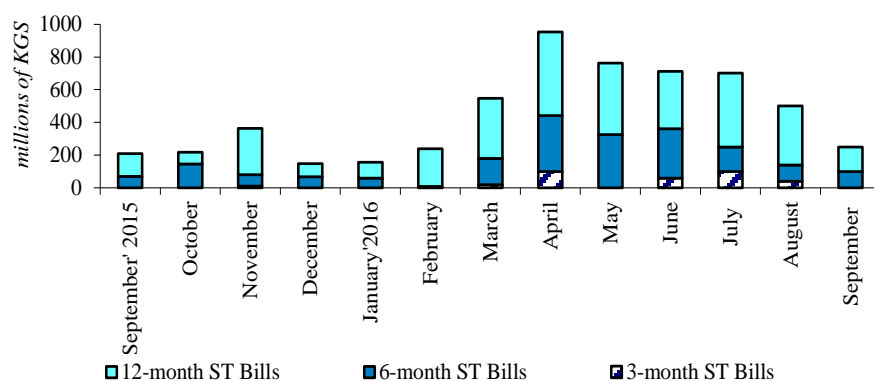
In the reporting period, the overall weighted average yield on all types of ST Bills was observed at the rate of 5.5 percent (-0.2 percentage points). At the same time, the yield on 6-month ST Bills was 4.2 percent (+0.3 percentage points) and on 12-month securities - 6.4 percent (-0.9 percentage points).

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



The net financing of the budget deficit within the reporting period was formed in the amount of KGS -118.2 million. In the reporting period, the Ministry of Finance redeemed previously issued ST Bills to the amount of KGS 288.6 million (-25.9 percent).

Chart 3. 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 up to KGS 4.8 billion (+43.7 percent): the share of principal holders of ST Bills – commercial banks increased by 7.2 percentage points, to 61.7 percent. The share of institutional investors constituted 37.4 percent (-7.7 percentage points), the share of resident legal entities made 0.9 percent (+0.5 percentage points).

In the reporting period, the volume of transactions with ST Bills in the secondary market made KGS 46.9 million.

Table 1. Dynamics of ST Bills Average Monthly Yield

Period	Weighted average yield	By types of urgency		
		3-month ST Bills	6-month ST Bills	12-month ST Bills
September' 2015	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
January'2016	14,7	-	14,0	15,2
February	15,9	5,0	-	16,3
March	14,2	5,7	12,5	15,1
April	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

"-" all announced auctions were declared invalid

Table 2. Structure of ST Bills Holders at Face Value

thousands of KGS

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident Legal Entities	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
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%
01.02.2016	3 188 300,0	1 692 770,7	53,1%	1 482 164,3	46,5%	0,0	0,0%	13 365,0	0,4%
01.03.2016	3 142 570,0	1 685 144,1	53,6%	1 444 910,9	46,0%	0,0	0,0%	12 515,0	0,4%
01.04.2016	3 504 320,0	2 087 444,1	59,6%	1 404 360,9	40,1%	0,0	0,0%	12 515,0	0,4%
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%