

Interbank market of credit resources

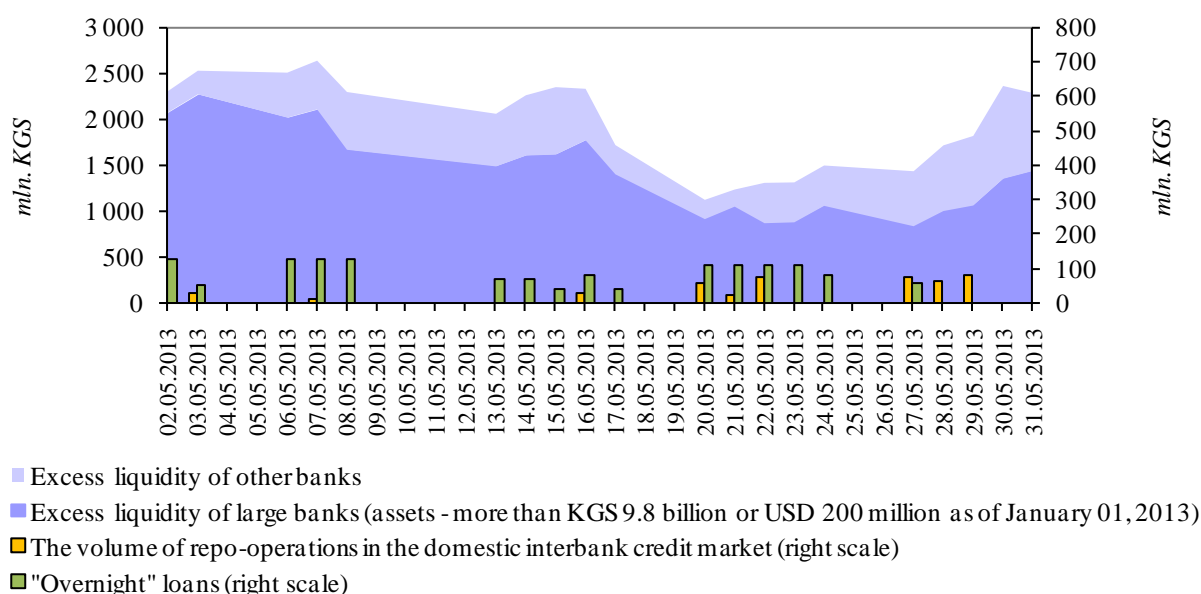
(May, 2013)

In the reporting period, there was a decrease of the average daily level of liquidity in the interbank market (-24.5 percent) from 2.6 billion soms to 1.9 billion soms a month earlier, which occurred mainly due to a decrease of indicators of excess reserves in the leading banks (Graph 1).

Graph 1.

The dynamics of excess reserves of commercial banks (in the national currency) and volume of interbank credits

(mln.KGS)



In May 2013, on the interbank market of credit resources only repo operations were conducted. The volume of repo transactions amounted to 508.1 million soms, having increased by 9.0 percent compared to the previous month, on weighted average interest rate of 3.4 percent (-0.1 percentage points). In the segment of borrowings on repo the weighted average term of operations remained at the level of the previous month and amounted to 3 days.

Transactions on standard terms in national and foreign currencies were not conducted that reflect the presence of a sufficient amount of excess liquidity in the banking system.

At the same time the National Bank placed "overnight" credits in the reporting period in the amount of 1.4 billion soms (+65.2 percent) at the weighted average interest rate of 3.5 percent (+0.1 percentage points).

The concentration index of creditors was 0.22 against 0.21 in the previous month, the concentration index of debtors – 0.25 to 0.27. Nevertheless, the values of these indices indicate a continued high level of market concentration and correspond to presence on the market of four creditors and four borrowers with equal shares.

The volume of credit transactions in currency with non-resident banks in the reporting period amounted to 144.6 million in som equivalent, having decreased compared to the previous month of the current year by 83.3 percent. Currency of borrowings was the US dollar. The weighted average interest rate on credit transactions with non-resident banks was 0.7 percent, having decreased compared to the previous month of 2013 by 0.1 percentage points.

Graph2.

The dynamics of the transactions and the interest rates in the domestic interbank credit market

