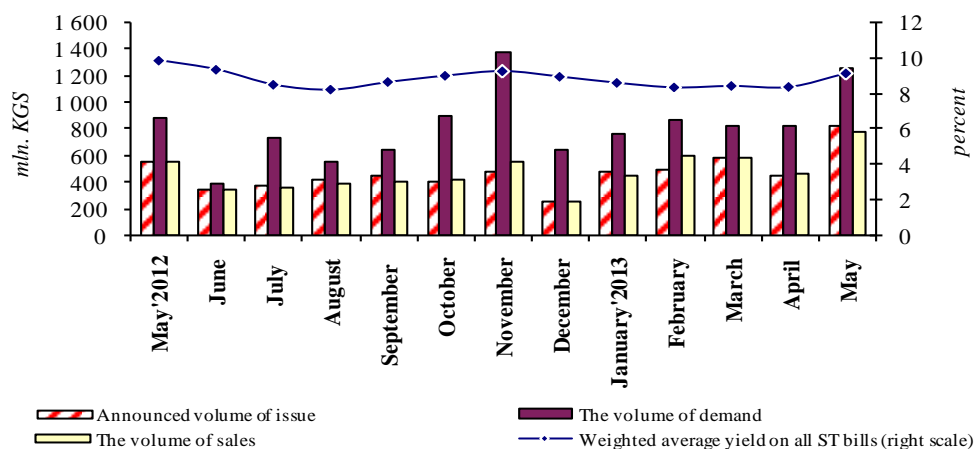


## Market of State Treasury Bills (May, 2013)

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

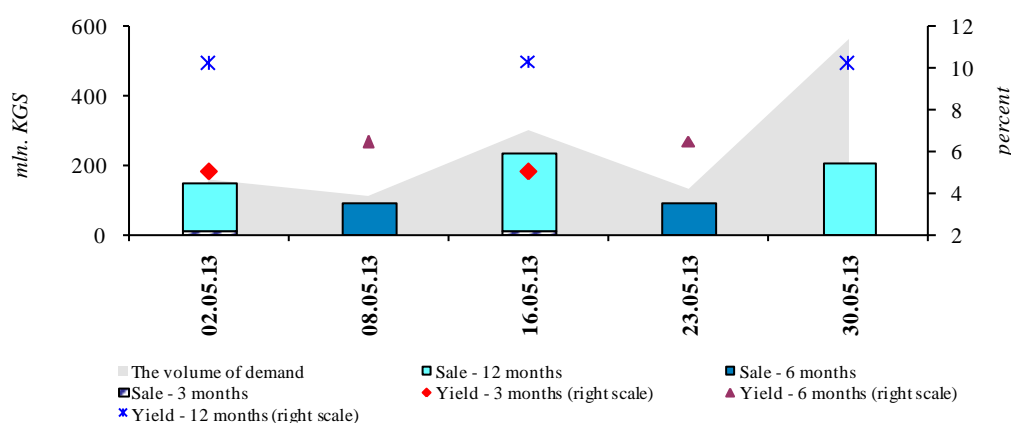


In May, the overall supply of State treasury bills of the Ministry of finance increased by 79.3 percent, amounted to 825.0 million soms.

Due to growing activity of commercial banks the volume of demand increased by 52.9 percent to 1.3 billion soms. As a result, sales in all segments of these securities increased. Thus, the sales of 12-month ST-bills increased by 76.5 percent to 564.8 million soms, of 6-month ST-bills amounted to 180.0 million soms (+52.2 percent), of 3-month ST-bills – 28.0 million soms (+24.4 percent).

The overall average yield of all types of ST-bills in this period was observed at a rate of 9.2 percent, having increased over the month by 0.8 percentage points. 3-month securities yield in May was 5.0 percent (+0.1 percentage points), 6-month – 6.5 percent (+0.4 percentage points), 12-month – 10.2 percent (+0.8 percentage points).

**Graph 2. The dynamics of demand and sales and yield of ST-Bills**



Average auction<sup>1</sup> demand in May amounted to 251.9 million soms, having increased by 22.3 percent compared to the previous month, average auction sales also increased – by 34.2 percent to 154.6 million soms.

Value of net finance of budget deficit in May formed at a rate of 74.9 million soms. In the reporting period, the Ministry of finance redeemed previously issued ST-bills in the amount of 451.9 million soms (-15.9 percent). In this regard, ST-bills market efficiency from the beginning of the year, calculated as the ratio of the total value of net financing to total sales at actual cost, amounted to 19.1 percent.

<sup>1</sup> This indicator is used instead of the total demand/ supply over the month, as the number of auctions over the month is not constant value.

Index of duration increased from 174 to 177 days by increasing the proportion of 12-month ST-bills in total issued ST-bills.

In March compared to the previous month, the volume of ST-bills in circulation increased to 4.6 billion soms (+1.7 percent): increase affected the portfolio of resident legal entities (+65.0 percent) with a share of 15.1 percent. Portfolios of institutional investors fell by 15.6 percent, with a share of 11.4 percent and of commercial banks by 2.8 percent, with a share of 73.4 percent. The share of resident individuals in the structure of ST-bills was 0.1 percent, and the size of their portfolio decreased by 38.9 percent. Non-resident individuals did not participate in the auctions.

In the reporting period operations with ST-bills on the secondary market were conducted in the amount of 10.3 million soms.

**Table 1. 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
May'2012	9,9	6,6	8,1	10,2
June	9,4	6,6	7,8	10,0
July	8,5	6,3	7,3	9,4
August	8,2	6,0	7,1	9,4
September	8,7	5,5	7,0	9,9
October	9,0	6,1	7,2	10,2
November	9,3	5,7	7,0	10,1
December	9,0	5,2	6,8	9,5
January'2013	8,6	5,6	6,7	9,7
February	8,4	5,3	6,5	9,5
March	8,4	5,3	6,8	9,5
April	8,4	5,0	6,1	9,5
May	9,2	5,0	6,5	10,2

"-" all announced auctions were declared invalid

**Table 2. The structure of ST bills holders at face value**

*thous. som*

Date	TOTAL										
		Commercial Banks		Institutional Investor		Resident Individuals		Resident companies		Non-resident individuals	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.06.2012	4 018 528,0	3 174 357,1	79,0%	700 074,6	17,4%	17 004,5	0,4%	126 011,8	3,1%	1 080,0	0,03%
01.07.2012	4 120 877,0	3 210 203,8	77,9%	780 516,2	18,9%	14 226,7	0,3%	114 850,3	2,8%	1 080,0	0,03%
01.08.2012	4 358 327,0	3 288 649,3	75,5%	953 330,3	21,9%	13 843,2	0,3%	101 424,2	2,3%	1 080,0	0,02%
01.09.2012	3 850 475,0	3 156 830,1	82,0%	631 022,4	16,4%	8 565,8	0,2%	52 976,7	1,4%	1 080,0	0,03%
01.10.2012	3 783 180,0	3 104 572,8	82,1%	610 877,4	16,1%	7 601,3	0,2%	59 048,5	1,6%	1 080,0	0,03%
01.11.2012	3 824 430,0	3 136 291,6	82,0%	636 080,9	16,6%	5 034,0	0,1%	45 943,5	1,2%	1 080,0	0,03%
01.12.2012	4 056 400,0	3 380 671,7	83,3%	616 562,8	15,2%	7 139,0	0,2%	50 946,5	1,3%	1 080,0	0,03%
01.01.2013	4 099 690,0	3 406 475,2	83,1%	638 306,1	15,6%	7 119,0	0,2%	46 709,7	1,1%	1 080,0	0,03%
01.02.2013	4 201 340,0	3 539 406,2	84,2%	609 356,1	14,5%	4 788,0	0,1%	46 709,7	1,1%	1 080,0	0,03%
01.03.2013	4 371 370,0	3 641 839,9	83,3%	571 776,1	13,1%	5 289,0	0,1%	151 385,0	3,5%	1 080,0	0,02%
01.04.2013	4 562 700,0	3 614 332,9	79,2%	588 790,7	12,9%	5 289,0	0,1%	353 207,4	7,7%	1 080,0	0,02%
01.05.2013	4 501 700,0	3 454 972,8	76,7%	620 290,7	13,8%	5 106,2	0,1%	420 250,3	9,3%	1 080,0	0,02%
01.06.2013	4 578 520,0	3 358 623,7	73,4%	523 396,4	11,4%	3 121,2	0,1%	693 378,7	15,1%	0,0	0,00%