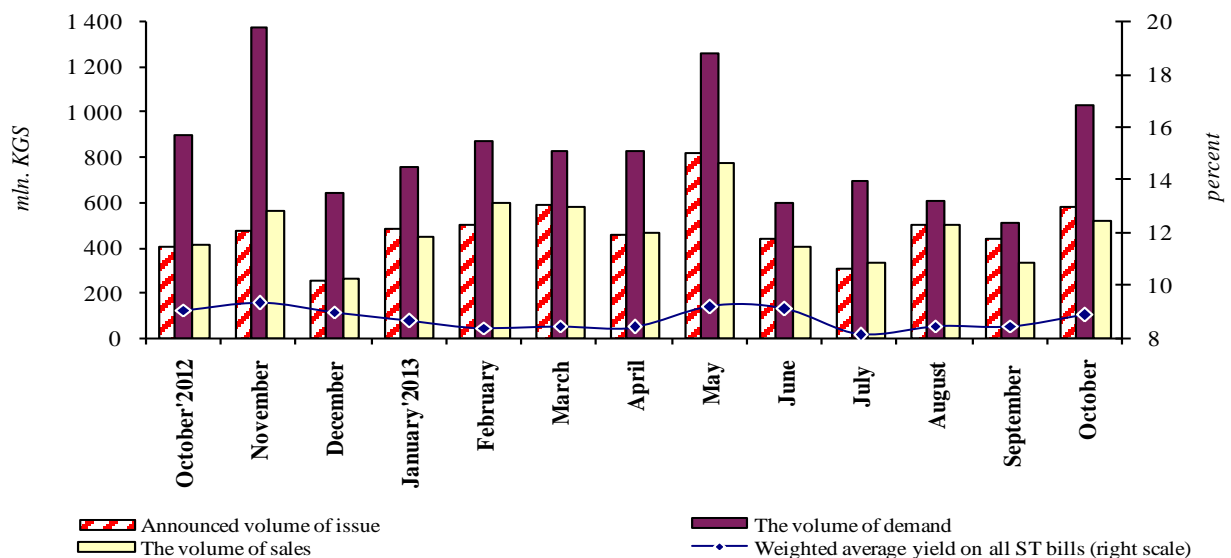


## Market of State Treasury Bills (October, 2013)

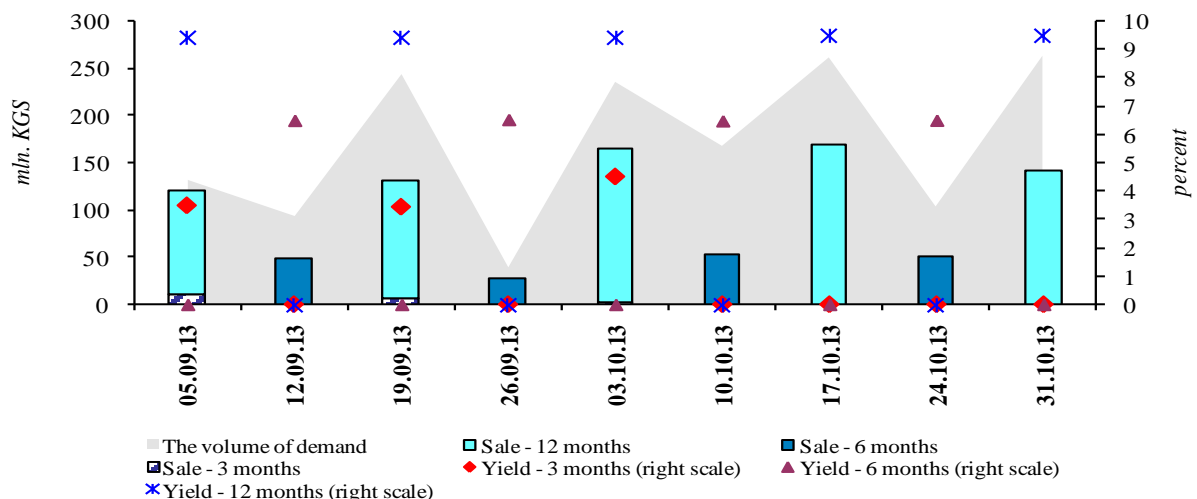
**Graph 1. Demand and placement of state treasury bills**



In October, the total volume of State treasury bills of the Ministry of finance for settlement increased by 76.5 percent, amounted to 582.8 million soms. Due to increasing activity of commercial banks the volume of demand increased in 2.0 times to 1.0 billion soms. As a result, sales of 6-month and 12-month ST-bills segment increased. So, sales of 6-month ST-bills increased by 33.8 percent to 104.0 million soms; sales of 12-month ST-bills – in 2.0 times that amounted to 476.0 million soms. Sales of 3-month bills, contrary, decreased by 83.8 percent to 2.8 million soms.

The overall average yield for all types of ST-bills in this period was observed at a rate of 8.9 percent, having increased over the month by 0.4 percentage points. Yield of 3-month and 12-month securities in October was 4.5 percent (+1.0 percentage points) and 9.5 percent (0.1 percentage points). Yield of 6-month ST-bills has not changed over the month and was 6.5 percent.

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



Average auction<sup>1</sup> demand in October amounted to 206.2 million soms, having increased by 61.9 percent compared to the previous month, average auction sales also increased by 25.5 percent to 103.6 million soms.

Value of net finance of budget deficit has increased significantly, to 41.2 million soms. In

<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.

the reporting period, the Ministry of finance redeemed (-30.0 percent) previously issued ST-bills in the amount of 366.1 million soms. In this regard, index of 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, decreased as compared with the end of September by 0.3 percentage points, reaching 12.8 percent.

In October compared with the previous month, the volume of ST-bills in circulation grew up to 4.7 billion soms (+1.0 percent): increase affected the portfolio of resident legal entities (+0.5 percentage points), reaching 12.1 percent, and of nonresident legal entities, which accelerated at first time from the beginning of the year (1.7 percent).

The share of commercial banks, by contrast, fell by 1.6 percentage points, the share of institutional investors – by 0.6 percentage points. And proportion of resident individuals compared to the previous month remained unchanged.

In the reporting period operations with ST-bills on the secondary market were not committed.

**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
October'2012	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
June	9,1	5,1	6,5	10,0
July	8,1	4,9	6,4	9,6
August	8,4	4,5	6,5	9,4
September	8,4	3,5	6,5	9,4
October	8,9	4,5	6,5	9,5

"-" all announced auctions were declared invalid

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

thous. som

Date	TOTAL	Including											
		NBKR		Commercial Banks		Institutional Investor		Resident Individuals		Resident companies		Non-resident individuals	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.11.2012	3 824 430,0	0,0	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	0,0	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	0,0	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	0,0	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	0,0	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	0,0	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	0,0	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	0,0	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%
01.07.2013	4 765 570,0	0,0	0%	3 471 615,4	72,8%	575 694,8	12,1%	3 121,2	0,1%	715 138,6	15,0%	0,0	0,00%
01.08.2013	4 768 320,0	0,0	0%	3 539 517,5	74,2%	583 276,8	12,2%	2 945,2	0,1%	642 580,5	13,5%	0,0	0,00%
01.09.2013	4 846 990,0	0,0	0%	3 495 177,5	72,1%	675 776,8	13,9%	2 945,2	0,1%	673 090,5	13,9%	0,0	0,00%
01.10.2013	4 661 140,0	0,0	0%	3 515 157,5	75,4%	601 401,8	12,9%	2 945,2	0,1%	541 635,5	11,6%	0,0	0,00%
01.11.2013	4 706 640,0	0,0	0%	3 474 129,5	73,8%	579 863,3	12,3%	3 494,2	0,1%	569 153,0	12,1%	0,0	0,00%