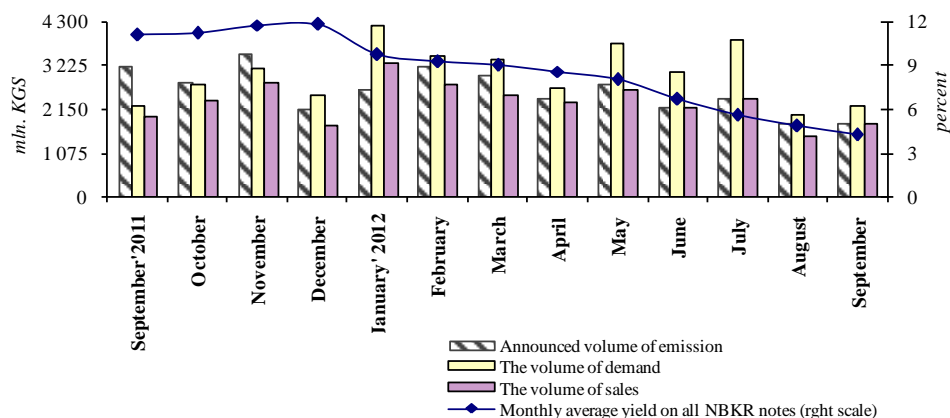


## NBKR Notes (September 2012)

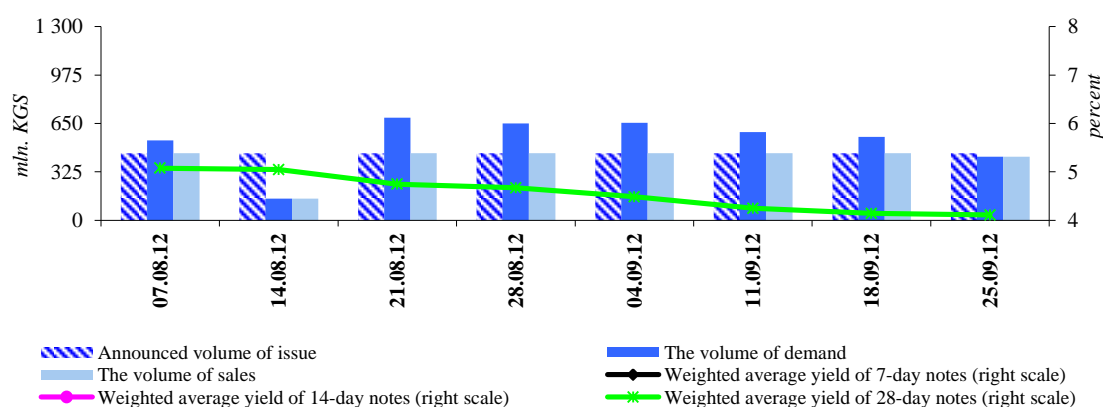
**Graph 1. Demand and placement of NBKR notes**



Four auctions of NBKR notes were held in September, securities in the amount of 1.8 billion KGS were placed, which is 20.0 percent higher than analogous indicator of the previous month. At the same time the volume of aggregate demand in September rose due to the increase of auction's average volume of demand, formed in the amount of 557.9 mln. KGS against 504.5 mln. KGS in August. As in August, the entire volume of sales was represented by 28-day notes, most part of them was purchased by three commercial banks with a total share in the structure of sales of 82.7 percent. The average auction<sup>1</sup> volume of sales in September constituted 443.9 mln. KGS, having increased by 18.8 percent compared to the indicator of the previous month. In the period under review, demand for notes in most of the auctions conducted by the issuer exceeded the volume of supply, reduced since the last decade of July to 425.4 mln. KGS for the auction in accordance with the objectives of monetary-credit policy conducted by the National Bank.

The total weighted average yield of NBKR notes in September, represented by the yield of 28-day notes only, reduced by 0.6 percentage points, and constituted 4.2 percent.

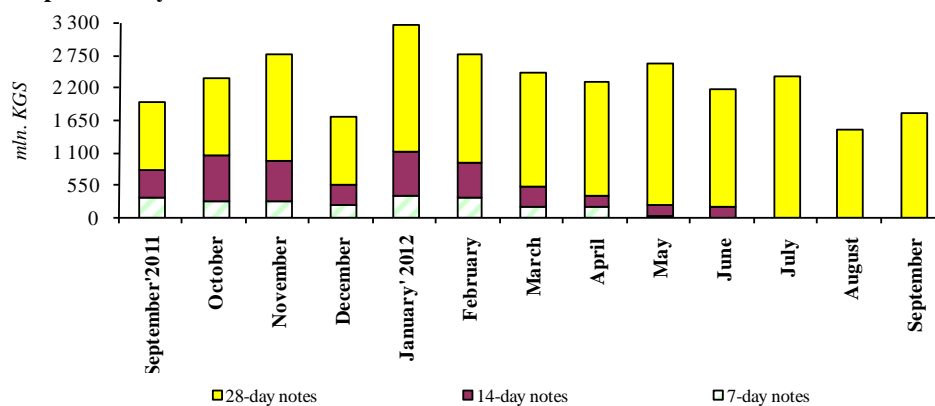
**Graph 2. The dynamics of demand, sales and yield of NBKR notes**



In the period under review, the volume of notes in circulation increased by 18.8 percent, formed at a level of 1.8 billion KGS. The share of commercial banks, that are the main holders of the NBKR notes, increased by 31.8 percentage points, to 84.0 percent while simultaneously reducing the month results of the share of portfolio of resident legal entities from 39.4 to 12.3 percent and share of institutional investors to 3.5 percent. The share of individual residents remained unchanged on a previous level of 0.1 percent.

<sup>1</sup> This indicator is used instead of the total demand/supply for the month, as the number of auctions for the month is a volatile variable.

**Graph 3. The dynamics of sales of NBKR notes**



**Table 1. The structure of the holders of NBKR notes at par values**

*mln. KGS*

Date	TOTAL	Including							
		Commercial banks		Resident companies		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.10.2011	1,368.4	1,055.2	77.1%	49.1	3.6%	0.1	0.0%	264.0	19.3%
01.11.2011	1,738.2	1,345.4	77.4%	42.7	2.5%	0.1	0.0%	350.0	20.1%
01.12.2011	1,732.4	1,215.8	70.2%	49.6	2.9%	-	0.0%	467.0	27.0%
01.01.2012	1,366.4	1,065.3	78.0%	19.4	1.4%	0.2	0.0%	281.5	20.6%
01.02.2012	2,209.5	1,666.1	75.4%	88.0	4.0%	10.3	0.5%	445.1	20.1%
01.03.2012	2,313.0	1,527.6	66.0%	162.9	7.0%	1.1	0.0%	621.5	26.9%
01.04.2012	2,113.8	1,507.0	71.3%	237.3	11.2%	2.4	0.1%	367.1	17.4%
01.05.2012	2,072.4	1,424.6	68.7%	224.5	10.8%	2.3	0.1%	421.0	20.3%
01.06.2012	2,196.2	1,471.2	67.0%	129.2	5.9%	4.8	0.2%	591.0	26.9%
01.07.2012	2,063.9	1,477.8	71.6%	341.7	16.6%	-	0.0%	244.3	11.8%
01.08.2012	1,950.0	1,646.8	84.5%	171.5	8.8%	2.0	0.1%	129.7	6.7%
01.09.2012	1,494.4	780.3	52.2%	588.9	39.4%	2.0	0.1%	123.2	8.2%
01.10.2012	1,775.4	1,492.2	84.0%	218.4	12.3%	2.0	0.1%	62.8	3.5%