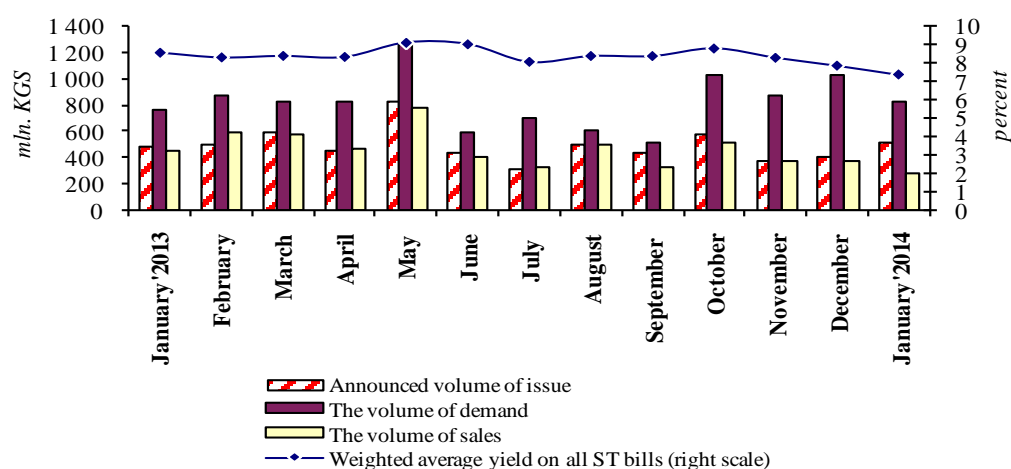


Market of State Treasury Bills (January, 2014)

Graph 1. Demand and placement of ST bills

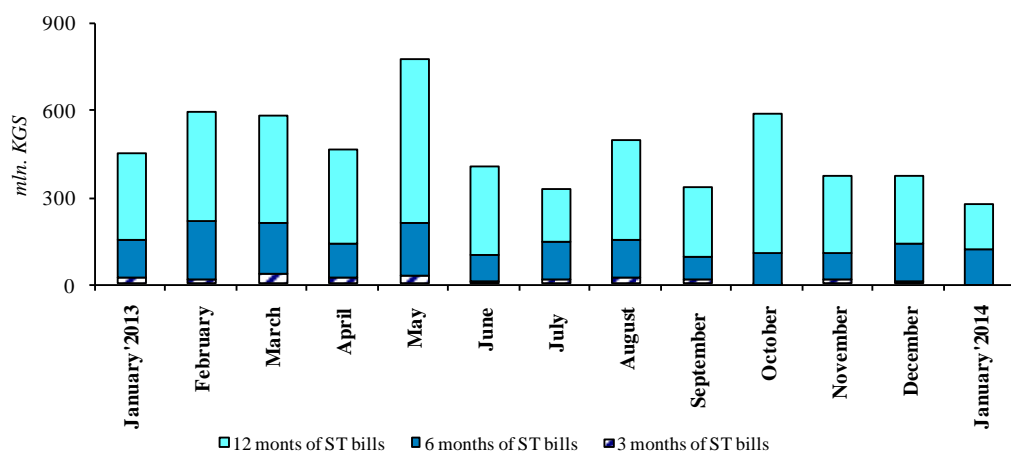


In January, the total volume of supply of State treasury bills of the Ministry of Finance increased by 28.2 percent, amounted to 518.0 million som.

With the reduction in activity of commercial banks, volume of demand decreased by 19.1 percent to 829.7 million som. As a result, volume of sales of 12-month ST-bills and 6-month ST-bills decreased. Thus, the sale of 12-month ST-bills decreased by 34.7 percent to 155.0 million som, 6-month – by 7.7 percent to 120.0 million som. 3-month securities didn't interest the market participants.

The overall weighted average yield on all types of ST-bills in this period was observed at a rate of 7.4 percent, having decreased for the month by 0.5 percentage points. Yield of 6-month securities in January was 6.1 percent (-0.1 percentage points), 12-month – 8.4 percent (-0.5 percentage points).

Graph 2. Dynamics of demand and sale and ST-bills yield



Average auction¹ volume of demand in the reporting period was 207.4 million som, having decreased by 19.1 percent compared with the previous month, average auction volume of sales also decreased by 26.6 percent, to 68.8 million som.

Value of net financing the budget deficit over the month formed at -342.2 million som. In the reporting period, the Ministry of Finance redeemed previously issued ST-bills in the amount of 396.8 million som (+4.0 percent). In this regard, efficiency of ST-bills market from the beginning of the year calculated as the ratio of the total value of net financing to total volume of sales at actual

¹ This figure is used instead of total volume of demand/ supply over the month as the amount of auctions for month in inconstant figure.

cost, amounted to -65.4 percent.

In January, compared with the previous month, the volume of ST-bills in circulation decreased to 4.5 billion soms (-3.7 percent): reduction affected portfolio of commercial banks resident legal entities (-4.9 percent) with a share of 75.0 percent and institutional investors (-5.0 percent) with a share of 14.1 percent. The share of resident legal entities in the structure of ST-bills increased to 10.9 percent. The share of resident individuals remained unchanged at 0.1 percent. Non-resident individuals did not purchase these securities.

In the reporting period operations with ST-bills were not conducted in the secondary market.

Table 1. Dynamics of average month yield of ST-bills

Period	Weighted average yield	By types of urgency		
		3-month ST bills	6-month ST bills	12-month ST bills
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
November	8,3	4,9	6,4	9,3
December	7,9	4,5	6,2	8,9
January'2014	7,4	-	6,1	8,4

"-" all announced auctions were declared invalid

Table 2. Structure of ST-bills holders for nominal cost

thous. som

Date	TOTAL	Structure of ST-bills holders for nominal cost									
		Commercial Banks		Institutional Investor		Resident Individuals		Resident companies		Non-resident individuals	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
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%
01.07.2013	4 765 570,0	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	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	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	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	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%
01.12.2013	4 562 140,0	3 502 372,1	76,8%	587 863,3	12,9%	3 494,2	0,1%	468 410,4	10,3%	0,0	0,00%
01.01.2014	4 662 740,0	3 539 040,3	75,9%	664 263,4	14,2%	3 494,2	0,1%	455 942,1	9,8%	0,0	0,00%
01.02.2014	4 490 490,0	3 366 701,5	75,0%	631 313,4	14,1%	3 494,2	0,1%	488 980,9	10,9%	0,0	0,00%