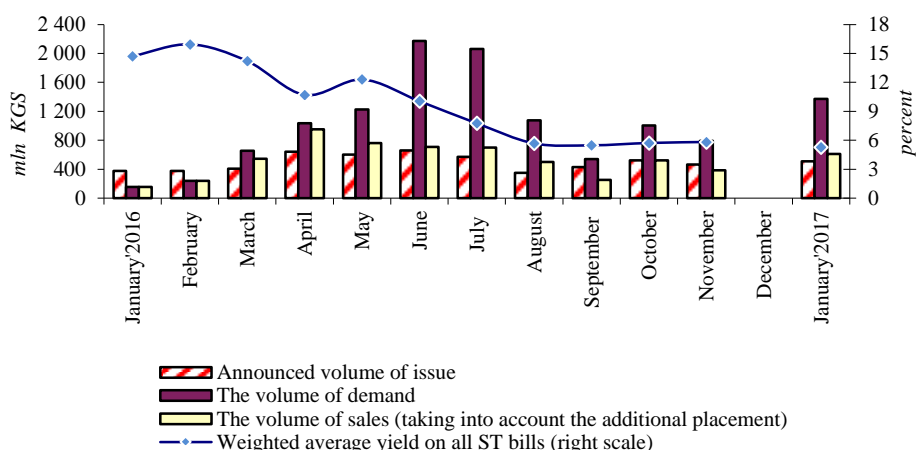


Market of State Treasury Bills (January 2017)

Chart 1. Demand and placement of state treasury bills

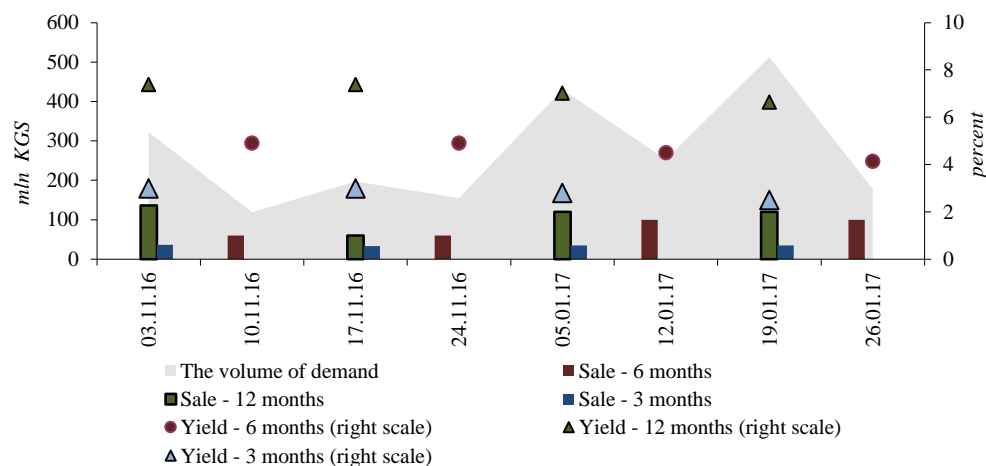


In the reporting period, the Ministry of Finance of the Kyrgyz Republic held four auctions on placement of treasury bills and one additional placement of ST Bills at the primary market. The total amount of the announced ST Bills issue amounted to KGS 510.0 million, while the volume of demand amounted to KGS 1.4 billion.

Sales of 3-month bills amounted to KGS 70.0 million, 6-month bills – KGS 200.0 million; sales of 12-month ST Bills reached KGS 340.0 million, taking into account the additional placement.

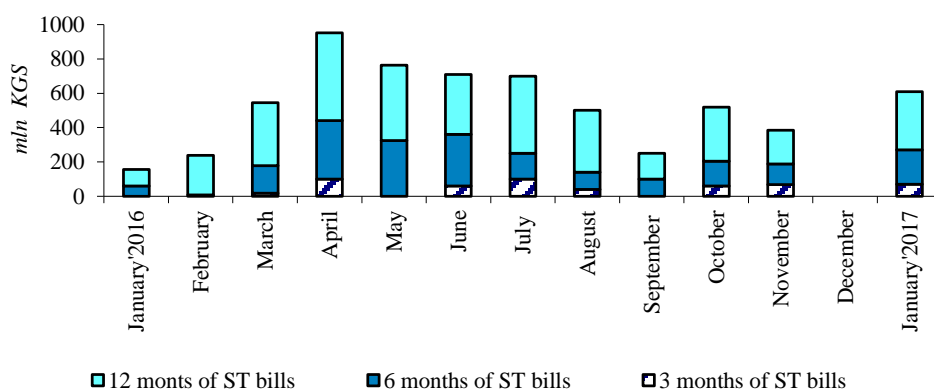
In the reporting period, the overall weighted average yield on all types of ST Bills was 5.3 percent. At the same time, the yield on 3-month ST Bills was 2.7 percent, 6-month ST Bills – 4.3 percent and 12-month ST Bills – 6.8 percent.

Chart 2. Dynamics of Volume of Supply, Demand and Yield of ST Bills



The net financing of the budget deficit within the reporting period amounted to KGS 199.5 million. In the reporting period, the Ministry of Finance of the Kyrgyz Republic redeemed previously issued ST Bills to the amount of KGS 383.9 million.

Chart 3. Dynamics of sales of ST bills



In the reporting period, as compared to the beginning of the year, the volume of ST Bills in circulation increased up to KGS 4.5 billion (+4.7 percent): the share of principal holders of ST Bills, commercial banks, decreased by 0.5 percentage points, down to 65.3 percent; the share of resident legal entities decreased by 0.1 percentage point, down to 0.8 percent; the share of institutional investors, on the contrary, increased by 0.6 percentage points, up to 33.9 percent.

In the reporting period, no transactions with ST Bills were conducted in the secondary market.

Table 1. The structure of ST bills holders at face value

thousand KGS

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.02.2016	3 188 300,0	1 692 770,7	53,1%	1 482 164,3	46,5%	0,0	0,0%	13 365,0	0,4%
01.03.2016	3 142 570,0	1 685 144,1	53,6%	1 444 910,9	46,0%	0,0	0,0%	12 515,0	0,4%
01.04.2016	3 504 320,0	2 087 444,1	59,6%	1 404 360,9	40,1%	0,0	0,0%	12 515,0	0,4%
01.05.2016	3 912 250,0	2 417 635,4	61,8%	1 479 554,6	37,8%	0,0	0,0%	15 060,0	0,4%
01.06.2016	4 546 050,0	2 691 604,4	59,2%	1 839 585,6	40,5%	0,0	0,0%	14 860,0	0,3%
01.07.2016	4 669 410,0	2 730 525,0	58,5%	1 914 675,0	41,0%	0,0	0,0%	24 210,0	0,5%
01.08.2016	4 841 910,0	2 966 745,4	61,3%	1 849 194,6	38,2%	0,0	0,0%	25 970,0	0,5%
01.09.2016	4 950 910,0	3 018 660,4	61,0%	1 891 879,6	38,2%	0,0	0,0%	40 370,0	0,8%
01.10.2016	4 818 410,0	2 971 010,4	61,7%	1 802 379,6	37,4%	0,0	0,0%	45 020,0	0,9%
01.11.2016	4 998 910,0	3 176 484,1	63,5%	1 777 405,9	35,6%	0,0	0,0%	45 020,0	0,9%
01.12.2016	4 587 210,0	3 055 547,5	66,6%	1 494 642,5	32,6%	0,0	0,0%	37 020,0	0,8%
01.01.2017	4 307 710,0	2 835 547,5	65,8%	1 435 142,5	33,3%	0,0	0,0%	37 020,0	0,9%
01.02.2017	4 511 920,0	2 947 828,0	65,3%	1 530 072,0	33,9%	0,0	0,0%	34 020,0	0,8%

Table 2. Dynamics of the 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
January'2016	14,7	-	14,0	15,2
February	15,9	5,0	-	16,3
March	14,2	5,7	12,5	15,1
April	10,7	4,3	10,7	13,7
May	12,3	-	10,4	13,6
June	10,1	3,2	9,2	12,3
July	7,8	2,7	6,4	10,1
August	5,7	2,2	3,8	7,2
September	5,5	-	4,2	6,4
October	5,7	2,8	4,8	6,7
November	5,8	3,0	4,9	7,4
December	-	-	-	-
January'2017	5,3	2,7	4,3	6,8

"-" all announced auctions were declared invalid