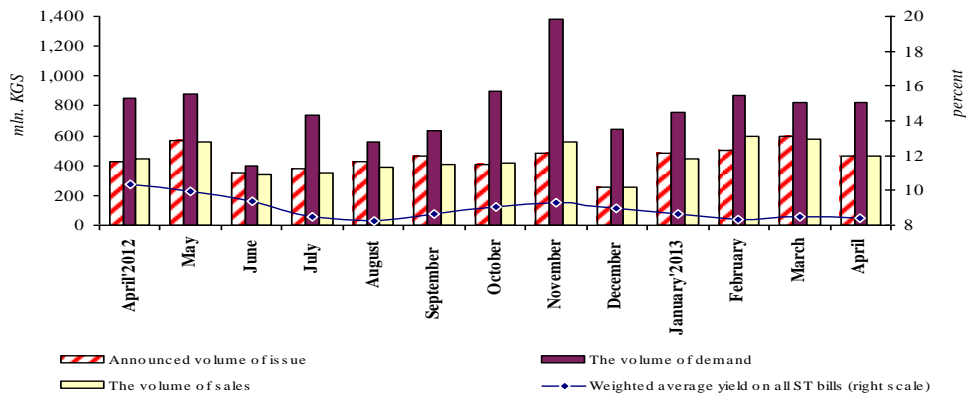


Market of State Treasury Bills (April 2013)

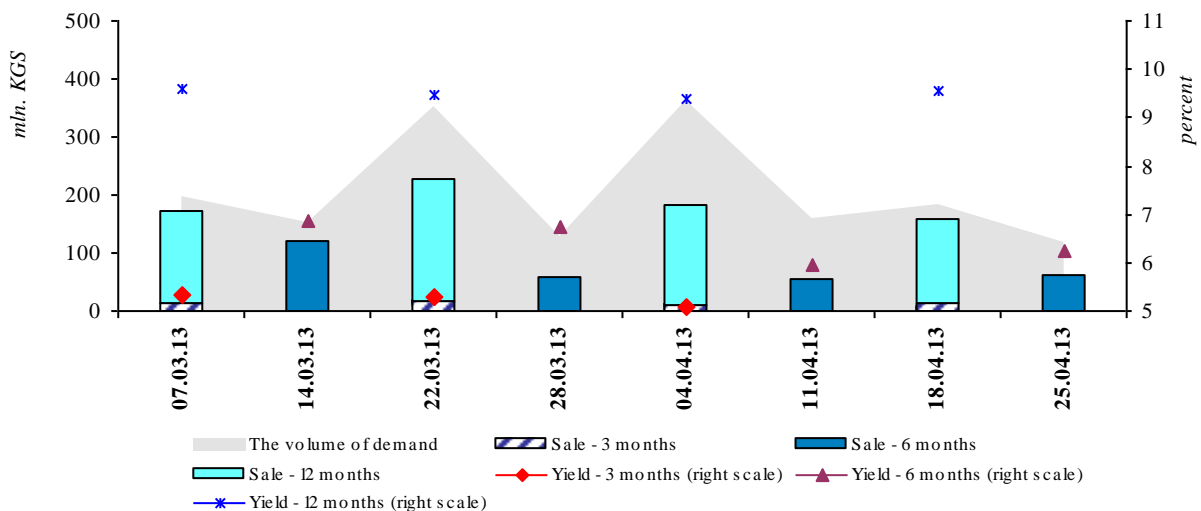
Graph 1. Demand and placement of state treasury bills



In April the total volume of placement of government treasury bills of the Ministry of Finance decreased by 20.7 percent and constituted 460.8 million KGS. The volume of demand due to lower activity of commercial banks also declined (by 0.1 percent) and constituted 824.0 million KGS. As a result, the sales in all segments of these securities decreased. Thus, the sale of 6-month STBills decreased by 33.9 percent and constituted 118.3 million KGS; the sale of 12-month STBills by 13.1 percent, which amounted to 320.0 million KGS. The sale of 3-month bills also decreased by 33.3 percent and constituted 22.5 million KGS.

The overall average monthly yield on all types of STBills in the reporting period was observed at a rate of 8.4 percent and remained unchanged within the month. The yield on 12-month securities in April remained unchanged against the previous month and constituted 9.5 percent; 3-month STBills decreased by 0.4 percentage points to 5.0 percent; 6-month STBills decreased by 0.7 percentage points and amounted to 6.1 percent.

Graph 2. The dynamics of demand and sales and yield of the ST bills



The average auction volume of demand¹ in April constituted 206.0 million KGS having decreased by 0.1 percent compared to the previous month; the average auction volume of sales also decreased by 20.7 percent and constituted 115.2 million KGS.

The net financing of the budget deficit in April also dropped significantly to -51.6 million KGS. In the reporting period, the Ministry of Finance made substantial repayments (+30.4 percent) of the previously issued by the STBills in the amount of 537.6 million KGS. In this regard, efficiency of STBills market from the beginning of the year calculated as the ratio of the total value

¹ This index is used instead of the general volume of demand/supply for the month since the number of auctions within a month is a constant value.

of net financing to total sales at actual cost decreased as compared with the end of March by 10.4 percentage points and constituted 20.4 percent.

The duration index increased from 168 to 174 days due to increasing the share of 6-month STBills in the total volume of issued STBills.

In April, as compared with the previous month, the volume of STBills in circulation decreased to 4.5 billion KGS (-1.3 percent); the increase effected the portfolio of resident legal entities (+1.6 percentage points), amounting to 9.3 percent; and institutional investors (+0.9 percentage points), to 13.8 percent.

The share of commercial banks, on the other hand, decreased by 2.5 percentage points, while the share of resident and non-resident individuals remained unchanged compared to the previous month.

In the reporting period no transactions with STBills were carried out in the secondary market.

Table 1. The dynamics of average montly 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
April'2012	10.3	6.5	8.8	10.8
May	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

"-" all announced auctions were declared invalid

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

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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
01.05.2012	3,931,115.0	0.0	0%	3,155,496.6	80.3%	623,228.2	15.9%	21,541.1	0.5%	130,849.1	3.3%	0.0	0.00%
01.06.2012	4,018,528.0	0.0	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	0.0	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	0.0	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	0.0	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	0.0	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	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%