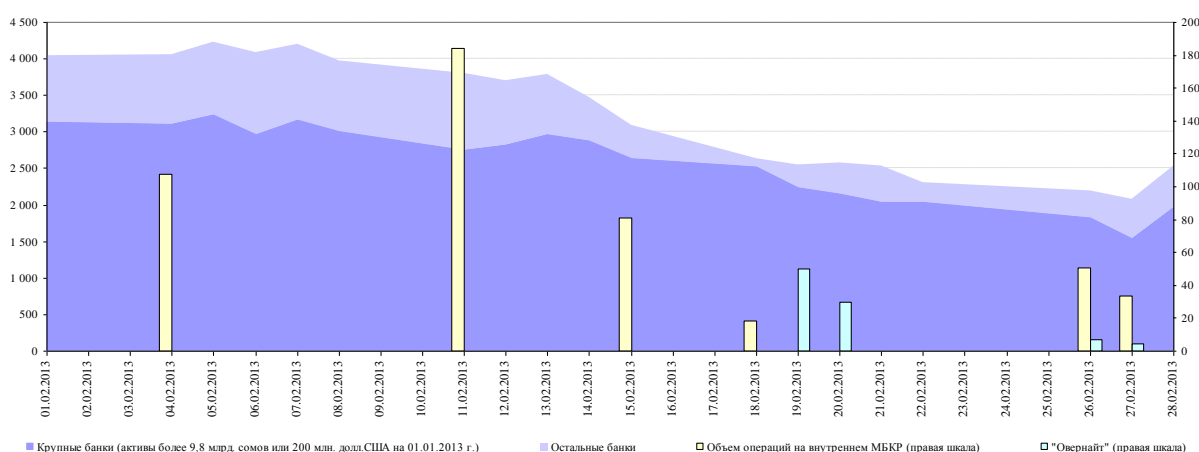


Interbank Market of Credit Resources (February 2013)

In February there was a decrease of the average daily level of liquidity to 3.3 billion KGS from 4 billion KGS a month earlier, which occurred mainly due to the decrease of indicators of excess reserves of the first two members of the four leading banks in the second half of the reporting period (Chart 1). At the same time, the transaction on the most popular borrowings based on REPO conditions continued to take place almost on the same terms as in the previous month ; as in January resources were provided for an average of 3 days at a rate of 3.3 percent per year (-0.1 percentage points). Besides, there was a decrease of demand for overnight loans, the volume of which decreased in comparison with the January index by 44.4 percent and constituted 91.2 million KGS.

Chart 1.

The dynamics of excess reserves of commercial banks (in national currency) and the volume of interbank credits
(Million KGS)



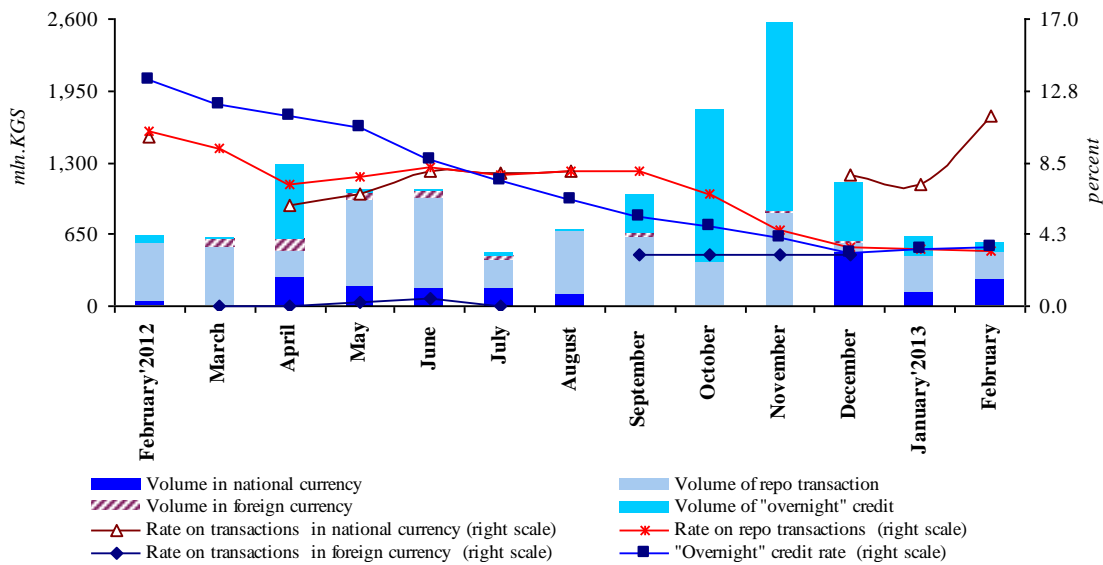
During the reporting period, one of the market participants acting as the sole borrower in the segment of interbank credits in national currency for the third month received 246.6 million KGS on standard credit terms, which led not only to the increase in the monthly index of issued credits in the segment but also affected the growth of total volume of domestic interbank crediting as a whole.

Thus, the total volume of transactions in the domestic interbank market of credits amounted to 475.8 million KGS having increased in comparison with January by 5.6 percent. In particular, the volume of interbank credits in the national currency in the past month increased by 2.1 times; and the volume of transactions on REPO conditions on the contrary decreased by 30.8 percent and constituted 229.1 million KGS. In the reporting period, no credit transactions in foreign currency between banks were made.

On the background of the interest rates on REPO credits and overnight credits formed according to the results of the month, significant increase in the weighted average interest rates on credits in the national currency was observed, that was formed in the amount of 11.3 percent (4.1 percentage points). At the same time, the weighted average maturity of KGS credits issued in February constituted 518 days versus 179 days in the previous month.

Chart 2.

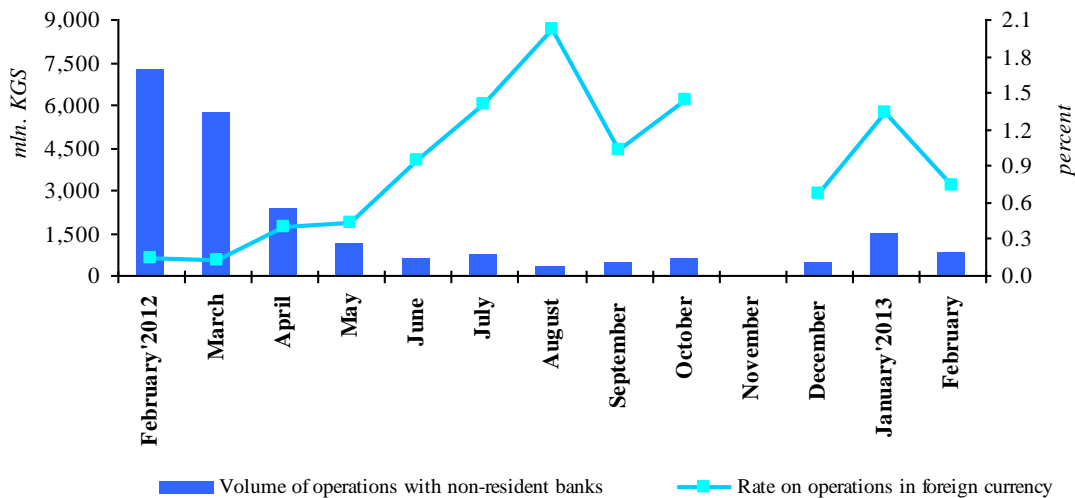
Dynamics of transactions and the interest rates on the domestic interbank credit market



The concentration index of creditors has increased over the last month from 0.27 to 0.28; the concentration index of debtors was 0.36 against 0.23 in January 2013. The values of these indices indicate to a continued high level of market concentration and corresponds to the presence of four creditors and three borrowers in the market with equal shares

Chart 3.

Dynamics of transactions and the interest rates on the interbank credit market on the transactions in foreign currency with non-resident banks



The volume of credit transactions in foreign currency with non-resident banks amounted to 788.1 million in KGS equivalent having decreased compared to the same period in January to 44.8 percent. The weighted average interest rate on credit transactions with non-resident banks committed in the period under review in US dollars constituted 0.7 percent (-0.6 percentage points).

Table 1. The dynamics of inter-bank loans in national currency (in terms of urgency)

Period	Total			Including by terms															
	Volume (mln. KGS)	Q-ty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days	
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)
February 2012	40.0	1	10.0	-	-	40.0	10.0	-	-	-	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
April	250.0	2	6.0	150.0	8.0	100.0	3.0	-	-	-	-	-	-	-	-	-	-	-	-
May	177.0	4	6.6	25.0	3.0	152.0	7.2	-	-	-	-	-	-	-	-	-	-	-	-
June	160.0	3	8.0	-	-	160.0	8.0	-	-	-	-	-	-	-	-	-	-	-	-
July	150.0	3	7.8	-	-	100.0	7.8	50.0	8.0	-	-	-	-	-	-	-	-	-	-
August	100.0	2	8.0	-	-	50.0	8.0	50.0	8.0	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
December	480.6	11	7.7	75.0	4.0	-	-	23.5	9.0	22.4	9.0	80.2	10.1	-	-	120.8	9.6	69.0	6.5
January 2013	119.1	3	7.2	-	-	-	-	-	-	-	-	-	-	-	-	119.1	7.2	-	-
February	246.6	3	11.3	-	-	-	-	-	-	-	-	-	-	-	-	47.8	7.0	47.8	7.0
																		151.0	14.0

Table 2. Repo operations of commercial banks (in terms of urgency)

Period	Total			Including by terms																	
	Volume (mln. KGS)	Q-ty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		Volume (mln. KGS)	Rate (%)
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)				
February 2012	522.5	15	10.4	173.7	10.4	348.8	10.4	-	-	-	-	-	-	-	-	-	-	-	-	-	
March	525.9	19	9.3	95.2	9.0	430.7	9.3	-	-	-	-	-	-	-	-	-	-	-	-	-	
April	242.8	7	7.1	104.7	7.0	138.0	7.3	-	-	-	-	-	-	-	-	-	-	-	-	-	
May	792.7	15	7.7	190.1	7.5	602.5	7.8	-	-	-	-	-	-	-	-	-	-	-	-	-	
June	820.6	19	8.2	231.5	8.2	534.6	8.2	54.4	8.0	-	-	-	-	-	-	-	-	-	-	-	
July	261.4	4	7.8	-	-	261.4	7.8	-	-	-	-	-	-	-	-	-	-	-	-	-	
August	578.4	10	8.0	13.2	8.0	565.2	8.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
September	620.7	11	8.0	98.1	8.0	522.6	8.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
October	389.2	5	6.6	100.1	7.5	289.1	6.3	-	-	-	-	-	-	-	-	-	-	-	-	-	
November	841.7	12	4.5	41.6	4.0	800.1	4.5	-	-	-	-	-	-	-	-	-	-	-	-	-	
December	907.3	3	3.5	-	-	67.2	3.5	23.5	3.5	-	-	-	-	-	-	-	-	-	-	-	
January 2013	331.2	6	3.3	-	-	298.2	3.3	33.1	3.5	-	-	-	-	-	-	-	-	-	-	-	
February	229.1	6	3.3	-	-	229.1	3.3	-	-	-	-	-	-	-	-	-	-	-	-	-	

Table 3. The dynamics of inter-bank loans in foreign currency between resident banks (in terms of urgency)

Period	Total			Including by terms																	
	Volume (mln. KGS)	Q-ty of transactions	Rate (%)	Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		Over 360 days	
				Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)		
February 2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March	70.1	4	0.0	-	-	23.4	0.0	23.4	0.0	23.4	0.0	-	-	-	-	-	-	-	-	-	
April	112.4	6	0.0	-	-	89.0	0.0	23.5	0.0	-	-	-	-	-	-	-	-	-	-	-	
May	38.4	4	0.2	3.2	3.0	35.3	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
June	56.0	4	0.5	2.9	3.0	53.1	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	
July	33.0	1	0.0	-	-	33.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
August	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
September	33.1	6	3.0	24.1	3.0	9.0	3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
October	7.6	1	3.0	-	-	7.6	3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
November	18.2	3	3.0	12.2	3.0	6.0	3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	
December	13.0	1	3.0	13.0	3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
January 2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	