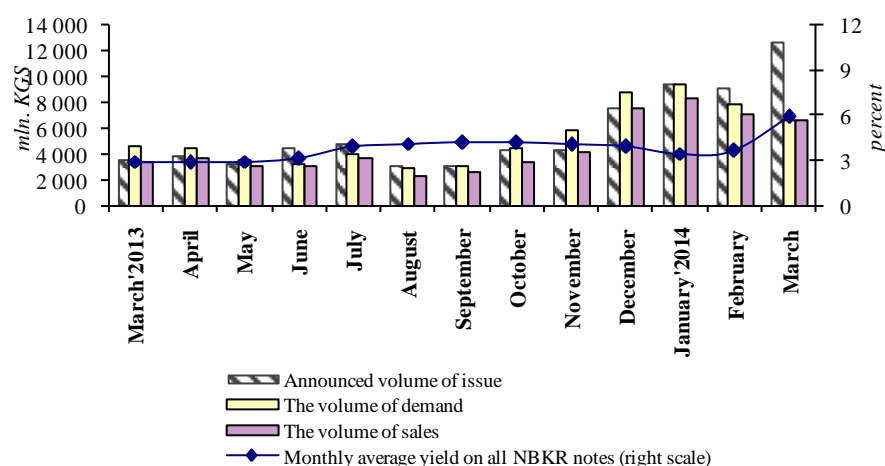


NBKR notes (March 2014)

Graph 1. Demand and placement of NBKR notes

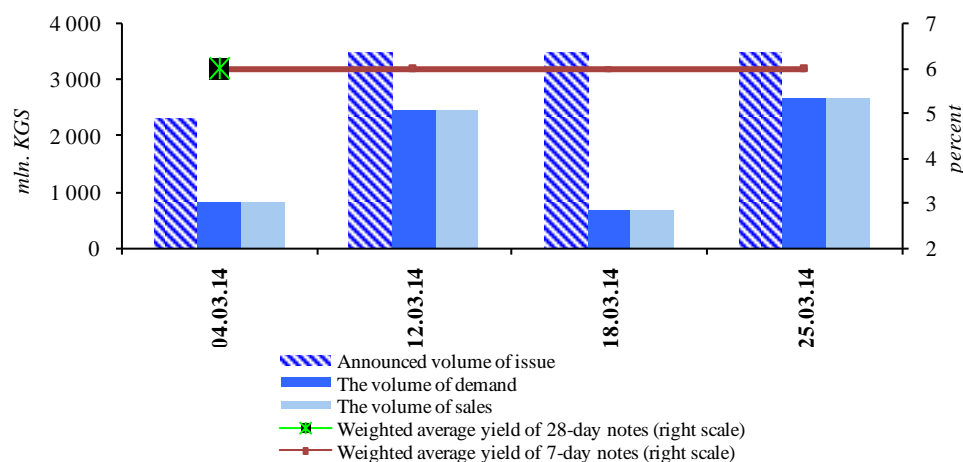


At four auctions of NBKR notes held in March the total announced volume of issue constituted KGS 12.8 billion, which is 39.1 percent more than in the previous month.

In March, the average auction¹ volume of demand decreased by 16.9 percent and constituted 1.7 billion. In March, the volume of sales was presented by 7- and 28-day notes, most of which was acquired by three commercial banks with a total share in the structure of sales 93.7 percent. The average auction sales volume in the reporting period constituted KGS 1.7 billion, having decreased by 3,1 percent compared to the previous month. In the period under review the supply of NBKR notes on all auctions held by the issuer exceeded the demand, which were increased to KGS 2.7 billion for one auction in the last decade of March according to the monetary policy held by the National Bank.

In March, the total average weighted yield of NBKR notes increased by 2.3 percentage points compared to the same indicator of the previous month and constituted 6.0 percent.

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



In the period under review, the volume of notes in circulation decreased by 41.1 percent and formed at the level of KGS 3.1 billion. The share of commercial banks, which are major holders of NBKR notes, decreased by 45.8 percentage points to 17.5 percent with simultaneous increase in the share of the portfolio of resident legal entities to 82.5 percent (+45.9 percentage points) (the share of financial resident legal entities constituted 1.3 percent, the share of non-

¹ This indicator is used instead of the total demand/supply for a month, as the number of auctions for the month is an inconstant value.

financial resident legal entities increased by 45.4 percentage points to 81.2 percent). Institutional investors, individuals and non-resident legal entities did not participate in the auctions.

Graph 3. The dynamics of sales of NBKR notes

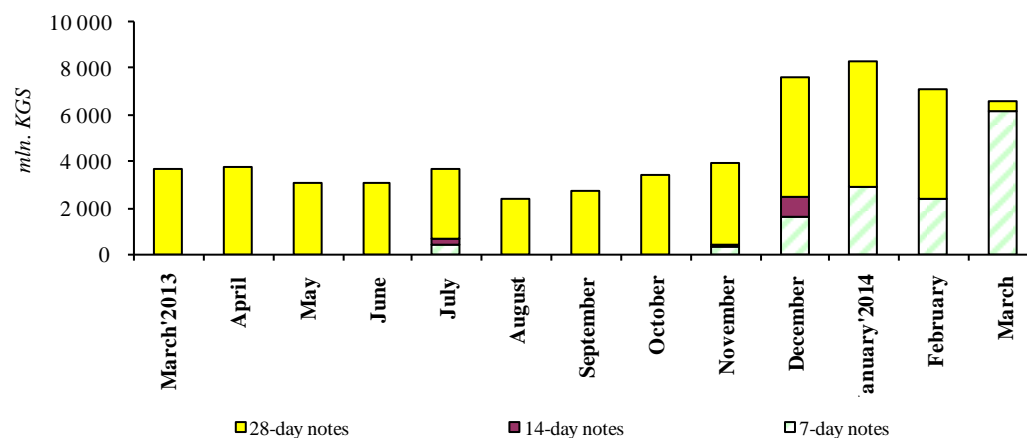


Table 1. The structure of the holders of NBKR notes at par value

Date	TOTAL	Including							
		Commercial Banks		Resident companies		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.04.2013	3 673,1	2 019,8	55,0%	1 653,3	45,0%	-	0,0%	-	0,0%
01.05.2013	3 143,0	2 140,5	68,1%	1 002,5	31,9%	-	0,0%	-	0,0%
01.06.2013	3 073,0	1 811,0	58,9%	1 262,0	41,1%	-	0,0%	-	0,0%
01.07.2013	3 105,5	1 836,0	59,1%	1 269,5	40,9%	-	0,0%	-	0,0%
01.08.2013	2 680,6	960,5	35,8%	1 636,1	61,0%	-	0,0%	84,0	3,1%
01.09.2013	2 400,0	370,5	15,4%	2 029,5	84,6%	-	0,0%	-	0,0%
01.10.2013	2 720,0	1 098,6	40,4%	1 621,4	59,6%	-	0,0%	-	0,0%
01.11.2013	2 895,4	1 229,5	42,5%	1 665,9	57,5%	-	0,0%	-	0,0%
01.12.2013	3 959,0	2 152,6	54,4%	1 806,4	45,6%	-	0,0%	-	0,0%
01.01.2014	6 645,0	3 892,2	58,6%	2 730,7	41,1%	1,0	0,0%	21,1	0,3%
01.02.2014	6 240,5	4 838,1	77,5%	1 384,9	22,2%	-	0,0%	17,5	0,3%
01.03.2014	5 233,1	3 310,4	63,3%	1 917,6	36,6%	-	0,0%	5,0	0,1%
01.04.2014	3 080,1	539,0	17,5%	2 541,1	82,5%	-	0,0%	-	0,0%