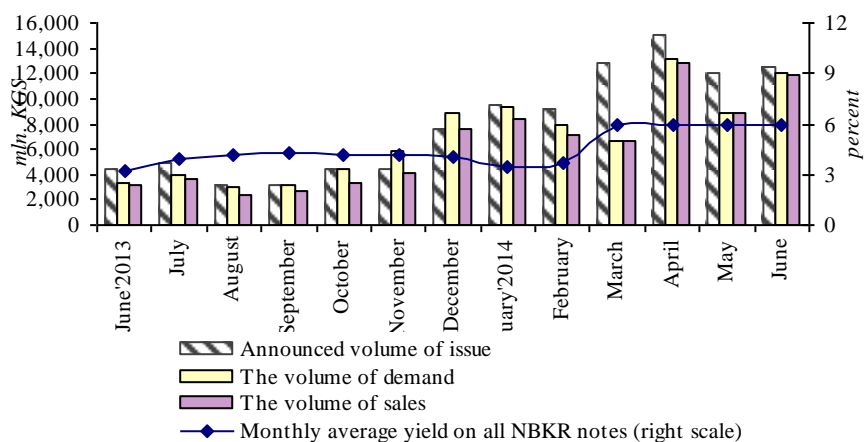


## NBKR Notes (June 2014)

**Graph 1. Demand and placement of NBKR notes**

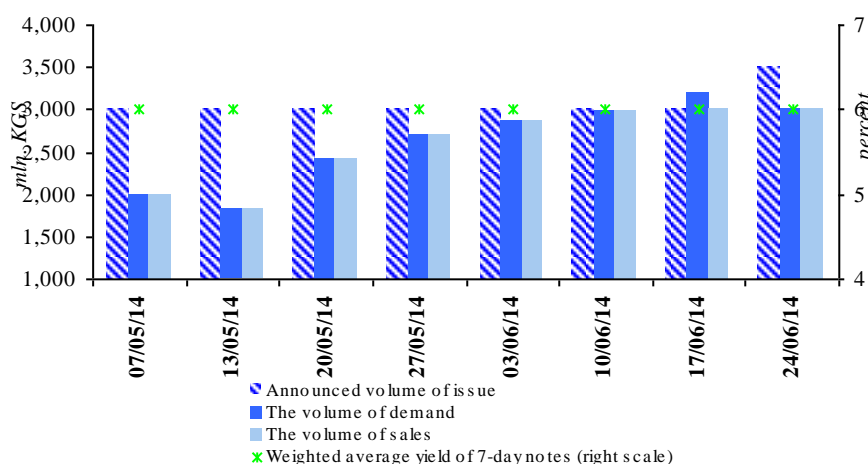


In the reporting period, the National Bank of the Kyrgyz Republic held four auctions; the total volume of the announced issues amounted to 12.5 billion KGS, which is by 4.2 percent higher than in the previous month.

The average auction volume of demand<sup>1</sup> of the auctions increased by 34.8 percent and amounted to 3.0 billion KGS. In line with the National Bank monetary policy, the volume of sales in June was represented only by 7-day notes, most of which was purchased by three commercial banks with a total share of 98.9 percent in the structure of sales. Thus, the average auction volume of sales in the reporting period amounted to 3.0 billion KGS having increased by 32.7 percent compared to the previous month.

The weighted average yield of NBKR notes in the reporting period remained at the level of the previous month and constituted 6.0 percent.

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



In the reporting period, the volume of notes in circulation increased by 11.4 percent and was formed at the level of 3.0 billion KGS. Thus, the share of resident legal entities, which are among the main holders of NBKR notes decreased by 5.8 percentage points to 53.4 percent on the background of similar increase in the share of portfolio of commercial banks to 46.0 percent (+5.2 percentage points). In the reporting period, institutional investors renewed their activity in this segment of the market having increased their share of portfolio to 0.7 percent. Individuals did not participate in the auction.

<sup>1</sup> This indicator is used instead of the general volume of supply /demand within a month since the number of auctions within a month is not a constant value.

Graph 3. The dynamics of sales of NBKR notes

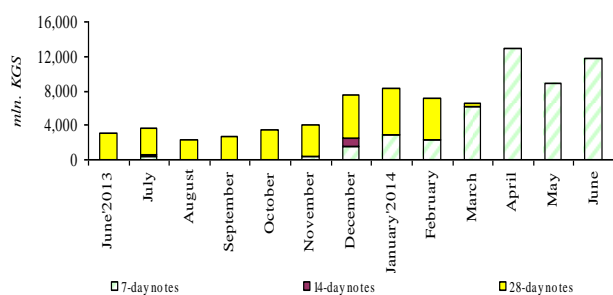


Table 1. The structure of notes shareholders at face value

mln.KGS

Date	in all	including							
		commercial banks		resident legal		resident individuals		institutional investors	
		sum	The share	sum	The share	sum	The share	sum	The share
7/1/2013	3,105.5	1,836.0	59.1%	1,269.5	40.9%	-	0.0%	-	0.0%
8/1/2013	2,680.6	960.5	35.8%	1,636.1	61.0%	-	0.0%	84.0	3.1%
9/1/2013	2,400.0	370.5	15.4%	2,029.5	84.6%	-	0.0%	-	0.0%
10/1/2013	2,720.0	1,098.6	40.4%	1,621.4	59.6%	-	0.0%	-	0.0%
11/1/2013	2,895.4	1,229.5	42.5%	1,665.9	57.5%	-	0.0%	-	0.0%
12/1/2013	3,959.0	2,152.6	54.4%	1,806.4	45.6%	-	0.0%	-	0.0%
1/1/2014	6,645.0	3,892.2	58.6%	2,730.7	41.1%	1.0	0.0%	21.1	0.3%
2/1/2014	6,240.5	4,838.1	77.5%	1,384.9	22.2%	-	0.0%	17.5	0.3%
3/1/2014	5,233.1	3,310.4	63.3%	1,917.6	36.6%	-	0.0%	5.0	0.1%
4/1/2014	3,080.1	539.0	17.5%	2,541.1	82.5%	-	0.0%	-	0.0%
5/1/2014	1,548.0	341.0	22.0%	1,207.0	78.0%	-	0.0%	-	0.0%
6/1/2014	2,703.9	1,103.0	40.8%	1,600.9	59.2%	-	0.0%	-	0.0%
7/1/2014	3,011.7	1,384.0	46.0%	1,607.0	53.4%	-	0.0%	20.7	0.7%