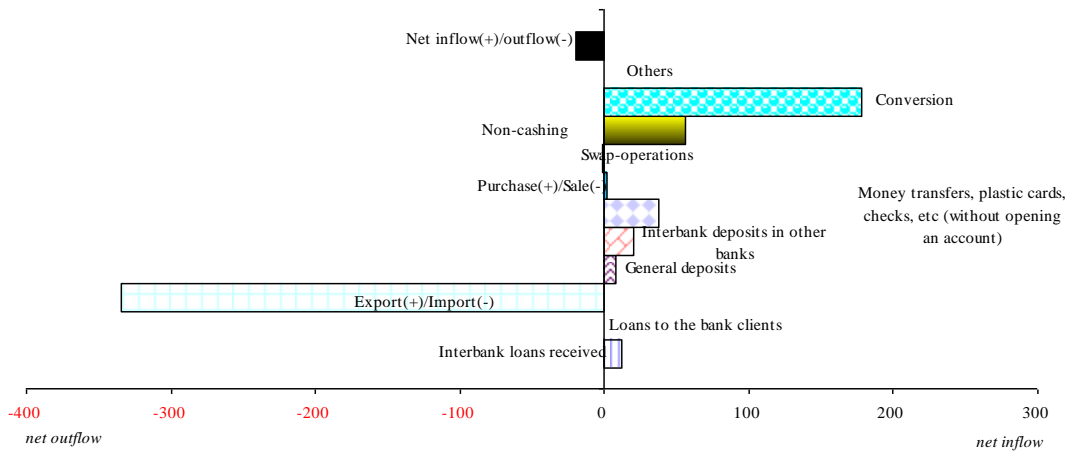


Foreign exchange market (July 2014)

Graph 1. Net inflow (outflow) of non-cash US dollars in commercial banks (mln. USD)

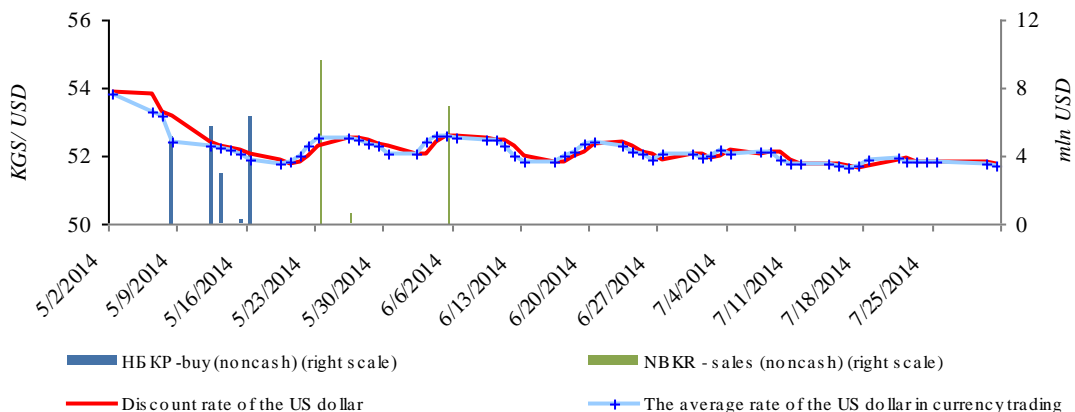


In July, compared to the previous month, there was a slight decline in the exchange rate of the US dollar from 52.0649 to 51.7518 KGS per US dollar due to the reduction of pressure from external sources. The main stage of decrease in the rate was in the middle of the reporting period. The increase in the supply of currency on the part of major market participants took place mainly at the expense of received interbank credits, currency exchange and dollars received as a result of conversion operations of banks (Graph 1).

In the reporting period, the total volume of transactions on the purchase and sale of foreign currency decreased compared to the similar period of the previous month by 2.4 percent formed at 52.4 billion KGS. The reason was the decline in business activity in the segment of cash operations of exchange offices by 14.6 percent to 16.0 billion KGS in quantitative terms. In addition, the volume of cash transactions of commercial banks increased to 26.2 billion KGS, which is by 0.7 percent higher than the previous month; the volume of non-cash transactions of commercial banks - by 10.2 billion KGS (+14.2 percent).

The total turnover of interbank foreign exchange trades increased to 182.0 million US dollar having increased by 31.1 percent compared to the similar period of the previous month. In the reporting period, the National Bank did not conduct currency interventions (Graph 2).

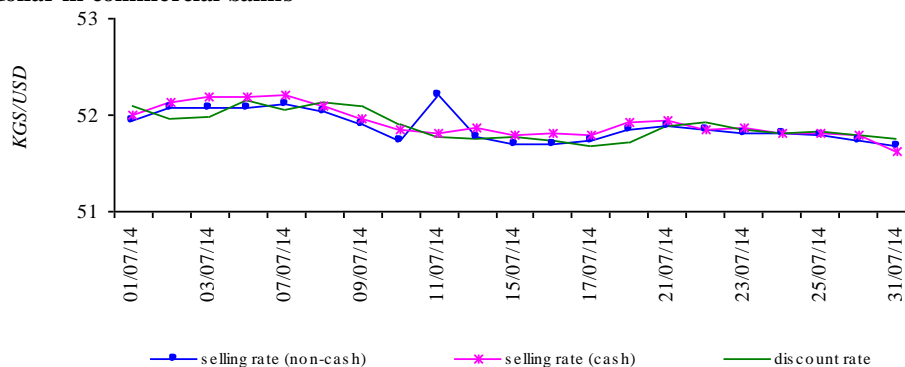
Graph 2. The dynamics of the US dollar in the interbank foreign exchange markets



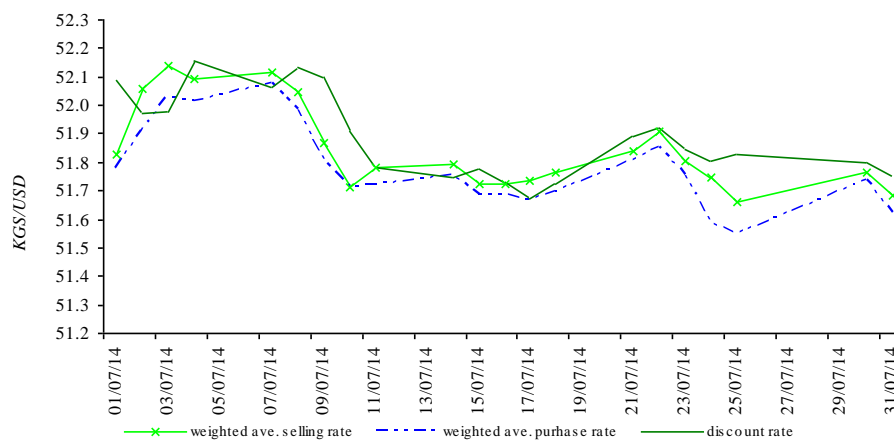
In the reporting period, the National Bank did not conduct SWAP operations with commercial banks.

By types of currencies, there was a diverse trend in the volume of transactions. At the same time, the equity ratio of currency in the total volume of transactions was distributed as follows: the share of transactions in US dollar increased by 2.5 percentage points to 62.0 percent; in Kazakh tenge - by 2.4 percentage points to 8.5 percent. The share of transactions in Russian rubles was 27.5 percent having decreased over the month by 5.3 percentage points; in Euro - by 1.9 percent having decreased by 0.3 percentage points.

Graph 3. The dynamics of the selling rate of non-cash and cash US dollar in commercial banks



Graph 4. Dynamics of US dollar rate in exchange offices



Graph 5. The dynamics of rates of changes in the rates of major currencies in exchange offices and the US dollars rate on world markets

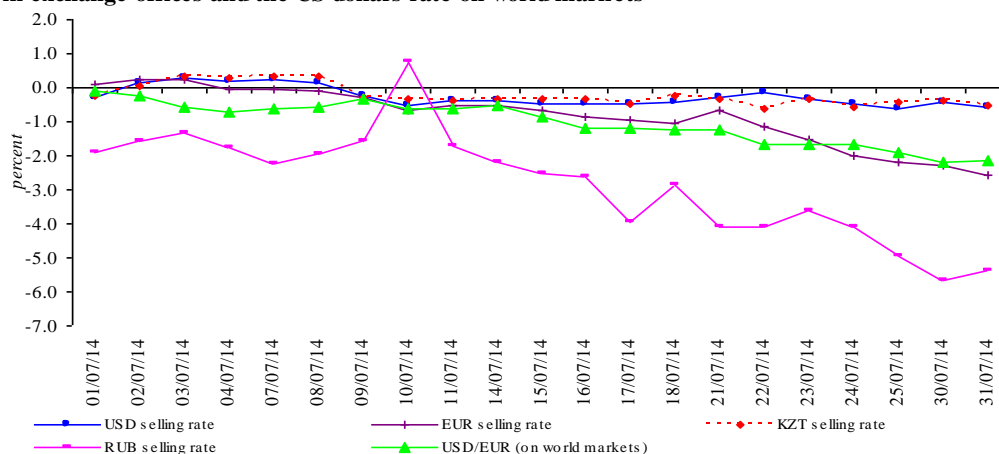


Table 1. The volume of purchases and sales of foreign exchange transactions by type (in som equivalent)

mln. KGS

Period	Total amount of transactions	non-cash operations of comm. Banks		cash operations of comm. Banks		cash operations of exchange offices		
		volume of operations	share (%)	volume of operations	share (%)	volume of operations	share (%)	
2013	07	37,930.0	5,752.4	15.2	27,754.2	73.2	4,423.4	11.7
	08	38,826.0	6,616.9	17.0	28,199.8	72.6	4,009.3	10.3
	09	39,130.5	6,104.3	15.6	29,125.7	74.4	3,900.5	10.0
	10	42,897.0	7,102.4	16.6	31,612.2	73.7	4,182.4	9.8
	11	33,607.6	4,884.3	16.6	24,675.1	73.4	4,048.2	12.1
	12	36,538.7	4,492.4	14.5	27,766.9	76.0	4,279.3	11.7
2014	01	24,803.9	2,945.5	12.3	18,519.1	74.7	3,339.2	13.5
	02	30,071.0	7,961.2	11.9	17,994.7	59.8	4,115.0	13.7
	03	45,081.1	8,512.6	26.5	21,763.0	48.3	14,805.5	32.8
	04	46,760.3	8,085.1	17.3	21,670.9	46.3	17,004.3	36.4
	05	47,882.3	6,522.9	13.6	23,511.3	49.1	17,848.1	37.3
	06	53,731.2	8,922.2	16.6	26,024.8	48.4	18,784.2	35.0
	07	52,421.0	10,187.8	19.4	26,195.6	50.0	16,037.6	30.6

Table 2. The volume of purchases and sales of foreign currency by currency (in some equivalent)

mln. KGS

Период	Total volume of operations	USD		EUR		RUB		KZT		Other		
		volume	share	volume	share	volume	share	volume	share	volume	share	
2013	07	37,930.0	22,098.6	58.3	1,035.7	2.7	11,164.6	29.4	3,615.8	9.5	15.5	0.0
	08	38,826.0	22,692.5	58.5	1,210.1	3.1	10,660.6	27.5	4,253.1	11.0	9.7	0.0
	09	39,130.5	23,373.9	59.7	1,091.5	2.8	11,996.7	30.7	2,655.5	6.8	13.0	0.0
	10	42,897.0	25,505.5	59.5	1,594.2	3.7	12,772.4	29.8	3,016.8	7.0	8.2	0.0
	11	33,607.6	20,652.9	61.5	1,017.2	3.0	9,355.4	27.8	2,575.5	7.7	6.7	0.0
	12	36,538.7	22,098.3	60.5	860.5	2.4	11,222.1	30.7	2,348.7	6.4	9.0	0.0
2014	01	24,803.9	15,311.8	61.7	746.4	3.0	7,694.2	31.0	1,044.2	4.2	7.3	0.0
	02	30,071.0	21,360.4	71.0	811.7	2.7	6,903.4	23.0	986.6	3.3	8.8	0.0
	03	45,081.1	28,272.0	62.7	704.4	1.6	14,064.5	31.2	2,034.4	4.5	5.9	0.0
	04	46,760.3	28,744.6	61.5	837.9	1.8	15,243.2	32.6	1,925.7	4.1	8.9	0.0
	05	47,882.3	28,093.5	58.7	803.8	1.7	16,273.7	34.0	2,705.4	5.7	6.0	0.0
	06	53,731.2	31,970.2	59.5	856.9	1.6	17,628.7	32.8	3,264.5	6.1	10.9	0.0
	07	52,421.0	32,505.9	62.0	1,011.8	1.9	14,429.8	27.5	4,464.2	8.5	9.3	0.0

Table 3. Data on the discount rate of foreign currencies to the som

Period		Discount rate at end of month				Changing the discount rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2013	07	48.8745	64.8613	1.4860	0.3192	0.5%	2.2%	0.0%	-0.5%
	08	48.7243	64.5305	1.4655	0.3189	-0.3%	-0.5%	-1.4%	-0.1%
	09	48.6197	65.6731	1.5032	0.3165	-0.2%	1.8%	2.6%	-0.7%
	10	48.5027	66.7809	1.5128	0.3143	-0.2%	1.7%	0.6%	-0.7%
	11	48.9590	66.6234	1.4750	0.3186	0.9%	-0.2%	-2.5%	1.4%
	12	49.2470	67.7048	1.5047	0.3206	0.6%	1.6%	2.0%	0.6%
2014	01	50.4158	68.6613	1.4304	0.3241	2.4%	1.4%	-4.9%	1.1%
	02	52.4359	71.6379	1.4545	0.2849	4.0%	4.3%	1.7%	-12.1%
	03	54.4813	74.6884	1.3723	0.2993	3.9%	4.3%	-5.7%	5.1%
	04	53.9615	74.8365	1.5116	0.2964	-1.0%	0.2%	10.2%	-1.0%
	05	52.2705	71.1872	1.5086	0.2849	-3.1%	-4.9%	-0.2%	-3.9%
	06	52.0649	70.9098	1.5481	0.2837	-0.4%	-0.4%	2.6%	-0.4%
	07	51.7518	69.3526	1.4485	0.2820	-0.6%	-2.2%	-6.4%	-0.6%

Table 4. Data on exchange rate of the som in the exchange offices

Period		Average margin for the month				Average daily deviation of the currency selling rate				Changing the currency selling rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2013	07	0.2%	0.4%	0.6%	0.7%	0.1%	0.2%	0.2%	0.1%	0.8%	1.8%	0.8%	-0.3%
	08	0.3%	0.5%	0.7%	0.7%	0.0%	0.1%	0.2%	0.1%	-0.4%	-0.1%	-2.9%	-0.4%
	09	0.3%	0.4%	0.6%	0.8%	0.1%	0.2%	0.2%	0.2%	-0.1%	1.7%	4.1%	-0.3%
	10	0.2%	0.4%	0.6%	0.7%	0.1%	0.1%	0.2%	0.1%	-0.3%	1.6%	0.8%	-0.5%
	11	0.2%	0.4%	0.6%	0.6%	0.0%	0.1%	0.2%	0.1%	0.9%	0.0%	-2.2%	0.8%
	12	0.3%	0.4%	0.6%	0.6%	0.1%	0.1%	0.2%	0.1%	0.8%	1.0%	0.9%	0.1%
2014	01	0.3%	0.4%	0.7%	0.8%	0.2%	0.2%	0.2%	0.2%	2.0%	1.7%	-3.8%	2.2%
	02	0.4%	0.6%	0.6%	2.3%	0.3%	0.3%	0.3%	0.4%	8.0%	8.5%	4.2%	-9.5%
	03	0.2%	0.6%	0.2%	0.7%	0.1%	0.4%	0.3%	0.3%	0.1%	1.1%	1.9%	1.9%
	04	0.1%	0.4%	0.1%	0.4%	0.0%	0.2%	0.4%	0.1%	-1.2%	-0.5%	-1.3%	-1.1%
	05	0.1%	0.6%	0.2%	0.4%	0.2%	0.3%	0.4%	0.3%	-3.2%	-4.9%	-0.2%	-4.3%
	06	0.1%	0.5%	0.1%	0.4%	0.2%	0.2%	0.3%	0.3%	-0.2%	-0.3%	2.6%	0.0%
	07	0.1%	0.5%	0.3%	0.2%	0.1%	0.1%	0.4%	0.1%	-0.6%	-2.6%	-5.4%	-0.5%