

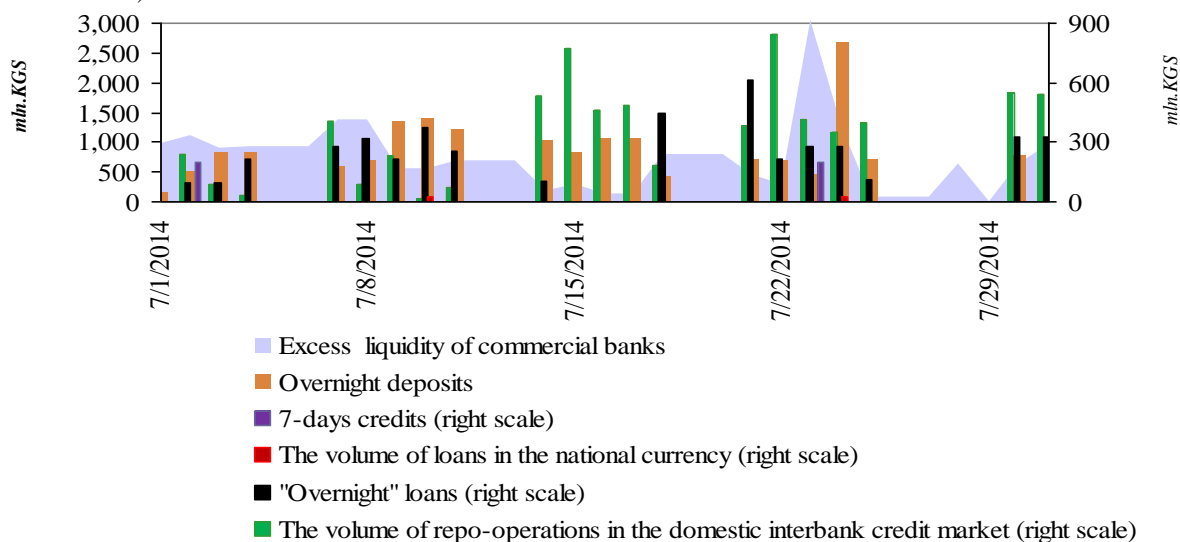
## Inter-Bank Market of Credit Resources (July 2014)

In the reporting period, compared to the same period of the previous month, there was an increase in the average daily level of liquidity of commercial banks in the interbank market by 28.8 percent and constituted 708.3 million KGS.

### Chart 1.

Dynamics of excessive reserves of commercial banks (in the national currency) and the volume of interbank credits

(Million KGS)



In the reporting period, operations on REPO conditions were held in the interbank market of credits and credit transactions on standard conditions in the national currency. Credit transactions in foreign currency between banks did not take place as in the previous months. At the same time, the transactions committed on REPO conditions were held on weighted average interest rate of 6.6 percent per annum (-1.3 percentage points). The volume of these credits constituted 7.7 billion KGS having increased by 25.0 percent in comparison with the previous month.

The volume of transactions in the national currency amounted to 51.9 million KGS having decreased in comparison with the similar period of the previous month by 34.2 percent. The weighted average interest rate on these credits constituted 9.5 percent (-3.0 percentage points).

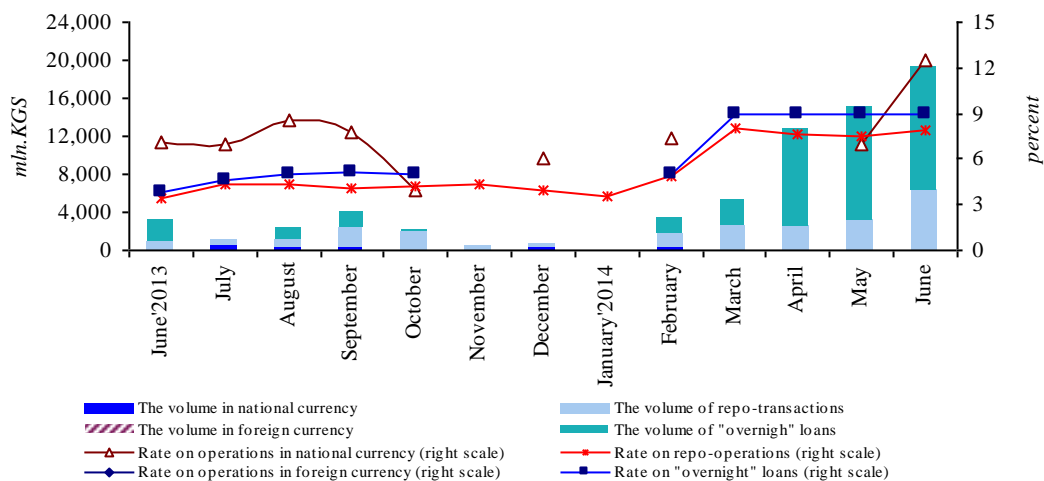
Besides, there was a reduction in the demand for overnight credits in the reporting period, a tool of the National Bank of the Kyrgyz Republic, which amounted to 4.7 billion KGS (-64.5 percent). The weighted average rate on overnight credits established by the National Bank of the Kyrgyz Republic remained at 9.0 percent.

In the reporting period, the National Bank credits based on credit auctions were not issued; the issuance of 7-day credits to commercial banks was carried out in the amount of 400.0 million KGS; the provision of intraday credits in the amount of 227.5 million KGS (-91.7 percent) continued.

In the reporting period, the National Bank continued to allocate funds of commercial banks on deposits based on overnight conditions in the amount of 18.3 billion KGS (+2.0 times).

### Chart 2.

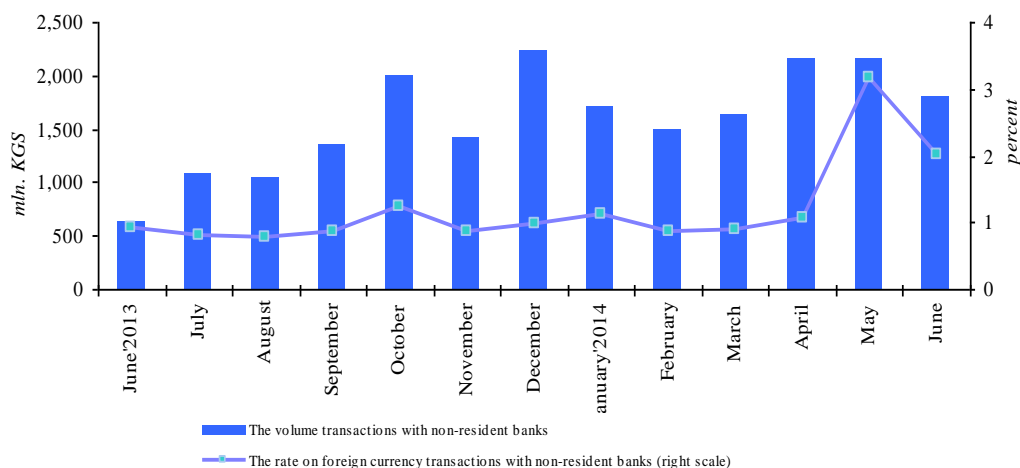
Dynamics of the volume of transactions and interest rates in the domestic interbank market of credits



The concentration index of creditors increased over the last month from 0.49 to 0.72; and the concentration index of debtors decreased slightly from 0.50 to 0.47. The values of these indices indicate to a low level of market concentration and correspond to the presence of one main creditor and two debtors in the market with equal shares.

### Chart 3.

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



The volume of credit transactions in foreign currency with non-resident banks amounted to 1.4 billion in KGS equivalent having decreased compared to the same period of the previous month by 21.4 percent. The weighted average interest rate on credit transactions with non-resident banks committed in the period under review constituted 2.1 percent (+ 0.1 percentage points).

