

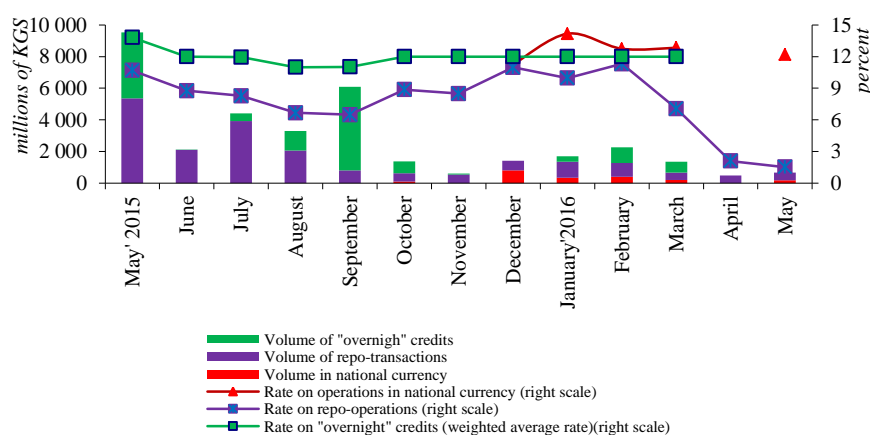
Inter-Bank Market of Credit Resources

(May 2016)

An increase was observed in the average daily level of excessive liquidity of commercial banks in the interbank market to KGS 1.9 billion (+2.2 percent) in the reporting period as compared to similar index for the previous month.

REPO conditions based transactions and standard transactions in the national currency were conducted in the domestic inter-bank credit market in the reporting period. At the same time, these transactions were conducted at the weighted average rate of 1.5 percent (-0.6 percentage points) and 12.2 percent per annum, respectively. The volume of REPO conditions based transactions increased by 4.9 percent compared to the previous month, to KGS 498.5 million. In the reporting period, the volume of standard transactions in the national currency amounted to KGS 170.0 million in the domestic market.

Chart 1. Dynamics of Transactions and Interest Rates in the Domestic Inter-Bank Credit Market



In the reporting period, standard transactions in foreign currency were not carried out in the domestic market.

In the reporting period, overnight credits, a tool of the National Bank of the Kyrgyz Republic, were in little demand. At the same time, the National Bank continued to allocate funds of commercial banks on deposits based on overnight conditions in the amount of KGS 149.3 billion (-22.4 percent).

In the reporting period, the concentration index of creditors decreased by 0.08, to 0.41, the concentration index of debtors – by 0.43, to 0.54. The values of these indices indicate the high level of market concentration and correspond to the presence of two principal creditors and two debtors in the market.

