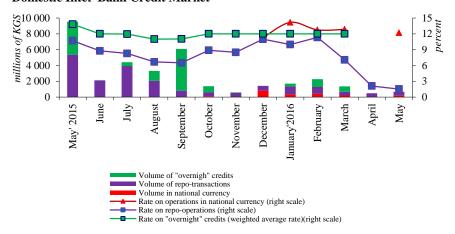
Inter-Bank Market of Credit Resources

(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

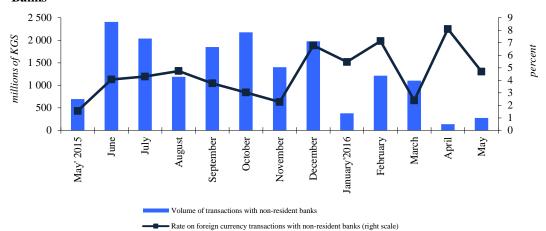


In the reporting period, standard transactions in foreign currency were not carried out in the domestic market.

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.

Chart 4. Dynamics of Operations and Interest Rates in the Inter-Bank Credit Market on Transactions in Foreign Currency with Non-Resident Banks



The volume of credit transactions in foreign currency with non-resident banks amounted to KGS 276.3 million (+2.0 times). The weighted average interest rate on credit transactions with non-resident banks committed in the reporting period formed at the level of 4.7 percent (-3.5 percentage points).

Table 1. Dynamics of Inter-Bank Loans in National Currency (in Terms of Urgency)

		Total				Including by terms																	
						Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		more than 360 days	
Period			Q-ty of transact ions	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	
	05																						
	06																						
	07																						
2015	08																						
	09																						
	10	100,0	1,0	12,0									100,0	12,0									
	11																						
	12	798,2					490,0		240,0	11,0			68,2	14,0									
	01	340,1	3	14,2			40,1	10,5			300,0	14,7											
	02	390,0	2	12,7			290,0	13,0			100,0	12,0		ĺ									
2016	03	190,0	2	12,8											100,0	10,0	90,0	16,0					
	04																						
1	05	170,0	2	12,2											ĺ			1	170,0	12,2	ĺ		

Table 2. REPO Operations of Commercial Banks (in Terms of Urgency)

			Total			Including by terms																
					Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days		more than 360 days	
Period			Q-ty of transact ions	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)	Volume (mln. KGS)	Rate (%)
	05	5351,6		10,7	2485,5		2639,1	10,4	226,9	10,2												
	06	2106,0		8,8			1523,8	8,7	373,8	9,5												
	07	3924,3	84	8,3	1347,5	8,4	1965,5	8,2	590,6	8,2	20,7	9,0										
2015	08	2057,8	38	6,7	578,5	6,3	1029,4	6,6	449,9	7,4												
2013	09	807,3	24	6,5	530,6	6,1	276,8	7,3														
	10	521,3	23	8,9	140,5	8,2	254,5	8,7	126,3	10,0												
	11	533,8	11	8,5	109,2	8,6	424,6	8,5														
	12	611,9	11	11,0	206,0	8,2	151,5	9,9	155,2	14,4	99,4	13,0										
	01	1010,7	34	10,0	341,4	9,7	591,1	10,0	78,2	11,0												
	02	870,9	23	11,3	77,0	8,6	646,8	11,5	147,1	11,7												
2016	03	467,2	11	7,1	104,0	7,3	169,4	4,7	193,8	9,0												
	04	475,2	8	2,1	5,9	2,0	64,8	1,5	307,4	2,4	97,0	1,5										
	05	498,5	9	1,5	16,2	2,0	120,3	1,5	362,0	1,5												