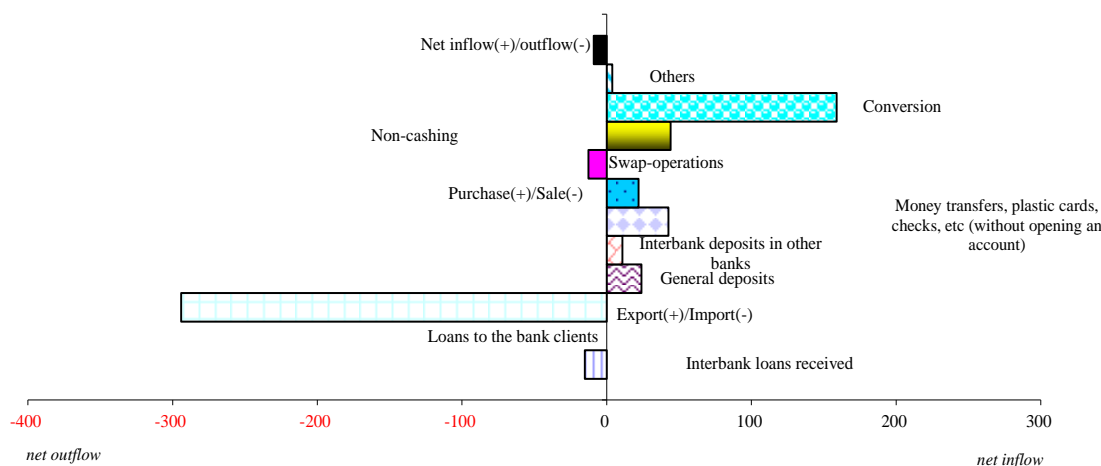


## Foreign Exchange Market (September 2015)

**Chart 1.** Net Inflow (Outflow) on Non-Cash US Dollars in Commercial Banks  
(millions of USD)

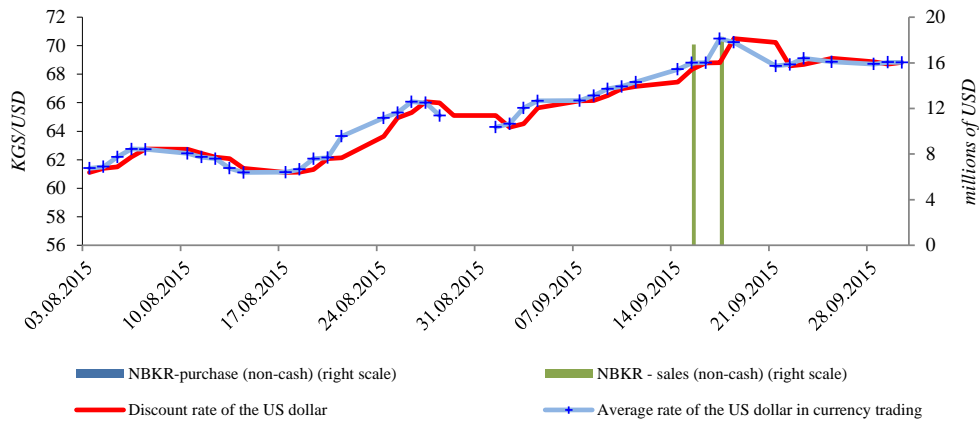


In the reporting period, as opposed to the previous month, there was increase in the exchange rate of the US dollar from KGS 65.9956 to 68.8359 per USD due to increase of pressure from external sources. Dynamics of the foreign currency exchange rate in the domestic market of the Kyrgyz Republic was conditioned by the effect of fundamental factors such as strengthening of the US dollar in the world due to rehabilitation of the US economy and the policy conducted by the US FRS on the one hand; growth of the Russian ruble volatility due to aggravated geopolitical tension in the region of the other hand. Supply of currency by large market participants increased primarily due to the US dollars received as a result of bank conversion transactions.

The total volume of transactions on the purchase and sale of foreign currency increased as compared with the previous month by 0.8 percent and constituted KGS 40.2 billion. The reason was the increase in business activity by 2.1 times, to KGS 8.3 billion in the segment of non-cash transactions conducted by the commercial banks. Moreover, the amount of cash transactions of commercial banks decreased to KGS 20.1 billion having decreased by 1.9 percent as compared to the previous month. The amount of cash transaction of exchange offices decreased to KGS 11.8 billion (-24.0 percent).

The total turnover of interbank currency trading increased by 2.3 times as compared to the previous month and amounted to USD 123.1 million. The National Bank performed interventions by selling foreign currency to the amount of 35.9 million in the reporting period.

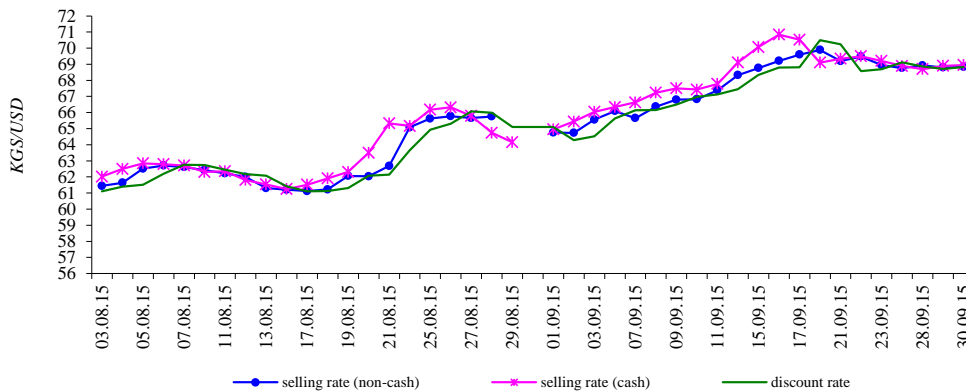
**Chart 2.** Dynamics of US Dollar Exchange Rate in the Interbank Foreign Exchange Market



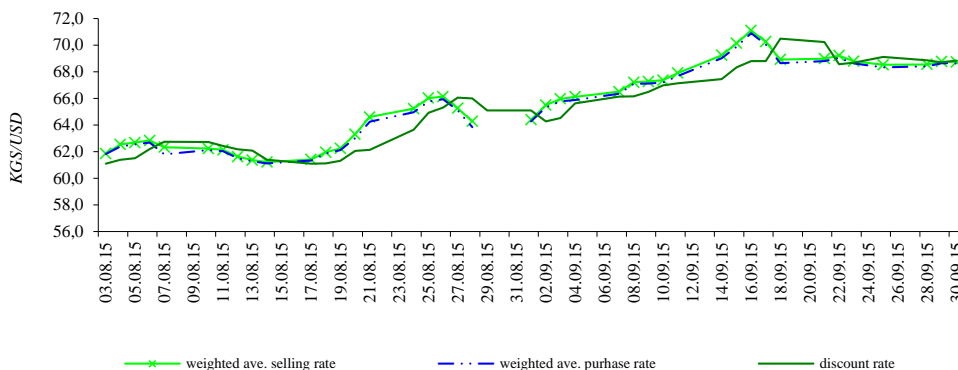
In the reporting period, the National Bank did not conduct SWAP operations with commercial banks.

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 USD increased by 5.4 percentage points, to 67.5 percent; in RUB – by 2.3 percentage points, to 26.4 percent. The share of transactions in KZT decreased by 6.9 percentage points, to 3.9 percent, in EUR – by 0.8 percentage points, to 2.2 percent, over the month.

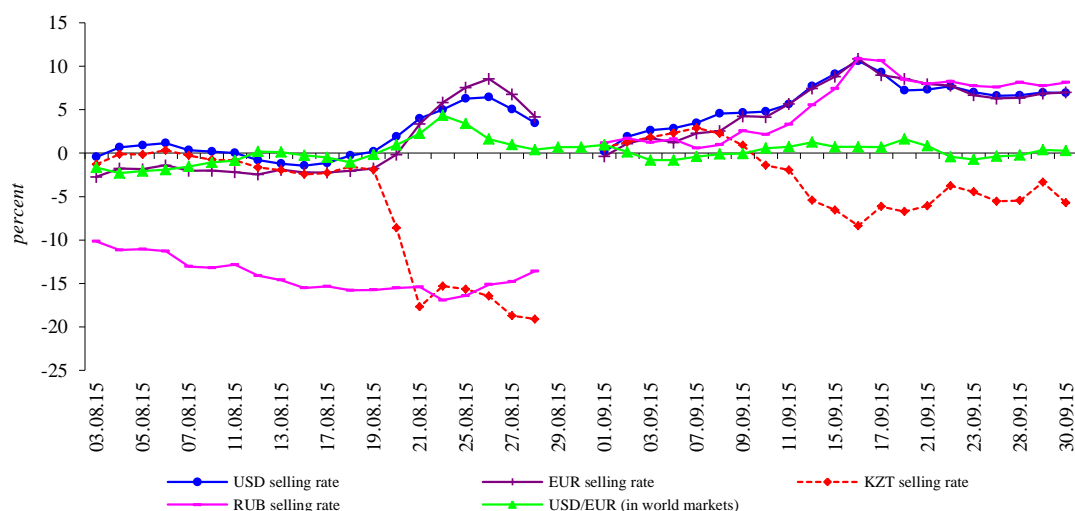
**Chart 3.** Dynamics of the Selling Rate of Non-Cash and Cash US Dollars in Commercial Banks



**Chart 4.** Dynamics of the US Dollar in Exchange Offices



**Chart 5. Dynamics of Major Currencies Rates in Exchange Offices, the US Dollar Rates in Exchange Offices and the US Dollar Rates in World Markets**



**Table 1. Volume of Purchases and Sales of Foreign Exchange Transactions by Type (in KGS Equivalent)**

*millions of KGS*

Period	Total amount of transactions	Non-cash operations of commercial banks		Cash operations of commercial banks		Cash operations of exchange offices		
		Volume of operations	Share (%)	Volume of operations	Share (%)	Volume of operations	Share (%)	
2014	09	57 719,9	8 348,9	14,5	27 483,5	47,6	21 887,5	37,9
	10	73 683,0	11 026,1	15,0	31 622,3	42,9	31 034,6	42,1
	11	48 907,3	8 735,4	17,9	22 393,5	45,8	17 778,5	36,4
	12	50 304,0	16 479,8	32,8	21 729,5	43,2	12 094,7	24,0
2015	01	22 246,6	4 889,3	22,0	11 257,6	50,6	6 099,8	27,4
	02	36 137,0	11 550,7	32,0	15 130,3	41,9	9 456,0	26,2
	03	39 131,7	9 733,8	24,9	18 263,6	46,7	11 134,3	28,5
	04	39 693,9	7 998,4	20,2	20 092,9	50,6	11 602,6	29,2
	05	36 923,8	7 334,7	19,9	18 561,5	50,3	11 027,7	29,9
	06	39 196,4	5 348,2	13,6	21 241,9	54,2	12 606,2	32,2
	07	41 634,9	5 519,9	13,3	21 948,0	52,7	14 167,0	34,0
	08	39 887,6	3 895,1	9,8	20 448,9	51,3	15 543,6	39,0
	09	40 207,2	8 320,9	20,7	20 069,4	49,9	11 816,9	29,4

**Table 2. Volume of Purchases and Sales of Foreign Currency by Currency (in KGS Equivalent)**
*millions of KGS*

Period		Total volume of operations	USD		EUR		RUB		KZT		Other	
			Volume	Share	Volume	Share	Volume	Share	Volume	Share	Volume	Share
		Volume	Share	Volume	Share	Volume	Share	Volume	Share	Volume	Share	Volume
2014	09	57 719,9	34 632,9	60,0	1 329,3	2,3	18 002,5	31,2	3 748,2	6,5	7,1	0,0
	10	73 683,0	45 153,6	61,3	1 178,8	1,6	22 223,8	30,2	5 121,8	7,0	4,9	0,0
	11	48 907,3	31 254,1	63,9	1 065,1	2,2	12 774,7	26,1	3 805,6	7,8	7,9	0,0
	12	50 304,0	35 732,3	71,0	2 086,2	4,2	7 606,4	15,1	4 869,5	9,7	9,6	0,0
2015	01	22 246,6	15 365,7	69,1	629,3	2,8	4 697,4	21,1	1 546,6	7,0	7,6	0,0
	02	36 137,0	25 492,6	70,5	1 292,0	3,6	6 760,8	18,7	2 582,1	7,2	9,5	0,0
	03	39 131,7	25 419,2	65,0	1 946,7	5,0	9 350,8	23,9	2 408,0	6,2	6,9	0,0
	04	39 693,9	24 057,8	60,6	3 274,5	8,3	9 217,3	23,2	3 131,5	7,9	12,8	0,0
	05	36 923,8	23 192,5	62,8	804,1	2,2	10 582,7	28,7	2 338,8	6,3	5,8	0,0
	06	39 196,4	23 554,4	60,1	796,4	2,0	11 914,5	30,4	2 919,6	7,5	11,6	0,0
	07	41 634,9	25 794,8	62,0	918,3	2,2	10 912,2	26,2	4 001,0	9,6	8,7	0,0
	08	39 887,6	24 745,9	62,0	1 189,4	3,0	9 606,4	24,1	4 334,7	10,9	11,1	0,0
	09	40 207,2	27 132,2	67,5	881,3	2,2	10 603,2	26,4	1 579,8	3,9	10,8	0,0

**Table 3. Data on the Discount Rate of Foreign Currencies to KGS**

Period		Discount rate at end of month				Changing the discount rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2014	09	54,5202	69,1125	1,3842	0,2997	3,0%	-1,1%	-3,5%	3,0%
	10	57,3484	72,1127	1,3216	0,3171	5,2%	4,3%	-4,5%	5,8%
	11	57,5957	71,6433	1,1677	0,3184	0,4%	-0,7%	-11,6%	0,4%
	12	58,8865	71,6943	1,0467	0,3229	2,2%	0,1%	-10,4%	1,4%
2015	01	59,8100	67,8395	0,8677	0,3243	1,6%	-5,4%	-17,1%	0,4%
	02	61,2914	68,7414	1,0003	0,3312	2,5%	1,3%	15,3%	2,1%
	03	63,8736	69,3731	1,0925	0,3441	4,2%	0,9%	9,2%	3,9%
	04	60,0705	66,1196	1,1618	0,3233	-6,0%	-4,7%	6,3%	-6,0%
	05	58,1472	63,7119	1,0977	0,3127	-3,2%	-3,6%	-5,5%	-3,3%
	06	62,0788	69,0223	1,1181	0,3334	6,8%	8,3%	1,9%	6,6%
	07	61,0213	66,9343	1,0344	0,3255	-1,7%	-3,0%	-7,5%	-2,4%
	08	65,0953	73,4991	0,9792	0,2739	6,7%	9,8%	-5,3%	-15,9%
	09	68,8359	77,2924	1,0392	0,2546	5,7%	5,2%	6,1%	-7,0%

**Table 4. Data on the Exchange Rate of KGS 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
2014	09	0,1%	0,4%	0,2%	0,1%	0,1%	0,1%	0,4%	0,3%	2,7%	-0,5%	-3,8%	3,3%
	10	0,1%	0,5%	0,1%	0,3%	0,2%	0,2%	0,4%	0,4%	5,9%	4,4%	-1,4%	6,4%
	11	0,1%	0,6%	0,2%	0,3%	0,1%	0,2%	0,8%	0,2%	0,1%	-1,2%	-13,4%	0,1%
	12	0,2%	0,5%	1,5%	0,3%	0,1%	0,2%	1,5%	0,3%	2,8%	-0,8%	-13,8%	0,8%
2015	01	0,2%	0,8%	1,2%	0,2%	0,1%	0,4%	0,6%	0,2%	2,0%	-4,0%	-12,8%	1,8%
	02	0,2%	0,5%	0,5%	0,3%	0,1%	0,2%	0,9%	0,1%	1,5%	0,6%	13,2%	1,4%
	03	0,2%	0,6%	0,7%	0,4%	0,2%	0,4%	0,7%	0,2%	4,4%	0,5%	10,9%	4,2%
	04	0,2%	0,8%	0,5%	0,4%	0,1%	0,4%	1,3%	0,3%	-7,4%	-5,3%	3,7%	-7,6%
	05	0,2%	0,6%	0,6%	0,3%	0,1%	0,4%	0,7%	0,2%	-1,7%	-2,7%	-2,7%	-1,4%
	06	0,2%	0,6%	0,4%	0,4%	0,2%	0,3%	0,8%	0,2%	6,6%	8,0%	-0,5%	6,2%
	07	0,2%	0,6%	0,4%	0,5%	0,1%	0,3%	0,6%	0,2%	-1,2%	-2,8%	-8,5%	-2,0%
	08	0,3%	0,7%	0,4%	1,0%	0,6%	0,3%	0,5%	0,7%	4,7%	7,2%	-5,5%	-17,5%
	09	0,3%	0,8%	0,4%	1,4%	0,4%	0,5%	0,6%	1,0%	6,9%	7,0%	8,1%	-5,7%