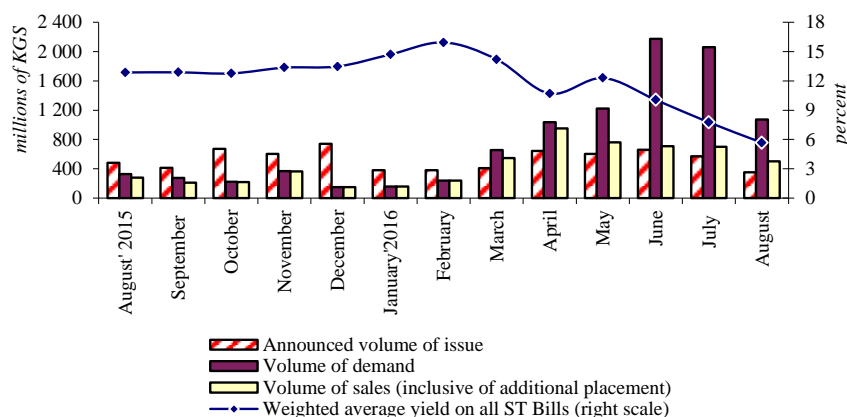


## Market of State Treasury Bills (August 2016)

**Chart 1. Demand and Placement of ST Bills**

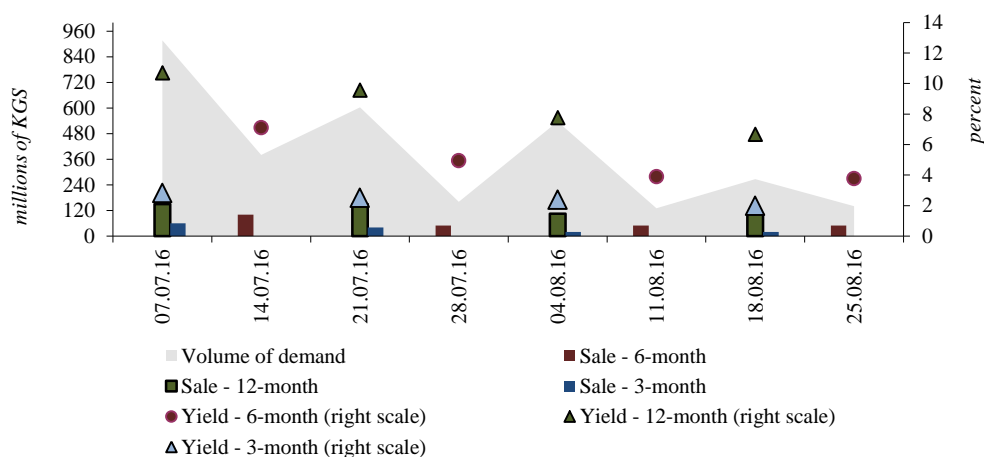


In the reporting period, four auctions on placement of treasury bills by the Ministry of Finance of the Kyrgyz Republic and one additional placement were held at the primary market. The total amount of the announced ST Bills issue at the auctions amounted to KGS 350.0 million having decreased by 38.6 percent as compared to the previous month.

The volume of demand decreased by 47.9 percent over the month, to KGS 1.1 billion. At the same time, the sales of 3-month ST Bills decreased by 60.0 percent and amounted to KGS 40.0 million, the sales of 6-month ST Bills decreased by 33.3 percent, to KGS 100.0 million, the sales of 12-month ST Bills decreased by 20.0 percent, to KGS 360.0 million.

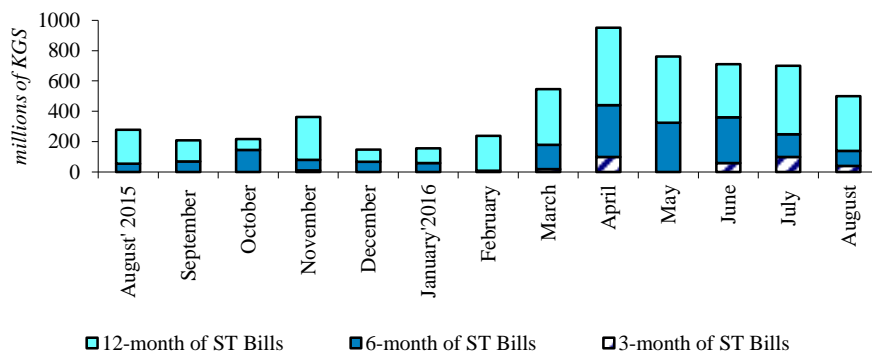
In the reporting period, the overall weighted average yield on all types of ST Bills was observed at the rate of 5.7 percent (-2.1 percentage points). At the same time, the yield on 3-month securities was 2.2 percent (-0.5 percentage points), on 6-month securities was 3.8 percent (-2.6 percentage points), on 12-month securities - 7.2 percent (-2.9 percentage points).

**Chart 2. Dynamics of Volume of Supply, Demand and Yield of ST Bills**



The net financing of the budget deficit within the reporting period was formed in the amount of KGS 132.2 million (+2.7 percent). In the reporting period, the Ministry of Finance redeemed previously issued ST Bills to the amount of KGS 389.3 million (-25.6 percent).

**Chart 3. Dynamics of ST Bills Sales**



In the reporting period, as compared to the beginning of this year, the volume of ST Bills in circulation increased up to KGS 5.0 billion (+47.7 percent): the share of principal holders of ST Bills – commercial banks increased by 6.6 percentage points, to 61.0 percent. The share of institutional investors constituted 38.2 percent (-7.0 percentage points), the share of resident legal entities made 0.8 percent (+0.4 percentage points).

In the reporting period, transactions with ST Bills were not carried out in the secondary market.

**Table 1. Dynamics of ST Bills Average Monthly Yield**

Period	Weighted average yield	By types of urgency		
		3-month ST Bills	6-month ST Bills	12-month ST Bills
August' 2015	12,9	-	12,0	13,1
September	12,9	-	12,2	13,2
October	12,8	-	12,4	13,6
November	13,4	11,5	12,7	13,6
December	13,5	-	13,2	13,7
January'2016	14,7	-	14,0	15,2
February	15,9	5,0	-	16,3
March	14,2	5,7	12,5	15,1
April	10,7	4,3	10,7	13,7
May	12,3	-	10,4	13,6
June	10,1	3,2	9,2	12,3
July	7,8	2,7	6,4	10,1
August	5,7	2,2	3,8	7,2

"-" all announced auctions were declared invalid

**Table 2. Structure of ST Bills Holders at Face Value**

*thousand KGS*

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident Legal Entities	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.09.2015	3 925 210,0	2 087 081,8	53,2%	1 804 663,2	46,0%	0,0	0,0%	33 465,0	0,9%
01.10.2015	3 893 960,0	2 032 681,8	52,2%	1 827 363,2	46,9%	0,0	0,0%	33 915,0	0,9%
01.11.2015	3 789 040,0	1 956 331,8	51,6%	1 798 793,2	47,5%	0,0	0,0%	33 915,0	0,9%
01.12.2015	3 514 990,0	1 899 330,4	54,0%	1 582 794,6	45,0%	0,0	0,0%	32 865,0	0,9%
01.01.2016	3 353 030,0	1 825 700,7	54,4%	1 513 964,3	45,2%	0,0	0,0%	13 365,0	0,4%
01.02.2016	3 188 300,0	1 692 770,7	53,1%	1 482 164,3	46,5%	0,0	0,0%	13 365,0	0,4%
01.03.2016	3 142 570,0	1 685 144,1	53,6%	1 444 910,9	46,0%	0,0	0,0%	12 515,0	0,4%
01.04.2016	3 504 320,0	2 087 444,1	59,6%	1 404 360,9	40,1%	0,0	0,0%	12 515,0	0,4%
01.05.2016	3 912 250,0	2 417 635,4	61,8%	1 479 554,6	37,8%	0,0	0,0%	15 060,0	0,4%
01.06.2016	4 546 050,0	2 691 604,4	59,2%	1 839 585,6	40,5%	0,0	0,0%	14 860,0	0,3%
01.07.2016	4 669 410,0	2 730 525,0	58,5%	1 914 675,0	41,0%	0,0	0,0%	24 210,0	0,5%
01.08.2016	4 841 910,0	2 966 745,4	61,3%	1 849 194,6	38,2%	0,0	0,0%	25 970,0	0,5%
01.09.2016	4 950 910,0	3 018 660,4	61,0%	1 891 879,6	38,2%	0,0	0,0%	40 370,0	0,8%