

Market of State Treasury Bonds (March 2017)

Two auctions on placement of treasury bonds were held by the Ministry of Finance of the Kyrgyz Republic in the reporting period.

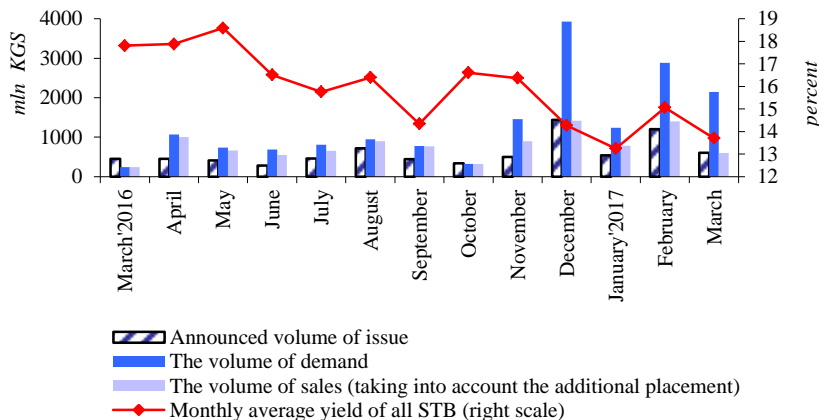
The amount of the announced ST-Bonds issue made KGS 600.0 million at the auctions having decreased by 50.0 percent over the month. The volume of demand amounted to KGS 2.1 billion having decreased by 25.4 percent compared to the previous month. Meanwhile, market participants purchased 2-year and 5-year ST-Bonds in the amount of KGS 600.0 million (-57.1 percent).

In the reporting period, the overall average monthly yield on ST-Bonds decreased by 1.4 percentage points over the month to account for 13.7 percent.

The volume of ST-Bonds in circulation increased by 11.3 percent from the beginning of the year and amounted to KGS 15.2 billion. At the same time, the share of core shareholders – the institutional investors – decreased down to 59.3 percent (-3.7 percentage points), while the share of commercial banks, on the contrary, increased up to 40.0 percent (+3.6 percentage points). The share of resident legal entities increased by 0.1 percentage point from the beginning of the year and amounted to 0.8 percent.

Over the month, the concentration index of the ST-Bonds primary market was 0.33 indicating a high level of concentration and corresponded to the presence of three main investors at the market.

Graph 1. The dynamics of volume of supply and demand and yield of STB



Graph 2. The dynamics of volume of supply and demand and yield of STB

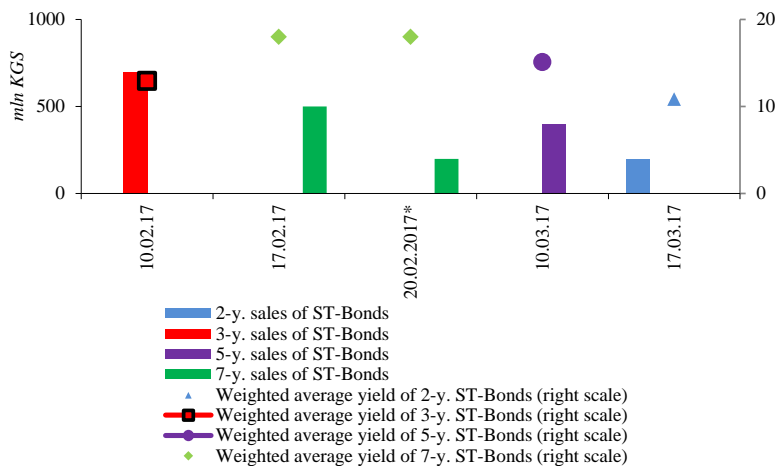


Table 1. The structure of the STB holders at face value

thous KGS

Date	TOTAL	of which									
		Commercial Banks		Institutional Investors		Legal entities - residents		Legal entities - non-residents		individuals - residents	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.04.2016	9 625 061,3	4 067 738,0	42,3	5 520 307,3	57,4	36 966,0	0,4	0,0	0,0	50,0	0,0
01.05.2016	10 341 061,3	4 641 300,3	44,9	5 662 745,0	54,8	36 966,0	0,4	0,0	0,0	50,0	0,0
01.06.2016	10 412 061,3	4 544 485,4	43,6	5 826 559,9	56,0	40 966,0	0,4	0,0	0,0	50,0	0,0
01.07.2016	10 558 061,3	4 590 605,3	43,5	5 926 440,0	56,1	40 966,0	0,4	0,0	0,0	50,0	0,0
01.08.2016	11 003 061,3	4 558 692,2	41,4	6 404 353,1	58,2	39 966,0	0,4	0,0	0,0	50,0	0,0
01.09.2016	11 288 061,3	4 360 364,9	38,6	6 884 533,4	61,0	43 113,0	0,4	0,0	0,0	50,0	0,0
01.10.2016	11 563 561,3	4 422 089,3	38,2	7 095 809,0	61,4	45 613,0	0,4	0,0	0,0	50,0	0,0
01.11.2016	11 646 061,3	4 537 941,4	39,0	7 062 456,9	60,6	45 613,0	0,4	0,0	0,0	50,0	0,0
01.12.2016	12 417 661,3	4 747 209,6	38,2	7 584 588,7	61,1	85 813,0	0,7	0,0	0,0	50,0	0,0
01.01.2017	13 698 111,3	4 983 163,1	36,4	8 629 085,2	63,0	85 813,0	0,6	0,0	0,0	50,0	0,0
01.02.2017	14 026 261,3	5 318 167,4	37,9	8 612 280,9	61,4	95 813,0	0,7	0,0	0,0	0,0	0,0
01.03.2017	15 086 261,3	5 968 583,8	39,6	9 021 864,5	59,8	95 813,0	0,6	0,0	0,0	0,0	0,0
01.04.2017	15 242 261,3	6 093 383,8	40,0	9 032 864,5	59,3	116 013,0	0,8	0,0	0,0	0,0	0,0