Interbank Market of Credit Resources

(*March* 2017)

In the reporting period, the average daily level of excess liquidity of commercial banks decreased by 9.5 percent and amounted to KGS 1.2 billion in the interbank market against the previous month.

Like in the previous month, standard transactions in the national currency and repo transactions were carried out at the domestic interbank credit market. At the same time, these transactions were carried out at the weighted average rate of 1.63 percent per annum (+0.13 percentage points) and 1.64 percent per annum (+0.10 percentage point) respectively. In the reporting period, the volume of standard transactions in the national currency decreased by 35.7 percent in the domestic market to make KGS 70.5 million. The volume of repo transactions increased by 35.3 percent – up to KGS 89.9 million.

The demand for "overnight" credits of the National Bank of the Kyrgyz Republic in the reporting period was absent. At the same time, the National Bank continued to allocate funds of the commercial banks on deposits based on "overnight" conditions in the amount of KGS 224.8 billion (-10.9 percent).

The reporting period was characterized by an increase in the concentration index of creditors by 0.05 to 0.36, and the concentration index of debtors – by 0.39 to 0.74. The values of these indexes indicate a high level of market concentration and correspond to the presence of three principle creditors and one debtor in the market.

In the reporting period, the volume of credit transactions in foreign currency with non-resident banks increased to KGS 6.0 billion. The weighted average interest rate on credit transactions with non-resident banks decreased by 7.7 percentage points compared to the previous month to make 0.9 percent.

2 500 15 2 000 12 1 500 9 1 000 6 3 500 0 0 March'2016 August September July October December anuary'2017 February November The volume of "overnigh" loans The volume of repo-transactions Rate on operations in national currency (right scale) The volume in national currency - Rate on repo-operations (right scale) Rate on "overnight" loans (right scale)

Graph 1. The dynamics of the transactions and the interest rates in the domestic interbank credit market

Graph 2. The dynamics of the operations and the interest rates on the interbank credit market on transactions in foreign currency with non-

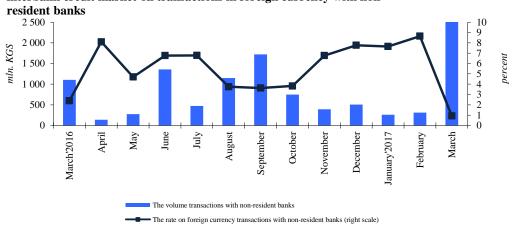


Table 1. The dynamics of inter-bank loans in national currency (in terms of urgency)

	Period		Total										Inclu	iding by te	erms							
			[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			
Per			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 (%)								
	03	190,0	2	12,8											100,0	10,0	90,0	16,0				
	04																					
	05	170,0	2	12,2															170,0	12,2		
	06	50,0	1	3,5							50	3,5										
2016	07	150,0	3	5,3					100,0	3,5									50,0	9,0		
2010	08	100,0	2	3,5					100,0	3,5												
	09	100,0	2	3,5					100,0	3,5												
	10	91,8	2	1,4			32,0	1,3			59,8	1,5										
	11	250,2	4	4,6					90,0	2,7	60,2	1,8					100,0	8,0				
	12	20,0	1	2,0									20,0	2,0								
	01	252,2	5	3,2					134,0	1,8	46,2	1,8									72,0	6,7
2017	02	19,7	1	1,5							19,7	1,5										
	03	70,5	4	1,6					6,9	1,5	20	1,5	43,6	1,7				1	i			

Table 2. Repo operations of commercial banks (in terms of urgency) $\,$

	Period		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			
Per			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 (%)
	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												
	06	135,1	3	1,1			69,5	1,3	65,6	1,0												
2016	07																					
2010	08																					
	09	147,4	5	1,8	31,1	2,0	45,6	2,0	70,8	1,5												
	10	513,0	17	1,9	249,1	2,0	62,4	1,8	201,6	1,9												
	11	105,8	1	1,4			105,8	1,4														
	12	291,5	7	1,5			276,4	1,5	15,1	1,5												
	01	19,1	2	1,5			8,2	1,5	10,9	1,5												
2017	02	66,5	6	1,5			57,4	1,5	9,1	1,5												
	03	89,9	7	1,6	14,0	2,0	9,9	1,5	19,0	1,5	18,351	1,5	28,6	1,7								

Table 3. The dynamics of inter-bank loans in foreign currency between resident banks (in terms of urgency)

	Period		Total	Inc	luding by te	rms															
					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		
Peri			Q-ty of transact ions		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 (%)	
2016	03 04 05 06 07 08 09 10 11	17,7 17,9		2,0 2,0			17,7	2,0	17,9	2,0											
2017	01 02 03																				