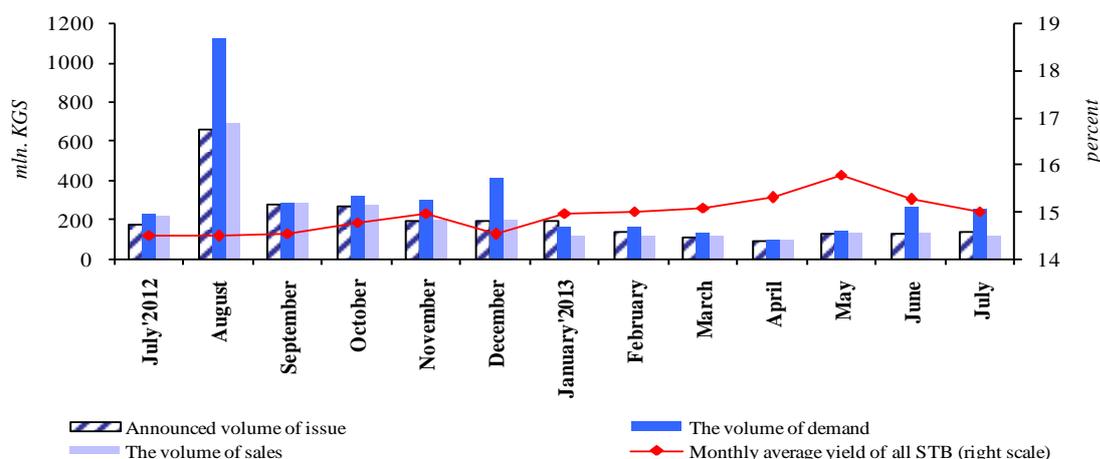


## Market of State Treasury Bonds (July, 2013)

In November, there was one auction of Treasury Ministry of Finance bonds on the primary market. Total volume of supply of these securities amounted to 146.5 million US dollars, having increased compared with the previous month by 11.0 percent. However, market participants purchased the securities in the amount of 116.0 million soms, having decreased compared to the previous month by 77.0 percent. Such decline in sales was a result of decrease in activity of market participants.

Level of filled demand decreased by 3.2 percentage points and amounted to 46.2 percent. The weighted average yield of securities decreased compared to the previous month (-0.3 percentage points), amounted to 15.0 percent.

**Graph 1. Dynamics of demand and supply volume and ST-bonds yield**



In July, the volume of ST-bonds in circulation increased to 5.7 billion soms (+2.1 percent). At the same time it was observed a decrease in the share of commercial banks by 1.0 percentage point (to 48.8 percent), the proportion of institutional investors, by contrast, increased by 1.0 percentage points and developed at a rate of 51.1 percent. Total share of resident individuals and resident legal entities amounted to 0.1 percent.

Over the month, the concentration index<sup>1</sup> of the primary market of ST-bonds was 0.41 that indicates a high level of concentration and corresponds to the presence on the market of two investors with equal shares.

In the reporting period operations with ST-bonds in the secondary market were not committed.

**Table 1. Structure of ST-bonds holders by nominal cost**

<sup>1</sup> This index shows the degree of concentration of the securities in the portfolio of banks. The concentration index is calculated by the method of Herfindahl-Hirschman and represents the sum of the squares of the proportions of index in total volume. Possible index values are in the range from 0 to 1. Index value less than 0.10 corresponds to a low concentration level; from 0.10 to 0.18 – to an average level of concentration; over 0.18 - to a high level of concentration. For example, the concentration index equal to 0.50 is equivalent to the presence of two market participants with equal shares; 0.30 – of three participants, etc.

thous. KGS

Date	TOTAL	Including							
		NBKR		Commercial Banks		Institutional Investors		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
July 2012	3 449 700,0	0,0	0,0%	2 164 368,9	62,7%	1 281 183,9	37,1%	4 105,2	0,1%
August	3 936 450,0	0,0	0,0%	2 563 273,2	65,1%	1 369 974,6	34,8%	3 160,2	0,1%
September	4 092 450,0	0,0	0,0%	2 441 373,2	59,7%	1 647 874,6	40,3%	3 160,2	0,1%
October	4 362 550,0	0,0	0,0%	2 441 473,2	56,0%	1 917 874,6	44,0%	3 160,2	0,1%
November	4 561 550,0	0,0	0,0%	2 476 473,2	54,3%	2 081 874,6	45,6%	3 160,2	0,1%
December	4 750 550,0	0,0	0,0%	2 486 473,2	52,3%	2 260 874,6	47,6%	3 160,2	0,1%
January 2013	4 841 300,0	0,0	0,0%	2 536 223,2	52,4%	2 301 874,6	47,5%	3 160,2	0,1%
February	4 955 200,0	0,0	0,0%	2 650 123,2	53,5%	2 301 874,6	46,5%	3 160,2	0,1%
March	5 075 200,0	0,0	0,0%	2 770 123,2	54,6%	2 301 874,6	45,4%	3 160,2	0,1%
April	5 089 700,0	0,0	0,0%	2 784 623,2	54,7%	2 301 874,6	45,2%	3 160,2	0,1%
May	5 107 700,0	0,0	0,0%	2 707 009,2	53,0%	2 397 488,6	46,9%	3 160,2	0,1%
June	5 612 700,0	0,0	0,0%	2 796 903,1	49,8%	2 812 594,7	50,1%	3 160,2	0,1%
July	5 728 700,0	0,0	0,0%	2 796 903,1	48,8%	2 928 594,7	51,1%	3 160,2	0,1%