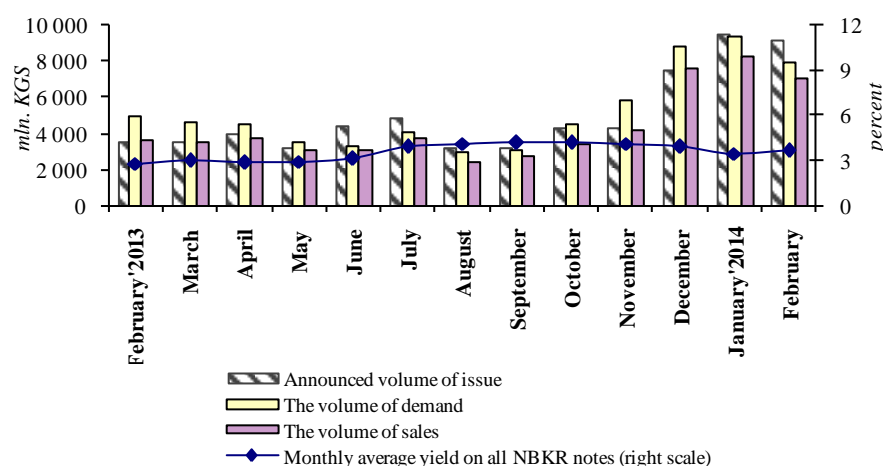


NBKR notes (February 2014)

Graph 1. Demand and placement of NBKR notes

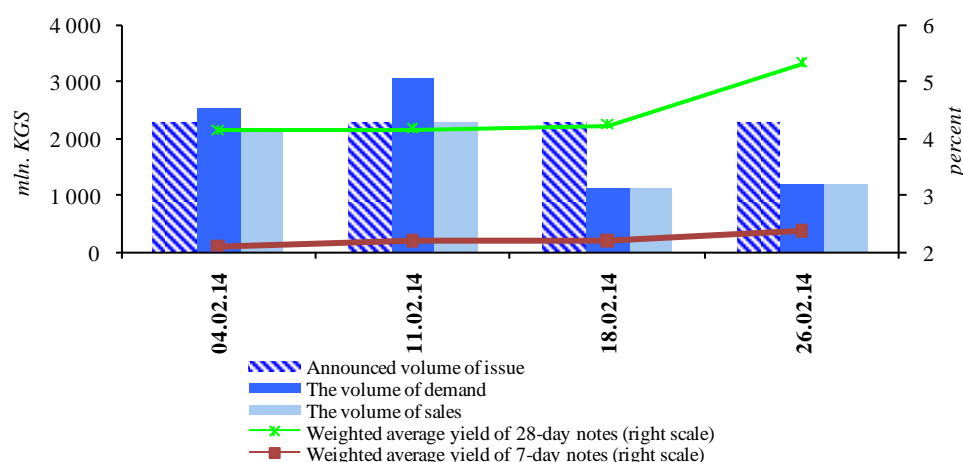


At four auctions of NBKR notes held in February the total announced volume of issue constituted KGS 9.2 billion, which is 3.2 percent less than in the previous month.

In February, the average auction¹ volume of demand decreased by 15.5 percent and constituted KGS 2.0 billion. In February, the volume of sales was presented by 7- and 28-day notes, most of which was acquired by four commercial banks with a total share in the structure of sales 79.8 percent. The average auction sales volume in the reporting period constituted KGS 1.7 billion, having decreased by 14.5 percent compared to the previous month. In the period under review the supply of NBKR notes on many auctions held by the issuer exceeded the demand, which were increased to KGS 3.1 billion for one auction in the second decade of February according to the monetary policy held by the National Bank.

In February, the total average weighted yield of NBKR notes increased by 0.2 percentage points compared to the same indicator of the previous month and constituted 3.7 percent.

Graph 2. The dynamics of demand, sale and yield of NBKR notes



In the period under review, the volume of notes in circulation decreased by 5.2 percent and formed at the level of KGS 5.2 billion. The share of commercial banks, which are major holders of NBKR notes, decreased by 14.3 percentage points to 63.3 percent with simultaneous increase in the share of the portfolio of resident legal entities to 36.6 percent (+14.5 percentage points) (the share of financial resident legal entities, as in the previous month, constituted 0.9

¹ This indicator is used instead of the total demand/supply for a month, as the number of auctions for the month is an inconstant value.

percent, the share of non-financial resident legal entities increased by 14.4 percentage points to 35.7 percent). The share of institutional investors decreased to 0.1 percent (-0.2 percentage points). Non-residents individuals and legal entities did not participate in the auctions.

Graph 3. The dynamics of sales of NBKR notes

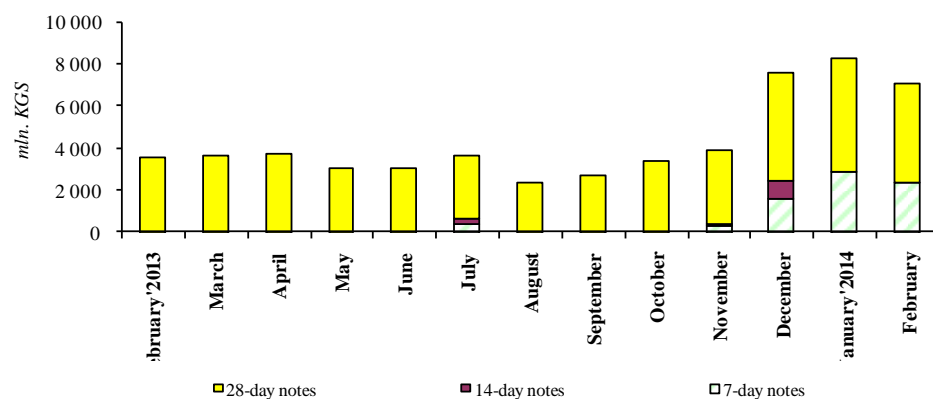


Table 1. The structure of the holders of NBKR notes at par value

mln. KGS

Date	TOTAL	Including							
		Commercial Banks		Resident companies		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.03.2013	3 600,0	2 562,7	71,2%	1 036,0	28,8%	1,3	0,0%	-	0,0%
01.04.2013	3 673,1	2 019,8	55,0%	1 653,3	45,0%	-	0,0%	-	0,0%
01.05.2013	3 143,0	2 140,5	68,1%	1 002,5	31,9%	-	0,0%	-	0,0%
01.06.2013	3 073,0	1 811,0	58,9%	1 262,0	41,1%	-	0,0%	-	0,0%
01.07.2013	3 105,5	1 836,0	59,1%	1 269,5	40,9%	-	0,0%	-	0,0%
01.08.2013	2 680,6	960,5	35,8%	1 636,1	61,0%	-	0,0%	84,0	3,1%
01.09.2013	2 400,0	370,5	15,4%	2 029,5	84,6%	-	0,0%	-	0,0%
01.10.2013	2 720,0	1 098,6	40,4%	1 621,4	59,6%	-	0,0%	-	0,0%
01.11.2013	2 895,4	1 229,5	42,5%	1 665,9	57,5%	-	0,0%	-	0,0%
01.12.2013	3 959,0	2 152,6	54,4%	1 806,4	45,6%	-	0,0%	-	0,0%
01.01.2014	6 645,0	3 892,2	58,6%	2 730,7	41,1%	1,0	0,0%	21,1	0,3%
01.02.2014	6 240,5	4 838,1	77,5%	1 384,9	22,2%	-	0,0%	17,5	0,3%
01.03.2014	5 233,1	3 310,4	63,3%	1 917,6	36,6%	-	0,0%	5,0	0,1%