

Interbank Market of Credit Resources (October 2017)

In the reporting period, the average monthly level of excess liquidity in the banking system decreased by 25.7 percent and amounted to KGS 961.7 million against the previous month. Meanwhile, the activity of the participants on repo transactions conducted in the interbank market decreased by 0.7 percent and amounted to KGS 1.5 billion. However, the standard transactions in the national and foreign currency were not conducted in the reporting period.

The volume of “overnight” credits of the National Bank of the Kyrgyz Republic amounted to KGS 290.9 million (-45.9 percent). The funds allocated by the commercial banks in the National Bank of the Kyrgyz Republic on deposits based on “overnight” conditions decreased by 0.4 percent compared to the previous month and amounted to KGS 99.1 billion. Credit auctions were not conducted in the reporting period.

At the end of the reporting period, the concentration index of creditors made 0.83 (+0.04) and the concentration index of debtors made 0.83 (+0.04) which indicates a high level of market concentration and corresponds to the presence of one creditor and one debtor in the market.

In the reporting period, the volume of credit transactions in foreign currency with non-resident banks increased up to KGS 14.9 billion (+26.6 percent). The weighted average interest rate on credit transactions with non-resident banks made 0.9 percent (-0.2 percentage point per month).

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



