

## Foreign Exchange Market (March 2016)

In the reporting period, the exchange rate of the US dollar decreased slightly compared to the previous month from KGS 74.2525 to KGS 70.0158 per USD. Support of currency supply in view of traditionally high demand for currencies on the part of the major market participants was implemented by means of the US dollars received from conversion operations carried out by the banks, non-cashing of funds and received funds.

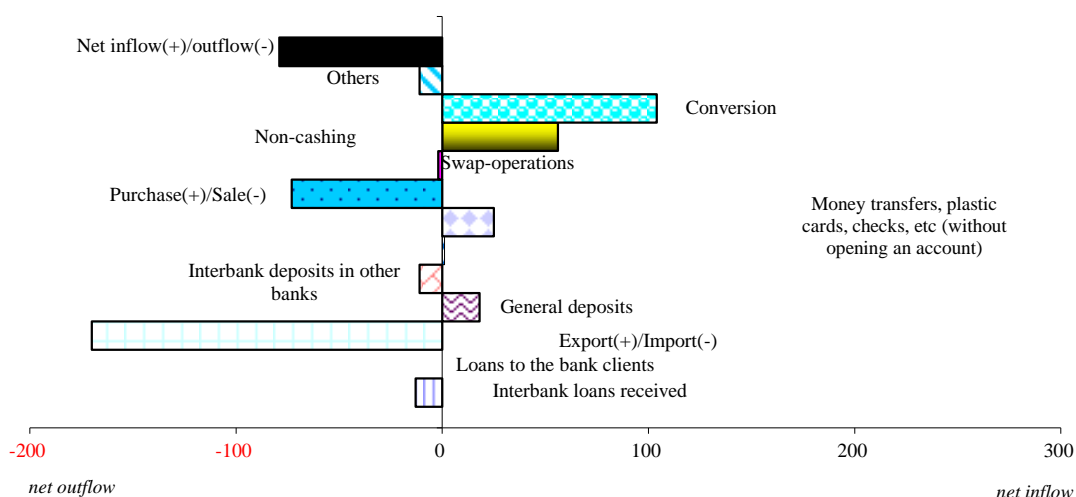
The total volume of transactions on the purchase and sale of foreign currency increased as compared with the previous month by 22.5 percent and constituted KGS 32.7 billion. The reason was the increase in business activity by 63.4 percent, to KGS 8.1 billion in the segment of non-cash transactions conducted by the commercial banks, the volume of cash transactions conducted by the commercial banks increased by 15.0 percent as compared with the previous month and amounted to KGS 14.5 billion, the cash transactions conducted by the exchange offices increased to KGS 10.1 billion (+10.6 percent).

By types of currencies, there was a multidirectional trend in the volume of transactions, as in the previous month. At the same time, the equity ratio of currency in the total volume of transactions was distributed as follows: the share of transactions in USD increased by 1.1 percentage points, to 65.1 percent over the month, the share of transactions in EUR decreased by 1.8 percentage points, to 4.8 percent, the share of transactions in RUB increased by 0.7 percentage points, to 28.2 percent, in KZT – by 0.1 percentage point, to 1.9 percent.

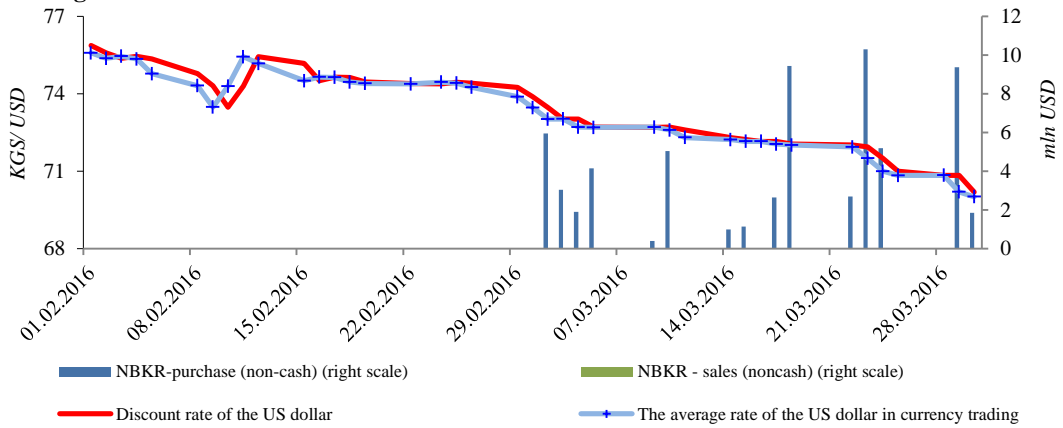
The total turnover of interbank currency trading increased by 97.5 percent as compared to the previous month and amounted to USD 101.4 million. The National Bank performed interventions by purchasing foreign currency to the amount of USD 74.2 million in the reporting period.

In the reporting period, the National Bank did not conduct SWAP operations with commercial banks.

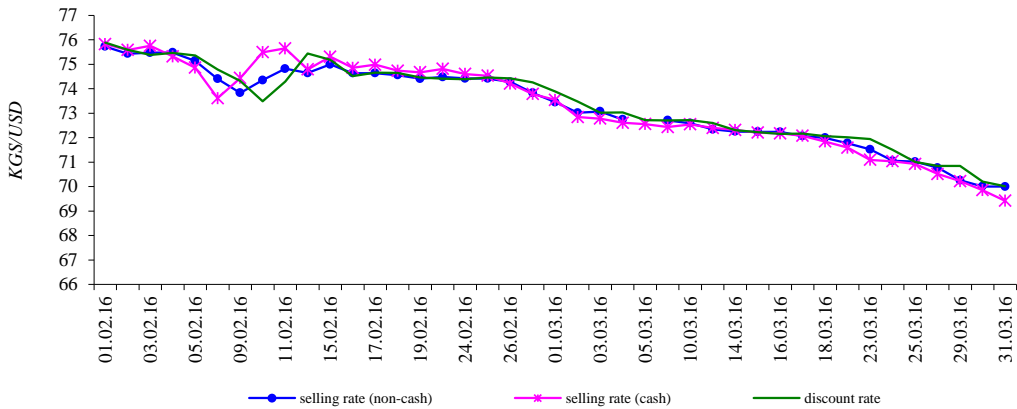
**Graph 1. Net inflow (outflow) of non-cash US dollars in commercial banks (mln. USD)**



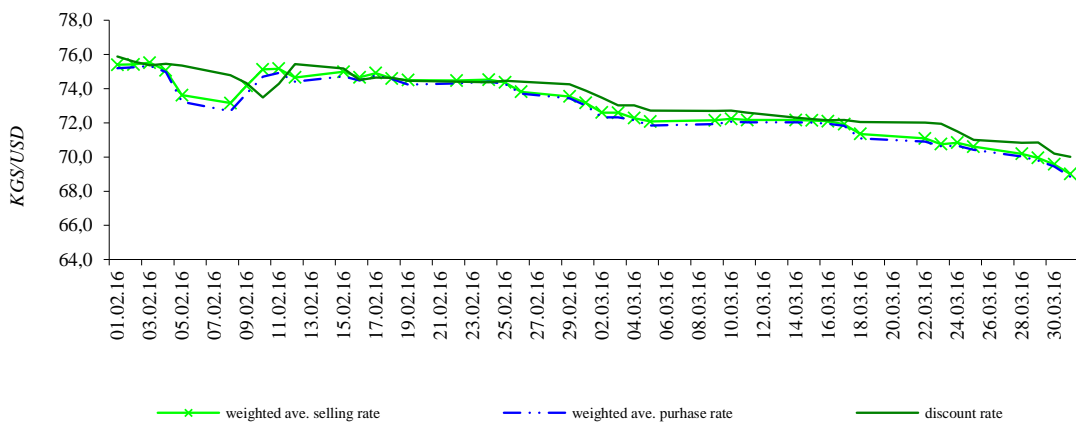
**Chart 2. Dynamics of US Dollar Exchange Rate in the Inter-Bank Foreign Exchange Market**



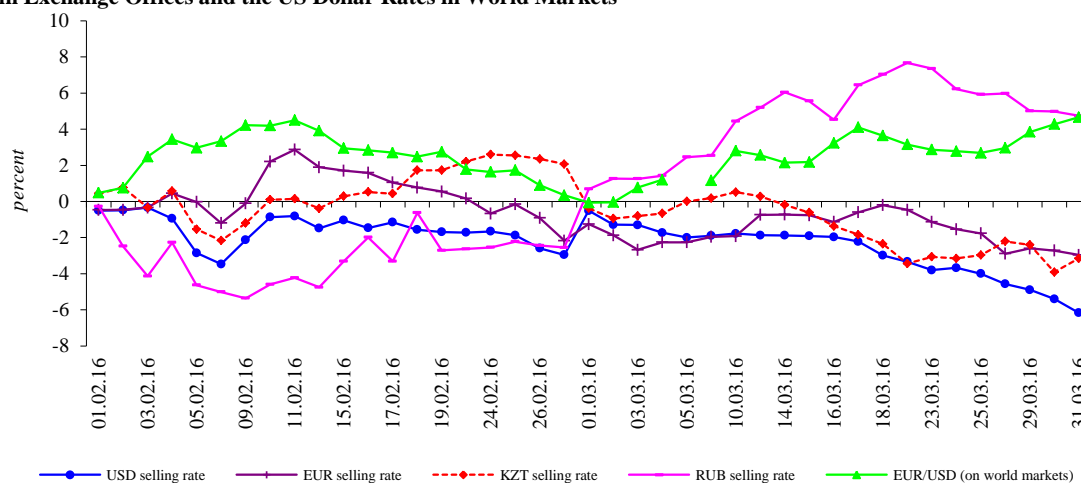
**Graph 3. The dynamics of the selling rate of non-cash and cash US dollar in commercial banks**



**Graph 4. The dynamics of the US dollar in exchange offices**



**Chart 5. Dynamics of Major Currencies Rates in Exchange Offices, the US Dollar Rates in Exchange Offices and the US Dollar Rates in World Markets**



**Table 1. The volume of purchases and sales of foreign exchange transactions by type (in som equivalent)**  
*mln KGS*

Period	Total amount of transactions	non-cash operations of comm. Banks		cash operations of comm. Banks		cash operations of exchange offices			
		volume of operations	share (%)	volume of operations	share (%)	volume of operations	share (%)		
2015	03	39 131,7	9 733,8	24,9	18 263,6	46,7	11 134,3	28,5	
	04	39 693,9	7 998,4	20,2	20 092,9	50,6	11 602,6	29,2	
	05	36 923,8	7 334,7	19,9	18 561,5	50,3	11 027,7	29,9	
	06	39 196,4	5 348,2	13,6	21 241,9	54,2	12 606,2	32,2	
	07	41 634,9	5 519,9	13,3	21 948,0	52,7	14 167,0	34,0	
	08	39 887,6	3 895,1	9,8	20 448,9	51,3	15 543,6	39,0	
	09	40 207,2	8 320,9	20,7	20 069,4	49,9	11 816,9	29,4	
	10	36 510,4	5 802,9	15,9	18 347,3	50,3	12 360,1	33,9	
	11	40 143,6	10 092,7	25,1	18 153,4	45,2	11 897,5	29,6	
	12	39 459,8	11 371,5	28,8	17 816,2	45,2	10 272,0	26,0	
	2016	01	28 883,0	9 561,2	33,1	12 989,0	45,0	6 332,7	21,9
		02	26 720,6	4 964,7	18,6	12 616,1	47,2	9 139,8	34,2
03		32 735,6	8 112,3	24,8	14 513,1	44,3	10 110,3	30,9	

**Table 2. The volume of purchases and sales of foreign currency by currency (in some equivalent)**
*mln KGS*

Период		Total volume of operations	USD		EUR		RUB		KZT		Other	
			volume	volume	share	volume	share	volume	share	volume	share	volume
2015	03	39 131,7	25 419,2	65,0	1 946,7	5,0	9 350,8	23,9	2 408,0	6,2	6,9	0,0
	04	39 693,9	24 057,8	60,6	3 274,5	8,3	9 217,3	23,2	3 131,5	7,9	12,8	0,0
	05	36 923,8	23 192,5	62,8	804,1	2,2	10 582,7	28,7	2 338,8	6,3	5,8	0,0
	06	39 196,4	23 554,4	60,1	796,4	2,0	11 914,5	30,4	2 919,6	7,5	11,6	0,0
	07	41 634,9	25 794,8	62,0	918,3	2,2	10 912,2	26,2	4 001,0	9,6	8,7	0,0
	08	39 887,6	24 745,9	62,0	1 189,4	3,0	9 606,4	24,1	4 334,7	10,9	11,1	0,0
	09	40 207,2	27 132,2	67,5	881,3	2,2	10 603,2	26,4	1 579,8	3,9	10,8	0,0
	10	36 510,4	23 227,8	63,6	935,4	2,6	10 251,8	28,1	2 087,3	5,7	8,1	0,0
	11	40 143,6	26 486,8	66,0	1 800,3	4,5	10 904,1	27,2	943,7	2,4	8,8	0,0
	12	39 459,8	27 773,3	70,4	1 671,4	4,2	9 152,8	23,2	853,2	2,2	9,0	0,0
2016	01	28 883,0	21 810,2	75,5	1 118,8	3,9	5 575,1	19,3	372,2	1,3	6,7	0,0
	02	26 720,6	17 106,1	64,0	1 760,9	6,6	7 329,6	27,4	504,9	1,9	19,1	0,1
	03	32 735,6	21 311,8	65,1	1 562,5	4,8	9 218,0	28,2	636,7	1,9	6,7	0,0

**Table 3. Data on the discount rate of foreign currencies to the som**

Period		Discount rate at end of month				Changing the discount rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2015	03	63,8736	69,3731	1,0925	0,3441	4,2%	0,9%	9,2%	3,9%
	04	60,0705	66,1196	1,1618	0,3233	-6,0%	-4,7%	6,3%	-6,0%
	05	58,1472	63,7119	1,0977	0,3127	-3,2%	-3,6%	-5,5%	-3,3%
	06	62,0788	69,0223	1,1181	0,3334	6,8%	8,3%	1,9%	6,6%
	07	61,0213	66,9343	1,0344	0,3255	-1,7%	-3,0%	-7,5%	-2,4%
	08	65,0953	73,4991	0,9792	0,2739	6,7%	9,8%	-5,3%	-15,9%
	09	68,8359	77,2924	1,0392	0,2546	5,7%	5,2%	6,1%	-7,0%
	10	69,6980	76,7131	1,0827	0,2497	1,3%	-0,7%	4,2%	-1,9%
	11	75,9000	80,5792	1,1458	0,2471	8,9%	5,0%	5,8%	-1,0%
	12	75,8993	83,0073	1,0414	0,2236	0,0%	3,0%	-9,1%	-9,5%
2016	01	75,8826	82,6665	1,0094	0,2078	0,0%	-0,4%	-3,1%	-7,1%
	02	74,2525	81,8337	0,9888	0,2123	-2,1%	-1,0%	-2,0%	2,2%
	03	70,0158	79,2439	1,0356	0,2037	-5,7%	-3,2%	4,7%	-4,1%

**Table 4. Data on exchange rate of the som in the exchange offices**

Period		Average margin for the month				Average daily deviation of the currency selling				Changing the currency selling rate for the			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2015	03	0,2%	0,6%	0,7%	0,4%	0,2%	0,4%	0,7%	0,2%	4,4%	0,5%	10,9%	4,2%
	04	0,2%	0,8%	0,5%	0,4%	0,1%	0,4%	1,3%	0,3%	-7,4%	-5,3%	3,7%	-7,6%
	05	0,2%	0,6%	0,6%	0,3%	0,1%	0,4%	0,7%	0,2%	-1,7%	-2,7%	-2,7%	-1,4%
	06	0,2%	0,6%	0,4%	0,4%	0,2%	0,3%	0,8%	0,2%	6,6%	8,0%	-0,5%	6,2%
	07	0,2%	0,6%	0,4%	0,5%	0,1%	0,3%	0,6%	0,2%	-1,2%	-2,8%	-8,5%	-2,0%
	08	0,3%	0,7%	0,4%	1,0%	0,6%	0,3%	0,5%	0,7%	4,7%	7,2%	-5,5%	-17,5%
	09	0,3%	0,8%	0,4%	1,4%	0,4%	0,5%	0,6%	1,0%	6,9%	7,0%	8,1%	-5,7%
	10	0,2%	0,6%	0,4%	0,7%	0,1%	0,2%	0,8%	0,3%	1,5%	-0,4%	12,5%	-7,7%
	11	0,3%	0,5%	0,3%	1,2%	0,3%	0,3%	0,5%	0,8%	8,4%	4,6%	4,3%	-0,7%
	12	0,3%	0,5%	0,5%	1,4%	0,0%	0,1%	0,3%	0,8%	0,5%	3,2%	-8,5%	-9,1%
2016	01	0,3%	0,6%	0,6%	1,9%	0,0%	0,1%	0,8%	0,7%	-0,3%	-0,3%	-3,7%	-7,2%
	02	0,3%	0,6%	0,6%	1,3%	0,3%	0,4%	0,6%	0,4%	-3,0%	-2,2%	-2,6%	2,1%
	03	0,2%	0,6%	0,5%	1,1%	0,2%	0,2%	0,4%	0,4%	-6,2%	-3,0%	4,7%	-3,2%