

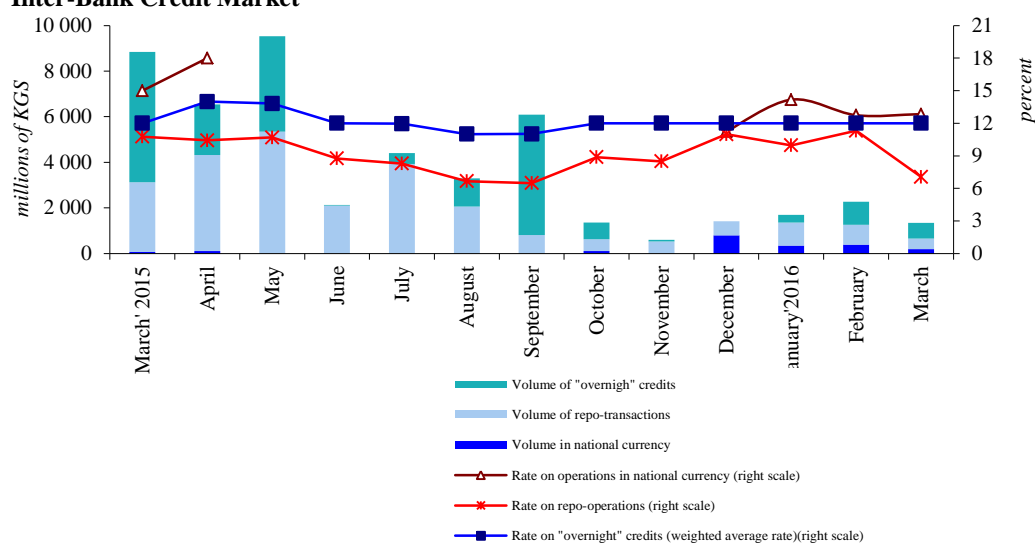
Inter-Bank Market of Credit Resources

(March 2016)

A significant increase was observed in the average daily level of excessive liquidity of commercial banks in the interbank market by 94.6 percent, to KGS 1.9 billion in the reporting period as compared to similar index for the previous month.

REPO conditions based transactions and standard transactions in the national currency were conducted in the domestic interbank credit market. At the same time, the transactions were conducted at the weighted average rate of 7.1 percent per annum (-4.2 percentage points) and 12.8 percent per annum (+0.1 percentage point), respectively. The volume of REPO conditions based transactions decreased by 46.4 percent as compared to the previous month and amounted to KGS 467.2 million. In the reporting period, the volume of standard transactions in the national currency conducted in the domestic market amounted to KGS 190.0 million (-51.3 percent).

Chart 1. Dynamics of Transactions and Interest Rates in the Domestic Inter-Bank Credit Market



In the reporting period, standard transactions in foreign currency were not carried out in the domestic market.

Besides, in the reporting period there was an decrease in demand for overnight credits, a tool of the National Bank of the Kyrgyz Republic, the volume of which amounted to KGS 686.4 million (-32.1 percent). Meanwhile, the National Bank continued to allocate funds of commercial banks on deposits based on overnight conditions in the amount of KGS 144.4 billion (+2.6 times).

The concentration index of creditors made 0.21 and the concentration index of debtors – 0.36. The values of these indices indicate the average level of market concentration and correspond to the presence of five principal creditors and four debtors at the market.

