

Foreign Exchange Market

(April 2016)

In April, the exchange rate of the US dollar decreased from KGS 70.0158 to KGS 68.4200 per USD compared to the previous month of the current year. At the same time, KGS strengthening was on the background of an increase in the volumes of currency inflow to the country through the money transfer systems due to the US dollars received from conversion operations carried out by the banks and non-cashing of funds.

The total volume of transactions on the purchase and sale of foreign currency decreased as compared with the previous month to KGS 32.4 billion (-1.1 percent). The reason was the significant decrease in the volume of non-cash transactions conducted by the commercial banks to KGS 5.0 billion (-38.7 percent) accompanied by increase in business activity by 5.6 percent, to KGS 15.3 billion in the segment of cash transactions conducted by the commercial banks, and to KGS 12.1 billion (+19.4 percent) in the segment of cash transactions conducted by the exchange offices.

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 decreased by 3.8 percentage points, to 61.3 percent over the month, the share of transactions in EUR decreased by 2.6 percentage points, to 2.2 percent, the share of transactions in RUB increased by 6.4 percentage points, to 34.5 percent, in KZT – by 0.1 percentage point, to 2.0 percent.

The total turnover of interbank currency trading decreased by 32.6 percent as compared to the previous month and amounted to USD 68.3 million. The reason was a decrease in the volume interventions performed by the National Bank by purchasing foreign currency by 53.7 percent, to USD 34.4 million, and a decrease in the volume of transactions conducted between the commercial banks by 27.8 percent, to USD 19.7 million. The National Bank performed interventions by selling foreign currency to the amount of USD 14.3 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)

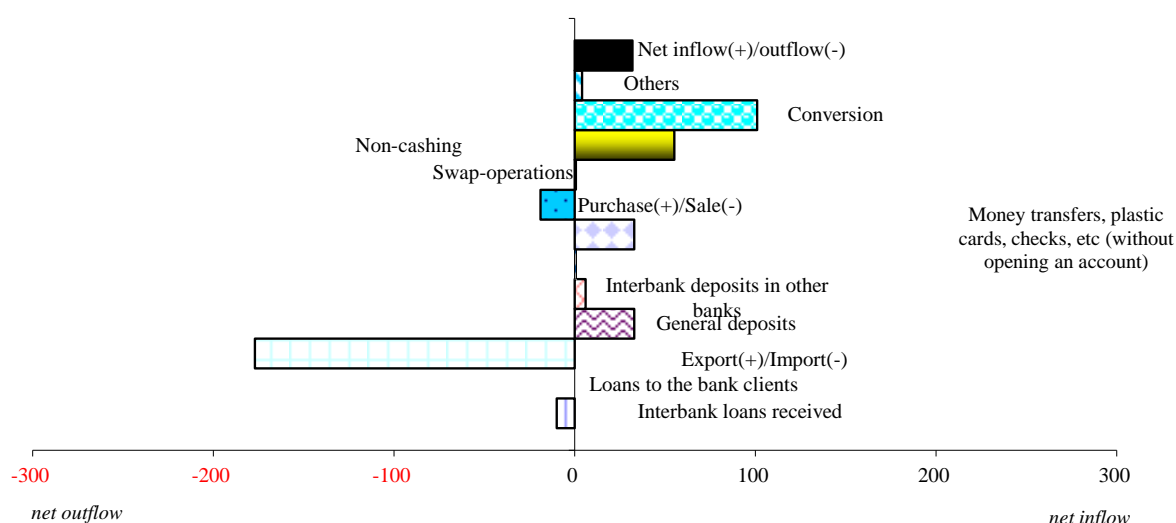
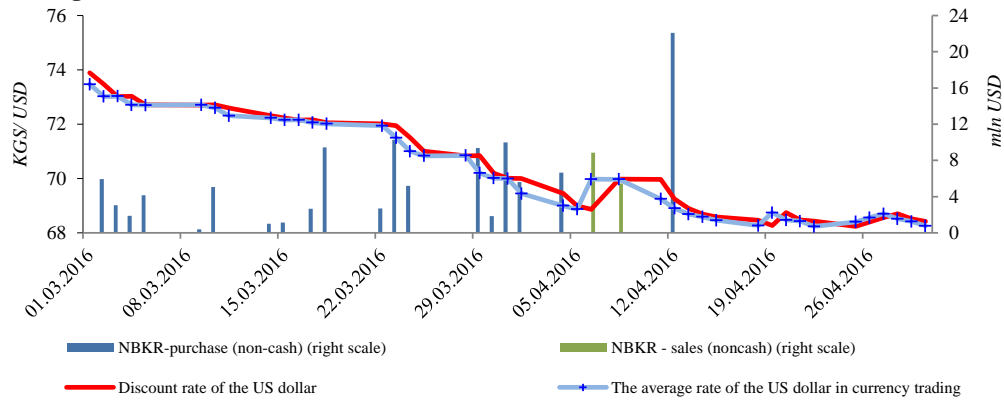
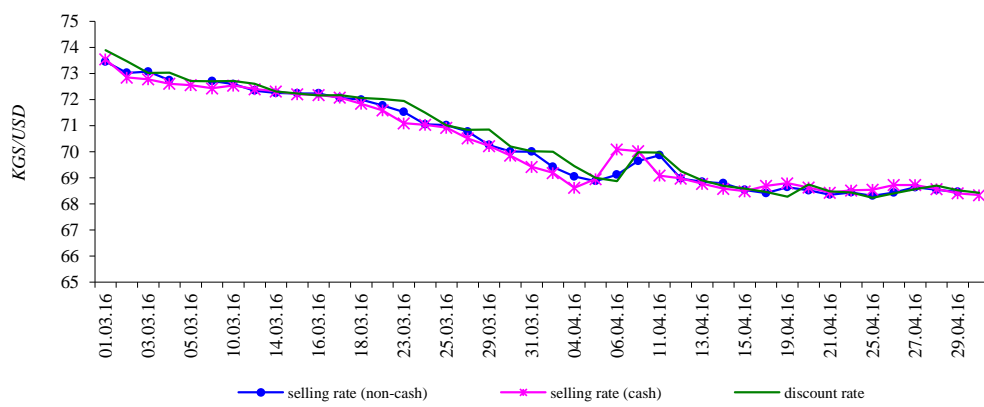


Chart 2. Dynamics of US Dollar Exchange Rate in the Inter-Bank Foreign Exchange Market



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

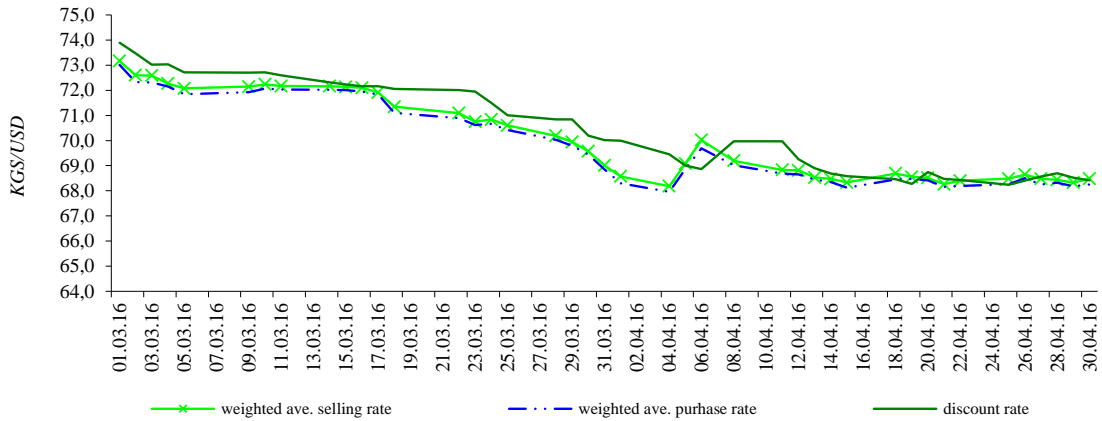


Chart 5. Dynamics of Major Currencies Rates in Exchange Offices, the US Dollar Rates in Exchange Offices and the US Dollar Rates in World Markets

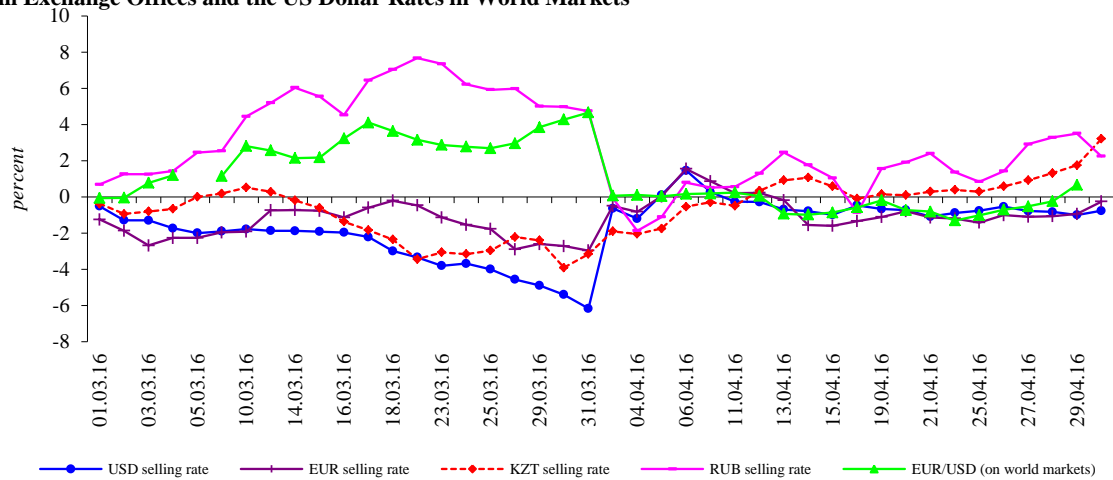


Table 1. Volume of Purchases and Sales of Foreign Exchange Transactions by Type (in KGS Equivalent)

millions of KGS

Period		Total amount of transactions	Non-cash operations of commercial banks		Cash operations of commercial banks		Cash operations of exchange offices		
			Volume of operations	Share (%)	Volume of operations	Share (%)	Volume of operations	Share (%)	
2015	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
04		32 370,0	4 969,6	15,4	15 331,1	47,4	12 069,3	37,3	

Table 2. Volume of Purchases and Sales of Foreign Currency by Currency (in KGS Equivalent)
millions of KGS

Period		Total volume of operations	USD		EUR		RUB		KZT		Other	
			Volume	Volume	Share	Volume	Share	Volume	Share	Volume	Share	Volume
2015	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
	04	32 370,0	19 847,0	61,3	694,8	2,2	11 181,0	34,5	637,0	2,0	10,2	0,0

Table 3. Data on the Discount Rate of Foreign Currencies to KGS

Period		Discount rate at end of month				Changing the discount rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2015	01	59,8100	67,8395	0,8677	0,3243	1,6%	-5,4%	-17,1%	0,4%
	02	61,2914	68,7414	1,0003	0,3312	2,5%	1,3%	15,3%	2,1%
	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%
	04	68,4200	77,8483	1,0635	0,2086	-2,3%	-1,8%	2,7%	2,4%

Table 4. Data on the Exchange Rate of KGS in the Exchange Offices

Period		Average margin for the month				Average daily deviation of the currency selling rate				Changing the currency selling rate for the month			
		USD	EUR	RUB	KZT	USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
2015	01	0,2%	0,8%	1,2%	0,2%	0,1%	0,4%	0,6%	0,2%	2,0%	-4,0%	-12,8%	1,8%
	02	0,2%	0,5%	0,5%	0,3%	0,1%	0,2%	0,9%	0,1%	1,5%	0,6%	13,2%	1,4%
	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%
	04	0,3%	0,6%	0,6%	1,0%	0,3%	0,3%	0,6%	0,3%	-0,8%	-0,3%	2,2%	3,2%