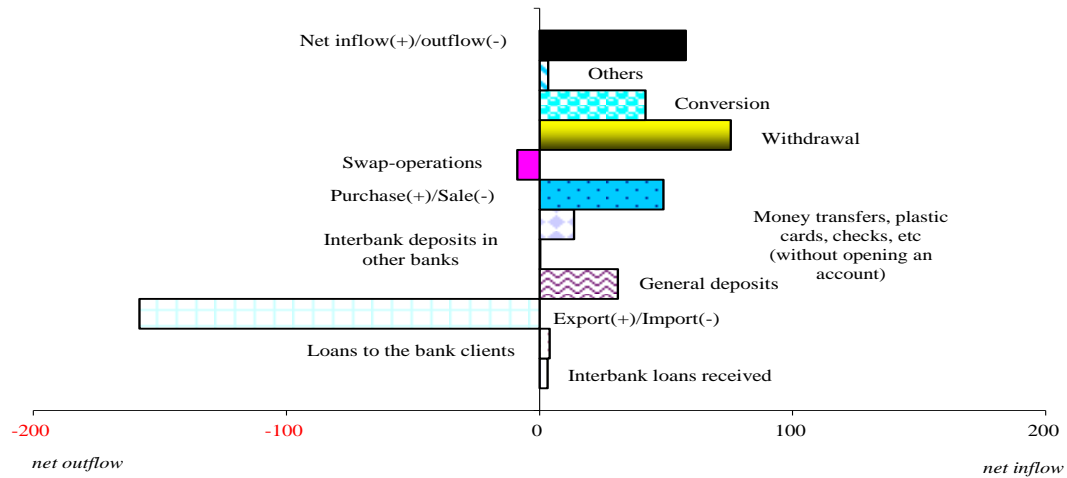


## Foreign Exchange Market (February 2015)

**Chart 1.** Net Inflow (Outflow) on Non-Cash US Dollars in Commercial Banks  
(millions of USD)

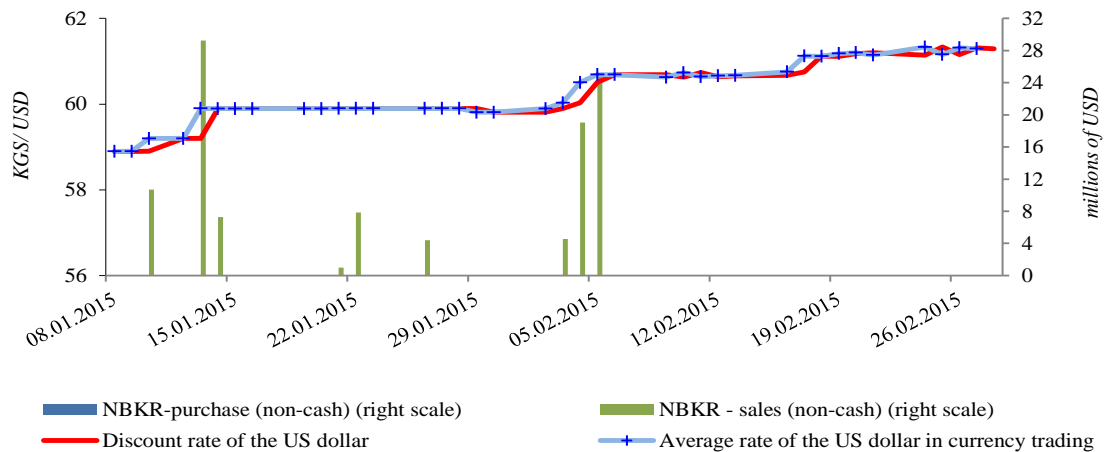


Global trend of USD strengthening remained among fundamental reasons of increase in USD/KGS exchange rate in the reporting period. As opposed to the previous month, there was increase in the exchange rate of the US dollar from KGS 59.8100 to 61.2914 per USD. Supply of currency on the background of traditionally high demand on the part of large market participants was primarily supported by means of US dollars, obtained as a result of withdrawal of cash assets, received remittances and conversion bank transactions (Chart 1).

In the reporting period, the total volume of transactions on the purchase and sale of foreign currency increased in comparison with the same period of the previous month by 62.4 percent and constituted KGS 36.1 billion. The reason was the increase in business activity by 2.4 times, to KGS 11.6 billion in the segment of non-cash transactions conducted by the commercial banks. Moreover, the amount of cash transactions of exchange offices increased up to KGS 9.5 billion (+55.0 percent), the amount of cash transaction of commercial banks – up to KGS 15.1 billion (+34.4 percent).

The total turnover of interbank currency trading increased by 2.5 times as compared to the previous month and amounted to USD 158.5 million. The National Bank performed interventions in the reporting period by selling foreign currency in the amount of USD 48.4 million (-20.0 percent).

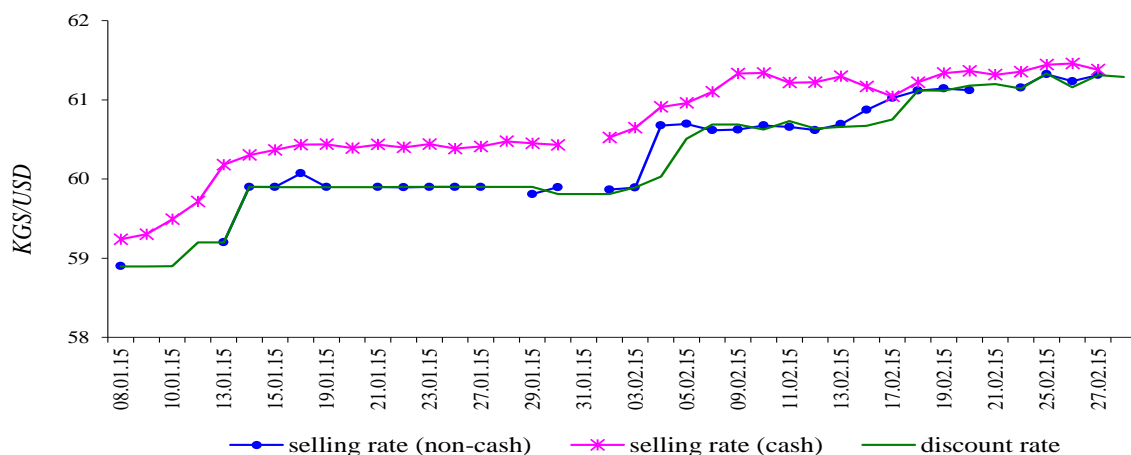
**Chart 2.** Dynamics of US Dollar Exchange Rate in the Interbank Foreign Exchange Market



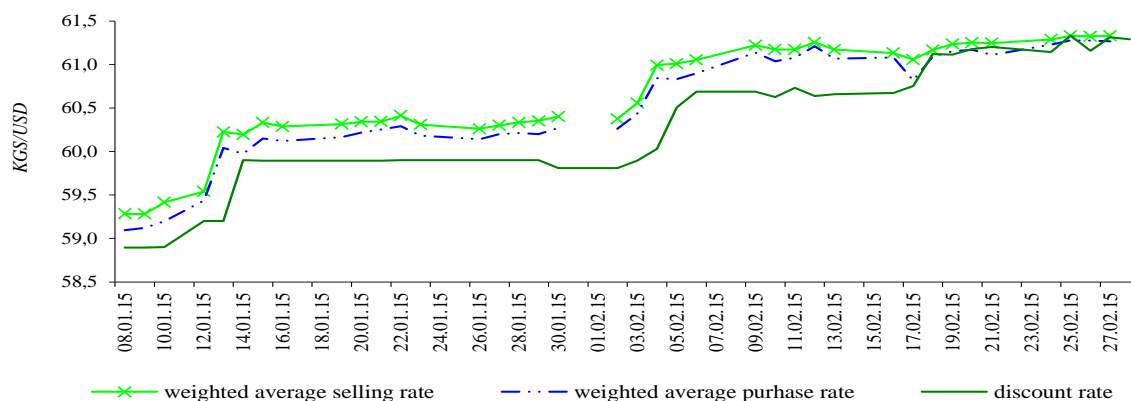
In the reporting period, the National Bank did not conduct SWAP operations with commercial banks.

By types of currencies, there was a diverse trend in the volume of transactions. 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 1.5 percentage points, to 70.5 percent; in EUR – by 0.8 percentage points, to 3.6 percent, in KZT – by 0.2 percentage points, to 7.2 percent. The share of transactions in RUB amounted to 18.7 percent having decreased by 2.4 percentage points over the month.

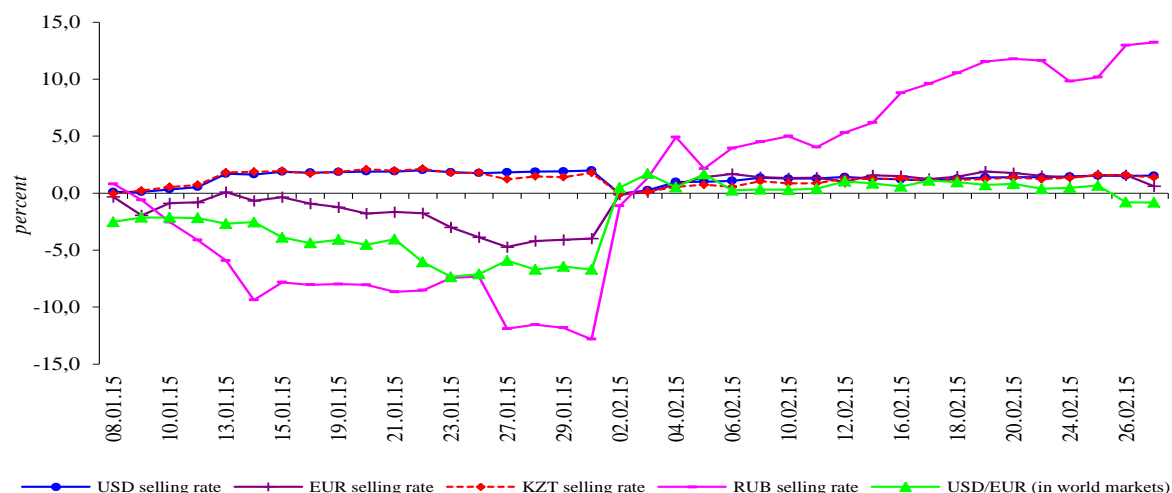
**Chart 3.** Dynamics of the Selling Rate of Non-Cash and Cash US Dollars in Commercial Banks



**Chart 4.** 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 (%)
2014	02	30 071,0	7 961,2	11,9	17 994,7	59,8	4 115,0	13,7
	03	45 081,1	8 512,6	26,5	21 763,0	48,3	14 805,5	32,8
	04	46 760,3	8 085,1	17,3	21 670,9	46,3	17 004,3	36,4
	05	47 882,3	6 522,9	13,6	23 511,3	49,1	17 848,1	37,3
	06	53 731,2	8 922,2	16,6	26 024,8	48,4	18 784,2	35,0
	07	52 421,0	10 187,8	19,4	26 195,6	50,0	16 037,6	30,6
	08	62 126,6	11 917,4	19,2	27 774,5	44,7	22 434,7	36,1
	09	57 719,9	8 348,9	14,5	27 483,5	47,6	21 887,5	37,9
	10	73 683,0	11 026,1	15,0	31 622,3	42,9	31 034,6	42,1
	11	48 907,3	8 735,4	17,9	22 393,5	45,8	17 778,5	36,4
	12	50 304,0	16 479,8	32,8	21 729,5	43,2	12 094,7	24,0
	2015	01	22 246,6	4 889,3	22,0	11 257,6	50,6	6 099,8
02		36 137,0	11 550,7	32,0	15 130,3	41,9	9 456,0	26,2

**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	Share	Volume	Share	Volume	Share	Volume	Share	Volume	Share
2014	02	30 071,0	21 360,4	71,0	811,7	2,7	6 903,4	23,0	986,6	3,3	8,8	0,0
	03	45 081,1	28 272,0	62,7	704,4	1,6	14 064,5	31,2	2 034,4	4,5	5,9	0,0
	04	46 760,3	28 744,6	61,5	837,9	1,8	15 243,2	32,6	1 925,7	4,1	8,9	0,0
	05	47 882,3	28 093,5	58,7	803,8	1,7	16 273,7	34,0	2 705,4	5,7	6,0	0,0
	06	53 731,2	31 970,2	59,5	856,9	1,6	17 628,7	32,8	3 264,5	6,1	10,9	0,0
	07	52 421,0	32 505,9	62,0	1 011,8	1,9	14 429,8	27,5	4 464,2	8,5	9,3	0,0
	08	62 126,6	38 361,8	61,8	1 095,9	1,8	16 294,3	26,2	6 367,5	10,3	7,2	0,0
	09	57 719,9	34 632,9	60,0	1 329,3	2,3	18 002,5	31,2	3 748,2	6,5	7,1	0,0
	10	73 683,0	45 153,6	61,3	1 178,8	1,6	22 223,8	30,2	5 121,8	7,0	4,9	0,0
	11	48 907,3	31 254,1	63,9	1 065,1	2,2	12 774,7	26,1	3 805,6	7,8	7,9	0,0
	12	50 304,0	35 732,3	71,0	2 086,2	4,2	7 606,4	15,1	4 869,5	9,7	9,6	0,0
	2015	01	22 246,6	15 365,7	69,1	629,3	2,8	4 697,4	21,1	1 546,6	7,0	7,6
02		36 137,0	25 492,6	70,5	1 292,0	3,6	6 760,8	18,7	2 582,1	7,2	9,5	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
2014	02	52,4359	71,6379	1,4545	0,2849	4,0%	4,3%	1,7%	-12,1%
	03	54,4813	74,6884	1,3723	0,2993	3,9%	4,3%	-5,7%	5,1%
	04	53,9615	74,8365	1,5116	0,2964	-1,0%	0,2%	10,2%	-1,0%
	05	52,2705	71,1872	1,5086	0,2849	-3,1%	-4,9%	-0,2%	-3,9%
	06	52,0649	70,9098	1,5481	0,2837	-0,4%	-0,4%	2,6%	-0,4%
	07	51,7518	69,3526	1,4485	0,2820	-0,6%	-2,2%	-6,4%	-0,6%
	08	52,9561	69,8517	1,4339	0,2910	2,3%	0,7%	-1,0%	3,2%
	09	54,5202	69,1125	1,3842	0,2997	3,0%	-1,1%	-3,5%	3,0%
	10	57,3484	72,1127	1,3216	0,3171	5,2%	4,3%	-4,5%	5,8%
	11	57,5957	71,6433	1,1677	0,3184	0,4%	-0,7%	-11,6%	0,4%
	12	58,8865	71,6943	1,0467	0,3229	2,2%	0,1%	-10,4%	1,4%
	2015	01	59,8100	67,8395	0,8677	0,3243	1,6%	-5,4%	-17,1%
02		61,2914	68,7414	1,0003	0,3312	2,5%	1,3%	15,3%	2,1%

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
2014	02	0,4%	0,6%	0,6%	2,3%	0,3%	0,3%	0,3%	0,4%	8,0%	8,5%	4,2%	-9,5%
	03	0,2%	0,6%	0,2%	0,7%	0,1%	0,4%	0,3%	0,3%	0,1%	1,1%	1,9%	1,9%
	04	0,1%	0,4%	0,1%	0,4%	0,0%	0,2%	0,4%	0,1%	-1,2%	-0,5%	-1,3%	-1,1%
	05	0,1%	0,6%	0,2%	0,4%	0,2%	0,3%	0,4%	0,3%	-3,2%	-4,9%	-0,2%	-4,3%
	06	0,1%	0,5%	0,1%	0,4%	0,2%	0,2%	0,3%	0,3%	-0,2%	-0,3%	2,6%	0,0%
	07	0,1%	0,5%	0,3%	0,2%	0,1%	0,1%	0,4%	0,1%	-0,6%	-2,6%	-5,4%	-0,5%
	08	0,1%	0,5%	0,2%	0,2%	0,1%	0,1%	0,3%	0,2%	2,4%	0,8%	-1,5%	2,5%
	09	0,1%	0,4%	0,2%	0,1%	0,1%	0,1%	0,4%	0,3%	2,7%	-0,5%	-3,8%	3,3%
	10	0,1%	0,5%	0,1%	0,3%	0,2%	0,2%	0,4%	0,4%	5,9%	4,4%	-1,4%	6,4%
	11	0,1%	0,6%	0,2%	0,3%	0,1%	0,2%	0,8%	0,2%	0,1%	-1,2%	-13,4%	0,1%
	12	0,2%	0,5%	1,5%	0,3%	0,1%	0,2%	1,5%	0,3%	2,8%	-0,8%	-13,8%	0,8%
	2015	01	0,2%	0,8%	1,2%	0,2%	0,1%	0,4%	0,6%	0,2%	2,0%	-4,0%	-12,8%
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%