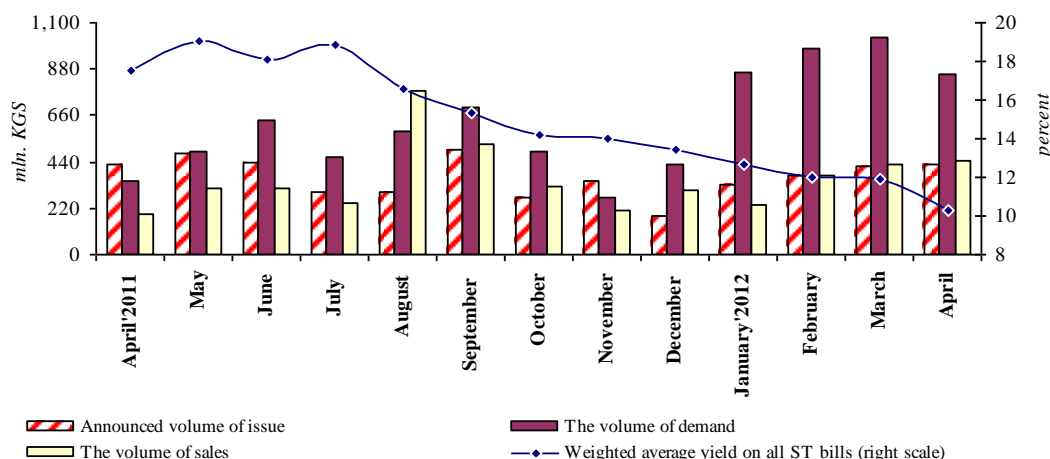


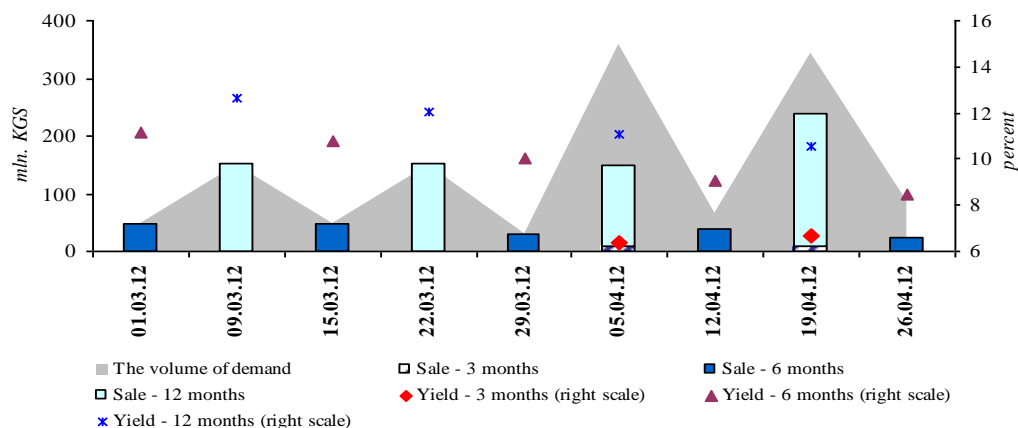
Market of State Treasury Bills (April 2012)

Graph 1. Demand and placement of state treasury bills



In April, the trend of increasing of monthly sales of STBills constituted 449.2 million KGS (+5.0 percent) according to the results of the month. The main growth factor was the increase in sales of the most popular 12-month treasury bills that constituted as of the end of the month 368.8 million KGS (+21.4 percent), while the sales of 6-month STBills decreased to 62.5 million KGS (-49.6 percent). In the reporting period, market participants purchased 3-month STBills for a total amount of 17.9 million KGS despite the fact that in the previous month placement of these securities in the market did not take place. The overall yield of STBills decreased again; the cumulative monthly average yield on all types of STBills in the reporting period constituted 10.3 percent having decreased over the month by 1.5 percentage points due to decrease in the yields on 6- and 12-month STBills by 1.9 percentage points to 8.8 percent, and 1.6 percentage points to 10.8 percent, respectively. The yield of 3-month STBills remained at the level of 6.5 percent as was in February.

Graph 2. The dynamics of demand and sales and yield of the ST bills



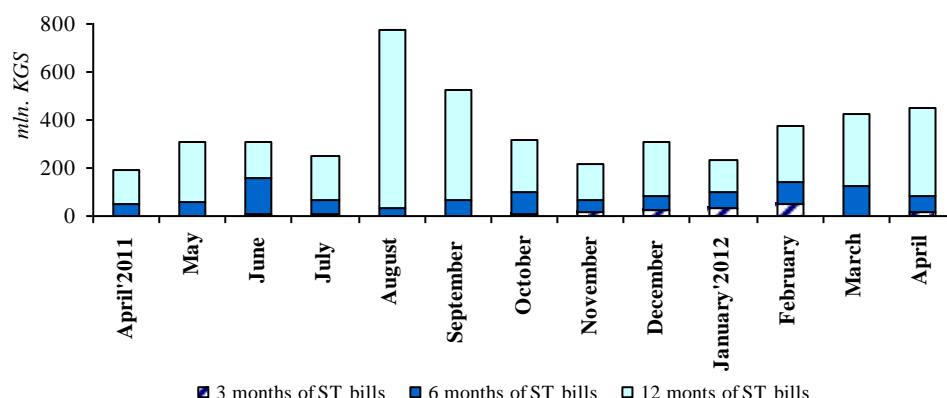
The average auction¹ demand volume in April constituted 213.2 million KGS having increased by 3.3 percent compared to the previous month; the average auction of sales rose by 31.3 percent to 112.3 million KGS.

The net financing of the budget deficit at the expense of funds from the sale of STBills in April decreased by 10.3 percent and constituted 130.5 million KGS. In the reporting period, the Ministry of Finance redeemed STBills at an actual cost in the amount of 308.1 million KGS. The effectiveness of the STBills market since the beginning of the year, calculated as the ratio of the total value of net financing to total sales at an actual cost for the period from January to April

¹ This index is used instead of the general volume of demand/supply for the month since the number of auctions within a month is a constant value.

constituted 25.3 percent having increased compared to the end of March by 2.1 percentage points. The duration for the month rose from 166 to 170 days (in March the duration decreased by 4 days).

Graph 3. The dynamics of sales of ST bills



In April, compared with the previous month, the volume of STBills in circulation increased to 3.9 billion KGS (+3.4 percent). Positive change in the structure of the aggregate portfolio of STBills affected relevant indicators of commercial banks, whose share in the past month increased by 1.2 percentage points to 80.3 percent. At the same time the share of institutional investors, in contrast, decreased to 15.9 percent (-0.8 percentage points). The share of resident individuals and resident legal entities amounted to a total of 3.9 percent having changed by 0.1 percentage points upward and by 0.5 percentage points downward, respectively.

In the reporting period, no transactions of commercial banks in the secondary market of STBills on the purchase / sale of securities before maturity took place.

Table 1. The dynamics of average monthly yield of ST bills

Period	Weighted average yield	By types of urgency		
		3-month ST bills	6-month ST bills	12-month ST bills
April'2011	17.6	-	12.7	19.2
May	19.0	9.3	14.1	20.3
June	18.1	9.3	15.5	21.1
July	18.8	9.2	15.0	20.5
August	16.5	-	13.6	17.0
September	15.3	-	13.3	15.6
October	14.2	8.1	13.4	15.0
November	14.0	6.9	13.4	15.0
December	13.4	6.6	13.3	14.9
January'2012	12.7	6.4	12.5	14.3
February	12.0	6.5	11.3	13.4
March	11.9	-	10.7	12.3
April	10.3	6.5	8.8	10.8

"-" all announced auctions were declared invalid

Table 2. The structure of ST bills holders at face value

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Date	TOTAL	Including											
		NBKR		Commercial Banks		Institutional Investor		Resident Individuals		Resident companies		Non-resident individuals	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.05.2011	2,808,128.1	0.0	0%	2,730,872.0	97.2%	11,250.0	0.4%	2,698.0	0.1%	63,308.1	2.3%	0.0	0.0%
01.06.2011	2,756,135.1	0.0	0%	2,679,623.4	97.2%	3,120.0	0.1%	4,701	0.2%	68,691.1	2.5%	0.0	0.0%
01.07.2011	2,827,026.1	0.0	0%	2,742,201.7	97.0%	0.0	0.0%	7,063.3	0.2%	77,761.1	2.8%	0.0	0.0%
01.08.2011	2,919,710.1	0.0	0%	2,786,906.7	95.5%	33,000.0	1.1%	9,884.3	0.3%	89,919.1	3.1%	0.0	0.0%
01.09.2011	3,366,523.0	0.0	0%	2,875,799.6	85.4%	355,307.9	10.6%	13,669.8	0.4%	121,745.7	3.6%	0.0	0.0%
01.10.2011	3,511,838.0	0.0	0%	2,926,944.6	83.3%	446,727.9	12.7%	14,114.8	0.4%	124,050.7	3.5%	0.0	0.0%
01.11.2011	3,608,998.0	0.0	0%	2,967,376.6	82.2%	504,377.9	14.0%	14,777.8	0.4%	122,465.7	3.4%	0.0	0.0%
01.12.2011	3,546,108.0	0.0	0%	2,896,673.4	81.7%	514,146.1	14.5%	14,122.8	0.4%	121,165.7	3.4%	0.0	0.0%
01.01.2012	3,579,218.0	0.0	0%	2,839,461.4	79.3%	584,286.1	16.3%	16,694.9	0.5%	138,775.6	3.9%	0.0	0.0%
01.02.2012	3,525,973.0	0.0	0%	2,801,197.9	79.4%	570,286.1	16.2%	17,172.4	0.5%	137,316.6	3.9%	0.0	0.0%
01.03.2012	3,642,003.0	0.0	0%	2,839,026.4	78.0%	637,663.9	17.5%	20,192.3	0.6%	145,120.4	4.0%	0.0	0.0%
01.04.2012	3,802,423.0	0.0	0%	3,005,516.9	79.0%	631,709.3	16.6%	18,898.8	0.5%	146,298.0	3.8%	0.0	0.0%
01.05.2012	3,931,115.0	0.0	0%	3,155,496.6	80.3%	623,228.2	15.9%	21,541.1	0.5%	130,849.1	3.3%	0.0	0.0%