

Foreign Exchange Market

(May 2017)

In the reporting period, the exchange rate of the US dollar decreased from KGS 69.2301 to 68.0492 per USD (-1.7 percent) compared to the beginning of the year. The currency supply was maintained by market participants mainly due to dollars received as a result of the banks' conversion transactions, decashing, deposits and money transfers.

The aggregate turnover of interbank foreign exchange trades decreased to USD 29.7 million, which was by 31.0 percent lower against the comparable indicator of the previous month. Foreign exchange transactions were made between commercial banks only. The National Bank of the Kyrgyz Republic did not intervene in the foreign exchange market in the reporting period.

The total volume of foreign currency purchase and sale transactions increased by 14.3 percent against the comparable indicator of the previous month to make KGS 40.6 billion. It was caused by the 11.4 percent increase in the volume of cash transactions of commercial banks and amounted to KGS 21.2 billion, cash transactions performed by exchange offices up to KGS 16.3 billion (+29.2 percent). On the contrary, the volume of non-cash transactions of commercial banks decreased by 20.0 percent to make KGS 3.1 billion.

By types of currencies, a multidirectional range of volumes of transactions was observed. At the same time, the equity ratio of currencies in the total volume of transactions was distributed as follows: the share of USD transactions was 55.5 percent (-4.5 percentage points), the share of ruble transactions accounted for 40.6 percent (+4.9 percentage points), the share of euro transactions – 2.1 percent (-0.2 percentage points), and the share of transactions in tenge – 1.8 percent (-0.1 percentage points).

In the reporting period, the National Bank of the Kyrgyz Republic did not conduct any SWAP transactions with commercial banks.

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

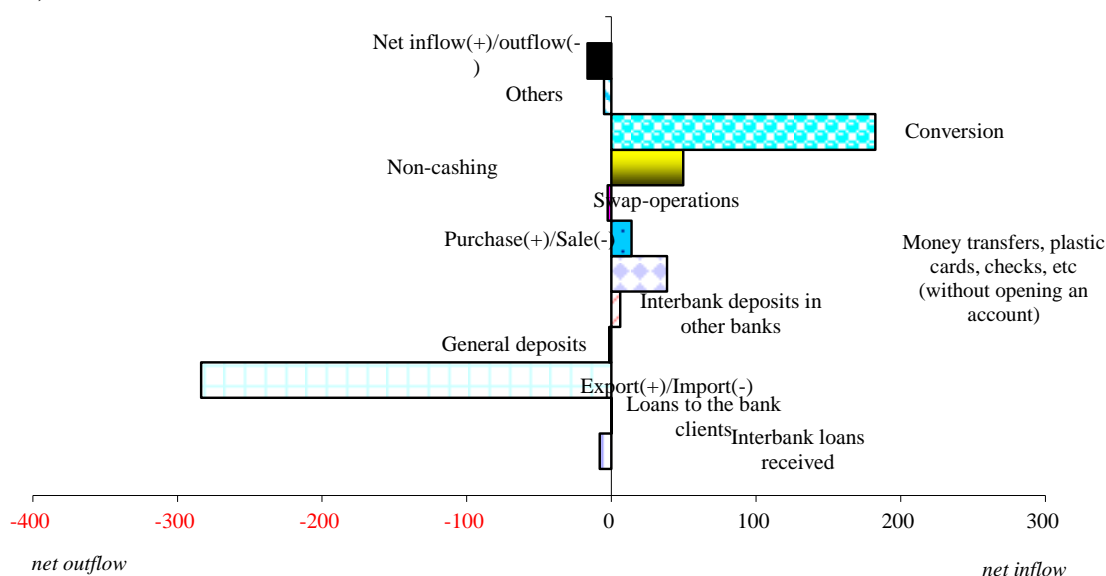
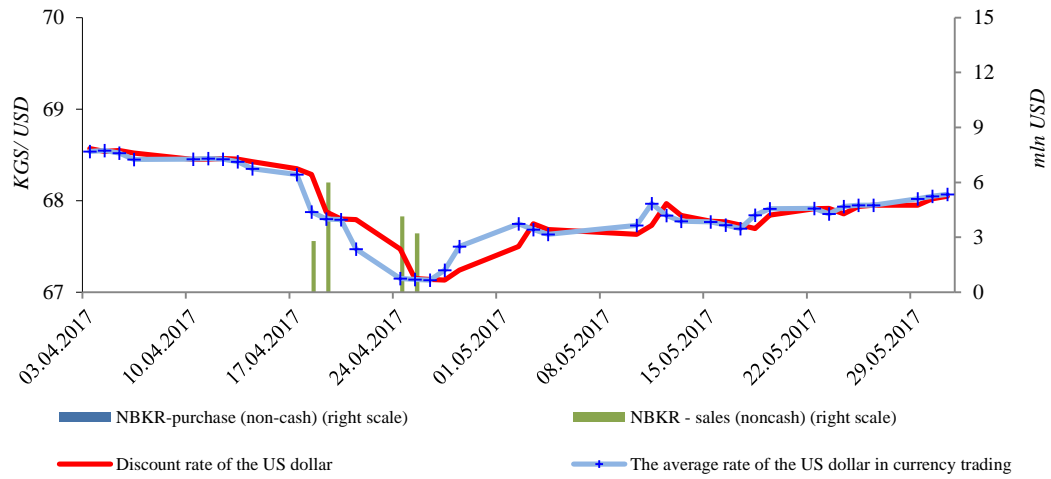


Chart 2. Dynamics of US Dollar Exchange Rate in the Interbank Foreign Exchange Market



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

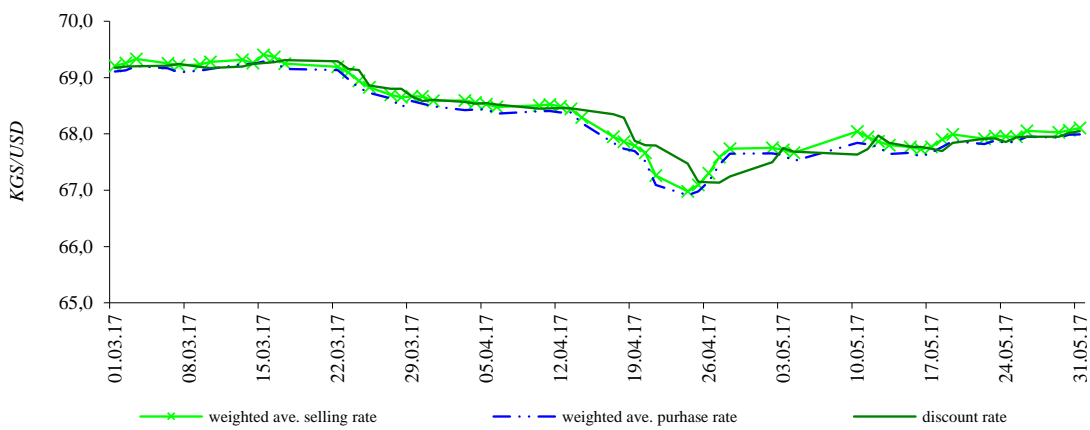


Chart 5. Dynamics of major currencies rates in exchange offices and the US Dollar rates in the world markets

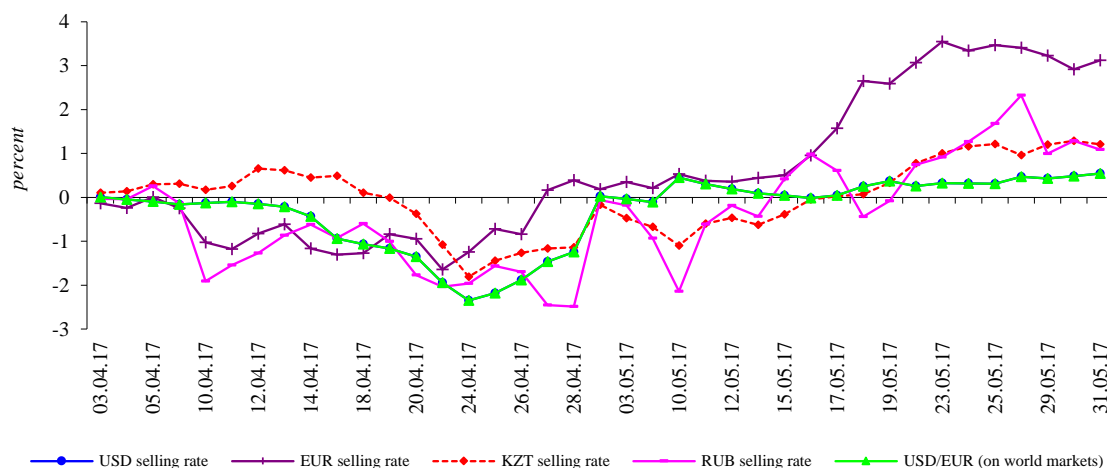


Table 1. The volume of purchases and sales of foreign exchange transactions by type (in som equivalent)

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 (%)		
2016	05	27 596,3	2 419,6	8,8	15 191,9	55,1	9 984,7	36,2	
	06	36 827,9	5 009,8	13,6	17 788,5	48,3	14 029,6	38,1	
	07	34 708,9	5 748,0	16,6	16 374,1	47,2	12 586,9	36,3	
	08	42 431,9	4 698,6	11,1	21 022,2	49,5	16 711,2	39,4	
	09	38 716,7	4 607,9	11,9	18 969,7	49,0	15 139,1	39,1	
	10	36 794,2	3 323,4	9,0	18 462,2	50,2	15 008,6	40,8	
	11	34 313,4	4 179,0	12,2	17 218,0	50,2	12 916,3	37,6	
	12	34 447,2	3 348,7	9,7	18 829,0	54,7	12 269,5	35,6	
	2017	01	30 124,9	4 716,7	15,7	14 345,3	47,6	11 062,9	36,7
		02	28 407,2	2 906,1	10,2	14 907,4	52,5	10 593,7	37,3
		03	38 033,4	3 370,5	8,9	19 541,2	51,4	15 121,7	39,8
		04	35 522,7	3 911,6	11,0	18 998,5	53,5	12 612,6	35,5
05		40 594,8	3 129,4	7,7	21 173,7	52,2	16 291,7	40,1	

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	share	volume	share	volume	share	volume	share	volume	share		
2016	05	27 596,3	16 058,9	58,2	590,7	2,1	10 351,6	37,5	584,7	2,1	10,4	0,0	
	06	36 827,9	21 745,2	59,1	675,5	1,8	13 751,6	37,3	645,8	1,8	9,9	0,0	
	07	34 708,9	20 702,2	59,6	863,5	2,5	12 356,2	35,6	773,9	2,2	13,1	0,0	
	08	42 431,9	24 457,1	58,1	942,2	1,7	15 542,0	38,9	1 466,0	1,3	24,6	0,0	
	09	38 716,7	22 917,0	59,7	892,6	1,9	14 050,4	37,9	843,2	0,5	13,5	0,0	
	10	36 794,2	22 164,2	60,2	920,4	2,5	12 791,7	34,8	904,8	2,5	13,0	0,0	
	11	34 313,4	21 600,1	62,9	896,8	2,6	10 984,6	32,0	818,1	2,4	13,7	0,0	
	12	34 447,2	20 983,3	60,9	818,2	2,4	11 918,4	34,6	713,5	2,1	13,7	0,0	
	2017	01	30 124,9	19 473,2	64,6	839,1	2,8	9 233,9	30,7	567,1	1,9	11,6	0,0
		02	28 407,2	17 028,7	59,9	844,8	3,0	9 926,5	34,9	596,7	2,1	10,4	0,0
		03	38 033,4	21 831,5	57,4	1 261,5	3,3	14 242,5	37,4	687,9	1,8	10,0	0,0
		04	35 522,7	21 324,3	60,0	830,4	2,3	12 692,8	35,7	665,2	1,9	10,0	0,0
05		40 594,8	22 543,7	55,5	852,1	2,1	16 474,2	40,6	714,8	1,8	9,9	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
2016	05	68,2986	76,0471	1,0335	0,2027	-0,2%	-2,3%	-2,8%	-2,8%
	06	67,4860	74,6530	1,0502	0,1992	-1,2%	-1,8%	1,6%	-1,7%
	07	67,9699	75,4364	1,0137	0,1930	0,7%	1,0%	-3,5%	-3,1%
	08	68,8260	76,9853	1,0575	0,2031	1,3%	2,1%	4,3%	5,2%
	09	67,9346	76,1853	1,0756	0,2027	-1,4%	-1,0%	1,3%	-0,3%
	10	68,6538	74,8704	1,0914	0,2062	1,1%	-1,7%	1,5%	1,7%
	11	69,1565	73,2575	1,0648	0,2033	0,7%	-2,2%	-2,4%	-1,4%
	12	69,2301	72,8439	1,1413	0,2079	0,1%	-0,6%	7,2%	2,3%
2017	01	69,1338	73,9386	1,1491	0,2121	-0,1%	1,5%	0,7%	2,0%
	02	69,1298	73,1324	1,1932	0,2213	0,0%	-1,1%	3,8%	4,3%
	03	68,6069	73,6358	1,2169	0,2179	-0,8%	0,7%	2,0%	-1,5%
	04	67,5000	73,5818	1,1845	0,2147	-1,6%	-0,1%	-2,7%	-1,5%
	05	68,0492	75,8068	1,2041	0,2189	0,8%	3,0%	1,7%	2,0%

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
2016	05	0,2%	0,6%	0,5%	1,1%	0,1%	0,1%	0,5%	0,3%	-0,2%	-2,5%	-0,5%	-3,8%
	06	0,1%	0,6%	0,4%	0,9%	0,1%	0,1%	0,5%	0,2%	-1,3%	-1,7%	1,4%	-1,2%
	07	0,0%	1,1%	1,4%	1,4%	0,1%	0,3%	1,4%	1,4%	0,9%	0,4%	-1,7%	-3,5%
	08	0,4%	0,9%	0,9%	2,9%	0,1%	0,3%	0,3%	0,3%	1,3%	1,3%	3,9%	4,7%
	09	0,3%	0,9%	0,8%	2,1%	0,1%	0,2%	0,3%	0,3%	-1,4%	0,3%	0,8%	0,5%
	10	0,3%	1,2%	0,8%	2,2%	0,1%	0,2%	0,3%	0,3%	1,0%	-1,9%	1,8%	0,4%
	11	0,1%	0,8%	0,8%	1,9%	0,1%	0,3%	0,3%	0,2%	0,7%	-1,9%	-2,4%	-0,7%
	12	0,1%	0,5%	0,3%	0,8%	0,0%	0,2%	0,4%	0,2%	0,0%	-1,1%	7,3%	2,5%
2017	01	0,1%	0,4%	0,3%	0,8%	0,1%	0,3%	0,3%	0,1%	0,0%	1,8%	1,4%	1,4%
	02	0,2%	0,4%	0,3%	0,8%	0,0%	0,2%	0,4%	0,2%	0,0%	-0,9%	3,2%	4,5%
	03	0,1%	0,4%	0,2%	0,8%	0,1%	0,3%	0,2%	0,1%	-0,9%	0,1%	2,1%	-1,4%
	04	0,2%	0,4%	0,2%	0,8%	0,1%	0,3%	0,2%	0,1%	-1,2%	0,5%	-2,5%	-1,1%
	05	0,2%	0,5%	0,2%	0,8%	0,1%	0,2%	0,4%	0,2%	0,5%	3,1%	1,1%	1,2%