

## Market of State Treasury Bills (May 2017)

In the reporting period, four auctions were held on placement of treasury bills in the primary market by the Ministry of Finance of the Kyrgyz Republic. As a result of decrease of demand for ST-Bills in May 2017 (-41.9 percent over the month) the volume of announced ST-Bills issue also decreased and amounted to KGS 300.0 million (-40.0 percent over the month) in the reporting period.

As a consequence, volumes of ST-Bills placement were reduced and being broken down by urgency they were as follows. In the reporting period sales of 3-month bills amounted to KGS 20.0 million (-60.0 percent over the month); while sales of 12-month ST-Bills reached KGS 140.0 million (-36.4 percent). 6-month ST-Bills were not in demand in the reporting period.

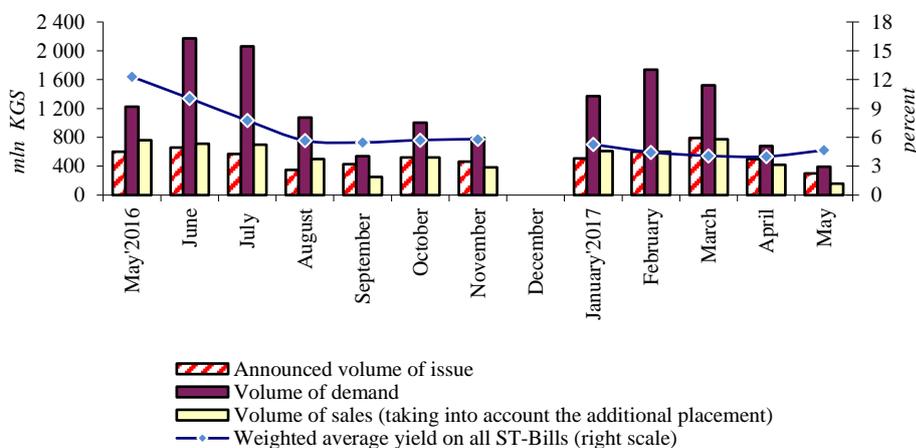
The overall weighted average yield on all types of the ST-Bills made 4.7 percent in the reporting period, having increased by 0.7 percentage points. At the same time, the yield on 3-month ST-Bills accounted for 2.0 percent (+0.5 percentage points) and on 12-month ST-Bills – 5.0 percent (-0.3 percentage points).

The net financing of the budget deficit within the reporting period was formed in the amount of KGS -454.6 million. In the reporting period, the Ministry of Finance of the Kyrgyz Republic redeemed previously issued ST-Bills in the amount of KGS 674.3 million (+2.7 percent).

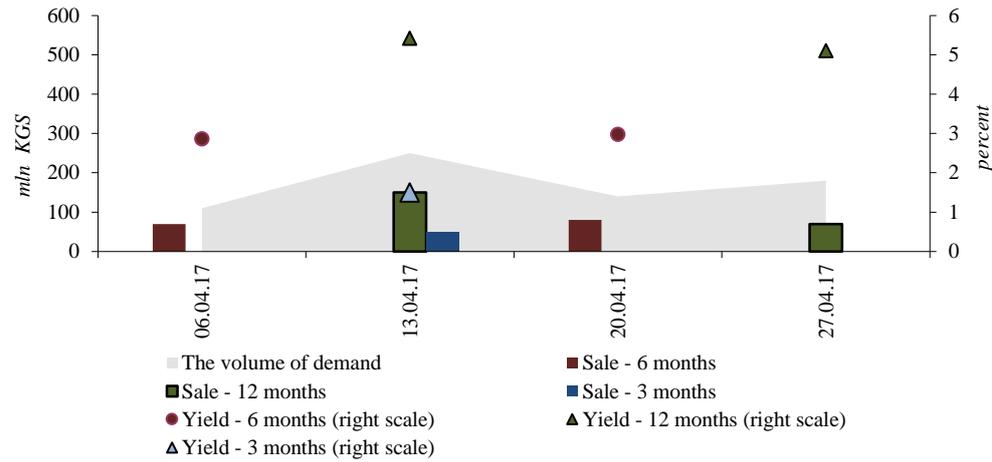
In the reporting period compared to a similar indicator in the beginning of the year, the volume of ST-Bills in circulation decreased to KGS 4.2 billion (-2.1 percent): the share of the main ST-Bills holders – commercial banks – increased by 12.9 percentage points, up to 78.7 percent; the share of institutional investors, by contrast, decreased by 12.7 percentage points, down to 20.7 percent, and the share of resident legal entities decreased by 0.2 percentage points, down to 0.7 percent.

In the reporting period, the transactions with ST-Bills were not conducted.

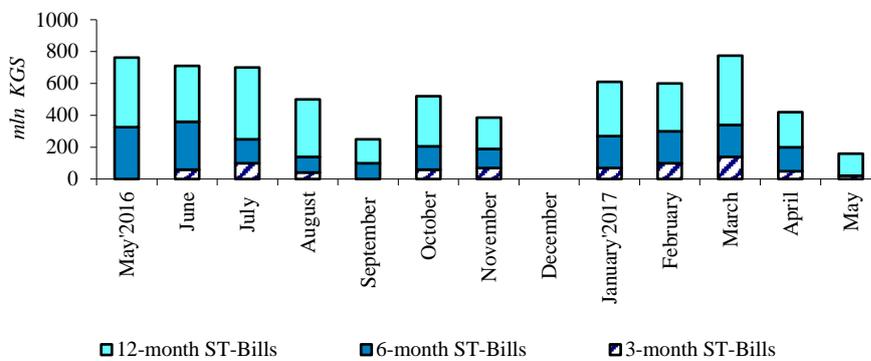
**Graph 1. Demand and placement of ST-Bills**



**Graph 2. Dynamics of Volume of supply, Demand and Yield of ST Bills**



**Graph 3. The dynamics of sales of ST-Bills**



**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
May'2016	12,3	-	10,4	13,6
June	10,1	3,2	9,2	12,3
July	7,8	2,7	6,4	10,1
August	5,7	2,2	3,8	7,2
September	5,5	-	4,2	6,4
October	5,7	2,8	4,8	6,7
November	5,8	3,0	4,9	7,4
December	-	-	-	-
January'2017	5,3	2,7	4,3	6,8
February	4,5	2,0	3,2	6,1
March	4,1	1,6	2,8	5,5
April	4,0	1,5	2,9	5,3
May	4,7	2,0	-	5,0

"-" all announced auctions were declared invalid

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

*thousand KGS*

Date	TOTAL	of which							
		Commercial Banks		Institutional Investors		Resident Individuals		Resident companies	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.06.2016	4 546 050,0	2 691 604,4	59,2%	1 839 585,6	40,5%	0,0	0,0%	14 860,0	0,3%
01.07.2016	4 669 410,0	2 730 525,0	58,5%	1 914 675,0	41,0%	0,0	0,0%	24 210,0	0,5%
01.08.2016	4 841 910,0	2 966 745,4	61,3%	1 849 194,6	38,2%	0,0	0,0%	25 970,0	0,5%
01.09.2016	4 950 910,0	3 018 660,4	61,0%	1 891 879,6	38,2%	0,0	0,0%	40 370,0	0,8%
01.10.2016	4 818 410,0	2 971 010,4	61,7%	1 802 379,6	37,4%	0,0	0,0%	45 020,0	0,9%
01.11.2016	4 998 910,0	3 176 484,1	63,5%	1 777 405,9	35,6%	0,0	0,0%	45 020,0	0,9%
01.12.2016	4 587 210,0	3 055 547,5	66,6%	1 494 642,5	32,6%	0,0	0,0%	37 020,0	0,8%
01.01.2017	4 307 710,0	2 835 547,5	65,8%	1 435 142,5	33,3%	0,0	0,0%	37 020,0	0,9%
01.02.2017	4 511 920,0	2 947 828,0	65,3%	1 530 072,0	33,9%	0,0	0,0%	34 020,0	0,8%
01.03.2017	4 713 900,0	3 168 404,2	67,2%	1 520 525,8	32,3%	0,0	0,0%	24 970,0	0,5%
01.04.2017	4 906 400,0	3 416 240,2	69,6%	1 459 925,8	29,8%	0,0	0,0%	30 234,0	0,6%
01.05.2017	4 719 100,0	3 583 635,2	75,9%	1 107 775,8	23,5%	0,0	0,0%	27 689,0	0,6%
01.06.2017	4 216 600,0	3 318 030,8	78,7%	870 880,2	20,7%	0,0	0,0%	27 689,0	0,7%