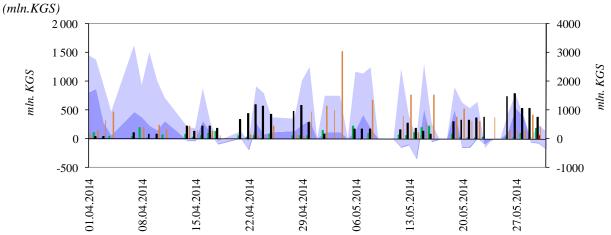
Interbank market of credit resources

(May, 2014)

In May, there was a decrease of the average daily level of liquidity in the interbank market from 740.6 million soms a month earlier to 435.1 million soms, which occurred mainly due to a decrease of indicators of excess reserves in the leading banks (Graph 1).

Graph 1.

The dynamics of excess reserves of commercial banks (in the national currency) and volume of interbank credits



- Excess liquidity of other banks
- Excess liquidity of large banks (assets more than KGS 9.8 billion or USD 200 million as of January 01, 2013)
- The volume of repo-operations in the domestic interbank credit market (right scale)
- "Overnight" loans (right scale)

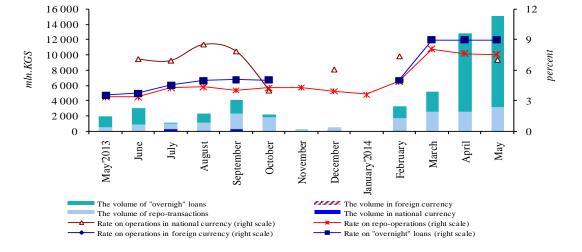
In the reporting period on the interbank credit market there were conducted repo operations and credit transactions in national currency on standard terms. Credit transactions in foreign currency between banks were not committed. At the same time repo operations were conducted at a rate of 7.5 percent annual (-0.1 percentage points). The volume of these loans amounted to 3.0 billion soms, having increased compared with the previous month by 16.5 percent.

The volume of transactions in national currency amounted to 104.0 million soms, these operations were not conducted in the previous month. The weighted average interest rate on these loans was 7.0 percent.

Also there was an increase in demand for "overnight" credits, instrument of the National Bank of the Kyrgyz Republic, which amounted to 11.9 billion soms, having increased in compare with last month in 1.2 times. The weighted average interest rate on "overnight" credits remained at 9.0 percent.

Graph2.

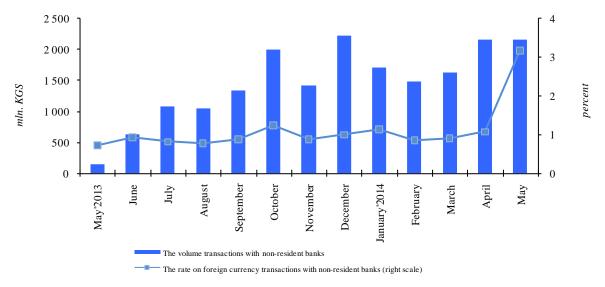
The dynamics of the transactions and the interest rates in the domestic interbank credit market



The concentration index of creditors over the month increased from 0.17 to 0.35, and the concentration index of debtors was 0.36 against 0.26 in the previous month. The values of these indices indicate a declining average level of market concentration and correspond to the presence on the market of the three lenders and three borrowers with equal shares.

Graph3.

The dynamics of the operations and the interest rates on the interbank credit market on transactions in foreign currency with non-resident banks



The volume of credit transactions in foreign currency with non-resident banks amounted to 2.2 billion in som equivalent, having increased compared to the previous month by 0.5 percent. The weighted average interest rate on credit transactions with non-resident banks, conducted in the reporting period in US dollars and rubles, was at 3.2 percent (+2.1 percentage points).

Table 1. The dynamics of inter-bank loans in national currency (in terms of urgency)

Period		Total			Including by terms																	
					Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days			
		Volume	Q-ty of		Volume		Volume		Volume		Volume		Volume		Volume		Volume		Volume		Volume	
		(mln.	transacti	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)
		KGS)	ons		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)	
	05																					
	06	33,9		7,1			9,7	3,5											24,2			
	07	336,5	5	6,9							180,0	6,0					19,7	8,0	136,8			
2013	08	145,9	3	8,5															145,9			
2013	09	297,4	6	7,8			50,4	4,5									49,0	8,5	50,4	8,5	147,6	8,5
	10	40,5	1	4,0			40,5	4,0														
	11																					
	12	169,3	3	6,1					40,0	3,0							59,3	7,0	70,0	7,0		
	01																					
	02	155,8	3,0	7,3				1														
2014	03							1														
	04							1														
	05	104,0	1	7,0			104,0	7,0														

Table 2. Repo operations of commercial banks (in terms of urgency)

Period		Total				Including by terms																
					Up to 1 day		2-7 days		8-14 days		15-30 days		31-60 days		61-90 days		91-180 days		181-360 days			
		Volume	Q-ty of		Volume		Volume		Volume		Volume		Volume		Volume		Volume		Volume		Volume	
		(mln.	transacti	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)	(mln.	Rate (%)
		KGS)	ons		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)		KGS)	
	05	508,1	15				414,3															
	06	870,7	27	3,4	52,1	3,5				3,5												
	07	716,9	21	4,3	168,3	3,9	447,9	3,7					100,8	7,5								
2013	08	936,1	23	4,4	497,6	3,9	238,1	4,0	200,4	6,0												
	09	2070,1	28	4,0	823,1	4,0	1247,0	4,1														
	10	1792,3	29	4,3	653,0	4,3	1139,3	4,2														
	11	317,5	12	4,3	199,0	4,4	118,6	4,2														
	12	419,2	6	4,0	20,0	3,5	399,1	4,0														
	01	101,4	3	3,6	66,2	3,5	35,3	3,8														
2014	02	1626,8	36	4,9	508,0	5,3	1060,3	4,7	58,4	5,0												
	03	2574,9	62	8,1	787,7	8,4	1787,2	7,9														
	04	2606,1	64	7,7	401,3	7,6	2056,6	7,6	148,2	8,4												
	05	3035,2	53	7,5	620,1	7,7	2297,3	7,5	117,9	8,0												