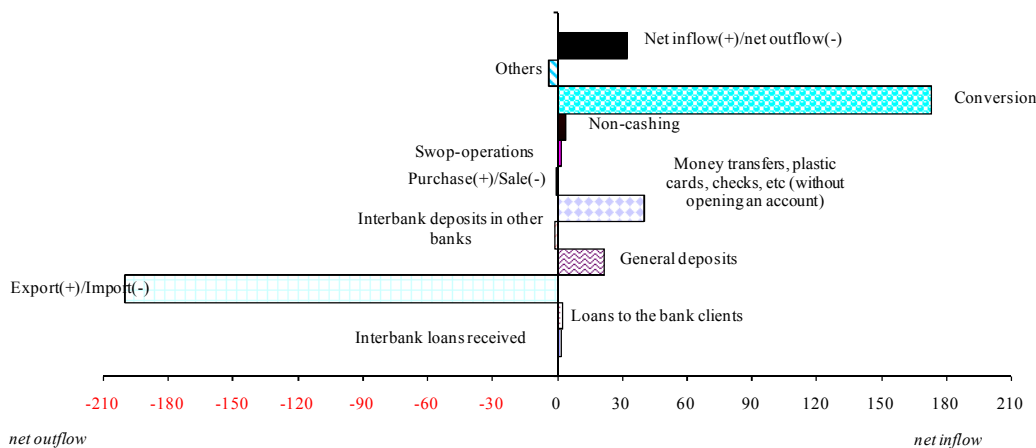
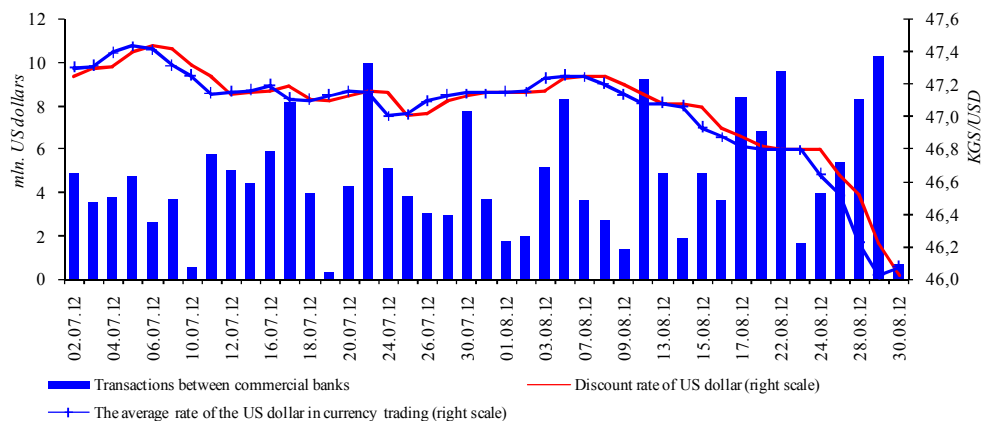


Currency market (August 2012)

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



Graph 2. The dynamics of the US dollar and the volume of transactions in the interbank foreign exchange markets



By the August's results the exchange rate of US dollar fell by 2.3 percent, to its minimum 10 months level of 46.0743 KGS per US dollar (in August 2011, the exchange rate increased by 0.7 percent)¹. Som has been strengthening for the second month in a row despite the continued pressure on the exchange rate, caused by supporting of the demand for currency by the import-oriented enterprises of our country. One of the main factors, that influenced the formation of the exchange rate in the period under review is the seasonal growth of supply foreign currency by increasing of tourist activity, and also continuous volume of money transfers to our country, which increased in August by 10.3 percent in the annual terms (net inflow of currency by the systems of money transfers increased by 8.9 percent)².

The volume of operations on purchase and sale of foreign currency increased in August by 6.2 percent to 27.9 billion KGS. In quantitative terms, increase affected all kinds of operations – the volume of non-cash operations of commercial banks increased by 15.6 percent, constituted 5.7 billion KGS, cash operations of commercial banks increased to 18.7 billion KGS (+4.3 percent), and increase of cash operations of exchange offices, reached 3.6 billion KGS, constituted 3.4 percent.

¹ Here and below, we consider values of the exchange rate at the end of each of the periods used in the context.

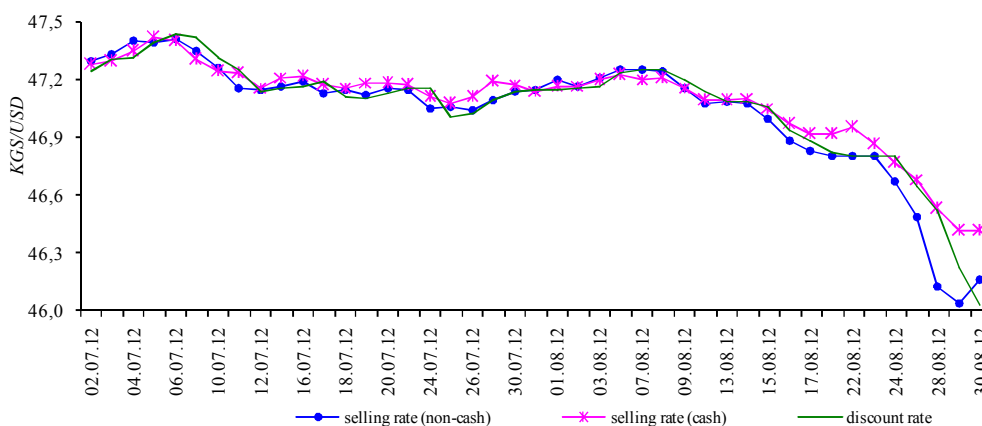
² Data for August 2012 was used in calculation

In contrast to the previous month, the aggregate turnover of interbank currency trading in August rose to 104.6 million USD (+6.9 percent) as a result of the growing volume of transactions between commercial banks, because in the period under review, the interventions of the National Bank were not carried out for the purpose of smoothing sharp fluctuations of the exchange rate.

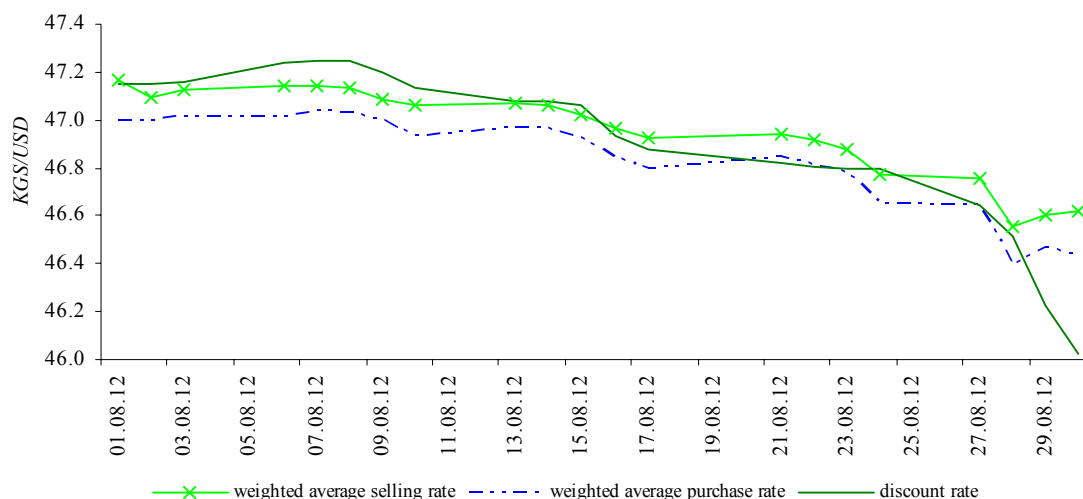
In the period under review, NBKR did not conduct swaps with commercial banks.

In the currency breakdown, in August, there was an increase in the volume of operations on all major currency types, except for euro, it decreased by 8.1 percent, to 783.4 mln. KGS in equivalent. At the same time, the share ratio of currencies in total operations performed was distributed as follows: the share of operations in U.S. dollars increased by 0.1 percentage points to 58.5 percent, the Kazakh tenge - by 0.5 percentage points to 11.2 percent. The share of transactions in Russian rubles decreased to 27.5 (-0.1 percentage points) to 27.7 percent, the share of euro decreased from 3.2 to 2.8 percent, despite the increased of quantitative volume indicator.

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



Graph 5. The dynamics of rates of changes in the rates of major currencies in exchange offices and the US dollars rate on world markets

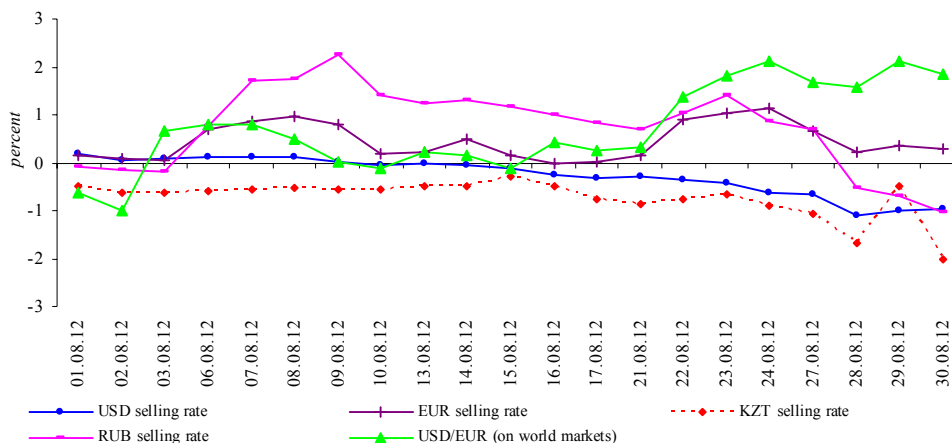


Table 1. The volume of purchases and sales of foreign exchange transactions by type (in som equivalent)

mln. KGS

Period	Total volume of operations	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 (%)
August'2011	24,579.1	5,104.5	20.8	16,240.3	66.1	3,234.3	13.2
September	22,689.5	4,021.6	17.7	15,460.6	68.1	3,207.3	14.1
October	22,334.5	3,760.0	16.8	15,490.1	69.4	3,084.4	13.8
November	23,528.6	5,756.1	24.5	14,658.9	62.3	3,113.6	13.2
December	22,208.8	4,389.9	19.8	14,350.8	64.6	3,468.0	15.6
January'2012 r.	16,603.8	3,735.1	22.5	10,272.7	61.9	2,596.0	15.6
February	17,006.6	2,779.5	16.3	11,123.2	65.4	3,103.9	18.3
March	19,121.0	3,583.7	18.7	12,287.9	64.3	3,249.3	17.0
April	20,350.6	3,357.6	16.5	13,811.8	67.9	3,181.1	15.6
May	22,178.7	4,749.7	21.4	14,164.9	63.9	3,264.1	14.7
June	21,816.2	3,649.6	16.7	14,943.6	68.5	3,223.1	14.8
July	26,251.1	4,816.3	18.4	17,906.6	68.2	3,528.2	13.4
August	27,886.3	5,568.0	20.0	18,670.4	67.0	3,647.9	13.1

Table 2. The volume of purchases and sales of foreign currency by currency (in som equivalent)

mln. KGS

Period	Total volume of transactions	USD		EUR		RUB		KZT		Other	
		volume	share	volume	share	volume	share	volume	share	volume	share
August'2011	24,579.1	15,123.5	61.5	848.8	3.5	6,357.2	25.9	2,238.0	9.1	11.6	0.0
September	22,689.5	14,154.9	62.4	1,113.4	4.9	5,493.7	24.2	1,901.3	8.4	26.2	0.1
October	22,334.5	14,158.1	63.4	937.2	4.2	5,086.1	22.8	2,143.3	9.6	9.8	0.0
November	23,528.6	15,176.6	64.5	1,098.5	4.7	5,013.5	21.3	2,232.5	9.5	7.5	0.0
December	22,208.8	13,816.9	62.2	1,034.4	4.7	5,047.1	22.7	2,294.8	10.3	15.6	0.1
January'2012 r.	16,603.8	10,613.6	63.9	804.8	4.8	3,840.3	23.1	1,340.1	8.1	5.1	0.0
February	17,006.6	9,995.9	58.8	799.3	4.7	4,612.5	27.1	1,593.0	9.4	5.9	0.0
March	19,121.0	11,570.1	60.5	738.8	3.9	5,208.2	27.2	1,597.7	8.4	6.1	0.0
April	20,350.6	11,828.5	58.1	851.6	4.2	6,054.5	29.8	1,609.5	7.9	6.5	0.0
May	22,178.7	13,619.2	61.4	763.8	3.4	5,899.4	26.6	1,887.6	8.5	8.7	0.0
June	21,816.2	12,853.2	58.9	725.5	3.3	5,871.4	26.9	2,354.9	10.8	11.2	0.1
July	26,251.1	15,332.9	58.4	852.5	3.2	7,261.0	27.7	2,789.6	10.6	15.1	0.1
August	27,886.3	16,310.4	58.5	783.4	2.8	7,674.5	27.5	3,109.5	11.2	8.4	0.0

Table 3. Data on the discount rate of foreign currencies to the som

Period	Discount rate at the end of month				Change of the discount rate for the month			
	USD	EUR	RUB	KZT	USD	EUR	RUB	KZT
August'2011	44.8925	64.8392	1.5551	0.3066	0.7%	1.8%	-3.5%	0.5%
September	45.0008	61.1059	1.4053	0.3055	0.2%	-5.8%	-9.6%	-0.4%
October	45.5976	64.6528	1.5251	0.3084	1.3%	8.5%	0.9%	5.8%
November	46.8308	61.9873	1.4792	0.3173	2.7%	-4.1%	-3.0%	2.9%
December	46.4847	60.0652	1.4438	0.3132	-0.7%	-3.1%	-2.4%	-1.3%
January' 2012	46.7757	61.4773	1.5405	0.3148	0.6%	2.4%	6.7%	0.5%
February	46.4900	62.4547	1.6059	0.3149	-0.6%	1.6%	4.2%	0.0%
March	46.8275	62.4819	1.5967	0.3169	0.7%	0.0%	-0.6%	0.6%
April	46.8494	62.0428	1.5960	0.3169	0.0%	-0.7%	0.0%	0.0%
May	46.9352	58.4085	1.4463	0.3173	0.2%	-5.9%	-9.4%	0.1%
June	47.2445	59.4241	1.4396	0.3162	0.7%	1.7%	-0.5%	-0.4%
July	47.1487	57.7998	1.4640	0.3143	-0.2%	-2.7%	1.7%	-0.6%
August	46.0274	57.8127	1.4341	0.3081	-2.4%	0.0%	-2.0%	-2.0%

Table 4. Data on exchange rates of the som in the exchange offices

Period	Average margin for the month				Average daily derivation 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
August'2011	0.4%	0.6%	0.9%	1.2%	0.2%	0.2%	0.3%	0.3%	1.5%	1.5%	-2.8%	0.7%
September	0.3%	0.6%	0.9%	0.9%	0.1%	0.3%	0.3%	0.1%	0.2%	-6.0%	-8.6%	-0.4%
October	0.3%	0.5%	0.8%	0.8%	0.1%	0.2%	0.6%	0.2%	1.1%	4.9%	5.9%	1.2%
November	0.3%	0.5%	0.9%	0.7%	0.1%	0.3%	0.2%	0.1%	2.9%	-2.3%	-0.2%	3.0%
December	0.3%	0.5%	1.0%	0.9%	0.1%	0.2%	0.2%	0.2%	-0.1%	-3.6%	-3.0%	-1.0%
January'2012 r.	0.3%	0.5%	0.9%	0.7%	0.0%	0.3%	0.3%	0.1%	-0.3%	1.8%	6.6%	0.3%
February	0.3%	0.5%	1.0%	0.7%	0.1%	0.1%	0.3%	0.1%	-0.3%	1.7%	3.7%	0.2%
March	0.3%	0.6%	0.8%	0.7%	0.1%	0.3%	0.3%	0.1%	0.0%	0.4%	0.6%	-0.1%
April	0.2%	0.5%	0.6%	0.7%	0.0%	0.1%	0.2%	0.1%	0.4%	-0.6%	-1.1%	0.1%
May	0.3%	0.5%	0.8%	0.7%	0.1%	0.2%	0.4%	0.1%	0.4%	-5.2%	-9.3%	0.4%
June	0.3%	0.6%	0.8%	0.7%	0.0%	0.2%	0.4%	0.1%	0.6%	1.1%	-1.0%	-0.2%
July	0.2%	0.5%	0.7%	0.7%	0.0%	0.2%	0.3%	0.1%	0.2%	-2.6%	1.9%	-0.1%
August	0.3%	0.5%	0.8%	0.5%	0.1%	0.2%	0.2%	0.2%	-1.2%	0.3%	-1.0%	-2.0%