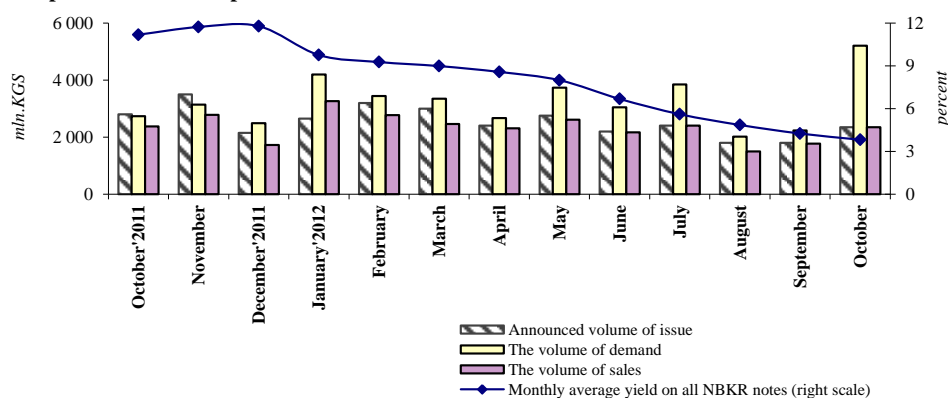


## NBKR Notes (October 2012)

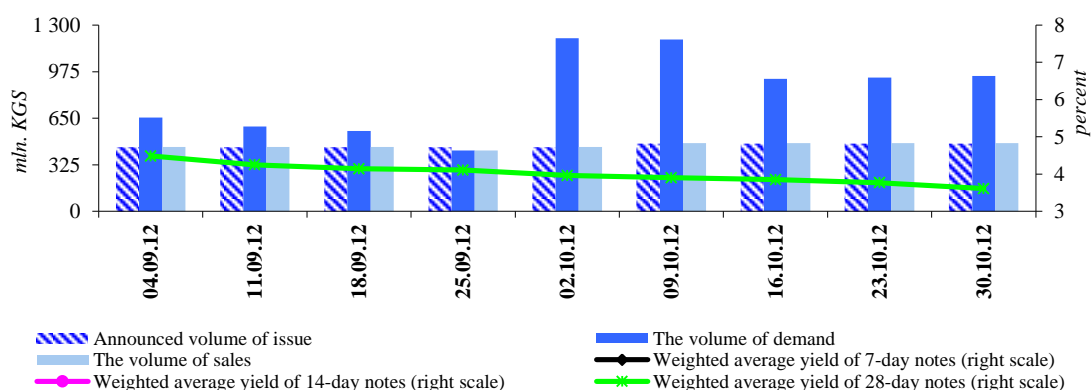
**Graph 1. Demand and placement of NBKR notes**



At the five auctions of placement of NBKR notes held in October, securities of the total amount of KGS 2.4 billion were placed, which is 33.3 percent higher than the analogous indicator of the previous month. At that the average auction volume of demand in October increased at the background of increase of the average auction demand constituted to KGS 1142.2 million against to KGS 557.9 million in September. As in September, the entire volume of sales was represented by 28-day notes the most of them were purchased by three commercial banks with a total share in the structure of sales of 85.5 percent. As a result the average auction<sup>1</sup> volume of sales in October constituted KGS 470.0 mln., increased by 5.9 percent compared to the indicator of the previous month. In the period under review demand for notes in the most of conducted auctions by the issuer exceeded volume of supply, reduced from the last decade of July to KGS 450.0 mln. for the auction, according to the objectives of conducted monetary policy of the National Bank.

The total average yield of NBKR notes in October, represented by the yield of only 28-day notes, decreased by 0.4 percentage points, and constituted 3.8 percent.

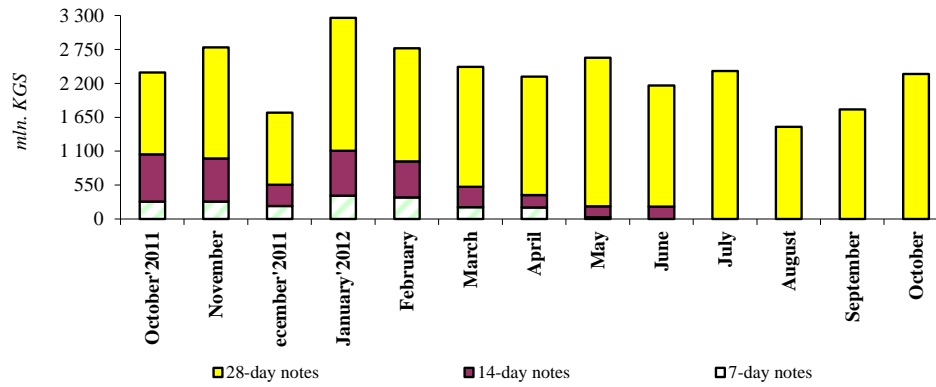
**Graph 2. The dynamics of demand, sales and yield of NBKR notes**



In the period under review the volume of notes in circulation decreased by 1.3 percent, constituted on the level of the previous month of KGS 1.9 billion. As a result, share of commercial banks, the main holders of NBKR notes, increased by 4.9 percentage points, to 88.9 percent on the background of simultaneous decrease of the share of portfolio of resident legal entities from 12.3 to 7.7 percent and the share of institutional investors from 3.5 to 3.2 percent. At the same time, share of institutional investors decreased by 3.3 to 6.4 percent. The share of resident individuals continued at the previous level by 0.1 percent.

<sup>1</sup> This indicator is used instead of the total volume of demand / supply for the month, as the number of auctions for the month is the non-permanent value.

**Graph 3. The dynamics of sales of NBKR notes**



**Table 1. Structure of the holders of NBKR notes at face value**

*mln.KGS*

Date	TOTAL	Including							
		Commercial banks		Resident legal entities		Resident individuals		Institutional investors	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.11.2011	1 738,2	1 345,4	77,4%	42,7	2,5%	0,1	0,0%	350,0	20,1%
01.12.2011	1 732,4	1 215,8	70,2%	49,6	2,9%	-	0,0%	467,0	27,0%
01.01.2012	1 366,4	1 065,3	78,0%	19,4	1,4%	0,2	0,0%	281,5	20,6%
01.02.2012	2 209,5	1 666,1	75,4%	88,0	4,0%	10,3	0,5%	445,1	20,1%
01.03.2012	2 313,0	1 527,6	66,0%	162,9	7,0%	1,1	0,0%	621,5	26,9%
01.04.2012	2 113,8	1 507,0	71,3%	237,3	11,2%	2,4	0,1%	367,1	17,4%
01.05.2012	2 072,4	1 424,6	68,7%	224,5	10,8%	2,3	0,1%	421,0	20,3%
01.06.2012	2 196,2	1 471,2	67,0%	129,2	5,9%	4,8	0,2%	591,0	26,9%
01.07.2012	2 063,9	1 477,8	71,6%	341,7	16,6%	-	0,0%	244,3	11,8%
01.08.2012	1 950,0	1 646,8	84,5%	171,5	8,8%	2,0	0,1%	129,7	6,7%
01.09.2012	1 494,4	780,3	52,2%	588,9	39,4%	2,0	0,1%	123,2	8,2%
01.10.2012	1 775,4	1 492,2	84,0%	218,4	12,3%	2,0	0,1%	62,8	3,5%
01.11.2012	1 900,0	1 689,7	88,9%	146,1	7,7%	1,3	0,1%	62,9	3,3%