



Central Asia, Black Sea Region and Balkan Countries Central Bank Governors' Club Meeting

RECENT ECONOMIC AND FINANCIAL DEVELOPMENTS IN THE KYRGYZ REPUBLIC

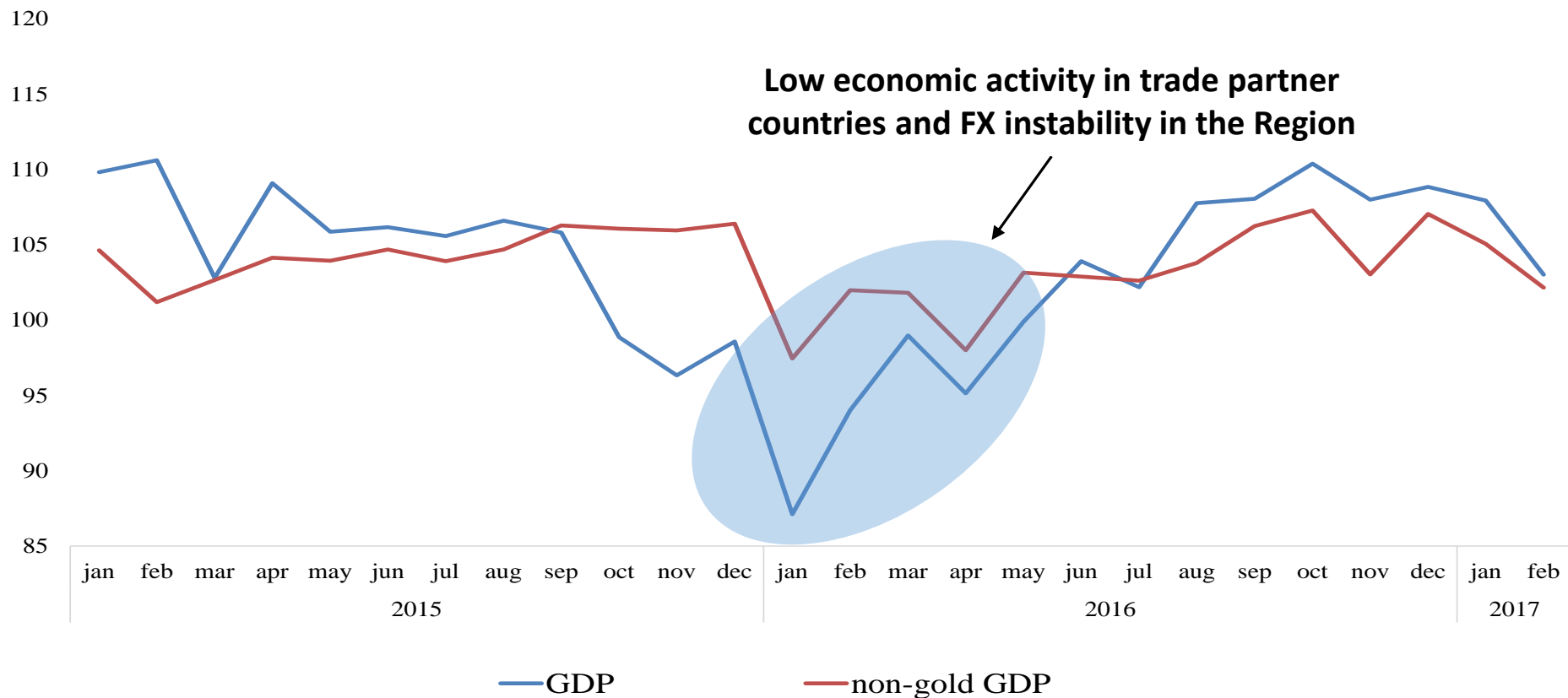
National Bank of the Kyrgyz Republic
Antalya, Turkey
April 2-4, 2017



КЫРГЫЗ БАНКЫ

Economic slowdown in main trade partners resulted in decrease of economy of the Kyrgyz Republic in the beginning of 2016

GDP Growth Rate (YoY, %)

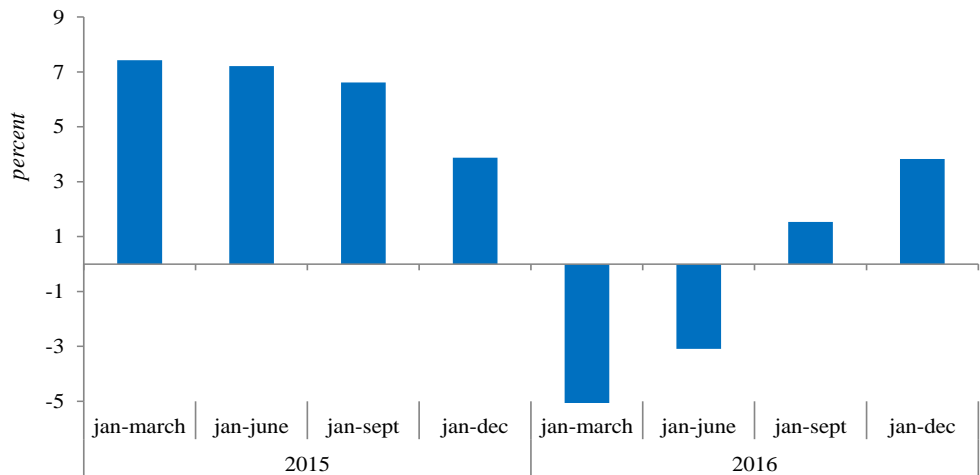




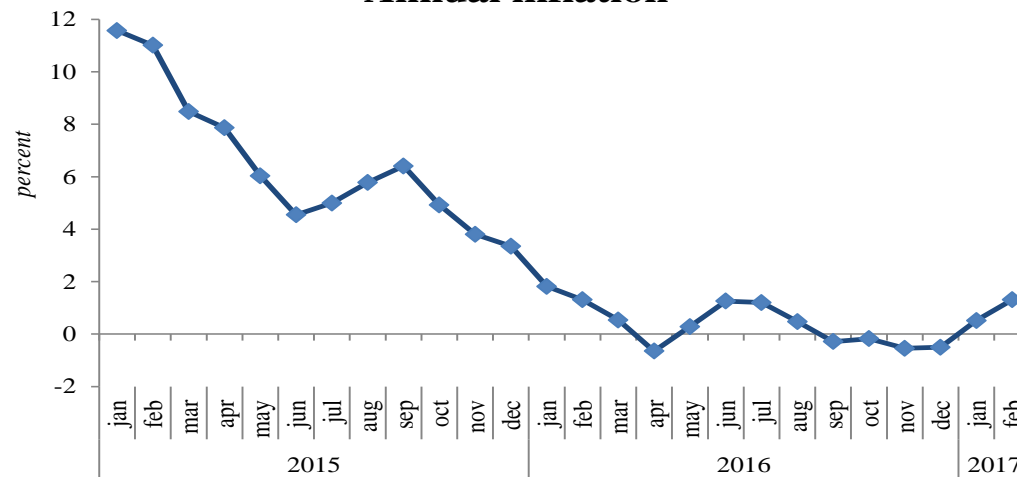
КЫРГЫЗ БАНКЫ

Macroeconomic developments in the Kyrgyz Republic

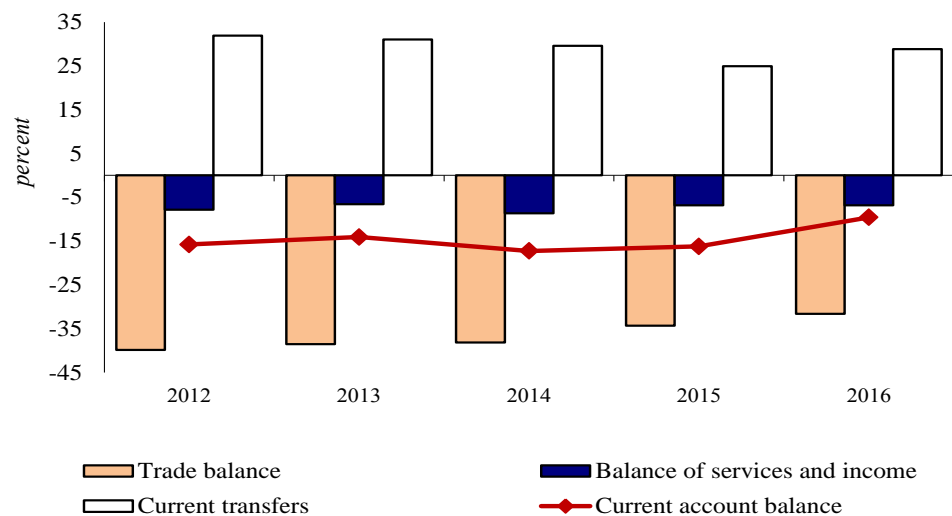
GDP growth



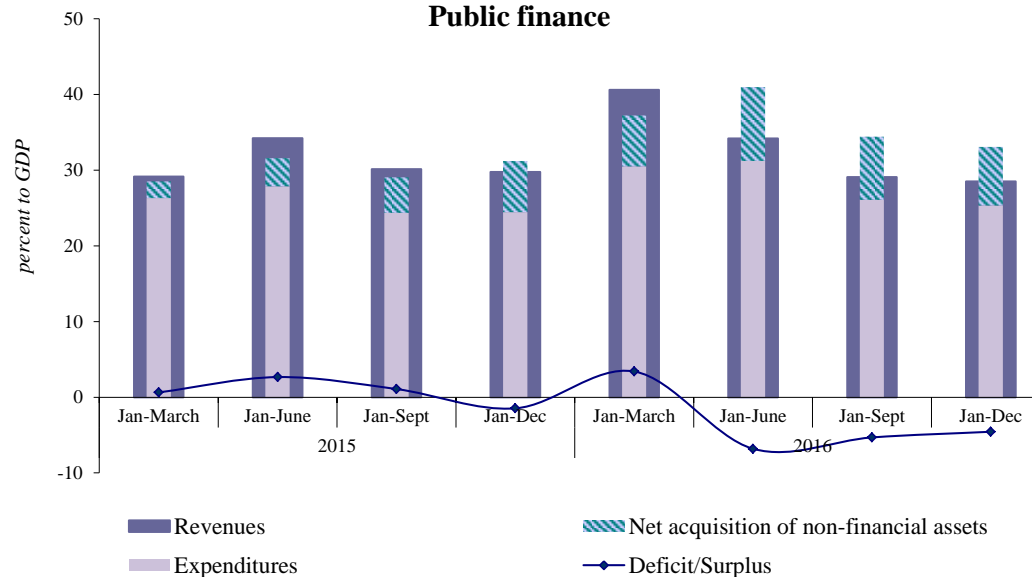
Annual inflation



Current account (in percent to GDP)



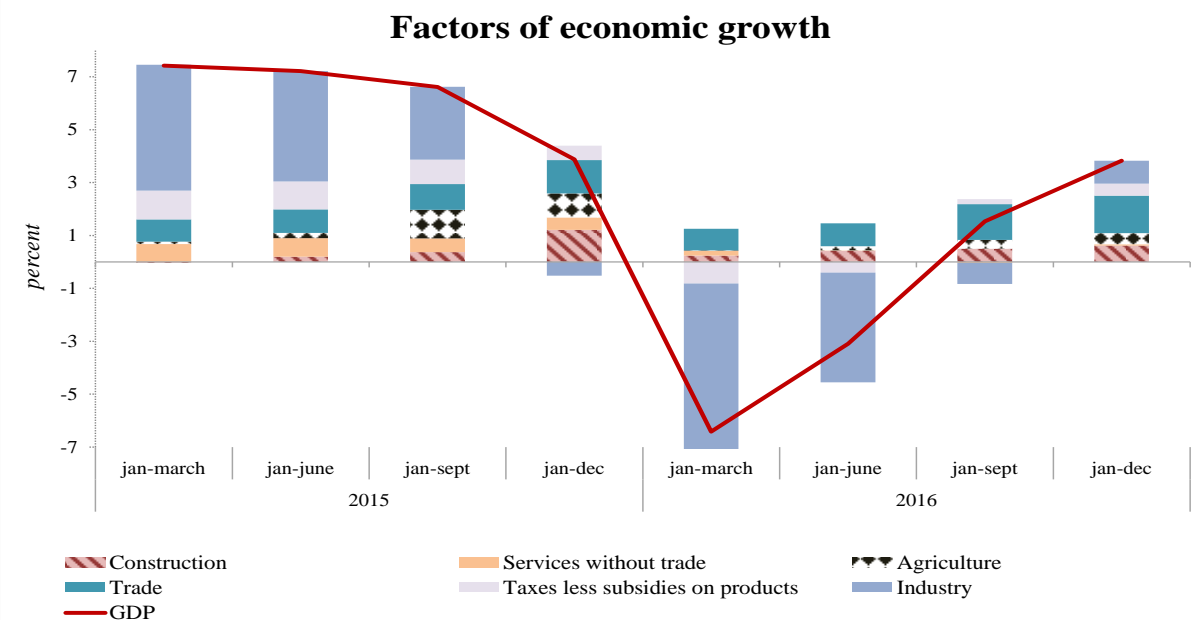
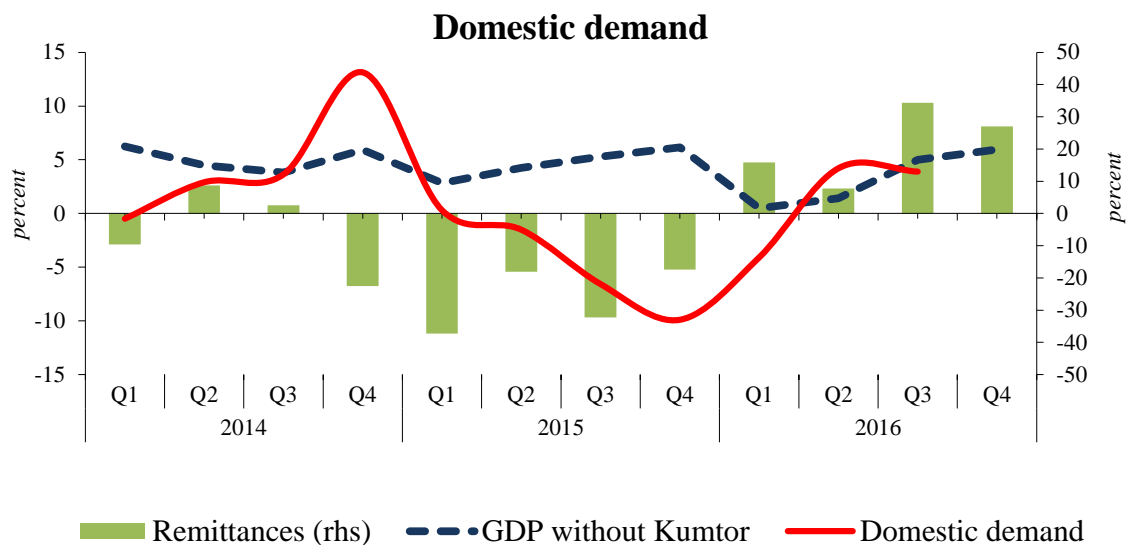
Public finance





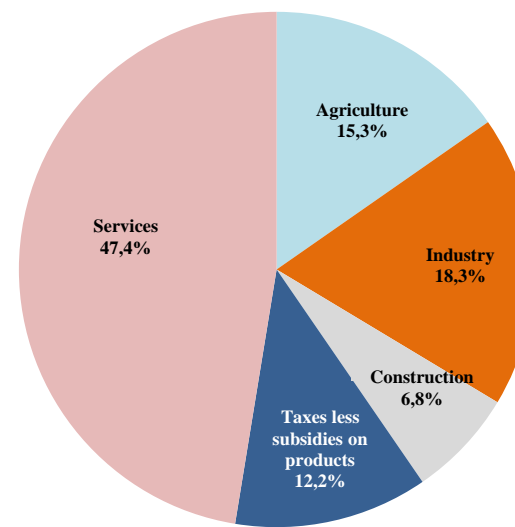
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Economic recovery in 2016 was supported by remittances' inflow and the revival of domestic consumption



Structure of economy:

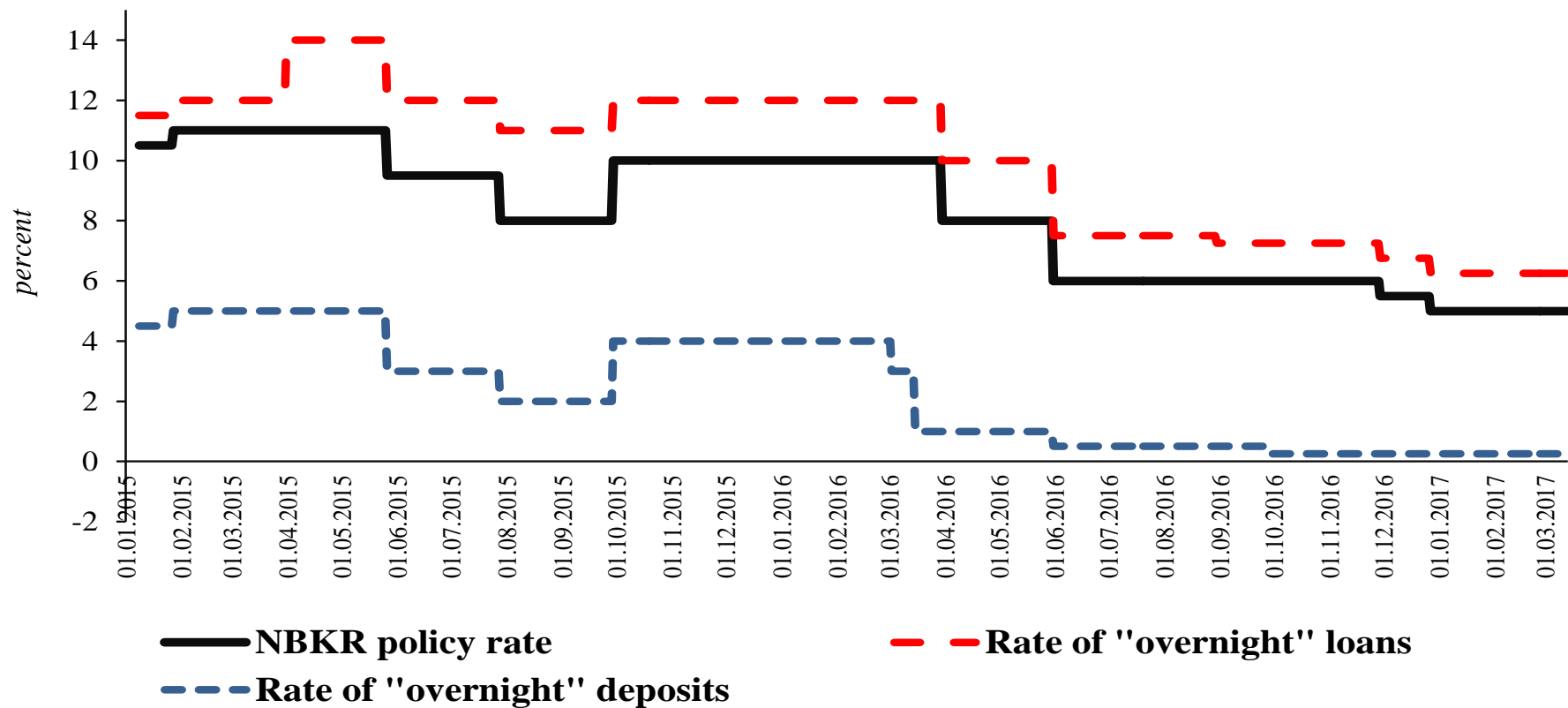
- ❑ Remittances ~30% of GDP;
- ❑ Domestic consumption ~112,8% of GDP;
- ❑ About 36% of Import – consumer goods;
- ❑ The largest gold mining company “Kumtor” ~9,9% of GDP





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The National Bank was easing monetary conditions: reducing of the key policy rate



From March 2016 the policy rate was decreased four times: from 10% to 5% in order to retain economic recovery.



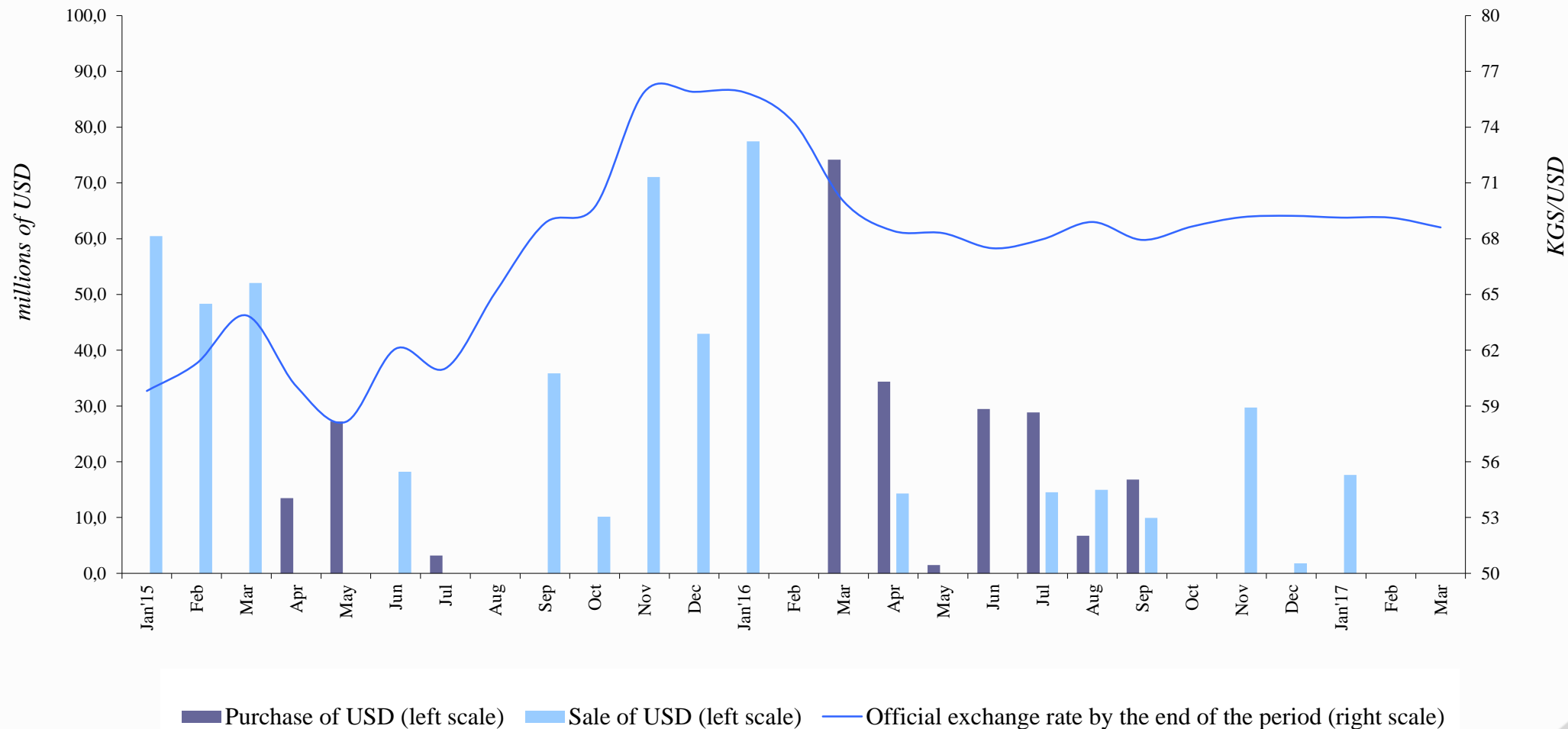
Monetary policy instruments on liquidity provision

- «Overnight» loans;
- Refinancing loans through credit auctions;
- Loans to the international organizations established by the Kyrgyz Republic in cooperation with other states within the Eurasian Economic Union (EEU);
- National Bank participated in implementation of the government program on conversion of mortgage loans in foreign currency into the national currency.



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Exchange rate policy

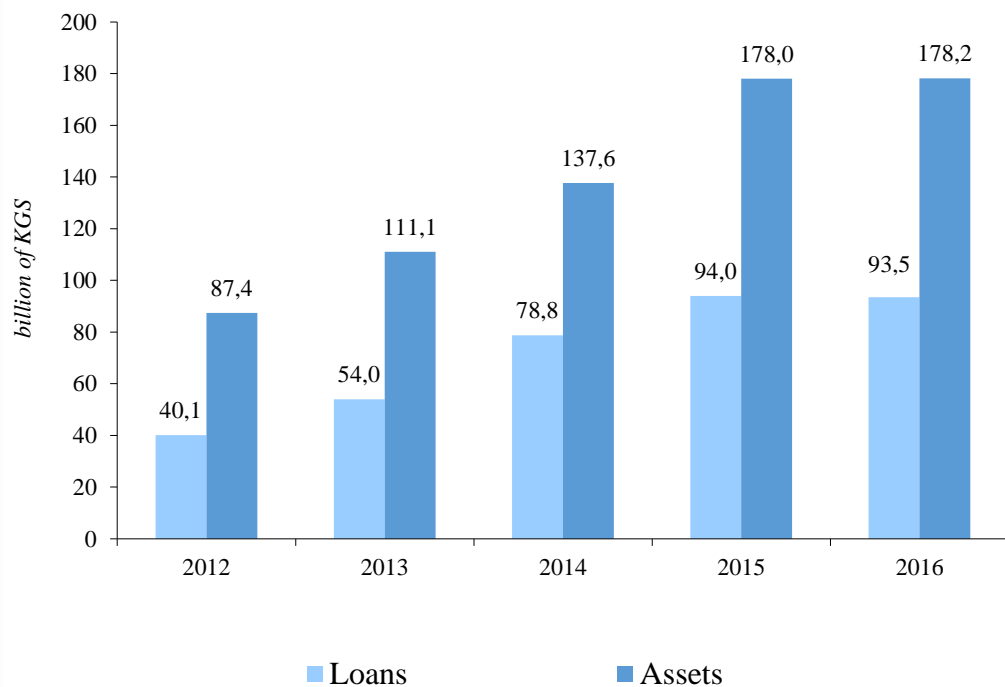




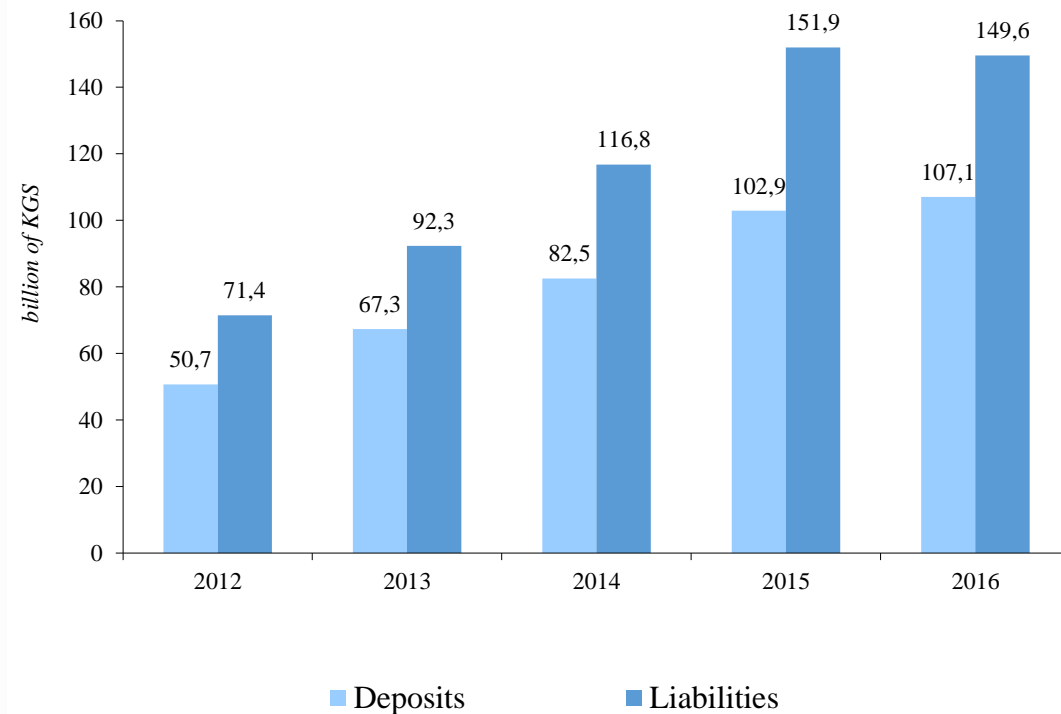
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The trend of steady growth of the Kyrgyz banking system was discontinued in 2016

Dynamics of assets and loan portfolio



Dynamics of liabilities and deposits

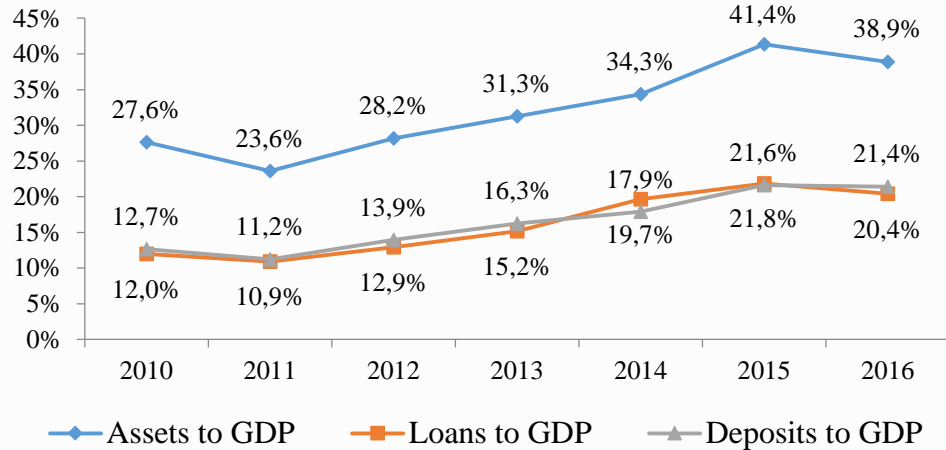




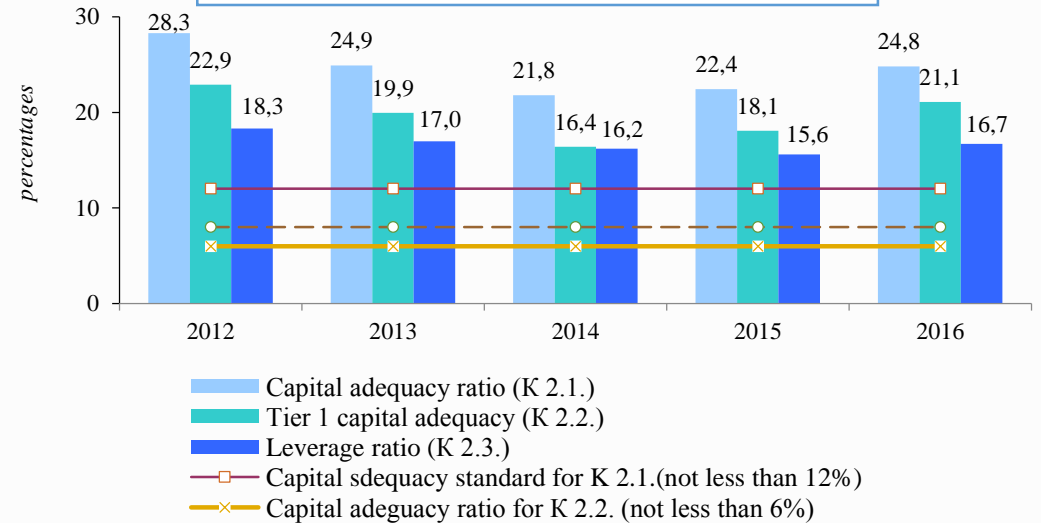
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The Kyrgyz banking system: still has a room for further growth

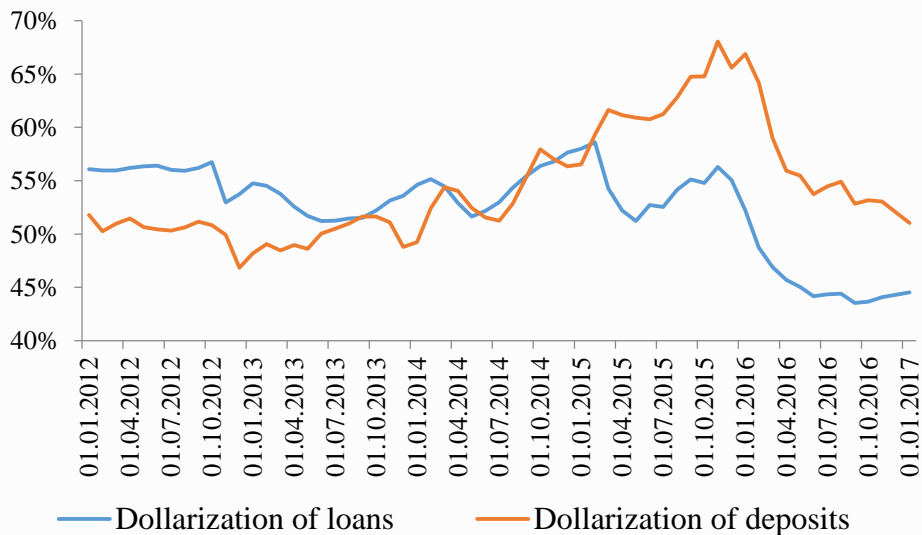
Dynamics of financial intermediation level



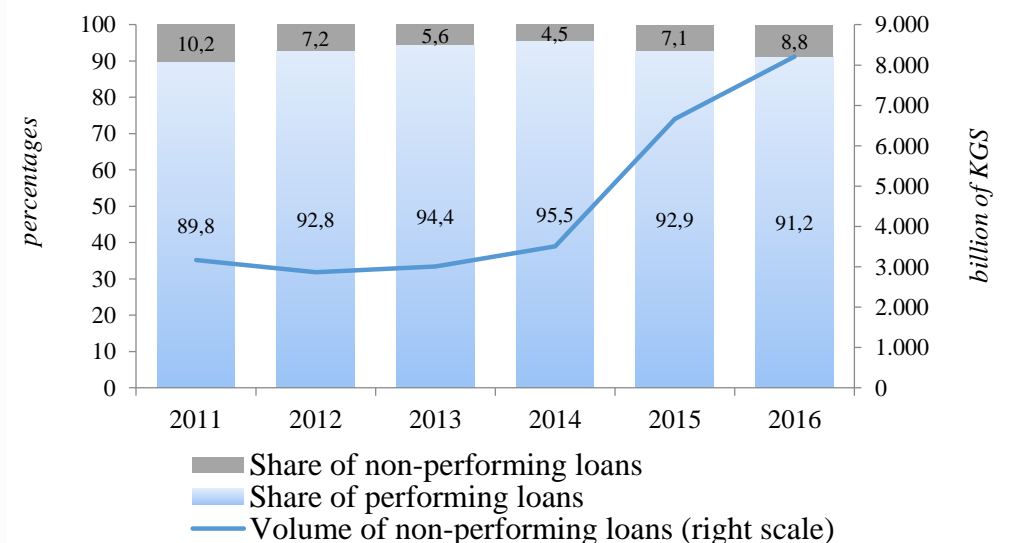
Dynamics of capital based indicators



Dynamics of dollarization level



Quality of loan portfolio





Thank you!

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