

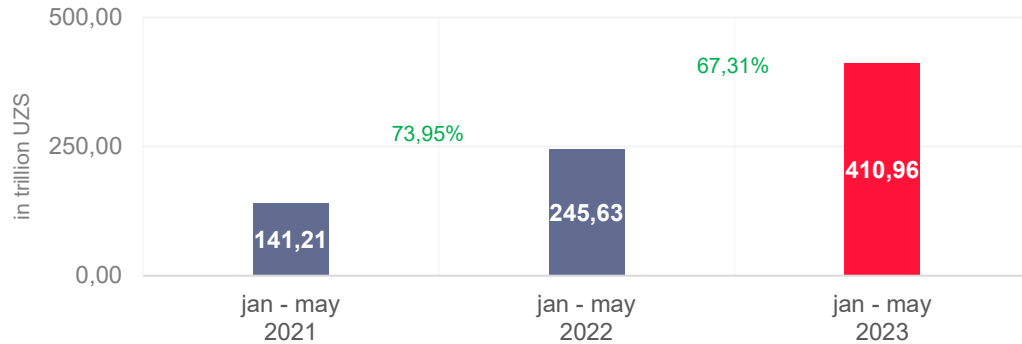


# UZCE'S MARKETS OVERVIEW FOR JANUARY-MAY 2023

## UZCE's markets overview for January-May 2023

In January – May 2023, the total trading volume on UZCE amounted to **410.96 trillion UZS**, the increase relative to the same indicator last year was **67.31%**.

### Total trading volume on UZCE



### The share of UZCE markets in the total trading volume

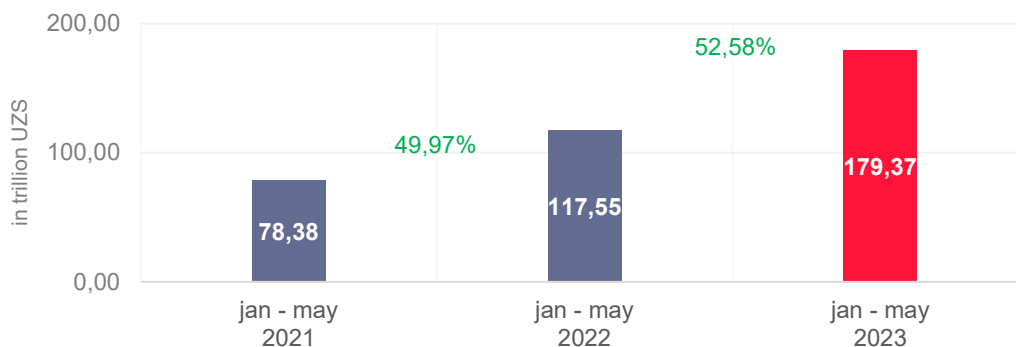


### Currency market

Spot operations on USD/USD, EUR/UZS, RUB/USD and CNY/USD currency pairs, as well as currency swap operations are carried out on the UZCE currency market.

Since the beginning of 2023, the total trading volume on the foreign exchange market has amounted to **179.37 trillion UZS**, the increase relative to the same indicator last year (117.55 trillion UZS) amounted to **52.58%**. At the same time, the share of transactions in the foreign exchange market amounted to **43.65%** of the total trading volume.

## Comparative dynamics of trading volume in the foreign exchange market



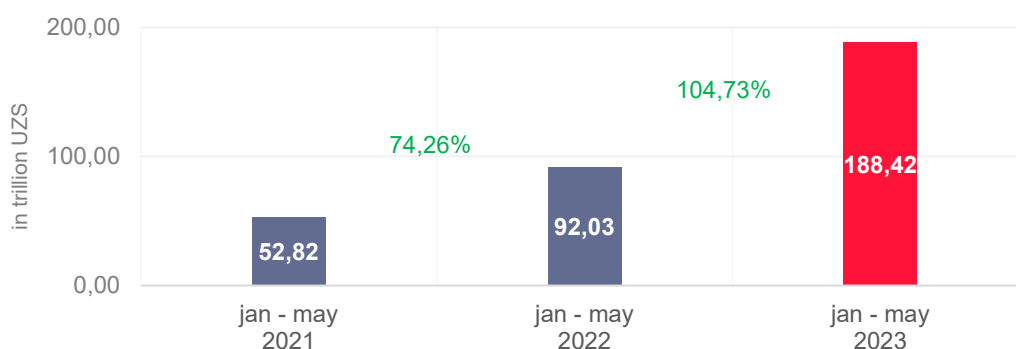
## Money market

The UZCE's money market is represented by interbank operations for the placement/attraction of funds for a period of 1 day to a year, as well as deposit auctions of the Central Bank to attract free funds of commercial banks.

The total volume of trading on the money market in January – May 2023 amounted to **188.42 trillion UZS** (127.20 trillion UZS - interbank money market and 61.22 trillion UZS - deposit auctions of the Central Bank) and exceeded the same indicator last year (92.03 trillion UZS) **by 2 times**.

The share of transactions in the money market amounted to **45.85%** of the total trading volume on UZCE, which allowed this market to take a leading position.

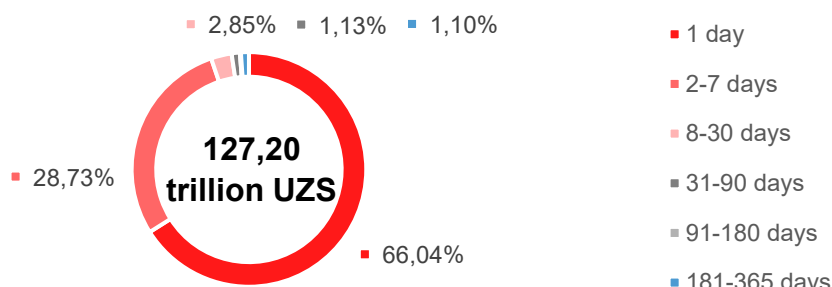
## Comparative dynamics of the total trading volume in the money market



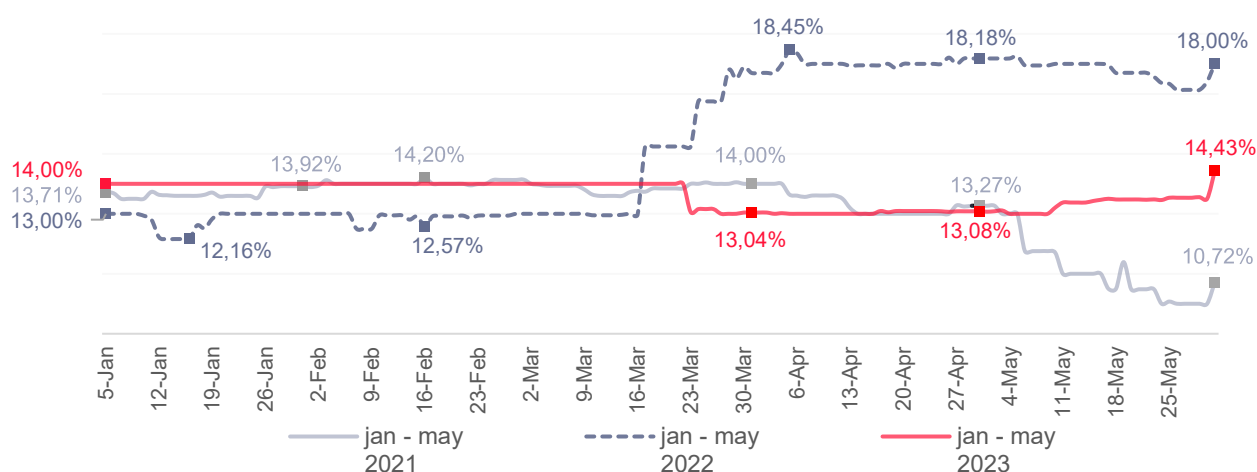
Transactions in the amount of **127.20 trillion UZS** were concluded on the interbank money market during the reporting period. The share of deposits with a placement/attraction period of up to one week accounted for 94.78% of the total market volume or 120.56 trillion UZS, including transactions for a period of one day (overnight) of 66.04% or 84.00 trillion UZS of the total volume.

The total volume of the remaining part of the transactions was equal to 6.65 trillion UZS or 5.22% of the total volume.

## Interbank money market by the results of January - May 2023 in the context of standardized periods



## Comparative weighted average yield on placed (attracted) deposits with a term of "1 day"



The volume of transactions concluded at deposit auctions of the Central Bank for the same period amounted to 61.22 trillion UZS with a yield in the area of the Central Bank's policy rate.

### Debt market

Government securities (GS) – bonds and obligations of the Ministry of Economy and Finance, as well as bonds of the Central Bank are traded on the UZCE debt market.

It is worth noting that since February 1 of this year, the activities of market makers have been introduced in this market. The corresponding status was granted to the Asia Alliance Bank, Uzpromstroybank, Ipak Yuli bank, Turonbank, and Halk Bank. According to the approved program, market makers undertake to ensure the liquidity of the secondary market by forming quotes for buying and selling.

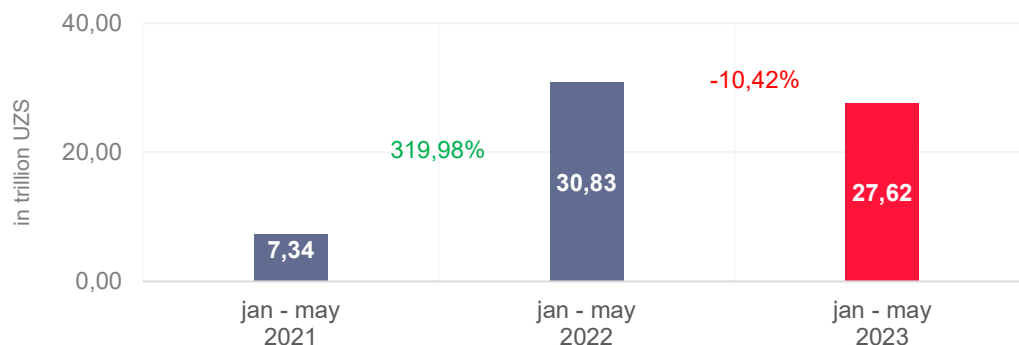
The program includes three types of status MM-GB STANDARD, MM-GB MEDIUM and MM-GB PREMIUM. At the same time, the higher the status of a market maker, the more obligations it has in terms of the volume of passive transactions and the minimum number of government securities issues for which it announces and maintains bilateral quotations, as well as a narrow spread corridor (0.3%, 0.28% and 0.26% respectively).

In addition, from February 14 of this year, government bonds began to be placed on the UzRCE platform in the T + 2 settlement mode.

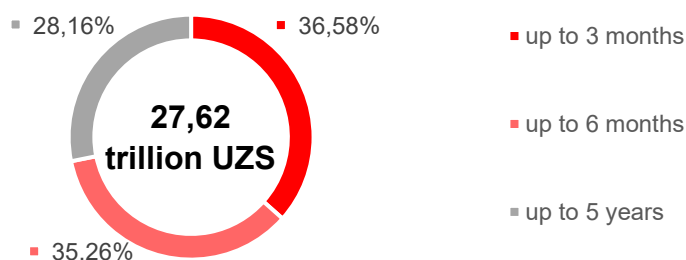
This method involves making final settlements for government securities purchased at the auction on the second trading day after the day of the conclusion of transactions (no preliminary deposit of funds is required for the conclusion of transactions), which allows trading participants to efficiently and rationally manage their monetary assets.

During the reporting period, government securities were placed in the government securities primary market in the amount of 27.62 trillion UZS or slightly lower than the same indicator for 2022 (30.83 trillion UZS).

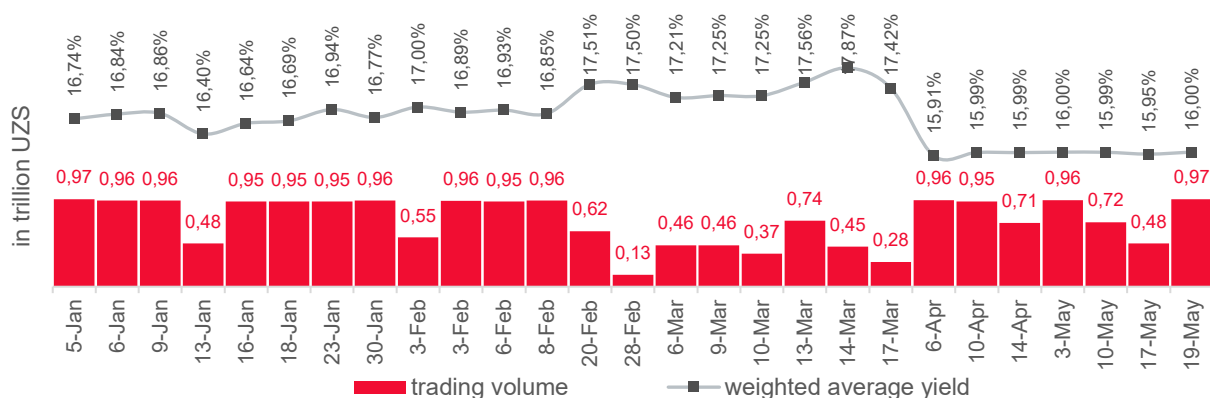
### Comparative dynamics of the total trading volume in the primary market



### Placement of government securities by maturity for January-May 2023



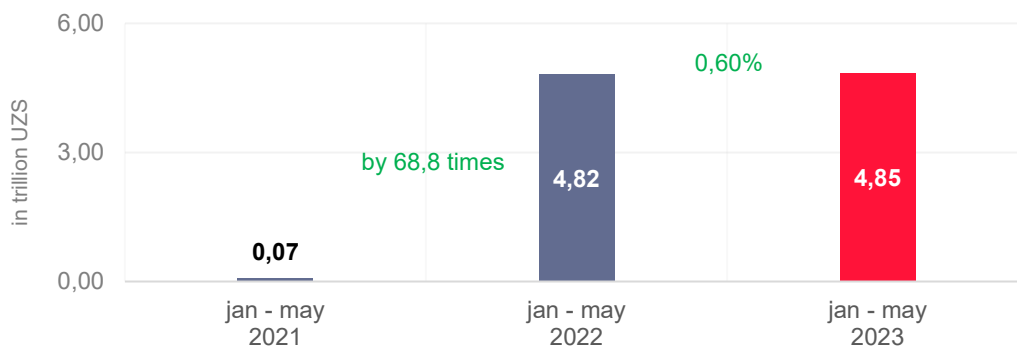
Based on the results of primary auctions in January - May 2023, the weighted average yield on short-term government securities (with a maturity of up to one year) ranged from 15.91% to 17.87%.



На вторичном рынке за отчётный период было заключено сделок на сумму 4,85 трлн. сум или на 0,03 трлн. сум больше аналогичного показателя за прошлый год (4,82 трлн. сум).

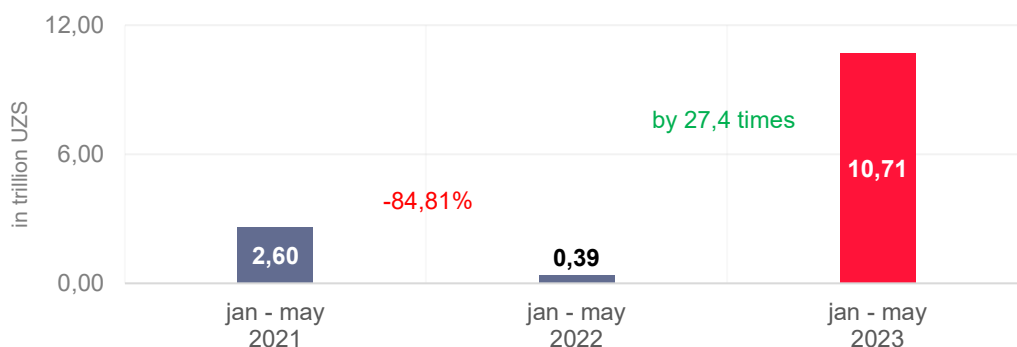
In the secondary market during the reporting period, transactions were concluded in the amount of 4.85 trillion UZS or by 0.03 trillion UZS more than the same indicator for the last year (4.82 trillion UZS)

### Comparative dynamics of the total trading volume in the secondary market



Also, following the results of the reporting period, inter-dealer REPO transactions were concluded in the amount of **10.71 trillion UZS**. For comparison, for the same period in 2022, this figure was 0.39 trillion UZS.

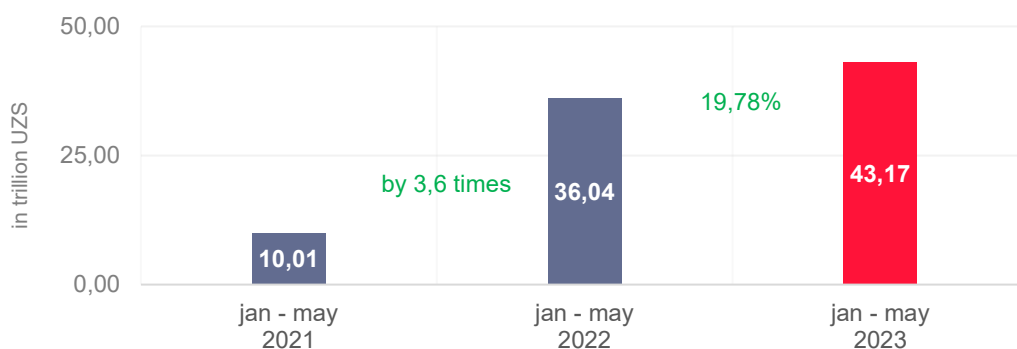
### Comparative dynamics of the total trading volume for REPO transactions



In general, the total trading volume on the government securities market for the reporting period amounted to **43.17 trillion UZS** or **19.78% higher** than the value of the same indicator for 2022 (36.04 trillion UZS).

The share of debt market transactions amounted to **10.51%** of the total trading volume.

### Comparative dynamics of the total trading volume in the debt market



## Depository

As of May 31, 2023, the volume of placed government securities in the accounting registers of the UZCE depository at face value increased by **28.80%** compared to the same indicator last year and amounted to **27.63 trillion UZS**.

In the context of maturity in the reporting period, government securities with a maturity of up to one year prevailed.

### The volume of placed government securities accounted for in the UZCE depository

	in billions of UZS		
Maturity	as of May 31, 2022	as of May 31, 2023	change
up to 3 months	17 100,00	5 500,00	-67,84%
from 3 to 6 months	931,77	7 611,29	716,87%
from 6 months to 1 year	1 296,52	2 952,80	127,75%
from 1 year to 5 years	2 112,16	11 253,31	432,79%
from 5 year to 10 years	10,00	310,00	3000,00%
<b>Total</b>	<b>21 450,45</b>	<b>27 627,40</b>	<b>28,80%</b>

### The volume of placed government securities accounted for in the UZCE depository by issuers

#### Ministry of economy and finance

	in billions of UZS		
Maturity	as of May 31, 2022	as of May 31, 2023	change
up to 3 months	0,00	0,00	-
from 3 to 6 months	931,77	4 611,29	394,90%
from 6 months to 1 year	1 296,52	2 952,80	127,75%
from 1 year to 5 years	2 112,16	11 253,31	432,79%
from 5 year to 10 years	10,00	310,00	3000,00%
<b>Total</b>	<b>4 350,45</b>	<b>19 127,40</b>	<b>339,67%</b>

#### Central bank

	in billions of UZS		
Maturity	as of May 31, 2022	as of May 31, 2023	change
up to 3 months	17 100,00	5 500,00	-67,84%
from 3 to 6 months	0,00	3 000,00	-
from 6 months to 1 year	0,00	0,00	-
from 1 year to 5 years	0,00	0,00	-
from 5 year to 10 years	0,00	0,00	-
<b>Total</b>	<b>17 100,00</b>	<b>8 500,00</b>	<b>-50,29%</b>

## **Derivatives market**

The derivatives market organizes trading in cash-settled futures contracts, in which the difference between the purchase price of the futures contract and the settlement price of the execution of the futures contract at the expiration date of that contract is paid.

Trading in futures contracts is carried out on the “Rhombus derivatives” trading platform using the method of a two-way continuous auction (matching).

In order to increase the volume of transactions on currency futures contracts and ensure liquidity in the market, the activity of market makers was introduced, and the status of a market maker was assigned to “Kapitalbank” JSCB and “Ipak Yuli” JSICB. Also, the relevant market maker programs define the obligations and procedure for remuneration of market makers.

To date, market makers ensure the orders in the trading system both from the buy side and from the sell side within the spread values established by the market-maker programs of UZCE.

In addition, as part of a set of measures to introduce an effective default management system at UZCE, a guarantee fund was formed at the expense of UZCE's own funds to ensure the fulfillment of obligations in the event of a default situation, i.e. in case of untimely fulfillment of obligations under concluded transactions.

In general, in January-May 2023, 500 currency futures contracts were concluded on the market in the amount of 0.5 million USD.