

The Chartbook

Kazakh Economy in Charts & Figures

September 2024

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In the event of any discrepancies in the Kazakh and Russian translations with the text in English language, the latter takes precedence.

We reserve the right to modify or update this Chartbook at any time without prior notice.

All data in this Chartbook is as of 26 September 2024.

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SOVEREIGN CREDIT RATINGS

		Moody's	S&P	Fitch	
Prime	Aaa				AAA
High Investment Grade	Aa1				AA+
	Aa2				AA
	Aa3				AA-
Upper Medium Investment Grade	A1				A+
	A2				A
	A3				A-
Lower Medium Investment Grade	Baa1	 ●			BBB+
	Baa2			 ●	BBB
	Baa3		 ●	 ●	BBB-
Non-Investment Grade Speculative	Ba1	 ↑	 ●		BB+
	Ba2	 ●	 ●	 ●	BB
	Ba3	 ●  ●	 ●  ●	 ●  ●  ●	BB-
Highly Speculative	B1				B+
	B2		 ●		B
	B3	 ●  ●			B-
Substantial Risk	Caa1				CCC+
	Caa2				CCC
	Caa3				CCC-
Extremely Speculative or Default Imminent	Ca	 ●			CC
					C
Default	C	 ●	 ●	 ●	SD/RD



Kazakhstan has the highest credit rating among countries of EAEU, Caucasus, and Central Asia.

Outlook
 ↑ Positive
 ● Stable
 ↓ Negative

KAZAKHSTAN IN SELECT GLOBAL RANKINGS

HUMAN DEVELOPMENT INDEX, 2023-2024 REPORT

Source: UNDP



ECONOMIC COMPLEXITY, 2021 RANKING

Source: Harvard Atlas of Economic Complexity
Note: the ranking lags by 2 years



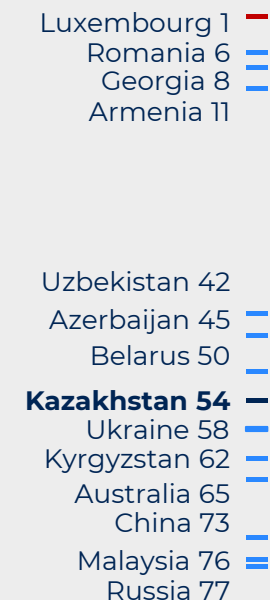
WJP RULE OF LAW INDEX, 2023 RANKING

Source: The World Justice Project
Note: there is no ranking for Armenia and Azerbaijan



OECD FDI REGULATORY RESTRICTIVENESS INDEX, 2020 RANKING

Source: OECD
Note: 2020 is the latest ranking

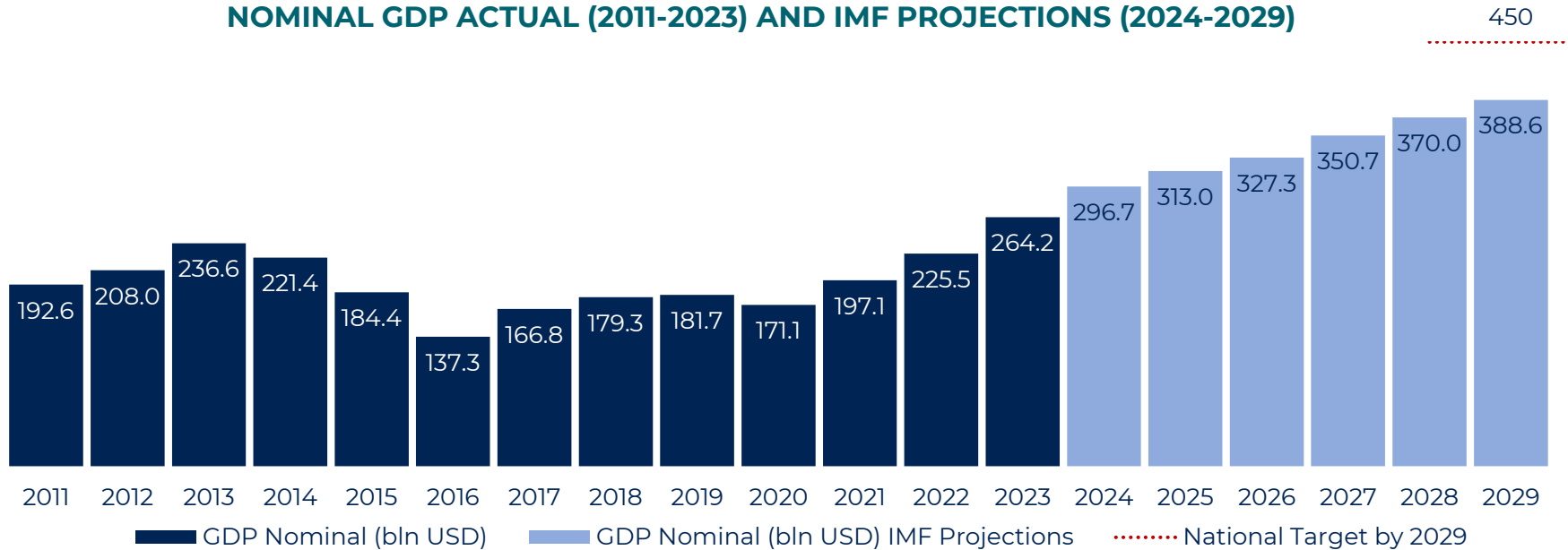


1. GROSS DOMESTIC PRODUCT



GROSS DOMESTIC PRODUCT

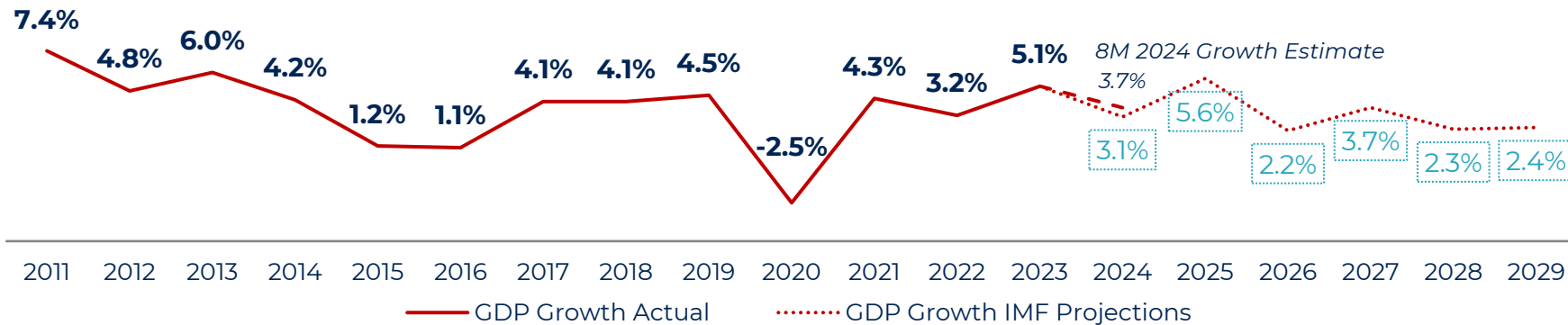
NOMINAL GDP ACTUAL (2011-2023) AND IMF PROJECTIONS (2024-2029)



In 2023, Kazakhstan's GDP growth was 5.1%, which is greater than the average growth of 3% in the previous decade.

The IMF forecasts a growth slowdown in the next 5 years. Particularly 3.1% growth in 2024 is projected.

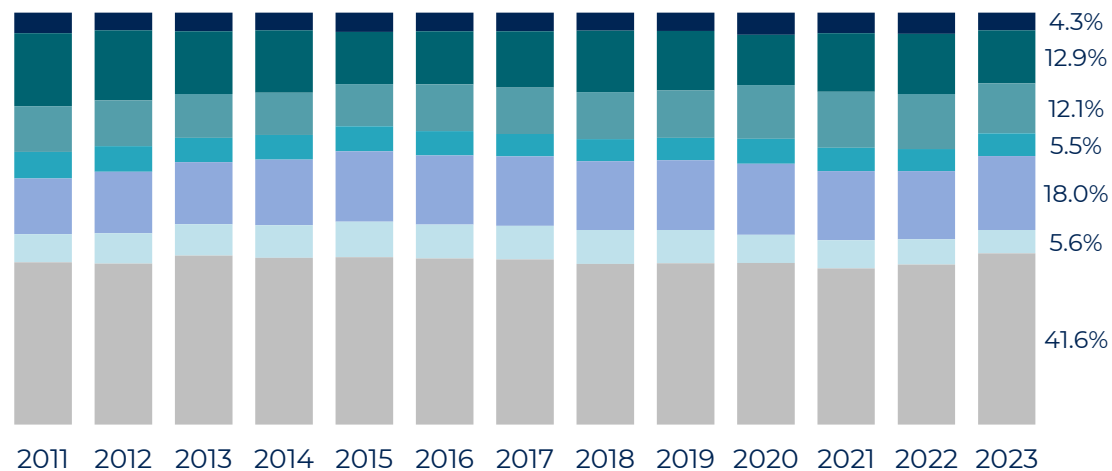
GDP GROWTH ACTUAL (2011-2023) AND IMF PROJECTIONS (2024-2029)



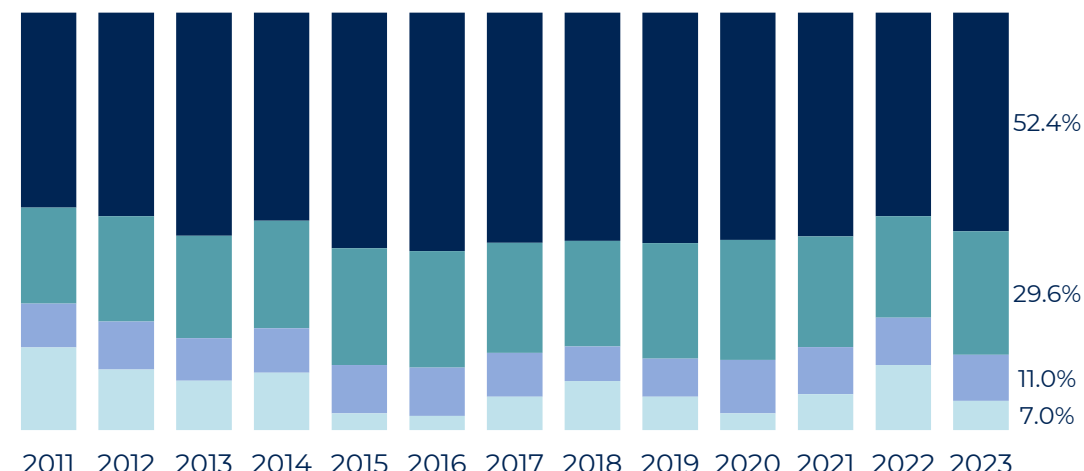
Kazakhstan announced a target of nominal GDP to reach \$450 billion in 2029.

GROSS DOMESTIC PRODUCT DECOMPOSITION

GDP STRUCTURE BY SECTORS (2011-2023)



GDP STRUCTURE BY EXPENDITURE (2011-2023)

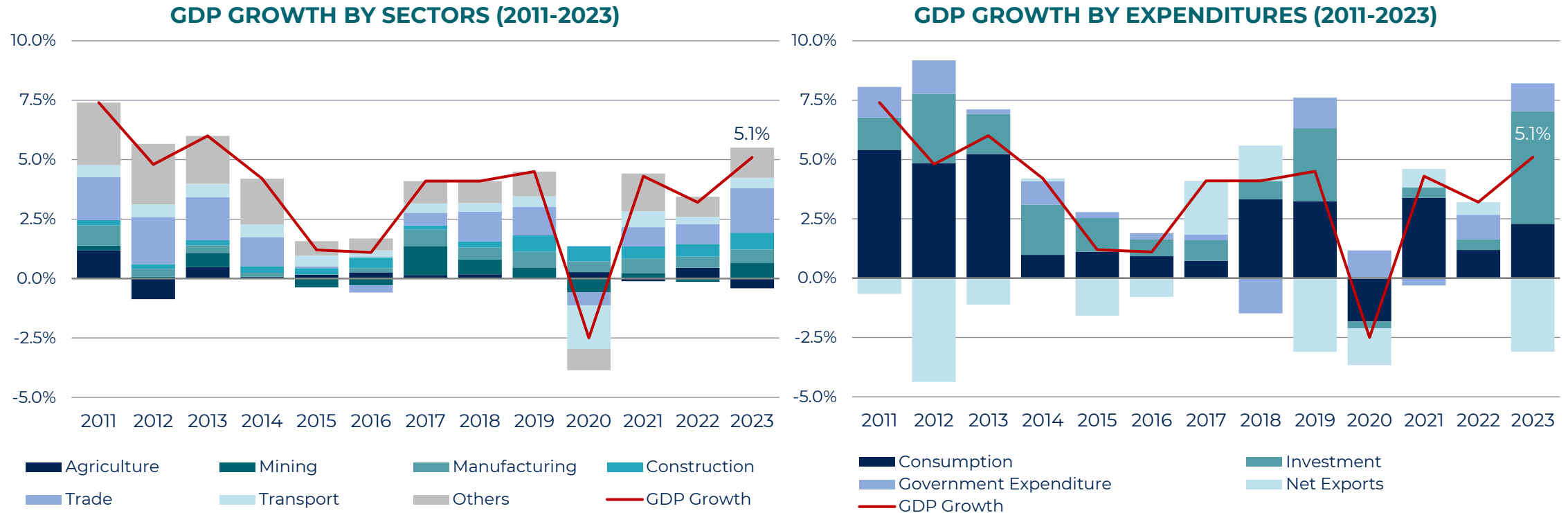


Agriculture
 Mining
 Manufacturing
 Construction
 Trade
 Transport
 Others
 Consumption
 Investment
 Government Expenditure
 Net Exports

In 2023, industry and services sectors in Kazakhstan constituted 30.5% and 65.2% of GDP, respectively. Particularly, share of mining industry is still exceeding the share of manufacturing – 12.9% and 12.1%, respectively. Share of trade services constitute 18.0%.

52.4% of Kazakhstan’s GDP was consumption, 11.0% – government expenditure, and 29.6% – investment. Share of government expenditure and investment grew from 10.5% and 23% in 2011, respectively.

GROSS DOMESTIC PRODUCT GROWTH

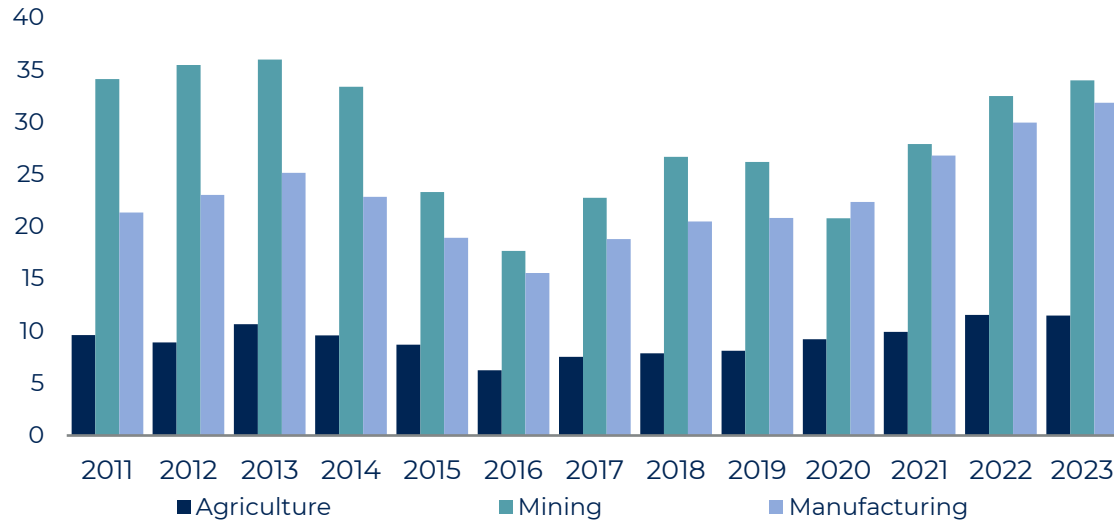


In 2023, the largest contributor to GDP growth was the trade sector. Construction and mining are among top contributing sectors.

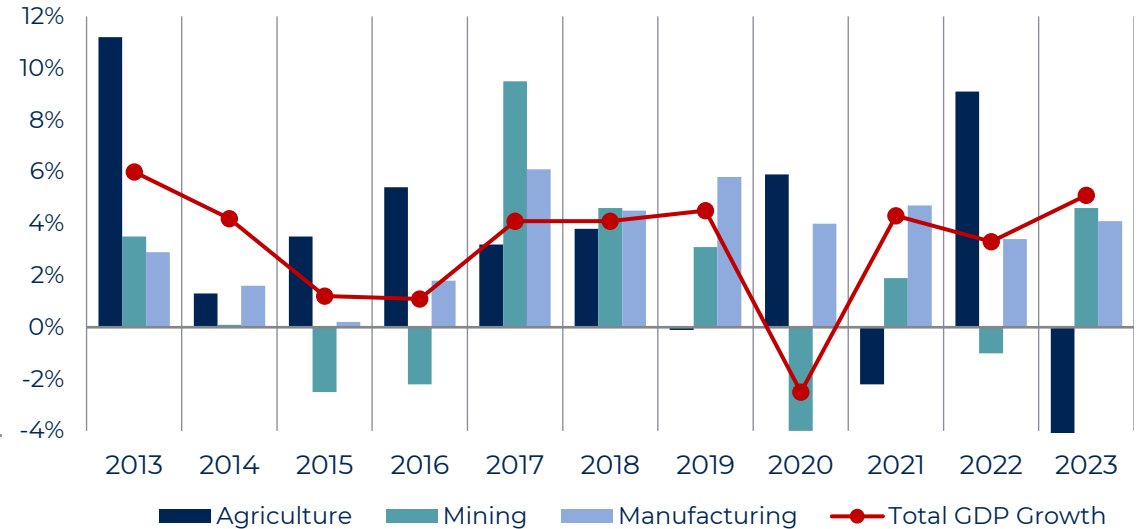
In 2023, private consumption was the second largest contributor to GDP growth after investments.

AGRICULTURE VS MINING VS MANUFACTURING

SIZE OF SECTORS OF KAZAKHSTAN (2011-2023)



GROWTH OF SECTORS OF KAZAKHSTAN (2013-2023)



Nominal GDP of selected sectors in 2023:

- Agriculture: \$ 11.5 bln
- Mining: \$ 34.0 bln
- Manufacturing: \$ 31.9 bln

In 2023, the size of non-service sectors of Kazakhstan was \$77.4 bln or about 29% of total GDP. 2020 was the only year when manufacturing exceeded mining since 2003.

Agriculture of Kazakhstan contracted by 7.9% in 2023 after 9.1% growth in 2022. While the mining sector has grown by 4.6% in 2023, after a 1% contraction in 2022.

Agriculture has volatile growth and its contribution to the overall GDP is low. Mining also has unstable growth that is highly dependent on commodity prices in the global markets.

2. LABOR MARKET



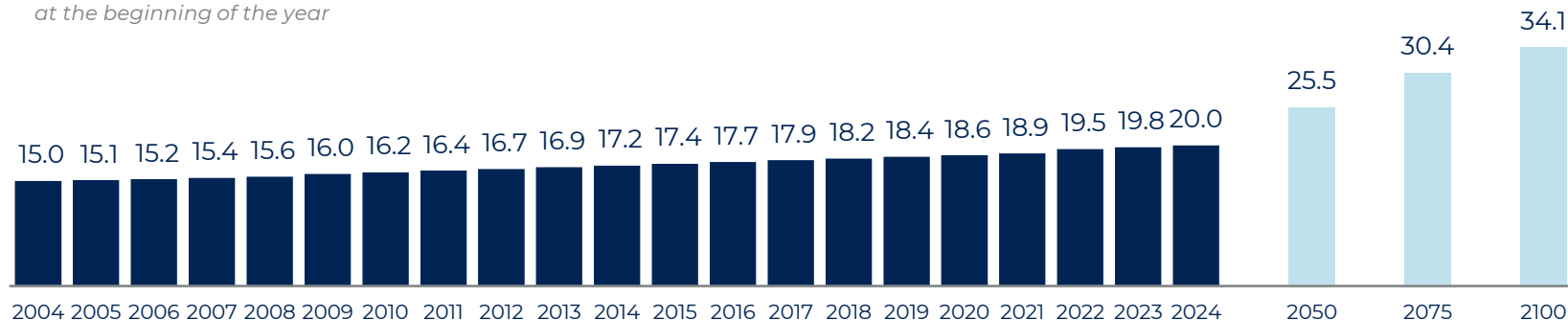
POPULATION SIZE AND AGE BREAKDOWN

Population of Kazakhstan exceeded 20 million people in November 2023.

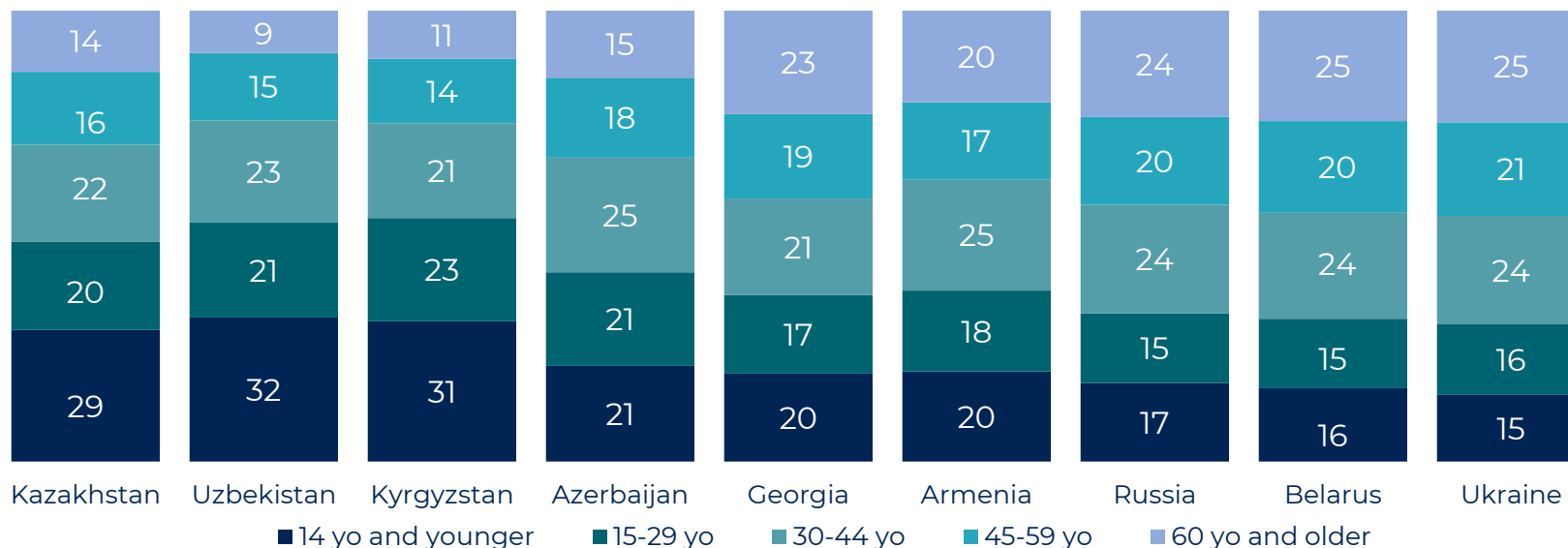
In the last 10 years, average population annual growth rate fluctuated around 1.5%. UN forecast: Kazakhstan's population would exceed 25 million by 2050 and 34 million by 2100.

29% of Kazakhstan's population is in the age group of 14 years and younger. Share of Kazakhstan's population who are older than 60 years is 14%. More than half of Kazakhstan's population was born after 1991.

POPULATION ACTUAL (2004-2024) AND UN FORECASTS (2050, 2075, 2100), MILLIONS
at the beginning of the year



POPULATION OF KAZAKHSTAN AND SELECT COUNTRIES BY AGE GROUPS IN 2024, %
at the beginning of the year



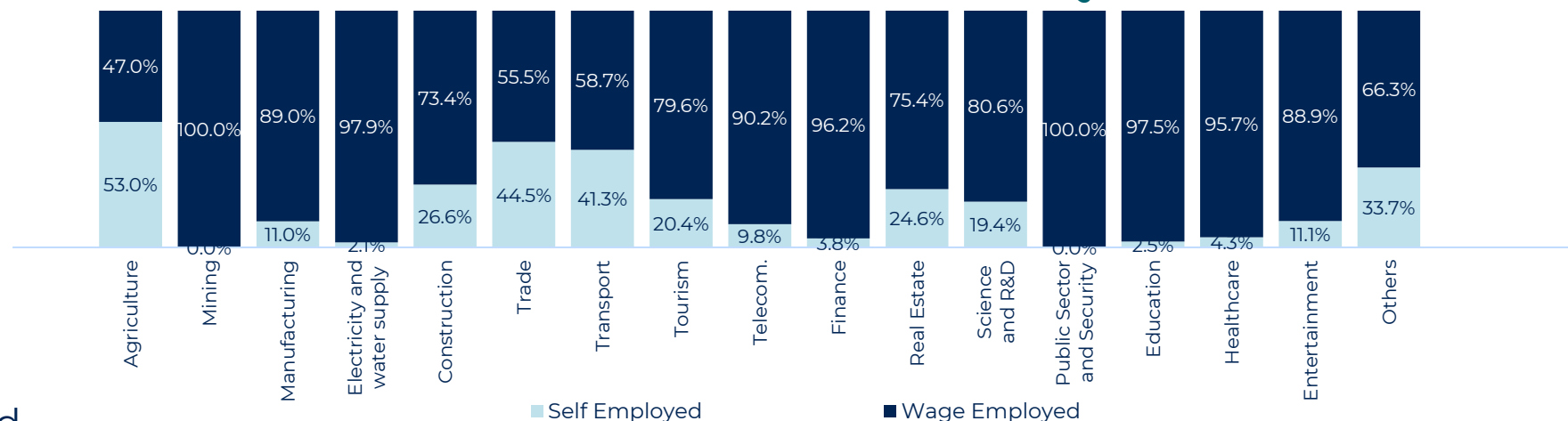
LABOR MARKET BY INDUSTRIES

In 2024 Q2, the unemployment rate stood at 4.7% (4.7% prev. quarter) with self-employment of 23% (22.7% prev. quarter).

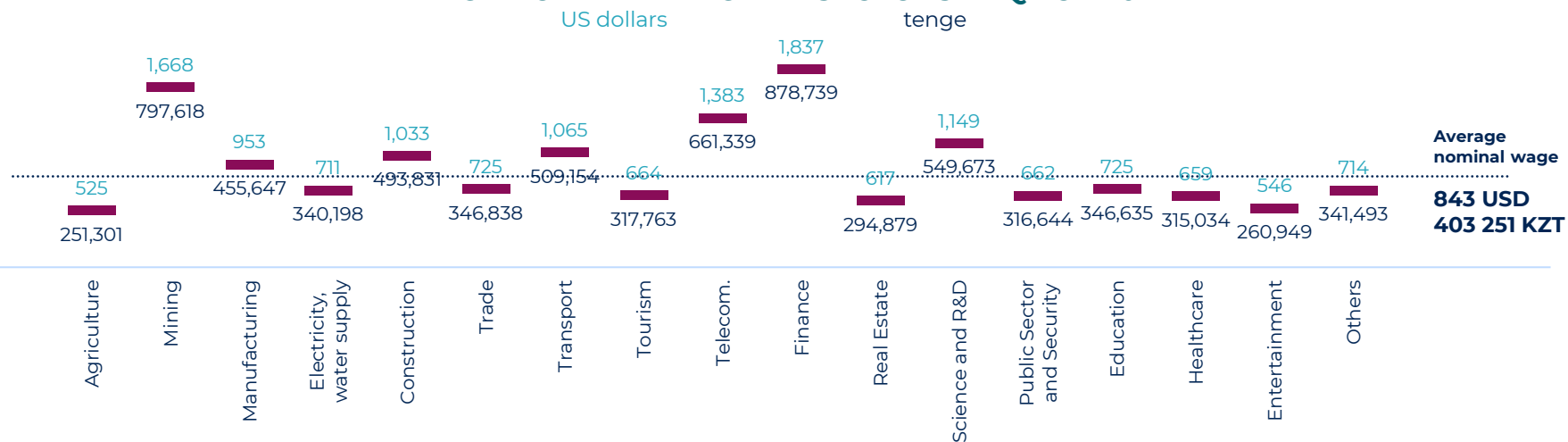
About half of employed in agriculture, trade, and transport sectors are self-employed.

Average nominal wages in Q2 of 2024 amounted to \$843. Agriculture has the lowest average wage – about \$525.

SHARE OF SELF-EMPLOYMENT BY SECTORS IN Q2 OF 2024



AVERAGE NOMINAL WAGE BY SECTORS IN Q2 OF 2024

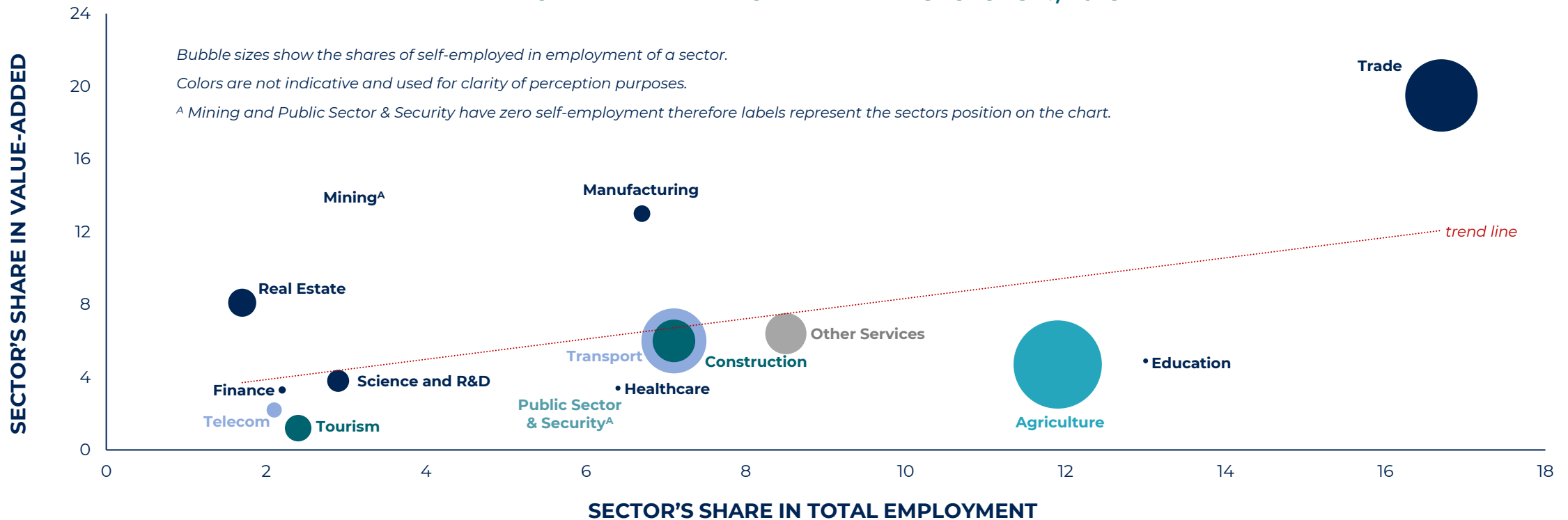


EMPLOYMENT AND VALUE-ADDED

In 2023, agriculture (52.5%), trade services (43.4%), transport services (40.9%), and construction (28.5%) had the highest share of self-employment.

Manufacturing and mining industries with respectively lower share of employed labor have one of the biggest shares of value-added while most of the sectors that have the highest share of self-employment (except trade services) are below the trendline.

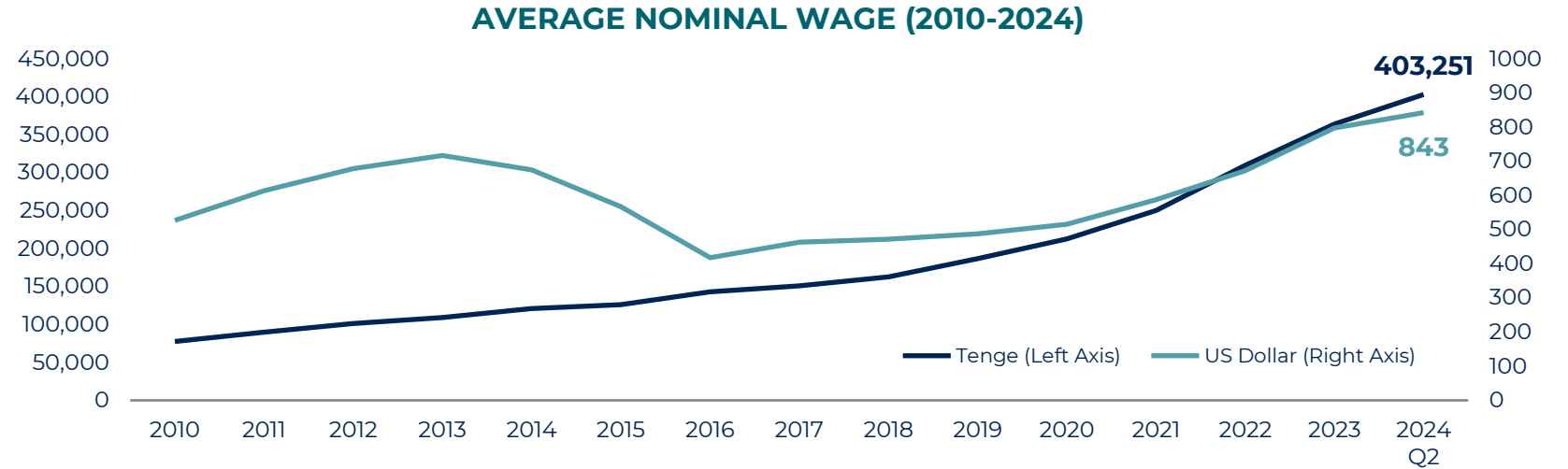
EMPLOYMENT AND VALUE-ADDED BY SECTORS %, 2023



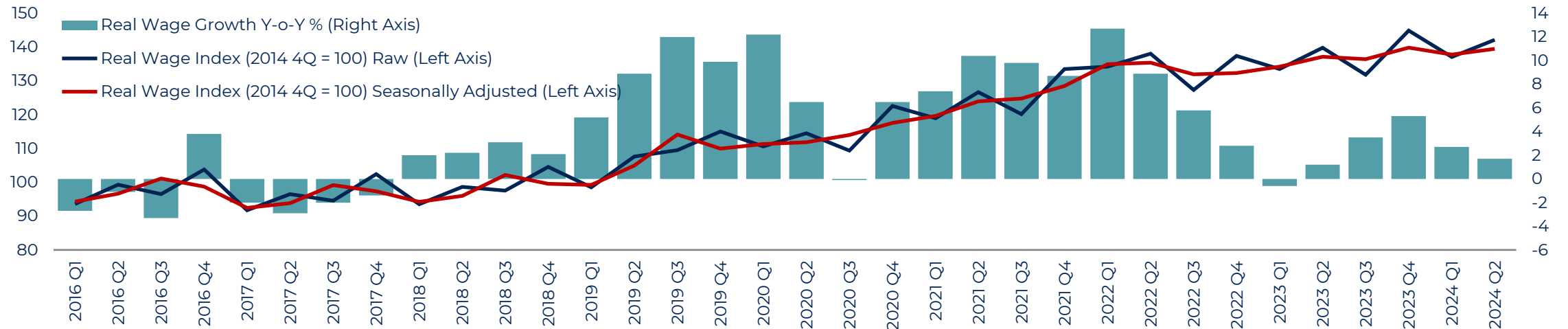
WAGES

Average nominal wage reached KZT 403 251 or USD 843 in 2024 Q2.

In 2024 Q2, real wages grew by 1.7% compared to the same quarter last year. Compared to the end of 2014, real wages have grown by almost 40%.



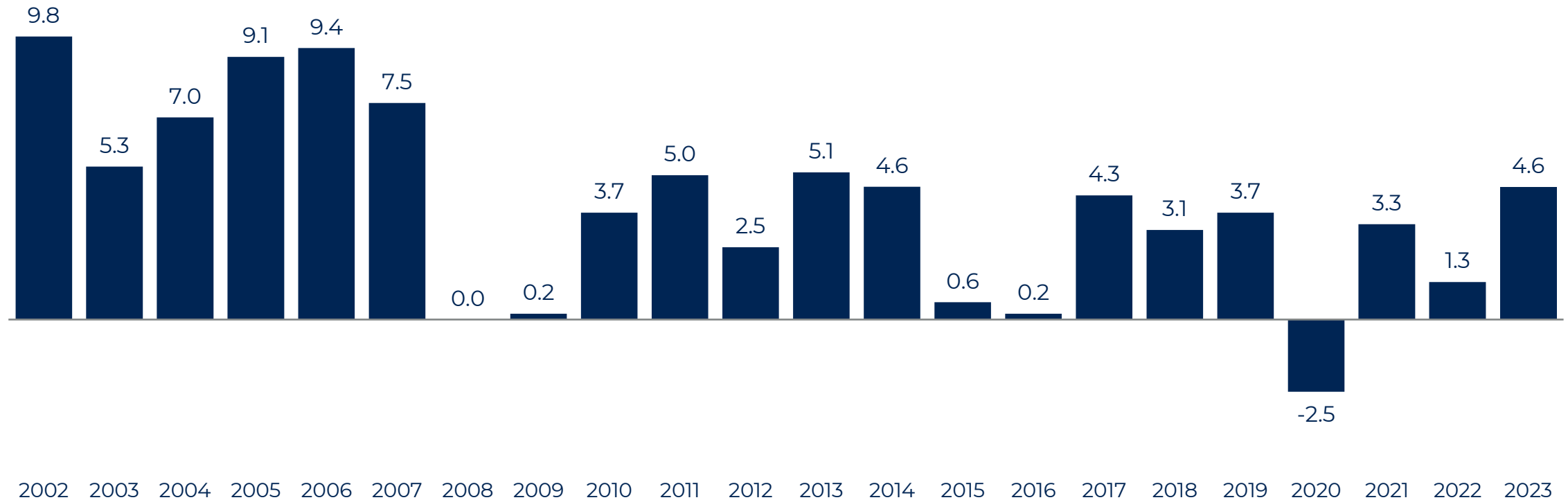
ANNUAL REAL WAGE GROWTH AND Q-O-Q REAL WAGE INDEX (2016-2024)



LABOR PRODUCTIVITY

In 2023, productivity growth was 4.6%. In 2018-2022, the average annual growth in productivity was 1.8%. Largest annual growth in productivity for the last 16 years (5.1% in 2013) is less than the smallest annual growth in productivity in 2002-2007 (5.3% in 2003).

LABOR PRODUCTIVITY Y-O-Y GROWTH, % (2002-2023)



3. EXTERNAL SECTOR

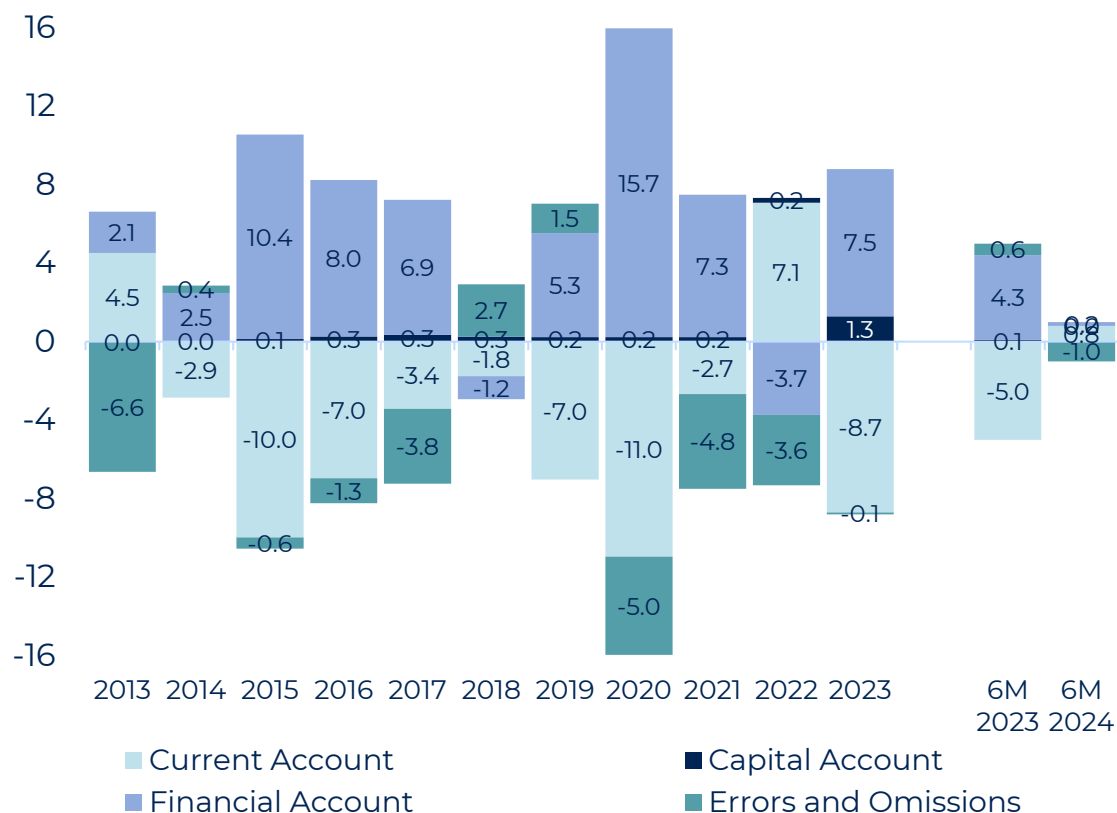


BALANCE OF PAYMENTS

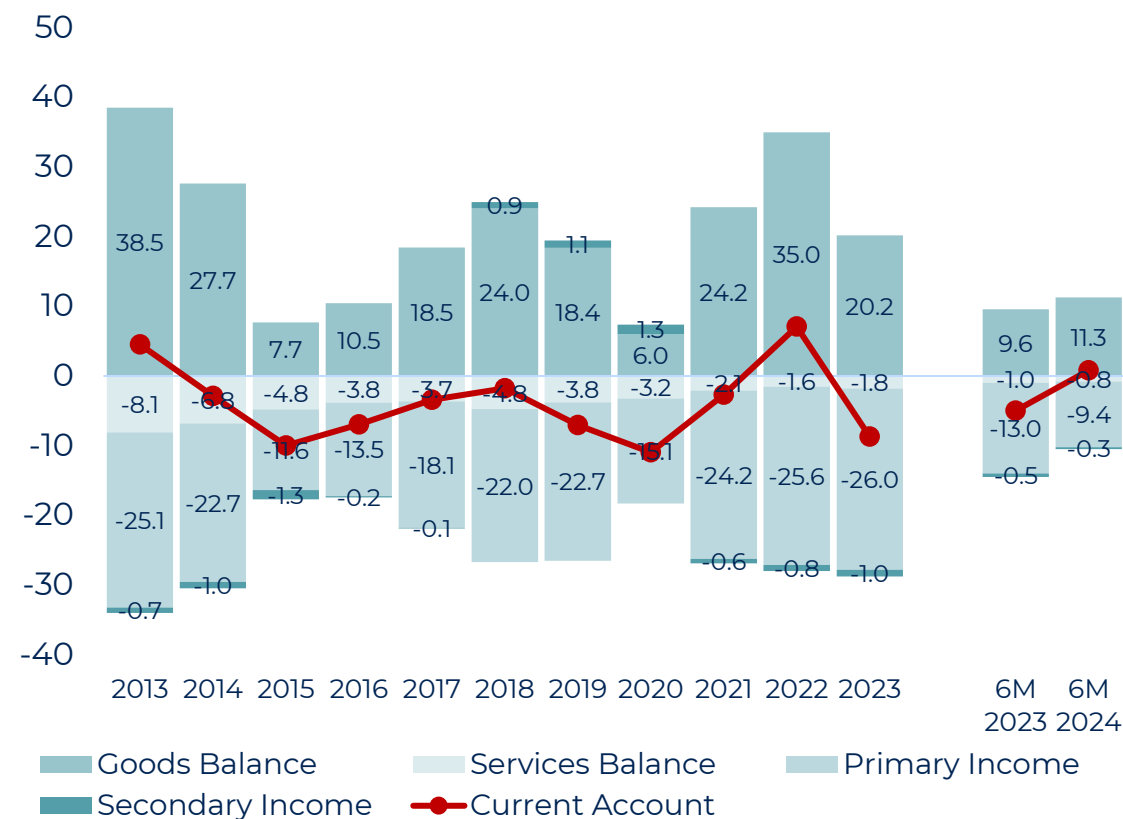
Current account was positive in 2022 for the first time since 2013 (\$7.1 bln). However, in 2023, it turned negative again (-\$8.7 bln).

Balance of trade in goods in 2023 (\$20.2 bln) was 42% less than in 2022 (\$35.0 bln).

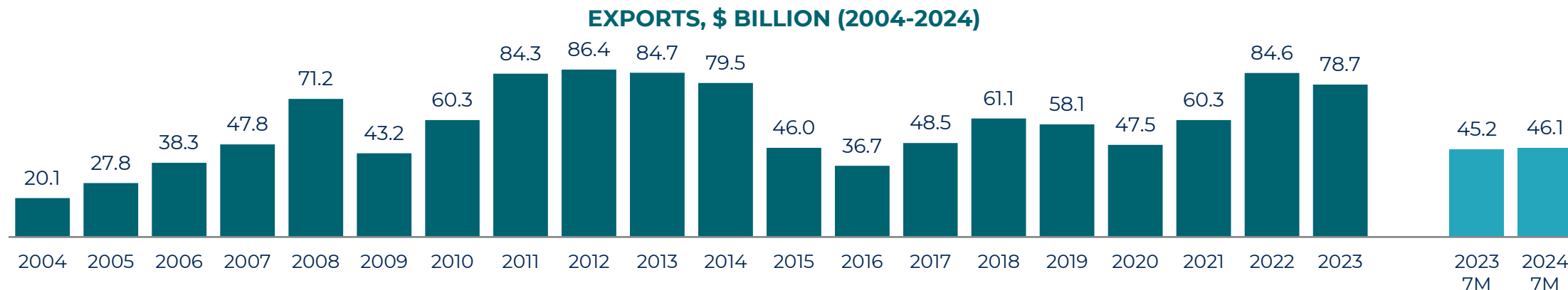
BALANCE OF PAYMENTS, \$ BILLION (2013-2024)



CURRENT ACCOUNT, \$ BILLION (2013-2024)



INTERNATIONAL TRADE: EXPORTS

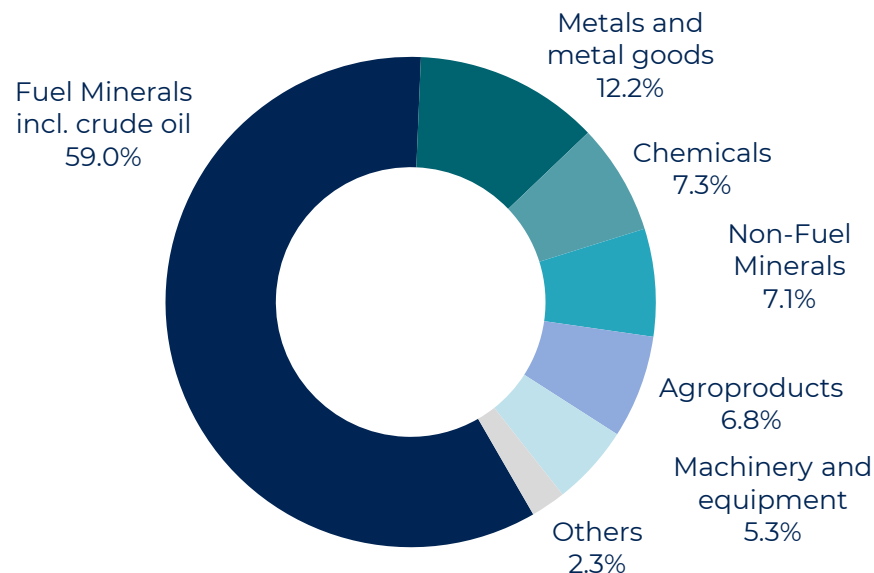


In 2023, Kazakhstan's exports declined by 7% compared to 2022 and amounted to \$78.7 billion.

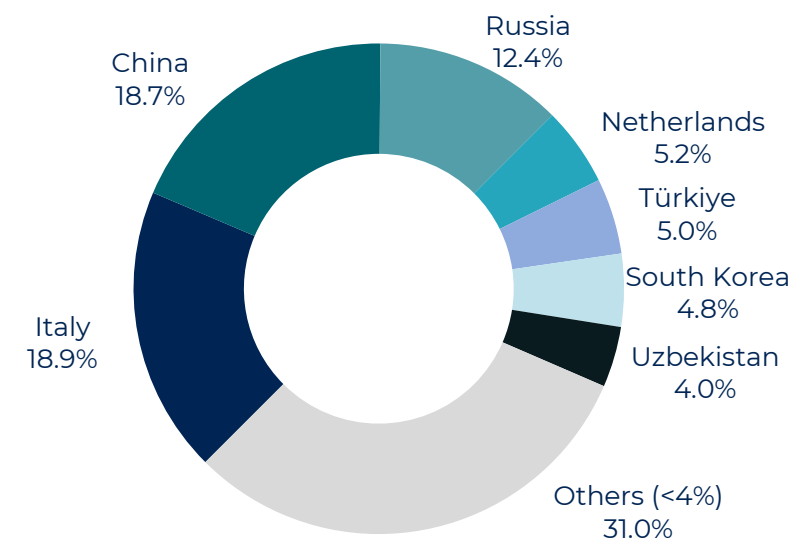
In 2023, almost 60% of Kazakhstan's exports were fuel minerals.

In 2023, the largest export destinations of Kazakhstan were Italy, China, and Russia.

EXPORTS BY GOODS, %, 2023

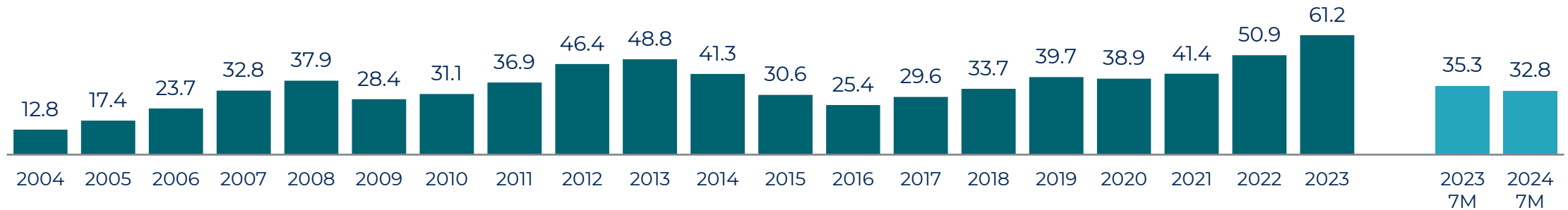


EXPORTS BY TRADING PARTNERS, %, 2023



INTERNATIONAL TRADE: IMPORTS

IMPORTS, \$ BILLION (2004-2024)

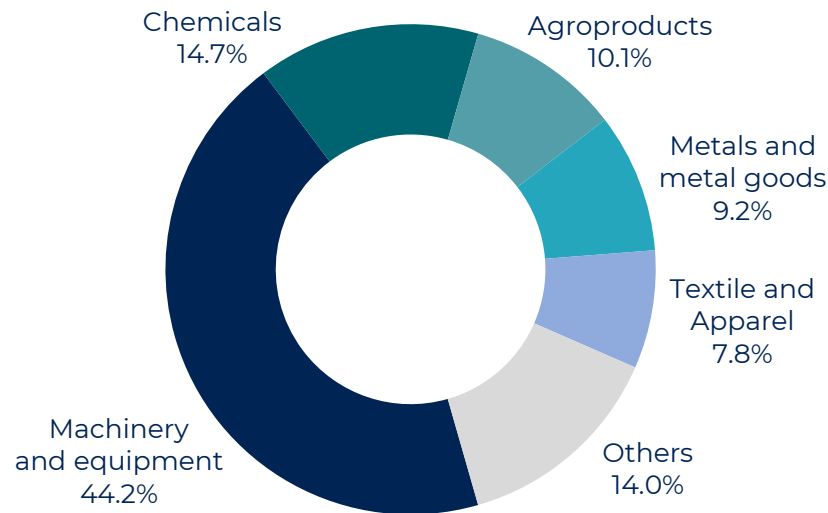


In 2023, imports increased by 20.1% compared to 2022 and amounted to \$61.2 billion.

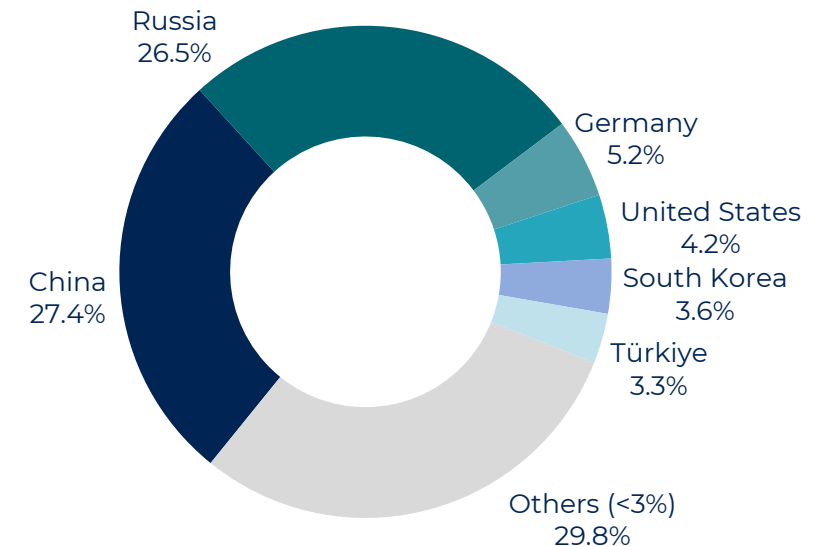
In 2023, more than 40% of imports were machinery and equipment

China and Russia together accounted for more than a half of total imports in 2023.

IMPORTS BY GOODS, %, 2023



IMPORTS BY TRADING PARTNERS, %, 2023



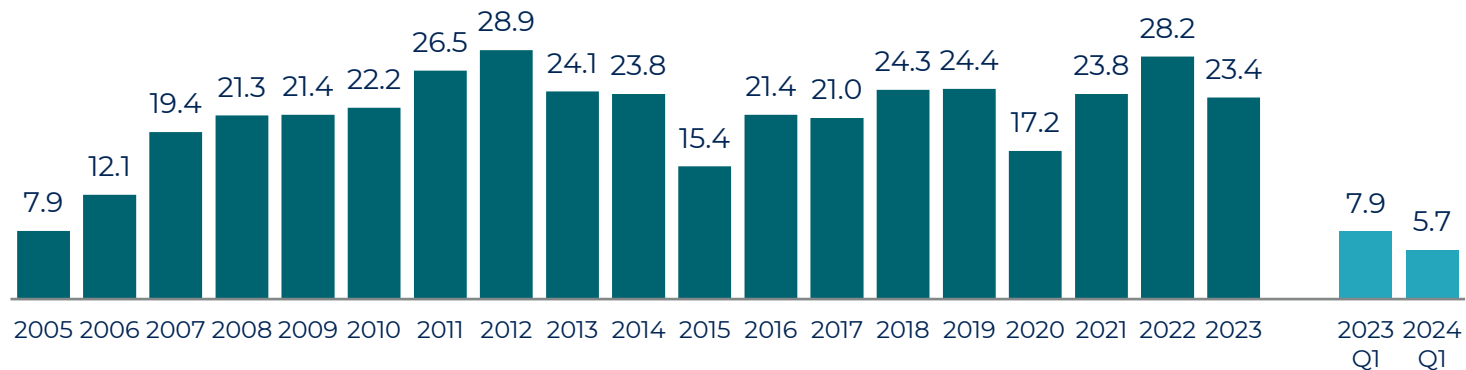
FOREIGN DIRECT INVESTMENTS

Gross FDI inflow in 2023 amounted to \$23.4 billion, 17% less than in 2022.

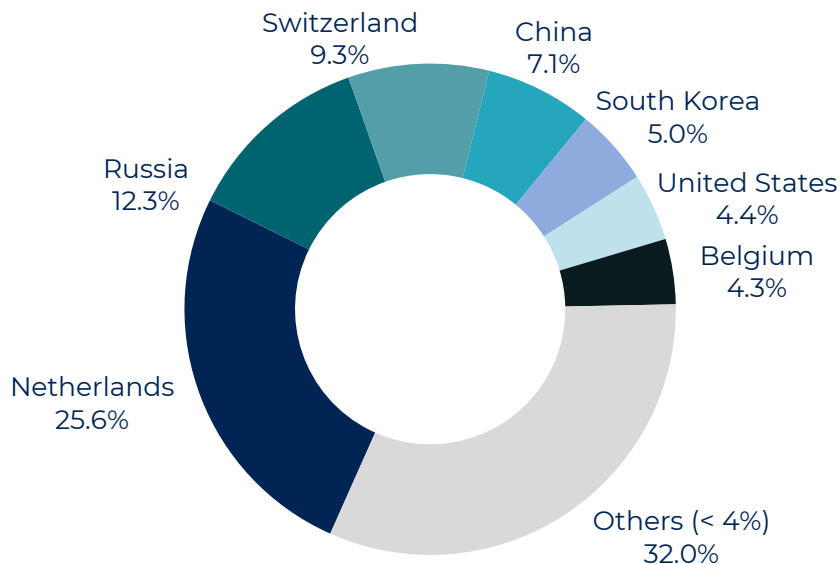
The Netherlands remained the biggest investor in 2023.

Oil and gas sector received almost a quarter of total gross FDI in 2023.

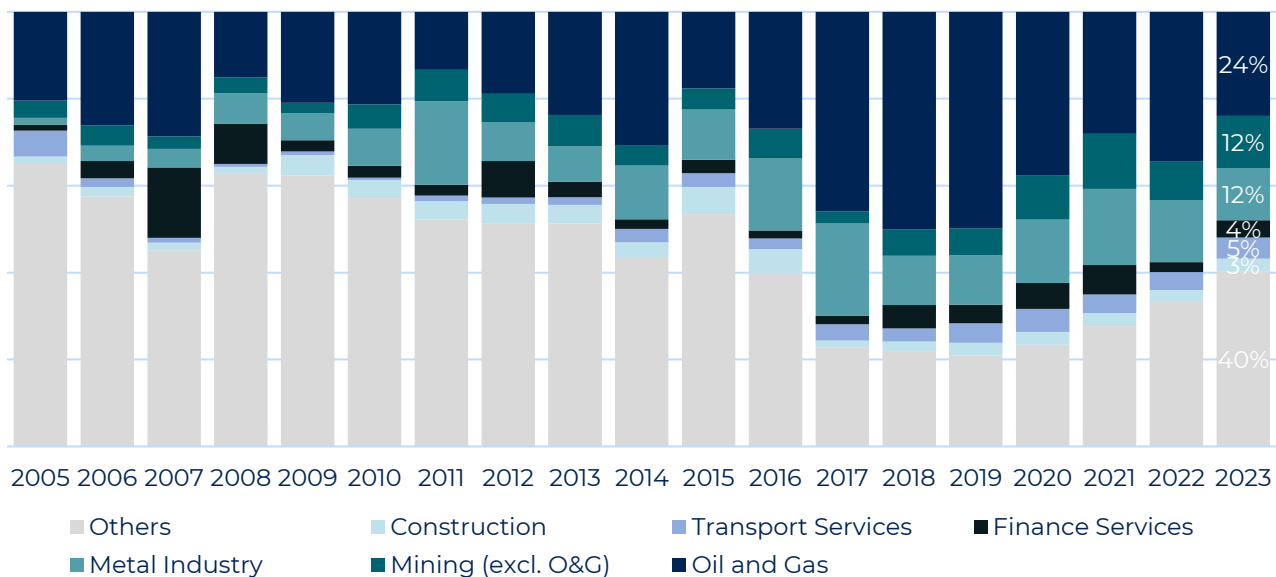
GROSS FOREIGN DIRECT INVESTMENTS INFLOW, \$ BILLION (2005-2024)



GROSS FDI INFLOW BY PARTNERS, %, 2023



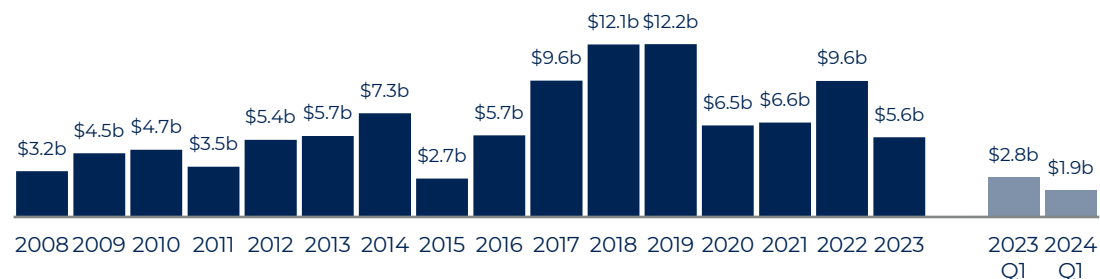
GROSS FDI INFLOW BY SECTORS, % (2005-2023)



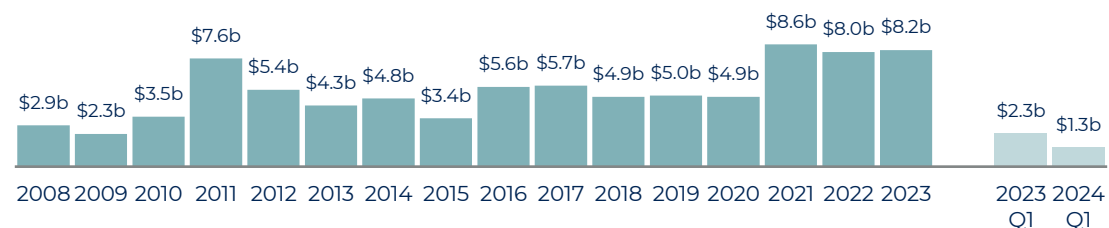
FOREIGN DIRECT INVESTMENTS BY SECTORS

Most of decline of gross FDI inflow in 2023 (-\$4.8 billion) was due to the oil and gas sector, which in 2023 attracted \$4 billion less than in 2022. Gross FDI to agriculture amounted to almost \$50 million in 2023, historically it never exceeded \$72 million. Trade (\$5.0 billion in 2023) has the largest share of gross FDI inflow into the services sector of Kazakhstan.

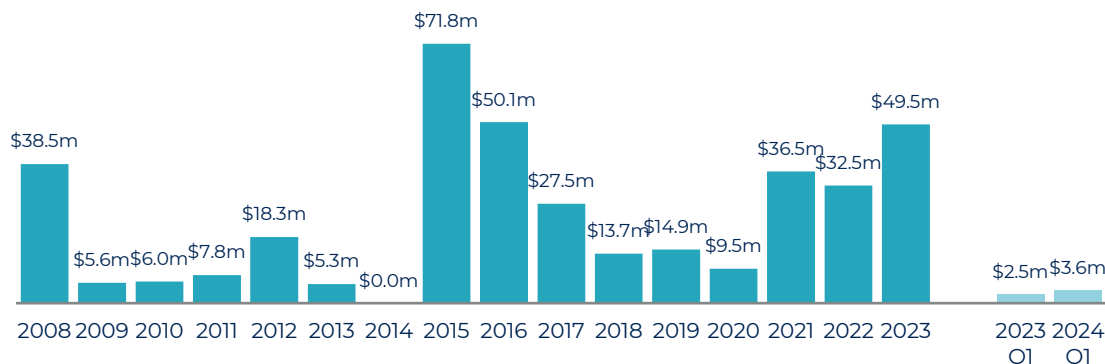
FDI INFLOW, OIL AND GAS MINING



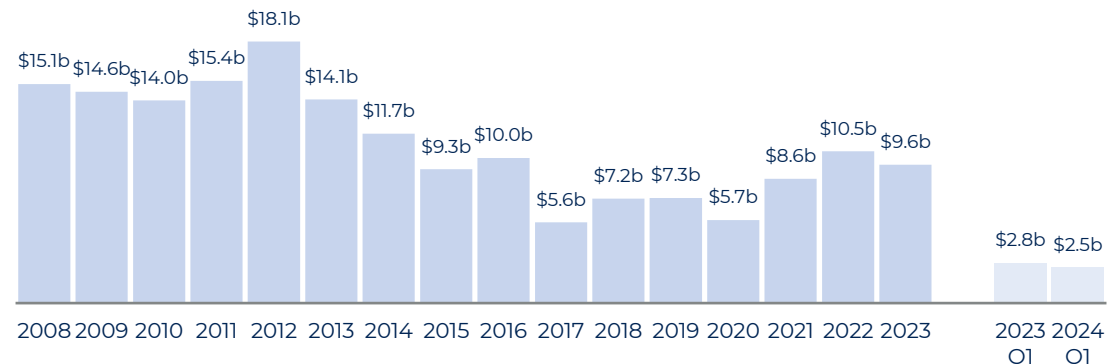
FDI INFLOW, NON-PETROLEUM MINING AND MANUFACTURING



FDI INFLOW, AGRICULTURE



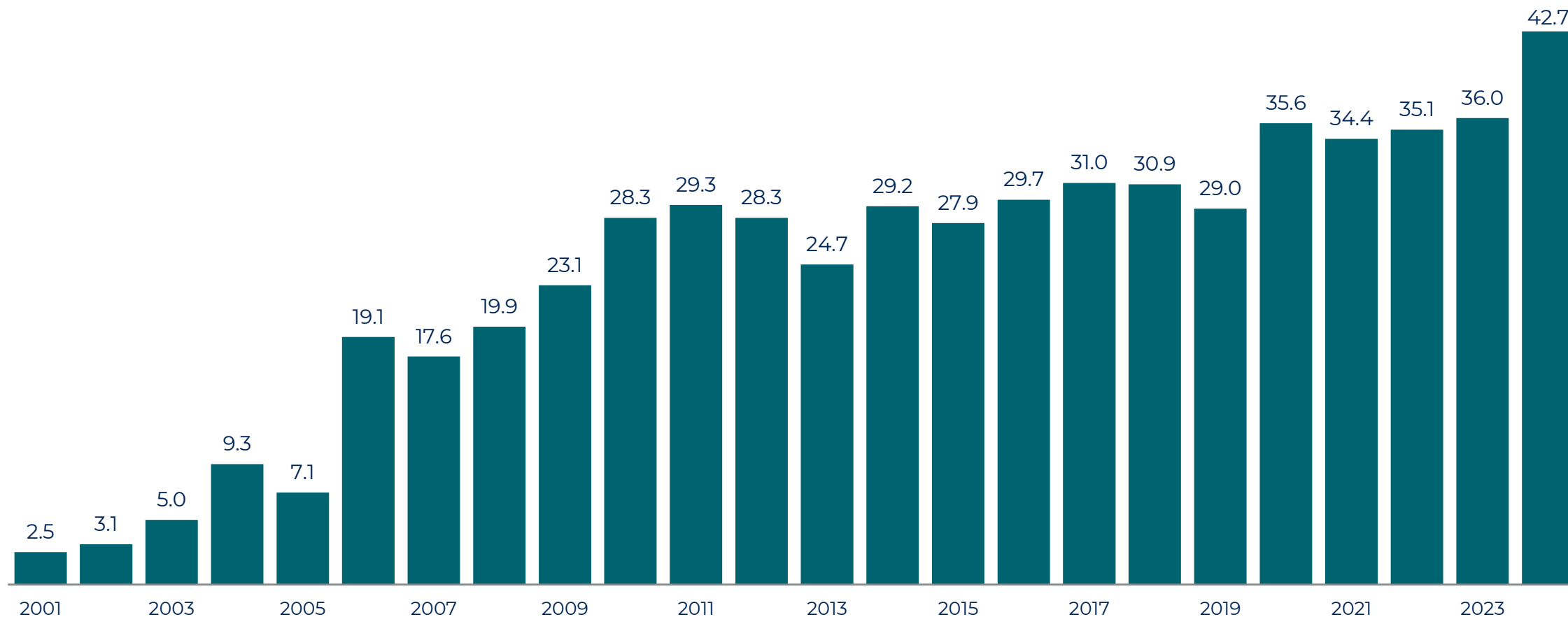
FDI INFLOW, SERVICES



INTERNATIONAL RESERVES

In August 2024, gross international reserves amounted to \$42.7 billion, that is increased from the beginning of the year (\$36.0 billion) and the same period of year ago (\$33.6 billion).

GROSS INTERNATIONAL RESERVES, END OF PERIOD, \$ BILLION, 2001-2024

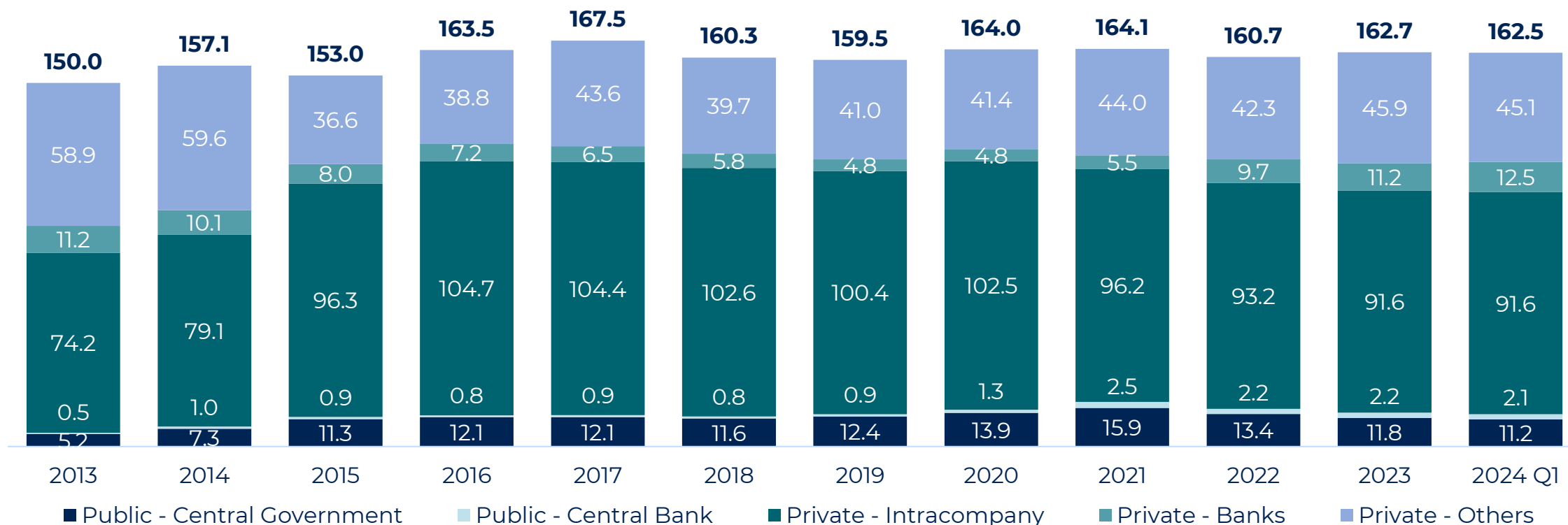


EXTERNAL DEBT

By the end of 2023, gross external debt reached 61.6% of GDP or \$162.7 billion. 56% of gross external debt (\$91.6 billion) is attributed to intracompany loans.

According to the National Bank of Kazakhstan, as of the end of 2023, Kazakhstan's public debt and publicly-guaranteed private debt amounted to \$16.8 billion or 6.4% of GDP.

EXTERNAL DEBT, END OF PERIOD, \$ BILLION (2013-2024)



4. FISCAL POLICY

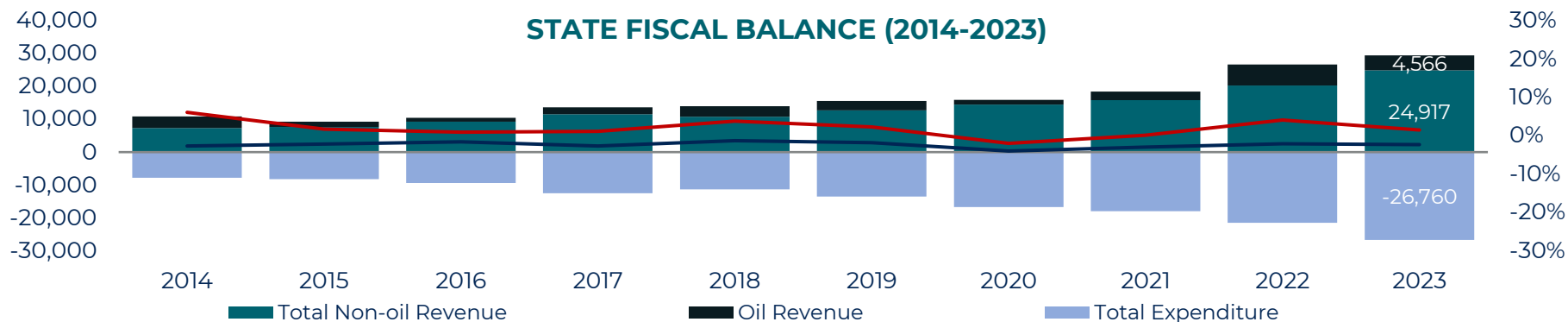


GOVERNMENT BUDGET & FISCAL POLICY

State budget balance has been in deficit for the last ten years and stood at 2.4% of GDP in 2023.

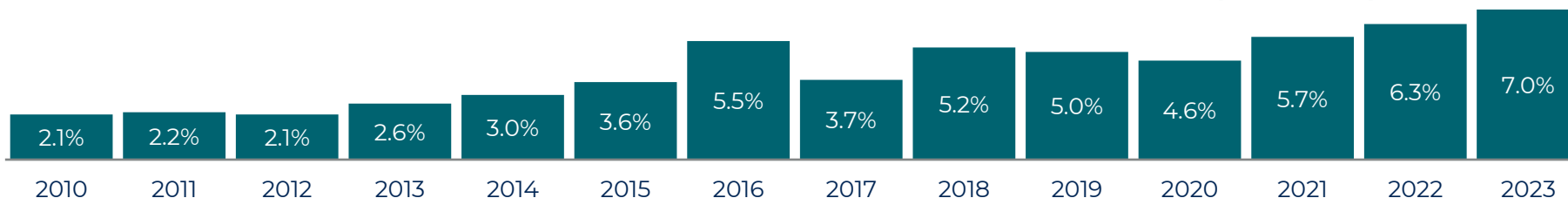
However, overall fiscal balance that includes oil revenue to the National Fund was positive at 1.5% of GDP in 2023.

Share of Public Debt Service in Total Budget Expenditure more than tripled from 2.1% in 2010 to 7.0% in 2023.



% to GDP	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
State Budget Revenue	18.5%	18.7%	19.8%	21.3%	17.5%	18.3%	20.6%	18.9%	19.7%	20.9%
State Budget Expenditure	19.6%	20.1%	20.1%	23.0%	18.4%	19.5%	23.7%	21.4%	20.9%	22.4%
Net Budgetary Lending	0.1%	0.2%	0.5%	0.4%	0.3%	0.4%	0.4%	0.3%	0.6%	0.4%
Operations with Fin. Assets	1.4%	0.6%	0.8%	0.6%	0.2%	0.4%	0.5%	0.2%	0.3%	0.4%
State Budget Balance	(2.7%)	(2.2%)	(1.6%)	(2.7%)	(1.3%)	(1.8%)	(4.0%)	(3.0%)	(2.1%)	(2.4%)
Oil Revenue (National Fund)	8.8%	4.0%	2.4%	3.7%	5.2%	4.1%	2.0%	3.1%	6.2%	3.8%
Overall Fiscal Balance	6.1%	1.7%	0.9%	1.1%	3.8%	2.3%	(2.0%)	0.1%	4.1%	1.5%

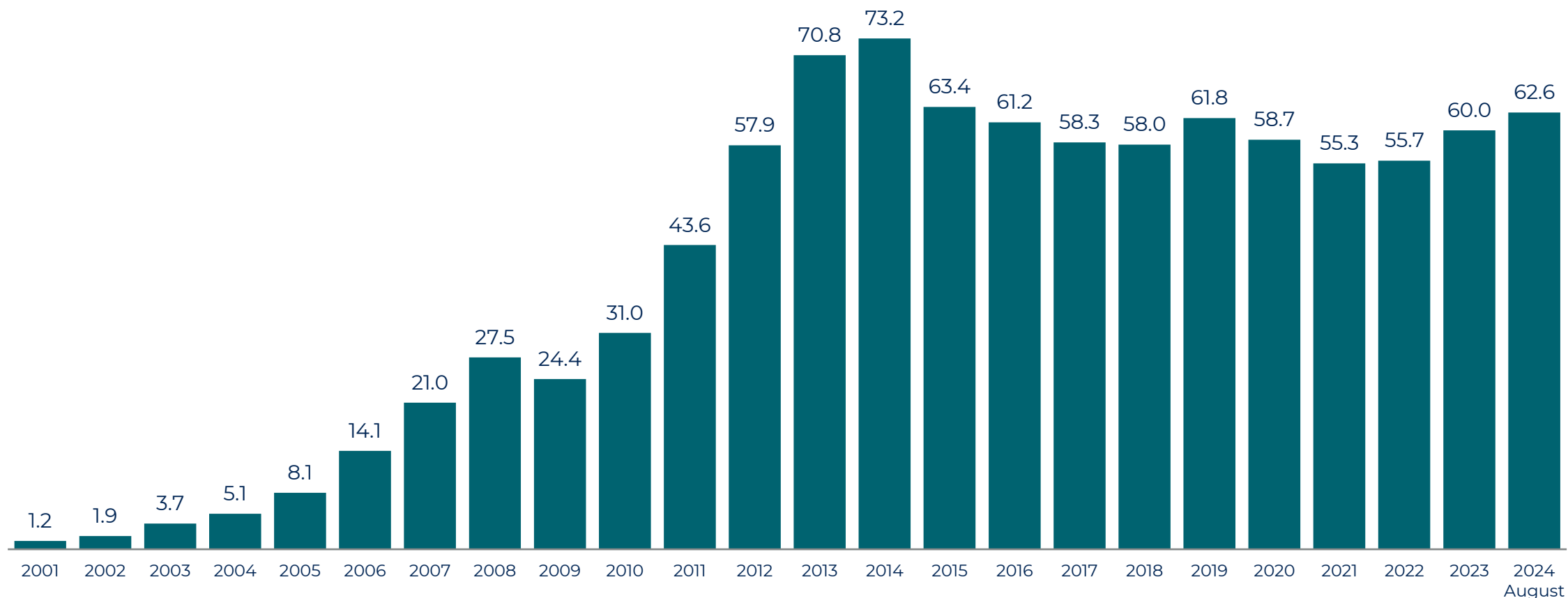
SHARE OF PUBLIC DEBT SERVICE IN STATE BUDGET EXPENDITURES (2010-2023)



NATIONAL FUND

In August 2024, assets of the National Fund amounted to \$62.6 billion, that is increased from the beginning of the year (\$60.0 billion) and the same period of year ago (\$59.9 billion).

ASSETS OF THE NATIONAL FUND, END OF PERIOD, \$ BILLION (2001-2024)



5. MONETARY POLICY

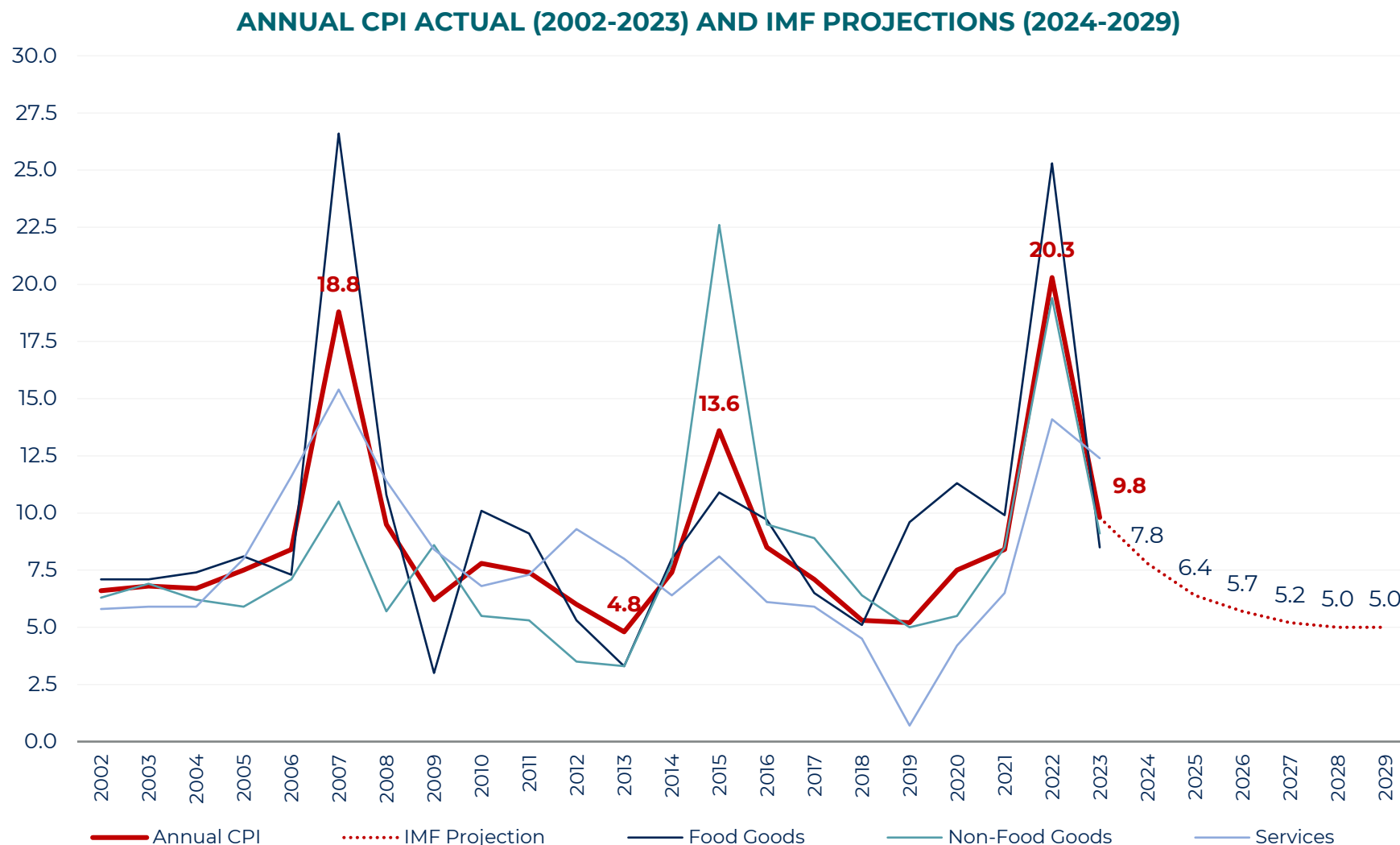


PRICES

In 2023, annual CPI was fell to 9.8% after 20.3% in 2022, the largest registered since 1997. For the last 20 years the lowest registered annual CPI was 4.8% in 2013.

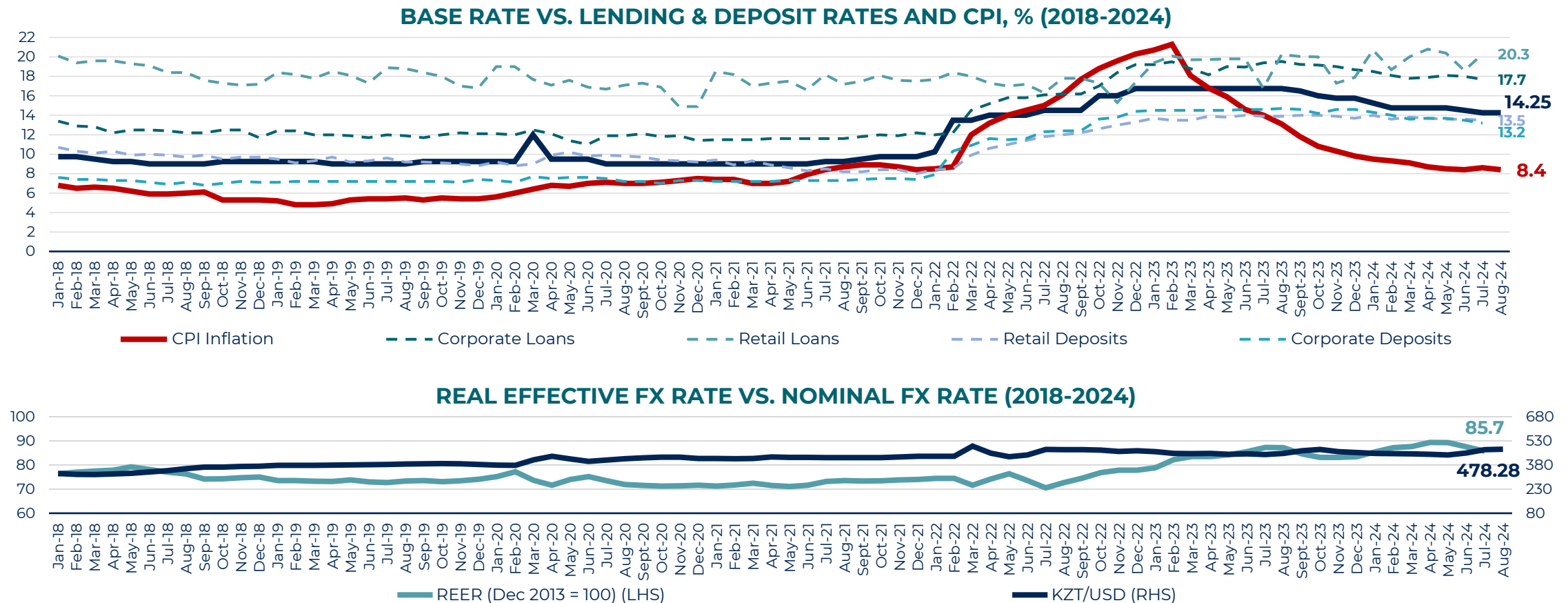
The IMF forecasts annual CPI in Kazakhstan to be 7.8% in 2024 and to fall to 6.4% in 2025, and to 5.7% in 2026.

In August 2024, the annual CPI stood at 8.4%, which is below that of August 2023 (13.1%) and December 2023 (9.8%).



MONETARY POLICY

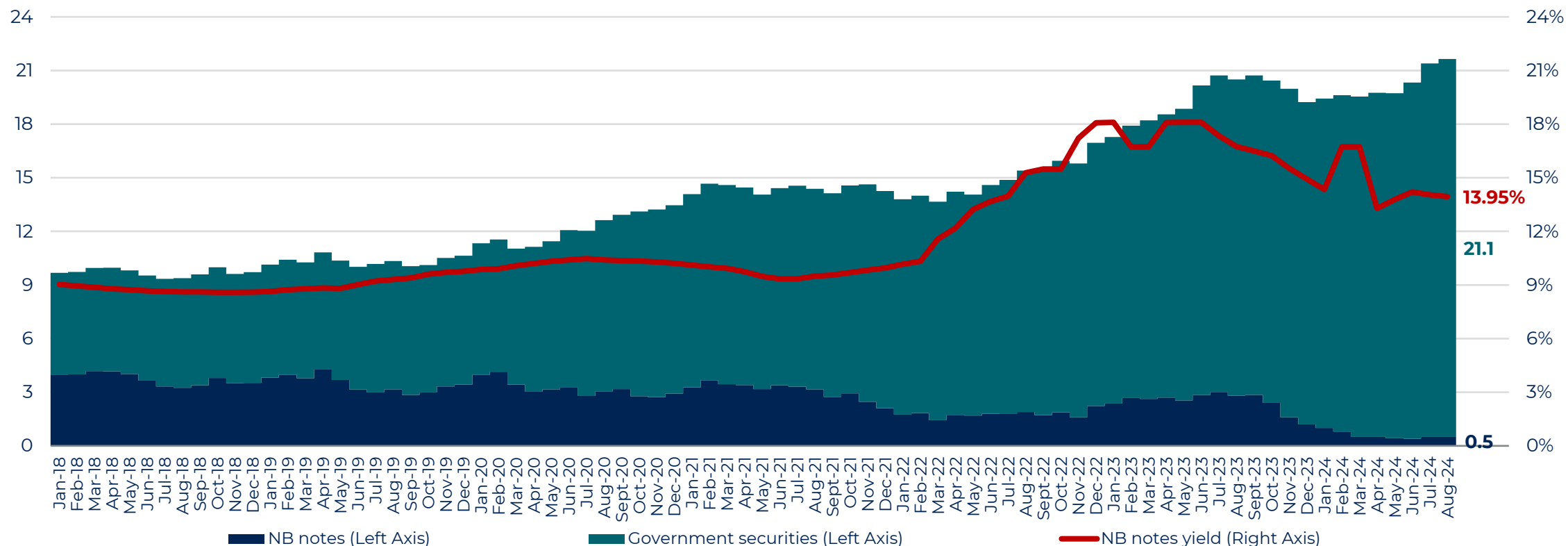
On 15 July 2024, the National Bank of Kazakhstan set the base rate at 14.25%. Average exchange rate in 2023 was 456.31 KZT per US dollar (460.48 tenge per US dollar in 2022). Average exchange rate in August 2024 was 478.28 KZT per US dollar.



GOVERNMENT SECURITIES MARKET

Total amount of circulating KZT denominated National Bank notes and government securities reached KZT 21.6 trillion in August 2024 despite gradual decrease of National Bank notes from KZT 3 trillion in July 2023 to KZT 0.5 trillion in August 2024. In August 2024, average effective yield on short-term notes of National Bank decreased to 13.95% (14.93% in December 2023).

CIRCULATING AMOUNT OF GOVERNMENT SECURITIES AND NATIONAL BANK NOTES, TENGE TRILLION (2018-2024)



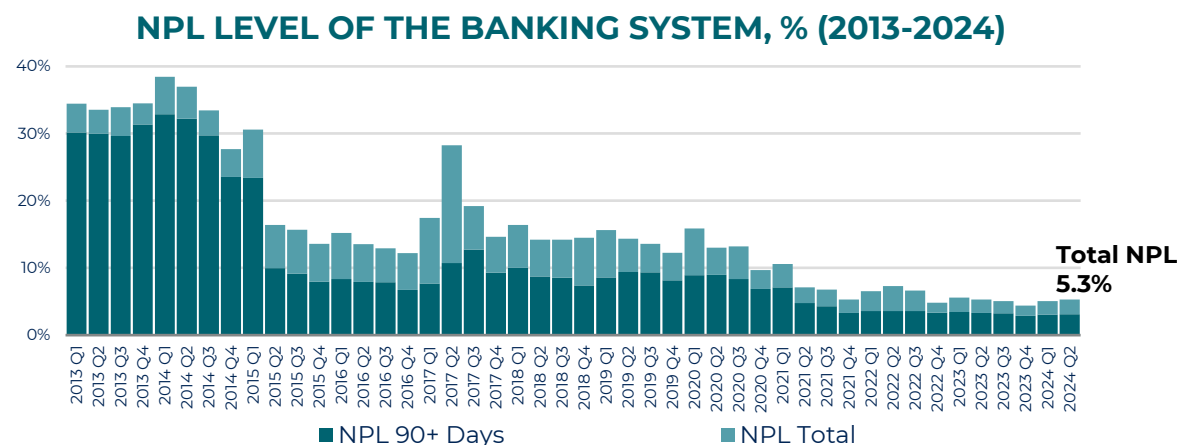
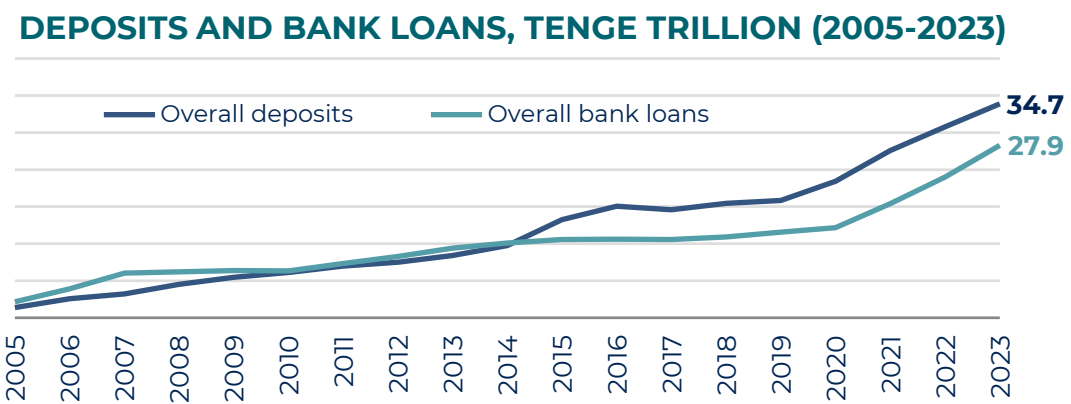
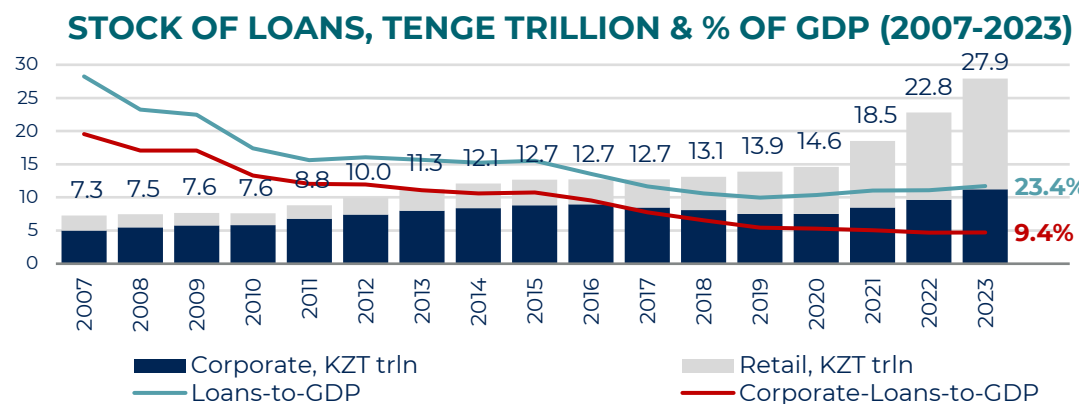
6. BANKING SECTOR



BANKING SECTOR OVERVIEW

By the end of 2023, stock of loans to the economy amounted to KZT 27.9 trillion or 23.2% of GDP. By the end of 2023, the gap between stock of deposits and stock of loans in the banking sector reached KZT 6.8 trillion.

By the end of 2023, share of NPLs decreased to 4.4% of total banks assets. By the end of second quarter of 2024, it amounted to 5.3%.



Top 10 Banks by Assets (as end of Q2 2024)	% of System Assets	% of System Lending	% of Problem Loans	% of NPLs (+90 days)
Halyk Bank	29.4	31.8	3.8	2.2
Kaspi Bank	12.7	16.0	7.7	5.0
Bank CenterCredit	10.5	11.0	2.8	1.5
Otbasy Bank	7.2	10.0	1.4	0.1
ForteBank	6.8	5.3	5.1	3.4
Jusan Bank	5.6	4.3	10.5	7.8
Eurasian Bank	5.5	4.6	11.7	5.9
Freedom Bank Kazakhstan	4.1	2.1	3.8	1.9
Bereke Bank	4.1	4.5	9.7	6.1
RBK Bank	3.7	4.1	4.3	2.0

7. PENSION SYSTEM

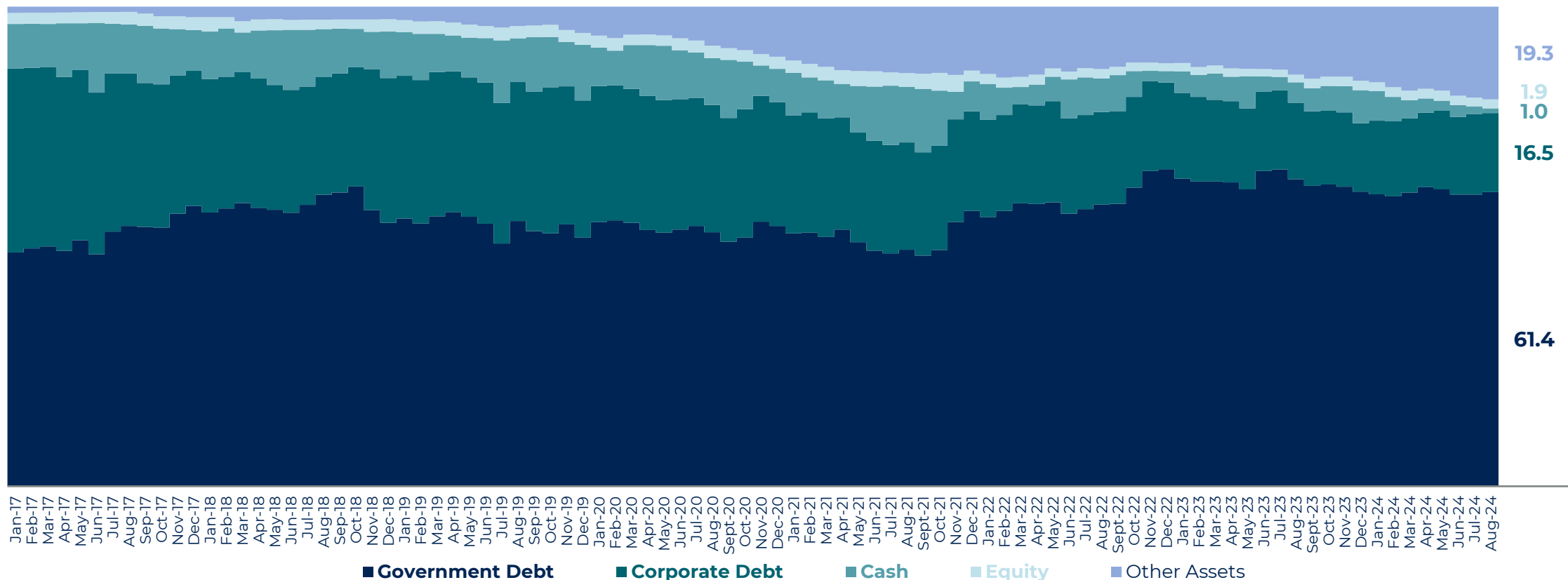


STRUCTURE OF PENSION SYSTEM SAVINGS

In August 2024, the total amount of assets of pension system reached KZT 20.7 trillion, increased comparing to the beginning of the year (KZT 17.9 trillion) and to August of the previous year (KZT 16.8 trillion).

In August 2024, 77.8% of pension system's investment portfolio was in government and corporate bonds.

STRUCTURE OF ASSETS OF PENSION SYSTEM SAVINGS, % (2017-2024)



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