



Қазақстан қор биржасы
Казахстанская фондовая биржа
Kazakhstan Stock Exchange

KASE development strategy for 2019-2021

august 2019

Mission



Promotion of **sustainable economic growth of Kazakhstan** through:

- Technological infrastructure enabling domestic issuers to raise funds
- Providing a platform for the redistribution of liquidity in the financial system
- Offering a reliable, stable and transparent investment environment to local and foreign investors

Vision



KASE is a **high-tech trading platform**, that provides a complete range of exchange services, accessible to domestic issuers and is open to local and foreign investors

Goal



Maintaining the **KASE's leading position** as a stock exchange throughout the Kazakhstan

Development strategy for 2019 – 2021

IT Modernization



- The stage-by-stage IT modernization of trading-clearing system
- Implementation of the certified protocols for market information dissemination
- Implementation of the new trading regimes in the stock market

Launch of a Central Counterparty



- Consistent implementation of clearing and CPP services in the following classes of financial instruments:
- FX SPOT / SWAP
 - Futures
 - Equity instruments T+2/T+0
 - Non-government bonds in tenge T+0
 - Government securities
 - Repo operations
 - Municipal bonds
 - Non-government bonds in foreign currencies T+2

Enhancing Liquidity Increase and Market Depth



- Enhancing stock market liquidity
- Stimulating bond market as an option to bank lending
- Stimulating active involvement of public in investment on stock market
- Increasing investment opportunities for institutional investors.
- Expansion of the investor base by increasing the number of foreign market participants
- Boosting the trading volume and introduction of new products in FX, money and derivatives market.

Implementing the principles of sustainable growth

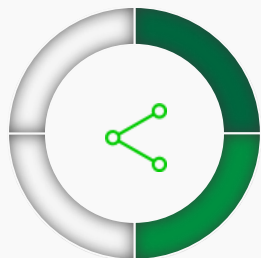


- Strengthening the investment value of KASE
- Improvement in the risk management, internal control and audit
- Increasing transparency in KASE activities
- Setting green standards in the business processes
- Increasing social corporate responsibility



IT modernization by way of switching to trading and clearing systems (TCS) of OJSC "Moscow Exchange", including the use of standardized connection protocols for TCS

- **Goals:** increase in the number of trading participants, improving the technical reliability of the exchange infrastructure and reducing operating risks, implementing certified market data exchange protocols and new trading modes on the exchange markets
- **Expected results:** extending the list of financial instruments available for trading, ensuring the possibility of developing the high-frequency trade, ensuring the possibility of direct connection for foreign brokers, developing technologies of information products delivery



Launch of the central counteragent services for purposes of guaranteeing the completeness of the settlement of deals on the Exchange

- **Goals:** promoting the growth of liquidity of markets, reducing the credit risk of participants, guaranteeing the completeness of the settlement of deals, cutting transaction costs of participants on account of cross-margining and netting, unified risk-management system
- **Expected results:** increase in the number of trading and clearing participants, the possibility of separating clearing and trading participants, extending the number of clients of the Exchange on account of implementing guarantees of settlement completeness



Stimulating the improvement of liquidity and depth of the exchange market by attracting new participants and implementing new instruments

- **Goals:** facilitating the improvement of liquidity on the equity market, stimulating the development of the bond market as an alternative of bank lending, stimulating the populations' involvement in the investing on the stock market, extending investment opportunities for institutional investors, extending the investor base on account of attracting more foreign participants
- **Expected results:** increasing the amount of trading on the stock, currency and money markets, extending the issuer base, an increase in the number of trading and clearing participants, a stable inflow of new listed securities, a stabilization of the equity market capitalization/GDP rate at ~30% by 2021, growth of the amount of funds raised on the stock market, an increase in the number of retail investor accounts to 1 % of the Republic of Kazakhstan's population by 2021 (to ~180 th. from the current ~125 th.), an increase in the share of foreign investors



Implementation of sustainable development principles to increase the Exchange's investment attractiveness

- **Goals: improvement of the risk management quality,** internal control and audit, increasing the transparency of operations, implementing HSE standards, increasing the social responsibility
- **Expected results:** strengthening of competitive advantages, trust of all interested parties, high market value and reputation, increased resistance of the company to risks, high standards of operational transparency

Thank you for attention!

 Kazakhstan Stock Exchange

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 Kazakhstan.stock.exchange

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