



Quarterly Macroeconomic Report

Expert Survey Results
Q4 2021



Important Note

We have conducted our seventh quarterly survey on macroeconomic indicators among leading and distinguished economists (including those who have worked in central banks), professors of macroeconomics, representatives of international development institutions, commercial banks, and brokerage firms to obtain a balanced picture of the most important factors for the economy of Kazakhstan.

The survey is focused on projections of the following macroeconomic indicators in time horizons of 1 to 5 years, including:

- the BRENT oil price
- USD/KZT, USD/RUB, RUB/KZT exchange rates
- inflation rate in Kazakhstan
- NBRK base rate

We understand that revealing experts' identities may affect their responses. In order to avoid such biases, we kept the survey confidential. The respondents' names and job titles were disclosed only with their formal permission.

Introduction

When we conceived our macroeconomic review, it was December 2019, then very few people knew about COVID-19. Our first release was in July 2020. At that moment, the whole world had already accepted the fact of the pandemic, and in Kazakhstan at that time there were not enough space in the hospitals and there was no way to get the medicines.

Today, this is our seventh edition, and the inhabitants of the planet EARTH have already adapted to the new rules of social life (lockdowns, masks, antiseptics, distancing, PCR, vaccines, checking statistics how many got sick and how many died ...). Having survived the initial strain, popularly called "Chinese", we began to fear the "British" one, but then all countries were attacked by the "delta". As I write my introduction, the news are focusing on South Africa, from where a new strain called "omicron" is spreading.

The economic consequences that the pandemic will entail are not yet fully clear, but we can confidently say that we still have to see many structural, large-scale changes in our country and around the world. What we will be like next year, who or what we will be afraid of and what prospects await us - it all depends on the decisions. And decisions, in turn, depend on who makes them and what goals they want to achieve. Kazakhstan has great opportunities for growth, the realization of which is possible if we are decisive and courageous, if we give priority to the welfare of the entire society of our beautiful country.

We present to you the seventh issue of the Quarterly Macroeconomic Report, Q4 2021. The survey pool of participants is the same and includes reputable economists, financiers, and representatives of Kazakhstan's scientific community who shared their opinions on important macroeconomic indicators of the country: oil prices, USD/KZT, USD/RUB, RUB/KZT exchange rates, inflation rate and NBRK base rate.

We assume that the answers of many experts coincide with your expectations.

Respectfully,
Natalya Lim



Natalya Lim
Partner,
PwC Kazakhstan

*Distracted by things
that no one will
remember tomorrow,
people are missing time
to solve really
important issues.*

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Survey Overview and Objectives

11 experts have agreed to participate in the survey. Many of the respondents provided us with detailed comments, which have formed the basis of the descriptive part of this report.

In order to obtain a comprehensive and balanced picture, we invited experts from various fields. Our respondents include reputable economists, professors of macroeconomics, and representatives of international financial institutions, commercial banks, and brokerage firms.

The experts were asked to answer questions regarding the impact of exogenous factors, including COVID-19, on the economy of Kazakhstan. Additionally, the respondents were interviewed regarding the forecast expectations for the price of BRENT oil, the USD/KZT, USD/RUB, RUB/KZT exchange rates, the inflation rate in Kazakhstan, and the base rate of the National Bank of the Republic of Kazakhstan in time horizons of one, three and five years. This horizon was chosen to obtain medium-term projections.

Through the survey, we derived forecasts for key macroeconomic indicators which often make up the basis of financial and economic models of companies (including commercial banks and investors). These forecasts are often used by economic departments to compare and calibrate the baseline values used in their calculations.

Conducted regularly, such comparisons can improve the quality of the models used and facilitate a more flexible response to dynamic changes in the economic environment. In our practice, we have encountered situations when calculation models, despite the level of their detailing and elaboration, did not provide businesses with the necessary insights to make decisions that could preserve the company's capital.

With this survey, we hope to provide readers with a structured, systematic, and regularly updated array of data on macroeconomic indicators based on the best expert estimates on the market. The survey was conducted in November 2021.



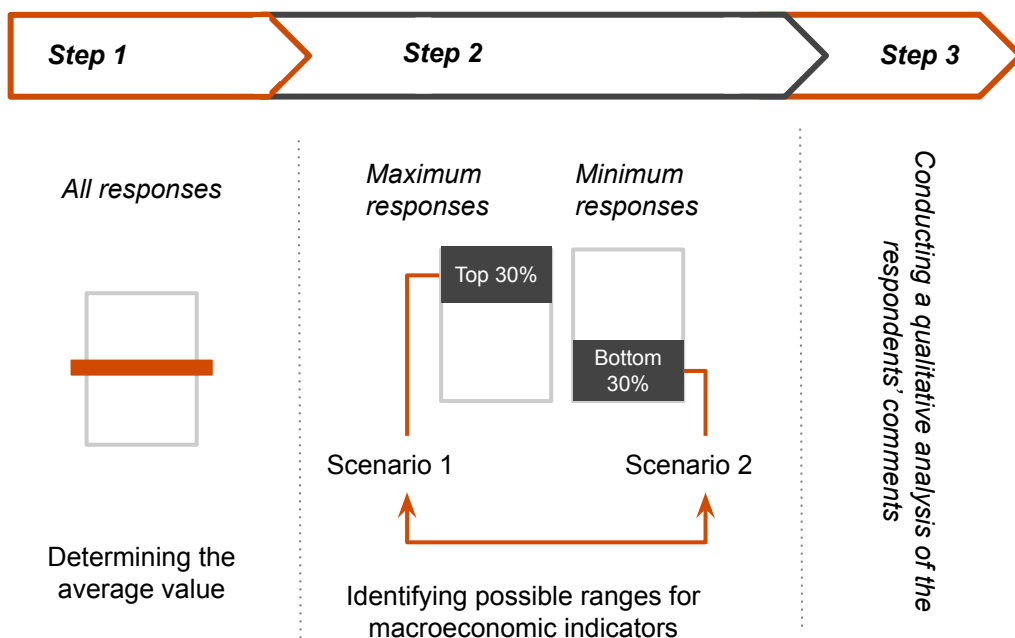
Our Approach to Analyzing Survey Results

As we analyzed the respondents' answers, we noticed quite significant differences in opinions, which is expected in studies where experts represent different fields (economists, traders, scientists, bankers) and, accordingly, have access to different sources of information.

Aggregating opinions, covering most of the professional participants in the financial market, as well as scientific experts and leading economists in Kazakhstan, allowed us to predict several scenarios for the development of the economy of Kazakhstan.

For these purposes, PwC Kazakhstan asked survey participants to provide their forecasts in the form of minimum and maximum possible values for questions where it was appropriate (oil prices, exchange rates, inflation) and then analyzed the results in several ways.

In addition to the standard averaging of all responses, we took the top 30% of the maximum responses and the bottom 30% of the minimum responses to identify the most optimistic and most pessimistic scenarios.



Key Findings:

Economic Recovery

K-shaped scenario

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46% of the respondents expect to see a K-shaped economic recovery after COVID-19

Oil Prices

Not below \$68 per barrel

Page 10

55% of respondents expect the price of Brent crude during the year to be at least \$68 per barrel

Exchange Rates

Up to 446

Page 13

82% of respondents expect in one year the USD/KZT rate to be less than 446

Inflation (CPI)

Less than or equal to 8.9%

Page 17

64% of the respondents expect in one year the inflation rate to be less than or equal to 8.9%

NBRK Base Rate

Less than or equal to 9.75%

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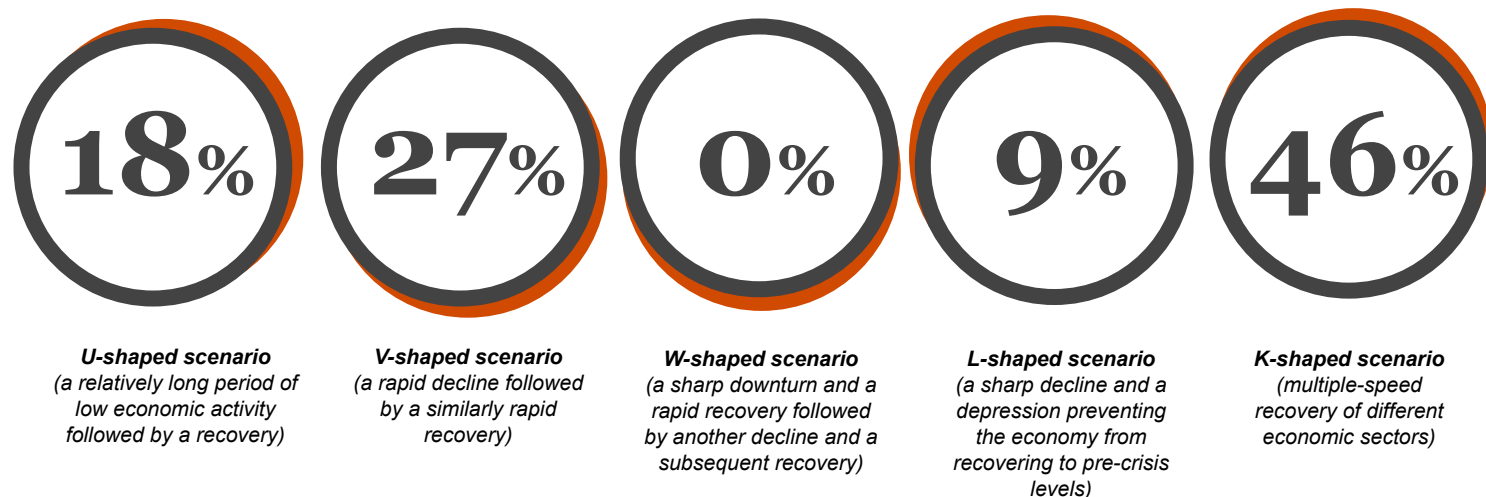
64% of the respondents expect the NBRK base rate to be less than or equal to 9.75% one year from now



I - Economic Recovery

In your opinion, which scenario best describes Kazakhstan's potential continued recovery from the economic downfall caused by COVID-19?

Percentages of respondents expecting U, V, L, W, and K-shaped scenarios



Almost two years after the start of the pandemic, the world community is still looking for a universal remedy to fight the coronavirus infection. Despite the extensive vaccination coverage of the world population, many countries still face repeated outbreaks and new virus mutations. The introduction of partial tightening of sanitary measures, which affects mainly small and medium-sized businesses, as well as the introduction of repeated lockdowns by some countries of the world, still leave global prospects very uncertain.

“In view of the recently discovered omicron strain of COVID-19, there has been some increase in the negative expectations of market participants regarding the future prospects for the development of the global economy. At the same time, in order to fully understand how the spread of the omicron strain can affect global economic growth, it is necessary to wait for the final results of studies of its characteristics by WHO specialists. In general, the key factor for the further growth of the world economy will remain the situation with the COVID-19 pandemic, as well as a high inflation background, which requires more decisive actions from the central banks of the world in terms of normalizing and tightening monetary conditions.” - noted the Advisor to the Chairman of the NBRK, Olzhas Tuleuov.

“

Whatever the recovery growth pace is, fast or slow, epidemics and their control, vaccinations and other epidemiological measures have become part of life and will shape the structure of the economy on the visible horizon. Some types of activities have become less in demand, some more. And this has come to stay. Not all structural changes will be visible in statistics of national accounts, but it does not mean that they are not happening or that they are not profound.

- Sabit Khakimzhanov

The answers for the current quarter, similar to the previous one, reflect expectations for economic recovery at different rates - along a K-shaped scenario (46% of respondents), which is associated with a different level of demand and the speed of recovery in various sectors. The experts named the transport sector (including logistics) and the trade sector (including e-commerce) as the fastest recovering sectors. The sectors that are expected to recover the slowest were the industrial and agricultural sectors. Also, one of the most likely scenarios for economic recovery in Kazakhstan, according to 27% of respondents, is a V-shaped scenario.

The pandemic continues to influence the recovery trajectory of global economic activity through the spread of vaccinations around the world and measures taken by states to maintain quarantine restrictions. The current economic ramifications of the pandemic are reducing the global growth from fast to sustainable. Most countries continue to face an issue of growing inflation, mainly in the food, energy and fuels and lubricants sectors.

“We have a mortality rate (of the number of cases) of only 1.68%, which is much lower than in many countries (e.g., in Peru 9%). Our main problem is not Covid, but persistent corruption. There is no improvement in the economy: on the contrary, dependence on imports is increasing. The policy of depletion of the National Fund continues. The crisis will start in the financial sector, and such crises develop very quickly. A sharp drop and subsequent long-term depression with an increase in political dependence on neighbors are inevitable.”- noted Professor of Economics at Satbayev University, Kairat Mynbayev

Despite the difficulties and slowdown in the economic growth, which is faced not only by Kazakhstan, but the whole world, Kazakhstan's GDP in 2020 in the national currency grew by 2% compared to 2019, while in the USD equivalent, GDP decreased by 6% in the same period*. By the end of 2021, according to 64% of experts, the growth in Kazakhstan's GDP will be 2 to 5%.

* Based on GDP data of Kazakhstan - DataBank, WorldBank.

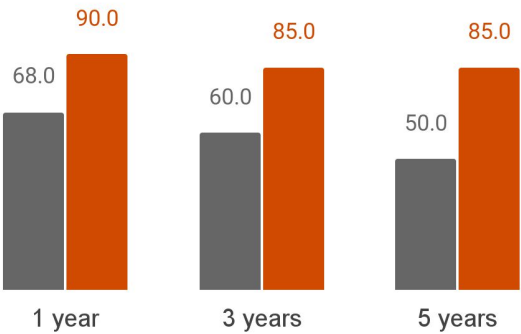


II - Brent Crude Oil Price Forecasts

In your opinion, what will be the USD price of a barrel of Brent crude oil in the time horizons under consideration?

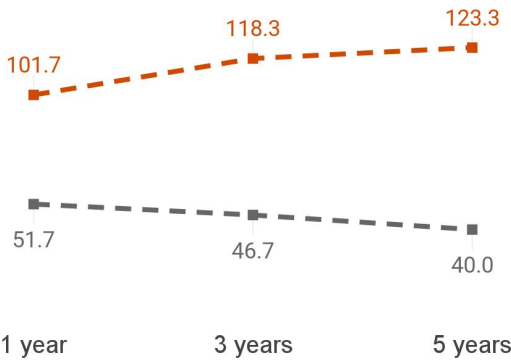
Forecasted oil prices in US dollars per barrel

■ Median of minimum values ■ Median of maximum values



Top and bottom forecasted oil prices in US dollars per barrel

■ Lower 30% of minimum values ■ Upper 30% of maximum values



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

According to the survey results for Q4 2021, the range of expected minimum and maximum values for forecast oil prices increased in all periods. In the one-year horizon, the respondents' forecasts changed the most: the median of the maximum values increased by 16%, the minimum values increased by 13% relative to the results of the Q3 survey. The difference between the medians of minimum and maximum prices increased in the two forecasted periods compared to the results of the previous survey: in the horizon of one and five years, the delta increased to 22 and 35 US dollars, respectively, and for the horizon of three years, the delta decreased to 25 US dollars.

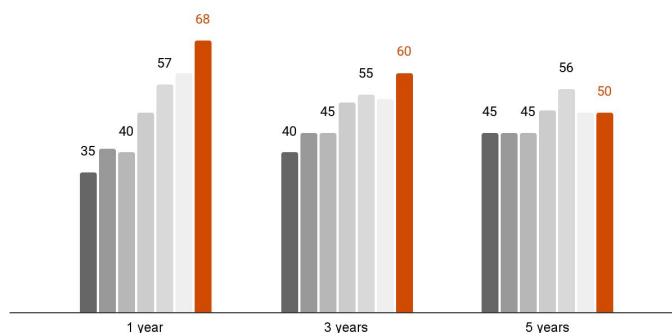
In the one-year horizon, the greatest impact on oil quotes, according to experts, will be exercised by: the pace of recovery after the pandemic-related crisis, both in developed countries - 64%, and in developing countries - 45%. In addition, the price of Brent crude oil will continue to be influenced by the US dollar exchange rate and the geopolitical situation in the Middle East (including sanctions against Iran) - 36%.

II Oil Price

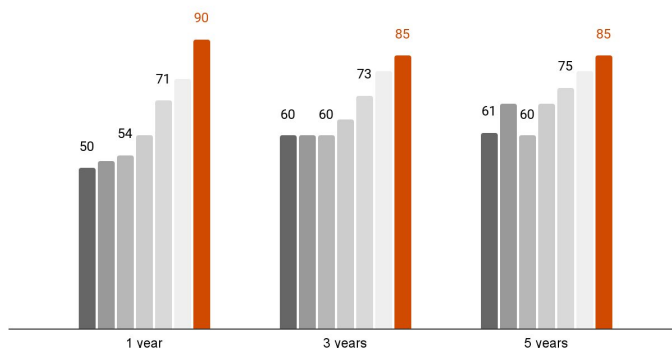
The current situation on the global oil market reflects the tendency for demand to exceed supply, which in turn affects the rise in prices. In November 2021 (for the first time since October 2018), the price for the Brent crude exceeded 85 USD/BBL. In the same month, at the regular meeting* of OPEC+, the alliance decided to adhere to the previously adopted plan for adjusting production volumes, which implies a monthly increase in production by 400 thousand barrels per day. However, at the end of November 2021, the USA and several other countries announced the developing of strategic oil reserves equal to 50 million barrels in order to lower oil prices. It is not yet clear how the community will react to this decision - at the next OPEC+ meeting, the alliance may postpone the planned increase in oil production by 400 thousand barrels per day in order to compensate the "strategic reserve volumes" that could lead to significant surpluses of oil supplies to the global market.

The global energy crisis, which led to a rise in prices for coal and gas, also had an additional impact on the acceleration of growth in the value of oil futures on the stock exchanges. At the same time, the reduction in investments in global production, on top of the commitment of oil companies to "zero" emissions, may cause a further increase in oil prices in the future.

Medians of minimum oil price expectations by quarter



Medians of maximum oil price expectations by quarter



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

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The shortage of oil, like many other commodities, is caused by the recovery of production. Price swings will shake individual markets but may not last long. The rejection of the easy-money policy in the USA and other leading countries will lead to the restoration of equilibrium

- **Kairat Mynbayev**

Professor of Economics, Satbayev University

* OPEC meeting dated 4 November 2021



“

In the current quarter, oil quotations were formed under the influence of a more limited increase in the production of raw materials by OPEC+ countries and an increase in the price of oil substituting goods, such as gas and coal. In turn, the observed deterioration of the situation with COVID-19 in Europe, followed by the discovery of a new omicron strain in South Africa, acted as restraining factors for a more active rise in oil prices. As a result, Brent crude is now predominantly traded at around 70 USD/BBL. At the same time, next year, as price pressure from other fuels declines seasonally, the estimated excess of oil supply over demand, and the market's negative reaction to the intensification of the COVID-19 pandemic, it is expected that oil prices will form at the current level of 70 USD/BBL, which is well below recent peaks of around 82-85 USD/BBL.

- **Olzhas Tuleuov**

Advisor to the Chairman of the NBRK



III - Exchange Rate Forecasts

III Exchange Rate Forecasts: USD/KZT

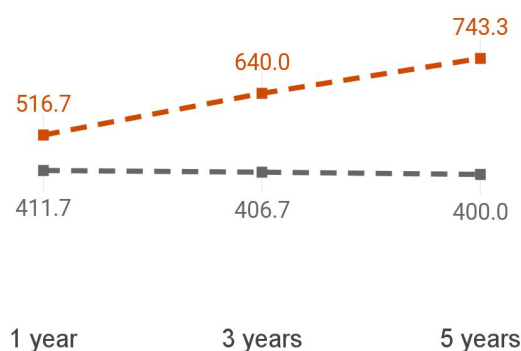
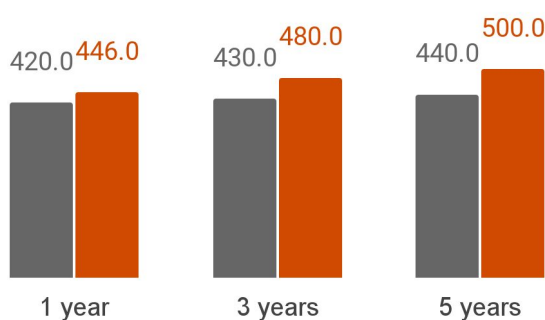
In your opinion, what values of the USD/KZT exchange rate are most probable for the time horizons under consideration?

Forecasted USD/KZT exchange rates

Top and bottom forecasted exchange rates

■ Median of minimum values ■ Median of maximum values

■ Lower 30% of minimum values ■ Upper 30% of maximum values



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

The respondents' forecasts for Q4 2021 regarding the USD/KZT rate became slightly more optimistic compared to the results of the previous survey: the medians of the maximum and minimum values decreased in the horizon of one and three years. The medians of maximum values decreased in the one-year horizon by 4 tenge - to 446, and by 10 tenge - to 480 in the three-year horizon. The median of minimum values decreased insignificantly by 2.5 tenge, for a horizon of one year and three years and amounted to 420 and 430 tenge, respectively. During 5 years, there were no changes and the median values remained at the same level of 440 - 500 tenge.

417.5
432.5 USD / KZT

First and third quartile
of minimum one-year
forecasts

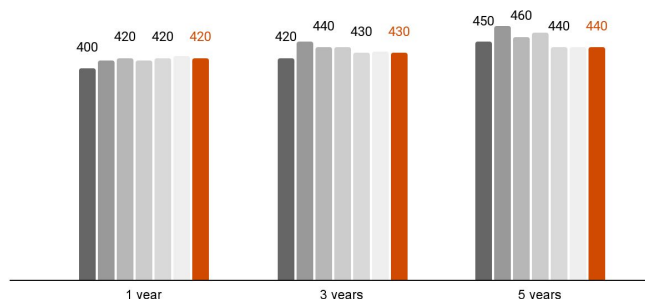
440.0
450.0 USD / KZT

First and third
quartile of maximum
one-year forecasts

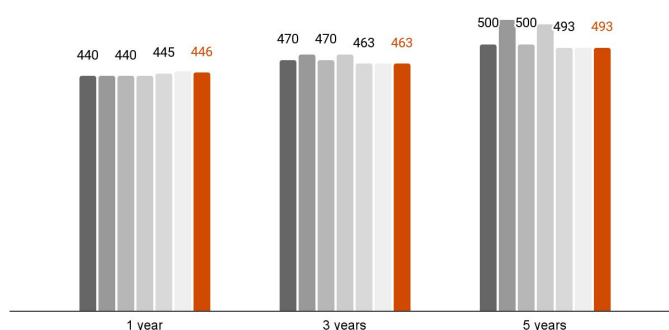
Compared to Q3, the maximum of the USD/KZT rate increased in all forecast periods: in the one-year horizon by 5% - up to 516.7, in the three-year horizon by 13% - up to 640.0, in the five-year horizon by 16% - up to 743.3. It should be noted that the minimum of the forecast values increased by only 1% in the one-year and three-year horizon, and decreased by 1% in the five-year horizon.

However, in recent months (October - November 2021), despite the rise in oil prices, which is one of the main factors affecting the tenge exchange rate, the USD/KZT exchange rate has weakened, although according to all laws of economics it should have strengthened in a similar way to the rouble (see Exchange rate forecasts: RUB/KZT). The future changes and volatility of the exchange rate may largely depend on the further escalation of inflation in the country and the government's decisions to contain it, as well as the prices of commodities, particularly oil.

Medians of minimum USD/KZT exchange rate forecasts by quarter



Medians of maximum USD/KZT exchange rate forecasts by quarter



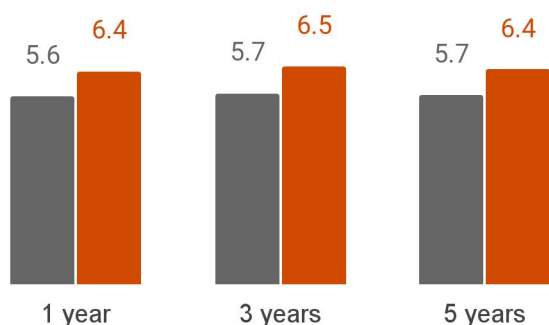
Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

III Exchange Rate Forecasts: RUB/KZT

In your opinion, what values of the RUB/KZT exchange rate are most probable for the time horizons under consideration?

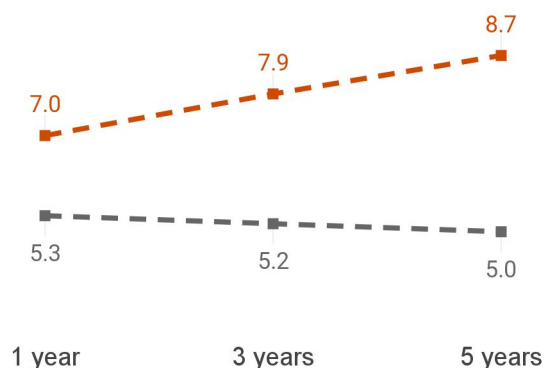
Forecasted RUB/KZT exchange rates

■ Median of minimum values ■ Median of maximum values



Top and bottom forecasted exchange rates

■ Lower 30% of minimum values ■ Upper 30% of maximum values



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

According to the respondents' forecasts regarding the RUB/KZT exchange rate, compared to Q3, the top maximum values increased in all forecast periods: in the one-year horizon by 0.8 tenge - up to 7.0, the three-year horizon by 1.2 - up to 7.9, the five-year horizon by 1.8 - up to 8.7. The bottom minimum values of forecasts for one-year and three-year horizons changed insignificantly by 0.1 - to 5.3 - 5.2, for the five-year horizon, the value decreased by 0.2 and amounted to 5.0.

5.50
5.85

RUB / KZT

First and third
quartile of minimum
one-year forecasts

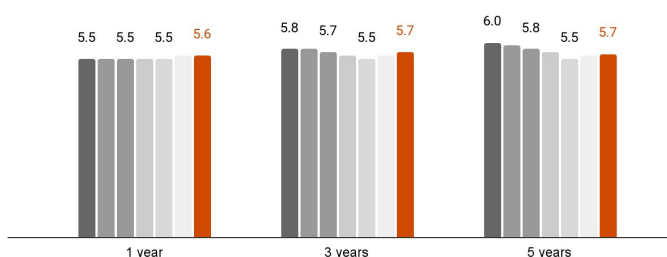
6.10
6.50

RUB / KZT

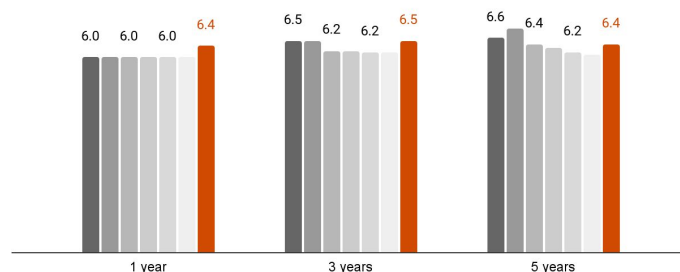
First and third
quartile of maximum
one-year forecasts

In previous reports, for almost two years, the values of the minimum and maximum median RUB/KZT exchange rate remained stable over the one-year horizon. For the first time in seven quarters, the respondents' answers demonstrated a slight increase in the minimum and maximum values to 5.6 and 6.4, respectively. An increase in forecast values is also observed in the horizon up to 5 years. In a three-year period, the values increased to 5.7 - 6.5, in a five-year period to 5.7 - 6.4. The main reason for such expectations, in our opinion, is the fact that the rouble has strengthened against the background of rising oil prices, while the tenge has not strengthened, which is why the RUB/KZT corridor has expanded.

Medians of minimum RUB/KZT exchange rate forecasts by quarter



Medians of maximum RUB/KZT exchange rate forecasts by quarter



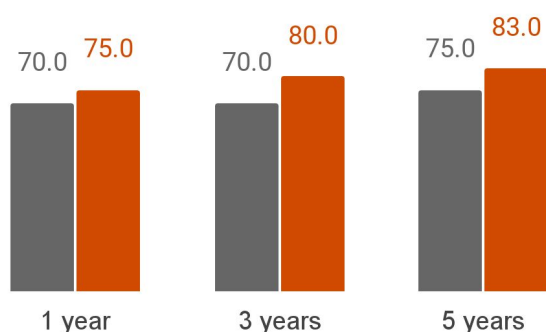
Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

III Exchange Rate Forecasts: USD/RUB

In your opinion, what values of the USD/RUB exchange rate are most probable for the time horizons under consideration?

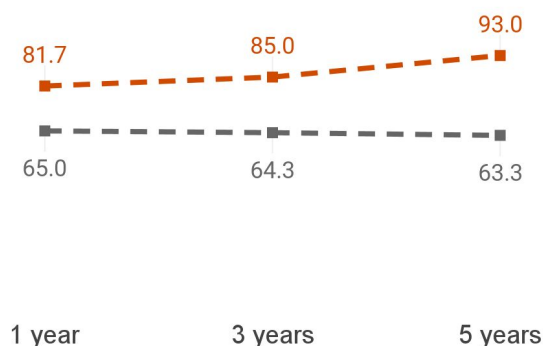
Forecasted USD/RUB exchange rates

■ Median of minimum values ■ Median of maximum values



Top and bottom forecasted exchange rates

■ Lower 30% of minimum values ■ Upper 30% of maximum values



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

65.50
71.00 USD / RUB

First and third quartile
of minimum one-year
forecasts

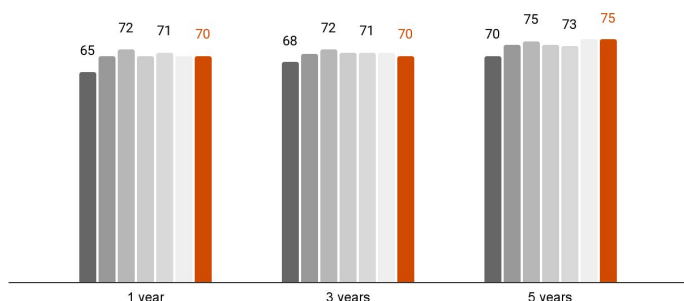
73.50
77.50 USD / RUB

First and third quartile
of maximum one-year
forecasts

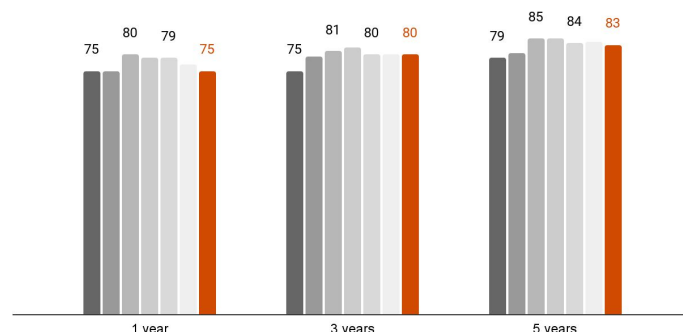
Compared to Q3 2021, the median of the minimum value did not change for the one-year and five-year horizons, and amounted to 70 and 75 roubles, respectively, and for the three-year horizon it decreased by 1 rouble - to 70 roubles. The median of the maximum value in the three-year horizon, as in the previous quarter, was 80 roubles, in the one-year horizon it decreased by 2.6% - to 75 roubles, and in the five-year horizon it decreased by 1.2% - to 83 roubles.

For several months in a row, the rouble has been strengthening its position against the US dollar. The rouble is supported by record prices on the commodity market, which in turn ensures an increased inflow of foreign currency into the country. However, further strengthening of the rouble may be difficult. This may be facilitated by a decrease in energy prices in the world due to a possible change in the OPEC+ decision to increase oil production, as well as an increase in the FRS rate against the background of growing inflation.

Medians of minimum USD/RUB exchange rate forecasts by quarter



Medians of maximum USD/RUB exchange rate forecasts by quarter



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

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Unlike the tenge, the rouble is supported by a strong economy. A fall in the tenge against the US dollar will lead to a similar fall against the rouble.

- **Kairat Mynbayev**

Professor of Economics, Satbayev University



IV - Consumer Price Index

In your opinion, what inflation indicators (in particular, the consumer price index - CPI) in Kazakhstan are most likely for the time horizons under consideration?

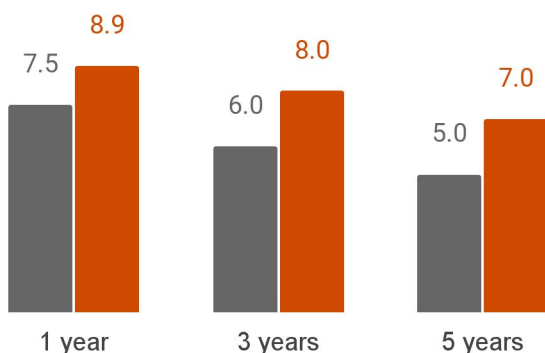
In October 2021, the growth of inflation in Kazakhstan stopped for the first time in 6 months. As in September this year, inflation (CPI) amounted to 8.9%. The cessation of the growth of inflation occurred against the background of a slowdown in the growth of food prices from 11.5% to 11.3%. At the same time, there was a positive trend of a growth in prices for non-foods - from 7.5% to 7.8% and services - from 6.8% to 6.9%*.

The results of the survey of experts in Q4 2021 regarding the CPI values revealed that, according to the expectations of 64% of respondents, the inflation rate in the one-year horizon on average would not exceed 8.9%. In the three-year horizon, more than 73% of experts expect that the inflation rate will not exceed 8.0%. With regard to forecasts for 5 years, more than 63% of respondents believe that the inflation rate will be below 7.0%.

In order to hold down inflation, the government is taking comprehensive measures: raising the base rate, banning the export of products (in deficit) outside the Republic of Kazakhstan.

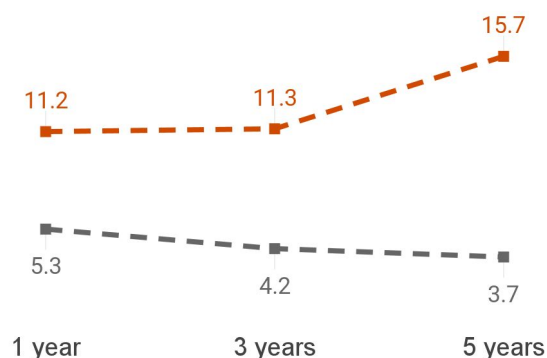
Forecasted CPI, %

■ Median of minimum values ■ Median of maximum values



Top and bottom CPI forecasts, %

■ Lower 30% of minimum values ■ Upper 30% of maximum values

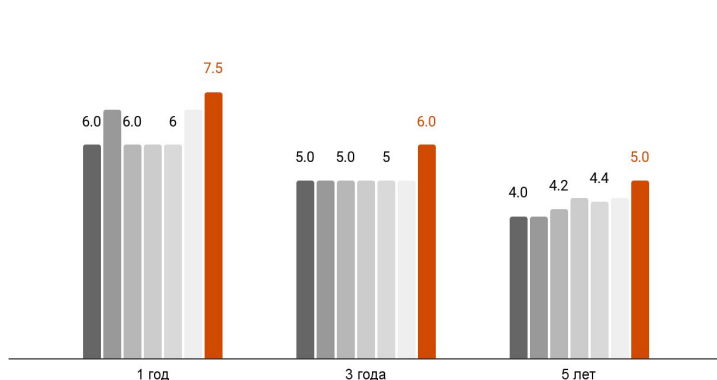


Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

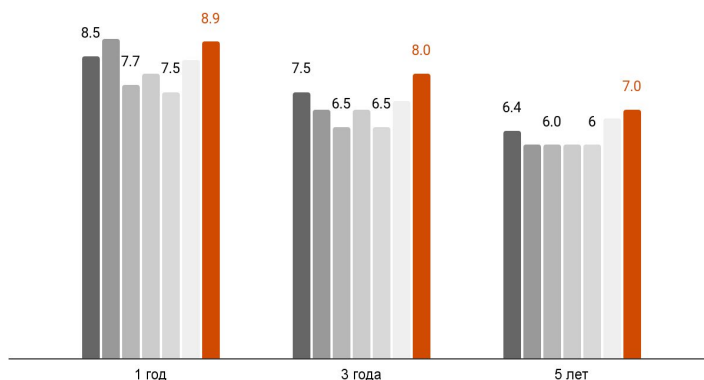
* HALYK-RESEARCH. Inflation in October 2021

IV Consumer Price Index

Medians of minimum CPI forecasts by quarter



Medians of maximum CPI forecasts by quarter



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

The results of the survey for the Q4 compared to the Q3 2021 reflected more pessimistic expectations of the respondents. In the one-year horizon, the expectations of the majority of respondents regarding the lower and upper thresholds of the median inflation values increased on average from 7.0% to 7.5% and from 8.4% to 8.9%, respectively. In the three-year horizon, experts' expectations regarding the median values of the lower threshold increased from 5.0% to 6.0% and expectations for the upper threshold increased from 7.3% to 8.0%. Over the five-year horizon, experts' expectations increased at the bottom level of median values from 4.5% to 5.0% and slightly increased at the upper level from 6.8% to 7.0%. The increase in the inflation rate expectations between the Q3 and Q4 2021 could have been facilitated by the recovery in consumer activity, the revival of the service sector, the continued policy of fiscal stimulation of the economy and imbalances in certain commodity markets.

In fact, the upward trend in inflation is observed all over the world - both in developed and developing countries. Inflationary pressures in the world are increasing due to higher prices for commodities, energy and transportation. Prolonged supply chain disruptions and logistics problems only exacerbate the situation. In addition, also one of the influencing factors is the positive recovery in demand after the pandemic. The combination of these factors leads to an increase in inflation around the world.

The acceleration in the growth of prices in the global market has a negative impact on inflation in Kazakhstan. The greatest external pressure on prices in our republic is exerted by the growth of inflation in the trade partner countries. So, for example, in Russia, a key partner of the Republic of Kazakhstan, inflation exceeded 8% for the first time in five years. Along with this, inflation in Kazakhstan is influenced by a number of local factors, such as an increase in prices for fuels and lubricants, electricity and certain types of food, as well as accelerated inflation of paid services alongside rising prices for rental housing and real estate.

One of the experts in the study, Kairat Mynbayev, shared his opinion on what affects the inflation rate at the current moment: ***"The main component of inflation will be appreciation of the US dollar and the associated appreciation of imports. The only restraining force will be the declining incomes of the population, while the increase in wealth inequality will continue."***

64% of respondents expect inflation to be below or equal to the current level of 8.9% in the one-year horizon

More than

72%

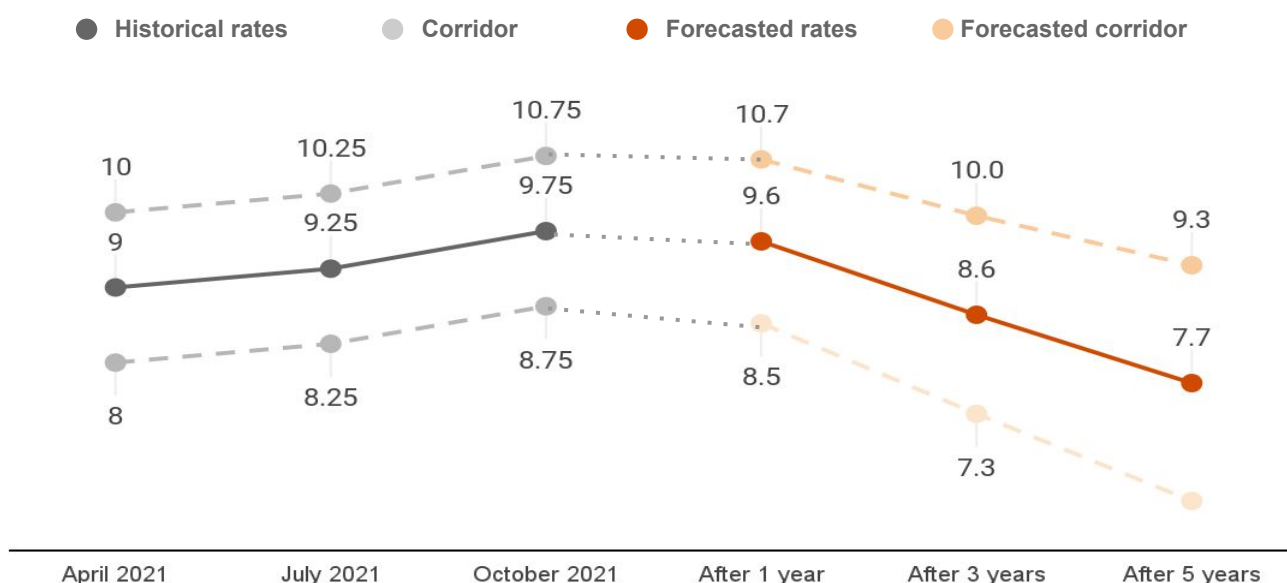
of respondents do not think that inflation will decrease relative to the basic period in the long term (up to five years)

IV - NBRK Base Rate

In your opinion, what base rate values are most likely for the time horizons under consideration?

According to the latest decision of the NBRK*, the current base rate was increased to 9.75% with a corridor of +/-1 ppts. The press release states that this decision was due to the continuing pro-inflationary pressure in the economy, as a result of which inflation is formed above the forecast range of 7.5-8.5% in 2021, the rise in prices in global markets, the acceleration of inflation in trading partner countries and high inflationary expectations within the country. It can be assumed that this decision is also associated with high food prices in the world, disruptions in supply chains and an increase in the cost of transportation, as well as commodities and energy.

In general, the results of the survey for the fourth quarter show that experts do not expect an increase in the base rate in the next year and forecast the value to remain almost at the current level of 9.6%. Compared to one-year forecasts, in the horizon of three and five years, experts forecast changes in the base rate downwards to 8.6% and 7.7%, respectively.

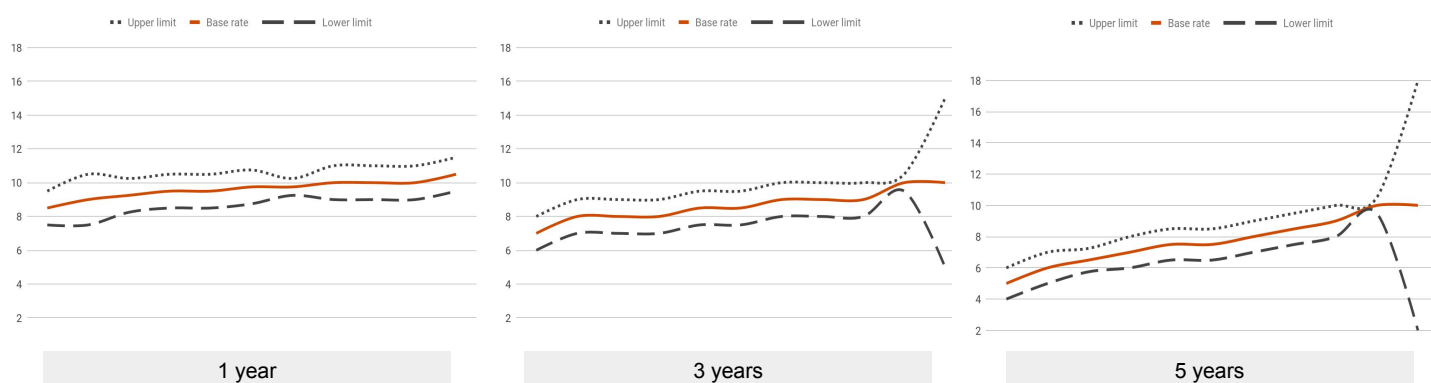


Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021 (forecasts), NBRK (historical values)

* NBRK press release on the base rate increase to 9.25% dated October 25, 2021

IV NBRK Base Rate

Spread of minimum and maximum base rate forecasts



Source: PwC Kazakhstan Macroeconomic Survey, Q4 2021

The difference between the first and third quartiles grows with an increase in the forecast period: over 1 year - 0.6%, over 3 years - 1% and over 5 years - 2%. An aggregated analysis of the difference between the minimum and maximum expectations for the base rate indicates a fairly significant spread in the values in the medium and long term. Thus, forecasts for the base rate in three years vary from 7% to 10%, and in five years - from 5% to 10%.

9.4
10.0

First and third quartile of one-year forecasts for the base rate

8.0
9.0

First and third quartile of three-year forecasts for the base rate

6.8
8.8

First and third quartile of five-year forecasts for the base rate

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In the event of increased inflation, the National Bank will follow its usual policy of punishing manufacturing and consumption through high rates. While the hidden motive for the actions of the National Bank will be the desire to protect the incomes of banks.

- **Kairat Mynbayev**

Professor of Economics, Satbayev University

Summary Table of Indicators

Section	Indicator	Period	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21
Oil price	the median of minimum values	1 year	41.0	40.0	50.0	57.0	60.0	68.0
		3 years	45.0	45.0	52.5	54.5	53.5	60.0
		5 years	45.0	45.0	50.5	56.0	50.0	50.0
	the median of maximum values	1 year	52.0	54.0	60.0	71.0	77.5	90.0
		3 years	60.0	60.0	65.0	72.5	80.0	85.0
		5 years	70.0	60.0	70.0	75.0	80.0	85.0
	lower 30% of minimum values	1 year	35.0	32.0	42.4	45.0	45.0	51.7
		3 years	36.6	34.0	39.0	39.0	42.0	46.7
		5 years	32.2	31.0	35.0	35.0	40.0	40.0
	upper 30% of minimum values	1 year	59.0	58.0	69.6	77.8	85.0	101.7
		3 years	75.0	66.0	77.0	79.0	89.0	118.3
		5 years	83.0	77.0	87.0	88.0	99.0	123.3
USD/KZT exchange rate	the median of minimum values	1 year	415.0	420.0	415.0	420.0	422.5	420.0
		3 years	450.0	440.0	440.0	430.0	432.5	430.0
		5 years	480.0	460.0	467.0	440.0	440.0	440.0
	the median of maximum values	1 year	440.0	440.0	440.0	445.0	450.0	446.0
		3 years	480.0	470.0	480.0	463.0	463.0	463.0
		5 years	545.0	500.0	538.0	493.0	493.0	493.0
	lower 30% of minimum values	1 year	396.0	401.6	400.0	407.8	408.0	411.7
		3 years	412.0	404.5	404.0	413.4	404.0	406.7
		5 years	424.0	430.0	402.0	413.6	404.0	400.0
	upper 30% of minimum values	1 year	472.0	470.0	480.0	470.6	490.0	516.7
		3 years	524.0	548.0	570.0	522.2	565.0	640.0
		5 years	630.0	626.0	670.0	572.8	640.0	743.3
RUB/KZT exchange rate	the median of minimum values	1 year	5.5	5.5	5.5	5.5	5.6	5.6
		3 years	5.8	5.7	5.6	5.5	5.6	5.7
		5 years	5.9	5.8	5.7	5.5	5.6	5.7
	the median of maximum values	1 year	6.0	6.0	6.0	6.0	6.0	6.4
		3 years	6.5	6.2	6.2	6.2	6.2	6.5
		5 years	6.9	6.4	6.3	6.2	6.1	6.4
	lower 30% of minimum values	1 year	5.2	5.1	5.1	5.1	5.2	5.3
		3 years	5.2	5.2	5.1	4.9	5.3	5.2
		5 years	5.1	5.2	5.0	4.8	5.2	5.0
	upper 30% of minimum values	1 year	6.6	6.3	6.7	6.1	6.2	7.0
		3 years	7.3	6.9	7.8	6.8	6.7	7.9
		5 years	7.9	7.3	8.7	7.4	6.9	8.7

Summary Table of Indicators

Section	Indicator	Period	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21
USD/RUB exchange rate	the median of minimum values	1 year	70.0	72.0	70.0	71.0	70.0	70.0
		3 years	70.5	72.0	71.0	71.0	71.0	70.0
		5 years	73.5	74.5	73.5	73.0	75.0	75.0
	the median of maximum values	1 year	75.0	80.0	79.0	79.0	77.0	75.0
		3 years	79.5	81.0	82.0	80.0	80.0	80.0
		5 years	80.5	85.0	85.0	83.5	84.0	83.0
	lower 30% of minimum values	1 year	66.2	64.6	66.0	66.2	67.0	65.0
		3 years	65.8	64.6	62.4	66.2	64.8	64.3
		5 years	62.0	62.4	62.0	65.7	64.4	63.3
	upper 30% of minimum values	1 year	79.2	87.4	80.0	81.0	81.0	81.7
		3 years	84.8	91.0	88.0	87.4	86.8	85.0
		5 years	91.0	100.0	96.5	93.0	94.4	93.0
CPI expectations	the median of minimum values	1 year	7.0	6.0	6.0	6.0	7.0	7.5
		3 years	5.0	5.0	5.0	5.0	5.0	6.0
		5 years	4.0	4.2	4.5	4.4	4.5	5.0
	the median of maximum values	1 year	9.0	7.7	8.0	7.5	8.4	8.9
		3 years	7.0	6.5	7.0	6.5	7.3	8.0
		5 years	6.0	6.0	6.0	6.0	6.8	7.0
	lower 30% of minimum values	1 year	5.8	4.7	4.7	4.1	5.7	5.3
		3 years	3.9	3.8	3.8	3.2	4.6	4.2
		5 years	3.0	3.3	3.4	2.8	3.9	3.7
	upper 30% of minimum values	1 year	12.6	14.2	14.0	12.2	11.1	11.2
		3 years	12.8	13.9	13.7	12.3	10.8	11.3
		5 years	11.0	12.2	13.0	13.4	10.6	15.7
Base rate expectations	Base rate	1 year	8.7	8.4	8.5	8.6	8.6	9.6
		3 years	8.0	7.5	7.8	7.8	7.8	8.6
		5 years	7.6	6.9	7.1	7.2	7.2	7.7
	Corridor	1 year	1.2	1.3	1.0	1.1	1.1	0.9
		3 years	1.2	1.2	1.0	1.0	1.0	1.1
		5 years	1.2	1.2	1.1	1.0	1.0	1.0



Acknowledgments

Almost two years after the start of the COVID-19 pandemic, the world and the global economy are changing more than we might expect. The recovery process for some industries is faster than predicted values, but at the same time, the adaptation of other industries turned out to be more challenging, which will require thorough analyses and innovative solutions to overcome the crisis and stabilize the economy in future periods.

We would like to thank each participant in our study for the time they took to complete the online survey and provide detailed commentaries. We hope that the result of our joint efforts will contribute to a deeper understanding of the current processes and events in the economy of Kazakhstan.

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