



NATIONAL BANK OF KAZAKHSTAN

# **BANK LENDING SURVEY**

**2<sup>nd</sup> quarter  
of 2025**

# Bank lending survey

2<sup>nd</sup> quarter of 2025

## Corporate lending

According to banks, the total demand for loans from business entities remained stable (Figure 1). However, trends differed across enterprise sizes. Demand from small and medium-sized businesses increased, while credit activity among large enterprises declined.

During the 2<sup>nd</sup> quarter of 2025, loan demand from large businesses declined, primarily due to the limited availability of government support programs for large enterprises and the high cost of credit. Banks also noted competition from state development institutions offering direct financing on more favorable terms compared to commercial bank products. Banks expressed willingness to work through the guarantee mechanism for large projects provided by the “Damu” Entrepreneurship Development Fund (hereinafter, the “Damu” Fund) (Guarantee Fund 2), which was launched in 2<sup>nd</sup> quarter of 2025. Despite this, interest from businesses remained limited, largely due to the high cost of the guarantee (2% of the loan amount). Consequently, the cost of financing continues to be a key factor for businesses when making decisions on long-term, capital-intensive investment projects. Additionally, one of the mid-sized banks plans to expand financing for large projects by means of the increased funding base attracted in the first half of the year. Overall, the number of loan applications from large businesses fell 15% quarter-on-quarter (q/q) to 200, while the average loan size increased by 12% to 12.9 billion tenge.

Banks have noted an increase in demand from small and medium-sized businesses amid the launch of government support programs, where the main instruments were the preferential lending program “Orleu” (interest rate for the end borrower – no more than 12.6% per annum) and the mechanism for providing guarantees for small and medium-sized business projects through the “Damu” Fund (Guarantee Fund 1) (Figure 1). At the same time, clients—primarily from industries with high capital turnover, such as trade and services—showed interest in market-based banking products during periods of increased working capital needs, due to the tightening of government support conditions. Some banks worked on configuring a technical channel with the “Damu” Fund for digital data exchange under subsidy programs. In addition, some banks are considering the integration of mechanisms and tools from government programs into their own product offerings. In certain medium-sized banks, demand was supported by the improvement of recently launched products and active marketing campaigns. An additional factor was the easing of product conditions, including the relaxation of territorial restrictions on assets accepted as collateral, the introduction of simplified financial analysis when evaluating borrowers, and an increase in the maximum loan amount. At the same time, in some cases, a moderate tightening of conditions regarding margins and fees not related to the interest rate was observed (Figure 3). Some banks

are testing new products for small and microbusinesses. However, there is a lack of a clear legislative classification for the status of “individual entrepreneur”, which may act as a limiting factor in the development of services and product solutions. Overall, the total number of credit applications from medium-sized businesses increased by 15% (q/q) to 5.3 thousand, with the average application size rising by 20% (q/q) to 924 million tenge. The total number of credit applications from small businesses grew by 3% (q/q) to 912 thousand, while the average application size decreased by 14% (q/q) to 30.4 million tenge.

The approval rate for applications from large business entities decreased slightly by 1 p.p to 56%. In the medium-sized business segment, the approval rate fell by 4 p.p to 32%, mainly due to the increase in the number of applications received at the end of quarter and their remaining under review. In addition, in one large bank, the approval rate slightly declined due to a more conservative approach to assessing borrowers’ financial positions. The approval rate for small business loan applications remained unchanged at 33%.

In the 3<sup>rd</sup> quarter of 2025, banks expect business demand to remain at the level of the previous quarter (Figure 1) and do not plan to make significant changes to lending conditions (Figure 2). Some banks are in the process of joining government support programs, anticipating a positive impact on borrower activity in the next quarter.

## Retail lending

In the 2<sup>nd</sup> quarter of 2025, demand for all retail lending products was higher compared to the previous quarter.

The increase in demand for mortgage loans during the reporting quarter was supported by one large bank's collection of applications for the state mortgage lending program, the launch of a partnership program with developers, and the expansion of income sources considered in borrower assessments by certain medium-sized banks.

At the same time, banks reported a negative impact on mortgage issuance from the reduction of the maximum annual effective interest rate (AEIR) from 25% to 20%<sup>1</sup>. Due to low (or negative) profitability, some large and medium-sized banks suspended the collection of applications for certain mortgage products, while another small bank extended the maturity on them. As a result, the total number of mortgage loan applications remained unchanged (q/q) at 242 thousand, while their average size increased by 5% to KZT 17.4 million.

One medium-sized bank reported increased demand for secured consumer loans due to a slight reduction in lending rates for this product, while another bank noted the launch of a digital product in this segment. In addition, one medium-sized bank attributed the growth in demand to advertising campaigns and marketing promotions. The number of applications for this product rose by 2% (q/q) to 52 thousand, while the average application size increased by 17% (q/q) to KZT 15 million.

Following a prolonged decline, demand for unsecured loans slightly increased in the 2<sup>nd</sup> quarter of 2025. At the same time, certain large and medium-sized banks tightened conditions for unsecured loans in terms of interest rates, which restrained demand growth in this segment. As a result, the total number of applications in this segment remained unchanged at 18.3 million, while the average application size rose by 10% (q/q) to KZT 1 131 million.

Growth in the auto loan segment was mainly driven by the introduction of new partnership programs subsidized by car dealerships from small banks, as well as the continued expansion of partner lists for subsidized auto loan programs by certain medium-sized banks. Consequently, the number of auto loan applications increased by 16% (q/q) to 1.6 million, while the average application size decreased by 8% (q/q) to KZT 7.25 million.

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<sup>1</sup> The effect of this provision will be suspended until November 1, 2025, in accordance with the joint resolution of the Agency for Regulation and Development of the Financial Market has developed a draft Joint Resolution of the Agency's Management Board and the Management Board of the National Bank "Suspension of a structural element of the joint resolution of the Management Board of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market dated 16 August 2024 No. 62 and the Management Board of the National Bank of the Republic of Kazakhstan dated 19 August 2024 No. 45 "Determining the maximum annual effective interest rate".

In the 3<sup>rd</sup> quarter of 2025, banks expect a slight increase in demand for secured consumer loans and auto loans (Figure 5). At the same time, they anticipate a moderate decrease in demand for mortgage loans and unsecured consumer loans.

Approval rates increased for mortgage products by 5 p.p. (q/q) to 29%, for secured consumer loans by 9 p.p. (q/q) to 45%, for unsecured loans by 1 p.p. (q/q) to 32%, and for auto loans by 4 p.p. (q/q) to 19%. The increase in the mortgage loan approval rate is associated with borrower selection for the state mortgage lending program. For consumer loans (both secured and unsecured), the increase in approval rates is linked to larger loan amounts in one medium-sized bank and the promotion of a loan refinancing product by another bank. In the auto loan segment, the increase in approval rates is explained by one bank's selection of borrowers with high creditworthiness under partnerships with car dealerships.

According to banks, the main change in mortgage lending conditions in the 2<sup>nd</sup> quarter was the reduction of the maximum AEIR. At the same time, some medium-sized banks eased interest rates within partnership programs with developers. For secured consumer loans, lending conditions remained at the previous quarter's level. For unsecured consumer loans, banks did not report significant changes in lending conditions, while in the auto loan segment, lower rates were noted within partnership programs.

In the next quarter, banks do not plan significant changes to secured consumer loan conditions. For unsecured consumer loans, conditions are expected to tighten due to the introduction of a 24-hour cooling-off period for first-time loans and a requirement for the client's personal presence at the bank<sup>2</sup>. In the auto loan segment, some medium-sized banks expect to tighten interest rate conditions, while a large bank expects to ease them. At the same time, for mortgage loans, one large bank plans to increase interest rates.

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<sup>2</sup> This amendment was introduced in accordance with the Law of the Republic of Kazakhstan dated June 30, 2025 No. 205-VII "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan Regarding the Development of the Financial Market, Protection of Consumer Rights in Financial Services, Telecommunications, and the Elimination of Excessive Legislative Regulation."

## General information about the survey

The Bank lending survey is conducted by the National Bank on a quarterly basis to assess the changes in supply and demand for credit resources. The Survey is addressed to bank managers who are responsible for the formation of bank's general credit policy and risk management. During the research, all banks are surveyed out by filling questionnaires and subsequent interviews with representatives of individual banks.

The choice of answers to the most of questions assume one of the following:

-1 = will decrease/decreased significantly

-0,5 = will decrease/decreased slightly

0 = will remain/remained at the same level

0,5 = will increase/increased slightly

1 = will increase/increased significantly

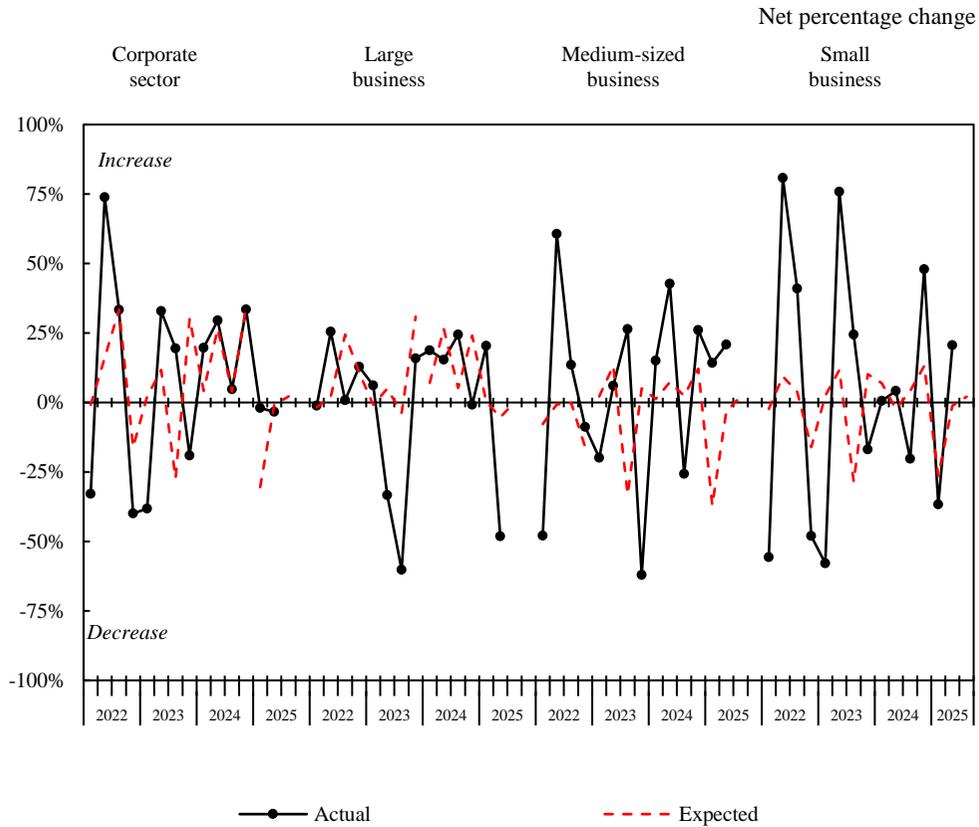
Prior to Q1 2018 survey results were aggregated as a simple average by calculating the net percentage change (NPC)– difference between the proportion of respondents who have noted an increase (loosening) in parameter and the proportion of respondents who have noted its decrease (tightening).

Starting from Q1 2018, the survey results are aggregated in the NPC, taking into account the bank's share in the corresponding segment of the lending market. The value of this indicator can vary from -100% - if all banks choose "decreased/tightened significantly" - to 100% - if all banks choose "increased/loosened significantly"

A positive value of this NPC indicator reflects a growth trend (loosening), a negative value indicates a decrease (tightening) of the parameter. At the same time, value of the net percentage change does not show the amount of change in the parameter, but only indicates the change itself.

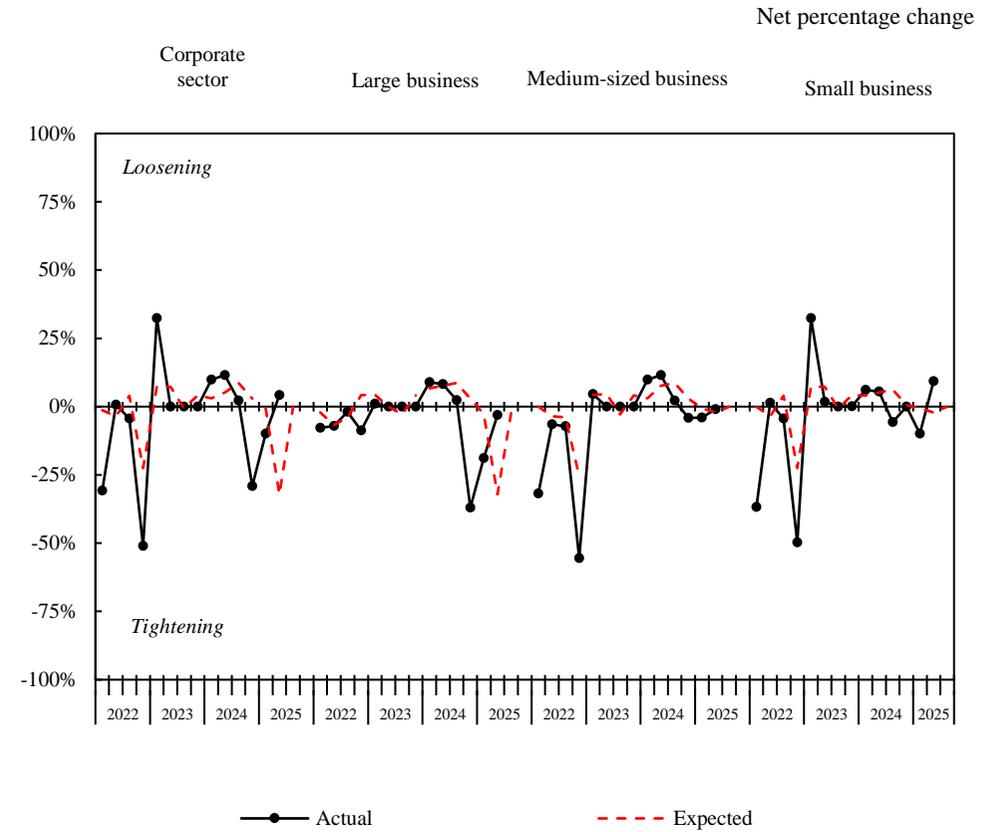
Also, starting from Q1 2018, questions of received and approved loan applications were included to the questionnaire (Questions №21, 22, 23). The total number of received applications includes both, applications for which a credit decision was already made (approved/rejected), and applications that were on consideration during the time of conducting the survey.

Figure 1. The demand of corporate business entities for credit resources



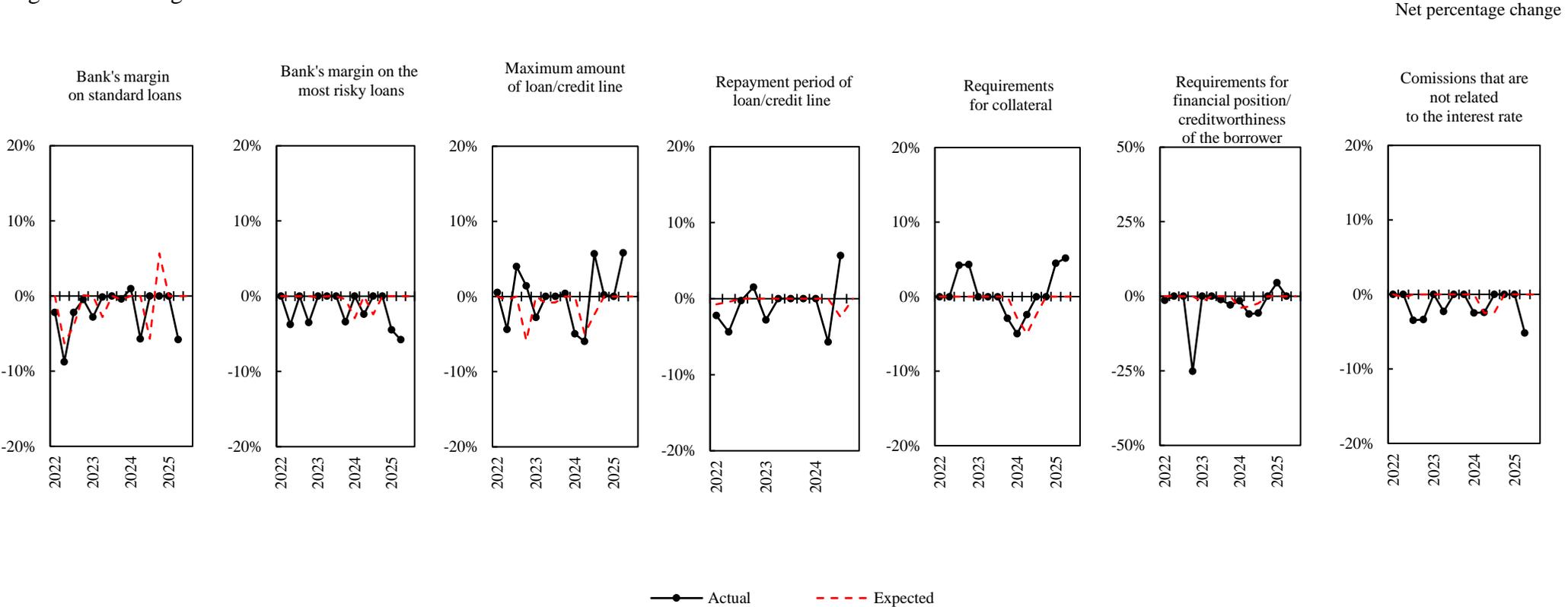
(a) Question №1: How has the demand of corporate business entities for loans changed over the past 3 months, excluding seasonal fluctuations? In your opinion, how will the demand of corporate business entities for loans change in the next 3 months?  
 (b) A positive net percentage change is a sign of an increase in the demand for credit resources by entrepreneurs.

Figure 2. Lending terms to corporate business entities



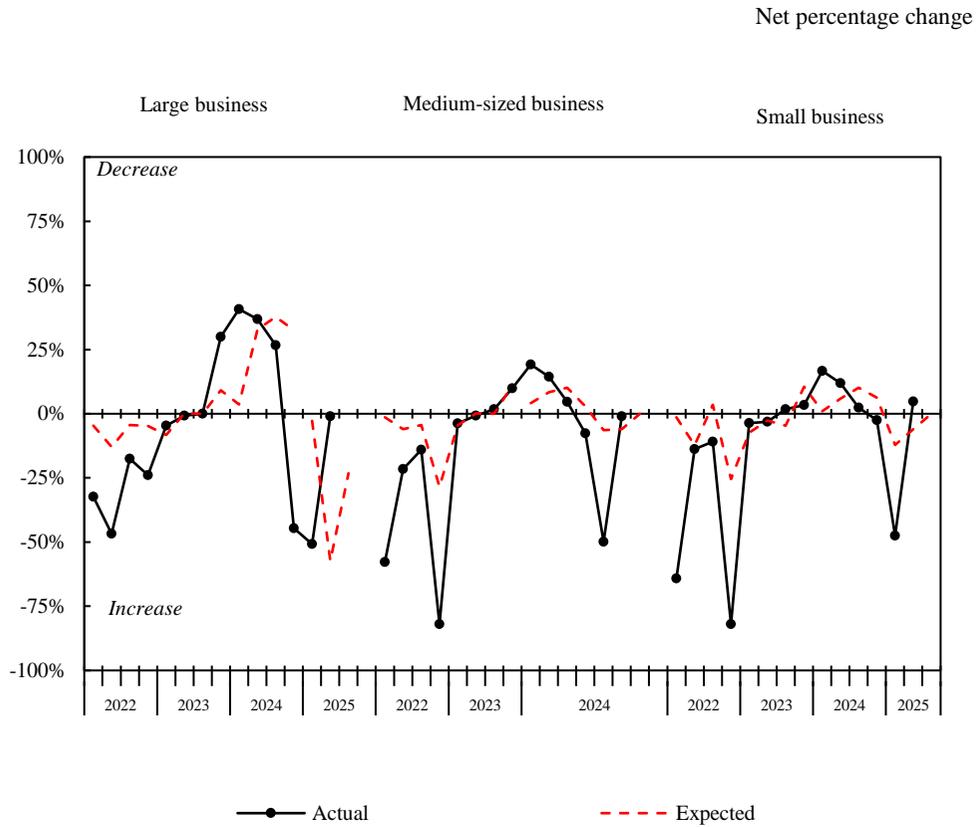
(a) Question №5: How have the lending terms to corporate business entities changed over the past 3 months? In your opinion, how will the lending terms to corporate business entities change in the next 3 months?  
 (b) A positive net percentage change is a sign of a loosening of lending terms.

Figure 3. Lending conditions



(a) Question №7: How have the following lending terms to corporate business entities changed over the past 3 months? In your opinion, how will the following lending terms change in the next 3 months?  
(b) A positive net percentage change is a sign of a loosening of lending terms.

Figure 4. Interest rates on loans



(a) Question №8: How have the interest rates on loans changed over the past 3 months? In your opinion, how will the interest rates on loans change in the next 3 months?

(b) A positive net percentage change is a sign of a decrease in the interest rates on loans to the corporate sector.

Figure 5. The demand of individuals for credit resources

Net percentage change

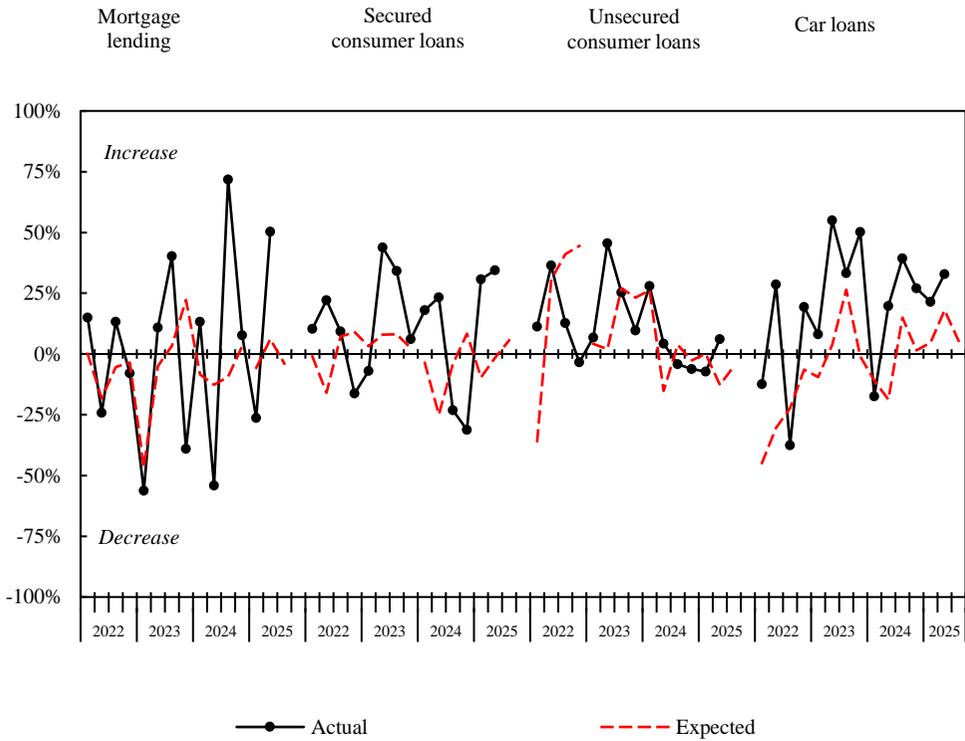
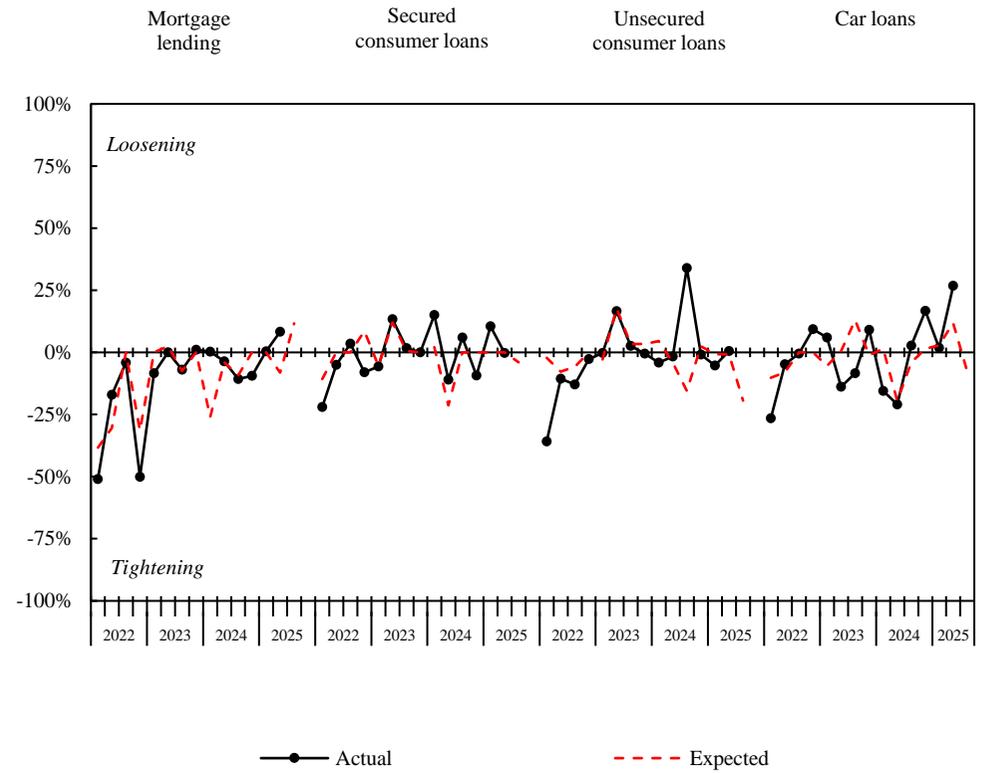


Figure 6. Lending terms to individuals

Net percentage change



(a) Question №9: How has the demand of individuals for loans changed over the past 3 months, excluding seasonal fluctuations? In your opinion, how will the demand of individuals for loans change in the next 3 months?

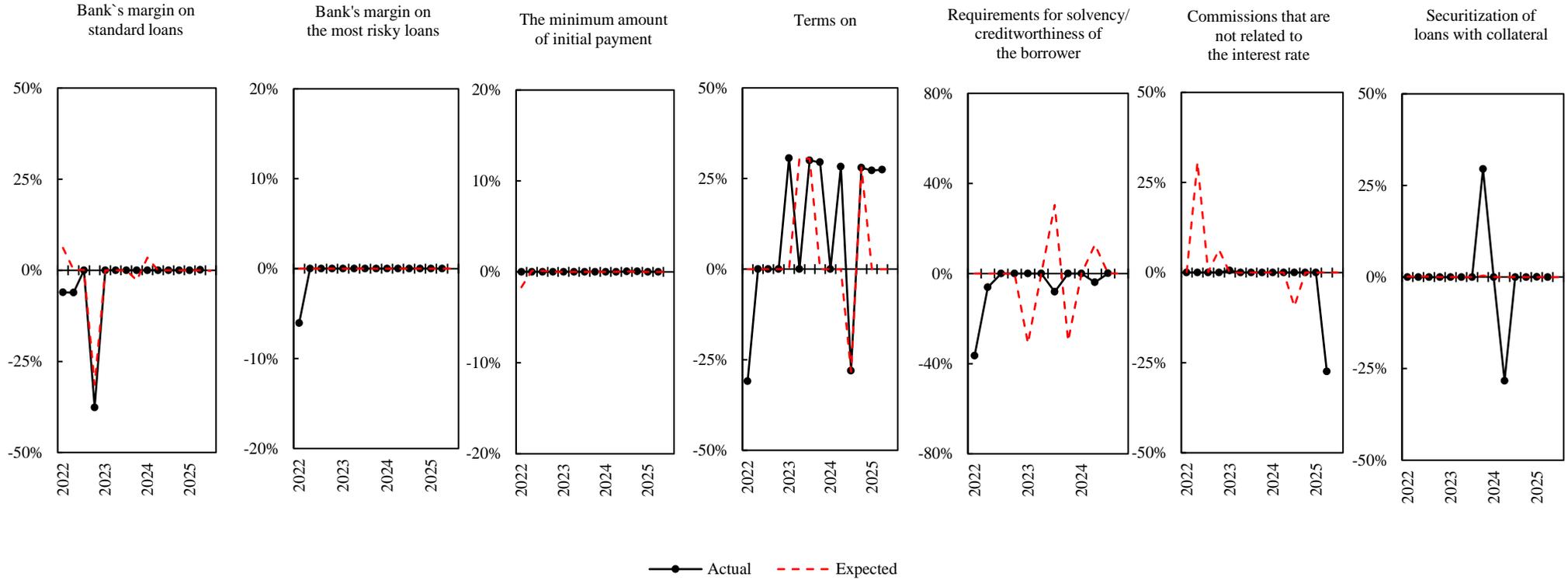
(b) A positive net percentage change is a sign of an increase in the demand of individuals for credit resources.

(a) Question №13: How have the lending terms to individuals changed over the past 3 months? In your opinion, will the lending terms to individuals change in the next 3 months?

(b) A positive net percentage change is a sign of a loosening of lending terms.

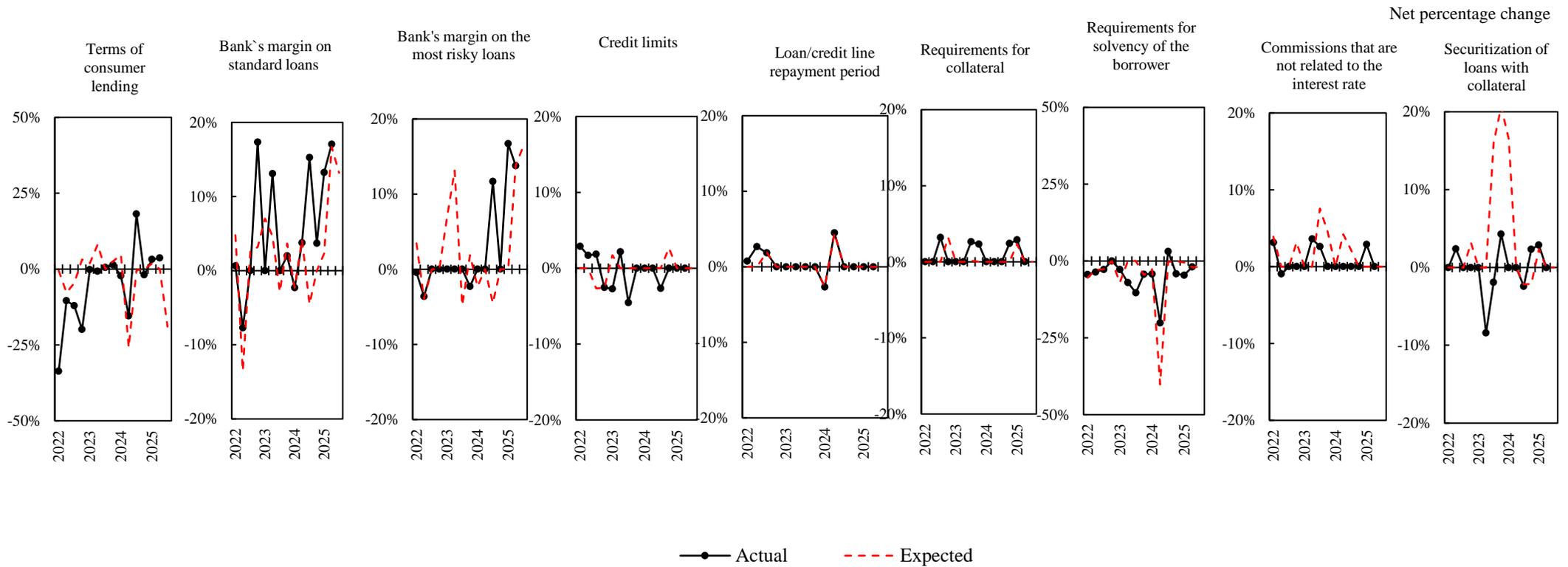
Figure 7. Mortgage lending terms

Net percentage change



- (a) Question №16: How have the following mortgage lending terms changed over the past 3 months? In your opinion, how will the following mortgage lending terms change in the next 3 months?
- (b) A positive net percentage change is a sign of a loosening of mortgage lending terms.

Figure 8. Consumer lending terms

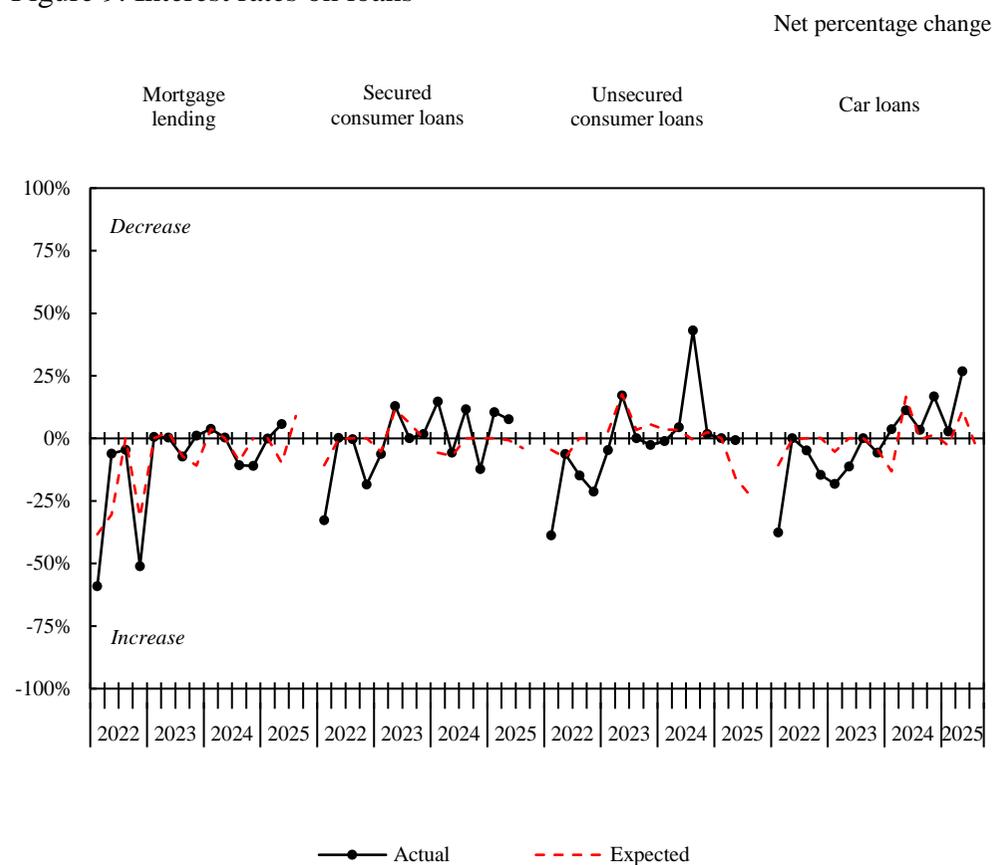


(a) Question №13: How have the lending terms to individuals changed over the past 3 months? In your opinion, will the lending terms to individuals change in the next 3 months?

(b) Question №17: How have the following consumer lending terms changed over the past 3 months? In your opinion, how will the following consumer lending terms change in the next 3 months?

(c) A positive net percentage change is a sign of a loosening of consumer lending terms.

Figure 9. Interest rates on loans



(a) Question №18: How have the interest rates on loans changed over the past 3 months? In your opinion, how will the interest rates on loans change in the next 3 months?

(b) A positive net percentage change is a sign of a decrease in the interest rate on loans to individuals.