

Comment of the Balance of Payments Department Director Azat Uskenbayev on the Current Account of the Balance of Payments

The National Bank has prepared preliminary results of the balance of payments of the Republic of Kazakhstan for **the first half of 2021**. The deficit of the **current account** amounted to **(-)\$1.7 billion**.

During the period the current account was mainly determined by recovery in domestic demand, as well as global economic activity.

Surplus of the **trade balance** amounted to **\$9.4 billion**, which is **5.9%** lower than in the same period last year.

Exports of goods rose by **3.4%** and reached **\$26.9 billion**. Along with that, export of oil and gas condensate (*49.7% of official export of goods*) went down by 10.8% or by \$1.6 billion. Ongoing recovery of global oil prices compared to last year's levels will be fully reflected in the second half of the year.

Increase in **imports** of goods was more salient with a **9.2%** increase, reaching **\$17.5 billion**. The growth was mainly attributed to an increase in imports of consumer goods by 27.3% or by \$1.2 billion, where imports of non-food products increased by 36.0% or by \$1.1 billion.

Revenues of foreign direct investors grew by 42.8% reaching **\$9.5 billion**. Historically the current account is determined by a positive trade balance, which is offset by a negative income balance.

Preliminary results of the first half of 2021 are in line with overall balance of payments expectations of the National Bank for this year.