



NATIONAL BANK OF KAZAKHSTAN

PUBLIC INFORMATION NOTICE

The international credit rating agency Moody's upgraded Kazakhstan's sovereign rating

August 12, 2021

On August 11, 2021 the international credit rating agency Moody's upgraded Kazakhstan's long-term issuer rating from Baa3 to Baa2, outlook «stable».

Moody's decision to upgrade the rating is underpinned by the effectiveness of the conducted macroeconomic policy, and sufficient level of country's sovereign assets that forms a resilience of the national economy, corresponding to similar indicators of the group of countries with the Baa2 rating.

Moody's notes that the implementation of the monetary policy of the National Bank of Kazakhstan within the framework of the inflation targeting and the floating exchange rate regime supports the macroeconomic and external stability of Kazakhstan.

Despite last year's decline in oil prices was similar to the fall in oil price in 2014-2016, inflation and domestic interest rates were much more anchored, which provided for credit, including with government initiatives, to increase and support economic activity, which indicate an enhancement of credibility of the macroeconomic policy.

According to Moody's the planned introduction of the new fiscal rule will facilitate the accumulation of funds in the National Fund, control over the level of fiscal expenditure, implementation of countercyclical fiscal policy, which will provide for fiscal flexibility.

Moody's expects Kazakhstan's economy to grow at 3,5-4% in 2021 and 4-4,5% in 2022.

More detailed information for media is available by request:

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