



NATIONAL BANK OF KAZAKHSTAN

Comment by Director of the NBK Cash Department Zhomart Kazhmuratov about Alternative Investment Instruments

Investing in gold and silver is the easiest way to invest while still providing competitive returns. Investing in gold and silver does not require profound knowledge of individual industries and a comprehensive risk assessment.

One of investment instruments on the market are **investment coins made of gold and silver and refined gold ingots of the National Bank of Kazakhstan** (hereinafter - the NBK).

The NBK issues gold bullion coins **ALTYN BARYS** of the following denominations: 10 KZT (0.1oz), 20 KZT (0.25 oz), 50 KZT (0.5 oz), 100 KZT (1 oz), 200 KZT (2 oz), 500 KZT (5 oz), and investment silver coins **KÚMIS BARYS** in the following denominations: 1 KZT (1 oz), 2 KZT (2 oz), 5 KZT (5 oz) and 10 KZT (10 oz). Investment coins can be purchased and sold through NBK branches.

Bullion coins of NBK¹



ALTYN BARYS



KÚMIS BARYS

Bullion bars are issued in five varieties: 5, 10, 20, 50 and 100 g. It is possible to buy and sell them through second-tier banks (*Halyk Bank of Kazakhstan JSC*,

¹ <https://nationalbank.kz/ru/catalog/categories/detail/5>

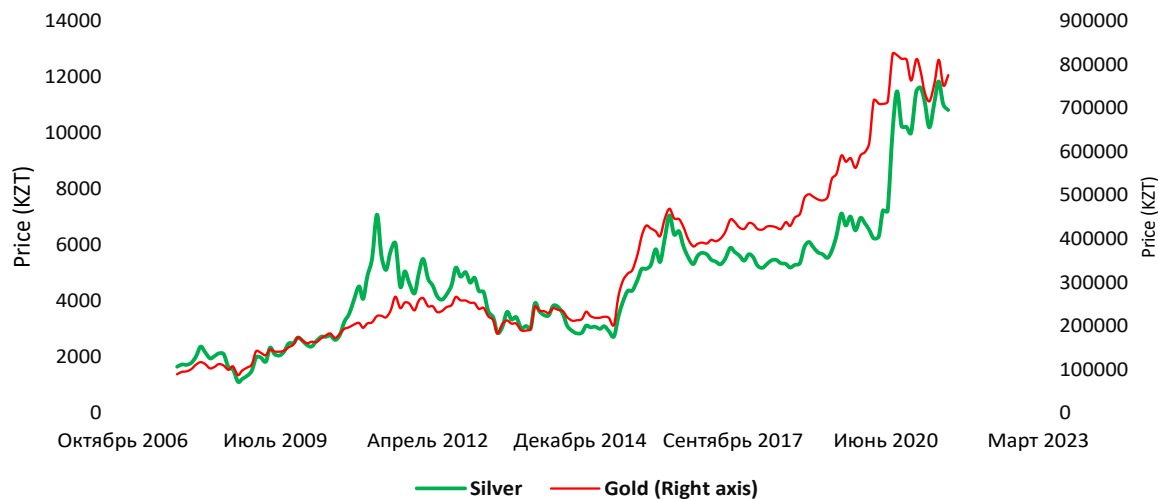
Jusan Bank JSC, Eurasian Bank JSC, Bank CenterCredit JSC) and individual non-bank exchange offices.

NBK ingots²



Dynamics of KZT cost of gold and silver as determined by the London Bullion Market Association (LBMA) for one troy ounce of a corresponding metal demonstrates that investment in ingots and bullion coins of the NBK is highly profitable in the long term. Compound annual growth rate of gold price is 17.39%, and silver price is 15.34%.

Dynamics of gold and silver prices³

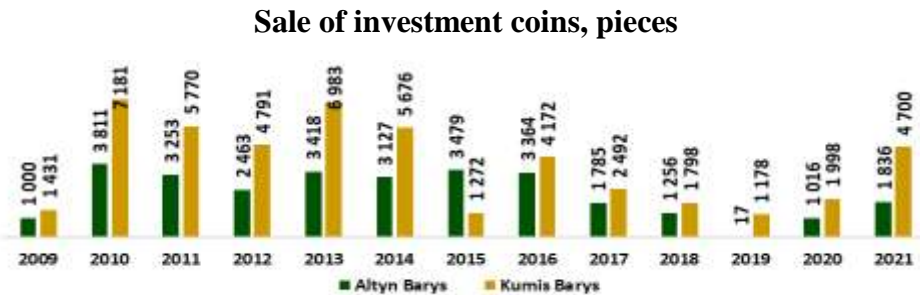


Overall, since 2009, **29.8 thousand ALTYN BARYS** and **49.4 thousand KÚMIS BARYS bullioncoins** have been sold to general public. The most demanded bullion coins among gold ones are 10 KZT coins weighing 3.11 g (24%) and 100 KZT coins weighing 31.1 g (25%), among silver coins - 1 KZT weighing 31.1 g

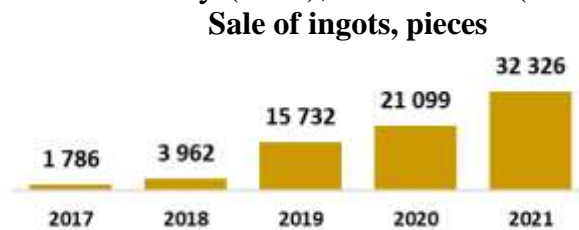
² <https://nationalbank.kz/ru/page/prodazha-i-vyкуп-mernyh-slitkov>

³ between October 2007 and August 2021

(36%). The highest demand for investment coins is reported in Almaty City (49%) and the capital (12%).



Demand for NBK ingots is growing from year to year by an average of 69%. In total, since 2017, 74.9 thousand ingots for a total weight of 2.7 tons have been sold. The most popular are 10-gram (27%) and 100-gram (22%) ingots. Most of the gold bars were sold in the cities of Almaty (58%), Nur-Sultan (11%) and Atyrau (8%).



Nearly half of the measured ingots and investment coins were sold in Almaty City. This is due to the larger population and high per capita nominal income of the metropolis in comparison with other cities. Moreover, the largest number of financial institutions is located in Almaty City.

One of the measures to develop market for NBK bullion coins and ingots based on international experience could be **introduction of a digital asset** as Perth Mint of Australia. Users will be able to purchase and sell digital certificates of bullion coins and gold bars on an online platform. At the same time, they will be physically located in a special storage under NBK guarantee.

A research work on analysis of the current situation in the market for bullion coins and certified refined gold ingots by the NBK, given the international experience, will be released in a next issue of the **Economic Review** on the NBK website.