

RESULTS OF THE MACROECONOMIC SURVEY OF THE NATIONAL BANK OF KAZAKHSTAN

Survey dates: June 13-19, 2023

Number of respondents: 10

(Halyk Finance, Jusan Invest, NAC Analytica, Asian Development Bank, ACRA, Eurasian Economic Commission, Institute for Economic Research, Renaissance Capital, Centras Securities, Freedom Finance)

Survey results (the median value of respondents' predictions, the median values of previous predictions are in brackets):

Indicator	2022 (fact/ estimate)	2023	2024	2025
Brent oil price USD per barrel, on average per year	99,1	80,0 (82,4)	78,7 (78,7)	80,0 (73,0)
GDP %, YoY	3,3 [*]	4,0 (4,0)	4,0 (4,0)	4,1 (4,0)
CPI %, Dec. to Dec. of the previous year	20,3	12,2 (11,8)	9,4 (8,4)	7,1 (7,2)
Base rate % per annum, on average per year	13,9	16,3 (16,2)	12,0 (13,0)	10,0 (9,5)
Exports of goods and services billions of USD per year	94,1	83,6 (85,3)	86,4 (86,4)	90,7 (90,7)
Imports of goods and services billions of USD per year	59,2	60,0 (59,6)	59,1 (61,0)	59,0 (61,4)
USD/KZT exchange rate on average per year	460,5	459,0 (462,3)	477,5 (487,8)	500,0 (510,0)
Neutral base rate** % per annum	9,0 (9,0)			
Long-term GDP growth*** %, YoY	4,0 (4,0)			

OIL PRICE. Compared to the results of the survey in May 2023, analysts have revised oil price scenarios for 2023 and 2025, while expectations for 2024 have remained unchanged. Thus, the median value of the average oil price for 2023 decreased from 82,4 to 80,0 US dollars per barrel, for 2024 it remained at the level of 78,7 US dollars per barrel, for 2025 it increased from 73,0 to 80,0 US dollars per barrel.

GDP. Compared to the previous period, analysts slightly improved their expectations for the growth of the Kazakh economy in 2025 - from 4,0% to 4,1%. For 2023 and 2024, GDP growth is projected to remain at 4%, which is also in line with analysts' expectations for long-term potential GDP growth.

CPI. The median values of respondents' forecasts for inflation were revised over the entire forecast horizon, mostly upward. Thus, in 2023, respondents expect inflation at

* Preliminary estimates

**The level of base rates at which monetary policy maintains inflation and inflation expectations on target and GDP at the assumed level in the long run

***Expected average growth rate of GDP growth risk over a 5-year horizon

the level of 12,2% (in May - 11,8%), in 2024 - at the level of 9,4% (8,4%), while in 2025 - a slight decrease to 7,1% (7,2%).

BASE RATE. Compared to the previous period, respondents expect the base rate to be higher in 2023 and 2025. Thus, the forecast for 2023 was increased from 16,2% to 16,3% on average per year, for 2025 - from 9,5% to 10,0%. In 2024, the base rate is expected to average 12,0%, below the expectations of respondents in the May 2023 survey.

EXPORTS OF GOODS AND SERVICES. Respondents lowered their forecasts for the volume of exports of goods and services for 2023 from 85,3 to 83,6 billion US dollars. Forecasts for 2024 and 2025 have been retained. Thus, in 2024, analysts expect the volume of exports of goods and services at the level of 86,4 billion US dollars, in 2025 - at the level of 90,7 billion US dollars.

IMPORTS OF GOODS AND SERVICES. Compared to the previous period, respondents' forecasts for the volume of imports of goods and services for 2023-2025 have changed. Thus, in 2023, the volume of imports is expected to reach \$60,0 billion (previously \$59,6 billion). In 2024, the median value of forecasts was revised from 61,0 to 59,1 billion US dollars, in 2025 - from 61,4 to 59,0 billion US dollars.

USD/KZT EXCHANGE RATE. Analysts' expectations for the tenge exchange rate continue to improve over the entire forecast horizon. Thus, the forecast for 2023 has been improved from 462,3 to 459,0 tenge per US dollar, for 2024 - from 487,8 to 477,5 tenge per US dollar, for 2025 - from 510 to 500 tenge per US dollar.

NEUTRAL BASE RATE. The base rate, at which monetary policy maintains inflation and inflation expectations on target and GDP at the potential level in the long run, remains at the level of 9,0%.

LONG-TERM GDP GROWTH. Analysts expect an average growth rate of potential GDP over a 5-year horizon at 4,0%.

Forecast ranges for most macro indicators remain unchanged or show some narrowing in the medium term, indicating a decrease in the perception of uncertainty by respondents. There is a noticeable narrowing of the dispersion of analysts' expectations for the price of oil for 2024 and 2025. As for the exchange rate, despite the positive dynamics of the median values of respondents' assessments, there is a significant expansion of the ranges of forecasts for 2024 and 2025.