



**NATIONAL BANK OF KAZAKHSTAN**

**PRESS - RELEASE №2**

**The National Bank of the Republic of Kazakhstan set the base rate  
and restores standing facilities**

February 1, 2016

Almaty

The National Bank of the Republic of Kazakhstan based on the decision of the Monetary Policy Technical Committee on January 30, 2016 set from February 2, 2016 the base rate at 17% and restores standing facilities with a symmetric interest rate corridor of +/- 2 percentage points.

Interest rate on standing facilities to provide liquidity is 19%, and on standing facilities to withdraw liquidity is 15%.

The decision to establish the base rate based on the preliminary analytical work to improve the forecasting system of macroeconomic indicators (GDP, inflation), as well as microeconomic indicators (banks' liquidity forecasting) and became possible with a free floating exchange rate regime.

In recent months, the National Bank of Kazakhstan has been consistently taking steps to stabilize the situation in the money market. This decision is a continuation of the National Bank's measures on monetary policy improvement and aimed at the achievement of primary tasks, namely ensuring the stability of the financial sector, restoring confidence in the national currency and creation the preconditions for the formation of the tenge yield curve. Actions of the National Bank of Kazakhstan will be aimed at strengthening confidence in the tenge and the banking system, and changing preferences of investors in favor of tenge deposits. The policy in respect to deposits will continue to be based on the principles of protecting the rights of depositors.

The National Bank of Kazakhstan will continue to adhere to free floating exchange rate regime, which is based on the balance of market supply and demand of foreign currency, taking into account the dynamics of world prices and fundamental factors.

The system of current monetary policy instruments of the National Bank of Kazakhstan is given in Appendix 1.

The next decision of the National Bank of the Republic of Kazakhstan on the base rate will be announced on March 14, 2016.

## System of monetary policy instruments of the National Bank of the Republic of Kazakhstan

Purpose	Type of instrument	Instrument	Collateral	Frequency	Duration
Liquidity provision	Standing Facilities	FX swap on KASE	USD	At the banks' request	1 day
		Reverse REPO on KASE	Government securities	At the banks' request	1 day
	Open Market Operations	Auction for the purchase of securities with reverse sale	Lombard list	Every day	7 days
Liquidity withdrawal		Auction for NBK's short term notes	-	Weekly	28 days
	Standing Facilities	REPO on KASE	Government securities	At the banks' request	1 day
		NBK's deposits	-	At the banks' request	1, 7 days

**Detailed information is available over the phones:**

+7 (727) 270 46 39

+7 (727) 270 45 85

+7 (727) 330 24 97

e-mail: [press@nationalbank.kz](mailto:press@nationalbank.kz)[www.nationalbank.kz](http://www.nationalbank.kz)