

RESULTS OF THE MACROECONOMIC SURVEY OF THE NATIONAL BANK OF KAZAKHSTAN

Survey dates: November 2-8, 2023

Number of respondents: 12

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

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

Indicator	2022 (fact)	2023	2024	2025
Brent oil price USD per barrel, on average per year	99,1	83,1 (82,0)	80,7 (80,7)	80,0 (80,0)
GDP %, YoY	3,2	4,6 (4,4)	4,5 (4,3)	5,0 (4,5)
CPI %, Dec. to Dec. of the previous year	20,3	10,0 (11,5)	8,0 (8,3)	7,0 (7,0)
Base rate % per annum, on average per year	13,9	16,5 (16,5)	12,0 (12,3)	10,0 (10,0)
Exports of goods and services billions of USD per year	94,1	81,9 (83,0)	86,5 (85,4)	90,7 (88,0)
Imports of goods and services billions of USD per year	59,2	61,9 (59,8)	66,8 (60,8)	61,1 (60,2)
USD/KZT exchange rate on average per year	460,5	458,0 (455,0)	477,8 (477,8)	490,7 (491,3)
Neutral base rate* % per annum	8,0 (8,0)			
Long-term GDP growth** %, YoY	4,0 (4,0)			

OIL PRICE. In November respondents revised their expectations for oil prices for 2023 from \$82.0 to **\$83.1** per barrel, which is due to the continued volatility of prices in the oil market. For subsequent periods, the scenario conditions for oil prices did not change, averaging **\$80.7** per barrel in 2024 and at **\$80** per barrel in 2025, respectively.

GDP. Forecasts for economic growth in Kazakhstan have been improved over the entire forecast horizon: for 2023 – from 4.4% to **4.6%**, for 2024 – from 4.3% to **4.5%**, for 2025 – from 4.5% up to **5.0%**.

CPI. Analysts' inflation forecasts have been revised downwards from 11.5% to **10.0%** for 2023 and from 8.3% to **8.0%** for 2024. The forecast for 2025 remains at **7%**.

* The level of the base rate at which monetary policy maintains long-term inflation and inflation expectations for targets and GDP at potential levels

** Expected average growth rates of potential GDP over a 5-year horizon

BASE RATE. Compared to the previous period, respondents revised their expectations for the base rate for 2024 from 12.3% to **12.0%**. Expectations for 2023 and 2025 remained at the same values and amounted to **16.5%** and **10.0%**, respectively.

EXPORTS OF GOODS AND SERVICES. Respondents' estimates of the volume of exports of goods and services have changed slightly. Thus, experts' expectations for export volumes for 2023 were reduced from 83 to **\$81.9** billion. Forecasts for 2024 and 2025 have been revised upward from \$85.4 billion to **\$86.5** billion. and from 88 to **\$90.7** billion, respectively.

IMPORTS OF GOODS AND SERVICES. Respondents' expectations for the volume of imports of goods and services have also been revised over the entire forecast horizon. The most significant changes have occurred in estimates for the volume of imports for 2024 - from 60.8 to **\$66.8** billion. Experts' forecasts for 2023 were slightly increased from 59.8 to **\$61.9** billion, for 2025 - from 60.2 to **\$61.1** billion.

USD/KZT EXCHANGE RATE. In November respondents slightly revised their expectations for the USD/KZT exchange rate for 2023 and 2025. – up to **458** and **490.7** tenge per US dollar on average for the year, respectively (previously – 455 and 491.3 tenge per US dollar). Expectations for 2024 remained at **477.8** 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 **8.0%**.

LONG-TERM GDP GROWTH. The estimate of the average growth rate of potential GDP over a 5-year horizon estimated at **4%**.

Forecast ranges for most macro indicators were maintained or changed insignificantly. At the same time, there is a narrowing or shift to a favorable zone in the interquartile range of respondents' assessments of macro indicators, which reflects some certainty in experts' expectations regarding the prospects for the development of the domestic and global economy in the medium term.