

# **KAZAKHSTAN DEPOSIT INSURANCE FUND**

*Methodology and calculation of differential premium rates department*

## **OVERVIEW OF THE RETAIL DEPOSITS MARKET**

*Over the 3<sup>rd</sup> quarter of 2015*



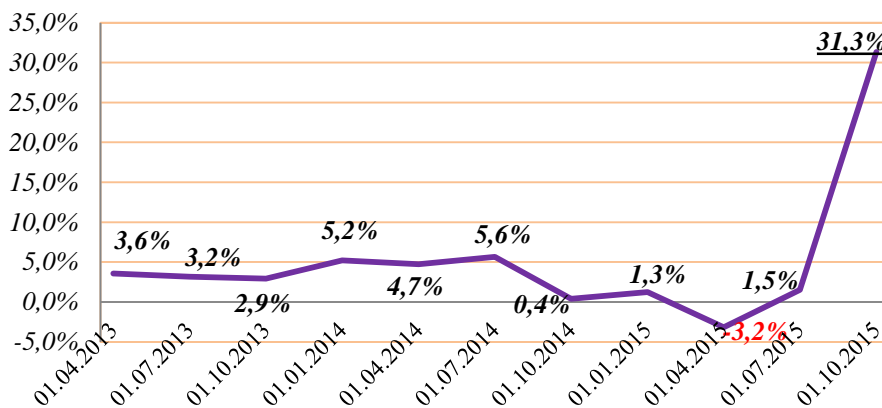
## Overview of the individuals' deposit market trends

The retail deposits base in DIS member-banks increased by T1.4 trillion or 31.3% over the 3<sup>rd</sup> quarter of the current year, and as of October 1, 2015 amounted to T5.7 trillion.

It should be noted that the increase in the deposit base of individuals by more than 30% was not observed over the past 5 years. This increase was due to the decision of the National Bank of the Republic of Kazakhstan on a floating exchange rate regime. Thus, the growth in deposit base was due to increase in foreign currency deposits: call deposits increased by 3.3 times, term and conditional deposits by 1.5 times, current and card account balances of individuals by 1.2 times.

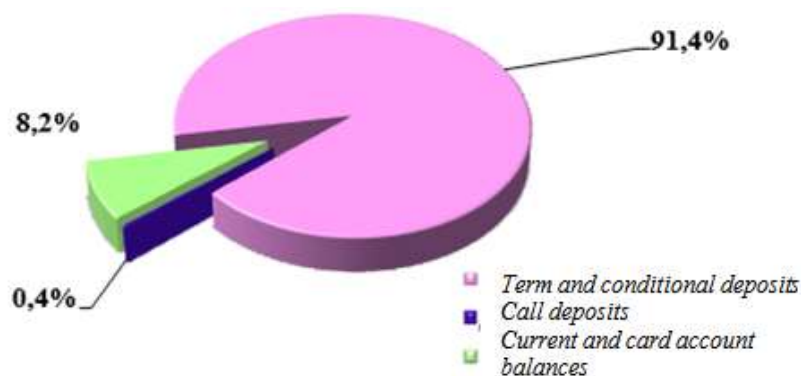
At the same time, in the reporting quarter the shares of the deposit base of individuals of *Halyk Bank* and *Kazkommertsbank* matched and were 20.8% and 20.6%, respectively. The share of *Kaspi Bank* on retail deposits was 9.7%. Thus, more than half of the savings of individuals (51.1%) are located in these three banks, the other 48.9% belong to the retail deposits of the rest member banks (31).

Figure 1. Dynamics of retail deposits amount (in %)



The total retail deposits portfolio of member-banks consisted of the *term and conditional deposits* with the share of 91.4%, or T5.2 trillion which increased over the quarter by T1.4 trillion or 35.2%, *current and card accounts balances* with a share of 8.2% (T469 billion), having decreased by nearly T9.7 billion or 2%, and *call deposits* with the share of 0.4% (T21.6 billion) increased over the period by T11.7 billion or by 2.2 times.

Figure 2. Structure of retail deposits portfolio by the main categories (in %)





The **term and conditional deposits up to T5 mln.**, composing 22.9% (or T1.3 trillion) of the aggregate individuals' deposits portfolio in member-banks, have slight positive change by T4 billion. Term and conditional deposits **from T5 to T10 mln.** over the quarter shows a growth by T159.3 billion and represent T564.3 billion (or 9.8% of the cumulative individuals' deposits amount).

The term and conditional deposits **from T10 to T15 mln.** amounted T242.8 billion or 4.2% of the cumulative individuals' deposits portfolio. The growth of these deposits was T83 billion due to an increase of deposits in foreign currency by 69.2% (+T84.8 billion).

The largest share of aggregate retail deposits as usual represented by the term and conditional deposits **over T15 mln.** (54.5%). Total inflow in these amount of deposits was T1.1 trillion.

**Call deposits** of individuals composing 0.4% of the retail deposits portfolio have increased by T11.7 billion. This change was due to the increase of deposits in foreign currency by 3.3 times or +T11.8 billion.

In the **current and card account balances** was a slight negative change at -T9.7 billion (-2%). This change was according to the decline of the current and card account balances in national currency by -T34.5 billion, and the increase of these deposits in foreign currency by +T24.8 billion.

As of November 1, 2015 the cumulative KDIF's payouts to depositors of **JSC "Nauryz Bank Kazakhstan"** amounted to T679.6 million and to depositors of **JSC "Valut-Tranzit Bank"** totaled T17.247 billion. Reimbursement of the KDIF's claims to the liquidation commissions of **JSC "Nauryz Bank Kazakhstan"** reached T679.4 million or 88.0% of the total amount to be recovered from this bank and of **JSC "Valut-Tranzit Bank"** reached T8.748 billion or 47.88% of the total amount to be recovered.

According to the Law "On amendments and additions to some legislative acts of the Republic of Kazakhstan on strengthening the protection of property rights, guarantee the protection of contractual obligations and stricter liability for their violation", which was signed in July of the current year, the KDIF starts to make additional reimbursement to the depositors of **JSC "Valut-Tranzit Bank"** and currently the reimbursement process continues.



**Aggregate retail deposits placed with DIS member-banks  
as of October 1, 2015**

<b>№</b>	<b>Name</b>	<b>Total amount of retail deposits (in thousand Tenge)</b>	<b>Difference in deposits amount compared to the last quarter</b>	<b>Total number of deposit accounts</b>
<b>1</b>	<b>Total amount of retail deposits placed both in Tenge and in foreign currencies, including:</b>	<b>5 730 064 446</b>	<b>1 367 232 872</b>	<b>22 383 182</b>
1.	Call deposits, including:	<b>21 556 150</b>	<b>11 718 482</b>	<b>992 152</b>
1.1.	<i>in Tenge</i>	4 546 183	-95 130	948 086
1.2.	<i>in foreign currencies</i>	17 009 967	11 813 612	44 066
	Call deposits of the member-banks' top-management, as well as their shareholders holding in total five or more per cent of the banks' voting shares, and their close relatives	12 239 954	10 514 207	86
<b>2.</b>	<b>Term and conditional deposits, including:</b>	<b>5 239 491 565</b>	<b>1 365 210 303</b>	<b>2 746 020</b>
2.1.	<i>in Tenge, including:</i>	1 015 629 993	-53 694 661	2 066 795
	up to T1 million	263 619 296	1 511 185	1 816 971
	from T1 million to T3 million	303 699 544	-4 095 882	186 108
	from T3 million to T5 million	145 184 111	-2 712 155	37 989
	from T5 million to T10 million	128 384 013	1 481 962	19 895
	from T10 million to T15 million	35 430 459	-1 820 455	3 014
	over T15 million	139 312 570	-48 059 316	2 818
2.2.	<i>in foreign currencies, including:</i>	4 223 861 572	1 418 904 964	679 225
	up to T1 million	100 636 310	-15 051 293	362 599
	from T1 million to T3 million	278 382 774	23 052 309	151 870
	from T3 million to T5 million	218 908 928	1 315 955	56 251
	from T5 million to T10 million	435 904 383	157 826 285	63 226
	from T10 million to T15 million	207 385 849	84 813 603	16 924
	over T15 million	2 982 643 328	1 166 948 105	28 355
	Term and conditional deposits of the member-banks' top-management, as well as their shareholders holding in total five or more per cent of the banks' voting shares, and their close relatives	387 436 773	181 619 716	1 892
<b>3.</b>	<b>Current and card accounts' balances, including:</b>	<b>469 016 731</b>	<b>-9 695 913</b>	<b>18 645 010</b>
3.1.	<i>in Tenge</i>	330 310 419	-34 488 158	17 895 909
3.2.	<i>in foreign currencies</i>	138 706 312	24 792 245	749 101
	Current and card accounts' balances of the member-banks' top-management, as well as their shareholders holding in total five or more per cent of the banks' voting shares, and their close relatives	3 226 541	-4 055 326	47 669