

# **KAZAKHSTAN DEPOSIT INSURANCE FUND**

*Methodology and calculation of differential premium rates department*

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

*Over the 4<sup>th</sup> quarter of 2015*

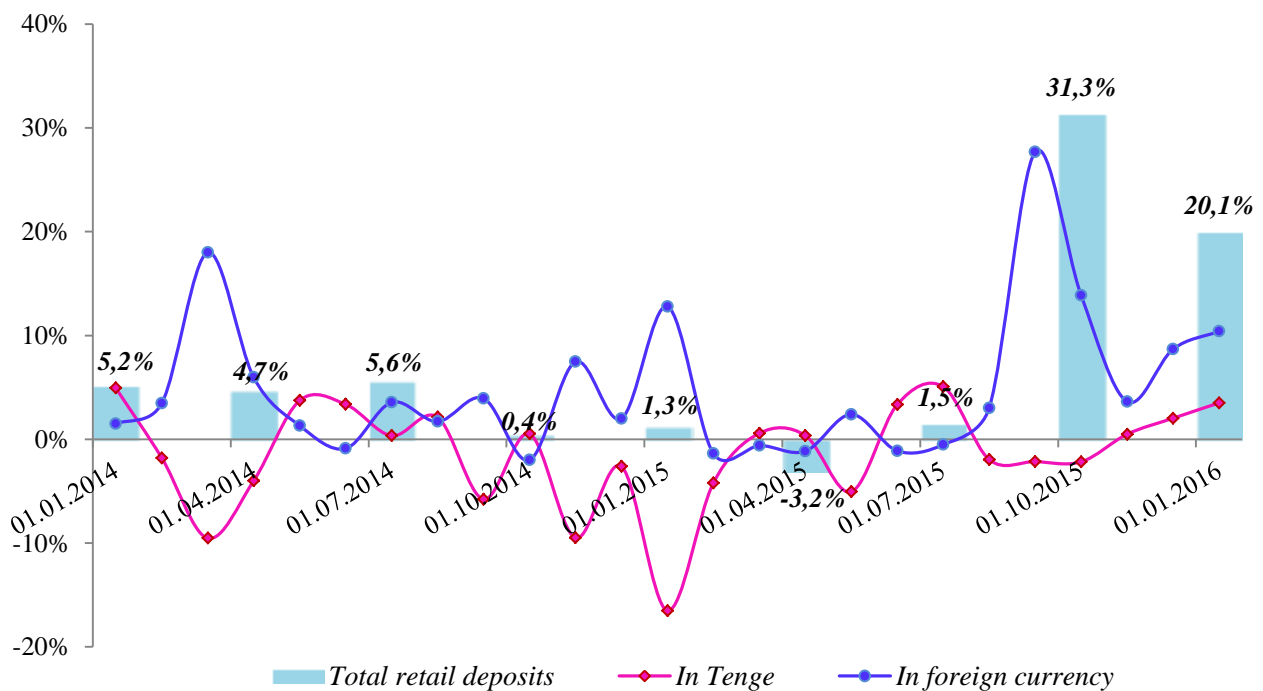


## Overview of the individuals' deposit market trends

The retail deposits base in banks accounts by the end of 2015 increased by 55% and amounted to T6.9 trillion. In terms of money the change was T2.44 trillion. Throughout the year the market of retail deposits maintained the top five positions by *Kazkommertsbank* with the share of 20.7% of the deposit base, *Halyk Bank* – 20.6%, *Kaspi Bank* – 9.4%, *Bank CenterCredit* – 8.0% and *Tsesnabank* – 7.3%.

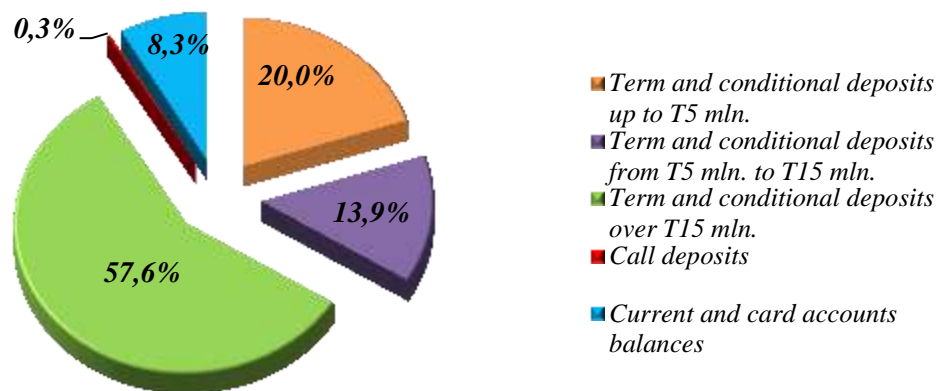
This increase was due to the decision of the National Bank of the Republic of Kazakhstan on a floating exchange rate regime. Thus, the growth in deposit base was due to increase in foreign currency deposits: call deposits increased by 46.3%, term and conditional deposits by 82%, current and card account balances of individuals by 79.6%.

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 T6.3 trillion which increased over the quarter by 20%, **current and card accounts balances** with a share of 8.3% or T570.6 billion, having increased by 21.6%, and **call deposits** with the share of 0.3% or T19 billion.

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



The **term and conditional deposits up to T5 million**, composing 20% (or T1.4 trillion) of the aggregate individuals' deposits portfolio in member-banks, have positive change by T65.7 billion. **Term and conditional deposits from T5 to T15 million** during the period represent T954.2 billion or 13.9% of the cumulative individuals' deposits amount. **The term and conditional deposits over T15 million** comprised T3.96 trillion or 57.6% of the cumulative individuals' deposits amount.

Quarterly change of **call deposits** composed – T2.6 billion (-11.8%). **Current and card account balances** as well as in the 3<sup>rd</sup> quarter of 2015 had a positive change, which amounted to +T101.5 billion or +21.6%.

As of January 1, 2016 the cumulative KDIF's liabilities on payouts to the DIS member-banks' insured depositors amounted to T2.8 trillion. At the reporting date, KDIF's special reserve reached T270.1 billion net of the KDIF's authorized capital. If necessary, KDIF is authorized to use up to 70% of its authorized capital in case of its special reserve's shortage upon the Shareholder's approval, and in this case the maximum possible size of the KDIF's special reserve will be amounted to T377.5 billion which is 13.4% of the cumulative KDIF's liabilities on payouts and 5.5% of the total amount of member-banks' retail deposits.

The cumulative KDIF's payouts to depositors of *Nauryz Bank* amounted to T679.6 million and to depositors of *Valut-Tranzit Bank* totaled T17.292 billion as of January 1, 2016. Reimbursement of the KDIF's claims to the liquidation commissions of *Nauryz Bank* reached T679.4 million or 88% of the total amount to be recovered from this bank and of *Valut-Tranzit Bank* reached T8.813 billion or 47.98% 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 2015, the KDIF starts to make additional reimbursement to the depositors of *Valut-Tranzit Bank* and currently the reimbursement process continues.



**Aggregate retail deposits placed with DIS member-banks  
as of January 1, 2016**

№	Name	Total amount of retail deposits (in thousand Tenge)	Difference in deposits amount compared to the last quarter (in thousand Tenge)	Total number of deposit accounts
<b>1</b>	<b>Total amount of retail deposits placed both in Tenge and in foreign currencies, including:</b>	<b>6 879 125 221</b>	<b>1 149 060 775</b>	<b>23 856 470</b>
<b>1.</b>	<b>Call deposits, including:</b>	<b>19 005 266</b>	<b>-2 550 884</b>	<b>1 027 314</b>
1.1.	<i>in Tenge</i>	4 682 002	135 819	986 588
1.2.	<i>in foreign currencies</i>	14 323 264	-2 686 703	40 726
	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	8 227 986	-4 011 968	94
<b>2.</b>	<b>Term and conditional deposits, including:</b>	<b>6 289 563 585</b>	<b>1 050 072 020</b>	<b>2 858 415</b>
2.1.	<i>in Tenge, including:</i>	1 026 541 008	10 911 015	2 148 974
	up to T1 million	283 751 363	20 132 067	1 897 582
	from T1 million to T3 million	305 675 849	1 976 305	186 883
	from T3 million to T5 million	144 484 596	-699 515	37 922
	from T5 million to T10 million	134 215 844	5 831 831	20 720
	from T10 million to T15 million	37 382 860	1 952 401	3 207
	over T15 million	121 030 496	-18 282 074	2 660
2.2.	<i>in foreign currencies, including:</i>	5 263 022 577	1 039 161 005	709 441
	up to T1 million	95 551 318	-5 084 992	352 571
	from T1 million to T3 million	274 675 593	-3 707 181	152 627
	from T3 million to T5 million	271 978 800	53 069 872	70 636
	from T5 million to T10 million	510 853 683	74 949 300	72 969
	from T10 million to T15 million	271 707 801	64 321 952	22 708
	over T15 million	3 838 255 381	855 612 053	37 930
	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	517 805 663	130 368 891	2 142
<b>3.</b>	<b>Current and card accounts' balances, including:</b>	<b>570 556 370</b>	<b>101 539 639</b>	<b>19 970 741</b>
3.1.	<i>in Tenge</i>	402 003 764	71 693 345	19 198 467
3.2.	<i>in foreign currencies</i>	168 552 606	29 846 294	772 274
	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	6 915 922	3 689 381	50 968