



PRESS RELEASE

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KASE commissions trading and clearing system ASTS+ on currency market

From November 30, 2020, Kazakhstan Stock Exchange JSC (KASE, or the Exchange) has put into operation the new trading and clearing system (TCS) ASTS+ in the currency market, developed on the basis of the TCS of Moscow Exchange PJSC (MOEX).

The introduction of the new TCS in the currency market was carried out as part of the implementation of the Strategic Partnership Agreement with MOEX dated October 10, 2018.

From the indicated date, trading in all 38 financial instruments of the currency market, including five currency pairs (USDKZT, RUBKZT, CNYKZT, EURKZT, EURUSD) with settlement dates T+0, T+1 and T+2, currency swap transactions with regard to the US dollar, Russian ruble, Chinese yuan, euro with settlements in the tenge and deliverable futures on the dollar/tenge exchange rate are carried out in the ASTS+.

In the new trading and clearing system, all trading modes are available that were previously used when trading foreign currencies on KASE.

Additionally, the negotiated deals mode is opened on the foreign exchange market, which is an analogue of the OTC market. A unified netting and risk management system of KASE as the central counterparty (CCP) in the currency market will be applied to deals concluded in different modes.

The range of derivative financial instruments available for trading in KASE's currency market has been expanded and the risk management system for these instruments has been significantly improved in the ASTS+.

In addition to "long" currency swap instruments, deliverable US dollar futures instruments are now available.

The introduction of the new trading and clearing system assists in improving the functional capabilities of KASE as the operator of trades and the CCP in the currency market. We point out that it allows conducting parallel trading in real time with multiple financial instruments and according to different rules – both with and without the CCP, in various currencies. The new platform also supports a wide range of trading methods and rules and enables a large number of users to connect.

"Over two years of continuous and fruitful work with the MOEX team, and with the support of our clients, regulators and partners, we managed to implement the ASTS+ on KASE's stock, money and currency markets. The impact of the pandemic did not prevent us from implementing this project. Our next goal is to transfer the derivatives market to the new TCS Spectra in 2021. I will add that by improving the IT systems of the Exchange and introducing the services of the central counterparty, we strive to attract new participants to our markets and, as a result, to increase the liquidity of the stock market in Kazakhstan," said Alina Aldambergen, the Chairperson of KASE's Management Board.

Alexey Khavin, the managing director for International Cooperation and Global Markets, a member of the Management Board of the Moscow Exchange, emphasized: "The exchange currency market is the basis of the country's financial market and plays an important role in the implementation of the state's monetary policy. KASE's transition to modern trading and clearing technologies of the Moscow Exchange capable of processing an average daily volume of transactions of many tens of billions of dollars, supporting a wide range of instruments for different categories of clients, will allow stepping into a new stage in the development of the currency market in Kazakhstan. Updated technologies will allow attracting new categories of participants to exchange trading, including brokers, corporations,

private investors. This will increase the liquidity of the currency market in Kazakhstan, make it more balanced and stable. "

With the introduction of the first release of the TCS of the stock market on December 3, 2019, trading with the CCP in shares, units, ETFs settled in tenge and Eurobonds and GDRs settled in US dollars was launched. On August 3, 2020, KASE presented the second release of the TCS of the stock market, which allowed the Exchange to perform the functions of the CCP for all financial instruments of the stock market, including government securities, corporate bonds, as well as money market instruments – repo transactions. Trading in securities was transferred to the new TCS, in terms of making purchase and sale deals without the CCP with settlements on a gross basis.

Distinctive features of the TCS ASTS+ are the high reliability of IT systems at 99.99%, the high-speed performance with a processing speed of about 30 thousand transactions per second and functionality with support of a wide range of methods and rules of trading in various financial market instruments.

Overall, since the launch of the first release of the TCS of the stock market on KASE until November 25, 2020, the volume of trades in the ASTS+ exceeded KZT28.5 trillion, and the number of deals amounted to more than 225 thousand.

For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the sixth rank in terms of the equity market capitalization among the FEAS exchanges.

It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies, transactions of the money market – repo and swap, as well as derivatives; it possesses modern technologies and provides a full range of trade and post-trade services in accordance with accepted international standards.

KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

KASE actively contributes to the economic growth of Kazakhstan by providing a transparent investment environment for local and foreign participants.

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