

# KAZAKHSTAN STOCK EXCHANGE JSC

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## PRESS - RELEASE

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### **KASE starts trial operation of the KASE Index shares trading using the T+2 scheme**

Kazakhstan Stock Exchange (further – KASE or Exchange) is pleased to announce that from June 29, 2015 it started trial operation of KASE trading system under the new T+2 scheme. The aim of such operation is to provide an opportunity for smooth transition to new settlement scheme for investors and market participants.

KASE will provide its trade participants an opportunity to trade with KASE Index securities in both T+0 and T+2 settlement cycles at the same time, meaning that during the trial operation two order books will operate for each share of KASE Index in the trading system.

During the trial operation market makers of KASE Index shares will have to perform their duties only while working with instruments traded using T+0 scheme. At the end of the trial operation period, which will be determined by a separate decision of KASE Management Board, T+0 settlement cycle will be deactivated for KASE Index securities and only T+2 settlement cycle will remain.

In order to provide trade participants with means to obtain assets required for settlement and to execute securities lending a new type of financial instruments – repo with netting – is available.

The change in the settlement period is in line with the goal for development the Astana Financial Center (AIFC) within the scope of the strategic vision of KASE to create a favorable environment for trading and settlement that both serves the needs of trade participants and investors and complies with best international standards and practices.

The new settlement cycle may positively impact Kazakhstan's market position in global Country Classification indices and raise further awareness of shares traded on KASE among international investors that rely on such classifications in making their investment decisions.

The detailed information about the new T+2 scheme and features of the new financial instrument “repo with netting” is available at [http://www.kase.kz/en/rules\\_kase](http://www.kase.kz/en/rules_kase).

In order to participate in the trades using the T+2 scheme the stock market members of the Exchange must obtain the status of a clearing member. A current list of clearing members of the stock market is available at <http://www.kase.kz/en/news/show/1260871>.

#### **Reference information**

Kazakhstan Stock Exchange (KASE) is one of the leading stock exchanges in CIS region with more than 130 companies having their securities listed and more than 40 broker organizations trading in these securities. KASE is the only exchange in Kazakhstan operating the financial market. It is the universal floor trading repo market instruments, foreign currencies, government and corporate securities, bonds of international financial institutions.

KASE is the member of the World Federation of Exchanges (WFE), Federation of Euro-Asian Stock Exchanges (FEAS) and other internal and international professional associations. Kazakhstan, being the leading financial market on the territory of Central Asia is aimed at developing as the financial centre and as a space for Islamic financing. KASE goal in Kazakhstan is the development of a strong and active domestic capital market able to attract attention of market participants and prospective issuers from all regions of CIS.

As of June 01, 2015 the volume of trade on KASE was an equivalent of USD 235.5 bn, including shares market – USD 114.9 m. KASE-operated shares market's capitalization was estimated at about USD 22.8 bn; corporate bond market – USD 36.3 bn.

Additional information on KASE is available in Russian, Kazakh and English on [www.kase.kz](http://www.kase.kz).