

## PRESS RELEASE

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### **KASE defines the USDKZT\_TOM as the rate fixing instrument on the foreign currencies market**

Beginning from September 10, 2018 results of the US dollar trading with settlements on the following business day (T+1) – USDKZT\_TOM – will be used for fixing rates on KASE's foreign currencies market.

Previously, the weighted average market rate KZT/USD with settlements on the trading day (T+0) – USDKZT\_TOD – was used as the rate fixing instrument.

The purpose of the novelty is to create a more representative indicator on the foreign currencies market in conditions of a freely floating tenge exchange rate.

"Changing the rate fixing instrument from T+0 to T+1 will allow synchronizing the settlement date on deals based on which the exchange rate was fixed, with the effective date of that rate as the official rate of the National Bank. Besides, this change will allow market participants to more precisely forecast tomorrow's flows, also with regard to deals on the stock market, where KASE broadens the use of settlement scheme T+2", - shares her comment on the event Deputy Chairman of Management Board Nataliya Khoroshevskaya.

From the mentioned date the weighted average exchange rate KZT/USD with settlements T+1 (USDKZT\_TOM), fixed as at 15:30 o'clock (Astana time) based on results of two trading sessions of the stock exchange – morning session (the main one) and day session (the additional one), is fixed as the official rate of the national currency against the US dollar on the business day following the trading day.

KASE draws attention of market participants to the fact that the weighted average US dollar rate with settlements T+1 in tenge, calculated based on results of the morning sessions, will be used by the Exchange for various purposes, stipulated in KASE's internal documents as an indicator defining the value of the tenge in terms of a major global reserve currency on a particular day.

At that, the schedule of foreign currencies trading on KASE will not change; instruments USDKZT\_TOD and USDKZT\_TOM (US dollar for tenge with settlements on the trading day and on the following business day) will keep trading as usual, daily in the morning and day trading sessions.

Results of foreign currencies trading on KASE are released on the Exchange's website <http://kase.kz/en/currency/>

#### **For reference**

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region and the only exchange in Kazakhstan, carrying out its activities in the financial market. It is a universal trading platform for repo market instruments, foreign currencies, government and corporate securities, bonds of international financial institutions as well as derivatives.

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. In 2015, KASE joined the UN Sustainable Stock Exchanges initiative. KASE occupies the second place among the CIS

exchanges in terms of securities trading volume, as well as the sixth rank in terms of the equity market capitalization among the FEAS exchanges.

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