

KAZAKHSTAN STOCK EXCHANGE JSC

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China-Central Asia Capital Markets Forum took place in Kazakhstan

On May 26, 2015 the China-Central Asia Capital Markets Forum took place in The Ritz-Carlton hotel. The main goal of the event was to discuss the issues of funding infrastructural and other projects of the Republic of Kazakhstan through stock market instruments and through raising foreign investments. The event was organized by the Kazakhstan Stock Exchange (KASE) and the Shanghai Stock Exchange (SSE). The exclusive sponsor of the event was the JSC AB "Bank of China Kazakhstan". The information partners of this event were: financial markets information agency "IRBIS", information agency "Interfax-Kazakhstan" as well as business editions LS, Capital, Kursiv.

China was represented by approximately 60 stock market entities, executives from the Shanghai Stock Exchange, China Securities Regulatory Commission, Industrial and commercial bank of China etc. Kazakhstan was represented by executives from professional stock market participants, KASE issuers, and delegates from the government and the National Bank of the Republic of Kazakhstan.

Memorandum of Understanding between KASE and SSE was signed during the event for the purpose of exchanging experience, market information of Kazakhstan and China, and strengthening the cooperation in terms of developing common instruments.

According to preliminary estimates, constant growth of the commodities turnover between Kazakhstan and China might reach dozens of billions US dollars contributing to the development of relationships between the stock markets of both countries.

KASE CEO Maxat Kabashev stated: "A certain share of investments in infrastructure projects in Kazakhstan, as a part of the Great silk way cooperation, might be raised through stock markets. In addition to financial market participants from China, we invited numerous companies from the real sector of economy to ensure practical cooperation."

As a part of the cooperation development between Kazakhstan and China KASE has launched trading with Chinese Yuan/Kazakhstani Tenge currency pair. Conducting the forum shows interest of the Chinese party in further development of relationships with KASE. SSE President Hongyuan Huang stated: "We are willing to support KASE to ensure that it becomes an important infrastructure link contributing to the development of the International Financial Center."

Background

The Shanghai Stock Exchange (SSE) was founded on November 26, 1990 and in operation since December 19 of the same year. It is a membership institution directly governed by the China Securities Regulatory Commission (CSRC). The SSE bases its development on the principle of "legislation, supervision, self-regulation and standardization" to create a transparent, open, safe and efficient marketplace. The SSE endeavors to realize a variety of functions: providing marketplace and facilities for the securities trading; formulating business rules; accepting and arranging listings; organizing and monitoring securities trading; regulating members and listed companies; managing and disseminating market information. SSE is the most preeminent stock market in Mainland China in terms of number of listed companies, number of shares listed, total market value, tradable market value, securities turnover in value, stock turnover in value and the T-bond turnover in value. A large number of companies from key industries, infrastructure and high-tech sectors have not only raised capital, but also improved their operation mechanism through listing on Shanghai stock market.

The Kazakhstan Stock Exchange (KASE) is the only stock exchange in Kazakhstan, servicing the financial market. It represents a multiasset trading floor for repo market instruments, foreign currencies, government and corporate securities of Kazakhstani and foreign issuers, bonds of internal financial organizations, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), Federation of Eurasian Stock Exchanges (FEAS) and other international and domestic professional associations. Kazakhstan as a leading financial market in the Central Asian region and is working on establishing a regional financial center with the emphasis on development of the Islamic Finance. Kazakhstan is striving for a developed and vibrant domestic capital market that will in turn attract other market participants and potential issuers from the Central Asian region. More information about KASE can be found in Russian, Kazakh and English at www.kase.kz.