

# KAZAKHSTAN STOCK EXCHANGE

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**Approved**

by a decision of the Board  
of Kazakhstan Stock Exchange  
(minutes No. 135  
dated November 1, 2019)

**Effective as of**

December 3, 2019

## **METHODOLOGY**

**for calculating indicative indicators of the repo  
market with CCP**

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2019

## **LIST OF AMENDMENTS**

**1. Change No. 1:**

- approved by a decision of the Board of JSC "Kazakhstan Stock Exchange" (Minutes of the meeting of August 12, 2021 No. 86);
- Effective August 18, 2021.

**2. Change No. 2:**

- approved by a decision of the Board of JSC "Kazakhstan Stock Exchange" (Minutes of the meeting of August 04, 2022 No. 95);
- Effective August 22, 2022.

This Methodology defines the list of indicative indicators of the repo market with financial instruments for which Kazakhstan Stock Exchange JSC (hereinafter - the Exchange) carries out clearing activities in the stock market using the services of the Central Counterparty (hereinafter - repo with CCP), and the procedure for calculating these indicators.

### Chapter 1. GENERAL PROVISIONS

1. This Methodology uses concepts defined by other internal documents of the Exchange.
2. For the purposes of the Methodology, are used:
  - 1) CCP repo market transactions are understood as transactions of automatic repo transactions in financial instruments, concluded at the Exchange trades using the services of the Central Counterparty;
  - 2) financial instruments mean securities, including derivative securities included in the T + List, the order of inclusion in which is determined by the Exchange document "Procedure for the inclusion of financial instruments in the T + List and in the T + Collateral List";
  - 3) the effective day for any financial instrument means the day during which at least one deal was concluded with this financial instrument in the Exchange's trading system;
  - 4) General collateral certificate (hereinafter the GCC) means a non-equity security issued by the Exchange as a clearing organization that performs the functions of a central counterparty, certified the right of its owner to a share of assets in the Exchange's property guarantee fund (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 5) GS Basket means a list of securities determined in accordance with the Exchange's internal documents (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*).
3. The Exchange calculates the following indicative indicators for transactions with financial instruments of the repo market with CCP (hereinafter - indicators):
  - 1) REPOUS1D – weighted average interest rate on automatic repo transactions with CCP for one day settlement in US dollars;
  - 4) REPOUS1W – weighted average interest rate on automatic repo transactions with CCP for seven days with settlements in US dollars;
  - 5) REPOUS14D – weighted average interest rate on automatic repo transactions with CCP for a period of fourteen days settled in US dollars;
  - 7) REPOUS30D – weighted average interest rate on automatic repo transactions with CCP for a period of thirty days with settlements in US dollars;
  - 8) REPObn1D – weighted average interest rate on automatic repo transactions with CCP on debt securities for a period of one day with settlements in tenge;
  - 11) REPObn1W – weighted average interest rate on automatic repo transactions with CCP on debt securities for a period of seven days with settlements in tenge;
  - 12) REPObn14D – weighted average interest rate on automatic repo transactions with CCP on debt securities for a period of fourteen days with settlements in tenge;
  - 13) REPObn30D – weighted average interest rate on automatic repo transactions with CCP on debt securities for a period of thirty days with settlements in tenge;
  - 14) REPOsh1D – weighted average interest rate on automatic repo transactions with CCP on equity securities for one day with settlements in tenge;
  - 17) REPOsh1W – weighted average interest rate on automatic repo transactions with CCP on equity securities for a period of seven days with settlements in tenge;
  - 18) REPOsh14D – weighted average interest rate on automatic repo transactions with CCP on equity securities for a period of fourteen days with settlements in tenge;

- 19) REPOsh30D – weighted average interest rate on automatic repo transactions with CCP on equity securities for a period of thirty days with settlements in tenge;
  - 20) REPGCC\_1D– weighted average interest rate on repo transactions with GCC with a term of one day with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 21) REPGCC\_1W –weighted average interest rate on repo transactions with GCC with a term of seven days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 22) REPGCC\_2W–weighted average interest rate on repo transactions with GCC with a term of fourteen days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 23) REPGCC\_1M–weighted average interest rate on repo transactions with GCC with a term of thirty days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 24) REPGCC\_2M–weighted average interest rate on repo transactions with GCC with a term of sixty days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 25) REPGCC\_3M–weighted average interest rate on repo transactions with GCC with a term of ninety days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 26) REPOgb14D–weighted average interest rate on repo transactions with the GS Basket with a term of fourteen days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 27) REPOgb30D–weighted average interest rate on repo transactions with the GS Basket with a term of thirty days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*);
  - 28) REPOgb90D–weighted average interest rate on repo transactions with the GS Basket with a term of ninety days with settlements in tenge (*this sub-item was included by a decision of the Exchange's Management Board dated 04 August of 2022*).
4. The terms used in this Methodology may also be used in other internal documents of the Exchange, in official documentation, in the Exchange's correspondence and in exchange information.
  5. Changes and / or additions to this Methodology are subject to placement (publication) on the official website of the Exchange at least 10 days prior to the date of introduction of these changes and / or additions, with the exception of changes and / or additions that are editorial and / or clarifying character and do not affect the order.

## Chapter 2. GENERAL CONDITIONS FOR CALCULATION OF INDICATORS

6. Indicator values shall be calculated by the Exchange with an accuracy of two decimal places with rounding according to the rules of mathematical rounding (digits up to five are reduced to zero, and digits from five and above are increased to ten) (*this item was changed by a decision of the Exchange's Management Board dated 04 August of 2022*).
7. If there are no deals during the trading day, the parameters of which are necessary for the calculation of any indicator, the calculation of this indicator is not performed on that day.
8. In order to ensure the adequacy of indicator values to the objective characteristics of the financial market, these values may be adjusted by the Committee on Indices and Indicators. The terms and procedure of such adjustment are defined in Chapter 4 of this Methodology (*this item was changed by the decision of the Exchange Management Board of August 12, 2021*)

### Chapter 3. CALCULATION OF REPO MARKET INDICATORS

- The repo transactions market indicators are calculated during each trading day of the Exchange as deals are concluded. Each new indicator value is calculated after the conclusion of each repo opening deal for the corresponding instrument.
- The indicators specified in clause 3 of this Methodology are calculated on the basis of the parameters of all transactions for opening CCP repo transactions on the day of the indicator calculation by the time of its calculation, according to the following formula:

$$Y = \frac{\sum_{i=1}^n (V_i \times Y_i)}{\sum_{i=1}^n V_i}, \text{ where:}$$

- Y – weighted average repo rate in% per annum;  
V<sub>i</sub> – volume of the i-th repo opening deal in tenge;  
Y<sub>i</sub> – repo rate on the i-th repo opening deal in% per annum;  
n – number of repo transactions opening.

- Indicators shall be calculated taking into account the peculiarities of execution of repo opening and closing transactions, established by the Exchange's internal document "Rules of execution of repo transactions in the trading and clearing system ASTS+" (*this item was changed by a decision of the Exchange's Management Board dated 04 August of 2022*).
- Indicators are calculated with an accuracy of two decimal places and are expressed as a percentage.

### Chapter 4. SPECIAL POWERS OF THE COMMITTEE ON INDICES AND INDICATORS IN RELATION TO INDICATORS

*(This title was changed by the decision of the Exchange Board of Directors on August 12, 2021)*

- The Indices and Indicators Committee (hereinafter referred to as the Committee) has the right to adjust indicator values by excluding from their calculations the parameters of those deals, which, in the Committee's opinion, have an unrepresentative influence (affected) on these values (for example, non-performed deals, deals, at conclusion of which technical errors were committed, deals whose prices clearly dissonant with the market state and/or market dynamics of the relevant instruments prices) (*this item was changed by the decision of the Exchange Management Board of August 12, 2021*).
- If the Committee makes a decision to exclude the parameters of any transaction (any transactions) from the calculation of this or that indicator, the corresponding recalculation of this indicator is carried out no later than the working day following the day on which the non-representative value of this indicator was received.
- When the Committee uses its special powers in accordance with clause 13 of this Methodology, the minutes of its meeting must reflect the reasons for using these powers and the actions taken in accordance with these powers.

### Chapter 5. FINAL PROVISIONS

- Responsibility for the timely introduction of changes and/or additions (updating) to this Methodology rests with the Information and Statistics Department.
- This Methodology is subject to updating as necessary, but at least once every three years.

Chairperson of the Board

A. Aldambergen