

Trade and Competitiveness Monitoring Note

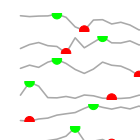


Kazakhstan

| GDP (US\$ billions) (2016) | Population (millions) (2016) | Income per capita (current US\$) (2016) | Poverty rate (2013) | Unemployment rate (2014) |
|----------------------------|------------------------------|---|---------------------|--------------------------|
| 182.85 | 17.66 | 10,352.71 | 0.04 | 4.10 |

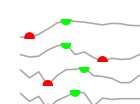
Macro Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|--------|--------|--------|--------|--------|
| GDP growth (annual %) | 8.255 | 5.000 | 6.000 | 4.400 | 1.508 | 2.125 |
| Current account balance | -1.107 | 0.521 | 0.400 | 2.135 | -1.207 | -0.436 |
| Fiscal balance (% of GDP) | 3.449 | 3.939 | 3.374 | 0.883 | -2.884 | 0.477 |
| Remittances, received (% of GDP) [1] | 0.192 | 0.088 | 0.089 | 0.105 | — | — |
| Real Effective Exchange Rate (2010=100) | 75.676 | 89.944 | 94.651 | 90.393 | 97.120 | 88.153 |
| Consumer Price Index, annual percent change | 8.610 | 5.153 | 5.806 | 6.711 | 5.253 | 9.496 |



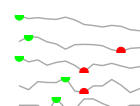
Investment indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | 24.9 | 29.2 | 28.9 | 27.7 | 27.5 | 27.9 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 28.6 | 24.8 | 23.9 | 24.2 | — | — |
| Inward FDI (% of GDP) [2] | 8.6 | 6.6 | 4.6 | 4.7 | — | — |
| Inward FDI, % of private investment [2] | 34.0 | 32.6 | NA | — | — | — |



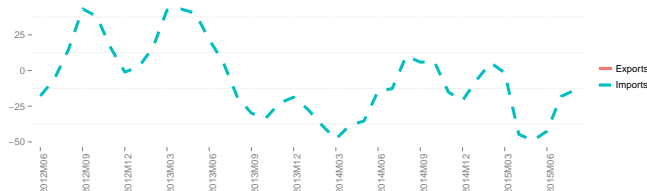
Trade Indicators

| | Avg 2002-2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---------------|-------|-------|--------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms) | 83.21 | 67.24 | 64.94 | 55.95 | 53.37 | 53.12 |
| Trade balance (% GDP, real terms) | 9.72 | 2.93 | 1.12 | 4.41 | 5.13 | 4.72 |
| Exports, Goods and Services, annual percent change (real terms) | 3.88 | 4.70 | -0.20 | -4.60 | -1.63 | 0.97 |
| Imports, Goods and Services, annual percent change (real terms) | 3.46 | 20.90 | 5.20 | -15.70 | -5.00 | 2.48 |
| Total reserves in months of imports [1] | 4.16 | 3.70 | 3.31 | — | — | — |



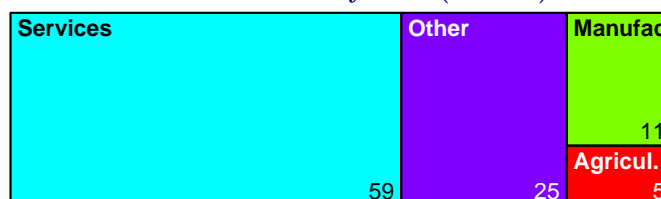
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)

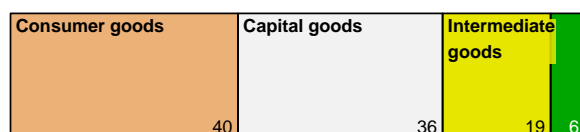


Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014

Error in if (rec[3] < rec[4]) {: missing value where TRUE/FALSE needed

Imports Categories by % of Total Value, 2014



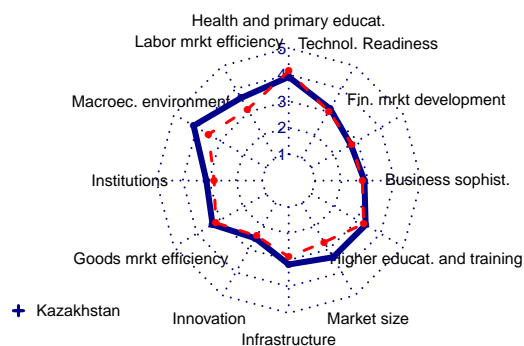
Source: World Integrated Trade Solution (WITS)

Doing Business 2015 Ranks (among all countries)

| | DB 2015 Rank | DB 2016 Rank | Change in Rank |
|-----------------------------------|--------------|--------------|----------------|
| Dealing with Construction Permits | 100 | 92 | 8 |
| Ease of Doing Business Rank | 53 | 41 | 12 |
| Enforcing Contracts | 14 | 9 | 5 |
| Getting Credit | 71 | 70 | 1 |
| Getting Electricity | 68 | 71 | -3 |
| Paying Taxes | 17 | 18 | -1 |
| Protecting Minority Investors | 64 | 25 | 39 |
| Registering Property | 25 | 19 | 6 |
| Resolving Insolvency | 63 | 47 | 16 |
| Starting a Business | 53 | 21 | 32 |
| Trading Across Borders | 121 | 122 | -1 |

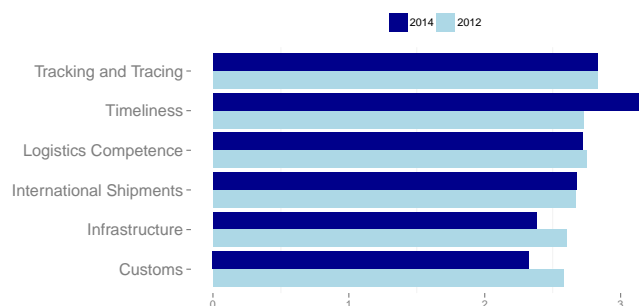
Source: Doing Business Report 2015

WEF Competitiveness Indicators (Scale 1-5, 5=best)



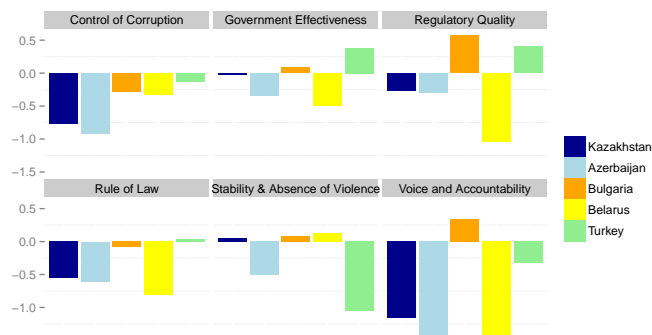
Source: WEF Global Competitiveness Report 2015

Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 7.6 | 7 |
| Dispersion (Standard Deviation) | 10.1 | 8.4 |
| Import duties collected (% , 2011-2013) [1] | — | 5.6 |
| MFN Tariff (Agriculture) | 11.8 | 10.2 |
| MFN Tariff (Non-Agriculture) | 8.1 | 7.7 |
| MFN Tariff (Simple Average) | 8.6 | 8 |
| Services sectors with GATS commitments [1] | — | — |

Sources: WITS, [1] WTO Trade Profiles

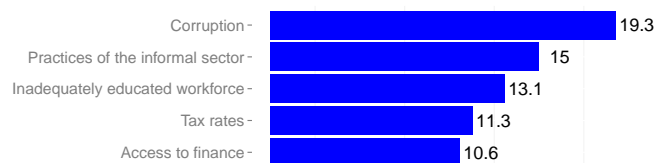
Private Sector's Views

Enterprise Survey 2013

| | Kazakhstan | Europe and Central Asia | All Countries |
|---|------------|-------------------------|---------------|
| Number of electrical outages in a typical month | 0.50 | 2 | 6.30 |
| Percent of firms with a bank loan/line of credit | 19.20 | — | 34.30 |
| Proportion of investment financed by banks (%) | 8.80 | — | 14.30 |
| Proportion of investment financed internally (%) | 83.40 | — | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | 5.50 | — | 9.90 |

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015