



CENTRAL
SECURITIES
DEPOSITORY

KACD

ANNUAL REPORT

2010

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Glossary

The following abbreviations are used in the text:

ANNA	Association of National Numbering Agencies
KACD	Central Securities Depository JSC
KASE	Kazakhstan Stock Exchange JSC
JSC	Joint-Stock Company
FSA	Agency of the Republic of Kazakhstan on regulation and supervision of financial market and financial organizations
GTO	government treasury obligations of the Republic of Kazakhstan
state-owned block of shares or SBS	state-owned block of shares (shares, which belong to government)
government securities or GS	government emission securities, issued in accordance with legislation of the Republic of Kazakhstan
SB	subsidiary bank
USPA	unified system of personal accounts
CFI	International code of financial instruments (Classification of Financial Instruments), allocated in accordance with ISO 10962
ISIN	International Securities Identification Number, allocated in accordance with ISO 6166
MAOKAM	government special medium-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with two and three years circulation term) (abbreviation of securities title is in Kazakh language)
MEIKAM	government index treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with three months and over circulation term) (abbreviation of securities title is in Kazakh language)
MEKKAM	government short-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with the circulation term up to one year inclusive) (abbreviation of securities title is in Kazakh language)
MEOKAM	government medium-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with the circulation term over one up to five years inclusive) (abbreviation of securities title is in Kazakh language)
MEUJKAM	government long-term saving treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with over five years circulation term), placed with Pension Savings Funds (abbreviation of securities title is in Kazakh language)
MEUKAM	government long-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with over five years circulation term) (abbreviation of securities title is in Kazakh language)
mln	million
bln	billion

ISMT	Interbank System of Money Transfer operating on the basis of Kazakhstan Interbank Settlement Center of the National Bank of the Republic of Kazakhstan
MUIKAM	government long-term indexed treasury obligations of the Ministry of Finance of the Republic of Kazakhstan (with over five years circulation term) (abbreviation of securities title is in Kazakh language)
municipal securities	securities, issued by local executive bodies of the Republic of Kazakhstan
National Bank or NB	National Bank of the Republic of Kazakhstan
corporate securities or CS	corporate securities that do not belong to government or government organizations
nonresident	nonresident natural person or legal entity
NIN	National identification number of security allocated in accordance with the laws of the Republic of Kazakhstan
nominal holding	nominal holding of Central Securities Depository JSC
UIF	Unit investment fund
resident	natural person, who is the citizen of the Republic of Kazakhstan, as well as legal entity incorporated and registered in the Republic of Kazakhstan in accordance with the laws of the Republic of Kazakhstan
register system	security holders register system
Board of Directors	Board of Directors of Central Securities Depository JSC
ISO 6166 standard	International standard "Securities and related financial instruments – International securities identification numbering system (ISIN)"
ISO 9362 standard	International standard "Banking – Banking telecommunication messages – Bank identifier code (BIC)"
ISO 10962 standard	International standard "Securities and related financial instruments – Classification of Financial Instruments (CFI code)"
ISO 13616 standard	International standard "Financial services – International bank account number (IBAN)"
ISO 22399 standard	International standard "Society security – Guideline for incident preparedness and operational continuity management"
ISO 27001 standard	International standard "Information Security Management System"
SAS 70 standard	Auditing standard "Statement on Auditing Standards (SAS) No. 70, Service Organizations"
LLP	Limited Liability Partnership
trln	trillion
ths.	thousand
the Central Securities Depository	Central Securities Depository JSC

Procedural explanation

To show the amount of financial instruments, which are in nominal holding of the Central Securities Depository, the par value of debt securities is used in this Report, as well as the nominal value of equity financial instruments determined by the Central Securities Depository in accordance with its internal document "Fee Schedule".

The Central Securities Depository would like to focus attention of readers of this Report to the fact that the amount of financial instruments shown in this Report, which are in nominal holding of the Central Securities Depository, may not be used for any purpose other than specified in this and other Annual reports of the Central Securities Depository.

Message from the President

Dear shareholders!

The year 2010 was marked by introduction of international standards to the Central Securities Depository.

Thus, in order to transfer funds in the national currency the Central Securities Depository has started using bank details in accordance with ISO 9362 and ISO 13616 international standards together with other banks and organizations, which carry out some banking operations from June 07, 2010.

In November 2010 the Central Securities Depository as a partner of ANNA started appropriating international identification numbers to securities and other financial instruments issued in accordance with the legislation of the Republic of Kazakhstan. International identification numbers are appropriated to securities and other financial instruments in accordance with ISO 6166 and ISO 10692 international standards.

In 2010 the work was completed on implementation of recommendations made by the audit company "Deloitte & Touche" LLP in the course of operational audit conducted using SAS 70 standard in 2009. In January 2011 we received a report of this audit company acknowledging completion of the operational audit and implementation of all the references required.

At the end of 2010 there was conducted a technical audit by audit company "Ernst & Young – consultancy services". The audit was conducted using a number of standards, including international standards of ISO 27001 and ISO 22399.

Further development of the Central Securities Depository shall be aimed at application of the best international practices and international standards.

President of Central Securities Depository JSC

Bakhytzhan Kapyshev

The main events of 2010

Professional activities

One of the most high-profile events of the Central Securities Depository was introduction of USPA. In January 2010 the Central Securities Depository started creating and maintaining database showing totality of data contained in the register system maintained by the registrar. Preparatory work carried out by the Central Securities Depository in collaboration with the registrars in 2009 allowed the registrars to provide quality service giving no rise to unfavorable criticism from the first days of USPA introduction.

During the first half of 2010 some changes were made in internal recordkeeping systems of the Central Securities Depository related to application of standards of ISO 9362 and ISO 13616. These changes were associated with transfer of funds in the national currency for which bank details generated in accordance with international standards were used.

Risk management

In 2010 the Central Securities Depository has taken significant efforts to improve risk management. Among other things, an independent risk management service was founded and basic documents were drawn up together with principles, objectives and procedures to be implemented in the sphere of risk management. Within the framework of the work done, the documents were produced aimed at internal control system improvement and regulation of procedures for management of conflict of interest and prevention of illegal use of insider information, conduct of internal audit, information policy and other documents.

One of the risks, to management of which the Central Securities Depository attaches great importance, is the risk of its business interruption. The Central Securities Depository allocates extensive resources to ensure efficient management of the above mentioned risk. Within the framework of the work being done by the Central Securities Depository and KASE in 2005 it was decided to create a reserve center. It is planned to commission reserve center in 2011.

For the purpose of making independent evaluation of the internal control system the Central Securities Depository alongside with creating independent risk management services continued cooperation with external consultants from "Deloitte & Touche" on conducting operational audit in accordance with SAS 70 standards and signed a contract with "Ernst & Young" for information system and information security audit.

Prior to that following recommendations of "Deloitte & Touche" LLP the Central Securities Depository carried out the work on optimization of its business, including changes and automation that were introduced to document flow procedure as well as procedures for monitoring execution of documents and allowing to document and monitor changes made in the developed information systems, procedures designed to ensure information and technical security. In July 2010 "Deloitte & Touche" LLP proceeded to the second, final stage of operational audit, which has been finished in January 2011 by submitting "SAS 70. Type 2" report by "Deloitte & Touche" LLP.

"Ernst & Young" LLP completed its audit in December 2010 and submitted its reports and recommendations on the audit of IT-infrastructure, ensuring ongoing concern, information process and information systems protection, as well as documentation and processes. The Central Securities Depository is intending to fulfill recommendations received from "Ernst & Young - consultancy services" during the first half of 2011.

Management of the Central Securities Depository

In 2010 for the purpose of improving corporate management, the Central Securities Depository established the Board of Directors' Audit Committee and introduced a new position of a corporate secretary.

The main functions of the Audit Committee shall be:

- 1) preparation and submission of recommendations on how to take decisions on the issues of bookkeeping, financial accounting and auditing, internal control system and risk management, operation of the Central Securities Depository internal control service;
- 2) prompt cooperation with the Internal Audit Service of the Central Securities Depository and its ongoing performance monitoring;
- 3) prompt cooperation with audit companies of the Central Securities Depository.

The main functions of the corporate secretary shall be:

- 1) Ensure observance of norms of the law of the Republic of Kazakhstan, Charter of the Central Securities Depository, corporate governance code (if any) and other internal documents of the Central Securities Depository concerning sphere of corporate governance and/or designed for exercising and protecting legal shareholders' rights and interests under the legislation of the Republic of Kazakhstan and Charter of the Central Securities Depository by the bodies, business units, officials, employees of the Central Securities Depository, members of general meeting of shareholders of the Central Securities Depository;
- 2) Ensure efficient operation of the Board of Directors and its committees in collaboration with the Management Board of the Central Securities Depository;
- 3) Ensure (contribute to ensuring) appropriate execution of decisions of the general meeting of shareholders of the Central Securities Depository and Board of Directors;
- 4) Ensure (contribute to ensuring) effective interaction between the Central Securities Depository and its shareholders, as well as between bodies of the Central Securities Depository;
- 5) Contribute to ensuring access of shareholders of the Central Securities Depository to the information of its activities affecting the interests of shareholders of the Central Securities Depository (such information is specified in paragraph 1 of Article 79 of the Law of the Republic of Kazakhstan "On Joint-Stock Companies"), and to copies of documents of the Central Securities Depository concerning its activities and to be kept by the Central Securities Depository during the term of its activities (such documents are specified in paragraph 1 of Article 80 of the Law of the Republic of Kazakhstan "On Joint-Stock Companies").

International activities

In 2010 the Central Securities Depository put into effect Rules of Allocating International Identification Numbers for Securities and Other Financial Instruments that allowed it to start allocating international identification numbers for securities and other financial instruments issued in accordance with the law of the Republic of Kazakhstan from November 01, 2010 in the capacity of the National Numbering Agency of the Republic of Kazakhstan. Until November 01, 2010 functions of acting Numbering Agency was performed by WM Datenservice (Federal Republic of Germany), which handed over information to the Central Securities Depository on the allocated international identification numbers for securities and other financial instruments issued in accordance with the law of the Republic of Kazakhstan.

In 2010 the Central Securities Depository's management and employees attended a number of conferences, which enabled them to exchange experience with foreign colleagues. In particular, the Central Securities Depository was introduced at the VII International Conference of Eurasian Central

Depositories Association, Annual Meeting of the Members of the International CIS Countries Stock Exchange Association, General Meeting of the ANNA Members and Partners. The Central Securities Depository's personnel also completed training organized by the Asian-Pacific Central Securities Depository Association (ACG) for the purpose of exchanging experience on the issues of corporate actions, services in the third market and legal assistance to central depositories in the event insolvency of the members.

Results of Financial and Economic Activities

At the end of 2010 the Central Securities Depository received a profit in the amount of KZT 341.27 mln, showing the increase of KZT 101.32 mln (42.23 %) as compared to the previous year.

Income

Total amount of the Central Securities Depository's income received in 2010 made KZT 835.09 mln, showing the increase of KZT 93.08 mln (12.54 %) as compared to 2009.

The Central Securities Depository's income structure in 2010 (Fig. 1) as compared to the previous year has changed in connection with income in the year under review received from maintenance of USPA, which was unavailable in 2009.

Principal source of the Central Securities Depository's income in 2010 was related to services associated with depository activities. Income received from depository activities in 2010 as compared to 2009 increased by KZT 36.95 mln (5.70 %). Increase of income from depository activities is related to the increased amount of financial instruments in nominal holding. Share of the above income in the total amount of the Central Securities Depository's income in 2010 made 82.01 %, while in 2009 it equaled to 87.31 %.

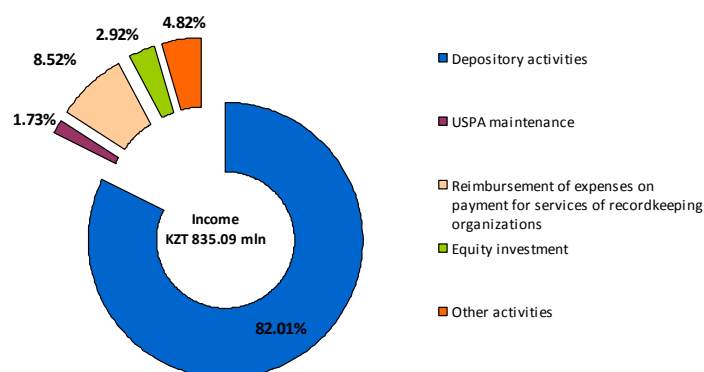
Earnings from reimbursement of expenses on payment for services of recordkeeping organizations as compared to the expenses charged in 2009 increased by KZT 3.31 mln (4.88 %). At the same time the share of the above earnings reduced from 9.15 % in 2009 to 8.52 % in 2010. Growth of income from these services is related to the increase of additional fees charged by recordkeeping organizations.

Income received by the Central Securities Depository from USPA activity in 2010 made KZT 14.40 mln. Share of this income in the total the Central Securities Depository's income of 2010 made 1.73 %.

Income received from the Central Securities Depository's equity investment increased by KZT 3.51 mln (16.79 %) due to the increase of the Central Securities Depository's investment portfolio from 2.82 % in 2009 to 2.92 % in 2010.

Income from other activities increased by 34.91 mln KZT (7.5 times) as compared to 2009. Share of this income increased from 0.72 % in 2009 to 4.82 % in 2010. Income from other activities includes income from paying agent's services, maintenance of bank accounts, installation and support of automatic workplaces, training delivery and other income. Generally, increase in this group is explained by receipt of income in the amount of KZT 35.36 mln from investing in an associated

Figure 1
KACD income structure in 2010

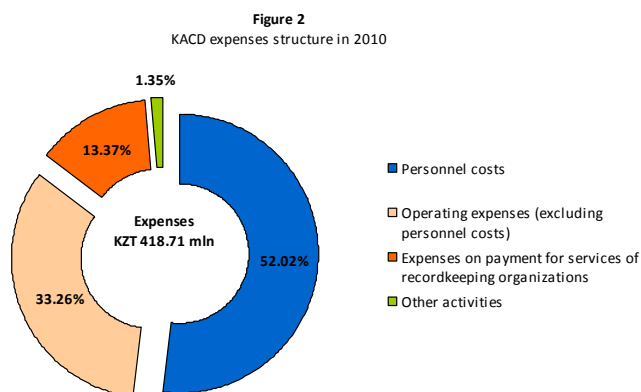


company "RTSS" LLP, which is recognized by equity method (reversal of the earlier recognized asset impairment loss).

Expenses

Total amount of expenses of the Central Securities Depository in 2010 made KZT 418.71 mln , and showed the decrease of KZT 16.88 mln (3.88 %) as compared to 2009.

In the Central Securities Depository's expense pattern for 2010 (Fig. 2) the major share falls on personnel costs, which increased in 2010 as compared to 2009 by KZT 49.81 mln (29.65 %). Share of these expenses in 2010 made 52.02 %, while in 2009 it equaled to 38.57 %. Increase of personnel costs is associated with growth of the amount of 2009 year-end bonus and increase in the number of personnel of the Central Securities Depository in 2010.



Operating expenses (excluding personnel costs) of the Central Securities Depository in 2010 dropped by KZT 23.20 mln (14.28 %). Share of these expenses reduced from 37.30 % in 2009 to 33.26 % in 2010.

Expenses on payment for services of recordkeeping organizations in 2010 increased by KZT 4.21 mln (8.13 %) in relation to the increase of additional fees charged by recordkeeping organizations. Share of these expenses in the total amount of the Central Securities Depository's expenses increased from 11.89 % in 2009 to 13.37 % in 2010.

Other expenses in 2010 dropped by KZT 47.70 mln (89.44 %). Considerable cost reduction in this group is explained by inclusion into other expenses in 2009 of share in the loss in the amount of KZT 47.09 mln from investing in associated company "RTSS" LLP, which is recognized by equity method. Share of other expenses reduced from 12.24 % in 2009 to 1.35 % in the reporting year.

Shareholders and authorized capital

Shareholders

Due to the legislation of the Republic of Kazakhstan, professional participants of securities market who have valid license to implement professional activities in the securities market and international financial organizations can be shareholders of the Central Securities Depository.

Table 1

A list of KACD shareholders as of January 01, 2011

#	Title of KACD shareholders	Number of shares owned (pieces)	Shares outstanding, (%)
1	National Bank	121	49.79
2	KASE	94	38.68
3	Bank CenterCredit JSC	2	0.82
4	SB KAZAKHSTAN ZIRAAT INTERNATIONAL BANK JSC	2	0.82
5	Kazkommertsbank JSC	2	0.82
6	Halyk Savings Bank of Kazakhstan JSC	2	0.82
7	Subsidiary of Kazkommertsbank JSC – Kazkommerts Securities JSC	2	0.82
8	Greenwich Capital Management JSC	2	0.82
9	ATFBank JSC	1	0.41
10	AsiaCredit Bank JSC	1	0.41
11	BTA Bank JSC	1	0.41
12	SB Alfa-Bank JSC	1	0.41
13	SB RBS Kazakhstan JSC	1	0.41
14	Kaspi Bank JSC	1	0.41
15	SENIM-BANK JSC	1	0.41
16	EximBank Kazakhstan JSC	1	0.41
17	SB Sberbank of Russia JSC	1	0.41
18	Temirbank JSC	1	0.41
19	Registration system of securities JSC	1	0.41
20	Almaty Investment Management JSC	1	0.41
21	VISOR Capital JSC	1	0.41
22	Subsidiary Bank of BTA Bank JSC – BTA Securities JSC	1	0.41
23	Centras Securities JSC	1	0.41
24	HOME BROKER JSC	1	0.41
TOTAL		243	100.00

Table 2

A list of companies joined KACD as shareholders in 2010

Title of KACD shareholders	Number of shares owned (pieces)	Shares outstanding, (%)
Registration system of securities JSC	1	0.41

Authorized capital

The Central Securities Depository's number of authorized ordinary shares makes 300, including 243 placed as of January 1, 2011 for the total amount of KZT 48,600,000 .

The initial public offering in the amount of 29 pieces was registered by the decision of the National Commission of the Republic of Kazakhstan on Securities (Certificate of state registration of security issue # 02-2-15/3107 of August 12, 1997, NIN KZ1C04620414).

The second stock issue in the amount of 11 pieces was registered by the decision of the National Commission of the Republic of Kazakhstan on Securities (Certificate of state registration of security issue # 02-2-4/2158 of March 31, 2000, NIN KZ1C04620414).

The third stock issue in the amount of 50 pieces was registered by the National Bank (Certificate of state registration of security issue # A0462-2 of June 12, 2002, NIN KZ1C04620015).

The fourth stock issue in the amount of 210 pieces was registered by FSA (Certificate of state registration of security issue # A0462 of March 23, 2005, NIN KZ1C04620015).

Depository activities

Clients and other similar persons

In accordance with the Law of the Republic of Kazakhstan "On securities market" clients of the Central Securities Depository shall be professional participants of the securities market, who are nominal holders of securities, as well as foreign depositories and custodians.

According to the Rules of Execution of Depository Activities of the Central Securities Depository personal accounts shall be opened with the Central Securities Depository to the clients and the following legal entities:

- 1) National Bank;
- 2) those licensed by the authorized body to carry out dealer activities in the securities market;
- 3) those carrying out dealer activities without being licensed by the authorized body in accordance with the legislative acts of the Republic of Kazakhstan.

Interaction of the Central Securities Depository with clients and entities entitled to open personal account with the Central Securities Depository (further "Clients"), shall be carried out in accordance with the law of the Republic of Kazakhstan, the Code of Rules of Central Securities Depository JSC and contract signed for nominal holding.

As of January 01, 2011 number of legal entities that signed contracts for nominal holding with the Central Securities Depository was 71, including 3 legal entities that signed the above contract in 2010. Six deposit contracts with clients have been terminated over the fiscal year. (Complete list of entities that signed deposit contracts with the Central Securities Depository as of January 01, 2011 is published on the official the Central Securities Depository Internet site: http://www.kacd.kz/ru/about_KACD/clients).

Personal accounts and subaccounts

Total number of clients' accounts opened with the Central Securities Depository was 76 as of January 1, 2011.

Total number of subaccounts opened within the clients' accounts with the Central Securities Depository increased by 404 compared to the previous year and made 12,253 subaccounts, including 76 subaccounts opened in the name of clients of the Central Securities Depository and 12,177 subaccounts opened in the name of clients' customers.

Nominal holding

General information

Total volume of financial instruments in nominal holding as of January 01, 2011 made KZT 14.59 trln, and showed the increase of KZT 2.2 trln (17.75 %) as compared to the previous year.

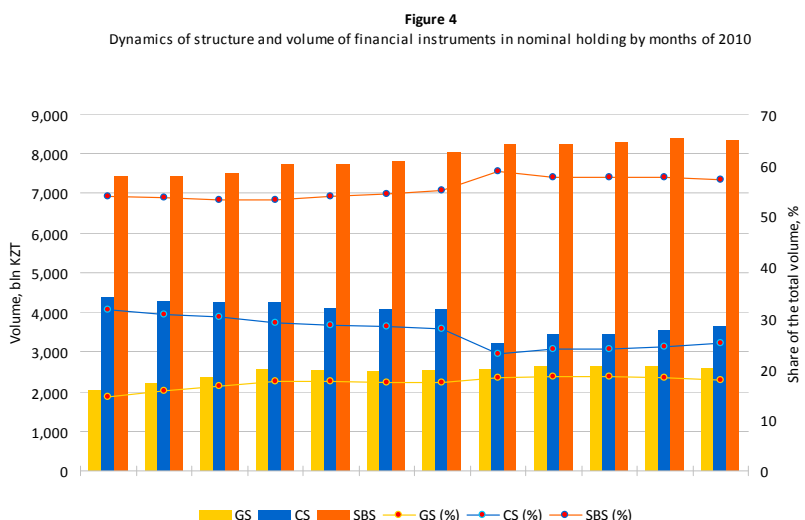
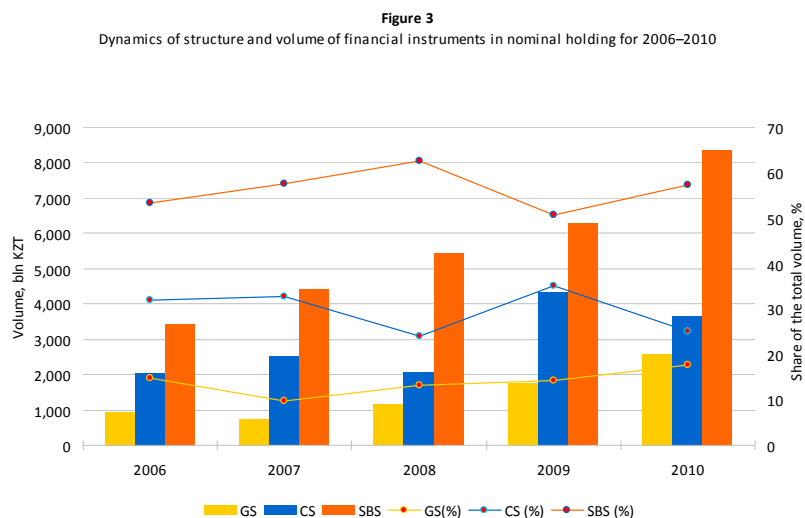
Volume of government securities in nominal holding as of January 01, 2011 made KZT 2.59 trln or 17.74 % of total volume of financial instruments in nominal holding and showed the increase of 3.46 % as compared to the previous year.

Total volume of corporate securities in nominal holding as of January 01, 2011 made KZT 3.66 trln or 25.05 % of total volume of financial instruments in nominal holding and showed the decrease of 10.01 % as compared to the previous year.

State-owned block of shares are also in nominal holding. State-owned block of shares are registered on the personal accounts of clients entrusted in accordance with the law of the Republic of Kazakhstan with a task to organize and maintain share register thereby carrying out nominal holding of shares owned by the government and government organizations. These clients in their turn being professional participants of securities market are bound in accordance with provisions of law of the Republic of Kazakhstan "On Securities Market" to register financial instruments transferred to them for nominal holding on personal accounts with the Central Securities Depository. As of January 01, 2011 volume of state-owned block of shares in nominal holding made KZT 8.4 trln or 57.22 % of total volume of financial instruments in nominal holding and showed the increase of 6.56 % as compared to the previous indicator (Fig. 3).

In 2010 average annual volume of financial instruments in nominal holding made KZT 14.3 trln and showed the increase of KZT 2.8 trln as compared to 2009. In average during the year the volume of financial instruments in nominal holding showed monthly increase of KZT 0.07 trln or 0.53 % (Fig. 4).

As of January 01, 2011, the nominal holding of the Central Securities Depository included:



- 386 issues of ordinary shares (showing the increase of one issue as compared to January 01, 2010);
- 48 issues of preference shares (showing the increase of 5 issues as compared to January 01, 2010);
- 262 issues of corporate bonds (showing the decrease of 49 issues as compared to January 01, 2010);
- 145 issues of government securities issued by the Ministry of Finance of the Republic of Kazakhstan (showing the increase of 23 issues as compared to January 01, 2010);
- 16 issues of short-terms notes of the National Bank (showing the increase of 1 issue as compared to January 01, 2010);
- 70 issues of Eurobonds (showing the increase of 17 issues as compared to January 01, 2010);
- 24 issues of units by the unit investment funds (showing the increase of 1 issue as compared to January 01, 2010);

As of January 01, 2011 the Central Securities Depository had nominal holding accounts with the following foreign registrars:

- Clearstream Banking Luxembourg (International Central Depository);
- Central Securities Depository CJSC (Kyrgyz Republic).

As of January 01, 2011 the Central Securities Depository had nominal holding accounts with the following registrars:

- Fondovy Tsentri JSC;
- Centre DAR JSC;
- Reestr-Service JSC;
- Registration system of securities JSC;
- Reestr JSC;
- Registrator Company JSC;
- Registrator Zerde JSC;
- Pervy Nezavisimy Registrator JSC;
- PROFIT-LINE JSC;
- Registration Service JSC;
- Kazreestr JSC.

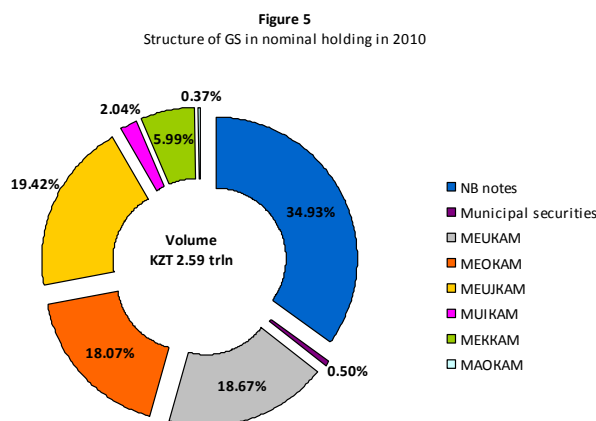
As of January 01, 2011, financial instruments for the amount of KZT 12.01 trln were registered on nominal holding accounts opened in the name of the Central Securities Depository with the registrar institutions.

Government securities

Volume of government securities in nominal holding as of January 01, 2011 made KZT 2.59 trln showing the increase of KZT 0.82 trln (46.23 %) as compared to the reporting date of the last year.

Volume of short-term notes of the National Bank as of January 01, 2011 made KZT 0.9 trln showing the increase of KZT 0.43 trln (89.66 %) as compared to 2010.

Volume of GTO as of January 01, 2011 made KZT 1.67 trln showing the increase of KZT 0.38 trln (29.22 %) as compared to 2010. MEUKAM showed maximum growth of volume of GTO from KZT 0.27 trln as of January 01, 2010 to KZT 0.48 trln as of January 01, 2011. MEUJKAM also showed significant growth of KZT 134 trln (36.34 %) (Fig. 5).



Corporate securities

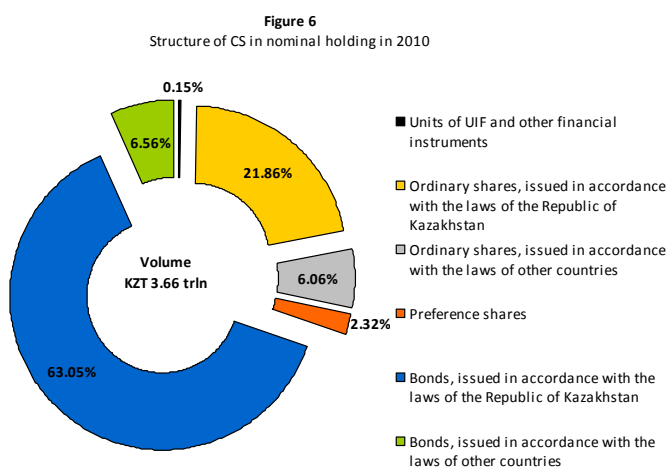
Volume of corporate securities in nominal holding as of January 01, 2011 made KZT 3.66 trln showing the decrease of KZT 0.69 trln (15.89 %) as compared to 2010.

Volume of ordinary shares as of January 01, 2011 made KZT 1.02 trln or 27.92 % of the total volume of corporate securities in nominal holding showing the increase of KZT 0.05 trln (5.56 %) as compared to 2010. Ordinary shares include shares issued in accordance with laws of the countries other than the Republic of Kazakhstan; their volume as of January 01, 2011 made KZT 0.22 trln and showed the increase of KZT 0.15 trln (225.82 %) as compared to the last year.

Volume of preference shares as of January 01, 2011 made KZT 0.08 trln or 2.32 % of the total volume of corporate securities in nominal holding showing the increase of KZT 0.02 trln (29.42 %) as compared to the previous year.

Volume of bonds issued in accordance with the law of the Republic of Kazakhstan as of January 01, 2011 made KZT 2.3 trln or 63.05 % of the total volume of corporate securities in nominal holding showing the decline of KZT 0.83 trln (26.47 %) as compared to 2010.

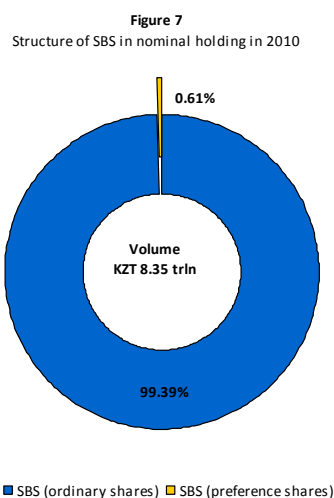
Volume of bonds issued in accordance with the laws of the countries other than the Republic of Kazakhstan as of January 01, 2011 made KZT 0.24 trln or 6.56 % of the total volume of corporate



securities in nominal holding showing the increase of KZT 0.07 trln (37.82 %) (Fig. 6) as compared to 2010.

State-owned block of shares

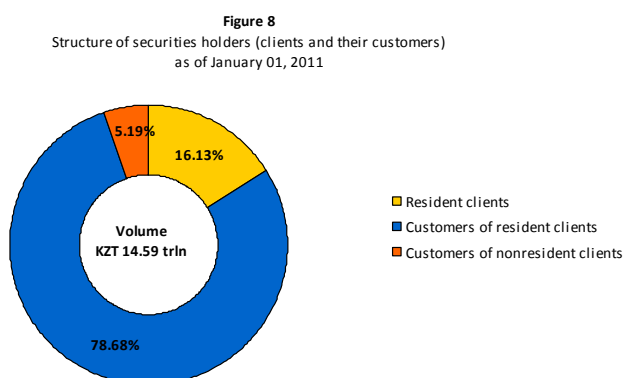
Volume of state-owned block of shares in nominal holding as of January 01, 2011 made KZT 8.35 trln, showing the increase of KZT 2.07 trln (33 %) as compared to 2010. The bulk of the state-owned block of shares in nominal holding as of January 01, 2011 made ordinary shares in the amount of KZT 8.3 trln or 99.39 %, showing the increase of KZT 2.05 trln (32.89 %) as compared to the last year.



Share of preference shares in the total volume of state-owned block of shares in nominal holding as of January 01, 2011 made KZT 0.05 trln or 0.61 %, showing the increase of KZT 0.02 trln (52.30 %) (Fig. 7) as compared to the last year.

Securities holders

Volume of financial instruments owned by resident clients as of January 01, 2011 made KZT 2.35 trln or 16.13 % of the total volume of financial instruments in nominal holding showing the increase of KZT 0.3 trln (14.92 %) as compared to January 01, 2010.



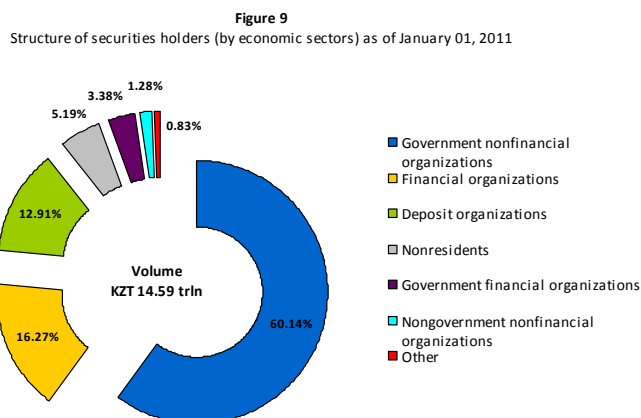
Volume of financial instruments owned by the customers of resident clients as of January 01, 2011 made KZT 11.48 trln

or 78.68 % of the total volume of financial instruments in nominal holding showing the increase of KZT 1.92 trln (20.12 %) as compared to the last indicator.

Volume of financial instruments owned by the customers of nonresident clients as of January 01, 2011 made KZT 0.76 trln or 5.19 % of the total volume of financial instruments in nominal holding showing the decline of KZT 0.03 trln (3.76 %) (Fig. 8) as compared to the last index.

If attributed to each sector of economy, principal holders of financial instruments shall be government nonfinancial organizations and their share makes 60.14 %, and its major portion (95.14 %) is comprised of SBS. Share of nonresidents made 5.19 %, share of financial organizations (organizations carrying out certain types of banking operation, insurance companies,

nongovernment pension funds, broker companies, pawnshops, exchange offices, etc.) showed insignificant decline and made 16.27 %; share of deposit companies showed the increase up to 12.91 % (Fig. 9).

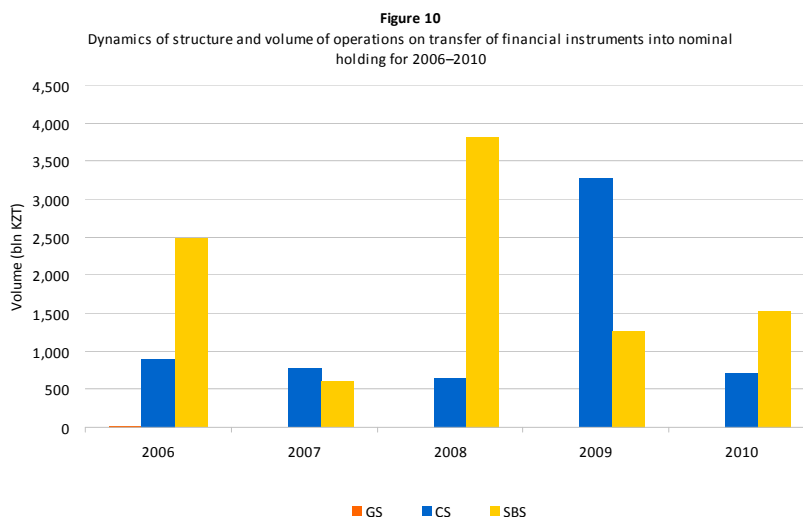


Transfer of financial instruments into nominal holding and withdrawal of financial instruments from nominal holding

During accounting period the Central Securities Depository has registered operations related to transfer of financial instruments into nominal holding in the total amount of KZT 2.23 trln showing the decline of KZT 2.29 trln (50.69 %) as compared to 2009 (Fig. 10).

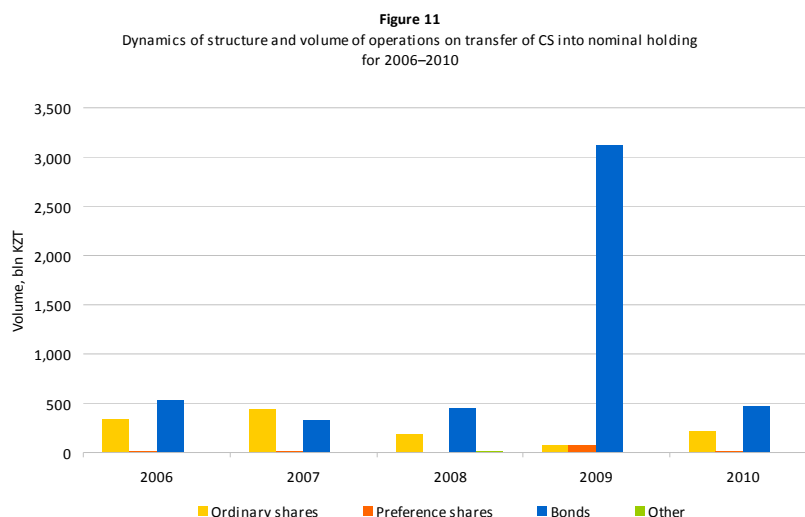
No operations of transfer of the government securities into nominal holding have been registered during the accounting period.

Volume of operations of transfer of state-owned block of shares into nominal holding made KZT 1.53 trln, which is greater by KZT 0.26 trln (20.86 %) than similar indicator of 2009 and makes 68.39 % of the total volume of operations on transfer of financial instruments into nominal holding.

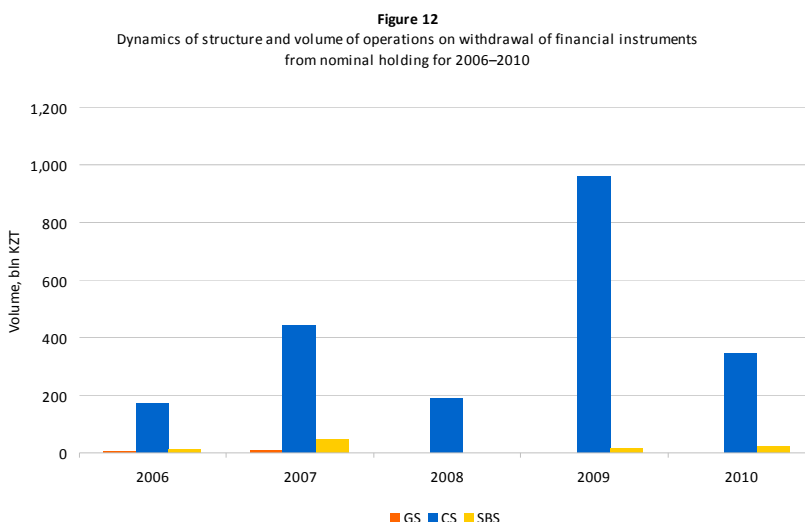


Volume of operations on transfer of corporate securities into nominal holding has been fixed at the level of KZT 0.7 trln, which is by KZT 2.56 trln (78.38 %) less than similar indicator of 2009 and makes 31.61 % of the total volume of operations on transfer of financial instruments into nominal holding.

The major portion of operations on transfer of corporate securities into nominal holding were made due to transfer of bonds into nominal holding for the amount of KZT 0.48 trln showing the decline of KZT 2.64 trln (84.65 %) as compared to the last year and making 67.91 % of the total volume of operations related to transfer of corporate securities into nominal holding (Fig. 11).



Volume of operations related to transfer of ordinary shares into nominal holding constituted KZT 0.22 trln showing the increase of KZT 0.14 trln (186.24 %) as compared to the last indicator and making 30.78 % of the total volume of operations related to transfer of corporate securities into nominal holding. Volume of operations related to transfer of preference shares into nominal holding made KZT 0.01 trln showing the decline of KZT 0.06 trln (86.29 %) as compared to the index of the last year and making 1.31 % of the total volume of operations related to transfer of corporate securities into nominal holding.

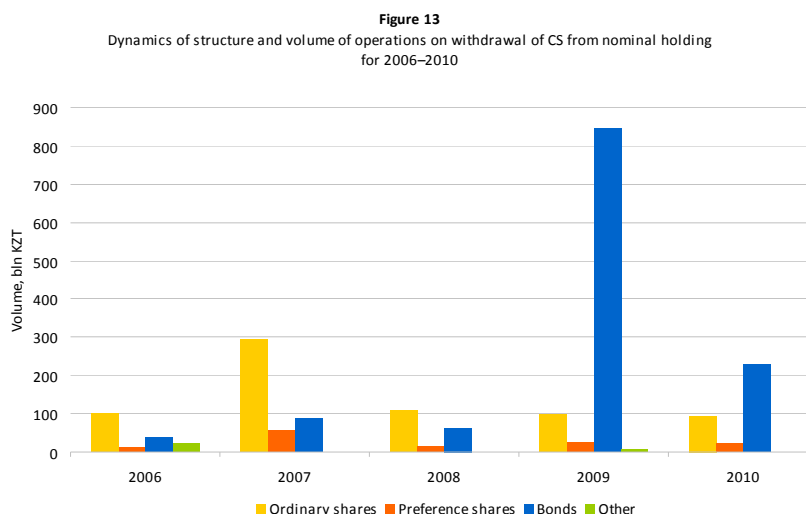


During accounting period the Central Securities Depository has registered operations related to withdrawal of financial instruments from nominal holding for the total amount of KZT 0.37 trln showing the decline of KZT 0.61 trln (62.36 %) as compared to 2009 (Fig. 12).

No operations related to withdrawal of the government securities from nominal holding have been registered during the accounting period.

Volume of operations related to withdrawal of the state-owned block of shares from nominal holding made KZT 0.02 trln showing the increase of KZT 0.01 trln (33.58 %) as compared to the similar indicator of 2009 and making 6.13 % of the total volume of operations related to withdrawal of the financial instruments from nominal holding.

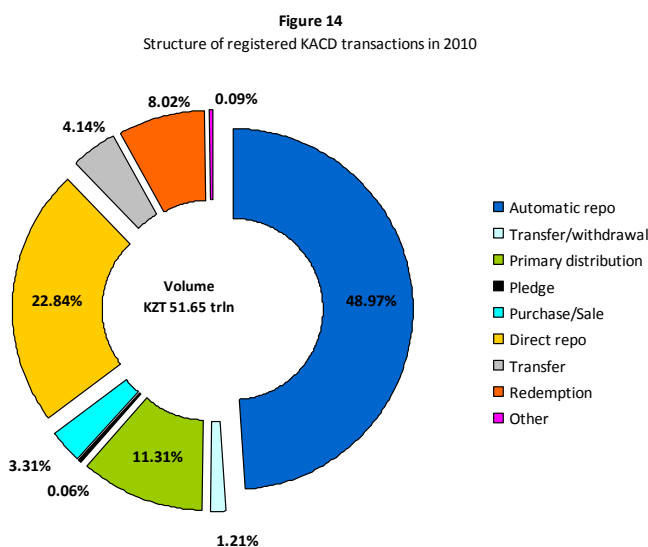
Volume of transactions related to withdrawal of the corporate securities from nominal holding made KZT 0.34 trln showing the decline of KZT 0.61 trln (64.05%) as compared to the same index of 2009 and making 93.87 % of the total volume of transactions related to withdrawal of the financial instruments from nominal holding.



Registered transactions

Total volume of transactions registered by the Central Securities Depository in 2010 amounted to KZT 51.65 trln showing the increase of KZT 8.64 trln (20.08 %) as compared to 2009. Total number of transactions registered by the Central Securities Depository in 2010 made 80,214 showing the decline of 26,498 as compared to 2009.

In the volume of registered transactions substantial share belongs to automatic repo transactions by trade system of the trade organizer; their volume in 2010 made KZT 25.31 trln showing the increase of KZT 6.08 trln (31.59 %) as compared to the similar indicator of the last year and making 48.99 % of the total volume of registered transactions.



In 2010 substantial was also the volume of registered direct repo transactions in the amount of KZT 11.8 trln, showing the increase of KZT 0.9 trln as compared to the same indicator of 2009 and making 22.85 % of the total volume of registered transactions.

Volume of placement operations registered by the Central Securities Depository inclusive of placement transactions registered upon transfer of financial instruments into nominal holding decreased in 2010 by KZT 0.24 trln (3.89 %) and made KZT 5.85 trln. Share of placement operations in the total volume of registered transactions made 11.32 %.

Volume of registered purchase and sale transactions of financial instrument inclusive of purchase and sale transactions registered upon transfer of financial instruments into nominal holding showed the decline of KZT 0.16 trln (8.71 %) and made KZT 1.71 trln. Share of registered purchase and sale transactions of financial instrument in the total volume of transactions registered made 3.31 %.

Volume of transactions related to transfer of financial instruments into nominal holding and withdrawal of financial instruments from nominal holding excluding placement and purchase/sale operations being registered upon transfer of financial instruments into nominal holding and withdrawal of financial instruments from nominal holding, showed the decline of KZT 1.02 trln (62 %).

Volume of registered transactions on pledge of rights for financial instruments showed the decline of KZT 0.53 trln (94.53 %) and made KZT 0.03 trln.

Volume of registered transactions on transfer, redemption and other transactions and operations in 2010 increased by KZT 1.09 trln (102.92 %), KZT 2.48 trln (148.44 %) and by KZT 0.01 trln (38.31 %) respectively (Fig. 14).

Primary securities market

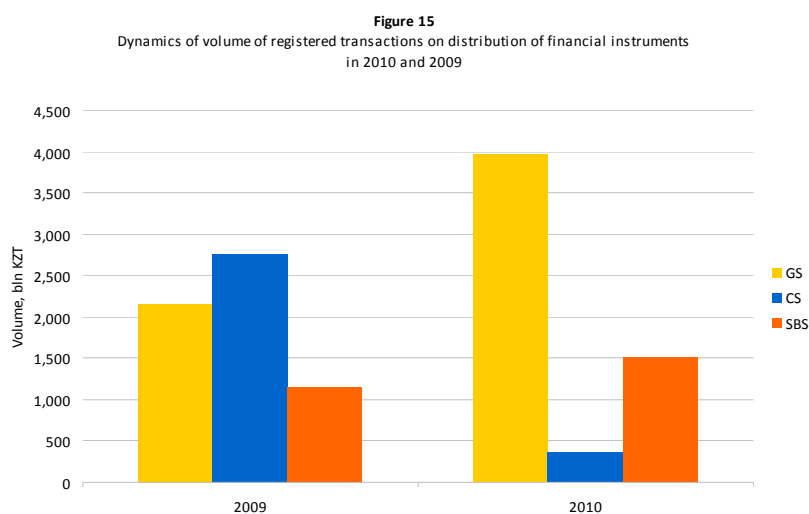
In 2010 volume of registered transactions on placing of financial instruments taking into account placing upon transfer of financial instruments into nominal holding and withdrawal of financial instruments from nominal holding made KZT 5.85 trln, including:

- volume of transactions on placing of government securities made KZT 3.97 trln, including volume of transactions on placing of short-term notes of the National Bank made KZT 3.3 trln, GTO – KZT 0.7 trln;
- volume of transactions on placing of corporate securities made KZT 0.36 trln;
- volume of transactions on placing of state-owned block of shares made KZT 1.52 trln;

In total volume of placement share of placing of government securities made 67.93 %, showing the increase of 32.52 % as compared to the same index of the last year. Share of placing of corporate securities declined and made 6.13 % of the total volume of placement. Share of placing of state-owned block of shares showed the increase and made 25.94% of total volume of placement (Fig. 15).

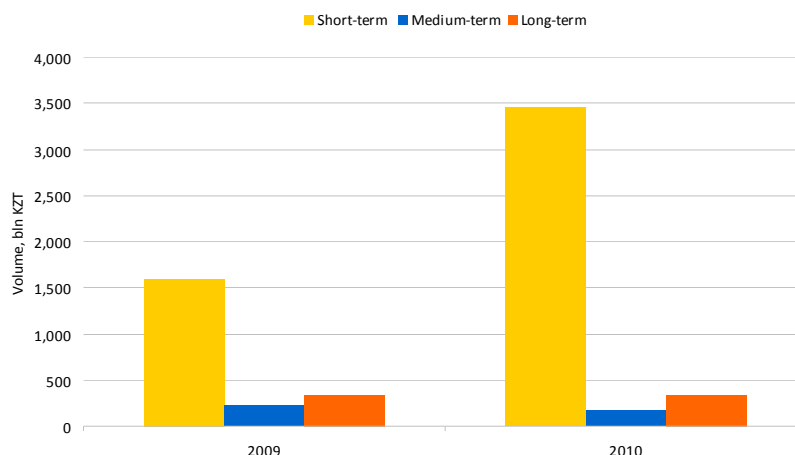
In total volume of placing of government securities, share of volume of placing of short – term securities made the largest portion - 86.88 %, share of volume of medium-term and long-term securities made 4.44 % and 8.68 % respectively, showing the increase in the volume of placing of short – term securities by KZT 1.86 trln (116.63 %) and making KZT 3.45 trln, and showing decline in the volume of medium-term securities by KZT 0.05 trln (21.41 %) and making KZT 0.18 trln, and showing increase in the volume of placing of long – term securities by KZT 0,01 trln (2.26 %) and making KZT 0.35 trln (Fig. 16).

In total volume of placing of corporate securities the largest portion – 94.07 % falls on bonds; share of placing of ordinary and preference shares made 4.49 % and 1.44 % respectively. Volume of placing of bonds showed decline of KZT 2.36 trln (87.5 %) and made KZT 0.34 trln and volume of placing of ordinary shares showed decline of KZT 0.02 trln (56.37 %) and made KZT 0.02 trln, volume of placing of preference shares showed decline of KZT 0.03 trln (83.27 %) and made KZT 0.01 trln.



In the total volume of placing of state-owned block of share, the largest portion – 93.08 % falls on ordinary shares, share of placing of preference shares made 6.92 %. Volume of placing of ordinary shares showed the increase of KZT 0.25 trln (21.28 %) and made KZT 1.41 trln and for the first time volume of placing of preference shares has been recorded above zero over the last five years and made KZT 0.1 trln.

Figure 16
Dynamics of structure and volume of GS distribution in 2010 and 2009



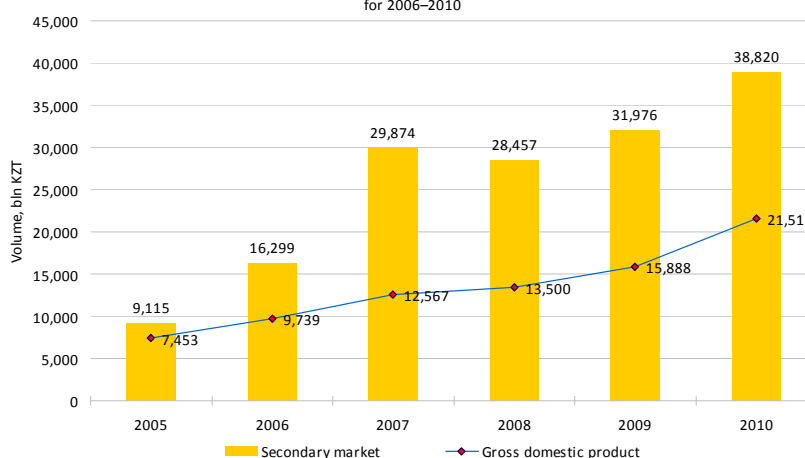
Number of placement transactions registered by the Central Securities Depository in 2010 made 2,680 showing the decline of 1,597 as compared to 2009.

Secondary securities market

General information

Volume of transactions with financial instruments in the secondary market and registered by the Central Securities Depository (purchase and sale transactions, including purchase and sale transactions registered while transfer of financial instruments into nominal holding and withdrawal of financial instruments from nominal holding, direct repo transactions and automatic repo

Figure 17
Dynamics of volume of financial instruments transactions, concluded in the secondary market and registered by KACD, and volume of gross domestic product of the Republic of Kazakhstan for 2006–2010



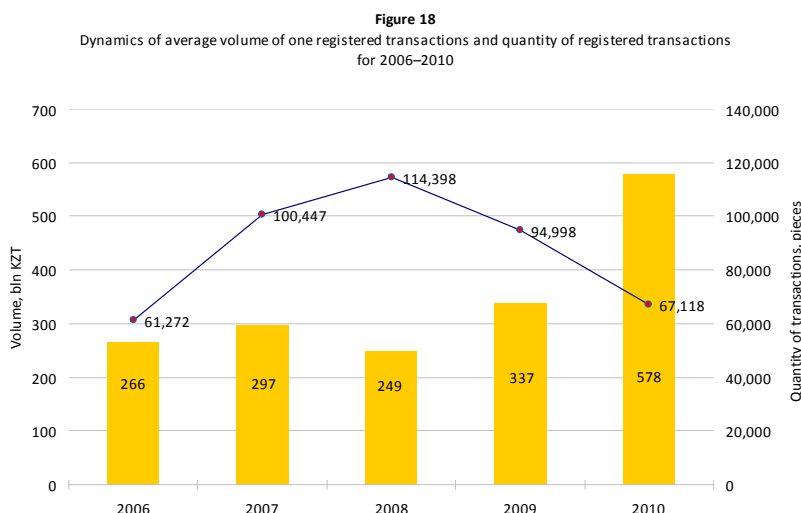
transactions) in 2010 made KZT 38.82 trln showing the increase of KZT 6.84 trln (21.40 %) as compared to the same indicator of the last year and making 180.44 % of the total gross domestic product of the Republic of Kazakhstan (Fig. 17).

Number of transactions registered in the secondary market in 2010 with financial instruments showed the decline of 27,880 as compared to 2009 and made 67,118 transactions with the result that average volume of one transaction registered in the secondary market made KZT 578 bln showing the increase of KZT 241.79 bln as compared to 2009 (Fig. 18).

Share of government securities transactions registered in the secondary market in 2010 showed the increase of 7.89 % as compared to the previous year and made 67.57 % of the total volume of transactions registered in the secondary market. Share of corporate securities transactions registered in the secondary market (including state-owned block of shares) showed the decline and made 32.43% of the total volume of transactions registered in the secondary market.

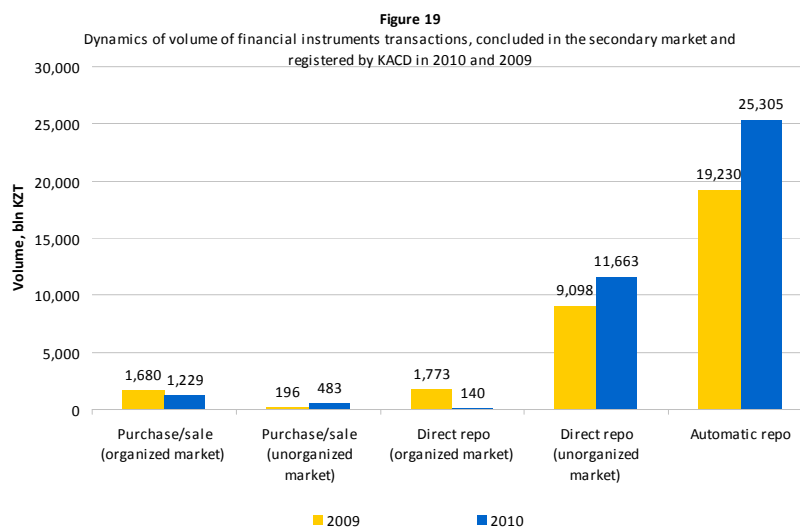
Volume of government securities transactions registered in the secondary market in 2010 made KZT 26.23 trln showing the increase of KZT 7.15 trln as compared to the same index of the last year.

Volume of corporate securities transactions registered in the secondary market (including state-owned block of shares) in 2010 made KZT 12.59 trln showing the decline of KZT 302 bln as compared to the same index of the last year.



Share of transactions registered in 2010 in the unorganized secondary market made 31.29 % of the total volume of transactions registered in the secondary market showing the increase of 2.22 % as compared to the similar indicator of the last year. Share of transactions registered in the organized secondary market showed decline and made 68.71 % of the total volume of transactions registered in the secondary market.

Volume of transactions registered in 2010 in the organized secondary securities market made KZT 26.67 trln showing the increase of KZT 3.99 trln as compared to the same index of the last year. Volume of transactions registered in 2010 in the unorganized secondary securities market made KZT 12.15 trln showing the increase of KZT 2.85 trln as compared to the similar indicator of the last year.



Volume of registered automatic repo transactions in 2010 made KZT 25,31 trln, showing the increase of 31.59 % and making 65.19 % of the total volume of transactions registered in the secondary market.

Volume of registered direct repo transactions in the unorganized secondary market in 2010 showed the increase of KZT 2.56 trln and made KZT 11.66 trln. Share of the above mentioned transactions registered in the secondary market showed the increase from 28.45 to 30.04 % as compared to 2009.

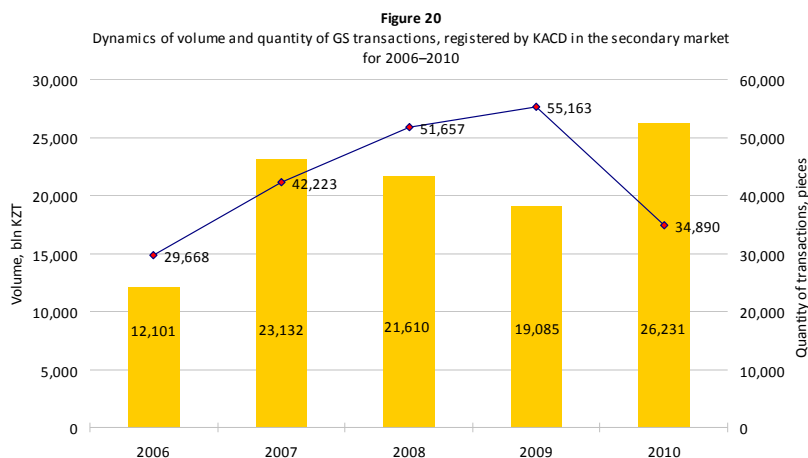
Volume of registered direct repo transactions in the organized secondary market in 2010 showed the decline of KZT 1.63 trln (92.1 %) as compared to 2009 and made KZT 0,14 trln. Share of the above mentioned transactions in the total volume of transactions registered in the secondary market showed the decline from 5.54 % to 0.36 %.

Volume of financial instrument purchase and sale transactions registered in 2010 in the organized market showed the decline of KZT 0.5 trln (26.85 %) and made KZT 1.23 trln. Share of the above mentioned transactions in the total volume of transactions registered in the secondary market showed the decline from 5.25 % to 3.17 %.

Share of financial instrument purchase and sale transactions registered in 2010 in the unorganized secondary market as in the previous years was insignificant and made 1.24 % of the total volume of transactions registered in the secondary market (Fig. 19).

Government securities

34,890 transactions with government securities have been closed in 2010 for the total amount of KZT 26.23 trln. Increase in the volume of transactions with government securities made KZT 7.15 trln as compared to 2009 and number of registered transactions dropped by 20,273 transactions. Volumes of registered transactions on short-term notes of the National Bank, MEOKAM, MEUKAM were the most significant and made KZT 21.46, KZT 1.77 and KZT 1.97 trln respectively.



Share of transactions on short-term notes of the National Bank made 81.81 % of the total volume of government securities transactions registered in the secondary market. Share of the total volume of MEOKAM, and MEUKAM transactions made 6.76 and 7.5 % respectively of the total volume of government securities transactions registered in the secondary market. Share of registered MEKKAM transactions made 2.69 % of the total volume of government securities transactions registered in the secondary market. Share of registered MAOKAM, MEUKAM, MUIKAM and municipal securities transactions didn't exceed 2 % of the total volume of government securities transactions registered in the secondary market.

In 2010 the major portion of government securities transactions registered in the secondary market made transactions closed in the organized market - KZT 25.96 trln or 98.99 % of the total volume of government securities transactions registered in the secondary market. Volume of government securities transactions registered in the unorganized secondary market made KZT 0.27 trln or 1.01 % of the total volume of government securities transactions registered in the secondary market.

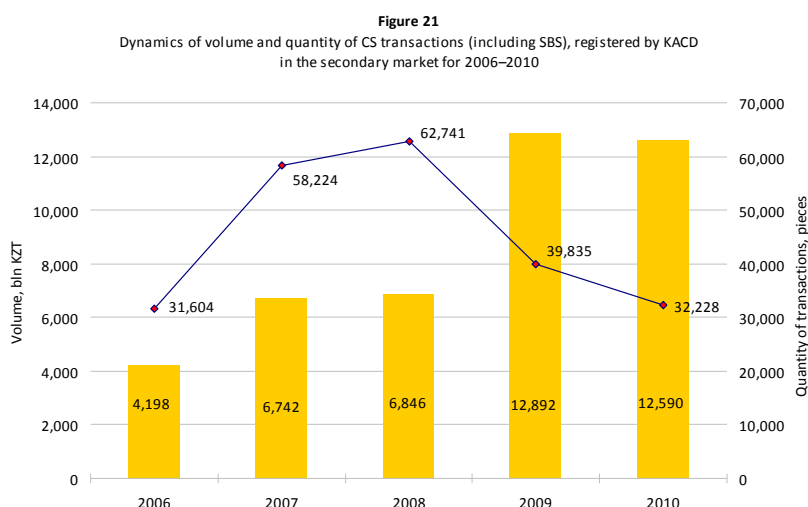
Corporate securities

32,221 transactions on corporate securities have been closed in the secondary market in 2010 for the amount of KZT 12.58 trln. Showing the decline of KZT 295 bln (2.23 %) as compared to 2009 in the volume of corporate securities transactions closed in the secondary market. So the number of corporate securities transactions dropped by 7,606.

Volume of ordinary shares transactions registered in the secondary market made KZT 0.44 trln in 2010 or 3.53 % of the total volume of corporate securities transactions registered in the secondary market, preference shares transactions made KZT 0.07 trln or 0.5 % and bond transactions made KZT 12.07 trln or 95.97 %.

The major portion of corporate securities transactions in 2010 made

transactions closed in the unorganized market for the amount of KZT 11.87 trln or 94.36 % of the total volume of corporate securities transactions closed in the secondary market. Volume of corporate securities transactions closed in the organized market made KZT 0.71 trln or 5.64 % of the total volume of corporate securities transactions closed in the secondary market (Fig. 21).



State-owned block of shares

7 transactions were closed on state-owned block of shares in the secondary market for the total amount of KZT 0.01 trln in 2010.

Pledge of rights for securities

Total volume of registered operations on pledge of rights for corporate securities (opening, closing and non-fulfillment) in 2010 made KZT 15.40 bln. As compared to 2009 volume of operations on pledge of rights for financial instrument showed the decline of KZT 186.15 bln.

No operations on pledge of rights for government securities and state-owned block of shares have been registered in 2010.

Corporate actions

The Central Securities Depository is one of the participants of securities market employed in the corporate actions carried out by the issuers of the government and corporate securities.

Participation of the Central Securities Depository in the corporate actions carried out by the issuers of corporate securities issued in accordance with the legislation of the Republic of Kazakhstan means submission of lists of security holders to the issuer’s registrar. Thus in 2010 the Central Securities Depository made 5,646 lists of security holders entitled to receive interest on securities or attend general meeting of shareholders showing the increase of 156 lists as compared to the last year.

In redemption or payment of interest by the issuers of corporate securities, issued in accordance with legislation of countries other than the Republic of Kazakhstan, the Central Securities Depository in 2010 made 2,553 payments for 45 issues of securities in the amount of USD 22.3 mln, Euro 1.29 mln, GBP 6.1 ths., RUB 8.24 mln, KZT 3.32 bln.

While redemption or payment of interest by the issuers of government securities the Central Securities Depository in 2010 made 5,824 payments on 179 issues of securities for the amount of KZT 3.25 trln.

Activities on USPA maintenance

The Central Securities Depository started maintaining of USPA from January 01, 2010.

Agreements¹ for maintaining of USPA have been signed with 11 registrars in January 2011. Agreement with JSC "Paritet – Register" has been terminated in connection with its voluntary waiver of license for register system maintaining activity on September 14, 2010.

Table 6

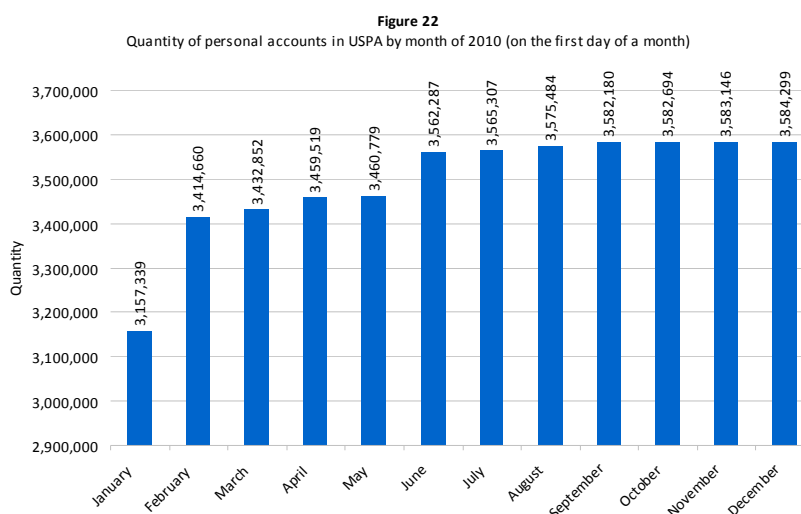
List of registrars who maintained registrar system, the data of which is entered in the USPA as of January 01, 2011

#	Title of the Registrar
1.	Pervy Nezavisimy Registrator JSC
2.	Fondovy Tsentri JSC
3.	REESTR-SERVICE JSC
4.	Centre DAR JSC
5.	Registration system of securities JSC
6.	REESTR JSC
7.	Registrator Company JSC
8.	Registration Service JSC
9.	KAZREESTR JSC
10.	Registrator Zerde JSC

In accordance with findings of revision carried out as of January 01, 2011, the Central Securities Depository and all registrars acknowledged widespread compliance of register system with USPA data.

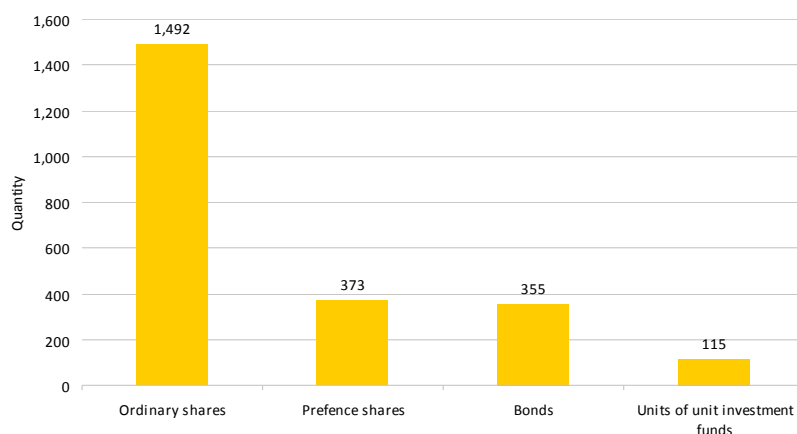
As of January 01, 2011 USPA reflected 3,585,198 personal accounts, including: 2,866 personal accounts of the issuers to keep records of declared securities, 2,745 personal

accounts of issuers to keep records of the purchased securities, 3,577,218 personal accounts of owners, 70 personal accounts of nominal holders, 2,114 personal accounts of general representatives and 185 personal accounts of the unit investment funds to keep records of the placed units (Fig. 22).



¹ The form of standard agreement approved by Decree No. 239 of FSA's Management Board as of December 29, 2008.

Figure 23
Quantity of securities issues as of January 01, 2011



Total number of security issues as of January 01, 2011 was 2,335 (Fig. 23).

Total number of securities on the personal accounts as of January 01, 2011 was 8,598 bln including 8,406 bln of bonds, 183 bln of ordinary shares, 5 bln of preference shares and 3 bln of units.

In the period from January 01 to December 31, 2010 528,370 electronic instructions of the registrars

have been processed, including 495,440 instructions executed and 32,930 instructions refused.

Table 7

Structure of instructions, processed in 2010

Types of instructions to reflect securities transactions and operations, changes made in the register system and USPA	Number of instructions		
	total number	executed	not executed
Security movement, when transactions are made in the primary market	4,641	4,585	56
Security movement, when transactions are made in the secondary market	25,419	24,435	984
Limitation of rights to securities	333	251	82
Securities issue operations	315	254	61
Change of data in the register system	450,731	449,197	1,534
Other	8,257	7,775	482
Removal of nonconformity	38,674	8,943	29,731
TOTAL	528,370	495,440	32,930

Activities on allocation of international identification numbers for securities and other financial instruments

On November 01, 2010 the Central Securities Depository being the National Numbering Agency of the Republic of Kazakhstan proceeded to allocating international codes for the securities and other financial instruments.

In the period from November 01 to December 31, 2010 the Central Securities Depository allocated 21 ISIN codes and one CFI code.

Table 8

A list of ISIN Codes, allocated by KACD as of January 01, 2011

ISIN Code, allocated by KACD	Issuer	Type of financial instrument
KZ1C00000017	Central Securities Depository JSC	Ordinary share
KZ2C00000016	Caspian Beverage Holding JSC	Bond
KZ2C00000024	Temirbank JSC	Bond
KZ2C00000032	Temirbank JSC	Bond
KZ2C00000040	Temirbank JSC	Bond
KZ2C00000057	Temirbank JSC	Bond
KZ2C00000065	Temirbank JSC	Bond
KZ2C00000073	Temirbank JSC	Bond
KZ2C00000081	Temirbank JSC	Bond
KZ2C00000099	Temirbank JSC	Bond
KZ2C00000107	Temirbank JSC	Bond
KZ2C00000115	Temirbank JSC	Bond
KZ2C00000123	Temirbank JSC	Bond
KZ2C00000131	SB VTB Kazakhstan JSC	Bond
KZ2C00000149	Corporation Tsesna JSC	Bond
KZ2C00000156	National Company "KazMunaiGas JSC	Bond
KZ2C00000164	National Company "KazMunaiGas JSC	Bond
KZ2C00000172	National Company "KazMunaiGas JSC	Bond

Table 8 (continued)

ISIN Code, allocated by KACD	Issuer	Type of a financial instrument
KZ2C00000180	Mortgage Organization – Kazakhstan Mortgage Company JSC	Bond
KZ2P00000193	Credit Partnership ORDA Credit LLP	Bond
KZ2C00000206	Management Company ORDA Capital JSC	Bond

As of January 01, 2011 total number of applicable ISIN codes allocated for securities issued in accordance with the laws of the Republic of Kazakhstan, made 206, including 185 codes allocated by the Agency WM Datenservice before November 01, 2010.

Execution of certain types of banking operations

Since January 10, 2005 the Central Securities Depository has been maintaining current accounts of clients, and since January 01, 2007 it has been maintaining correspondent accounts.

As of January 01, 2011, 104 current accounts have been opened with the Central Securities Depository, including: 52 current accounts for clients' own cash, and 52 current accounts for cash of clients' customers as well as 46 correspondent accounts including: 23 correspondent accounts for clients' own cash and 23 correspondent accounts for cash of clients' customers.

As of January 01, 2011 balance on current accounts in the national currency made KZT 12.31 bln, including KZT 2.16 bln on clients' own current accounts and KZT 10.15 bln on current accounts of clients' customers.

In foreign currency the balance on clients' bank accounts as of January 01, 2011 made:

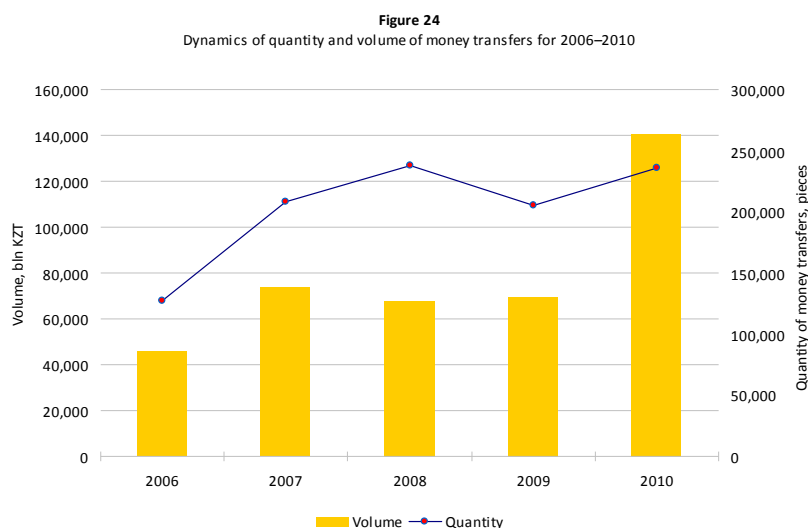
- In US dollars: 8.13 mln, including 0.23 mln on own bank accounts and 7.9 mln on the customers' accounts;
- In English pounds sterling: 4,997.76, including 1,718.68 on own bank accounts and 3,279.08 on customers' accounts.

Average annual balance on current accounts in the national currency made KZT 14.73 bln, including: KZT 2.15 bln on own current accounts and KZT 12.57 bln on the customers' accounts.

Average annual balance in foreign currency on bank accounts as of January 01, 2011 made:

- In US dollars: 7.86 mln, including 0.37 mln on own bank accounts and 7.49 mln on the customers' accounts;
- In Euro: 0.02 mln on customers' accounts;
- In English pounds sterling: 1.08 mln, including 2.64 ths. on own bank accounts and 1.08 mln on the customers' accounts;
- In Russian rubles: 0.06 mln on the customers' accounts.

In 2010 the Central Securities Depository has carried out 231,825 money transfers in the national currency for a total amount of KZT 140.51 trln (Fig. 24), including 92,374 transfers for the total amount of KZT 86.97 trln made in the ISMT and 139,451 transfers in the total amount of KZT 53.54 trln – on the bank accounts with the Central Securities Depository.



Also in 2010 the Central Securities Depository made 3,720 money transfers in foreign currency including: 3,611 money transfers for the total amount of USD 300.01 mln, 47 money transfers for the total amount of GBP 25.84 mln, 57 money transfers for the total amount of Euro 5.37 mln and 5 money transfers for the total amount of RUB 24.71 mln.

As compared to 2009 the volume of money transfers in the national currency showed increase of 102 %, and in foreign currency - decline of 2.11 %.

In 2010 money transfers in ISMT totaled to 11,458,318 for the total amount of KZT 184 trln. Share of number of money transfers which have been carried out by the Central Securities Depository out of the total number of money transfers which have been carried out in ISMT, made 0.81 %, and share of volume of money transfers which have been carried out by the Central Securities Depository out of the total volume of money transfers which have been carried out in ISMT, made 47.15 %.

For the accounting period the Central Securities Depository while registration of financial instrument transactions, closed in the primary and secondary markets, has carried out 135,261 money transfers in the national currency for the amount of KZT 83.27 trln showing the increase of KZT 19.68 trln as compared to 2009.

In 2010 the Central Securities Depository has carried out 4,899 money transfers in the national currency while paying income on financial instruments in the total amount of KZT 84.86 bln. Also in 2010 the Central Securities Depository has carried out 2,663 money transfers while paying income on financial instruments in foreign currency, including 2,646 money transfers in the total amount of USD 41.74 mln, five money transfers in the total amount of GBP 6,100.10 money transfers in the total amount of Euro 1.28 mln and two money transfers in the total amount of RUB 8.24 mln.

As compared to 2009 volume of money transfers in the national currency while paying income on financial instruments showed the decline of KZT 49 bln (36.66 %), volume of money transfers while paying income on financial instruments showed the decline of USD 31.67 mln (43.14%), and showed the decline of GBP 4.26 mln (99.86 %).

While redemption of financial instruments the Central Securities Depository carried out 1,006 money transfers in the national currency in the total amount of KZT 3.17 trln in 2010 showing the increase of KZT 82 bln (2.67 %) as compared to 2009. The Central Securities Depository carried out 23 money transfers in foreign currency in the total amount of USD 28.67 mln (0.68 %) while redemption of financial instruments in 2010.

Figures and facts

Income and expenses

Table 1

KACD income structure for 2009–2010				
<i>mln KZT , unless indicated otherwise</i>				
Description	2010		2009	
	amount of income	share of the total amount (%)	amount of income	share of the total amount (%)
Depository activities	684.83	82.01	647.88	87.31
including:				
opening of personal account	0.03	0.00	0.02	0.00
maintenance of personal account	678.83	81.29	639.07	86.13
transfer of securities into nominal holding /withdrawal of securities from nominal holding	1.80	0.22	1.47	0.20
registration of exchange transactions	2.06	0.25	3.42	0.46
information services	1.12	0.13	1.35	0.18
other	0.99	0.12	2.55	0.34
Registrar activities	–	–	0.91	0.12
USPA maintenance	14.40	1.73	–	–
Paying agent's services	0.43	0.05	0.39	0.05
Maintenance of current accounts	1.46	0.18	1.77	0.24
Installation and maintenance of "Client" automatic workstation	2.02	0.24	2.10	0.28
Trainings and other income	1.02	0.12	0.21	0.03
Interest in profit of associated company	35.36	4.23	–	–
Equity investment	24.41	2.92	20.90	2.82
Reimbursement of expenses on payment for services of recordkeeping organizations	71.16	8.52	67.85	9.15
TOTAL	835.09		742.01	

Table 2**KACD expenses structure for 2009–2010***mln KZT , unless indicated otherwise*

Description	2010		2009	
	amount of expenses	share of the total amount (%)	amount of expenses	share of the total amount (%)
Personnel costs	217.82	52.02	168.01	38.57
Operating expenses (excluding personnel costs)	139.27	33.26	162.47	37.30
Payment for the services of recordkeeping organizations	55.99	13.37	51.78	11.89
Other	5.63	1.35	53.33	12.24
TOTAL	418.71		435.59	

Nominal holding

Table 3

Dynamics of volume of financial instruments in nominal holding for 2006–2010							
<i>bln KZT , unless indicated otherwise</i>							
Year	GS		CS		SBS		Total
	volume	share of the total volume (%)	volume	share of the total volume (%)	volume	share of the total volume (%)	
2006	939.37	14.68	2,036.92	31.84	3,421.11	53.48	6,397.40
2007	753.61	9.85	2,497.23	32.64	4,399.75	57.51	7,650.59
2008	1,150.51	13.26	2,084.60	24.03	5,439.89	62.71	8,675.00
2009	1,770.15	14.28	4,345.68	35.06	6,278.44	50.66	12,394.27
2010	2,588.49	17.74	3,654.99	25.05	8,350.16	57.22	14,593.64
Increase in 2010	818.33		-690.69		2,071.72		2,199.37
Increase in 2010 (%)	46.23		-15.89		33.00		17.75

Table 4

Dynamics of volume of financial instruments in nominal holding by months of 2010							
<i>bln KZT , unless indicated otherwise</i>							
Month	GS		CS		SBS		Total
	volume	share of the total volume (%)	volume	share of the total volume (%)	volume	share of the total volume (%)	
January	2,012.58	14.59	4,351.71	31.55	7,426.79	53.85	13,791.08
February	2,187.71	15.73	4,266.49	30.69	7,449.59	53.58	13,903.78
March	2,346.35	16.68	4,236.75	30.12	7,483.66	53.20	14,066.76
April	2,562.60	17.64	4,232.23	29.13	7,736.30	53.24	14,531.13
May	2,541.33	17.67	4,101.61	28.52	7,737.06	53.80	14,380.00
June	2,499.08	17.42	4,049.63	28.22	7,799.55	54.36	14,348.25
July	2,518.44	17.22	4,064.87	27.80	8,038.85	54.98	14,622.16
August	2,572.73	18.30	3,229.93	22.98	8,255.26	58.72	14,057.92
September	2,658.27	18.51	3,439.96	23.96	8,260.83	57.53	14,359.06
October	2,651.63	18.43	3,444.97	23.94	8,291.39	57.63	14,387.99
November	2,642.67	18.14	3,537.64	24.29	8,384.52	57.57	14,564.82
December	2,588.49	17.74	3,654.99	25.05	8,350.16	57.22	14,593.64

Table 5**Dynamics of volume of GS in nominal holding for 2006–2010***bln KZT*

Type of financial instrument	2006	2007	2008	2009	2010
NB notes	535.01	235.20	319.88	476.74	904.21
Municipal securities	4.69	3.39	0.00	0.00	13.00
MEUKAM	41.83	50.26	84.02	273.57	483.40
Eurobonds of the Ministry of Finance of the Republic of Kazakhstan	21.47	0.00	0.00	0.00	0.00
MEOKAM	244.04	242.16	283.78	437.05	467.76
MEUJKAM	92.11	138.21	221.31	368.75	502.75
MUIKAM	0.00	24.51	52.91	52.91	52.91
MEKKAM	0.00	59.66	188.62	151.55	154.94
MAOKAM	0.00	0.00	0.00	9.58	9,52
MEIKAM	0.21	0.22	0.00	0.00	0.00
TOTAL	939.36	753.61	1,150.51	1,770.15	2,588.49

Table 6

Dynamics of volume of CS in nominal holding for 2006–2010					
<i>bln KZT</i>					
Type of financial instrument	2006	2007	2008	2009	2010
Units of UIF and other financial instruments	0.00	5.55	8.89	5.66	5.55
Ordinary shares, issued in accordance with the laws of the Republic of Kazakhstan	1,094.05	1,283.47	654.86	898.73	798.91
Ordinary shares, issued in accordance with the laws of the countries other than the Republic of Kazakhstan	41.67	67.81	76.91	68.03	221.65
Preference shares	55.30	87.01	82.17	65.54	84.82
Bonds, issued in accordance with the laws of the Republic of Kazakhstan	720.09	944.54	1,189.91	3,133.82	2,304.39
Bonds, issued in accordance with the laws of the countries other than the Republic of Kazakhstan	122.08	20.52	71.73	173.91	239.68
TOTAL	2,033.19	2,408.90	2,084.47	4,345.69	3,654.99

Table 7

Dynamics of volume of SBS in nominal holding for 2006–2010					
<i>bln KZT</i>					
Type of financial instrument	2006	2007	2008	2009	2010
Ordinary shares	3,420.65	4,399.29	5,439.09	6,244.73	8,298.82
Preference shares	0.46	0.46	0.79	33.71	51.34
TOTAL	3,421.11	4,399.75	5,439.88	6,278.44	8,350.16

Table 8

Structure of financial instruments holders for 2006–2010: clients and their customers

bln KZT

Holder type	2006	2007	2008	2009	2010
Nonresident clients	0.00	0.00	0.00	0.21	0.00
Resident clients	777.06	522.05	746.58	2,048.40	2,353.98
TOTAL clients	777.06	522.05	746.58	2,048.61	2,353.98
Customers (information on customers is not disclosed)	0.05	0.05	0.05	0.05	0.05
Nonresident customers	957.48	1,076.84	527.96	786.41	756.83
Resident customers	4,662.81	6,051.64	7,400.40	9,559.20	11,482.78
TOTAL customers	5,620.34	7,128.53	7,928.42	10,345.66	12,239.66
TOTAL (clients + customers)	6,397.40	7,650.58	8,675.00	12,394.27	14,593.64

Table 9

Structure of financial instruments holders for 2007–2010: by economic sectors

bln KZT

Economic sector	2007	2008	2009	2010
Central Bank	23.07	207.10	622.08	493.91
Deposit organizations	511.41	618.33	1,531.10	1,883.95
Financial organizations	1,200.71	1,490.08	2,038.20	2,374.46
Government nonfinancial organizations	4,407.38	5,478.05	7,093.72	8,776.59
Nongovernment nonfinancial organizations	266.04	288.30	218.29	186.63
Nonprofit organizations, providing services to private households	0.00	0.02	29.14	31.96
Private households	165.07	65.11	75.07	89.25
Other	0.00	0.05	0.05	0.05
Nonresidents	1,076.84	527.96	786.62	756.83
TOTAL	7,650.53	8,675.00	12,394.27	14,593.64

Table 10

Dynamics of volume of operations on transfer of financial instruments into nominal holding for 2006–2010				
<i>bln KZT</i>				
Year	GS	CS	SBS	Total
2006	12.30	898.10	2,472.38	3,382.78
2007	0.00	778.17	592.12	1,370.29
2008	0.00	644.52	3,826.54	4,471.06
2009	0.00	3,261.49	1,262.20	4,523.70
2010	0.00	704.98	1,525.53	2,230.50

Table 11

Dynamics of volume of operations on transfer of CS into nominal holding for 2006–2010					
<i>bln KZT</i>					
Type of financial instrument	2006	2007	2008	2009	2010
Ordinary shares	345.69	433.81	186.57	75.82	217.03
Preference shares	16.96	17.35	2.55	67.31	9.23
Bonds	532.88	323.53	448.96	3,117.87	478.72
Other	2.56	3.48	6.43	0.49	0.00
TOTAL	898.09	778.17	644.51	3,261.49	704.98

Table 12

Dynamics of volume of operations on withdrawal of financial instruments from nominal holding for 2006–2010				
<i>bln KZT</i>				
Year	GS	CS	SBS	Total
2006	3.11	171.50	12.03	186.64
2007	9.03	440.57	44.56	494.16
2008	0.00	188.00	0.53	188.53
2009	0.00	957.47	16.82	974.29
2010	0.00	344.23	22.47	366.70

Registered transactions

Table 13

Dynamics of volume of registered transactions for 2006–2010					
<i>bln KZT</i>					
Type of transaction	2006	2007	2008	2009	2010
Automatic repo transaction	13,086.28	23,788.69	24,103.73	19,229.77	25,305.39
Transfer of financial instruments into nominal holding / withdrawal of financial instruments from nominal holding²	3,569.44	1,864.46	4,659.11	1,640.36	624.90
Placement	4,251.38	4,556.85	3,567.69	6,083.54	5,846.74
Pledge	468.30	1,335.08	292.88	557.82	30.46
Purchase/sale	1,852.06	4,106.79	1,408.61	1,875.34	1,711.94
Direct repo transaction	1,267.30	1,963.02	2,872.42	10,871.31	11,803.14
Transfer	1,423.95	1,468.50	2,087.04	1,054.46	2,139.68
Redemption	3,566.41	6,416.85	3,134.14	1,667.83	4,143.54
Other	1.11	1.39	2,792.16	32.29	44.67
TOTAL	29,486.23	45,501.63	44,917.76	43,012.74	51,650.47

² Without placement and purchase/sale.

Primary securities market

Table 14

Dynamics of volume of transactions, registered in the primary market for 2006–2010				
<i>bln KZT</i>				
Year	GS	CS	SBS	Total
2006	3,994.51	708.14	2,441.57	7,144.22
2007	4,415.40	486.94	587.74	5,487.08
2008	3,411.65	327.73	3,750.86	7,490.24
2009	2,154.34	2,764.87	1,163.89	6,083.10
2010	3,971.73	358.47	1,516.54	5,846.74

Table 15

Dynamics of volume of GS transactions, registered in the primary market for 2006–2010					
<i>bln KZT</i>					
Type of financial instrument	2006	2007	2008	2009	2010
NB notes	3,827.01	4,252.06	2,946.49	1,446.55	3,298.76
MEUKAM	42.10	6.94	32.57	189.56	210.15
MEOKAM	68.05	1.00	128.06	214.74	163.33
MEUJKAM	57.34	46.13	83.10	147.44	134.45
MUIKAM	0.00	24.53	28.41	0.00	0.00
MEKKAM	0.00	84.74	193.03	146.37	151.99
MAOKAM	0.00	0.00	0.00	9.68	0.00
Municipal securities	0.00	0.00	0.00	0.00	13.06
TOTAL	3,994.50	4,415.40	3,411.65	2,154.34	3,971.73

Table 16

Dynamics of volume of GS transactions, registered in the primary market for 2006–2010					
<i>bln KZT</i>					
	2006	2007	2008	2009	2010
Short-term securities	3,827.01	4,336.80	3,139.52	1,592.92	3,450.75
Medium-term securities	68.05	1.00	128.06	224.42	176.38
Long-term securities	99.44	77.60	144.07	337.00	344.60
TOTAL	3,994.50	4,415.40	3,411.65	2,154.34	3,971.73

Table 17

Dynamics of volume of CS transactions, registered in the primary market for 2006–2010					
Type of financial instrument	2006	2007	2008	2009	2010
Ordinary shares	323.90	205.53	30.86	36.88	16.09
Preference shares	15.79	6.11	1.00	30.84	5.16
Bonds	366.40	272.66	294.35	2,697.16	337.22
Other	2.05	2.64	1.52	0.43	0.00
TOTAL	708.14	486.94	327.73	2,765.32	358.47

Table 18

Dynamics of volume of SBS transactions, registered in the primary market for 2006–2010					
Type of financial instrument	2006	2007	2008	2009	2010
Ordinary shares	2,441.57	584.74	3,750.86	1,163.89	1,411.54
Preference shares	0.00	0.00	0.00	0.00	105.00
TOTAL	2,441.57	584.74	3,750.86	1,163.89	1,516.54

Secondary securities market

Table 19

Dynamics of volume of transactions (operations), registered in the secondary market for 2006–2010 (1)

bln KZT, unless indicated otherwise

Year	Transactions (operations), registered in the organized market		Transactions (operations), registered in the unorganized market		Total		Total		Average volume of one transactions/operations (in mln KZT)	Share of transactions (operations), registered in the organized market (%)	Share of transactions (operations), registered in the non-organized market (%)
	GS	corporate securities (including SBS)	GS	corporate securities (including SBS)	GS	corporate securities (including SBS)	volume	quantity (pieces)			
2006	11,625.14	4,060.44	476.07	137.77	12,101.21	4,198.21	16,299.42	61,272.00	266.02	96.23	3.77
2007	21,356.50	6,694.17	1,775.39	47.53	23,131.88	6,741.70	29,873.58	100,447.00	297.41	93.90	6.10
2008	21,487.57	5,903.58	122.55	942.91	21,610.12	6,846.49	28,456.61	114,398.00	248.75	96.26	3.74
2009	18,840.04	3,842.50	244.52	9,049.38	19,084.56	12,891.87	31,976.43	94,998.00	336.60	70.94	29.06
2010	25,964.65	709.56	265.92	11,880.35	26,230.57	12,589.91	38,820.48	67,118.00	578.39	68.71	31.29

Table 20

Dynamics of volume of transactions (operations), registered in the secondary market for 2006–2010 (2)

bln KZT, unless indicated otherwise

Year	Purchase/sale (organized market)		Purchase/sale (unorganized market)		Direct repo (organized market)		Direct repo (unorganized market)		Automatic repo	
	volume	share of the total volume of transaction s (%)	volume	share of the total volume of transaction s (%)	volume	share of the total volume of transaction s (%)	volume	share of the total volume of transaction s (%)	volume	share of the total volume of transact ions (%)
2006	1,332.82	8.18	607.03	3.72	1,260.49	7.73	6.81	0.04	13,086.27	80.29
2007	2,346.51	7.85	1,775.36	5.94	1,915.46	6.41	47.56	0.16	23,788.69	79.63
2008	1,284.62	4.51	195.84	0.69	2,002.80	7.04	869.62	3.06	24,103.73	84.70
2009	1,679.77	5.25	195.57	0.61	1,773.00	5.54	9,098.32	28.45	19,229.77	60.14
2010	1,228.78	3.17	483.16	1.24	140.04	0.36	11,663.10	30.04	25,305.39	65.19

Table 21

Structure of GS secondary market in 2010							
Type of financial instrument	Transactions (operations), registered in the organized market		Transactions (operations), registered in the unorganized market		Total	Share of the total volume of transactions (%)	Quantity of transactions (pieces)
	volume	share of the total volume of transactions (%)	volume	share of the total volume of transactions (%)			
	MEKKAM	705.71	2.72	0.31			
NB notes	21,206.20	81.67	253.46	95.32	21,459.67	81.81	15,727
MEOKAM	1,769.67	6.82	2.59	0.97	1,772.26	6.76	6,367
MAOKAM	82.31	0.32	0.00	0.00	82.31	0.31	484
MEUJKAM	73.61	0.28	2.84	1.07	76.45	0.29	370
MEUKAM	1,961.86	7.56	6.71	2.53	1,968.58	7.50	9,865
MUIKAM	62.42	0.24	0.00	0.00	62.42	0.24	218
Municipal securities	102.86	0.40	0.00	0.00	102.86	0.39	191
TOTAL	25,964.65		265.92		26,230.57		34,890

bln KZT, unless indicated otherwise

Table 22

Dynamics of GS secondary market for 2006–2010						
<i>bln KZT, unless indicated otherwise</i>						
Year	Transactions (operations), registered in the organized market		Transactions (operations), registered in the unorganized market		Total	Quantity of transactions (pieces)
	volume	share of the total volume of transactions (%)	volume	share of the total volume of transactions (%)		
2006	11,625.14	96.07	476.07	3.93	12,101.21	29,668
2007	21,356.50	92.32	1,775.39	7.68	23,131.88	42,223
2008	21,487.57	99.43	122.55	0.57	21,610.12	51,657
2009	18,840.04	98.72	244.52	1.28	19,084.56	55,163
2010	25,964.65	98.99	265.92	1.01	26,230.57	34,890

Table 23

Structure of corporate securities secondary market (including SBS) in 2010							
<i>bln KZT, unless indicated otherwise</i>							
Type of financial instrument	Transactions (operations), registered in the organized market		Transactions (operations), registered in the unorganized market		Total	Share of the total volume of transactions (%)	Quantity of transactions (pieces)
	volume	share of the total volume of transactions (%)	volume	share of the total volume of transactions (%)			
Ordinary shares	367.33	51.77	89.02	0.75	456.35	3.62	12,081
Preference shares	50.94	7.18	11.83	0.10	62.77	0.50	14,328
Bonds	291.29	41.05	11,779.50	99.15	12,070.79	95.88	5,819
TOTAL	709.56		11,880.35		12,589.91		32,228

Table 24

Dynamics of corporate securities secondary market (including SBS) for 2006–2010						
<i>bln KZT, unless indicated otherwise</i>						
Year	Transactions (operations), registered in the organized market		Transactions (operations), registered in the unorganized market		Total	Quantity of transactions (pieces)
	volume	share of the total volume of transactions (%)	volume	share of the total volume of transactions (%)		
2006	4,060.44	96.72	137.77	3.28	4,198.21	31,604
2007	6,694.17	99.29	47.53	0.71	6,741.70	58,224
2008	5,903.58	86.23	942.91	13.77	6,846.49	62,741
2009	3,842.50	29.81	9,049.38	70.19	12,891.87	39,835
2010	709.56	5.64	11,880.35	94.36	12,589.91	32,228

Pledge of rights for securities

Table 25

Structure of pledge operations in 2010			
<i>bln KZT, unless indicated otherwise</i>			
Type of financial instrument	Volume	Share of the total volume of operations (%)	
Ordinary shares	7.15	46.43	
Preference shares	0.26	1.71	
Bonds	7.99	51.86	
TOTAL	15.40		

Table 26

Dynamics of pledge operations for 2006–2010			
<i>bln KZT</i>			
Year	GS	CS	Total
2006	224.33	243.97	468.30
2007	37.04	1,298.04	1,335.08
2008	0.00	292.88	292.88
2009	0.00	201.55	201.55
2010	0.00	15.40	15.40

Money transfers

Table 27

Structure of money transfers in 2010						
<i>bln KZT, unless indicated otherwise</i>						
	In national currency		In foreign currency		Total	
	quantity (pieces)	volume	quantity (pieces)	volume	quantity (pieces)	volume
Registration of transactions	135,261	83,270.90	0	0.00	135,261	83,270.90
Payment of revenue	4,899	84.86	2,663	6.44	7,562	91.30
Redemption	1,006	3,169.52	23	4.23	1,029	3,173.75
Other	90,659	53,982.78	1,034	40.62	91,693	54,023.40
TOTAL	231,825	140,508.06	3,720	51.29	235,545	140,559.35

Table 28

Dynamics of quantity and volume of money transfers for 2006–2010						
<i>bln KZT, unless indicated otherwise</i>						
Year	In national currency		In foreign currency		Total	
	quantity (pieces)	volume	quantity (pieces)	volume	quantity (pieces)	volume
2006	126,687	45,780.97	137	2.79	126,824	45,783.76
2007	208,343	73,874.83	152	18.09	208,495	73,892.92
2008	237,756	68,110.82	421	3.50	238,177	68,114.32
2009	203,979	69,486.95	1,640	52.40	205,619	69,539.35
2010	231,825	140,508.06	3,720	51.29	235,545	140,559.35