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THE ROLE OF MONETARY POLICY OF THE NATIONAL BANK OF RK IN THE ECONOMIC DEVELOPMENT OF THE STATE

Abstract. The role of the monetary policy of the National Bank of Kazakhstan in the economic development of the state is increasing, due to the relevance of resource, financial and technological constraints. The study showed a high level of uncertainty over the long-term perspectives. It is extremely important to search for alternatives and to carefully work out various scenarios. Considering the interrelationships of Kazakhstan’s economy to a large extent, involved in world economic relations with the rest of the world, and understanding the impact of monetary policy on macroeconomic indicators, in the authors’ opinion, the role of the National Bank of Kazakhstan is increasing. Since the main purpose of monetary policy is to maintain low inflation (at the level of 6-8%). The achievement of these goals will be ensured by regulating the level of the monetary base using all the tools available to the National Bank of Kazakhstan.

Keywords: National Bank, role, monetary policy, financial market, instability, inflation.

INTRODUCTION

The fundamental task of monetary policy is to help the economic system achieve a level of production that is characterized by a state of full employment and a lack of inflation.

- maintaining equilibrium in the money market, controlling and regulating the money supply in circulation;
- the fight against inflationary phenomena in the economy, the regulation of the rate of national currencies;
- business cycle regulation and market alignment;
- providing the real economy with cheap credit resources.

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MAIN PART

Monetary policy is aimed either at stimulating credit and money issue (credit expansion), or at their containment and circulation (credit restriction).

State regulation of the monetary sphere is carried out in several interrelated areas [3]:

1. state control over the banking system;
2. public debt management;
3. regulation of the volume of credit operations and money issues.

Monetary policy methods are a combination of techniques and operations through which monetary policy actors — the National Bank as the state monetary authority and second-tier banks as “conductors” of monetary policy — affect objects (demand for money and money supply) to achieve the goals. Methods of conducting everyday monetary policy are also called tactical goals of monetary policy [1, p. 15].

Indirect methods of regulating the monetary sphere affect the motivation of the behavior of economic entities through market mechanisms. Naturally, the efficiency of using indirect methods of regulation is closely related to the degree of development of the money market.
Today, the main objective of the National Bank of the Republic of Kazakhstan is to ensure price stability in the Republic of Kazakhstan. Price stability means achieving and maintaining a low level of inflation, which helps to maintain the purchasing power of the population, reduce economic uncertainty, promotes long-term investment in production, and best contributes to economic growth and improving the welfare of the population. The target benchmark of the National Bank in 2016-2017 is the annual inflation corridor of 6-8%. In the medium term by 2020, the National Bank seeks to achieve annual inflation of 3-4%. The National Bank of the Republic of Kazakhstan has adopted a monetary policy regime aimed at establishing and achieving the inflation target in the medium term. The main feature of this regime is a clear definition of goals and priorities of monetary policy, contributing to the formation of favorable expectations of the population and the market and increasing their confidence in the central bank.

The interest rate channel plays a special role in the inflation targeting regime, through which central bank interest rate policies affect market rates with a further shift to consumer, savings, investment behavior of the population, and, ultimately, to inflation processes. The main instrument of the National Bank's monetary policy is the base rate. An intermediate benchmark for making decisions on the level of the interest rate is the inflation forecast, which takes into account the inflation expectations of the population. If, in the medium term, the forecast inflation exceeds the target value, the central bank decides to raise the current base interest rate, and vice versa. The operational target is the short-term, one-day money market interest rate.

The adopted exchange rate policy regime - the floating exchange rate of the tenge is formed under the influence of fundamental factors - world oil prices, as well as exchange rates of the countries - major trading partners, first of all, Russia.

The advantages of the floating exchange rate regime include: achieving an equilibrium level of the real exchange rate in the market, maintaining the competitiveness of domestic producers, preventing significant imbalances in the current account and preventing a decline in international reserves. The Kazakhstan Central Bank does not interfere in the exchange rate process, and at the same time reserves the right to conduct interventions to prevent excessive changes in the tenge exchange rate, as well as to ensure the stability of the financial system. Interventions in general do not contradict the policy of a floating exchange rate and can be carried out by central banks, including to replenish the country's international reserves.

However, internal problems of the domestic economy, such as a high level of gross external debt, its raw material dependence, poor credit portfolio classification and poor asset quality of the banking system, can become an obstacle to a country's sustainable growth trajectory. Seven years have passed since the start of the implementation of the Strategy for Industrial-Innovative Development, but the result was the opposite of what was desired: the share of the extractive sector in the industrial structure not only decreased, but, on the contrary, increased significantly.

The strategic plan - 2020 provides for sustainable and balanced development of the national economy in the next decade due to accelerated industrial diversification, that is, this should be essentially a turning point in the development of the country's economy. Unfortunately, the raw materials sector is actually owned by foreign companies that are not ready to reinvest the revenues and profits received here into the real sector, because they benefit from the export of raw materials and they have their own factories, but they are processed all over the world, which ensure profit margins through the sale of final products, employment of its citizens and tax revenues in the domestic treasury.

Practice shows that we had significant deviations of monetary policy from forecast indicators, which was primarily due to underestimates of the cost of oil and the volume of resources attracted from foreign markets. These factors influenced the approximate reality of forecasts, as a result of which the actual indicators, as a rule, were formed far above the planned level. The president explained the reorganization of the economic bloc of the government by the fact that "no one deals with issues of strategic and state planning, which are becoming very important," ...

Implementation of the Program - 2020. as emphasized in the Message, should be the main core of work. No one should stand aside ... A real stressful plan, even with its incomplete implementation, mobilizes everyone to implement the set strategic objectives. Unfortunately, the forecast of the main
indicators of monetary policy for 2010, as the benchmarks for the development of the economy, despite the critical remarks of the Head of State to the ministries of the economic bloc and banks, does not meet the serious requirements for making good decisions.

It is money as a specific financial instrument that is the main motive for making certain economic decisions both at the level of state policy and at the level of individual enterprises.

The main tool for carrying out monetary policy to maintain the planned level of inflation is the manipulation of the interest rate (refinancing rate), which increases deposit rates in private banks and increases the attractiveness of saving money rather than spending. Lowering the discount rate lowers deposit rates in private banks and reduces the attractiveness of saving money.

In addition, the increase in the discount rate increases the level of interest rates in banks and reduces the interest rates on lending. Thus, lower interest rates increase inflation. Raising the discount rate reduces inflation.

In practice, monetary targeting means that the national bank supports the specified parameters of change in the monetary aggregate.

This strategy is based on two prerequisites:
- if there is a stable relationship between money and the price level, then price stabilization can be achieved by limiting the monetary aggregate;
- The amount of money should be controlled by monetary policy over a limited time horizon.

With direct control of inflation, the strategy of the Central Bank focuses directly on the dynamics of inflation. The policy of the National Bank in this case is reduced to a more or less mechanical reaction to the deviations of the predicted values of inflation from the given values at a certain time horizon.

Some thoughts on the inflation targeting project account:
The main elements of inflation targeting are:
- the main goal of the monetary central bank is price stability;
- setting quantitative targets for inflation;
- high requirements of transparency of its implementation strategy;
- an approach based on a prospective assessment of inflationary pressures, taking into account a wide range of information.

The NBK follows the policy of inflation targeting in order to gradually reduce inflation. In the “Forecast of the socio-economic development of Kazakhstan for 2015-2019” it has been established:

“The National Bank of the Republic of Kazakhstan will continue to conduct monetary policy, the main goal of which is to ensure price stability, which implies keeping annual inflation in the range of 6.08.0%. As part of this work, measures will be taken to improve the interest rate channel and gradually reduce the role of the currency channel. In order to effectively address the challenges facing the Government and the National Bank, a set of measures will be developed aimed at reducing inflation to 3-4% in the medium term”.

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РОЛЬ ДЕНЕЖНО-КРЕДИТНОЙ ПОЛИТИКИ НАЦИОНАЛЬНОГО БАНКА РК
В ЭКОНОМИЧЕСКОМ РАЗВИТИИ ГОСУДАРСТВА

Аннотация. Роль денежно-кредитной политики Национального банка РК в экономическом развитии государства возрастает, в связи с актуальностью ресурсных, финансовых и технологических ограничений. Как показала исследование высокий уровень неопределенности долгосрочных перспектив представляется чрезвычайно важным поиск альтернатив и тщательную проработку различных сценариев. Учитывая взаимосвязи экономики Казахстана в значительной степени, вовлечённой в мирохозяйственные связи с остальным миром и понимая влияние кредитно-денежная политика на макроэкономические показатели, по мнению авторов, возрастает роль Национального банка РК. Так как основной целью кредитно-денежной политики является поддержание низких темпов инфляции (на уровне 6-8%). Достижение этих целей будет обеспечиваться регулированием уровня денежной базы с использованием всех имеющихся у Национального банка РК инструментов.

Ключевые слова: Национальный банк, роль, кредитно-денежная политика, финансовый рынок, нестабильность, инфляция.

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КР ҰЛТТЫҚ БАНКІНІҢ АҚША-КРЕДИТ
САЯСАТЫНЫҢ РОЛИ МЕМЛЕКЕТТІК ЭКОНОМИКАЛЫҚ ДАМУ

Аннотация. Ресурстар, жаркылык және технологиялық шекуелердің әскілдігіне байланысты Қазақстан Республикасы Ұлттық Банкінің мемлекеттік экономикалық дамуына ақша-кредит саясатының ролі артып келеді. Зерттеу ұзақ мерзімді перспективада жоғары денгейдегі бәгдісіздік қорсететі, ер тұрлі сценарийлер арқылы баламаларды іздеу және мұқият құжаты ісімді оқе маңызды. Қазақстаның экономикасының әлімінің басқа елдерімен елдік экономикалық қатынастарға қатыстыра отырмын, акша экономикасының макроэкономикалық қорсеткіштерге есерінің түсіні арқылы Қазақстан экономикасының өзара байланыссын ескеру отырмын, авторлардың пікірінші. КР Ұлттық Банкінің ролі артып келеді. Ақша-кредит саясатының негізгі мақсаты томен инфляцияны колдау болып табылады (6-8% денгейінде). Осы мақсаттарға қол жеткізу Қазақстан Ұлттық Банкіне қол жеткізімді барлық құралдарды пайдалану отырып, акша базасының денгейін реттеу желімен қамтамасыз етілетін болады.

Түйін сөзлер: Ұлттық Банк, рол, ақша-кредит саясаты, жаркы нарығы, тұрақсyzдық, инфляция.

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