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ksadvokas@mail.ru; kodasheva@mail.ru**THE ROLE OF SECOND-LEVEL BANKS
IN IMPLEMENTING THE THIRD LEVEL OF MODERNIZATION
OF KAZAKHSTAN ECONOMY**

Abstract. The article examines the development of the banking sector in Kazakhstan in the new global reality, the role of second-level banks in the implementation of the third modernization of the economy of Kazakhstan. The task of creating a new model of economic growth that will ensure the country's global competitiveness that defined in the President's new Message «The Third Modernization of Kazakhstan: Global Competitiveness» of January 31, 2017, which says «reloading» the financial sector of the country and the National Bank of Kazakhstan needs to implement a set of measures to improve the banking sector.

Therefore, the study of problems and prospects for the development of banking activities in the face of growing uncertainty and cyclical economic development is due to the need to improve the financial stability of the banking sector of the Republic of Kazakhstan. As in this connection the role of commercial banks as financial intermediaries in crediting the real sector of the economy increases.

Keywords: bank, financial stability, modernization of the economy, global competitiveness.

Introduction. The developed banking system is the basis of the modernized economy. Therefore, there is a growing need for several large universal banks that accumulate large amounts of financial resources to operate in order to finance priority areas for modernizing the industrial sector of the national economy. Large banks will ensure full-fledged financing of the country's economy. To date, there is a tendency in Kazakhstan to consolidate the banking sector through the merger of banks, which will allow to combine the capital and other available resources needed to meet the needs of the economic system, especially high-tech industries. The consolidation of banks will increase the willingness to take risks to regulate and reconcile modernization activities. Thus, according to the National Bank of the Republic of Kazakhstan, as of January 1, 2017, in Kazakhstan, the banking sector is represented by 33 second-tier banks, of which 15 banks with foreign participation, including 11 subsidiary banks. Then, as on January 1, 2011, in the country, there were 39 second-tier banks.

Methods of research. The main methods of research are a method of deduction and induction, as well as a comprehensive approach and a method of scientific abstraction. The variety of goals, objectives and areas of activity in agriculture predetermines various criteria for assessing the effectiveness of economic entities.

Results. Financial intermediation of second-tier banks will allow economic entities wishing to efficiently manage their monetary capital to become strategic investors in Kazakhstan's economic modernization, the creation of new industries and the introduction of advanced technologies [1]. Consider the dynamics of indicators that reflect the role of the banking sector in the economy of Kazakhstan (see Table 1).

As can be seen from the data in Table 1 during the period 2016-2017, the indicators of the banking sector slightly decreased relative to the country's GDP. This is primarily due to the fact that the consequences of the global crisis of 2008-2009 continue to affect the state of the banking sector, which

should become the locomotive of the modernized economy. An important condition for the full and qualitative financing of the modernization process is to achieve the stability of the financial system of Kazakhstan, where second-tier banks play an important role. In the global economy, open international money flows have an impact on the exchange rate and interest rates within the country. This is evident in the financial system of Kazakhstan [1].

Table 1 - Dynamics of relative indicators characterizing the role of the banking sector in the economy of the Republic of Kazakhstan

Indicator / date	01.01. 2013	01.01. 2014	01.01. 2015	01.01. 2016	01.01. 2017
GDP, billion tenge	30 347	34443,4	38624,4 ¹	40 884,1 ²	44 354,0 ³
Ratio of assets to GDP, %	45,7%	44,9%	47,2%	61,4%	57,6%
Ratio of loan portfolio to GDP, %	38,4%	38,8%	36,7%	37,9%	35,0%
Ratio of customer deposits to GDP, %	28,1%	28,6%	29,4%	41,7%	38,9%
The coefficient of placement of part of funds in domestic assets	1,145	1,133	1,148	1,157	1,041
1 - according to the forecasted data of the Ministry of Economic Development and Trade of the Republic of Kazakhstan; 2 - according to the Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan 3 - according to the forecast of socio-economic development of the Republic of Kazakhstan for 2017-2021					

Note: The table is compiled according to the National Bank of the Republic of Kazakhstan [2]

With a view to realizing the Address of the President of the Republic of Kazakhstan, N.Nazarbayev, to the people of Kazakhstan, "Third modernization of Kazakhstan: global competitiveness" in 2017, the National Bank of the Republic of Kazakhstan adopted a program to improve the financial stability of the banking sector of the Republic of Kazakhstan, one of the main goals of which is to restore lending to the real sector of the economy, to provide uninterrupted provision of banking services to the economy and population and ensure the competitiveness of the banking sector in the framework of integration processes (WTO and SES).

The second-tier banks and state development institutions (the Development Bank of Kazakhstan, the National Innovation Fund, etc.) have great potential for attracting international loans and credits for financing the Kazakhstani economy. The regional integration of the financial-payment and currency systems of Kazakhstan is of great importance for the financial provision of modernization. In this case, banks play an important role.

Scientists Bainiyazov M. and Kaygorodtsev AA believe that banks will have to be responsible for lending to effective modernization, ensuring the stability of the national currency and, ultimately, for the state of the country's balance of payments [1]. At the same time, in their opinion, a list of authorized commercial banks directly working for the implementation of the national strategy should be determined, and their contribution to the increase in the efficiency of social production should be stimulated. The National Bank needs to create a special unit that coordinates the activities of authorized investment institutions to implement the national strategy.

These measures should lead to the search for additional impulses for modernization, to open access for businesses and financial sector entities to the world market, which will allow to diversify risks, benefit from the export of capital, and strengthen the competitive advantages of the countries participating in regional unions by overcoming the limitations small financial systems.

Assets of second-tier banks of the Republic of Kazakhstan as of January 1, 2017, amounted to KZT 25,556.8 billion (as of early 2016 - KZT 23,780.3 billion), an increase for 2016 - 7.5%. In the structure of assets, the loan portfolio (principal debt) in the amount of KZT 15,510.8 billion (the beginning of 2016 - KZT 15,553.7 billion) occupies the largest share (56.9% of total assets), the decrease for 2016 - 0.3% [2].

In the lending market, there is a gradual recovery. For 9 months of 2017, the increase in the volume of loans issued by banks amounted to 4% compared with the same period last year. The volume of loans in national currency increased by 11% to 9.5 trillion. tenge. The average interest rate on loans following the base rate of the National Bank decreased from 14.5% in December 2016 to 14% in September 2017.

The liabilities of the second-tier banks of the Republic of Kazakhstan at the beginning of 2017 amounted to KZT 22,716.2 billion (compared to KZT 21,290.2 billion as of early 2016), an increase of 6.7% in 2016. In the total liabilities of second-tier banks, the largest share was occupied by customer deposits - 76.0% and issued securities - 7.8%. Liabilities of second-tier banks of the Republic of Kazakhstan to non-residents of the Republic of Kazakhstan amounted to KZT1,687.5 billion or 7.4% of total liabilities [2].

Dedollarization processes continue in the deposit market. The share of deposits in foreign currency decreased from 55% in early 2017 to 49% in September 2017. It is expected that maintaining stability and predictability in the domestic foreign exchange market, lowering the level of inflation will further stimulate savings in tenge. Private capital can also be used to finance modernization processes in Kazakhstan. By accumulating the money of depositors in their accounts, banks collect amounts sufficient for a full-fledged financing of activities provided for by the modernization goals.

During the crisis, the state is interested in supporting banks in order to ensure the sustainability of the entire financial system and economy. In this regard, the President of the Republic of Kazakhstan was instructed to take a set of measures to improve the banking sector. Not timely adoption of these measures can reduce confidence in banks, as economic intermediaries, which is necessary to ensure stability

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ҚАЗАҚСТАН ЭКОНОМИКАСЫН ҮШІНШІ КЕЗЕҢДЕГІ ЖАҢҒЫРТУДЫ ЖҮЗЕГЕ АСЫРУДАҒЫ ЕКІНШІ ДЕҢГЕЙЛІ БАНКТЕРДІҢ РӨЛІ

Аннотация. Мақалада Қазақстандағы банк секторының жаңа жаһандық жағдайдағы дамуы, екінші деңгейдегі банктердің Қазақстан экономикасын үшінші кезеңдегі жаңғыртуды жүзеге асырудағы рөлі қарастырылады. Елдің жаһандық бәсекеге қабілеттілігін қамтамасыз ететін экономикалық өсудің жаңа моделін құру міндеті. Мемлекет басшысының 2017 жылдың 31 қаңтарындағы «Қазақстанның үшінші жаңғыртылуы: Жаһандық бәсекеге қабілеттілік» атты жаңа Жолдауында еліміздің қаржы секторын «қайта жүктеу» мен Ұлттық Банктің Қазақстан банк секторын жетілдіру бойынша шаралар кешенін әзірлеуі қажет екендігі анық болды. Осылайша, белгісіздік пен циклді экономикалық дамудың алдында банктік қызметті дамытудың проблемалары мен перспективаларын зерттеу Қазақстан Республикасы банк секторының қаржылық тұрақтылығын арттыру қажеттілігіне байланысты болды. Осыған байланысты, коммерциялық банктердің экономиканың нақты секторын қаржыландырудағы қаржы делдалы ретіндегі рөлі артып келеді.

Түйін сөздер: банк, қаржылық тұрақтылық, экономиканы жаңғырту, жаһандық бәсекеге қабілеттілік.

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**РОЛЬ БАНКОВ ВТОРОГО УРОВНЯ В РЕАЛИЗАЦИИ
ТРЕТЬЕЙ МОДЕРНИЗАЦИИ ЭКОНОМИКИ КАЗАХСТАНА**

Аннотация. В статье рассмотрены вопросы развития банковского сектора Казахстана в условиях новой глобальной реальности, роль банков второго уровня в реализации третьей модернизации экономики Казахстана. Задача создания новой модели экономического роста, которая обеспечит глобальную конкурентоспособность страны, определена в новом Послании Президента РК «Третья модернизация Казахстана: глобальная конкурентоспособность» от 31.01.2017 г., где говорится о том, что нужна «перезагрузка» финансового сектора страны и Национальному банку РК необходимо выработать комплекс мер по оздоровлению банковского сектора. Поэтому исследование проблем и перспектив развития банковской деятельности в условиях роста неопределённости и цикличного развития экономики обусловлено необходимостью повышения финансовой устойчивости банковского сектора РК. Так как в этой связи возрастает роль коммерческих банков как финансовых посредников в кредитовании реального сектора экономики.

Ключевые слова: банк, финансовая устойчивость, модернизация экономики, глобальная конкурентоспособность.

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