

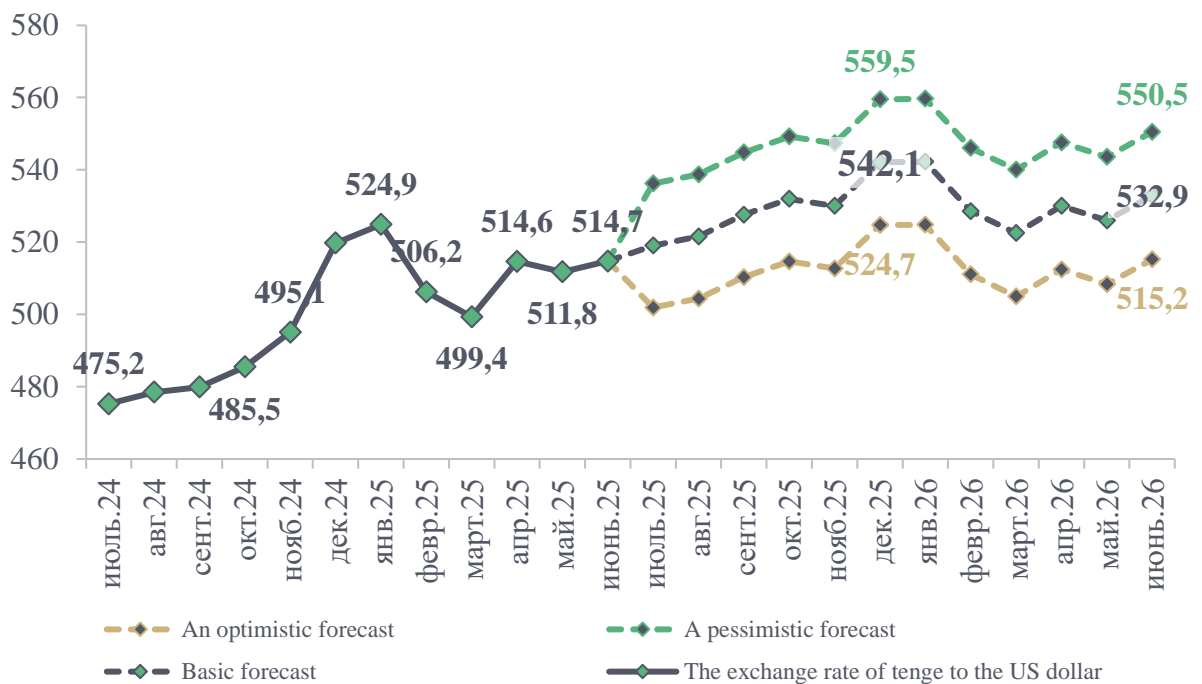
## Forecast of the KZT-US dollar exchange rate

As of 3:30 p.m., the weighted average exchange rate of USD/KZT was 518.97 KZT. The base forecast of the average monthly exchange rate for July 2025 is 519.1 KZT per 1 US dollar.

The Department of Analytics and Research at BCC Invest JSC (*hereinafter – BCC Invest*), as part of its monthly work on monitoring and forecasting macroeconomic indicators of the Republic of Kazakhstan, monitors the impact of external and internal factors on the country's economy.

According to the National Bank of the Republic of Kazakhstan (*hereinafter – NBK*), in June 2025, the average exchange rate was **514.72 KZT** per 1 US dollar. Compared to the data of January 2025, the exchange rate strengthened by **9.95 KZT** or by **1.9%**.

Chart. Updated forecast of exchange rate dynamics for 12 months ahead



Source: NB data, BCC Invest analysis

In the second quarter of 2025, the forecast of the exchange rate dynamics was built **twice**. Although the main conclusions have not been changed, the meanings of our scenarios have been revised. So there is an initial forecast (*dated April 7, 2025*) and an updated forecast (*dated May 26, 2025*), where the main difference is that due to the implementation of **negative factors**, our **pessimistic scenario** was realized to a greater extent, which was later translated into the values of the baseline scenario.

According to forecasts, **we expected** a gradual **strengthening of the KZT** in April and May 2025, followed by a **weakening by the end of the year** and a **new strengthening** in the first quarter of 2026. In general, the forecast was **confirmed**: the exchange rate did strengthen in April and May 2025, however, the course of events did not develop according to the baseline scenario, but within the framework of a more pessimistic one, which was largely facilitated by the **tariff policy of the Trump administration**, which created additional speculative pressure on the national currency.

So, in April 2025, according to the pessimistic scenario, the average monthly exchange rate was **514.4 KZT per US dollar**, while the actual value was **514.5 KZT**. When revising the forecast in May, we sought to return the dynamics to the baseline scenario — the early pessimistic forecast for May was **510.0 KZT**, the updated baseline was **509.7 KZT per US dollar**. However, the actual exchange rate was formed at the level of **512.3 KZT**, which still fits into a more strict pessimistic range.

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The first half of the year ended and the average exchange rate during this time was **KZT 511.64 per 1 US dollar**, which is again close to the annual values of the initial baseline scenario of **KZT 513.2 per 1 US dollar**. As a result of the completion of the first half of the year, the BCC Invest analyst team is **updating the exchange rate forecast** for the next 12 months.

The forecast of the average monthly level of the national currency in July 2025 will be:

- **The optimistic scenario** is **501.9 KZT** per 1 US dollar;
- **The base scenario** is **519.1 KZT** per 1 US dollar;
- **The pessimistic scenario** is **536.2 KZT** per 1 US dollar.

Thus, according to the baseline scenario, in July, compared with the level of June, a slight **weakening of the national currency** is expected, all other things being equal, by **4.3 KZT**, or **0.84%**.

The main factors determining this option are as follows:

- I. **World oil prices.** If Brent is kept in the range of **\$70-75/barrel**, export revenues will remain stable, which will ease the pressure on the exchange rate through the balance of foreign exchange earnings and budget transfers.
- II. **Geopolitical stability.** The absence of new exacerbations in key regions and the **reduction of uncertainty** will support the inflow of portfolio investments, reduce volatility and prevent the KZT from weakening sharply.
- III. **Budget and fiscal policy.** Planned transfers from the National Fund **without drastic additional costs** will not create significant foreign exchange outflows, keeping demand for KZT at a relatively stable level.
- IV. **Monetary policy of the NBK.** Maintaining the base rate and instruments for sterilizing excess liquidity (*in particular, mirroring gold transactions*) will continue to have a restraining effect on inflation and maintain the balance of the foreign exchange market.

According to the pessimistic scenario, a **more moderate weakening** of the national currency is expected by **21.5 KZT**, or by **4.14% mom**. And only an optimistic scenario implies a slight **strengthening of the national currency** by **12.8 KZT**, or by **2.49% mom**.

As a result, the KZT's strengthening to a weighted average of **518.97 KZT per 1 US dollar** by 15:30 was a result of the **favorable dynamics of world oil prices**, the simultaneous **strengthening of currencies in the region** and careful **liquidity management** by the NBK. In the coming sessions, the attention of market participants will be focused on export data and regulatory decisions, so despite moderate volatility, monitoring of these factors remains key.

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### APPLICATION

#### Comparison of the dynamics of the previous and current forecasts

Early forecast				Updated forecast			
The script	Optimistic	Basic	Pessimistic	The script	Optimistic	Basic	Pessimistic
June.25	514,8			June.25	514,8		
July.25	503,3	520,4	537,5	July.25	501,9	519,1	536,2
Aug.25	507,0	524,2	541,4	Aug.25	504,4	521,6	538,8
September 25	513,4	530,7	547,9	September 25	510,3	527,6	544,8
October 25	518,0	535,3	552,5	October 25	514,7	531,9	549,2
November 25	516,8	534,1	551,4	November 25	512,7	530,0	547,4
December 25	529,1	546,5	563,9	December 25	524,7	542,1	559,5
<b>For the year</b>	<b>508,9</b>	<b>523,2</b>	<b>537,6</b>	<b>For the year</b>	<b>507,3</b>	<b>521,7</b>	<b>536,0</b>

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