

What has happened in banking sector for last year?

- ✓ Alliance Bank conducted an IPO on London Stock Exchange and sold 17.4% for \$704mln
- ✓ UniCredit Group bought 91.8% of ATF Bank (Kazakhstan's fifth largest bank) for \$2.1 billion.
- ✓ German Allianz has bought ATF Polis (insurance company of ATF Bank)
- ✓ Kazkommertsbank and Caspian Bank refused to increase the interest rate on deposits of people.
- ✓ Israel Bank Hapoelim thought its subsidiary in Turkey bought Demir Bank
- ✓ Massive outflows of deposits of people from Kazkommertsbank and BTA Bank (partially to Halyk Bank)
- ✓ Halyk Bank refused to take funds from Government (part of \$4bn); because CEO Marchenko said that bank faces another problem: excess of liquidity due to new inflow of deposits (Halyk market share of deposits increased to 25%)
- ✓ Renaissance Capital (Russian Investment Bank) bought 10-15% of Kazkommertsbank on LSE for \$500mln. As was stated by Renaissance, it bought shares for its client, but refused to tell for whom.
- ✓ EBRD announced that it will give \$1bn to Kazakhstan banks this year.
- ✓ Kookmin Bank (10th largest bank in Asia and largest in South Korea) has announced that it has bought 30% stake in Bank Center Credit. The sellers of stocks agreed to put part of their received money (\$240mn) on deposit in Center Credit. Korean Bank also plans to increase its share to 50.01% in near future through issuing of new stocks.
- ✓ Halyk Bank conducted a demonstrative issuance of obligations on LSE, demand exceed supply 3 times

Conclusion

Positive implications of crisis:

- ✓ Changing of policy of banks toward more cautious activity
- ✓ New banking technologies which will be implemented by newcomers of banking sector (international financial groups UniCredit, Kookmin Bank)
- ✓ Right evaluation of risks connected with investments in real estate by banks.
- ✓ Only the strongest banks and construction companies will survive, so market will be more efficient.
- ✓ Government will understand the main risk of financial sector and will change its policy so as to make the growth more stable.

So, in conclusion I want to say that crisis in USA has some positive implications on our financial system, because only in hard situations we can truly evaluate our system. So, crisis had positive implication on banking system, because banks will now to reevaluate their risks and try to hedge from them. Our regulatory authorities will get more experience, so our financial system will become more efficient in the long-run

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SAMRUK" & "KAZYNA" STATE HOLDINGS

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INTRODUCTION

In order to further improve the country's competitive edge and regional role through enforcing the principles of efficient corporate governance and management, greater transparency and accountability as well as by boosting its financial markets the Government has taken major steps in early 2006, namely it established the "Samruk" State holding company, "Kazyna" Fund for sustainable development and initiated the establishment of the **Regional Financial Centre in Almaty (RFCA)**.

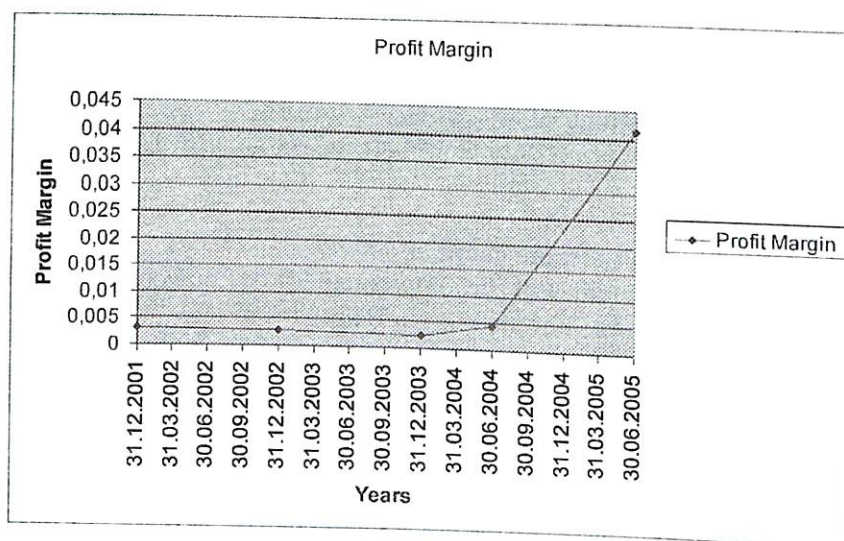
Nowadays Samruk and Kazyna play a key role for modernization and diversification of Kazakhstan's economy.

Creation of the Holding was suggested by the President of Kazakhstan Nursultan Nazarbayev after his visit to Singapore in 2003. During his visit the President studied the activity of Singapore's Holding "Temasek" one of the world most famous holdings found in 1974 by the Singapore Government.

The main objective of the Holding is creation of the development strategy for the real sector of economy meeting the state interests in short and long-term prospects, and maximization of the Government's companies long-term value. The Holding will set development objectives, achievement of which will provide the basis of performance assessment of the companies top-management. The results of these efforts will promote to increase efficiency of the national capital, transparency and attractiveness of the Kazakhstan economy for world investors.

ANALYSIS

The analysis of Samruk includes profitability of KEGOC (one of the Samruk's subsidiaries). The main point here is the position of KEGOC before the Samruk and after.



Samruk bought KEGOC's shares in 2006. KEGOC's profitability in 2006 was more than it was in 2005 by 12 mln tenge. From this we can conclude that Holding effects it's subsidiaries positively, so that their company's profitability increases.

The Sustainable Development Fund "Kazyna" was created on the 15th of April in 2006 by the decree of the president of the Republic of Kazakhstan with the purpose to increase and stimulate investment and innovation activities, and to achieve new level of social-economic development.

The Fund act as principal shareholder and coordinates the work of various national development institutions (Development Bank of Kazakhstan, Investment Fund of Kazakhstan, National Innovation Fund, SME Support Fund, State Insurance Corporation, Investment Promotion Agency "Kazinvest". Center for Marketing and Analytical Research, Kazyna Capital Management, Social Innovation Technologies) – part of the state strategy for industrial and innovative development of Kazakhstan until 2015. Contributing to economic diversification (by using advantages in export and import oriented sectors) and development of infrastructure is the focus of Fund.

So Kazyna is pursuing two strategies: one – to build on Kazakhstan's industrial capacities, the other – to develop innovation and hi-tech activities that will create value-added products.

Because of financial crisis in USA, probabilities of decreasing the amount of credits and difficulties in construction and real estate sectors, Kazyna and the government of Kazakhstan worked out the plan of stabilization of social-economic development of the country through financing in construction sphere (\$400 mln), financing SME (\$400mln) and refinancing industrial projects that are important for diversification of economy (\$200mln).

Kazyna will have a major role in achievement of main goals of national economy: building "an innovation infrastructure", developing investment activities and moving to hi-tech enterprises. As its ex-chairman, Kairat Kelimbetov, points out: "Our job is to create conditions for such enterprises". National Innovation Fund (under Kazyna's purview) is tasked with creating Alatau IT park. Also NIF highlights three projects:

KazSat, Kazakhstan has launched its first communications satellite, entering the ranks of the space-exploring nations. Satellite will provide telecommunications services for Kazakhstan and the neighboring Central Asian countries. NIF provided \$65 million.

Glotur DS Multimedia is the international production project with participation of NIF, JSC “Glotur Invest” and Singaporean company DS Multimedia Ltd. Company was created to build manufacturing lines for monitors and TVs and to establish an R&D laboratory. NIF provided \$4.9 million against a total budget of \$11 million over a period of five years.

Burli, a company for the serial production of Antipolin and Ehinal antiallergic medicines.

In order to weaken and to surmount the main obstacles to competitiveness of national economy – the oil and other mineral resource dependency, low level of productivity, insufficient integration with the world economy Kazakhstan should develop non-extracting sectors of economy, determine and develop those sectors in which we could compete with other countries.

STRATEGIC MARKETING PLANNING IN TELECOMMUNICATIONS CASE STUDY JSC KAZAKHTELECOM

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The modern management tool of company development in conditions of increasing alternations in external environment and related uncertainties is a methodology of strategic management and strategic planning. The real life practice shows that those organizations which make complex strategic planning and marketing work more successfully and get the profit significantly high than the average.

As a case study for my work I decided to research JSC Kazakhtelecom that is in telecommunications market. Today it is not necessary to emphasize the significance of wide use of connection and telecommunications facilities.

The **purpose** of this work is to investigate the theoretical and practical aspects of strategic planning of the marketing and to elaborate systematic recommendations for improving the strategic marketing planning in telecommunications.

To achieve the purpose of the research it is necessary to answer to the following **questions**: 1) what is the strategic planning and marketing process of JSC Kazakhtelecom? 2) How is organization's BSG growth – share matrix look like? 3) How is the marketing mix evaluated? 4) Who are the main competitors in the market? 5) What is the ways of realization of strategic marketing planning for organization?

I would like to start my main part of research from observation of foreign telecommunications market. The nature of competition today in the global telecommunications industry seems to center around market activities that aim at gaining competitive advantages through strategic combinations of resources and presence in multiple products and geographical areas. Telecommunications companies abroad join with their suppliers, investors to provide their customers an integrated service in a complex. They use different types of strategic options to stay competitive in the market.

We can see the examples of European operators who possess ICT at different stages. The simplest one is Telefonica. It concentrates on providing global ICT infrastructure services. Two levels higher there is France Telecom. It added ICT outsourcing services to its global ICT infrastructure services. Upper there is British Telecom and Deutsche Telecom. They started to implement applications management services and assurance services among others. Moreover, BT achieved the medium level of business transformation (Application A).

During the period 1999 – 2007 there were 42 Normative Law Certificates in telecommunication and information field. From the graph we can see the trend of the development of the telecommunication sphere. The highest growth was in 2004. It was caused by large import of foreign technologies and innovations. Also that year was the first IT-specialists graduation year. There was a lot of young, full of energy and new ideas people. The government started to invite foreign specialists to teach the local people how to use new equipments, how to make a good business and so on (Application B).

Regardless of the mobile operators' development and licensing of six new MMTC operators, JSC Kazakhtelecom has a leading position in the telecommunications market.