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CURRENT STATE OF THE BANKING SYSTEM OF KAZAKHSTAN IN THE CONDITIONS OF THE CRISIS

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Abstract. *The article examines the practical experience of formation and reform of the banking system of the Republic of Kazakhstan since 1987, analyzes the quality indicators of commercial banks, proposed measures to improve the financial development of the banking system of Kazakhstan in a crisis period.*

Keywords: *banking system, financial stability, crisis, anti-crisis measures, National Bank of Kazakhstan.*

The article contains a retrospective analysis of development of the banking system of Kazakhstan, by identifying five stages of its development. Currently, the Republic of Kazakhstan has a two-tier banking system. The functions of the National Bank of Kazakhstan and the organization peculiarities of commercial banks are analyzed. On March 1, 2021, 25 banks operate in the Republic of Kazakhstan, of which 15 banks with foreign participation, including 12 subsidiary banks of the second tier, 1 bank with 100% state participation.

The authors identified the tendency for

a reduction in the number of banks in the face of growing uncertainty was due to a number of reasons. Among them are: the revocation of licenses, mergers with other banks, the transformation into a branch, voluntary liquidation and other reasons.

The banking sector of Kazakhstan continues to be the main channel for the movement of funds from the financial sector to the real sector of the economy. Its state at the moment is determined by the influence of three systemic factors - a decrease in access to cheap external resources, unresolved structural problems

in the economy, and exchange rate fluctuations.

The main sources of manifestation of crisis phenomena in the banking sector of Kazakhstan are credit expansion, external debt of the banking system, weak resource base of banks in Kazakhstan, high concentration of the banking system and credit liberalism.

If we consider the financial aspects among the trends prevailing in recent years, the following can be distinguished: a sharp decline in the growth rate of the banking system, a significant deterioration in the quality of assets, and a decrease in the profitability of Kazakhstani banks.

The authors analyzed the main indicators of the functioning of the banking sector of the Republic of Kazakhstan and the anti-crisis measures of the National Bank of the Republic of Kazakhstan. It is clear that in times of crisis, the state is interested in supporting banks in order to ensure the stability of the entire financial system and economy. In this regard, the

President of the Republic of Kazakhstan instructed to take a set of measures to improve the banking sector. Late adoption of these measures can reduce the credibility of banks as economic intermediaries, which is necessary to ensure the stability of the economy.

Government measures to ensure the financial stability of the banking sector will be carried out in three main areas:

- changing the regulatory and supervisory environment to improve the quality and efficiency of supervisory response;
- rehabilitation of a systemically important bank;
- measures for additional capitalization of large banks.

The main principles of the Program are payment, urgency and repayment of public funds, voluntary participation of banks and joint and several liability of bank shareholders.

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