

**News Release**

**Embargoed until 1200 ALMT / 0700 UTC 4 December 2024**

# **FREEDOM HOLDING CORP.** **KAZAKHSTAN SERVICES PMI<sup>®</sup>**

## **Renewed rise in new business supports fresh growth in activity**

### **Solid rise in new businesses...**

### **...supports renewed growth in business activity**

### **Charge inflation eases to near four-year low**

November data marked a renewed rise in service sector activity across Kazakhstan, amid a fresh improvement in underlying demand trends.

The latest PMI<sup>®</sup> data by Freedom Holding Corp. and S&P Global indicated a renewed rise in new business received at Kazakh service providers in November, thereby overturning the fall experienced in the month prior. Similarly, a fresh rise in activity was also observed in the latest survey period.

Meanwhile, cost pressures remained subdued, enabling firms to pursue more competitive pricing strategies. Average output charges for Kazakh services increased at the slowest pace since December 2020.

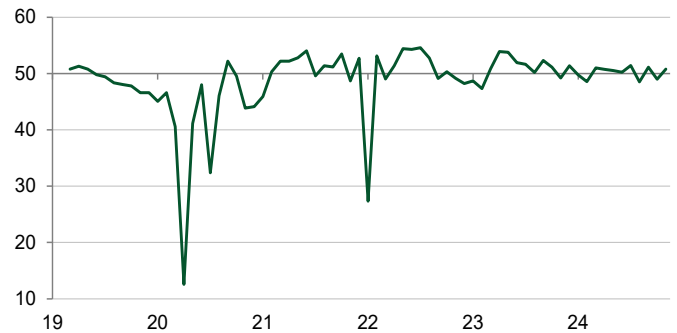
The headline figure is the Business Activity Index. This is calculated from a single question that asks for changes in the volume of business activity compared with one month previously. The index varies between 0 and 100, with a reading above 50 indicating an increase and below 50 a decrease. The index is adjusted for seasonal variation.

The seasonally adjusted Business Activity Index rose above the neutral 50.0 threshold, which distinguishes expansion from contraction, in November. With a reading of 50.8, up from 49.0 in October, latest data indicated that activity within the Kazakh service sector increased at a modest pace.

This uptick in business activity was supported by a renewed rise in new business received by Kazakh service providers. Surveyed businesses cited new contract wins, successful marketing campaigns, the introduction of new products, and heightened competition as contributing factors.

In response to increased business demands, service providers in Kazakhstan expanded their workforce numbers. November marked the third consecutive month of job creation, with companies reporting the hiring of full-time employees. However, due to varying trends in new business, firms approached new hiring with caution, resulting in the most

Freedom Holding Corp. Kazakhstan Services PMI Business Activity Index, sa, >50 = growth m/m



Data compiled 12-26 November 2024.

Sources: Freedom Holding Corp. S&P Global PMI. ©2024 S&P Global.

### **Comment**

Yerlan Abdikarimov, Director of Financial Analysis Department at Freedom Finance Global PLC (100% subsidiary of the Freedom Holding Corp.):

"November saw a recovery in business activity among Kazakhstan's service sector, with a noticeable increase in the number of new orders. Service providers reported successful marketing campaigns, the launch of new products, and a rise in demand. It appears that service providers have nearly completed their staffing needs, as the hiring pace has become more moderate compared to the previous two months. Long-term easing of inflationary pressures, despite the continued rise in certain costs and utility prices, has contributed to an increase in sector competitiveness. In some cases, this has allowed for a reduction in service prices. Outlook for the near future improved for the second consecutive month, exceeding the historical average. Key factors supporting this growth include increased investments, the implementation of marketing strategies, the launch of new products, and improved demand."

recent round of job creation being only marginal and the weakest in the current growth sequence.

Turning to prices, similar to what was observed in the previous two months, cost pressures rose only slightly. The rate of input price inflation remained well below the historical average and was among the weakest on record since the series began in March 2019. Where firms reported higher business expenses, this was linked to higher material costs and utilities.

Subdued cost pressures allowed Kazakhstan's service sector to adjust their charges accordingly. While output charges were raised once again in November, the rate of inflation was the weakest since December 2020. Anecdotal evidence also indicated that some firms reduced their prices to enhance their competitiveness.

Kazakh service providers expressed optimism regarding the outlook for activity, with confidence levels increasing over the month to reach a three-month high, and posting above the long-term survey average. This positive sentiment was supported by plans for new product launches, increased investments, marketing strategies, and expectations of improving demand trends.

## FREEDOM HOLDING CORP. KAZAKHSTAN COMPOSITE PMI

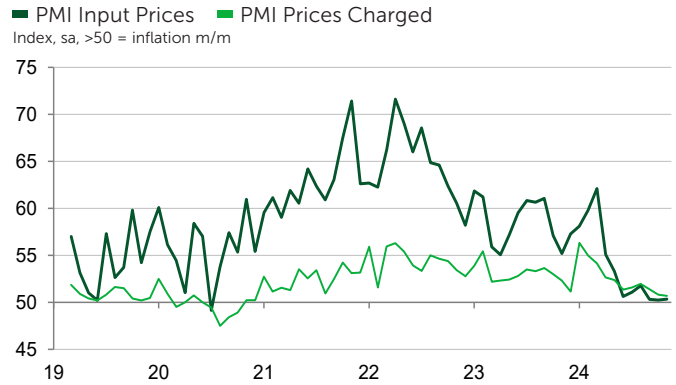
### Renewed rise in Kazakh private sector activity

The Kazakhstan Composite PMI Output Index printed in expansion territory in November, with a reading of 51.9, up from 49.6 in October, indicating renewed growth that was the strongest in 14 months. This increase in output was driven by a solid rise in manufacturing production, along with a slight recovery in services activity.

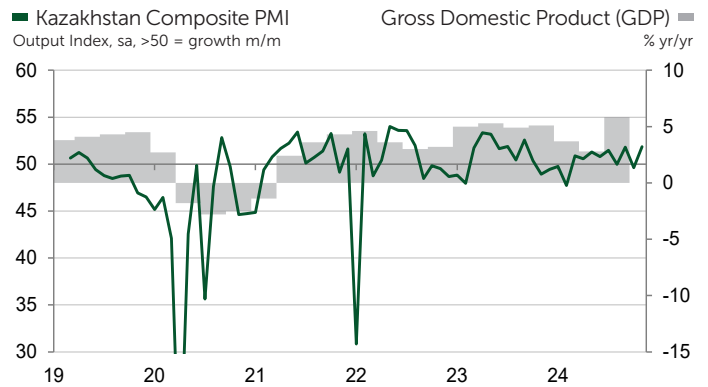
Output growth was supported by a solid and stronger rise in new orders. Expansions were recorded for the ninth consecutive month, with the latest increase being the fastest since September 2023.

Despite the improving demand trends, price pressures remained largely consistent with those observed in October and were below their respective averages.

Looking ahead, confidence in the outlook for activity improved for the second consecutive month in November, with both underlying sectors expressing optimism regarding output over the next 12 months.



Sources: Freedom Holding Corp., S&P Global PMI. ©2024 S&P Global.



Sources: Freedom Holding Corp., S&P Global PMI. ©2024 S&P Global.

## Contact

Yerlan Abdikarimov  
Financial Analysis  
Department Director  
Freedom Finance Global PLC  
Yerlan.abdikarimov@ffin.kz  
Freedom Holding Corp.

Public Relations Department,  
Freedom Finance Global PLC  
pr@ffin.kz  
Freedom Holding Corp.

Maryam Baluch  
Economist  
S&P Global Market Intelligence  
T: +44 (0) 1344 327 213  
maryam.baluch@spglobal.com

Sabrina Mayeen  
Corporate Communications  
S&P Global Market Intelligence  
T: +44 (0) 7967 447030  
sabrina.mayeen@spglobal.com

If you prefer not to receive news releases from S&P Global, please email [katherine.smith@spglobal.com](mailto:katherine.smith@spglobal.com). To read our privacy policy, click [here](#).

## Methodology

The Freedom Holding Corp. Kazakhstan Services PMI<sup>®</sup> is compiled by S&P Global from responses to questionnaires sent to a panel of around 250 service sector companies.

The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in March 2019.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline manufacturing PMI figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series..

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

## Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index<sup>™</sup> and PMI<sup>®</sup> are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

## Freedom Holding Corp.

Freedom Holding Corp. is a diversified company. It provides financial services and brokerage services securities trading, investment research and consulting, investment banking and underwriting services, mortgages, insurance, telecommunications, online sales of airline tickets and event tickets, offer online supermarket services and many others.

The Holding, including subsidiaries, employs more than 6.8 thousand people.

The headquarter of Freedom Holding Corp. is in Almaty (Kazakhstan) with supporting administrative offices and subsidiaries locations in 22 countries including Kazakhstan, the United States of America, Cyprus, Poland, Spain, Uzbekistan, Azerbaijan and others.

Freedom Holding Corp.'s common stocks are registered with the U.S. Securities and Exchange Commission and trades under the ticker symbol FRHC on the Nasdaq Capital Market.

[www.freedomholdingcorp.com](http://www.freedomholdingcorp.com)

## S&P Global

S&P Global (NYSE: SPGI) provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

[www.spglobal.com](http://www.spglobal.com)

## PMI by S&P Global

Purchasing Managers' Index<sup>™</sup> (PMI<sup>®</sup>) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

[www.spglobal.com/marketintelligence/en/mi/products/pmi](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)