



INTERNATIONAL SCHOOL
OF ECONOMICS MNU

Report on Key Findings and Recommendations Across Various Sectors in Kazakhstan Based on ISE Master's Theses and Diploma Projects

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This report synthesizes the findings from ISE master's theses and diploma projects for the 2023-2024 academic year, that examine diverse aspects of Kazakhstan's economic, social, political and technological landscape. By exploring the nuances of financial valuation methods, digital innovations, renewable energy, SMEs, and other critical areas, this report aims to provide actionable recommendations to enhance sustainable growth and resilience.

The report is compiled by Dr. A. Utebayev, Dr. S. Kemelbayeva

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Predicting Stock Returns Using Financial Ratios on the Kazakhstan Stock Market

Aru Akhmetova

Supervisor: Elmira Mynbayeva

This study explores the predictive power of various financial ratios in forecasting stock returns on the Kazakhstan Stock Market. Specifically, the research examines whether ratios such as Dividend Yield (DY), Price-to-Book ratio (P/B), Price/Earnings-to-Growth (PEG) ratio, Free Cash Flow Yield (FCFY), Price-to-Earnings (P/E) ratio, and Return on Equity (ROE) exhibit significant predictive capabilities. The findings of this study hold significant implications for financial analysts, investors, and policymakers by providing insights into the reliability of these financial ratios for predicting stock returns in the Kazakhstan Stock Market, thereby aiding in the development of more robust investment strategies. The study employs Multivariate Multiple Linear Regression to analyze data from companies selected based on their market capitalizations. The results indicate that the Dividend Yield, Price-to-Book ratio, Price/Earnings-to-Growth ratio, Free Cash Flow Yield, Return on Equity, and Price-to-Earnings ratios do not exhibit statistically significant predictive power for stock returns in the emerging Kazakhstan Stock Market. These findings suggest that these financial indicators may not be reliable tools for forecasting stock performance in this context. Interestingly, the results of the Kazakhstan Stock Market are consistent with those observed in the American market, with further comparisons made to markets in Qatar, Colombia, and Malaysia. This broader analysis provides a comparative perspective, highlighting the potential limitations of using traditional financial ratios in emerging markets.

Recommendations:

- **Enhanced Market Analytics and Investor Education:** Financial regulators and market participants in Kazakhstan should focus on enhancing market analytics and investor education. By providing training and resources on the limitations of traditional financial ratios in predicting stock returns in emerging markets, investors can be better equipped to make informed decisions.
- **Development of Alternative Predictive Models:** Given the limitations of traditional financial ratios, it is recommended that financial institutions and research bodies in Kazakhstan develop and explore alternative predictive models. These models could incorporate macroeconomic variables, industry-specific indicators, and behavioral finance theories to better forecast stock returns.
- **Cross-Market Research Collaborations:** Encourage collaborations between Kazakhstani financial institutions and international research bodies to conduct comparative studies across different emerging markets. Such collaborations can help identify unique market dynamics and develop tailored investment strategies for the Kazakhstan Stock Market.

A Study on Portfolio Management of Kazakhstan's Unified Accumulative Pension Fund

Nurbolat Gabbassov

Supervisor: Elmira Mynbayeva

This research investigates the Unified Accumulative Pension Fund (UAPF) of Kazakhstan, evaluating its structure, performance, and comparing it with two globally renowned pension funds: Norway's Government Pension Fund Global (GPF) and Japan's Government Pension Investment Fund (GPIF). The study highlights inefficiencies in the UAPF's portfolio asset allocation and investment practices, addressing concerns related to its complex organizational structure and management decisions. By analyzing public perception and international best practices, the research aims to deepen the understanding of pension fund operations and identify potential areas for improvement in UAPF's operations and policies. Utilizing a mixed-method approach that combines quantitative analysis with qualitative assessment, the study compares key performance indicators, investment strategies, and risk profiles of the UAPF with those of the GPF and GPIF. The analysis examines how each fund's investment strategy aligns with long-term sustainability and stability goals. Moreover, the research scrutinizes the performance strategy frameworks governing the UAPF, exploring possibilities for revisions that could enhance the fund's performance and transparency. The findings contribute to the existing body of knowledge on pension fund management and offer valuable insights into global best practices in portfolio asset allocation and investment strategies. Ultimately, this study provides actionable recommendations for optimizing the UAPF's portfolio asset allocation and investment strategies, ensuring the provision of sustainable and stable retirement benefits for Kazakhstan's citizens.

Recommendations:

- **Adopt a Diversified and Risk-Aware Investment Strategy:** UAPF should consider diversifying its investment portfolio by incorporating a broader range of asset classes and regions, akin to the practices of GPF and GPIF. A more diversified portfolio can mitigate risks and improve long-term returns, ensuring the sustainability of retirement benefits.
- **Enhance Transparency and Accountability:** To build public trust and improve fund governance, UAPF should increase transparency by regularly publishing detailed reports on its investment performance, decision-making processes, and risk management practices. Adopting international reporting standards can further enhance accountability and stakeholder confidence.
- **Streamline Organizational Structure:** Simplifying UAPF's organizational structure can reduce administrative inefficiencies and improve decision-making processes. A more agile structure would allow the fund to respond more effectively to market changes and investment opportunities.

Application of Machine Learning Algorithms For AIX Index Movements Predictions

Yerzhigit Ichshanov

Supervisor: Yerzhan Tokbolat

Many scholars have made significant efforts to predict stock market trends using various methods across different domains. This thesis provides an in-depth examination of how advanced machine learning techniques can be utilized to predict the indices of the Astana International Exchange (AIX). As a relatively new but highly influential stock exchange in Central Asia, the AIX plays a critical role in the regional financial landscape. Accurate forecasting of AIX index trends is vital for stakeholders such as investors, fund managers, and policymakers, as it enables them to make informed decisions and gain a deeper understanding of market fluctuations. The study evaluates the performance of different machine learning models in projecting the trend performance of AIX indices and explores the implications of these predictions for investment strategies and broader market movements. Historical data on AIX index share prices for the year 2023 was used to train and validate the machine learning models. The research findings indicate that all the models employed in the study provide satisfactory outcomes in forecasting the dynamics of the AIX index. Notably, the ARIMA model emerged as a particularly useful tool for predicting price dynamics on the AIX, offering investors and traders a reliable basis for making informed decisions in their investment strategies.

Recommendations:

- **Promote the Integration of AI in Financial Analysis:** Encourage the adoption of machine learning models like ARIMA for financial analysis within the AIX. Financial institutions and investment firms should be incentivized to integrate advanced AI techniques into their forecasting tools, improving the accuracy of market predictions.
- **Enhance Data Availability and Transparency:** The AIX should consider increasing the availability and transparency of its historical and real-time data. Providing comprehensive datasets will enable more accurate modeling and forecasting by machine learning algorithms, benefiting all market participants.
- **Develop Regulatory Frameworks for AI in Finance:** Policymakers should develop and implement regulatory frameworks that oversee the use of AI in financial markets. These regulations should ensure that AI-driven predictions are used ethically and responsibly, minimizing risks such as market manipulation.

Mind and Money: Exploring Psychological Factors Shaping Financial Decisions and Investor Behavior

Nazerke Nuraly

Supervisor: Nursultan Bazarbay

This study explores the influence of psychological biases on financial decisions and investor behavior, with a particular focus on the case of the FTX cryptocurrency exchange and its implications for investors in Kazakhstan. The literature review provides an overview of the historical development of behavioral finance, including key frameworks and studies on heuristics and psychological biases. By investigating the FTX case through the lens of behavioral finance, the research identifies several common biases that affected investor behavior, such as representativeness, availability, overconfidence, overreaction, and the herd effect. The study also examines the impact of these psychological factors on investors in Kazakhstan through a combination of surveys and interviews. The survey results reveal that Kazakh investors are similarly susceptible to biases like anchoring, availability, overconfidence, overreaction, and herd behavior. The interview analysis further corroborates these findings, highlighting the common psychological tendencies between Kazakh investors and those involved in the FTX case. This analysis underscores the critical importance of understanding psychological influences in financial decision-making, both in specific cases like FTX and more broadly in the context of the Kazakh financial market. The findings offer valuable insights into the biases that investors need to recognize and manage to make more rational and informed investment decisions, whether operating in Kazakhstan or the global market.

Recommendations:

- **Investor Education and Awareness Programs:** Financial regulatory bodies in Kazakhstan should develop and implement educational programs that raise awareness about common psychological biases that affect investment decisions. By improving investor literacy in behavioral finance, individuals can become more mindful of their decision-making processes and mitigate the impact of biases.
- **Incorporation of Behavioral Insights into Financial Advising:** Financial institutions and advisors should incorporate behavioral finance principles into their client services. By recognizing and addressing potential biases, advisors can help clients make more informed and rational investment choices, reducing the likelihood of poor financial outcomes driven by psychological factors.
- **Development of Bias-Detection Tools:** Financial platforms and tools that incorporate algorithms to detect and flag potential biases in real-time could be developed. These tools would serve as a check for investors, providing prompts or warnings when a decision appears to be influenced by common biases such as overconfidence or herd behavior.

Decision of the National Bank of the Republic of Kazakhstan: The Impact of Monetary Policy on Foreign Direct Investments

Alisher Temirov

Supervisor Yerzhan Tokbolat

The impact of Foreign Direct Investment (FDI) on a country's economic growth has been widely studied, with empirical evidence supporting its positive effects. However, the relationship between monetary policy and FDI, particularly through the lens of economic growth, remains underexplored. This paper tests the hypothesis that monetary policy—specifically, changes in the base interest rate—affects FDI through its influence on economic growth. The study utilizes secondary data on various economic indicators in Kazakhstan, including GDP, lending volumes, retail and wholesale trade, average monthly salary, unemployment rate, reinvested FDI, weighted average lending rates, and the historical price of Brent crude oil as an external factor. During the analysis, challenges such as endogeneity/exogeneity and multicollinearity were identified. To address these issues, the study employed several econometric techniques, including the mediator variable regression approach, two-stage residual regression, and principal component analysis (PCA). These methods helped in refining the model, excluding irrelevant variables, and effectively analyzing the relationships among the variables. The findings of the study indicate that the impact of monetary policy on FDI through economic growth is statistically insignificant. However, the analysis of the second hypothesis—concerning the effect of monetary policy on the reinvested portion of FDI—revealed a significant relationship. Specifically, it was found that a 1% increase in the weighted average lending rate in the previous quarter leads to a 15.68 billion USD increase in the reinvested income component of FDI, with a statistical significance level of 5%. The PCA method proved particularly effective in addressing multicollinearity and focusing on the most critical variables that explain the largest variance in the data.

Recommendations:

- **Refinement of Monetary Policy:** While the direct impact of monetary policy on FDI through economic growth may be statistically insignificant, the influence on reinvested income suggests that policymakers should consider adjusting interest rates with caution. A well-calibrated monetary policy that maintains favorable lending rates can encourage reinvestment, thereby enhancing the overall impact of FDI on the economy.
- **Encourage Reinvestment of FDI:** Given the significant relationship between lending rates and reinvested FDI income, the government could introduce incentives for reinvestment. These could include tax breaks or subsidies for companies that reinvest a portion of their profits back into the Kazakh economy, particularly in sectors critical for long-term growth.
- **Focus on Sector-Specific Strategies:** Develop sector-specific monetary policies that target industries with the highest potential for FDI reinvestment.

For example, lowering interest rates for loans in technology or manufacturing sectors might stimulate more significant reinvestment and drive economic growth in those areas.

Regression Model as an Early Indicator of Bankruptcy

Tugelbayeva Saule

Supervisor Tanashikov Assylbek

Bankruptcy is a significant concern for businesses and the economy as a whole, with far-reaching consequences for stakeholders. The ability to identify early indicators of potential bankruptcy is crucial for stakeholders to make informed decisions and take proactive measures to manage a company's financial position. This thesis presents a comparative study on the effectiveness of existing models in predicting bankruptcy, with the goal of testing and implementing an accurate and reliable early warning tool. The study utilizes a comprehensive dataset comprising financial ratios from a diverse sample of Kazakh companies across various industries, including both bankrupt and non-bankrupt firms. This dataset allows for a robust comparative analysis to identify the most suitable existing model and its coefficients for predicting bankruptcy. The model coefficients are used to weight financial ratios such as working capital, retained earnings, earnings before interest and taxes (EBIT), market value of equity, revenue, total assets, and total liabilities. The findings of this study demonstrate that traditional models can serve as simple and effective tools for predicting bankruptcy at an early stage, contributing to the field of financial risk management and bankruptcy prediction in Kazakhstan. The proposed model provides a reliable instrument for stakeholders, including investors, creditors, and regulatory bodies, to monitor companies' financial health and take proactive measures to avoid potential losses. Additionally, the research highlights the importance of incorporating both financial and non-financial ratios in bankruptcy prediction models, thereby enhancing the accuracy and robustness of early warning systems.

Recommendations:

- **Adoption of a Hybrid Model Approach:** Incorporating both financial and non-financial indicators in bankruptcy prediction models can significantly enhance predictive accuracy. Regulatory bodies and financial institutions should consider adopting a hybrid model that combines traditional financial ratios with non-financial metrics such as management quality, market conditions, and macroeconomic factors.
- **Regular Monitoring and Reporting:** Companies should be required to conduct regular financial health assessments using the identified predictive models. These assessments should be reported to relevant stakeholders, including

investors, creditors, and regulatory authorities, to ensure transparency and early intervention when financial distress signals are detected.

- **Development of Industry-Specific Models:** Given the diverse nature of industries in Kazakhstan, developing industry-specific bankruptcy prediction models could improve the accuracy of predictions. Tailoring models to the unique characteristics and financial dynamics of different sectors would provide more reliable early warning signals for stakeholders.

A Quantitative Evaluation of Asset Allocation Optimization Using Monte Carlo Simulation

Gyunay Zhakenova

Supervisor: Roman Dovolnov

In the realm of finance, portfolio management is crucial for aligning financial goals with the uncertainties of the market. This study investigates the effectiveness of optimizing asset allocation through Monte Carlo Simulation (MCS) to enhance and maintain investment portfolios. Traditional portfolio management models, such as Modern Portfolio Theory (MPT) and the Capital Asset Pricing Model (CAPM), often fall short in addressing the complexities of contemporary markets, which are increasingly characterized by volatility and global interconnectedness. This research demonstrates how MCS can revolutionize portfolio management by providing a more nuanced understanding of investment outcomes through statistical probability analysis. By simulating various market scenarios, MCS enables portfolio managers to evaluate the risks and returns associated with different asset allocation strategies, thereby refining the investment decision-making process. The study employs an empirical approach using investment data from the Unified Accumulative Pension Fund of Kazakhstan (UAPF) over the past decade. Historical return data for different asset classes is used to construct a correlation matrix, which is then utilized to simulate 10,000 market scenarios. These simulations predict possible outcomes and assess risk metrics such as Value at Risk (VaR) and Conditional Value at Risk (CVaR). The results indicate that portfolios optimized using MCS exhibit superior risk-adjusted returns compared to those managed through traditional approaches. The study highlights the utility of MCS in enhancing portfolio management by offering a deeper understanding of the relationship between risk and return. This method provides valuable insights into market uncertainties, facilitating the creation of more effective investment portfolios. The findings underscore how MCS can improve planning and management, offering practical recommendations for integrating this advanced analytical technique into real-world portfolio management practices.

Recommendations:

- **Incorporate MCS into Standard Portfolio Management Practices:** Financial institutions and portfolio managers should integrate Monte Carlo Simulation as a standard tool in the portfolio management process. Its ability to simulate a wide range of market scenarios and predict potential outcomes provides a more comprehensive risk assessment compared to traditional models.
- **Enhance Risk Management Frameworks:** Policymakers should encourage the adoption of MCS in risk management frameworks, particularly within pension funds and large investment portfolios. By better understanding the risks associated with different asset allocations, fund managers can make more informed decisions that align with long-term financial goals.
- **Develop Training Programs for Financial Professionals:** To maximize the benefits of MCS, there should be a concerted effort to develop and implement training programs for financial analysts and portfolio managers. These programs should focus on the application of MCS in portfolio optimization, emphasizing its advantages over traditional models.

Strategic management and marketing strategy of JSC “Air Astana” under conditions of competition in the air transportation market: analysis, valuation and prospects of development.

Bakytzhan Guldana, Tulegenova, Alina Turdaliyeva Saya

Supervisor: Kozhakhmetov Rustem

Co-supervisor: Zhassybek Balym

The purpose of this research project is to analyze the strategic management and marketing strategies of JSC “Air Astana” and its competitors, focusing on industry-leading airlines. The strategic analysis includes valuation using the income, market, and asset-based approaches. The research included an industry competitiveness analysis using Porter’s Five Forces model and a SWOT analysis to evaluate the company’s strengths, weaknesses, opportunities, and threats. The macroeconomic environment is assessed using PESTEL analysis (Political, Economic, Social, Technological, Environmental, and Legal) to understand its impact on the company. The analysis revealed significant differences in valuation methods for JSC “Air Astana,” with the income-based approach showing the highest valuation due to its emphasis on future earnings. Conversely, market and asset-based approaches indicated lower valuations, suggesting potential underperformance in asset management. The company's shares were overvalued in the IPO market, reflecting high market demand and positive investor expectations. To address these discrepancies, it is **recommended** to:

- Improve asset management practices to enhance overall valuation.
- Regularly re-assess assets to ensure accurate financial reporting.

- Align market expectations with intrinsic value through transparent communication with investors.

Valuation of Kaspi.kz JSC upon listing on the US Stock Exchange

Aruzhan Nurtaza, Perizat Mazhitova, Zhuldyz Sagidanova

Supervisor: Kuralay Rysbekova

Kaspi.kz JSC conducted an IPO on the US stock exchange at the beginning of 2024. This strategic move aims to increase shareholder value, enhance publicity and transparency, and provide capital opportunities to support the company's growth strategy. An initial public offering offers a glimpse into the company's valuation based on its past performance, current status, and projected macroeconomic and internal factors. Moreover, an IPO grants investors access to promising companies with potential for growth and long-term profitability. Thus, Kaspi.kz JSC's IPO in the U.S. market presents significant opportunities for both the company and its investors. This study aimed to analyze Kaspi.kz JSC by estimating its intrinsic value, comparing it with the market's perception, and examining the company's financial performance. Financial statements from 2021-2023 were utilized to calculate Kaspi.kz JSC's value. An intrinsic value calculation was performed to compare it with the current market price on the NASDAQ Composite, the stock market index where the company is listed. The analysis assessed the company's ability to generate profits and sustain growth. The Discounted Cash Flow (DCF) model, using Free Cash Flow to Equity (FCFE), was employed for the valuation. This method is particularly suitable for companies expected to generate stable returns over the long term. Additionally, it provides a clear and direct approach to measuring investor returns and is not sensitive to changes in debt and capital structure. The findings indicated that Kaspi.kz JSC has shown strong financial performance and growth potential. Additionally, the company's stock was undervalued at its US listing, presenting a favorable investment opportunity.

Recommendations:

- Continue leveraging technology and innovation to maintain a competitive advantage in the financial services market.
- Regularly review and adjust investment strategies to align with market conditions and company performance.

Valuation of Almaty's real estate market during 2013-2020 considering main factors

Aitkaliyeva A. A., Khamza A., Kairollayev R. T.

Supervisor: Kozhakhmetov Rustem

This study assesses the real estate market in Almaty, Kazakhstan, over the last eight years, from 2013 to 2020, considering various key factors. Utilizing data from reputable sources such as the Agency of the Republic of Kazakhstan for Statistics, Krisha.kz, and the National Bank of Kazakhstan, the study ensures accuracy and reliability in its analysis. Key economic indicators, including GDP, wages, interest rates, and population growth, are examined to determine their impact on real estate prices. GDP reflects the general economic condition, wages influence purchasing power and housing affordability, interest rates affect borrowing costs and investment decisions, and population growth drives housing demand. The study employed multiple regression analysis to identify the factors impacting real estate values, providing a comprehensive picture of the market. Regression models consider various variables to isolate the effects of each economic indicator on real estate prices. The findings reveal that macroeconomic factors and real estate prices are closely intertwined, necessitating careful decision-making in a volatile market. The study examined the factors influencing real estate prices in Almaty, identifying interest rates and wage growth as significant contributors. Additionally, population growth showed an inverse relationship with housing prices, suggesting a complex interaction between supply and demand.

Recommendations:

- Policymakers should focus on stabilizing interest rates and promoting wage growth to support a healthy real estate market.
- Consider comprehensive urban planning strategies to manage population growth and housing supply effectively.

Prospective consequences of AIX and KASE merger
Bolatova Kamilla Kairullina Daniya Kozinova Zhamilya
Supervisor: R. Kozhakhmetov

Founded in 1993, the Kazakhstan Stock Exchange (KASE) was one of the country's first stock exchanges, established to develop the national currency market following the introduction of the tenge. The Astana International Exchange (AIX), launched in 2017, aimed to attract foreign investors under the Astana International Financial Centre (AIFC). With the recent announcement of a merger between KASE and AIX, this study explores the potential implications of the merger on market efficiency and liquidity. The objective of this research was to identify the possible outcomes of the KASE and AIX merger concerning market efficiency and liquidity. To evaluate these outcomes, the study employs a combination of interviews and secondary data analysis, including case studies and SWOT analysis. The research findings suggest that the potential consequences of the merger are influenced by several factors, including the regulatory and legislative framework and the organizational structure of the exchanges. Interviews with experts reveal diverse

opinions, yet there is consensus that the merger is a crucial step in Kazakhstan's economic development. The merger is expected to enhance market liquidity and attract foreign investors. The SWOT analysis highlights several strengths, such as the creation of a more robust and liquid market, optimized processes, and cost savings. However, it also identifies challenges, including technical integration, alignment of regulatory frameworks, and potential resistance from stakeholders. It was concluded that such a merger could enhance market resilience and liquidity, although challenges include reconciling regulatory frameworks and operational integration.

Recommendations:

- Develop a unified regulatory framework to facilitate the merger and attract foreign investors.
- Create a central clearing and settlement system to streamline operations and reduce risks.

The Relationship Between ESG Score and Stock Performance of the Companies in the Oil and Gas Industry

Dariga Kassenova

Supervisor: Assylbek Tanashikov

Investors are increasingly drawn to oil and gas firms that prioritize Environmental, Social, and Governance (ESG) strategies, as more companies adopt sustainability plans to enhance their ESG performance. While numerous studies highlight the significant benefits of incorporating non-financial factors into sustainable investment, it remains unclear whether these ESG measurements translate into financial returns. The objective of this study is to determine if there are discernible variations in the risk-adjusted abnormal returns of oil and gas companies globally when considering ESG factors, alongside adjustments for company size and value categories. The central research question this study addresses is: What is the relationship between ESG scores and the stock prices of oil and gas companies? To answer this, a quantitative analysis of monthly stock returns was conducted for the top 50 publicly listed oil and gas companies worldwide, covering the period from 2012 to 2023. The analysis employed a linear regression model based on the Capital Asset Pricing Model (CAPM) and the Fama-French (FF) three-factor model. The ESG data and company returns were sourced from the Refinitiv Eikon platform, the risk-free rate was obtained from U.S. 20-year Treasury Bill rates, market returns were derived from the S&P Oil & Gas Exploration and Production Select Industry Index, and the FF size and value factors were sourced from the Kenneth R. French Data Library. The study's findings reveal that, when accounting for ESG Pillar scores, there is no significant abnormal return observed. However, a highly significant systematic risk, with a beta value close to one, aligns closely with market

movements. This suggests that oil and gas firms may still be seen as viable options for investors when considering sustainability in their investment decisions. Moreover, it underscores the importance for corporate management to deepen their understanding of the benefits of an ESG strategy and the necessity of transparency in their operations.

Recommendations:

- **Promote ESG Transparency and Reporting:** Governments and regulatory bodies should encourage oil and gas companies to enhance transparency in their ESG reporting. This could include mandatory disclosures of ESG-related activities, ensuring investors have access to consistent and comparable data.
- **Incentivize ESG Integration in Corporate Strategy:** Introduce incentives for oil and gas companies to integrate ESG factors into their core business strategies. This could be in the form of tax breaks, grants, or access to green financing options, encouraging firms to prioritize sustainability alongside financial performance.
- **Develop ESG-Focused Investment Guidelines:** Financial institutions and investment managers should develop guidelines for integrating ESG factors into their investment decisions. By doing so, they can better assess the long-term sustainability and risk profiles of oil and gas companies, promoting more informed and responsible investing.

Economic returns to language: Case of Kazakhstan

Nuribek Ramazanov

Supervisor: Saule Kemelbayeva

This research addresses the limited understanding of how linguistic differences—specifically, being a Russian or Kazakh speaker—impact economic indicators among citizens of Kazakhstan. The study focuses on wage disparities between Russian and Kazakh speakers, utilizing the Mincer wage equation (Mincer, 1974) as the primary analytical tool. The findings reveal a significant wage premium for Russian speakers, particularly among males in the private sector. The wage gap is most pronounced in the lower income quantiles, with Russian-speaking males earning approximately 12.7% more than their Kazakh-speaking counterparts in the lowest quantile, 10.1% more in the middle quantile, and 7.9% more in the highest quantile. The research suggests that these wage differences may be attributed to variations in skill levels, which are more pronounced among males in the private sector.

Recommendations:

- **Promote Bilingual Education:** To address wage disparities rooted in language differences, the government should invest in bilingual education programs that ensure fluency in both Russian and Kazakh. Enhancing language

proficiency across the population can reduce economic inequalities linked to linguistic skills.

- **Skill Development Initiatives:** Implement targeted skill development programs aimed at improving the employability and wage potential of Kazakh speakers, particularly in the private sector. These initiatives should focus on industry-specific skills that align with market demands and reduce the skill gap between Russian and Kazakh speakers.
- **Encourage Diversity and Inclusion in Hiring Practices:** Encourage private sector employers to adopt more inclusive hiring practices that value linguistic diversity. Government incentives or recognition programs could be introduced to reward companies that demonstrate a commitment to reducing wage disparities and promoting equal opportunities for all linguistic groups.

Development of Public Private Partnership in the Republic of Kazakhstan

Nurzhan Shynbergenov

Supervisor: Saule Kemelbayeva

This thesis investigates the factors influencing project costs and the volume of attracted investments in Public-Private Partnerships (PPPs) in Kazakhstan. By analyzing a comprehensive dataset of PPP projects across the country, the study employs Ordinary Least Squares (OLS) regression to explore how variables such as project level, object type, economic sector, and initiative type impact financial outcomes. The quantitative analysis reveals critical insights, such as the tendency of national-level projects to incur higher costs while also attracting more significant investments, likely due to the larger scale and government backing that reduces investor risk. Additionally, high-tech projects are identified as costlier, underlining the need for specialized investment in technology-driven sectors. The study also highlights the varying impacts of different economic sectors on investment attraction, with projects in government-backed sectors generally securing more investments, regardless of the specific economic sphere. Qualitative interviews with key stakeholders, including government officials, private investors, and representatives from a PPP development center, complement the quantitative findings. These interviews emphasize the importance of strategic government support, balanced regulatory frameworks, and the adoption of international best practices tailored to Kazakhstan's local context. The stakeholders also stress the need for close collaboration between the government and private sectors to fully realize the potential of PPPs in the country.

Recommendations:

- **Enhance Legal and Regulatory Frameworks:** Strengthen the legal and regulatory environment for PPPs by aligning local regulations with

international best practices. This would reduce uncertainties and make the PPP landscape more attractive to both domestic and international investors.

- **Increase Transparency and Accountability:** Implement measures to improve transparency in the selection, execution, and monitoring of PPP projects. This could involve regular audits, public disclosure of project outcomes, and clear guidelines for stakeholder engagement, thereby building investor confidence and reducing perceived risks.
- **Strategic Government Support:** Expand government guarantees and support mechanisms for PPP projects, particularly in high-tech and strategic sectors. This can help mitigate risks for investors and attract more significant investments, especially for large-scale national projects.
- **Foster Public-Private Collaboration:** Encourage closer collaboration between the public and private sectors by establishing joint task forces or working groups to address common challenges in PPP implementation. This collaboration should focus on aligning project objectives, sharing risks, and ensuring that both parties benefit from the partnership.

Determinants of Income Inequality

Zaira Yevloyeva

Supervisor: Saule Kemelbayeva

Income inequality is a significant challenge for many countries, as it can have far-reaching effects on economic growth, inflation, unemployment, and social stability. This study focuses on Kazakhstan, where President Tokayev has highlighted that income inequality has reached unacceptable levels. The research investigates the impact of economic growth on income inequality in Kazakhstan, specifically analyzing the relationship between GDP per capita and the Gini coefficient, a common measure of income disparity. Using a positivist approach and quantitative methods, the study analyzes panel data from 2000 to 2021 across 14 regions of Kazakhstan. The analysis reveals a negative relationship between economic growth and income inequality, indicating that as GDP per capita increases, the Gini coefficient tends to decrease. This suggests that economic growth is associated with a more equitable distribution of income in Kazakhstan. However, the study also addresses the issue of reverse causality, where not only does economic growth affect income inequality, but income inequality could also influence economic growth. To tackle this challenge, the research employs three different analytical methods: the Ordinary Least Squares (OLS) method, panel data methods (including fixed effects and random effects models), and an instrumental variable (IV) model. Among these, the IV model, which accounts for potential endogeneity, provides the most robust estimate, supporting the hypothesis that economic development can lead to a more equitable distribution of income in Kazakhstan.

Recommendations:

- **Promote Inclusive Economic Growth:** Policymakers should focus on strategies that promote inclusive economic growth, ensuring that the benefits of growth are more widely shared across different income groups. This could include targeted investment in sectors that generate employment for lower-income individuals and regions, particularly in rural areas.
- **Strengthen Social Welfare Programs:** To address income inequality more directly, the government should enhance social welfare programs aimed at supporting the most vulnerable populations. This includes expanding access to healthcare, education, and housing, as well as implementing progressive taxation policies to redistribute wealth more effectively.
- **Invest in Education and Skill Development:** A key driver of income inequality is the disparity in access to quality education and skill development opportunities. The government should invest in education and vocational training programs that equip individuals with the skills needed to participate in higher-paying jobs, thereby reducing income disparities over time.
- **Enhance Labor Market Policies:** Implementing policies that improve labor market conditions, such as raising the minimum wage, strengthening labor rights, and promoting collective bargaining, can help reduce income inequality. Additionally, ensuring equal pay for equal work and addressing gender wage gaps are crucial steps toward a fairer income distribution.

The Effect of Monetary Policy on Consumption: The Case of Kazakhstan

Arsen Issin, Madi Kabdulla, Nazira Dauletova

Supervisor: Saule Kemelbayeva

This research examined the implications of monetary policy in Kazakhstan, focusing on key economic variables such as disposable income, interest rates, and the Consumer Confidence Index (CCI). The study investigates the relationship between these variables and consumption using an Ordinary Least Squares (OLS) regression model. The quarterly data, spanning from 2010 to 2023, were sourced from the National Bank of Kazakhstan and the Bureau of National Statistics. The study revealed that real exchange rate (REER) and income levels significantly affect consumption patterns. The interest rate had a less pronounced effect on consumption compared to other factors.

Recommendations:

- Policymakers should consider the broader economic environment, including exchange rates and income levels, when designing monetary policy to influence consumption.
- Further studies should explore the long-term impacts of monetary policy on different sectors of the economy.

How does the Taylor Rule affect the economy of Kazakhstan?

Zhansaya Tolepbergen, Nygmetali Zhadiger

Supervisor: S. Kemelbayeva

This paper examined the impact of the Taylor Rule on the economy of Kazakhstan, a developing country in Central Asia. The Taylor Rule is a widely used guideline for monetary policy, including by the National Bank of Kazakhstan. However, its specific effects on the Kazakhstani economy have not been thoroughly studied. This research employs a quantitative approach, analyzing time series data from 1994 to 2022 on key macroeconomic variables such as GDP, inflation, and interest rates. Specifically, the study evaluated the application of the Taylor rule in Kazakhstan's monetary policy. It was found to be a useful guideline, particularly in determining the appropriate level of interest rates. However, there was no statistically significant relationship between the interest rate and inflation target or output gap.

Recommendations:

- Policymakers should continue to use the Taylor rule as a framework but consider additional economic indicators for more nuanced decision-making.
- Further research is needed to refine the application of the Taylor rule in the context of Kazakhstan's unique economic conditions.

Impact of Mergers and Acquisitions on the Financial Performance of Banks in Kazakhstan

Shaikenova Gulmira, Tursynbek Aigerim

Supervisor: Kozhakhmetov Rustem

In recent years, mergers and acquisitions (M&A) have become a prominent strategic tool for growth and competitiveness within Kazakhstan's banking sector, influenced by evolving regulations and market conditions. This study investigates the impact of M&A on the financial performance of selected banks in Kazakhstan from 2013 to 2023. A quantitative, non-experimental methodology was employed, utilizing historical M&A transaction data and financial records from nine banks over the past decade. The analysis focused on financial ratios for the three years preceding and following each M&A transaction, using a paired sample t-test to determine the significance of changes in profitability, liquidity, and leverage ratios. The hypothesis was that there would be either a significant or no significant difference between pre-M&A and post-M&A financial performance. The findings revealed that M&A had a slight positive impact on liquidity ratios but no significant impact on profitability and leverage ratios across the banking sector during the post-M&A period. On an individual bank level, M&A showed a minor influence on financial indicators within three years after the transaction date. M&A had a minor impact on the overall

financial performance in the post-M&A period, with notable changes observed in liquidity ratios and mixed effects on profitability and leverage ratios.

Recommendations:

- Banks considering M&A should conduct thorough due diligence to understand the potential financial impacts.
- Post-M&A strategies should focus on optimizing liquidity management and aligning operational efficiencies.

AI and workforce transformation in Kazakhstan: examining the impact on national/local business operations, industries, and management strategies.

Turganbekova Aliya, Turalyk Alua, Karabalina Bayan

Supervisor: Yelesh Arman

This report examined the influence of AI on Kazakhstan's job market. The findings indicate that AI has significantly impacted the job market, especially in the ICT sector, increasing the demand for AI-related skills. However, there is a gap in readiness and education among the workforce for AI-related roles.

Recommendations:

- Integrate AI and digital literacy into educational curricula to prepare the future workforce.
- Offer training and certification programs for existing employees to bridge skill gaps.
- Promote public awareness and understanding of AI to facilitate smoother integration into the job market.

The Impact of Risk Management on the Financial Performances and Expected Future Challenges of Banks in Kazakhstan

Bekbolatova Aidana, Nurymbay Akzer, Vladimirova Sofiya Scientific

Supervisor: Rustem Kozhakhmetov

This study examined the financial performance of three selected commercial banks in Kazakhstan over the period from 2012 to 2022. Utilizing a comprehensive quantitative approach, the research investigates the impact of various risk elements on the financial health of banks, with a particular emphasis on return on equity (ROE). The risk elements analyzed include credit, market, liquidity, and operational risks. The analysis is based on data from the financial reports of Kazakhstani banks over the last decade. Regression models are employed to assess the significance of these risks and their impact on financial performance. The results of the study

illustrate the influence of each risk factor on financial indicators, revealing predominantly negative effects. To mitigate these risks, the research highlights the importance of creating a sustainable risk management framework. Liquidity risk management emerged as a critical factor for ensuring sustainable profitability.

Recommendations:

- Banks should strengthen their liquidity risk management practices to enhance financial stability.
- Regular stress testing and adherence to international risk management standards are recommended to navigate economic uncertainties.

Exploring the Role of Analytical Hierarchical Process to support the selection of Warehouse Management System

Aubakirova Z. B., Letava V. A., Nuktabayeva A. A.

Supervisor: Baikanov V. A.

Analytical Hierarchy Process in Warehouse Management System Selection

The selection of a Warehouse Management System (WMS) is essential for optimizing logistics and inventory processes, particularly in the rapidly evolving supply chain sector. This project investigates how the Analytical Hierarchy Process (AHP) can support this critical selection. AHP is a decision-making tool that aids in identifying the most suitable alternative by independently analyzing provided criteria and sub-criteria. Given the significant role of WMS in Industry 4.0, where data must be processed immediately, the challenge of making informed decisions is highly relevant. The research begins with a comprehensive review of prior studies and methodologies on Warehouse Management Systems and the Analytical Hierarchy Process, highlighting the complexities involved. One of the primary advantages of AHP is its ability to break down the decision-making process into more manageable components. The method allows for an objective choice of WMS based on three main criteria: technical, administrative, and cost value, each of which is further divided into three sub-criteria. Each criterion is weighted according to its relative importance, and the WMS options are evaluated based on this weighted data. AHP proved useful in structuring and analyzing decision-making criteria, highlighting the importance of technical, administrative, and cost-value criteria.

Recommendations:

- Companies should employ AHP or similar structured methodologies for making complex business decisions.
- Future research should explore the integration of fuzzy AHP to reduce bias and improve decision accuracy.

Using public transports to improve sustainable development in metropolitan areas

Imashova Dilnaz, Kabylova Amina
Supervisor: Baikanov Valikhan

This study investigated the crucial role public transportation plays in fostering sustainable development in metropolitan areas of Kazakhstan, focusing on cities like Astana and Almaty. Using a mixed-methods approach that combines qualitative observations and quantitative survey data, the research examines how public transportation impacts air quality, traffic congestion, and social equity. Improved public transportation systems can significantly enhance sustainable development by reducing air pollution and traffic congestion.

Recommendations are:

- Invest in expanding and modernizing public transportation infrastructure, focusing on eco-friendly options like electric buses.
- Promote public awareness of the benefits of public transportation to encourage higher usage rates and reduce reliance on private vehicles.

Role of digital technologies in the development of the railroad industry in Kazakhstan

Akzhanova Laura Mustafina Aisha Yeskaliyeva Dina
Supervisor: Baikanov Valikhan

This research aimed to investigate the impact of the ASU DKR system on productivity, resource efficiency, and quality of service at JSC NC KTZ, evaluate the effectiveness of the Rail Wagon Location system for tracking wagons, and explore digital integration strategies in Kazakhstan's railway sector. A mixed-methods research approach, combining quantitative and qualitative techniques, was used to assess the current state of satisfaction and the effectiveness of information technologies in logistics transportation processes. A total of 67 responses were collected through three surveys and one interview. One survey, consisting of 11 questions, was completed by one expert. Another survey, consisting of 5 questions, was completed by 10 experts, and one expert answered 6 questions in an interview. In total, 12 logistics experts participated in the study. The project focused on evaluating the effectiveness of digital systems like ASU DKR and Rail Wagon Location have improved resource efficiency and productivity but require enhancements in service quality. There is significant potential for further digitalization in the railway sector.

Recommendations include:

- Address service quality issues by refining digital systems.

- Integrate more advanced automated systems to reduce costs and improve tracking accuracy.
- Invest in digital infrastructure and training for railway staff.

To What Extent Oracle TMS Can Solve Ground Transportation Problems in Grain Production

Kazhimukhanov A. and Kurakbay T.

Supervisor: Sagynayev A.

The objective of this thesis is to theoretically assess the implementation of the Oracle Transportation Management System (TMS) in companies within Kazakhstan's grain production sector. This study includes companies of varying income levels, evaluating their experiences to ensure compliance with the parameters of supply chain software and financial costs. The research was conducted in two stages: a survey module and interviews, which theoretically align with the nature of all Kazakhstani companies, corporate culture, and supply chains. The study examined the potential of Oracle TMS in addressing ground transportation challenges within Kazakhstan's grain production sector. The findings indicated that implementing Oracle TMS could significantly improve warehouse management and reduce transportation delays, which are critical issues in the sector. The system's effectiveness received positive evaluations from industry representatives.

Recommendations:

- Implement Oracle TMS across the grain production sector to enhance efficiency.
- Conduct detailed financial analyses to evaluate the system's impact on operational costs.
- Provide training for staff to ensure effective system utilization.

The evolution of neuromarketing techniques and their impact on consumer behavior in high-end segment brands of the fashion industry

Aizere Abu, Alexandra Lyan

Supervisor: Azamat Gimranov

The project investigated the influence of store interior elements, including color schemes and layouts, significantly impact customer comfort and purchase decisions. Minimalist designs and aroma marketing were particularly effective in enhancing the shopping experience.

Recommendations are:

- Retailers should consider minimalist and spacious layouts to improve customer comfort and boost sales.
- Implement aroma marketing to create a pleasant and memorable shopping experience, thereby increasing customer retention and loyalty.

The Influence of Military Conflicts Among All Over the World on Supply Chain Management of Kazakhstan

Kusherbayev A. A. Serikov A. Ye.

Supervisor: Valikhan Baikanov

This research examined the challenges that modern military conflicts pose to Kazakhstan's supply chain, specifically through the lens of businesses. It explored the effects of the Russia-Ukraine War, the conflict in Donbass, and the situation in Afghanistan on supply chain operations. Additionally, the study highlights various strategies that companies can adopt for warehouse planning, supply management, production, and transportation of goods amidst these conflicts. Businesses have had to adapt by diversifying supplier bases and creating additional warehousing.

Recommendations include:

- Develop contingency plans to mitigate the impact of geopolitical events on supply chains.
- Encourage collaboration between public and private sectors to enhance supply chain resilience and stability.

Integration of Chatbots for Sales purposes in Kazakhstan: Benefits and Risks

Akhmet A. T. Kairat Y. K.

Supervisor: Absattar A. B.

The emergence of artificial intelligence (AI) has significantly transformed various aspects of life, including the labor market. The project explored the potential of AI and chatbots to optimize business processes and improve customer experiences in Kazakhstan. AI and chatbots can significantly optimize business processes, reduce costs, and enhance customer experience.

Recommendations for fostering AI adoption in Kazakhstan:

- Invest in AI and chatbot technologies to improve efficiency and customer service.
- Educate businesses and consumers about the benefits and potential of AI.

- Develop clear regulations and standards to ensure ethical and effective use of AI technologies.

Students' perception of university management and policies: the case of MNU

Kamzin I. B.

Supervisor: Sartakova L. V.

Efficient management of a university is crucial for enhancing student experiences and fostering a successful educational environment. This research aimed to comprehensively understand how internal policies and administrative actions impact students' satisfaction and engagement at Maqsut Narikbayev University (MNU), specifically within the International School of Economics (ISE). Given the limited number of studies on local educational institutions, this dissertation sought to fill that gap by focusing on MNU students' perceptions of university management and administrative structures. It was found that there is a high level of compliance with university policies among students, but knowledge about management practices varies. Transparency in decision-making processes and policies is crucial for student trust and engagement.

Recommendations:

- Increase efforts to communicate policies and decisions transparently to students.
- Organize seminars and webinars to educate students about university governance and policy changes.
- Implement feedback mechanisms to regularly gauge student concerns and perceptions.

The impact of tax system bureaucracy on business in Kazakhstan

Essedova A., Seitkhaliyeva A., Yelubay D.

Supervisor: Arman Yelesh

The tax system of a country is pivotal in shaping its economic landscape, particularly regarding business growth and operational quality. This is especially pertinent for Kazakhstan, a Central Asian nation experiencing rapid economic transformation. A thorough understanding of Kazakhstan's tax system is essential for both established businesses and new entrepreneurs. This study conducted a comparative analysis of Kazakhstan's tax system, focusing on its complexity and bureaucratic hurdles and their effects on the business environment. Canada and Australia are used as benchmarks for comparison. The research examines the

relationship between the complexity and bureaucratic burden of Kazakhstan's tax system and its impact on businesses operating within the country. By comparing Kazakhstan's tax system with those of Canada and Australia, the study seeks to identify potential areas for improvement. It explores whether streamlining tax procedures could foster a more sustainable business ecosystem in Kazakhstan. This comparative approach aims to provide insights into the effectiveness of different tax structures in cultivating a robust business environment. It was found that a complex tax system can hinder business activity, leading to decreased profitability and an increase in shadow economic activities. Simplifying tax legislation and reducing the number of taxes can create a more favorable business environment.

Recommendations:

- Implement tax reforms to simplify the tax system and reduce compliance burdens on businesses.
- Promote transparency and stability in tax policies to attract investments and encourage entrepreneurship.

AI Effect - Impact of Generative AI Adoption Announcements

Zhazira Bekmagambetova, Zhanerke Uderbay, Ayana Yeslyamova

Supervisor: Bazarbay Nursultan

Generative artificial intelligence (AI) is currently one of the most discussed and pertinent topics in the business and technology sectors. Companies integrating generative AI have the potential to develop innovative products and services, attract a larger customer base, and enhance their stock valuation. This research aims to investigate the impact of AI implementation announcements on stock prices, considering both short-term and long-term perspectives. Utilizing a dataset of 179 announcements, this study employs regression analysis and event study methodology to analyze the stock price reaction dynamics of major technology firms, including Microsoft, Google, Amazon, and Meta, to generative AI-related announcements. Contrary to prevailing optimistic projections, our initial findings indicate that announcements of generative AI integration do not lead to immediate increases in stock prices. This suggests a mixed market response, with some investors possibly undervaluing or remaining skeptical about the impact of AI. The analysis of generative AI adoption announcements revealed mixed market responses, with no significant long-term impact on stock prices. Earnings variations were identified as a more significant factor influencing share price variance compared to AI announcements.

Recommendations:

- Investors should prioritize fundamental financial indicators over market reactions to AI announcements.

- Companies should continue to innovate while providing clear and transparent information on the actual impact of AI technologies.

Introduction of financial and management accounting practices in SMEs and its impact on financial performance: Zhasyl LLP case study.

Baikadam Albina, Batykova Samal, Dulatbekova Nurdana

Supervisor: Aliya Kulmukhanova

In this study the significance of introducing financial reporting in small and medium-sized enterprises (SMEs) was examined. The research aimed to determine the impact of implementing financial and management reporting on key efficiency indicators of SMEs, identify major problems, and offer practical solutions to overcome them. Both qualitative and quantitative methods were employed, including an analysis of Zhasyl Co.'s data before and after the introduction of financial and management reporting. Financial training for SMEs leads to better understanding and increased profitability.

Recommendations include:

- SMEs should adopt basic financial reporting practices and gradually implement more sophisticated systems like ABC cost calculation and budget planning.
- Offering financial management training to SME owners and managers can improve overall business performance.

The potential of export development of the middle corridor in the context of Kazakhstan's integration with China and EU on oil products

Kaisar B.B., Kaldybayev A., Kurasbekova N.Zh.

Supervisor: Stanislav Yugay

The study investigated Kazakhstan's integration with the EU and China within the context of the Middle Corridor. Specifically, the study examined the development of exports along the Trans-Caspian transport route and changes in export patterns over the past five years, starting in 2019. This period includes both stable export development phases and the disruptions caused by COVID-19, as well as the evolving geopolitical landscape influencing this route. The primary objective is to analyze the volume of Kazakhstan's exports to European countries and identify potential advantages for the EU. Additionally, the study assesses risks associated with transit to other countries. The analysis focused on the potential of Kazakhstan's oil sector holds significant potential for economic growth through partnerships with

the EU. The development of the Middle Corridor and strategic partnerships can enhance Kazakhstan's competitiveness in the global market.

Recommendations include:

- Invest in infrastructure and technology to optimize oil production and transport.
- Strengthen international partnerships and explore new markets to diversify economic opportunities and reduce dependency on raw material exports.

Window Dressing and Misleading of Investors Based on Lehman Brothers Case. Analysis From Different Perspectives

Sknarina Polina, Spartak Taukebay, Syzdykova Gaukhar

Supervisor: Rysbekova Kuralay

The study investigated the implications of the Lehman Brothers collapse for accounting practices, internal controls, and external auditing in Kazakhstan. The collapse of Lehman Brothers highlighted the importance of transparent accounting practices, robust internal controls, and effective external auditing.

Recommendations for Kazakhstani companies:

- Adopt more transparent and robust accounting practices.
- Strengthen internal controls and corporate governance to mitigate risks.
- Enhance the scope and rigor of external audits to identify and address potential issues proactively.

Analysis of the Influence of Gender Stereotypes in Online Advertising on the Perception of Consumers in Kazakhstan

Dariya Adylkhan, Tomiris Mukhamedkarimova

Supervisor: Lyazzat Khairullina

This study investigated the perception of traditional gender stereotypes in online advertisements, categorized into Neutral advertisements, Female advertisements, and Male advertisements. The primary objective is to understand how various types of advertisements influence social stereotypes among Kazakhstani citizens. Employing a qualitative research methodology, the study gathered participants from diverse backgrounds via online messaging platforms and conducted offline interviews. There is a varied perception of gender stereotypes in online advertisements among Kazakhstani citizens, with some ads reinforcing traditional roles, impacting brand image and marketing effectiveness.

Recommendations are:

- Develop advertising strategies that promote diversity and inclusivity, avoiding reinforcement of outdated stereotypes.
- Regularly review and adjust marketing content to reflect evolving cultural norms and consumer expectations.

Tendencies of Video Marketing which is used by brands in Kazakhstan:

Fashion and Beauty Retail

Zhalgas Dauylbay, Dilyara Kaliyeva

Supervisor: Azamat Gimranov

The study focused on identifying and analyzing key trends in video marketing within Kazakhstan’s beauty and fashion sectors. With the exponential growth of video consumption driven by the internet and social media platforms, brands are increasingly leveraging video content to engage and retain customers. This research examines how different types of video content—such as user-generated content (UGC), educational videos, and promotional videos—impact consumer behavior and preferences across various demographics, particularly focusing on Generation Y and Generation Z. Using a mixed-methods approach, both quantitative and qualitative data were collected and analyzed. The quantitative aspect involved a survey of 150 respondents from different cities and age groups, while the qualitative aspect included in-depth interviews with industry experts and focus group discussions. The research found that User-Generated Content (UGC) and educational videos are particularly impactful in engaging audiences, especially among younger generations. Additionally, live streaming emerged as a promising trend with significant potential for market engagement.

Recommendations:

- Marketers should leverage UGC and educational content to connect with target audiences.
- Explore live streaming as a dynamic marketing tool to enhance brand visibility and interaction.
- Continuously adapt content strategies to align with evolving consumer preferences and technological advancements.

Application for learning the Kazakh language

Nagieva Leyla, Sakenova Aidana, Amanzholov Nursultan

Supervisor: Akhmadi Saltanat

The project focused on developing a comprehensive website for learning the Kazakh language, catering to users of all ages and proficiency levels, from beginners

to advanced learners. This initiative addresses the current gap in quality Kazakh language learning tools and aims to popularize the language both within Kazakhstan and internationally, particularly among English-speaking audiences. The website was developed using a range of tools, including HTML, CSS, PHP, Firebase, JavaScript, and Figma for visual design. The result is an interactive platform that allows users to learn Kazakh at their own pace, offering an engaging and immersive experience. The website includes features that motivate users, track their progress, and provide the flexibility to adjust their learning level from beginner to advanced or expert. This resource is designed to be beneficial for children who want to learn their native language and for adults who wish to improve their existing knowledge.

Recommendations:

- **Government Support for Language Learning Initiatives:** The Kazakh government should provide funding and resources to support the development and maintenance of online language learning platforms. This could include grants for further development, marketing, and content creation, ensuring that the platform reaches a broad audience.
- **Incorporate Technology in Language Education:** Integrate the website into the national education curriculum as a supplementary tool for Kazakh language learning. Schools and educational institutions can adopt this platform to enhance traditional language education methods.
- **Promote Language Learning Globally:** Collaborate with international organizations and educational platforms to promote the Kazakh language to a global audience. This could include partnerships with universities, language schools, and online learning platforms to make the site accessible to learners worldwide.

Website Service for Finding Jobs for People With Disabilities

Akhmetova Zhanel, Akhatov Adilkhan

Supervisor: Yerdaulet Absattar

This paper presents the development and analysis of a groundbreaking job search platform specifically designed to address the unique challenges faced by people with disabilities in the employment sector. The project is centered on a commitment to inclusion, accessibility, and empowerment, aiming to transform the job search experience for disabled individuals. The study began with a comprehensive examination of existing job search services, revealing significant gaps in how these services cater to disabled job seekers. These findings underscored the necessity of creating a dedicated platform that prioritizes accessibility and offers personalized support. The platform effectively addresses these needs by providing an intuitive, user-friendly interface with features tailored to simplify the job search process for people with disabilities. Key features include accessible job listings,

personalized job notifications based on individual needs, and resources for both job seekers and employers to foster inclusive work environments.

The analysis highlights the platform's strengths in fostering a sense of community and belonging among users, promoting diversity and integration within the workforce, and educating employers on the importance of accessibility.

However, challenges were identified, such as limited market reach, the resource-intensive nature of maintaining high accessibility standards, and the need for a sustainable business model.

Recommendations:

- **Government Incentives for Inclusive Employment Platforms:** Governments should consider providing tax incentives or grants to platforms that prioritize accessibility and inclusion in employment. This could help sustain the platform and encourage the development of similar initiatives.
- **Partnerships with Disability Advocacy Organizations:** Form strategic partnerships with disability advocacy groups to expand the platform's reach and credibility. These organizations can help connect the platform with a broader audience and provide insights into the needs of disabled job seekers.
- **Employer Engagement Programs:** Develop programs to actively engage employers in creating inclusive workplaces. This could include workshops, certifications, and recognition programs that highlight companies committed to accessibility and diversity.
- **Innovative Revenue Models:** Explore revenue models that align with the platform's mission, such as offering premium services to employers looking to enhance their inclusivity practices or creating a subscription model for additional resources and support.

Digital Technologies Against Violence: Research and Prospects

Baldikova Salima

Supervisor: Saltanat Akhmadi

This diploma project focuses on the creation of an iOS application designed to protect women from domestic violence. The urgency of this topic stems from the persistent and pervasive nature of domestic violence, making the development of effective digital solutions a critical priority. The study evaluates the relevance and utility of such an application in addressing the needs of women facing domestic violence. During the research, it became evident that, in addition to the primary issue of domestic violence, there is a significant gap in understanding how to quickly document evidence and access proper psychological and legal support. To address this, the project involves the development of an application called "Light," programmed in Swift. The application's structure and interface have been carefully designed to be user-friendly and responsive to the needs of women in crisis

situations. Upon completion, the “Light” application will serve as a crucial tool in emergency situations, offering features that enable users to document incidents of violence swiftly and discreetly. Additionally, the app will provide access to psychological and legal assistance, ensuring that users receive comprehensive support during and after a crisis.

Recommendations:

- **Government-Endorsed Digital Safety Programs:** Governments should endorse and promote digital safety programs that include apps like “Light” as part of a broader strategy to combat domestic violence. This could involve integrating the app into public safety campaigns and providing funding for further development and outreach.
- **Legal Framework for Digital Evidence:** Establish clear legal frameworks that recognize digital evidence documented through such apps as admissible in court. This would empower victims to collect and present evidence in a way that is legally credible and effective.
- **Partnerships with NGOs and Legal Aid Organizations:** Forge partnerships with non-governmental organizations (NGOs) and legal aid services to provide comprehensive support through the app. These partnerships can ensure that users have access to a network of resources, including shelters, legal counsel, and psychological services.
- **Educational Campaigns on Domestic Violence:** Launch educational campaigns to raise awareness about the app and the importance of documenting evidence. These campaigns could be targeted at communities, schools, and workplaces to ensure broad awareness and usage of the app.

AI-Driven Marketing Advancements: the perspective of AI implementation in Kazakhstani digital marketing

Kossymbayeva Zhamilya, Temirbulatova Dilyara

Supervisor: Absattar Botagoz

Artificial intelligence (AI) is rapidly becoming a crucial element in modern business, particularly in enhancing competitiveness through AI-driven marketing. AI utilizes machine learning algorithms to analyze customer behavior, optimize user experiences, and develop more effective marketing strategies. However, in Kazakhstan, there is a significant gap in both data and literature on the integration of AI into marketing practices. This thesis aims to address this gap by exploring the benefits and challenges of incorporating AI into marketing strategies within the Kazakhstani context. To achieve this, the study employed a mixed-methods approach, combining primary and secondary research. Primary data collection includes a survey targeting companies and startups in Kazakhstan to gauge their attitudes toward AI and their willingness to implement AI-based technologies. The

secondary research involves a thorough review of existing literature on AI marketing. Additionally, the study features the development of a chatbot designed to assist in book searches and answer user questions, showcasing the practical applications of AI in marketing. The findings of this research will provide valuable insights into the potential benefits of AI marketing, offering guidance on how companies in Kazakhstan can effectively integrate AI into their marketing strategies. By filling a crucial knowledge gap, this thesis aims to contribute to the broader understanding of AI marketing in Kazakhstan.

Recommendations:

- **Promote AI Literacy:** The government and educational institutions should collaborate to offer training programs and workshops to increase awareness and understanding of AI technologies among business leaders and marketers in Kazakhstan.
- **Encourage AI Adoption:** Provide incentives such as tax breaks or grants for companies that invest in AI-driven marketing solutions, helping to accelerate the adoption of AI technologies in the business sector.
- **Support Research and Development:** Establish funding programs to support research on AI applications in marketing, specifically tailored to the needs of the Kazakhstani market. This will help generate local data and case studies.

Hydropolitics in Central Asia: An analysis of Official and Media Discourses in Kazakhstan and Kyrgyzstan, 2010-2023

Zhaniya Bekshora

Supervisor: Assel Bitabar

This study examined the hydropolitical dynamics between Kazakhstan and Kyrgyzstan through official and media discourses from 2010 to 2023. Given the escalating challenges of climate change, inadequate water management, rising populations, and limited regional cooperation, the issue of water resources in Central Asia has become increasingly critical. The research focused on the interactions between downstream Kazakhstan and upstream Kyrgyzstan, employing a qualitative approach based on discourse analysis. The study identified two prevailing narratives in the discourse: “agriculture-as-a-main-concern” and “good-relations.” The first narrative highlights that water issues in the hydropolitical context are predominantly framed around agricultural needs, specifically irrigation. The second narrative reveals that despite underlying tensions over water resources, both nations strive to prevent the politicization of water issues and maintain amicable relations. Furthermore, the research explores the non-state dimensions of Kazakh-Kyrgyz hydropolitics, emphasizing the role of individual citizens and broader socio-economic factors, such as agriculture, food security, economic interactions, border issues, and social discontent. The study also uncovers the power dynamics at play:

Kyrgyzstan leverages water as a strategic tool, while Kazakhstan responds with border restrictions to exert pressure. This analysis provides a nuanced understanding of the complex interplay between water management, political strategies, and regional cooperation in Central Asia.

Recommendations:

- Create bilateral or multilateral committees involving Kazakhstan, Kyrgyzstan, and potentially other Central Asian countries to facilitate joint water management and address shared concerns.
- Negotiate and formalize agreements that ensure equitable and sustainable distribution of water resources.

Soft Power: Turkiye's Image through Educational Strategies in Kazakhstan

Tomiris Otesh, Anel Aidarbekova

Supervisor: Artur Utebayev

Turkiye strategically leverages various soft power tools to enhance its position as a middle power, with education being a key element in its external relations, especially with Turkish-speaking countries. Kazakhstan, a significant partner in Central Asia, has been a focal point for Turkiye's educational initiatives since Kazakhstan's independence in 1991. The number of Kazakhstani students studying in Turkiye has surged by 578% over the past nine years, positioning Turkiye as the second most popular destination for Kazakhstani students studying abroad. This study provides a comparative analysis of the historical and current educational partnership between Turkiye and Kazakhstan, with a specific focus on the impact of the Turkiye Scholarships program (Turkiye Burslari). Utilizing Joseph Nye's concept of "soft power," the research assesses how educational initiatives contribute to Turkiye's positive image among Kazakhstani students. The study employed qualitative research methods, including ten in-depth interviews with Kazakhstani graduates of the Turkiye Scholarships program, to gather insights into their experiences. The findings suggest that educational initiatives are an effective soft power tool for Turkiye, significantly enhancing its reputation as an attractive educational destination in Kazakhstan. Students reported positive changes in their perceptions of Turkey, influenced by cultural integration and educational experiences.

Recommendations:

- Expand cultural exchange programs to strengthen bilateral relations and mutual understanding.
- Provide continuous support to alumni to maintain and build upon the positive impacts of these experiences.

Kazakhstan-EU Relations in the Realities of the Russo-Ukrainian War: Textual Analysis Before and After the Start of the War

Irzhanova S. S. Murzagulova K. A. Ordabayeva D. B.

Supervisor: Utebayev Artur

Global security concerns have significantly influenced the domestic and foreign policies of international actors. The Russo-Ukrainian war, as a major and unforeseen military crisis, has notably impacted Kazakhstan's relations with key political players, particularly the European Union (EU). This research aims to explore how the Russo-Ukrainian war has altered the dynamics of Kazakhstan-EU relations. Historically, Kazakhstan's partnership with the EU has focused on democratization initiatives and energy trade. Previous studies have predominantly highlighted the challenges in advancing democratic governance and the EU's interest in Kazakhstan's energy resources. This study specifically examines the evolution of Kazakhstan-EU relations following the onset of the Russo-Ukrainian war. The research methodology included two components: an analysis of press materials and a qualitative content analysis with a quantitative element. The study reviews 191 press releases from the European External Action Service covering the periods from 2018 to 2021 and 2022 to 2024. It aims to assess changes in the intensity and focus of the relationship, particularly in the energy sector. Kazakhstan's strategic role in regional stability and energy supply has become more pronounced.

Recommendations:

- Strengthen diplomatic and economic partnerships with the EU, focusing on sustainable energy projects and infrastructure development.
- Continue to engage in dialogue and cooperation on regional security issues to maintain stability.