

PRESS RELEASE

Almaty

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KASE presents the exchange market's April 2022 operating results

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) informs you about the main results of its activities in April 2022:

- The total volume of trading on KASE in April 2022 amounted to 26.3 trln tenge, having increased by 16.9 %, or 3.8 trln tenge, compared to March.
- Based on results of April, the value of KASE Index decreased by 9.4 % and made up 3,033.48 points.
- Based on results of April, capitalization of the equity market decreased by 1.5 % to 23.0 trln tenge, the volume of traded corporate debt increased by 0.9 % to 15.0 trln tenge.
- As of May 1, 2022, non-government securities of 558 titles of 227 issuers were listed on KASE.
- As of May 1, 2022, the Central Securities Depository maintained 329,024 personal accounts opened for 305,839 individuals. According to the results of April, individuals registered 17,874 new personal accounts.

KEY PROJECTS AND EVENTS

- On April 11, 2022, KASE and EY signed a memorandum of cooperation aimed at developing and implementing the principles of sustainable development in Kazakhstan's stock market.

– Training events

As part of the training program "My Portfolio on KASE", conducted to improve the financial literacy of retail investors, the Exchange held webinars on the topics "Introduction to the securities market" (21.04.2022) and "Selecting stocks" (28.04.2022) in cooperation with brokerage organizations Freedom Finance JSC and Jusan Invest JSC.

– Events for businesses

On April 28, 2022, KASE, as part of the Issuer Day project, held an online meeting with the management of Kcell JSC on the following topic: "Overview of the Company's performance in the 1st quarter of 2022, an overview of commercial trends and strategic development plans of Kcell JSC".

On April 29, 2022, the Exchange held a training webinar "The practice of preparing annual reports taking into account ESG disclosure" for potential and existing issuers with the participation of representatives of National Branding Agency "Kazakhstanika" LLP, Zebra Corporate Communications, PwC auditing company in Kazakhstan, "Financial and Accounting consultants" LLC.

On April 29, 2022 KASE held a free training webinar "Listing on KASE" for companies – potential issuers.

EQUITY MARKET

Based on results of April 2022, capitalization of the equity market amounted to 23.0 trln tenge (51.3 bn USD), which is by 0.3 trln tenge, or 1.5 %, lower than the same indicator of the previous month. The main share of the decline fell on index companies due to the adjustment of their shares' price.

As of the end of April, shares of 161 titles of 147 issuers were listed on KASE, of which shares of three titles of three issuers were admitted to circulation in the "Unlisted securities" sector. In the reporting month Airbus's common shares were included in the "KASE Global" sector of the official list, common shares of Maikuben-West JSC – in the "shares" sector of the main market. Shares of Sberbank PJSC and VTB Bank (PJSC) were excluded from the official list. Shares of Life insurance company "Standard Life" JSC were transferred from the alternative market to the main one.

The volume of trading in shares in April amounted to KZT10.9 bn, having decreased relative to March by 17.8 %, or KZT2.4 bn. At the same time, the number of deals decreased by 33.1% to 22,704. The average daily trading volume amounted to KZT519.7 mln, the average daily number of deals – 1,081, the average volume of one deal – KZT480.7 th. Shares were traded in April exclusively on the secondary market.

Among the main categories of investors, individuals accounted for 55.2 % of the total volume of transactions with shares. The share of broker-dealers was 19.8 %. The share of other institutional investors accounted for 11.7 %, that of other legal entities – for 13.4 %. Participation of non-residents is estimated at 2.3 %.

KASE INDEX

The value of KASE Index in April decreased by 9.4 % and made up 3,033.48 points by the end of the month. Overall, since the beginning of the year, the local stock market has sunk by 17.5 %.

The volume of transactions with index shares in April 2022 amounted to 2.8 bn tenge, which is by 57.4 %, or 3.7 bn tenge, lower than in March 2022.

The largest volume of trades fell on common shares of Halyk Savings Bank of Kazakhstan JSC – KZT982.4 mln (35.6 % of the total volume of deals with index shares).

Issuer	Ticker	Price, tenge per share			Trading volume, mln tenge		
		as of 01.05.22	as of 01.04.22	Δ, %	April	March	Δ
Bank CenterCredit JSC	CCBN	394.49	389.00	+ 1.4	228.1	155.1	+73.0
Kazakhtelecom JSC	KZTK	30,850.00	31,050.00	-0.6	116.9	144.8	-27.9
National Atomic Company Kazatomprom JSC	KZAP	14,126.00	15,100.00	-6.5	558.9	492.2	+66.7
Halyk Savings Bank of Kazakhstan JSC	HSBK	116.99	126.38	-7.4	982.4	860.6	+121.8
KEGOC JSC	KEGC	1,668.60	1,866.98	-10.6	126.6	42.6	+84.0
Kcell JSC	KCEL	1,410.07	1,712.00	-17.6	551.4	4503.3	-3,951.9
KazTransOil JSC	KZTO	799.77	1,014.00	-21.1	199.1	281.9	-82.8

**excluding large deals and deals of an irregular nature*

Since May 5, ordinary shares of Kaspi.kz have been included in the calculation of KASE Index. Securities of Kaspi.kz finished April with growth. Depositary receipts for the group's shares rose in price by 31.9 %, while ordinary shares – by 4.6 %. On April 25, the company reported an increase in quarterly profit by 49 %.

The only representative of the index basket, which closed the month in the green zone, were common shares of Bank CenterCredit JSC, which grew in price by 1.4 %. On April 20, the Kazakh subsidiary of Alfa-Bank announced an agreement reached with Bank CenterCredit JSC on the sale of all its common shares to the latter. According to the bank, on May 20 the annual general meeting of its shareholders will consider the issue of approving the draft agreement on accession of Alfa-Bank (Kazakhstan) to Bank CenterCredit JSC.

Common shares of Kazakhtelecom JSC ended April with a slight decrease. There has been a positive trend for these shares since April 12.

Common shares of Halyk Savings Bank of Kazakhstan JSC decreased by 7.4 %. Rating agencies Fitch and Moody's in April affirmed the Bank's ratings at the sovereign level.

Meanwhile, shares of Kcell JSC, which were the most stable throughout the first quarter, fell by 17.6 % in April. On April 28, the operator provided a quarterly report, according to which the company's net income increased by 29.1%.

"KASE GLOBAL" SECTOR

As at the end of April, there were 44 shares of the "KASE Global" sector in KASE trade lists. Since April 20, 2022, Airbus's common shares have been included in the "KASE Global" sector of KASE official list. This became possible due to the decision of KASE's Management Board dated February 17, 2022, according to which the list of exchanges recognized by KASE for the purpose of admitting securities to the "KASE Global" sector was expanded by including the Euronext exchange, and the list of exchange indices was expanded by including the EURONEXT 100 index.

Airbus has become the first European company whose shares are traded in the "KASE Global" sector, the duties of a market-maker for these shares are performed by Eurasian Capital JSC.

During the specified period 1,857 deals were made in the "KASE Global" sector for a total of KZT1.6 bn. Relative to March, the trading volume decreased by 13.5 %, the number of deals – by 27.3 %. The average daily trading volume amounted to KZT76.9 mln, the average daily number of deals – 88, the average volume of one deal – KZT870.0 th.

The following shares accounted for the largest trading volume:

- US4781601046 (JNJ_KZ) of Johnson & Johnson – 13 deals for a total of KZT458.3 mln;
- US4581401001 (INTC_KZ) of Intel Corporation – 120 deals for the total amount of KZT202.5 mln;
- US1491231015 (CAT_KZ) of Caterpillar – three deals for a total of KZT194.6 mln.

Among the main categories of investors, the share of individuals accounted for 24.6 % of the total volume of deals with shares, the share of brokerage and dealer organizations was 19.2 %, the share of other institutional investors was 27.2 %, the share of other legal entities was 29.0 %.

CORPORATE BONDS

The volume of outstanding corporate debt in April 2022 increased by 0.9 %, or KZT136.1 bn, to KZT15.0 trln (USD33.4 bn).

As at the end of April 2022, corporate bonds of 326 issues of 83 issuers were on KASE official list. In April 2022, bonds of three issues of three issuers (one of them new) were included in KASE official list: issues of KazAgroFinance JSC, National Company Food Contract Corporation JSC and ARKADA INDUSTRY LLP. In April 2022, one issue of corporate bonds of ForteBank JSC was excluded from KASE official list due to maturity.

The value of the yield index of corporate bonds KASE_BMY in April 2022 increased by 21 basis points to 11.19 % per annum.

The volume of trades in corporate bonds on KASE increased relative to March 3.1 times, or KZT124.3 bn, to KZT182.5 bn. The average daily trading volume amounted to KZT8.7 bn (in the secondary market – KZT7.5 bn), the average daily number of deals – 69 deals (in the secondary market – 68 deals), the average volume of one deal – KZT125.8 mln (in the secondary market – KZT111.1 mln).

In April 2022, the volume of the primary market for corporate bonds amounted to KZT24.6 bn. National Company Food Contract Corporation JSC raised KZT24.6 bn on KASE by placing three-year bonds with yield to maturity of 15.50-16.90 % APR.

In terms of the main categories of investors in the primary corporate bond market, the share of brokerage and dealer organizations amounted to 29.9 %, that of other institutional investors – to 48.0 %, that of other legal entities – to 22.0 %, that of individuals – to 0.1 %. The share of non-residents in the primary corporate bond market was 3.5 %.

The volume of trading in the secondary bond market compared to March 2022 increased 2.7 times, or by KZT99.6 bn, to KZT157.7 bn.

In terms of the main categories of investors in the secondary market of corporate bonds, the share of second-tier banks was 24.8 %, that of brokerage and dealer organizations – 4.3 %, that of other institutional investors – 13.5 %, that of other legal entities – 55.2 %, the share of individuals – 2.1 %. The share of non-residents was 1.0 %.

GOVERNMENT SECURITIES (GS)

The amount of public debt at face value, traded on KASE, amounted to KZT17.3 trln (USD38.6 bn), having increased during April by 0.4 %, or KZT65.1 bn.

The total volume of trades in GS on KASE amounted to KZT602.3 bn, having increased relative to March by 0.4 %, or KZT2.1 bn. At the end of April 2022, the average daily trading volume amounted to KZT28.7 bn (in the secondary market – KZT15.4 bn), the average daily number of deals was 15 (in the secondary market – 11), the average volume of one deal was KZT1.9 bn (in the secondary market – KZT1.4 bn).

The volume of trades in the primary GS market increased by 2.9 %, or by KZT8.0 bn, to KZT278.5 bn. Of these, KZT21.7 bn were raised by the akimdiks of Almaty, Kostanay and Zhambyl regions at 0.35-4.24% per annum (in order to finance the construction of credit housing under the Shanyrak pilot project and the state housing and communal development program "Nurly zher" for 2020-2025). The Ministry of Finance raised KZT256.7 bn with a weighted average yield of 12.64-13.97 % per annum (at 12.50-14.00 % per annum), placing five issues with maturities of 0.8 years to 5.1 years.

In terms of the main categories of investors in the primary market, banks accounted for 15.0 %, broker-dealers – for 0.1 %, other institutional investors – for 74.2 %, the share of other legal entities was 10.7 %, that of individuals – less than 0.1 %. Non-residents did not take part in the primary GS market.

The trading volume in the secondary market decreased by 1.8 %, or by 5.8 bn tenge, to 323.8 bn tenge. The share of trading in the notes of the National Bank in the secondary market amounted to 12.8 %, or 41.6 bn tenge, of the total trading volume, the share of MEKAM – 70.2 %, or 227.2 bn tenge, the share of Eurobonds of the Republic of Kazakhstan – 14.2 %, or 45.9 bn tenge. The rest of the volume, amounting to 2.8 % (9.2 bn tenge), fell on transactions with government securities of foreign states (bonds of the US Department of the Treasury, the Sultanate of Oman, bonds of the Republic of Turkey and the Republic of Austria).

In terms of the main categories of investors in the secondary market, the share of banks accounted for 52.8 %, the share of broker-dealers – for 6.3 %, the share of other institutional investors – for 2.2 %, that of other legal entities amounted to 38.5 %, the share of individuals accounted for 0.2 %. Participation of non-residents is estimated at 11.6 %.

BONDS OF INTERNATIONAL FINANCIAL INSTITUTIONS (IFIs)

As at the end of April, there were bonds of 41 issues of four international financial institutions in KASE's trading lists: Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.

In the reporting month, the entire trading volume fell on the secondary market and amounted to 5.5 bn tenge against 5.8 bn tenge a month earlier, having decreased by 0.4 bn tenge, or 6.2 %. The average daily trading volume amounted to KZT260.4 mln, the average daily number of deals – 1 deal, the average volume of one deal – KZT341.7 mln.

In terms of the main categories of investors in the secondary market for bonds of international financial organizations, the share of broker-dealers was 46.4 %, that of other institutional investors – 0.7 %, that of other legal entities – 53.0 %. Participation of non-residents is estimated at 0.3 %.

UNITS OF INVESTMENT FUNDS

19 instruments of unit investment trusts managed by six management companies and six ETFs were in the "Securities of investment funds" sector as of May 1, 2022.

In the reporting month, the trading volume amounted to 406.2 million tenge, having decreased by 47.7 %, or 369.9 bn tenge, compared to March 2022. In terms of the main categories of investors, 53.5 % accounted for the accounts of individuals, 3.1% - for broker-dealer organizations and 43.4% - for other legal entities. The share of non-residents was 0.4 %.

DERIVATIVE SECURITIES

As of May 1, 2022, KASE official list included global depository receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC, Kaspi.kz JSC, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in April 2022 amounted to 608.0 million tenge, having decreased relative to March 2022 by 75.5 %, or 1.9 bn tenge. In terms of the main categories of investors, 50.0 % fell on the accounts of individuals, 8.8 % - on brokerage and dealer organizations, 41.2% - on other institutional investors, and less than 0.1% - on other legal entities. The share of non-residents was less than 0.1 %.

ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of May 1, 2022, the Central Securities Depository maintained 329,024 personal accounts opened for 305,839 individuals. In April individuals registered 17,874 new personal accounts.

FOREIGN CURRENCY MARKET

In April of the current year 31 members of KASE took part in trades in the foreign currencies market on KASE.

The volume of trading in the foreign exchange market decreased by 37.9 % compared to March to 1.2 trln tenge. The average daily trading volume amounted to KZT56.7 bn, the average daily number of deals – 334, the average volume of one deal – KZT170.0 mln.

The table below shows the main characteristics of the currency pairs traded on KASE (in parentheses is the change in the indicator against the previous month, the change in the exchange rate reflects the nominal change in the weighted average exchange rate of foreign currency against tenge).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of deals	Min. and max. rates, number of quoted currency per unit of basic currency	Exchange rate at the end of April (rev.%)
USD/KZT	2,067.96 (-40.6 %)	78.6 % (-11.8%)	5,505 (-1,462)	439.60 – 476.25	445.62 (-4.58 %)
RUB/KZT	31,831.26 (+49.6 %)	15.7 % (+9.9%)	1 187 (+592)	5.5400 – 6.2500	6.2500 (+13.64 %)
CNY/KZT	726.44 (-20.1 %)	4.3 % (+0.6%)	249 (+28)	67.3200 – 74.4500	67.5283 (-7.94 %)
EUR/KZT	35.22 (x13.6)	1.4 % (+1.3%)	66 (+60)	468.00 – 487.75	470.67 (-16.25 %)

MONEY MARKET

The total volume of trading in the money market in April reached 24.4 trln tenge, having increased by 22.1 %, or 4.4 trln tenge, compared to March.

On April 26, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to raise the base rate from 13.5 % to 14 % per annum with an interest band of +/- 1.00 % APR. Accordingly, the rate on permanent access transactions to provide liquidity will be 15 %, and on permanent access transactions to withdraw liquidity – 13 %.

Composite indicator of the money market MM_Index, which is the average value of yield on USD/KZT currency swap transactions and auto repo transactions with government securities weighted through the

volume of transactions opened for one business day, increased by 95 b.p. from 13.81 % per annum to 14.76 % per annum.

REPO MARKET

The total volume of repo transactions in April amounted to 20.8 trln tenge, which is by 3.9 trln tenge, or 22.9 %, more than March figure. The average daily volume of deals amounted to 992.6 bn tenge, the average number of deals – 870, the average volume of one deal – 1.1 bn tenge.

The volume of autorepo transactions with government securities amounted to KZT17.2 trln, or 82.4 %, autorepo with CS – KZT3.7 trln, or 17.6 %, nego repo of CS – KZT1.4 bn, or 0.01 %.

At the end of April 2022, the TONIA indicator rose by 83 b.p. from 13.70 % to 14.53 % per annum, the value of the TRION indicator – by 81 b.p. from 13.69 % to 14.50 % per annum. The value of the TWINA indicator, which is the weighted average interest rate on repo opening deals for a period of seven business days, on the contrary, decreased by 25 b.p. from 13.96 % to 13.71 % per annum.

CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in April amounted to 3.5 trln tenge, which is by 529.0 bn tenge, or 17.8 %, higher than March figure. The average daily volume of deals amounted to 167.1 bn tenge, the average daily number of deals – 31, the average deal volume – 5.4 bn tenge.

In the instrumental structure, KZT3,454.9 bn fell on USDKZT swaps, KZT53.2 bn – on EURKZT swaps. In the USDKZT pair, 81.0 % of the total trading volume (KZT2,797.1 bn, or USD6,211.3 mln) fell on one-day swap deals (USDKZT_0_001), 18.2 % of the total trading volume (KZT630.1 bn, or USD1,406.8 mln) – on two-day currency swap deals (USDKZT_0_002), 0.3 % of the total trading volume (9.0 bn tenge, or 20.0 mln USD) – on deals with the one-week currency swap (USDKZT_0_01W), 0.5 % of the total volume of trading (KZT18.6 bn, or USD40.0 mln) – on deals with the one-month currency swap (USDKZT_0_01M).

The yield of the one-day dollar swap SWAP-1D (USD) at the end of April reached 15.92 % per annum, having increased by 104 b.p. in April. The yield of the two-day SWAP-2D (USD) currency swap increased by 50 b.p. to 16.00 % per annum.

DERIVATIVE MARKET

At present, non-deliverable futures on the US dollar rate against tenge, common shares of Halyk Savings Bank of Kazakhstan JSC, common shares of NAC Kazatomprom JSC and KASE Index are available for trading in this sector of the exchange market.

In April 2022, no deals were made in this sector. By the beginning of May, there were no open positions of trading participants in the derivatives market.

For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fifth rank in terms of the equity market capitalization among the FEAS exchanges.

It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

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