

PRESS RELEASE

city of Almaty

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KASE presents results of the exchange market's operation in February 2024

Kazakhstan Stock Exchange JSC (KASE, or the Exchange) announces the main results of its activities in February 2024:

- The total volume of trading on KASE in February 2024 amounted to 30.9 trln tenge and decreased relative to January by 14.1 % or 5.1 trln tenge.
- Based on results of February, the value of KASE Index increased by 12.8 % and amounted to 4,803.18 points.
- Based on results of February, the equity market capitalization increased by 6.7 % to 28.3 trln tenge, the volume of traded corporate debt increased by 0.9 % to 13.5 trln tenge.
- In February, corporate bonds of three new issuers underwent the listing procedure.
- As of March 1, 2024, KASE 's trading lists included 674 types of corporate securities of 245 issuers.

KEY PROJECTS AND EVENTS

In February 2024, KASE and its 100 % subsidiary organization – KASE Clearing Centre JSC – held a meeting in Astana for representatives of the private and quasi-public sector and partners of the Exchange in the format of a business breakfast "KASE Day in Astana". The event was aimed at providing information on the results of KASE's activities for 2023, on the Exchange's ongoing projects, the introduction of innovations and new financial instruments, trends and prospects for the development of Kazakhstan's stock market, as well as information on the development of ESG financing, plans for launch and trading tokenized assets on the KASE Digital platform, development of the Market Data direction, KASE's information and analytical products.

As part of the ongoing IPO roadshow of Air Astana JSC, a meeting with institutional investors was held at KASE in February. At the meeting, information was presented on the parameters of the IPO and the results of the company's operating activities over the past period. The event was attended by the President of Air Astana JSC Peter Foster and CFO Ibrahim Zhanlyel.

On February 15, as part of the successful initial public offering of common shares of Air Astana JSC, the Exchange held a solemn market open ceremony for these shares. Air Astana JSC raised 49.2 bn tenge (equivalent to \$108.9 mln) on KASE, or 76 % of the volume of common shares offered on the local market.

In February, in order to improve the financial literacy of retail investors, KASE held a webinar "Taxation and declaration of securities" with the participation of speakers from KPMG in the Central Asia and Caucasus region, where information was provided on the general rules for taxation and declaration of securities by individuals.

EQUITY MARKET

Based on results of February 2024, the equity market capitalization amounted to 28.3 trln tenge (62.6 bn USD), which is by 1.8 trln tenge, or 6.7 %, higher than the previous month.

The volume of trading in shares in February amounted to 84.4 bn tenge, increasing relative to January by 6 times, or by 70.6 bn tenge. An increase in trading volume was observed in both the primary and

secondary markets. The average daily trading volume amounted to 4.0 bn tenge (on the secondary market – 1.7 bn tenge), the average daily number of transactions – 8,321 transactions (on the secondary market – 6,593 transactions), the average volume of one transaction – 483.1 thousand tenge (on the secondary market – 254.1 thousand tenge).

According to the results of the public offering on KASE of common shares of Air Astana JSC, 36,283 orders for purchase of 45,855,827 shares were executed at a price of 1,073.83 tenge per share. The total volume of orders executed on KASE amounted to 49.2 bn tenge (equivalent to 108.9 mln US dollars) or 76.0 % of the volume of common shares offered on the local market. As a result of the placement, the share of individuals was 49.4 % and the share of institutional investors was 50.6 %.

On the secondary market in February, trading volume amounted to 35.2 bn tenge, which is 2.5 times or 21.4 bn tenge higher than the January value.

Among the main categories of investors in the secondary market, individuals accounted for 65.7 % of the total volume of transactions in shares, banks – for 2.5 %, broker-dealer organizations – for 18.2 %, other institutional investors – for 2.3 %, other legal entities – for 11.4 %. The share of non-residents was 7.9 %.

KASE INDEX

KASE Index value in February increased by 12.8 % and by the end of the month amounted to 4,803.18 points.

The volume of transactions with index shares in February amounted to 12.6 bn tenge, which is 696.1 mln tenge less than in January. The largest trading volume fell on common shares of Halyk Bank of Kazakhstan JSC – 2.7 bn tenge (21.6 % of the total trading volume with index shares).

Changes in stock prices for recent transactions included in the representative list of KASE Index

Issuer	Trade code	Price, tenge per share			Trading volume*, mln tenge		
		as of 01.03.24	as of 01.02.24	Δ, %	February	January	Δ
Bank CenterCredit JSC	CCBN	1,469.03	1,056.00	+39.1	1,998.0	324.1	+1,674.0
Kcell JSC	KCEL	2,884.00	2,230.00	+29.3	615.9	246.5	+369.4
Halyk Bank of Kazakhstan JSC	HSBK	198.01	161.27	+22.8	2,712.1	1,142.1	+1,570.0
KEGOC JSC	KEGC	1,490.00	1,392.84	+7.0	1,612.1	1,492.1	+129.9
Kaspi.kz JSC	KSPI	46,000.02	43,782.00	+5.1	850.6	742.6	+108.0
Kazakhtelecom JSC	KZTK	35,712.00	34,050.00	+4.9	661.2	2,764.1	-2,102.9
National Atomic Company "Kazatomprom" JSC	KZAP	18,660.00	18,360.00	+1.6	918.4	1,349.4	-431.0
NC "KazMunayGas" JSC	KMGZ	11,950.00	11,933.15	+0.1	2,712.1	4,762.2	-2,050.1
KazTransOil JSC	KZTO	830.00	850.00	-2.4	469.4	422.9	+46.5

The largest growth in February was shown by common shares of **Bank CenterCredit JSC**, which increased in price by 39.1 %. They are followed by **Kcell JSC** with an increase of 29.3 %.

Also in the green zone were shares of the financial sector – of **Halyk Bank of Kazakhstan JSC** and **Kaspi.kz JSC**, which added 22.8 % and 5.1 %, respectively. At the same time, **Kaspi.kz JSC** announced its intention to delist American depositary shares (ADS) and global depositary receipts (GDR) from the London Stock Exchange (LSE) no later than March 25, which was a significant event for financial market investors. According to Kaspi.kz's unaudited annual reports, the company's revenue increased by 51 %, net profit – by 44 %, assets – by 33.2 %, and liabilities – by 33 %. At the same time,

the company's Board of Directors recommended that shareholders pay dividends in the amount of 850 tenge per share. The shareholders meeting is scheduled for April 8, 2024.

Shares of **KEGOC JSC** showed an increase of 7.0 % in February 2024. Moody's Investors Service affirmed the company's rating at "Baa2" with a "positive" outlook. In addition, the international rating agency Fitch Ratings upgraded the company's long-term ratings from "BBB-" to "BBB" with a "stable" outlook in early February 2024.

The telecommunications sector also showed positive dynamics. Common shares of **Kazakhtelecom JSC** increased in price by 4.9 %.

Common shares of **National Atomic Company "Kazatomprom" JSC** increased by 1.6 %. The production volume of **NAC Kazatomprom JSC** for 2024 is expected to be 21,000 – 22,500 tons of uranium.

Shares of **NC KazMunayGas JSC** showed an increase of 0.1 %. **NC KazMunayGas JSC** reported the company's production results for 2023. Comparing key production indicators with the previous year, the following can be noted: KMG's proven and probable hydrocarbon reserves (2P) increased by 3.7 % and amounted to 733 mln tons; the volume of oil and gas condensate production increased by 6.9 %, reaching 23,532 thousand tons; the volume of oil transportation increased by 7.6 % and amounted to 80,359 thousand tons.

Common shares of **KazTransOil JSC** decreased in price by 2.4 %. The company reported an increase in the volume of transportation of Kazakh oil from the port of Aqtau to 287 thousand tons in January 2024, which is by 76 thousand tons more than in the same period last year. In 2024, **the company** plans to ship up to 1.2 mln tons of Kazakh oil through the system of trunk oil pipelines of Transneft PJSC towards the Adamova Zastava oil delivery point for delivery to Germany.

SECTOR KASE GLOBAL

As of the end of February the KASE Global sector contained 45 shares and 11 ETFs of foreign issuers.

The volume of trading in the KASE Global sector in February amounted to 1.7 bn tenge and decreased relative to January by 22.5 %, or by 507.1 mln tenge. The average daily trading volume was 83.0 mln tenge, the average daily number of transactions was 330, the average volume of one transaction was 251.6 thousand tenge.

The largest number of transactions in the KASE Global sector in February 2024 were concluded with the following shares:

- Ford Motor Company (F_KZ) – 889 deals for a total amount of 18.7 mln tenge;
- American Airlines (AAL_KZ) – 540 deals for a total amount of 11.7 mln tenge;
- Pfizer Inc. (PFE_KZ) – 507 deals for a total amount of 32.8 mln tenge;
- AT&T Inc. (T_KZ) – 490 deals for a total amount of 58.8 mln tenge;
- Apple Inc. (AAPL_KZ) – 477 deals for a total amount of 92.3 mln tenge.

In terms of the main categories of investors, 55.1 % were individuals, 2.1 % – banks, 29.3 % –broker-dealer organizations, 1 3.5 % –other legal entities. The share of non-residents was 0.6 %.

CORPORATE BONDS

The volume of outstanding corporate debt in February 2024 increased by 0.9 %, or 120.4 bn tenge, to 13.5 trln tenge (29.8 bn USD).

Based on results of February 2024, KASE official list included corporate bonds of 418 issues of 111 issuers. In February, seven issues of corporate bonds of five issuers (three new ones) were included in KASE official list: three issues of Kazakhstan Sustainability Fund JSC and one issue of Birinshi Lombard LLP, **Microfinance Organization FREEDOM FINANCE Credit LLP, MFO Robocash.kz LLP, Olibia Stroy LLP. In February**, seven bond issues were excluded from KASE official list due to the expiration of the circulation period: two issues of First Heartland Jusan Bank JSC and one issue each Home Credit Bank JSC, Kazakhstan Sustainability Fund JSC, MFO aFinance LLP, MFO "R-Finance" LLP, MFO "UNICREDO" LLP.

The value of the KASE_BMY corporate bond yield index decreased by 17 b.p. in February and as of the end of the month made up 14.21 % per annum.

The volume of trading in corporate bonds on KASE decreased relative to January by 83.0 %, or by 424.6 bn tenge, to 87.3 bn tenge, due to a decrease in trading volume on the primary and secondary markets. The average daily trading volume amounted to 4.2 bn tenge (in the secondary market – 1.3 bn tenge), the average daily number of transactions – 311 transactions (in the secondary market – 306 transactions), the average volume of one transaction – 13.4 mln tenge (in the secondary market – 4.3 mln tenge).

In February, the volume of the primary corporate bond market amounted to 59.6 bn tenge and decreased relative to January by 86.8 %, or 392.4 bn tenge:

- Kazakhstan Sustainability Fund JSC raised 42.4 bn tenge by placing four issues of bonds with a weighted average yield to maturity of 12.45-12.80 % per annum and with maturities from 0.9 to 2.0 years;
- Microfinance organization "R-Finance" LLP raised 642.4 mln tenge by placing two-year bonds at 23.00 % per annum;
- Birinshi Lombard LLP raised 600.2 mln tenge by placing bonds at 24.00 % per annum and with maturity of one year.

In terms of the main categories of investors in the primary corporate bond market, banks accounted for 49.5 %, other institutional investors – for 12.8 %, other legal entities – for 31.2 %, individuals – for 6.5 %. The share of non-residents in the primary corporate bond market was less than 0.1 %.

The trading volume on the secondary bond market in February compared to January decreased by 53.8 %, or by 32.2 bn tenge, to 27.7 bn tenge.

In terms of the main categories of investors in the secondary market of corporate bonds, banks accounted for 8.3 %, broker-dealer organizations – for 7.8 %, other institutional investors – for 8.2 %, other legal entities – for 42.3 %, individuals – for 33.5 %. The share of non-residents was 4.8 %.

GOVERNMENT SECURITIES (GS)

The amount of government debt at par traded on KASE amounted to 24.3 trln tenge (53.9 bn USD), having increased by 1.0 %, or 231.3 bn tenge, in February.

The total trading volume of government securities on KASE amounted to 583.2 bn tenge and decreased compared to January by 52.6 %, or 646.5 bn tenge, due to a decrease in trading volume on the primary and secondary markets. Based on results of February, the average daily trading volume amounted to 27.8 bn tenge (on the secondary market – 7.2 bn tenge), the average daily number of transactions – 12 (on the secondary market – 8), the average volume of one transaction – 2.3 bn tenge (on the secondary market – 0.9 bn tenge).

The trading volume on the primary government securities market decreased by 56.9 % or 570.0 bn tenge to 431.8 bn tenge. The entire volume fell on the placement of treasury obligations of the Ministry of Finance of the Republic of Kazakhstan. A total of nine bond issues were placed at 11.50-12.15 % per annum and maturities from 1.9 to 15.4 years.

In terms of the main categories of investors in the primary market, banks accounted for 38.0 %, the other institutional investors – for 59.5 %, other legal entities – for 2.5 %. Non-residents did not participate in the primary government securities market.

Trading volume on the secondary market decreased by 33.6 %, or 76.5 bn tenge, and amounted to 151.4 bn tenge. The share of trading in National Bank notes on the secondary market amounted to 49.6 %, or 75.2 bn tenge, of the total trading volume, the share of MEKAM was 46.1 %, or 69.8 bn tenge, the share of Eurobonds of the Republic of Kazakhstan was less than 0.1 %, or 911.5 thousand tenge. The remaining volume, amounting to 4.3 %, or 6.4 bn tenge, came from transactions with government securities of foreign countries (bonds of the U.S. Department of the Treasury and Austria).

In terms of the main categories of investors in the secondary government securities market, banks accounted for 42.4 %, broker-dealer organizations – for 3.3 %, other institutional investors – for 25.9 %, other legal entities – for 28.0 %, individuals – for 0.5 %. Non-resident participation is estimated at 2.6 %.

BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFOs)

Based on results of February 2024, the trading lists of KASE included bonds of 72 issues of seven international financial organizations: 11 issues of the Asian Development Bank, 35 issues of the Eurasian Development Bank, 17 issues of the European Bank for Reconstruction and Development, one issue of the European Investment Bank, three issues of the International Bank for Reconstruction and development, four issues of the International Finance Corporation and one issue of the Islamic Corporation for the Development of the Private Sector.

During February 2024, eight bond issues of four international financial organizations were included in KASE official list: three bond issues each of the Eurasian Development Bank and the International Bank for Reconstruction and Development and one issue each of the European Bank for Reconstruction and Development and the European Investment Bank.

In February, the volume of trading in bonds of international financial organizations increased by 3.0 times, or by 37.3 bn tenge, compared to the previous month and amounted to 55.8 bn tenge.

On the primary market of the bonds of international financial organizations sector, the trading volume amounted to 52.3 bn tenge and increased by 3.0 times, or by 197.6 bn tenge, compared to January. In total, four bond issues of two issuers were placed:

- Eurasian Development Bank raised 18.8 bn tenge by placing bonds with a weighted average yield of 13.25-13.95 % per annum and maturity of 0.25 to 1.0 years;
- European Bank for Reconstruction and Development raised 33.5 bn tenge through subscription by placing three-year international bonds with a floating interest rate TONIA + margin 0.00 %.

In terms of the main categories of investors in the primary market, banks accounted for 59.5 %, broker-dealer organizations – for 0.8 %, other institutional investors – for 28.9 %, and other legal entities – for 10.9 %. Non-residents did not participate in the primary IFO market.

In February 2024, trading volume on the secondary market increased by 3.9 times, or by 2.6 bn tenge, compared to January and amounted to 3.5 bn tenge.

In terms of the main categories of investors in the secondary market for bonds of international financial organizations, banks accounted for 48.9 %, broker-dealer organizations – for 0.1 %, other institutional investors – for 48.9 %, other legal entities – for 1.0 %, individuals – for 1.1 %. Non-resident participation is estimated at 1.0 %.

SECURITIES OF INVESTMENT FUNDS

As of March 1, 2024, the Investment Fund Securities sector included 17 mutual fund instruments managed by five management companies and six ETFs.

In the reporting month, trading volume amounted to 2.5 bn tenge and increased by 2 times or by 1.2 bn tenge compared to January. In terms of the main categories of investors, 50.2 % were individuals, 40.9 % – broker-dealer organizations, 8.9 % – other legal entities. The share of non-residents was 36.2 %.

DERIVATIVE SECURITIES

As of March 1, 2024, KASE official list included global depositary receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company "Kazatomprom" JSC, Halyk Bank of Kazakhstan JSC, Kaspi.kz JSC, JSC Kazakhtelecom and ForteBank JSC.

Trading volume in February 2024 amounted to 284.2 mln tenge and increased relative to January by 42.3 %, or 84.5 mln tenge. In terms of the main categories of investors, individuals accounted for 28.1 %, broker-dealer organizations – for 42.6 %, other institutional investors – for 27.5 %, and other legal entities – for 1.9 %. The share of non-residents was 0.2 %.

FOREIGN CURRENCY MARKET

In February of this year, 33 KASE members took part in trading on the foreign currency market on KASE.

The trading volume on the foreign currency market in February increased relative to January by 0.9 %, or by 25.1 bn tenge, to 2.7 trln tenge. The average daily trading volume amounted to 127.1 bn tenge,

the average daily number of transactions was 607, the average volume of one transaction was 209.3 mln tenge.

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

Pair	Volume, mln currency units	Share in trading volume, %	Number of transactions	Min. and max. rates, quantity of quoted currency per unit of base currency	Exchange rate as of the end of month (chg. %)
USD/KZT	4,400.96 (+16.7 %)	74.2 % (+9.9 %)	8,551 (-111)	445.50-455.05	450.65 (+0.6 %)
RUB/KZT	59,495.29 (+58.9 %)	11.0 % (+3.8 %)	3,499 (+243)	4.8000-5.0370	4.9710 (-0.9 %)
CNY/KZT	187.9 (-40.1 %)	0.4 % (-0.3 %)	134 (-60)	61.9000-63.1800	62.4369 (+0.3 %)
EUR/KZT	48.2 (-52.4 %)	0.9 % (-1.0 %)	274 (-281)	478.60-491.92	489.41 (+0.9 %)
EUR/USD	78.7 (-61.5 %)	1.4 % (-2.4 %)	175 (-279)	1.0699-1.0891	1.0850 (+0.3 %)
USD/CNY	715.3 (-44.9 %)	12.1 % (-10.1 %)	124 (-77)	7.1873-7.2225	7.2093 (+0.3 %)
EUR/CNY	–	–	–	–	(–)

MONEY MARKET

The total trading volume on the money market in February amounted to 27.4 trln tenge, decreasing compared to January by 13.1 %, or 4.1 trln tenge.

On February 26, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to reduce the base rate to 14.75 % per annum with an interest rate corridor of +/- 1.0 percentage points.

The composite indicator of the money market MM_Index, which is the average value of the yield on USD/KZT currency swap transactions and automatic repo transactions with GS opened for one business day, weighted through the volume of transactions, increased over the month by 72 b.p. from 13.71 % to 14.43 % per annum.

REPO TRANSACTIONS MARKET

The total volume of repo transactions in February amounted to 21.0 trln tenge, which is lower than the volume in January by 4.3 trln tenge, or 16.8 %. The average daily volume of transactions amounted to 1.0 trln tenge, the average daily number of transactions was 806, the average volume of one transaction was 1.2 bn tenge.

The volume of auto repo transactions with government securities amounted to 13.8 trln tenge, or 65.6 % of the total volume of repo transactions, auto repo transactions with government securities – 7.2 trln tenge, or 34.3 %, nego repo with government securities – 17.7 mln tenge, or less than 0.1 %, nego repo with corporate securities – 7.1 bn tenge, or less than 0.1 %.

By the end of February, the TONIA indicator (the weighted average interest rate on repo opening transactions for a period of one business day, concluded on the Exchange in the automatic repo sector with securities of the GS Basket) increased by 71 b.p. from 14.32 % to 15.03 % per annum.

The TRION indicator (the weighted average interest rate on repo opening transactions for a period of one business day, concluded on the Exchange during the day in the automatic repo sector with

securities of the Government Securities Basket, for which the Exchange carries out clearing activities using the services of the Central Counterparty) increased by 66 b.p. from 14.35 % to 15.01 % per annum.

The TWINA indicator (weighted average interest rate on repo opening transactions for a period of seven working days, concluded on the Exchange in the automatic repo sector with securities of the GS Basket for which the Exchange carries out clearing activities using the services of the Central Counterparty) increased by 35 b.p. from 14.39 % to 14.74 % per annum.

CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in February amounted to 6.4 trln tenge, which is higher than the volume in January by 147.0 bn tenge or 2.4 %. The average daily volume of transactions amounted to 303.5 bn tenge, the average daily number of transactions was 49, the average volume of one transaction was 6.2 bn tenge.

In the structure of the currency swap, for 6.2 trln tenge, or 97.7 % of the volume of currency swap transactions fell on USDKZT swaps; 147.4 bn tenge, or 2.3 %, – on RUBKZT; 198.6 mln tenge, or less than 0.1 %, – on EURKZT.

Currency pair	Instrument	Volume, bn tenge	Volume, mln units currencies	Share in trading volume, %
USD/KZT	USDKZT_0_001	1,900.4	4,224.6	29.8 %
	USDKZT_0_002	4,324.9	9,614.3	67.8 %
	USDKZT_1_001	1.5	3.4	<0.1 %
EUR/KZT	EURKZT_1_001	0.2	0.4	<0.1 %
RUB/KZT	RUBKZT_0_001	3.3	660.0	0.1 %
	RUBKZT_0_002	132.4	27,000.0	2.1 %
	RUBKZT_1_001	11.7	2,404.8	0.2 %

The yield of the one-day dollar swap SWAP-1D (USD) as of the end of February amounted to 11.39 % per annum, having increased by 254 b.p. over the month. The yield on the two-day currency swap SWAP-2D (USD) increased by 345 b.p. to 12.52 % per annum in February.

DERIVATIVES MARKET

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

In February 2024, no transactions were concluded on the derivatives market. As of March 1, 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 place 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 organizations, 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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