

KASE WEEKLY

04 - 08 December,
2017

KASE NEWS

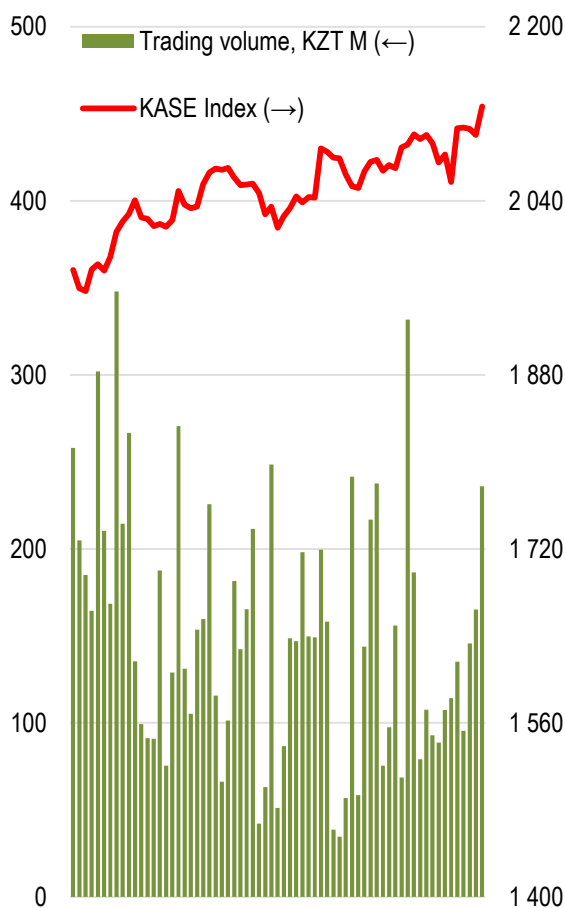
- ▲ On November 28 KASE [composed](#) lists of shares of the first, second and third classes of liquidity for December 2017 and January 2018. According to the updated document, the list of the first class liquidity shares was supplemented by stocks of OJSC Bank VTB. Thus, the total number of the first class liquidity shares reached 20.
- ▲ On December 04, 2017 a new version of KASE trading system was [put](#) into operation, which features new formats of KASE's interaction with the Central Securities Depository.
- ▲ On December 05 KASE [released](#) on its website exchange members' activity rankings for November 2017.
- ▲ On December 13 KASE will [conduct](#) a training program "Stock market essentials" for employees of financial and legal units of businesses.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ On December 04 KazTransGas Aimak [announced](#) a decision of its Board of Directors on defining the term of office of the current Management Board.
- ▲ On December 05 Bank of Astana [announces](#) proposed public offering of its shares (SPO) on the Moscow Exchange.
- ▲ On December 05 Kazakhtelecom [announced](#) removal of an independent director from the Board of Directors.
- ▲ On December 07 Halyk Finance [announced](#) start of collecting orders from members of Kazakhstan Stock Exchange for participation in the primary offering of Eurobonds of Development Bank of Kazakhstan denominated in tenge, being issued in accordance with laws of a foreign state.
- ▲ On December 08 KazMunaiGas Exploration Production after its [announcement](#) on December 04, 2017 of an intention to carry out a tender offer on repurchase of its GDRs said that KMG EP's Board of Directors unanimously [approved](#) a launch of a conditional tender offer on repurchase of all of its issued GDRs at a price of USD 14.00 per GDR. The Board of Directors also approved an extraordinary shareholders meeting on January 22, 2018.
- ▲ On December 08 Tengri Bank [announced](#) meetings with global investors with regard to proposed issue of Eurobonds starting from December 11, 2017.

KASE Index finished the week with an increase of 3.4% to 2,126.86 items, again refreshing its nine-year maximum. Stocks of five companies out of seven came into the green zone.

KASE Index shares



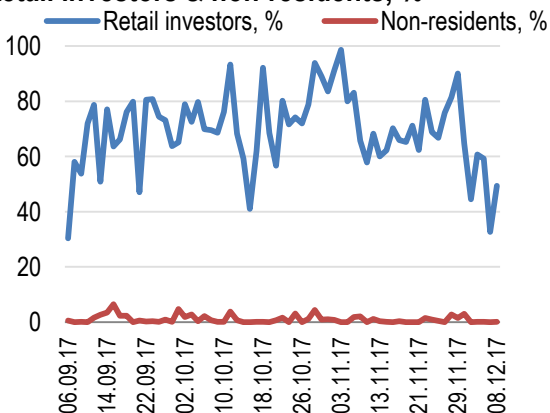
08.12.2017

		Trends (%)	
		3,4	3,6
KASE Index	2 126,9		
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
KazMunayGas EP	26 585,5	18,3	24,8
Bank of America	9 744,9	5,1	6,3
Kazakhtelecom	21 198,0	4,4	0,9
QAZKOM (pref.)	97,0	4,3	-7,2
Kcell	1 745,0	1,3	-2,5
Gazprom (Russia)	752,0	0,7	-1,7
CenterCredit Bank	199,0	0,4	1,0
KazTransOil	1 331,7	0,4	0,8
KEGOC	1 367,8	0,3	-1,2
QAZKOM	140,0	0,0	-27,0
Aktobe Metalware Plant	12 196,9	-0,2	-0,5
Halyk Bank	81,2	-0,4	4,8
BAST	55 997,0	-0,6	-0,8
Bank of Astana	1 284,0	-1,2	5,2
Kazakhtelecom (pref.)	8 549,0	-2,4	1,9
Sberbank (Russia)	1 271,5	-3,3	7,8
Bank VTB (Russia)	0,3	-3,3	-14,7
KAZ Minerals	3 315,0	-3,4	-5,3
KazMunayGas EP (pref.)	10 102,0	-5,3	25,9
Aeroflot (Russia)	854,0	-5,5	-5,6

Shares of KazMunaiGas Exploration Production showed the most growth, reaching KZT 26,585.45 per share, which is 18.31% higher than the closing price last week. Stocks of the company literally soared on the back of the news on the company's intention to repurchase all outstanding shares with a premium of 23.7% on the 30-day weighted average price of GDRs. Investors' confidence regarding those plans' feasibility was confirmed by the Board of Directors' approval of the tender offer on repurchase of the company's GDRs at a price of \$14.

Stocks of KAZ Minerals PLC fell the most, falling by 3.35% to KZT 3,315. The company's stocks are prone to copper futures' prices which fell by 3.4% over the week. Shares sold on the London Stock Exchange also fell by almost 4%.

Retail investors & non-residents, %

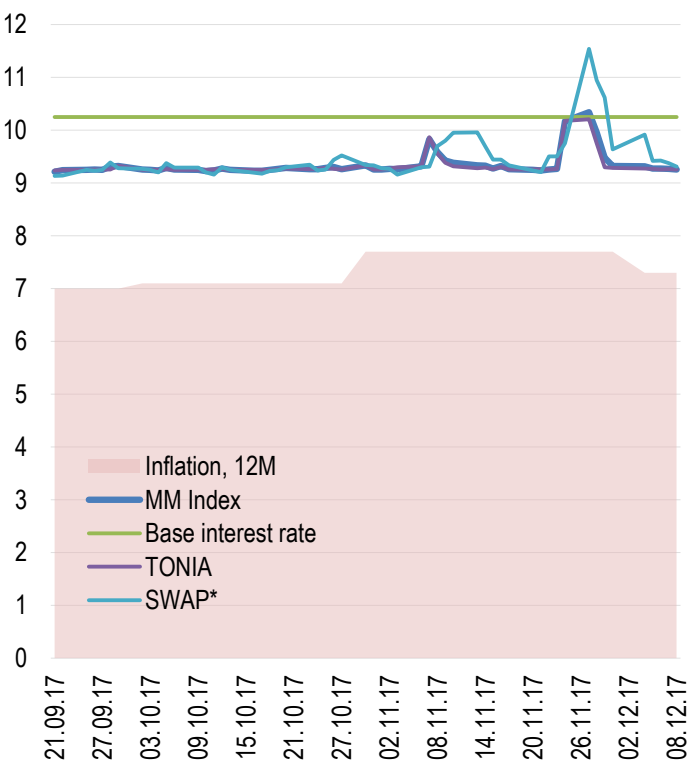




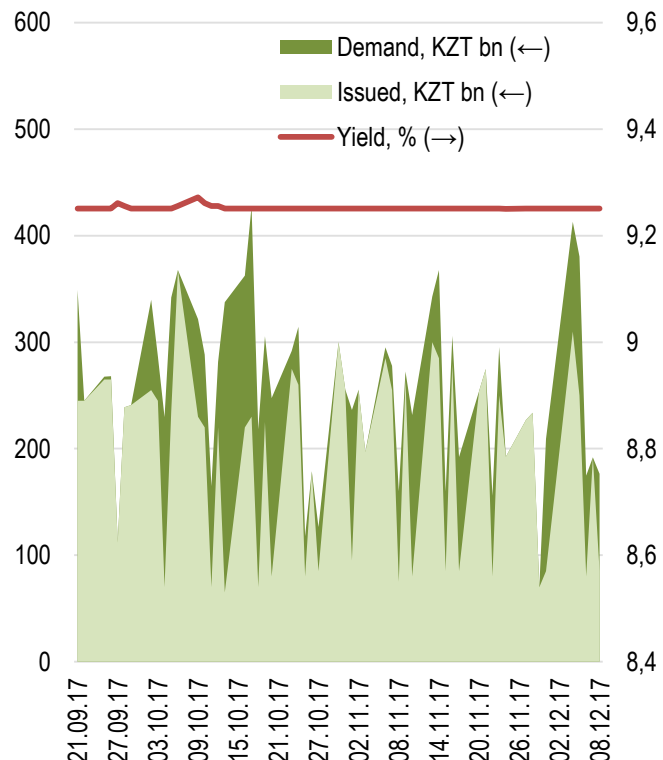
Over the week the yield on currency swaps went down by 31 b.p. to 9.27% p.a. In the repo segment the yield decreased by 4 b.p. to 9.25 % p.a. Thus, the spread of costs of raising liquidity under the US dollar and government securities, made 2 b.p. at the end of the week.

The National Bank continued to withdraw the surplus liquidity off the market, having sold 7 notes issue with various maturities over-the-counter during the week. The yield on the 7-day notes remained at 9.25 % p.a. The offering volume reached KZT 916.9 bn. On 28-day notes the rate was as high as 9.4326 % p.a. with the offering volume of KZT 128.5 bn. On 364-day notes the rate reached 9.025 % p.a. with the offering volume amounting to KZT 57.2 bn. The total demand exceeded the supply by 40.4 %, whereas the week before this difference was 16%.

Inflation and interest rates

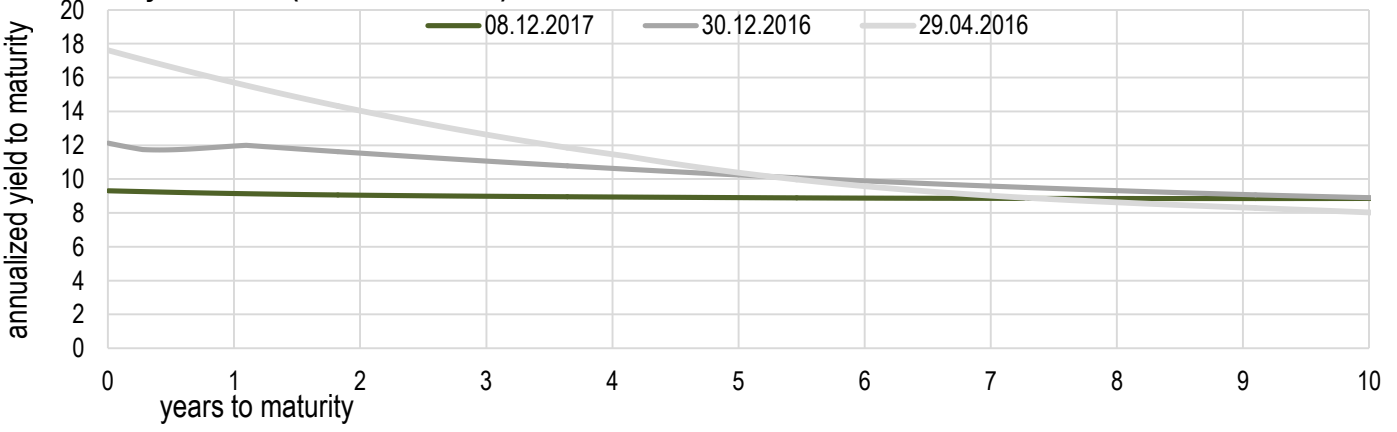


Issuance of weekly NBK notes



* Weighted average yield on all currency swap transactions with the US dollar.

Risk-free yield curve (non-indexed GS)





The dollar exchange rate went up 1%, or KZT 3.2 to KZT 334.32 over the week. The trading volume amounted to USD 588.5 mln in 5 days, which is 15.7% less than last week. The tenge weakened against the US dollar after the tax week elapsed, and continued to do so in the current week. Amongst external factors there were a 1%-increase of the dollar index and an almost 2 %-decrease in prices of the Brent oil as at the moment of drawing up this overview.

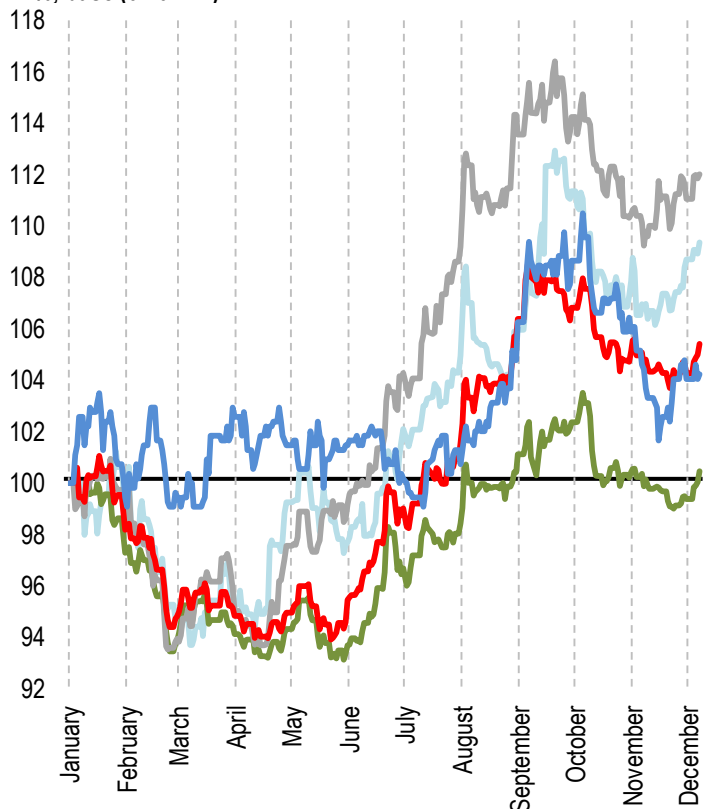
The ruble weakened by half-percent, or KZT 0.0027, to KZT 5.6472 over the week. The trading volume reached RUR 130.6 mln which by 19.7% less than last week.

The yuan exchange rate grew by 38 tyn to KZT 50.4600 over the week.

The euro exchange rate made up KZT 393.46.

FX rates

Δ %, base (01.01.17)

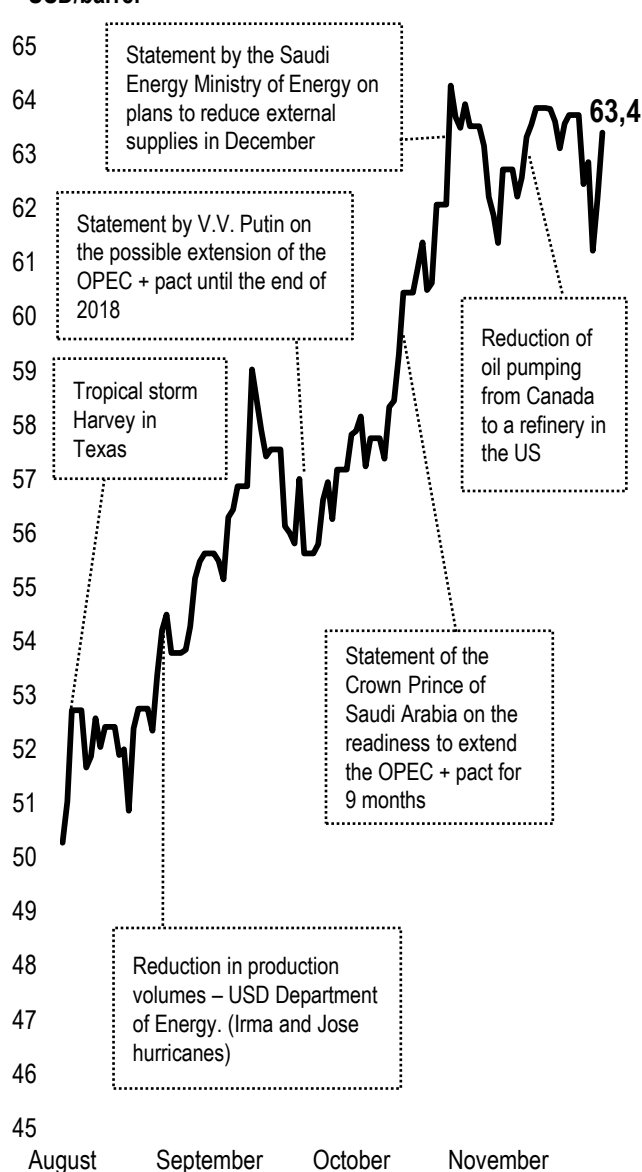


	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	448,16	+0,6	+2,4	+9,4
— USDKZT	334,85	+1,1	+0,6	+0,5
— EURKZT	394,79	+0,9	+2,5	+12,0
— CNYKZT	50,62	+0,9	+0,9	+5,4
— RUBKZT	5,66	+0,2	-0,2	+4,2







Note: The chart and the table are based on the official market rates of the NBK. NBK rates may differ from KASE rates.

Brent oil

USD/barrel



Global indices

Name	Value	Trend %			Futures
		7d	1m	1y	7d
 S&P 500	2 651,50	0,1	2,2	18,0	0,4
Dow Jones	24 329,16	0,2	3,2	24,0	0,4
 RTS	1 119,54	-1,1	-2,7	2,0	-1,3
MICEX	2 104,99	0,2	-2,7	-4,6	-1,3
 Hang Seng	28 639,85	-1,8	-0,9	25,3	-1,7
SS CSI 300	4 003,38	-0,1	-1,1	15,4	0,3
 Euro Stoxx 50	3 591,45	0,6	-1,7	12,7	2,0
FTSEuroFirst	4 330,50	0,9	-1,1	8,5	1,8
 FTSE 100	7 393,96	0,9	-1,8	6,7	1,3
 KASE	2 126,86	3,4	3,6	55,5	

Commodities market

08.12.2017

Name	Price	Trend %	
		7d	1m
Oil	63,40	-0,3	-0,1
	57,36	-0,1	1,0
Natural gas	2,77	-8,4	-12,7
Copper	295,50	-2,7	-4,7
Iron	521,00	0,0	13,1
Gold	1 248,49	-2,1	-2,6
Silver	15,74	-3,9	-8,2
Wheat	392,00	-4,2	-8,1

Economic calendar

		Currency	Forecast	Previous
11.12	JOLTs Job Openings (Nov)	USD	6,030M	6,093M
12.12	PPI (MoM) (Nov)	USD	0,4%	0,4%
12.12	ECB President Draghi Speaks (Oct)	EUR		
13.12	Core CPI (MoM) (Nov)	USD	0,2%	0,2%
13.12	Crude Oil Inventories	USD	-3,404M	-5,610M
13.12	Fed Interest Rate Decision	USD	1,50%	1,25%
15.12	Interest Rate Decision (Dec)	RUB	8,00%	8,25%

Note: The calendar contains the economic events of the upcoming week, deemed by KASE as most significant

B – billions
M – millions
K – thousands

Kazakhstan statistics

	Value	As of	Beginning year
Annual inflation	7,3 %	01.12.17	8,5 %
Gross international reserves of NBK, USD bn	31 489	01.11.17	29 530
Reserve money, KZT bn	5 690,8	01.11.17	5 162,2
Money supply, KZT bn	19 825,6	01.11.17	19 912,6

Kazakhstan credit ratings

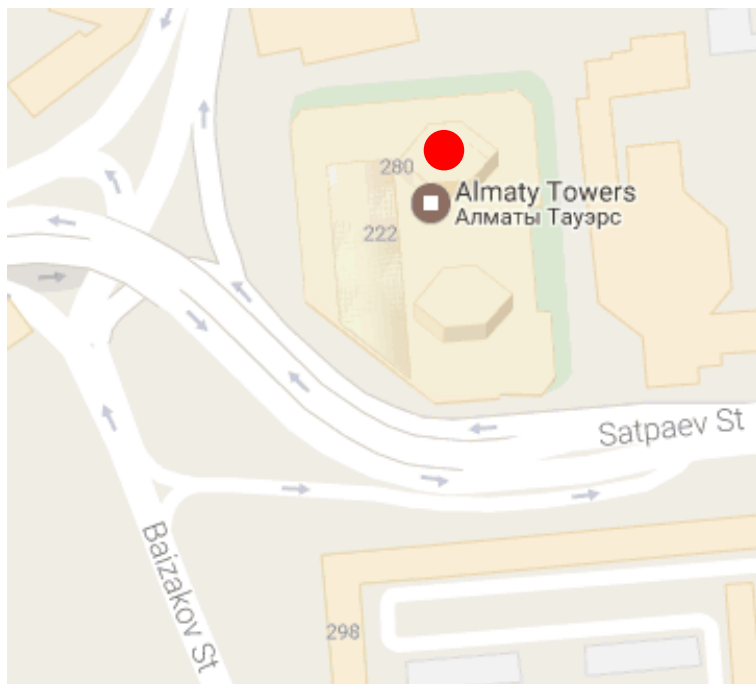
	Rating	Date	Previous
S&P Global	BBB- stable	08.09.17	BBB- negative
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	20.10.17	BBB stable

CONTACT INFORMATION



Address: Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

Tel.: 8 (727) 237 53 00



Corporate website



Contact us

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