

KASE WEEKLY

11 - 15 December,
2017

KASE NEWS

- ▲ From December 11, 2017 KASE [changed](#) the duration of the Base period for carrying out the valuation of non-indexed GS.
- ▲ From December 11 KASE [announced](#) plans of switching to settlements in foreign currencies on deals in securities denominated in foreign currencies.
- ▲ On December 13 KASE [conducted](#) a training program "Stock Market Essentials" for employees of businesses' financial and legal units.
- ▲ From December 20 the new version of KASE trading system is [put](#) into effect.

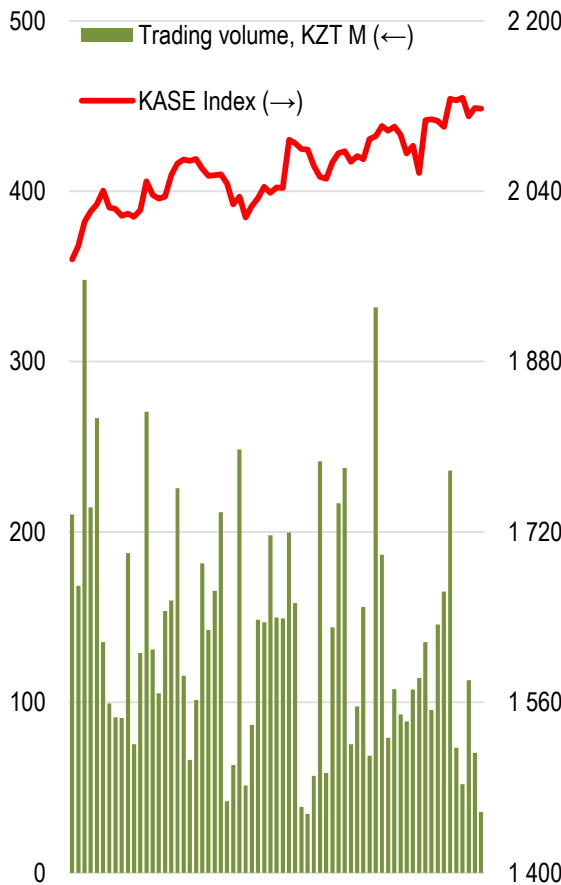
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ On December 11 National Company "Food Contract Corporation" [announced](#) a downgrading of ratings of the company and its bonds by Moody's Investors Service to B1, outlook "Negative".
- ▲ On December 11 Development Bank of Kazakhstan [announced](#) results of offering of its KZT-denominated 3-year Eurobonds with YTM 9.625 % APR, in the amount of KZT 100 bn.
- ▲ On December 13 Agrarian Credit Corporation [raised](#) KZT 10.0 bn on KASE, having sold bonds at 11.00 % APR.
- ▲ On December 14 Bank CenterCredit [raised](#) KZT 2.4 bn on KASE, having sold bonds at 12.50 % APR.
- ▲ On December 14 Bank of Astana [announced](#) results of an SPO on Moscow Exchange. 2,881,835 shares of Bank of Astana of a new issue were sold; the offering price was fixed at RUR 215 per share.
- ▲ On December 15 Global Depository Receipts with ordinary shares of KazMunaiGas Exploration Production as underlying asset were [included](#) in sector "Derivatives" of KASE official list.
- ▲ On December 15 Kazkommertsbank [announced](#) approval by the Board of Directors of Halyk Savings Bank of Kazakhstan of the step-by-step integration of the two banks.
- ▲ On December 15 Tengri Bank [announced](#) affirmation by Standard & Poor's of the bank's ratings at "B+".

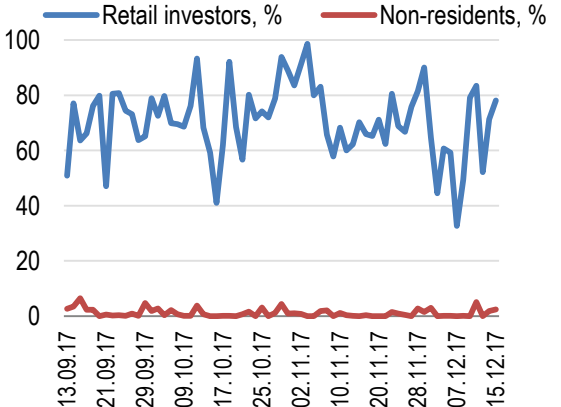
KASE Index went down by 0.4% to 2,117.5 points over the week. The most fall was seen on the part of Kazakhtelecom shares, which decreased by 2.6% to KZT 20,650 per share. It is worth noting that the decrease took place at small trading amounts.

KAZ Minerals stocks rose most of all: by 5.5%.

KASE Index shares



Retail investors & non-residents, %



15.12.2017

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 117,5	-0,4	2,4
First class of liquidity	Price, KZT		
KAZ Minerals	3 498,8	5,5	4,8
Sberbank (Russia)	1 311,6	3,2	5,3
Gazprom (Russia)	768,8	2,2	5,0
Bank of Astana	1 294,0	0,8	4,6
Bank of America	9 795,7	0,5	10,4
KazTransOil	1 333,0	0,1	0,6
BAST	56 000,0	0,0	0,5
QAZKOM	140,0	0,0	-10,0
Bank VTB (Russia)	0,3	0,0	-12,1
Aktobe Metalware Plant	12 149,6	-0,4	-0,9
KEGOC	1 357,0	-0,8	-1,8
Halyk Bank	80,5	-0,8	1,5
Kcell	1 725,0	-1,1	-4,4
CenterCredit Bank	195,1	-2,0	-2,5
KazMunayGas EP	25 950,0	-2,4	15,3
Kazakhtelecom	20 650,0	-2,6	-1,7
Aeroflot (Russia)	831,6	-2,6	-6,2
Kazakhtelecom (pref.)	8 300,0	-2,9	-1,1
KazMunayGas EP (pref.)	9 777,0	-3,2	9,9
QAZKOM (pref.)	88,8	-8,5	-17,0

Stocks of the oil production company KazMunaiGas Exploration Production declined by 2.4% to KZT 25,950. At that, the end of last week saw a historical maximum, due to which fact there is a price adjustment.

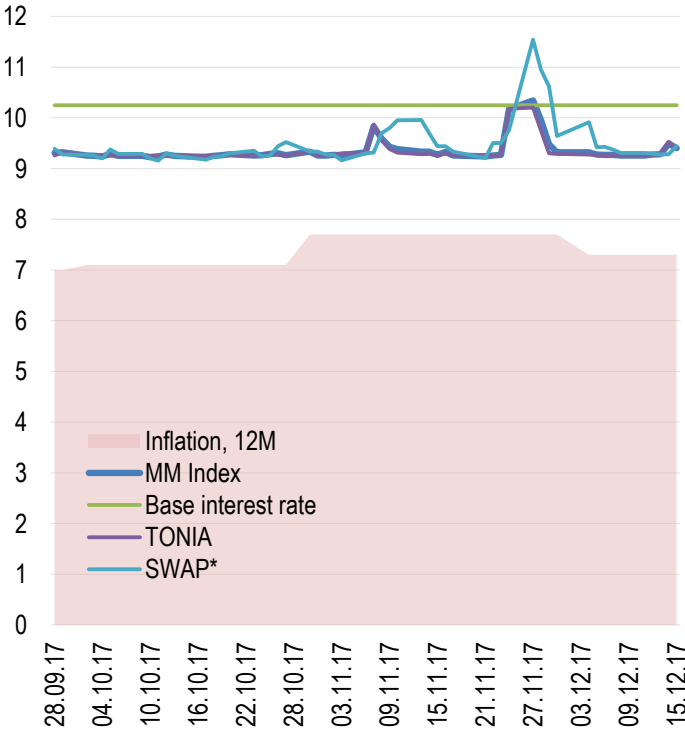
One of the most significant events of the week was the news of a step-by-step integration of Halyk Bank and Qazkom. "We will adopt all the best: the most developed banking infrastructure in the country and the best risk-management of Halyk Bank, advanced technologies client service standards of Qazkom, as well as knowledge, best practice, experience in serving millions of clients, the most competitive products and services of both banks" – said U. Shayakhmetova on the bank's website.



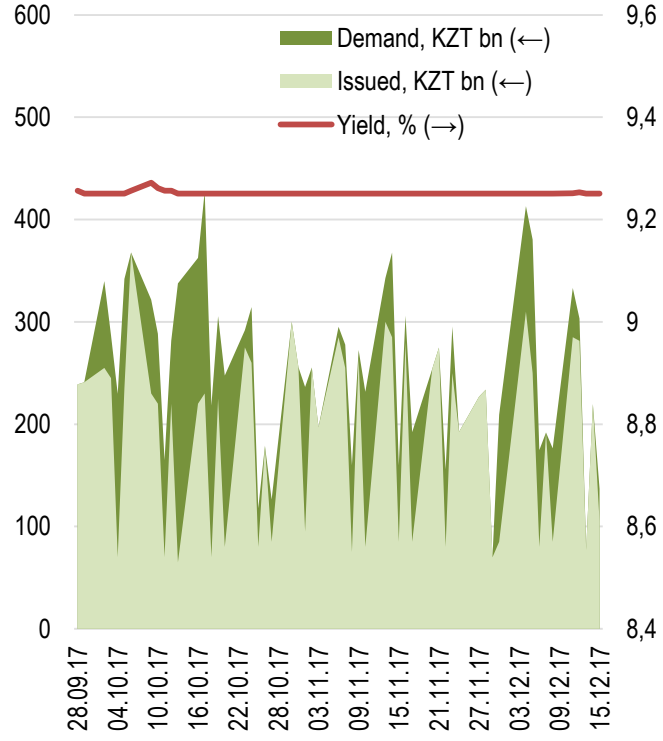
Over the week the yield on currency swap transactions went up by 17 b.p. to 9.44 % p.a. In the repo segment the yield increased by 14 b.p. to 9.39 % p.a. Thus, the spread of costs of raising liquidity under US dollar and government securities made 5 b.p. at the end of the week.

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 968.1 bn. On 28-day notes the rate was as high as 9.4234 % p.a. with the offering volume of KZT 267.4 bn. On 91-day notes the yield was 9.2606 % p.a. with the offering amounting to KZT 73.2 bn. On 12-month notes the rate was at 8.72 % p.a. with the offering volume of KZT 30.0 bn. The total demand exceeded the supply by 9.60%, whereas the week before this difference was 40.4%.

Inflation and interest rates

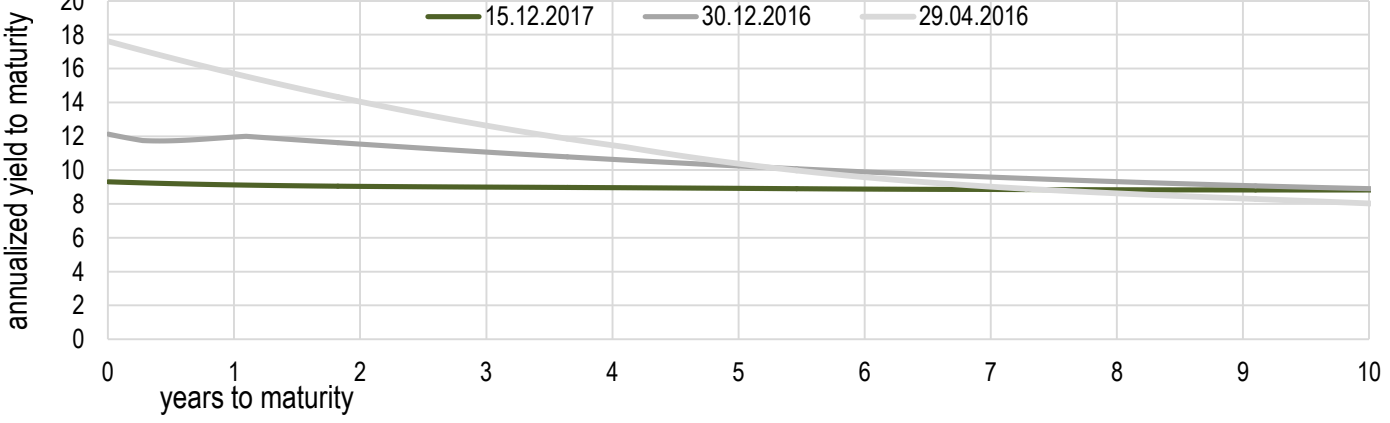


Issuance of weekly NBK notes



* 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 by KZT 1.01 to KZT 335.33 over the week. The trading volume reached USD 700.0 mln in 5 days, which is by 18.9% more than last week.

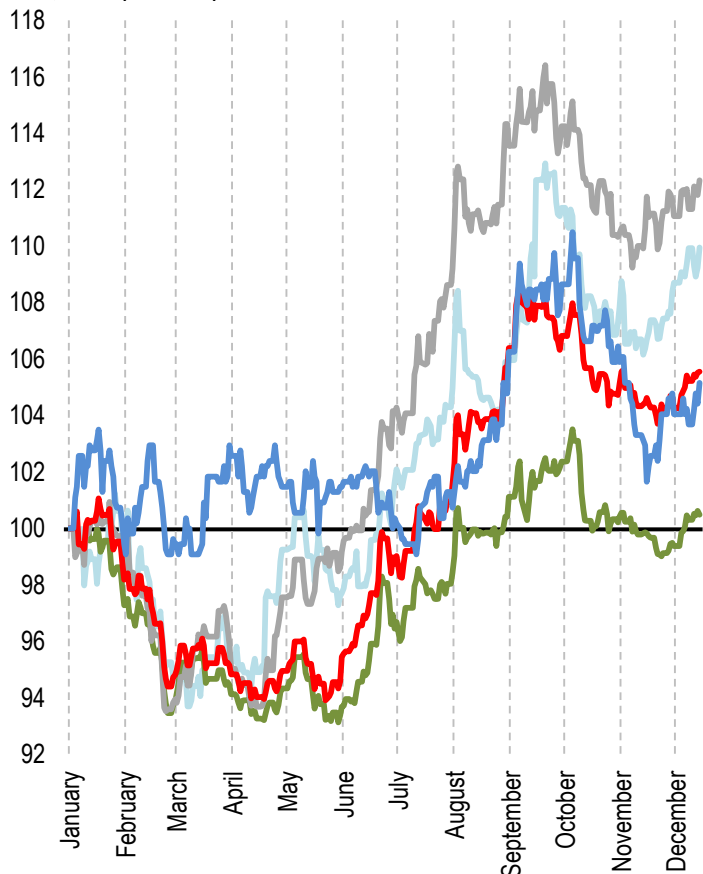
The ruble weakened by 6 tyn to KZT 5.7085 over the week. The trading volume reached RUR 150.5 mln, which 15.2% more than last week.

The yuan exchange rate went up by KZT 0.3012 to KZT 50.7612 over the week.

The euro exchange rate made up KZT 395.43.

FX rates

Δ %, base (01.01.17)

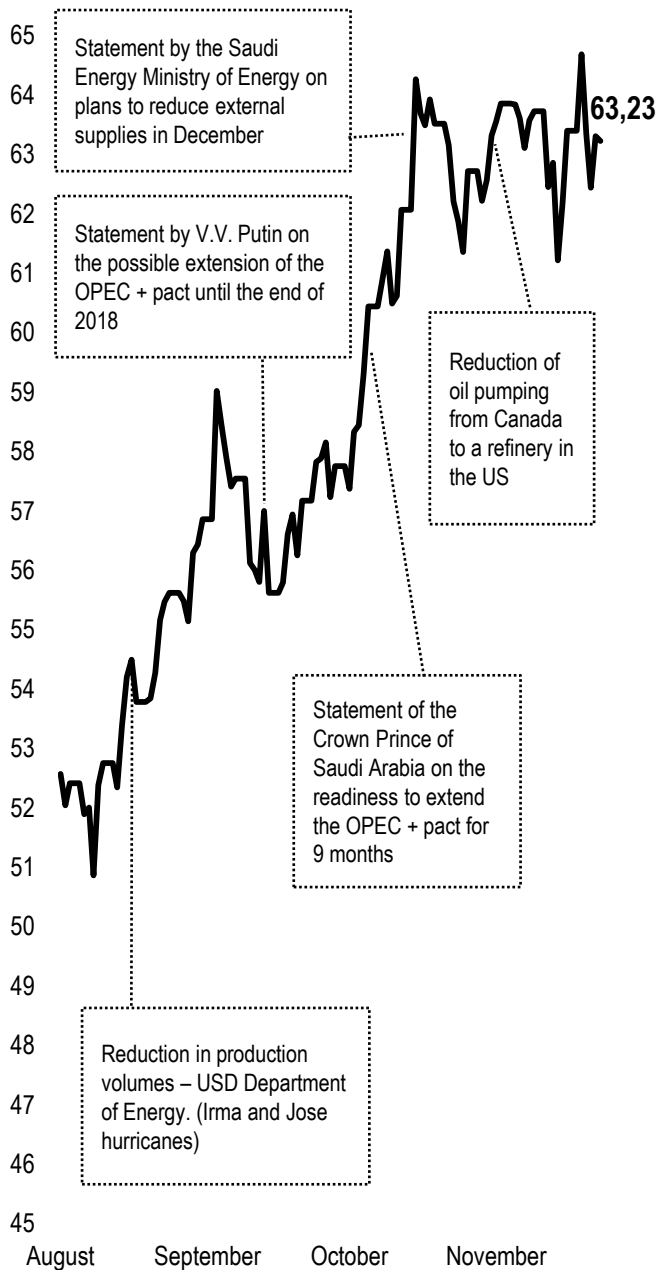


	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	450,57	+0,5	+3,4	+10,0
— USDKZT	334,92	0,0	+0,6	+0,5
— EURKZT	395,88	+0,3	+1,5	+12,3
— CNYKZT	50,69	+0,1	+1,1	+5,6
— RUBKZT	5,71	+0,9	+2,1	+5,2







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	2 675,81	0,9	4,3	18,3	1,1
Dow Jones	24 651,74	1,3	5,9	24,2	1,4
 RTS	1 148,27	2,6	2,8	0,9	2,4
MICEX	2 143,99	1,9	0,6	-4,2	2,4
 Hang Seng	28 848,11	0,7	0,0	30,8	0,6
SS CSI 300	3 980,86	-0,6	-2,3	19,2	-0,5
 Euro Stoxx 50	3 560,53	-0,9	0,4	9,6	-1,2
FTSEuroFirst	4 322,90	-0,2	1,7	6,2	-0,1
 FTSE 100	7 490,57	1,3	1,6	7,0	0,4
 KASE	2 117,51	-0,4	2,4	54,4	

Commodities market

15.12.2017

Name	Price	Trend %	
		7d	1m
Oil	63,23	-0,3	2,2
	57,30	-0,1	3,6
Natural gas	2,61	-5,8	-15,2
Copper	311,00	5,2	1,8
Iron	486,50	-6,6	3,0
Gold	1 256,44	0,6	-1,7
Silver	15,98	1,5	-5,9
Wheat	418,25	6,7	-0,4

Economic calendar

		Currency	Forecast	Previous
20.12	Existing Home Sales (Nov)	USD	5,54M	5,48M
20.12	Crude Oil Inventories	USD	-3,769M	-5,117M
21.12	GDP (QoQ) (Q3)	USD	3,3%	3,3%
21.12	Philadelphia Fed Manufacturing Index (Dec)	USD	21,5	22,7
21.12	Central Bank reserves (USD)	RUB		429,3B
22.12	Core Durable Goods Orders (MoM) (Nov)	USD	0,5%	0,9%
22.12	New Home Sales (Nov)	USD	654K	685K




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	31 428	01.12.17	29 530
Reserve money, KZT bn	5 782,4	01.12.17	5 162,2
Money supply, KZT bn	19 825,6	01.11.17	19 912,6

Kazakhstan credit ratings

	Rating	Date	Previous
	BBB- stable	08.09.17	BBB- negative
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	20.10.17	BBB stable

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