

June 26 – July 01  
2023

## KASE NEWS

- The Board of Directors has extended the term of office of members of the KASE Management Board.
- Rules for provision of services for receipt, accounting and control of collateral in the system for ensuring completeness of settlements in the interbank system of payment cards, Policy for formation of indices and indicators of Kazakhstan Stock Exchange JSC, amendments to the Regulations on the Indices and Indicators Committee, Methodology for Calculating Money Market Indicators, Methodology for Determining the Return Function of Government Securities of the Republic of Kazakhstan, Procedure for Conduct of Listing Procedures, Regulations on Membership Fees, Exchange and Clearing Fees, Rules for Making Cash Settlements for Transactions with a Central Counterparty on Stock Market took effect.
- KASE formed lists of securities of the first, second and third liquidity classes for July 2023.
- Tsifra Broker LLC was excluded from KASE membership in the "stock" category due to voluntary waiver of the membership.
- The official list of KASE includes bonds KZ2C00009827 (INBNb13) and KZ2C00009835 (INBNb14) of Bank RBK JSC, KZMJ00001543 (KGK024\_154) of Karaganda Region Akimat, KZMJ00001568 (PVK024\_156) of Pavlodar Region Akimat, KZZJ00000110 (ASK024\_011) of Astana City Akimat and six issues US Treasury International Bonds.
- International bonds US912797FQ57 (US\_60\_2306) and US912796ZR38 (US\_31\_2306) of the US Treasury were excluded from the official list of KASE due to expiry of their circulation period.
- KASE opened trades in bonds KZ2P00009863 (MFRFb7) of MFO R-Finance LLP, KZ2P00009772 (MFKMb3) of MFO KMF LLP and trust certificates XS2624614751 (ICD\_e1) of ICD Eagle Limited.
- Halyk Finance JSC received a status of market maker on KASE on futures for common shares of Halyk Bank of Kazakhstan JSC.
- BCC Invest JSC received a status of market maker on KASE on bonds KZ2P00009178 (NCOMb3) of Fincraft Group LLP and KZ2P00009772 (MFKMb3) of MFO KMF (KMF) LLP.

## ISSUER NEWS AND ANNOUNCEMENTS

- Ministry of Finance of Kazakhstan placed on KASE 36.4 mln MEOKAM-60 of issue 52 (KZK200000679, MOM060\_0052), 46.1 mln MEUKAM-72 of issue 14 (KZKD00001210, MUM072\_0014), 28.3 mln MEUKAM-84 of issue 18 (KZKD00001137, MUM084\_0018), 51.7 mln MEUKAM-120 of issue 16 (KZKD00000865, MUM120\_0016), 67.4 mln MEUKAM-120 of issue 19 (KZKD00001129, MUM120\_0019), 40.4 mln MEUKAM-180 of sixth issue (KZKD00000535, M UM180\_0006) and 11.0 mln MEUKAM-180 of issue 13 (KZKD00000931, MUM180\_0013).
- Bank RBK JSC raised 12.9 bln tenge on KASE from placement of bonds KZ2C00009827 (INBNb13).
- Bank RBK JSC redeemed 12.9 mln of its bonds KZ2C00004125 (INBNb7) on KASE.
- Akimat of Karaganda Region raised 4.7 bln tenge on KASE from placement of bonds KZMJ00001543 (KGK024\_154).
- Akimat of Pavlodar Region raised 4.5 bln tenge on KASE from placement of bonds KZMJ00001568 (PVK024\_156).
- Forpost LLP raised USD 3.1 mln on KASE by offering bonds KZ2P00009707 (FPSTb1).
- Kazakhstan Sustainability Fund JSC raised 2.0 bln tenge on KASE from placement of bonds KZ2C00008738 (KFUSb43).
- KazTransOil JSC announced that Fitch Ratings upgraded ratings of the company, outlook is Stable.
- NC KazMunayGas JSC announced that Fitch Ratings upgraded ratings of the company, outlook is Stable.
- NC KazMunayGas JSC submitted a report on 2022 payments to the government.
- NC KazMunayGas JSC announced completion of payment of dividends on common shares KZ1C00001122 (KMGZ).
- Halyk Savings Bank of Kazakhstan JSC announced that it assessed compliance with principles of the Corporate Governance Code of the Republic of Kazakhstan.
- Kazakhtelecom JSC and Azertelecom Int. signed an agreement to establish a joint venture for construction and operation of the Trans-Caspian fiber-optic communication line.
- Industrial Development Fund JSC paid 2022 dividends on its ordinary shares.
- KazTransOil JSC supplied 290 thousand tons of Kazakh oil to Germany since the beginning of 2023.
- Zhaikmunai LLP announced financial results of NOSTRUM OIL & GAS PLC for the first quarter of 2023.



01.07.2023

KASE Index	3 604,07	Trends (%)	
		1,6	3,1
First class of liquidity	Price	Δ 7D	Δ 1M
		ТРЕНДЫ	
Freedom Holding Corp.	90,00	14,6	13,9
Intel Corporation	35,03	6,8	20,8
АО "КазТрансОйл"	819,00	6,0	6,7
Ford Motor Company	14,49	5,2	3,2
Apple Inc.	195,00	5,1	12,4
АО "Народный банк Казахстан"	164,60	4,9	10,9
Bank of America Corporation	29,41	4,3	3,7
AT&T Inc.	16,23	3,6	0,3
АО "Банк ЦентрКредит"	692,16	3,0	1,6
АО "Банк ЦентрКредит"	576,80	2,2	3,0
АО "ForteBank"	3,87	1,3	- 2,3
АО "НАК "Казатомпром"	13 050,00	1,1	3,5
АО "НК "КазМунайГаз"	10 070,00	1,0	1,2
АО "KEGOC"	1 576,60	0,8	0,1
АО Kасpi.kz	37 440,00	0,6	2,0
АО "Казакхтелеком"	30 833,90	0,5	3,1
Advanced Micro Devices, Inc.	111,00	0,2	- 10,7
АО "БАСТ"	7 525,09	0,0	- 3,8
АО "Кселл"	1 897,98	- 0,6	- 0,0
PayPal Holdings Inc.	66,13	- 3,0	6,5
Tesla, Inc.	240,01	- 5,1	22,5
Pfizer Inc.	36,41	- 6,4	- 1,2
АО "KM GOLD"	129,00	- 7,2	- 11,6

Note: Index stocks are highlighted in green

International stock exchanges summed up results of the first half of the year and prepared their corporate reports for release. At the beginning of the year, most analysts predicted that the global stock market would remain in bearish territory without much growth. In fact, most indices in the first half of the year turned into a bullish trend and closed with a significant increase: the SP 500 added 16.36%, the Nasdaq gained 32.74% and the Dow Jones rose by 3.84%. The upward trend of the stock market was initially formed due to shares of companies in the IT sector but already in the second quarter, growth spread to other sectors, and at the end of the first half of the year, shares of companies from 7 sectors of the economy out of 11 closed in the green zone. By the end of June, absolutely all sectors of the economy demonstrated growth.

Of the instruments presented on the KASE Global platform, shares of Meta, NVIDIA and Tesla soared by over 100%, shares of AMD, Amazon, Salesforce, Fortinet, Uber gained more than 50%.

The local stock market also proved successful. KASE index following results of the first half of the year grew by 10.9% to 3,604.75 points. Eight out of nine companies on the representative list closed in the green zone. Along with that, on the Kazakhstan's market – contrary to the global trends – growth leaders were the shares of the financial sector.

Ordinary shares of Halyk Bank in the first half of the year brought shareholders 29.7% of the value growth, as well as a dividend yield of 15.5%. For six months, Halyk Group published successful annual and quarterly performance, approved and paid dividends, and amended its charter to allow dividends to be paid no more than twice a year. As a result, less than a month after the register was fixed, common shares completely closed the dividend gap and continued to grow.

Also, yield of more than 10% for six months was demonstrated by shares of Kасpi.kz Group, KazTransOil and Kcell.

KEGOC was the only index company to close the half-year with a 2.8% decline but this result was offset by an annual dividend yield of 7.4%.

Interesting investment ideas were offered on the corporate debt capital market. Of the latest placements in June, Forpost, engaged in extraction of precious metals and other minerals, placed annual dollar bonds at 10.75%. Microfinance organizations KMF, R-finance and Online Kazfinance placed bonds in tenge from one to two years with a coupon rate of 20-25%. It is worth noting that the two-year bond issue of Online Kazfinance at 21.11% p.a. is the first social bond issued by a microfinance organization. From the more conservative quasi-state sector, KazAgroFinance placed bonds for six years with a coupon rate of 16.85% p.a. Kazakhstan Sustainability Fund placed six issues for a period of one to three years with a yield to maturity of 15.2%-18.2%.

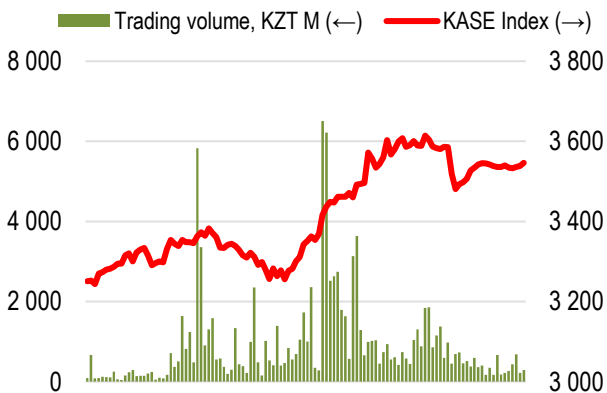
On the money market, the overnight repo rate TONIA ended the first half of the year at the level of 17.61%, with no significant changes since the beginning of the year, when its value was 17.63%. Meanwhile, the one-day currency swap rate has decreased since the beginning of the year by 174 points from 18.65% to 16.91%.

Next week, on July 5, one of the expected events of this year will take place – decision of the National Bank of the Republic of Kazakhstan on the money market rate.

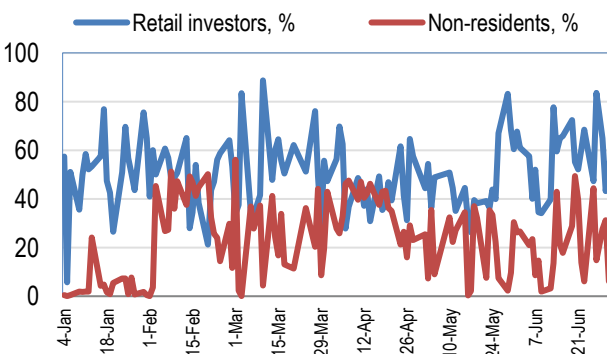
Corporate events of the Kazakhstan Stock Exchange. On June 29, 2023, the Board of Directors of the Kazakhstan Stock Exchange decided to extend the term of office of members of the KASE Management Board until July 1, 2026. Given the said decision, five members remain in the Management Board of the KASE. These are Chairperson of the Management Board Alina Aldambergen; Deputy Chairpersons of the Management Board Mazhekenov Ermek, Sarzhakov Zhainar, Khoroshevskaya Natalia and Tsalyuk Andrey.

On June 29, Deputy Chairman of the Management Board of KASE Yermek Mazhekenov and Chairman of the Management Board of Halyk Finance Farhad Ohonov signed an agreement for provision of market maker services. Halyk Finance received status of a market maker for futures on common shares of Halyk Bank of Kazakhstan JSC. This status of market maker for futures was assigned on the KASE derivatives market for the first time.

KASE Index shares

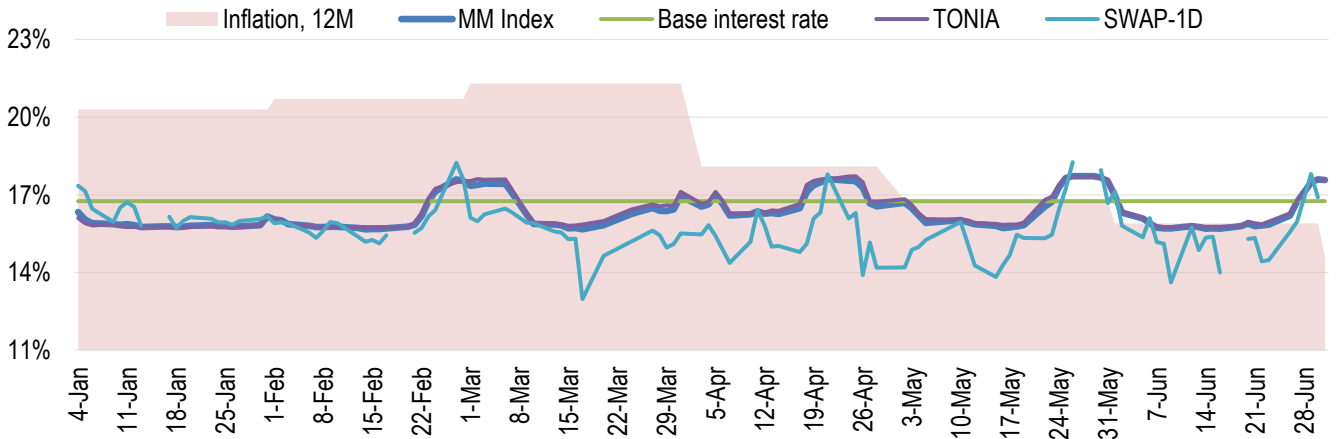


Retail investors & non-residents, %

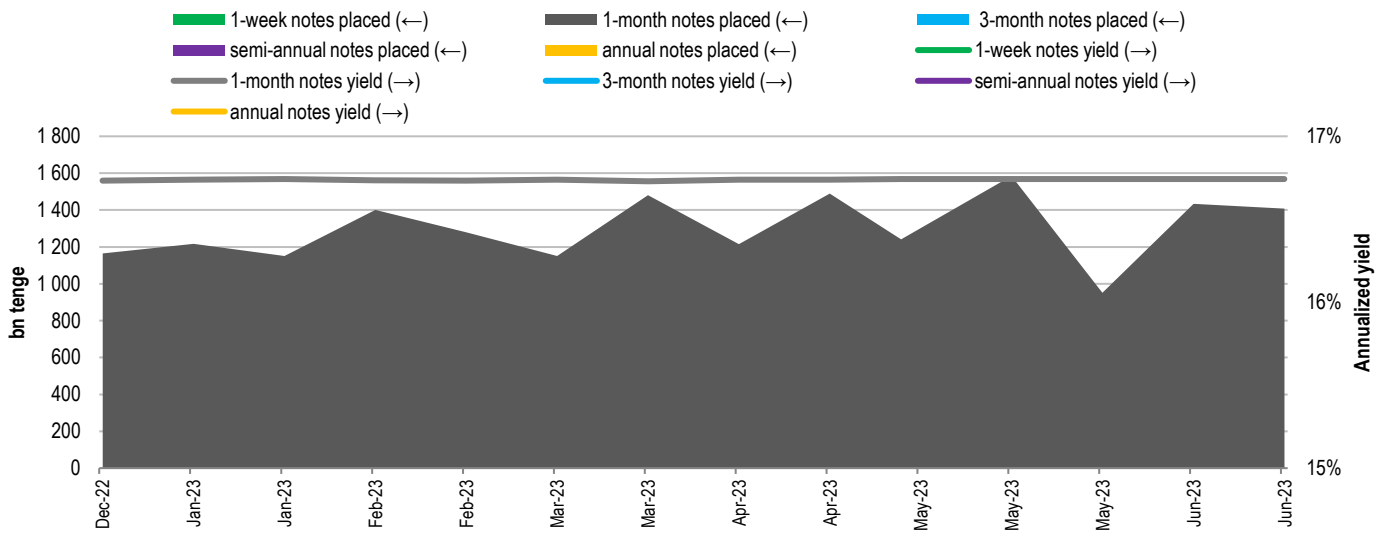


On the money market of the KASE, overnight repo TONIA rate rose from 15.96% to 17.57% p.a. to the level of the upper limit of the base rate corridor. Profitability of one-day currency swap operations in USD grew during the week from 15.57% to 16.907%.

### Inflation and interest rates

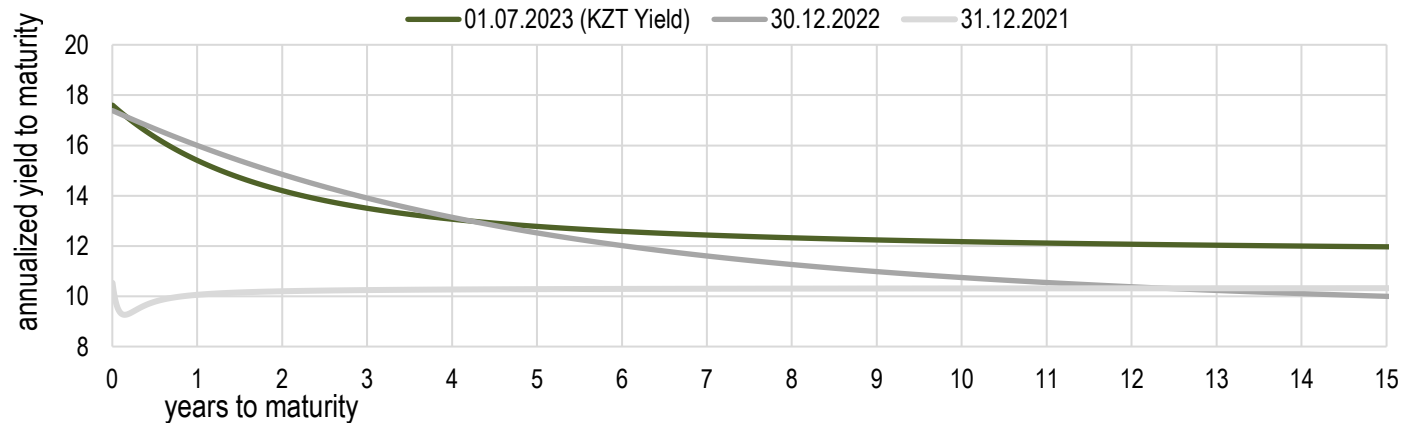


### Main Features of National Bank Notes Placements



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

### Risk-free yield curve (non-indexed GS)





As a result of trades on June 23, market rate of the KZT totaled 447.05 KZT per USD, gaining 0.9% over the week (from 450.99).

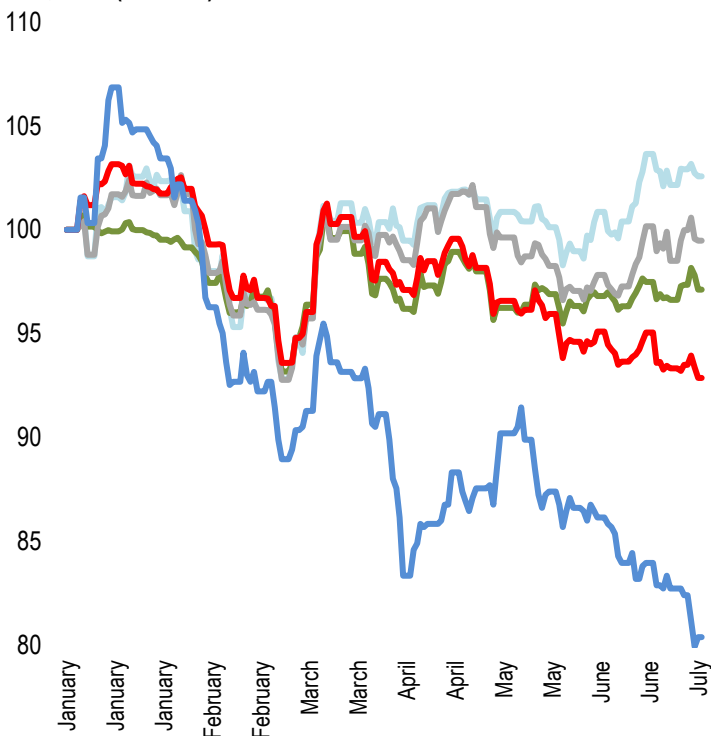
A number of significant events took place on the foreign exchange market from June 16 to June 23, 2023. US Fed Chairman Jerome Powell, in his June 21 speech in the House of Representatives, spoke of possible resumption of interest rate hikes in the coming months in order to contain inflation. Against the background of a steady inflationary process, central banks continue to raise interest rates: the Bank of England raised the rate by 50 b.p. to 5%, the Central Bank of Norway raised the rate by 50 b.p. to 3.75%, the Swiss Central Bank raised the rate by 25 b.p., up to 1.75%.

The above-mentioned factors mainly entailed negative dynamics of EM currencies. Dynamics of the exchange rates of emerging markets against the USD was as follows:

- The Brazilian real gained 0.8% of its value (from 4.82 to 4.78) against the background of foreign capital inflows. The Central Bank kept the base rate at 13.75%;
- the Indian rupee lost 0.1% of its value (from 81.93 to 82.04) against the background of deteriorating global risk sentiment;
- The Indonesian rupiah depreciated by 0.4% (from 14,940 to 14,999). The Central Bank maintained the key rate unchanged at 5.75%;
- The Mexican peso weakened by 0.5% (from 17.09 to 17.17) against the background of the hawkish statement by the US Fed Chairman. The Central Bank kept the base rate at 11.25%;
- The Russian ruble lost 0.7% of its value (from 84.14 to 84.7) amid falling oil prices and geopolitical risks;
- The South African rand depreciated by 3.1% (from 18.19 to 18.75) against the background of lower risk appetite from global investors;
- The Turkish lira lost 6.8% of its value (from 23.63 to 25.24) despite the key rate hike for the first time since 2021 to 15%.

**FX rates**

Δ %, base (01.01.23)

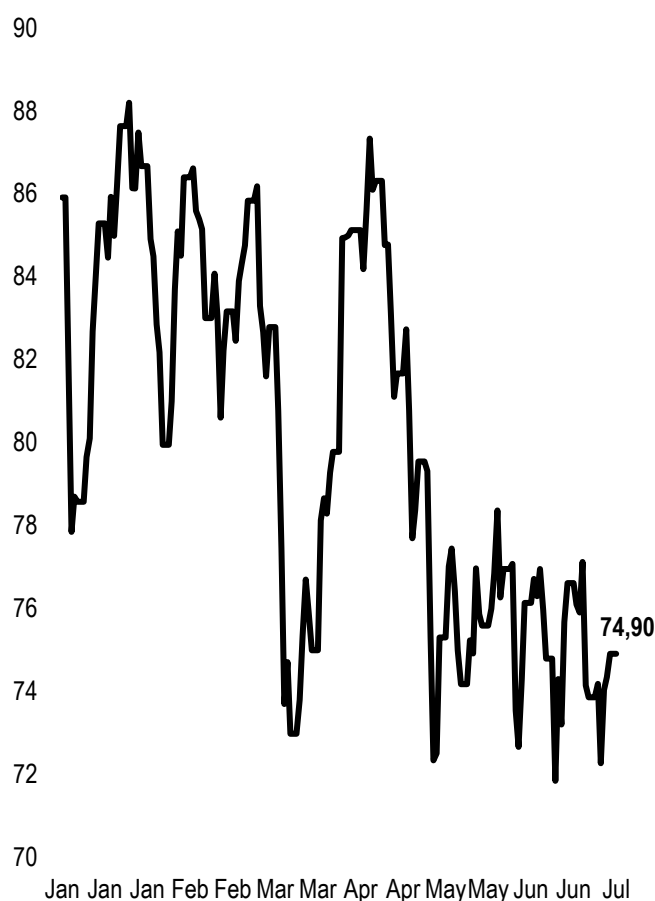


Price    Δ 7d, %    Δ 30d, %    Δ 2023, %

— GBP	KZT 568,56	-1,44	4,64	2,85
— USD	KZT 447,05	-0,87	1,33	-3,25
— EUR	KZT 485,50	-1,66	3,41	-0,10
— CNY	KZT 62,28	-1,81	-0,40	-6,55
— RUB	KZT 5,32	-1,48	-2,72	-16,64

**Brent oil**

USD/barrel



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



## Global indices

Name	Value	Trend %			Futures
		7D	1M	1Y	7D
S&P 500	4 450,38	2,3	5,4	16,3	2,3
Dow Jones	34 407,60	2,0	4,1	10,6	2,0
RTS	982,94	-5,5	-7,4	-23,0	-5,3
MICEX	2 285,53	0,0	0,0	0,0	-5,3
Hang Seng	18 916,43	0,1	3,8	-13,5	-0,4
SS CSI 300	3 842,45	-0,6	0,9	-14,0	-0,4
Euro Stoxx 50	4 399,09	3,0	3,3	27,6	3,2
FTSEuroFirst	4 946,50	0,5	3,0	18,3	2,1
FTSE 100	7 531,53	0,9	0,6	5,1	0,9
KASE	3 604,07	1,6	3,1	34,8	

## Commodities market

July 1, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	74,90	1,4	0,8	-32,9
Oil (WTI)	70,64	2,1	0,8	-34,9
Natural gas	2,80	2,5	29,7	-51,2
Copper	374,10	-1,6	0,8	3,4
Iron	885,50	2,1	11,5	3,9
Gold	1 919,35	-0,1	-3,0	6,0
Silver	22,81	2,0	-4,9	16,4
Wheat	636,25	-13,2	4,2	-23,5

## Calendar of economic events

## Currency

## Forecast

## Previous

03.07	<u>Purchasing Managers' Index (PMI) Y (June)</u>	EUR, GBP, USD	41.0/ 46.2/ 47.2	43.2/ 47.1/ 46.9
05.07	<u>Release of FOMC minutes</u>	USD		
05.07	<u>Decision on NBRK base rate</u>	KZT	16.75	16.75
06.07	<u>ADP Nonfarm Employment Change (June)</u>	USD	230K	278K
06.07	<u>Number of open job vacancies on labor market JOLTS (May)</u>	USD	9900M	10103M
07.07	<u>Unemployment level (June)</u>	USD	3.7%	3.7%
07.07	<u>Average hourly earnings (m/m) (June)</u>	USD	0.3%	0.3%

Note: the calendar contains the most significant economic events of the current week according to KASE analysts opinion

B – billions  
M – millions  
K – thousands

## Kazakhstan statistics

## Value

## As of

## Previous month

Annual inflation	14,6%	01.07.23	15,9%
Gross international reserves of NBK, USD bn	35,5	01.06.23	37,6
Reserve money, KZT bn	9 654,0	01.06.23	9 854,4
Money supply, KZT bn	33 980,6	01.06.23	33 644,4

## Kazakhstan credit ratings

## Rating

## Date

## Previous

S&amp;P Global

BBB-/A-3 stable

03.03.23

BBB-/A-3 negative

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

26.05.23

BBB/stable

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**Corporate Events Calendar of KASE listed Companies**

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