

PRESS RELEASE

city of Almaty

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KASE presents results of the stock exchange market for May 2023

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) announces the main results of activity in May 2023:

- The total trading volume on KASE in May 2023 amounted to 28.3 trln tenge having increased by 1.2 %, or 336.3 bn tenge, compared to April.
- As a result of May, the value of KASE Index decreased by 1.9 % to 3,492.44 points.
- As a result of May, the capitalization of the equity market decreased by 1.9 % to 22.4 trln tenge, the volume of traded corporate debt decreased by 2.3 % to 13.1 trln tenge.
- As of June 1, 2023, corporate securities of 600 names of 223 issuers were in KASE trading lists.
- As of June 1, 2023, there were 680.9 thousand personal sub-accounts of individuals in the Central Securities Depository. According to the results of May, individuals registered more than 1.7 thousand new personal sub-accounts.

KEY PROJECTS AND EVENTS

A number of events were held in May with the participation of KASE:

- In honor of its 30th anniversary, KASE together with the Akimdik of Astana and the Earth Fund "Sustainable Development", held a solemn ceremony of laying the KASE alley in the Presidential Park of the capital city of Kazakhstan.
- As part of the "Issuer Day" project, an online meeting was held at KASE with investors, professional participants in the securities market and the media of the management of Kazakhtelecom JSC on the topic "Results of the activities of Kazakhtelecom JSC for 2022".
- As part of the cooperation with the universities of the Republic of Kazakhstan, KASE held an introductory seminar for students of the Faculty of Finance and Economics of KIMEP University and the Faculty of Finance and Economics of Almaty College of Economics. The events were aimed at providing information on the basics of the stock market, as well as on the use of the KASE Mobile application and the Stock Exchange Simulator project.
- In order to improve the financial literacy of retail investors, the Exchange held online webinars "Futures on KASE" on the basic concepts and parameters related to futures and access to futures trading on the Exchange.
- KASE and the Central Asian Stock Exchange signed a memorandum of mutual cooperation, the purpose of which is to exchange experience in the development of capital markets and stock exchanges of the two republics.

STOCK MARKET

Based on results of May 2023, the capitalization of the equity market amounted to 22.4 trln tenge (50.0 bn USD), which is by 436.8 bn tenge, or 1.9 %, lower than the same indicator of the previous month. The main share of the decline fell on index companies due to the adjustment of the price of their shares.

As of the end of May, shares of 101 names of 87 issuers were listed on KASE, of which shares of three names of three issuers were admitted to circulation in the "Unlisted securities" sector. In the reporting month, ordinary shares of Ust-Kamenogorsk Poultry Plant JSC were excluded from KASE official list at the initiative of the issuer.

The volume of trading in shares in May amounted to 32.7 bn tenge, which is by 22.3 %, or 9.4 bn tenge, lower than in April. The number of deals decreased by 7.1 % to 57,804. The average daily trading volume made up KZT1,633.7 mln, the average daily number of deals – 2,890, the average volume of one deal – KZT565.3 th. Shares were traded in May exclusively on the secondary market.

Among the main categories of investors, individuals accounted for 45.7 % of the gross turnover of trading in shares. Banks accounted for 0.2 %, broker-dealers – for 10.4 %, other institutional investors – for 11.5 %, other legal entities – for 32.2 %. Participation of non-residents is estimated at 22.0 %.

KASE INDEX

The value of KASE Index in May decreased by 1.9 % having amounted to 3,492.44 points by the end of the month. The volume of transactions in index shares in May 2023 amounted to 18.0 bn tenge, which is by 55.5 %, or 22.5 bn tenge, lower than in April 2023.

The largest trading volume fell on common shares of NC KazMunayGas JSC – 11.3 bn tenge (62.8 % of the total trading volume with index shares).

Issuer	Ticker	Price, tenge per share			Trading volume, mln tenge		
		as of 01.06.23	as of 01.05.23	Δ, %	May	April	Δ
KazTransOil JSC	KZTO	767.45	754.99	+1.7	829.7	499.3	330.4
Kcell JSC	KCEL	1,898.00	1,872.11	+1.4	1,270.0	1,120.7	149.3
Kazakhtelecom JSC	KZTK	29,900.00	29,998.00	-0.3	1,230.1	305.8	924.4
Bank CenterCredit JSC	CCBN	681.20	685.00	-0.6	486.3	204.9	281.4
Kaspi.kz JSC	KSPI	36,702.02	37,000.00	-0.8	367.0	219.8	147.2
NC KazMunayGas JSC	KMGZ	9,950.00	10,129.00	-1.8	11,316.4	36,091.1	-24,774.7
KEGOC JSC	KEGC	1,575.00	1,618.00	-2.7	258.2	124.2	134.0
Halyk Savings Bank of Kazakhstan JSC	HSBK	148.47	156.00	-4.8	1,678.0	1,601.4	76.6
NAC Kazatomprom JSC	KZAP	12,612.00	13,438.99	-6.2	578.6	359.5	219.2

*excluding large transactions and transactions of an irregular nature

According to the results of May, the growth leader were common shares of **KazTransOil JSC**, which added 1.7 % in price. On May 24, the annual general meeting of shareholders of KazTransOil JSC approved the payment of dividends for 2022 in the amount of 15.0 bn tenge, or 39.0 tenge per share. By order of the general director of KazTransOil JSC dated May 26, the tariff for oil transportation for export from July 1 will be increased by 15 % from 8.8 to 10.2 thousand tenge per ton. On May 29, the company published financial data for the first quarter of 2023, according to which, compared to the same period of last year, consolidated revenue increased by 21.0 % to 67.9 bn tenge, while net profit decreased by 13.7 % to 8.8 bn tenge.

In the second place in terms of growth rates are ordinary shares of **Kcell JSC**, which grew in price by 1.4 % to 1,898 tenge per share. On May 18, shareholders of **Kcell JSC** decided not to distribute net income for the financial year 2022 and not to pay dividends on ordinary shares. On May 15, Kcell JSC published a report for the first quarter of 2023, according to which net profit increased to 12.8 bn tenge from 9.2 bn tenge for the same period of last year. However, at the same time, capital expenditures increased by 79 %.

The remaining shares of the index basket showed a decrease in prices in May. These companies also completed the publication of financial statements for the first quarter of 2023 and held annual meetings of shareholders, at which they approved the amount of dividend payments for 2022.

On May 25, the annual general meeting of shareholders of **Halyk Savings Bank of Kazakhstan JSC** approved the payment of dividends in the amount of 25.38 tenge per ordinary share. The record date is May 31, the date of commencement of payments is June 6. Also, as part of the annual general meeting of shareholders, a number of changes were made to the bank's charter, including the possibility of paying dividends twice a year. On May 16, Halyk Savings Bank of Kazakhstan JSC reported on the results for the first quarter of 2023. The net profit of the Group, compared to the same period of last year, increased by 51.2 % from 124.5 bn tenge to 188.2 bn tenge.

On May 2, the annual general meeting of shareholders of **KEGOC** decided to distribute 13.15 bn tenge as dividends for the second half of 2022, which is 50.59 tenge per ordinary share. Taking into account the dividends paid for the first half of the year, in total for 2022, shareholders will receive 116.03 tenge per share. On May 12, KEGOC published a report for 2022, according to which net profit decreased by 49.2 % from 52.6 bn tenge to 26.7 bn tenge. A report for the first quarter of 2023 was also published, according to which net profit increased by 58.8 % compared to the same period of last year from 8.5 bn tenge to 13.5 bn tenge.

On May 25, the annual general meeting of shareholders of **NAC Kazatomprom JSC** agreed on the payment of dividends for 2022 in the amount of 200.9 bn tenge, or 774.88 tenge per share. On May 26, the company published financial results for the first quarter of 2023, according to which the group's revenue compared to the same period of last year increased by 2.6 times, while net profit increased by 75.8 % to 109.2 bn tenge.

NC KazMunayGas JSC plans to pay dividends of 491.71 tenge per share, if approved by the annual general meeting of shareholders. Also on May 26, NC KazMunayGas JSC published a report for the first quarter of 2023, according to which the company's net profit decreased compared to the same period of last year by 13.4 % to 287.6 bn tenge.

On May 25, the annual general meeting of **Kaspi.kz** shareholders has decided to pay dividends for the first quarter of 2023 in the amount of 750 tenge per share. On May 29, the Group provided reports for 2022 and the first quarter of 2023, according to which net profit increased by 35.3 % to 588.8 bn tenge and by 39.6 % to 174.2 bn tenge compared to the same period of last year, respectively.

Shareholders of three representatives of the index basket decided not to pay dividends for 2022, including shareholders of Kcell JSC:

On May 12, **Bank CenterCredit JSC** posted a consolidated audit report for 2022. According to the statements, the Group's net profit for 2022 increased 7 times from 20.6 to 145.1 bn tenge. The annual general meeting of the bank's shareholders decided not to distribute dividends for 2022 and invest all profits in the Group's development. On May 15, the bank published a report for the first quarter of 2023, according to which net profit, compared to the same period of last year, increased 2.2 times from 11.3 bn tenge to 25.0 bn tenge. On May 5 Bank CenterCredit JSC acquired a controlling stake in Insurance Company Sinoasia B&R JSC. As a result of the acquisition, the stake of Bank CenterCredit JSC increased from 31.2 % to 75.9 % of all voting shares and 81.6 % of all outstanding shares.

The management of **Kazakhtelecom JSC** on May 16 announced that the proposed amount of dividends for 2022 would be 3,038.36 tenge per share, however, at the annual general meeting of shareholders held on May 30, no decision was made on the payment, the company plans to return to the issue of dividends in the second half of this year. On May 29, the operator provided a report for the first quarter of 2023, according to which the Group's net profit increased by 14.0 % from 29.2 bn tenge to 33.3 bn tenge.

KASE GLOBAL SECTOR

As of the end of May 2023, there were shares of 44 names and 14 ETFs of foreign issuers in the Exchange's trading lists in the "KASE Global" sector. In May, two ETF of iShares Inc. and Franklin Templeton Investments Inc. were included in the "KASE Global" sector of KASE official list.

In May 2023, deals were made in the KASE Global sector for a total of 1.2 bn tenge, which is by 0.7 %, or 8.6 mln tenge, more than in April. The average daily trading volume made up KZT61.5 mln, the average daily number of deals – 217, the average volume of one deal – KZT282.9 th.

The following shares accounted for the largest trading volume:

- Bank of America Corporation – 415 deals for a total amount of 145.5 mln tenge;
- Advanced Micro Devices Inc. – 266 deals for a total amount of 118.8 mln tenge;
- AT&T Inc. – 506 deals for a total of KZT99.4 mln.

Among the main categories of investors, individuals accounted for 55.6 %, brokerage and dealer organizations – for 37.8 %, and legal entities – for 6.7 %. Participation of non-residents is estimated at 0.1 %.

CORPORATE BONDS

The volume of outstanding corporate debt in May 2023 decreased by 2.3 %, or 308.1 bn tenge, to 13.1 trln tenge (29.3 bn USD).

As of the end of May 2023, corporate bonds of 360 issues of 89 issuers were on KASE official list. In May, two issues of bonds of Microfinance organization "KMF" LLP were included in KASE official list.

The yield index of corporate bonds KASE_BMY increased by 6 b.p. in May and as of the end of the month amounted to 13.77 % per annum.

The volume of trades in corporate bonds on KASE decreased relative to April by 34.6 %, or by KZT76.2 bn, to KZT144.3 bn. The average daily trading volume amounted to 7.2 bn tenge (in the secondary market – 2.7 bn tenge), the average daily number of transactions – 140 (in the secondary market – 134), the average volume of one transaction – 51.5 mln tenge (in the secondary market – 19.8 mln tenge).

In May 2023, the volume of the primary market for corporate bonds amounted to 90.9 bn tenge, which is by 30.0 %, or 39.0 bn tenge lower than in April:

- Kazakhstan Sustainability Fund JSC raised 25.2 bn tenge by placing two issues of bonds with an average weighted yield to maturity of 15.64-18.25 % per annum and with a maturity of 0.8-2.9 years;
- Home Credit Bank JSC raised KZT5.0 bn by placing bonds with yield to maturity of 18.00 % APR and maturity of 1.7 years;
- Development Bank of Kazakhstan JSC raised 46.5 bn tenge by placing annual bonds at 15.25 % per annum;
- Birinshi Lombard LLP raised KZT1.0 bn by placing bonds with yield to maturity of 24.0 % APR and maturity of 1.9 years;
- Microfinance organization "R-Finance" LLP raised KZT245.0 mln by placing annual bonds at 20.00 % APR;
- Microfinance organization aFinance LLP raised 99.9 US dollars (equivalent to 44.9 mln tenge) by placing one-year bonds with a yield to maturity of 10.75 % per annum;
- Forpost LLP raised 4.0 mln US dollars (equivalent to 1,811.0 mln tenge) by placing one-year bonds at 10.75 % APR;
- Microfinance organization "KMF" LLP raised KZT10.0 bn by placing annual bonds with yield to maturity of 20.00 %;
- KA "ID Collect" LLP raised 5.0 mln US dollars (equivalent to 1,216.3 mln tenge) under a private placement of bonds.

In terms of the main categories of investors in the primary market of corporate bonds, the share of banks was 53.7 %, that of brokerage and dealer organizations – 3.4 %, that of other institutional investors – 35.6 %, that of other legal entities – 4.3 %, that of individuals – 3.0 %. The share of non-residents was 1.4 %.

The volume of trading in the secondary market of corporate bonds compared to April decreased by 41.1 %, or KZT37.2 bn, to KZT53.3 bn.

In terms of the main categories of investors in the secondary corporate bond market, the share of banks made up 21.4 %, that of brokerage and dealer organizations – 1.4 %, that of other institutional investors – 15.9 %, that of other legal entities – 53.4 %, the share of individuals – 7.8 %. The share of non-residents was 17.7 %.

GOVERNMENT SECURITIES (GS)

The amount of public debt at face value, traded on KASE, amounted to 23.5 trln tenge (52.5 bn USD), having increased over May by 1.1 %, or 250.4 bn tenge.

The total volume of trades in government securities on KASE amounted to 1.1 trln tenge, having increased by 29.9 %, or 257.2 bn tenge relative to April. Based on results of May 2023, the average daily trading volume amounted to 55.9 bn tenge (in the secondary market – 19.6 bn tenge), the average daily number of transactions was 24 (in the secondary market – 17), the average volume of one transaction was 2.4 bn tenge (in the secondary market – 1.2 bn tenge).

The volume of trades in the primary GS market increased by 6.9 %, or by KZT46.7 bn, to KZT725.9 bn. Of these, 8.4 bn tenge was raised by the akimdiks of Aqmola and Almaty regions at 0.35-4.24 % per annum (in order to implement state programs). The Ministry of Finance raised 717.5 bn tenge with an average weighted yield of 11.5000-14.6169 % per annum (at 11.50-14.75 % per annum) by placing 13 issues with a maturity of 0.9 to 15.6 years.

In term of the main categories of investors in the primary market, banks accounted for 52.6 %, brokerage and dealer organizations – for 1.9 %, other institutional investors – for 42.0 %, other legal entities – for 3.6 %, individuals – for less than 0.1 %. Non-residents did not take part in the primary GS market.

The trading volume in the secondary market increased 2.2 times, or by 210.5 bn tenge, to 391.6 bn tenge. The share of trading in the notes of the National Bank in the secondary market amounted to 31.3 %, or 122.5 bn tenge, of the total trading volume, the share of MEKAM – 66.2 %, or 259.3 bn tenge, the share of Eurobonds of the Republic of Kazakhstan – less than 0.1 %, or 0.1 bn tenge. The rest of the volume, amounting to 2.5 % (9.8 bn tenge), fell on transactions with government securities of foreign states (bonds of the US Department of the Treasury, the Sultanate of Oman and bonds of the Republic of Turkey).

In terms of the main categories of investors in the secondary market, banks accounted for 41.6 %, brokerage and dealer organizations – for 2.6 %, institutional investors – for 5.6 %, share of other legal entities – for 49.7 %, individuals – for 0.5 %. Participation of non-residents is estimated at 8.2 %.

BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFOs)

As of the end of the reporting period, there were 52 issues of bonds of four international financial organizations on KASE trading lists: 11 issues of the Asian Development Bank, 25 issues of the Eurasian Development Bank, 14 issues of the European Bank for Reconstruction and Development and two issues of the International Finance Corporation.

Over the past period, the trading volume amounted to 9.0 bn tenge, which is lower than the result in April 2023 by 60.5 %, or 13.8 bn tenge. Trades in bonds in May took place exclusively on the secondary market.

In terms of the main categories of investors in the secondary market in the reporting period, individuals accounted for 0.1 %, brokerage and dealer organizations – for 2.8 %, institutional investors – for 2.7 %, other legal entities – for 94.5 %. The share of non-residents was less than 0.1 %.

UNITS OF INVESTMENT FUNDS

As of June 1, 2023, there were 18 instruments of unit investment trust managed by six management companies and six ETFs in the "Securities of investment funds" sector.

In the reporting month, the trading volume amounted to 2.6 bn tenge having increased by 4 times relative to April 2023, or by 1.9 bn tenge.

In terms of the main categories of investors, 48.4 % are individuals, 0.7 % - broker-dealer organizations, 10.5 % - other legal entities and 40.4 % - other institutional investors. Participation of non-residents is estimated at 0.3 %.

DERIVATIVE SECURITIES

As of June 1, 2023, KASE official list contained 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 May 2023 amounted to 348.6 mln tenge having doubled (by 177.7 mln tenge) compared to April 2023.

In terms of the main categories of investors, 53.9 % fell on accounts of individuals, 19.5 % - on broker-dealer organizations, 0.8 % - on other institutional investors and 25.8 % - on other legal entities. Non-residents did not participate.

ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of June 1, 2023, there were 680.9 thousand personal sub-accounts of individuals in the Central Securities Depository. According to the results of May, individuals registered more than 1.7 thousand new personal sub-accounts.

FOREIGN CURRENCY MARKET

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

The trading volume in May in the foreign exchange market decreased by 29.7 % compared to April, or by 766.4 bn tenge, to 1.8 trln tenge. The average daily trading volume made up 90.8 bn tenge, the average daily number of deals – 488, the average volume of one deal – 186.2 mln tenge.

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 the foreign currency against the tenge).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of deals	Min. and max. rates, qty. of quoted currency per unit of base currency	Exchange rate at the end of the month (change %)
USD/KZT	3,224.55 (-6.7 %)	79.2 % (+18.7 %)	7,391 (-262)	440.50 – 453.00	447.71 (-1.2 %)
RUB/KZT	23,073.01 (+16.8 %)	7.1 % (+2.9 %)	1,735 (+791)	5.4950 – 5.9054	5.5152 (-1.4 %)
CNY/KZT	94.20 (+9.3 %)	0.3 % (+0.1 %)	110 (-45)	62.4900 – 64.6900	63.0625 (-3.6 %)
EUR/KZT	60.62 (-28.9 %)	1.6 % (-0.01 %)	218 (-38)	476.22 – 494.15	478.12 (-4.1 %)
EUR/USD	356.60 (-78.7 %)	9.5 % (-22.8 %)	272 (+65)	1.0663 – 1.1028	1.0675 (-3.0 %)
USD/CNY	89.63 (+41.1 %)	2.2 % (+1.1 %)	30 (+7)	6.9548 – 7.1235	7.1204 (+3.1 %)

MONEY MARKET

The total volume of trading in the money market in May amounted to 25.1 trln tenge, having increased by 3.9 %, or 942.8 bn tenge, relative to April.

On May 29, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to leave the key rate at 16.75 % per annum with an interest corridor of +/-1.0 percentage points. Accordingly, the rate on standing access operations to provide liquidity was 17.75 %, and on standing access operations to withdraw liquidity – 15.75 %.

The composite money market indicator 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, decreased over the month by 95 b.p. from 16.56 % to 17.51 % per annum.

REPO MARKET

The total volume of repo transactions in May amounted to 21.2 trln tenge, which is by 1.6 trln tenge, or 8.3 %, more than the volume of April. In average daily terms, the volume of transactions amounted to 1.1 trln tenge, the average daily number of transactions – 1,362, the average volume of one transaction – 779.3 mln tenge.

Auto-repo transactions with government securities amounted to 17.0 trln tenge, or 79.98 % of the volume of repo transactions, auto-repo with CS – 4.2 trln tenge, or 20.0 %, nego repo with government securities – 0.02 bn tenge, or less than 0.1 %, nego repo with CS – 3.8 bn tenge, or less than 0.1 %, auto repo with GCC – 0.1 bn tenge, or less than 0.1 %.

Based on results of May 2023, the TONIA indicator decreased by 86 b.p. from 16.73 % to 17.59 % per annum, the value of the TRION indicator – by 79 b.p. from 16.74 % to 17.53 % 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, increased by 20 b.p. from 16.46 % to 16.66 % per annum.

CURRENCY SWAP OPERATIONS

The total volume of currency swap transactions in May amounted to 3.9 trln tenge, which is by 680.3 bn tenge, or 14.7 %, lower than the volume of April. The average daily volume of transactions made up 197.2 bn tenge, the average daily number of transactions – 18, the average volume of one transaction – 14.5 bn tenge.

In the instrumental structure, 35.3 % of the total volume in the currency swap market (KZT1,393.9 bn, or USD 3,123.9 mln) fell on transactions with the one-day currency swap with the US dollar, 63.2 % of the total trading volume in the currency swap market (2,493.0 bn tenge, or 5,586.7 mln USD) fell on transactions with a two-day currency swap with the US dollar, 0.2 % of the total trading volume on the currency swap market (8.9 bn tenge, or 20.0 mln USD) accounted for transactions with a weekly currency swap with the US dollar, 0.6 % of the total trading volume in the currency swap market (22.5 bn tenge, or 50.0 mln USD) accounted for transactions with the one-month currency swap with the US dollar, 0.6 % of the total trading volume in the currency swap market (22.1 bn tenge, or 50.0 mln USD) fell on transactions with the three-month currency swap with the US dollar, 0.1 % of the total trading volume in the currency swap market (4.5 bn tenge, or 0.8 bn RUB) fell on operations with the two-day currency swap with the Russian ruble.

The yield of the one-day dollar swap SWAP-1D (USD) at the end of May was 16.68 % per annum, having increased by 249 b.p. over the month, the yield of the two-day currency swap SWAP-2D (USD) increased by 67 b.p. to 16.39 % per annum over the month.

DERIVATIVES MARKET

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

In May 2023, no deals were made in this sector. As of June 1, open positions of trading participants in the derivatives market amounted to 1 mln futures.

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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