



## PRESS RELEASE

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### **KASE presents the results of the exchange market operations in 2020**

Kazakhstan Stock Exchange JSC (KASE, or the Exchange) informs you about the main results of operations in 2020.

- The total volume of trades on KASE in 2020 amounted to KZT118 trln and decreased by 0.1 %, or KZT152.1 bn, relative to 2019.
- The volume of trades on the securities market increased by 49.0 % and amounted to KZT7.9 trln.
- By results of 2020, the value of KASE Index increased by 13.2 % to 2,675.58 points.
- Capitalization of the stock market increased by 10.6 % over the year and amounted to KZT19.1 trln.
- The volume of corporate debt traded on KASE increased by 21.2 % to KZT14.7 trln.
- In 2020, securities of 14 new issuers underwent listing: three in the equity sector, nine in the corporate bond sector (including three microfinance companies), and two in the investment funds sector.
- As of January 1, 2021, there were 477 corporate securities of 191 issuers in KASE's trading lists.
- During 2020, more than 17 thousand new individual accounts were opened in the Central Securities Depository.

### **KEY PROJECTS AND EVENTS**

As part of the implementation of KASE development strategy for 2019–2021 in 2020, the Exchange implemented the following projects and carried out the following activities:

- the Exchange commissioned a new trading and clearing system ASTS + in the foreign exchange market from November 30, 2020. Trading in all financial instruments of the foreign exchange market, including five currency pairs (USDKZT, RUBKZT, CNYKZT, EURKZT, EURUSD) with settlement terms T+0, T+1 and T+2, currency swap operations with regard to the US dollar, Russian ruble, Chinese yuan, euro with settlements in tenge and USD/KZT deliverable futures are carried out in the ASTS+.
- from August 3, 2020, KASE switched exchange trading in the stock market to the new trading and clearing system ASTS+, including all financial instruments of the stock market in the buy-sell and repo market modes. From the specified date, trading participants can use the netting of purchase-sale and repo transactions.
- the Exchange has completed the introduction of the central counterparty services in all exchange markets for all financial instruments
- KASE changed the procedure for calculating the main indicator of the money market TONIA from December 28, 2020. The introduction of a new calculation methodology was carried out in order

to create a risk-free benchmark in the money market of the Republic of Kazakhstan, based on the principles of reliability of indicators and in accordance with the best international practices.

- KASE launched a mobile application that includes a stream of market data to track the dynamics of financial instruments and key indicators and the ability to connect and work with KASE's training trading system.
- In August, KASE introduced an electronic subscription method for clients of the Exchange's information product "Web-Quotes" – viewing trades in real time on the Exchange's website.
- The share of MOEX in the capital of KASE under the strategic partnership agreement increased to 13.1%.
- Promotion and support of sustainable development principles

KASE has introduced the Exchange's Sustainable Development Policy since October 28, which has been developed in accordance with the legislation of the Republic of Kazakhstan, the terms of the UN Global Agreement and the UN Responsible Investment Principles and defines the main goals and objectives of KASE as an organization that follows the principles of sustainable development and promotes them in Kazakhstan's financial market

- as part of the UN Sustainable Stock Exchanges Initiative, KASE, together with the Structure UN Women and Young Presidents' Organization Kazakhstan (YPO Kazakhstan), held the Trading Opening Ceremony "Ring the Bell for Gender Equality" and the Conference "Sustainable Development of the Organization: Gender equality".
- during the year, events were held dedicated to the basics of interaction with investors and disclosure of information on the criteria of environmental friendliness, social responsibility and corporate governance, the possibilities of promoting this information in Bloomberg, as well as its presentation in annual and other non-financial reports were highlighted.
- Educational activities

Throughout the year, the Exchange conducted training events for entrepreneurs and the public in order to improve financial literacy. The events were held jointly with the National Chamber of Entrepreneurs "Atameken", the Entrepreneurship Development Fund "Damu", the International Finance Corporation (IFC), Kazpost JSC, Nazarbayev University, KIMEP University and Satbayev University, Kazakh-British Technical University (KBTU) and KAZGLU University.

In order to raise awareness of operations of KASE's exchange market, as well as of the possibilities of raising capital in the Kazakh stock market, the Exchange launched a training program "Stock Market with KASE" and a news program "Exchange News from KASE" on the radio "Business FM".

KASE jointly with the training project Fingramota.kz of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market (ARDFM) and in partnership with the resource Factcheck.kz and the Media School of ICJ "MediaNet" on August 5, 2020 held an online seminar "Stock Market: Competent Media Coverage" for media representatives. More than 40 journalists from all regions of the country took part in the event.

KASE conducted a comprehensive training program for university students "Trading on KASE: from A to Z", consisting of a series of webinars and a practical block, in the form of the competition "Exchange Simulator", in which 1,147 students from 40 universities took part. The project "Exchange Simulator" has been implemented since 2008. In 12 years, more than 8.5 thousand students from 80 universities of Kazakhstan, as well as countries of near and far abroad took part in it.

In the period from October 20 to November 30, 2020, a KASE Competition was held among retail investors in the stock market. The opening competition took place as part of the International Investor Week. This year, 634 investors took part, who concluded more than 3,561 deals for the amount of 150 million tenge.

KASE jointly with NGDEM Finance JSC held an online meeting with investors on November 18, 2020 about securities of investment funds (ETF) traded on KASE.

As part of introducing employees of Kazakh companies to the role, significance and international practices of building the Investor Relations (IR) system within the company, the Exchange held an online seminar on November 9, 2020 on the topic "Interaction with Investors in the New Reality".

Open lectures were held as part of the project "KASE Talks" with the participation of Lyazzat Ibragimova, Kairat Mazhibayev, Dmitry Zabello.

– Events for businesses

As part of KASE's project "Issuer Day", meetings were held with investors and professional market participants for Kazakhtelecom JSC, Kcell JSC, KEGOC JSC and Kazakhstan Mortgage Company JSC.

On KASE platform, the Road Shows of Development Bank of Kazakhstan JSC (DBK) was held as part of the offering of Eurobonds denominated in tenge, of the Sovereign Wealth Fund "Samruk-Kazyna" JSC as part of the issue of unsecured coupon bonds and of the Entrepreneurship Development Fund "DAMU" JSC on the possibilities of raising funds through the issue of KASE subsidized bonds.

The Exchange held a round table in Taraz on February 18, 2020, together with the Akimdik of Zhambyl region, dedicated to the possibilities of raising funds in the Kazakh stock market.

KASE held a briefing on January 29, 2020, together with Tengri Partners, dedicated to the introduction of the Purchasing Managers' Index (PMI) for the first time in Kazakhstan.

On October 26, 2020, the Exchange, in association with Tau-Ken Samruk JSC, held an online meeting with representatives of mining companies on the topic of raising capital on the Exchange.

As part of the development of "KASE Startup", the Exchange, together with QazTech Ventures, held an online meeting on October 20, 2020 on obtaining support for Kazakh start-up projects from a Singapore fund for anyone.

– International cooperation

KASE took part in an online meeting to discuss growth opportunities for exchange markets, organized by the Shanghai Stock Exchange (SSE) and the Shanghai International Center for Communication and Cooperation between Exchanges (SICCCE). The meeting was attended by representatives of 16 stock exchanges.

KASE held a regional online conference "Capital Markets of Central Asia and Azerbaijan: Challenges and Prospects" with the participation of six exchanges from five countries of the region.

With the support of KASE, the IV Cbonds round table "Debt market of the Republic of Kazakhstan" was held, during which issues of raising debt capital and the potential of the investor base, as well as the impact of global factors on the regional market and its indicators were discussed.

## EQUITY MARKET

Since the beginning of the year, capitalization of the stock market has grown by 10.6 %, or KZT 1.8 trln, and amounted to KZT19.1 trln (USD45.3 bn). The change in the indicator took place due to a significant increase in prices of shares of some titles.

At the end of 2020, the Exchange's trading lists included shares of 142 titles of 126 issuers, including in the sector of unlisted securities – shares of five titles of five companies.

Over the past period, shares of three titles of three new issuers (which were not KASE-listed issuers before) were included in KASE official list: IC "Sinoasia B&R" JSC, Tengri Partners Investment Banking (Kazakhstan) JSC and Akzhal Gold JSC Resources; shares of three titles of three companies were admitted to circulation on in the non-listing sector.

Since the beginning of the year, common shares of five titles (four titles from the official list) have been excluded from the Exchange's trading list: Ferro-Alloy Resources Limited, Temirtau Electrometallurgical Plant JSC – at the request of their issuers, Insurance Company "Standard" JSC – due to cancellation of the issue, Tengri Bank JSC – due to the forced liquidation procedure initiated by the Agency of the Republic of Kazakhstan for Regulation and Development, CHINATOWN JSC – from the "non-listed securities" sector due to the absence of deals within 90 days.

The volume of trading in shares in 2020 relative to 2019 increased by 17.1% or KZT34.8 bn to KZT238.4 bn. The average daily volume of trades amounted to KZT969.1 mln, the average daily number of deals – 795, the average volume of one deal – KZT1.2 mln.

The volume of trades on the primary market is estimated at KZT3.5 bn. BAST JSC during 2020 placed 249,636 common shares in KASE's trading system for the amount of KZT3.4 bn. The price per share ranged from KZT12,000 to KZT28,000 per share. In addition, Insurance Company "Sinoasia B&R" JSC has placed 8,500 of its common shares through subscription at KZT16,200 per share for the amount of KZT137.7 mln.

In terms of investor categories, 84.7% of the trading volume fell on legal entities, 11.4% – on individuals and 3.9% – on second-tier banks (STB).

The volume of trades in the secondary stock market increased by 15.4 %, or KZT31.3 bn, and amounted to KZT234.9 bn.

In terms of the main categories of investors in the secondary market, the most active are still individuals, whose accounts accounted for 53.8 % of the gross turnover of trading in shares. The participation of second-tier banks (STB) is estimated at 0.6 %, brokers-dealers – at 15.3 %, other institutional investors accounted for 6.1 %, and the share of other legal entities was 24.1 %. The participation of non-residents is estimated at 10 %.

## KASE INDEX

Since the beginning of the year, KASE Index has grown by 13.2 % to 2,675.58 points. The total trading volume of index shares at the end of 2020 amounted to KZT150.4 bn, increasing by 39% compared with 2019.

On December 30, KASE index closed at the maximum value of 2020 – 2,678.37 points (maximum since June 27, 2008). KASE Index reached its annual minimum on March 16 – 2,055.72 points (-13% since the beginning of the year), the recovery of KASE Index from the specified minimum in 2020 to the end of December was 30.2 %.

### Changes in share prices on the latest deals included in KASE Index universe

Issuer	Ticker	Price per share, KZT		Price change since the beginning of the year
		as of 01.01.2021	as of 01.01.2020	
Kazatomprom JSC	KZAP	7,150.00	5,218.00	+37.0%
KAZ Minerals PLC	GB_KZMS	3,502.00	2,630.02	+33.2%
Kcell JSC	KCEL	2,760.00	2,330.00	+18.5%
KEGOC JSC	KEGC	1,697.00	1,624.00	+4.5%
Kazakhtelecom JSC	KZTK	26,700.00	27,100.00	-1.5%
Bank CenterCredit JSC	CCBN	215.64	226.10	-4.6%
Halyk Savings Bank of Kazakhstan JSC	HSBK	123.99	131.00	-5.4%
KazTransOil JSC	KZTO	970.00	1,035.90	-6.4%

Based on results of 2020, the growth leader among the shares of KASE Index basket were the common shares of National Atomic Company "Kazatomprom" JSC, which increased in price by 37 % to KZT7,150 per share since the beginning of the year. On the last trading day of 2020, December 31, shares of the company closed at KZT7,150 per share, which is the highest value of the price for the entire period of trading in the securities of the nuclear company on Kazakhstan Stock Exchange. The collapse of global stock indices and prices of commodity assets amid the beginning of the coronavirus pandemic did not bypass the shares of NAC Kazatomprom JSC, which on March 10 sank to the level of KZT4,707.01 a piece (-9.8 % by the beginning of 2020). From this mark, the company's shares began

to show an upward trend throughout the year amid rising spot prices for uranium that reached \$29.60 per pound on April 9 (UxC Broker Average Price) – which was the highest figure since March 2016. The reasons for the uranium price increase were disruptions in supply chains and the closure of large North American mines with continuing demand on the market. At the annual general meeting of shareholders held on May 18, the shareholders of the national nuclear company decided to allocate 46.3% of the net income for 2019, or KZT99 bn for dividend payments (KZT381.72 per share or GDR, increasing the amount of payments by 20% compared with the previous year), thereby maintaining adherence to its dividend policy when doing an IPO on payment of dividends in the total amount of at least 200 million US dollars in tenge equivalent.

According to the latest reported operating results of NAC Kazatomprom JSC for the third quarter and nine months of 2020, there is a decrease in uranium production and an increase in sales YoY. The volume of uranium production in January-September of this year decreased by 10.6 %, up to 15,091 thousand tons. Meanwhile, the volume of sales of NAC Kazatomprom JSC and its subsidiaries for nine months of 2020 increased by 23.2 % compared with the same period last year, to 9,857 thousand tons, the average selling price of a pound of uranium concentrate increased by 7.2 %. Net income of NAC Kazatomprom JSC in accordance with IFRS following the results of nine months increased by 10.3 % and amounted to KZT156.6 bn. The company's revenue increased by 35.6 % to KZT356.8 bn, YoY.

The second-best result was shown by common shares of KAZ Minerals PLC, which gained 33.2 % over the year. A significant part of the rise in share prices occurred in the period from the end of October to December, when the price rose by 15.2 % after the news about the wish of the two largest co-owners of the company to buy out minority stakes. At the same time, the main driver behind the growth of KAZ Minerals PLC shares was the dynamics of copper prices on the world market. The price of copper increased from the minimum in March of the year under review by more than 60 % by the end of the year.

For Kcell JSC, 2020 passed without major shocks. The growth of the company's common shares since the beginning of the year made 18.5%. The peak of the value of Kcell JSC shares fell on December 30, when the price reached KZT2,780, which is 22.4 % higher than the minimum value of 2020 (February 28). During the analyzed period, Fitch Ratings raised the long-term issuer default rating of Kcell JSC from BB to BB+, the outlook is Stable. The agency's analysts identified three reasons for the company's rating growth: the insignificant impact of the pandemic on revenues from roaming services, moderate leverage and the consolidation of the local mobile communication market. The agency concluded that Kcell JSC served about 32% of mobile subscribers at the end of 2019, and the potential joint use of the telecommunications infrastructure of the parent company, Kazakhtelecom JSC, could provide a faster and more efficient deployment of fifth generation (5G) networks.

On May 28, the annual general meeting of shareholders of Kcell JSC was held, at which the shareholders of the Kazakh mobile operator decided to allocate KZT9 bn (KZT45 per share or GDR) to pay dividends for 2019, thereby increasing dividend payments 1.5 times compared with payments for 2018.

According to the latest submitted financial statements, a representative of the telecommunications industry, Kcell JSC, increased its net income under IFRS in January-September 3.6 times – to KZT17.7 bn. The company's operating profit, excluding one-off expenses, increased by 18.3 % and amounted to KZT29.6 bn. Revenue increased by 9.9 % to KZT125.5 bn. Revenue from services in January-September 2020 increased by 1 %. Net financing costs decreased by 9.4 %.

## CORPORATE BONDS

Based on results of 2020, the volume of corporate debt traded on KASE increased by 21.2 %, or KZT2.6 trln, to KZT14.7 trln (USD34.9 bn).

As of January 1, 2021, there were 281 issues of corporate bonds of 73 issuers in KASE trading lists. In 2020, 62 bond issues of 26 issuers were included in KASE official list, of which nine are new issuers, including the first three microfinance companies on KASE.

KASE\_BMY Index (yield index of corporate bonds of the main market) has decreased by 8 b.p. since the beginning of the year to 10.76 % per annum.

The total volume of the corporate bond market on KASE in 2020 amounted to KZT2.7 trln, having decreased by 0.9 %, or by KZT24.4 bn, on 2019. A decrease by 40.7 % was seen in the secondary

market, while in the primary market the volume increased by 14.6 % 1. The average daily trading volume amounted to KZT10.9 bn (in the secondary market – KZT1.8 bn), the average daily number of deals – 13 (in the secondary market – 9), the average volume of one deal – KZT840.2 mln (in the secondary market – KZT208.2 mln).

In total, 50 bond issues of 17 issuers were placed on KASE (in 2019 – 42 bond issues of 27 issuers). The total volume of funds raised reached KZT2.2 trln, increasing by 14.6 %, or KZT285.7 bn.

- Kazakhstan Sustainability Fund JSC (legal successor of Baspana Mortgage Organization JSC) raised KZT 574.9 bn by placing 11 bond issues with an average weighted yield of 10.70–11.25% per annum;
- KazAgroFinance JSC raised KZT33.2 bn by placing two issues of bonds at 12.7 % and 13 % per annum;
- Wholesale and retail trade venture JSC raised KZT4.0 bn, having placed two bond issues with an average weighted yield of 10.49–10.50% per annum;
- TechnoLeasing LLP raised KZT1.8 bn on KASE by placing two issues of bonds with an average weighted yield of 16.50–17.39% per annum;
- SevKazEnergo JSC raised KZT5 bn by placing a bond issue at 13.75 % per annum;
- JSC "First Heartland Jysan Bank" raised KZT115 bn by placing two issues of bonds at 0.1 % and 9 % per annum;
- National Wealth Fund Samruk-Kazyna JSC raised KZT258.4 bn by placing five bond issues at 10.9 % and 12.5 % per annum;
- Agrarian Credit Corporation JSC raised KZT76.2 bn by placing five bond issues with an average weighted yield of 5–10.75 % per annum;
- Nurbank JSC raised KZT46.8 bn by placing an issue of bonds with a yield to maturity of 4 % per annum;
- KEGOC JSC raised KZT9 bn by placing a bond issue with a yield to maturity of 12% per annum;
- Development Bank of Kazakhstan JSC raised KZT180.6 bn, having placed five bond issues with yield to maturity of 0.15–11.80% per annum;
- Mortgage Organization "Kazakhstan Mortgage Company" JSC (legal successor of Baiterek Development JSC) raised KZT700.5 bn, placing six issues of bonds at 0.10 % and 6.02 % per annum;
- Microfinance Organization OnlineKazFinance LLP raised KZT3.3 bn by placing a bond issue at 19 % per annum;
- KazTransGas Aimak JSC raised KZT5.7 bn by placing a bond issue at 7.5 % per annum;
- SevKazEnergo JSC raised KZT5 bn by placing a bond issue at 13.75 % per annum;
- National Managing Holding "Baiterek" JSC raised KZT150 bn by placing three bond issues at 11.3 % per annum;
- Industrial Development Fund JSC raised KZT50 bn by placing a bond issue at 11.8 % per annum;
- Bank RBK JSC raised KZT25 bn by placing a bond issue with an average weighted yield of 10.85 % per annum.

In terms of the main categories of investors in the primary corporate bond market, STBs account for 15.9 %, brokers and dealers – for 4.1 %, other institutional investors – for 32.3 %, other legal entities account for 47.5 %, individuals – for 0.1%. The share of non-residents was 2.3 %.

The volume of trades in the secondary corporate bond market decreased by 40.7 %, or KZT310.1 bn, to KZT451.8 bn in the period under review.

In terms of the main categories of investors in the secondary corporate bond market, STB accounts accounted for 8.6 %, those of brokers and dealers – for 22.1 %, those of other institutional investors – for 21.9 %, accounts of other legal entities – for 41.4 %. The share of individuals in this market segment was 6.0 %. The participation of non-residents is estimated at 20.4 %.

## GOVERNMENT SECURITIES

The amount of government debt traded on KASE amounted to KZT16.7 trln at par (USD39.8 bn), having increased by KZT3.7 trln, or 28.9 %, since the beginning of the year.

In the year under review, the government securities sector was supplemented with Eurobond four issues of the Ministry of Finance of the Republic of Kazakhstan: one issue was issued in euros and three issues in Russian rubles. In addition, 23 issues of foreign government securities are included in the Exchange's list: 17 issues of international bonds of the Ministry of Finance of the Russian Federation, five issues of international bonds of the US Department of Treasury and an issue of the Ministry of Finance of Ukraine.

The volume of trades in government securities on KASE amounted to KZT4.7 trln, increasing 2.6 times, or by KZT2.8 trln, on 2019. The average daily trading volume amounted to KZT18.9 bn (in the secondary market – KZT3.7 bn), the average daily number of deals – 8 (in the secondary market – 4 deals transactions), the average volume of one deal – KZT2.5 bn (in the secondary market – KZT860 mln).

In 2020, the volume of the primary market reached KZT3.7 trln, which is 2.6 times or by KZT2.3 trln, higher than the results of 2019. Of these, KZT963.2 bn at 0.35 % – 6.09 % were raised by akimdiqs of 14 regions, cities of Nur-Sultan, Almaty and Shymkent as part of the implementation of state and government programs, which is 8.8 times, or by KZT854.3 bn, higher than last year's figure. The volume of borrowing by the Ministry of Finance on KASE's trading floor amounted to KZT2.8 trln. This indicator is 2.1 times higher (107.1%), or by KZT1.4 trln, than the indicator of 2019. The weighted average yield on offerings of the Ministry of Finance varied in the range of 9.48–11.07 % per annum (at 9.47–12 % per annum).

In terms of the main investor categories in the primary market, STBs accounted for 21.1 %, brokerage and dealer organizations – for 0.5 %, other institutional investors – for 52 %, the share of other legal entities was 26.4 %, that of individuals – less than 0.1 %. The participation of non-residents was just over 1 %.

The volume of trades in the secondary market increased 2.4 times, or by KZT539.7 bn, to the level of KZT916.8 bn. The share of trades in notes of the National Bank in the secondary market amounted to 50.5 % of the total turnover of trades against 89% in 2019, the share of trades in bonds of the Ministry of Finance of Kazakhstan – 49.5 % versus 4.9 % last year. The share of trades in government securities of foreign issuers remains insignificant – less than 0.1 % (in 2019 – 0.2 %).

In terms of the main investor categories in the secondary market, STBs accounted for 34.7 %, brokers and dealers – for 2.7 %, other institutional investors – for 46.1 %, the share of other legal entities was 16.4 %, the share of individuals was 0.1 %. The participation of non-residents is estimated at 9.7.

## IFI BONDS

As of the end of the reporting period, there were 34 bond issues of four international financial institutions in KASE's trading lists: Asian Development Bank, Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation (IFC).

Since the beginning of 2020, the official list has been supplemented with eight bond issues of four issuers: two issues of Asian Development Bank, two issues of Eurasian Development Bank, three issues of European Bank for Reconstruction and Development, and one issue of IFC.

Over the past period, the trading volume amounted to KZT274.2 bn, which is by 49.2 %, or KZT266 bn, less than the result of 2019.

In the reporting period, the volume of trades in the primary market amounted to KZT267 bn, which is by 50%, or KZT267.1 bn, lower than the trading amount of last year:

- IFC raised KZT13 bn through subscription by placing its two-year international bonds at 11 % per annum;
- European Bank for Reconstruction and Development raised KZT200 bn through subscription, placing four-, eight- and nine-year international bonds with a margin of 1% to the semi-annual coupon;

- Asian Development Bank raised KZT14 bn on KASE through a subscription, placing two issues of two-year "green" international bonds at 10.10 % and 10.12 % per annum;
- Eurasian Development Bank raised KZT40 bn by placing two-year bonds KZ2D00006939 (EABRb12) at 11 % per annum.

In terms of the main investor categories in the primary market, the share of STBs accounted for 11.2 %, the share of other institutional investors – for 84.2 %, the share of other legal entities made 4.5 %.

The volume of trades in the secondary market amounted to KZT7.2 bn, which is by 17.7 %, or KZT1.1 bn, higher than the indicator of 2019.

In terms of the main investor categories in the secondary market, STBs accounted for 14.8 %, brokers and dealers – for 16.5 %, other institutional investors – for 23.7 %, the share of other legal entities amounted to 44.8 %, the share of individuals made 0.1 %. The participation of non-residents is estimated at 30.7 %.

### UNITS OF INVESTMENT FUNDS

At the end of the period under review, there were 16 instruments in the sector "securities of investment funds" managed by 10 companies.

During 2020, 4 issues of shares and one ETF were included in KASE official list:

- shares of IUIT "Global Leaders", IUIT "Regional Leaders", IUIT "Sovereign" and CUIT "Primary Offerings Fund";
- units PDR Gold Shares, issued by the investment fund SPDR Gold Trust.

Over the past period, the trading volume amounted to KZT20.3 bn, which is 22 times, or by KZT19.4 bn, higher than the result of 2019. The increase in trading volume was due to the expansion of the instrumental range of this sector and the activation of trading participants, in particular, in early September, special trading sessions were held to sell units RU000A101NK4 (RU\_UKFFipo) of the closed unit investment trust of market financial instruments "Primary Offerings Fund". A total of 490,000 specified units were sold for the amount of USD10.4 million (equivalent to KZT4,355.1 mln) at a price of USD21.2 per unit. The deals were settled in US dollars.

#### Parameters of the amount of trading in securities of investment funds in 2020

Instrument	Volume, mln KZT	Number of deals
RU_UKFFipo	15,353.20	2,937
FFIN_or	1,089.51	133
CSECfe	1,023.48	65
IE_FXBF	516.42	503
US_BIL_	447.97	46
FHJlpc	440.59	3
FHJllq	434.90	3
CSECgm	319.63	63
FHJlds	227.80	2
FHJlhm	219.30	2
US_SPY_	211.48	663
ASYL_or	20.73	5
	<b>20,305.0</b>	<b>4,425</b>



In terms of the main investor categories, 53.4 % falls on individuals, 28.9 % – on brokers and dealers, 16.9 % – on other legal entities, 0.8 % – on other institutional investors.

### Individual accounts on the securities market

As of January 1, 2021, the Central Securities Depository maintained 132,861 personal accounts opened for individuals, which is by 15,166 more than at the beginning of 2020. At the same time, over 17 thousand accounts were opened during the year.

### FOREIGN CURRENCY MARKET

32 KASE members took part in the trades on KASE's foreign currency market.

In 2020, the volume of trades in the foreign exchange market reached KZT11.6 trln, which is up by 4.1 %, or KZT461.9 bn, YoY. The average daily trading volume amounted to KZT47.2 bn, the average daily number of deals – 397, the average volume of one deal – KZT118.9 mln.

The following table shows the main characteristics of currency pairs traded on KASE (the change in the indicator to the same period of the last year is indicated in brackets, the change in the rate reflects the nominal change in the weighted average exchange rate of foreign currency to KZT).

The table below provides main characteristics of currency pairs traded on KASE (in the brackets: the change of the indicator YoY, the exchange rate change reflects the nominal change of the weighted average market exchange rate of the foreign currency against the tenge).

#### Change in parameters of trading in currency pairs on KASE market

Pair	Amount, mln currency units	Weight in the trading amount, %	Number of deals	Min. and max. rates, qnty. of the quoted currency per base currency unit	Rate at the end of period (chg.%)
USD/KZT	27,615.7 (-4.2 %)	98.3 % (-0.7 %)	95,336 (+22.8 %)	375.94 – 448.52	420.91 (+10.0 %)
RUB/KZT	17,873.0 (+55.6 %)	0.9 % (+0.2 %)	1,241 (+23.2 %)	5.3929 – 6.2032	5.6860 (-8.2 %)
CNY/KZT	1,327.8 (x 4.1)	0.7 % (+0.5 %)	814 (+15.1 %)	53.4087 – 65.7131	64.7046 (+17.8 %)
EUR/KZT	34.5 (-43.1 %)	0.1 % (-0.1 %)	196 (-34.0 %)	406.00 – 511.30	511.27 (+19.4 %)
EUR/USD	2.20 X	<0.1 % X	6 X	1.0800 – 1.1005	1.0800 (-1.9 %)

### MONEY MARKET

The total volume of trades in the money market amounted to KZT98.5 trln, having decreased by 3.2 %, or by KZT3.2 trln, relative to last year's indicator.

From November 30, 2020, the calculation of the indicators of the interbank deposits market KAZPRIME, KIBOR, KIBID and KIMEAN has been discontinued, due to the insufficient initial parameters for the calculation of quotations of the participating banks.

Since December 28, as part of reforming the money market indicators, KASE has introduced a new methodology for calculating the TONIA indicator as the main indicator of the money market.

### Repo transactions market

The total volume of repo transactions in 2020 amounted to KZT88.6 trln, which is by KZT15.9 trln, or 21.8 %, more than the volume of 2019. A significant part of repo transactions, more than 82.9%, were auto repo transactions with GS, auto repo with CS – 17 %, nego CS repo – 0.08 %. The average daily volume of deals amounted to KZT360 bn, the average daily number of daily concluded deals – 431, the average volume of one deal – KZT835.2 mln.

Based on results of 2020, the TONIA indicator decreased by 180 b.p. from 10.05 % to 8.25 % per annum. The TWINA indicator dropped by 131 b.p. from 10.01 % to 8.6 % per annum.

### Currency swap transactions

The total volume of currency swaps decreased by KZT19.1 trln, or by 65.7%, to KZT9.9 trln from KZT29 trln in 2019. The average daily volume of deals in 2020 amounted to KZT40.4 bn, the average daily number of deals – 15, the average volume of one deal – KZT2.8 bn.

In the instrumental structure, 48.0 % of the total volume on the currency swap market fell on deals with the one-day currency swap (USDKZT\_0\_001), 49.4 % of the total trading volume on the currency swap market fell on deals with the two-day currency swap (USDKZT\_0\_002), 0.4 % of the total trading volume – on the one-week currency swap deals (USDKZT\_01W), 2.1% of the total trading volume – on the one-month currency swap deals (USDKZT\_01M), less than 0.1% of the total trading volume – on the one-day currency swap deals (EURKZT\_0\_001).

## DERIVATIVES MARKET

Currently, futures are available in the exchange market sector, the underlying assets of which are the US dollar, KASE index and particular shares. In 2020, one deal in the one-week currency futures was concluded in the amount of KZT405 th., the final settlement price of the futures was KZT402.81 per US dollar.

By the beginning of January 2021, 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 sixth rank 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 institutions, 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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