

KASE WEEKLY

15 – 19 October,
2018

KASE NEWS

- ▲ ANNOUNCEMENT: KASE to [hold](#) a competition among retail investors of the stock market from November 1 to December 14, 2018.
- ▲ Online project "KASE: History in Persons": interviews with Vladislav Lee and Sholpan Ainabayeva have been [published](#).
- ▲ KASE [held](#) a press conference on the results of Q3 and nine months of 2018.

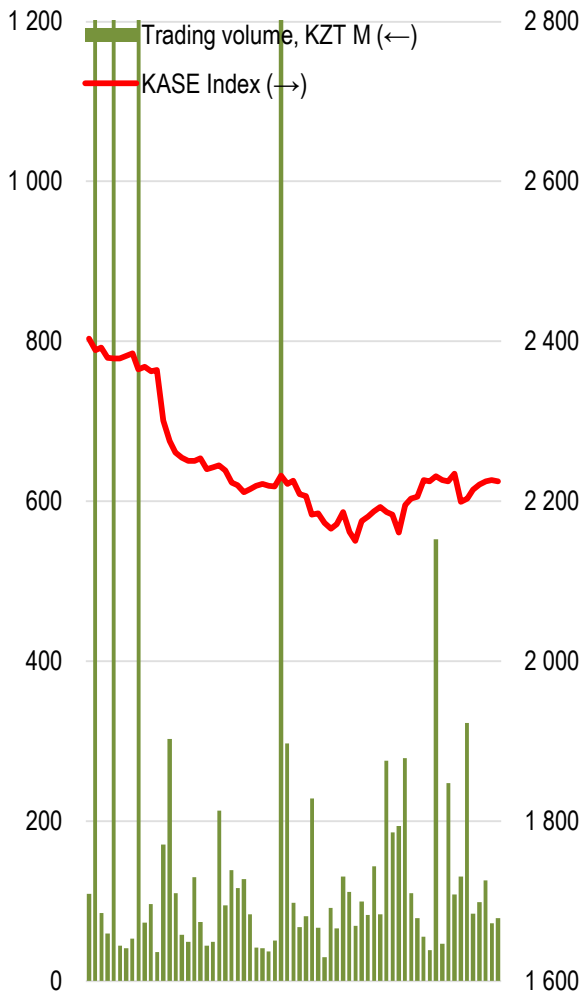
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ KazMunayGas Exploration Production [bought](#) back 194,697 own preferred shares (RDGZp) at KZT12,800 per share.
- ▲ Special trading session for buyback of preferred shares (RDGZp) of KazMunayGas Exploration Production to be [held](#) from October 17 to November 1 on KASE.
- ▲ Eurasian Bank [raised](#) KZT19.7 bn on October 17 on KASE by placing two-year bonds (EUBNb16) with a yield to maturity of 12.00% APR.
- ▲ Kaspi.kz [bought](#) back 3 mln ordinary shares (KSPI) at the price of KZT4,750.00 per share on KASE on October 18.
- ▲ TNC Kazchrome [intends](#) to offer 92,910,896 ordinary shares (KZCR) and 9,783,436 preferred shares (KZCRp) taking into account the exercising of the preemptive purchase right by shareholders.
- ▲ Kcell [reported](#) financial results for January-September 2018.
- ▲ KazTransOil [reported](#) operating results for nine months of 2018.
- ▲ Tsesnabank shareholders [elected](#) members of the Board of Directors and decided to increase the number of authorized ordinary shares (TSBN) by 418.0 million pieces.
- ▲ BCC Invest – subsidiary of Bank CenterCredit to [act](#) as market maker for Bank CenterCredit's bonds (CCBNb26) on KASE as of October 23.
- ▲ KazTransOil [announced](#) receiving permit to carry out activities.
- ▲ Halyk Savings Bank of Kazakhstan [says](#) Kazkommertsbank's license for conducting banking and other transactions and activities on securities market invalidated following voluntary request.



KASE Index closes week in the green zone. The index grew by almost 1% (0.97%) and stopped at 2,224.88 points.

KASE Index shares



19.10.2018

		Trends (%)	
		1,0	2,3
KASE Index	2 224,9		
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
Bank VTB (Russia)	0,2	4,8	0,0
Halyk Bank	107,0	4,5	10,7
KEGOC	1 544,0	4,0	4,8
Sberbank (Russia)	1 050,7	2,9	3,4
KazTransOil	1 331,9	1,7	3,6
Kazakhtelecom (pref.)	12 600,0	0,8	-1,9
Kcell	1 688,7	0,0	2,8
Kazakhtelecom	29 000,0	-0,0	-5,8
KazMunayGas EP (pref.)	12 600,0	-1,6	-0,7
CenterCredit Bank	250,2	-1,9	-0,4
BAST	39 500,0	-3,5	-8,1
Bank of America	10 333,3	-3,9	-4,6
KAZ Minerals	2 395,0	-4,7	-2,6
Gazprom (Russia)	882,6	-5,5	6,8
Aeroflot (Russia)	541,0	-6,2	-8,6

Note: Index stocks are highlighted in green

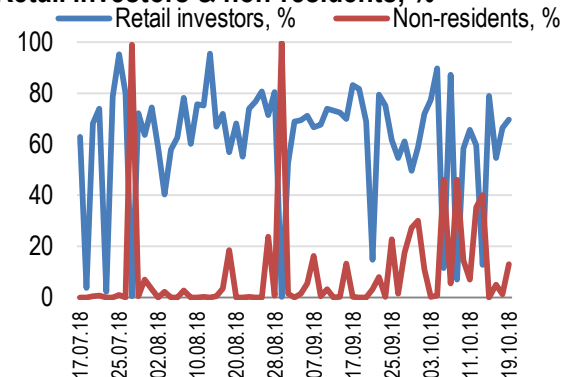
Equity instruments of Halyk Bank have outperformed the market; their price increased by 4.48% over the week. The increase in the shares prices was accompanied by an increase in the volume of transactions.

KEGOC's equity instruments grew by 3.97% to KZT1.544 over the week. It seems that the company's shares reacted to the news that KEGOC plans to pay its shareholders quite high dividends. In particular, the Board of Directors proposes to the general meeting of shareholders to pay 80% of the company's net income for the first half of 2018 (KZT20.9 bn). Thus, the amount of the dividend per ordinary share will be KZT80.53.

The most fall was seen on Kaz Minerals stocks that adjusted by 4.66% to KZT2,395.04.

Financial statements of Kcell were published on Friday. For instance, the mobile operator's net profit in January-September 2018 increased by 10.3% and amounted to KZT9.38 bn. Revenue grew by 2.2%, income from services decreased by 2.8%. Kcell stock price has not changed over the week, transactions on Friday were made at the price of KZT1,688.70 per share.

Retail investors & non-residents, %

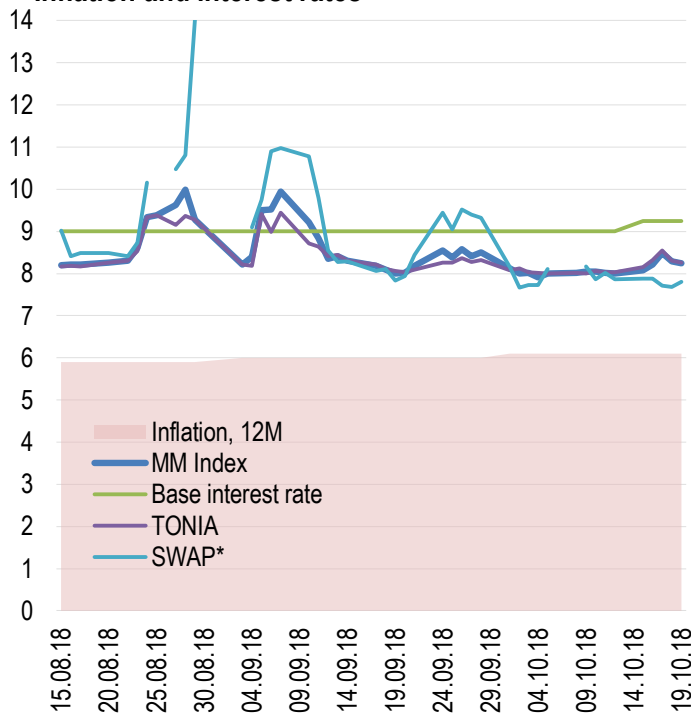




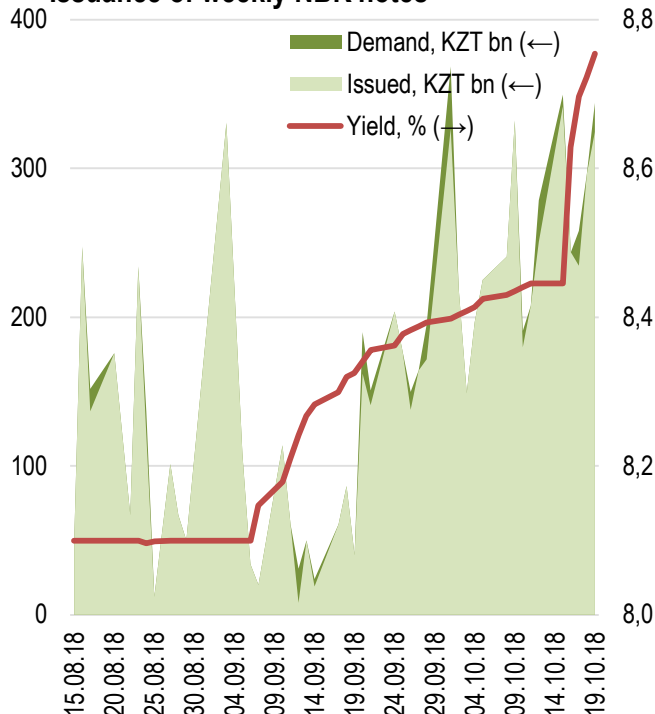
The yield on one-day repo transactions with government securities increased 23 b.p. to 8.26% APR amid the increase of the base rate by the National Bank. The yield on one-day currency swaps increased by 13 b.p. to 7.85% APR over the week.

Short-term notes auctions of the National Bank will be settled based on T+2 system as of October 15, 2018. Thus, this week the regulator has placed not the usual seven issues of notes but ten over-the-counter. The fact of the matter is that the weekly notes at the beginning of the week were simultaneously offered according to T+0 and T+2 settlement scheme. In addition to weekly notes, instruments with maturity of 28, 91 days and one-year were placed. The National Bank has placed notes for the amount of KZT1,792.3 bn over the week. The total demand for the notes exceeded the supply by 4%. Because of the increase in the base rate to 25 b.p. on Monday, the yield on the notes was in quite a wide range from 8.45 to 8.75% APR.

Inflation and interest rates

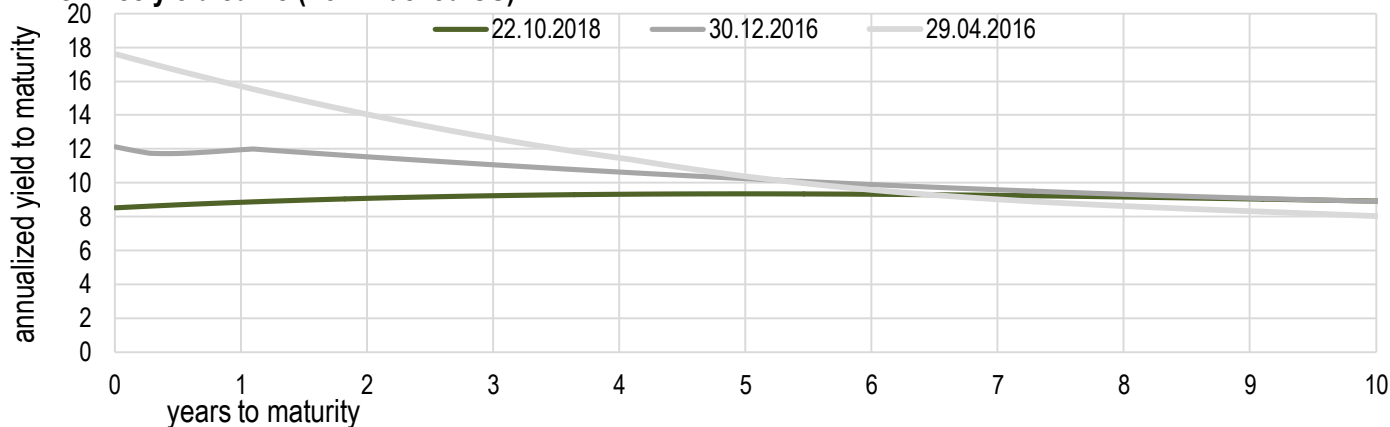


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average US dollar rate decreased by 3,60 to KZT366.43 and the total trading volume amounted to USD547.1 mln.

The first half of the week was favourable for the national currency. The increase in the ruble and the base rate by 25 b.p. by the National Bank of the Republic of Kazakhstan contributed to the strengthening of the tenge. On Thursday and Friday the tenge retreated from its previously gained positions, which was due to the global strengthening of the dollar against the world's currencies, which occurred after the publication of the FED meetings minutes. Oil prices that adjusted after publication of industry data from U.S. also had some pressure.

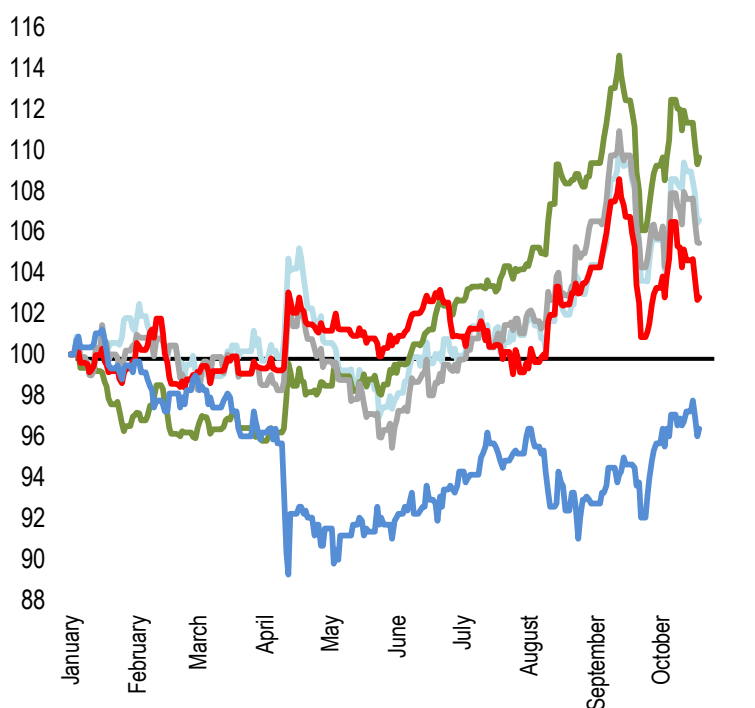
The Russian currency fell by KZT0.0342 to KZT5.5747 over the week. Total trading volume for the week reached RUB276.3 mln.

For the euro the week closed with the weakening by KZT8.85 to KZT420.50.

The exchange rate of yuan with settlements T+0 was down KZT0.6584 having fixed at KZT52.92 at the total trading volume of transactions of CNY3.0 mln over the week.

FX rates

Δ %, base (01.01.17)



	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	478,17	-2,6	-1,4	+6,6
— USDKZT	364,35	-2,1	-1,4	+9,6
— EURKZT	419,95	-2,3	-2,6	+5,5
— CNYKZT	52,52	-2,2	-2,4	+2,8
— RUBKZT	5,56	-0,4	+2,0	-3,6

— GBPKZT

— USDKZT

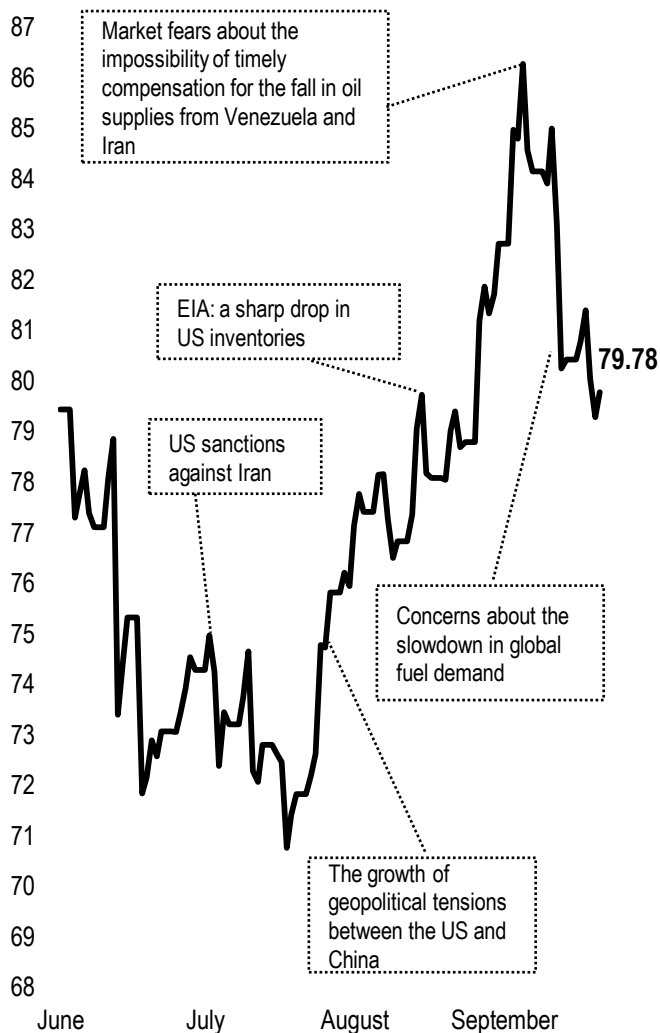
— EURKZT

— CNYKZT

— RUBKZT

Brent oil

USD/barrel



June







July

August

September

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	2 767,78	0,0	-4,8	8,0	0,0
Dow Jones	25 444,34	0,4	-3,6	9,8	0,4
 RTS	1 126,97	-1,3	-0,6	-1,0	-1,7
MICEX	2 285,53	0,0	0,0	10,3	-1,7
 Hang Seng	25 561,40	-0,9	-6,7	-9,2	-0,9
SS CSI 300	3 134,95	-1,1	-5,4	-20,3	-1,0
 Euro Stoxx 50	3 210,82	0,5	-4,7	-10,9	0,6
FTSEuroFirst	3 966,00	0,8	-3,9	-7,7	0,7
 FTSE 100	7 049,80	0,8	-3,8	-6,3	0,8
 KASE	2 224,88	1,0	2,3	9,7	

Commodities market

19.10.2018

Name	Price	Trend %	
		7d	1m
Oil	79,78	-0,8	0,5
	69,12	-3,1	-2,8
Natural gas	3,25	2,8	11,8
Copper	277,80	-0,8	2,5
Iron	525,00	0,0	2,8
Gold	1 226,49	0,8	1,9
Silver	14,65	0,1	3,2
Wheat	514,75	-0,5	-1,5

Economic calendar

		Currency	Forecast	Previous
24.10	New Home Sales (Sep)	USD	630K	629K
24.10	Crude Oil Inventories	USD		6.490M
25.10	Deposit Facility Rate	EUR	-0.40%	-0.40%
25.10	ECB Interest Rate Decision (Oct)	EUR	0.00%	0.00%
25.10	ECB Press Conference	EUR		
26.10	Interest Rate Decision (Oct)	RUB	7.50%	7.50%
26.10	GDP (QoQ) (Q3)	USD	3.3%	4.2%

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	Beginning 2017
Annual inflation	6,1 %	01.10.18	7,1 %
Gross international reserves of NBK, USD bn	30 028	01.10.18	30 745
Reserve money, KZT bn	6 183,7	01.10.18	5 538,7
Money supply, KZT bn	19 780,0	01.09.18	19 456,0

Kazakhstan credit ratings

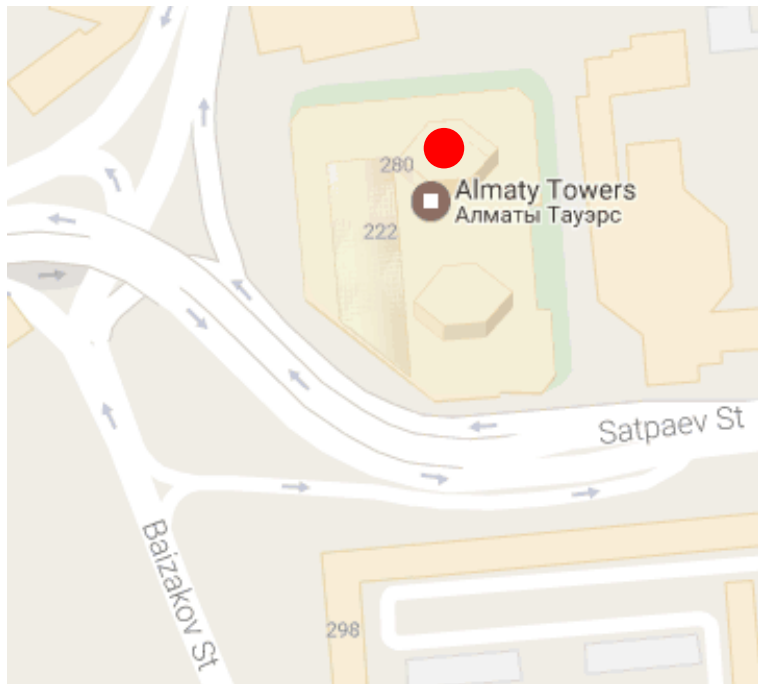
	Rating	Date	Previous
S&P Global	BBB- stable	10.09.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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