

# KASE WEEKLY

28 May –  
01 June, 2018

## KASE NEWS

- ▲ KASE [changed](#) the duration of the Base Period for the market valuation of non-indexed government securities.
- ▲ KASE has [changed](#) the representative list of KASE\_BM \* series indices.
- ▲ KASE [set](#) the values of limits and concentration rates for shares traded on the stock market under the T+2 scheme and discount rates on the repo market for the period from 01 to 15 June 2018.
- ▲ Kazakhstan Stock Exchange JSC [announced](#) decisions of the annual general meeting of shareholders held on May 30, 2018.
- ▲ The annual report of Kazakhstan Stock Exchange JSC for 2017 is [published](#).

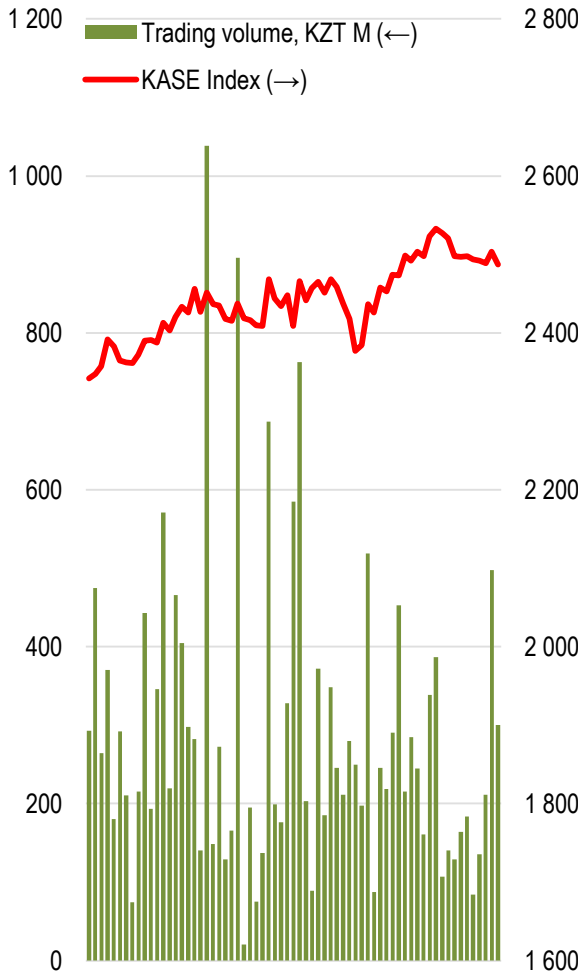
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan [raised](#) on KASE 4.8 billion tenge, selling 16-year bonds at 8.47% APR on May 28.
- ▲ As of May 30, the first instruments - stakes in the authorized capital of PACK MAN LLP - were [admitted](#) to the KASE Startup platform.
- ▲ As of June 01, financial instruments of Podpishi Online (Sign Online) LLP have been [admitted](#) to circulation on KASE's Startup.
- ▲ As of June 1, financial instruments of "Smart Production" LLP have been admitted to circulation on the KASE floor Startup.
- ▲ Agrarian Credit Corporation JSC [reported](#) about the assignment by Fitch Ratings of ratings to the company and its bonds, the outlook "Stable".
- ▲ Common shares (KSPI) and preferred shares (KSPIp) of Kaspi.kz [included](#) in "standard" category of KASE official list's main market
- ▲ The annual report of KAZ Minerals PLC (United Kingdom) for 2017 is [published](#).
- ▲ The Development Bank of Kazakhstan [reported](#) on the financing of the construction of the solar power plant "Zhylyga" in the South-Kazakhstan region.
- ▲ Subsidiary organization of Halyk Bank of Kazakhstan Halyk Finance [won](#) "The Best Investment Bank in Kazakhstan 2018" award by Cbonds.
- ▲ KazTransOil [announced](#) completion of the project of Kalamkas-Karazhanbas-Aktau and Uzen-Zhetybai-Aktau trunk oil pipelines reconstruction.



KASE Index closed the second week in a row with a decrease. As a result of the trading week, the blue chip index decreased by 0.43% and reached the level of 2,486.79 points. Of the seven names of the stocks included in the index four components closed in the red.

**KASE Index shares**



**01.06.2018**

		Trends (%)	
		Δ 7d	Δ 1m
<b>KASE Index</b>	2 486,8	-0,4	2,5
<b>First class of liquidity</b>	<b>Price, KZT</b>		
<b>Kcell</b>	1 630,0	1,9	-3,5
<b>KEGOC</b>	1 442,3	1,8	-2,7
Aeroflot (Russia)	750,2	1,1	-4,3
Kazakhtelecom (pref.)	12 257,0	0,9	14,6
KazMunayGas EP (pref.)	9 219,0	0,2	-1,0
Bank VTB (Russia)	0,3	0,0	-3,6
<b>KAZ Minerals</b>	4 449,8	0,0	10,4
BAST	53 444,1	-0,3	-0,7
Bank of Astana	871,6	-0,4	-3,2
<b>CenterCredit Bank</b>	293,0	-0,4	3,6
QAZKOM	104,5	-0,5	-9,1
Aktobe Metalware Plant	10 650,8	-0,6	-4,7
Sberbank (Russia)	1 161,6	-1,0	-0,6
<b>KazTransOil</b>	1 545,0	-1,3	-1,0
<b>Halyk Bank</b>	103,8	-1,7	-0,2
<b>Kazakhtelecom</b>	32 357,0	-2,7	11,6
Bank of America	9 605,0	-3,3	-4,6
Gazprom (Russia)	757,5	-4,0	-0,2

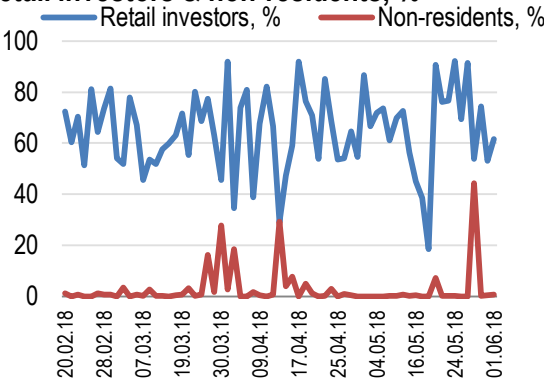
Note: Index stocks are highlighted in green

Shares of Kazakhtelecom decreased by 2.71% to KZT32,357.00. The company's reporting for the first quarter showed improvements in comparison with the first quarter of 2017. Thus, the company's net profit increased by 15.2% to KZT 9.386 billion. Assets of the company since the beginning of the year increased by 1.3%, liabilities decreased by 0.9%, equity increased by 2%. However, it seems investors decided to lock the position and began to sell shares as traded nearly 10-year peaks.

The decrease was also demonstrated by the quotes of KazTransOil shares, breaking through the support level of 1,550 tenge. Equity instruments of the company for the week fell 1.28% to 1,544.98 tenge. The company's reporting for the first quarter of 2018 was weaker than the results of the previous period. In the first quarter of 2018 KazTransOil's revenue decreased by 3% compared to the same period of last year to KZT 52 billion.

Significant growth against the background of S&P agency's upgrade of long-term credit ratings from "BB" to "BB +" was demonstrated by KEGOC shares, which rose in price by 1.79% to KZT1,442.33. The price increase is also supported by the increase in volumes.

**Retail investors & non-residents, %**

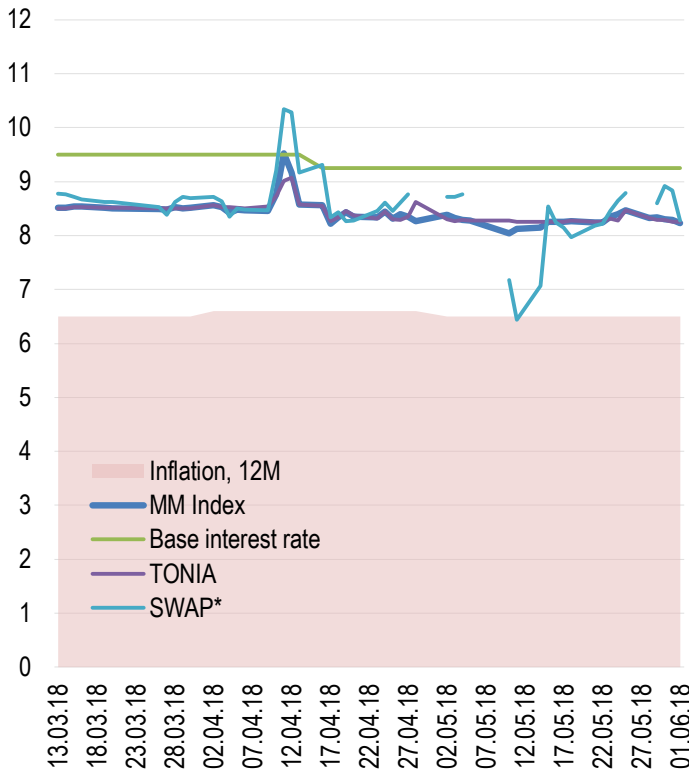




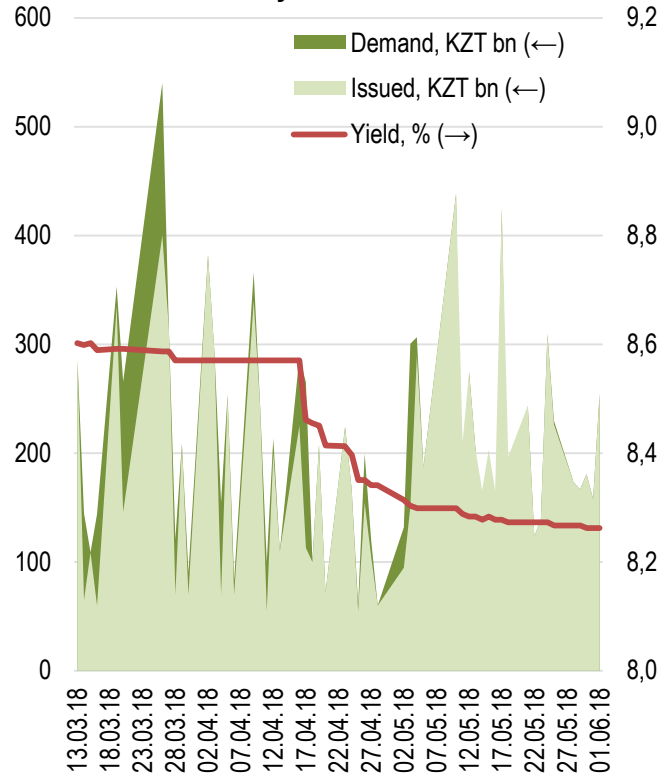
The rates of borrowing tenge liquidity in the money market this week showed a decline. The yield on one-day currency swaps this week increased by 100 b.p. up to 7.64%. The yield of repo transactions with government securities for one day decreased by 22 b.p. and stopped at the level of 8.25% per annum.

The National Bank placed six issues of notes over-the-counter, the total volume of which reached KZT1,271.9 billion. For five issues of weekly notes, the total amounted to 932.9 billion tenge, the yield level remained in the corridor 8.26 - 8.27% per annum. For 28-day notes, the yield reached 8.40% per annum. }The aggregate demand for notes exceeded the offer by 2% and reached KZT1,298.3 bn.

### Inflation and interest rates

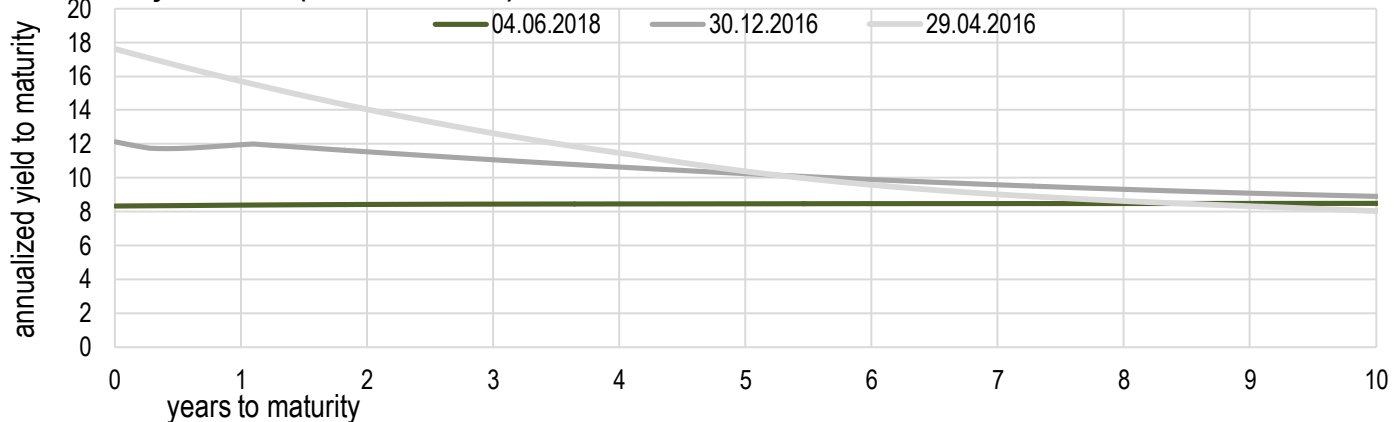


### Issuance of weekly NBK notes



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

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





The exchange rate of the dollar for the week rose by 1.0% or by 3.36 tenge to 330.78 tenge. The main factor in the weakening of the national currency, most likely, was the end of the tax period. This factor last week provided demand for tenge. As a result of this week, trading volume compared to the previous week decreased by 45% to 495.1 million dollars.

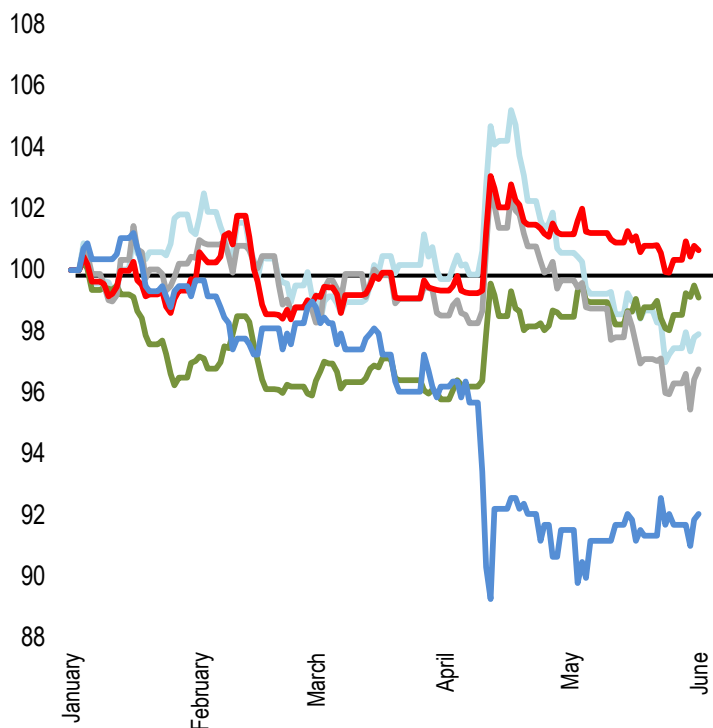
The Russian currency slightly fell in price by 0.0042 tenge to 5.3194 tenge. The total trading volume for the week reached 240.4 million rubles.

The euro after the decline last week increased by 3.25 tenge, stopping at the level of 387.15 tenge with the volume of transactions of 1.45 million euros.

The exchange rate of the yuan for the week rose by KZT0,5983, having stopped at the level of 51,5773 tenge with the volume of transactions of 4.05 million yuan.

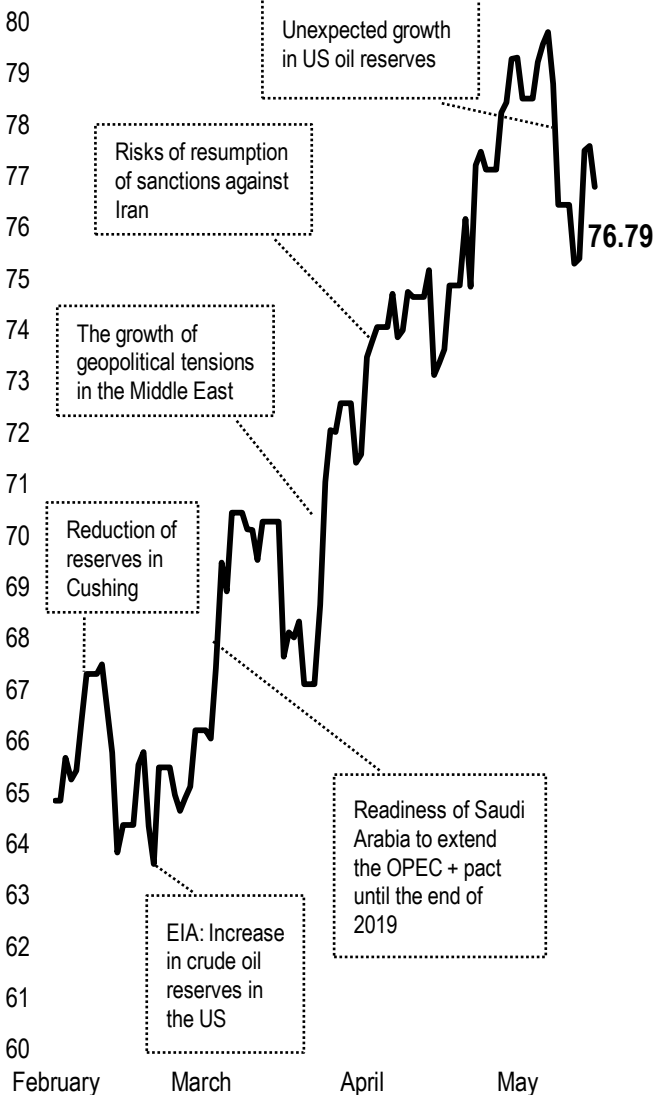
**FX rates**

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	439,22	+0,7	-2,6	-2,1
— USDKZT	329,35	+1,1	+0,6	-0,9
— EURKZT	385,34	+0,9	-2,9	-3,2
— CNYKZT	51,42	+0,7	-0,5	+0,6
— RUBKZT	5,31	0,0	+0,6	-8,0

**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	2 734,62	0,5	3,8	12,5	0,6
Dow Jones	24 635,21	-0,5	3,0	16,5	-0,4
 RTS	1 164,37	-0,5	2,4	11,4	0,3
MICEX	2 285,53	0,0	0,0	22,2	0,3
 Hang Seng	30 492,91	-0,3	-0,8	18,1	-0,8
SS CSI 300	3 770,59	-1,2	0,2	7,8	-1,3
 Euro Stoxx 50	3 453,54	-1,8	-2,8	-3,2	-1,4
FTSEuroFirst	4 243,50	-1,2	-0,2	-2,2	-1,1
 FTSE 100	7 701,77	-0,4	2,1	2,1	-0,5
 KASE	2 486,79	-0,4	2,5	59,2	

## Commodities market

01.06.2018

Name	Price	Trend %	
		7d	1m
Oil	76,79	0,5	4,7
	65,81	-3,0	-3,1
Natural gas	2,96	0,8	7,6
Copper	309,85	1,0	1,7
Iron	483,50	-6,5	3,8
Gold	1 293,40	-0,7	-0,9
Silver	16,44	-0,2	0,9
Wheat	523,25	-3,6	-0,5

## Economic calendar

		Currency	Forecast	Previous
05.06	ECB President Draghi speaks	EUR		
05.06	CPI (YoY)	RUB	2.5%	2.4%
05.06	ISM Non-Manufacturing PMI (May)	USD	57.5	56.8
05.06	JOLTs Job Openings (Apr)	USD	6.490M	6.550M
06.06	Crude Oil Inventories	USD	1.077M	-3.620M
07.06	Central Bank reserves (USD)	RUB		457.2B
08.06	Exports (YoY) (May)	CNY	6.3%	12.7%

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	6,2 %	01.05.18	7,1 %
Gross international reserves of NBK, USD bn	31 339	01.05.18	30 745
Reserve money, KZT bn	4 799,9	01.05.18	5 538,7
Money supply, KZT bn	18 940,9	01.05.18	19 456,0

## Kazakhstan credit ratings

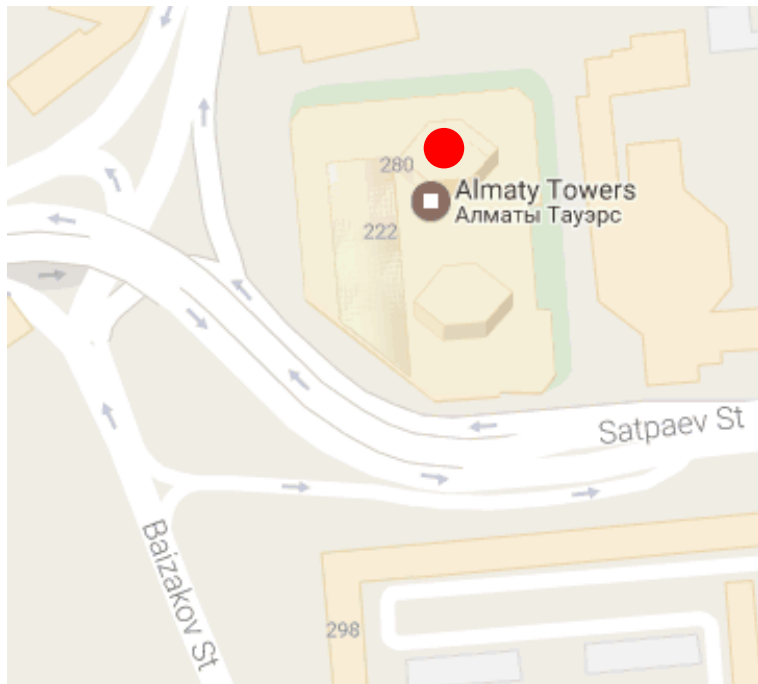
	Rating	Date	Previous
<b>S&amp;P Global</b>	BBB- stable	12.03.18	BBB- stable
<b>MOODY'S</b>	Baa3 stable	26.07.17	Baa3 negative
<b>FitchRatings</b>	BBB stable	17.04.18	BBB stable

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**Corporate Events Calendar of KASE listed Companies**

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