

# KASE WEEKLY

17–21 August, 2020

## KASE NEWS

- ▲ KASE shareholders [choose](#) Ernst & Young for conducting the audit of the Exchange for 2020.
- ▲ Bonds [KZ2C00001287](#) (EKTNb1) of EKOTON+, [KZ2P00003411](#) (AKNPb3) of Aktobe Refinery and international bonds [US912796XF18](#) (US\_02\_2008) of the U.S. Department of the Treasury were delisted from KASE Official List due to maturity.
- ▲ Eurobonds [XS2214305737](#) (EBRDe11) of the European Bank for Reconstruction and Development included in "Securities of international financial organizations" sector of KASE Official List.
- ▲ Units RU000A101NK4 (RU\_UKVZpr) of CMIF Initial Offerings Fund [included](#) in Securities of Investment Funds sector of KASE Official List.
- ▲ Trading in bonds [KZ2C00004273](#) (BRKZb14) and [KZ2C00006864](#) (BRKZb19) of Development Bank of Kazakhstan opened on KASE.

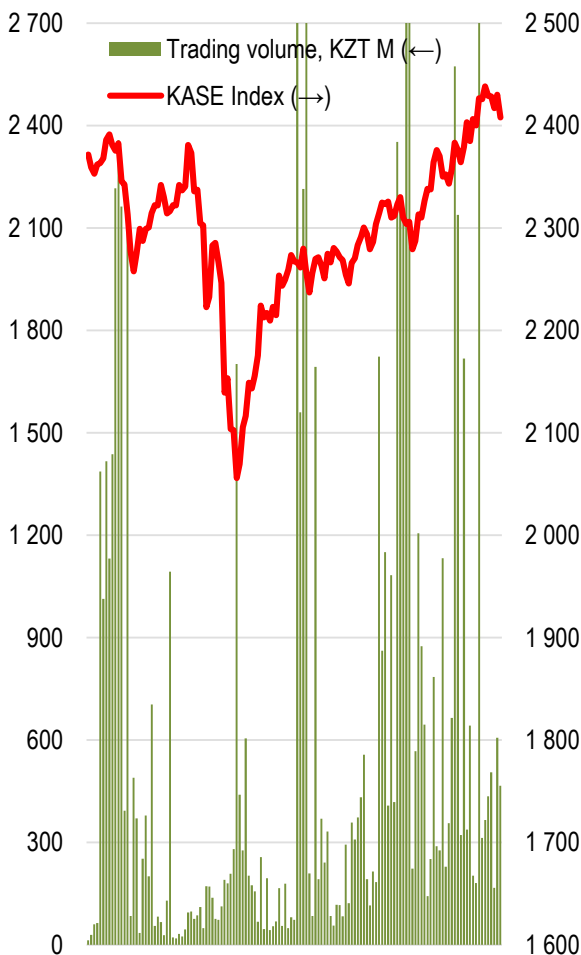
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ European Bank for Reconstruction and Development [raises](#) KZT60.0 bn through subscription on KASE by placing eight-year international bonds XS2214305737 (EBRDe11) at 1 % margin to half-year coupon.
- ▲ Microfinance Organization Online KazFinance [raises](#) KZT1.9 bn on KASE by placing bonds KZ2P00006877 (MFOkb1) at 19.0 % APR.
- ▲ Kazakhstan Sustainability Fund [raises](#) KZT9.9 bn on KASE by placing bonds KZ2C00006484 (BASPb8) with weighted average yield of 10.9843 % APR.
- ▲ KAZ Minerals PLC (United Kingdom) [presents](#) Q2 2020 and 6M production report.
- ▲ Halyk Savings Bank of Kazakhstan [reports](#) consolidated financial results for the six months and Q2 2020.
- ▲ NOSTRUM OIL & GAS PLC [announces](#) financial results for Q2 2020 and six months of 2020.
- ▲ Kazakhtelecom [announces](#) financial results for the first half of 2020.
- ▲ KazTransOil [announces](#) financial results for the first half of 2020.
- ▲ KEGOC [provides](#) management comments on financial results of operations for the first half of 2020.
- ▲ Halyk Savings Bank of Kazakhstan [pays](#) dividends on ordinary shares KZ000A0LE0S4 (HSBK) for 2019.
- ▲ AK Altynalmas [pays](#) dividends on preferred shares for Q2 2020.
- ▲ National Atomic Company Kazatomprom [announces](#) the 2022 production plans.



KASE Index rose by 0.18% to 2,431.42 points over the week. The largest number of transactions among index shares – 949 – was made with Halyk Bank's ordinary shares. The largest volume of trading was with securities of Kcell – KZT11.8 bn (96.4% of the total volume of trading for the week).

**KASE Index shares**



21.08.2020

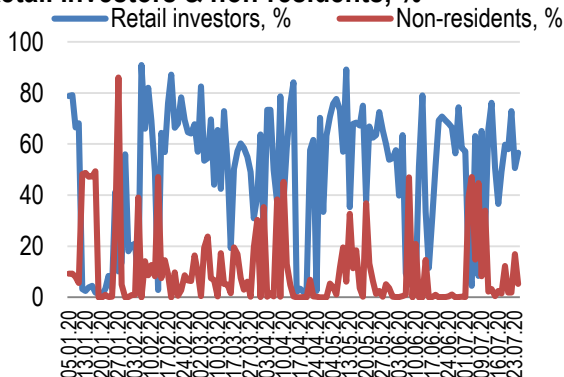
		Trends (%)	
<b>KASE Index</b>	2 431,42	0,1	0,6
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
Freedom Holding Corp.	9 515,0	2,3	16,0
<b>Halyk Savings Bank of Kazakhstan</b>	114,0	1,3	-6,0
<b>Kazakhtelecom</b>	26 798,0	0,4	-0,7
<b>KazTransOil</b>	797,0	0,2	-1,8
<b>KAZ Minerals</b>	2 951,0	0,1	3,5
<b>Bank CenterCredit</b>	228,2	-0,0	-1,1
<b>KEGOC</b>	1 700,0	-0,6	-0,6
<b>Kcell</b>	2 525,0	-0,7	0,8
<b>NAC Kazatomprom</b>	6 003,1	-1,4	6,2
Aeroflot	475,0	-1,7	-8,5
Gazprom	1 130,0	-2,1	-4,9
Kazakhtelecom, preferred shares	12 233,0	-2,1	-0,1
Bank of America Corporation	10 684,8	-3,7	5,0
Sberbank Russia	1 322,0	-4,2	3,3
VTB Bank	0,2	-4,5	-4,5

Note: Index stocks are highlighted in green

Investors' attention this week was focused on the reports of representatives of the index basket. Local stock market indicator rises slightly, but continues to be in a sideways trend for several weeks against this backdrop. Half of the shares of the KASE representative list closed in the green zone. Kazatomprom's ordinary shares, which rose by 1.28% to KZT6,003.09 grew most of all. The national nuclear company announced on Wednesday its production plans for 2022, according to which it will continue to reduce uranium production by 20% in 2022. In 2021, it will also keep production 20% below the planned volumes. The company's GDR were trading on the London Stock Exchange at US \$14.80 per share or KZT3,191.88 at today's official rate of the National Bank.

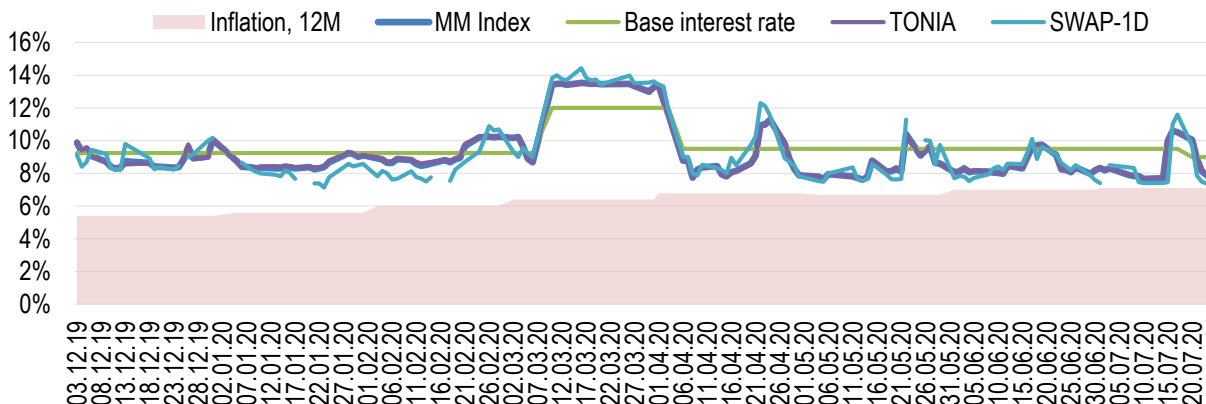
The price of Kazakhtelecom's ordinary share ranked the second in terms of price increase (+0.36% to KZT26,798.00). On Wednesday, it became known that Kazakhtelecom group of companies has completed the first half of 2020 with record financial indicators. In the first six months of this year, total revenue increased by 36% compared to the same period of 2019 and reached KZT245 bn. According to the company's statement, significant increase in revenue is due to the two-fold growth in the segment "Mobile telecommunications in GSM and LTE standard", and to the consolidation of results with the acquired mobile operator Tele2/Altel.

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

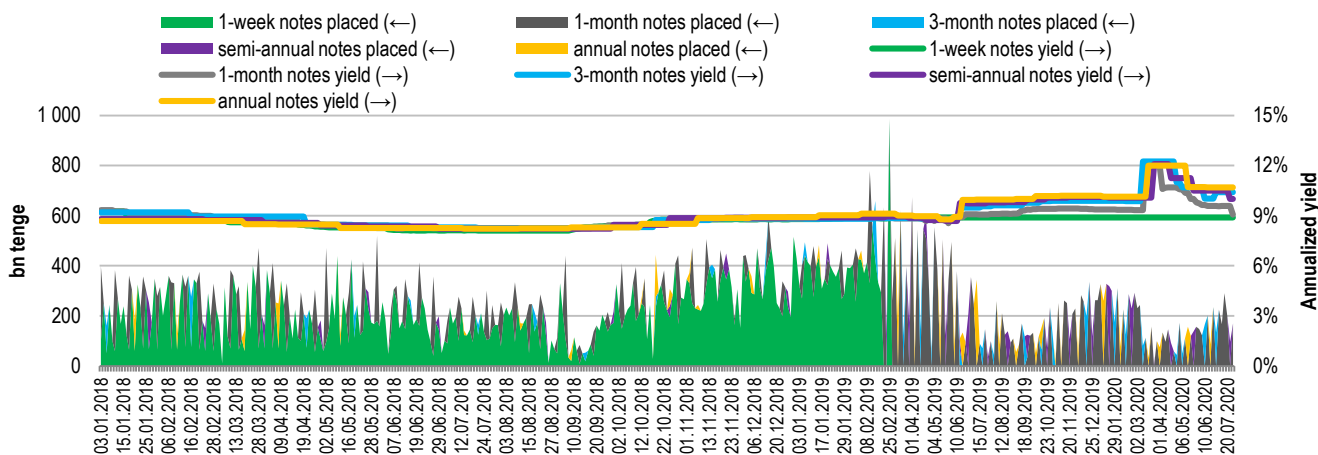


The yield of one-day repo transactions with government securities rose by 24 bps to 9.03% APR over the week. SWAP 1D USD rate was down 85 bps to 9.50% APR. The average amount of tenge liquidity raised for one day this week was KZT178.1 bn, which is 96,5% more than last week.

### Inflation and interest rates

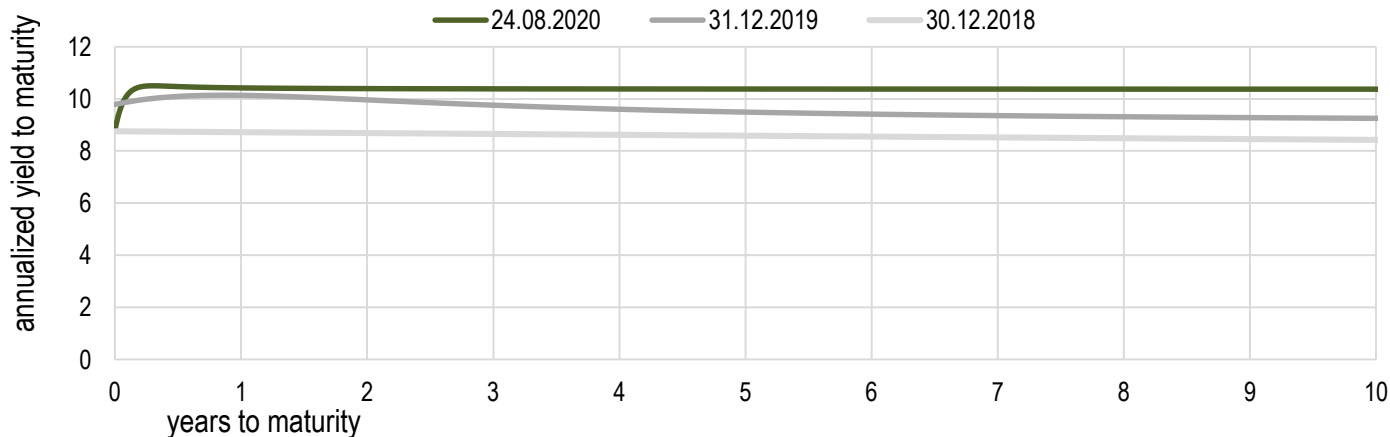


### Main Features of National Bank Notes Placements



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

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





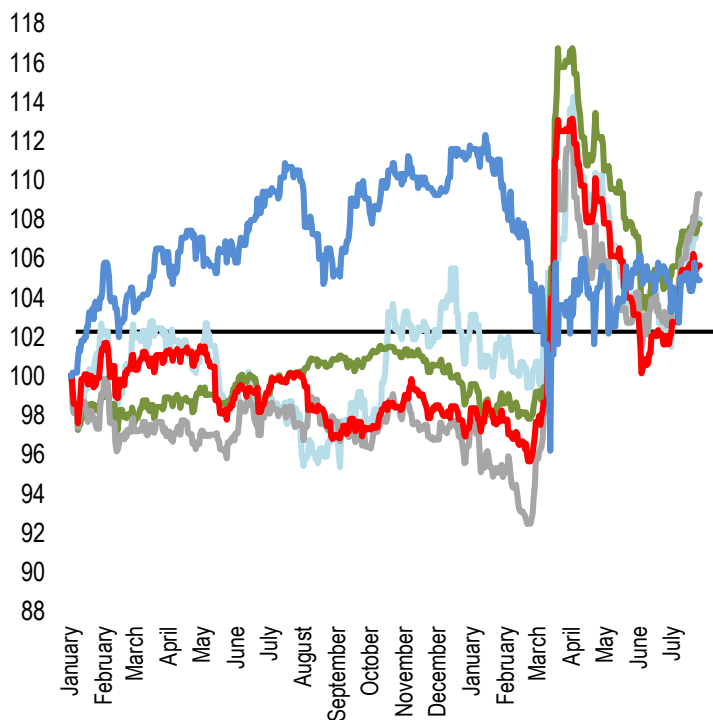
The tenge weakened against the US dollar by KZT0.40 to KZT418.62 by the end of the week. Total trading volume over the week was US \$484.4 mln, an increase of 1,1% compared to the last week. Total number of transactions for buying and selling the U.S. dollar was 1,974 (-718 compared to the last week). The maximum transaction price this week is KZT418.85 per U.S. dollar, the minimum price is KZT417.60.

The exchange rate of the US dollar to tenge has grown by 0.1% at the end of the week amid declining oil prices. The pressure on oil prices is exerted by new data of the U.S. Department of Labour, according to which the number of new applications for unemployment benefits in the week ended August 15 amounted to almost 1.1 million. In addition, oil prices are falling amid growing fears about the economic recovery following the publication of the results of the July meeting of the Federal Reserve (FED), held on July 28-29. The meeting participants came to the conclusion that the U.S. economy would probably need additional support, and its prospects largely depend on the epidemiological situation with coronavirus. In this context, by 15:00 Nur-Sultan time, the October Brent crude futures were trading at \$44.23 per barrel on ICE Futures London Exchange, which is by 1.5% lower than the closing price of the previous session. Meanwhile, according to the U.S. Department of Energy, the U.S. crude reserves fell by 1.6 million barrels over the week ended August 14 declining for the fourth consecutive week.

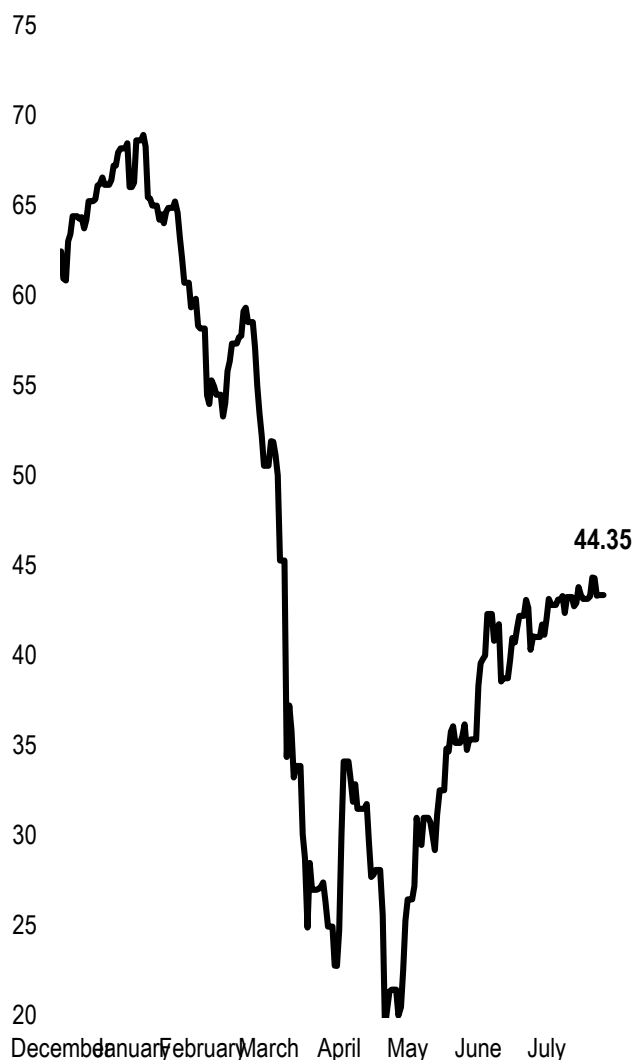
The Russian ruble dropped by KZT0.0323 to KZT5.6891. The euro rose by KZT3.96 to KZT496.10 against the tenge. The Chinese yuan rose by KZT0.0459 to KZT60.5159.

**FX rates**

Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	548.73	0.2	4.5	9.7
— USDKZT	418.37	-0.08	1.1	9.8
— EURKZT	495.10	-0.1	4.60	16.0
— CNYKZT	60.45	0.3	2.1	10.8
— RUBKZT	5.66	-0.7	-3.1	-8.3

**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

## Commodities market

21.08.2020

Name	Value	Trend %			Futures 7d	Name	Price	Trend %		
		7d	1m	1y				7d	1m	1y
S&P 500	3 397,16	0,4	3,7	16,2	0,9	Oil	44,35	-2,2	0,1	-26,0
Dow Jones	27 930,33	0,3	3,4	6,4	0,2		42,34	-1,3	1,1	-23,5
RTS	1 262,01	-3,6	0,6	-1,6	-4,8	Natural gas	2,45	4,7	45,6	13,4
MICEX	2 285,53	0,0	0,0	0,0	-4,8	Copper	291,75	0,6	0,3	14,1
Hang Seng	25 113,84	-0,9	0,2	-3,6	0,0	Iron	920,00	2,1	3,8	33,1
SS CSI 300	4 718,84	-2,0	0,1	24,4	-0,2	Gold	1 940,48	-2,3	3,7	29,5
Euro Stoxx 50	3 259,75	-1,4	-3,3	-3,4	-1,6	Silver	26,73	-3,4	15,8	56,9
FTSEuroFirst	3 602,50	-1,5	-3,4	-9,8	-1,4	Wheat	527,25	2,1	-1,4	12,8
FTSE 100	6 001,89	-2,0	-3,3	-15,8	-1,4					
KASE	2 431,42	0,1	0,6	13,2						

## Economic calendar

## Currency

## Forecast

## Previous

25/08	Germany GDP (QoQ) (Q2)	EUR	-10.1%	-2.2%
25/08	Germany Consumer Confidence Index (IFO) (Aug)	EUR	92.0	90.5
25/08	The U.S. CB Consumer Confidence Index (Aug)	USD	93.0	92.6
26/08	U.S.: Crude oil reserves	USD		-1.632M
27/08	USA GDP (QoQ) (Q2)	USD	-32.6%	-32.9%
27/08	U.S.: number of initial applications for unemployment benefits	USD	1.000K	1.106K
28/08	Total number of drilling rigs from Baker Hughes	USD		254

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 2019

Annual inflation	7.1%	08/01/20	5.3%
Gross international reserves of NBK, USD bn	31,561	06/01/20	30,927
Reserve money, KZT bn	8,428.3	06/01/20	5,995.7
Money supply, KZT bn	22,438.2	06/01/20	20,813.4

## Kazakhstan credit ratings

## Rating

## Date

## Previous

S&amp;P Global

BBB- stable

09/10/18

BBB- stable

MOODY'S

Baa3 stable

07/26/17

Baa3 stable

FitchRatings

BBB stable

09/28/18

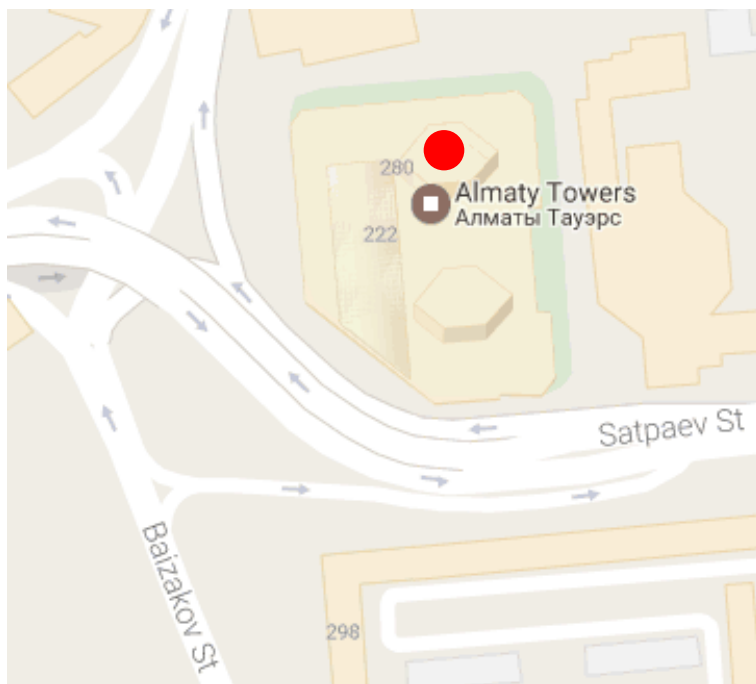
BBB stable

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**Corporate website**



**Contact us**



**Corporate Events Calendar of KASE listed Companies**

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2. previous results do not necessarily affect the future results with the future estimations based on the assumptions that may not materialize. The value of any investment or income may go down and up, as a result the investors might not receive the entire invested amount back. For the investments in non-universally recognized markets, the investors may experience various difficulties, including selling them or obtaining the reliable information about their value or the risks involved;
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