

KASE WEEKLY

18–22 May, 2020

KASE NEWS

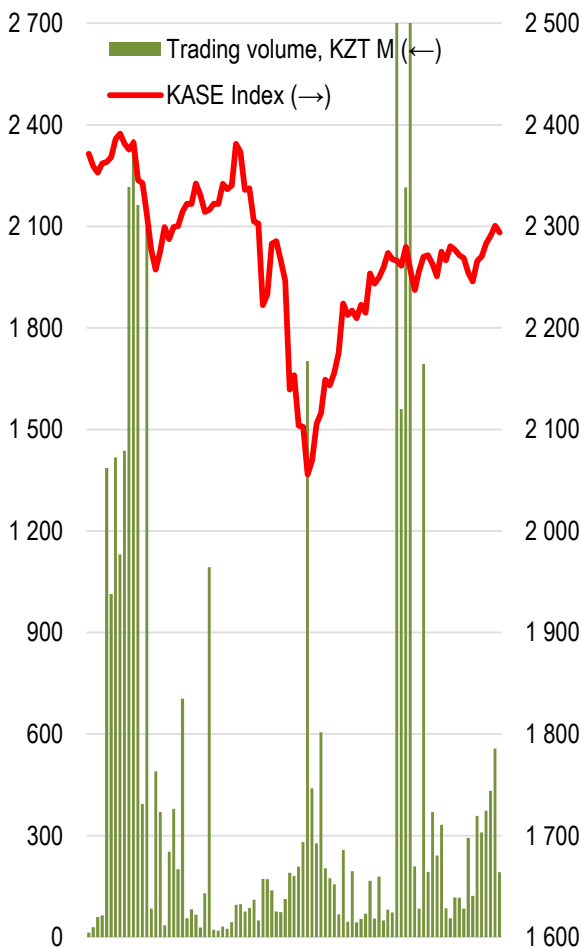
- ▲ The [schedule](#) of KASE operation from May 18 to May 22.
- ▲ KASE [held](#) online press conference on results of four months of 2020.
- ▲ The [values](#) of limits and concentration rates for shares traded according to T+2 scheme and rates of discounts on repo market have been set.
- ▲ [Information](#) on the interest rate and maturity of bonds KZ2C00002418 (LARIb3) of AsiaCredit Bank changed in KASE trading system and data bases.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Kazakhstan's Ministry of Finance raised KZT65.1 bn on KASE by placing the fifth issue of MEUKAM-132 ([KZKD00000568](#)) with weighted average yield of 10.9062 % APR and by placing the 148th issue of MEKKAM-12 ([KZK100000241](#)) with weighted average yield of 10.7781 % APR.
- ▲ Local administration of Almaty region [raised](#) KZT2.0 bn on KASE placing two-year bonds KZMJ00000693 (ATK024_069).
- ▲ Kazakhstan Sustainability Fund raised KZT9.4 bn on KASE by placing bonds [KZ2C00006476](#) (BASPb7) with YTM of 11.3500% and bonds [KZ2C00006484](#) (BASPb8) with weighted average yield of 11.3514 % APR.
- ▲ [Announcement](#): Halyk Savings Bank of Kazakhstan 1Q 2020 Results Conference Call Invitation will be held on June 1.
- ▲ NOSTRUM OIL & GAS PLC [announced](#) financial results for Q1 2020.
- ▲ National Atomic Company Kazatomprom [reported](#) financial results for Q1 2020.
- ▲ Mortgage Organization Kazakhstan Mortgage Company [announced](#) assignment of ratings to the company with outlook 'Negative' by AKRA agency.
- ▲ Fincraft Group [announced](#) that Standard & Poor's had affirmed the company's rating, outlook 'Negative'.
- ▲ AK Altynalmas [paid](#) dividends on its preferred shares for Q1 2020.

KASE Index rose by 1.2% to 2,294 points over the week. The growth of the main indicator is mainly caused by the global recovery of commodity and stock markets. The largest volume of transactions was with ordinary shares of Kazakhtelecom (KZT318.4 mln), the largest number of transactions was with ordinary shares of Halyk Bank (996).

KASE Index shares



22.05.2020

KASE Index	2 293.95	Trends (%)	
	Price	Δ 7d	Δ 1m
First class of liquidity			
Kazakhtelecom	26 900.0	4.3	3.7
Gazprom	1 200.0	3.8	7.5
KEGOC	1 700.0	3.7	3.7
Sberbank Russia	1 137.5	2.3	1.0
Bank of America Corporation	9 397.4	1.1	-3.3
NAC Kazatomprom	6 124.0	1.0	0.4
Halyk Savings Bank of Kazakhstan	97.0	0.6	-3.0
Aeroflot	421.1	0.3	-0.7
KAZ Minerals	2 200.0	0.1	1.7
Kazakhtelecom, preferred shares	13 009.7	0.0	-7.1
VTB Bank	0.2	0.0	0.0
KazTransOil	878.9	-0.0	-1.2
Kcell	2 568.0	-0.1	4.4
Freedom Holding Corp.	7 000.0	-0.3	0.9
Bank CenterCredit	236.1	-1.3	-1.8

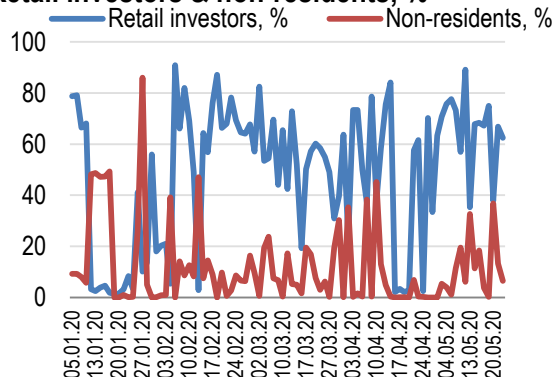
Note: Index stocks are highlighted in green

Five components of the index basket at the end of the week showed a price change above zero (Kazakhtelecom, NAC Kazatomprom, KEGOC, Halyk Bank, KAZ Minerals). The price of ordinary shares of Kazakhtelecom grew the most. The price of one share of the company rose by 4.3% to KZT26,900 per share, which adjusted the price to the level of the last month. Given the strong position of the stocks in the industry and the fact that their current fundamental is being undervalued, the shares may approach the local high at KZT28,000.

The most fall was recorded on Bank CenterCredit's shares (-1.3% to KZT236.12) in the absence of significant fresh corporate news. Let us remind that on April 30, 2020, the international rating agency Moody's Investors Service revised the outlook on the ratings of the Bank CenterCredit from "Positive" to "Stable" and confirmed global scale ratings at "B2", changing the national scale rating from "Ba1.kz" to "Ba2.kz".

Last week, Kazakhstan's Ministry of Finance raised KZT17.1 bn on KASE by placing the fifth issue of MEUKAM-132 with weighted average yield to maturity of 10.9062 % APR and the period to maturity of 3.0 years.

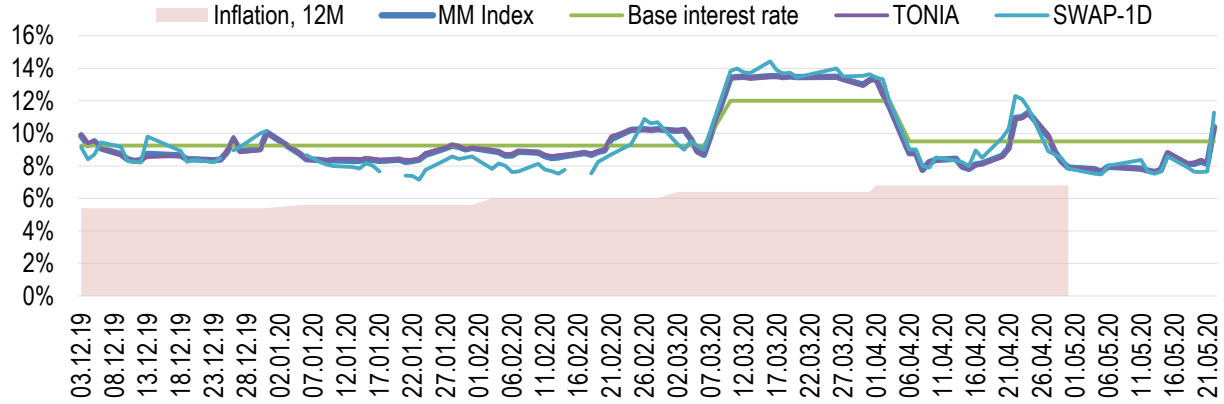
Retail investors & non-residents, %



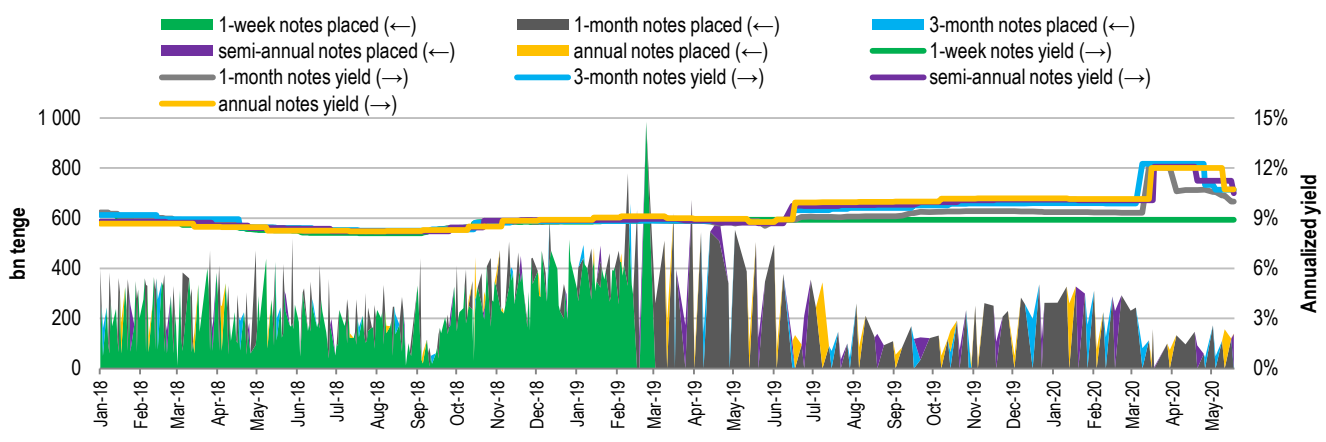


Money market rates were up by the end of the trading week amid the increased demand for tenge during the period of payment of taxes for extraction of mineral resources for Q1 2020. The yield of one-day repo transactions with government securities rose by 151 bps to 10.4% APR. SWAP 1D USD rate was up 270 bps to 11.3% APR. The average amount of tenge liquidity raised was KZT362.7 bn this week (-10.8% compared to the previous week).

Inflation and interest rates

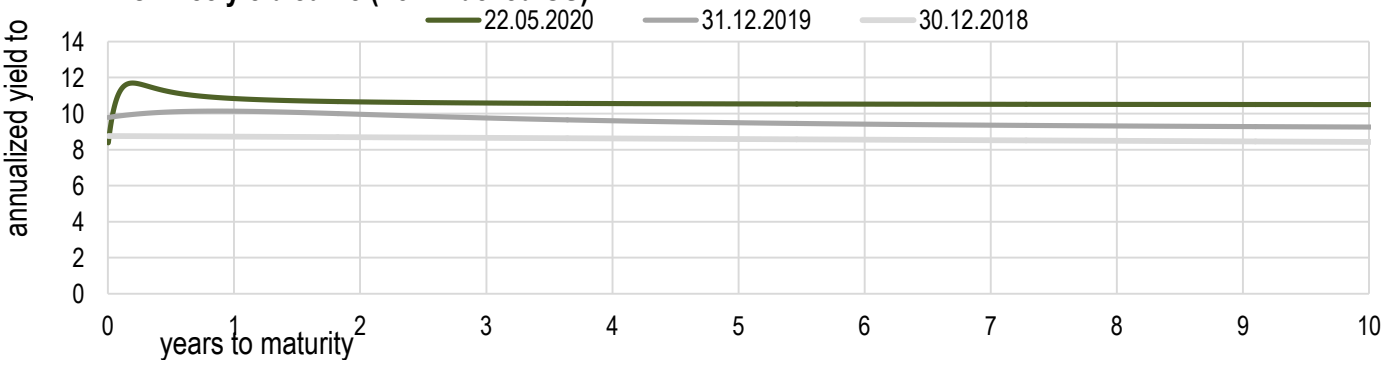


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





USDKZT – the weighted average tenge rate against the U.S. dollar strengthened by KZT5.66 to KZT414.46 at the end of the week.

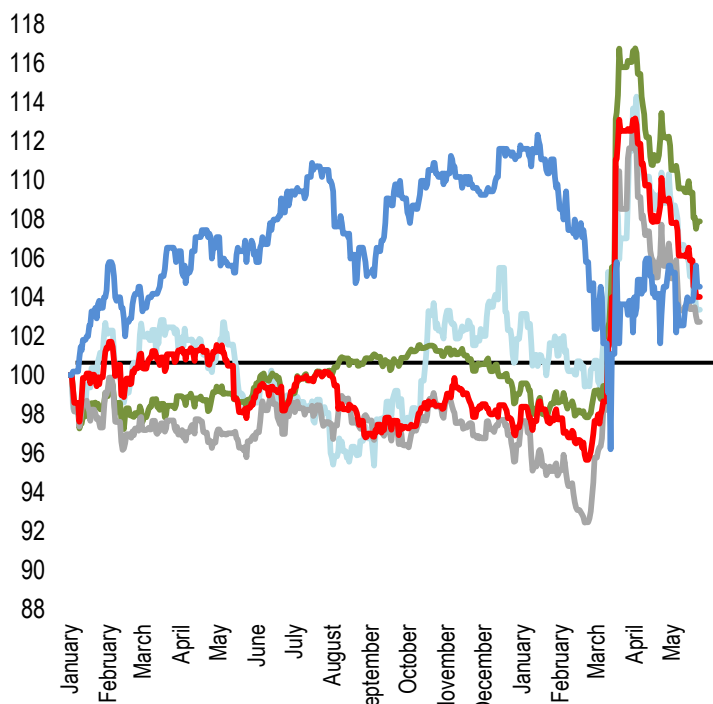
Oil prices are falling after rising the day before because the Chinese parliament decided not to set a benchmark for economic growth this year. This has sparked market fears that the coronavirus epidemic could limit demand for fuel from China, which is the world's second-largest oil consumer. In addition, the fear in world markets is caused by the tense relations between China and the United States. Yesterday, China threatened the United States with retaliation against the law that blames China for the coronavirus pandemic. In his turn, the U.S. President Donald Trump also promised to take new measures. The July Brent crude futures fell to US \$34.22 per barrel by 16:46 capital time amid these news.

RUBKZT – the ruble closed at KZT5.81 rising by 7 tiyn.

EURKZT – the euro weakened against tenge by KZT2.25 to KZT452.15.

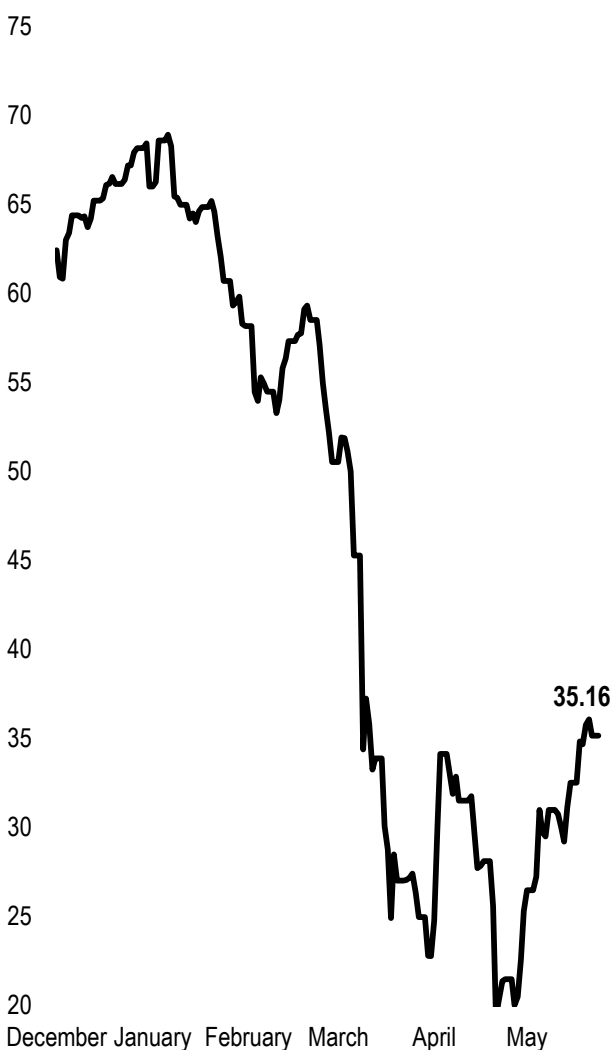
CNYKZT – Chinese yuan weakens against tenge by KZT1.13 to KZT57.13.

FX rates
Δ %, base (01.01.19)









	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	504.48	-2.3	-5.0	0.9
— USDKZT	451.35	-1.1	-3.2	57
— EURKZT	414.46	-1.9	-3.7	8.7
— CNYKZT	58.12	-2.4	-4.3	6.5
— RUBKZT	5.77	0.7	2.9	-6.5

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	2 955.45	3.2	5.6	4.7	3.7
Dow Jones	24 465.16	3.3	4.2	-4.0	3.9
 RTS	1 188.47	7.3	11.5	-6.8	7.2
MICEX	2 285.53	0.0	0.0	0.0	7.2
 Hang Seng	22 930.14	-3.6	-4.0	-15.9	-4.1
SS CSI 300	3 824.06	-2.3	-0.4	6.7	-2.0
 Euro Stoxx 50	2 905.47	4.9	2.5	-12.7	5.2
FTSEuroFirst	3 402.50	3.9	2.2	-16.4	3.9
 FTSE 100	5 993.28	3.3	3.9	-17.1	3.5
 KASE	2 293.95	1.2	2.5	0.4	

Commodities market

22.05.2020

Name	Price	Trend %		
		7d	1m	1y
Oil	35.13	8.1	72.5	-48.2
	33.25	13.0	141.3	-42.6
Natural gas	1.73	5.2	-10.7	-32.9
Copper	240.90	3.2	5.2	-10.3
Iron	778.00	7.4	15.6	-2.7
Gold	1 734.68	-0.5	1.2	35.2
Silver	17.66	3.6	15.2	21.2
Wheat	508.75	1.7	-6.3	8.2

Economic calendar

		Currency	Forecast	Previous
25.05	German GDP (QoQ) (Q1)	EUR	-2.2%	-0.1%
26.05	CB Consumer Confidence Index (May)	USD	88.0	86.9
27.05	ECB Chairman Lagarde to deliver speech	EUR		
28.05	GDP (QoQ) (Q1)	USD	-4.8%	-4.8%
28.05	Crude oil reserves	USD		-4.983M
29.05	Consumer price index (CPI) (YoY) (May)	EUR	0.1%	0.3%
29.05	Speech by Mr. Powell, the head of the Federal Reserve	USD		

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	6,8%	01.05.20	5,3 %
Gross international reserves of NBK, USD bn	29 782	01.04.20	30 927
Reserve money, KZT bn	8 652,5	01.04.20	5 995,7
Money supply, KZT bn	22 577,5	01.04.20	20 813,4

Kazakhstan credit ratings

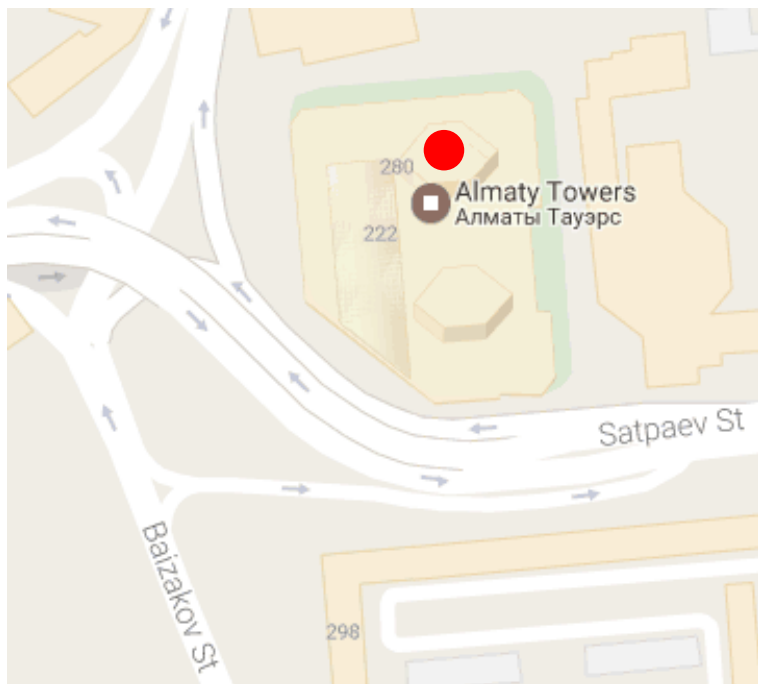
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

CONTACT INFORMATION



Address: Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

Tel.: 8 (727) 237 53 00



Corporate website



Contact us



Corporate Events Calendar of KASE listed Companies

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