

KASE WEEKLY

September 21-25, 2020

KASE NEWS

- ▲ KASE [suspends](#) calculation of inter-bank deposit market indicator Kazprime.
- ▲ QS Holding's bonds KZ2P00006315 (QSHDb1) [to be traded](#) in "clean" prices.
- ▲ Bonds [KZ2C00004034](#) (BASTb1) of BAST, [KZ2C00002194](#) (SKKZb23) of SWF Samruk-Kazyna and [KZ2C00002137](#) (SBERb9) of SB Sberbank of Russia delisted from KASE Official List due to maturity.
- ▲ KASE removed bonds [KZ2C00002194](#) (SKKZb23) of SWF Samruk-Kazyna and bonds [KZ2C00002137](#) (SBERb9) of SB Sberbank of Russia from representative list for bond market indices of KASE_BM* series.
- ▲ Tengri Bank's securities [have been delisted](#) from KASE Official List.
- ▲ Freedom Finance [assigned](#) status of market-maker on KASE for bonds KZKD00000873 (MUM132_0006) of Kazakhstan's Ministry of Finance.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Administration of Atyrau region [raised](#) KZT2.0 bn on KASE placing bonds KZMJ00000867 (ARK024_086).
- ▲ Administration of the city of Shymkent [raised](#) KZT5.0 bn on KASE placing bonds KZSJ00000069 (SHK024_006).
- ▲ Kazakhstan Sustainability Fund [raised](#) KZT14.5 bn on KASE placing bonds KZ2C00006955 (KFUSb3) with yield to maturity of 11.2200 % APR.
- ▲ Tengri Bank [reported](#) revoking of its license to conduct banking and other transactions and activities on the securities market.
- ▲ NC KazMunayGas and KMG FINANCE SUB B.V. [announces](#) acquisition and receipt of consent in relation to bonds XS0925015074, US46639UAA34 (KMGZe6) and XS1595713279, US48667QAM78 (KMGZe10).
- ▲ NC KazMunayGas [authorizes](#) Halyk Finance JP Morgan, MUFG and SKYBRIDGE INVEST as joint lead bookrunners for organization of series of teleconferences with investors from September 28, 2020.
- ▲ Halyk Finance and Skybridge Invest [announce](#) teleconference on September 29, 2020 for potential Kazakh institutional investors as part of possible issue of Eurobonds by NC KazMunayGas.
- ▲ Kazburgas [has paid](#) dividends on ordinary and preferred shares for 2019.
- ▲ Halyk Finance [announced](#) payout of dividends on units KZPF00000041 (HFINhv) of IUIF Halyk - Valyutniy for the period from May 1, 2019 to August 31, 2020.

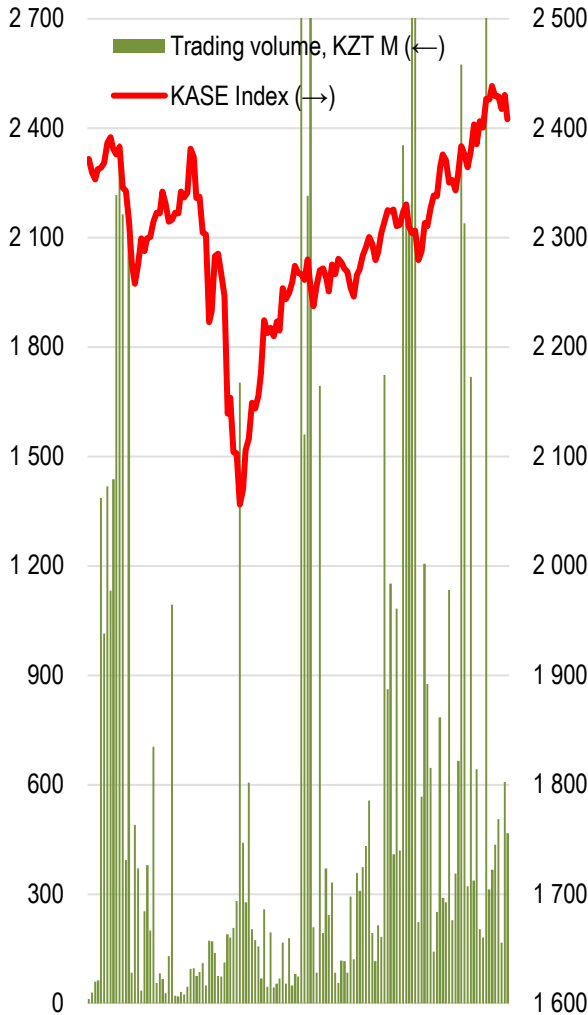


KASE Index dropped by 1.8% to 2,430.62 points over the week. The largest number of trades among index shares – 494 – was made with Halyk Bank's ordinary shares. The largest volume of trading was with securities of Kcell – KZT83.6 bn (30.4% of the total volume of trading for the week).

25.09.2020

		Trends (%)	
KASE Index	2 431,72	-1,3	-0,4
First class of liquidity	Price	Δ 7d	Δ 1m
Kazakhtelecom, preferred shares	12 400,0	0,0	1,6
Kcell	2 565,0	-0,2	1,6
KEGOC	1 709,0	-0,3	-0,1
Bank CenterCredit	223,0	-0,4	-2,3
KazTransOil	806,0	-0,7	-0,5
NAC Kazatomprom	6 235,0	-1,0	3,1
KAZ Minerals	2 900,0	-1,1	-1,5
Sberbank Russia	1 299,5	-1,4	-2,9
Halyk Savings Bank of Kazakhstan	117,2	-2,3	3,3
Kazakhtelecom	24 900,0	-3,5	-5,3
Gazprom	1 015,0	-3,8	-7,9
Bank of America Corporation	10 022,6	-4,6	-7,0
VTB Bank	0,2	-5,0	-9,5
Freedom Holding Corp.	10 110,0	-7,9	8,7
Aeroflot	415,0	-12,6	-12,6

KASE Index shares



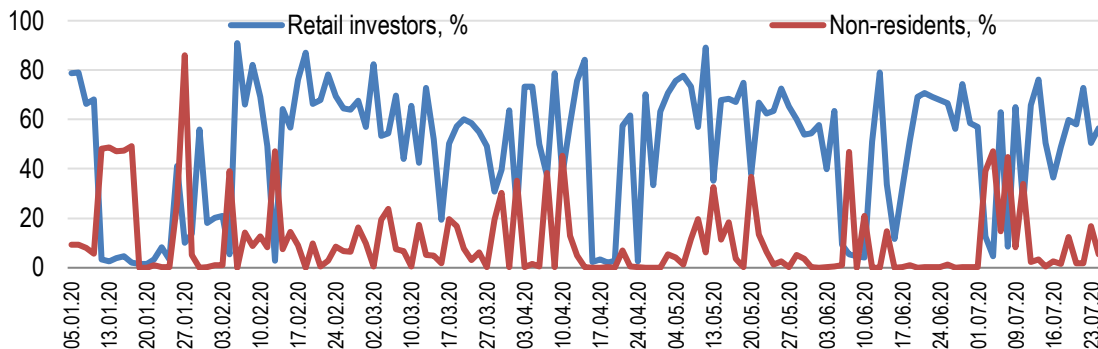
Note: Index stocks are highlighted in green

The local stock market indicator ended the week in the red declining for the fifth consecutive session. The local market is being pressured by negative external factors such as a decline in global stock indices, an increase in the number of people infected by coronavirus, as well as weak position of the tenge against foreign currencies.

The greatest faller was Kazakhtelecom's ordinary shares, whose price fell by 3.9% to KZT24,900.00. On Thursday, Samruk-Kazyna announced plans to sell 10% of its stake in Kazakhtelecom to the United Accumulated Pension Fund (UAPF) by the end of 2020. Also, much deeper decline was recorded in KAZ Minerals and Halyk Bank's stocks, which were down 3.4% and 3.1%, respectively. The decline was most likely due to increased investor concerns about the pace of economic recovery amid increased quarantine measures.

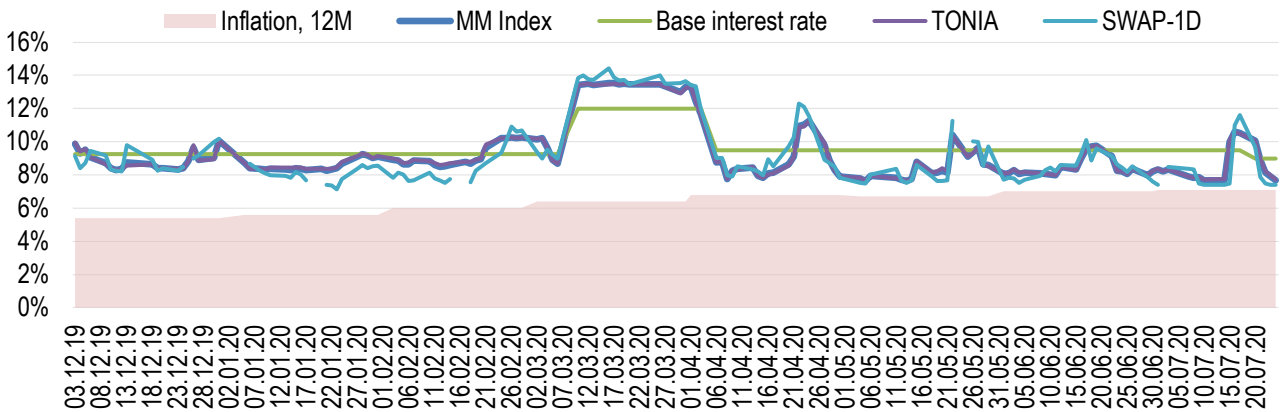
The only security that closed the week in the green zone was Kcell, whose price increased by insignificant 0.1% to KZT 2,565.00. Meanwhile, the company's GDR on the London Stock Exchange (LSE) was trading at US \$6.03, which is equivalent to KZT2,569.93 at the official exchange rate of the National Bank as at September 25 at the close of trading on KASE.

Retail investors & non-residents. %

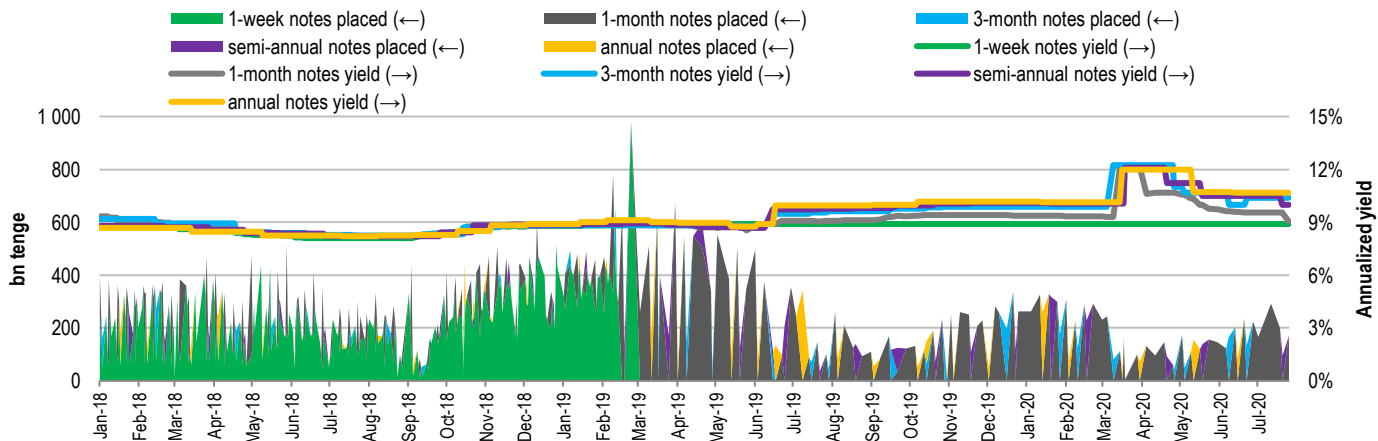


Money market rates were gradually growing this week amid strengthening of external pressure factors on the national currency. The yield of one-day repo transactions with government securities rose by 46 bps to 9.08% APR over the week. SWAP 1D USD rate was up 91 bps to 9.35% APR. The average amount of tenge liquidity raised for one day this week was KZT148.7 bn, which is 11,9% more than last week.

Inflation and interest rates

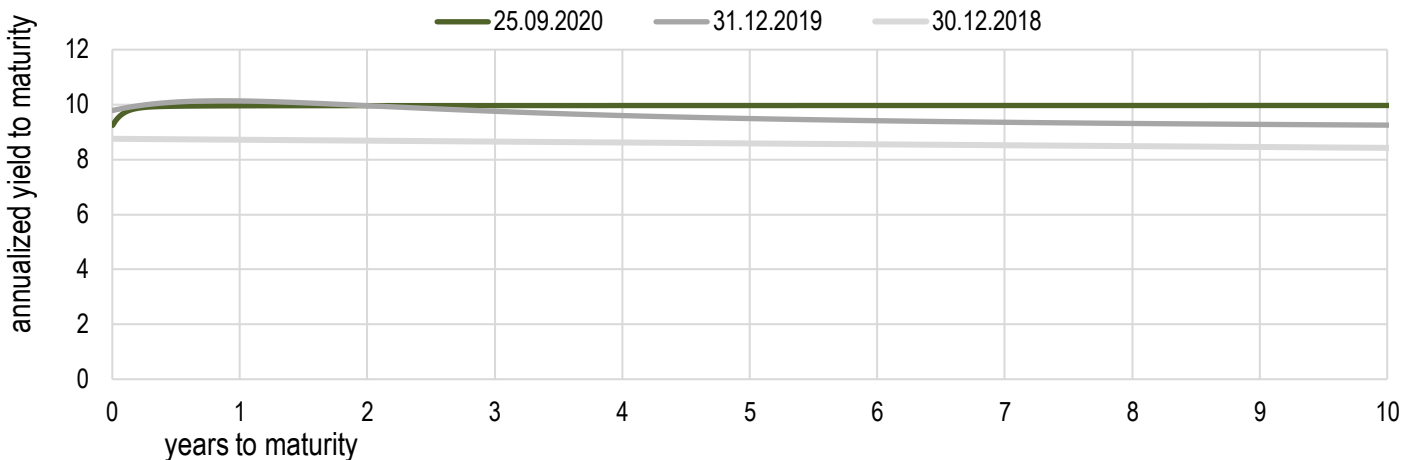


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





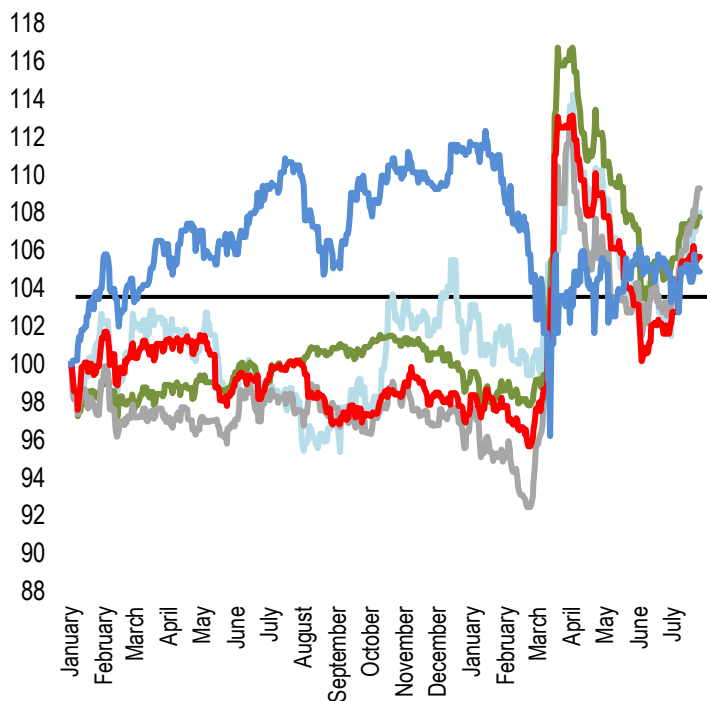
The US dollar exchange rate against the tenge increased by KZT2.91 (+0.7%) to KZT426.32 at the end of the week. Total trading volume over the week amounted to US \$626.2 mln (+7,1% compared to the last week). Total number of transactions for buying and selling the U.S. dollar was 2,340 (+194 compared to the last week). The maximum price this week was KZT427.00 per U.S. dollar, the minimum price is KZT421.15.

The tenge strengthened against the Russian ruble and the euro but depreciated against the U.S. dollar and the Chinese yuan amid declining oil prices over the week. The price of Brent oil futures at the London ICE Futures Exchange closed at US \$41.92 per barrel on Friday, which is 2.9% lower than the closing price of last Friday's trading. The market was pressured this week by news of the lifting of the state of emergency at all oil fields in Libya and the resumption of oil exports by Libyan oil company National Oil Corporation. Oil prices were rising before publication of the official data on the U.S. oil reserves last week. On Thursday, the U.S. Department of Energy published a report according to which the country's "black gold" reserves were declining for the second week in a row. However, this has failed to seriously support the market as an increase in the number of COVID-19 cases results in the return of restrictive measures in several countries, which in turn affects economic activity and, consequently, the demand for oil. Meanwhile, the Russian ruble is subject to the pressure of geopolitical risks and by the close of Friday's trading at the Moscow Exchange, the US dollar/ruble exchange rate amounted to RUB78.2164, up 3.3% from last Friday.

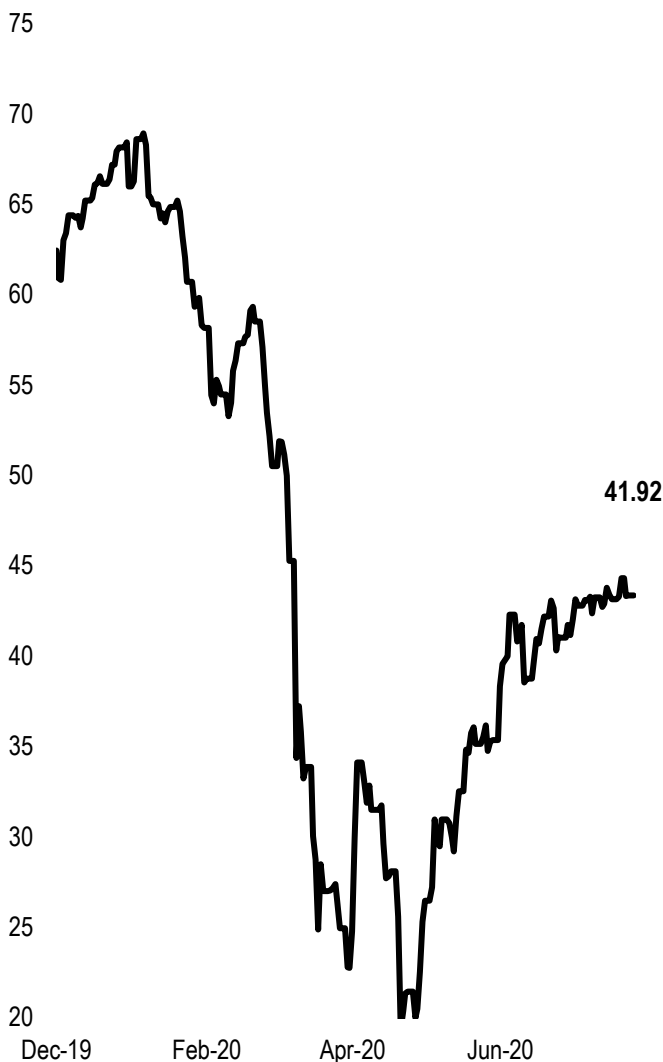
The exchange rate of the Russian ruble dropped by KZT0.0247 (-0.4%) to KZT5.5406. The euro depreciated by KZT1.23 (-0.2%) to KZT497.47 against the tenge. The Chinese yuan rose by KZT0.0931 (+0.1%) to KZ62.4800.

FX rates

Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	543.95	-0.8	-0.8	8.8
— USDKZT	426.19	0.78	1.9	11.8
— EURKZT	496.26	-0.5	0.35	16.3
— CNYKZT	62.43	-0.1	3.2	14.4
— RUBKZT	5.53	2.0	-1.1	-10

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

25.09.2020

Name	Value	Trend %			Futures	Name	Price	Trend %		
		7d	1m	1y	7d			7d	1m	1y
S&P 500	3 298,46	0,5	-5,2	10,8	-0,9	Oil	41,92	1,2	-8,2	-33,2
Dow Jones	27 173,96	0,1	-4,1	1,1	-2,0		40,25	2,4	-7,2	-28,6
RTS	1 164,68	-1,4	-8,5	-14,3	-5,2	Natural gas	2,14	16,6	-13,1	-11,9
MICEX	2 285,53	0,0	0,0	0,0	-5,2	Copper	297,30	-1,9	0,4	16,1
Hang Seng	23 235,42	-3,0	-8,9	-10,8	-5,3	Iron	910,00	-0,7	0,4	16,4
SS CSI 300	4 570,02	-2,6	-2,9	19,0	-3,3	Gold	1 861,58	-2,2	-4,8	23,6
Euro Stoxx 50	3 137,06	-0,8	-6,5	-11,2	-4,9	Silver	23,02	-5,3	-16,1	29,3
FTSEuroFirst	3 462,50	-0,1	-6,0	-17,7	-3,9	Wheat	544,25	-1,9	2,3	12,4
FTSE 100	5 842,67	0,7	-3,4	-20,5	-3,1					
KASE	2 431,72	-1,3	-0,4	12,3						

Economic calendar

Currency

Forecast

Previous

09/30	ISM Services Index (Manufacturing PMI) (Sept.)	CNY	51.2	51.0
09/30	GDP (yoy) (Q2)	GBP	-21.7%	-21.7%
09/30	Change in the number of the unemployed in Germany (Sept.)	EUR	-9K	-9K
09/30	Consumer price index (CPI) (YoY) (Sept.)	EUR	0.2%	0.2% {0><0}
09/30	GDP (QoQ) (Sept.)	USD	-31.7%	-31.7%
09/30	Crude oil reserves	USD	-2.325M	-1.639M
10/01	The number of initial applications for unemployment benefits	USD	850K	850K

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	7.0%	09/01/20	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&P Global

BBB- stable

03/27/20

BBB- stable

MOODY'S

Baa3 positive

08/22/19

Baa3 stable

FitchRatings

BBB stable

08/21/20

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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