

KASE WEEKLY

27–30 July, 2020

KASE NEWS

- ▲ KASE's Board of Directors has [approved](#) the members of the Listing Commission from the Exchange's Management Board.
- ▲ Amendments to the Listing Rules [have](#) been put into effect.
- ▲ Bonds KZ2C00002160 (KZIKb25) of "Mortgage Organization" Kazakhstan Mortgage Company JSC were [excluded](#) from the official list of KASE and from the representative list of indicators of the [KASE BM*](#) series due to the expiration of the circulation period.
- ▲ International bonds XS2010033343 (UA_02_3001) of the Ministry of Finance of Ukraine are [included](#) in the "Government securities" sector of the official list of KASE.
- ▲ The Information and Accounting Center JSC was [excluded](#) from members of KASE by the "stock" category due to a voluntary waiver of the membership.

ISSUER NEWS AND ANNOUNCEMENTS

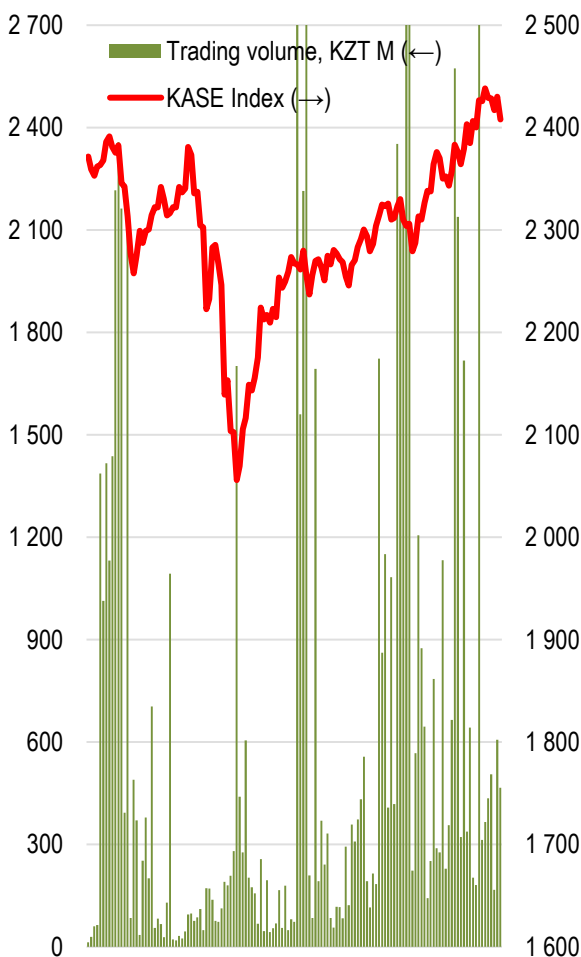
- ▲ The Ministry of Finance of Kazakhstan raised KZT243.8 bn on KASE by selling MEKKAM-12 of issue 148 ([KZK100000241](#)) with an average weighted yield of 10.2897 % per annum, MEUKAM-144 of the first issue ([KZKD00000261](#)) with an average weighted yield to maturity of 10.5254 % per annum, MEUKAM-240 of the fourth issue ([KZKD00000832](#)) with an average weighted yield to maturity of 10.5162 % per annum, MEUKAM-180 of issue 14 ([KZKD00000956](#)) with an average weighted yield to maturity of 10.5199 % per annum and MEUKAM-180 of issue 12 ([KZKD00000840](#)) with an average weighted yield to maturity of 10.5199 % per annum.
- ▲ Akimdik of Shymkent [raised](#) KZT5.0 bn on KASE by selling bonds KZSJ00000085 (SHK024_008).
- ▲ Development Bank of Kazakhstan JSC [raised](#) KZT50.0 bn on KASE by placing bonds KZ2C00006864 (BRKZb19) at 11.80 % per annum.
- ▲ BAST JSC [placed](#) 15,103 common shares KZ1C00001015 (BAST) in KASE's trading system for the amount of KZT181.2 mln.
- ▲ KazAgroFinance JSC [raised](#) KZT2.0 bn on KASE by placing bonds KZ2C00006781 (KAFIb10).
- ▲ Kazakhstan Stability Fund JSC raised KZT10.6 bn on KASE by placing bonds [KZ2C00006476](#) (BASPb7) with yield to maturity of 11.1499 % per annum and [KZ2C00006484](#) (BASPb8) with yield to maturity of 11.0000 % per annum.
- ▲ Shubarkol Komir JSC will [pay dividends](#) on preferred shares KZ1P00000137 (SHUKp) for 2019.
- ▲ Kazburgaz JSC will [pay dividends](#) on preferred shares for 2019.
- ▲ Kcell JSC [reported](#) results of activities for January–June 2020.
- ▲ NOSTRUM OIL & GAS PLC has [announced](#) its results for the second quarter and first half of 2020.

KASE Index rose by 1.6% to 2,445.81 points based on the results of the trading week, the highest since April 16, 2019. The largest number of transactions – 538 – was made with Halyk Bank’s shares. The largest volume of trading – KZT169.7 million – was attributed to Kcell’s securities.

30.07.2020

KASE Index	2 445,81	Trends (%)	
	Price	Δ 7d	Δ 1m
First class of liquidity			
KAZ Minerals	2 914,0	4,6	30,0
Halyk Savings Bank of Kazakhstan	116,8	1,5	-9,4
Kazakhtelecom	26 990,0	1,5	4,6
Bank of America Corporation	10 503,0	1,1	7,3
Sberbank Russia	1 275,1	1,0	6,0
KazTransOil	814,9	1,0	1,9
NAC Kazatomprom	6 019,0	0,9	6,6
Kcell	2 530,0	0,6	-1,5
Freedom Holding Corp.	8 315,0	0,2	-2,2
KEGOC	1 710,0	0,0	-1,0
Kazakhtelecom, preferred shares	12 500,0	0,0	1,4
VTB Bank	0,2	0,0	4,8
Bank CenterCredit	230,0	-0,3	-2,2
Gazprom	1 106,0	-2,3	-6,7
Aeroflot	475,0	-6,5	1,4

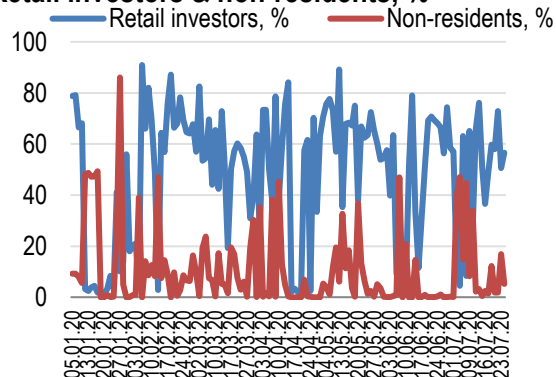
KASE Index shares



Note: Index stocks are highlighted in green

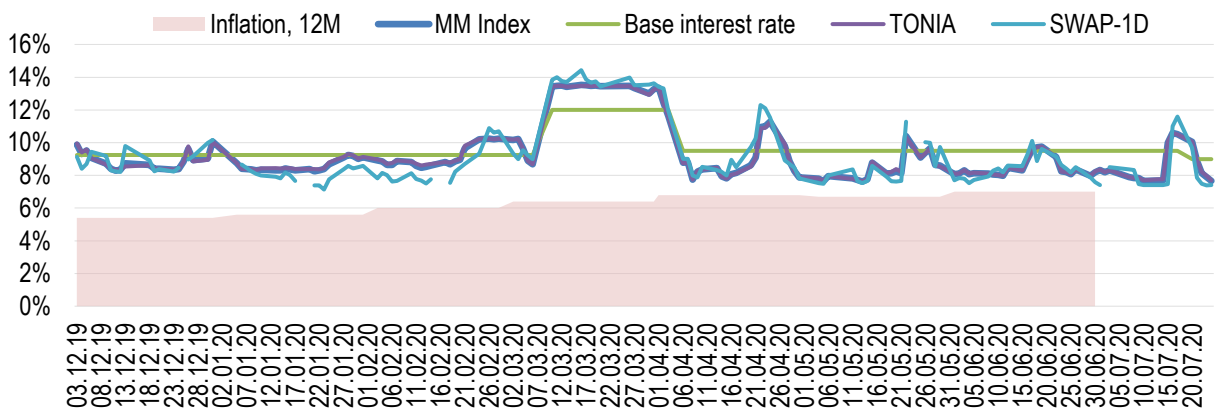
All shares of the representative list closed this week in the black. The main driver of the index's growth was ordinary shares of Kazakhtelecom that rose by 4.6% to KZT2,913.99 over the week. The main trigger for the growth of shares continues to be the recovery of copper prices in commodity markets and the decline in metal production due to the deterioration of the situation with COVID-19 in major exporting countries, as well as the fact that gold prices hit record highs on safe-heaven demand. Besides, according to the latest data, the economy of China - the main consumer of copper in the world - is recovering much faster than it was forecasted by analysts, which also serves as a driver of the growth of copper prices. In addition, the weakening of the tenge against the U.S. dollar also has a positive impact on the securities prices as the structure of the company's income is dominated by foreign exchange contracts, and a significant part of the expenses is made in the national currency. This week, it was reported that KAZ Minerals PLC produced 153.8 thousand tonnes of copper in the first half of 2020, which is 4% more than in the same period of 2019. Gold production in January-June 2020 increased by 25% to 109.7 thousand ounces. The company's press release also says that due to COVID-19, there have been no significant disruptions to the production or sale of products to date. We remind that since the beginning of the year the value of copper and gold on the COMEX commodity exchange has increased by 4% and 28%, and from the lows of this year by 38% and 32%, respectively.

Retail investors & non-residents, %

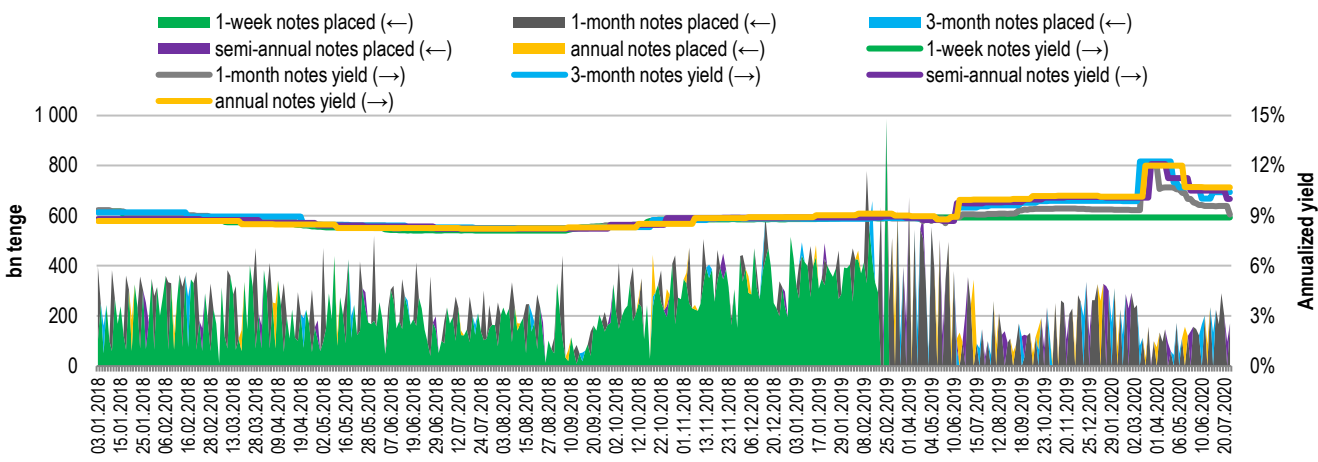


The yield of one-day repo transactions with government securities rose by 71 bps to 8.41% APR over the week. We remind that on Monday, TONIA was 7.61% APR, the lowest since April 13, 2015. SWAP 1D USD rate was up 70 bps to 7.41% APR. The average amount of tenge liquidity raised for one day this week was KZT234.4 bn, which is by 9,6% less than last week.

Inflation and interest rates

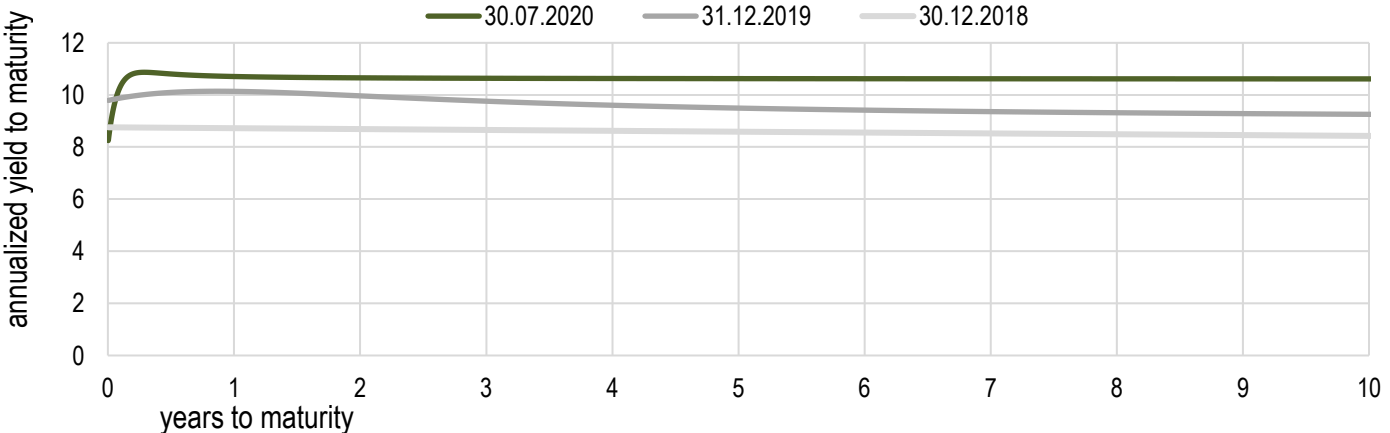


Main Features of National Bank Notes Placements



* 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 KZT3.91 to KZT418.00 by the end of the week. The total trading volume amounted to US \$480.3 million, which is 18% higher than the last week.

The tenge has weakened against the US dollar, the euro and the Chinese yuan by 0.9%, 3.1% and 1.3%, respectively, amid the weakening of the Russian ruble against the US dollar by the end of the week. However, the national currency managed to strengthen against the Russian ruble by 1.2%. The Russian currency was falling by 2.4% to RUB73.44 against the U.S. dollar on the Moscow Exchange by 3:00 p.m. Nur-Sultan time. A negative factor is the end of the tax period in Russia and the conversion of dividends by investors into foreign currency, which led to a decrease in the supply of export revenue at the end of this month. Meanwhile, the October Brent crude oil futures were trading at US \$43.56 a barrel by 3 p.m. Nur-Sultan time, which is 0.5% higher than the price of the previous Friday session. The oil is rising amid the publication of the weekly data on oil reserves in the U.S. from the American Petroleum Institute, according to which the reserves of "black gold" in the United States for the week ended July 24 decreased by 6.8 mln barrels to 531 mln barrels. The growth of oil prices throughout the week continued to be constrained by disappointing statistics on the COVID-19 infected people.

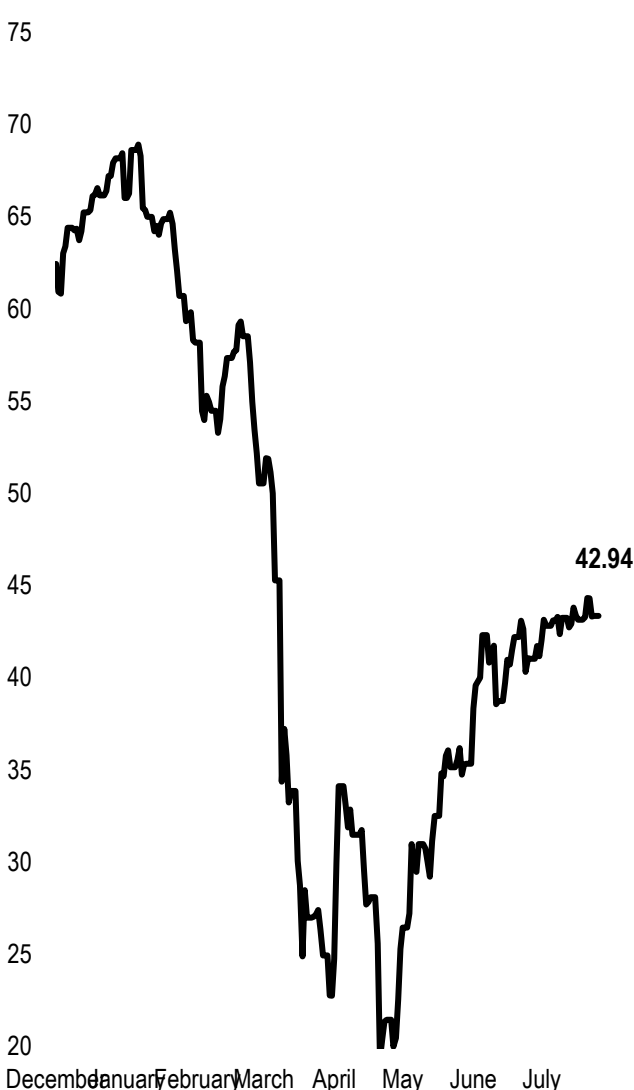
The Russian ruble dropped by KZT0.07 to KZT5.73. The euro rose by KZT14.80 to KZT490.30 against the tenge. The Chinese yuan rose by KZT0.74 to KZT59.72 against the tenge.

FX rates
Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	540,02	3,4	8,5	8,0
— USDKZT	416,49	1,0	3,1	9,3
— EURKZT	489,25	2,8	7,5	14,6
— CNYKZT	59,53	1,1	4,3	9,1
— RUBKZT	5,75	-1,0	-0,3	-6,8

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					30.07.2020	
Name	Value	Trend %			Futures 7d	Name	Price	Trend %			
		7d	1m	1y				7d	1m	1y	
S&P 500	3 246,22	1,0	4,7	8,9	0,7	Oil	42,94	-0,9	4,3	-34,1	
Dow Jones	26 313,65	-0,6	1,9	-2,0	-1,2		39,92	-3,3	1,7	-31,9	
RTS	1 232,35	-1,9	1,6	-9,4	-2,2	Natural gas	1,83	1,2	4,5	-18,1	
MICEX	2 285,53	0,0	0,0	0,0	-2,2	Copper	291,40	1,1	7,4	9,3	
Hang Seng	24 710,59	0,0	1,2	-11,0	-2,4	Iron	875,00	0,6	11,0	-10,0	
SS CSI 300	4 656,15	3,3	11,8	21,4	-1,0	Gold	1 949,58	2,5	9,3	37,9	
Euro Stoxx 50	3 208,20	-3,1	-0,8	-7,5	-5,2	Silver	23,36	2,4	26,0	42,4	
FTSEuroFirst	3 567,50	-2,9	-2,1	-14,6	-4,2	Wheat	529,50	-1,9	8,1	8,7	
FTSE 100	5 989,99	-2,2	-2,9	-21,0	-3,9						
KASE	2 445,81	1,6	4,4	7,6							

Economic calendar		Currency	Forecast	Previous
03.08	Germany Manufacturing PMI (July)	EUR	50.0	45.2
03.08	Great Britain Manufacturing PMI (July)	GBP	53.6	50.1
03.08	USA Manufacturing PMI (July)	USD	0.25%	0.25%
05.08	Crude oil reserves in USA	USD	0.357M	-10.612M
06.08	Bank of England's interest rate decision (July)		0.1%	0.1%
07.08	Unemployment rate in USA (July)	USD	10.5%	11.1%
03.08	Germany Manufacturing PMI (July)	EUR	50.0	45.2

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 2019
Annual inflation	7,0%	01.07.20	5,3 %
Gross international reserves of NBK, USD bn	31 561	01.06.20	30 927
Reserve money, KZT bn	8 428,3	01.06.20	5 995,7
Money supply, KZT bn	22 438,2	01.06.20	20 813,4

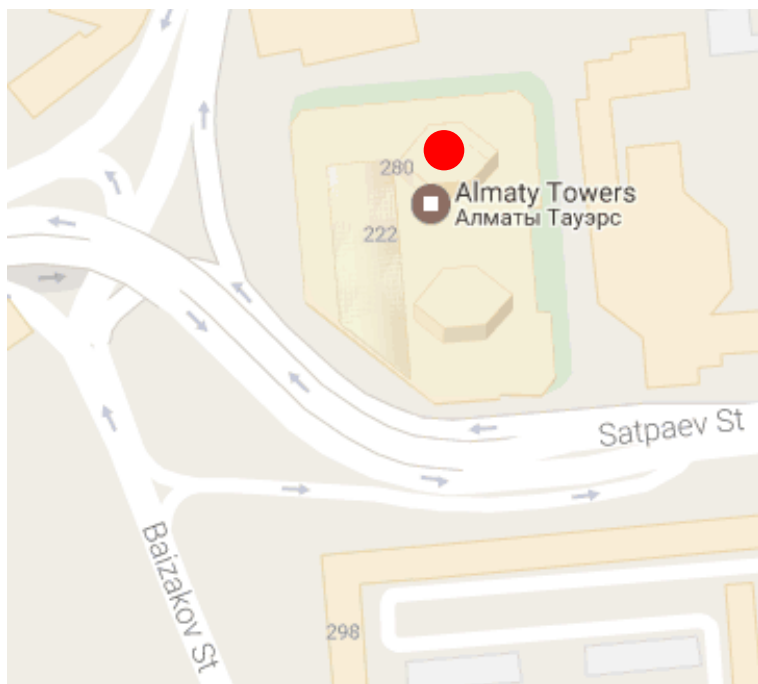
Kazakhstan credit ratings	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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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