

KASE WEEKLY

February 27 –
March 03
2023

KASE NEWS

- KASE [approves](#) the lists of securities of the first, second and third liquidity classes for March 2023.
- From March 1, the representative list of indexes of KASE_BM* series [consists](#) of bonds of 62 titles.
- Board of Directors of KASE approved the [Rules](#) for conducting a public offering of securities.
- International bonds [XS2590132242](#) (ASDBe14) of the Asian Development Bank and three issues of [bonds](#) of Development Bank of Kazakhstan JSC are included in KASE official list.
- Bonds [KZ2C00006484](#) (BASPb8) of Kazakhstan Sustainability Fund JSC due to the expiration of the circulation period, international bonds [XS0245586903](#) (CCBNe3) of Bank CenterCredit JSC due to their early redemption were excluded from KASE official list.
- Trades in bonds [KZ2C00009322](#) (FIVEb4) of FIVE BROKERS' CAPITAL JSC, bonds [KZ2C00009421](#) (MFOkb8) of MFO OnlineKazFinance JSC and international [bonds](#) of the US Department of the Treasury of 16 issues were opened on KASE.
- Trading in common shares [US55616P1049](#) (M_KZ) of Macy's and [US6516391066](#) (NEM_KZ) of Newmont Corp. suspended on KASE.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 6.9 mln MEUKAM-180 of issue 15 ([KZKD00001186](#), MUM180_0015), 87.3 mln MEUKAM-72 of issue 14 ([KZKD00001210](#), MUM072_0014) and 25.0 mln of MEUKAM-84 of the first issue ([KZKT00000073](#), MTM084_0001).
- Bank RBK JSC [raised](#) KZT731.9 mln on KASE via subscription by placing bonds KZ2C00008845 (INBNb11).
- Bank RBK JSC [raised](#) KZT19.3 bn on KASE via subscription by placing bonds KZ2C00008852 (INBNb12).
- Kazakhstan Sustainability Fund JSC [raised](#) KZT4.7 bn on KASE by placing bonds KZ2C00008738 (KFUSb43).
- Kazakhstan Sustainability Fund JSC [raised](#) KZT5.1 bn on KASE by placing bonds KZ2C00008936 (KFUSb47).
- **ANNOUNCEMENT:** On March 17 NAC Kazatomprom JSC will hold a conference call to discuss operational and financial results for 2022.
- Kaspi.kz JSC [reported](#) financial results for the fourth quarter of 2022 and 2022 in English.
- National Company KazMunayGas JSC [reported](#) production results for 2022.
- National company QazaqGaz JSC [says](#) Fitch Ratings affirmed the company's ratings.
- Development Bank of Kazakhstan JSC [says](#) Fitch Ratings affirmed ratings of the bank and its bonds.
- KazTransOil JSC [announces](#) approval of temporary compensatory tariff for a regulated service for transshipment of oil at N. Shmanov oil pumping station to Kenkiyak-Atyrau oil pipeline.
- KazTransOil JSC delivered Kazakh oil to the system of main oil pipelines of Transneft PJSC for delivery to Germany.
- KazTransOil JSC [plans](#) to transit 20 thousand tons of Kazakh oil to Germany in March.
- Halyk Finance JSC [announces](#) receipt of a number of awards from Qazaq and international financial experts.



03.03.2023

KASE Index	Price	Trends (%)	
		Δ 7D	Δ 1M
KASE Index	3 309,80	-0,9	0,4
First class of liquidity			
Intel Corporation	26,76	2,9	- 4,8
Advanced Micro Devices, Inc.	80,18	1,4	12,1
АО "БАСТ"	9 099,00	1,1	- 8,1
АО "Кселл"	1 788,00	0,8	2,2
Ford Motor Company	13,79	0,5	- 2,9
АО "Банк ЦентрКредит"	630,00	0,3	- 0,7
NOSTRUM OIL & GAS PLC	22,44	-	0,7
АО "КЕГОС"	1 618,70	- 0,0	- 0,2
АО "КазТрансОйл"	712,00	- 0,1	0,3
АО "Банк ЦентрКредит"	455,00	- 0,4	8,3
American Airlines	17,29	- 0,6	- 2,6
АО "Баян Сулу"	436,99	- 0,7	- 0,7
АО "НК "КазМунайГаз"	9 560,00	- 1,1	0,4
Bank of America Corporation	33,77	- 1,4	- 4,3
АО "НАК "Казатомпром"	13 540,76	- 1,4	- 4,8
АО "ForteBank"	4,10	- 1,4	- 4,4
Tesla, Inc.	204,99	- 1,5	20,6
АО Kaspi.kz	34 050,56	- 1,6	1,5
АО "Народный банк Казахстана"	125,45	- 1,9	2,0
Apple Inc.	146,26	- 2,3	3,5
АО "Казакхтелеком"	29 150,01	- 2,5	- 0,1
Freedom Holding Corp.	70,00	- 2,9	10,7
AltynGold plc	830,01	- 8,1	1,2

Note: Index stocks are highlighted in green

The value of KASE Index in February increased by 1.2 % to 3,338.90 points. The largest growth was shown by shares of representatives of the financial sector: common shares of Kaspi.kz grew by 3.8 %, common shares of Halyk Bank – by 3.5 %. Shares of Kazakhtelecom and its subsidiary Kcell occupied the third and fourth places following the results of the month with growth of 1 % and 1.2 % respectively.

According to the National Bank of Kazakhstan, the net profit of Halyk Bank for 2022 according to non-consolidated statements increased by 14.3 % to 539 billion tenge. The net profit of Kaspi.kz group increased by 36 % over the same period. The Group completed its third share buyback program, and the three programs resulted in a \$180 million GDR buyback. The Board of Directors of Kaspi recommended paying dividends for the fourth quarter of 2022 in the amount of 600 tenge per GDR, and forecasts for the current year were also announced: based on results of 2023, net income of Kaspi.kz is predicted to grow by 25 %.

The CFO of Kazakhtelecom announced on February 9 that, according to preliminary data, the results of the company's activities exceeded the planned figures for 2022. In addition, on February 23, Kazakhtelecom announced the provision of a line of credit to Kcell and Mobile Telecom-Service in the amount of 40 billion tenge to finance capital expenditures on the 5G implementation project in Kazakhstan.

An important event of February was the inclusion of securities of the National company "KazMunayGaz" JSC in the list of shares for calculation of KASE Index from the third day. Over the past month, the price of these shares rose by 2.6 %, also supporting the index.

Since the offering of KazMunayGas as part of the IPO held in December 2022, and until the end of February, the company's shares have grown by 16.2 %. This happened against the background of the publication of positive operating results of the company in 2022. Compared to 2021, the volume of oil and gas condensate production increased by 1.7 % to 22 million tons, the volume of oil transportation increased by 0.1 % to 74.7 million tons, the volume of hydrocarbon processing at Qazaq and Romanian refineries – by 5.7 % to 19.9 million tons.

In February, the volume of transactions with shares in the "KASE Global" sector amounted to 1.7 billion tenge, or 3.8 million US dollars. The largest trading volume was in stocks of Meta Platforms, Apple and Tesla. At the same time, the shares of NVIDIA, Tesla and Meta Platforms increased in price by more than 15 %.

Since February 20, six ETFs of foreign management companies The Select SectorSPDR Trust, The Vanguard Group, Inc. and iShares Trust have been included in the sector. As a result, currently 56 securities of 50 foreign issuers are included in the KASE Global sector, including 44 shares and 12 foreign ETFs.

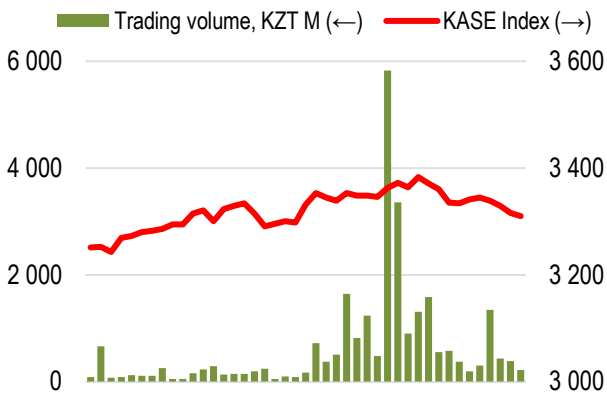
On the debt capital market, last week Bank RBK raised KZT20 bn on KASE via subscription by placing ten-year bonds with weighted average yield to maturity of 18.25 % APR. Kazakhstan Sustainability Fund placed two bond issues for a total of 9.8 billion tenge with a yield to maturity of 16-18.3 % per annum with a maturity of 1 year and 5 years. To this should be added the placement on the stock exchange of three issues of treasury bonds of the Ministry of Finance of Kazakhstan for a total of 119.2 billion tenge with a term of 6 to 14 years and a yield of 11.7-15.3 % per annum.

Development Bank of Kazakhstan and National company QazaqGaz, whose bonds are officially listed on Kazakhstan Stock Exchange, says Fitch Ratings affirmed their ratings with a stable outlook: Development Bank of Kazakhstan – at "BBB", QazaqGaz – at "BBB-".

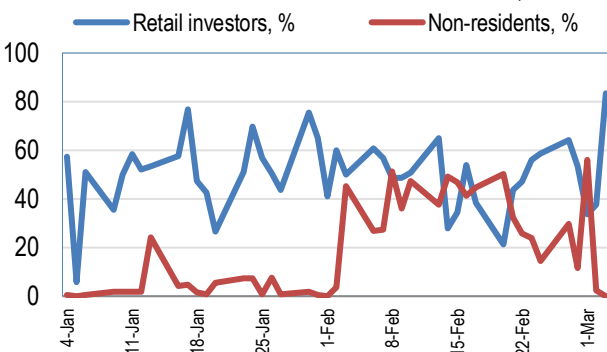
Leading stock markets are mostly sideways for the second week in a row on the back of neutral news and mixed corporate reports. The index of business activity in the US manufacturing sector in February increased from 47.4 to 47.7 points, but was below economists' expectations of 48 points. The value of the indicator below 50 points indicates a decline in manufacturing activity.

Consumer prices in the eurozone in February fell from 8.6 % to 8.5 % per annum, while the consensus forecast of experts was 8.2 %. The head of the European Central Bank, Christine Lagarde, believes that European inflation will still show a more significant decline in March.

KASE Index shares



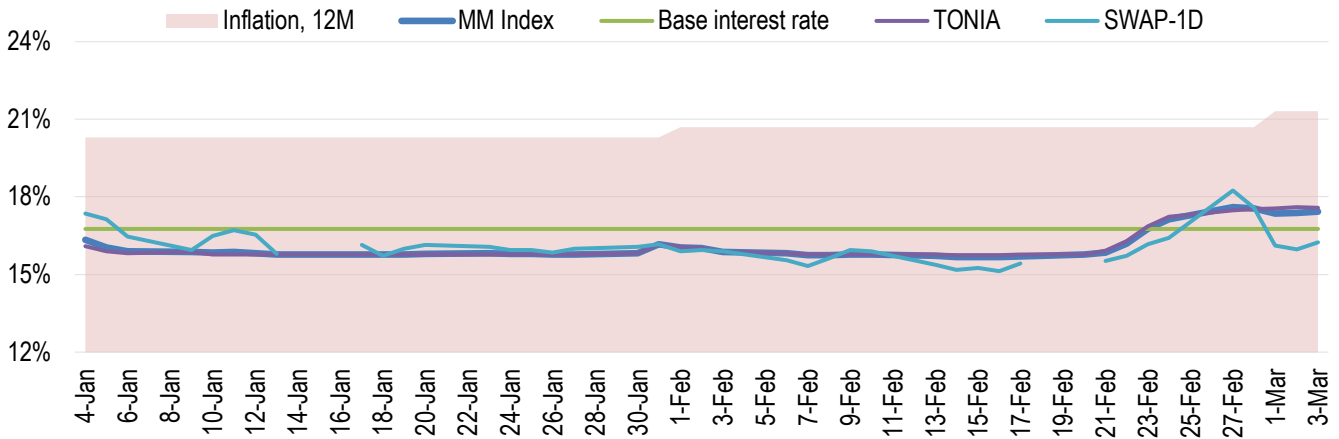
Retail investors & non-residents, %



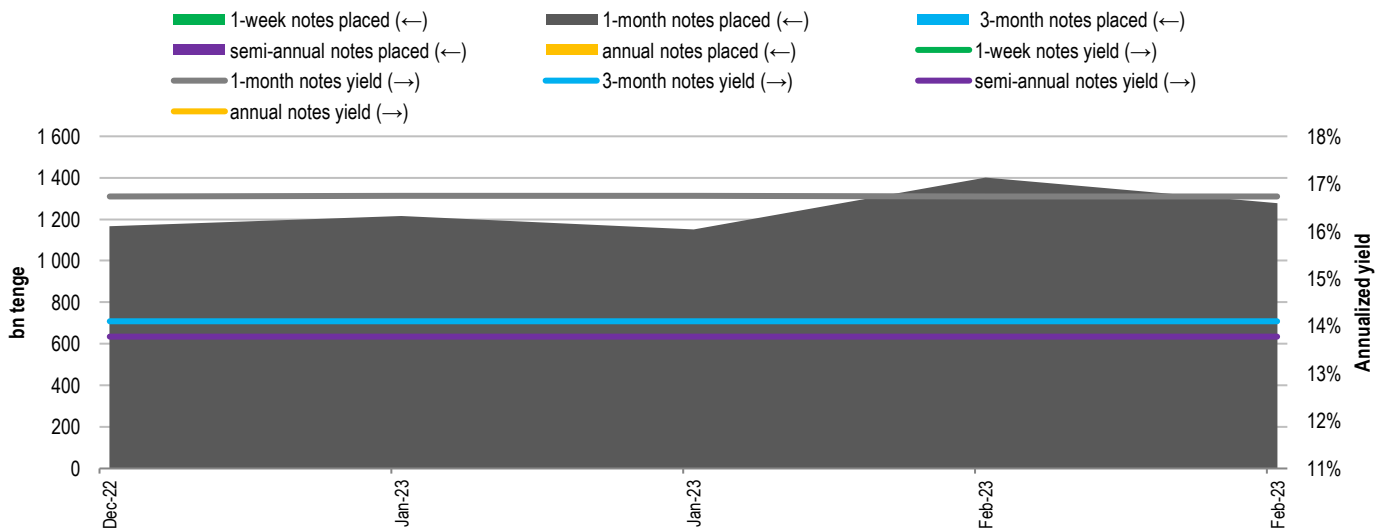


In the money market, the overnight repo interest rate TONIA traditionally increased in the third ten days of the month and as of March 3 totaled 17.58 % per annum. The yield of one-day currency swap operations in US dollars decreased from 18.2 % to 16.25 % per annum during the week due to the restoration of short-term tenge liquidity after the "big tax period".

Inflation and interest rates

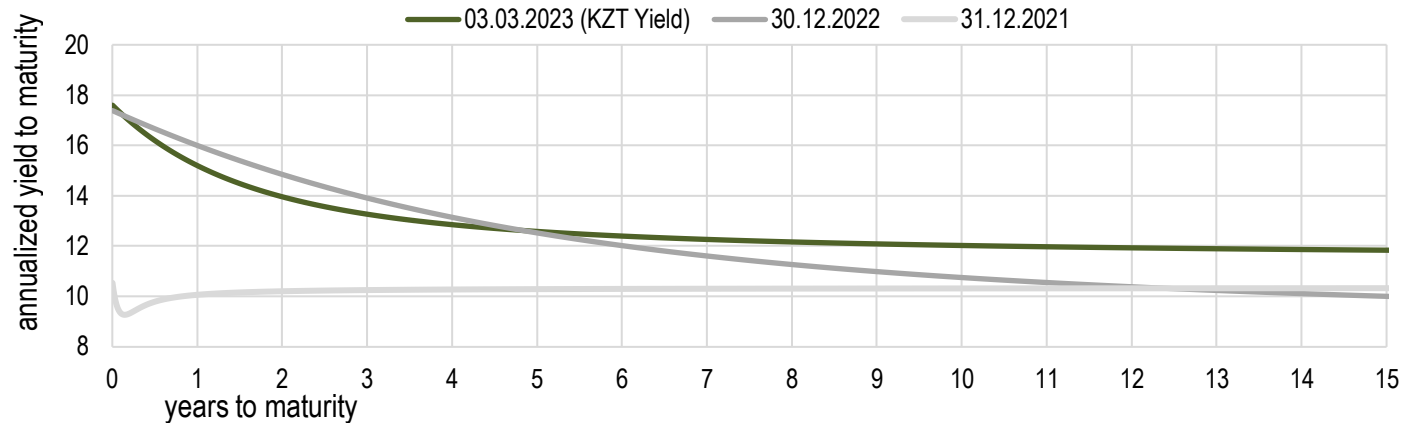


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





As a result of February, the tenge exchange rate strengthened by 3.2 % to 445.66 tenge per US dollar. The average daily trading volume on Kazakhstan Stock Exchange increased from \$103 million to \$130 million over the month. The total trading volume was \$2.6 billion.

During the month, the foreign exchange market was balanced in terms of supply and demand, the exchange rate was formed depending on market conditions. The strengthening of the exchange rate is associated, among other things, with the "tax period" factor and the entry of foreign investors into government securities of the Republic of Kazakhstan.

Sales of foreign exchange earnings by entities of the quasi-public sector during the past month amounted to about \$295 million. Quasi-public sector companies independently carry out sales on the foreign exchange market through second-tier banks.

Sales of foreign currency to ensure transfers from the National Fund to the republican budget in February amounted to 590 million US dollars. The share of sales from the National Fund amounted to 23 % of the total trading volume and no more than 30 million US dollars per day. When carrying out operations with the funds of the National Fund, the National Bank observes the principle of market neutrality, which implies regular and uniform sales of foreign currency. This practice allows minimizing the impact of the National Fund's operations on the foreign exchange market.

In order to maintain the foreign exchange share of pension assets of the UAPF at the level of 30 %, in February the National Bank carried out purchases of foreign currency at exchange auctions, the total amount of which amounted to USD 226 million, or about 9 % of the total market volume.

The National Bank did not carry out currency interventions in February.

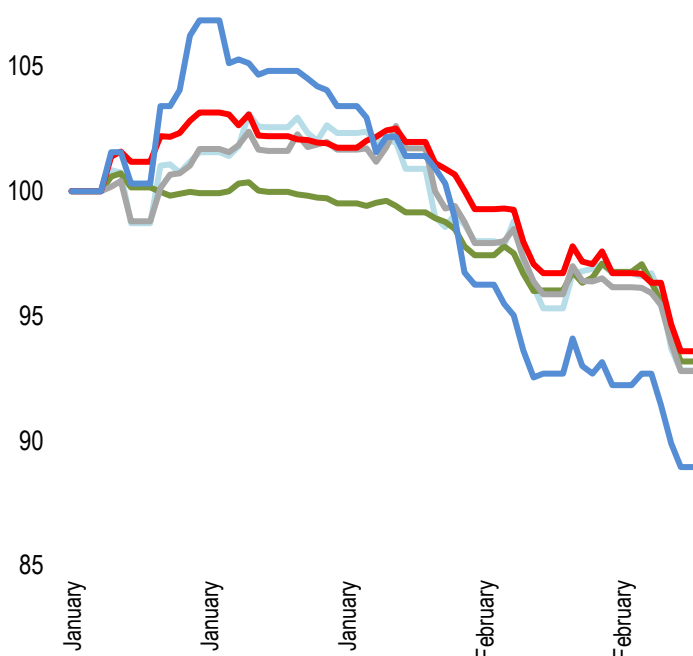
In March, the actual volume of sales from the National Fund will depend on the applications of the Ministry of Finance for the allocation of transfers to the republican budget. Preliminarily, based on the current forecast targets of the Ministry of Finance on the amount of necessary transfers, the National Bank plans to sell foreign currency in the amount of 750 to 850 million US dollars, depending on the tenge receipts.

The purchase of foreign currency to maintain the foreign exchange share of UAPF pension assets in March is expected in the amount of 200 to 250 million US dollars.

FX rates

Δ %, base (01.01.23)

110

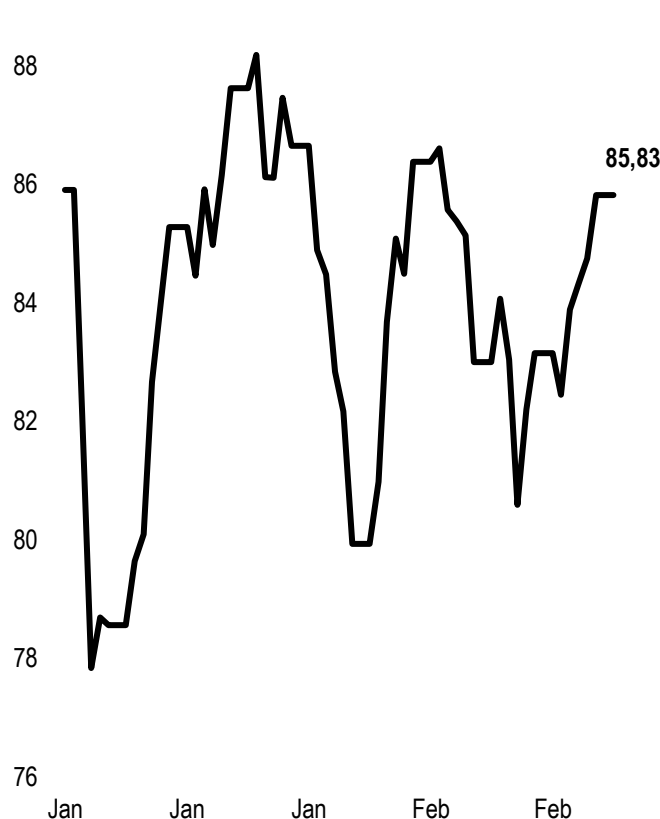


	Price	Δ 7d, %	Δ 30d, %	Δ 2023, %
— GBPKZT	516,65	-4,02	-8,11	-6,30
— USDKZT	431,08	-3,72	-5,39	-5,83
— EURKZT	457,29	-3,50	-7,18	-6,08
— CNYKZT	62,45	-3,24	-7,35	-5,33
— RUBKZT	5,72	-3,54	-11,49	-10,11

Brent oil

USD/barrel

90



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	4 045,64	1,9	-1,8	-7,3	1,9
Dow Jones	33 390,97	1,7	-2,1	-1,2	1,8
RTS	945,41	3,4	-5,7	0,9	3,5
MICEX	2 285,53	0,0	0,0	0,0	3,5
Hang Seng	20 567,54	2,8	-6,8	-8,5	3,1
SS CSI 300	4 130,55	1,7	-1,6	-9,3	1,8
Euro Stoxx 50	4 294,80	2,8	3,0	14,8	2,4
FTSEuroFirst	4 922,00	1,3	2,5	10,7	1,8
FTSE 100	7 947,11	0,9	2,4	9,8	0,9
KASE	3 309,80	-0,9	0,4	3,3	

Commodities market

March 3, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	85,83	3,2	3,6	-22,3
Oil (WTI)	79,68	4,4	4,3	-26,0
Natural gas	3,01	22,8	21,9	-36,3
Copper	407,80	3,2	-0,8	-14,5
Iron	954,00	2,4	5,4	17,4
Gold	1 856,48	2,5	-3,6	-4,1
Silver	21,09	1,4	-10,7	-16,3
Wheat	695,75	-1,8	-8,4	-46,0

Calendar of economic events

Currency

Forecast

Previous

07.03	<u>Statement by Fed Chairman Mr. Powell March 7, 8</u>	USD		
08.03	<u>ECB President Lagarde to deliver a speech on March 8, 10</u>	EUR		
08.03	<u>Crude oil reserves</u>	USD	-0.308M	1.165M
09.03	<u>Number of Initial Claims for Unemployment Benefits</u>	USD	195K	190K
10.03	<u>Index (CPI) (YoY) (Feb)</u>	EUR	8.7 %	8.7 %
10.03	<u>Non-farm Employment Change (Feb)</u>	USD	203K	517K
10.03	<u>Unemployment Level (Feb)</u>	USD	3.4 %	3.4 %

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

Previous month

Annual inflation	21,3%	01.03.23	20,7%
Gross international reserves of NBK, USD bn	34,6	01.03.23	36,7
Reserve money, KZT bn	11 135,1	01.03.23	11 707,1
Money supply, KZT bn	33 834,4	01.02.23	34 295,9

Kazakhstan credit ratings

Rating

Date

Previous

S&P Global

BBB-/A-3 stable

03.03.23

BBB-/A-3 negative

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

02.12.22

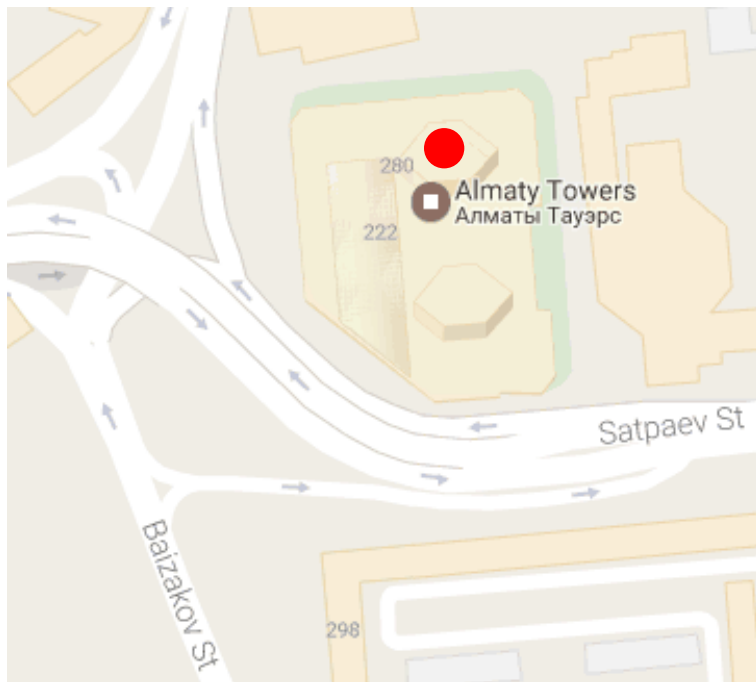
BBB/stable

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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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