

## PRESS RELEASE

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### **KASE presents the exchange market's performance in October 2022**

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) informs about the main results of activities in October 2022:

- The total volume of trades on KASE amounted to 20.7 trln tenge having increased by 2.4 %, or 479.3 bn tenge, relative to September.
- The value of KASE Index increased by 1.6 % to 3,132.87 points.
- The equity market's capitalization decreased by 2.1 % to 22.3 trln tenge, the volume of traded corporate debt – by 2.8 % to 15.0 trln tenge.
- As of November 1, 2022, 584 corporate securities of 234 issuers were on KASE's trading lists.
- As of November 1, 2022, the Central Securities Depository maintained 474,239 personal accounts opened for 445,178 individuals. In October, individuals opened 33,903 new personal accounts.

### **KEY PROJECTS AND EVENTS**

- As part of the training program "My portfolio on KASE " the Exchange held a series of webinars:
  - "Selecting stocks and IPO: What you need to know and how to participate". At the webinar, the speakers talked about choosing stocks based on fundamental and technical analysis, as well as what an IPO is, how you can make money on it and how to participate.
  - "Choice of Bonds". The speaker of the webinar told the audience about characteristics, types and risks of bonds, the main criteria and principles that should be followed when choosing securities.
  - "Selecting an investment fund (mutual funds and ETFs at KASE)". At the webinar, the speakers talked about the concepts, types and characteristics of investment funds, about the main parameters that need to be analyzed when choosing these securities.
- As part of the "Issuer Day" project, an online meeting of executives of OnlineKazFinance LLP (Solva) with existing and potential investors was held at KASE. The speakers told the audience about the company's operating results, its business strategy and shared plans of operations in the debt financing markets.
- On October 4, 2022, as part of the international initiative World Investor Week, held by the International Organization of Securities Commissions (IOSCO), to raise awareness of the importance of investor education and protection, as well as to highlight various initiatives of securities regulators, KASE joined the "Ring the bell for Financial Literacy" ceremony. To confirm the importance of developing financial literacy and financial inclusion, exchanges around the world annually strike the gong, symbolizing the start of trading.
- The Exchange hosted two meetings as part of the project KASE Talks:

- "Kazpost – more than just mail." The guest was Nikolai Melnikov, Managing Director for Information Technology and Digitalization of Kazpost JSC.
- "All about IPO from SkyBridge" with Sholpan Ainabayeva, Chairperson of the Management Board of SkyBridge Invest JSC.
- As part of the World Investor Week, KASE held a series of broker fairs called KASE FEST, during which visitors met with executives of Samruk-Kazyna JSC and National company "KazMunayGas" JSC. KASE experts held master classes, and leading brokers of Kazakhstan acquainted participants with their services, advised on investing in the securities market. The events were held at KIMEP University (Almaty), Nazarbayev University, Graduate School of Business (Astana), Narxoz University (Almaty) and KAZGUU University (Astana).
- KASE made an official visit to the cities of Dubai (UAE) and Doha (Qatar) in order to exchange experience and information on activities of the Exchanges. During the visit, meetings were organized with DFM/Nasdaq Dubai, Qatar Stock Exchange, the DIFC Innovation Hub, the regulator of DIFC financial services – Dubai Financial Services Authority (DFSA) and the financial center – Qatar Financial Center, as well as other IT companies.
- From mid-September to mid-October, KASE employees took part in information and explanatory meetings on the planned IPO of KazMunayGas. Meetings were held in more than 60 cities and towns across Kazakhstan. More than 100 thousand citizens took part in the meetings. The speakers told participants of the meetings what an IPO is and how to participate in it, successful cases, investment risks, and also answered numerous questions of the participants.
- On October 16-19, KASE took part in the 15th World Financial Information Conference (WFIC) organized by The Financial Information Services Division (FISD) in Prague (Czech Republic). FISD is a global forum dedicated to finding, matching and sharing financial information. During the event, there were speeches on the topics of the financial information industry in the post-pandemic period, decentralized finance, alternative data, cloud services, artificial intelligence and machine learning, algorithmic trading, ESG and others. Experts shared best practices, standards and new technologies that affect business.

## EQUITY MARKET

At the end of October 2022, the capitalization of the equity market amounted to 22.3 trln tenge (47.8 bn USD), which is by 483.0 bn tenge, or 2.1 %, lower than the same indicator of the previous month.

As of the end of October, 117 stocks of 103 issuers were listed on KASE, of which four stocks of four issuers were admitted to circulation in the "Unlisted securities" sector. In the reporting month, at the initiative of the issuers, four stocks were excluded from KASE official list: common shares of Altyntau Kokshetau JSC, Insurance company "London-Almaty" JSC as well as common and preferred shares of Zhairem mining and processing plant JSC.

The volume of trading in shares in October amounted to 13.3 bn tenge, having decreased by 11.3 %, or 1.7 bn tenge. The entire trading volume fell on the secondary market. The average daily trading volume amounted to KZT666.7 mln, the average daily number of deals – 1,446, the average volume of one deal – KZT461.1 th.

Among the main categories of investors, individuals accounted for 46.7 % of the total volume of transactions with shares. The share of broker-dealers amounted to 11.9 %, other institutional investors – 7.9 %, other legal entities – 33.5 %. Participation of non-residents is estimated at 4.3 %.

## KASE INDEX

The value of KASE index in October rose by 1.6% to 3,132.87 points by the end of the month. This year, part of the index companies postponed the dividend payouts to autumn, so, in October Kazakhtelecom JSC, Halyk Savings Bank of Kazakhstan JSC, KEGOC JSC and Kaspi.kz JSC announced the payment of dividends. Also in the reporting month, index companies opened the reporting season for the third quarter.

The volume of transactions with index shares in October 2022 amounted to 6.3 bn tenge, which is 2.1 bn tenge higher than September 2022. The largest trading volume fell on common shares of Kcell JSC – 2.6 bn tenge (41.7 % of the total trading volume with index shares) and common shares of Bank CenterCredit JSC – 2.1 bn tenge (33.0 % of the total volume of trading with index shares).

Issuer	Ticker	Price, tenge per share			Trading volume, mln tenge		
		as of 01.11.22	as of 01.10.22	Δ, %	October	September	Δ
Kaspi.kz JSC	KSPI	30,600.00	28,100.00	+ 8.9	210.1	252.2	-42.1
Kazakhtelecom JSC	KZTK	31,379.96	29,156.00	+ 7.6	60.7	152.8	-92.1
Bank CenterCredit JSC	CCBN	620.00	589.00	+ 5.3	2,090.8	2,024.0	+66.8
KEGOC JSC	KEGC	1,580.01	1,581.99	-0.1	41.4	45.2	-3.8
Kcell JSC	KCEL	1,535.00	1,553.00	-1.2	2,641.4	186.6	+2,454.8
KazTransOil JSC	KZTO	684.97	692.99	-1.2	82.6	129.6	-47.0
Halyk Savings Bank of Kazakhstan JSC	HSBK	118.13	122.01	-3.2	1,016.5	914.4	+102.1
National Atomic Company Kazatomprom JSC	KZAP	13,163.00	13,722.00	-4.1	197.3	544.6	-347.3

As of the end of the month, common shares of three issuers closed in the green zone: Kaspi.kz JSC (+8.9 %), Kazakhtelecom JSC (+7.6%) and Bank CenterCredit JSC (+5.3 %).

The price of ordinary shares of Kaspi.kz JSC recovered to the level of May 2022, adding 8.9 % over the month. On October 24, the Group published its consolidated financial statements for nine months of 2022, according to which revenue for this period increased by 40 % to 910 bn tenge, net profit – by 36 % to 422 bn tenge, compared to the same indicators in 2021. The Board of Directors of Kaspi.kz proposed to consider the issue of paying dividends in the amount of 600 tenge per ordinary share. The date of the general meeting of shareholders is scheduled for November 23. We remind you that following the second quarter's results, the shareholders decided to pay dividends in the amount of 500 tenge per share.

Kazakhtelecom JSC are on the second place in terms of growth rates, adding 7.6 %. Shareholders of Kazakhtelecom JSC approved the payment of dividends for 2021 in the amount of 3,509.39 tenge per share starting from November 7, 2022. Also on October 10, Kazakhtelecom JSC announced a partial early redemption of bonds placed on AIX in the amount of 34 bn tenge.

Closing the top three in the current month are common shares of Bank CenterCredit JSC with an increase of 5.3 %. The bank's shares closed in the green zone for the fifth month in a row.

## KASE GLOBAL SECTOR

As of the end of October, there were 47 shares and six ETFs of foreign issuers Van Eck Associates Corporation, BlackRock Fund Advisors, Global X" Management Company LLC and State Street Global Advisors in the KASE Global sector.

During the reporting month, 2,392 deals were made in the KASE Global sector for a total of KZT2.5 bn. Relative to September, the trading volume increased 2.4 times, or by 1.5 bn tenge, while the number of transactions increased by 1.6 %. The average daily trading volume amounted to KZT126.0 mln, the average daily number of deals – 120, the average volume of one deal – KZT1.1 mln.

According to results of the month, the largest volume of transactions fell on the following shares:

- Apple Inc. (AAPL\_KZ) – 150 deals for a total of KZT1,875.2 mln;
- NVIDIA Corp. (NVDA\_KZ) – 125 deals for a total of KZT108.1 mln;
- Advanced Micro Devices Inc. (AMD\_KZ) – 185 deals for a total of KZT78.9 mln.

Among the main categories of investors, the largest share fell on individuals – 50.6 %. The share of broker-dealers accounted for 12.5 % of the total volume of transactions with shares, the share of other legal entities – for 36.8 %. Participation of non-residents was 0.4 %.

## CORPORATE BONDS

The volume of outstanding corporate debt in circulation in October 2022 decreased by 2.8 %, or 435.7 bn tenge, to 15.0 trln tenge (32.1 bn USD).

As of the end of October 2022, corporate bonds of 343 issues of 83 issuers were on KASE official list of. In October, one issue of bonds of NC Kazakhstan temir zholy JSC was included in KASE official list, one issue each of ForteBank JSC and Kazakhstan Sustainability Fund JSC were excluded from KASE official list of due to the expiration of circulation period.

The value of the yield index of corporate bonds KASE\_BMY in October 2022 increased by 25 b.p. and at the end of the month made up 12.10 % per annum.

The volume of trades in corporate bonds on KASE increased 4.0 times, or by KZT416.7 bn, to KZT557.5 bn, relative to September. The average daily trading volume amounted to 27.9 bn tenge (in the secondary market – 3.9 bn tenge), the average daily number of transactions – 90 (in the secondary market – 72 transactions), the average volume of one transaction – 308.8 mln tenge (in the secondary market – 54.4 mln tenge).

In October 2022, the volume of the primary market for corporate bonds amounted to 479.7 bn tenge, which is 4.7 times, or by 378.5 bn tenge, higher than in September:

- Kazakhstan Sustainability Fund JSC raised 43.8 bn tenge by placing four bond issues with a yield to maturity of 15.67-16.13 % per annum with maturity from one to three years;
- Microfinance organization OnlineKazFinance LLP placed three bond issues and raised:
  - \$7.3 mln (equivalent to KZT3.5 bn) by placing two bond issues with a yield to maturity of 10.0 % per annum and current maturity of less than a year,
  - 1.3 bn tenge by placing bonds with a yield to maturity of 21.0 % per annum with current maturity of less than a year;
- Bank RBK JSC raised KZT20.0 bn by placing ten-year bonds with yield to maturity of 14.5 -17.5 % per annum;
- Kazakhstan Housing Company JSC raised KZT221.0 mln by placing bonds with maturity of 28.4 years.

In terms of the main categories of investors in the primary corporate bond market, the share of banks made up 7.2 %, that of brokers and dealers – 0.6 %, that of other institutional investors – 4.9 %, that of other legal entities – 86.2 %, that of individuals – 1.0 %. The share of non-residents was 0.1 %.

The volume of trading in the secondary bond market compared to September 2022 increased by 96.5 %, or by 38.2 bn tenge, to 77.8 bn tenge.

In terms of the main categories of investors in the secondary corporate bond market, the share of banks made up 2.4 %, that of brokerage and dealing organizations – 7.5 %, that of other institutional investors – 17.8 %, that of other legal entities – 66.5 %, the share of individuals – 5.7 %. The share of non-residents was 16.1%.

## GOVERNMENT SECURITIES (GS)

The amount of government debt at face value, traded on KASE, amounted to 19.8 trln tenge (42.3 bn USD), having increased by 1.2 %, or 235.1 bn tenge, on October.

The total volume of trades in GS on KASE amounted to KZT385.5 bn having decreased by 20.4 %, or KZT98.6 bn, relative to September. Based on results of October 2022, the average daily trading volume amounted to 19.3 bn tenge (in the secondary market – 2.7 bn tenge), the average daily number of transactions was 14 (in the secondary market – 11), the average volume of one transaction was 1.4 bn tenge (in the secondary market – 0.2 bn tenge).

The volume of trades in the primary GS market increased by 44.1 %, or by KZT101.5 bn, to KZT332.0 bn. Of these, KZT9.5 bn was raised by the akimdiks of two regions (in order to finance activities provided for in the framework of the implementation of state programs). The Ministry of Finance raised KZT322.4

bn with an average weighted yield of 13.90-15.45 % per annum (at 13.90 – 15.45 % per annum) by placing bonds with a maturity of 3 to 5 years.

In terms of the main categories of investors in the primary market, the share of banks accounted for 10.5 %, the share of other institutional investors – for 86.5 %, the share of other legal entities – for 3.0 %. Non-residents did not take part in the primary GS market.

The trading volume in the secondary market decreased by 78.9 %, or by 200.1 bn tenge, and amounted to 53.5 bn tenge. The share of trading in notes of the National Bank in the secondary market amounted to 64.5 %, or 34.5 bn tenge, of the total trading volume, the share of MEKAM – 25.8 %, or 13.8 bn tenge, the share of Eurobonds of the Republic of Kazakhstan – 1.8 % or 1.0 bn tenge. The rest of the volume, amounting to 7.9 %, or 4.2 bn tenge, fell on transactions with state securities of foreign states (bonds of the US Treasury Department, Turkey and the Sultanate of Oman).

In the context of the main categories of investors in the secondary market, the share of banks accounted for 40.0 %, the share of broker-dealers – for 1.3 %, the share of other institutional investors – for 14.7 %, the share of other legal entities – 42.7 %, the share of individuals – for 1.4 %. Participation of non-residents is estimated at 0.8 %.

### **BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFOs)**

As of the end of October, there were bonds of 39 issues of four international financial organizations in the trade lists of KASE: Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.

In October 2022, one issue of bonds of Asian Development Bank was included in KASE official list. In October, one issue of bonds of Asian Development Bank was excluded from the sector "Securities of international financial organizations" due to the expiration of circulation period.

In October, the volume of trades in bonds of international financial organizations increased by 31.6 bn tenge compared to the previous month and amounted to 32.0 bn tenge. The average daily trading volume made up 1.6 bn tenge, the average daily number of deals – two, the average volume of one deal – 1.0 bn tenge.

In the primary market, the trading volume amounted to 26.5 bn tenge:

- Asian Development Bank raised 3.4 bn tenge by placing "green" two-year international bonds with a yield to maturity of 14.50 % per annum;
- Eurasian Development Bank raised KZT23.0 bn by placing bonds with a yield to maturity of 15.00 % APR and maturity of 1.8 years.

In terms of the main categories of investors in the primary market, the share of banks made up 46.5 %, that of brokerage and dealer organizations – 2.9 %, that of other institutional investors – 50.6 %. Non-residents did not participate in the primary MFO market.

In October 2022, the volume of trading in the secondary market increased by 5.1 bn tenge compared to September having amounted to 5.6 bn tenge. The average daily trading volume in the secondary market made up KZT278.9 mln, the average daily number of deals – one deal, the average volume of one deal – KZT214.6 mln.

In terms of the main categories of investors in the secondary market for bonds of international financial organizations, the entire volume fell on the accounts of legal entities. Participation of non-residents is estimated at 48.3 %.

### **UNITS OF INVESTMENT FUNDS**

As of November 1, 2022, there were 21 instruments of mutual funds managed by seven management companies and six ETFs in the "Securities of investment funds" sector.

In the reporting month, the trading volume amounted to 205.4 mln tenge having decreased by 29.8 %, or 87.3 mln tenge relative to September 2022. In terms of the main categories of investors, individuals accounted for 49.4 %, brokerage and dealing organizations – for 8.1%, other legal entities – for 42.4 %. The share of non-residents was 0.8 %.

## DERIVATIVE SECURITIES

As of November 1, 2022, KASE official list featured global depositary receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC, Kaspi.kz JSC, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in October 2022 amounted to 56.0 mln tenge having decreased by 58.2% or 77.9 mln tenge relative to September 2022. In terms of the main categories of investors, accounts of individuals accounted for 50.2 %, broker-dealer organizations – for 49.3 %, other legal entities – for 0.5 %. The share of non-residents was 0.5 %.

## ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of November 1, 2022, the Central Securities Depository maintained 474,239 personal accounts opened for 445,178 individuals. By the end of October, individuals registered 33,903 new personal accounts.

## FOREIGN CURRENCY MARKET

In October of the current year, 29 KASE members took part in trades on the foreign currency market at KASE.

The volume of trading in the foreign exchange market increased by 24.3 % compared to September to 3.3 trln tenge. The average daily trading volume amounted to 164.6 bn tenge, the average daily number of deals – 374, the average volume of one deal – 440.5 mln tenge.

The table below shows the main characteristics of the currency pairs traded on KASE (in parentheses is the change in the indicator against the previous month, the change in the exchange rate reflects the nominal change in the weighted average exchange rate of foreign currency against tenge).

Pair	Volume, mln. units of currency	Share in trading volume, %	Number of transactions	Min. and max. rates, amount of quoted currency per unit of base currency	Course at the end of the month (change %)
USD/KZT	2,819.94 (+32.4%)	40.4% (+2.1%)	6,394 (+982)	462.00 – 481.50	468.23 (-1.7%)
RUB/KZT	42,120.27 (-14.3%)	9.9% (-5.2%)	767 (-125)	7.4500 – 8.2000	7.6000 (-8.4%)
CNY/KZT	1,749.25 (x3.6)	3.5% (+2.2%)	173 (+27)	64.2200 – 67.0300	64.6023 (-3.8%)
EUR/KZT	4.12 (-90.1%)	0.1% (-0.7%)	15 (-212)	464.20 - 467.10	466.87 (+1.6%)
EUR/USD	3,272.55 (+30.9%)	46.1% (+1.5%)	124 (-348)	0.9680 – 1.0070	0.9962 (+ 1.5 %)

## MONEY MARKET

The total volume of trading in the money market in October amounted to 16.4 trln tenge, having decreased by 3.0 %, or by 514.1 bn tenge, relative to September.

On October 26, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to raise the base rate to 16.0 % per annum with an interest corridor of +/- 1.0 percentage points. Accordingly, the rate on standing access operations to provide liquidity was 17.0 %, and on standing access operations to withdraw liquidity – 15.0 %.

Composite indicator of the money market MM\_Index, which is the weighted average of the volume of deals yield on USD/KZT currency swap operations and automatic repo operations with government securities opened for one business day, increased by 76 b.p. from 14.87 % to 15.63 % per annum.

## REPO MARKET

The total volume of repo transactions in October amounted to 14.0 trln tenge, which is by 767.7 bn tenge, or 5.2 %, less than the volume of September. In average daily terms, the volume of transactions amounted to 701.2 bn tenge, the average daily number of daily deals – 1,017, the average deal volume – 689.2 mln tenge.

The volume of auto-repo transactions with government securities amounted to 10,603.7 bn tenge, or 75.6 %, auto-repo with CS – to 3,407.7 bn tenge, or 24.3 %, direct repo with government securities – to 8.8 bn tenge, or 0.1 %, direct repo with CS – to 3.9 bn tenge, or 0.03 %.

Based on results of October 2022, the TONIA indicator rose by 73 b.p. from 14.68 % to 15.41% per annum, the value of the TRION indicator – by 79 b.p. from 14.64 % to 15.43 % per annum, the value of the TWINA indicator, which is the weighted average interest rate on repo opening deals for a period of seven business days – by 143 b.p. from 14.11 % to 15.54 % per annum.

## CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in October amounted to 2.4 trln tenge, which is by 253.6 bn tenge, or 11.9 %, higher than the volume of September. The average daily volume of transactions amounted to 119.5 bn tenge, the average daily number of daily transactions – 23, the average transaction volume – 5.2 bn tenge.

In the instrumental structure, 2,175.9 bn tenge, or 91.1% of the volume of trades in swaps, fell on USDKZT swaps, 202.3 bn tenge, or 8.5 %, – on RUBKZT, 11.4 bn tenge, or 0.5 %, – on EURKZT. In the instrumental structure, 78.6 % of the total volume in the currency swap market (KZT1,878.6 bn, or USD3,976.9 mln) fell on operations with the one-day currency swap (USDKZT\_0\_001), 12.4 % of the total trading volume on the currency swap market (KZT297.3 bn, or USD629.7 mln) fell on operations with the two-day currency swap (USDKZT\_0\_002), 0.2 % of the total trading volume in the currency swap market (KZT3.8 bn, or RUB500.0 mln) fell on operations with the one-day currency swap (RUBKZT\_0\_001), 8.3 % of the total trading volume in the currency swap market (KZT198.6 bn, or RUB25,900.0 mln) fell on operations with the two-day currency swap (RUBKZT\_0\_002), 0.5 % of the total trading volume in the currency swap market (KZT11.4 bn, or RUB 25.0 mln) fell on operations with the one-day currency swap (EUR KZT\_0\_001).

Yield on the one-day dollar swap SWAP-1D (USD) reached 16.76 % per annum as of the end of October, having increased by 94 b.p. over the month. The yield on the two-day SWAP-2D (USD) currency swap increased by 140 b.p. to 17.40 % per annum in October.

## DERIVATIVES MARKET

At present, non-deliverable futures on USD/KZT, RUB/KZT, common shares of Halyk Savings Bank of Kazakhstan JSC, NAC Kazatomprom JSC and KASE Index are available for trading in this sector of the exchange market.

In October 2022 no transactions were concluded in this sector. By the beginning of November, there were no open positions of trading participants on the derivatives market.

### For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fifth place in terms of the equity market capitalization among the FEAS exchanges. It is a universal trading platform for corporate and government securities, bonds of international financial organizations, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges

(FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

The International Organization of Securities Commissions (IOSCO) is an organization that unites national authorities for the regulation and surveillance of securities markets in order to develop standards for the regulation of national stock markets and the exchange of information, including surveillance information, between IOSCO member regulators.

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