

PRESS RELEASE

Almaty

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KASE presents the results of the exchange market for January 2022

Kazakhstan Stock Exchange JSC (KASE, the Exchange) informs about the main results of January 2022:

- The total volume of trades on KASE in January 2022 amounted to KZT19.7 trillion and decreased relative to December 2021 by 26.2 % or KZT7.0 trillion.
- KASE Index decreased by 3.4% to 3,549.26 points in January.
- In January, the capitalization of the stock market fell by 7.2% to KZT26.7 trln, the volume of traded corporate debt - by 0.2% to KZT15.4 trln.
- One new issuer passed through the listing procedure.
- As of February 1, 2022, the corporate securities of 559 names of 229 issuers were in the trade lists of KASE.
- As of February 1, 2022 there were 221,799 personal accounts, opened for 202,210 individuals in the Central Securities Depository. As of January results, 4 615 new personal accounts were registered by individuals.

KEY PROJECTS AND EVENTS

On January 29, 2022, a webinar for novice retail investors "Fundamentals of Investment Literacy" was held. During the online seminar, more than 100 participants learned about the first steps in investing, basic investment concepts, investment fraud risks, and investment risks and ways to reduce them.

STOCK MARKET

In January 2022, the capitalization of the stock market amounted to KZT26.7 trln (USD61.5bn), which is by KZT2.1 trln or 7.2% lower than in the previous month. The main share of decrease fell on capitalization of three companies due to adjustment of price of their shares: Kaspi.kz, National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC.

By the end of January shares of 164 names of 150 issuers were in the trade lists of KASE, of which shares of three names of three issuers were admitted to circulation in "Non-listing securities" sector. In the reporting month new shares were not included and excluded from the official list of KASE.

Volume of trades in shares in January decreased by 95.4% or KZT206.3 bn. to KZT10.0 bn. relative to high indicator of December. It should be reminded that in December there were specialized trades on redemption of common shares of Halyk savings bank of Kazakhstan JSC to the amount of 127.2 and purchase of common shares of KazAzot JSC to the amount of KZT67.1 bn. At that the number of concluded deals decreased by 5.5 % to 39,730 deals

Average daily volume of trades was KZT586.6m, average daily number of deals - 2,337, average volume of one deal - KZT251.0 th. Shares were traded in January exclusively on the secondary market.

Among main categories of investors natural persons accounted for 34.3 % of the total volume of deals in shares. The share of second-tier banks (STBs) made 0.3 %, brokers-dealers - 13.5 %. The share of other institutional investors was 26.4 %, other juridical persons - 25.5 %. The participation of non-residents is estimated at 0.2 %.

KASE INDEX

In the first trading day of the year, January 5, on the background of tense internal situation, shares of all public companies fell in price. Under the most impressive pressure were securities traded on the London Stock Exchange, these are Kaspi.kz, JSC "Halyk Savings Bank of Kazakhstan" and JSC "National Atomic Company Kazatomprom".

During the next two weeks the dynamics of the share price developed in different directions under the influence of a large amount of corporate news. A number of important appointments and announcements were made outside of the index companies themselves. During this period the market was in a sideways trend most of the time.

Since January 26 the index companies started to publish their annual operating reports and the shares gradually moved upwards in anticipation of the dividend season. At the end of the month index companies were divided into three groups. Shares of companies that reacted the least to January events managed to finish the month in the green zone: Kcell JSC grew in price by 7%, KazTransOil JSC - by 3.2%, Bank CenterCredit JSC - by 1.3%. Slight decrease in price was fixed on shares of KEGOC JSC and Kazakhtelecom JSC - up to 1 %. More significant correction by results of the month was fixed on shares of National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC

In January, the KASE Index lost 3.4% and closed the month at 3,549.26 points.

The volume of transactions with index shares in January 2022 amounted to KZT 6.8 bn, which is by 104.4% or KZT 3.5 bn higher than in December 2021 (excluding transactions concluded within the framework of special trading).

The largest volume of trading fell on ordinary shares of JSC "Kcell" - 2.9 billion tenge (43.3% of the total trading volume with index shares).

Issuer	Trade code	Price, tenge per share			Trading volume, mln tenge		
		As of February 1, 2022	As of January 1, 2022	Δ, %	January	December	Δ
Kcell JSC	KCEL	1,739.99	1,626.91	+7.0	2,930.7	1,126.8	+1,803.9
KazTransOil JSC	KZTO	1,129.00	1,094.10	+3.2	1,245.5	142.5	+1,103.0
Bank CenterCredit JSC	CCBN	403.00	398.00	+1.3	1,635.5	1,023.2	+612.3
KEGOC	KEGC	1,862.00	1,870.52	-0.5	52.3	82.1	-29.8
Kazakhtelecom JSC	KZTK	35,399.00	35,800.00	-1.1	72.2	150.2	-78.0
NAC Kazatomprom JSC	KZAP	14,165.00	16,890.00	-16.1	215.7	243.5	-27.8
Halyk Savings Bank of Kazakhstan JSC	HSBK	152.99	186.99	-18.2	613.4	541.8	+71.6

KASE GLOBAL

As of the end of January, KASE Global lists 43 stocks.

Volume of trades in shares in January 2021 relative to December 2022 decreased by 73.9% or 4.2 bn tenge down to 1.5 bn tenge, at that the number of deals decreased by 28.6% down to 2 260 deals. Average daily trading volume amounted to 87.8 mln tenge, average daily number of deals - 133, average volume of one deal - 660.8 thousand tenge.

Among the main categories of investors, individuals accounted for 19.4% of the total volume of transactions in shares. The share of broker-dealers was 48.3 %. Other institutional investors accounted for 15.6 %, other legal entities - 16.6 %. The share of non-residents is estimated at 0.2 %.

CORPORATE BONDS

The volume of corporate debt in circulation in January 2022 decreased by 0.2% or KZT24.0 billion to KZT15.4 trillion (35.5 billion USD).

At the end of January 2022 the official list of KASE included corporate bonds of 320 issues of 82 issuers. In January 2022 the official list of KASE included bonds of four issues from three issuers (one new): two issues of TechnoLeasing LLP and one issue of BCC Invest JSC - subsidiary organization of Bank CenterCredit JSC and MFO Capitalinvest LLP. Since the beginning of the year corporate bonds of two issues of two issuers were excluded from KASE official list due to expiry of circulation term

The value of corporate bond yield index KASE_BMY in January 2022 decreased by 15 basis points to 10.46% per annum.

The volume of trades in corporate bonds on KASE decreased by 89.8 % or KZT249.6 bn down to KZT28.2 bn compared to December 2021. Average daily trading volume amounted to KZT1.7 bn (on the secondary market - KZT1.6 bn), average daily number of deals - 46 (on the secondary market - 46 deals), average volume of one deal - KZT36.2 mn (on the secondary market - KZT34.0 mn).

In January 2022 the volume of the primary market of corporate bonds amounted to KZT1.8 bn, which is 99.1 % or KZT196.6 bn lower than in December 2021. In the reporting month there was one placement - Kazakhstan Sustainability Fund JSC placed bonds with weighted average yield to maturity 10.32 % APR and term to maturity - one year. The entire volume of placed bonds was purchased by institutional investors.

Trading volume on the secondary market of bonds in comparison with December 2021 decreased by 66,7 % or 53,0 billion tenge down to 26,4 billion tenge.

In terms of the main categories of investors in the secondary market of corporate bonds the share of STBs amounted to 1.9%, the share of broker-dealer organizations - 6.5%, other institutional investors - 16.0%, other legal entities - 63.8%, the share of individuals - 11.9%. The share of non-residents amounted to 8.6%.

GOVERNMENT SECURITIES (GSB)

The amount of government debt at face value, traded on KASE, amounted to KZT17.3 trillion (USD39.8 billion), having decreased by 3.1% or KZT553.1 billion.

The total volume of trades in government securities on KASE amounted to KZT236.0 bn and decreased by 5.3% or KZT13.2 bn compared to December 2021.

According to the results of January 2022, the average daily volume of trades amounted to KZT13.9 bln. (on the secondary market - 4,0 billion KZT), the average daily number of deals - 8 (on the secondary market - 6), the average volume of one deal - 1,7 billion KZT (the average volume of one deal on the secondary market - KZT0.7 bln).

The volume of trades on the primary GS market increased by 53.3 % or by KZT58.6 bn. to KZT168.4 bn. The whole volume was accounted for the placement of treasury instruments of the Ministry of Finance of the Republic of Kazakhstan. In total, seven issues of bonds were placed at 10,21-11,50 % APR.

In the context of the main categories of investors in the primary market the share of STBs accounted for 25.0%, other institutional investors - 61.5%, the share of other legal entities amounted to 13.5%. Non-residents did not participate in the primary GS market.

The volume of trades at the secondary market decreased by 51.5 % or by KZT71.8 bn down to KZT67.6 bn. The proportion of the National Bank's notes in the secondary market amounted to 12.6 % or KZT 8.5 billion of the total trading volume, the share of MEKAM was 83.7 % or KZT 56.6 billion, the share of Eurobonds of the Republic of Kazakhstan was 2.4 % or KZT 1.7 billion. The rest volume, amounting to 1.2 % (KZT0.8 bn), fell to deals in GS of foreign countries.

In the context of the main categories of investors in the secondary market the share of banks amounted to 16.3%, the share of broker-dealers - 1.9%, other institutional investors - 4.9%, the share of other legal entities was 76.1%, the share of individuals was 0.9%. Participation of non-residents is estimated at 3.7 %.

BONDS OF INTERNATIONAL FINANCIAL INSTITUTIONS

At the end of the year KASE's trade lists contained bonds of 45 issues of four international financial organizations: Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.

In January 2022 the total volume of trades fell to KZT 9.2 bn on the secondary market against KZT2.6 bn a month earlier, having increased by KZT 6.7 bn or 3,6 times.

There were no placements on the primary market of bonds of international financial organizations in January 2022.

In terms of the main categories of investors in the secondary market of bonds of international financial institutions the share of STBs amounted to 35.6%, brokers-dealers - 14.2%, other institutional investors - 49.9% and other legal entities - 0.3%. Non-residents did not participate in the trades.

INVESTMENT FUND UNITS

As of February 01, 2022, the "Securities of Investment Funds" sector contained 19 instruments of unit investment funds managed by six management companies and six ETFs.

In the reporting month the volume of trades amounted to KZT2.2 billion and increased by 0.2 % or KZT 5.3 million compared to December 2021.

By main categories of investors, 20.3 % are natural persons, 42.5 % - brokers-dealers, 0.4 % - other institutional investors, 36.9 % - other legal entities. The share of non-residents amounted to 0.2 %.

DERIVATIVE SECURITIES

As of February 1, 2022 the official list of KASE contained global depository receipts (GDR) of five issues, whose underlying assets are common shares of JSC National Atomic Company Kazatomprom, JSC Halyk Savings Bank of Kazakhstan, JSC Kaspi.kz, JSC Kazakhtelecom and JSC ForteBank.

The trading volume in January 2022 amounted to 2.8 bln KZT against 0.1 bln KZT in December 2021. In terms of main categories of investors, 43.3 % were accounts of individuals, 1.9 % - broker-dealer organizations, 42.5 % - other institutional investors and 12.4 % - other legal entities. The share of non-residents was less than 0.1%.

ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of February 1, 2022 there were 221,799 personal accounts, opened for 202,210 individuals in the Central Securities Depository. By results of January 4 615 new personal accounts were registered by physical persons.

FOREIGN EXCHANGE MARKET

In January of this year 30 members of KASE took part in trades on the foreign exchange market.

The volume of trades on the foreign exchange market in January reached KZT1.2 trln, which is 37.6% or KZT742.4 bn lower than the same indicator of the previous month. Average daily trading volume amounted to KZT72.5 bn, average daily number of transactions - 373, average volume - KZT194.3 mln.

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

Couple of	Volume, million currency units	Share in the volume of trading, %	Number of transactions	Min. and Max. rates, Quantity of quoted currency per unit of base currency	Exchange rate at the end of January (% change)
USD/KZT	2 786.87 (-36.6 %)	98.2 % (+1.6 %)	6 085 (-3 955)	431.30 – 435.48	433.52 (+0.40 %)

Couple of	Volume, million currency units	Share in the volume of trading, %	Number of transactions	Min. and Max. rates, Quantity of quoted currency per unit of base currency	Exchange rate at the end of January (% change)
RUB/KZT	3,017.12 (-66.6 %)	1.4 % (-1.3 %)	181 (-203)	5.4650-5.8500	5.5980 (-5.53 %)
CNY/KZT	72.52 (-62.3%)	0.4 % (-0.3 %)	66 (-98)	67.7500 – 68.8100	68.2590 (+0.60 %)
EUR/KZT	0.80 (x5.3)	0.03 % (+0.03 %)	10 (+8)	483.75 – 496.10	483.75 (-1.68 %)

MONEY MARKET

The total volume of trades in the money market amounted to KZT18.2 trillion in January, having decreased by 24.2%, or by KZT5.8 trillion against the index of December last year.

On January 24, 2022 the Monetary Policy Committee of the National Bank of Kazakhstan decided to set the prime rate at 10.25% per annum with an interest rate band of +/- 1.00 p.p. Accordingly, the rate on permanent access operations Accordingly, the rate on operations of standing facilities to provide liquidity amounted to 11.25%, and on operations of standing facilities to withdraw liquidity amounted to +/- 1.00 p.p. on the withdrawal of liquidity - 9.25%. The decision was adopted as part of the general policy to reduce inflation within the framework of development together with the Government of the Republic of Kazakhstan of a set of measures to control inflation.

The money market composite indicator MM_Index, which represents the weighted average yield on currency swap transactions and automatic repo transactions with government securities opened for one business day, increased by 49 bps from 10.52 % p.a. to 11.01 % p.a.

REPO MARKET

The total volume of repo operations amounted to KZT17.3 trln in January 2022, which is less by KZT5.3 trln or 23.4% than the volume of December 2021. Average daily volume of transactions amounted to KZT1,015.6 bn, average daily number of concluded deals - 837, average volume of one deal - KZT1,213.0 mln.

The volume of autorepo transactions with government securities amounted to KZT11,873.3bn or 68.8%, autorepo with CS - KZT5,391.6bn or 31.2%, direct repo with CS - KZT1.0bn or 0.01%.

As of the end of January 2022, the TONIA indicator rose by 46 b.p. from 10.56% to 11.02% per annum, the TRION indicator value - by 45 b.p. from 10.53% to 10.98% per annum, the TWINA indicator value - by 86 b.p. from 10.34% to 11.20% per annum

CURRENCY SWAP TRANSACTIONS

The total volume of currency swap operations in January 2022 decreased in comparison with as compared with December 2021 by 36.1% or KZT 514.1 bn down to KZT 910.2 bn. Average daily volume of transactions last month amounted to KZT53.5 bn, average daily number of transactions - 16, average volume of one transaction - KZT3.3 bn.

In the instrumental structure, 69.5 % of the total trade volume (KZT 632.8 bn or \$1 458.3 mln) on the currency swap market was accounted for by the deals with one-day currency swap (USDKZT_0_001), 23.3 % of the total trade volume (KZT 212.2 bn or 489.2 mln or 489.2 mln) was accounted for by the deals with two-day currency swap (USDKZT_0_001), 2 % of the total trading volume (KZT 212.2 billion or USD489.2 million) on the currency swap market was accounted for by the deals with two-day currency swap (USDKZT_0_002), 1.4 % of the total trading volume (KZT 52.1 billion or USD 120.0 million) - by the deals with weekly currency swap (USDKZT_01W), 5.7 % of the total trading volume (KZT 13.0 billion or USD 30.0 million) - by the deals with monthly currency swap (USDKZT_01M).

The yield on the one-day SWAP-1D (USD) dollar swap at the end of January stood at 10.78% p.a. and rose by 130 bps. The yield on the two-day SWAP-2D (USD) currency swap increased by 32 bps to 10.56% p.a.

DERIVATIVES MARKET

At the moment in this sector of the exchange market non-deliverable futures on the U.S. dollar to tenge exchange rate, common shares of JSC "Halyk Savings Bank of Kazakhstan", common shares of JSC "NAC "Kazatomprom" and KASE Index are available for trading.

In January 2022 no deals were concluded. By the beginning of February there were no open positions of traders on the derivatives market.

For reference

Kazakhstan Stock Exchange (KASE) is the leading stock exchange in the Central Asian region. KASE ranks second among the CIS exchanges in terms of the volume of securities trading, and fifth in terms of capitalization of the FEAS stock market.

It is a universal trading floor for corporate and government securities, bonds of international financial institutions, foreign currencies, money market transactions - repo and swap, as well as derivative instruments. KASE is a member of the International Federation of Exchanges (WFE), Federation of Euro-Asian Stock Exchanges (FEAS) and other international and domestic professional associations, as well as a member of the UN initiative "Stock Exchanges for Sustainable Development".

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