

PRESS RELEASE

city of Almaty

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KASE presents results of the exchange's operations in February 2023

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) presents February 2023 operational highlights:

- The total volume of trading on KASE in February 2023 amounted to 23.7 trillion tenge having decreased by 0.2 %, or 43.2 billion tenge, compared to January.
- As a result of the month, the value of the KASE Index increased by 1.2 % and amounted to 3,338.90 points.
- As a result of February, the capitalization of the equity market increased by 0.8 % to 21.9 trillion tenge, the volume of traded corporate debt decreased by 7.8 % to 13.3 trillion tenge.
- As of March 1, 2023, corporate securities of 576 names of 219 issuers were on KASE trading lists.
- As of March 1, 2023, the Central Depository maintained more than 609 thousand personal sub-accounts opened for 575 thousand individuals.

KEY PROJECTS AND EVENTS

In February KASE hosted a series of events:

- A meeting called "KASE Day in Astana" for representatives of the private and quasi-public sector and partners of the Exchange in the format of a business breakfast was held in Astana. The event was aimed at providing information on the possibilities of raising capital and investing temporarily free funds on KASE markets.
- An online meeting of representatives of MFO Credit Time LLP with investors and professional participants of the securities market on the topic "Acquaintance with the company and information about the upcoming issue" was held at KASE as part of the Issuer Day project..
- A webinar called "KASE Opportunities for Business" was held to improve the financial literacy of entrepreneurs and their awareness of the opportunities for financing SMEs.
- KASE held a round table with representatives of the Association of Confectioners and the Union of Grain Processors of Kazakhstan on the topic "Raising financing on KASE".
- KASE held an annual awards ceremony for members of the Exchange who demonstrated the best results, listed companies for striving for transparency, media representatives – for active coverage of the stock market, as well as organizations – based on the results of the 2021 annual report competition, the purpose of which is to develop the practice of preparing non-financial reporting in Kazakhstan.

On February 14, 2023, KASE became a member of the CCP12 Association, which includes more than 40 members organizing the activities of more than 60 central counterparties (CCP) around the world – America, Europe, the Middle East, Africa and Asia Pacific.

EQUITY MARKET

Based on results of February 2023, the capitalization of the equity market amounted to 21.9 trillion tenge (48.7 billion USD), which is by 177.7 billion tenge, or 0.8 %, higher than the same indicator of the previous month. The main share of the growth came from the capitalization of Kaspi.kz JSC, NC KazMunayGas JSC and Halyk Savings Bank of Kazakhstan JSC due to an increase in the price of their shares.

As of the end of February, shares of 105 names of 91 issuers were listed on KASE, of which shares of three names of three issuers were admitted to circulation in the "Unlisted securities" sector.

The volume of trading in shares in February amounted to 28.1 billion tenge, having increased by 47.7 %, or 9.1 billion tenge, relative to January. The average daily trading volume was 1.4 billion tenge, the average daily number of deals – 2,369, the average volume of one deal – 592.8 thousand tenge. Shares were traded in February exclusively on the secondary market.

Among the main categories of investors, individuals accounted for 42.4 % of the total volume of transactions with shares, banks – for 6.7 %, broker-dealer organizations – for 6.5 %, other institutional investors – for 1.9 %, other legal entities – for 42.6 %. The share of non-residents was 37.7 %.

KASE INDEX

The value of KASE Index in February increased by 1.2 % and by the end of the month amounted to 3,338.90 points. The maximum value in the reporting month was recorded on February 17 – 3,382.79 points.

The volume of transactions in index shares in February amounted to 23.1 billion tenge, which is by 5.5 billion tenge higher than in January. Since February 3, common shares of National Company KazMunayGas JSC were included the representative list of shares for calculating KASE Index. The volume of trades in them during the month amounted to 20.3 billion tenge (87.9 % of the total volume of trades with index shares).

Issuer	Trading code	Price, tenge per share			Trading volume, million tenge		
		As of 01.03.23	As of 01.02.23	Δ, %	February	January	Δ
Kaspi.kz JSC	KSPI	34,844.00	33,557.22	+3.8	322.7	125.3	+197.4
Halyk Savings Bank of Kazakhstan JSC	HSBK	127.30	122.95	+3.5	236.9	488.3	-251.4
NC "KazMunayGas" JSC	KMGZ	9,765.00	9,520.1	+2.6	20,303.2	14,366.9	+5,936.3
Kcell JSC	KCEL	1,771.00	1,750.00	+1.2	1,228.3	1247.7	-19.4
Kazakhtelecom JSC	KZTK	29,490.01	29,190.00	+1.0	163.2	339.7	-176.5
KazTransOil JSC	KZTO	708.99	710.00	-0.1	109.2	127.8	-18.6
KEGOC JSC	KEGC	1,618.89	1,622.00	-0.2	43.6	43.7	-0.1
Bank CenterCredit JSC	CCBN	630.00	634.69	-0.7	237.9	83.5	+154.4
NAC Kazatomprom JSC	KZAP	13,601.32	14,216.81	-4.3	461.0	828.3	-367.3

The largest growth in February was shown by shares of representatives of the financial sector: common shares of **Kaspi.kz JSC** grew by 3.8 %, common shares of **Halyk Savings Bank of Kazakhstan JSC** – by 3.5 %. According to the National Bank of Kazakhstan, the net profit of Halyk Savings Bank of Kazakhstan JSC for 2022 according to non-consolidated statements increased by 14.3 % to 539 billion tenge. The net profit of the Kaspi.kz group increased by 36 % over the same period. The Group completed its third share buyback program, resulting in the purchase of \$180 million worth of GDRs. 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: by the end of 2023, Kaspi.kz net profit is forecast to grow by 25 %.

Ordinary shares of **Kazakhtelecom JSC** and its subsidiary **Kcell JSC** grew by 1.0 % and 1.2 %, respectively. The CFO of Kazakhtelecom announced on February 9 that, according to preliminary data, the results of the company's activities exceeded the target 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 implementing a 5G project in Kazakhstan.

Common shares of **KazTransOil JSC** completed February with an insignificant decrease by 0.1 %. On February 25, KazTransOil JSC delivered 20 thousand tons of Kazakh oil to the main oil pipelines system of Transneft PJSC for further delivery to Germany.

Common shares of **KEGOC JSC** ended the month with a decrease of 0.2 %. On February 6, Fitch Ratings affirmed the rating of KEGOC at "BBB-" with a stable outlook.

Common shares of **Bank CenterCredit JSC** lost 0.7 % in February. On February 9, the bank announced its intention to pay dividends on preferred shares for 2022 from February 15 to March 17 at 42.00 tenge per share.

The price of common shares of **NAC Kazatomprom JSC decreased** by 4.3 % in February, while in two months it showed the largest increase among index shares – 5.6 %. From the corporate events of the company: On February 9, Yellow cake exercised an option to purchase 1.35 million pounds of uranium from NAC Kazatomprom JSC at a price of \$48.9 per pound (at a market price of \$50.5 per pound) with delivery in the second half of 2023.

An important event of February was the inclusion from February 3 of securities of **National company "KazMunayGas" JSC** in the list of shares for calculating KASE Index. Since the offering of KazMunayGas shares as part of the IPO held in December 2022, and until the end of February, the company's shares have grown by 16.2 %. The company published positive operating results for 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 processing of hydrocarbons at Kazakh and Romanian refineries – by 5.7 % to 19.9 million tons.

SECTOR "KASE GLOBAL"

As of the end of February there were stocks of 44 names and 12 ETFs of foreign issuers in the KASE Global sector.

During the reporting month, 4,924 deals were made in the KASE Global sector for a total of KZT1.7 bn. Relative to January, the trading volume decreased by 14.7 %, or by 294.3 million tenge. The average daily trading volume amounted to KZT85.3 mln, the average daily number of deals – 246, the average volume of one deal – KZT346.6 th.

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

- Meta Platforms Inc. – 204 deals for a total of KZT375.4 mln;
- Apple Inc. – 410 deals for a total of KZT204.5 mln;
- Tesla Inc. – 839 deals for a total of KZT204.2 mln.

In terms of the main categories of investors, 57.1 % are individuals, 29.6 % – other legal entities, 13.3 % – broker-dealer companies. The share of non-residents was 1.1 %.

CORPORATE BONDS

The volume of corporate debt in circulation in February 2023 decreased by 7.8 %, or 1.1 trillion tenge, to 13.3 trillion tenge (29.6 billion USD).

As of the end of February 2023, corporate bonds of 344 issues of 83 issuers were on KASE official list. In February, three issues of bonds of Development Bank of Kazakhstan JSC, one issue of FIVE BROKERS' CAPITAL JSC, private company Finaccord Limited, Birinshi Lombard LLP, MFO OnlineKazFinance JSC, MFO UNICREDO LLP, National Bank for Foreign Economic Affairs of the Republic of Uzbekistan JSC and UzAuto Motors JSC were included in KASE official list.

The yield index of corporate bonds KASE_BMY increased by 39 b.p. in February and at the end of the month amounted to 13.23 % per annum.

The volume of trades in corporate bonds on KASE decreased by 39.3 %, or KZT72.4 bn, to KZT111.9 bn, relative to January. The average daily trading volume amounted to 5.6 billion tenge (in the secondary market – 1.1 billion tenge), the average daily number of transactions – 149 transactions (in the secondary market – 130 transactions), the average volume of one transaction – 37.6 million tenge (in the secondary market – 8.6 million tenge).

In February 2023, the volume of the primary corporate bond market amounted to 89.6 billion tenge, which is by 38.5 %, or 56.1 billion tenge, lower than in January:

- Kazakhstan Sustainability Fund JSC raised 52.8 billion tenge by placing two issues of bonds with an average weighted yield to maturity of 16.73-18.34 % per annum and with maturities of up to one year and up to five years;
- Bank RBK JSC raised KZT20.0 bn by placing two issues of ten-year bonds with weighted average yield to maturity of 18.25 % APR;
- Development Bank of Kazakhstan JSC raised 15 billion tenge by placing two-year bonds with a yield to maturity of 0.50 % per annum;
- MFO OnlineKazFinance JSC raised 1.9 billion tenge by placing two issues of bonds with a yield to maturity of 22.00 % and 22.75 % per annum and with maturities up to one year and up to three years.

In terms of the main categories of investors in the corporate bond primary market, the share of banks was 32.0 %, that of other institutional investors – 37.3 %, that of other legal entities – 28.7 %, that of individuals – 2.0 %. The share of non-residents accounted for 0.3 %.

The volume of trading in the secondary corporate bond market compared to January decreased by 42.3 %, or by 16.3 billion tenge, to 22.3 billion tenge.

In terms of the main categories of investors in the secondary corporate bond market, the share of brokerage and dealer organizations was 22.7 %, that of other institutional investors – 14.1 %, that of other legal entities – 54.8 %, the share of individuals – 8.5 %. The share of non-residents was 7.9 %.

GOVERNMENT SECURITIES (GS)

The amount of public debt at face value, traded on KASE, amounted to 22.5 trillion tenge (50.0 billion USD), having increased by 2.8 %, or 620.3 billion tenge, in February.

The total volume of trades in GS on KASE amounted to KZT469.9 bn having decreased by 8.9 %, or KZT45.8 bn, compared to January. At the end of February 2023, the average daily trading volume amounted to 23.5 billion tenge (in the secondary market – 4.7 billion tenge), the average daily number of transactions was 17 (in the secondary market – 12), the average volume of one transaction was 1.4 billion tenge (in the secondary market – 0.4 billion tenge).

The volume of trades in the primary GS market decreased by 16.4 %, or KZT73.9 bn, to KZT375.8 bn. The entire volume fell on the placement of treasury obligations of the Ministry of Finance of the Republic of Kazakhstan. A total of ten bond issues were placed at 11.60-17.28 % per annum and maturities from one to 14 years.

In terms of the main categories of investors in the primary market, banks accounted for 64.2 %, the brokerage and dealer companies – for 1.5 %, other institutional investors – for 22.0 %, other legal entities – for 12.3 %, individuals – for less than 0.1 %. Non-residents did not take part in the primary GS market.

The trading volume in the secondary market increased by 42.5 %, or by 28.1 billion tenge, having amounted to 94.1 billion tenge. The share of trades in the notes of the National Bank in the secondary market amounted to 51.5 %, or 48.4 billion tenge, of the total volume of trades, the share of MEKAM – 23.4 %, or 22.0 billion tenge, the share of Eurobonds of the Republic of Kazakhstan – less than 0.1 %, or 22.0 million tenge. The rest of the volume, amounting to 25.1 %, or KZT23.6 bn, fell on transactions with state securities of foreign states (bonds of the US Ministry of Finance, Türkiye and the Sultanate of Oman).

In terms of the main categories of investors in the secondary market of government securities, banks accounted for 28.9 %, brokerage and dealer organizations – for 4.7 %, other institutional investors – for 9.3 %, other legal entities – for 53.6 %, individuals – for 3.4 %. Participation of non-residents is estimated at 0.7 %.

BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS

As of the end of February 2023, bonds of 42 issues of four international financial organizations were listed on KASE: the Eurasian Development Bank, the European Bank for Reconstruction and Development, the International Finance Corporation (IFC) and the Asian Development Bank.

In February 2023, one bond issue of the Eurasian Development Bank and the European Bank for Reconstruction and Development were included in KASE official list.

In February, the volume of trading in bonds of international financial organizations increased by 6.4 times, or 49.5 billion tenge, compared to the previous month and amounted to 58.6 billion tenge.

In the primary market of the sector of bonds of international financial organizations, the trading volume amounted to 58.4 billion tenge. A total of two bond issues were placed:

- the European Bank for Reconstruction and Development raised 48.5 billion tenge by placing one issue of 13-month bonds with a floating rate TONIA + 0.90 % margin;
- The Eurasian Development Bank raised 9.9 billion tenge by placing discount bonds with a yield of 16.90 % per annum.

In terms of the main categories of investors in the primary market, the share of banks amounted to 12.9 %, the share of other institutional investors – to 49.7 %, that of other legal entities – to 37.5 %. Non-residents did not participate in the primary market of this sector.

In February 2023, the volume of trading in the secondary market increased by 9.5 %, or 22.4 million tenge, compared to January and amounted to 257.8 million tenge.

In terms of the main categories of investors in the secondary market for bonds of international financial organizations, almost the entire volume fell on the accounts of legal entities – 98.1 %, brokerage and dealer organizations accounted for 1.9 %. The share of non-residents was 1.8 %.

SECURITIES OF INVESTMENT FUNDS

As of March 1, 2023, there were 18 instruments of mutual investment funds managed by five management companies and six ETFs in the "Securities of investment funds" sector.

In the reporting month, the trading volume amounted to 222.4 million tenge having decreased by 26.4 %, or 79.8 million tenge, relative to January. In terms of the main categories of investors, 39.6 % are individuals, 13.6 % are broker-dealer organizations, and 46.8 % are other legal entities. The share of non-residents was 21.0 %.

DERIVATIVE SECURITIES

As of March 1, 2023, KASE official list included 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 February 2023 amounted to 151.5 million tenge having decreased by 1.1 %, or 1.7 million tenge, relative to January. In terms of the main categories of investors, individuals accounted for 52.1 %, broker-dealer organizations – for 14.9 %, other legal entities – for 33.0 %. The share of non-residents was less than 0.1 %.

ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of March 1, 2023, the Central Securities Depository maintained more than 609 thousand personal sub-accounts opened for 575 thousand individuals.

FOREIGN CURRENCY MARKET

In February of the current year 31 members of KASE took part in trades in the market of foreign currencies on KASE.

The trading volume in February on the foreign exchange market increased by 26.4 % compared to January, or by 453.5 billion tenge, to 2.2 trillion tenge. The average daily trading volume amounted to 108.4 billion tenge, the average daily number of deals increased – 437, the average volume of one deal – 247.9 million 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 the tenge).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of transactions	Min. and max. rates, number of quoted currency per unit of basic currency	Course at the end of the month (change %)
USD/KZT	3,055.33 (+26.7 %)	63.5 % (-1.6 %)	6,942 (+1,034)	442.80 – 461.40	445.66 (-3.2 %)
RUB/KZT	27,401.06 (x2.0)	7.7 % (+2.5 %)	1,246 (+554)	5.9064 – 6.5790	5.9546 (-8.8 %)
CNY/KZT	737.73 (x2.5)	2.2 % (+1.0 %)	124 (-9)	64.3000 – 68.5450	64.3412 (-5.6 %)
EUR/KZT	93.14 (x4.2)	2.1 % (+1.4 %)	332 (+259)	471.79 – 506.53	473.31 (-5.1 %)
EUR/USD	1,088.69 (+14.1 %)	24.6 % (-3.3 %)	103 (-25)	1.0554 – 1.1000	1.0589 (-2.2 %)

MONEY MARKET

The total volume of trading in the money market in February amounted to 20.8 trillion tenge, having decreased by 2.1 %, or 435.9 billion tenge, relative to January.

On February 24, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to leave the base rate at 16.75 % per annum with an interest band of +/- 1.0 percentage points. Accordingly, the rate on standing access operations to provide liquidity was 17.75 %, and on standing access operations to withdraw liquidity – 15.75 %.

The composite money market indicator MM_Index, which is the average value of the yield on USD/KZT currency swap transactions and automatic repo transactions with GS opened for one business day, weighted through the volume of transactions, increased over the month by 138 b.p. from 16.16 % to 17.54 % per annum.

REPO MARKET

Repo transactions in February amounted to 17.0 trillion tenge, which is by 803.4 billion tenge, or 4.5 %, less than the volume of January. In average daily terms, the volume of transactions amounted to 848.3 billion tenge, the average daily number of daily transactions – 1,191, the average volume of one transaction – 712.4 million tenge.

Autorepo transactions with government securities amounted to 13.2 trillion tenge, or 77.6 %, of the volume of repo transactions, auto-repo with CS – 3.8 trillion tenge, or 22.3 %, nego repo with government securities – 15.2 million tenge, or less than 0.1 %, nego repo with CS – 6.7 billion tenge, or less than 0.1 %.

Based on results of February 2023, the TONIA indicator increased by 137 b.p. from 16.16 % to 17.53 % per annum, the value of the TRION indicator – by 127 b.p. from 16.23 % to 17.50 % per annum, the value of the TWINA indicator, which is the weighted average interest rate on repo opening deals for a period of seven working days, increased by 62 b.p. from 15.96 % to 16.58 % per annum.

CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in February amounted to 3.8 trillion tenge, which is by 367.5 billion tenge, or 10.6 %, higher than the volume of January. The average daily volume of transactions amounted to 1,92.3 billion tenge, the average daily number of daily transactions – 21, the average volume of one transaction – 9.1 billion tenge.

In the instrumental structure, 31.7 % of the total volume in the currency swap market (KZT1,218.0 billion, or USD2,704.9 million) fell on transactions with the one-day currency swap, 66.5 % of the total trading volume in the currency swap market (2,559.5 billion tenge, or 5,665.1 million USD) fell on

transactions with the two-day currency swap, 0.1 % of the total trading volume on the currency swap market (4.6 billion tenge, or 10.0 million USD) fell on transactions with the one-month currency swap, 0.9 % of the total trading volume in the currency swap market (KZT33.8 billion, or USD 75.0 million) fell on transactions with the three-month currency swap, 0.8 % of the total trading volume in the currency swap market (30.2 billion tenge, or 4.9 billion RUB) fell on transactions with the two-day currency swap with the Russian ruble.

Yield on the one-day dollar swap SWAP-1D (USD) at the end of February amounted to 17.58 % per annum, having increased by 140 b.p. over the month. The yield on the two-day SWAP-2D (USD) currency swap fell 67 b.p. in February to 16.05 % per annum.

DERIVATIVES MARKET

At the moment, non-deliverable futures for the US dollar rate against tenge, the Russian ruble rate against tenge, KASE Index and common shares of Halyk Savings Bank of Kazakhstan JSC, NAC Kazatomprom JSC are available for trading in this sector of the Exchange.

In February 2023, two transactions were concluded with futures for the exchange rate of the Russian ruble against the tenge in the amount of 6.0 billion tenge. As of March 1, open positions of trading participants in the derivatives market amounted to 1 million futures.

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.

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