

KASE WEEKLY

16-20 October,
2017

KASE NEWS

- ▲ KASE will conduct a competition among retail investors on the equity market from November 1 to December 8, 2017. The event is aimed at popularization of exchange-based trade in shares in Kazakhstan. Individuals who are clients of brokers operating on KASE are admitted to the competition. Winners of the competition will be three participants who will earn the maximum yield based on results of transactions in shares during the period of the competition. The winners will be awarded with valuable prizes. Details of the competition are available on KASE website

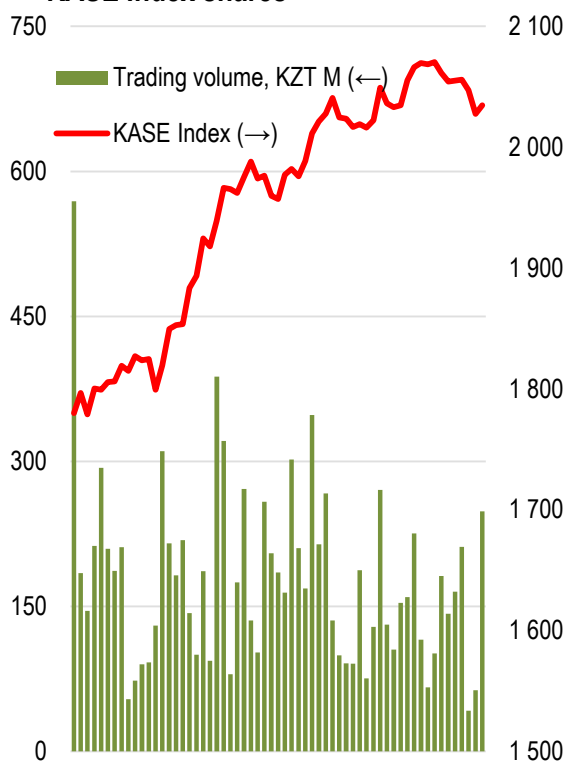
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Independent director of SB Sberbank of Russia [removed](#) from Board of Directors
- ▲ Chimpharm [announces](#) securing KZT31.7 mln loan for construction of new production lines and other operating needs.
- ▲ BCC Invest [announces](#) securing two loans to a total of KZT1.3 bn for purchase of bonds and other transactions in securities.
- ▲ Tsesnabank [announces](#) Board of Directors' decision on offering of 100 mln convertible bonds, taking into account preemptive purchase rights of the bank's shareholders
- ▲ ForteBank says Moody's Investors Service [affirmed](#) bank ratings, outlook changed from "Stable" to "Positive"
- ▲ KazTransGas [announces](#) exporting gas to China
- ▲ Almatytemir [announces](#) premature complete buyback of bonds refinanced from a loan.
- ▲ On October 18 Eurasian Bank [announce](#) concluding an agreement on carrying out measures for improving its financial stability with Kazakhstan Stability Fund JSC
- ▲ On October 18 Eurasian Bank [raised](#) KZT150.0 bn on KASE selling its 15-year subordinated bonds at a yield to maturity of 4.00 % per annum
- ▲ On October 18, ATFBank [attracted](#) on KASE 100.0 billion tenge by placing 15-year subordinated bonds with yield to maturity of 4.00% per annum. And on October 19 [announces](#) participation in Program of strengthening financial stability of banking sector in Republic of Kazakhstan
- ▲ On October 19 Tsesnabank [announces](#) participation in Program of strengthening financial stability of banking sector in Republic of Kazakhstan

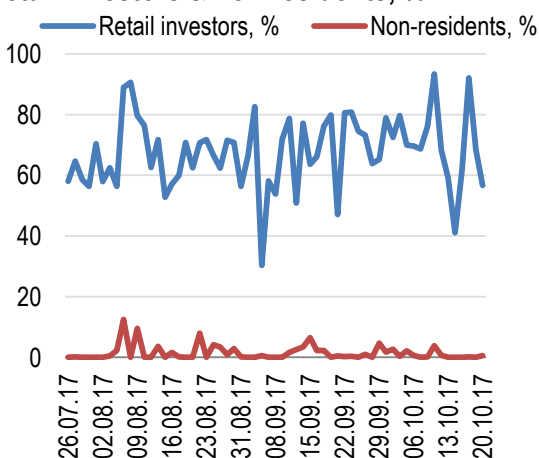
KASE Index decreased by 0.99% to 2,034.83 points over the week.

6 shares out of 8 from the index universe showed a fall. Stocks of Halyk Savings Bank of Kazakhstan fell the most: by 3.38% to KZT77.25 over the week. The shares are above the support level of KZT77, and will probably not go further down at least up until the release of financial statements in which Halyk Bank is going to consolidate Kazkommertsbank's losses.

KASE Index shares



Retail investors & non-residents, %



20.10.2017

		Trends (%)	
KASE Index	2 034,8	-1,0	-0,3
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
Bank of America	8 991,0	6,5	6,1
KazMunayGas EP (pref.)	7 785,0	3,8	1,1
QAZKOM (pref.)	117,0	3,3	30,3
QAZKOM	154,5	3,0	-1,4
Bank of Astana	1 188,0	2,7	2,8
Aeroflot (Russia)	1 062,0	1,0	-7,2
KEGOC	1 414,0	0,9	2,4
Aktobe Metalware Plant	12 301,0	0,5	-4,4
Kcell	1 825,0	0,4	-2,4
BAST	56 943,0	0,3	0,3
Gazprom (Russia)	730,4	0,1	3,9
Kazakhtelecom (pref.)	7 500,0	0,0	2,7
CenterCredit Bank	157,7	-0,1	-0,6
KAZ Minerals	3 700,1	-0,1	7,1
KazTransOil	1 322,0	-0,8	5,3
Kazakhtelecom	19 600,0	-1,0	2,3
Sberbank (Russia)	1 135,0	-1,5	4,1
KazMunayGas EP	19 600,0	-3,0	-5,3
Halyk Bank	77,3	-3,3	-9,4

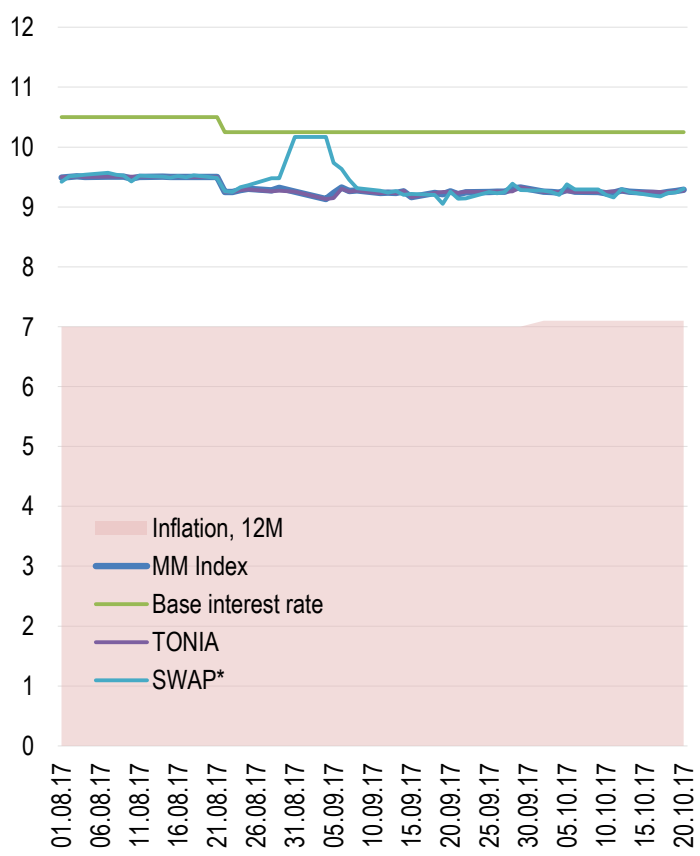
KEGOC and Kcell shares showed growth over the week: by 0.85% and 0.38% respectively. Last Friday Kcell stocks fell by more than 5% at a time, however by the market closing time a considerable amount of transactions was concluded, with the deals' amount exceeding that generated over the previous 4 trading sessions. Buyers' demand managed to drive the shares' price above the important level of KZT1,800. We remind you that on October 19 the company released its 9M 2017 report. The net income of the Kazakh mobile service provider dropped 47.2% in January-September 2017 to KZT8.261 bn. Revenues rose 0.2%, to KZT109 bn.

On October 20 Kazakhstan's Ministry of Finance raised KZT51.1 bn on KASE, selling MEOKAM-48 of issue 51 at a yield to maturity of 8.99% per annum. The current maturity is 3.8 years (1,374 days)

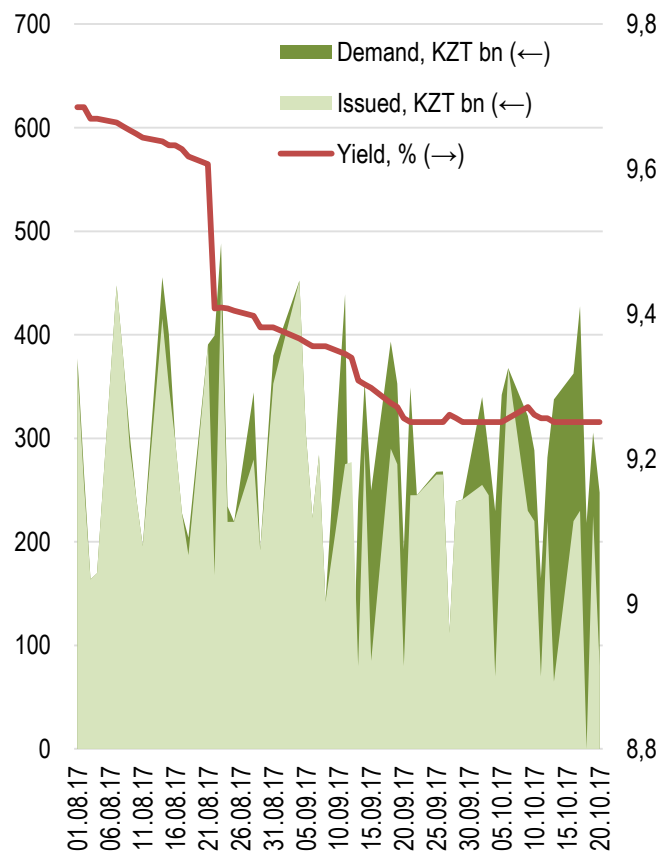


The money market's yield rose over the week, on account of the rates of currency swap transactions growing by 22 b.p. to 9.49% per annum, which seems logical after the weakening of the national currency. In the repo segment the yield rose 10 b.p. to 9.35 % per annum. Thus, the spread of costs of raising liquidity under the US dollar and government securities rose from 2 b.p. to 14 b.p. over the week.

Inflation and interest rates

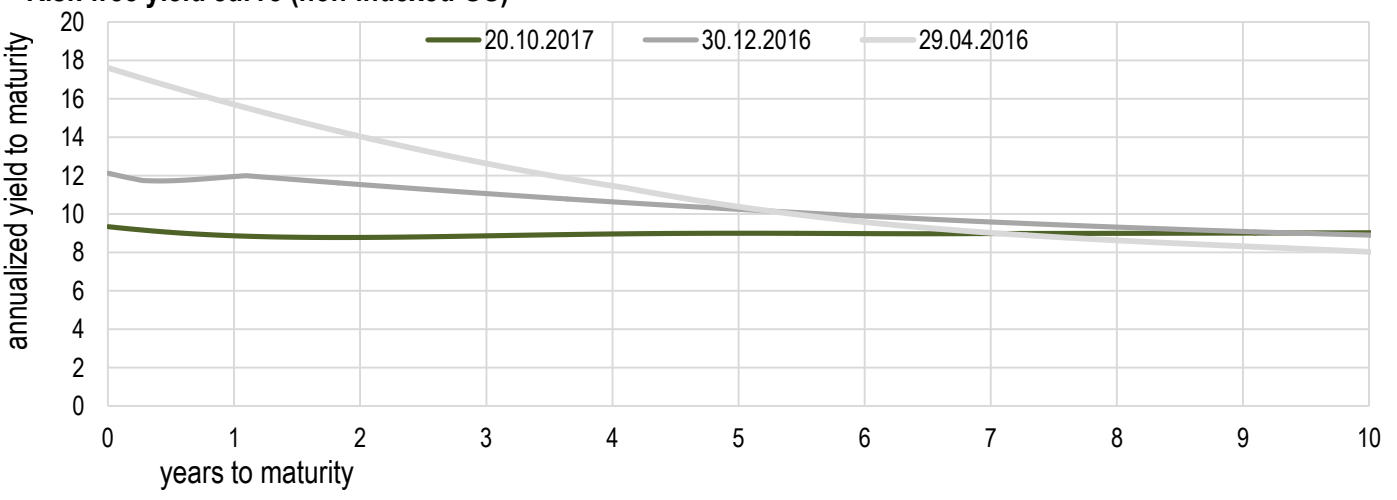


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





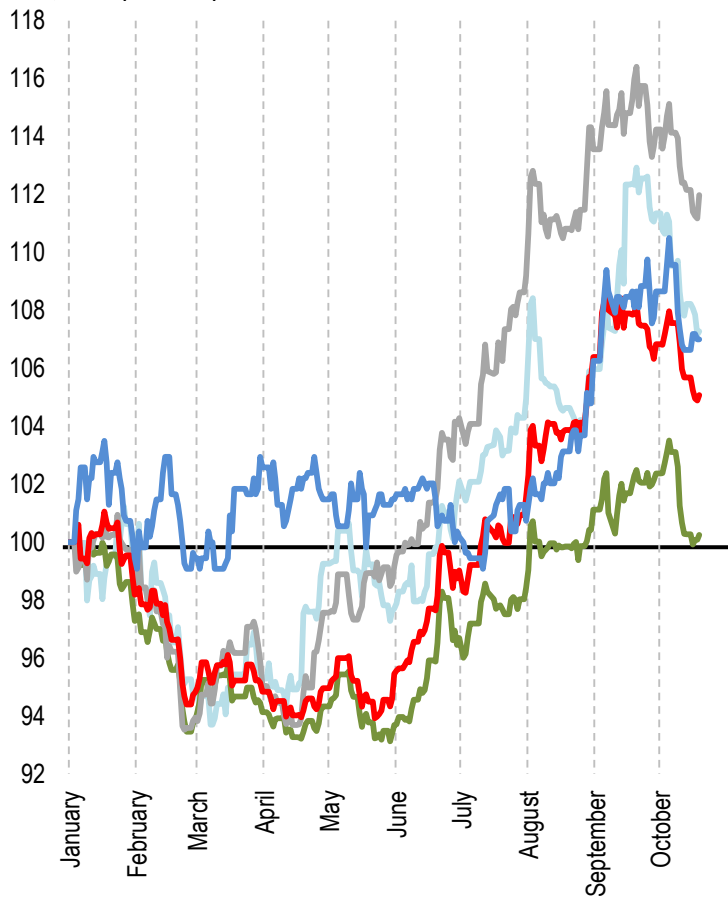
The dollar exchange rate rose 0.3%, or KZT1.03, to KZT335.24 over the week. The amount of trading totaled USD776 mln, with the volatility of the currency pair dollar/tenge considerably lowering after the revaluation of the tenge provoked by the National Bank's verbal intervention on October 10, 2017.

The ruble appreciated by almost 3 tyiyn (KZT0.0284) to KZT5.8298 over the week. The trading amount reached RUR309.0 mln.

The euro exchange rate was KZT396.03 at the trade amount of EUR1,150 th.

FX rates

Δ %, base (01.01.17)

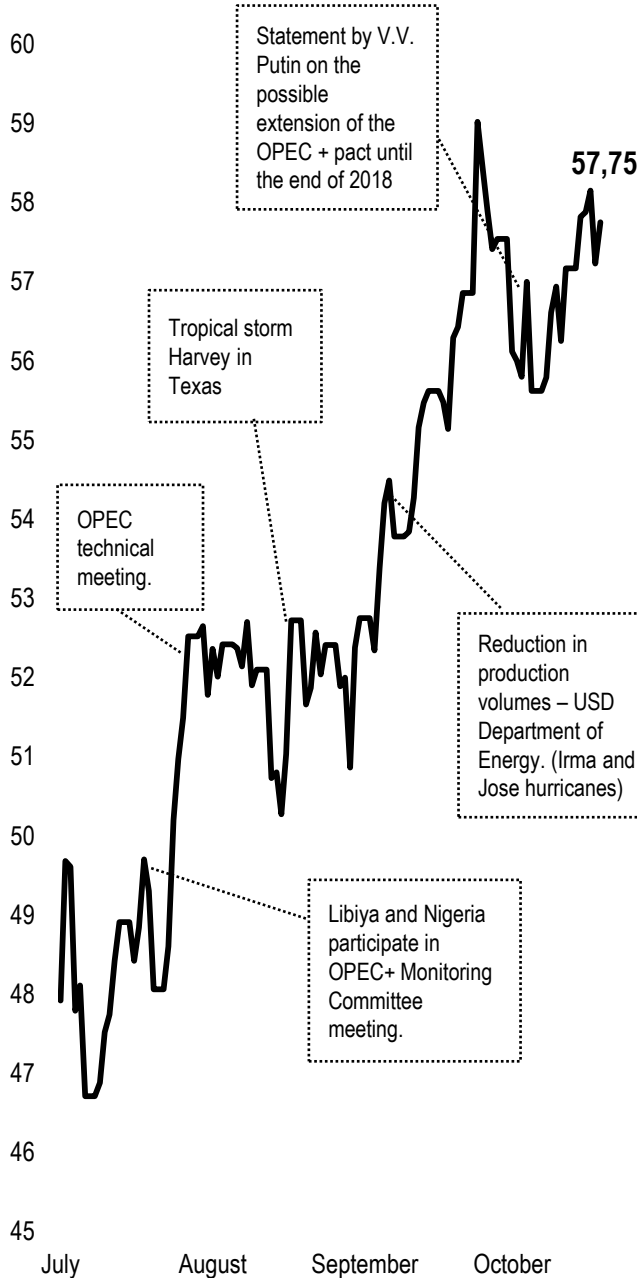


	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	439,59	-0,5	-4,5	+7,3
— USDKZT	334,11	-0,0	-2,0	+0,2
— EURKZT	394,65	-0,4	-3,4	+12,0
— CNYKZT	50,46	-0,6	-2,6	+5,1
— RUBKZT	5,81	+0,3	-1,0	+7,0







Note: The chart and the table are based on the official market rates of the NBK. NBK rates may differ from KASE rates.

Brent oil

USD/barrel



Global indices

Name	Value	Trend			Futures
		7d	1m	1y	7d
 S&P 500	2 575,21	0,9	2,7	20,3	0,8
Dow Jones	23 328,63	2,0	4,1	28,4	2,0
 RTS	1 134,45	-1,9	1,1	14,9	-1,5
MICEX	2 071,83	-1,3	0,7	5,9	-1,5
 Hang Seng	28 487,24	0,0	1,3	21,9	-0,1
SS CSI 300	3 926,85	0,1	2,2	18,3	-0,4
 Euro Stoxx 50	3 605,09	0,0	2,3	17,2	-0,1
FTSEuroFirst	4 304,00	-0,3	2,6	12,8	-0,1
 FTSE 100	7 523,23	-0,2	3,5	7,1	-0,4
 KASE	2 034,83	-1,0	-0,3	62,5	0,0

Commodities market

20.10.2017

Name	Price	Trend	
		7d	1m
Oil	57,75	1,0	2,6
	51,47	0,0	2,1
Natural gas	2,92	-2,8	-5,8
Copper	316,55	1,0	7,3
Iron	465,00	0,0	-3,4
Gold	1 280,47	-1,8	-1,6
Silver	17,08	-1,9	-1,0
Wheat	426,00	-3,1	-5,3

Economic calendar

		Currency	Forecast	Previous
25.10	Core Durable Goods Orders (MoM) (Sep)	USD	0,5%	0,5%
25.10	Crude Oil Inventories	USD		-5,731M
26.10	Deposit Facility Rate	EUR	-0,40%	-0,40%
26.10	ECB Interest Rate Decision (Oct)	EUR	0,00%	0,00%
26.10	ECB Press Conference	EUR		
27.10	Interest Rate Decision (Oct)	RUB	8,25%	8,50%
27.10	GDP (QoQ) (Q3)	USD	2,6%	3,1%

Note: The calendar contains the economic events of the upcoming week, deemed by KASE as most significant

B – billions
M – millions
K – thousands

Kazakhstan statistics

	Value	As of	Beginning year
Annual inflation	7,1 %	01.10.17	8,5 %
Gross international reserves of NBK, USD bn	32 548	01.10.17	29 530
Reserve money, KZT bn	6 068,0	01.10.17	5 162,2
Money supply, KZT bn	19 471,9	01.09.17	19 912,6

Kazakhstan credit ratings

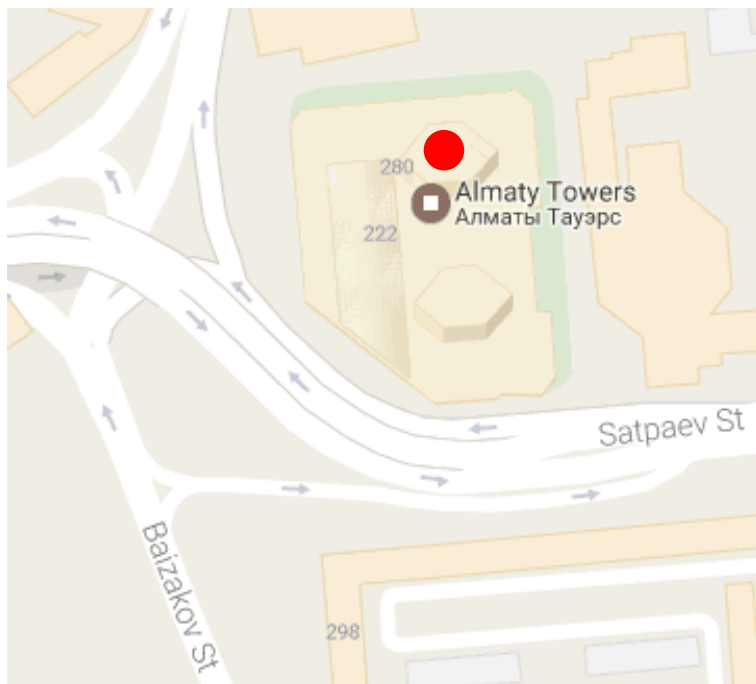
	Rating	Date	Previous
S&P Global	BBB- stable	08.09.17	BBB- negative
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	20.10.17	BBB stable

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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;
3. report does not take into account the individual financial characteristics and aims of those receiving it.

KASE recommends that the investors independently evaluate the feasibility of certain investments and strategies and encourages the investors to use the services of financial consultants.

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