

KASE WEEKLY

04 – 07 December,
2018

KASE NEWS

- ▲ KASE has [extended](#) the duration of the Base period for market valuation of non-indexed GS with term of 180 days and more to maturity.
- ▲ Online project "KASE: History in Persons" – interviews with Gulzhana Karagusova and Vyacheslav Kononenko [released](#).
- ▲ KASE has [published](#) member activity rankings for November 2018 on its website.
- ▲ KASE [hosted](#) "KASE Day in Astana" business breakfast on December 7.
- ▲ Amendments to Instruction on Procedure of Coding of Members of Kazakhstan Stock Exchange, Financial Instruments and Securities Issuers were [put](#) into effect as of November 30, 2018

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Mortgage Organization Baspana raised KZT19.7 bn on KASE on December 6 [selling](#) bonds (BASPb2) at 9.9126 % APR and KZT10.0 bn [selling](#) bonds (BASPb1).
- ▲ Faeton Company [raised](#) KZT200.7 mln on KASE on December 5 offering bonds (FATNb2) at 10.99% APR.
- ▲ Local executive bodies have placed two-year bonds as part of the implementation of government programs. Administration of Atyrau Region [raised](#) KZT1.9 bn and the municipal authority of East Kazakhstan Region [placed](#) bonds for the amount of KZT609.6 mln.
- ▲ Caspiy Neft has [paid](#) dividends on ordinary shares (KSNF) for the first half of 2018.
- ▲ KEGOC shareholders [approved](#) interim financial statements and the procedure for net income distribution for the first half of 2018.
- ▲ Eurasian Bank [announced](#) that Standard & Poor's had affirmed ratings of bank and its bonds, outlook "Negative".
- ▲ Bank RBK [reported](#) that Standard & Poor's has affirmed its ratings, outlook "Stable".
- ▲ Tsesnabank [announced](#) that Standard & Poor's has lowered ratings of bank and its bonds, outlook "Negative" and placed on CreditWatch Negative.
- ▲ National Company Food Contract Corporation [reported](#) change of corporate rating B1 from "Possible Downgrade" to "Stable" by Moody's Investors Service.



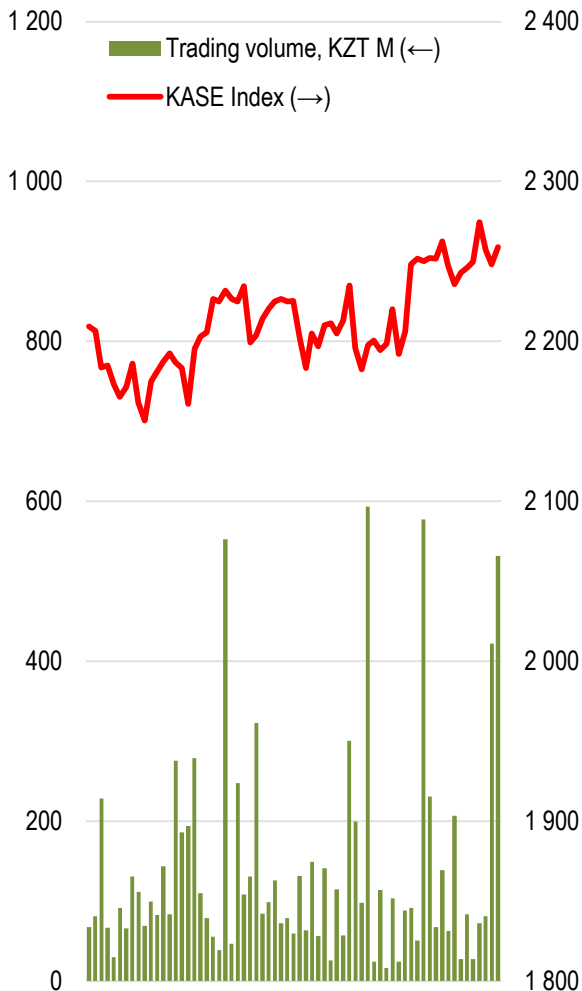
KASE Index closed week in the black. Kazakhstan's blue chip index rose by 0.41% to 2,258.74 points. Shares from the representative list traded in opposite directions.

07.12.2018

Trends (%)

KASE Index	2 258,7	0,4	2,8
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
KEGOC	1 622,2	3,7	5,7
Kazakhtelecom	30 500,0	1,5	8,2
Halyk Bank	105,0	1,1	1,6
Gazprom (Russia)	900,0	0,9	2,0
KazTransOil	1 301,1	0,7	5,5
Sberbank (Russia)	1 084,9	0,5	1,4
CenterCredit Bank	248,1	0,0	5,6
KazMunayGas EP (pref.)	12 800,0	0,0	2,4
Kazakhtelecom (pref.)	12 100,0	-0,0	1,7
Kcell	1 664,6	-1,2	-1,2
BAST	37 000,0	-1,5	-0,0
KAZ Minerals	2 550,0	-2,9	0,2
Bank of America	10 100,0	-3,2	-0,5
Aeroflot (Russia)	611,0	-4,5	7,6
Bank VTB (Russia)	0,2	-4,8	0,0

KASE Index shares

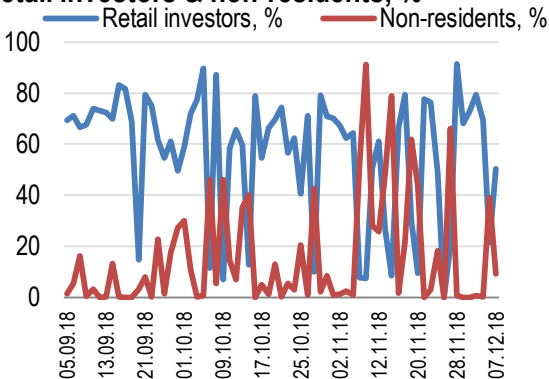


Note: Index stocks are highlighted in green

KEGOC stocks that rose by 3.67% to KZT1,622.23 showed the most growth. During Friday's trading, shares opened with dividend gap but then suddenly recovered. There were quite high volumes of trade, the maximum since October 12, 2018. We remind that KEGOC shareholders decided to pay 80% of the net profit in the amount of KZT20.9 bn as dividends on ordinary shares for the first half of 2018. Thus, the dividends for the first half of the current year grew 1.7 times to KZT80.53 per share.

The greatest faller was KAZ Minerals stocks that have fallen by 2.86% to KZT2,550.00. The price of this manufacturing company's stocks failed to fix above KZT2,700 and went down in an accelerated manner. Share price correction was caused by negative trends in copper prices.

Retail investors & non-residents, %

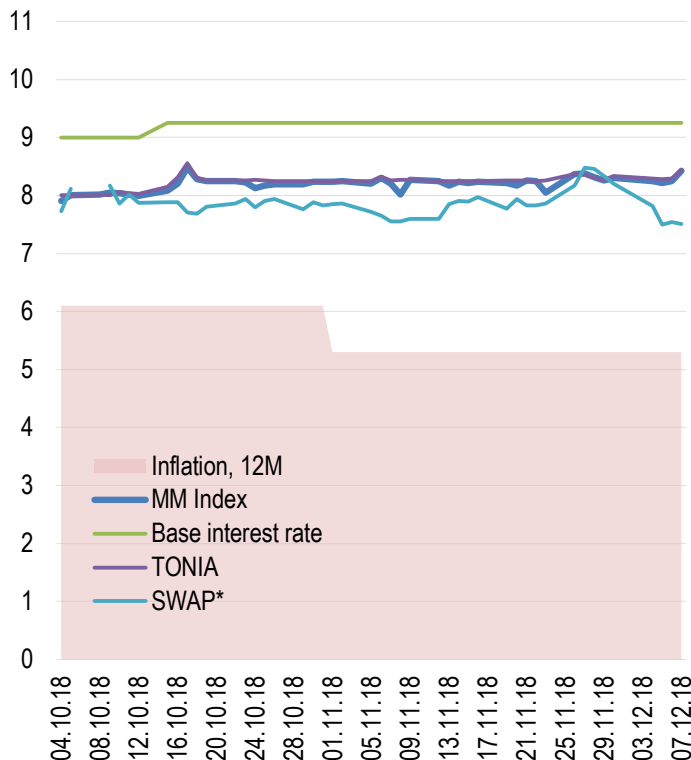




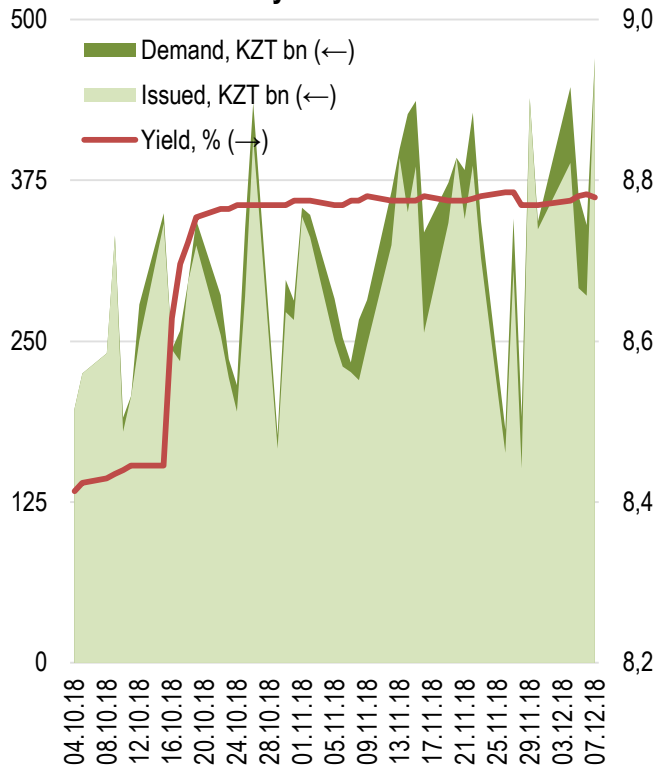
On Tuesday, as expected, the National Bank of Kazakhstan decided to maintain the base rate at 9.25%, within the corridor +/- 1%. The yield of one-day repo transactions with government securities rose by 12 b.p. and amounted to 8.45% APR. The yield of one-day dollar swaps fell by 32 b.p. to 7.70% APR.

The National Bank's open position on notes continued to decline for the second consecutive week. By Thursday, it had reduced to KZT3.4 trillion, which is the minimum value for more than 1.5 months. The National Bank has placed seven issues of notes for the amount of KZT1,501.7 bn over the week. The total demand for the notes exceeded the supply by 12%. Weekly notes were placed with the yield of 8.77- 8.78%, annual instruments were offered for the amount of KZT 66.9 bn at 7.91 APR.

Inflation and interest rates

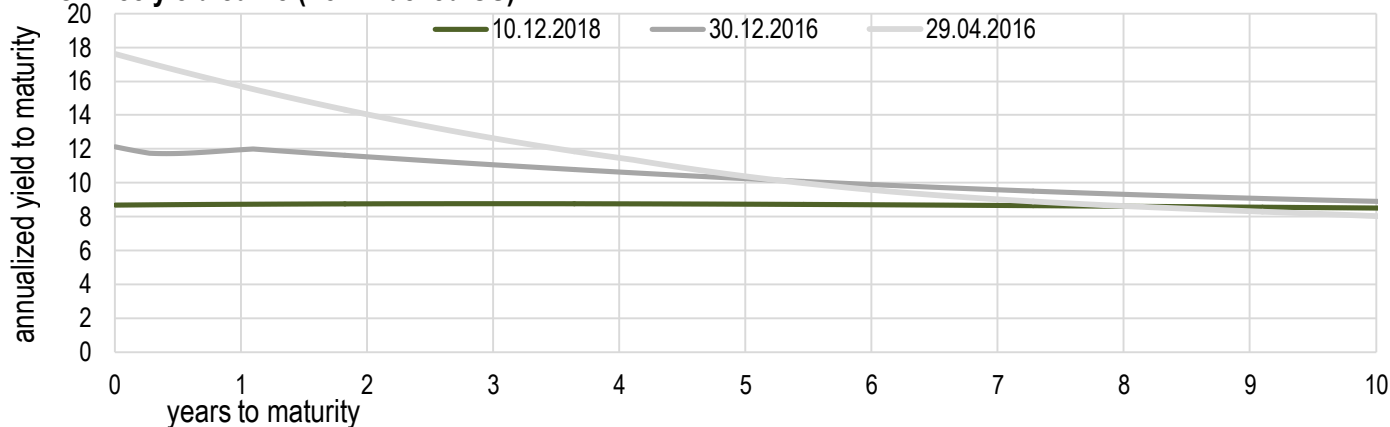


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average dollar rate grew by 1.07% to KZT 370.49 over the week. Total volume of trading in dollars amounted to US \$420.6 mln.

The tenge has shown resilience this week and even managed to slightly strengthen against the dollar. All of this was happening despite volatile external background, in particular, the highly volatile oil prices. Prices for black gold remained highly volatile amid ongoing OPEC+ meeting, where the fate of the deal on oil production cuts was decided. The Minister of Energy Kanat Bozumbayev said: "Kazakhstan supports proportional reduction".

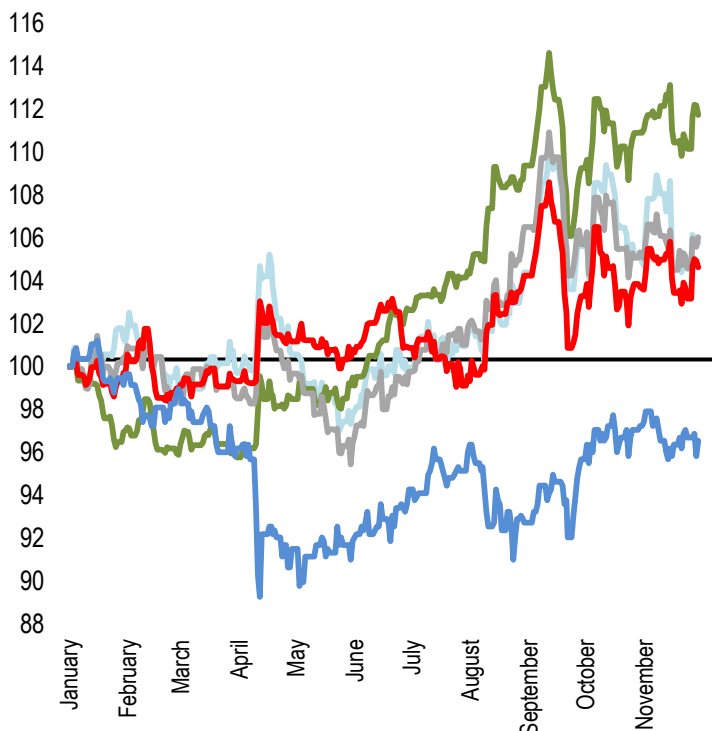
The ruble fell by KZT0.0403 to KZT5.5610 on KASE over the week. Total trading volume reached RUB 87.0 mln over the week.

The euro closed the week up by KZT0.40; the exchange rate of the European currency fixed at KZT421.00. Weekly volume of trades in the euro reached EUR 2.7 mln.

The exchange rate of yuan increased by KZT0.6600 over the week having fixed at KZT53.9600 at the trading volume of CNY9.5 mln.

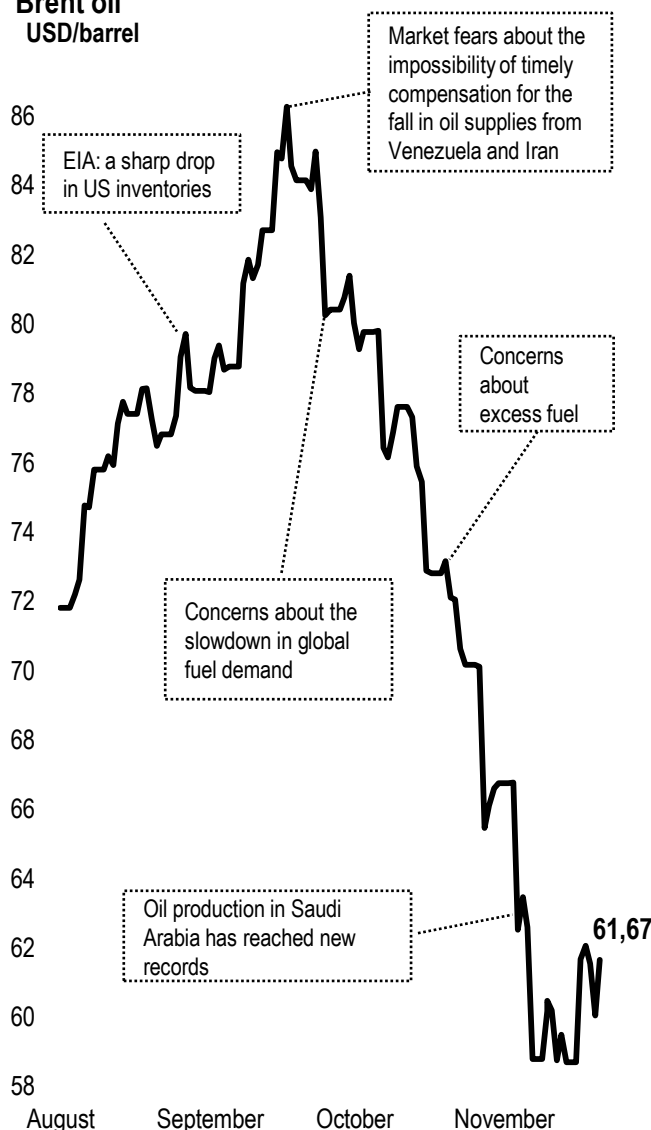
FX rates

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	471,32	-0,6	-2,7	+5,1
— USDKZT	369,98	-0,4	-0,2	+11,3
— EURKZT	419,48	-0,6	-0,8	+5,3
— CNYKZT	53,71	+0,5	+0,1	+5,1
— RUBKZT	5,52	-0,9	-1,8	-4,3

Brent oil USD/barrel



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	2 633,08	-4,6	-6,4	-0,1	-4,4
Dow Jones	24 388,95	-4,5	-6,8	0,7	-4,3
 RTS	1 157,94	2,8	-0,5	3,4	3,5
MICEX	2 285,53	0,0	0,0	8,7	3,5
 Hang Seng	26 063,76	-1,7	-0,3	-7,9	-1,7
SS CSI 300	3 181,57	0,3	-1,3	-19,9	0,5
 Euro Stoxx 50	3 058,53	-3,6	-5,8	-14,4	-3,2
FTSEuroFirst	3 795,00	-3,1	-5,3	-11,7	-3,6
 FTSE 100	6 778,11	-2,9	-4,8	-7,4	-2,5
 KASE	2 258,74	0,4	2,8	7,5	

Commodities market

07.12.2018

Name	Price	Trend %	
		7d	1m
Oil	61,67	5,0	-14,4
	52,61	3,3	-14,7
Natural gas	4,49	-2,7	26,2
Copper	275,75	-0,7	0,1
Iron	499,50	-1,3	-9,1
Gold	1 249,31	2,4	1,9
Silver	14,57	3,4	0,0
Wheat	519,50	0,7	1,8

Economic calendar

		Currency	Forecast	Previous
10.12	JOLTs Job Openings (Oct)	USD	7.220M	7.009M
11.12	PPI (MoM) (Nov)	USD	0.0%	0.6%
12.12	Core CPI (MoM) (Nov)	USD	0.2%	0.2%
12.12	Crude Oil Inventories	USD		-7.323M
13.12	ECB Interest Rate Decision (Dec)	EUR	0.00%	0.00%
13.12	ECB Press Conference	EUR		
14.12	Interest Rate Decision (Dec)	RUB	7.50%	7.50%

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	Beginning 2017
Annual inflation	5,3 %	01.12.18	7,1 %
Gross international reserves of NBK, USD bn	29 092	01.11.18	30 745
Reserve money, KZT bn	5 799,3	01.11.18	5 538,7
Money supply, KZT bn	19 715,1	01.10.18	19 456,0

Kazakhstan credit ratings

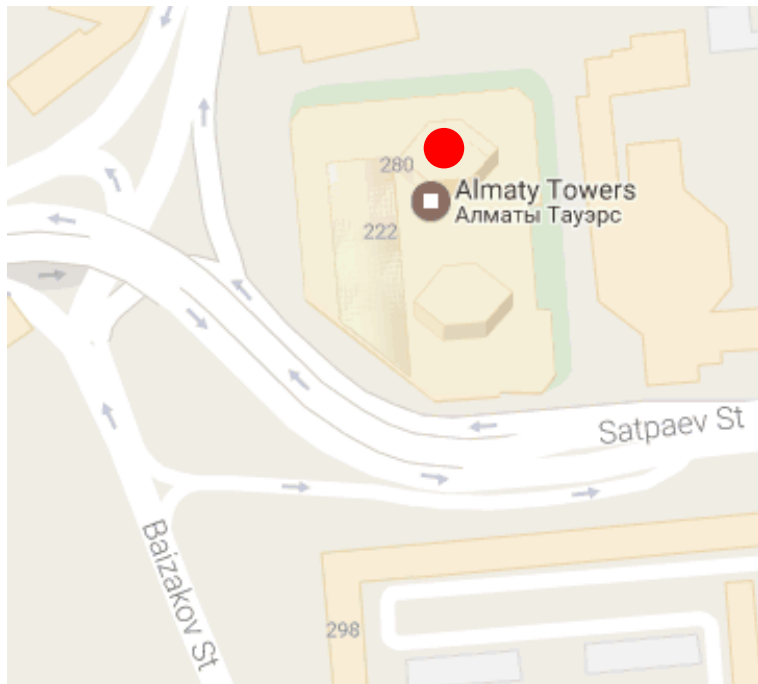
	Rating	Date	Previous
S&P Global	BBB- stable	10.09.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 stable
FitchRatings	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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