

KASE WEEKLY

06 – 10 August,
2018

KASE NEWS

- ▲ KASE [held](#) a media briefing for the media, dedicated to the results of the stock market in July 2018.
- ▲ Kazakhstan Stock Exchange (KASE) [recalls](#) support for its official information channel in the Telegram application - @KASEInfoBot. The users currently subscribed to the @KASEInfoBot channel can receive timely information on the course and results of trades in KASE with securities and foreign currencies, on the values of the exchange market indicators calculated by KASE, and on paying dividends in a convenient and concise format.

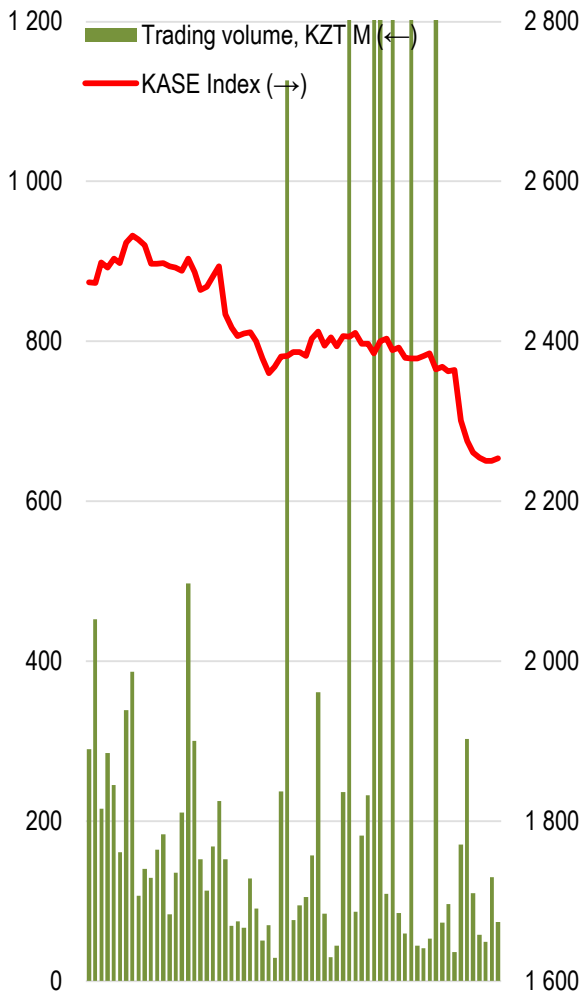
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ On August 6, the Ministry of Finance [raised](#) KZT 59.1 bn, placing 15-year bonds at 8.43% APR. As a result of the auction, 3 applications were executed. The maturity period is 11.5 years.
- ▲ Administration of Pavlodar region [raised](#) KZT500.8mln on KASE, placing two-year bonds at 0.35% APR on August 7.
- ▲ Mortgage Organization Kazakhstan Mortgage Company [reported](#) on the redemption of its bonds (KZIKb24), the amount of payment of the main debt was KZT7.9 bn
- ▲ Subsidiary enterprise Aktobe-Temir-VS [informed](#) about the cancellation by Gemini Mining B.V. of the decision to sell 78,731 common shares (ATVS).
- ▲ KEGOC [announced](#) that Fitch Ratings affirmed ratings of company and its bonds, outlook is "Stable".
- ▲ The annual report of Kazakhtelecom for 2017 has been [published](#).
- ▲ The annual report of Kazakhstan Temir Zholy for 2017 has been [published](#).
- ▲ The annual report of KazTransGas for 2017 has been [published](#).
- ▲ Kcell [announced](#) successful appeal against the decision of the court of first instance in the case of copyright infringement.
- ▲ Phystech II [announced](#) decision of Board of Directors on assignment of rights in the transaction with Gas Trade International FZC.



KASE Index closes the sixth week in a row in the red. As a result of the trading week, the Index fell 0.96% to reach 2,253.72 points. Four out of seven share names in the Index closed in the red.

KASE Index shares



10.08.2018

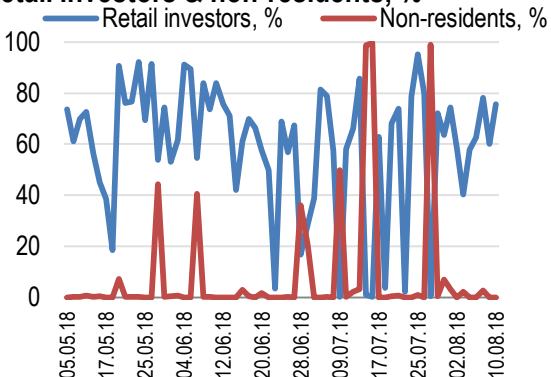
		Trends (%)	
KASE Index	2 253,7	-1,0	-6,0
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
KazMunayGas EP (pref.)	10 800,0	8,0	5,9
Bank of America	11 103,8	4,9	11,6
Gazprom (Russia)	771,8	1,8	-4,7
CenterCredit Bank	272,8	0,9	-4,6
Kcell	1 628,0	0,5	0,2
KazTransOil	1 363,0	0,4	-2,4
Halyk Bank	100,7	-0,8	-1,4
BAST	50 403,1	-1,4	-3,4
KEGOC	1 407,5	-1,4	-1,6
KAZ Minerals	2 863,0	-1,5	-24,7
Kazakhtelecom (pref.)	13 300,0	-1,5	-2,2
Kazakhtelecom	31 500,0	-4,2	-6,8
Aeroflot (Russia)	585,0	-6,9	-18,4
Bank VTB (Russia)	0,2	-7,7	-11,1
Sberbank (Russia)	1 050,0	-8,3	-14,2

Note: Index stocks are highlighted in green

The leader of the fall were shares of Kazakhtelecom, which fell in price by 4.25% to KZT 31,500.01. Shares of the company failing to gain a foothold above the level of KZT34, 000.00, rushed down. Last Friday, Kazakhtelecom announced changes in the composition of its shareholders holding ten percent or more of shares. The new major shareholder was a non-resident company registered in Luxembourg - Skyline Investments Company. The emergence of a new large shareholder, perhaps, can explain the significant volume of trades with shares in the period from July 13 to 27 this year. Perhaps in August, due to the lack of large buyers, the shares of the telecommunications company began a correction.

Small growth this week was demonstrated by Bank CenterCredit shares, which rose in price by 0.86% to KZT272.83. Shares of Kcell added in the price of 0.5%.

Retail investors & non-residents, %

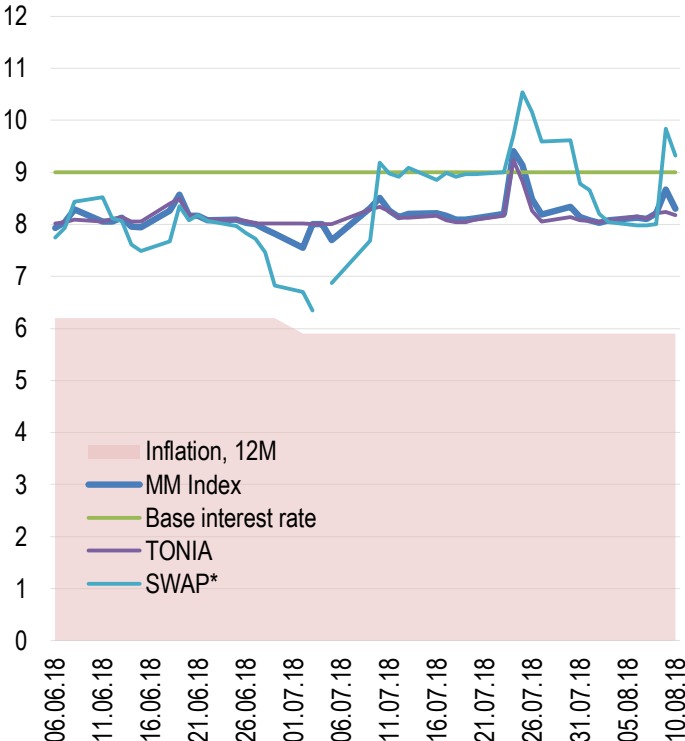




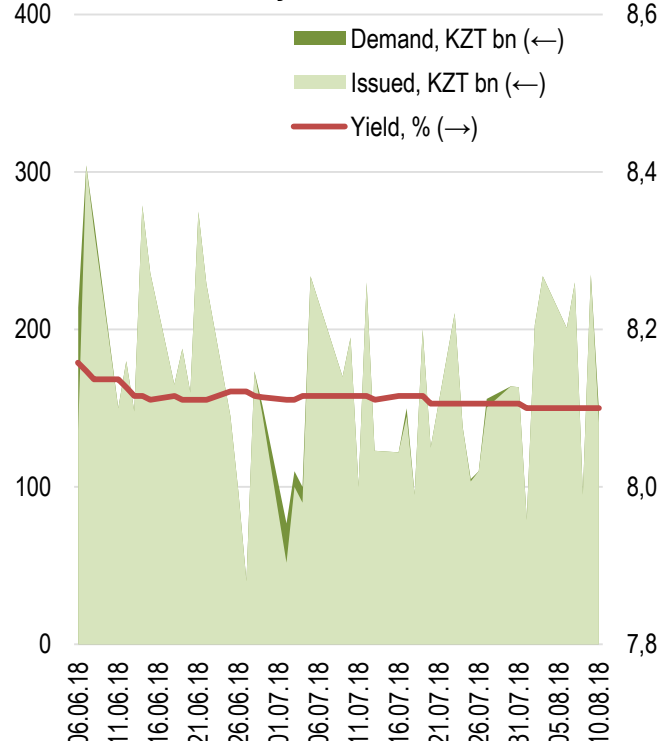
Short-term rates on the money market increased. The yield on repo transactions with government securities for one day increased by 10 b.p. and stopped at the level of 8.18% per annum. Against the background of a noticeable growth of the dollar, the yield on one-day currency swaps for the week increased by 1.44% to 9.44% per annum.

The National Bank out of the counter placed seven issues of notes, the total amount of which reached KZT1,169.6 bn. For five issues of weekly notes, the total placement volume amounted to KZT900.5 bn. All seven-day notes were placed at the rate of 8.10% per annum. For 28-day notes, the yield reached 8.22% with the volume of placement of KZT238.7 bn. The volume of placement of annual instruments reached KZT30.4 bn. The rate was 8.24%. The cumulative weekly demand for notes was executed by 99%.

Inflation and interest rates

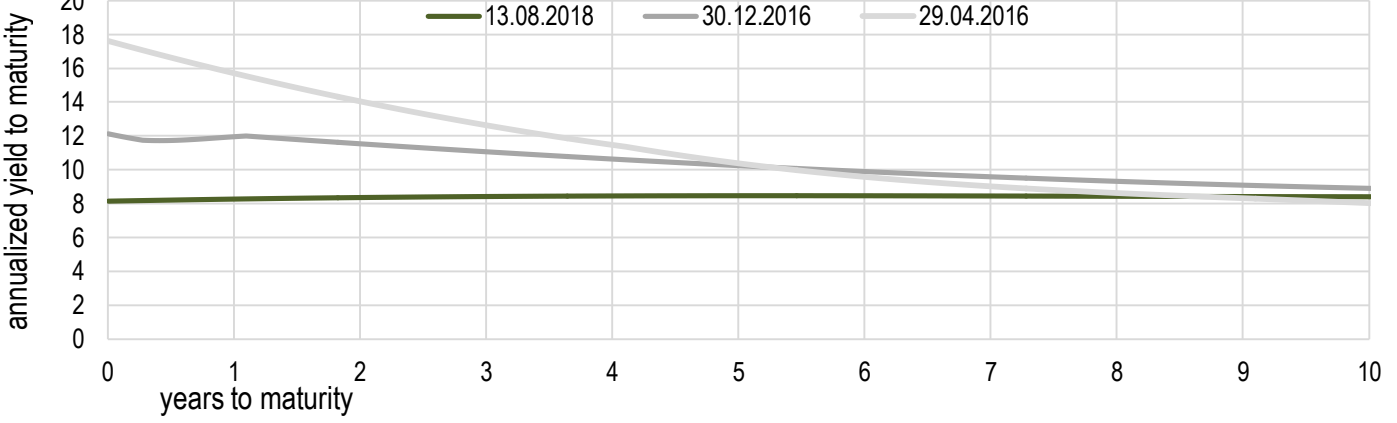


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





The weighted average dollar exchange rate for the week increased by KZT7.04 to KZT356.80, and the total trading volume amounted to USD1,264.5 mln, having increased by 71% compared to last week.

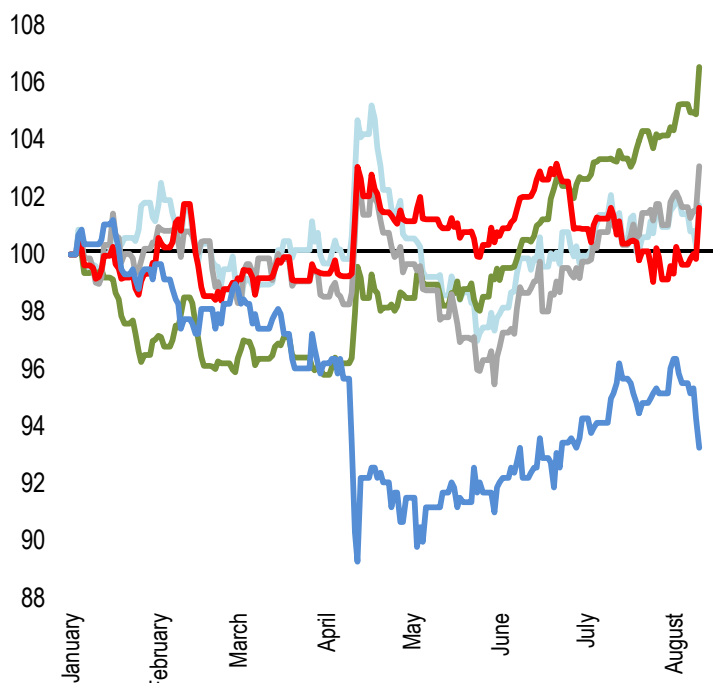
Dollar / tenge currency pair again broke its local maximum over the week. The last time at these levels, the dollar was traded 2.5 years ago, on February 17, 2016. The fall of the tenge goes by looking at the ruble, which has fallen in price against the dollar even more. The main reason for the weakening of the Russian currency was the publication of the US bill, which provides for restrictions on the financing of the state debt of the Russian Federation and for transactions with the property of a number of leading Russian banks.

The Russian currency fell by KZT0.1821 over the week to KZT5.3439. The total trading volume week reached RUB315.1 mln.

The euro exchange rate rose to KZT408.85 (+1.55), with a total trading volume of EUR2.95 th.

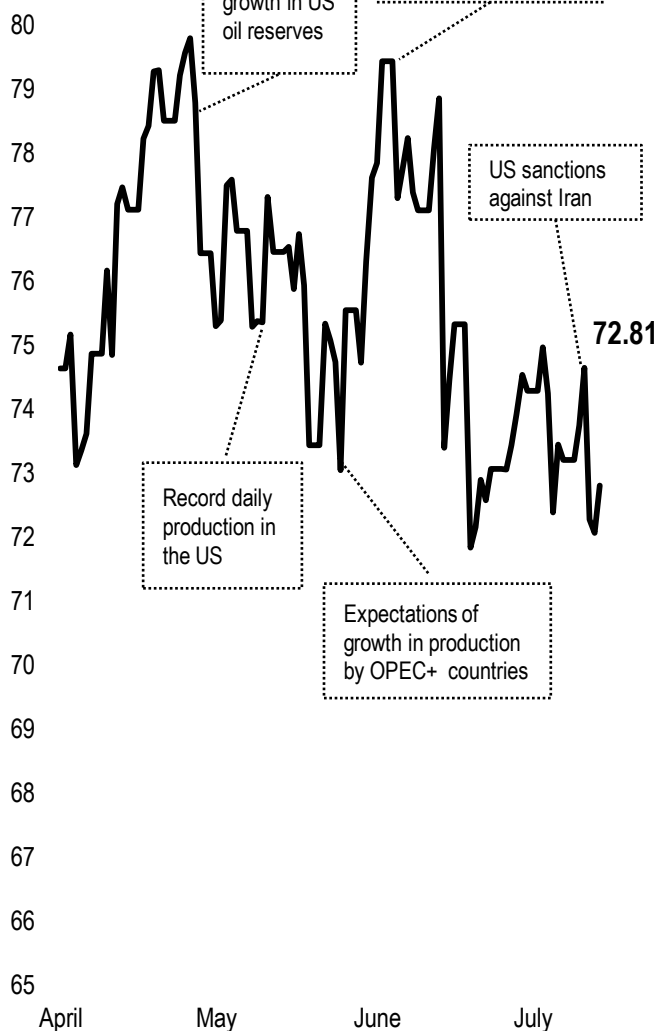
The yuan exchange rate increased by KZT1.3050 over the week, having stopped at the level of KZT52.0600 with the volume of deals of CNY2.75 mln.

FX rates
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	456,35	-0,2	+0,4	+1,7
— USDKZT	354,06	+1,3	+3,1	+6,5
— EURKZT	410,50	+1,1	+2,0	+3,1
— CNYKZT	51,92	+1,6	+0,3	+1,6
— RUBKZT	5,38	-2,7	-2,0	-6,8

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	2 833,28	-0,2	2,1	16,2	-0,1
Dow Jones	25 313,14	-0,6	2,5	15,9	-0,3
 RTS	1 056,93	-7,7	-10,9	2,7	-7,3
MICEX	2 285,53	0,0	0,0	16,6	-7,3
 Hang Seng	28 366,62	2,5	0,2	3,4	2,2
SS CSI 300	3 405,02	2,7	-0,1	-8,4	2,6
 Euro Stoxx 50	3 426,28	-1,6	0,1	-0,2	-1,7
FTSEuroFirst	4 226,00	-1,1	0,2	1,8	-1,1
 FTSE 100	7 667,01	0,1	1,0	3,7	0,5
 KASE	2 253,72	-1,0	-6,0	23,5	

Commodities market

10.08.2018

Name	Price	Trend %	
		7d	1m
Oil	72,81	-0,5	-0,8
	67,63	-1,3	-3,9
Natural gas	2,94	3,2	4,1
Copper	274,25	-0,8	0,3
Iron	502,50	0,0	9,0
Gold	1 210,57	-0,4	-2,8
Silver	15,30	-1,1	-2,8
Wheat	546,75	-1,7	16,4

Economic calendar

		Currency	Forecast	Previous
14.08	Industrial Production (YoY) (Jul)	CNY	6.3%	6.0%
15.08	Core Retail Sales (MoM) (Jul)	USD	0.4%	0.4%
15.08	Crude Oil Inventories	USD	1.213M	-1.351M
16.08	Building Permits (Jul)	USD	1.305M	1.292M
17.08	CPI (YoY) (Jul)	EUR	2.1%	2.1%
17.08	Unemployment Rate (Jul)	RUB	4.7%	4.7%
17.08	U.S. Baker Hughes Oil Rig Count	USD		869

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	5,9 %	01.08.18	7,1 %
Gross international reserves of NBK, USD bn	30 096	01.08.18	30 745
Reserve money, KZT bn	6 367,7	01.08.18	5 538,7
Money supply, KZT bn	19 908,2	01.07.18	19 456,0

Kazakhstan credit ratings

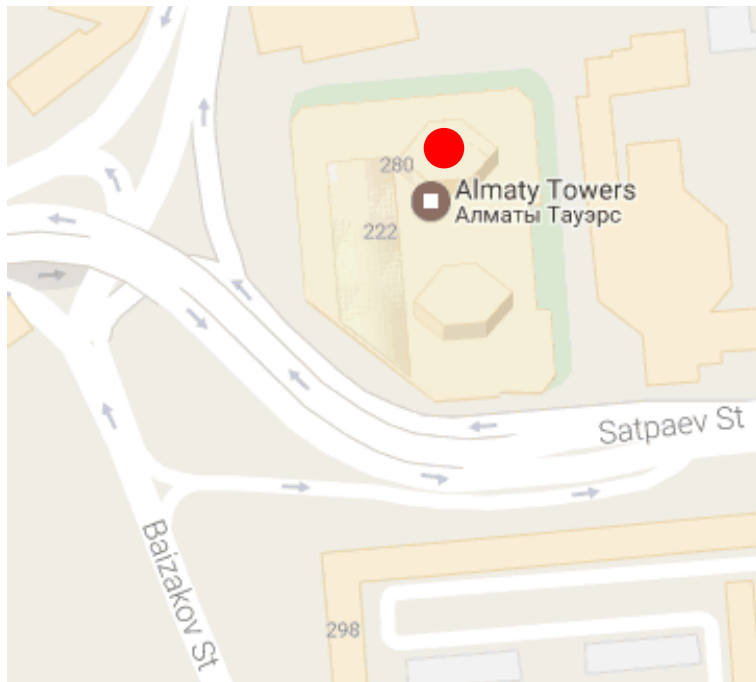
	Rating	Date	Previous
	BBB- stable	12.03.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	17.04.18	BBB stable

CONTACT INFORMATION



Address: Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

Tel.: 8 (727) 237 53 00



Corporate website



Contact us



Corporate Events Calendar of KASE listed Companies

The information contained therein was gathered by the employees of Kazakhstan Stock Exchange JSC (KASE). KASE does not guarantee the completeness and accuracy of the information contained in this report, as well as its reliability. Neither KASE, nor any of the employees are liable for any direct or indirect loss (damage) arising from the use of this report or information / analysis presented therein. KASE does not assume any responsibility to update this report on a regular basis or notify of all changes that have occurred.

KASE draws investors' attention to the following factors:

1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors;
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.

KASE reserves all rights for the report. This analytical material can be copied and/or distributed in full or in part upon written permission of KASE