

KASE WEEKLY

09 – 13 July,
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.
- ▲ Baker Tilly Kazakhstan and Finex-Standart [included](#) in the list of second-level auditing firms recognized by KASE.
- ▲ KASE has [set](#) limits and rates of concentration on shares traded on the stock market at T+2 scheme and discount rates for repo market for the period from July 15 to August 15, 2018.

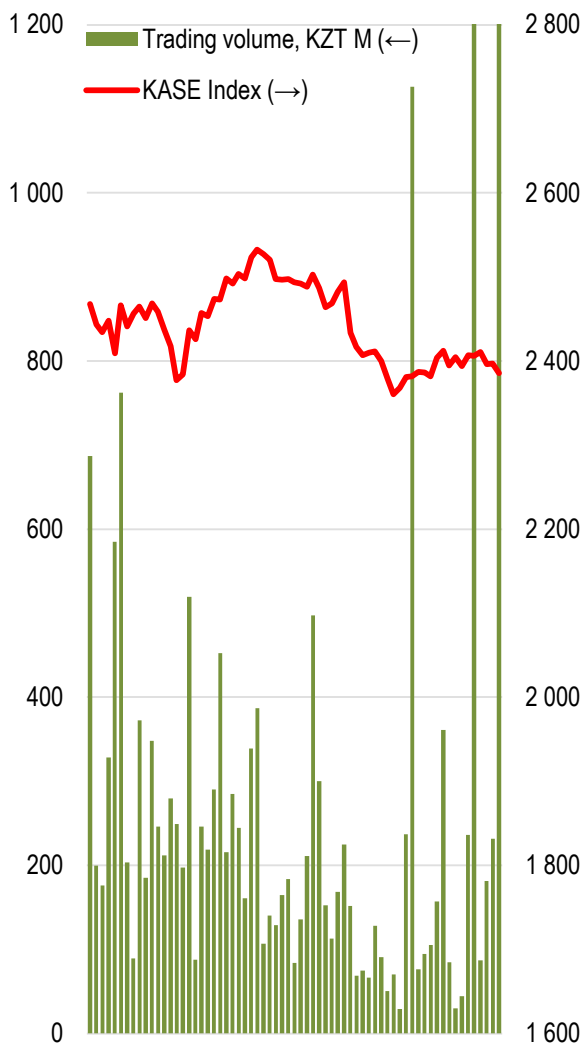
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Kazakhstan's Ministry of Finance [raised](#) KZT48.9 bn on July 9 on KASE selling 14-year bonds at 8.43 % APR with the maturity of 11.6 years.
- ▲ Faeton Company [raised](#) KZT272.9 mln on July 10 on KASE selling 7-year bonds (FATNb1) at 13.49 % APR.
- ▲ Kaspi Bank [reported](#) on the decision of the Extraordinary General Meeting of shareholders on payment of dividends on ordinary (CSBN) and preferred (CSBNp) shares of the bank for 2017.
- ▲ The Development Bank of Kazakhstan [reported](#) on the Board of Directors' decision to redeem bonds (BRKZb4) worth 30.0 bn on the organized securities market.
- ▲ Trading in common shares (JSCP) of Pension Assets Investment Management Company ZHETYSU [opens](#) in KASE secondary market sector as of July 16.
- ▲ Trading in common (KSPI) and privileged (KSPIp) shares of Kaspi.kz [opened](#) on KASE secondary market sector as of 12 July.
- ▲ Kaspi Bank [reported](#) the revision of the bank's national scale from "kzBBB +" to "kzA-" by Standard Poor's.
- ▲ Halyk Savings Bank of Kazakhstan [reported](#) that Moody's Investors Service assigned its long-term and short-term counterparty risk ratings at Baa3 and Prime-3 respectively, after updates in the methodology of Moody's Investor Services.
- ▲ KEGOC annual report for 2017 has been [published](#).
- ▲ Bank RBK [reported](#) receiving a license to conduct banking and other transactions and activities on the securities market.



KASE Index fell by 0.90% and reached 2,385.33 points over the trading week. Four of seven share titles included in the Index closed in the red.

KASE Index shares



13.07.2018

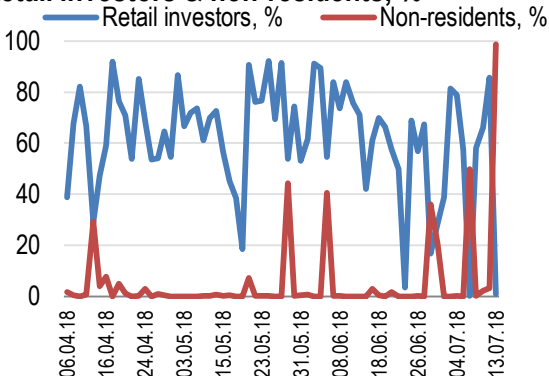
		Trends (%)	
KASE Index	2 385,3	-0,9	-1,0
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
KazMunayGas EP (pref.)	10 000,0	4,2	25,0
Sberbank (Russia)	1 238,0	4,0	7,7
Bank of America	9 921,0	2,1	-0,3
Gazprom (Russia)	800,0	1,9	6,4
Kcell	1 640,0	0,9	6,1
KEGOC	1 441,5	0,7	1,5
KazTransOil	1 396,0	0,4	3,9
Bank VTB (Russia)	0,3	0,0	12,5
Kazakhtelecom (pref.)	13 950,0	-0,3	2,6
Bank of Astana	829,2	-0,6	-3,6
Halyk Bank	101,8	-0,7	-0,6
BAST	52 001,3	-0,9	-3,3
CenterCredit Bank	286,1	-1,0	-1,2
Kazakhtelecom	33 300,0	-1,0	2,8
Aktobe Metalware Plant	10 349,3	-1,2	-2,6
Aeroflot (Russia)	725,0	-1,4	-5,2
KAZ Minerals	3 692,0	-5,6	-17,3
QAZKOM	100,0	-13,0	-4,8

Note: Index stocks are highlighted in green

The greatest faller was KAZ Minerals, a copper mining company, whose shares remain under pressure of copper ore prices, which is the main product mined and exported by the issuer. After reaching nearly five-year high in early June this year, the copper price smoothly reduces and drops by more than 15%. The last deal of the week on equity instruments of KAZ Minerals was made at the price of KZT3,692.01 per share having dropping by 5.6% over the week.

On Friday, the Moody's international rating agency affirmed long-term local and foreign currency deposit ratings of Bank CenterCredit at B2 and changed the outlook from negative to stable. The agency's statement says that the change of outlook is principally driven by stabilization of asset quality of the bank and improved provisioning coverage. Bank CenterCredit 's shares fell 1.0% to KZT286.1 per share over the week.

Retail investors & non-residents, %



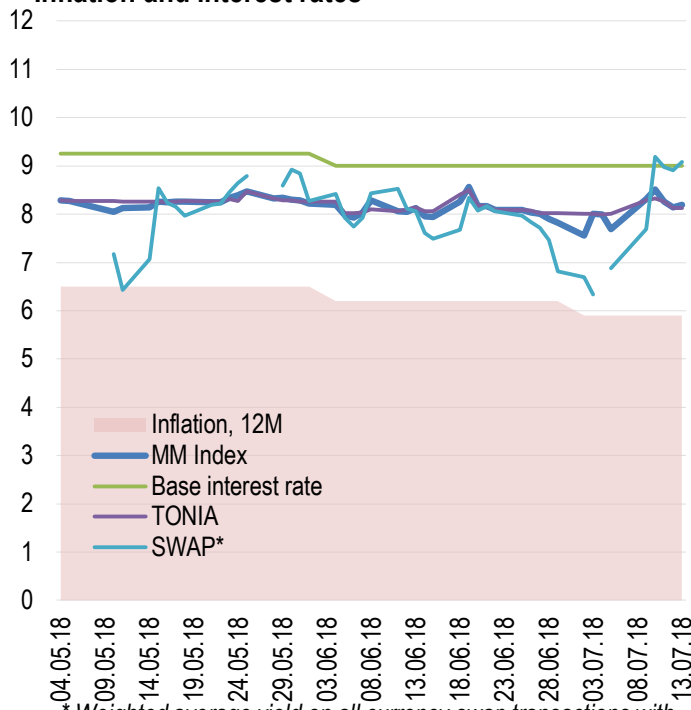


An important event of the week in the market of money is a regular meeting of the National Bank, where the country's chief financial regulator made a decision to keep the base rate at 9% with a symmetric corridor of plus/minus 1%.

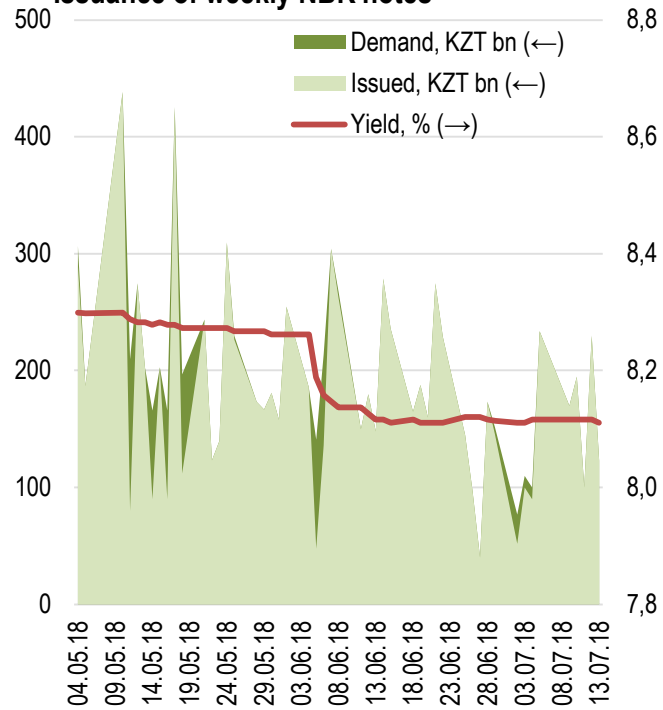
The yield on one-day currency swaps increased 2,31 p.p. to 9.15% APR over the week. The yield on one-day repo transactions with government securities increased 11 b.p. and fixed at 8.12% APR

The National Bank has placed seven issues of notes with the total trading volume of KZT1,012.5 bn over-the-counter. The yield on five issues of 7-day notes with the total offering volume of KZT816.7 bn was within the range from 8.11% APR to 8.12% APR. The yield on the 28-day instruments reached 8.24% APR at the offering volume of KZT177.2 bn. The yield on annual notes with the total offering volume of KZT18 bn amounted to 8.22%. The total demand for the notes exceeded the supply by 2% and reached KZT1,033.3 bn.

Inflation and interest rates

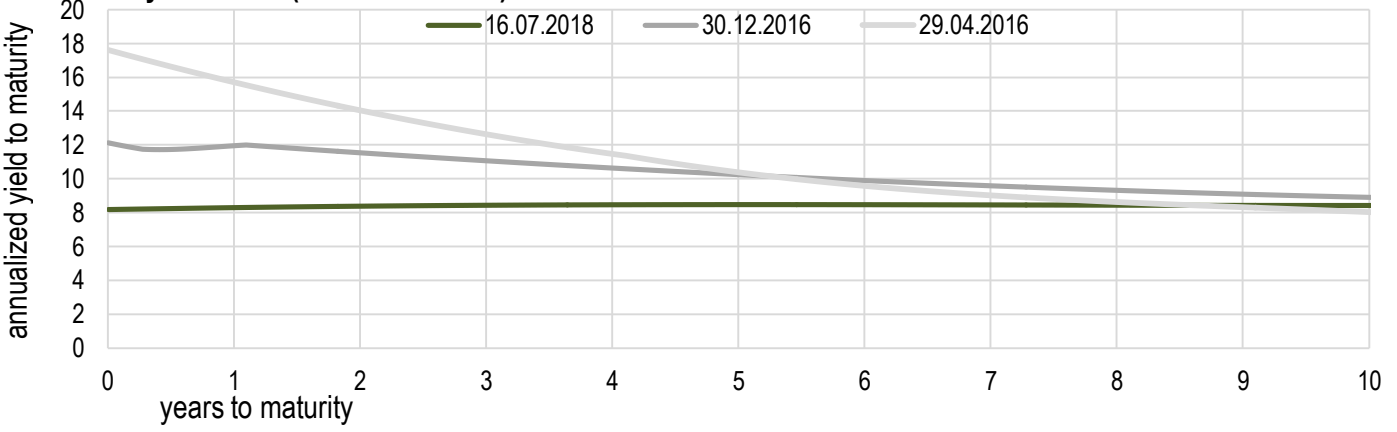


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





The US dollar has shown oppositely directed dynamics throughout the week with the largest jumps in the past two trading days when the dollar first rose by KZT1.26 and then fell to KZT0.92. Weighted average rate of dollar increased by 7 tiyn to KZT343.45 over the trading week and the total trading volume amounted to USD692.2 mln having increased by 24% compared to the previous week. It is remarkable that oil quotations have low impact on the market exchange rate of the currency pair USD/KZT. For example, Brent, the benchmark crude oil, was traded at values below US \$74 per barrel, down nearly 5% this week, by the close of foreign currency trading on KASE.

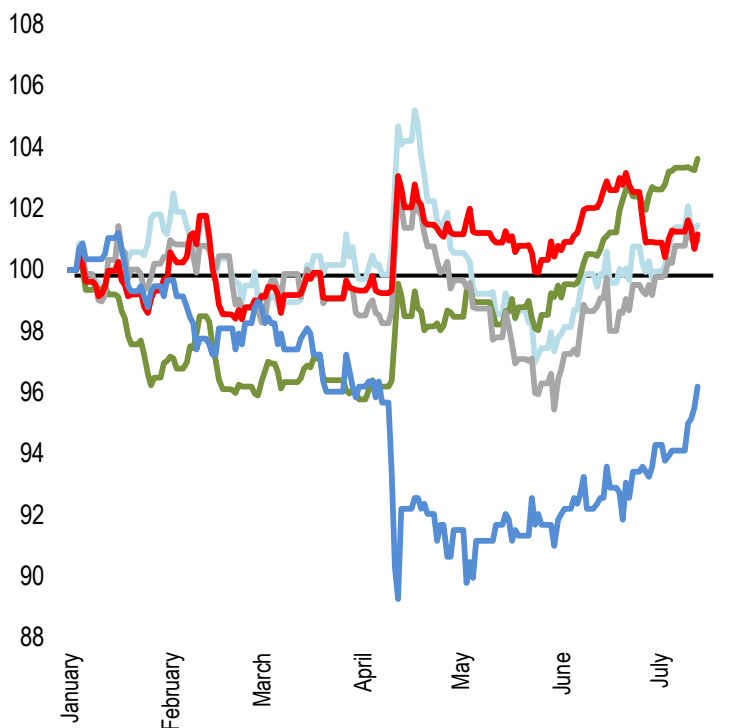
The Russian currency grew KZT0.0956 to KZT5.5274 over the week. The total trading volume for the week reached RUB199.6 mln.

The exchange rate of euro rose by KZT1.28 having closed at KZT403.00 over the reporting week.

The exchange rate of yuan fell KZT0.1387 having fixed at KZT51.4863 at the trading volume of CNY8.9 bn over the week.

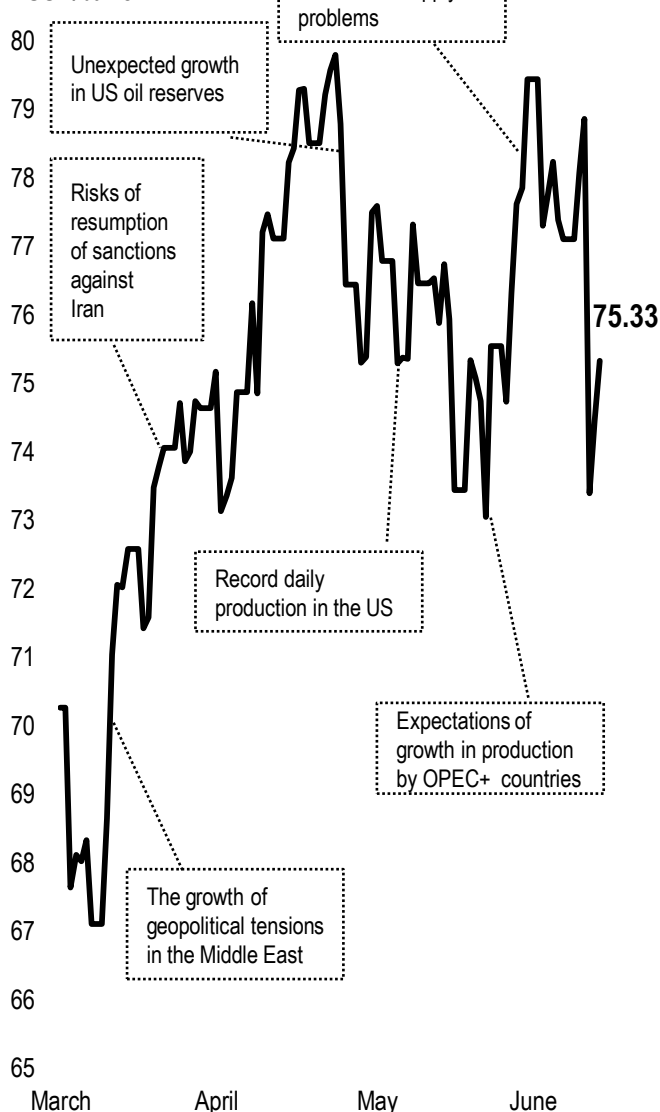
FX rates

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	455,12	+0,1	+1,6	+1,5
— USDKZT	344,37	+0,3	+3,0	+3,6
— EURKZT	402,02	+0,2	+1,9	+1,0
— CNYKZT	51,68	-0,1	-1,1	+1,2
— RUBKZT	5,55	+2,2	+3,9	-3,8

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	2 801,31	2,4	0,9	14,4	1,5
Dow Jones	25 019,41	2,7	-0,7	16,1	2,2
 RTS	1 189,35	1,5	3,6	15,5	1,3
MICEX	2 285,53	0,0	0,0	16,6	1,3
 Hang Seng	28 525,44	1,2	-7,2	8,3	1,2
SS CSI 300	3 492,69	4,5	-7,8	-5,3	4,2
 Euro Stoxx 50	3 454,54	0,4	-0,7	-2,1	0,3
FTSEuroFirst	4 257,50	0,6	-1,2	-0,4	0,3
 FTSE 100	7 661,87	0,8	-0,5	3,4	0,8
 KASE	2 385,33	-0,9	-1,0	38,0	

Commodities market

13.07.2018

Name	Price	Trend %	
		7d	1m
Oil	75,33	-2,7	-1,8
	71,01	-2,6	6,6
Natural gas	2,75	-3,0	-7,1
Copper	277,00	-1,6	-14,9
Iron	431,50	-0,5	-9,8
Gold	1 244,32	-1,1	-4,2
Silver	15,74	-1,7	-7,4
Wheat	481,50	-4,5	-6,8

Economic calendar

		Currency	Forecast	Previous
16.07	GDP (YoY) (2 nd quarter)	CNY	6.7%	6.8%
16.07	Industrial production (YoY) (June)	CNY	6.5%	6.8%
16.07	Core CPI (MoM) (June)	USD	0.4%	0.9%
17.07	Fed Chair Powell Testifies	USD		
18.07	CPI (YoY) (June)	EUR	2.0%	2.0%
18.07	Crude oil inventories	USD	-6.182M	-12.633M
18.07	Unemployment rate(June)	RUB	4.7%	4.7%

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 %	01.07.18	7,1 %
Gross international reserves of NBK, USD bn	30 563	01.07.18	30 745
Reserve money, KZT bn	5 734,2	01.07.18	5 538,7
Money supply, KZT bn	18 836,9	01.06.18	19 456,0

Kazakhstan credit ratings

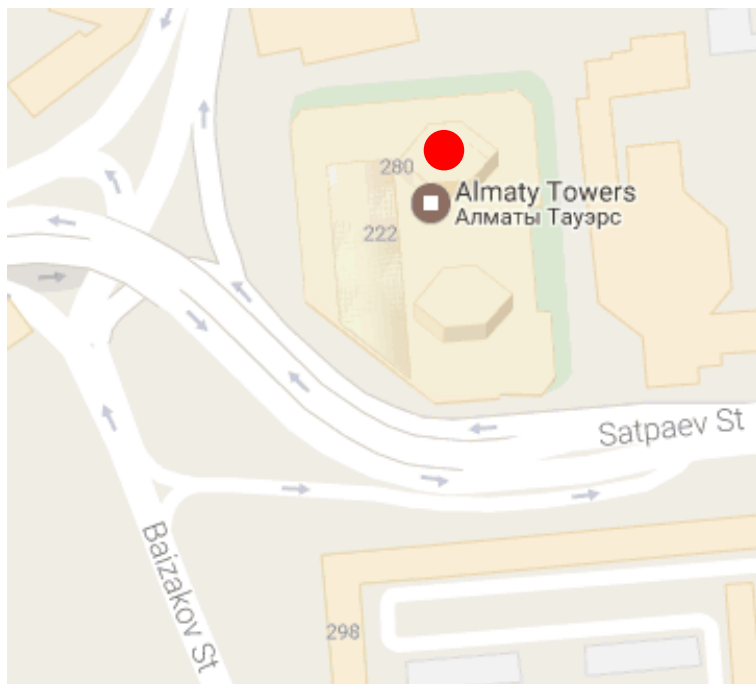
	Rating	Date	Previous
S&P Global	BBB- stable	12.03.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	17.04.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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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;
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