

KASE WEEKLY

19 – 23 February,
2018

KASE NEWS

- ▲ KASE [extended](#) duration of the Base period for market valuation of non-indexed GS with a term of 360 and more days to maturity.
- ▲ ATFBank has been [assigned](#) status of clearing member in "clearing member of derivatives market" category on February 23, 2018.

ISSUER NEWS AND ANNOUNCEMENTS

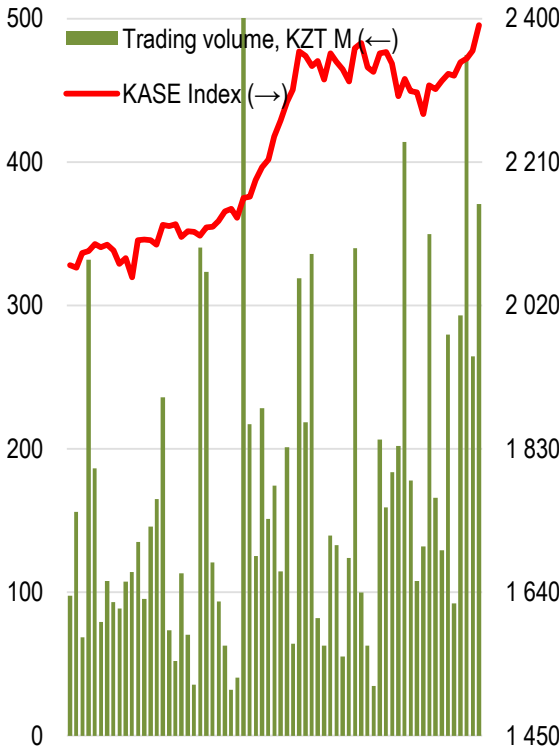
- ▲ NOSTRUM OIL & GAS PLC (United Kingdom) [announced](#) satisfaction of conditions to call notices on bonds of Zhaikmunai (ZHMNe2 and ZHMNe3).
- ▲ As of February 16, 2018 six bond issues of Sovereign Wealth Fund Samruk-Kazyna were [added](#) to the list of securities included in CS basket.
- ▲ Centras Securities [announced](#) termination of agreements of representative of bondholders of AsiaCredit Bank.
- ▲ Trading in common shares (EXPA) of Exploration Production ALMEX [opened](#) in KASE secondary market sector on February 21.
- ▲ Common shares of Altyn Bank (ATBN) were [removed](#) from KASE official list on February 21 at the issuer's request.
- ▲ Trading in Kcell bonds (KCElb1) [opened](#) in KASE secondary market sector on February 21.
- ▲ Kazkommertsbank [announced](#) decisions of its shareholders on approval of the exchange of the placed preferred shares (KKGBp) to common shares (KKGB) and determination of the terms and procedure for such exchange, approval of changing the type of the unplaced preferred shares to common shares.
- ▲ Trading in Tsesnabank subordinated bonds (TSBNb31) convertible into ordinary shares [opened](#) in KASE secondary market sector on February 21.
- ▲ KazMunaiGas Exploration Production [announced](#) completion of first settlement under the tender offer to purchase its global depository receipts (RDGZ) and common shares (RDGZd).
- ▲ KazTransGas [announced](#) downgrading of its ratings by Standard & Poor's, outlook "Stable".
- ▲ Tethys Petroleum Limited (Cayman Islands) [announced](#) extension of the company's listing on Toronto Stock Exchange until March 23, 2018.
- ▲ Consolidated financial statements of KazMunaiGas JSC for 2017 have been [published](#).



KASE Index has renewed its historical maximum. The Kazakhstan blue-chip index rose by 2.78% to 2 391.34 points over the week.

KazTransOil stocks rose most of all. They rose by 7.09% to KZT1,585.00 having renewed historical peaks over the week. The growth in quotations was accompanied by the increased trading volumes what allow shares of the company to lead the weekly rating of the most liquid equity securities, having shifted down Bank CentreCredit's shares from the top position.

KASE Index shares



23.02.2018

		Trends (%)	
		2,8	2,5
KASE Index	2 391,3		
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
Bank VTB (Russia)	0,3	7,4	3,6
KazTransOil	1 585,0	7,1	8,6
KazMunayGas EP (pref.)	12 636,0	6,2	9,4
Halyk Bank	108,3	5,6	3,4
Sberbank (Russia)	1 592,6	5,3	14,5
Kazakhtelecom	24 897,0	3,3	4,2
KazMunayGas EP	26 994,0	3,0	2,3
Kcell	1 694,0	2,7	2,8
Bank of Astana	1 225,0	2,1	0,5
KEGOC	1 430,0	1,8	2,1
Aeroflot (Russia)	811,7	1,2	-2,3
BAST	55 420,0	0,4	-2,1
Bank of America	10 203,2	0,2	-1,9
QAZKOM	90,0	0,0	11,0
QAZKOM (pref.)	91,0	0,0	-13,3
Gazprom (Russia)	805,0	0,0	-5,1
Kazakhtelecom (pref.)	9 785,0	-0,3	-2,6
CenterCredit Bank	275,7	-0,8	29,8
Aktobe Metalware Plant	11 398,8	-1,1	-4,5
KAZ Minerals	3 770,0	-2,6	-5,7

Note: Index stocks are highlighted in green

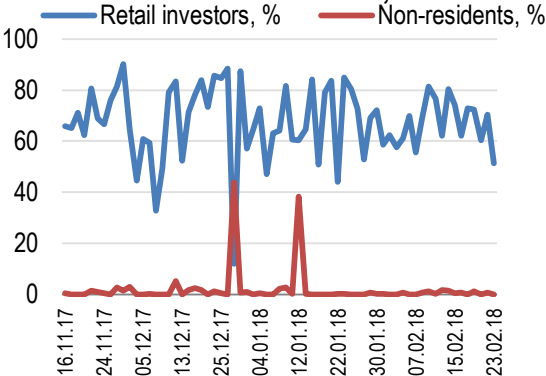
Shares of Halyk Bank that went up to KZT108.26 adding 5.61% thus updating their historical highs. In this case, the chart resembles continuation pattern called flag in terms of technical analysis, which should open new horizons for its price rise.

The greatest faller were shares of KAZ Minerals PLC, whose shares continued to fall following the copper. The company's stocks decreased by 2.56 % to KZT3,770.00 over the week.

On Tuesday, Faeton **raised** one billion tenge having offered seven-year bonds at 13.49% per annum with maturity of 6.3 years. There was only one application filed that was fully executed.

On Friday, city administration of Astana **raised** KZT1,890 mln by placing two-year bonds at 0.35% per annum. The buyer was a legal entity.

Retail investors & non-residents, %

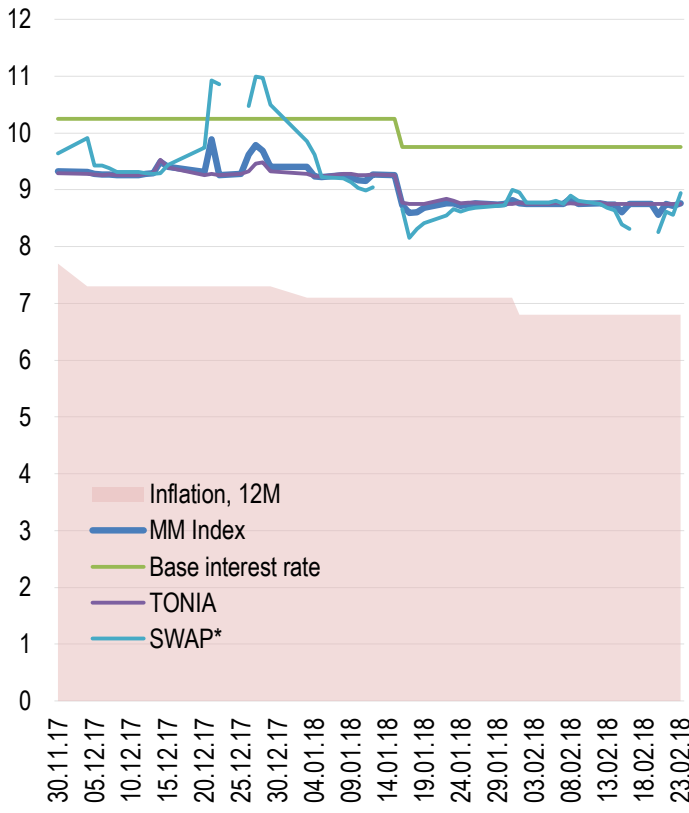




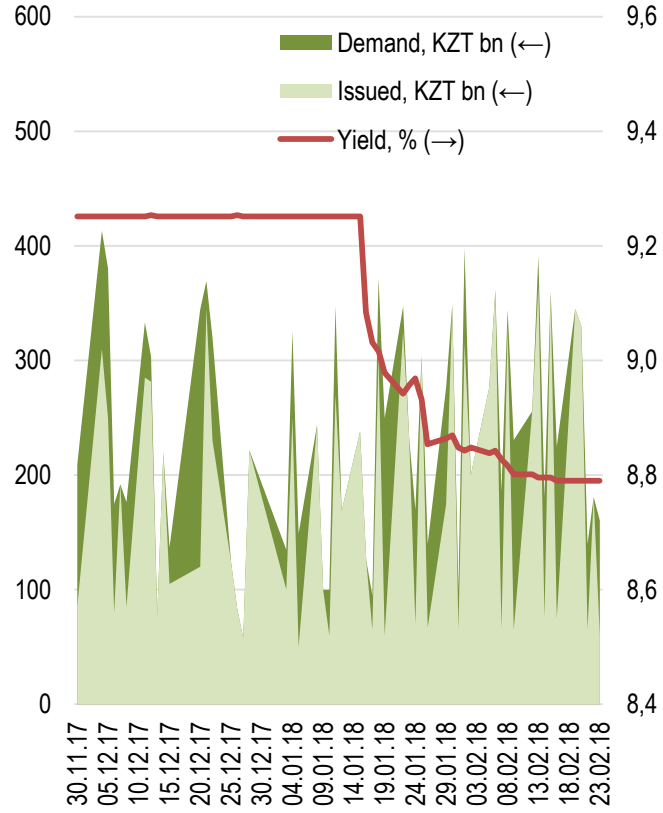
The yield on one-day swaps went up by 56 b.p. to 8.95 % over the week. The yield of one-day repo transactions with government securities remains at 8.75 % per annum for nine consecutive weeks.

The National Bank has placed seven issues of notes with the total volume of KZT1,383.4 bn over-the-counter during the week. The yield on five issues of 7-day notes with the total offering volume of KZT980.5 bn decreased by 1 b.p. to 8.79 % compared to the previous week. The yield on the 33-day and semi-annual notes was 8.99 and 8.73% per annum, respectively. The total demand for notes exceeded the supply by 21% and reached KZT1,675.0 bn.

Inflation and interest rates

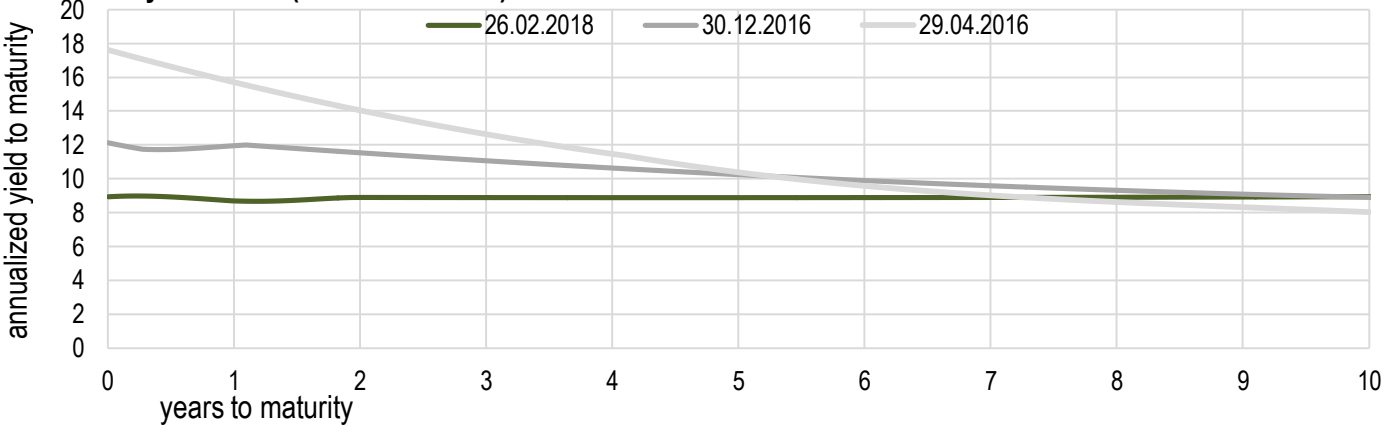


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





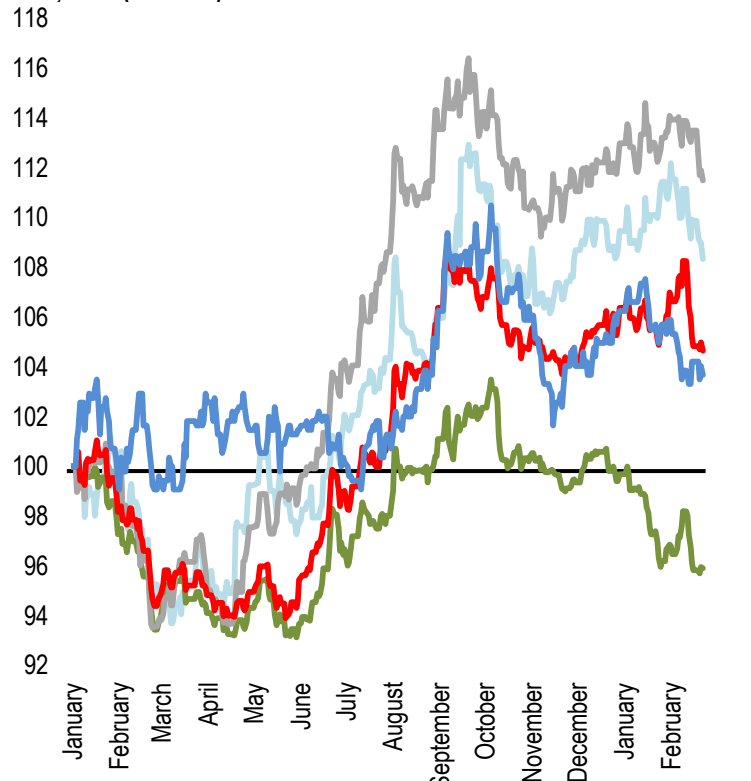
The weighted average dollar exchange rate grew by 0.1 % or KZT0.23 to KZT319.65 over the week. The total trading volume went down by 58 % to similar indicator of the last week and reached KZT664.7 mln over the week. The USD/KZT currency pair was trading along a sideways trend whole week, however, no decline to KZT311 at a time of the tax period was observed as was the case last year. The ruble might have a chilling effect on the exchange rate because current price of the Russian currency is significantly lower than the 90-day moving average. In other words, usually the exchange rate tends to its historical parity. In the past three months, the average exchange rate was at KZT5.70 per ruble.

The exchange rate of ruble on KASE decreased this week by KZT0.0403 to KZT5.6369 at the total trading volume of RUB251.3 mln.

Trading in the European currency was conducted only two days. As a result, the euro rate stopped at KZT392.6 at the trading volume of EUR700 th.

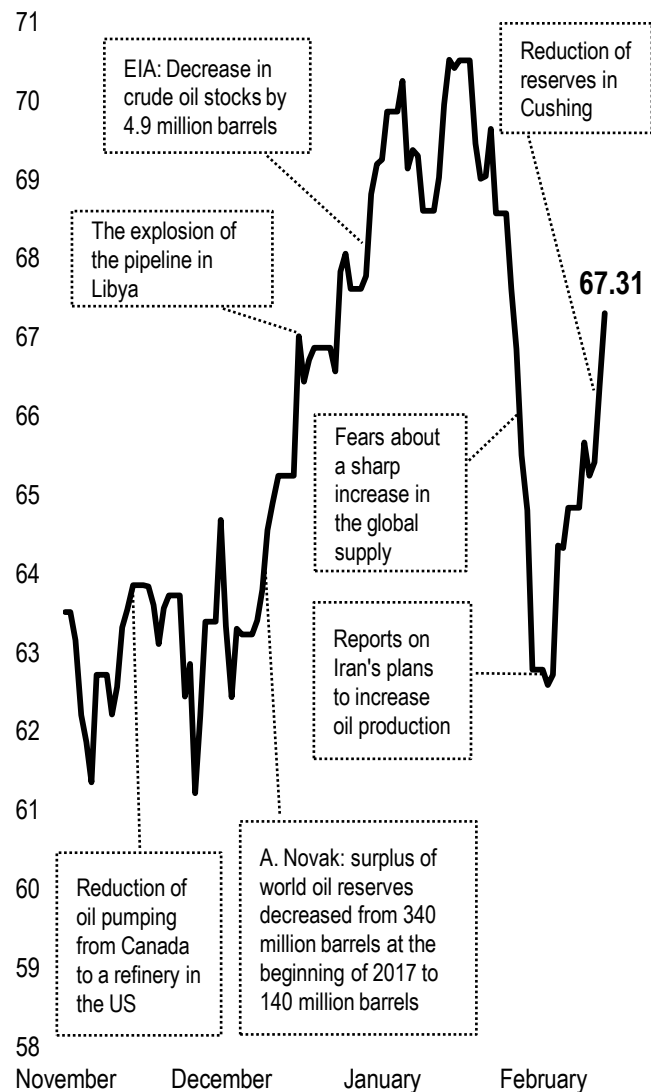
FX rates

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	443,91	-1,5	-1,5	+8,3
— USDKZT	319,68	-0,2	-1,1	-4,1
— EURKZT	392,95	-1,8	-0,7	+11,5
— CNYKZT	50,26	-0,5	-0,4	+4,7
— RUBKZT	5,63	-0,5	-1,6	+3,7

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	2 747,30	0,6	-3,2	16,2	0,5
Dow Jones	25 309,99	0,4	-3,6	21,6	0,3
 RTS	1 301,01	3,0	0,7	13,5	2,6
MICEX	2 336,82	3,6	1,3	10,9	2,6
 Hang Seng	31 267,17	0,5	-5,1	29,7	0,7
SS CSI 300	4 071,09	2,6	-7,3	17,2	2,4
 Euro Stoxx 50	3 441,46	0,4	-5,5	3,2	0,4
FTSEuroFirst	4 171,50	0,0	-6,2	-0,1	0,1
 FTSE 100	7 244,41	-0,7	-5,2	-0,4	-0,4
 KASE	2 391,34	2,8	2,5	51,6	

Commodities market

23.02.2018

Name	Price	Trend %	
		7d	1m
Oil	67,31	3,8	-4,6
	63,55	3,0	-3,1
Natural gas	2,63	2,6	-25,2
Copper	321,25	-1,1	-0,5
Iron	506,00	-14,7	-8,7
Gold	1 328,71	-1,4	-2,2
Silver	16,48	-1,4	-5,7
Wheat	452,25	-1,2	4,4

Economic calendar

		Currency	Forecast	Previous
26.02	ECB President Draghi Speaks	EUR		
26.02	New Home Sales (Jan)	USD	655K	625K
27.02	CB Consumer Confidence (Feb)	USD	126.2	125.4
27.02	Fed Chair Powell Testifies	USD		
28.02	Manufacturing PMI (Feb)	CNY	51.4	51.3
28.02	CPI (YoY) (Feb)	EUR	1.2%	1.3%
28.02	Crude Oil Inventories	USD		-1.616M

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 2017
Annual inflation	6,8 %	01.02.18	8,5 %
Gross international reserves of NBK, USD bn	31 724	01.02.18	29 530
Reserve money, KZT bn	5 208,7	01.02.18	5 162,2
Money supply, KZT bn	18 939,9	01.02.18	19 912,6

Kazakhstan credit ratings

	Rating	Date	Previous
	BBB- stable	16.01.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	20.10.17	BBB stable

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