

KASE WEEKLY

08–12 June, 2020

KASE NEWS

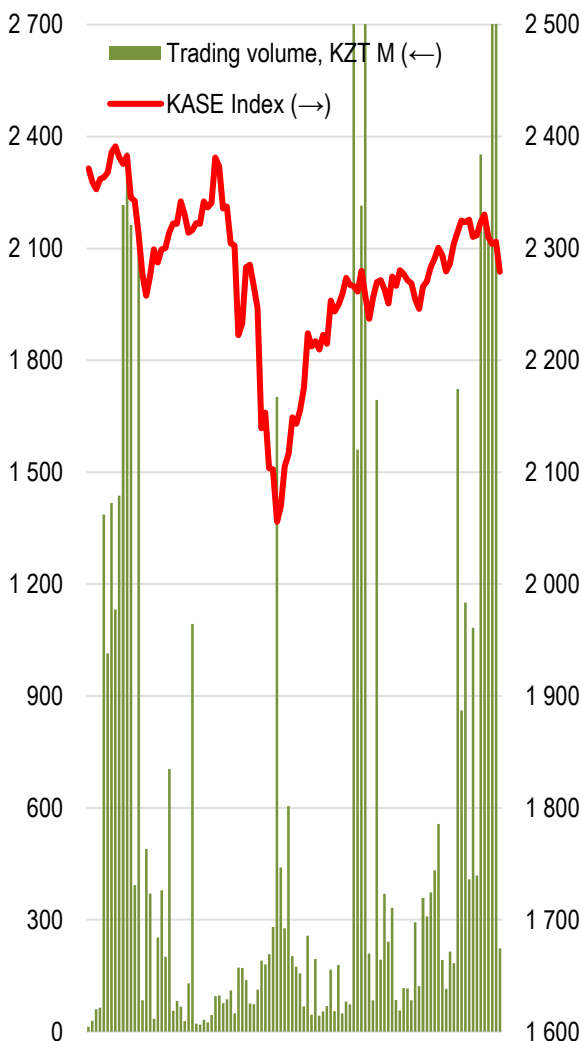
- ▲ KASE [holds](#) online media briefing on exchange market's results for May 2020.
- ▲ KASE Board of Directors approved amendments to [Rules](#) of Execution of Repo Transactions in the Trading and Clearing System ASTS+ and the [Methodology](#) for Securities Valuation.
- ▲ KASE Management Board approved [Regulations](#) on Trading and Operation of the Control and Security System and the amendments to [Procedure](#) of concluding deals on stock market in trading and clearing system ASTS+.
- ▲ [Trading](#) in bonds KZ2C00006013 (INBNb8) of Bank RBK has resumed.
- ▲ Bonds of KazAgroFinance have been [included](#) in category "bonds" of KASE Official List's main market.
- ▲ International bonds XS2159908776 (IFC_K280422) of the International Finance Corporation [included](#) in the list of securities from GS basket.
- ▲ [Trading](#) in bonds KZ2C00006765 (BRKZb18) of the Development Bank of Kazakhstan has resumed.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ BAST placed 15,385 pieces of ordinary shares [KZ1C00001015](#) (BAST) for the amount of KZT200.0 mln and 12,000 pieces of ordinary shares [KZ1C00001015](#) (BAST) for the amount of KZT150.0 mln in KASE trading system.
- ▲ Kazakhstan's Ministry of Finance raised KZT136.3 bn on KASE by placing the fifth issue of MEUKAM-132 ([KZKD00000568](#)) with weighted average yield of 10.9401 % APR and issue 148 of MEKKAM-12 ([KZK100000241](#)) with weighted average yield of 10.7909 % APR.
- ▲ National Company Kazakhstan Engineering [announced](#) downgrading of its ratings by Fitch Ratings and their withdrawal.
- ▲ KazAgro National Management Holding [ceased](#) to be a holder of shares of National Company Food Contract Corporation.
- ▲ National Company KazMunayGas [ceased](#) to be a holder of shares of KazMunayGas-Service NS.
- ▲ National Atomic Company Kazatomprom [paid](#) dividends on ordinary shares KZ1C00001619 (KZAP) for 2019.
- ▲ KEGOC [paid](#) dividends on ordinary shares KZ1C00000959 (KEGC) for 2019.

The value of the local stock market indicator fell by 2% to 2,280 points at the end of the week, which is 44 points lower than last Friday. The indicator is moving downwards following the decline of industry indices and general instability in world markets.

KASE Index shares



12.06.2020

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 279.18	-1.9	1.1
First class of liquidity	Price		
Freedom Holding Corp.	7 599.9	10.0	5.6
Kcell	2 470.0	0.0	-4.1
Kazakhtelecom, preferred shares	12 700.0	0.0	0.6
Bank CenterCredit	235.8	-0.1	-0.3
Aeroflot	503.5	-0.3	18.8
KEGOC	1 725.0	-0.6	4.7
Sberbank Russia	1 222.0	-1.1	7.6
NAC Kazatomprom	5 625.0	-1.3	-6.9
Gazprom	1 169.3	-1.6	-6.2
Kazakhtelecom	26 250.0	-2.0	3.8
Halyk Savings Bank of Kazakhstan	114.4	-2.1	16.7
KAZ Minerals	2 170.0	-3.6	-1.1
Bank of America Corporation	10 439.7	-3.8	8.1
VTB Bank	0.2	-4.5	5.0
KazTransOil	767.0	-5.2	-14.8

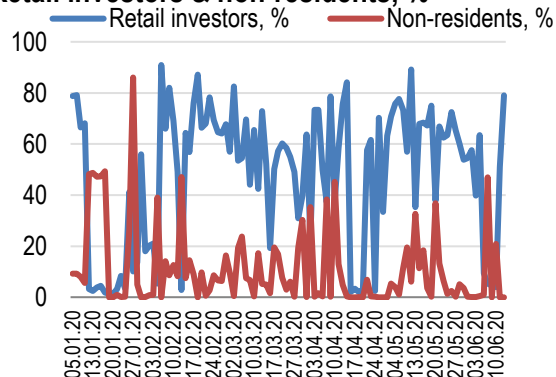
Note: Index stocks are highlighted in green

The price of all index basket components decreased at the end of the week, except for Kcell's ordinary shares, which remained almost unchanged at KZT2,470.00 per share. The greatest faller was KazTransOil's stocks that have partially lost positions restored last week. The share price fell by 5.2% to KZT767.0. The largest number of transactions – 889 – was made with ordinary shares of KazTransOil; the largest volume of transactions – KZT5.0 bn – was with KEGOC's shares.

On Wednesday, Kazakhstan's Ministry of Finance raised KZT65.8 bn on KASE by placing the fifth issue of MEUKAM-132 with weighted average yield to maturity of 10.9401 % APR and the period to maturity of 2.9 years. The bid exceeded the ask 1.2 times On Friday, the country's main financial institution raised KZT70.5 bn by placing issue 148 of MEKKAM-12 with weighted average yield to maturity of 10.7909% APR and the period to maturity of 337 days. The bid exceeded the ask 13.3 times

BAST placed 15,385 pieces of its ordinary shares in KASE trading system on June 8 at the price of KZT13,000 for the amount of KZT200.0 mln. On June 12, the company managed to raise KZT150.0 mln by placing 12,000 pieces of ordinary shares at the price of KZT12,500 per share.

Retail investors & non-residents, %

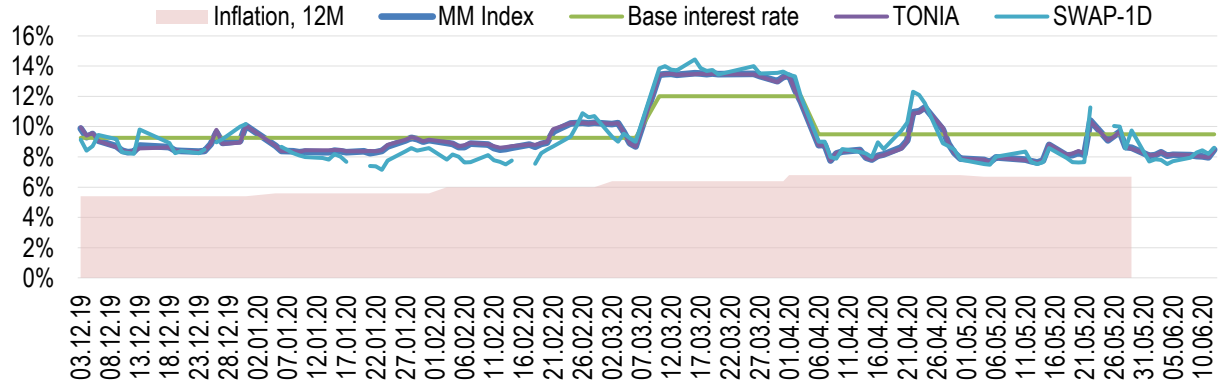


On Monday, June 8, the National Bank of Kazakhstan decided to keep the base rate at 9.5% APR within an interest range of plus minus 2 pp. The National Bank has revised its inflation forecast until the end of this year. In accordance with the baseline scenario, annual inflation is projected at 8.0-8.5% by the end of 2020.

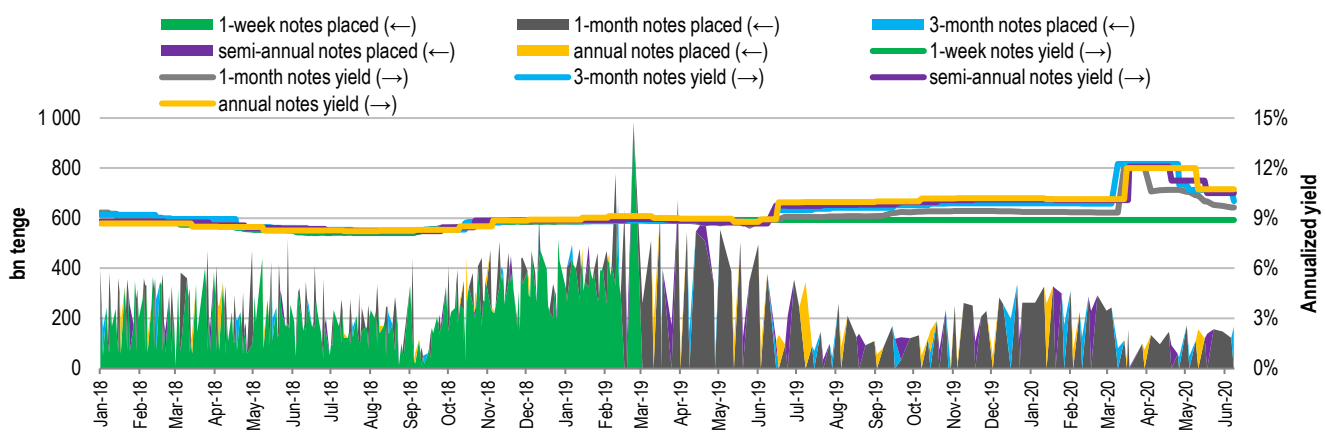
The yield of one-day repo transactions with government securities rose by 30 bps to 8.5% APR over the week. SWAP 1D USD rate was up 89 bps to 8.6% APR.

The average amount of tenge liquidity raised for one day this week was KZT362 bn, which is 8% less than last week. The largest amount was raised on Tuesday.

Inflation and interest rates

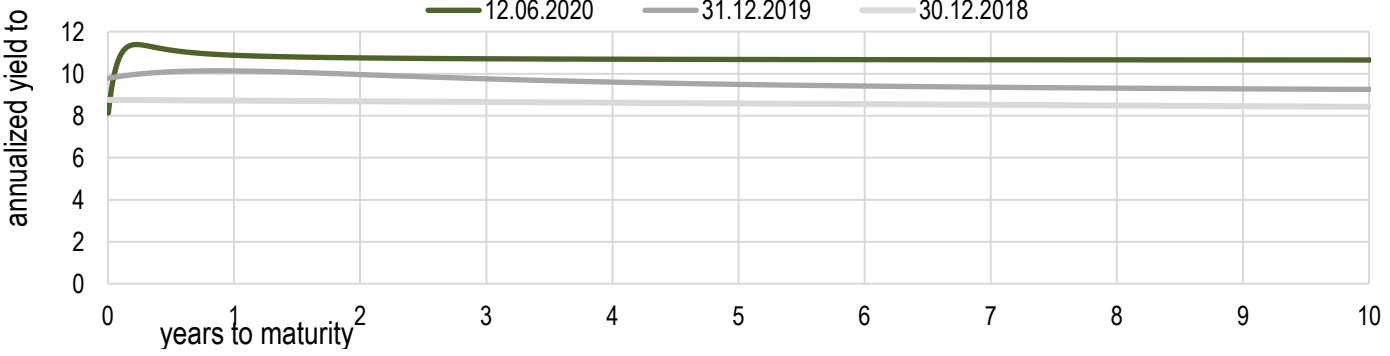


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





USDKZT – the tenge weakened against the US dollar by KZT3.71 to KZT403.38 by the end of the week.

Weighted average exchange rate based on trading week results made up KZT403.39. Total trading volume was US \$540 mln, a 23-percent increase compared to the last week.

At the end of this week, the tenge loses ground against the US dollar, the euro and the Chinese yuan at around one percent. The national currency is declining amid general economic uncertainty. Despite the fact that on June 6 OPEC+ countries managed to reach an agreement on maintaining current quota on oil production, which allowed Brent oil to grow to US \$43 per barrel, oil quotes showed negative dynamics during this working week, which resulted in the reduction of oil prices by more than 5%. The August Brent crude futures are trading at US \$38.88 per barrel as at 3:30 p.m. of the capital's time. One of the main factors that negatively affected the investor sentiments was the data from the U.S. Energy Information Administration, according to which oil reserves in the United States unexpectedly increased by 5.7 million barrels for the week ended June 5. In addition, macroeconomic forecasts of the FED regarding the recovery of the world's largest economy – the U.S. were – were also disappointing. The FED forecasts the country's unemployment rate to rise to 9.3%, as well as a 6.5-percent decline in U.S. GDP by the end of 2020.

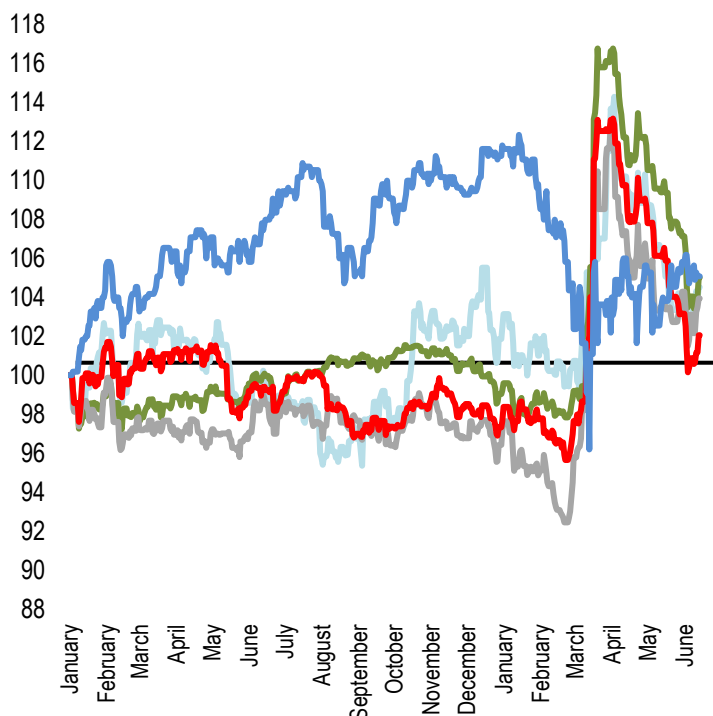
RUBKZT – the exchange rate of the Russian ruble has changed slightly during the week having fixed at KZT5.82 per ruble.

EURKZT –the euro rose by KZT2.10 to KZT451.00 against the tenge.

CNYKZT – The exchange rate of the Chinese yuan rose by 96 tiyn to KZT57.

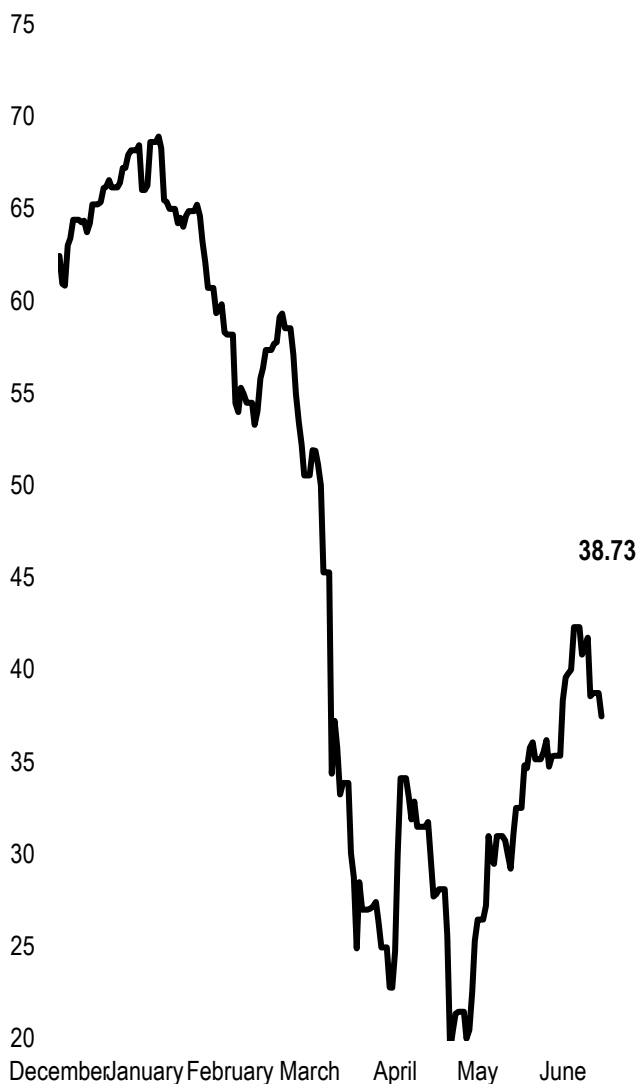
FX rates

Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	506,97	1,3	-2,1	1,4
— USDKZT	399,47	-0,01	-4,9	4,8
— EURKZT	454,64	1,6	0,02	6,5
— CNYKZT	56,53	0,8	-4,6	3,6
— RUBKZT	5,80	0,3	1,4	-6,0

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	3 041.31	-4.8	7.8	5.2	-5.1
Dow Jones	25 605.54	-5.6	10.1	-1.9	-6.2
RTS	1 238.11	-3.7	11.5	-8.1	-3.9
MICEX	2 285.53	0.0	0.0	0.0	-3.9
Hang Seng	24 301.38	-1.9	0.5	-11.0	-2.0
SS CSI 300	4 003.08	0.0	0.9	8.6	0.4
Euro Stoxx 50	3 153.74	-6.8	12.2	-7.0	-7.2
FTSEuroFirst	3 594.50	-6.7	7.9	-13.1	-6.4
FTSE 100	6 105.18	-5.8	3.4	-17.1	-6.1
KASE	2 279.18	-1.9	1.1	2.7	

Commodities market

12.06.2020

Name	Price	Trend %		
		7d	1m	1y
Oil	38.73	-8.4	32.7	-36.8
	36.26	-8.3	43.4	-30.6
Natural gas	1.73	-2.9	7.1	-25.5
Copper	260.00	1.7	10.7	-2.1
Iron	784.00	-1.4	12.5	-8.1
Gold	1 730.75	2.7	0.8	28.9
Silver	17.48	0.0	11.6	17.4
Wheat	502.00	-2.6	-1.7	-6.3

Economic calendar

		Currency	Forecast	Previous
15.06	China's unemployment rate	CNY	5,9%	6,0%
16.06	Unemployment rate (Apr.)	GBP	4,7%	3,9%
16.06	Industrial output (yoy) (May)	USD		-15,04%
16.06	Speech by Mr. Powell, the head of the Federal Reserve	USD		
17.06	Auction for 10-year German treasury bonds	EUR		-0,470%
18.06	Interest rate decision (June)	GBP	0,1%	0,1%
19.06	Interest rate decision (June)	RUB	5,0%	5,5%

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 2019
Annual inflation	6,7%	01.06.20	5,3 %
Gross international reserves of NBK, USD bn	30 557	01.05.20	30 927
Reserve money, KZT bn	8 284,2	01.05.20	5 995,7
Money supply, KZT bn	22 222,6	01.05.20	20 813,4

Kazakhstan credit ratings

	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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