

KASE WEEKLY

10–14 August, 2020

KASE NEWS

- ▲ Adil Mukhamejanov [elected](#) Deputy Chairman of KASE Management Board
- ▲ From August 12, current code of akimdik of Nur-Sultan [changed](#) from "AS" to "NS" on KASE
- ▲ From August 13 international discount bonds US9127963T44 (US_03_2101) of United States Department of the Treasury [included](#) in List T+ and Collateral List T+
- ▲ From August 13 trading in bonds KZ2C00004349 (KZIKb29) of Mortgage organization "Kazakhstan Mortgage Company" [opens](#) on KASE
- ▲ International bonds US912796TD16 (US_01_2008) of United States Department of Treasury [removed](#) from KASE official list due to circulation term expiry
- ▲ 17 issues of bonds of local executive authorities [included](#) in Government Securities sector of KASE Official List as of August 14
- ▲ From August 14 bonds KZ2P00006877 (MFOkb1) of Microfinance Organization OnlineKazFinance [included](#) in KASE official list by category "bonds" of alternative market

ISSUER NEWS AND ANNOUNCEMENTS

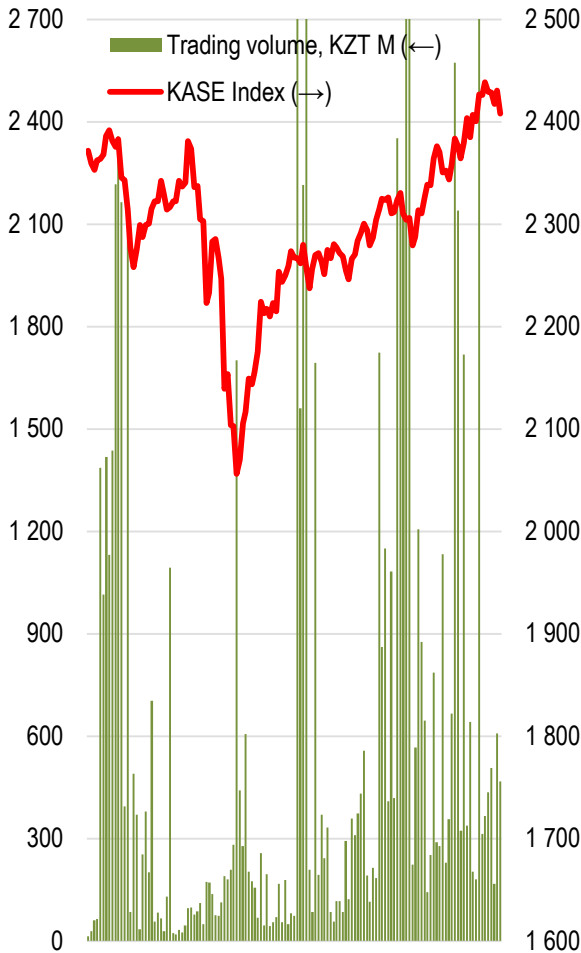
- ▲ KazAgroFinance on August 13 [raises](#) KZT635.2 mln on KASE by placing bonds KZ2C00006781 (KAFIb10)
- ▲ Baiterek Development [raises](#) KZT200.0 bn on KASE by placing bonds KZ2C00006815 (BTDVb5) with YTM of 6.0200 % APR on August 14
- ▲ Local administrations of 14 regions, cities of Nur-Sultan, Almaty and Shymkent [raise](#) KZT200.0 bn on KASE on August 14
- ▲ KazTransGas [says](#) Fitch Ratings affirmed ratings of the company, outlook "Stable"
- ▲ Halyk Savings Bank of Kazakhstan 1H & 2Q 2020 Results Conference Call [held](#) on August 17
- ▲ KazAzot [pays](#) dividends on ordinary shares KZ1C00001395 (KZAZ) for 2019

KASE Index dropped by 0.6% to 2,427.03 points over the week. The largest number of transactions among index shares – 872 – was made with KazTransOil’s ordinary shares. The largest volume of trading was with securities of KAZ Minerals – KZT180.0 million (40.7% of the total volume of trading for the week).

14.08.2020

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 427,03	0,6	0,0
First class of liquidity	Price		
Sberbank Russia	1 390,5	7,4	13,6
KazTransOil	800,0	4,2	-4,2
Aeroflot	496,0	3,9	4,1
KAZ Minerals	2 949,9	1,2	10,3
Bank CenterCredit	230,7	1,0	0,9
Halyk Savings Bank of Kazakhstan	113,7	0,8	-10,9
Gazprom	1 150,0	0,3	-2,8
Bank of America Corporation	11 198,0	0,0	11,4
VTB Bank	0,2	0,0	10,0
Kazakhtelecom	26 701,0	-0,0	5,5
Kazakhtelecom, preferred shares	12 495,0	-0,0	2,0
NAC Kazatomprom	5 927,0	-0,1	5,3
KEGOC	1 700,0	-0,3	-0,4
Kcell	2 530,0	-0,4	0,8
Freedom Holding Corp.	9 000,0	-1,1	11,1

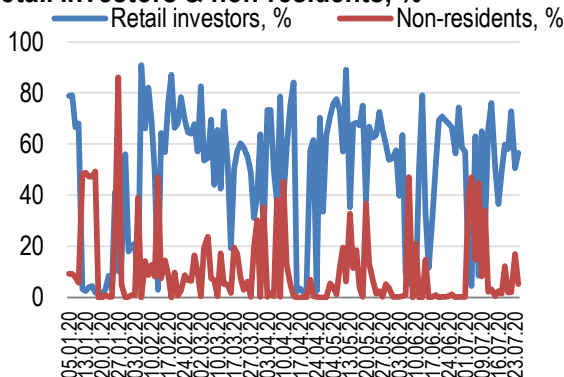
KASE Index shares



Note: Index stocks are highlighted in green

Five of eight shares of the KASE representative list closed at the end of the week in the red zone. Ordinary shares of KazTransOil grew most of all (+1.4% to KZT799.99) amid slight increase in oil prices this week. The most fall was seen on ordinary shares of KAZ Minerals closing the week at KZT2,949.90 (-3.22% at the end of the week). The price of the copper futures contract on the COMEX exchange over the week adjusted up by 1.5%, but since the second half of July it does not show attempts to reach new highs. The company's securities on the London Stock Exchange were trading at 563.40 British pence per share or KZT3,085.91 at the official rate of the National Bank as of August 14. This week, analysts of Halyk Finance lowered the recommendation from "Buy" to "Hold" as they did not observe any fundamental drivers of further growth of share prices. In the latest report KAZ Minerals: Production Results for Six Months of 2020 analysts note that the lockdown measures due to COVID-19 have not had a significant impact on production performance and it is likely that KAZ Minerals will be able to fulfill operating plans announced for the current year. The need to develop the capital-intensive Baimskaya field will put pressure on the company's financial indicators and significantly increase debt load.

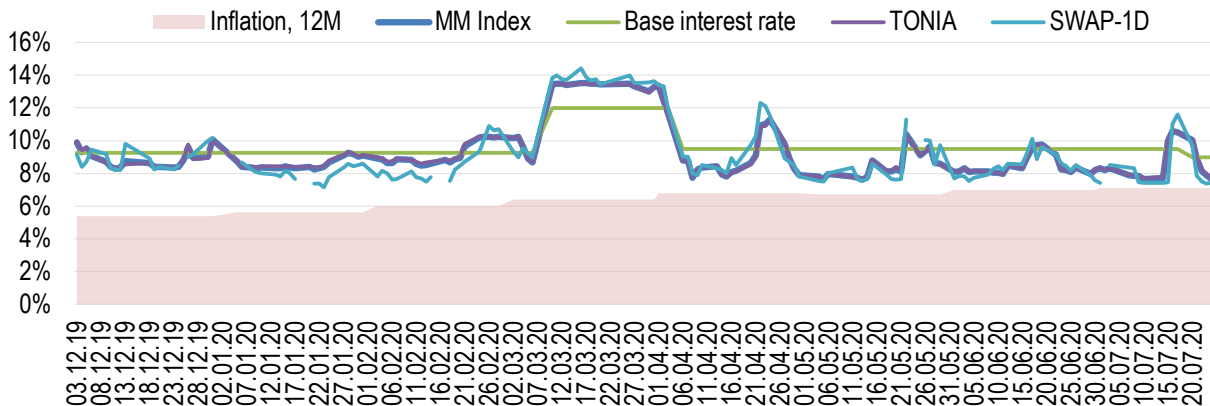
Retail investors & non-residents, %



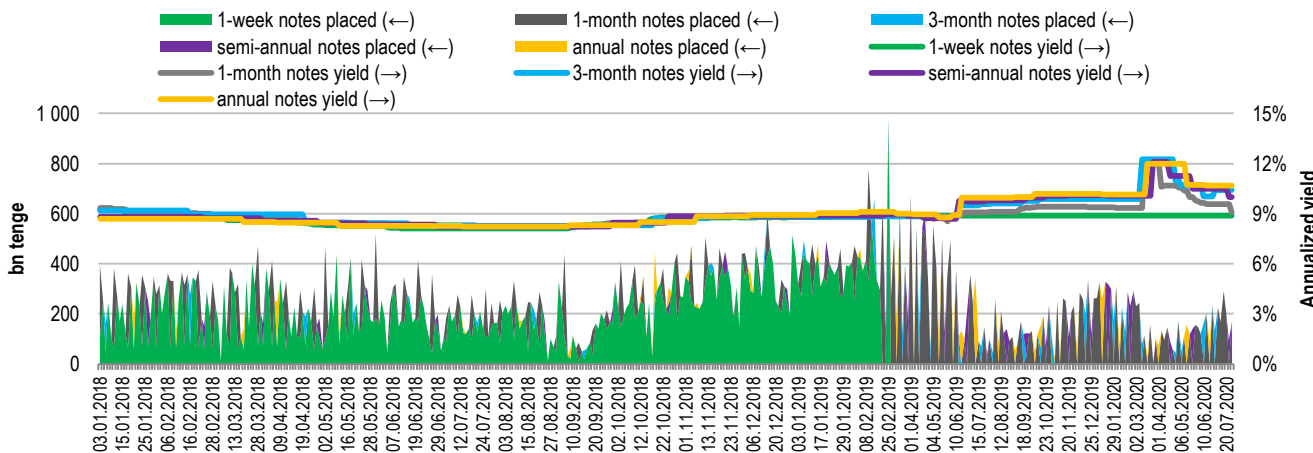


The yield of one-day repo transactions with government securities rose by 138 bps to 9.03% APR over the week amid slight weakening of the national currency. SWAP 1D USD rate was up 203 bps to 9.50% APR. The average amount of tenge liquidity raised for one day was KZT90.6 bn (-12.9% to last week).

Inflation and interest rates

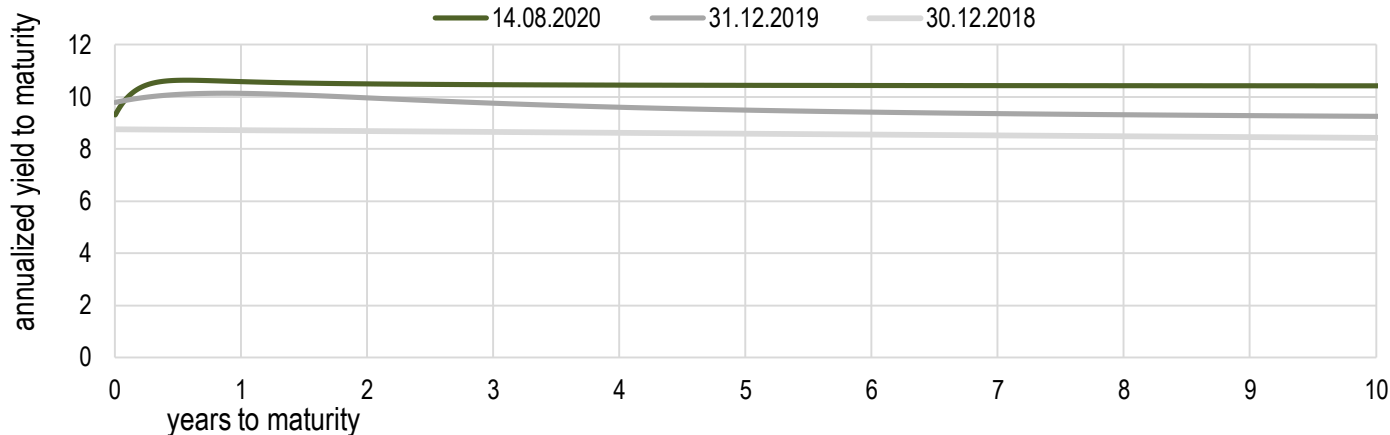


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





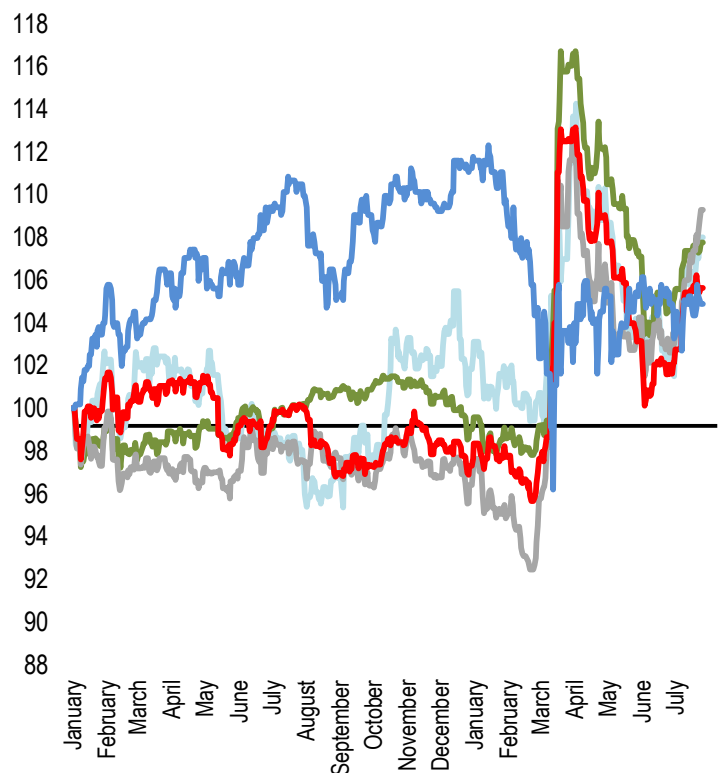
The tenge weakened against the US dollar by KZT0.85 to KZT419.02 by the end of the week. Total trading volume was US \$479.1 mln, which is by 25.2% less than the volume of the previous week.

Total number of transactions for buying and selling the U.S. dollar was 2,692 (-115 compared to the last week). The maximum transaction price this week is KZT419.18 per U.S. dollar, the minimum price is KZT417.90.

The tenge weakens against the US dollar despite rising oil prices and the strengthening of the Russian ruble during trading on the Moscow Exchange during the week. Oil prices this week were above US \$45 per barrel amid the decline in U.S. oil reserve. According to the U.S. Department of Energy, oil reserves for the week ended August 7th decreased by 4.5 million barrels. However, prices are holding back the deterioration of OPEC's forecast for global oil demand growth in 2020. Also, the pressure on the oil market is exerted by the forecast of oil demand from the International Energy Agency, which also lowered the estimate of global demand for "black gold" in 2020-2021. Meanwhile, the Russian ruble has strengthened by 0.47% to RUB73.3694 against the US dollar by 15:00 Nur-Sultan time. The Russian ruble rose by KZT0.0507 to KZT5.7595. The euro dropped by KZT3.16 to KZT492.14 against the tenge. The Chinese yuan rose by KZT0.3172 to KZ60.3722.

FX rates

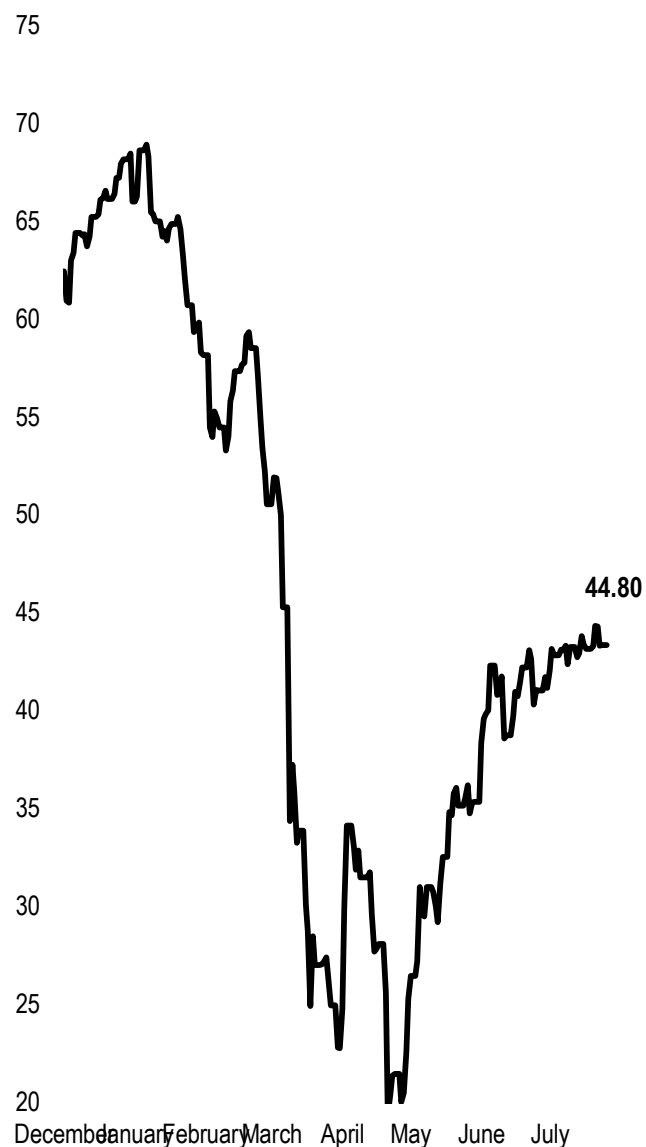
Δ %, base (01.01.19)



Price Δ 7d, % Δ 30d, % Δ 2019, %







—	GBPKZT	547.73	-0.5	6.1	9.5
—	USDKZT	418.72	0.20	1.5	9.8
—	EURKZT	495.47	0.0	5.72	16.1
—	CNYKZT	60.29	0.2	2.5	10.5
—	RUBKZT	5.70	0.0	-1.6	-7.6

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 %		
		7d	1m	1y
 S&P 500	3 372,85	0,4	4,5	18,4
Dow Jones	27 931,02	0,5	3,9	9,2
 RTS	1 323,80	4,4	8,6	5,9
MICEX	2 285,53	0,0	0,0	0,0
 Hang Seng	25 183,01	3,3	-1,2	-1,2
SS CSI 300	4 704,63	-0,4	-0,8	27,4
 Euro Stoxx 50	3 305,05	1,4	-2,2	0,7
FTSEuroFirst	3 655,50	1,1	-3,0	-6,4
 FTSE 100	6 090,04	0,7	-3,2	-13,8
 KASE	2 427,03	0,6	0,0	12,0

Commodities market

14.08.2020

Name	Price	Trend %		
		7d	1m	1y
Oil	44,80	-0,4	2,3	-23,1
Natural gas	42,01	0,2	2,0	-22,9
Copper	2,36	9,4	32,5	5,6
Iron	285,90	-0,1	-0,4	10,2
Gold	901,50	4,8	3,6	24,3
Silver	1 945,12	-4,2	7,4	27,7
Wheat	26,09	-10,8	32,5	51,6
	500,00	1,8	-9,2	6,6

Economic calendar

		Currency	Forecast	Previous
08/19	Great Britain: Consumer price index (CPI) (YoY) (July)	GBP	0.6%	0.6%
08/19	European Union: Consumer price index (CPI) (YoY) (July)	EUR	0.4%	0.4%
08/19	USA: Crude oil reserves	USD		-4.512M
08/20	Base lending rate of NBK	CNY		3.85%
08/20	Publication of the minutes of ECB meeting on monetary policy	EUR		
08/20	USA: number of initial applications for unemployment benefits	USD	893K	963K
08/20	Russia: GDP (monthly) (YoY)	RUB		-6.4%

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	7.1%	08/01/20	5.3%
Gross international reserves of NBK, USD bn	31,561	06/01/20	30,927
Reserve money, KZT bn	8,428.3	06/01/20	5,995.7
Money supply, KZT bn	22,438.2	06/01/20	20,813.4

Kazakhstan credit ratings

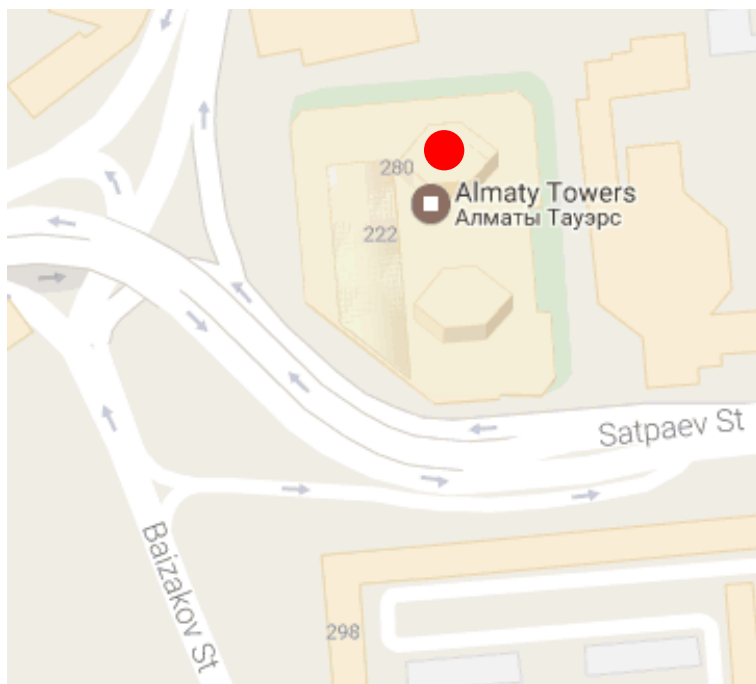
	Rating	Date	Previous
	BBB- stable	09/10/18	BBB- stable
	Baa3 stable	07/26/17	Baa3 stable
	BBB stable	09/28/18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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