

# KASE WEEKLY

25–29 May, 2020

## KASE NEWS

- ▲ The [decisions](#) of the annual general meeting of shareholders of KASE.
- ▲ Bonds [KZ2C00003887](#) (HCBN3) of Subsidiary Bank "Home Credit and Finance Bank" and [KZ2D00003894](#) (EABRK240520) of the Eurasian Development Bank removed from KASE Official List due to maturity.
- ▲ Ordinary shares KZ1C00000942 (TEMK) of Temirtau Electro-Metallurgy Plant [removed](#) from KASE Official List at the issuer's initiative.
- ▲ Bonds KZ2C00005676 (AKMGb1) and KZ2C00005841 (AKMGb2) of AstanaGas KMG [transferred](#) from "bonds" category of alternative market to "bonds" category of the KASE Official List's main market.
- ▲ Bonds KZ2C00003887 (HCBN3) of Subsidiary Bank "Home Credit and Finance Bank" [removed](#) from representative list for the bond market indices of KASE\_BM\* series.
- ▲ The Board of Directors approves new internal document of KASE "[Rules](#) of Execution of Repo Transactions in ASTS+ Trading and Clearing System", amendments to the [Regulation](#) on Membership Fees, Exchange and Clearing Fees and changes to the [Rules](#) for Placement of State Treasury Bonds of Republic of Kazakhstan.
- ▲ Revised [Listing Rules](#) and Insider Information Handling [Rules](#) put into effect.

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Kazakhstan's Ministry of Finance raised KZT16.4 bn on KASE by placing the first issue of MEUKAM-144 ([KZKD00000261](#)) with weighted average yield to maturity 10.9725 % APR and KZT65.6 bn by placing the fifth issue of MEUKAM-132 ([KZKD00000568](#)) with weighted average yield to maturity 10.9780 % APR.
- ▲ BAST [placed](#) 3,580 pieces of ordinary shares KZ1C00001015 (BAST) for the amount of KZT50.1 mln in KASE trading system
- ▲ Local administration of West Kazakhstan region raised KZT2.7 bn on KASE placing bonds [KZMJ00000602](#) (ZKK024\_060); local administration of Zhambyl region raised KZT2.0 bn placing bonds [KZMJ00000644](#) (DZK024\_064).
- ▲ RG Brands [bought](#) back 783,000 pieces of its ordinary shares KZ1C00000496 (RGBR) for the amount of KZT1.1 bn on KASE.
- ▲ KEGOC [raised](#) KZT9.0 bn on KASE by placing 15-year bonds KZ2C00006658 (KEGCb3) with YTM of 12.00 % APR.
- ▲ Halyk Savings Bank of Kazakhstan [reported](#) consolidated financial results for the three months ended 31 March 2020.
- ▲ KazTransOil [reported](#) financial results for Q1 2020.
- ▲ KAZ Minerals PLC (United Kingdom) [provided](#) Q1 2020 production report.

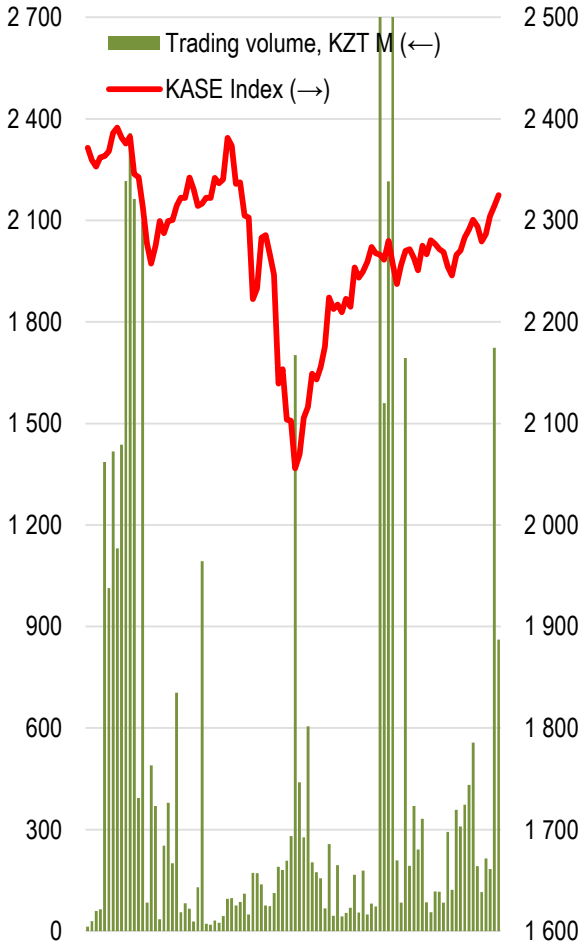
Against the background of the strengthening tenge and growing world stock indexes, the local stock market indicator grew by 1.5% over the week.

29.05.2020

Trends (%)

KASE Index	2 324.92	1.4	3.3
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
Aeroflot	462.0	9.7	5.3
Bank of America Corporation	10 190.7	8.4	0.2
<b>Halyk Savings Bank of Kazakhstan</b>	105.0	8.3	11.9
VTB Bank	0.2	5.0	5.0
<b>KEGOC</b>	1 760.0	3.5	6.8
<b>KAZ Minerals</b>	2 275.0	3.4	3.9
Sberbank Russia	1 172.0	3.0	4.6
<b>Kazakhtelecom</b>	27 500.0	2.2	3.4
Kazakhtelecom, preferred shares	13 200.0	1.5	-9.1
<b>Bank CenterCredit</b>	237.9	0.7	0.4
<b>Kcell</b>	2 575.0	0.3	2.5
<b>KazTransOil</b>	876.1	-0.3	-2.7
Freedom Holding Corp.	6 863.0	-2.0	-7.1
Gazprom	1 158.6	-3.5	-1.0
<b>NAC Kazatomprom</b>	5 645.0	-7.8	-8.1

KASE Index shares



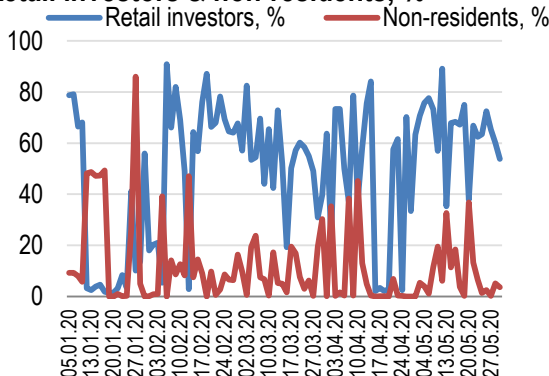
Note: Index stocks are highlighted in green

Seven out of eight representatives of the index basket showed a price increase. The only outsider were Kazatomprom's common shares, which fell by 7.8% to KZT645. The growth leader were ordinary shares of Halyk Bank, which managed to recover in price to the levels of the second decade of the month. One paper of the bank increased by almost 9% to KZT105.5. At the local market, the paper is growing following the GDR quotes on the London Stock Exchange

The cost of the GDR of the bank (=40 common shares) at the London Stock Exchange by 17:00 o'clock, Nur-Sultan time is fixed at \$10.20, which in terms of tenge per ordinary share at the NBK official rate equals to KZT105.20 tenge today. Based on results of the week, the paper also became a leader in terms of the number and volume of transactions among index shares – KZT1,076 mln and KZT597 mln, respectively. Despite the bank's refusal to pay dividends on ordinary shares for 2019, investors positively perceive the strengthening of tenge, as well as the news about the election of a new composition of the bank's Board of Directors, which has seven directors, five of whom are independent, which is in line with the best international practices.

Last week, the national electricity transmission operator KEGOC raised KZT9.0 bn on KASE, having placed 15-year bonds with a yield to maturity of 12% per annum.

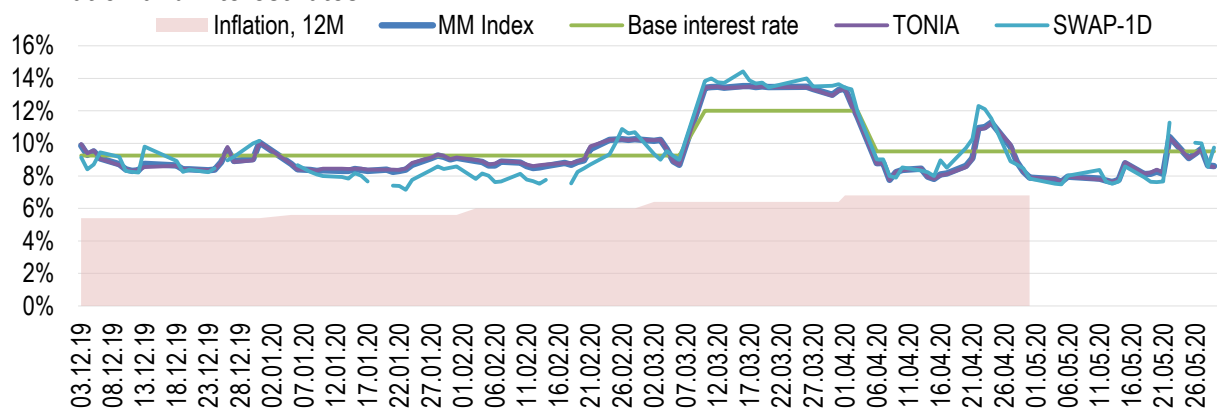
Retail investors & non-residents, %



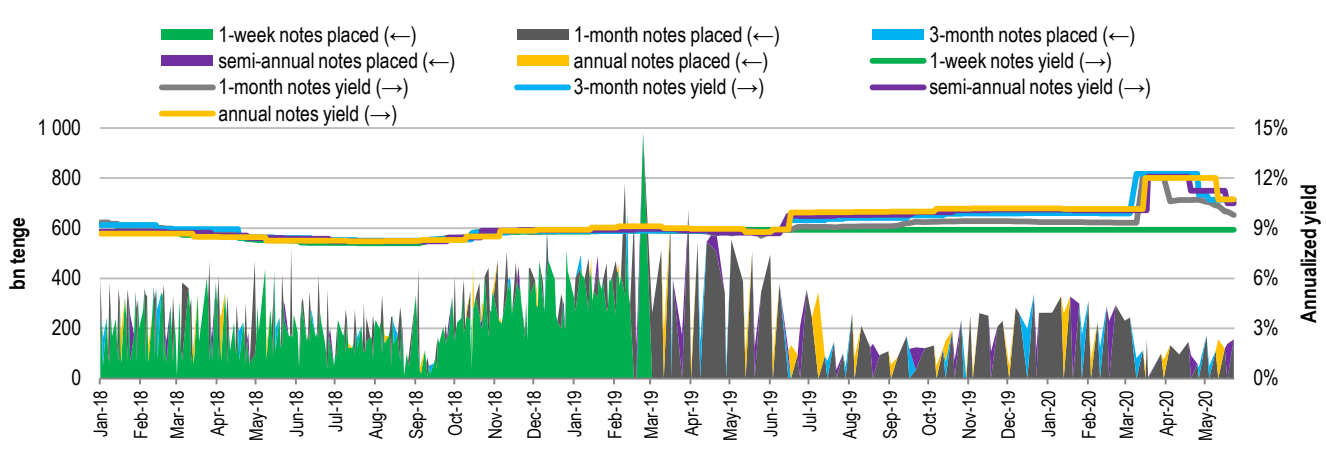


Against the background of the tenge's stabilization and increased activity of market participants, money market rates approached the lower boundary of the interest rate band. The yield on one-day repo transactions with government securities decreased by 182 basis points over the week, to 8.5% per annum. The rate of borrowing the tenge secured by US dollars decreased by 155 basis points to 9.7% per annum. The average volume of tenge liquidity raised through one-day money market instruments amounted to KZT391.1 bn which is by 8% more than last week's figure.

### Inflation and interest rates

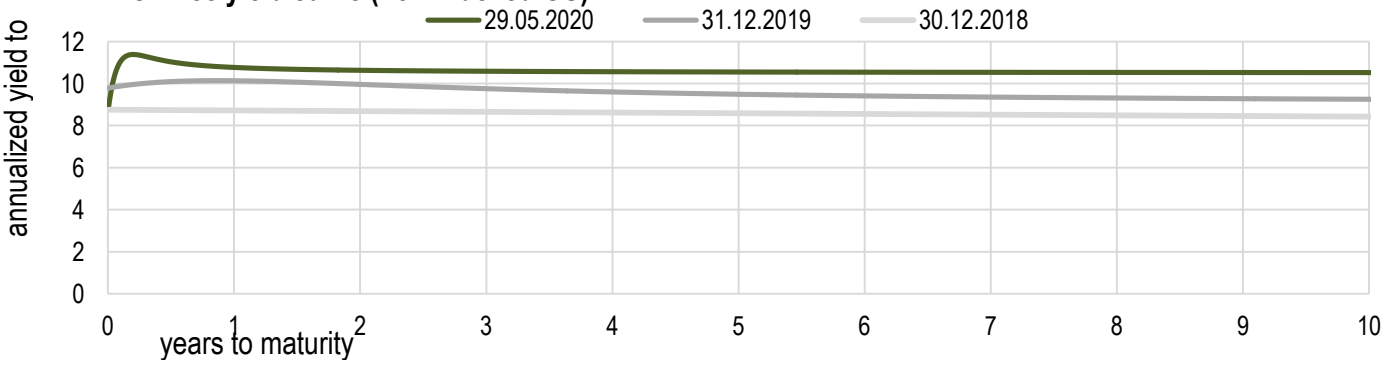


### Main Features of National Bank Notes Placements



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

### Risk-free yield curve (non-indexed GS)





**USDKZT** – based on results of the trading week, the tenge rate strengthened against the US dollar by KZT2.91 to KZT411.55.

At the end of the week, the national currency appreciated against the US dollar and Chinese yuan by 0.7 and 0.9 percent, respectively. On the agenda of the entire working week were news about the tense relations between the US and China, which continue to escalate against the background of the passing by China of a new bill on ensuring the national security in Hong Kong. In response to which the Trump administration, in turn, threatens China with retaliation measures in form of new sanctions and the tightening of trading relations between the countries.

Against the background of such informational noise, oil prices are losing their positions won back this week, and by 15:28, Nur-Sultan time, the Brent oil futures is trading at \$34.92 per barrel, depreciating by 0.6% over the week. In addition, during the week there was also an increase in oil prices to \$36 per barrel due to the weakening of quarantine measures, which consequently leads to a gradual restoration of former economic activity. Meanwhile, the number of applications for unemployment benefits in the United States is declining for the eighth week in a row, which also promises good mood in the market.

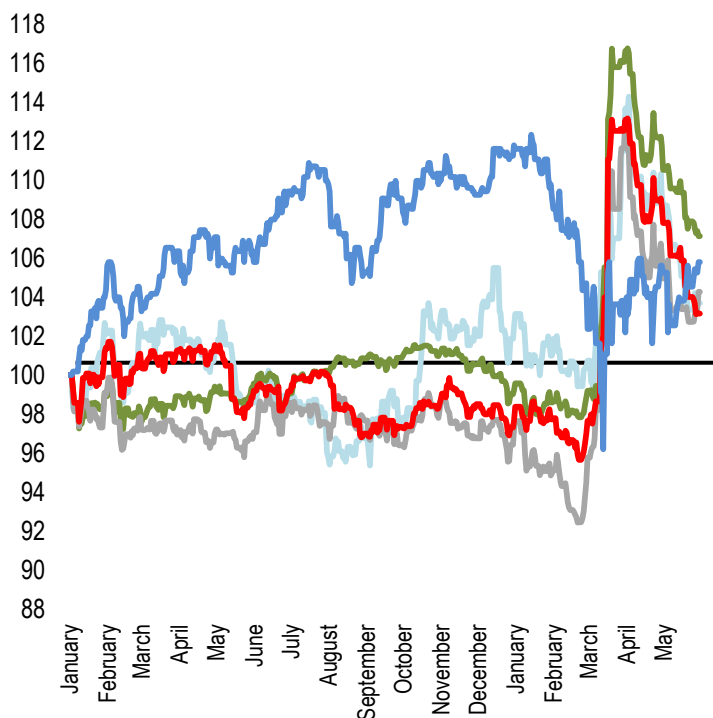
**EURKZT** – the euro appreciated against the tenge by KZT0.25 to KZT452.40.

**RUBKZT** – the Russian ruble depreciates against the tenge by KZT0.02 to KZT5.83.

**CNYKZT** – the Chinese yuan appreciates against the tenge by KZT0.05 to KZT57.46.

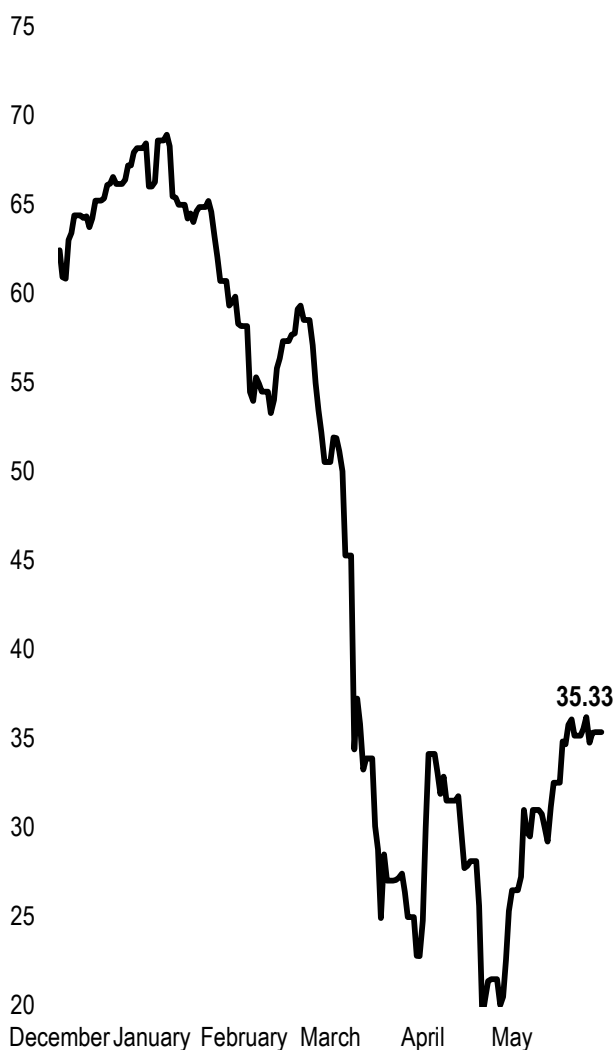
## FX rates

Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	505,62	0,2	-6,1	1,1
— USDKZT	454,18	0,6	-3,2	6,4
— EURKZT	412,55	-0,5	-4,3	8,2
— CNYKZT	57,66	-0,8	-5,4	5,7
— RUBKZT	5,81	0,7	-0,3	-5,8

## 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							Commodities market					29.05.2020	
Name	Value	Trend %			Futures 7d	Name	Price	Trend %					
		7d	1m	1y				7d	1m	1y			
S&P 500	3 044.31	3.0	3.6	9.2	3.0	Oil	35.33	0.6	56.7	-47.2			
Dow Jones	25 383.11	3.8	3.0	0.8	3.9		35.49	6.7	135.7	-37.3			
RTS	1 219.76	2.6	6.6	-5.2	2.8	Natural gas	1.85	6.8	-1.1	-27.4			
MICEX	2 285.53	0.0	0.0	0.0	2.8	Copper	242.55	0.7	2.1	-8.6			
Hang Seng	22 961.47	0.1	-6.8	-15.3	0.3	Iron	776.00	-0.3	14.1	-7.3			
SS CSI 300	3 867.02	1.1	0.0	6.2	0.6	Gold	1 730.27	-0.3	1.0	34.3			
Euro Stoxx 50	3 050.20	5.0	1.8	-8.1	5.1	Silver	18.50	4.7	22.0	27.7			
FTSEuroFirst	3 506.00	3.0	-0.8	-13.6	3.1	Wheat	520.75	2.4	0.2	1.2			
FTSE 100	6 076.60	1.4	-0.6	-15.8	1.1								
KASE	2 324.92	1.4	3.3	3.0									

Economic calendar		Currency	Forecast	Previous
01.06	Manufacturing PMI from Caixin (May)	CNY	49,6	49,4
01.06	Manufacturing PMI (May)	USD	39,8	36,1
03.06	Composite index PMI (May)	GBP	28,9	28,9
03.06	Crude oil reserves	USD	-1,944M	7,928M
04.06	Deposit rate (June)	EUR	-0,50%	-0,50%
04.06	Decision on the interest rate (June)	EUR	0,00%	0,00%
04.06	ECB press conference	EUR		

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	6,8%	01.05.20	5,3 %
Gross international reserves of NBK, USD bn	29 782	01.04.20	30 927
Reserve money, KZT bn	8 652,5	01.04.20	5 995,7
Money supply, KZT bn	22 577,5	01.04.20	20 813,4

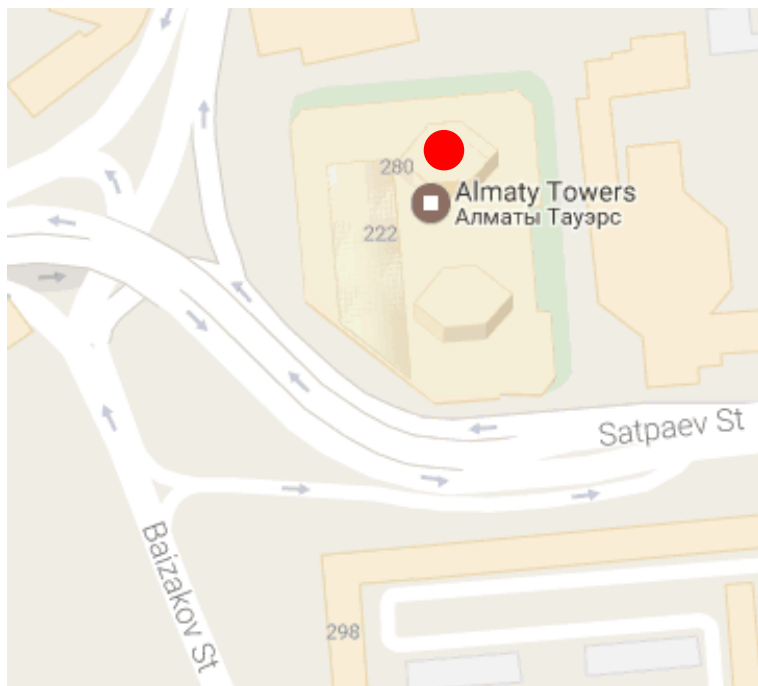
Kazakhstan credit ratings	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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**Corporate Events Calendar of KASE listed Companies**

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