

KASE WEEKLY

26 – 27 March, 2020

KASE NEWS

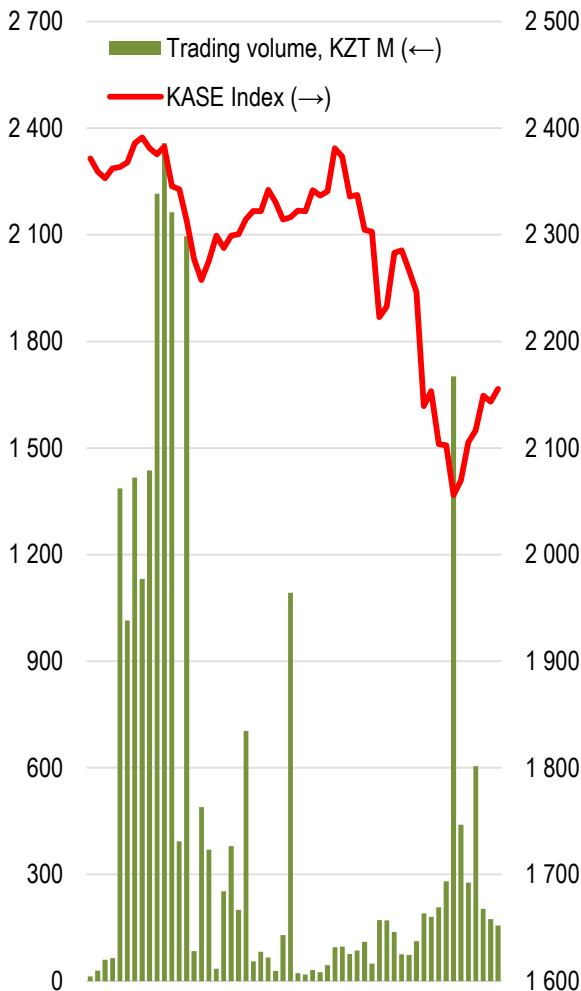
- ▲ International bonds XS0474660676 (GB_LOYDe1) of LLOYDS BANK PLC [removed](#) from those permitted for use as auto repo transactions' subjects.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ First Heartland Jýsan Bank [raised](#) KZT15.0 bn on KASE, by placing 10-year bonds KZ2C00002913 (TSBNb27).
- ▲ Ministry of finance of the Republic of Kazakhstan [raised](#) KZT4.9 bn on KASE, by placing MEOKAM-60 of issue 51 (KZK200000638) with yield to maturity of 12.0000 % APR.
- ▲ S&P [affirmed](#) ratings of the Republic of Kazakhstan at "BBB-/A-3", outlook "Stable".
- ▲ Development Bank of Kazakhstan says Fitch Ratings [affirmed](#) ratings of the bank and its bonds, outlook "Stable".
- ▲ Housing Construction Savings Bank of Kazakhstan says Fitch Ratings [affirmed](#) ratings of the bank, outlook "Stable".
- ▲ Kcell [concludes](#) additional agreement with Halyk Savings Bank of Kazakhstan.
- ▲ NOSTRUM OIL & GAS PLC [announces](#) postponing the release of 2019 operating results.

The KASE Index rose by a third of a percent to 2,155.58 points by the end of the short working week. The indicator was down by about 3% since the beginning of March and dropped by 9% since the beginning of the year.

KASE Index shares



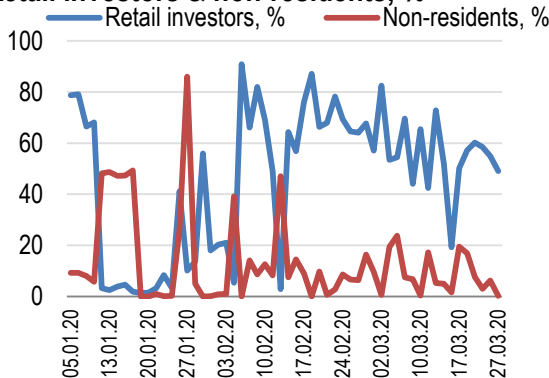
27.03.2020

		Trends (%)	
		0.3	-6.5
KASE Index	2 155.58		
First class of liquidity	Price	Δ 7d	Δ 1m
Freedom Holding Corp.	6 010.0	6.5	-3.8
KAZ Minerals	1 853.0	6.5	-20.5
Казактелеком	26 500.0	5.4	6.8
КазТрансОйл	860.0	4.2	-15.1
НАК Казатомпром	5 306.1	1.3	4.0
Сбербанк	1 151.0	0.3	-20.8
KEGOC	1 635.0	0.0	2.8
Банк ЦентрКредит	239.4	0.0	0.6
Kcell	2 400.0	0.0	2.7
Газпром	1 175.0	-9.3	-13.7
Народный банк	103.0	-13.9	-33.8

Note: Index stocks are highlighted in green

The volume of transactions with index shares amounted to KZT275 million over the week. For the three components of the index basket, closing prices have increased compared to last Friday's close (KAZ Minerals, Kazakhtelecom, KazTransOil). Kaz Minerals' shares are recovering amid support measures, investor demand on international markets and a partial recovery of commodity markets. The news that Kazakhtelecom and KazTransOil are considering payment of dividends to the state for the last year in the amount of up to 100% of net income may serve as a support for prices of these national companies' shares. The prices of three ordinary shares of the Index remained unchanged (KEGOC, Kcell, Bank CenterCredit). The main outsider was ordinary shares of the Halyk Bank that were down by 14% to KZT103, which is the minimum price since February 2019. The price of ordinary stock on KASE follows the price on the LSE, which showed downtrend little earlier than on Kazakhstan market. Besides, the pressure on the securities of the country's largest bank is directly exerted by the current slowdown of economic activity of its clients, deferral of payments on loan obligations and other measures for supporting the business.

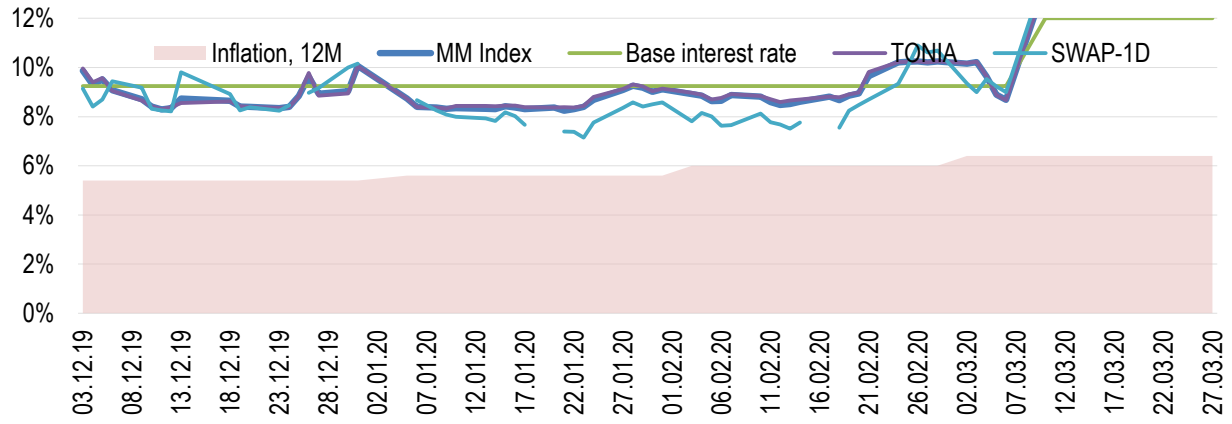
Retail investors & non-residents, %



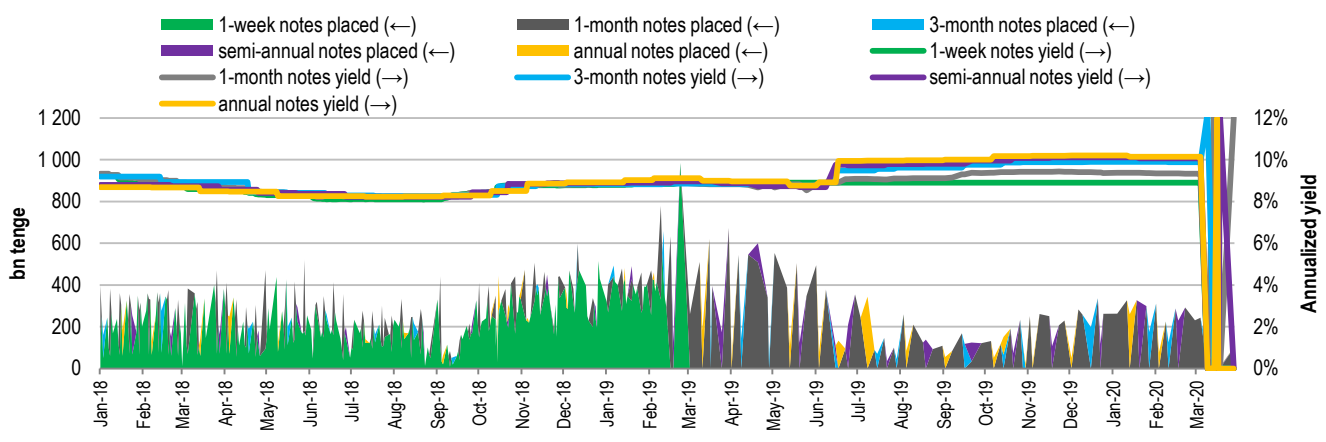


Money market rates have decreased slightly by the end of the week, but still remain near the upper end of the interest rate range. The yield of one-day repo transactions with government securities dropped by 14 bps to 13.3% APR. SWAP 1D USD rate rose by 7 bps to 13.5% APR. The MM Index was 13.48%APR by the end of the week. The weighted average yield rate of the weekly deposit auction of NBRK yesterday was 12.9554% APR.

Inflation and interest rates

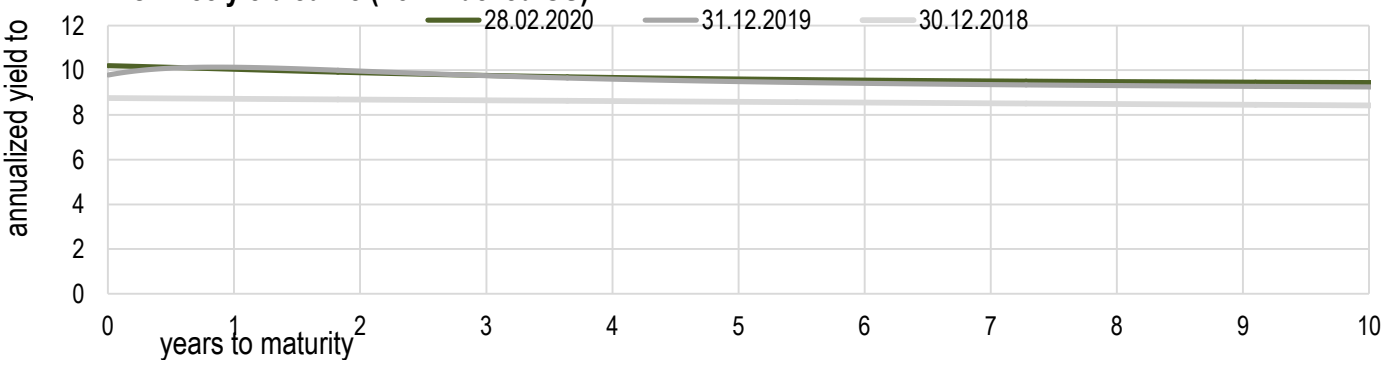


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





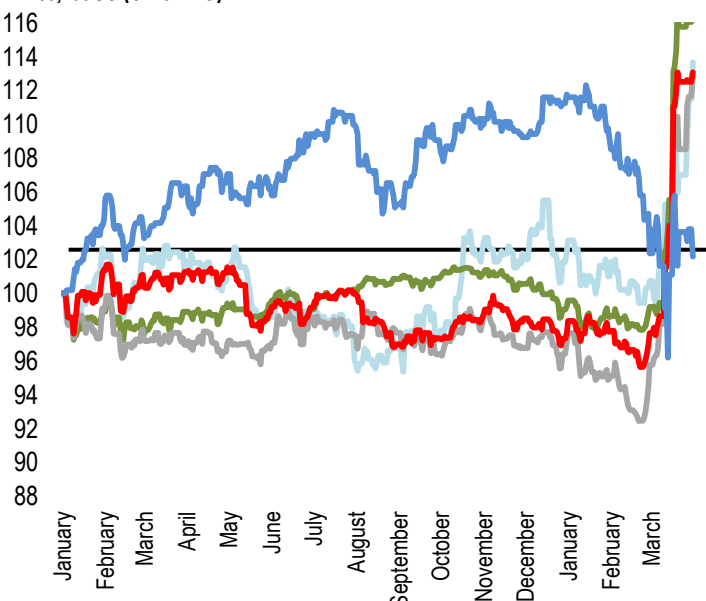
At the end of the short working week, the tenge dropped slightly against the U.S. dollar, but also strengthen insignificantly against the yuan and the Russian ruble. Sentiment in global markets on Friday shifted towards locking in profits on risky assets. The price of the Brent crude oil futures for May on the London ICE Futures exchange by 17:30 Nur-Sultan time amounts to US \$25.96 per barrel, which is by US \$1 (3.7%) below the closing price of the last week. During the trading day, Brent quotes lose about 2% amid risks of the global recession and that are becoming the reality and amid the prospects of excess market supply over demand in the second quarter of 2020. The oil market is gradually running out of storage space for unclaimed oil and the lack of storage capacity is already reflected in prices. The Russian ruble moderately weakens at Friday's trading (RUB78.00 per U.S. dollar). Last week, the ruble rate was supported by the market operations of the Bank of Russia, which began selling foreign currency on the market since March 10 under the budget rule, and on March 19 started selling foreign currency from the National Welfare Fund (FNB), which was received by the regulator to pay for the purchased block of Sberbank's share. Support provided to the Russian currency by export earnings may decrease as taxpayers accumulate ruble liquidity to pay income tax, which is to be paid by March 30.

The weighted average exchange of tenge against the U.S. dollar on the Kazakhstan Stock Exchange on Friday rose by 0.2% (by KZT1.04) compared to last Friday and amounted to KZT445.84 per U.S. dollar. The minimum rate was 445.30, the maximum rate was 446.90, the closing rate was 445.85. The total volume of trading on the U.S. dollar at the end of the week was US \$316.1 million against US \$1,014.2 million last week and US \$540.7 million as the median value of trading volume in the U.S. dollar in 2020.

The exchange rate of the Russian ruble fell by 0.1% to KZT5.7950. The price of the European currency on the stock exchange was KZT487.00 by the end of the week. The exchange rate of the tenge to the Chinese yuan strengthened by 1.2% or 79 tiyn to KZT62.66.

FX rates

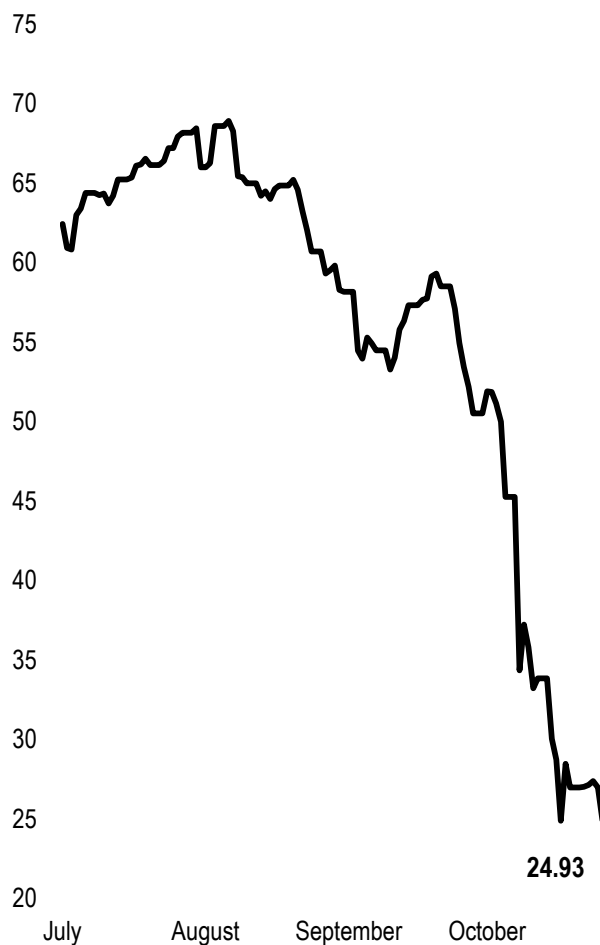
Δ %, base (01.01.18)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	531,61	2,8	8,6	6,3
— USDKZT	446,06	-0,5	18,4	17,0
— EURKZT	488,17	0,6	19,5	14,4
— CNYKZT	62,93	-0,4	17,2	15,3
— RUBKZT	5,69	1,4	-1,2	-7,8

Brent oil

USD/barrel



24.93

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

27.03.2020

Name	Value	Trend %		
		7d	1m	1y
S&P 500	2 541.47	10.3	-18.4	-9.7
Dow Jones	21 636.78	12.8	-19.7	-15.9
RTS	955.34	3.4	-34.6	-20.9
MICEX	2 401.11	3.0	-20.4	-6.2
Hang Seng	23 484.28	3.0	-12.0	-18.4
SS CSI 300	3 710.06	1.6	-8.9	-0.5
Euro Stoxx 50	2 728.65	7.1	-23.7	-17.8
FTSEuroFirst	3 202.55	10.3	-24.1	-22.3
FTSE 100	5 510.30	6.2	-21.8	-23.8
KASE	2 155.58	0.3	-6.5	-10.1

Exchange rate in tenge*	Trend		
	7d	1m	2017
446.06	-0.5	18.4	17.0
5.69	1.4	-1.2	-7.8
62.93	-0.4	17.2	15.34
488.17	0.6	19.5	14.4
531.61	2.8	8.6	6.3

Economic calendar

	Currency	Forecast	Previous
30.03 Consumer price index of Germany (m/m) (Mar)	EUR	0,1%	0,4%
31.03 Manufacturing PMI (Mar)	CNY	45,0	35,7
31.03 Consumer price index (y/y) (Mar)	EUR	0,8%	1,2%
01.04 Markit Manufacturing PMI (Mar)	RUB		48,2
01.04 Crude oil reserves	USD	3,997M	1,623M
02.04 Export volume	USD		208,60B
03.04 Unemployment rate (Mar)	USD	3,8%	3,5%

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	6,4 %	01.04.20	5,3 %
Gross international reserves of NBK, USD bn	29 891	01.03.20	30 927
Reserve money, KZT bn	6 395,2	01.03.20	5 995,7
Money supply, KZT bn	20 793,9	01.03.20	20 813,4

Kazakhstan credit ratings

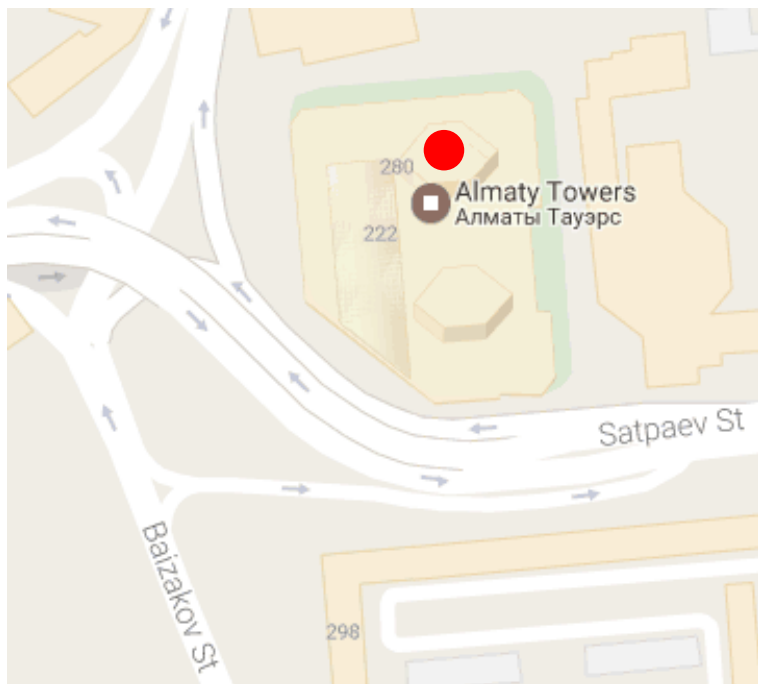
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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