

# KASE WEEKLY

February 15–19,  
2021

## KASE NEWS

- ▲ International bonds XS2294363689 (ASDBe7) of Asian Development Bank [were included](#) in the sector "Securities of International Financial Organizations" of KASE official list.
- ▲ Common shares [KZ1C00001551](#) (JSCP) of Fincraft Capital JSC were excluded from KASE official list on the initiative of their issuer and bonds [KZ2P00003866](#) (AGGZb1) of Amangeldy Gas LLP – due to their cancellation.
- ▲ Trades in common shares KZ000A0ETF32 (ATFB) of ATFBank JSC [resumed](#) on KASE.
- ▲ Trades in units [KZPF00000231](#) (BCCIrb) of IUIT "CenterCredit – Reasonable Balance" and bonds [KZ2C00007326](#) (KFUSb10) of Kazakhstan Sustainability Fund JSC were opened on KASE.
- ▲ Bonds KZ2C00007300 (KFUSb8) of Kazakhstan Sustainability Fund JSC and international bonds US91282CAV37 (US\_06\_3011) and US912810RJ97 (US\_07\_4411) of the US Department of Treasury [are included](#) in the List T+ and the Collateral List T+.
- ▲ Bonds KZ2C00007300 (KFUSb8) of Kazakhstan Sustainability Fund JSC [are included](#) in the basket of government securities with the CCP and in the basket of the NBRK with the CCP.
- ▲ KASE [changed](#) the maturity ranges for the formation of the yield function of the GS curve.

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Asian Development Bank [raised](#) KZT8.4 bn on KASE through a subscription by selling international bonds XS2294363416 (ASDBe6) at 10.15%.
- ▲ The Ministry of Finance of Kazakhstan raised KZT50.6 bn on KASE by placing MEUKAM-240 of the first issue (MUM240\_0001, [KZKD00000550](#)), MEUKAM-156 of the seventh issue (MUM156\_0007, [KZKD00001103](#)) and MEUKAM-156 of the second issue ([KZ000A1A1S55](#), MUM156\_0002).
- ▲ Kazakhstan Sustainability Fund JSC [raised](#) KZT9.9 bn on KASE by placing bonds KZ2C00007300 (KFUSb8) with an average weighted yield to maturity of 10.05% per annum.
- ▲ **ANNOUNCEMENT:** On March 15, a conference of Halyk Savings Bank of Kazakhstan JSC will be held to announce financial results for 12 months and the fourth quarter of 2020.
- ▲ Halyk Finance JSC, VTB Capital and EDB [announce](#) conducting on February 24 a presentation for potential investors as part of the planned placement of ruble-denominated bonds of National Company Food Contract Corporation JSC at MOEX and KASE.
- ▲ IC "Sinoasia B&R" JSC [announced](#) the affirmation of the rating of the company by the agency S&P Global Ratings, the outlook "Stable".
- ▲ The name of Investment Financial House "RESMI" JSC [was changed](#).



19.02.2021	Trends (%)		
<b>KASE Index</b>	2 956,63	3,4	5,7
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
<b>NAC Kazatomprom</b>	9 195,0	14,1	17,6
<b>KAZ Minerals</b>	4 750,0	5,1	21,6
Aeroflot	414,9	4,0	-0,6
Bank of America Corporation	14 314,5	3,3	1,5
<b>Halyk Savings Bank of Kazakhstan</b>	141,4	2,5	3,9
Gazprom	1 274,6	2,0	-0,1
<b>Bank CenterCredit</b>	211,2	2,0	0,1
<b>KazTransOil</b>	1 017,0	1,4	-1,7
Sberbank Russia	1 501,4	1,0	-4,1
<b>Kazakhtelecom</b>	26 889,0	0,6	3,1
<b>KEGOC</b>	1 684,9	0,0	-0,9
Kazakhtelecom, preferred shares	13 000,0	0,0	1,6
VTB Bank	0,2	0,0	-4,5
<b>Kcell</b>	2 498,0	-0,5	-11,7
Freedom Holding Corp.	23 830,8	-3,5	7,8

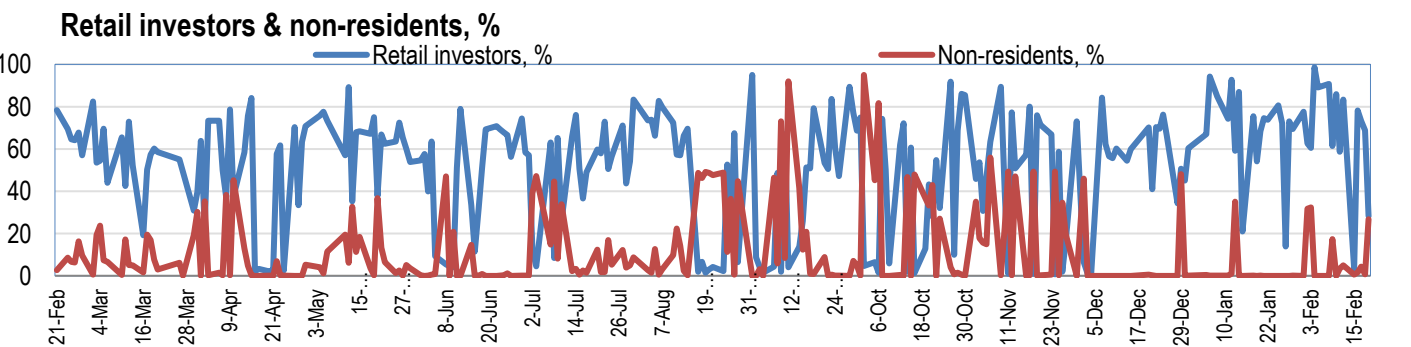
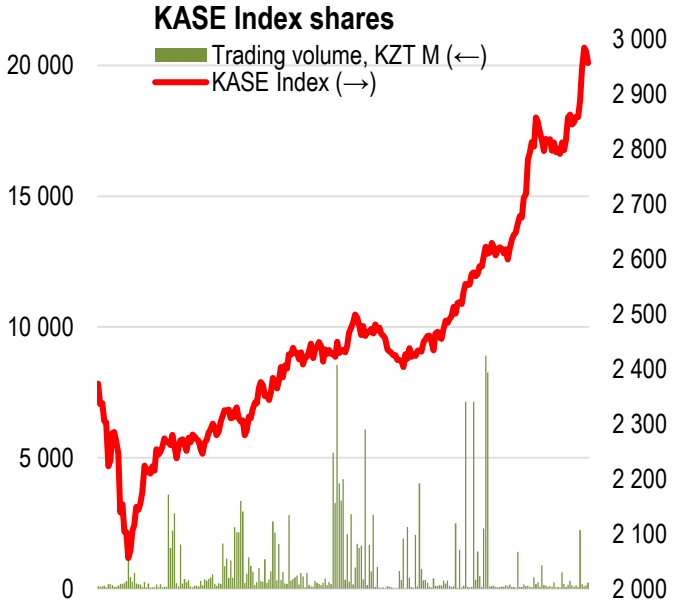
Note: Index stocks are highlighted in green

KASE index grew by 3.4% to 2,956.63 points. The largest number of deals among index shares was made with ordinary shares of Halyk Bank – 1,178 deals (30.6% of the total share). The largest trading volume fell on securities of Kazakhtelecom – KZT2,179 bn (75.8% of the total share).

The main driver of the index growth were the common shares of Kazatomprom, which jumped in price by 14.1% – to KZT9,195.00 per share. Quotations of the nuclear company have once again renewed the maximum value of the price on KASE this year. On the London Stock Exchange (LSE), meanwhile, the company's GDRs also renewed their record – the paper increased by 8.8% to \$22.20, which is equivalent to KZT9,234.31 at the rate of the National Bank on February 19.

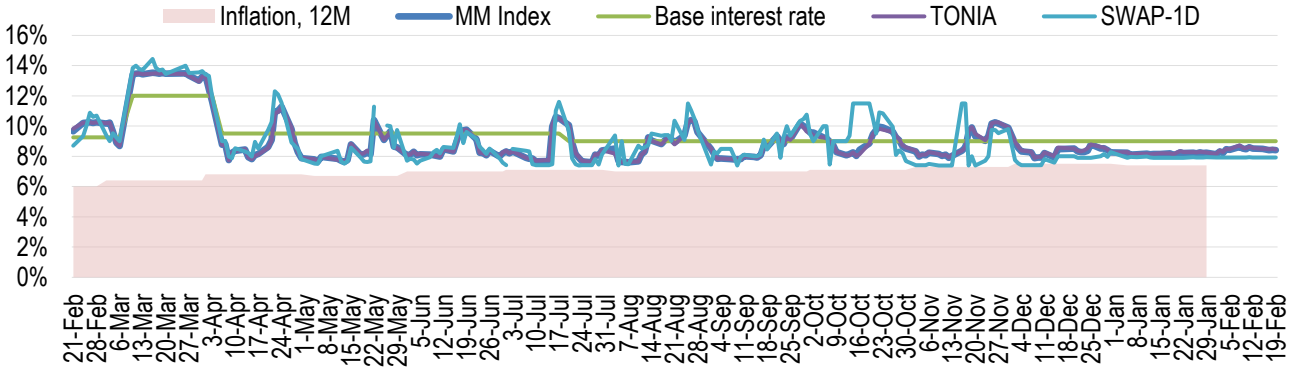
The second-best result was recorded for KAZ Minerals stocks, which added 5.1% in price. The company's shares are supported by copper quotes for, which rose to \$3.9 a pound on the London Metal Exchange (LME) for the first time since September 2012, driven by low inventories and expectations of higher industrial demand amid stimuli from central banks and economic recovery due to massive vaccination. Production forecasts from the 25 largest copper producers indicate that the market could experience significant deficits this year, Trading Economics writes.

KEGOC shares did not change in price during the reporting week. The international rating agency Fitch Ratings has affirmed KEGOC's long-term foreign currency issuer default rating (IDR) at BBB-. The rating outlook is stable. Fitch analysts expect that KEGOC will continue to generate good operating cash flow of about KZT56 bn on average in 2021–2024. That said, free cash flow is likely to be negative due to expected average capex of about KZT49 bn per annum and an average dividend payout ratio of 89% per annum over the same period, leading to increased funding needs. EBITDA in 2021, according to the agency's expectations, will decrease by about 25% due to lower tariffs and the impact of the energy market.



The yield on one-day repo transactions in government securities decreased by 12 b.p. to the level of 8.44% per annum. The rate of borrowing the tenge secured by US dollars decreased by 2 b.p. amounting to 7.91% per annum. The total volume of borrowing the tenge liquidity for one day amounted to 2.1 trillion tenge over the week (+1.2% on the same indicator of the previous week).

**Inflation and interest rates**

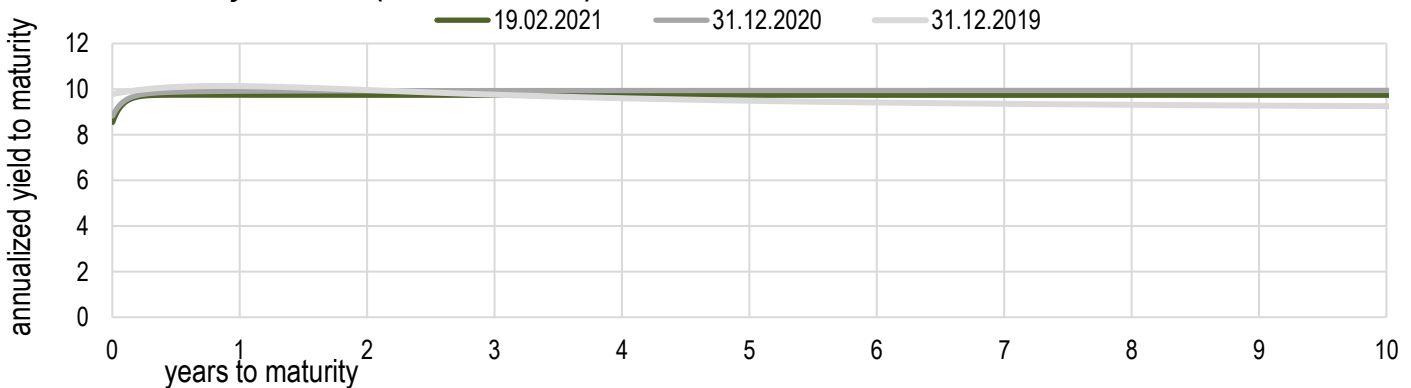


**Main Features of National Bank Notes Placements**



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

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





The US dollar exchange rate against tenge decreased by KZT0.89 (0.2%) to KZT417.97. The total trading volume amounted to \$565.1 million (+ 22.7% on the same indicator of the previous week). The total number of deals for purchase and sale of the US dollar amounted to 1,684 (+252 on the same indicator of the previous week). The maximum price was KZT418.60 per US dollar, the minimum – KZT415.70.

The tenge is strengthening against the US dollar based on results of the week amid rising oil prices to a maximum in 13 months. On Wednesday, Brent closed above \$65 per barrel for the first time since January 21, 2020. The market was supported by the suspension of several large refineries in Texas and other US states due to severe frosts in the regions. On Thursday, both benchmark crude oils – Brent and WTI – hit a 13-month high amid hopes for a global economic recovery, fueled by the global COVID-19 vaccination campaign. Meanwhile, data from both the EIA and API showed that US crude oil reserves fell more than analysts had expected last week. However, oil prices corrected downward on Friday, as support factors related to the US supply disruptions weakened due to improved weather conditions.

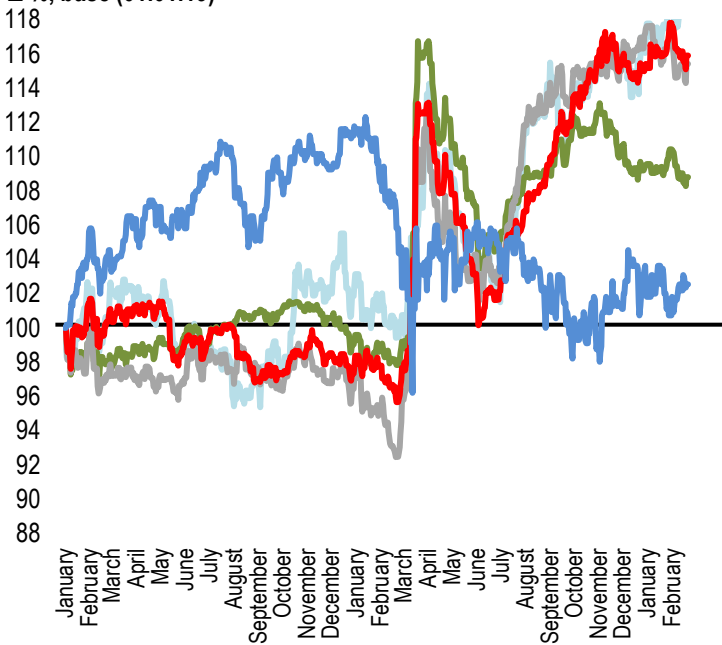
Meanwhile, traders await the next OPEC+ meeting, scheduled for March 4, at which the cartel is expected to discuss April oil production quotas. Reuters' sources in the cartel said the oil-producing organization and its allies are likely to decide to ease restrictions on oil production at a meeting in April due to a rebound in prices. At the same time, any increase in production will be moderate, as producers fear new failures in the fight against the pandemic.

The price of March Brent oil futures on the London ICE Futures exchange on Friday closed at \$62.91 per barrel (+0.8%). The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange amounted to 74.1116 rubles (+ 0.5%).

The value of the Russian ruble decreased by KZT0.0231 (0.4%) to KZT5.6498. The Chinese yuan fell by KZT0.3362 (0.5%) to KZT64.7471.

**FX rates**

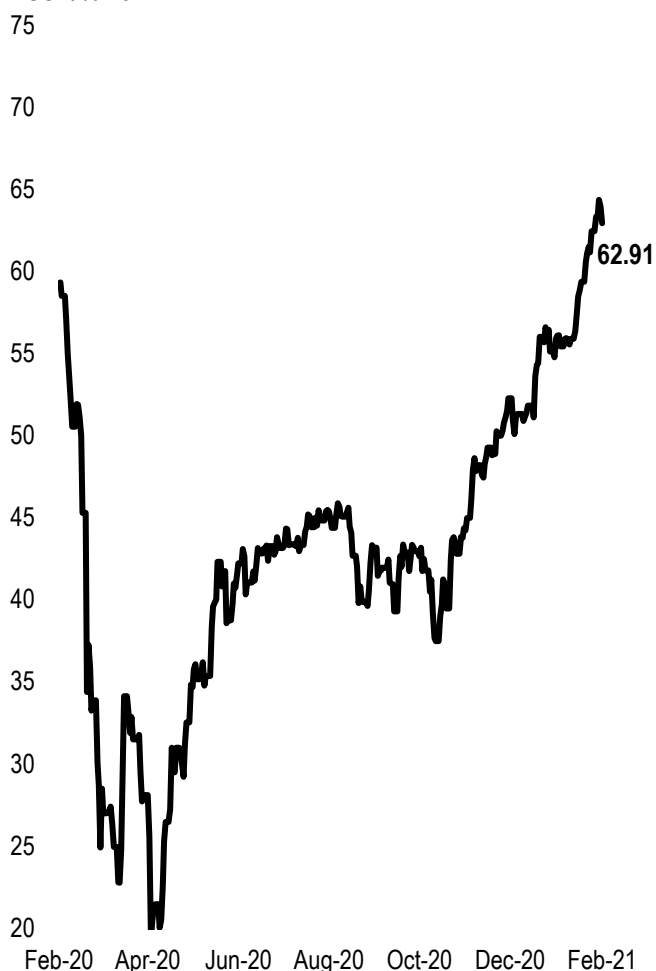
Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	579,14	0,2	1,3	1,4
— USDKZT	415,96	-0,4	-1,0	-1,1
— EURKZT	502,19	-0,8	-1,4	-2,7
— CNYKZT	64,32	-0,6	-0,8	-0,3
— RUBKZT	5,65	-0,2	-0,9	0,0







**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 %		
		7d	1m	1y
 S&P 500	3 906,71	-0,7	1,4	15,8
Dow Jones	31 494,32	0,1	1,0	7,8
 RTS	1 472,33	0,7	-1,0	-4,1
MICEX	2 285,53	0,0	0,0	0,0
 Hang Seng	30 644,73	1,6	2,3	11,0
SS CSI 300	5 778,84	-0,5	5,5	39,4
 Euro Stoxx 50	3 713,46	0,5	2,5	-2,9
FTSEuroFirst	4 133,00	1,4	2,0	-8,3
 FTSE 100	6 624,02	0,5	-1,7	-10,9
 KASE	2 956,63	3,4	5,7	24,2

## Commodities market

19.02.2021

Name	Price	Trend %		
		7d	1m	1y
Futures				
7d				
Oil (Brent)	62,91	0,8	12,2	6,1
Oil (WTI)	59,24	-0,4	11,3	10,2
Natural gas	3,07	5,4	20,9	59,8
Copper	407,40	7,6	11,9	57,4
Iron	1 160,00	0,4	-0,1	67,9
Gold	1 784,25	-2,2	-4,7	10,4
Silver	27,25	-0,3	5,8	48,8
Wheat	650,75	2,2	-2,5	16,2

## Economic calendar

		Currency	Forecast	Previous
23.02	Consumer price index (CPI) (y/y) (Jan)	EUR	0.9%	0.9%
24.02	Germany's GDP (qt/qt) (4 qt)	EUR	0.1%	0.1%
24.02	Crude oil reserves	USD	-2.429M	-7.258M
25.02	GDP (qt/qt) (4 qt)	USD	4.2%	4.0%
25.02	Number of initial applications for unemployment benefits	USD	838K	861K
26.02	Federal budget	USD		-430.0B



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

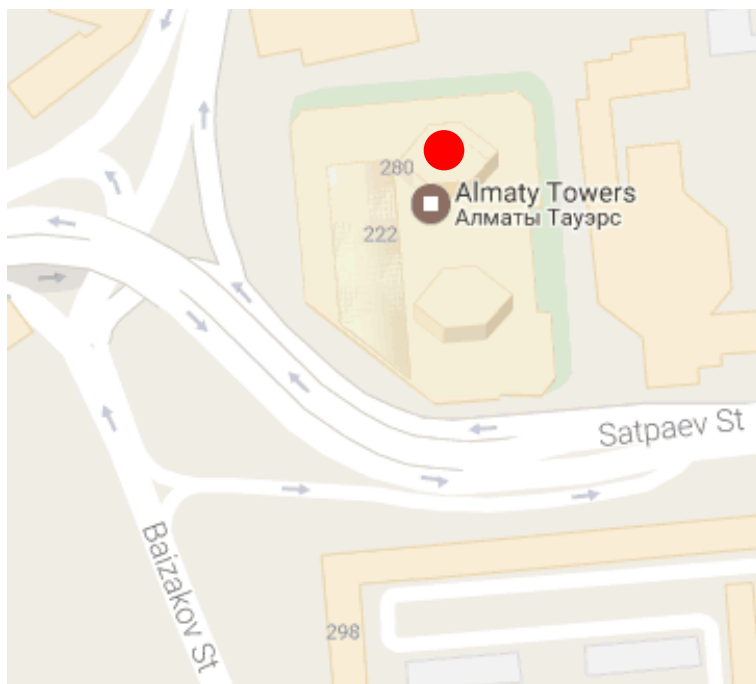
	Rating	Date	Previous
	BBB- stable	09/10/18	BBB- stable
	Baa3 stable	07/26/17	Baa3 stable
	BBB stable	09/28/18	BBB stable

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**Corporate Events Calendar of KASE listed Companies**

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