

KASE WEEKLY

June 06-10
2022

KASE NEWS

- ▲ Units [KZPF00000165](#) (HKGMhg) of IUIT "Halyk global" included in KASE official list.
- ▲ International bonds [RU000A0JXS34](#) (TMJLe5) of KTZh Finance LLC were excluded from KASE official list due to the expiration of circulation period.
- ▲ Trades in common shares of [US0605051046](#) (BAC_KZ) of Bank of America Corporation, [US6541061031](#) (NKE_KZ) of NIKE, Inc., [US7475251036](#) (QCOM_KZ) of QUALCOMM Inc. and [US6516391066](#) (NEM_KZ) of Newmont Corp. resumed on KASE.
- ▲ Trades in units [KZPF00000165](#) (HKGMhg) of IUIT "Halyk Global" opened on KASE.
- ▲ Trading in futures with execution in November 2022 is [opened](#) on KASE.
- ▲ EuroCentrAstana JSC was [assigned](#) the status of a clearing participant in the stock market.
- ▲ International bonds [XS2444205756](#) (ASDBe9) of Asian Development Bank are included in the Collateral List T+

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan placed on KASE 15.0 mln MEUKAM-180 of the first issue ([KZKD00000105](#), MUM180_0001), 10.0 mln MEUKAM-72 of issue 13 ([KZKD00001145](#), MUM072_0013), 10.2 mln MEOKAM-48 of issue 52 ([KZK200000687](#), MOM048_0052) and 10.0 mln MEOKAM-36 of issue 91 ([KZK200000695](#), MOM036_0091).
- ▲ MFO "R-Finance" LLP [raised](#) KZT119.8 mln on KASE by placing bonds KZ2P00008568 (MFRFb3).
- ▲ VTB Bank (PJSC) [intends](#) to recapitalize its Subsidiary VTB Bank (Kazakhstan) JSC.
- ▲ RG Brands Kazakhstan LLP [paid](#) the fourth tranche of dividends to the sole partner for 2021.
- ▲ RG Brands JSC [paid](#) the second and third tranches of dividends on ordinary shares for 2021.
- ▲ RG Brands JSC [paid out](#) the fourth tranche of dividends on common shares KZ1C00000496 (RGBR) for 2021.
- ▲ Kokshetau Altyntau JSC [paid](#) dividends on ordinary shares for 2021.
- ▲ Transnational Company Kazchrome JSC [paid](#) dividends on common shares KZ0009093704 (KZCR) and preferred shares KZ0009089744 (KZCRp) for the third quarter of 2021.
- ▲ MFO "Arnur Credit" LLP [says](#) Fitch Ratings assigned ratings to the company, outlook is Stable.
- ▲ IC "Sinoasia B&R" JSC [says](#) S&P Global Ratings affirmed the company's ratings.
- ▲ National Company KazMunayGas JSC [reported](#) financial results for the first quarter of 2022.



17.06.2022

KASE Index	Price	Trends (%)	
		Δ 7D	Δ 1M
KASE Index	2 617,15	-2,3	-4,9
First class of liquidity			
АО "Банк ЦентрКредит"	395,00	2,9	3,9
АО "Народный сберегательный бан"	111,59	- 1,1	0,7
АО "Кселл"	1 065,99	3,5	- 11,9
АО "КазТрансОйл"	660,00	- 0,0	- 12,1
АО "Фридом Финанс"	5 900,00	-	-
АО "Казахтелеком"	27 200,00	- 2,2	- 7,8
АО "ForteBank"	3,81	- 1,3	- 4,8
Freedom Holding Corp.	39,47	- 9,8	- 6,7
АО "KEGOC"	1 602,00	- 1,1	- 3,2
Apple Inc.	131,30	- 9,0	- 11,0
Advanced Micro Devices, Inc.	82,40	- 18,0	- 15,9
The Coca-Cola Company	62,50	-	- 7,6
Yandex N.V.	12 768,00	- 4,7	1,7
PayPal Holdings Inc.	71,64	- 14,0	- 10,3

After a long downward trend, the value of KASE index rose by 1.6 % to 2,679.16 points at the end of last week. This became possible mainly due to the recovery in share prices of Kazatomprom and Halyk Bank. Common shares of Kazatomprom and GDR added 7% over the week on the back of a sharp rise in prices of uranium futures. Common shares of Halyk Bank showed the possibility of getting out of the sideways trend. Quotes from the recent three-month bottom rose already by 7 %. On the London Stock Exchange, meanwhile, the sideways trend is still maintained despite a slight increase.

Meanwhile, the reporting season for the 1st quarter continued. KEGOC reported a 21% increase in revenue, while expenses grew at a faster pace. As a result, net profit decreased by 51%. Recall that in April 2022, the Committee for Regulation of Natural Monopolies reduced KEGOC tariffs by 6-7% until May 2023. However, the reduction of tariffs following KEGOC's statement of claim was suspended until a court decision. KEGOC management will meet with investors on June 17 as part of the Issuer Day at KASE. KazMunayGas has published its financial statements for the 1st quarter. Despite the increase in energy prices, the company's net profit remained almost unchanged compared to the 1st quarter of last year, the growth amounted to only 0.5%.

By the way, last week Brent oil kept the trend of continuous growth, changing within 119-124 dollars per barrel. This was supported by the expectation of an increase in global energy demand with limited supply: a summer increase in demand for energy for cooling and gasoline against the background of uncertainty about the volume of Russian oil supplies after the EU embargo was imposed on it. Following oil, the upward movement was continued by the shares of oil and oilfield service companies. Thus, according to the quotes of the shares of ExxonMobil and ConocoPhillips, historical highs were recorded. Interestingly, despite record energy prices, the FAO Food Price Index has been declining for the second month in a row.

In the conditions of continuing uncertainty in the stock markets, the Halyk group announced the expansion of the line of mutual investment funds and launched on KASE from June 9 the trading in units of IUIT Halyk Global managed by Halyk Global Markets JSC.

On KASE's debt market, the Ministry of Finance last week additionally placed four issues of treasury bills in the amount of KZT45.2 mln with a yield to maturity of 13.6-14.0% APR and a maturity of 2 to 5 years. Microfinance organization "R- finance" placed bonds in the amount of 119.8 million tenge with a yield to maturity of 25.0% per annum and a maturity of 3 years. Bank CenterCredit and KEGOC paid coupons on current bonds.

Last Monday, the National Bank decided to keep the rate at 14%, which, according to the regulator, should have a restraining effect on price growth in the medium term. This is especially relevant in connection with the increase in annual inflation in the Republic of Kazakhstan in May to 14%, despite the country's moratorium on increasing prices for utilities and fuels and lubricants. The National Bank also published economic development forecasts for 2022-2023. According to calculations of the Regulator, at the end of 2022, annual inflation will be 13-15%, next year – 7.5-9.5%. This year, the National Bank of the Republic of Kazakhstan expects the economy of Kazakhstan to grow at the level of 2.8-3.8%, with a subsequent increase to 3.5-4.5% in 2023.

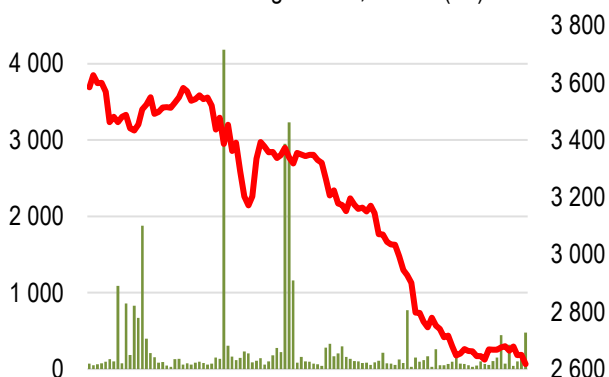
Meanwhile, in the regions from which Kazakhstan imports the largest volumes of products, inflationary trends were multidirectional: in Russia, annual inflation fell to 17.1% in May, in China it remained at the level of 2.1%, and in the Eurozone it increased to 8.1%.

The European Central Bank, despite rising inflation, kept interest rates unchanged: the base rate was 0 %, the deposit rate was minus 0.5 %. At the same time, he predicts an increase in the base rate by 0.25% in July. Standard quantitative easing will end on July 1, emergency quantitative easing continues. The Central Bank of Russia lowered the rate from 11% to 9.5% against the background of data on slowing inflation.

Note: Index stocks are highlighted in green

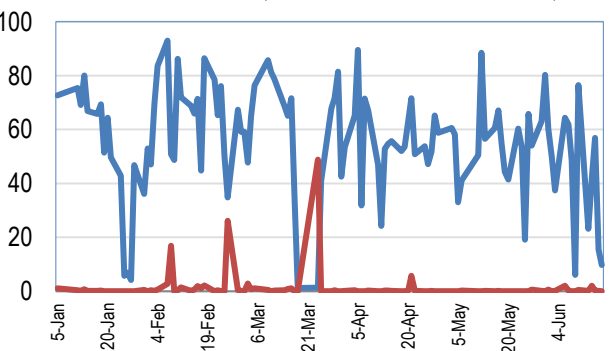
KASE Index shares

Trading volume, KZT M (←)



Retail investors & non-residents, %

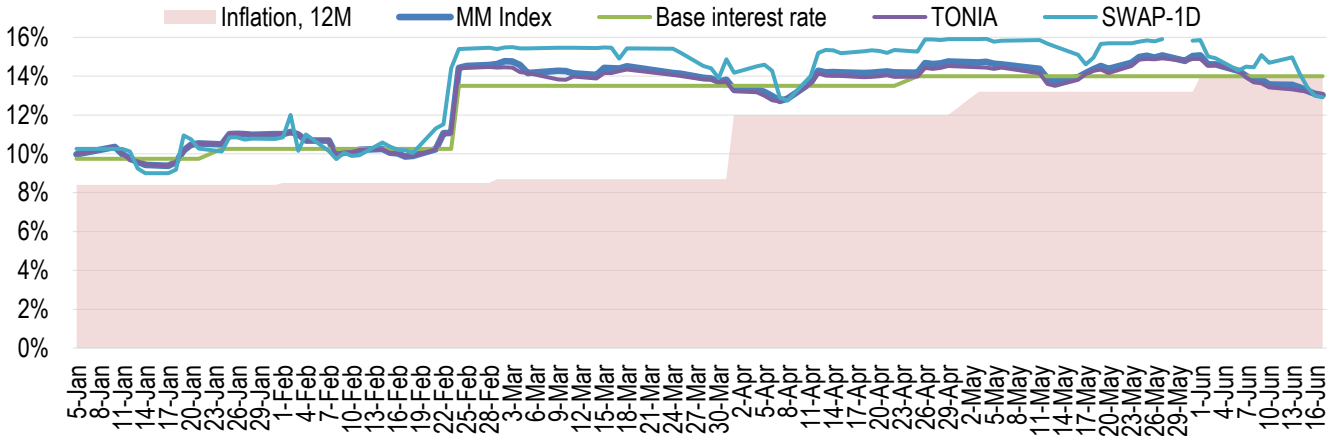
Retail investors, % Non-residents, %



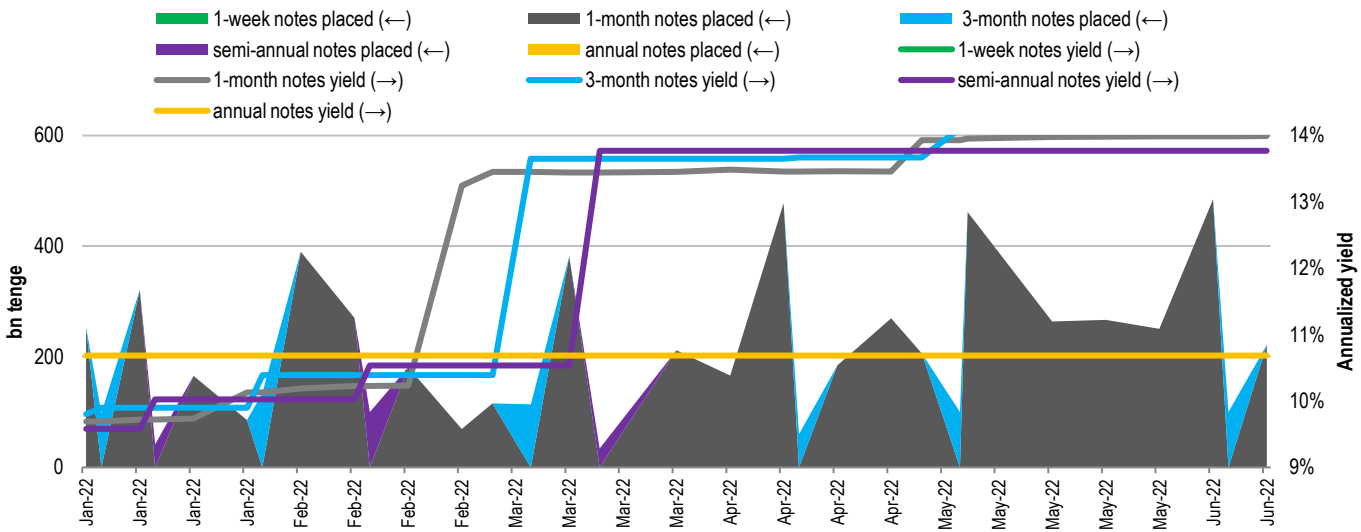


The profitability of one day REPO transactions with government securities (GS) for (TONIA) from June 3 to 10 decreased from 14.58% to 13.42% per annum. The rate of tenge borrowing secured by US dollars for a period of one day (SWAP-1D) for the period under review also decreased from 14.91% to 14.69% per annum.

Inflation and interest rates

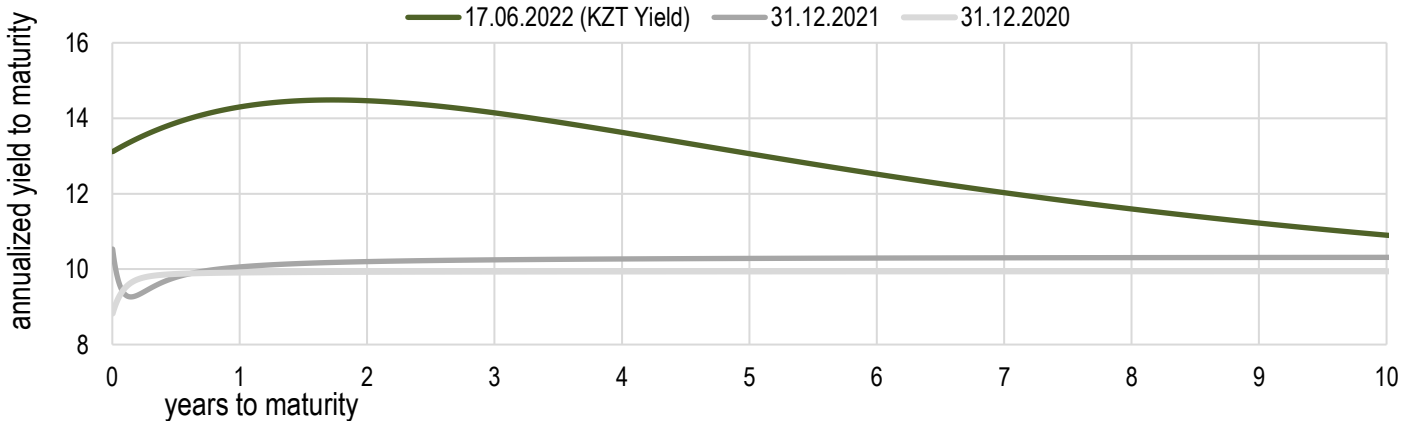


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)

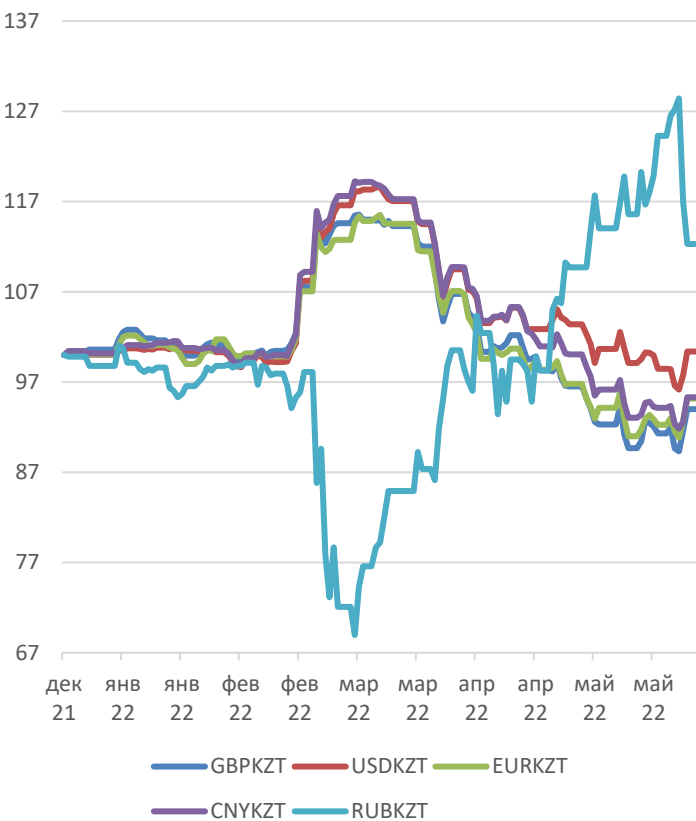


As a result of trades on June 10, the tenge market rate formed at the level of 435.76 tenge per US dollar, depreciating over the week by 0.9% (from 431.95). A number of significant events took place on the foreign exchange market from June 3 to June 10, 2022. The increase in the number of non-farm payrolls in the US by 390 thousand in May exceeded analysts' expectations. In addition, inflation growth in the US in May by 8.6% YoY also turned out to be higher than economists' forecasts. Strong macroeconomic data in the US raise investor expectations for a more aggressive tightening of the Fed's policy. The ECB decided to keep the monetary policy parameters unchanged, while signaling its readiness to raise the rate by 25 b.p. at the next meeting. These factors led to a predominantly negative trend in emerging market currencies.

The dynamics of the exchange rates of developing countries against the US dollar was as follows:

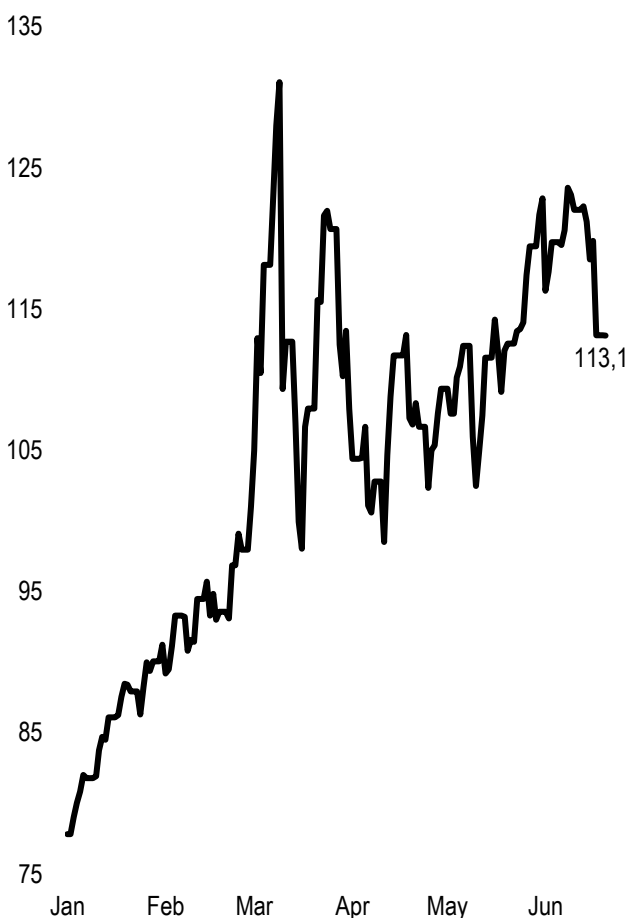
- **Russian ruble** strengthened by 6.8% (from 60.95 to 56.8) due to the lack of demand for foreign currency. The Central Bank reduced the key rate to 9.5% (by 1.5 percentage points), returning it to the pre-sanction level;
- **Indian rupee** weakened by 0.3% (from 77.63 to 77.84) against the background of capital outflow and rising oil prices;
- **Indonesian rupiah** weakened by 0.8% (from 14,433 to 14,553). Inflation reached 3.55% YoY in May.
- **South African rand** weakened by 2% (from 15.55 to 15.86) after the release of data on the acceleration of inflation in the US and the global strengthening of the US dollar;
- **Mexican peso** weakened by 2% (from 19.56 to 19.96). US monetary tightening expectations put pressure on Mexico's national currency;
- **Turkish lira** weakened by 4% (from 16.45 to 17.11) after the country's president announced plans to reduce the key rate. Inflation reached 73.5% YoY in May;
- **Brazilian real** slipped 4.4% to 4.99 from 4.78 amid investor concerns about the country's fiscal sustainability as the president plans to lower fuel prices ahead of October's elections.

FX rates








	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
GBPKZT	549,69	1,30	-0,48	-7,67
USDKZT	446,87	2,55	2,17	2,43
EURKZT	469,97	1,79	1,51	-5,65
CNYKZT	66,67	2,33	2,68	-2,76
RUBKZT	7,91	4,91	15,90	35,18

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	3 674,84	-5,8	-6,3	-13,0	-5,8
Dow Jones	29 888,78	-4,8	-5,1	-11,6	-4,8
 RTS	1 315,43	3,7	8,5	-21,0	-5,0
MICEX	2 285,53	0,0	0,0	0,0	-5,0
 Hang Seng	21 075,00	-3,4	2,1	-26,2	-3,2
SS CSI 300	4 309,04	1,7	7,9	-15,5	0,9
 Euro Stoxx 50	3 438,46	-4,5	-6,8	-17,3	-4,8
FTSEuroFirst	4 187,10	-3,8	-6,1	-8,8	-4,4
FTSE 100	7 016,25	-4,1	-5,7	-1,9	-5,0
 KASE	2 617,15	-2,3	-4,9	-22,1	

Commodities market

June 17, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	113,12	-7,3	3,7	54,8
Oil (WTI)	109,56	-9,2	0,0	54,2
Natural gas	6,94	-21,5	-17,0	113,5
Copper	401,35	-6,5	-4,0	-3,9
Iron	939,00	-5,3	-4,4	-26,6
Gold	1 839,39	-1,7	1,3	3,7
Silver	21,59	-1,6	0,3	-16,5
Wheat	1 034,25	-3,4	-16,0	61,9

Economic calendar

		Currency	Forecast	Previous
13.06	GDP (YoY)	GBP	3.9%	6.4%
14.06	Producer Price Index (PPI) (YoY) (May)	USD	10.9%	11.0%
15.06	Industrial Production (YoY) (May)	CNY	-0.7%	-2.9%
15.06	Fed rate decision	USD	1.50 %	1.00 %
15.06	FOMC press conference	USD		
16.06	Interest rate decision (June)	GBP	1.25 %	1.00 %

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	April 2022
Annual inflation	13.2%	01.05.22	12.0%
Gross international reserves of NBK, USD bn	33,5	01.05.22	33,2
Reserve money, KZT bn	9 968,0	01.05.22	10 791,8
Money supply, KZT bn	28 984,2	01.05.22	30 711,8

Kazakhstan credit ratings

	Rating	Date	Previous
S&P Global	BBB-/A-3 стабильный	05.03.22	BBB- stable
MOODY'S	Baa2/стабильный	11.08.21	Baa3 positive
FitchRatings	BBB/стабильный	18.06.22	BBB stable

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Corporate Events Calendar of KASE listed Companies

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