

KASE WEEKLY

June 27-July 1
2022

KASE NEWS

- [Rules](#) of Operation of Trading and Clearing System in Remote Access Mode, [Rules](#) of Securities Subscription in a new version, amendments to the Regulations on Methods of Trading in Trading and Clearing Systems were enacted, to the Rules of Execution of Exchange Activities, to the [Rules](#) of Trading and Operation of the Control and Support System and to the [Regulations](#) on Membership Fees, Exchange Dues and Clearing Fees
- KASE [formed](#) lists of first, second and third class liquidity securities for July 2022
- KASE official list includes bonds [KZ2P00008477](#) (FINQpp1) by FinQ LLP, bonds [KZMJ00001329](#) (SKK021_132) by Akimat of North-Kazakhstan region and international [bonds](#) US91282CCT62 (US_09_2408) and US912796N968 (US_10_2211) by US Department of Finance
- Common shares [KZ1C00001585](#) (ASLF) of Freedom Finance Life Insurance Company JSC are transferred to the "standard" category of the main floor of the KASE official list
- International bonds [US34955XAA90](#) (TEBNe1) of ForteBank JSC were excluded from KASE official list due to due to expiry of maturity
- Trades in international bonds [XS2489628870](#) (ASDBe10) of Asian Development Bank and bonds [KZ2P00008584](#) (MFOKb4) of Microfinance Organization OnlineKazFinance LLP are opened on KASE.
- ConocoPhillips common shares [US20825C1045](#) (COP_KZ) resumed trading on KASE
- Identification code of Meta Platforms, Inc. has been [changed](#) in KASE trade system and databases

ISSUER NEWS AND ANNOUNCEMENTS

- Ministry of Finance of Kazakhstan placed on KASE 12.0 million MEUKAM-72 issue 13 ([KZKD001145](#), MUM072_0013) and 35.0 million MEUKAM-144 issue 3 ([KZKD00000378](#), MUM144_0003)
- Akimat of North-Kazakhstan region has [attracted](#) KZT3.7 bn on KASE, having placed bonds KZMJ00001329 (SKK021_132)
- Kazakhstan Housing Company JSC [raised](#) KZT581.9 mln on KASE, having placed bonds KZ2C00007086 (KZIKb32).
- Freedom Holding Corp. [announced](#) that S&P Global Ratings has affirmed the company's ratings
- Freedom Finance [announced](#) that S&P Global Ratings has affirmed the company's ratings.
- KazTransOil JSC [announced](#) that Fitch Ratings has affirmed the company's rating
- Kaspi Bank [announced](#) that S&P Global Ratings has affirmed the bank's ratings.
- JSC National Company KazMunayGas [paid](#) dividends on ordinary shares for 2021
- KazAgroFinance JSC [paid](#) dividends on ordinary shares for 2021
- JSC National Atomic Company Kazatomprom has [reported](#) on payments to states for 2021
- NOSTRUM OIL & GAS PLC [provided](#) up-to-date information on agreements with Ural Oil & Gas LLP.



01.07.2022

KASE Index	2 674,63	Trends (%)	
		0,6	1,1
First class of liquidity	Price	Δ 7D	Δ 1M
The Coca-Cola Company	69,00	14,7	- 1,4
Freedom Holding Corp.	43,69	7,7	4,7
АО "КазТрансОйл"	689,00	2,8	- 4,8
АО "Кселл"	1 104,56	2,7	11,1
АО "Национальная атомная компани"	12 108,00	1,7	2,6
АО "ForteBank"	3,78	0,8	- 2,6
АО "Народный сберегательный бан"	114,50	0,8	7,0
АО "Банк ЦентрКредит"	427,11	0,4	12,1
АО "Казакхтелеком"	27 200,00	0,4	- 7,2
АО "KM GOLD"	200,00	-	- 33,3
АО "Фридом Финанс"	5 900,00	-	-
АО "KEGOC"	1 600,03	- 0,6	- 2,5
Yandex N.V.	13 250,00	- 1,9	20,5
Apple Inc.	137,41	- 2,3	- 7,7
АО Kaspi.kz	23 735,00	- 3,2	- 10,6
PayPal Holdings Inc.	70,44	- 5,0	- 18,1
Advanced Micro Devices, Inc.	77,01	- 8,1	- 24,7

Note: Index stocks are highlighted in green

To summarise the first half of the year, markets were highly volatile throughout the six months, driven by a range of external and internal factors. The first signal of a trend reversal came late last year, when the leading central banks announced a cycle of rising rates and shrinking balance sheets. This caused investors to gradually withdraw into developed market assets. In January-February, geopolitical and economic risks increased sharply, to which KASE Index reacted by sharply declining from the historic highs reached at the end of last year. At the same time, in March index companies published good annual reports, which allowed to change the downward trend of stock indicators, but in April-May it became clear that the dividend season was not fully realized, as some Kazakh companies announced decisions to postpone dividend payments.

The dividend season did take place in June. KazTransOil and KEGOC paid the dividends approved earlier. Kaspi.kz approved and paid a dividend of KZT2,900 per share for 2021. Recall that prior to that there were separate dividend payments for KZT56bn and KZT37.4bn for the second and third quarters of last year, respectively. "Eco Center Bank", a subsidiary of Bank CenterCredit, announced on 10 June to pay dividends on ordinary shares for 2019-2021 in the total amount of KZT50.0bn or KZT91.17 per ordinary share. JSC NC KazMunayGas paid dividends on ordinary shares for 2021 in the total amount of KZT200 bn on June 27.

Index basket companies also completed the publication of quarterly reports in June, which came out quite strong. Compared to the first quarter of last year, net profit of Bank CenterCredit increased from T2.6bn to 11.3bn, Halyk Group increased from T96.8bn to 124.2bn, Kaspi.kz from T74.7bn to 102.7bn, Kazakhtelecom Group including Kcell from T24.9bn to 29.2bn. Amid continued interest in nuclear power and rising prices for uranium futures, Kazatomprom's net profit for the first quarter increased to 62.1 billion tenge, up from 6.0 billion tenge in the same period last year. The net income in the first quarter, as well as at year-end, decreased by Kegok from KZT13.4bn to KZT8.5bn and by Kaztransoil from KZT16.7bn to KZT10.2bn.

On June 23 S&P Global Ratings affirmed its 'B-/B' long-term and short-term credit ratings on Freedom Holding Corp. and Freedom Finance JSC. June 27 Fitch Ratings affirmed KazTransOil's Long-term foreign currency Issuer Default Rating at 'BBB-', Outlook Stable. June 28 S&P Global Ratings affirmed Kaspi Bank's Long-term foreign currency Issuer Default Rating at 'BB-', Outlook Positive.

Overall, the dividend season, good quarterly reports and confirmation of stability by international rating agencies allowed KASE Index to break the negative trend and end the month with nine consecutive sessions of growth. The index closed up 0.5% at 2,674.72 points.

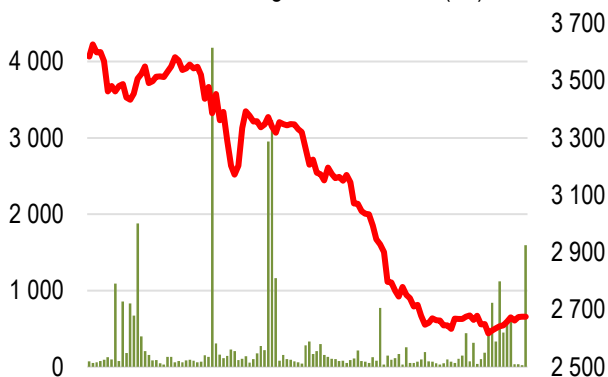
On KASE debt market, the rates remained fairly stable during the month. Last week, the Ministry of Finance placed two issues of treasury bills worth KZT43.8bn with yields to maturity of 13.62% per annum for 4.9 years and 14.5% per annum for 0.8 years.

On June 30, Akimat of North-Kazakhstan region raised KZT3.7 bn through placement of 1.75-year municipal bonds at KASE with a coupon rate of 4.25%. On July 1, 30-year bonds were additionally placed by Kazakhstan Housing Company, the volume of additionally placed amounted to KZT581.9 mln.

Meanwhile, annual inflation in Kazakhstan stood at 14.5% in June.

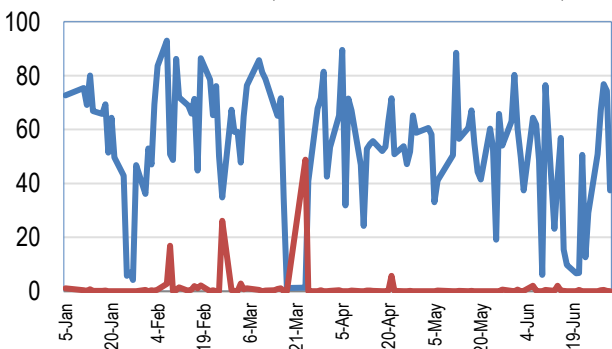
KASE Index shares

Trading volume, KZT M (←)



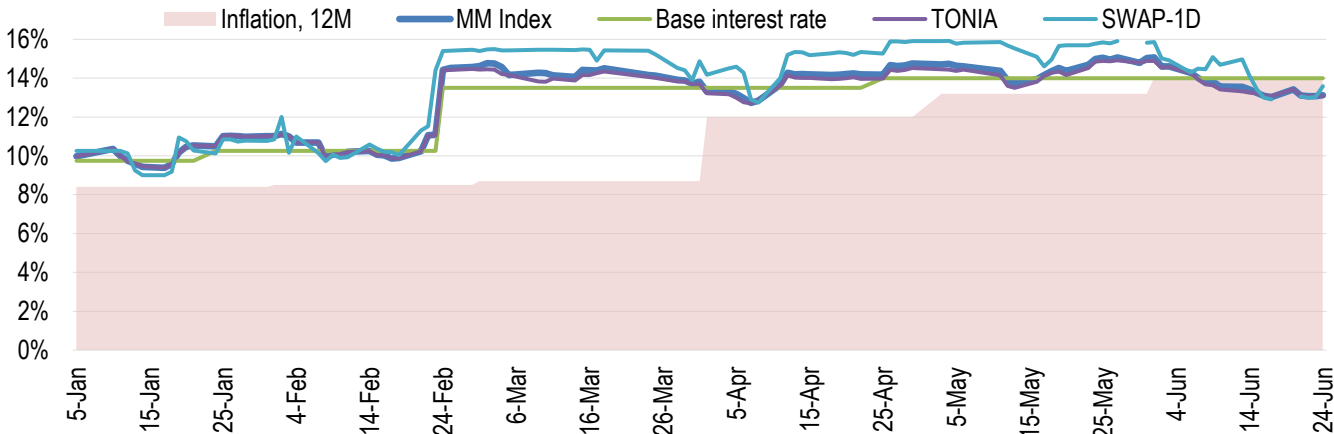
Retail investors & non-residents, %

Retail investors, % Non-residents, %

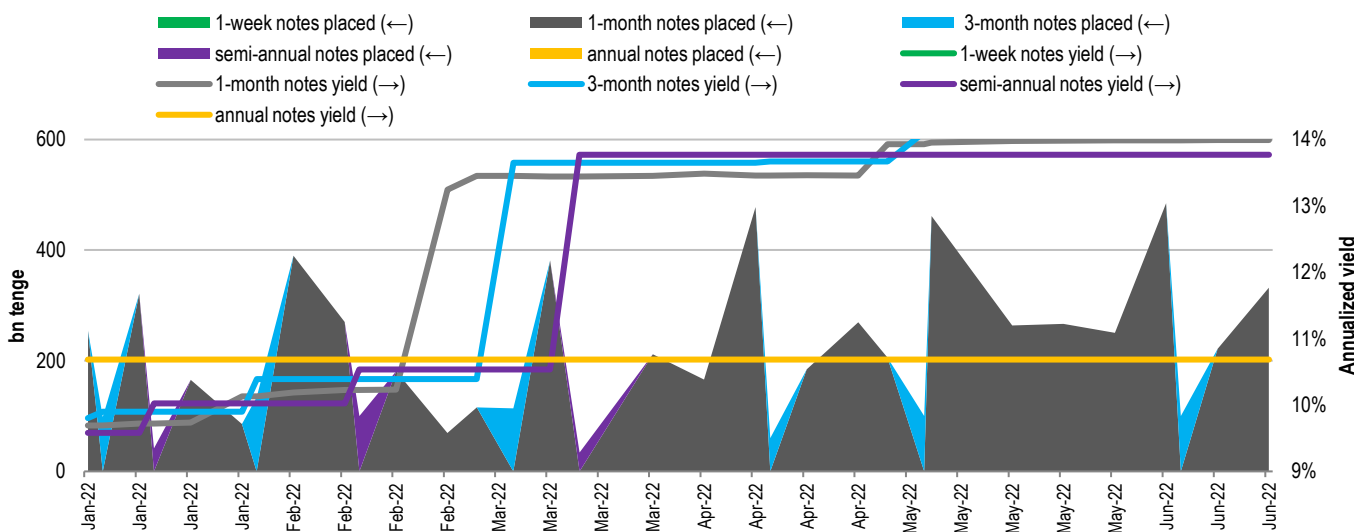


The yields of repo transactions in government securities (GS) for one day (TONIA) remained almost unchanged from June 27 to July 1 at 13.06% APR. The rate of borrowing KZT against USD for one day (SWAP-1D (USD)) increased from 13.58% APR to 14.23% APR during analyzed period.

Inflation and interest rates

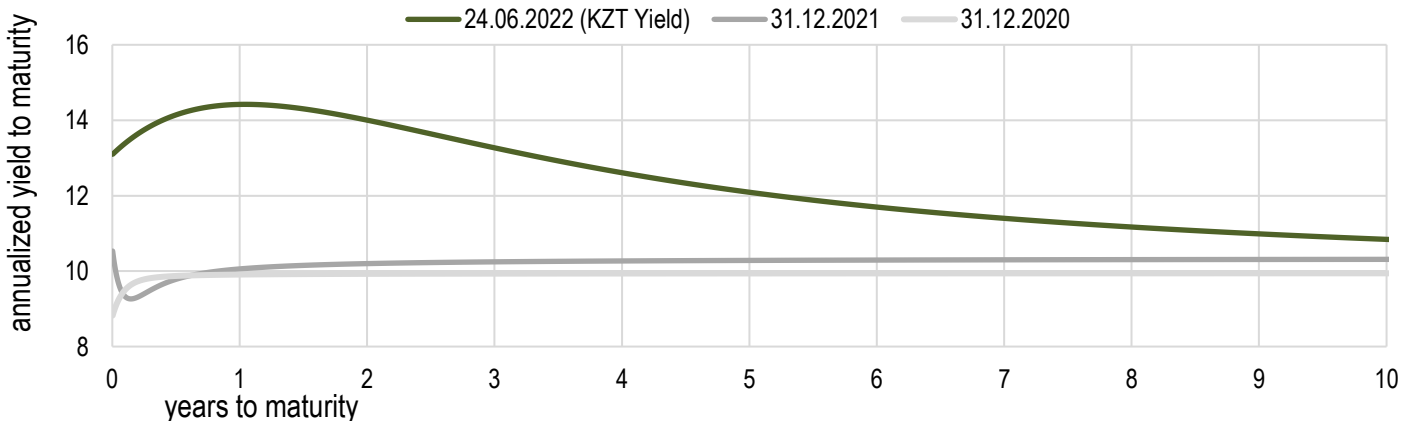


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)



In June, the tenge weakened to 470.24 tenge per dollar, or 13.3%. The average daily trading volume on the Kazakhstan Stock Exchange for the month fell from \$115m to \$96.4m. The average daily trading volume on the Kazakhstan Stock Exchange during the month declined from \$115m to \$96.4m. THE TOTAL TRADING VOLUME IN JUNE AMOUNTED TO KZT2.2 MILLION. Total trading volume in June amounted to \$2.1bn. US DOLLARS.

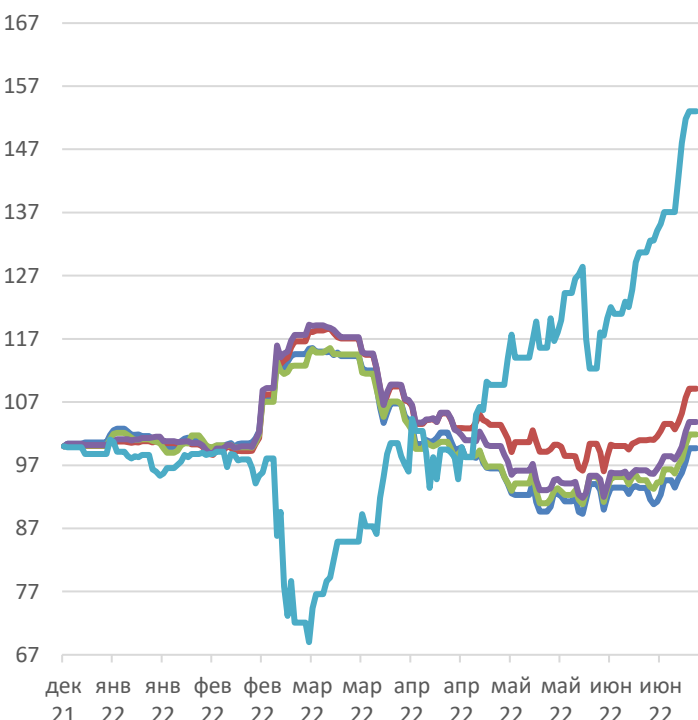
Despite favourable energy prices, the national currency weakened amid limited currency supply and a simultaneous increase in demand for currency. Lower currency supply is due to lower currency sales to exporters for tax payments, while higher demand is due to the start of dividend payments.

The foreign exchange market was supported by the sale of foreign exchange proceeds by quasi-state sector entities, which amounted to about USD 480.4 million. THE SALE OF FOREIGN EXCHANGE PROCEEDS BY QUASI-STATE SECTOR ENTITIES WAS SUPPORTED BY THE MARKET. In June, sales of foreign currency to secure transfers from the National Fund to the national budget amounted to USD 438.3 million. The share of sales from the National Fund was 20.7% of the total volume of trades.

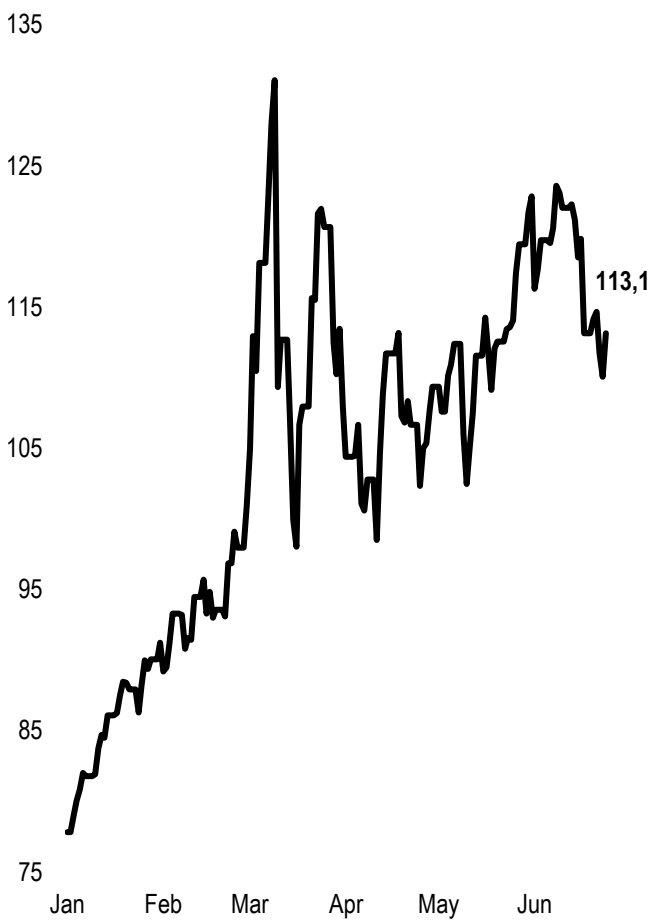
During June, the National Bank did not intervene in the domestic currency market, nor did it buy or sell foreign currency for pension assets of the Unified Accumulation Pension Fund and other funds under trust management.

In the short term, tenge volatility will depend on changes in the geopolitical environment, expectations of domestic actors and the situation on global markets.

FX rates



Brent oil USD/barrel



	Price	Δ 7d, %	Δ 30d, %	Δ 2022, %
— GBPKZT	579,07	5,34	8,87	-2,41
— USDKZT	470,90	5,38	11,49	7,68
— EURKZT	496,94	5,74	9,48	0,21
— CNYKZT	70,33	5,49	10,83	2,32
— RUBKZT	8,83	11,63	19,35	51,82

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	3 825,33	-2,2	-6,7	-11,4	-2,3
Dow Jones	31 097,26	-1,3	-5,2	-10,2	-1,4
RTS	1 276,55	-9,8	4,4	-22,9	-4,3
MICEX	2 285,53	0,0	0,0	0,0	-4,3
Hang Seng	21 859,79	0,6	2,7	-24,2	0,7
SS CSI 300	4 466,72	1,6	9,4	-14,6	1,7
Euro Stoxx 50	3 448,31	-2,4	-8,3	-15,5	-2,8
FTSEuroFirst	4 180,50	-2,0	-7,5	-6,5	-1,7
FTSE 100	7 168,65	-0,6	-4,8	0,6	-0,8
KASE	2 674,63	0,6	1,1	-19,0	

Commodities market

July 1, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	111,63	-1,3	-4,0	47,2
Oil (WTI)	108,43	0,8	-5,9	44,1
Natural gas	5,73	-7,9	-34,1	56,5
Copper	361,90	-3,2	-16,4	-14,7
Iron	852,50	1,2	-10,7	-36,7
Gold	1 811,43	-0,8	-1,9	1,9
Silver	19,60	-7,2	-10,6	-24,8
Wheat	831,25	-10,0	-20,2	26,2

Economic calendar

Currency Forecast Previous

06.07	Publication of FOMC minutes	USD		
07.07	Publication of ECB monetary policy meeting minutes	EUR		
07.07	Number of initial claims for unemployment benefits	USD	230K	231K
07.07	Crude oil reserves	USD	-0.569M	-2.762M
08.07	ECB President Lagarde to give a speech	EUR		
08.07	Unemployment rate (June)	USD	3.6%	3.6%
09.07	Consumer price index (CPI) (YoY) (June)	CNY	2.2%	2.1%

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 Previous month

Annual inflation	14,5%	01.07.22	14,0%
Gross international reserves of NBK, USD bn	32,8	01.06.22	33,4
Reserve money, KZT bn	9 875,0	01.06.22	9 968,0
Money supply, KZT bn	28 319,2	01.06.22	28 984,2

Kazakhstan credit ratings

Rating Date Previous

S&P Global

BBB-/A-3 stable 05.03.22 BBB-/stable

MOODY'S

Baa2/stable 11.08.21 Baa3/positive

FitchRatings

BBB/stable 17.06.22 BBB/stable

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Corporate Events Calendar of KASE listed Companies

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2. previous results do not necessarily affect the future results with the future estimations based on the assumptions that may not materialize. The value of any investment or income may go down and up, as a result the investors might not receive the entire invested amount back. For the investments in non-universally recognized markets, the investors may experience various difficulties, including selling them or obtaining the reliable information about their value or the risks involved;
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