

KASE WEEKLY

February 13–17
2023

KASE NEWS

- KASE [held](#) an award ceremony for the most distinguished members of the exchange based on the results of 2022.
- KASE [awarded](#) diplomas "For striving for transparency" to listed companies based on results of 2022.
- KASE [held](#) an award ceremony for the most active media representatives based on the results of 2022.
- Bonds [KZ2C00009322](#) (FIVEb4) of FIVE BROKERS' CAPITAL JSC and bonds [KZ2P00009277](#) (MFBLb1) of Birinshi Lombard LLP are included in KASE official list.
- Trades in common shares [US6541061031](#) (NIKE_KZ) of NIKE, Inc. are suspended at KASE.
- Trading in common shares [US4592001014](#) (IBM_KZ) of IBM corp., [US0255371017](#) (AEP_KZ) of American Electric Power Company, Inc., [US8552441094](#) (SBUX_KZ) of Starbucks Corporation, [US30231G1022](#) (XOM_KZ) of Exxon Mobil Corporation, international bonds [US912810FJ26](#) (US_04_2908) and [US91282CCT62](#) (US_09_2408) of the US Department of the Treasury resumed on KASE.
- Futures with settlement in February 2023 are [closed](#) on KASE.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 52.3 mln MEOKAM-24 of issue 87 ([KZK200000745](#), MOM024_0087) and 46.5 mln MEOKAM-60 of issue 54 ([KZK200000737](#), MOM060_0054).
- The Ministry of Finance of Kazakhstan raised KZT35.5 bn on KASE by placing METIKAM-96 of the first issue ([KZKT00000057](#), MTM096_0001).
- Development Bank of Kazakhstan JSC [raised](#) KZT15.0 bn on KASE via subscription by placing bonds KZ2C00009140 (BRKZb28) with yield to maturity of 0.50 % APR.
- MFO OnlineKazFinance JSC [raised](#) KZT922.4 mln on KASE via subscription by placing bonds KZ2P00008162 (MFOKb2) with weighted average yield to maturity of 22.75 % APR.
- Kazakhstan Sustainability Fund JSC [raised](#) KZT18.7 bn on KASE by placing bonds KZ2C00008720 (KFUSb42) with weighted average yield to maturity of 16.98 % APR.
- Freedom Holding Corp. [reports](#) financial results for the third quarter of fiscal year 2023.
- Freedom Holding Corp. [acquires](#) American investment bank Maxim Group LLC.



17.02.2023

KASE Index	3 382,79	Trends (%)	
		1,0	2,0
First class of liquidity	Price	Δ 7D	Δ 1M
Freedom Holding Corp.	73,55	15,2	13,7
AltynGold plc	947,08	7,6	8,9
American Airlines	17,28	6,0	- 5,8
Tesla, Inc.	218,99	4,8	62,3
АО "НК "КазМунайГаз"	10 000,00	3,7	4,6
АО Kaspi.kz	35 249,00	3,7	4,4
Apple Inc.	152,50	2,6	13,0
АО "Банк ЦентрКредит"	461,00	1,8	23,3
Intel Corporation	28,29	1,8	- 6,1
АО "Народный банк Казахстана"	127,99	0,8	0,1
АО "Баян Сулу"	441,51	0,7	-
АО "KEGOC"	1 619,96	0,2	- 0,0
NOSTRUM OIL & GAS PLC	22,44	-	- 5,3
АО "Банк ЦентрКредит"	628,02	- 0,0	- 0,9
АО "КазТрансОйл"	717,00	- 0,1	- 0,3
АО "Казакхтелеком"	29 400,00	- 0,3	3,0
АО "НАК "Казатомпром"	14 223,00	- 0,4	4,2
АО "Кселл"	1 773,95	- 0,8	1,7
АО "БАСТ"	9 300,00	- 0,9	- 9,7
АО "ForteBank"	4,25	- 1,2	- 5,1
Bank of America Corporation	35,36	- 1,3	0,6
Ford Motor Company	13,77	- 2,1	- 3,0
Advanced Micro Devices, Inc.	80,05	- 2,4	12,2

Note: Index stocks are highlighted in green

Last week, the value of KASE Index increased by 1 %, approaching the mark of 3,400 points. The main growth drivers were common shares of KazMunayGas and Kaspi.kz, which rose by 3.7 %. Growth was also shown by common shares of Halyk Bank – by 0.8 %, and KEGOC – by 0.2 %.

The value of the shares of the National company "KazMunayGas" rose during the week despite the downward dynamics of prices on the oil market. Since the date of the public offering in December last year, the shares of the oil and gas company have risen by 19 %.

Freedom Holding, which is listed on Kazakhstan Stock Exchange, announced that it is expanding its presence in the US market and acquiring US investment bank Maxim Group along with its subsidiary Maxim Financial Advisors.

The Group carries out investment banking, brokerage and analytical activities. The approximate value of the deal is about \$400 million.

Trades in common shares of the following corporations were resumed in the KASE Global sector: Starbucks, IBM, American Electric Power and Exxon Mobil. Trading was temporarily suspended due to register fixation for dividend payments. In total, there are 46 foreign shares and six ETFs of foreign issuers in the KASE Global sector.

On the debt capital market, Development Bank of Kazakhstan raised KZT15 bn via subscription on KASE by placing 12-year bonds. Microfinance organization OnlineKazFinance raised 922.4 million tenge by placing three-year bonds with a yield to maturity of 22.75 % per annum.

Kazakhstan Sustainability Fund placed one bond issue for the total amount of 18.7 billion tenge with a yield to maturity of 16.98 % per annum and a maturity of 1 year.

1-year bonds of FIVE BROKERS' CAPITAL and 2-year bonds of Birinshi Lombard are included in KASE official list's alternative market .

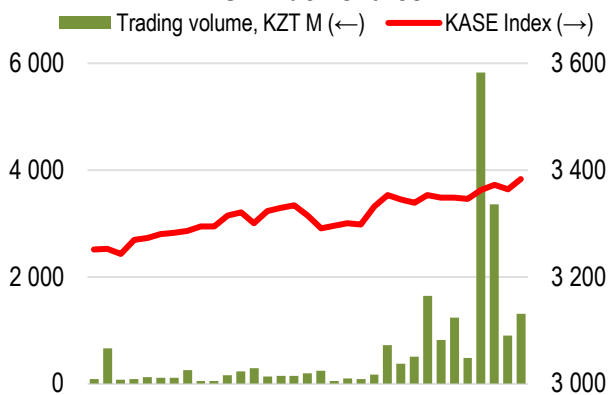
During the week, the coupon payment on their bonds was carried out by Samruk-Kazyna Fund, Development Bank of Kazakhstan, Kazakhstan Housing Company, Kazakhstan Sustainability Fund, Halyk Savings Bank of Kazakhstan, Jusan Bank.

On the government securities market, the Ministry of Finance placed three issues of treasury bonds for a total of 136.6 billion tenge with a term of 2 to 8 years and a yield of 15.87-17.28 % per annum.

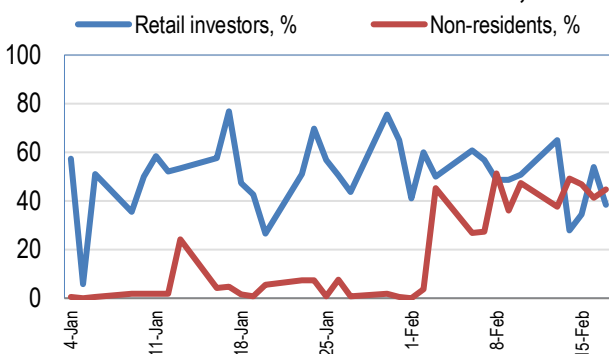
During the week, foreign markets came under pressure twice due to new data on inflation in the US. Despite the fact that consumer and industrial inflation in January was lower than in December, it turned out to be higher than analysts' forecasts. That is, inflationary processes in the US are slowing down, but the rate of slowdown is lower than economists' expectations.

On mixed news, the leading stock markets showed sideways dynamics; at the same time, investor surveys showed that fears prevail that the Federal Reserve's rate cut will be more than previously predicted. Against this background, the yield on 10-year US government bonds exceeded 3.8 % per annum, the DXY dollar index – above 104 points.

KASE Index shares

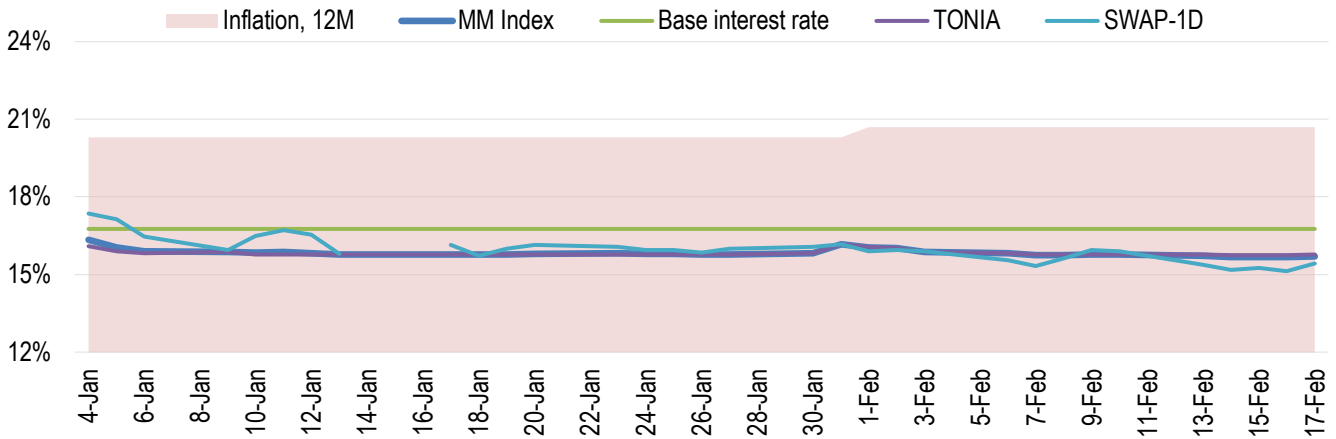


Retail investors & non-residents, %

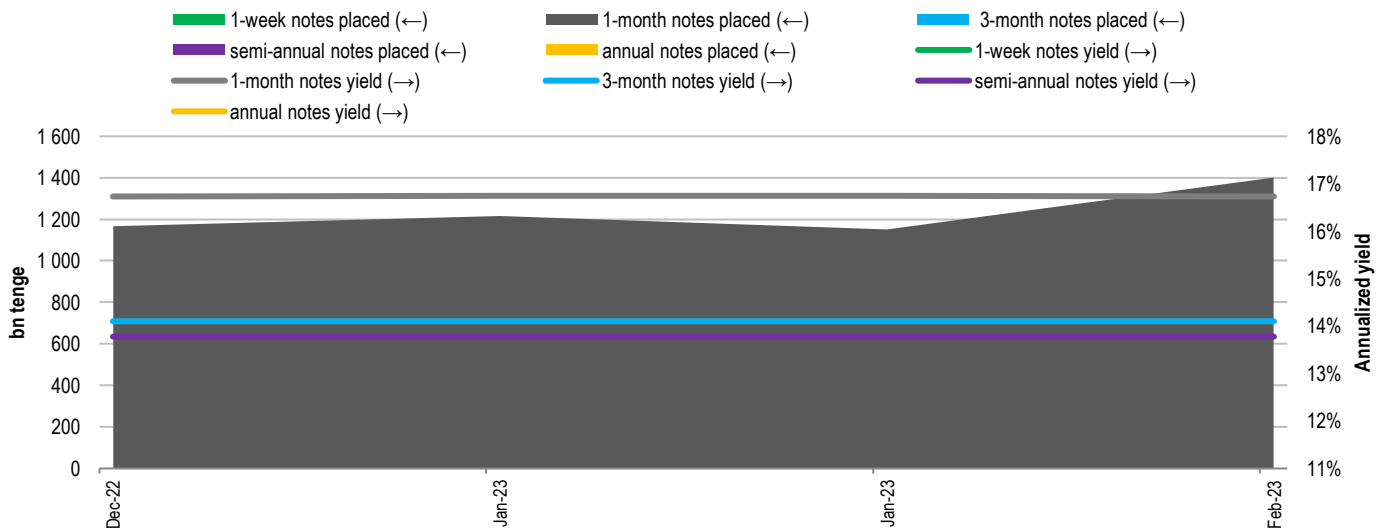


The yield of one-day REPO transactions with government securities (GS) (TONIA) from February 10 to February 17 did not change and amounted to 15.76 % per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) during the period under review decreased from 15.9 % to 15.44 %.

Inflation and interest rates

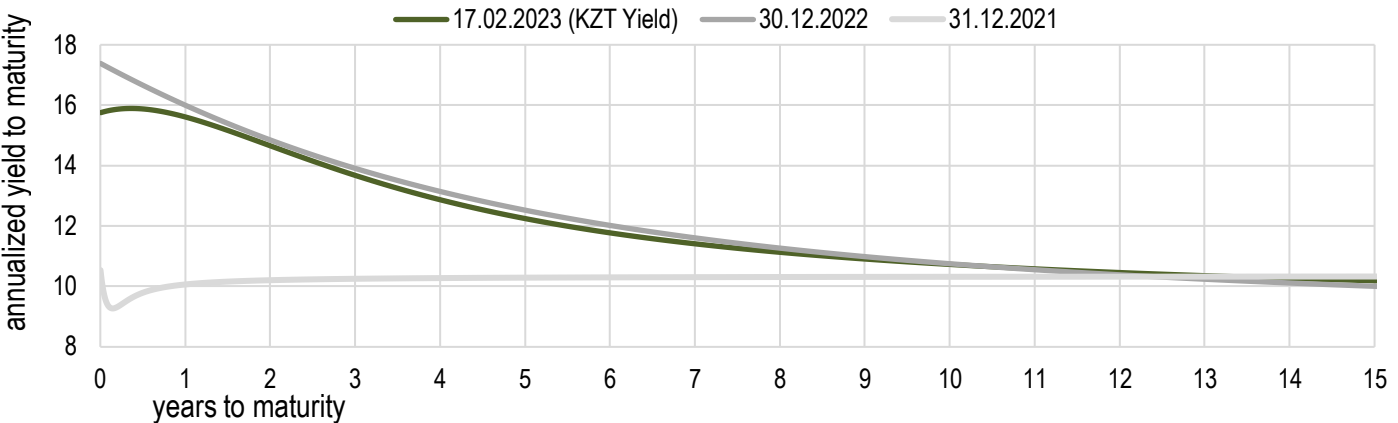


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





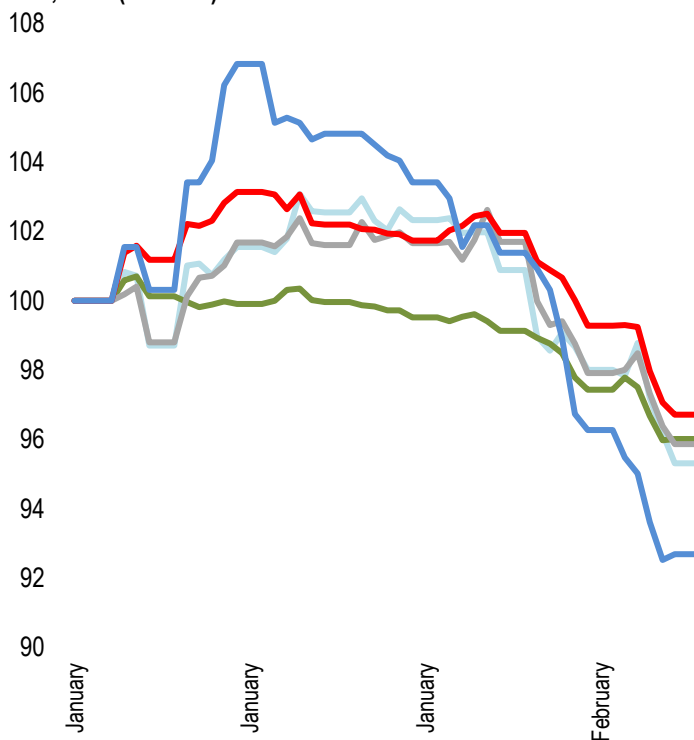
As a result of trades on February 17, the tenge market rate settled at the level of 444.23 tenge per US dollar, having strengthened by 1.5 % over the week (from 450.79). A number of significant events took place on the foreign exchange market from February 10 to February 17, 2023. Inflation in the US in January slowed down to 6.4 % y/y, but exceeded analysts' expectations. US retail sales rose 3 % m/m in January, the fastest pace since March 2021. Producer prices rose 0.7 % more than expected at the beginning of the year. Strong macroeconomic data in the US increased the likelihood of a longer hold by the US Fed rates at a high level. 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:

- the Mexican peso appreciated by 1.6 % (from 18.67 to 18.37). The high level of the base rate (11 %) and expectations of further tightening of the monetary policy contributed to the strengthening of the national currency of Mexico, despite the global strengthening of the US dollar;
- the Brazilian real appreciated by 1 % (from 5.21 to 5.16) amid softening of the President's rhetoric on the policy of the Central Bank, recovering from the weakening caused by reports that the head of state considers it necessary to increase the inflation target by 1 p.p. to secure a rate cut to 12 % by the end of the year;
- the Turkish lira weakened by 0.1 % (from 18.81 to 18.83). Trading in shares on the exchange was suspended until February 15 amid increased volatility due to a natural disaster in the country;
- the Indian rupee weakened by 0.4 % (from 82.51 to 82.83) against the background of the global strengthening of the US dollar. Inflation in India rose by 6.52 % y/y, above analysts' expectations;
- the Indonesian rupiah weakened by 0.5 % (from 15,134 to 15,210) amid negative risk sentiment and the outflow of non-residents from the debt market;
- the South African rand weakened by 1.1 % (from 17.86 to 18.06) amid reports from rating agencies Moody's and Fitch that power outages will negatively affect economic growth and socio-political stability of the country;
- The Russian ruble weakened by 1.2 % (from 73.39 to 74.29) amid sanctions reports and the introduction of a ceiling on prices for petroleum products and oil.

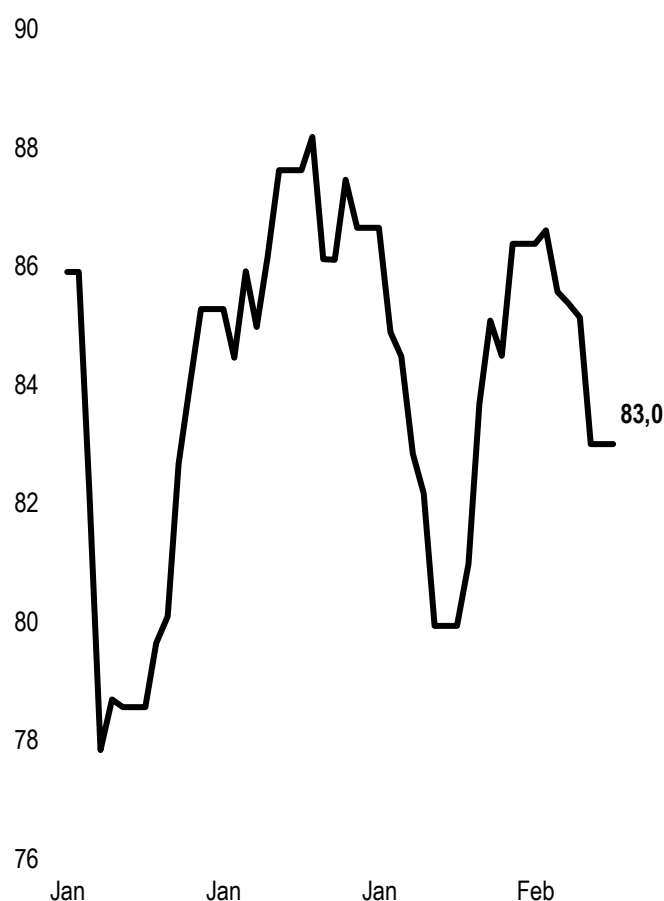
FX rates

Δ %, base (01.01.23)



	Price	Δ 7d, %	Δ 30d, %	Δ 2023, %
GBPKZT	530,46	-2,75	-5,51	-3,65
USDKZT	444,23	-1,46	-4,31	-3,66
EURKZT	472,48	-2,09	-5,36	-3,28
CNYKZT	64,54	-2,58	-5,43	-2,16
RUBKZT	5,96	-3,72	-12,11	-7,47

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	4 079,09	-0,3	3,8	-6,9	-0,3
Dow Jones	33 826,69	-0,1	1,6	-1,4	-0,1
RTS	920,19	-5,3	-8,6	-36,5	-4,8
MICEX	2 285,53	0,0	0,0	0,0	-4,8
Hang Seng	20 719,81	-2,2	-4,4	-16,4	-2,8
SS CSI 300	4 034,51	-1,7	-2,3	-12,8	-1,5
Euro Stoxx 50	4 274,92	1,8	2,4	3,9	1,8
FTSEuroFirst	4 932,50	1,6	1,7	3,6	1,7
FTSE 100	8 004,36	1,5	2,2	6,2	1,6
KASE	3 382,79	1,0	2,0	-4,5	

Commodities market

February 17, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	83,00	-3,9	-2,3	-10,7
Oil (WTI)	76,34	-4,2	-4,0	-16,8
Natural gas	2,28	-9,5	-31,3	-49,3
Copper	410,85	2,3	-3,0	-9,2
Iron	908,00	1,5	5,1	25,2
Gold	1 842,36	-1,2	-3,2	-3,0
Silver	21,72	-1,6	-8,2	-9,0
Wheat	765,50	-2,6	3,1	-4,1

Calendar of economic events

Currency

Forecast

Previous

20.02	<u>Base lending rate of the NBK</u>	CNY	3.65 %	3.65 %
21.02	<u>German Manufacturing PMI (Feb)</u>	EUR	47.8	47.3
22.02	<u>Publication of FOMC minutes</u>	USD		
23.02	<u>Consumer Price Index (CPI) (YoY) (Jan)</u>	EUR	8.6 %	8.5 %
23.02	<u>GDP (q/q) (Q4)</u>	USD	2.9 %	2.9 %
24.02	<u>German GDP (QoQ) (Q4)</u>	EUR	-0.2 %	-0.2 %
24.02	<u>Core Personal Consumption Expenditure Price Index (MoM) (Jan)</u>	USD	0.4 %	0.3 %

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	20,7%	01.02.23	20,3%
Gross international reserves of NBK, USD bn	36,7	01.02.23	35,1
Reserve money, KZT bn	11 707,1	01.02.23	11 874,4
Money supply, KZT bn	33 834,4	01.02.23	34 295,9

Kazakhstan credit ratings

Rating

Date

Previous

S&P Global

BBB-/A-3 negative

02.09.22

BBB-/A-3 stable

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

02.12.22

BBB/stable

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Corporate Events Calendar of KASE listed Companies

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1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors.
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.
3. report does not take into account the individual financial characteristics and aims of those receiving it.

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