

# KASE WEEKLY

May 29 – June 02  
2023

## KASE NEWS

- KASE [announces](#) the decisions of the annual general meeting of shareholders held on May 30, 2023.
- KASE [forms](#) the lists of securities of the first, second and third liquidity classes for June 2023.
- Bonds of two names [included](#) in the representative list of indexes of KASE\_BM\* series.
- From June 1, changes to [Specification](#) of futures for exchange rate of foreign currency to tenge come into effect.
- Social bonds [KZ2C00009769](#) (MFOk11) of Microfinance Organization OnlineKazFinance included in "bonds" category of KASE official list's alternative market.
- International bonds [US912797FG75](#) (US\_34\_2305) and [US9128284S60](#) (US\_36\_2305) of US Department of Treasury removed from KASE official list due to reaching maturity.
- Trades in bonds [KZ2C00008738](#) (KFUSb43) of Kazakhstan Sustainability Fund are opened at KASE.
- Bonds KZ2C00009397 (BRKZb29) of Development Bank of Kazakhstan JSC are included in the T+ List.

## ISSUER NEWS AND ANNOUNCEMENTS

- MFO OnlineKazFinance JSC [raised](#) KZT6.3 bn on KASE through subscription by placing bonds KZ2C00009769 (MFOk11) with yield to maturity of 21.50 % APR.
- Kazakhstan Sustainability Fund JSC [raised](#) KZT4.9 bn on KASE by placing bonds KZ2C00008738 (KFUSb43) with yield to maturity of 15.55 % APR.
- National Company "KazMunayGas" JSC [announces](#) financial results for the first quarter of 2023.
- KazTransOil JSC [announces](#) financial results for the first three months of 2023.
- KazTransOil JSC [announces](#) the approval of the tariff for the service of pumping oil for the purpose of export outside the Republic of Kazakhstan.
- Fitch [affirms](#) Kazakhstan at 'BBB' with a 'Stable' outlook.
- Life insurance company "Freedom Finance Life" [says](#) S&P Global Ratings upgraded the company's ratings; outlook "Stable".
- NC Kazakhstan temir zholy [says](#) S&P Global Ratings affirmed credit rating of the company; outlook "Stable".
- KEGOC [paid](#) dividends on common shares KZ1C00000959 (KEGC) for the second half of 2022.
- Samruk-Energy JSC [paid](#) dividends on ordinary shares for 2022.
- Zhaikmunai LLP [announced](#) the results of NOSTRUM OIL & GAS PLC for 2022.



02.06.2023

KASE Index	3 506,70	Trends (%)	
		-2,2	-1,7
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7D</b>	<b>Δ 1M</b>
Intel Corporation	31,54	14,7	4,4
Tesla, Inc.	202,00	6,9	17,5
Apple Inc.	180,00	4,0	6,4
AT&T Inc.	15,77	1,6	- 10,7
AO "KM GOLD"	146,00	0,7	- 2,7
AO "KEGOC"	1 577,00	0,3	- 1,6
AO "Банк ЦентрКредит"	681,98	0,3	- 1,7
AO "НАК "Казатомпром"	12 811,02	0,3	- 4,3
AO Kaspi.kz	36 711,28	0,1	- 4,7
Citigroup Inc.	441,52	-	0,0
Bank of America Corporation	28,05	- 0,1	- 4,0
Ford Motor Company	13,97	- 0,2	0,9
AO "Кселл"	1 889,00	- 0,3	0,5
Freedom Holding Corp.	79,45	- 0,7	7,4
AO "КазТрансОйл"	735,01	- 0,7	- 5,0
AO "Банк ЦентрКредит"	560,46	- 0,7	8,8
AO "ForteBank"	3,95	- 1,3	- 13,9
AO "БАСТ"	7 749,00	- 1,8	- 3,7
AltynGold plc	850,52	- 2,4	3,7
AO "Казахстанская фондовая биржа"	17 476,00	- 2,9	5,3
AO "НК "КазМунайГаз"	10 000,00	- 3,0	- 2,9
AO "Казакхтелеком"	30 400,00	- 4,1	- 0,3
AO "Народный банк Казахстана"	149,60	- 9,9	- 4,9

Note: Index stocks are highlighted in green

Fitch Ratings has affirmed Kazakhstan's rating at 'BBB' with a stable outlook. The ratings reflect strong fiscal and external balance sheets that have proven resilient to external shocks, as well as financial flexibility backed by accumulated savings from oil revenues.

NC Kazakhstan temir zholy announced that S&P Global Ratings affirmed the company's credit rating at 'BB' with a stable outlook.

May was the first month of the current year, following which KASE Index showed a decrease of 1.9 % in May. The negative correction is due to the post-dividend period. Halyk Bank announced the payment of dividends for 2022 in the amount of 25.38 tenge per ordinary share and became the leader in terms of dividend yield – about 17 % on the current price. In the second place in terms of dividend yield for the past year is KEGOC – more than 7 %. KEGOC paid dividends on ordinary shares for the second half of 2022 in the amount of 50.59 tenge per share for a total amount of 13.2 billion tenge.

As a result of last week, the value of KASE Index decreased by 2.2 %, dropping to the level of 3,507 points. In addition to the dividend gap of Halyk Bank, the decline in the Index was affected by the postponement by Kazakhtelecom shareholders of the decision on the procedure for distributing the company's net profit and the amount of dividends for 2022.

Growth last week was shown by shares of KEGOC, Kazatomprom and Bank CenterCredit, which grew by 0.3 %, as well as Kaspi.kz with a symbolic growth of 0.1 %.

The shareholders of Kazatomprom approved the procedure for distributing the company's consolidated net income for 2022, according to which 200 billion tenge will be used to pay dividends and the remaining 147 billion tenge will remain at the disposal of the company.

Kaspi.kz announced the publication of the audit report on the consolidated financial statements for 2022. According to the report, the net profit of Kaspi.kz increased by 35.3 % to 588.8 billion tenge.

The national company KazMunayGas reported financial results for the first quarter of 2023 compared to the first quarter of 2022: the company's net profit, taking into account the share in profit in jointly controlled enterprises and associates, decreased by 13.3 % to 288 billion tenge.

The oil market saw a downward trend last week due to concerns over the pace of China's recovery. As a result, the value of KazMunayGas shares decreased by 3 % over the week. Relative to the price of the IPO held six months ago, the growth of KazMunayGas shares by the end of last week amounted to 19 %.

KazTransOil announced its financial results for the first three months of 2023: the company's consolidated net profit amounted to 8.8 billion tenge, which is 13.6 % lower than the same indicator for the first three months of 2022. KazTransOil increased the tariff for pumping oil through main pipelines for export outside the Republic of Kazakhstan by 14.9 % to 10,150 tenge per 1 ton per 1,000 km without VAT.

The volume of trading in shares in the "KASE Global" sector for May amounted to 1.2 billion tenge or 2.7 million US dollars. Bank of America, Advanced Micro Devices and AT&T accounted for the largest trading volume during the period. At the same time, the price of shares of NVIDIA chip makers rose by 21.5 % over the month, and that of stocks of Advanced Micro Devices – by 13.7 %.

Among the main categories of investors on the "KASE Global" sector the largest share, as usual, fell on individuals – almost 56 %, the share of broker-dealer organizations accounted for almost 39 % of the total volume of transactions.

Two ETFs of foreign issuers iShares and Franklin Templeton Investments were included in the "KASE Global" sector in May. As a result, 58 foreign securities are currently traded in the sector: 44 shares and 14 ETFs.

On the debt market last week the microfinance organization "OnlineKazFinance" raised 6.3 billion tenge on KASE by placing two-year bonds at 21.5 % per annum.

Kazakhstan Sustainability Fund placed one issue of bonds in the amount of 4.9 billion tenge with a yield to maturity of 15.55 % per annum and with a maturity of one year.

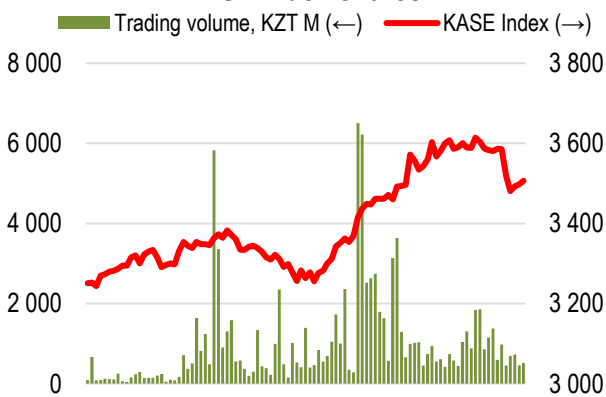
KEGOC, VTB Bank (Kazakhstan), Transtelecom, TechnoLeasing and other organizations reported on the payment of coupon interest on their bonds.

On the government securities market last week, the Ministry of Finance of Kazakhstan did not place treasury bills.

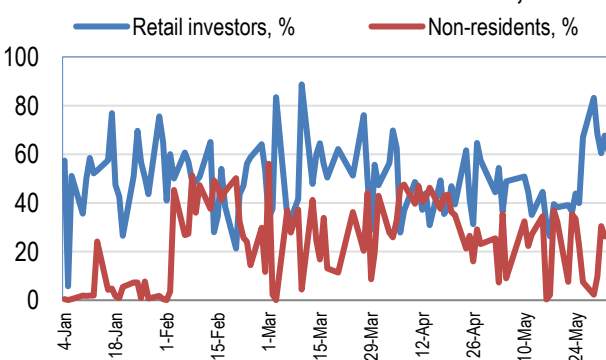
To world news. The United States once again avoided default – a bill to increase the limit on government borrowing was approved by both houses of the US Parliament. Positive statistics on the consumer confidence index and the situation on the US labor market came out this week. As a result, American stock markets were in a positive sideways trend.

The value of the index of business activity in the manufacturing sector of China for May was below the consensus forecast and the lowest this year. If the forecast estimated manufacturing activity above the neutral level of 50, then the actual value turned out to be below 50, which negatively affected the stock markets of China and Hong Kong.

## KASE Index shares

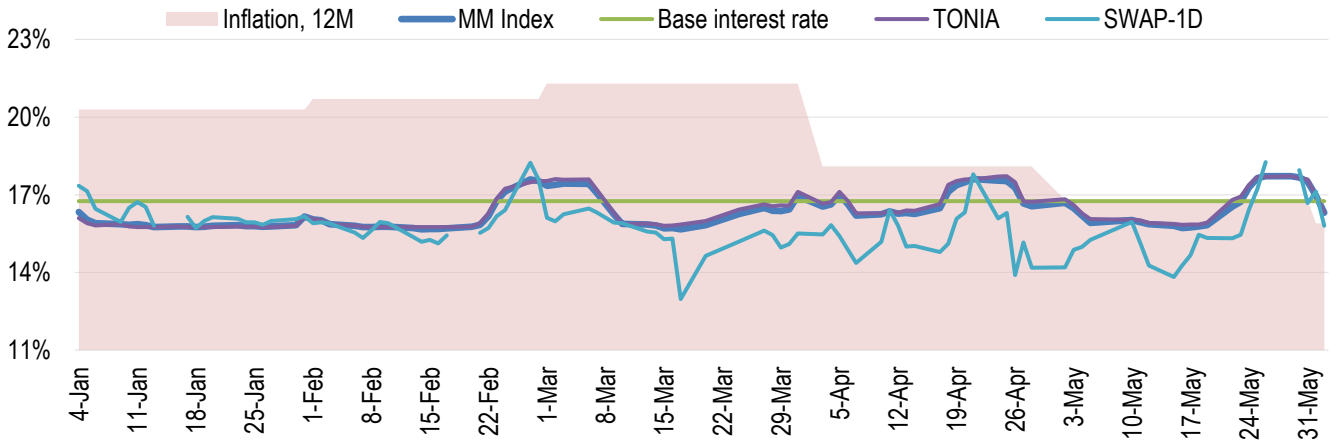


## Retail investors &amp; non-residents, %

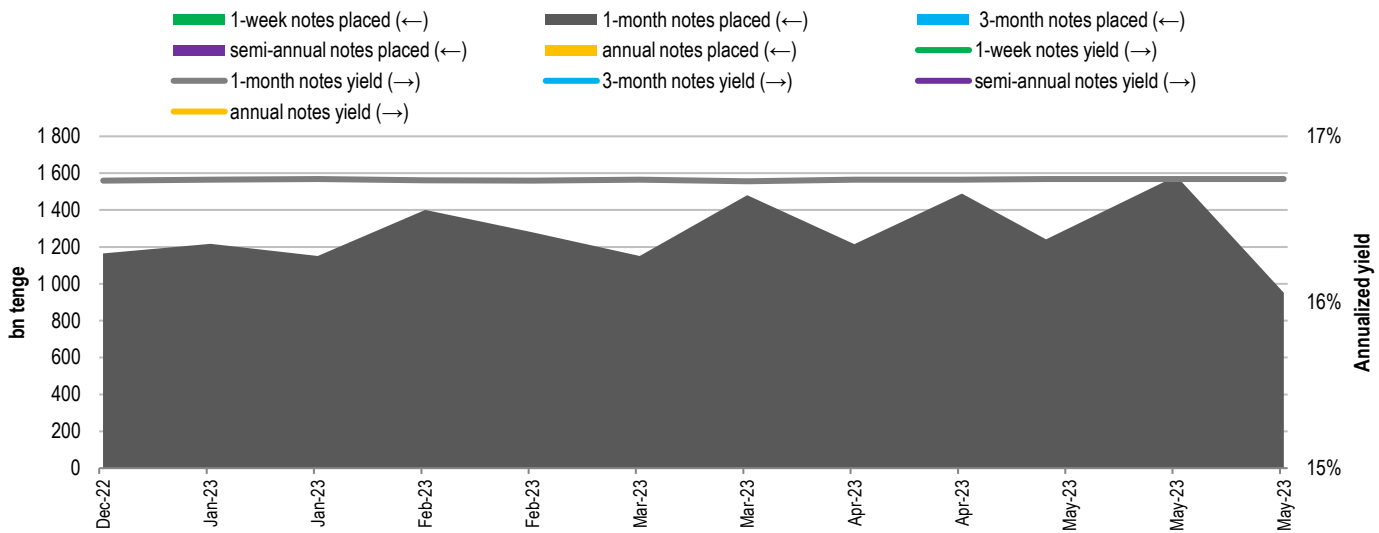


At KASE's money market, the overnight repo interest rate TONIA, as expected for the beginning of the month, decreased from the local maximum – the upper limit of the base rate corridor of 17.7 to 16.33 % per annum. The yield of the one-day currency swap operations in US dollars decreased over the week from a peak of 18.27 to 15.81 % per annum due to the recovery of short-term tenge liquidity in connection with the completion of the "big tax week".

### Inflation and interest rates

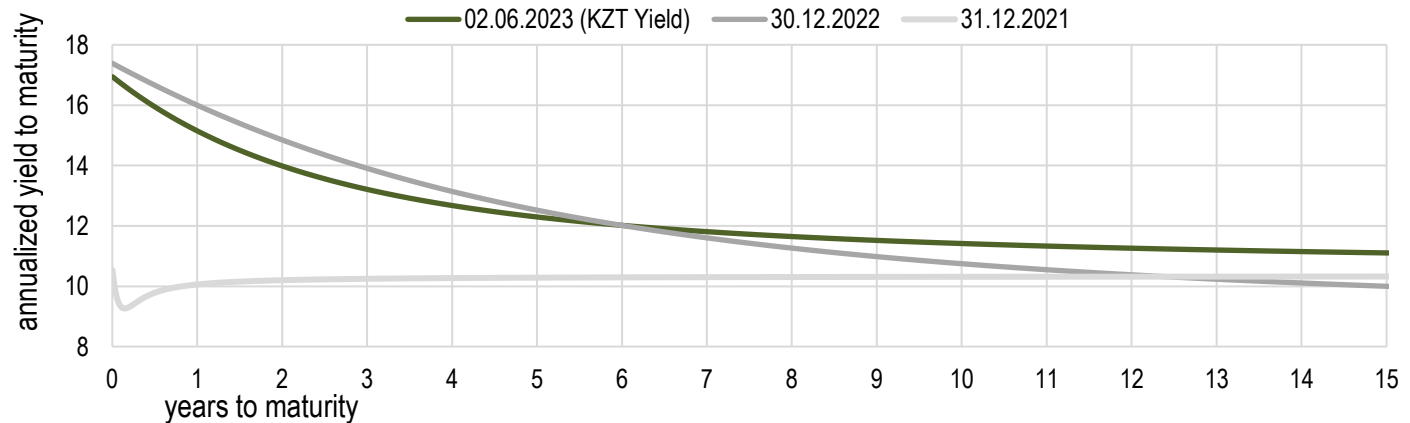


### Main Features of National Bank Notes Placements



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

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





As a result of May, the tenge appreciated by 1.2 % to 447.71 tenge per US dollar against the backdrop of a period of tax payments. The average daily trading volume on Kazakhstan Stock Exchange fell from \$152 million to \$144 million over the month. The total trading volume was \$2.9 billion. Sales of foreign exchange earnings by entities of the quasi-public sector during the past month amounted to about \$323 million. Companies of the quasi-public sector continue to independently sell on the foreign exchange market through second-tier banks.

Sales of foreign currency to ensure transfers from the National Fund to the republican budget in May amounted to 800 million US dollars. The share of sales from the National Fund amounted to 28 % of the total trading volume and no more than 40 million US dollars per day. When carrying out operations with the funds of the National Fund, the National Bank observes the principle of market neutrality. This implies regular and uniform sales of foreign currency. This practice allows minimizing the impact of the National Fund's operations on the foreign exchange market.

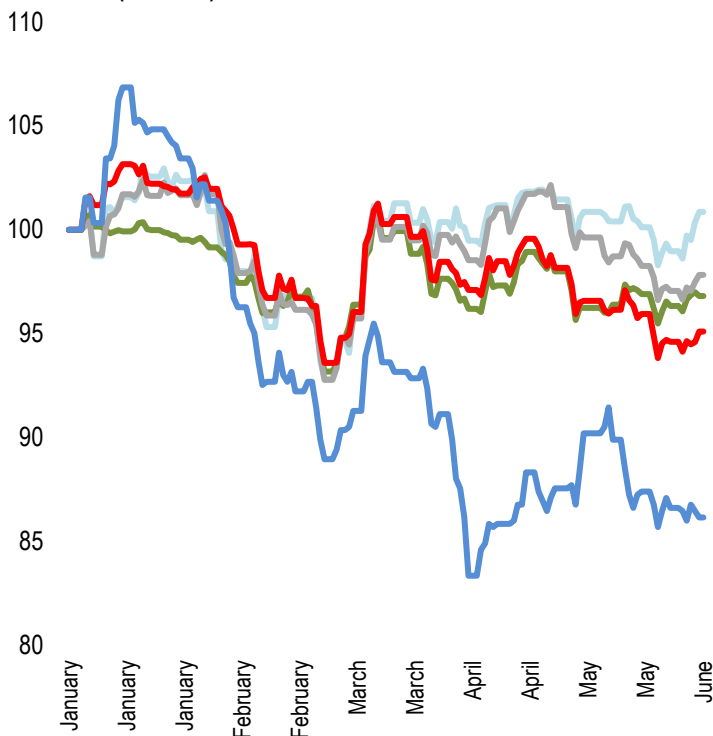
In order to maintain the foreign exchange share of UAPF pension assets at the level of 30 %, in May the National Bank continued to purchase foreign currency at exchange auctions, the total amount of which amounted to USD 240 million, or about 8 % of the total market volume.

The National Bank did not carry out foreign exchange interventions in May.

In June, the actual volume of sales from the National Fund will depend on the applications of the Ministry of Finance for the allocation of transfers to the republican budget. Based on the available forecast guidelines of the Ministry of Finance on the amounts of necessary transfers, the National Bank plans to sell foreign currency from the National Fund in the amount of 500 to 550 million US dollars in June. The purchase of foreign currency to maintain the foreign exchange share of UAPF pension assets in June is expected in the amount of 200 to 250 million US dollars.

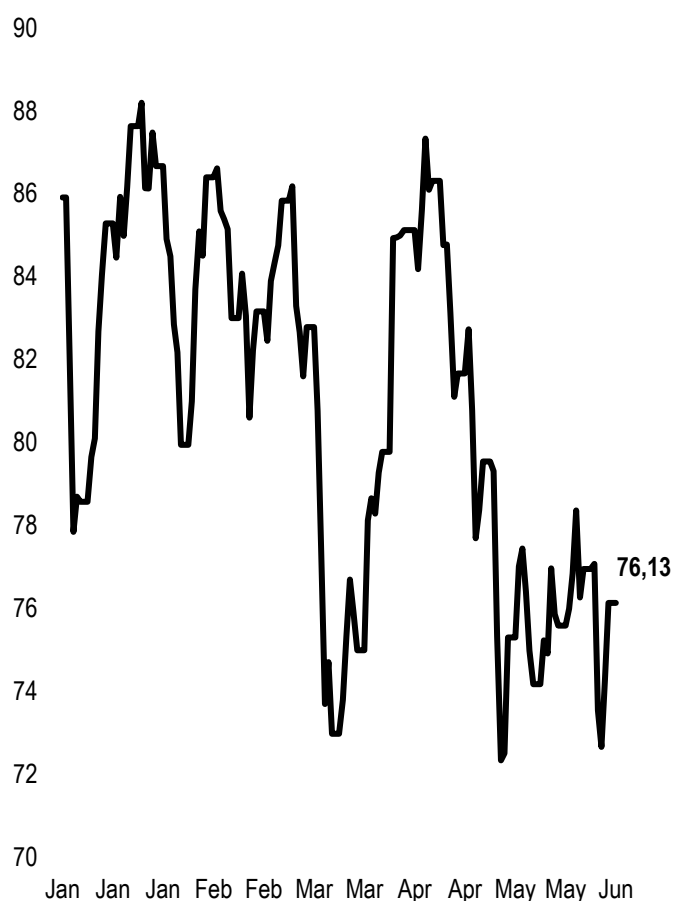
**FX rates**

Δ %, base (01.01.23)



**Brent oil**







USD/barrel



	Price	Δ 7d, %	Δ 30d, %	Δ 2023, %
— GBPKZT	561,31	1,90	-0,19	0,36
— USDKZT	447,90	0,50	-0,10	-3,01
— EURKZT	482,16	0,80	-2,32	-2,52
— CNYKZT	63,46	0,52	-2,88	-5,41
— RUBKZT	5,54	-0,54	-1,42	-13,53

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	4 282,37	1,8	4,7	2,5	1,8
Dow Jones	33 762,76	2,0	1,0	1,5	2,1
 RTS	1 051,53	-0,4	4,3	-12,1	0,0
MICEX	2 285,53	0,0	0,0	0,0	0,0
 Hang Seng	18 949,94	1,1	-3,8	-10,1	1,0
SS CSI 300	3 861,83	0,3	-4,2	-5,6	0,4
 Euro Stoxx 50	4 323,52	-0,3	0,3	13,9	-0,2
FTSEuroFirst	4 869,50	0,2	0,0	7,2	-0,1
 FTSE 100	7 607,28	-0,3	-2,3	1,0	-0,2
 KASE	3 506,70	-2,2	-1,7	32,6	

## Commodities market

June 2, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	76,13	-1,1	5,3	-35,3
Oil (WTI)	71,74	-1,3	4,6	-38,6
Natural gas	2,17	-0,4	0,1	-74,4
Copper	372,75	1,5	-2,7	-18,1
Iron	818,50	6,2	-3,7	-12,9
Gold	1 947,97	0,1	-3,8	4,2
Silver	23,75	2,2	-6,8	6,6
Wheat	619,00	0,5	-1,2	-41,5

## Calendar of economic events

Currency Forecast Previous

05.06	<u>Composite PMI ( May)</u>	GBP	53.9	54.9
05.06	<u>President Lagarde to give a speech</u>	EUR		
05.06	<u>Services PMI (May)</u>	USD	55.1	53.6
05.06	<u>ISM Non-Manufacturing Purchasing Managers Index (May)</u>	USD	51.8	51.9
08.06	<u>GDP (q/q) (Q1)</u>	JPY	0.4 %	0.4 %
08.06	<u>Number of Initial Claims for Unemployment Benefits</u>	USD	238K	232K
09.06	<u>Interest Rate Decision (May)</u>	RUB	7.50 %	7.50 %

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	15,9%	01.06.23	16,8%
Gross international reserves of NBK, USD bn	37,6	01.05.23	36,1
Reserve money, KZT bn	9 854,4	01.05.23	10 284,5
Money supply, KZT bn	33 644,4	01.05.23	33 902,1

## Kazakhstan credit ratings

Rating Date Previous

S&amp;P Global

BBB-/A-3 stable 03.03.23 BBB-/A-3 negative

MOODY'S

Baa2/stable 11.08.21 Baa3/positive

FitchRatings

BBB/stable 26.05.23 BBB/stable

# CONTACT INFORMATION



**Address:** Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

**Tel.:** +7 (727) 237 53 00



**Corporate website**



**Contact us**



**Corporate Events Calendar of KASE listed Companies**

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