

## PRESS RELEASE

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### **KASE presents performance of the exchange market in August 2022**

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) informs you about the main results of its activities in August 2022:

- The total trading volume on KASE in August 2022 amounted to 20.7 tln tenge having increased by 31.5 %, or 5.0 tln tenge, compared to July.
- Based on results of August, the value of KASE Index increased by 6.7 % to 3,150.51 points.
- Based on results of August, the capitalization of the stock market increased by 3.9 % to 22.7 tln tenge, the volume of traded corporate debt decreased by 0.7% to 15.3 tln tenge.
- As of September 1, 2022, non-government securities of 578 titles of 237 issuers were in the KASE trading lists.
- As of September 1, 2022, the Central Securities Depository maintained 404,459 personal accounts opened for 378,264 individuals. According to the results of August, individuals registered 21,487 new personal accounts.

#### **KEY PROJECTS AND EVENTS**

- KASE held a webinar for novice retail investors "Fundamentals of Investment Literacy".
- As part of the Issuer Day project, KASE held an online meeting with executives of Kazakhtelecom JSC on the topic: "Results of the 1st half of 2022".
- The Exchange hosted KASE Talks on the topic "New opportunities for retail banking clients". The guest of the cycle was Galim Khussainov, Chairman of the Management Board of Bank CenterCredit JSC (BCC).
- KASE held a training webinar for listed companies on the topic "ESG in corporate governance". The experts spoke about the practice of applying the principles of ESG, about corporate risks associated with ESG, and about sustainability as the basis of corporate strategy.
- KASE held a webinar for beginners and existing investors "Pro IPO: what you need to know and how to participate".

#### **STOCK MARKET**

At the end of August 2022, capitalization of the stock market amounted to 22.7 tln tenge (48.4 bn USD), which is 0.9 tln tenge, or 3.9 %, higher than the same indicator of the previous month. The bulk of the growth came from index companies due to adjustments in their stock prices.

As of the end of August, shares of 120 titles of 105 issuers were listed on KASE, of which shares of four titles of four issuers were admitted to circulation in the "Unlisted securities" sector. In the reporting month, common shares of Eurasian Financial Company JSC are included in the "standard" category of

KASE official list's main market, common shares of Kokshe JSC are admitted to circulation in the Unlisted securities sector.

The volume of trading in shares in August amounted to 7.8 bn tenge, having increased by 12.6 %, or 0.9 bn tenge. At the same time, the entire trading volume fell on the secondary market, having increased by 31.1%, or 1.9 bn tenge, since July. The number of transactions increased by 31.4 % to 24,407. The average daily trading volume amounted to KZT356.3 mln, the average daily number of deals – 1,109, the average volume of one deal – KZT321.2 th.

Among the main categories of investors, the share of individuals accounted for 37.2 % of the total volume of transactions with shares. The share of broker-dealers was 8.8 %. Other institutional investors accounted for 17.7 %, other legal entities – for 36.2 %. Participation of non-residents is estimated at 0.5 %.

## KASE INDEX

The value of KASE Index in August increased by 6.7% and by the end of the month made up 3,150.51 points. Half of the companies in the index basket showed growth of 10 percent or more, the growth drivers were companies in the financial sector.

The volume of transactions with index shares in August 2022 amounted to 6.4 bn tenge, which is by 3.9 bn tenge more than in July 2022. The largest volume of trades fell on common shares of Kcell JSC – 2.0 bn tenge (30.4% of the total volume of trades with index shares).

Issuer	Ticker	Price, tenge per share			Trading volume, mln tenge		
		as of 01.09.22	as of 01.08.22	Δ, %	August	July	Δ
Halyk Savings Bank of Kazakhstan JSC	HSBK	128.97	112.05	+ 15.1	1,509.2	286.5	+1,222.7
Kcell JSC	KCEL	1,649.00	1,450.00	+ 13.7	1,958.1	322.9	+ 1,635.2
Bank CenterCredit JSC	CCBN	527.00	471.99	+ 11.7	1,937.4	911.0	+ 1,026.4
Kaspi.kz JSC	KSPI	28,118.00	25,548.00	+ 10.1	342.5	361.7	-19.2
National Atomic Company Kazatomprom JSC	KZAP	14,987.00	14,620.00	+ 2.5	381.4	451.9	-70.5
Kazakhtelecom JSC	KZTK	28,100.00	27,900.00	+ 0.7	138.0	35.1	+102.8
KEGOC JSC	KEGC	1,592.50	1,597.00	-0.3	53.2	52.6	+ 0.6
KazTransOil JSC	KZTO	757.00	821.00	-7.8	116.5	124.1	-7.6

The largest growth - by 15.1% - was shown by shares of Halyk Savings Bank of Kazakhstan JSC. The bank published a report on the results of the half year, according to which net income amounted to 281 bn tenge, which is 24.8 % higher than the same period last year.

The second place in terms of growth was occupied by shares of Kcell JSC, which grew in price by 13.7% over the month. We remind you that on July 26, as part of the Issuer Day at KASE, the company announced that the company's net profit grew by 23.9 % to KZT19.4 bn.

The third place is occupied by shares of Bank CenterCredit JSC with the result of +11.7%. According to the bank's statements, its net profit in the first half of the year amounted to 78.6 bn tenge, while the same indicator of the previous year was 4.7 bn tenge.

Shares of Kaspi.kz JSC rose in August by 10.1 %. Shareholders of Kaspi.kz JSC decided to pay dividends for the second quarter in the amount of 500 tenge per ordinary share from August 24.

Shares of National Atomic Company Kazatomprom JSC showed an increase of 2.5 %. The company published financial results on August 19. The company's net profit amounted to 167.4 bn tenge in the first half of 2022 against 58.1 bn tenge in the first half of 2021. The almost three-fold increase in net profit reflects, among other things, a significant improvement in the uranium market over the year.

## "KASE GLOBAL" SECTOR

As of the end of August, there were 46 shares and six ETFs of foreign issuers in the KASE Global sector: Van Eck Associates Corporation, BlackRock Fund Advisors, Global X Management Company LLC and State Street Global Advisors.

During the reporting month 2,131 deals were made in the "KASE Global" sector for a total of KZT739.7 mln. Relative to July, the trading volume increased by 53.4 %, or KZT257.4 mln, the number of deals – by 45.3 %. The average daily trading volume amounted to KZT33.6 mln, the average daily number of deals – 97, the average volume of one deal – KZT347.1 th.

At the end of the month, the largest volume of transactions fell on the following shares:

- US67066G1040 (NVDA\_KZ) of NVIDIA Corp. – 106 deals for a total of KZT123.9 mln;
- US0079031078 (AMD\_KZ) of Advanced Micro Devices, Inc. – 138 deals for a total of KZT114.0 mln;
- US70450Y1038 (PYPL\_KZ) of PayPal Holdings Inc. – 87 deals for a total of KZT88.9 mln.

Among the main categories of investors, the largest share fell on individuals – 52.7 %. The share of broker-dealers accounted for 43.4 % of the total volume of transactions with shares. The share of other legal entities accounted for 4.0 %. Participation of non-residents was 1.4 %.

## CORPORATE BONDS

The volume of outstanding corporate debt in August 2022 decreased by 0.7 %, or 115.1 bn tenge, to 15.3 tln tenge (32.7 bn USD).

As of the end of August 2022, corporate bonds of 333 issues of 84 issuers were on KASE official list. In August 2022, ten issues of bonds of seven issuers (two new ones) were included in KASE official list: **Almaty Logistic Center LLP, Avesta-Karaganda LLP**, Bank CenterCredit JSC, FIVE BROKERS' CAPITAL JSC – one bond issue each, Microfinance Organization "R-Finance" LLP, two issues of bonds of Leasing Group JSC and three issues of Microfinance Organization OnlineKazFinance LLP. In August 2022, one bond issue of FIVE BROKERS' CAPITAL JSC, one of Microfinance Organization OnlineKazFinance LLP, one of Samruk-Energy JSC and two issues of bonds of Kazakhstan Sustainability Fund JSC were excluded from KASE official list due to the expiration of the circulation period.

The value of the yield index of corporate bonds KASE\_BMY in August 2022 increased by 1 basis point to 11.62 % per annum.

The volume of trades in corporate bonds on KASE decreased relative to July by 60.2 %, or KZT143.3 bn, to KZT94.7 bn. The average daily trading volume amounted to 4.3 bn tenge (in the secondary market – 2.6 bn tenge), the average daily number of transactions – 63 (in the secondary market – 62 transactions), the average volume of one transaction – 68.8 mln tenge (in the secondary market – 41.6 mln tenge).

In August 2022, the volume of the corporate bonds primary market amounted to 38.3 bn tenge, which is by 77.9 %, or 135.2 bn tenge, lower than in July 2022:

- Kazakhstan Sustainability Fund JSC raised 18.2 bn tenge by placing two issues of bonds with a yield to maturity of 15.30-15.45 % per annum with a maturity of one year;
- KazAgroFinance JSC raised 20.1 bn tenge by placing bonds with a yield to maturity of 16.85 % per annum and a maturity of 7.0 years.

In terms of the main categories of investors in the primary corporate bond market, the share of banks amounted to 42.4 %, broker-dealers – to 5.7 %, that of other institutional investors – to 15.4 %, that of other legal entities – to 36.4 %, that individuals – to less than 0.1 %. The share of non-residents was 25.3 %.

The volume of trading in the secondary bond market compared to July 2022 decreased by 12.4 %, or by 8.0 bn tenge, to 56.5 bn tenge.

In terms of the main categories of investors in the secondary corporate bond market, the share of banks amounted to 4.5 %, that of broker-dealer organizations – to 12.1 %, that of other institutional investors – to 17.9 %, that of other legal entities – to 58.6 %, the share of individuals – to 6.9 %. The share of non-residents was 5.3 %.

## **GOVERNMENT SECURITIES (GS)**

The amount of government debt at face value, traded on KASE, amounted to 19.4 tln tenge (41.4 bn USD), having increased by 2.6 %, or 495.2 bn tenge in July.

The total volume of trades in GS on KASE amounted to KZT645.2 bn having increased by 0.8 %, or KZT5.4 bn, relative to July. Based on results of August 2022, the average daily trading volume amounted to 29.3 bn tenge (in the secondary market – 7.9 bn tenge), the average daily number of transactions was 16 (in the secondary market – 11), the average volume of one transaction was 1.9 bn tenge ( in the secondary market – 0.7 bn tenge).

The volume of trades in the primary GS market decreased by 15.9 %, or by KZT89.1 bn, to KZT470.8 bn. Of these, 721.3 mln tenge were raised by the akimdik of Kyzylorda region at 4.24% per annum (in order to finance the construction of credit housing under the Shanyrak pilot project). The Ministry of Finance raised 470.1 bn tenge with an average weighted yield of 13.85-14.79% per annum (at 13.85-15.07% per annum), placing bonds with a maturity of one to 5 years.

In terms of the main categories of investors in the primary market, banks accounted for 28.8 %, broker-dealers – for 0.2 %, other institutional investors – for 68.7 %, the share of other legal entities was 2.2 %. Non-residents did not take part in the primary GS market.

The trading volume in the secondary market increased 2.2 times, or by 94.5 bn tenge having amounted to 174.4 bn tenge. The share of trades in the notes of the National Bank in the secondary market amounted to 21.1%, or KZT36.8 bn, of the total trading volume, the share of MEKAM was 77.4 % or KZT135.0 bn, the share of Eurobonds of the Republic of Kazakhstan was 1.4%, or 2.4 bn tenge. The rest of the volume, amounting to 0.2% (0.3 bn tenge), fell on transactions with government securities of foreign countries (bonds of the US Department of Treasury, the Republic of Türkiye and the Sultanate of Oman).

In terms of the main categories of investors in the secondary market, the share of banks accounted for 51.4 %, the share of broker-dealers – for 0.1 %, the share of other institutional investors – for 32.3 %, the share of other legal entities – for 16.1 %, for the share of individuals – for 0.1 %. Participation of non-residents is estimated at 0.1 %.

## **BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFOs)**

As of the end of August, there were bonds of 41 issues of four international financial organizations on KASE trading lists: Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.

In August 2022, one issue of bonds of Asian Development Bank, Eurasian Development Bank and International Finance Corporation were included in KASE official list. In August, one issue of bonds of Asian Development Bank was excluded from the "Securities of international financial organizations" sector due to their early redemption and one issue of bonds of Eurasian Development Bank due to the expiration of the circulation period.

The volume of trading in bonds of international financial organizations increased by 7.8 times, or by 19.1 bn tenge, having amounted to 21.9 bn tenge. The average daily trading volume amounted to KZT1.0 bn., the average daily number of deals – 2 deals, the average volume of one deal – KZT521.4 mln.

In the primary market, the trading volume amounted to 20.0 bn tenge:

- Asian Development Bank raised 6.5 bn tenge by placing three-year international bonds with a yield to maturity of 14.15 % per annum;
- Eurasian Development Bank raised 13.5 bn tenge by placing two-year bonds at 15.00 % per annum.

In terms of the main categories of investors in the primary market, the share of banks was 67.6 %, that of other institutional investors - 2.4 %, that of other legal entities - 30.0 %. Non-residents did not participate in the primary IFO market.

In August 2022, the trading volume on the secondary market decreased by 31.4% or 0.9 bn tenge having made up 1.9 bn tenge. The average daily trading volume in the secondary market amounted to KZT87.3 mln, the average daily number of deals was 2, the average volume of one deal – KZT53.4 mln.

In terms of the main categories of investors in the secondary market of bonds of international financial organizations, broker-dealers accounted for 23.0 %, other legal entities – for 56.8 %, accounts of individuals – for 20.1 %. Participation of non-residents is estimated at 21.3 %.

## **UNITS OF INVESTMENT FUNDS**

As of September 1, 2022, there were 21 instruments of unit investment trusts managed by seven management companies and six ETFs in the "Securities of investment funds" sector.

In the month under review, the trading volume amounted to KZT1.0 bn, having increased by 27.5 %, or KZT0.2 bn, compared to July 2022. In terms of the main categories of investors, individuals accounted for 14.8 %, broker-dealer organizations – for 7.9 %, other institutional investors – for 7.9 %, other legal entities – for 69.4 %. The share of non-residents was 0.7 %.

## **DERIVATIVE SECURITIES**

As of September 1, 2022, KASE official list contained global depositary receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC, Kaspi.kz JSC, Kaspi.kz JSC, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in July 2022 amounted to 143.0 mln tenge and decreased compared to June 2022 by 70.6 %, or 344.3 mln tenge. In terms of the main categories of investors, individuals accounted for 17.2 %, broker-dealer organizations – for 49.4 %, other legal entities – for 33.4 %. The share of non-residents was 0.5 %.

## **ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET**

As of September 1, 2022, the Central Securities Depository maintained 404,459 personal accounts opened for 378,264 individuals. According to the results of July, individuals registered 21,487 new personal accounts.

## **FOREIGN CURRENCY MARKET**

In August of the current year, 28 KASE members took part in trades on KASE's foreign currency market.

The volume of trading in the foreign exchange market increased by 0.9 % to 1.5 tln tenge compared to July. The average daily trading volume decreased from 75.9 to 69.6 bn tenge, the average daily number of deals increased from 320 to 346, respectively, the average volume of one deal decreased from 237.3 to 201.1 mln tenge.

The table below shows the main characteristics of the currency pairs traded on KASE (in parentheses is the change in the indicator against the previous month, the change in the exchange rate reflects the nominal change in the weighted average exchange rate of foreign currency against the tenge).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of transactions	Min. and max. rates, number of quoted currency per unit. basic	Course at the end of the month (change %)
USD/KZT	2,323.80 (-11.8%)	71.9 % (-10.9 %)	5,486 (-13)	458.00 – 480.50	472.29 (-1.0 %)
RUB/KZT	18,849.70 (+10.3%)	9.7 % (+0.6 %)	761 (+140)	7.7200 – 8.0331	7.8560 (-0.2 %)
CNY/KZT	863.80 (-47.0%)	4.0 % (-3.6 %)	203 (-61)	67.0000 – 71.1000	68.2225 (-3.6 %)
EUR/KZT	148.48 (+422 times)	4.7 % (+4.7 %)	751 (+746)	462.85 – 493.41	473.94 (-3.5 %)
EUR/USD	318.62 (+20 times)	9.8 % (+9.3 %)	416 (+410)	0.9903 – 1.0324	1.0002 (-1.4%)

## MONEY MARKET

The total volume of trading in the money market in August reached 18.4 tln tenge, having increased relative to July by 38.0%, or 5.1 tln tenge.

The rate approved on July 26 by the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan was 14.5% per annum with an interest corridor of +/-1.00 percentage points. Accordingly, the rate on permanent access operations to provide liquidity was 15.5 %, and on permanent access operations to withdraw liquidity – 13.5 %.

Composite indicator of the money market MM\_Index, which is the average value of yield on USD/KZT currency swap transactions and automatic repo transactions with government securities opened for one business day weighted through the volume of transactions, increased from 13.55 % to 15.33 % per annum.

## REPO TRANSACTIONS MARKET

The total volume of repo transactions in August amounted to 16.6 tln tenge, which is by 4.6 tln tenge, or 38.4 % more than in July. In daily average terms, the volume of transactions increased from 600.9 to 756.3 bn tenge, the average volume of a deal – from 685.0 mln to 815.3 mln tenge, the average daily number of concluded deals – from 877 to 928.

The volume of autorepo transactions with government securities amounted to 12,789.6 bn tenge, or 76.9 %, autorepo with CS – 3,824.7 bn tenge, or 23.0 %, nego repo with government securities – 19.3 bn tenge, or 0.1 %, nego repo with CS – 4.1 bn tenge, or 0.02 %.

On August 22, 2022, the Exchange launched trading in general collateral certificates. 1 deal in the amount of 5.0 mln tenge was concluded in August 2022.

Based on results of August 2022, the TONIA indicator rose by 164 b.p. from 13.49 % to 15.13 % per annum, the value of the TRION indicator – also by 164 b.p. from 13.50 % to 15.14 % per annum, the value of the TWINA indicator, which is the weighted average interest rate on repo opening deals for a period of seven working days – by 76 b.p. from 13.39 % to 14.15 % per annum.

## CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in August amounted to 1,769.1 bn tenge, which is higher than in July by 445.7 bn tenge, or 33.7%. The average daily volume of transactions increased from 66.2 to 80.4 bn tenge, the average daily number of daily transactions – from 12 to 16, the average volume of transactions decreased from 5.4 to 5.2 bn tenge.

In the instrumental structure, KZT1,665.6 bn, or 94.1% of the trading volume in swaps, fell on USDKZT swaps: KZT1,631.3 bn, or USD 3,447.7 mln (92.2% of the total volume in the currency swap market),

fell on transactions with the one-day currency swap (USDKZT\_0\_001), KZT34.3 bn, or USD 71.8 mln (1.9% of the total trading volume on the currency swap market) fell on transactions with the two-day currency swap (USDKZT\_0\_002); 103.5 bn tenge, or 5.9% of the trading volume in swaps, fell on RUBKZT swaps: 5.3 bn tenge, or 678.7 mln RUB, (0.3% of the total trading volume on the currency swap market) fell on transactions with the one-day currency swap (RUBKZT\_0\_001), KZT98.2 bn., or RUB12,500.0 mln, (5.6% of the total volume of trades in the currency swap market) fell on transactions with the two-day currency swap (RUBKZT\_0\_002).

Yield on the one-day dollar swap SWAP-1D (USD) reached 16.09% per annum as at the end of August, having increased by 209 b.p. over the month. The yield on the two-day currency swap SWAP-2D (USD) fell by 15 b.p. to 13.85 % per annum over the month.

## DERIVATIVES MARKET

At present, non-deliverable futures for the US dollar/RUB rate against the tenge, common shares of Halyk Savings Bank of Kazakhstan JSC, NAC Kazatomprom JSC and KASE Index are available for trading in this sector of the exchange market.

In August 2022 no transactions were concluded in this sector. By the beginning of July, there were no open positions of trading participants on the derivatives market.

### For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fifth rank in terms of the equity market capitalization among the FEAS exchanges. It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

The International Organization of Securities Commissions (IOSCO) is an organization that unites national authorities for the regulation and surveillance of securities markets in order to develop standards for the regulation of national stock markets and the exchange of information, including surveillance information, between IOSCO member regulators.

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