

PRESS RELEASE

Almaty

August 10, 2022

KASE presents the results of the exchange market operation in July 2022

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

- The total volume of trading on KASE in July 2022 amounted to 15.7 trillion tenge, having decreased by 37.3 %, or 9.4 trillion tenge, compared to June.
- As a result of July, the value of KASE Index increased by 10.4 % making up 2,953.54 points.
- Equity market capitalization increased by 4.4% to 21.8 trillion tenge, the volume of traded corporate debt increased by 1.1 % to 15.4 trillion tenge.
- As of August 1, 2022, non-government securities of 563 titles of 229 issuers were listed on KASE.
- As of August 1, 2022, the Central Securities Depository maintained 383,285 personal accounts opened for 357,957 individuals. In July individuals opened 18,223 new personal accounts.

EVENTS

The Exchange held a training webinar for employees of "Damu" Entrepreneurship Development Fund JSC on issuing bonds on KASE. A training webinar was also held for employees of brokerage organizations on the terms of subsidizing bonds for small and medium-sized businesses.

The Exchange took part in the regional competition-exhibition of manufacturers "The Best Goods of Kazakhstan", introduced representatives of large, medium and small businesses to the stock market instruments for fundraising, including the state program of subsidizing bond issues.

EQUITY MARKET

Based on results of July 2022, the capitalization of the equity market amounted to 21.8 trillion tenge (45.5 billion USD), which is by 0.9 trillion tenge, or 4.4%, 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 July, shares of 118 titles of 103 issuers were listed on KASE, of which shares of three titles of three issuers were admitted to circulation in the "Unlisted securities" sector.

In the reporting month, common shares of Akbakai Gold Resources JSC and preferred shares of IC Sinoasia B&R JSC were included in KASE official list. Preferred shares of Financial Company "REAL-INVEST.kz" JSC were excluded from the Exchange's official list at the initiative of their issuer.

The volume of trading in shares in July amounted to 7.0 billion tenge, having decreased by 20.1 %, or 1.8 billion tenge, relative to June. At the same time, the number of transactions decreased by 12.6 % to 18,578. The average daily volume of trades amounted to KZT348.0 mln, the average daily number of deals – 929, the average volume of one deal – KZT374.7 th.

In the reporting month, as part of the subscription of IC Sinoasia B&R JSC placed 55,000 preferred shares KZ1P00014559 (SABRp) for a total of KZT979.0 mln.

The volume of trades in the secondary market of shares decreased by 31.4%, or 2.7 billion tenge, and amounted to 6.0 billion tenge.

Among the main categories of investors, the share of individuals accounted for 40.6 % of the total volume of transactions with shares, the share of broker-dealer organizations – for 19.8 %, the share of other institutional investors – for 9.0 %, for the share of other legal entities – for 30.5 %. The share of non-residents was 2.9 %.

KASE INDEX

The value of KASE index in July increased by 10.4% and by the end of the month amounted to 2,953.54 points. This was facilitated by a sharp reversal on the leading US and European markets from local lows recorded at the end of the first half of the year. The main indices won back by the end of July from 6 to 8%. The last time such a sharp monthly increase on these markets was recorded in November 2020, when the market was at the beginning of one of the largest support cycles. At the moment, the markets do not have many fundamental reasons for growth, however, the markets welcome each positive report and expect the next wave of support from the Central Banks to begin.

The volume of transactions with index shares in July 2022 amounted to 2.5 billion tenge, which is by 49.8 %, or 2.5 billion tenge, lower than in June 2022. The largest volume of trades fell on common shares of Bank CenterCredit JSC – KZT911.0 mln (35.8% of the total volume of trades with index shares).

Issuer	Trading code	Price, tenge per share			Trading volume, million tenge		
		as of 01.08.2022	as of 01.07.2022	Δ, %	July	June	Δ
Kcell JSC	KCEL	1,450.00	1,095.00	+32.4	322.9	2,130.6	-1,807.8
National Atomic Company Kazatomprom JSC	KZAP	14,620.00	12,038.00	+21.4	451.9	370.9	+81.0
KazTransOil JSC	KZTO	821.00	685.00	+19.9	124.1	152.4	-28.3
Bank CenterCredit JSC	CCBN	471.99	430.54	+9.6	911.0	1,643.6	-732.6
Kaspi.kz JSC	KSPI	25,548.00	24,240.00	+5.4	361.7	162.7	+199.0
Kazakhtelecom JSC	KZTK	27,900.00	26999.98	+3.3	35.1	43.2	-8.0
KEGOC JSC	KEGC	1,597.00	1,605.00	-0.5	52.6	194.7	-142.1
Halyk Savings Bank of Kazakhstan JSC	HSBK	112.05	114.79	-2.4	286.5	378.4	-91.9

According to the results of July, the growth leader were common shares of Kcell JSC, which grew by 32.4%. On July 26, as part of the Issuer Day at KASE, Kcell announced that the company's net profit in the second quarter increased by 19.4%, to 10.1 billion tenge, in the first half of the year the growth was 23.9 % to 19.4 billion tenge.

The second place in terms of growth rates with a result of 21.4% per month was shown by common shares of NAC Kazatomprom JSC on expectations of the publication of strong semi-annual financial indicators.

The three leaders are closed by the shares of KazTransOil JSC, which recovered in price by 19.9 %. On July 27, the transport company reported its half-year operating results, according to which, in six months, the total transportation volume decreased by only 2.3% compared to the first half of 2021, which is significantly better than market forecasts.

Among the index representatives of the banking sector, the growth leader were the shares of Bank CenterCredit JSC, which added 9.6%. On July 22, the international agency S&P Global Ratings raised the long-term credit rating of Bank CenterCredit from "B" to "B+" with a "Stable" outlook, noting an improvement in the business position and an increase in the capital reserve.

Common shares of Kaspi.kz recovered 5.4%. The company has published financial results for the second quarter and first half of 2022. Net profit of Kaspi.kz in the second quarter increased by 32% to 135.2 billion tenge. During the first half of the year, the growth amounted to 39.4% to 252.4 billion tenge. Based on these results, the Board of Directors proposed to pay dividends of 500 tenge per GDR.

On July 22, the first Kaspi.kz GDR buyback program ended. The amount of the buyback amounted to approximately USD51 million or 998.4 thousand GDRs, which is equivalent to 0.52% of the total number of GDRs in circulation. The Board of Directors has approved a second three-month GDR buyback program of up to US\$100 million.

KASE GLOBAL SECTOR

As of the end of July, there were 46 shares in trade lists of KASE Global sector.

1,467 deals for a total of KZT482.3 mln were made in KASE Global sector in July. Relative to June, the trading volume decreased by 53.7%, or KZT560.2 mln, the number of deals decreased by 21.5%. The average daily trading volume amounted to KZT24.1 mln, the average daily number of deals – 73, the average volume of one deal – KZT328.8 th.

Based on results of the month, the largest volume of transactions fell on the following shares:

- US0079031078 (AMD_KZ) of Advanced Micro Devices, Inc. – 119 deals for a total of KZT138.5 mln;
- US67066G1040 (NVDA_KZ) of NVIDIA Corp. – 91 deals for a total of KZT89.7 mln;
- US0378331005 (AAPL_KZ) of Apple Inc. – 139 deals for a total of KZT39.6 mln.

Among the main categories of investors, the largest share fell on individuals – 54.8%. The share of broker-dealer organizations accounted for 44.2%, the share of other legal entities – for 1.0 %. Participation of non-residents was 2.0 %

CORPORATE BONDS

The volume of corporate debt in circulation in July 2022 increased by 1.1 %, or 168.6 billion tenge, to 15.4 trillion tenge (32.2 billion USD).

As of the end of July 2022, corporate bonds of 328 issues of 82 issuers were on KASE official list. In July 2022, seven issues of bonds of Kazakhstan Sustainability Fund JSC and one issue of bonds of NC Kazakhstan temir zholy JSC were included in KASE official list. In July 2022, one issue of corporate bonds of Eco Center Bank JSC (SB of Bank CenterCredit JSC) was excluded from KASE official list due to their cancellation and three issues of bonds of Development Bank of Kazakhstan JSC – due to the circulation period expiration.

The value of the yield index of corporate bonds KASE_BMY in July 2022 decreased by 1 basis point to 11.61 % per annum.

The volume of trades in corporate bonds on KASE increased by 11.3 %, or KZT24.2 bn, to KZT238.0 bn relative to June. The average daily trading volume amounted to 11.9 billion tenge (in the secondary market – 3.2 billion tenge), the average daily number of transactions – 88 transactions (in the secondary market – 61 transactions), the average volume of one transaction – 134.8 million tenge (in the secondary market – 52.7 million tenge).

In July 2022, the volume of the primary market for corporate bonds amounted to 173.5 billion tenge, which is 2.5 times, or by 105.5 billion tenge, higher than in June 2022:

- NC Kazakhstan temir zholy JSC raised 118.9 billion tenge by placing two-year bonds with a margin of +3.00% to the TONIA interest rate;
- Kazakhstan Sustainability Fund JSC raised 32.4 billion tenge by placing two issues of bonds with a yield to maturity of 14.73-14.78 % per annum with a maturity of one year;
- KazAgroFinance JSC raised 20.1 billion tenge by placing seven-year bonds at 16.85 % per annum;
- Kazakhstan Housing Company JSC raised KZT581.9 mln by placing bonds at 0.1 % per annum and maturity of 28.8 years;
- Microfinance organization OnlineKazFinance LLP raised \$2.8 million (equivalent to 1.4 billion tenge) by placing dollar bonds with a yield to maturity of 9.99 % per annum and a maturity of 339 days;
- MFO Arnur Credit LLP raised KZT105.0 mln by placing two-year bonds at 21.0 % APR.

In terms of the main categories of investors in the primary market of corporate bonds, the share of banks was 66.5 %, brokerage and dealer organizations – 6.2 %, other institutional investors – 12.8%,

other legal entities – 13.7%, individuals – 0.8 %. The share of non-residents in the primary corporate bond market was 15.2 %.

The volume of trading in the secondary bond market compared to June 2022 decreased by 55.8 %, or by 81.3 billion tenge, to 64.5 billion tenge.

In terms of the main categories of investors in the secondary market of corporate bonds, the share of second-tier banks was less than 0.1 %, broker-dealer organizations – 6.6 %, other institutional investors – 17.2 %, other legal entities – 74.5 %, individuals – 1.8 %. The share of non-residents was 11.2 %.

GOVERNMENT SECURITIES (GS)

The amount of public debt at face value, traded on KASE, amounted to 18.9 trillion tenge (39.4 billion USD), having increased by 1.8 %, or 337.2 billion tenge, in July.

The total volume of trades in government securities on KASE amounted to KZT639.8 bn and increased by 4.7 %, or KZT28.6 bn, relative to June. According to the results of July 2022, the average daily trading volume amounted to 32.0 billion tenge (in the secondary market – 4.0 billion tenge), the average daily number of transactions was 13 (in the secondary market – 10), the average volume of one transaction was 2.4 billion tenge (in the secondary market – 0.4 billion tenge).

The volume of trading in the primary GS market increased by 8.8 %, or by 45.2 billion tenge, to 559.9 billion tenge. Of these, 11.9 billion tenge were raised by the akimdiks of two regions (in order to finance activities provided for in the framework of the implementation of state programs). The Ministry of Finance raised 548.1 billion tenge by placing bonds with an average weighted yield of 13.60-14.50 % per annum and a maturity of 9 months to 5 years.

In terms of the main categories of investors in the primary market, banks accounted for 17.0 %, brokerage and dealer organizations – for less than 0.1 %, other institutional investors – for 79.5 %, other legal entities – for 3.5 %, individuals – for less than 0.1,one %. Non-residents did not take part in the primary GS market.

The volume of trading in the secondary market decreased by 17.2%, or by 16.7 billion tenge, and amounted to 79.9 billion tenge. The share of trading in the notes of the National Bank in the secondary market amounted to 60.7%, or 48.5 billion tenge, of the total trading volume, the share of MEKAM – 31.5 %, or 25.2 billion tenge, the share of Eurobonds of the Republic of Kazakhstan – 5.6 %, or 4.5 billion tenge. The rest amounting to 2.2 %, or 1.7 billion tenge, fell on transactions with government securities of foreign countries (bonds of the US Department of the Treasury, the Sultanate of Oman, the Republic of Turkey and the Republic of Austria).

In terms of the main categories of investors in the secondary market, banks accounted for 64.9 %, brokerage and dealer organizations – for 3.1 %, other institutional investors – for 2.3 %, other legal entities – for 29.5 %, individuals – for 0.1 %. Participation of non-residents is estimated at 4.8 %.

BONDS OF INTERNATIONAL FINANCIAL INSTITUTIONS (IFIs)

As of the end of July, there were bonds of 40 issues of four international financial organizations in KASE trading lists: Eurasian Development Bank, European Bank for Reconstruction and Development, International Finance Corporation and Asian Development Bank.

New securities of IFOs were not included in the reporting month. In July, one issue of bonds of Eurasian Development Bank was excluded from the "Securities of International Financial Institutions" sector due to the expiration of the circulation period.

In the reporting month, the entire trading volume fell on the secondary market and amounted to 2.8 billion tenge against 11.2 billion tenge a month earlier, having decreased by 8.4 billion tenge, or 75.1%. The average daily trading volume amounted to KZT140.0 mln, the average volume of one deal was KZT96.6 mln.

In terms of the main categories of investors in the secondary market for bonds of international financial organizations, 19.2 % fell to the share of banks, less than 0.1 % - to the share of broker-dealer organizations, 57.5 % - to the share of other institutional investors, 21.5 % - to the share of other legal entities, 1.8 % - to the accounts of individuals. Participation of non-residents is estimated at 0.2%.

UNITS OF INVESTMENT FUNDS

As of August 1, 2022, there were 20 instruments of investment trusts managed by seven management companies and six ETFs in the "Investment funds securities" sector.

In the reporting month, the trading volume amounted to 778.7 million tenge and increased 4.2 times, or by 592.7 million tenge, compared to June 2022. In terms of the main categories of investors, 49.3 % fell on accounts of individuals, 4.3 % - on broker-dealer organizations, 46.4 % - on other legal entities. The share of non-residents was 1.2 %.

DERIVATIVE SECURITIES

As of August 1, 2022, KASE official list included global depository 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, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in July 2022 amounted to 487.3 million tenge having decreased relative to June 2022 by 22.9 %, or 145.0 million tenge. In terms of the main categories of investors 9.4 % accounted for the accounts of individuals, 11.7 % - for broker-dealer organizations, 62.0 % - for other institutional investors and 17.0% - for other legal entities. The share of non-residents was 10.4%.

ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET

As of August 1, 2022, the Central Securities Depository maintained 383,285 personal accounts opened for 357,957 individuals. According to the results of July, individuals registered 18,223 new personal accounts.

FOREIGN CURRENCY MARKET

In July of the current year, 29 KASE members took part in trades on the foreign currency market at KASE.

The volume of trading in the foreign exchange market increased by 12.0 % compared to June to 1.5 trillion tenge. The average daily trading volume increased from 61.6 to 75.9 billion tenge, the average daily number of deals increased from 264 to 320, respectively, the average volume of one deal increased from 233.6 to 237.3 million 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 tenge).

Pair	Volume, million units of currency	Share in trading volume, %	Number of transaction s	Min. and max. rates, number of quoted currency per unit of base currency	Exchange rate at the end of May (change %)
USD/KZT	2,634.96 (+14.1 %)	82.8% (+6.7%)	5,499 (+492)	460.00 - 487.30	477.07 (+1.5 %)
RUB/KZT	17,087.48 (-38.2 %)	9.1% (-7.2%)	621 (+90)	7.5500 – 8.8800	7.8700 (-11.5%)
CNY/KZT	1,628.56 (+94.8 %)	7.6% (+3.4%)	264 (+59)	68.7800 – 71.7000	70.7414 (+0.7 %)
EUR/KZT	0.35 (-99.4%)	0.0% (-1.9%)	5 (-44)	474.60 - 474.60	474.60 (-1.9%)
EUR/USD*	16.00 (-65.2%)	0.5% (-1.0%)	6 (-2)	1.0010 - 1.03400	1.0139 (-3.9%)

* deals were made exclusively with EUR/USD_TOM, EUR/USD_SPT instruments

MONEY MARKET

The total volume of trading in the money market in July amounted to 13.3 trillion tenge, having decreased by 41.8 %, or 9.6 trillion tenge, compared to June.

On July 26, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan raised the base rate from 14.0% to 14.5% per annum with an interest rate band of +/- 1.00 percentage points. Accordingly, the rate on standing access operations to provide liquidity was 15.5 %, and on standing access operations to withdraw liquidity – 13.5 %.

Composite money market indicator 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, remained at the level of 13.55 % per annum.

REPO MARKET

The total volume of repo transactions in July amounted to 12.0 trillion tenge, which is by 7.2 trillion tenge, or 37.3 % less, than the volume of June. In average daily terms, the volume of transactions decreased from 871.9 to 600.9 billion tenge, the average volume of one deal – from 983.4 million to 685.0 million tenge, the average daily number of transactions changed slightly – from 887 to 877.

The volume of auto repo transactions with government securities amounted to 9,029.3 billion tenge, or 75.1%, auto repo with CS – 2,983.0 billion tenge, or 24.8%, direct repo of CS – 5.0 billion tenge, or 0.04 %, direct repo of government securities – 1.2 billion tenge, or 0.01 %.

By the end of July, the TONIA indicator rose by 10 b.p. from 13.39 to 13.49% per annum, the value of the TRION indicator – by 5 b.p. from 13.45 % to 13.50 % per annum, the value of the TWINA indicator, which is the weighted average interest rate on repo opening deals for a period of seven business days – by 22 b.p. from 13.17 to 13.39 % per annum.

CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in July amounted to 1.3 trillion tenge, which is lower than in June by 2.4 trillion tenge, or 64.7 %. The average daily volume of transactions decreased from 170.4 to 66.2 billion tenge, the average daily number of daily transactions – from 26 to 12, the average volume of transactions – from 6.5 to 5.4 billion tenge.

In the instrumental structure, KZT1,313.6 bn, or 99.3 %, of the swap trading volume, fell on USDKZT swaps, KZT9.8 bn, or 0.7 %, on RUBKZT. In the instrumental structure, 90.8 % of the total volume in the currency swap market fell on transactions with one-day currency swap (USDKZT_0_001), 6.9 % of the total volume of trading in the currency swap market fell on transactions with the two-day currency swap (USDKZT_0_002), 1.6 % of total trading volume with the one-month currency swap (USDKZT_01M), 0.7 % of the total volume of trades in the currency swap market accounted for operations with the one-day currency swap (RUB KZT_0_001).

The yield of the one-day dollar swap SWAP-1D (USD) at the end of July made up 14.00 % per annum and decreased by 48 b.p. in July. The yield on the two-day SWAP-2D (USD) currency swap fell by 171 b.p. over the month to 14.00 % per annum.

DERIVATIVES MARKET

In July 2022, non-deliverable futures on the US dollar to tenge exchange rate, common shares of Halyk Savings Bank of Kazakhstan JSC, common shares of NAC Kazatomprom JSC and KASE Index were available for trading in this sector of the exchange market.

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