

# KASE WEEKLY

11 – 15 September,  
2017

## KASE NEWS

▲ Starting from On Wednesday KASE held a media briefing on the exchange market's August 2017. The total volume of trading on KASE in August 2017 made KZT10,218.3 bn, increasing 2.2 % on the previous month. The growth was seen in the foreign currency market (+32%), money market (+10%), corporate bond market (8 times) and investment funds securities market (24 times).

In August of this year:

- KASE Index rose 9.7%, refreshing its nine-year maximum;
- Stocks of three titles and five bond issues underwent listing on KASE.

▲ KASE launched an official information channel in Telegram – @KASEInfoBot. This channel is a supplement to existing sources of market data and it contains information about trading on KASE. A user subscribed to the information channel @KASEInfoBot, will be updated on the process and results of trading on KASE in a convenient and concise format. Currently, the channel features only information on foreign currency trading on KASE, but the service is supposed to cover KASE securities market, too. The service is provided in Kazakh, Russian and English.

## ISSUER NEWS AND ANNOUNCEMENTS

▲ A special trading session for offering of MEOKAM-24 of the 86th issues will be held on August 18 on KASE. The announced offering amount of mid-term treasury obligations of Kazakhstan's Ministry of Finance makes KZT6 bn with the execution rate for market orders at 70%. Circulation starts on September 18 of this year. Maturity – 2 years (720 days).

▲ On September 21 a special trading session for offering of three-year bonds of Tengri Bank (DNBNb3) will be held on KASE. The total issue volume of bonds is KZT10 bn with maturity of three years (1,080 days). The coupon rate is 15% APR, coupon payment periodicity – twice a year. The redemption start date and last date of circulation will be determined upon results of the first successful auction.

▲ From September 14, 101,460 ordinary shares of the Rating Agency of Regional Financial Center of Almaty will be offered in sector "Unlisted securities". This instrument was admitted to circulation on KASE from July 26 this year.

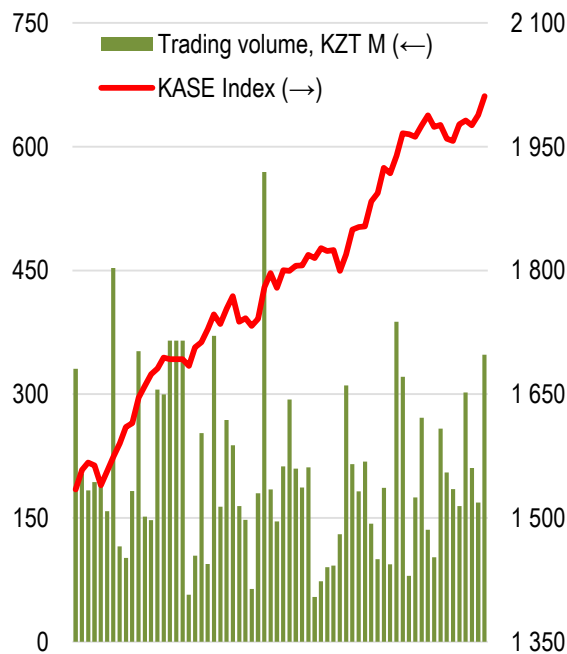
▲ KazTransGas JSC, has mandated Citi, ING and VTB Capital as Joint Lead Managers and Joint Bookrunners and SkyBridge Invest as Kazakhstan Lead Manager, to arrange a series of fixed-income investor meetings in London, the US and Kazakhstan, commencing on 12 September 2017. A USD-denominated senior unsecured Eurobond offering with a 10-year maturity guaranteed by Intergas Central Asia will follow. It is assumed that Eurobonds will be listed on the Irish Stock exchange and KASE.

KASE Index managed to overcome the psychological level of 2,000 points. Over the week the index value increased by 2.8% to 2,011.5 points.

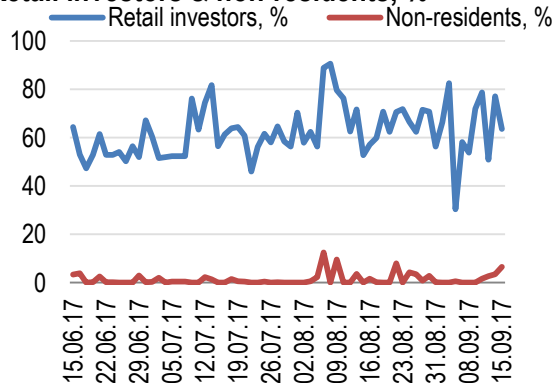
Kcell shares were in the lead, rising by 18.8% to KZT1,750.

Outsiders of the week were stocks of KAZ Minerals PLC, that decreased by 4.9% to KZT3,385.55. The adjustment period of a week on that instrument provoked a decrease in copper prices. The copper price, in turn, got under pressure from factors like the growth of deposits on the London Metal Exchange, as well as the fallen rate of industrial growth in China in August.

### KASE Index shares



### Retail investors & non-residents, %



15.09.2017

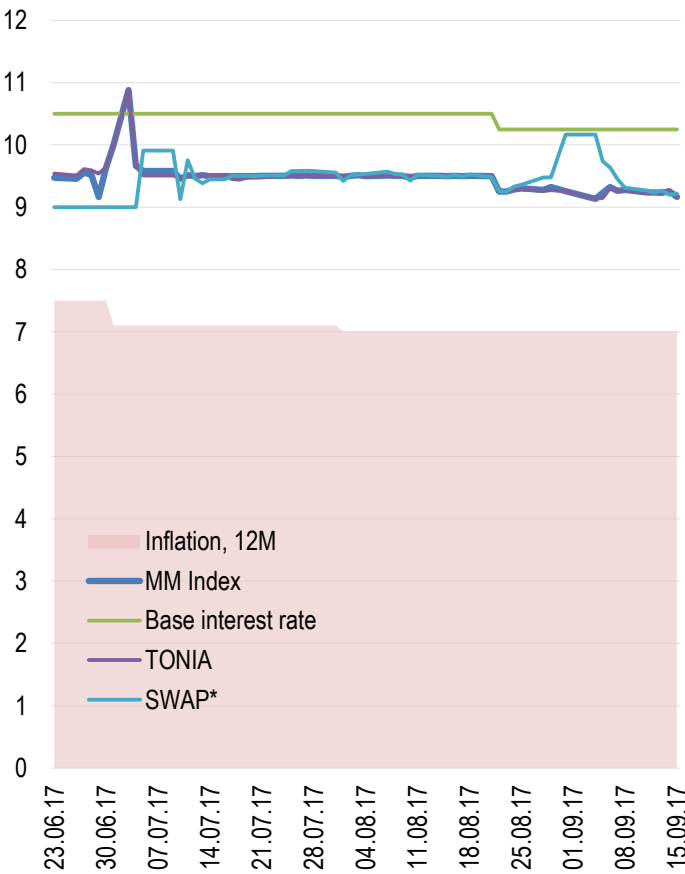
		Trends (%)	
		Δ 7d	Δ 1m
<b>KASE Index</b>	2 011,5	2,8	8,6
<b>First class of liquidity</b>	<b>Price, KZT</b>		
<b>Kcell</b>	1 750,0	18,8	24,1
Kazakhtelecom (pref.)	7 725,0	8,7	12,0
<b>KazTransOil</b>	1 294,0	6,2	6,1
QAZKOM	156,8	6,1	11,2
Bank of America	8 200,1	5,1	1,1
KazMunayGas EP (pref.)	7 550,0	4,9	7,8
Sberbank (Russia)	1 112,4	2,8	14,3
QAZKOM (pref.)	94,5	2,5	16,7
Gazprom (Russia)	718,0	2,0	7,3
<b>KazMunayGas EP</b>	20 400,0	0,5	4,6
BAST	84 975,0	0,0	0,0
<b>Halyk Bank</b>	83,0	0,0	1,6
<b>KEGOC</b>	1 367,5	0,0	-0,9
Bank of Astana	1 157,0	-0,3	-0,6
<b>CenterCredit Bank</b>	155,0	-1,0	-4,1
<b>Kazakhtelecom</b>	19 750,0	-1,2	14,3
Aktobe Metalware Plant	13 008,2	-3,6	0,5
Aeroflot (Russia)	1 128,2	-4,4	-0,9
<b>KAZ Minerals</b>	3 385,6	-4,9	9,6

On September 11 Kazakhstan's Ministry of Finance raised KZT6.2 bn on KASE at face value with the interest rate of 8.99 % APR. Term to maturity makes 1,413 days, or almost four years. From September 13 trading in bonds of Agrarian Credit Corporation opened in KASE's secondary market. Current maturity of that instrument makes 3,160 days, or almost 10 years. Interest of 14 % APR is paid on bonds every half-year, which twice exceeded the inflation rate in Kazakhstan in August. From September 14, 101,460 ordinary shares of the Rating Agency of Regional Financial Center of Almaty will be offered in sector "Unlisted securities". This instrument was admitted to circulation on KASE from July 26 this year.

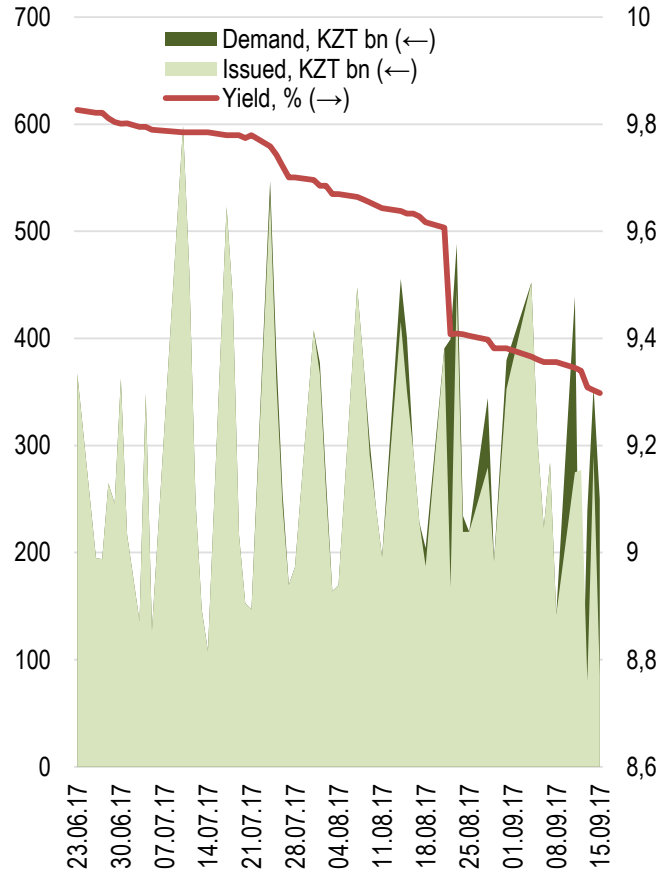


Yields on the money market keep falling. Rates in the currency swap sector went down 12 b.p. to 9.18 % p.a. the yield in the repo segment decreased by 11 b.p. to 9.16 %. The parity of money market rates is recovering in the light of the stabilizing foreign currency market.

Inflation and interest rates

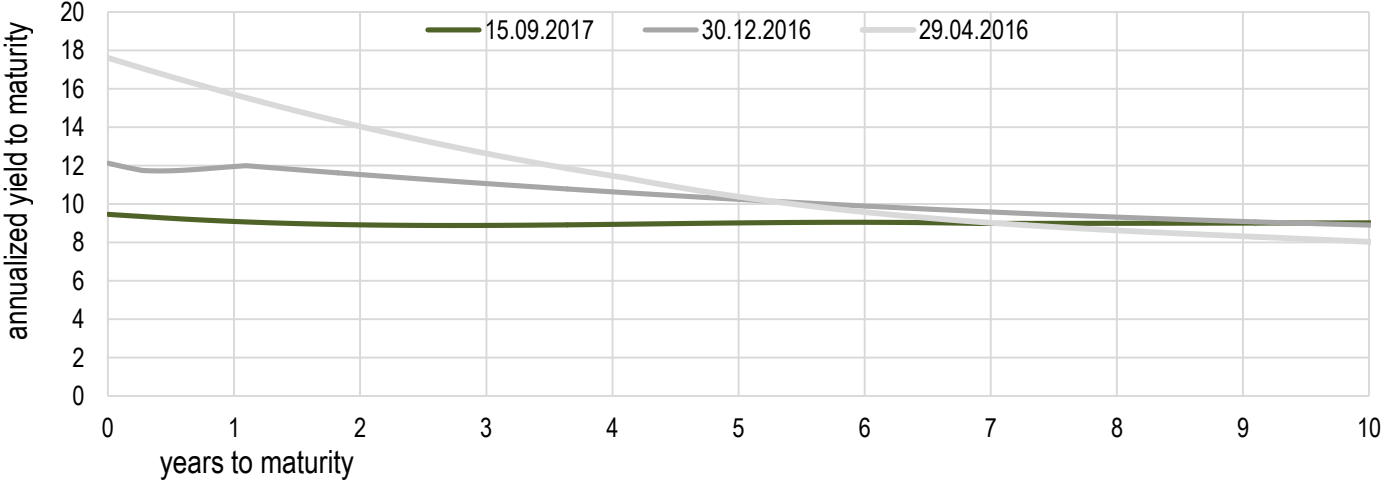


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





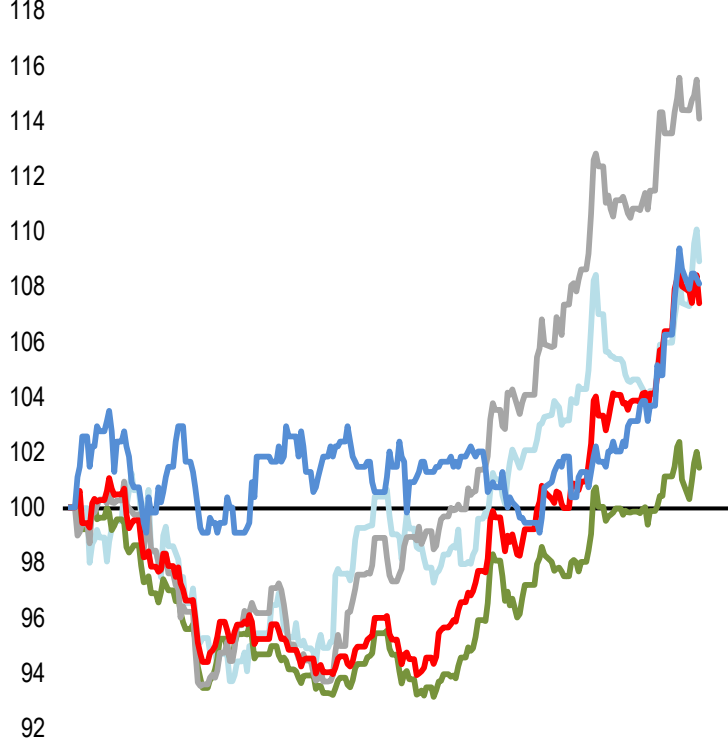
The dollar exchange rate rose 1.38 % to KZT338.90 over the week. The dollar took attempts to recover positions against other major currencies. The dollar index rose by 0.8 % upon the easing tension over North Korea and anxiety about the hurricane Irma.

Over the week the ruble exchange rate on KASE increased 0.47 % to KZT5.8988 in spite of Russia's Central Bank deciding last Friday to reduce the key rate by 50 b.p. to 8.50 % APR.

On Thursday KASE held the ceremony of opening of the first trading session for the currency pair Chinese yuan / Kazakh tenge with settlements T+2 (CNYKZT\_SPT). Representatives of Bank of China limited, SB Bank of China in Kazakhstan and KASE took part in the event. Trading in instrument CNYKZT\_SPT will be conducted during the day trading session on KASE from 11:30 to 15:30 o'clock Almaty time. There are three market-makers for the Chinese yuan on KASE – Subsidiary Bank "Bank of China in Kazakhstan", Subsidiary Bank "Sberbank of Russia" and Industrial & Commercial Bank of China (Almaty).

**FX rates**

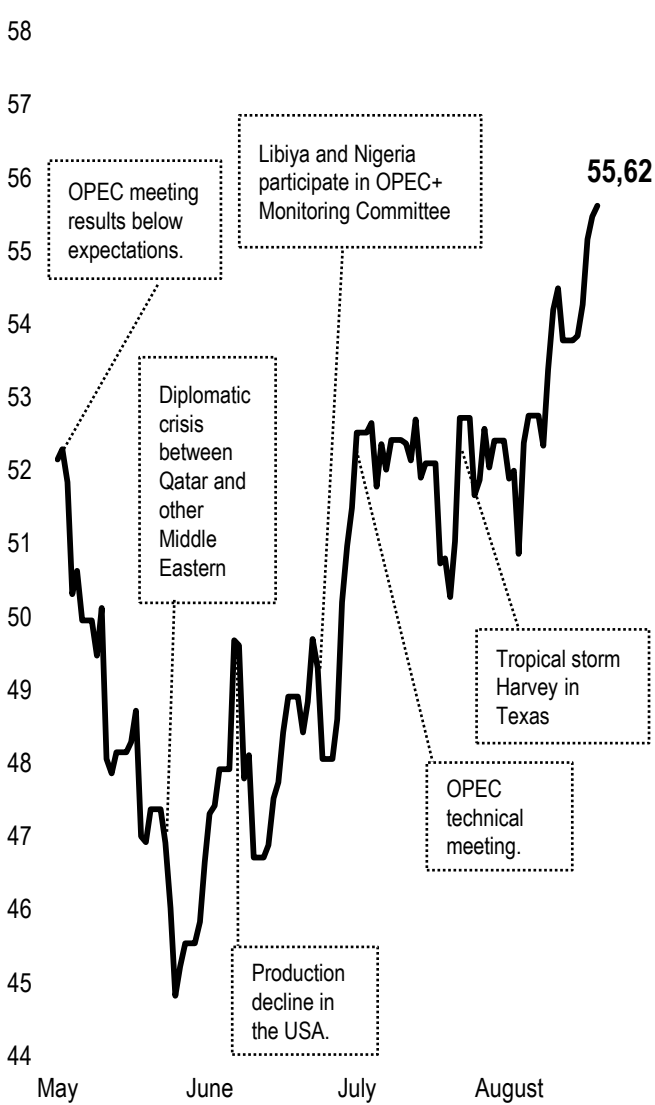
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	446,33	+1,4	+3,9	+8,9
— USDKZT	338,08	+0,4	+1,6	+1,4
— EURKZT	402,08	-0,3	+2,8	+14,1
— CNYKZT	51,57	-0,6	+3,5	+7,4
— RUBKZT	5,87	-0,9	+5,8	+6,1

Note: The chart and the table are based on the official market rates of the NBK. NBK rates may differ from KASE rates.

**Brent oil USD/barrel**



## Global indices

Name	Value	Trend			Futures
		7d	1m	1y	7d
 S&P 500	2 500,23	1,6	1,3	16,4	1,5
Dow Jones	22 268,34	2,2	1,1	22,3	2,0
 RTS	1 123,43	0,3	9,1	15,7	0,3
MICEX	2 053,81	1,0	5,7	2,9	0,3
 Hang Seng	27 807,59	0,5	1,5	19,2	0,4
SS CSI 300	3 831,30	0,1	3,5	18,3	0,3
 Euro Stoxx 50	3 515,55	2,0	0,9	18,2	1,9
FTSEuroFirst	4 216,40	1,6	0,7	12,4	1,6
 FTSE 100	7 215,47	-2,2	-2,9	7,2	-2,3
 KASE	2 011,45	2,8	8,6	75,9	0,0

## Commodities market 15.09.2017

Name	Price	Trend	
		7d	1m
Oil	55,62	3,4	10,6
	49,89	5,1	6,6
Natural gas	3,02	4,6	4,6
Copper	292,80	-3,1	-0,9
Iron	499,00	-14,6	-12,1
Gold	1 320,18	-2,0	2,9
Silver	17,61	-2,3	4,0
Wheat	449,00	8,5	7,1

## Economic calendar

		Currency	Forecast	Previous
18.09	CPI (YoY) (Aug)	EUR	1,5%	1,5%
19.09	Building permits (Aug)	USD	1.220M	1.130M
20.09	Existing Home Sales (Aug)	USD	5.46M	5.44M
20.09	Crude Oil Inventories	USD		5.888M
20.09	FOMC Economic Projections	USD		
20.09	Fed Interest Rate Decision	USD	1.25%	1.25%
21.09	ECB President Draghi Speaks	EUR		




Note: The calendar contains the economic events of the upcoming week, deemed by KASE as most significant

B – billions  
M – millions  
K – thousands

## Kazakhstan statistics

	Value	As of	Beginning year
Annual inflation	7,0 %	01.09.17	8,5 %
Gross international reserves of NBK, USD bn	32 946	01.09.17	29 530
Reserve money, KZT bn	5 342,9	01.09.17	5 162,2
Money supply, KZT bn	19 509,3	01.08.17	19 912,6

## Kazakhstan credit ratings

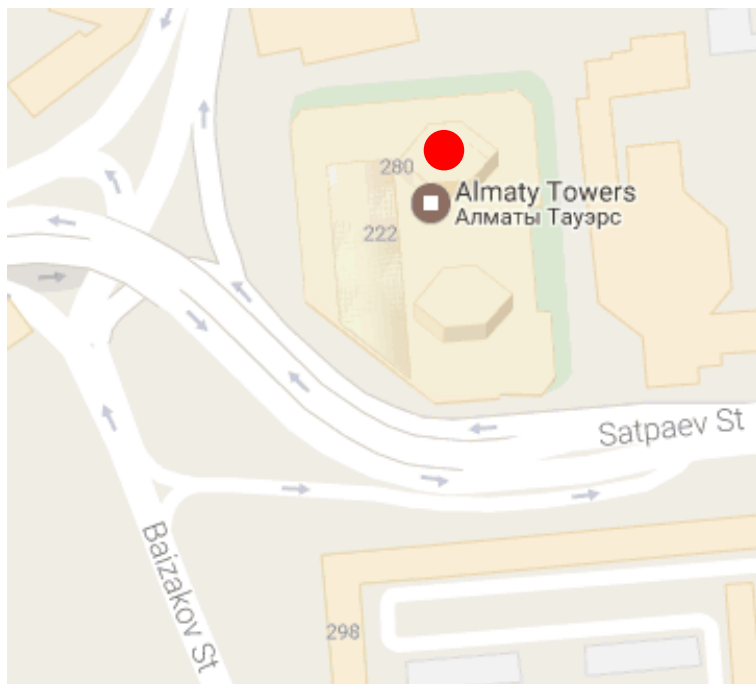
	Rating	Date	Previous
	BBB- stable	08.09.17	BBB- negative
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	21.04.17	BBB stable

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