

KASE WEEKLY

05 – 09 November, 2018

KASE NEWS

- ▲ ANNOUNCEMENT: from November 1 to December 14, 2018 KASE [will hold](#) a competition among retail investors on the equity market.
- ▲ On November 16 KASE [will hold](#) the Kazakhstan Exchange Forum. Kazakhstan Exchange Forum will become the central discussion platform for the stock market and the Central Asian region, where the issues of financing the economy through stock market instruments, stock infrastructure development and promotion of the exchange-traded instruments would be discussed.
- ▲ Online project "KASE: history in persons" – interviews of Yelena Bakhmutova and Bolat Babenov [were released](#).
- ▲ KASE [held](#) a media briefing devoted to performance of the exchange market in October 2018.
- ▲ KASE's Board of Directors [approved](#) amendments to the Listing Rules.
- ▲ KASE's Board of Directors [approved](#) the new internal document "Procedure of concluding deals in government securities according to scheme T+2" and amendments to the internal document "Rules of execution of exchange activities"

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Eurasian Development Bank [raised](#) KZT20.0 bn on KASE by selling four-year bonds with yield to maturity of 9.70 % APR on November 6.
- ▲ Akimdik of Aktobe region [raised](#) KZT2.2 bn on KASE by selling bonds at 0.35 % APR as part of the implementation of government programs. The current maturity is 1.5 years.
- ▲ Zhambyl region's akimdik [raised](#) KZT725.6 mln on KASE by selling two-year bonds at 0.35 % APR as part of the implementation of government programs
- ▲ Kazakhtelecom carried out the [listing](#) and offering of its bonds KZX000000013 on the exchange of Astana International Financial Centre "Astana International Exchange".
- ▲ Faeton Company [raised](#) KZT200.7 mln on KASE by selling bonds KZP02Y07F484 (KZ2P00004286, FATNb2) at 10.99 % APR.
- ▲ KazAgroFinance [raised](#) KZT3.9 bn on KASE on November 8 by selling bonds KZP01Y05F316 (KZ2C00003747, KAFIb7) at weighted average YTM of 12.00 % APR.



KASE Index ends the week decreasing by 1.80% to 2,194.61 items. Out of 7 stocks of the Index, 5 stocks closed in the red. Kcell and KazTransOil rose by at least 1%.

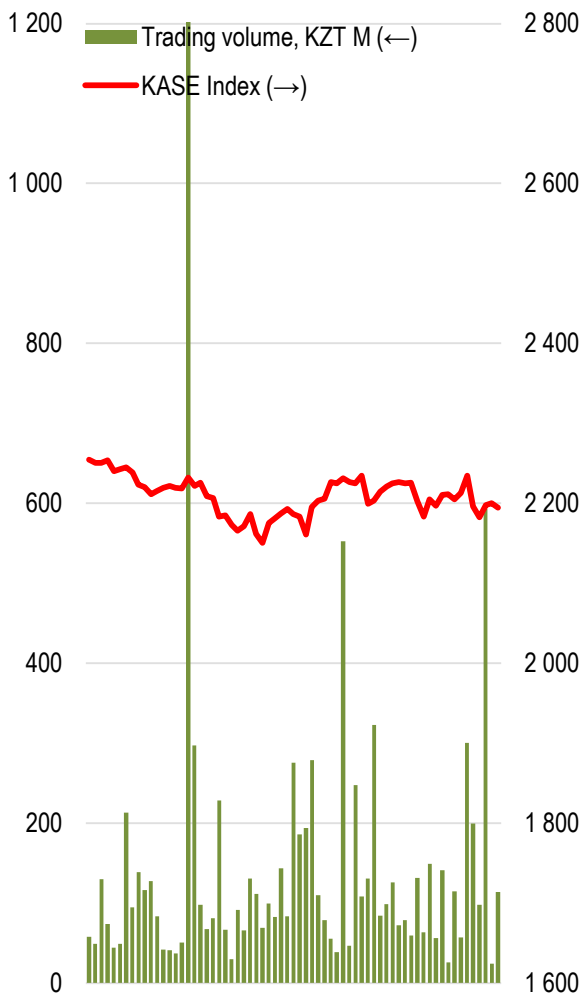
09.11.2018

Trends (%)

KASE Index	2 194,6	-1,8	-1,8
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
Bank of America	10 499,0	0,9	-7,2
Sberbank (Russia)	1 095,1	0,9	1,2
Kcell	1 683,0	0,8	-0,4
KazTransOil	1 299,0	0,7	-3,3
KazMunayGas EP (pref.)	12 500,0	-0,0	-2,3
Gazprom (Russia)	870,4	-0,5	-9,4
Halyk Bank	104,0	-0,9	3,5
Aeroflot (Russia)	544,0	-1,4	-4,2
KEGOC	1 521,1	-2,5	2,2
CenterCredit Bank	234,1	-2,9	-7,5
Kazakhtelecom	28 204,0	-3,1	-6,3
BAST	38 347,0	-3,5	-8,0
Kazakhtelecom (pref.)	11 800,0	-4,1	-8,3
KAZ Minerals	2 525,0	-4,7	-2,8
Bank VTB (Russia)	0,2	-4,8	-9,1

Note: Index stocks are highlighted in green

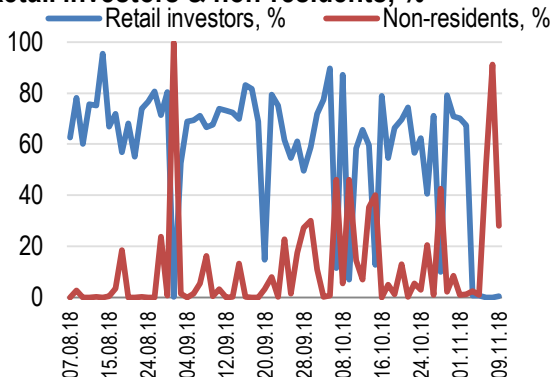
KASE Index shares



The most decrease in this week was demonstrated by stocks of KAZ Minerals, currently the most volatile ones, that after a 15 % increase last week, went down by 4.72% to KZT2,525.00. The negative impact on shares of the production company this week came from the falling copper prices, that decreased by more than 4% since last Friday.

Equities of Kazakhtelecom and Bank CenterCredit lost around 3%. By the way, I'd like to point out that the national telecommunications operator on November 6 carried out and offering of bonds in the amount of KZT75 bn on the Astana International Exchange. The offering method was private placement, and it was of a closed nature, that's why the offering rate is not known.

Retail investors & non-residents, %

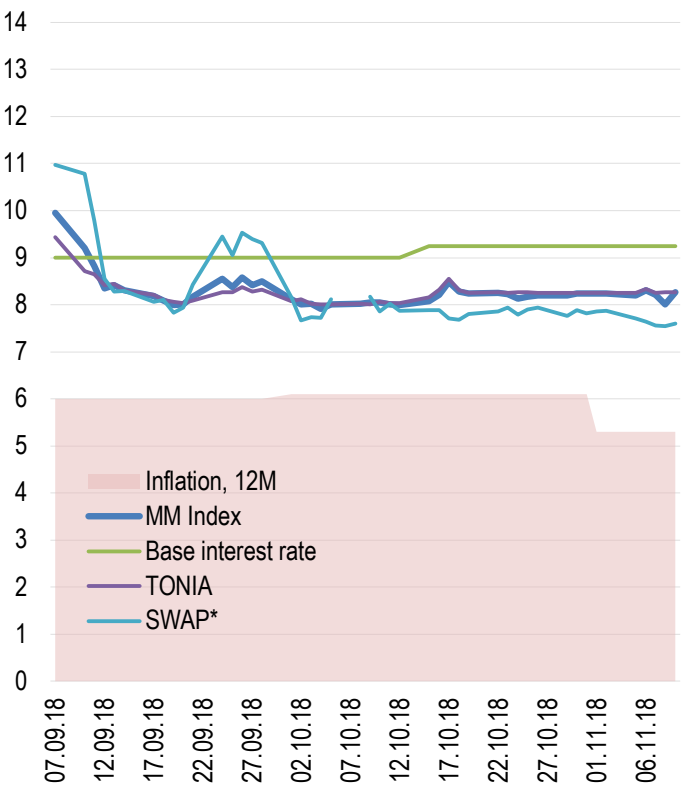




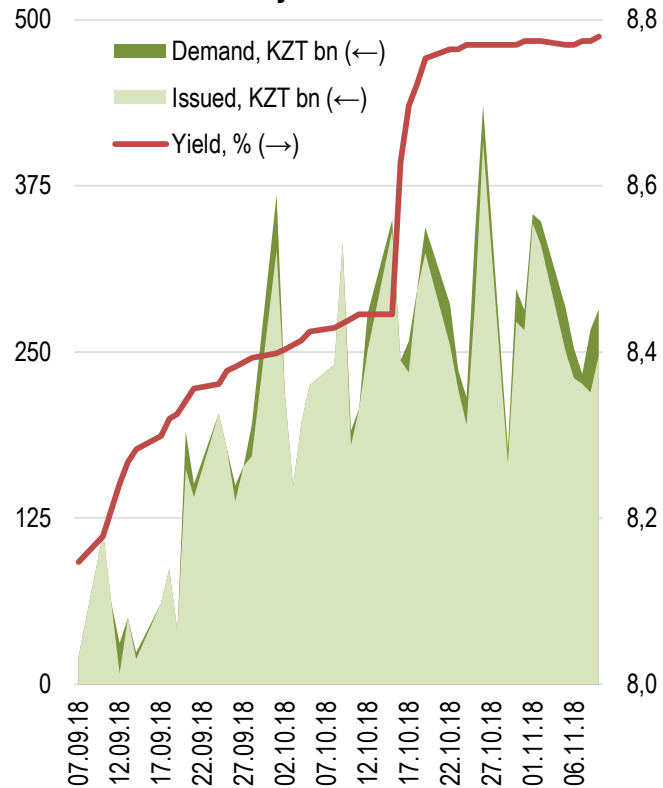
The yield of the on-day repo transactions in government securities increased by 2 b.p. and made up 8.27 % APR. The yield of one-day currency swaps, on the opposite, went down by 40 b.p. to 7.55% APR over the week.

The National Bank's open position on notes was at its maximums this week, since June 2018: in the range of KZT3.9 trln – KZT4.0 trln. Over the week the regulator sold seven note issues over-the-counter, to a total of KZT1,412.4 bn. The total demand for short-term instruments exceeded the supply by 12%. The one-week notes were sold at a yield of 8.77-8.78%, one-month instruments were placed at 8.79%. The one-year notes turned out to be more expensive than previous issuances: their yield rose by 35 b.p., having increased from 8.50% to 8.85% APR.

Inflation and interest rates

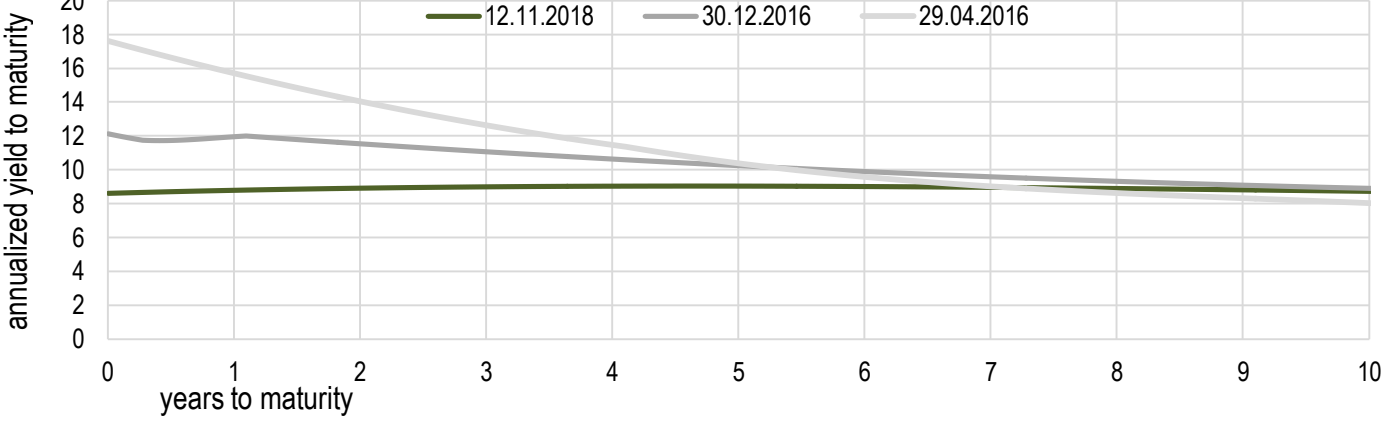


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





The weighted average US dollar exchange rate increased by KZT1.34 to KZT372.65 over the week, and the total amount of trading reached USD374.5 mln.

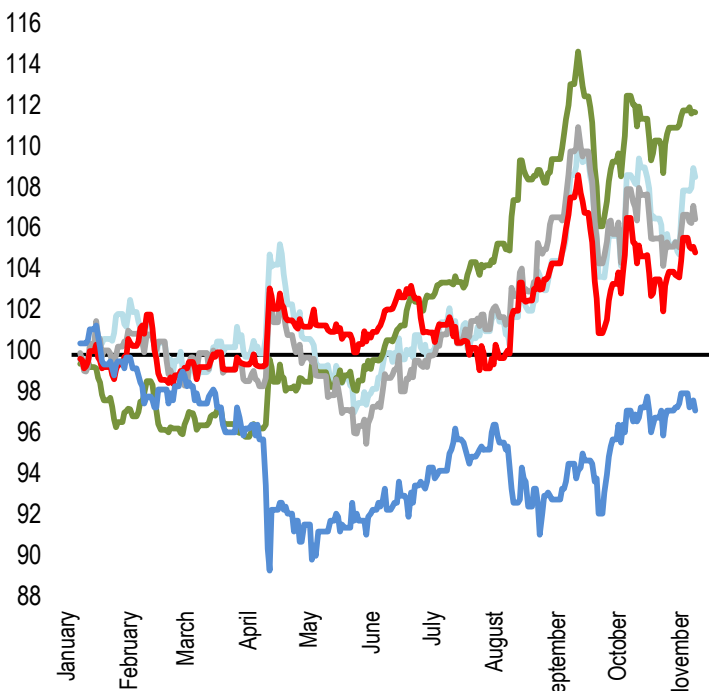
The tenge weakened against the dollar over the week, however the decrease was not that strong, if we take into account the fact that oil prices are decreasing for the 5th week in a row, and this week's drop based on the fuel surplus expectations has already reached 3 dollars. Brent has decreased to its minimums since April.

In its turn, the ruble was doing fairly well in times of low oil prices, however on Thursday the Russian currency nonetheless accelerated its weakening against the dollar. By the moment of closing of the currency section on KASE on Friday, the currency pair dollar /ruble was traded at RUB67 per dollar.

The ruble decreased by KZT0.0860 to KZT5.5787 on KASE over the week. The total amount of trading reached RUB73.5 mln during the current week. The euro finished the week by a KZT1.15 increase to KZT425.15.

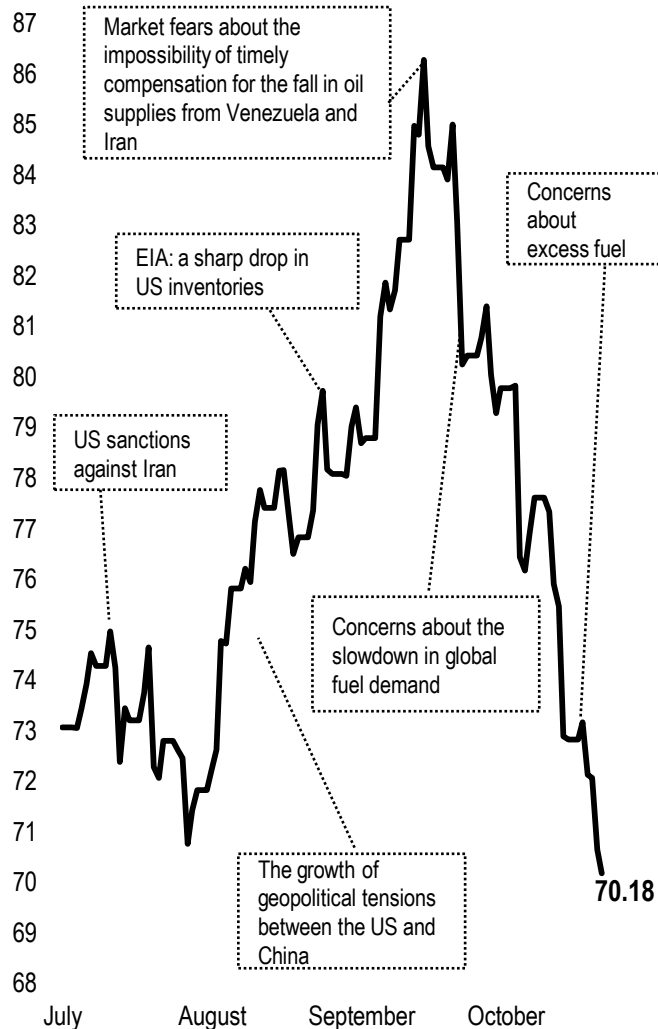
The yuan exchange rate went down by KZT0.1834 over the week, stopping at the mark of KZT53.6770 with the total amount of trading making CNY4.15 mln.

FX rates
Δ %, base (01.01.17)



	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	486,71	+0,6	+0,3	+8,5
— USDKZT	371,08	+0,2	-0,3	+11,7
— EURKZT	423,85	+0,6	-0,6	+6,4
— CNYKZT	53,54	+0,4	-0,4	+4,8
— RUBKZT	5,60	-0,9	+0,2	-2,9

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.



Name	Value	Trend %			Futures	Name	Price	Trend %	
		7d	1m	1y	7d			7d	1m
S&P 500	2 781,01	2,1	-0,2	7,6	2,0	Oil	70,18	-3,6	-15,5
Dow Jones	25 989,30	2,8	1,5	10,8	2,9		60,19	-4,7	-17,7
RTS	1 121,38	-1,2	-1,9	-3,4	-1,3	Natural gas	3,72	13,2	13,2
MICEX	2 285,53	0,0	0,0	4,7	-1,3	Copper	268,45	-4,4	-3,5
Hang Seng	25 601,92	-3,3	-2,3	-12,1	-3,9	Iron	595,00	7,0	17,7
SS CSI 300	3 167,44	-3,7	-3,5	-22,3	-3,6	Gold	1 209,65	-1,9	1,2
Euro Stoxx 50	3 229,49	0,5	-1,1	-10,6	0,3	Silver	14,14	-4,2	-1,3
FTSEuroFirst	3 999,50	0,6	-0,9	-7,9	0,6	Wheat	502,00	-1,3	-1,7
FTSE 100	7 105,34	0,2	-0,6	-5,1	0,3				
KASE	2 194,61	-1,8	-1,8	7,0					

Economic calendar

		Currency	Forecast	Previous
13.11	Change in number of application for unemployment allowance (Oct)	GBP	4,3K	18,5K
14.11	Industrial output (y/y) (Oct)	CNY	5,8%	5,8%
14.11	Base consumer price index (CPI) (m/m) (Oct)	USD	0,2%	0,1%
14.11	Crude oil reserves	USD		5,783M
15.11	Speech of head of the Fed Mr. Powell	USD		
16.11	Speech of head of the ECB Mr. Draghi	EUR		
16.11	Consumer price index (CPI) (y/y) (Oct)	EUR	2,2%	2,2%

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	Beginning 2017
Annual inflation	5,3 %	01.11.18	7,1 %
Gross international reserves of NBK, USD bn	30 028	01.10.18	30 745
Reserve money, KZT bn	6 183,7	01.10.18	5 538,7
Money supply, KZT bn	19 715,0	01.10.18	19 456,0

Kazakhstan credit ratings

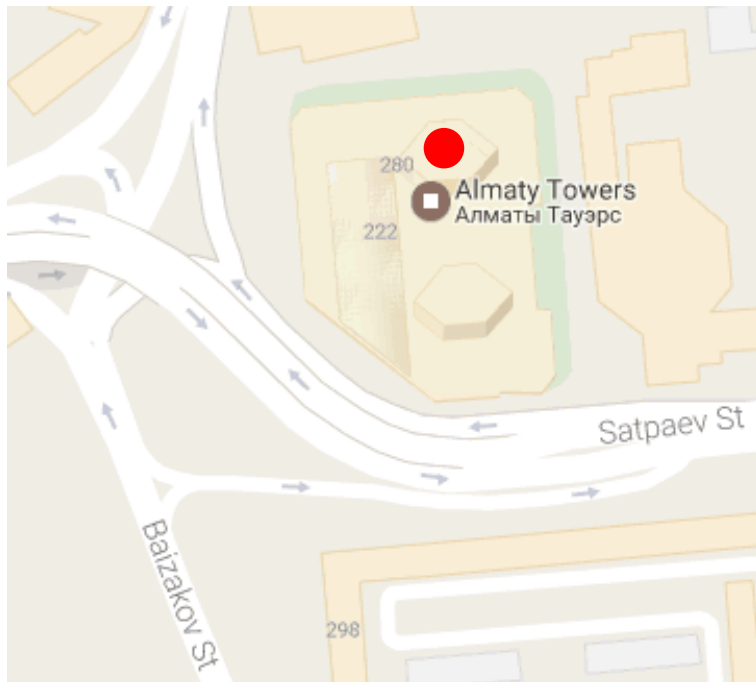
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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