

KASE WEEKLY

12 – 16 February,
2018

KASE NEWS

- ▲ KASE's Board of Directors has [approved](#) an increase of clearing reserve fund on stock market to KZT80.0 mln.
- ▲ KASE has [reduced](#) duration of the base period for carrying out market valuation of non-indexed GS with term to maturity of up to 720 days.
- ▲ KASE has awarded the most active [members](#) of the exchange, listed [companies](#) and media [representatives](#) for 2017.

ISSUER NEWS AND ANNOUNCEMENTS

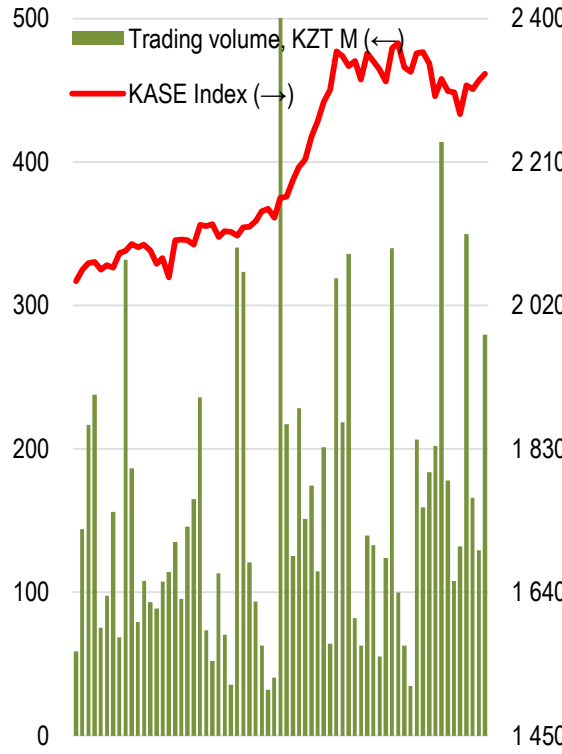
- ▲ Tsesna Capital has been [assigned](#) status of a market-maker for international bonds of Kazakhstan Temir Zholy (TMJLe1, TMJLe6) on KASE as of February 16.
- ▲ Special trading sessions for buyback of 410,237 ordinary [shares](#) (RDGZ) and 85 mln global depository [receipts](#) (RDGZd) of KazMunaiGas Exploration Production will be held from February 20 to April 05 on KASE.
- ▲ Bank CentreCredit on February 15 [raised](#) KZT5.8 bn on KASE selling 10-year bonds with yield to maturity of 11.75% APR.
- ▲ Bank RBK on February 14 [raised](#) KZT33.7 bn on KASE selling 15-year subordinated bonds with yield to maturity of 4.08% APR.
- ▲ Bank CentreCredit [announced](#) buyback of 39,249,255 preferred shares of the bank convertible to ordinary shares at the price of KZT300.0 per share.
- ▲ National Company KazMunayGas [announced](#) that the National Bank has annulled issue of shares of KazMunaiGas – Refining and Marketing JSC.
- ▲ National Management Holding KazAgro [reported](#) 1.8-fold increase in rural SME funding over the past three years.
- ▲ Eximbank Kazakhstan [reported](#) that Standard Poor's downgraded the bank's ratings and placed them on CreditWatch Developing.
- ▲ National Bank of the Republic of Kazakhstan gave [consent](#) to Vladislav Lee to become major shareholder of Bank CenterCredit.
- ▲ ForteBank [announced](#) appointment of Andronikashvili G.L. as the chairman of the bank's Management Board.
- ▲ Ai Karaauyl [announced](#) appointment of M. Shabanbayev the president of the company.



KASE Index managed to close in the black after two weeks of decline. The Kazakhstan blue-chip Index rose by 1.08% to 2,326.74 points over the week.

World news situation began to improve. After two-week correction, which led to the reduction of global equity market capitalization by USD5.95 trillion, the market started recovering. The MSCI World index, which reflects the situation on the world stock market, has fallen by more than 9% earlier. But this week it has recovered and has increased by 4.22% from minimum values.

KASE Index shares



16.02.2018

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 326,7	1,1	-0,5
First class of liquidity	Price, KZT		
Sberbank (Russia)	1 513,0	6,6	9,0
KAZ Minerals	3 869,0	4,6	-4,8
Kcell	1 650,0	3,8	0,3
Bank of America	10 186,1	3,3	-1,6
Gazprom (Russia)	805,1	3,0	-3,5
KazTransOil	1 480,0	0,9	0,3
CenterCredit Bank	278,0	0,7	40,2
KEGOC	1 405,0	0,6	0,4
BAST	55 210,0	0,6	-2,6
Bank VTB (Russia)	0,3	0,0	-6,9
Kazakhtelecom	24 090,0	-0,4	-4,4
Aeroflot (Russia)	802,0	-0,7	-7,8
Aktobe Metalware Plant	11 523,9	-1,0	-3,4
Halyk Bank	102,5	-1,3	0,6
Bank of Astana	1 200,0	-1,5	-2,6
Kazakhtelecom (pref.)	9 811,0	-2,4	-12,4
KazMunayGas EP (pref.)	11 900,0	-2,5	4,4
KazMunayGas EP	26 213,7	-2,9	2,4
QAZKOM (pref.)	91,0	-10,8	-13,3
QAZKOM	90,0	-18,2	-14,3

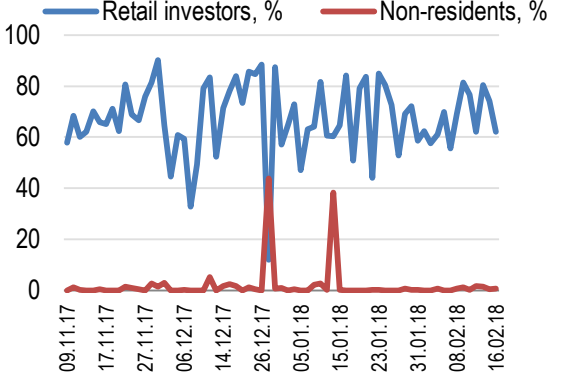
Note: Index stocks are highlighted in green

Five out of eight share names in the Index showed growth. KAZ Minerals stocks rose most of all and increased by 4.57 % reaching KZT3,869.00 over the week. Here we can see a clear upward trend, which is associated primarily with the price of copper, which has returned to level above USD7,000 per one tonne for the first time since Wednesday, 7th February. By close of trading on KASE, copper traded at USD7,180 per tonne.

Shares of Kcell and Kaztransoil rose by 3.77 % and 0.88 %, respectively. The greatest faller were securities of Bank of Astana, which hit the significant level of KZT1,200.

Mortgage Organization Kazakhstan Mortgage Company raised KZT6.0 bn selling bonds with yield to maturity of 10.50 % APR. The buyers were an insurance company, mutual fund and other legal entities.

Retail investors & non-residents, %

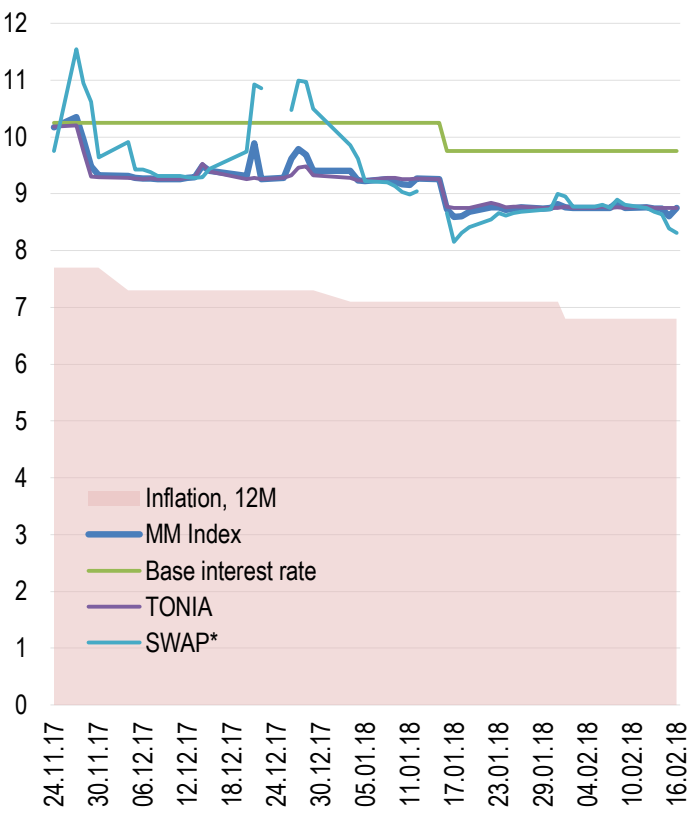




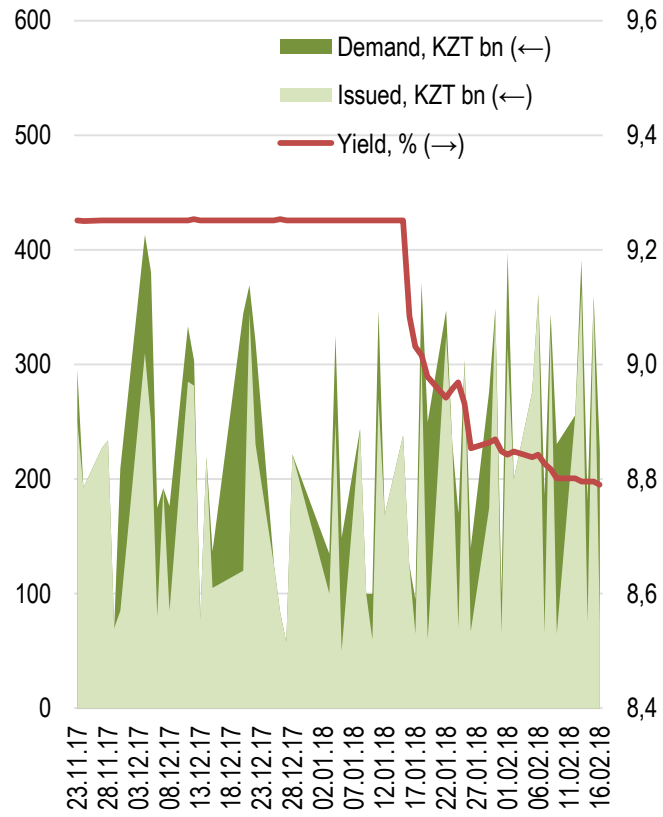
This week, the yield on one-day swaps decreased by 38 b.p. and amounted to 8.39% APR. The yield of one-day repo transactions with government securities has not changed and amounted to 8.75 % per annum.

The National Bank has placed seven issues of notes with the total volume of KZT1,571.7 bn over-the-counter during the week. The yield on five issues of the 7-day notes with the total offering volume of KZT1,130.2 bn was 8.80 %. On the 28-day and 3-months notes, the rate was 9.02 and 8.94 per cent per annum, respectively. The total demand for notes exceeded the supply by 29 % and reached KZT 2,030.6 bn.

Inflation and interest rates

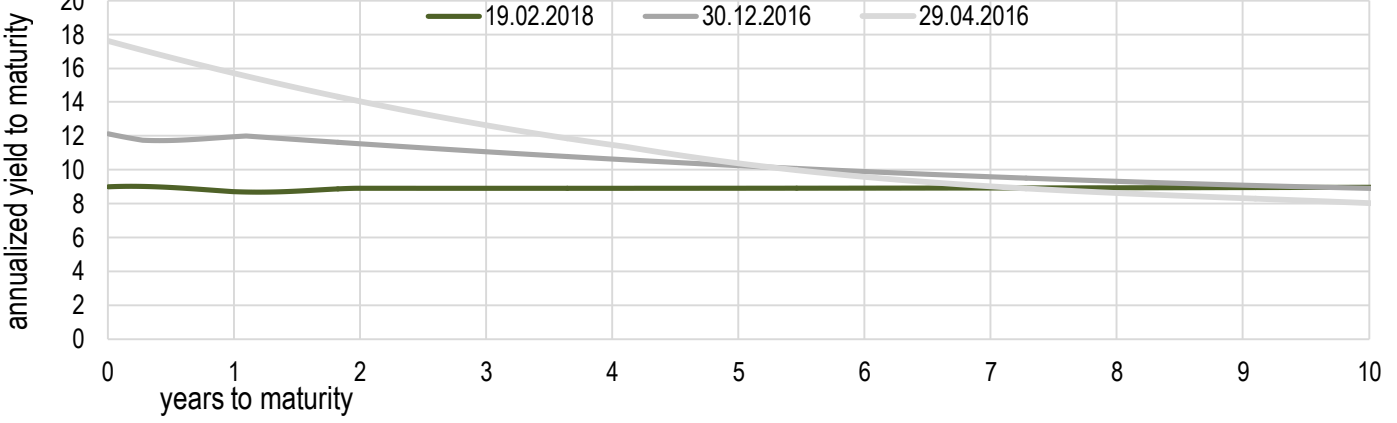


Issuance of weekly NBK notes



* 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 fell by 2.4 % or KZT7.90 to KZT319.42. The trading volume rose by 52% and reached KZT1,147.5 mln over the week. The exchange rate of tenge after almost 2% decline a week earlier, showed maximum weekly revaluation dynamics since the beginning of October 2017 having reached the minimum seven months values.

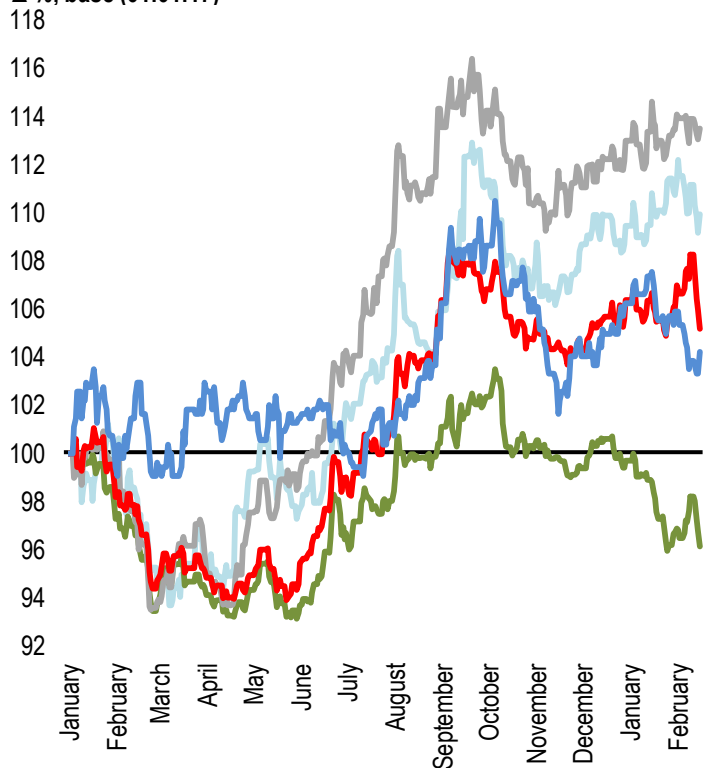
Strengthening of the national currency is taking place amid tax period and gradual recovery of oil prices after a seven-day bear rally.

The Russian ruble after the last week decline for more than 11 tiyn, went up by KZT0.0493 to KZT5.6772 at the trading volume of RUR156.5 mln over the week.

During the reporting week, the euro and the yuan had two productive trading days. The exchange rate of the European currency stopped at around KZT398.64 at a volume of 1 650 thousand euro. The renminbi rate closed on Wednesday at the level of KZT50.9700, the volume of trading on it reached 1.3 million yuan.

FX rates

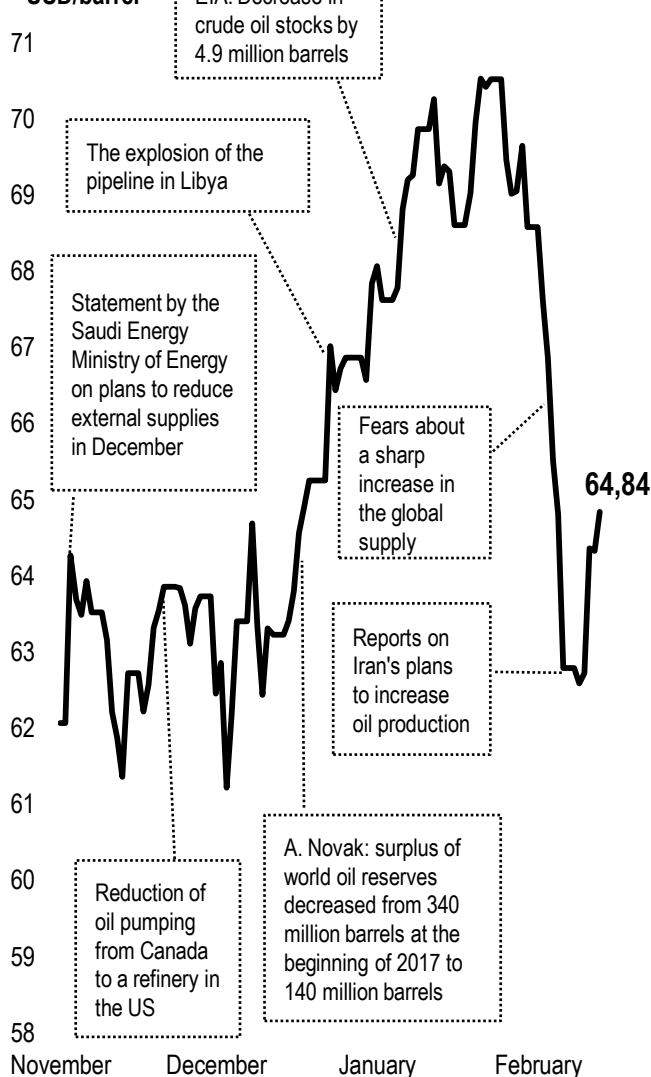
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	450,51	-0,1	-0,1	+9,9
— USDKZT	320,42	-1,5	-2,3	-3,9
— EURKZT	400,01	+0,5	-0,2	+13,5
— CNYKZT	50,51	-1,9	-0,8	+5,2
— RUBKZT	5,66	+0,7	-2,6	+4,2

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	2 732,22	4,3	-2,5	16,4	4,4
Dow Jones	25 219,38	4,3	-3,4	22,3	4,4
 RTS	1 263,27	6,5	-0,1	7,4	6,4
MICEX	2 255,27	2,6	-1,0	5,0	6,4
 Hang Seng	31 115,43	5,4	-2,7	29,1	5,6
SS CSI 300	3 966,96	3,3	-6,6	15,3	4,8
 Euro Stoxx 50	3 426,80	3,0	-5,1	3,5	3,6
FTSEuroFirst	4 169,50	3,0	-5,4	0,4	2,9
 FTSE 100	7 294,70	2,9	-5,6	0,2	3,5
 KASE	2 326,74	1,1	-0,5	44,5	

Commodities market

16.02.2018

Name	Price	Trend %	
		7d	1m
Oil	64,84	3,3	-6,5
	61,68	4,2	-3,6
Natural gas	2,56	-1,0	-20,9
Copper	324,85	7,1	1,9
Iron	593,00	0,0	17,4
Gold	1 346,96	2,3	1,5
Silver	16,71	3,6	-2,6
Wheat	457,75	1,9	8,6

Economic calendar

		Currency	Forecast	Previous
19.02	Eurogroup Meetings	EUR		
19.02	Unemployment Rate (Jan)	RUB	5.2%	5.1%
20.02	EU Finance Ministers Meeting	EUR		
21.02	Existing Home Sales (Jan)	USD	5.61M	5.57M
21.02	FOMC Meeting Minutes	USD		
22.02	ECB Publishes Account of Monetary Policy Meeting	EUR		
22.02	Crude Oil Inventories	USD		1.841M

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 2017
Annual inflation	6,8 %	01.02.18	8,5 %
Gross international reserves of NBK, USD bn	31 724	01.02.18	29 530
Reserve money, KZT bn	5 208,7	01.02.18	5 162,2
Money supply, KZT bn	19 456,0	01.01.18	19 912,6

Kazakhstan credit ratings

	Rating	Date	Previous
	BBB- stable	16.01.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	20.10.17	BBB stable

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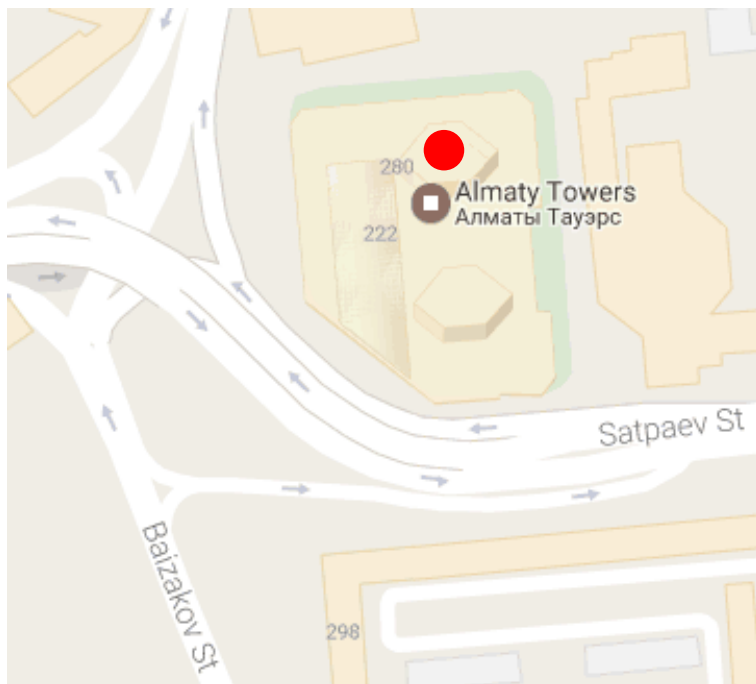
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