

KASE WEEKLY

14 – 18 May,
2018

KASE NEWS

- ▲ KASE [held](#) media briefing on exchange market's performance in April 2018
- ▲ Amendments to the Rules of Conducting Banking Transactions are [put into effect](#) as of May 17
- ▲ Amendments to the Rules for Admittance to the KASE Startup Platform and Regulation on the Procedure for Concluding Transactions and Settlements on KASE Startup Platform are [put into effect](#) as of May 17, 2018
- ▲ Amendments to the Regulations on Membership Fees and Exchange Dues are [put into effect](#) as of May 17, 2018

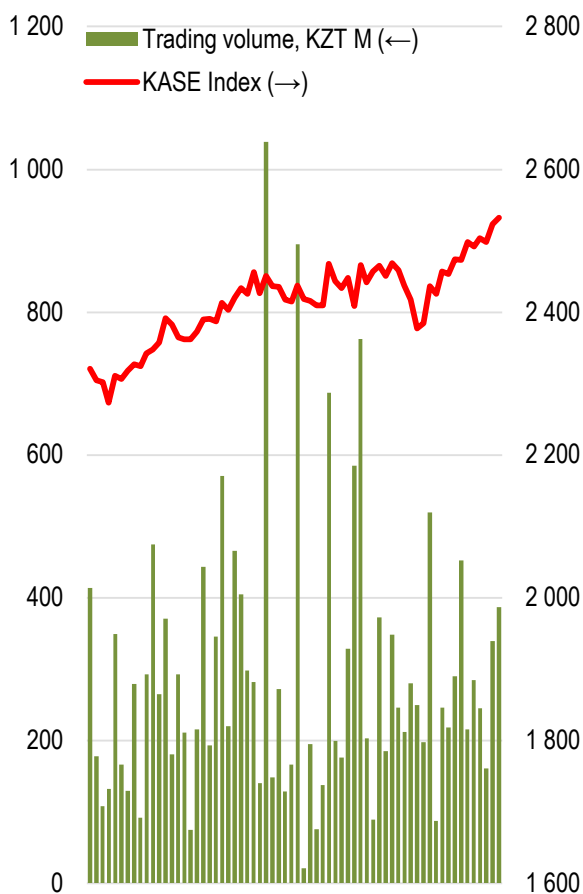
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Ministry of Finance of Kazakhstan has [raised](#) KZT20.1 bn on KASE selling third issue of MEUKAM-168 (KZKDKY140033) with yield to maturity of 8.45 % APR on May 14
- ▲ Special trading session for buyback of common shares KZ1C36280010 (KZ0007786572, CCBN) of Bank CenterCredit held on May 15 on KASE declared [failed](#).
- ▲ Administration of Kyzylorda region [raised](#) KZT1.0 bn on KASE selling two-year bonds KZMJKY020608 (KOK024_060) at 0.35 % APR on May 16.
- ▲ Trades in international bonds XS1807299174, US48667QAR65 (KMGZe13), XS1807300105, US48667QAQ82 (KMGZe14) and XS1807299331, US48667QAS49 (KMGZe15) of National Company KazMunayGaz [opens](#) in KASE secondary market sector as of June 1.
- ▲ The number of accounts of individuals involved in transactions with shares on KASE [decreased](#) 10.4% in April.
- ▲ Kazkommertsbank announces [redemption](#) of international bonds XS0625516157, US48668AAA79 (KKGBe23).
- ▲ Tsesnabank announced that Standard & Poor's [affirmed](#) ratings of bank and its bonds, outlook "Negative".
- ▲ January-March 2018 of Freedom Finance [financial statements](#) published.
- ▲ National Company Kazakhstan Temir Zholy says Standard & Poor's [affirmed](#) ratings of company and its bonds, outlook Stable.
- ▲ KAZ Minerals PLC (United Kingdom) [provided](#) Q1 2018 production report.
- ▲ January-March 2018 financial statements of Bank of Astana [published](#).
- ▲ January-March 2018 consolidated financial statements of Samruk-Energo [published](#).
- ▲ Review report on consolidated financial statements of Halyk Savings Bank of Kazakhstan for three months ended March 31, 2018 [published](#).

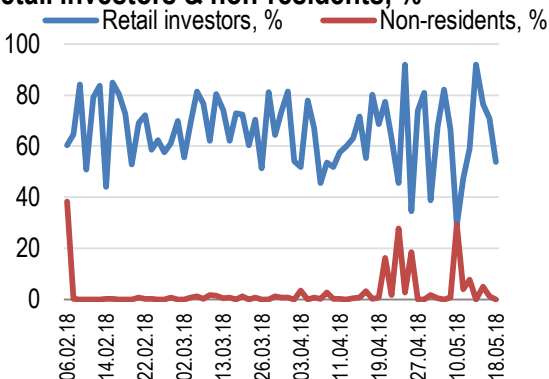
KASE Index closed the third week at almost ten-year record high. The Index rose 1.40% and reached 2,533.44 points over the trading week.

Kazakhtelecom stocks that rose 8.19% to KZT 32,999.00 showed the most growth.

KASE Index shares



Retail investors & non-residents, %



18.05.2018

KASE Index	2 532,7	Trends (%)	
		1,4	2,7
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
Kazakhtelecom	32 999,0	8,2	17,4
CenterCredit Bank	301,9	2,9	3,6
Bank of Astana	895,0	2,3	-24,6
Gazprom (Russia)	790,0	1,8	3,3
Kazakhtelecom (pref.)	12 200,0	0,8	6,1
Halyk Bank	106,5	0,7	-1,9
Bank of America	10 060,0	0,7	-0,1
QAZKOM	105,0	0,0	-7,1
KazMunayGas EP (pref.)	9 450,0	0,0	-3,7
Bank VTB (Russia)	0,3	0,0	0,0
KazTransOil	1 595,0	0,0	2,7
KAZ Minerals	4 580,2	-0,1	8,0
Kcell	1 625,5	-0,5	-1,2
Sberbank (Russia)	1 230,0	-0,9	1,8
Aktobe Metalware Plant	10 949,4	-0,9	-2,6
KEGOC	1 435,2	-1,4	0,2
BAST	53 000,3	-1,7	-2,4
Aeroflot (Russia)	745,0	-3,9	-9,9

Note: Index stocks are highlighted in green

The telecom company's capitalization growth is not accompanied by high volumes of transactions and is taking place in anticipation of the Antimonopoly Committee's decision. On Thursday, Timur Suleimenov, the Kazakh Minister for the National Economy, said that Kazakhtelecom's application on purchasing 75%-stake in Kcell is being currently considered by the Antimonopoly Committee jointly with the Ministry of Information and Communications. At present, technological issues are being discussed.

Bank CenterCredit's equity instruments rose 2.86% to KZT301.89 this week. This week, special trading session for the buyback of Bank CenterCredit's common shares was held. However, the trading session was declared failed because there were no sales orders received. The assumed cut-off price, i.e. the price at which the buyback can be made, was set at KZT253.94, which is lower by nearly KZT37 than the closing price of the previous day.

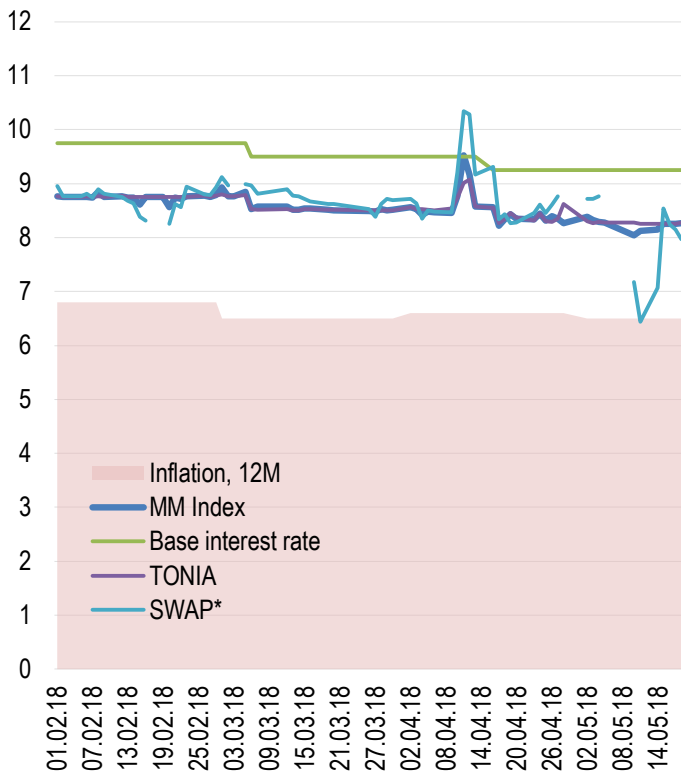
Consolidated financial statements of Bank CenterCredit for Q1 2018 were published this week. According to the financial statements, net profit under IFRS reached KZT2.142 bn, an increase of 1.7 times compared to the same period of the last year.



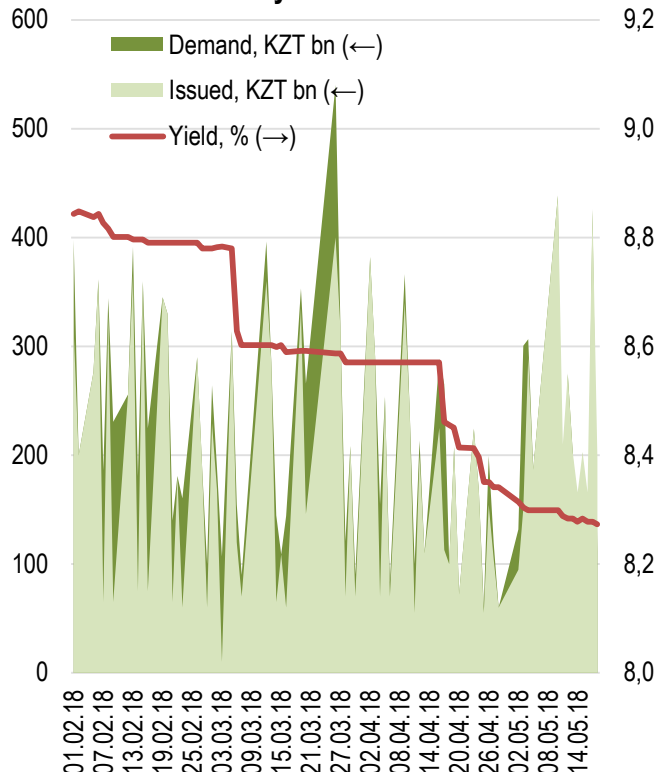
Tenge borrowing rates in the money market have increased this week. The yield on one-day currency swaps rebounded this week and increased 153 b.p. to 7.97%. The yield on one-day repo transactions with government securities rose 2 b.p. and fixed at 8.28% APR.

The National Bank has placed seven issues of notes with the total volume of KZT1,393.6 bn over-the-counter over the week. The yield on five issues of 7-day notes with the total offering volume of KZT1,104.2 bn dropped 1 b.p. to 8.79% APR. The yield on 28-day and three-month notes amounted to 8.41% APR. The total demand for notes exceeded the supply only by 12% and reached KZT1,554.3 bn. The demand for five out of seven issues was fully met.

Inflation and interest rates

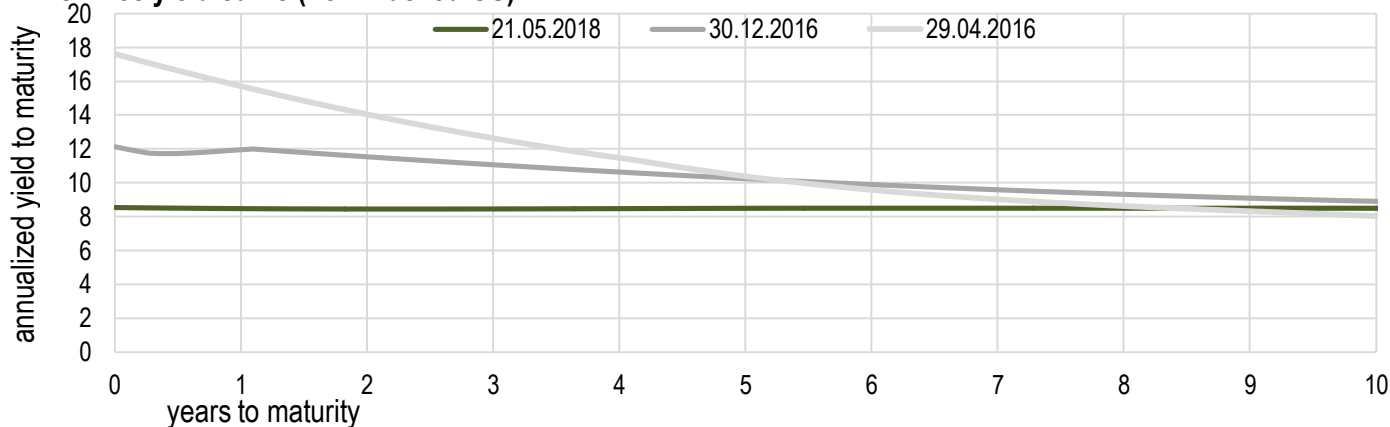


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average dollar exchange rate grew 0.6% or KZT1.91 to KZT328.31 over the week. Trading volume rose 80% to USD821.70 mln compared with the last short week.

This week, the national currency rate slowly reacted to oil price records that exceeded USD 80 per barrel at some point. Yet, tenge has traded taking into account the ruble rate, which, in turn, is affected by anti-Russian sanctions.

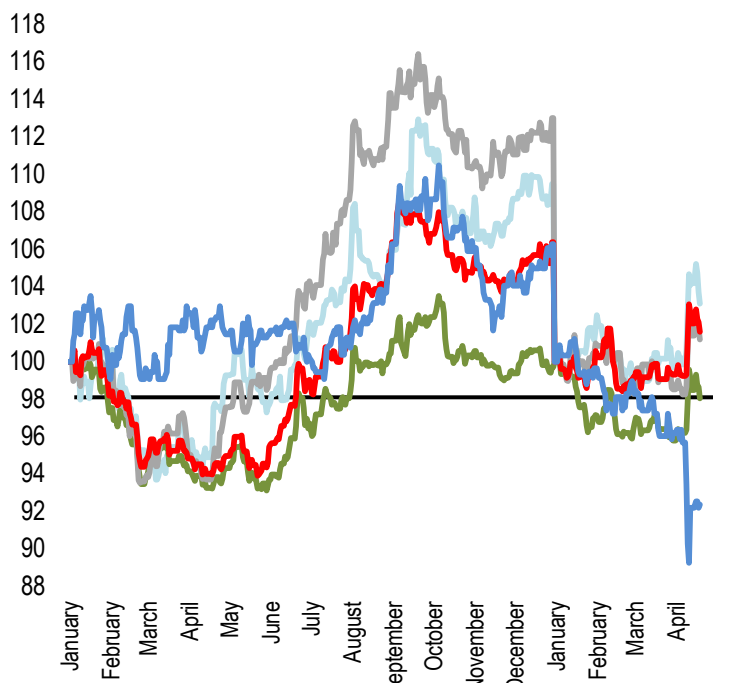
Notable strengthening of the U.S. Dollar Index and growing U.S. treasury yield puts additional pressure on currencies of developing countries. This week, U.S. 10-year bond yield hit 3% and renewed maximum since July 2011. All this has a positive effect on the growth of the U.S. currency because investors will increasingly prefer U.S. Treasuries instead of more risky assets.

The ruble exchange rate rose KZT0.0108 to KZT5.3017 over the week. The total trading volume for the current week reached RUB 266.1 mln.

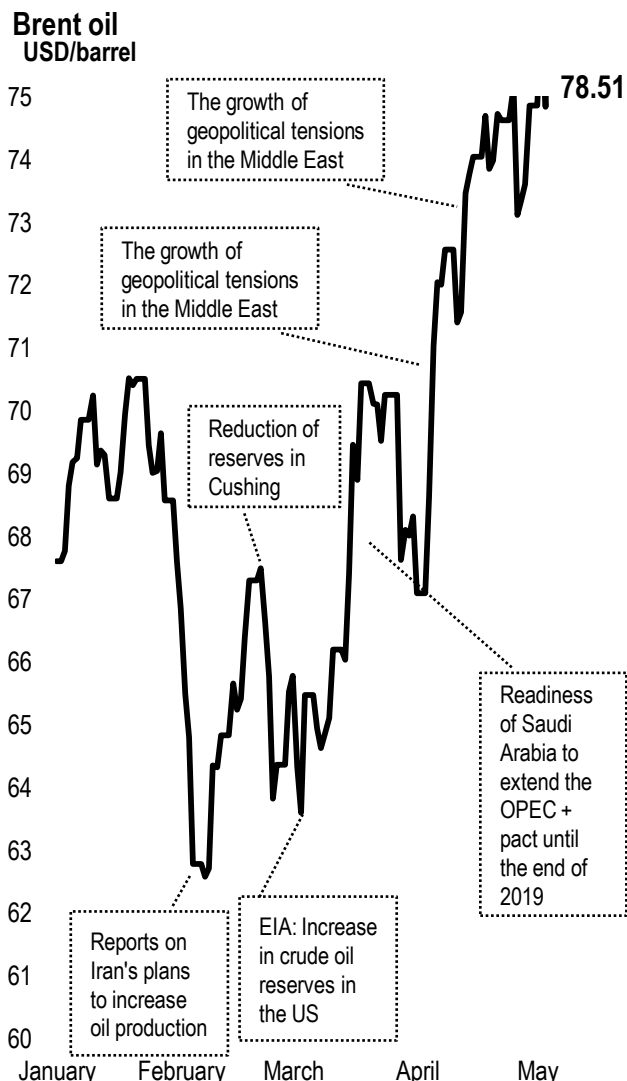
There were no transactions made with the European currency this week.

The yuan exchange rate rose KZT0.1380 having fixed at KZT51.6120 at the volume of transactions of CNY 2.95 mln.

FX rates
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	441,47	-0,9	-6,0	-1,6
— USDKZT	327,11	-0,2	-0,3	-1,6
— EURKZT	386,02	-0,8	-4,9	-3,1
— CNYKZT	51,38	-0,4	-1,7	+0,6
— RUBKZT	5,28	+0,4	-1,1	-8,5



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



Global indices

Name	Value	Trend %			Futures
 S&P 500	2 712,97	-0,5	0,2	14,7	-0,6
Dow Jones	24 715,09	-0,5	-0,1	19,6	-0,4
 RTS	1 173,14	-1,7	1,6	8,9	-1,5
MICEX	2 285,53	0,0	0,0	16,2	-1,5
 Hang Seng	31 047,91	-0,2	2,5	23,5	-0,6
SS CSI 300	3 903,06	0,8	3,6	14,9	0,7
 Euro Stoxx 50	3 573,76	0,2	2,4	0,3	0,4
FTSEuroFirst	4 360,00	0,6	4,4	1,5	0,7
 FTSE 100	7 778,79	0,7	6,3	4,6	0,7
 KASE	2 532,67	1,4	2,7	62,8	

Commodities market

18.05.2018

Name	Price	Trend %	
		7d	1m
Oil	78,51	1,8	6,8
	71,28	0,8	4,1
Natural gas	2,85	1,5	3,9
Copper	305,10	-1,4	-3,4
Iron	517,00	4,6	20,0
Gold	1 293,04	-2,0	-4,2
Silver	16,39	-1,7	-5,0
Wheat	518,25	5,9	9,0

Economic calendar

		Currency	Forecast	Previous
23.05	Consumer Price Index (CPI) (y / y) (apr)	GBP	2,5%	2,5%
23.05	Sales of new housing (apr)	USD	680 K	694 K
23.05	Publication of the FOMC protocols	USD		
23.05	Crude oil reserves	USD	-0,763M	-1,404M
24.05	Publication of the minutes of the ECB meeting on monetary policy	EUR		
25.05	GDP (q / q) (1 q)	EUR	0,1%	0,1%
25.05	Speech by the Head of the Federal Reserve Service Mr. Powell	USD		

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	6,5 %	01.05.18	8,5 %
Gross international reserves of NBK, USD bn	31 791	01.04.18	29 710
Reserve money, KZT bn	4 565,7	01.04.18	5 162,6
Money supply, KZT bn	18 631,0	01.03.18	19 798,6

Kazakhstan credit ratings

	Rating	Date	Previous
S&P Global	BBB- stable	12.03.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	17.04.18	BBB stable

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**Corporate Events Calendar of
KASE listed Companies**

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2. previous results do not necessarily affect the future results with the future estimations based on the assumptions that may not materialize. The value of any investment or income may go down and up, as a result the investors might not receive the entire invested amount back. For the investments in non-universally recognized markets, the investors may experience various difficulties, including selling them or obtaining the reliable information about their value or the risks involved;
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