

KASE WEEKLY

29 October –
02 November, 2018

KASE NEWS

- ▲ Announcement: KASE to [hold](#) a competition among retail investors of the stock market from November 1 to December 14, 2018.
- ▲ KASE to [hold](#) Kazakhstan Exchange Forum on November 16. 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 using stock market instruments, stock infrastructure development and promotion of the exchange-traded instruments would be discussed.
- ▲ KASE has [extended](#) the duration of the Base period for market valuation of non-indexed GS with term of 6,100 days left to maturity.
- ▲ Online project "KASE: History in Persons": interviews with Juliya Zhakupbaeva and Yermek Mazhekenov have been [published](#).
- ▲ As of November 1, 2018 KASE has [changed](#) parameters of shares included in the KASE Index representative list.

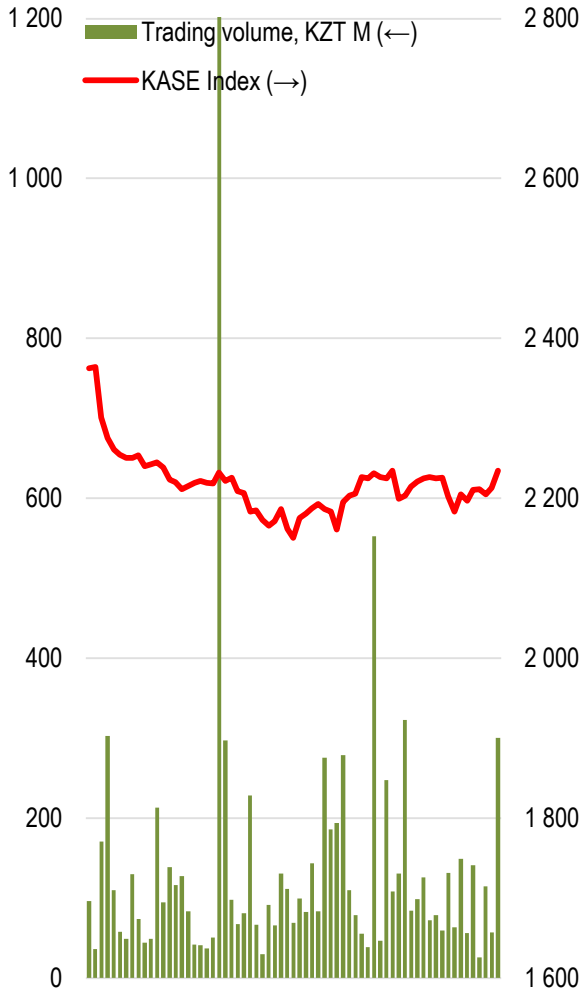
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ KazMunayGas Exploration Production [buys](#) back 269,398 own preferred shares (RDGZp) at KZT12,800 per share.
- ▲ KazAgroFinance [raised](#) KZT9.3 bn on KASE on October 29 selling bonds (KAFIb8) with the weighted average yield to maturity of 11.2719% per annum.
- ▲ Faeton Company [raised](#) KZT603.10 mln on KASE on October 30 offering bonds (FATNb2) at 10.99% APR.
- ▲ Administrations of five regions - [Kostanay](#), [Atyrau](#), [Pavlodar](#), [Almaty](#), [West Kazakhstan](#) and the city of [Shymkent](#) - have placed two-year bonds for the total amount of KZT13.4 bn.



KASE Index closed the week in the green zone going up 1.72 % to 2,234.74 points. Three of seven share titles included in the Index closed in the black and four - in the red.

KASE Index shares



02.11.2018

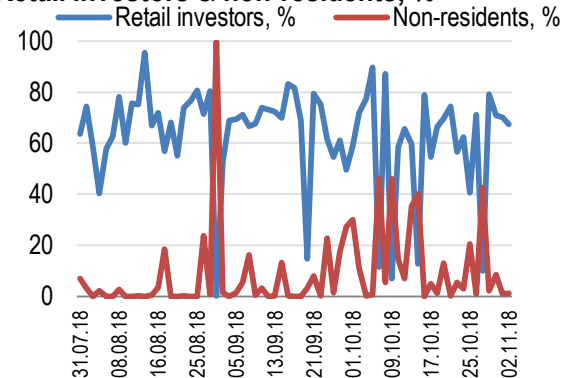
		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 234,7	1,7	0,4
First class of liquidity	Price, KZT		
KAZ Minerals	2 650,0	15,2	-2,2
Aeroflot (Russia)	552,0	8,7	-4,9
Sberbank (Russia)	1 085,5	5,1	-3,5
Bank VTB (Russia)	0,2	5,0	-8,7
Bank of America	10 404,4	4,2	-3,8
Kcell	1 669,0	1,1	0,8
BAST	39 738,4	1,0	-5,5
KEGOC	1 560,0	0,8	4,7
Gazprom (Russia)	875,1	0,3	-2,8
Halyk Bank	105,0	-0,0	7,2
Kazakhtelecom	29 100,0	-0,7	-4,6
KazMunayGas EP (pref.)	12 500,0	-1,2	-1,5
Kazakhtelecom (pref.)	12 300,0	-1,6	-4,5
KazTransOil	1 290,0	-1,9	-5,1
CenterCredit Bank	241,0	-2,1	-4,4

Note: Index stocks are highlighted in green

KAZ Minerals stocks grew the most and rose by 15.22% to KZT2,650.01. Most of the growth was recorded on Friday (+7.5 %), the rise in price was accompanied by an increase in trading volumes. The reports that said that the U.S. President Donald Trump was interested in making a trade deal with Chinese President Xi Jinping at the G20 Summit to be held in Argentina had positive effect. Bloomberg reported about this quoting four sources familiar with the situation. It also had a positive impact on the growth of copper prices. For instance, quotations of this nonferrous metal in November have already increased by 4.5%, having exceeded the psychological mark of US \$6,000 per tonne. Copper traded at US \$6,110 per tonne at the close of trading on KASE.

Meanwhile, the greatest reduction was recorded for Bank CenterCredit and KazTransOil's shares over the week. The price of the two companies' equity instruments adjusted by 2%.

Retail investors & non-residents, %

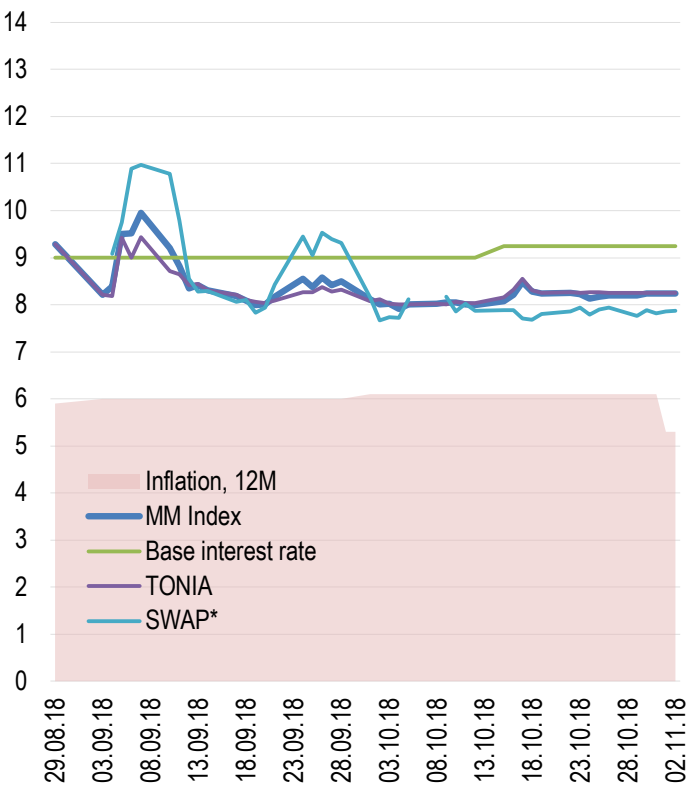




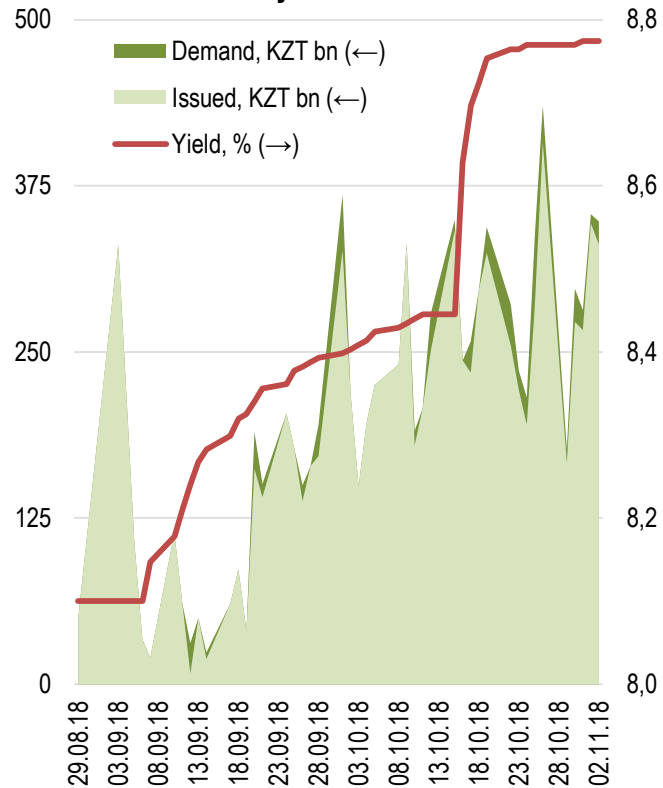
The yield of one-day repo transactions with government securities did not change and remained at 8.25% APR. The yield of one-day currency swaps increased by 5 b.p. to 7.95% APR.

The National Bank's open position on notes have not changed significantly and was within the range of KZT3.8-3.9 trillion. The regulator has placed seven issues of notes for the amount of KZT1,698.4 bn over the week. The total demand for the notes exceeded the supply by 6%. Weekly notes were placed with the yield of 8.77%, monthly instruments were offered at 8.78%. Annual notes were cheaper and were placed at 8.50%.

Inflation and interest rates

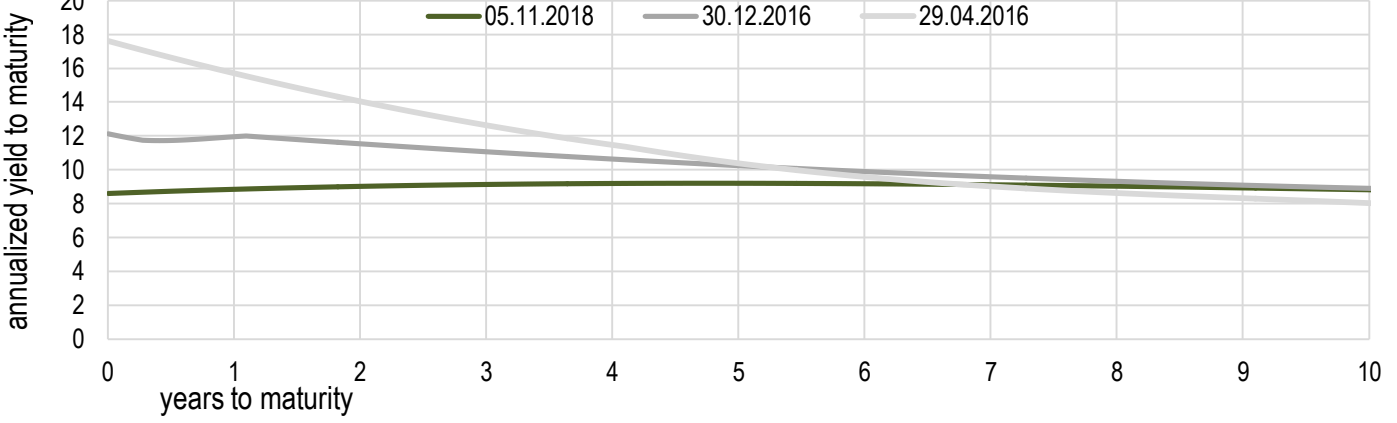


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average US dollar rate increased by KZT2.77 to KZT371.31 and the total trading volume amounted to USD439.2 mln.

The tenge has weakened against all currencies traded on KASE over the trading week. The tenge is losing its positions and the main visible reason for the depreciation of the national currency is a marked correction in oil prices, which dropped by 4.5% to 73 dollars per barrel over the week.

The ruble has not even staggered unlike tenge. The currency of the neighbouring country is supported by the surplus of current account of the balance of payments of Russia, which was recently revised upward by the Central Bank, while the regulator promised not to intervene in the market until the end of the year.

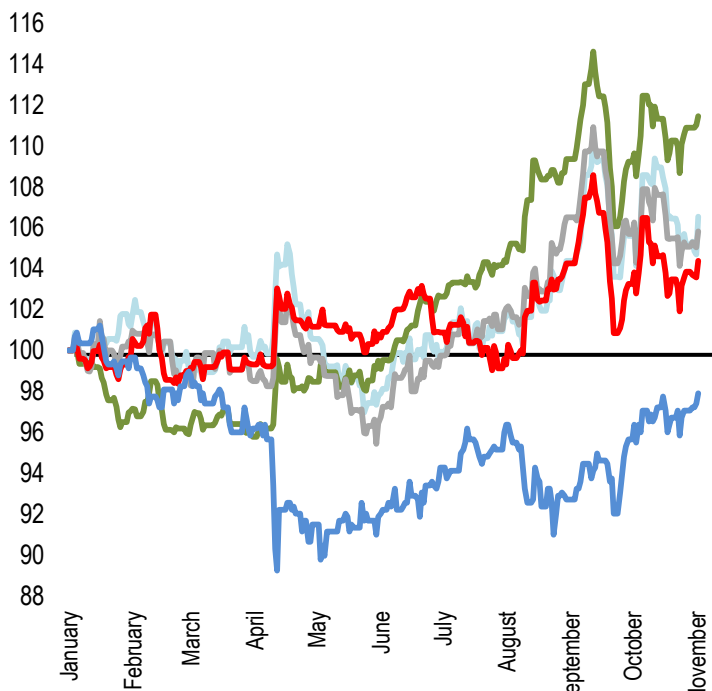
The ruble rose KZT0.0463 to KZT5.6647 on KASE over the week. Total trading volume reached RUB90.2 mln.

For the euro the week closed with the growth by KZT4.32 to KZT424.00.

The exchange rate of yuan increased by KZT1.3004 having fixed at KZT53.8604 at the trading volume of CNY5.9 mln over the week.

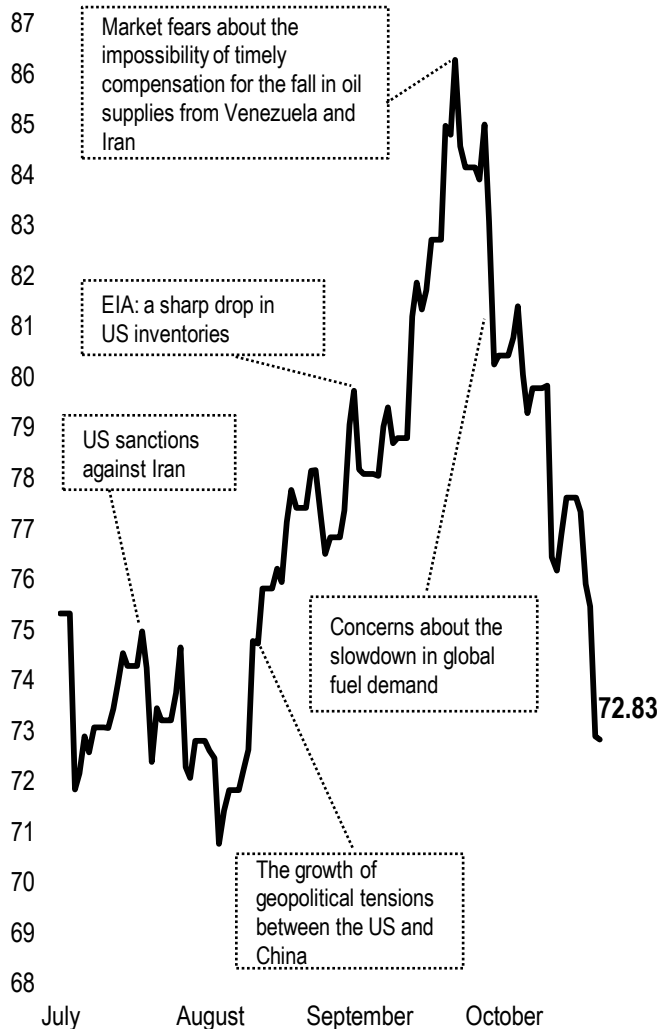
FX rates

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	478,02	+0,8	+2,3	+6,6
— USDKZT	370,44	+0,8	+2,7	+11,5
— EURKZT	421,49	+0,5	+1,5	+5,8
— CNYKZT	53,33	+0,8	+1,6	+4,4
— RUBKZT	5,65	+0,9	+2,5	-2,1

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.

Global indices

Name	Value	Trend %			Futures
		7d	1m	1y	7d
 S&P 500	2 723,06	2,4	-6,9	5,6	2,1
Dow Jones	25 270,83	2,4	-5,8	7,5	2,0
 RTS	1 134,80	3,3	-5,1	1,4	3,3
MICEX	2 285,53	0,0	0,0	10,3	3,3
 Hang Seng	26 486,35	7,2	-2,2	-7,1	7,4
SS CSI 300	3 290,25	3,7	-4,3	-17,7	4,2
 Euro Stoxx 50	3 214,41	2,5	-5,6	-12,9	3,2
FTSEuroFirst	3 975,00	3,3	-5,0	-9,1	2,7
 FTSE 100	7 094,12	2,2	-5,5	-6,1	2,8
 KASE	2 234,74	1,7	0,4	7,2	

Commodities market

02.11.2018

Name	Price	Trend %	
		7d	1m
Oil	72,83	-6,2	-15,6
	63,14	-6,6	-17,4
Natural gas	3,28	3,1	1,7
Copper	280,70	2,4	-1,0
Iron	556,00	1,4	10,0
Gold	1 232,89	-0,1	2,9
Silver	14,76	0,4	0,6
Wheat	508,75	0,7	-1,3

Economic calendar

		Currency	Forecast	Previous
05.11	ISM Non-Manufacturing PMI (October)	USD	59.3	61.6
07.11	Crude Oil Inventories	USD		3.217M
08.11	Fed Interest Rate Decision	USD	2.25%	2.25%
08.11	FOMC Statement	USD		
09.11	PPI (MoM) (Oct)	USD	0.3%	0.2%
09.11	CPI (YoY) (Oct)	CNY	2.5%	2.5%
09.11	U.S. Baker Hughes Oil Rig Count	USD		874

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

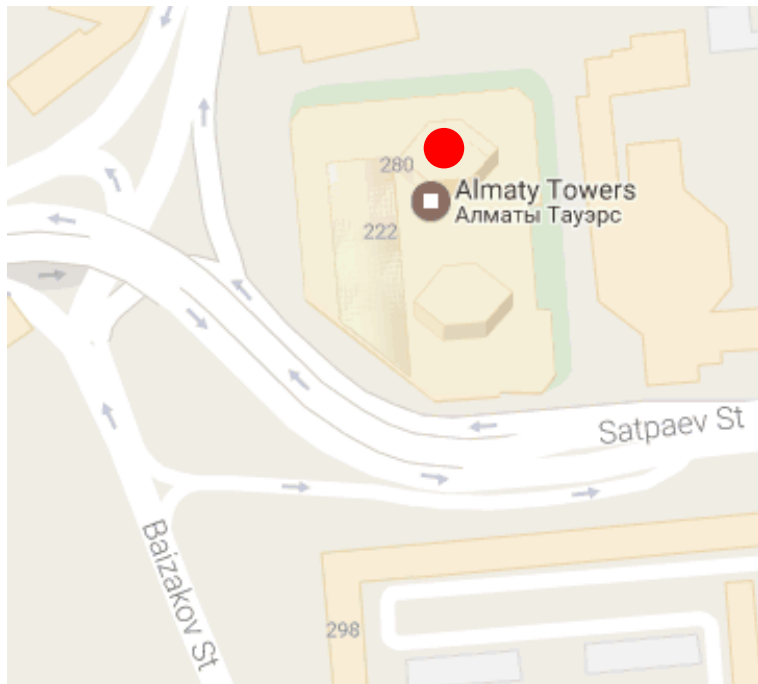
	Rating	Date	Previous
S&P Global	BBB- stable	10.09.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	28.09.18	BBB stable

CONTACT INFORMATION



Address: Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

Tel.: 8 (727) 237 53 00



Corporate website



Contact us



Corporate Events Calendar of KASE listed Companies

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