

KASE WEEKLY

21 – 25 January,
2019

KASE NEWS

- ▲ KASE [held](#) the press conference on the 2018 results.
- ▲ KASE has [extended](#) the duration of the Base period for market valuation of non-indexed GS with term of 7,400 days left to maturity.
- ▲ KASE [removed](#) bonds (EUBNb7) of Eurasian Bank from representative list for bond market indices of KASE_BM* series due to maturity.
- ▲ KASE [supplements](#) file with market valuation of equity and debt securities of January 23, 2019 with four bonds.
- ▲ KASE has [composed](#) lists of shares and depository receipts of the first, second and third classes of liquidity for February 2019 - March 2019.
- ▲ Online project "KASE: History in Persons": interviews with Andrey Tsalyuk and Talgat Kamarov have been [published](#).

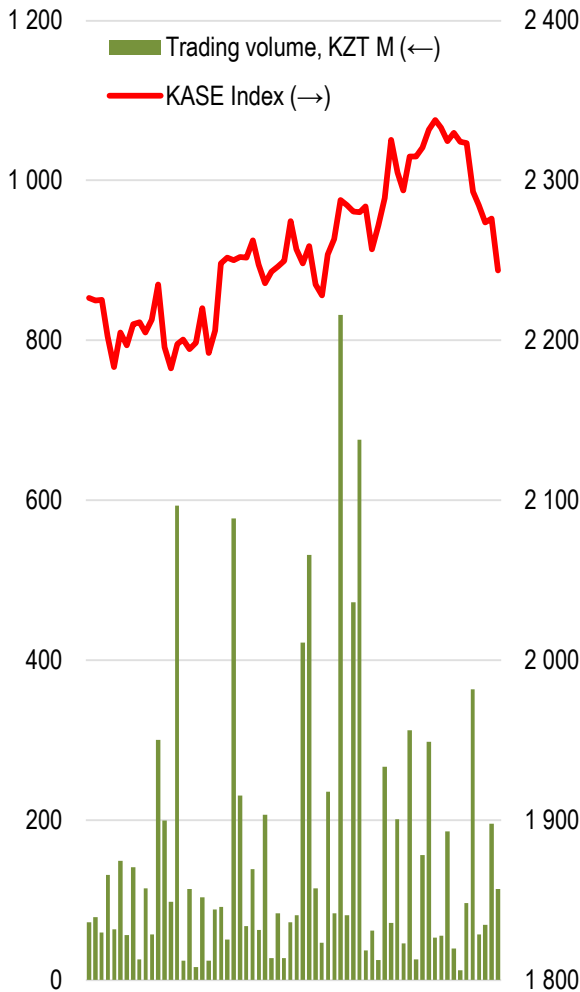
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Kazakhstan's Ministry of Finance [raised](#) KZT26.1 bn on KASE selling 13-year bonds at 8.62 % APR on January 21.
- ▲ Kazkommerts Securities [said](#) Eurasian Development Bank purchased bonds (BTTRb1) of Batys Tranzit for the total amount of KZT11.6 bn
- ▲ KazAgro National Management Holding [announced](#) tender offer and consent solicitation in respect of international bonds (KZAGe1).
- ▲ Information on interest rates, coupon payment dates, maturity of seven issues of bonds of Tsesnabank [changed](#) as of January 21, 2019 in KASE trading system and databases.
- ▲ KAZ Minerals PLC (United Kingdom) [announced](#) preliminary completion of the deal on acquisition of the Baimskaya Copper Project.
- ▲ Subsidiary organization of Halyk Bank of Kazakhstan Halyk Finance [wins](#) "The Best Investment Bank in Kazakhstan 2018" and "Best Bond House - Kazakhstan 2018" awards by Global Business Outlook.
- ▲ KazTransOil [reported](#) operating results for 2018.
- ▲ Freedom Finance [reports](#) redemption of its bonds (FFINb1).



KASE Index closed the week with the most significant decline over the past six months. According to the trading week results, the Index fell 3.42% to 2,243.80 points, which is the lowest since December 11, 2018.

KASE Index shares



25.01.2019

		Trends (%)	
KASE Index	2 243,8	-3,4	-1,2
First class of liquidity	Price	Δ 7d	Δ 1m
Sberbank (Russia)	1 210,7	6,6	20,3
NOSTRUM OIL & GAS PLC	595,0	3,2	9,0
NAC Kazatomprom JSC GDR, \$	14,2	1,0	
NAC Kazatomprom JSC	5 185,0	1,0	
CenterCredit Bank	240,0	0,8	-0,4
Halyk Bank	98,6	0,1	0,1
Gazprom (Russia)	900,0	0,0	12,5
KazMunayGas EP (pref.)	12 800,0	0,0	12,8
Bank of America	10 555,0	-0,4	13,5
KEGOC	1 607,6	-0,8	1,3
KazTransOil	1 390,0	-1,1	4,2
BAST	30 267,3	-1,1	-11,3
Kcell	1 810,5	-1,9	6,5
KAZ Minerals	2 553,0	-2,0	3,4
Aeroflot (Russia)	605,0	-2,3	9,5
Kazakhtelecom (pref.)	12 000,0	-4,5	-6,3
Kazakhtelecom	27 352,0	-16,5	-17,1

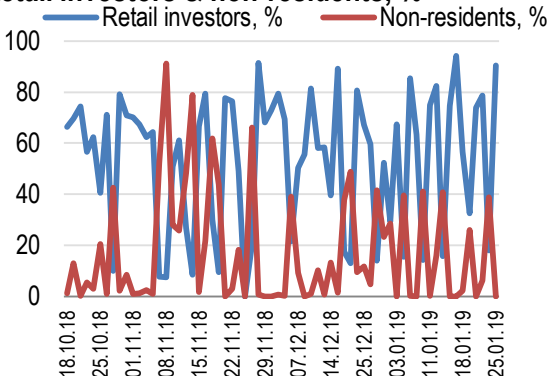
Note: Index stocks are highlighted in green

The greatest faller was Kazakhtelecom's stocks, which have fallen by 16.49% to KZT27,352.00 over the week. The company's shares have fallen to the level of April 2018; the decline was accompanied by increased volume. Slumping prices may be due to the company's litigation against its minority shareholders.

Important corporate events worth noting is KAZ Minerals's production report: according to the 2018 year-end results, the company produced 294.7 thous. tonnes of copper, which is 14% more than in 2017. Copper production in 2018 meets top margin of planned annual production range from 270 thous. to 300 thous. tonnes. It appears that the company's operating results generally meet market players' expectations. The company's equity instruments reached KZT2,553.0 per share over the week, which is 2.00% below last week's closing price.

There were no explicit growth leaders. Quotes of equity instruments of the banking sector companies remained in the green zone within the range of one percent.

Retail investors & non-residents, %

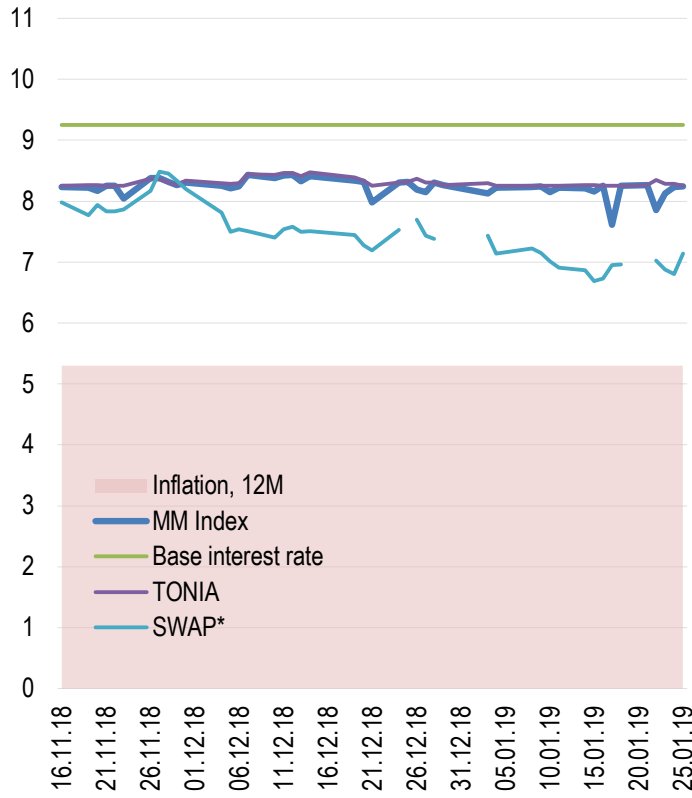




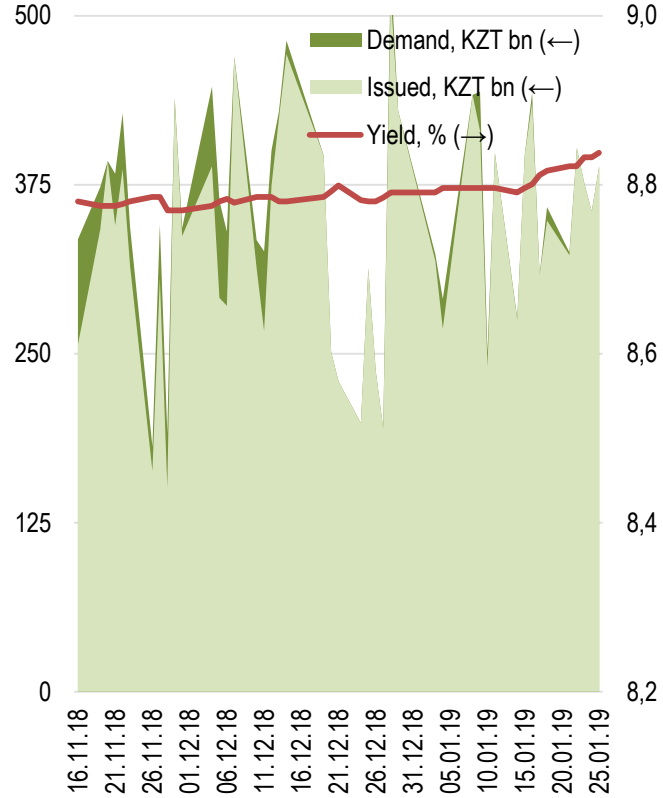
Money market rates have shown oppositely directed change. The yield of one-day repo transactions with government securities dropped by 1 b.p. to 8.25% APR. The yield of one-day dollar swaps fell by 78 b.p. to 7.73% APR.

The National Bank conducted seven placements of notes for the total amount of KZT2,012.1 bn. The total demand for the short-term instruments exceeded the supply by 1% only. Weekly notes were offered for the amount of KZT1,844.5 bn. with the yield within the range from 8.82% to 8.84%. The yield of monthly instruments made up 8.86% at the offering volume of KZT104.6 bn. Semi-annual instruments were placed for the amount of KZT63.0 bn. at 8.90% APR.

Inflation and interest rates

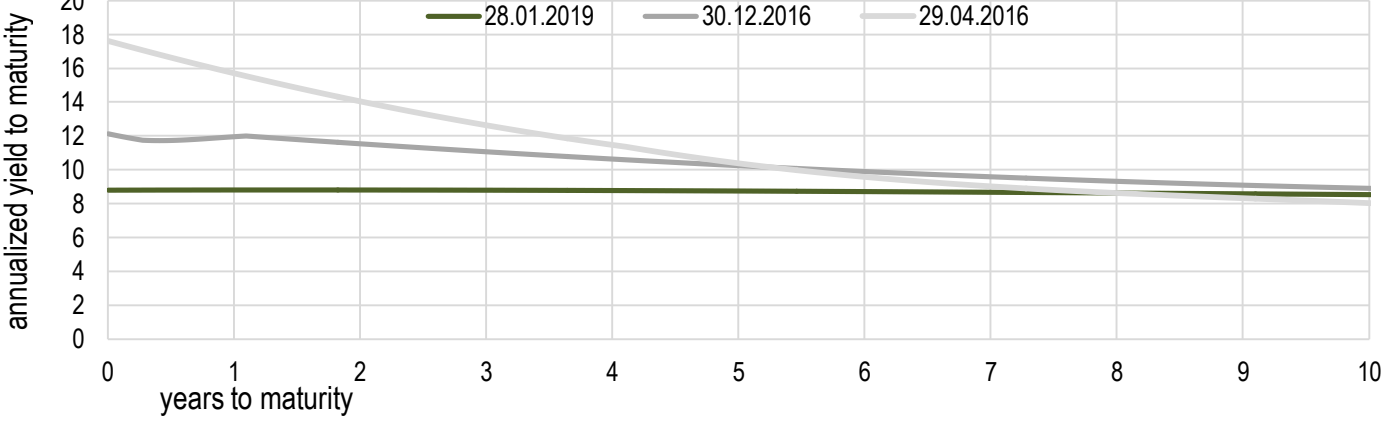


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average dollar rate dropped by 1.52 tenge to KZT377.46 over the week. Total volume of trading in dollars amounted to US \$606.4 mln.

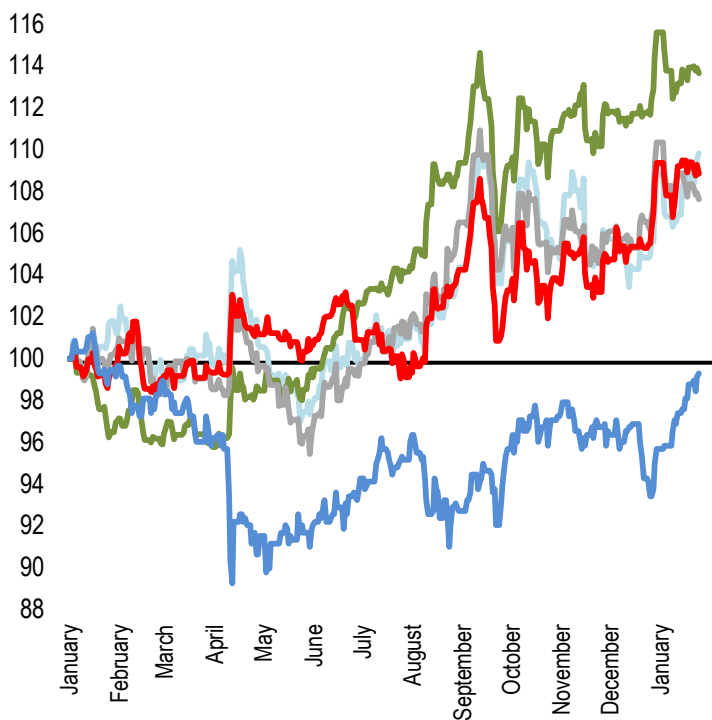
The week for USD/KZT currency pair was rather calm. There were no bursts of volatility on the country's foreign exchange market. The oil traded near its local peaks, whereas the ruble, despite the purchase of foreign currency by the Central Bank of Russia tried to fix below the level of RUB66 per dollar, which is the minimum for more than two months.

The ruble rose by KZT0.0191 to KZT5.7356 on KASE over the week. Total trading volume reached RUB93.0 mln.

The euro closed the week weakening by KZT4.45. The exchange rate of the European currency fixed at KZT427.15. Weekly trading volume in the euro reached EUR400 thous.

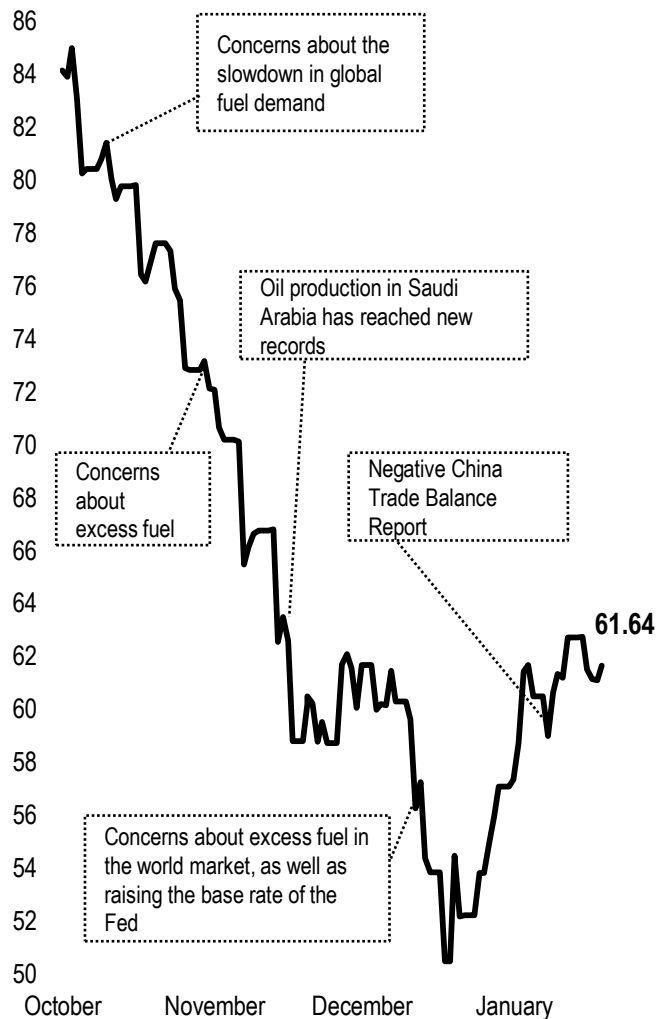
The exchange rate of yuan fell by KZT0.3194 over the week having fixed at KZT55.4688 at the total trading volume of CNY8.5 mln.

FX rates
Δ %, base (01.01.18)









	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	492,71	+1,6	+4,7	+0,9
— USDKZT	377,73	+0,3	+1,8	-1,7
— EURKZT	428,53	-0,1	+1,4	-2,5
— CNYKZT	55,61	-0,1	+1,4	-0,5
— RUBKZT	5,73	+1,2	+6,3	+3,8

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	2 664,76	-0,2	8,0	-6,1	-0,3
Dow Jones	24 737,20	0,1	8,1	-6,3	0,0
 RTS	1 192,02	1,3	13,2	-9,1	1,3
MICEX	2 285,53	0,0	0,0	-1,5	1,3
 Hang Seng	27 569,19	1,8	7,5	-15,6	1,9
SS CSI 300	3 184,47	0,5	6,1	-27,0	0,8
 Euro Stoxx 50	3 163,24	0,9	6,4	-12,9	0,9
FTSEuroFirst	3 880,00	0,2	5,2	-12,1	0,2
 FTSE 100	6 809,22	-2,3	1,8	-10,6	-2,4
 KASE	2 243,80	-3,4	-1,2	-3,1	

Commodities market

25.01.2019

Name	Price	Trend %	
		7d	1m
Oil	61,64	-1,7	13,2
	53,69	-0,2	16,2
Natural gas	3,18	-8,7	-10,3
Copper	272,90	0,4	0,8
Iron	545,00	0,7	2,1
Gold	1 305,25	1,8	3,0
Silver	15,70	1,9	4,6
Wheat	520,00	0,4	2,0

Economic calendar

		Currency	Forecast	Previous
28.01	ECB President Draghi Speaks	EUR		
29.01	CB Consumer Confidence (Jan)	USD	124.0	128.1
30.01	GDP (QoQ) (Q4)	USD	2.5%	3.4%
30.01	Crude Oil Inventories	USD		7.970M
30.01	FOMC Statement	USD		
30.01	Fed Interest Rate Decision	USD	2.50%	2.50%
01.02	Unemployment Rate (Jan)	USD	3.9%	3.9%


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 %	01.01.19	7,1 %
Gross international reserves of NBK, USD bn	30 909	01.01.19	30 745
Reserve money, KZT bn	6 650,9	01.01.19	5 538,7
Money supply, KZT bn	20 813,4	01.01.19	19 456,0

Kazakhstan credit ratings

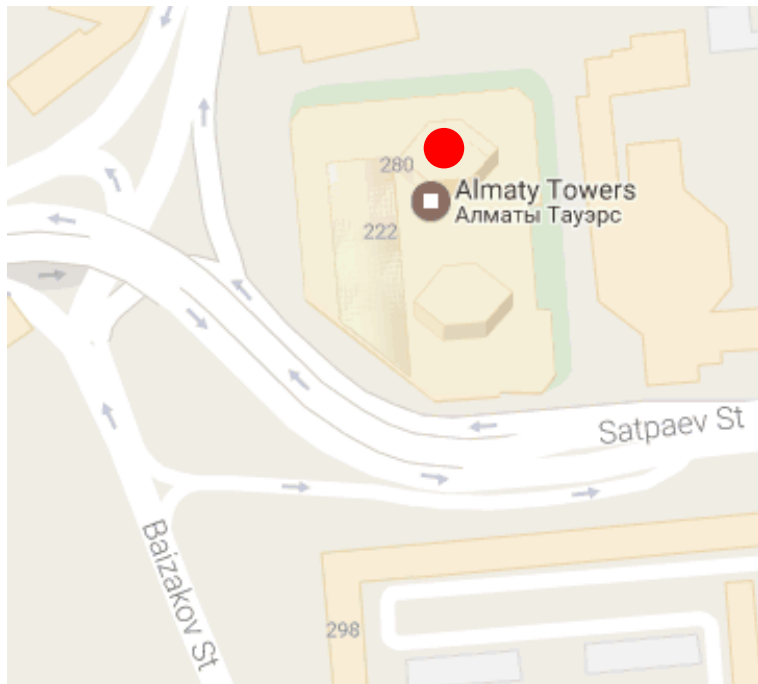
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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**Corporate Events Calendar of
KASE listed Companies**

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