

# KASE WEEKLY

01–04 September, 2020

## KASE NEWS

- ▲ Bonds of eight titles [will be included](#) in KASE\_BM\* series of indexes' universe.
- ▲ Bonds KZMJ00000875 (TKK024\_087) of local executive authority of Turkestan region [included](#) in the Government Securities sector.
- ▲ Bonds [KZ2C00006906](#) (KFUSb1), [KZ2C00006948](#) (KFUSb2) and [KZ2C00006955](#) (KFUSb3) of Kazakhstan Sustainability Fund included in category "bonds" of KASE Official List's main market.
- ▲ Halyk Savings Bank of Kazakhstan [was assigned](#) status of market-maker on KASE for bonds KZK100000241 (MKM012\_0148) of Kazakhstan's Ministry of Finance.
- ▲ Freedom Finance [was assigned](#) status of market-maker on KASE for units RU000A101NK4 (RU\_UKFFipo) of CMIF Initial Offerings Fund.
- ▲ Halyk Finance [was assigned](#) status of market-maker on KASE for bonds KZ2C00006864 (BRKZb19) of the Development Bank of Kazakhstan.
- ▲ Trading in units RU000A101NK4 (RU\_UKFFipo) of CMIF Initial Offerings Fund [opened](#) on KASE.
- ▲ The information on the number of authorized ordinary shares US0378331005 (US\_AAPL) Apple Inc. and US88160R1014 (US\_TSLA) Tesla, Inc. [was changed](#) in KASE trading system and databases.

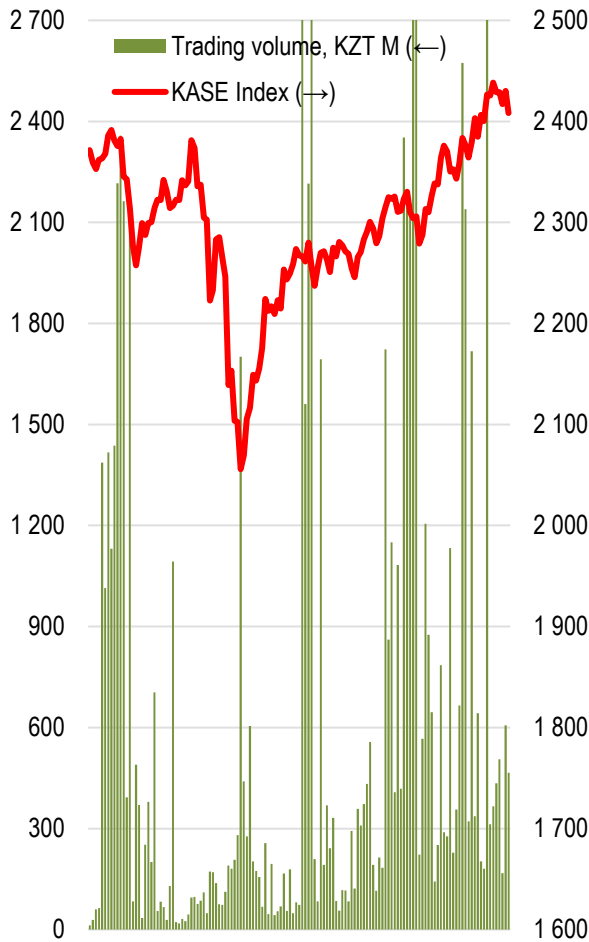
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Administration of Turkestan region [raised](#) KZT2.3 bn on KASE placing bonds KZMJ00000875 (TKK024\_087).
- ▲ A total of 490.000 units RU000A101NK4 (RU\_UKFFipo) of CMIF Initial Offerings Fund [were sold](#) on KASE for the amount of US \$10.4 mln.
- ▲ KazTransGas Aimak [raised](#) KZT5.7 bn on KASE placing bonds KZ2C00003499 (KTGAb2) with yield to maturity of 7.5000 % APR.
- ▲ Kazakhstan Sustainability Fund raised KZT9.5 bn on KASE by placing bonds [KZ2C00006948](#) (KFUSb2) with weighted average yield of 10.8834 % APR and bonds [KZ2C00006476](#) (BASPB7) with weighted average yield of 11.0439 % APR.

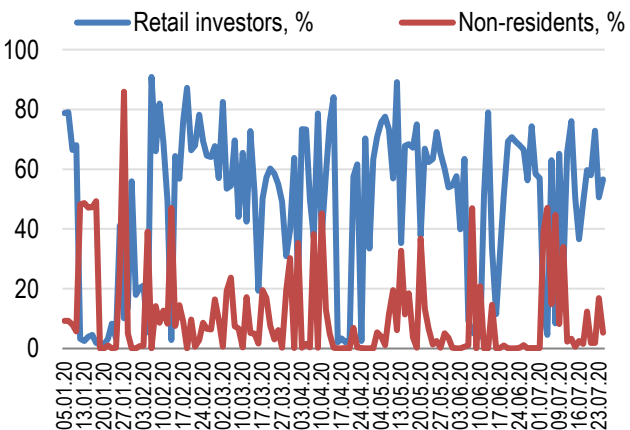


KASE Index rose by 0.1% to 2.477.77 points over the week. The biggest number of transactions among index shares – 607 – was made with Halyk Bank's ordinary shares. The largest volume of trading was with securities of Kcell – KZT3.2 bn (75.7% of the total volume of trading for the week).

## KASE Index shares



## Retail investors &amp; non-residents. %



04.09.2020

KASE Index	2 477,77	-0,3	1,5
Price	Δ 7d	Δ 1m	
<b>First class of liquidity</b>			
Freedom Holding Corp.	10 797,0	4,8	27,0
<b>NAC Kazatomprom</b>	6 390,0	2,2	6,5
<b>Bank CenterCredit</b>	229,5	0,6	0,5
<b>KEGOC</b>	1 716,0	0,4	0,8
<b>KazTransOil</b>	810,0	0,3	0,6
Kazakhtelecom, preferred shares	12 300,0	0,0	-1,6
VTB Bank	0,2	0,0	-13,0
<b>Kcell</b>	2 525,0	-0,0	-0,0
Aeroflot	463,1	-0,2	-2,9
<b>Kazakhtelecom</b>	26 150,0	-0,2	-2,8
Bank of America Corporation	10 939,4	-0,7	2,3
<b>KAZ Minerals</b>	3 071,0	-1,9	4,6
Gazprom	1 029,1	-2,0	-9,3
<b>Halyk Savings Bank of Kazakhstan</b>	117,5	-2,3	3,6
Sberbank Russia	1 257,6	-2,8	-1,8

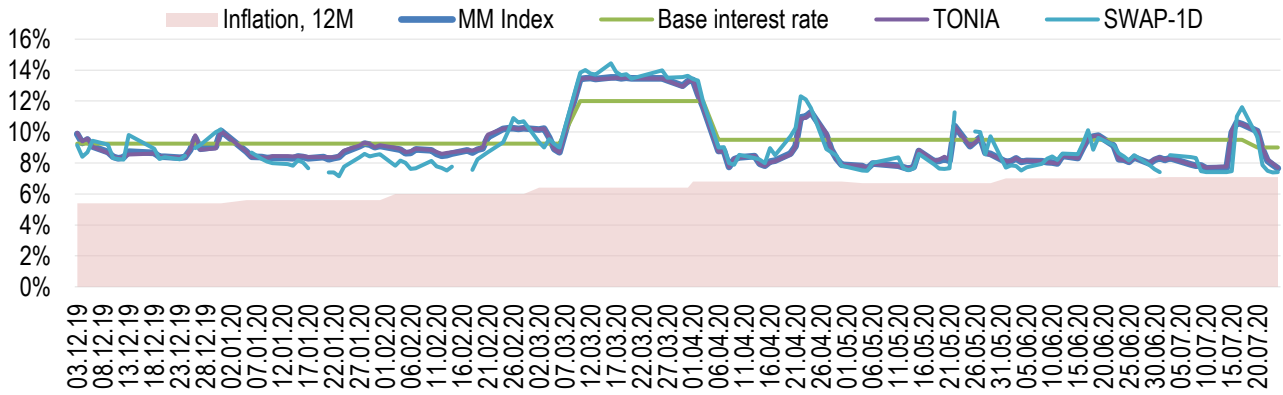
Note: Index stocks are highlighted in green

Local stock market indicator ends the week with a slight strengthening due to the growth of three representatives of the index basket. The main driver of the index's growth was Kazatomprom's ordinary shares that rose by 4.75% to KZT6.390.00 over the week. The stocks of the atomic company showed growth throughout the week, and by the close of Friday trading once again updated its historical high on KASE. One of the reasons for the rise in prices of shares is the recent publication of the issuer's financial statements for the first half of 2020, as well as the publication of the annual report of the World Nuclear Association (WNA), which reported that the global electrical power generation by nuclear power plants for 2019 increased by 3.7% compared to 2018. According to the report, nuclear power generation has been increasing for the seventh consecutive year and the results of 2019 come second only to the figures for 2006. Meanwhile, the company's GDR on the London Stock Exchange (LSE) was trading at US \$15.63 or KZT6.571.32 at the official exchange rate of the National Bank as at September 4 at the close of trading on KASE.

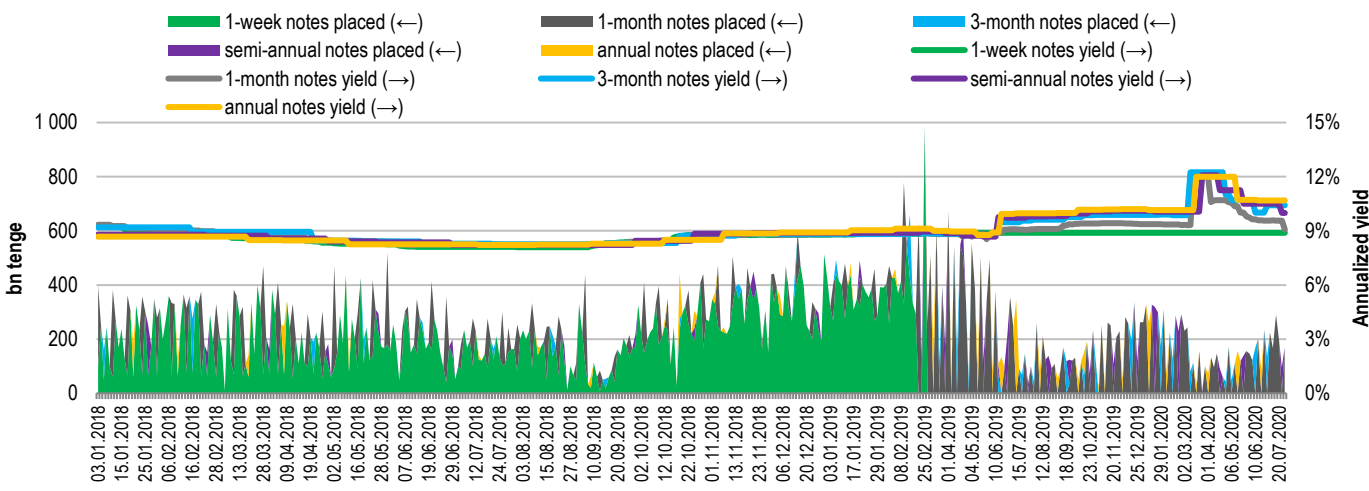
The greatest faller was Halyk Bank's securities that fell by 2.51% to KZT120.50. Probably, the correction took place amid a week-long weakening of the tenge against the US dollar and the strengthening of sanctions rhetoric against Russia. Also, the pressure on the shares could be exerted by the news of the issuer regarding the decision of the Board of Directors of Halyk Savings Bank of Kazakhstan to change the makeup of the bank's Management Board: Zh.S Satubadina was excluded. In the meantime, at the close of trading on KASE, the bank's GDR on the LSE was trading at US \$11.15, which is equivalent to KZT117.19 at the official exchange rate of the National Bank as at September 4.

The yield of one-day repo transactions with government securities dropped by 174 bps to 7.85% APR over the week. SWAP 1D USD rate was down 153 bps to 8.20% APR. The average amount of tenge liquidity raised for one day this week was KZT663.4 bn. which is 138.8% more than last week.

**Inflation and interest rates**

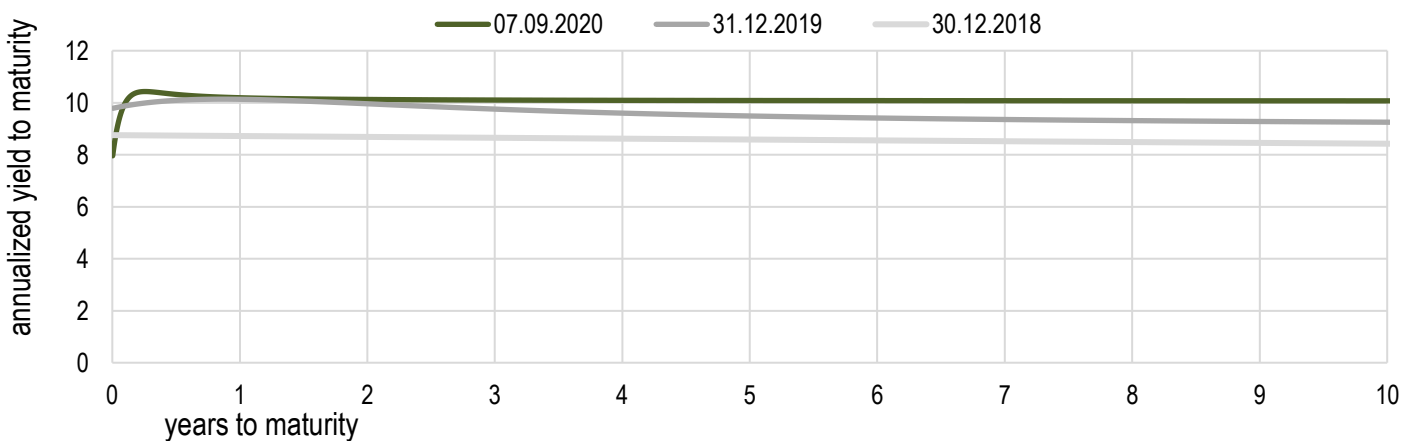


**Main Features of National Bank Notes Placements**



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

**Risk-free yield curve (non-indexed GS)**





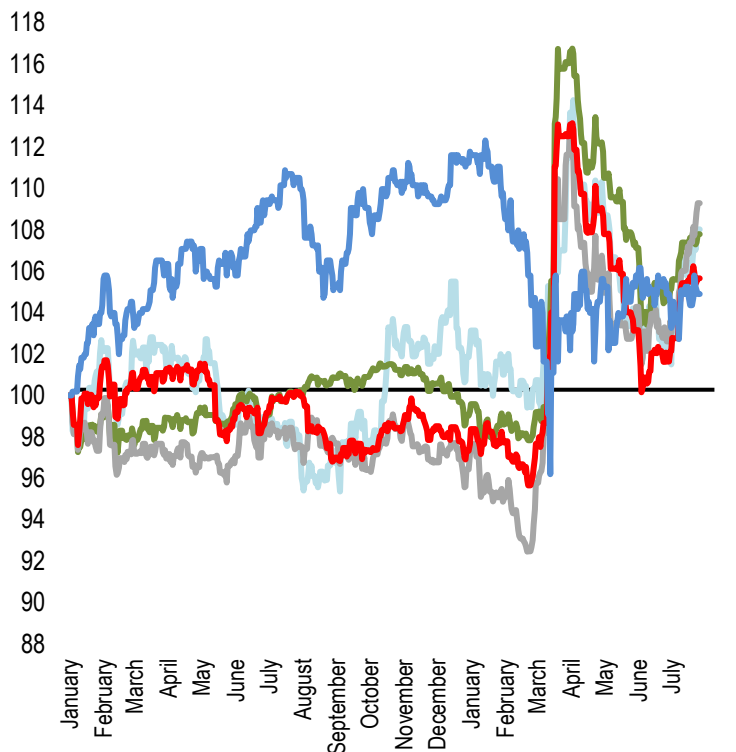
The tenge weakened against the US dollar by KZT0.65 to KZT420.76 by the end of the week. Total trading volume over the week was US \$399.5 mln. a drop of 32.8% compared to the last week. Total number of transactions for buying and selling the U.S. dollar was 1,541 (-641 compared to the last week). The maximum transaction price this week was KZT420.85 per U.S. dollar. the minimum price is KZT417.80.

Trading on KASE by the end of the week closed by the weakening of the tenge against the US dollar. The national currency is weakening against foreign currencies amid declining oil prices and the weakening of the Russian ruble. The November Brent crude futures on the London ICE Futures exchange closed at US \$42.66 per barrel. down 5.3% during the week. Pressure on the oil market is exerted by the news that Iraq may not fulfill its obligations under the OPEC+ agreement. In addition, the U.S. Department of Energy reported that the demand for gasoline in the country last week decreased from 9.16 million to 8.8 million barrels. Meanwhile, the US dollar exchange rate against the Russian ruble on the Moscow Exchange rose by 1.9% to RUB75.4087 during the week. The weakening of the Russian currency comes amid potential sanctions against Russia over the possible poisoning of the Russian opposition activist Alexei Navalny.

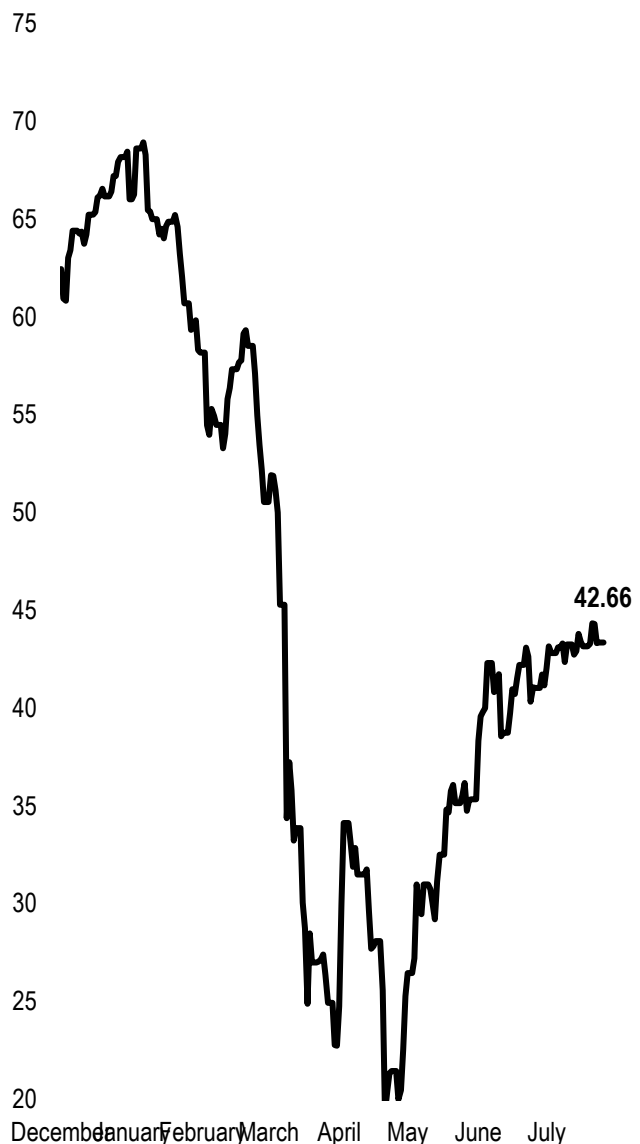
The Russian ruble dropped by KZT0.0257 to KZT5.6091. The euro rose by KZT3.41 to KZT498.25 against the tenge. The Chinese yuan rose by KZT0.3370 to KZ61.4819.

**FX rates**

Δ % . base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	553.95	1.0	3.8	10.8
— USDKZT	419.50	0.3	1.2	10.1
— EURKZT	495.97	0.2	2.03	16.2
— CNYKZT	60.94	0.8	2.9	11.7
— RUBKZT	5.59	-1.2	-2.6	-9.4

**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

## Commodities market

04.09.2020

Name	Value	Trend %			Futures	Name	Price	Trend %		
		7d	1m	1y	7d			7d	1m	1y
S&P 500	3 426,96	-2,8	3,0	15,2	-2,5	Oil	42,66	-6,4	-5,6	-30,0
Dow Jones	28 133,31	-1,8	3,4	5,3	-1,9		39,77	-7,0	-5,7	-29,4
RTS	1 220,01	-4,3	-5,8	-8,8	-3,3	Natural gas	2,59	2,4	18,1	6,3
MICEX	2 285,53	0,0	0,0	0,0	-3,3	Copper	304,65	1,2	4,4	16,1
Hang Seng	24 695,45	-1,9	-1,6	-6,9	-2,7	Iron	941,50	1,5	4,0	18,8
SS CSI 300	4 770,22	-1,5	-0,1	21,5	-1,7	Gold	1 933,94	-1,8	-5,1	27,6
Euro Stoxx 50	3 260,59	-0,5	-0,2	-6,4	-2,0	Silver	26,58	-6,7	-1,2	42,5
FTSEuroFirst	3 562,50	-0,9	-1,9	-14,2	-2,0	Wheat	539,75	-2,9	5,7	16,3
FTSE 100	5 799,08	-1,1	-5,0	-20,2	-3,0					
KASE	2 477,77	-0,3	1,5	13,9						

## Economic calendar

## Currency

## Forecast

## Previous

09/08	GDP Japan (QoQ) (Q2)	JPY	-8.1%	-0.6%
09/10	The decision on the FED interest rate (Sept)	EUR	0.00%	0.00%
09/10	The number of initial applications for unemployment benefits in the U.S.	USD	838K	881K
09/10	Crude oil reserves in the U.S.	USD	-1.887M	-9.362M
09/11	Great Britain's GDP (YoY)	GBP	-21.7%	-1.7%
09/11	Production volume in the manufacturing industry in Great Britain (MoM) (July)	GBP	5.0%	11.0%
09/11	Base consumer price index (CPI) in the U.S. (MoM) (Aug.)	USD	0.2%	0.6%

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 2019

Annual inflation	7.1%	08/01/20	5.3%
Gross international reserves of NBK. USD bn	31,561	06/01/20	30,927
Reserve money. KZT bn	8,428.3	06/01/20	5,995.7
Money supply. KZT bn	22,438.2	06/01/20	20,813.4

## Kazakhstan credit ratings

## Rating

## Date

## Previous

S&amp;P Global

BBB- stable

09/10/18

BBB- stable

MOODY'S

Baa3 stable

07/26/17

Baa3 stable

FitchRatings

BBB stable

09/28/18

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**

The information contained therein was gathered by the employees of Kazakhstan Stock Exchange JSC (KASE). KASE does not guarantee the completeness and accuracy of the information contained in this report, as well as its reliability. Neither KASE, nor any of the employees are liable for any direct or indirect loss (damage) arising from the use of this report or information / analysis presented therein. KASE does not assume any responsibility to update this report on a regular basis or notify of all changes that have occurred.

KASE draws investors' attention to the following factors:

1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors;
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;
3. report does not take into account the individual financial characteristics and aims of those receiving it.

KASE recommends that the investors independently evaluate the feasibility of certain investments and strategies and encourages the investors to use the services of financial consultants.

KASE reserves all rights for the report. This analytical material can be copied and/or distributed in full or in part upon written permission of KASE