

KASE WEEKLY

October 5 – 9, 2020

KASE NEWS

- ▲ The [amendments](#) to the Regulations on Membership have been put into effect.
- ▲ The [amendments](#) to the Instruction on the Procedure for Assigning Codes to Members of the Kazakhstan Stock Exchange and their Accounts, Issuers of Securities and Financial Instruments have been put into effect.
- ▲ Leader-Audit was [included](#) in the list of second-level auditing firms recognized by KASE.
- ▲ The bonds [KZ2P00006976](#) (THLZb2) of TechnoLeasing, international bonds [US912810FJ26](#) (US_04_2908) of the U.S. Department of the Treasury and bonds [KZMJ00000883](#) (TKK024_088) of local administration of Turkestan region were included in KASE Official List.
- ▲ Trading in three issues of international [bonds](#) of the Ministry of Finance of the Republic of Kazakhstan, ordinary shares [KZ1C00007665](#) (TPIB) of Tengri Partners Investment Banking (Kazakhstan) and bonds [KZ2P00006976](#) (THLZb2) of TechnoLeasing opened on KASE.
- ▲ Three issues of international bonds of Kazakhstan's Ministry of Finance included in GS basket with CCP and in NBRK [basket](#) with CCP, in the [List](#) T+ and Collateral List T+.

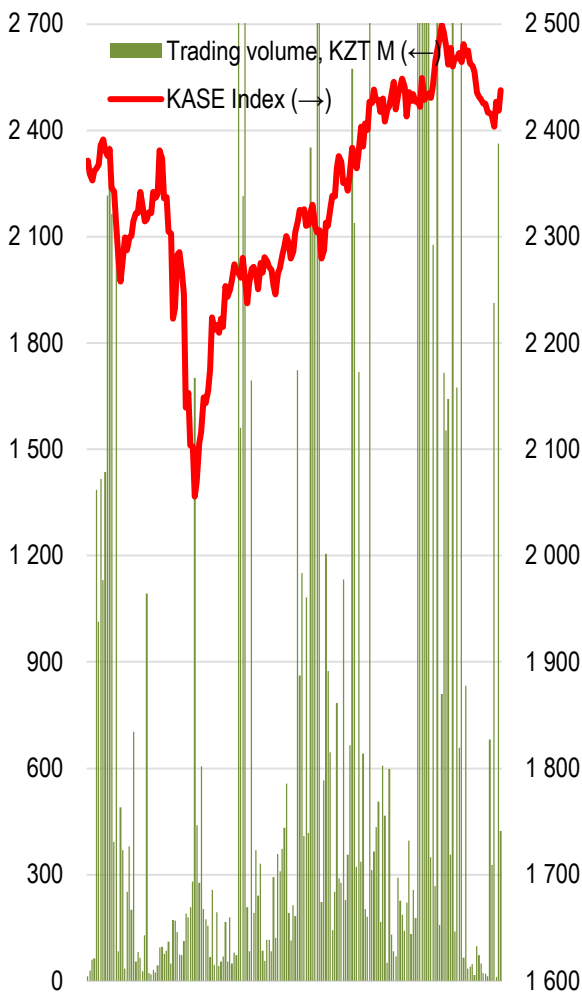
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Microfinance Organization Online KazFinance [raised](#) KZT570.5 mln on KASE by placing bonds [KZ2P00006877](#) (MFOk1) at 19.0 % APR.
- ▲ TechnoLeasing [raised](#) KZT 500.0 mln to KASE by placing bonds [KZ2P00006976](#) (THLZb2) with yield to maturity of 16.5000% APR.
- ▲ Wholesale and Retail Trade Venture [raised](#) KZT130.0 mln on KASE placing bonds [KZ2C00004539](#) (ORPTb1) with yield to maturity of 10.4900 % APR
- ▲ Local administration of Turkestan region [raised](#) KZT1.8 bn on KASE placing bonds [KZMJ00000883](#) (TKK024_088).
- ▲ NC KazMunayGas and KMG FINANCE SUB B.V. [announced](#) an update of the status of voting on consent solicitations in respect of bonds XS0925015074, US46639UAA34 (KMGZe6) and XS1595713279, US48667QAM78 (KMGZe10).
- ▲ NC KazMunaiGas and KMG FINANCE SUB B.V. have [announced](#) instructions received as of the early participation deadline for the tender offers and consent solicitations in respect of bonds XS0925015074, US46639UAA34 (KMGZe6) and XS1595713279, US48667QAM78 (KMGZe10).
- ▲ Transtelecom [announced](#) that Standard & Poor's has affirmed ratings of the company.
- ▲ Subsidiary Bank "Home Credit and Finance Bank" has [said](#) that Fitch Ratings affirmed ratings of company and its bonds, outlook Stable.
- ▲ Mortgage Organization Kazakhstan Mortgage Company has [said](#) that Fitch Ratings affirmed ratings of company and its bonds, outlook Stable.



KASE Index rose by 1.1% to 2,437.90 points over the week. The largest number of trades among index shares – 424 – was made with Halyk Bank's ordinary shares. The largest volume of trading was with securities of Kcell – KZT4.2 bn (84.1% of the total volume of trading for the week).

KASE Index shares



09.10.2020

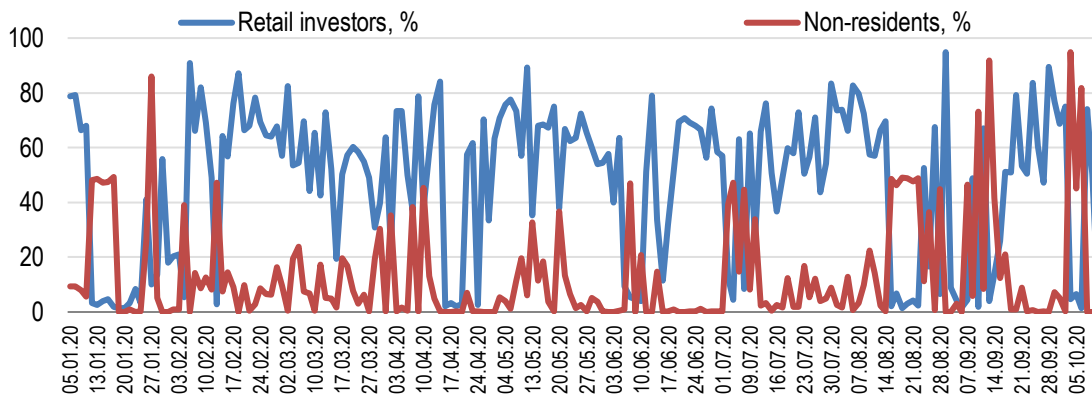
		Trends (%)	
KASE Index	2 437,90	1,0	-0,9
First class of liquidity	Price	Δ 7d	Δ 1m
Freedom Holding Corp.	11 128,8	5,2	-2,7
Kcell	2 700,0	4,4	7,1
Bank CenterCredit	228,0	4,1	0,0
Bank of America Corporation	10 860,0	2,6	-3,0
KAZ Minerals	2 911,0	1,5	-4,6
Kazakhtelecom	24 920,0	0,7	-4,2
KazTransOil	810,0	0,6	-0,5
Sberbank Russia	1 219,0	0,3	-2,5
VTB Bank	0,2	0,0	-5,0
KEGOC	1 708,0	-0,1	-0,5
NAC Kazatomprom	6 144,9	-0,5	-3,5
Halyk Savings Bank of Kazakhstan	114,0	-0,9	-4,3
Kazakhtelecom, preferred shares	12 154,0	-1,9	-0,4
Gazprom	979,7	-4,5	-2,6
Aeroflot	353,9	-7,4	-23,6

Note: Index stocks are highlighted in green

Five of the eight representatives of the index basket closed in the green zone. On Friday, Kcell renewed its six-year highs, having risen by 4.4% to KZT2,700.00 during the week. At the close of Friday trading on KASE, the company's GDR was trading at US \$6.20 on the London Stock Exchange (LSE) (KZT2,655.52 per share at the rate of the National Bank as at October 9).

Another driver of the index's growth was ordinary shares of KAZ Minerals that rose to KZT2,911.00 (+3.9%). The company's shares are supported by copper prices, which have risen by 2% over the week. The news from China, where investments into transport infrastructure grew by 10.5% during the first 8 months of this year, may also have a positive effect. This indicates the acceleration of economic recovery in the country. At the closing of trading on KASE, the shares of KAZ Minerals traded on the LSE rose by 4.5% to 514.40 British pence (KZT2,957.68 at the rate of National Bank on October 9).

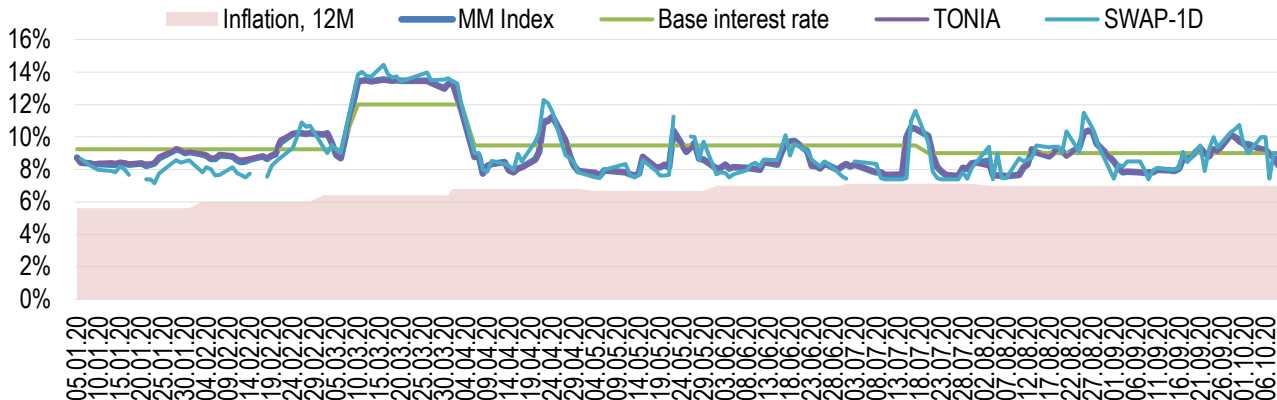
Retail investors & non-residents, %



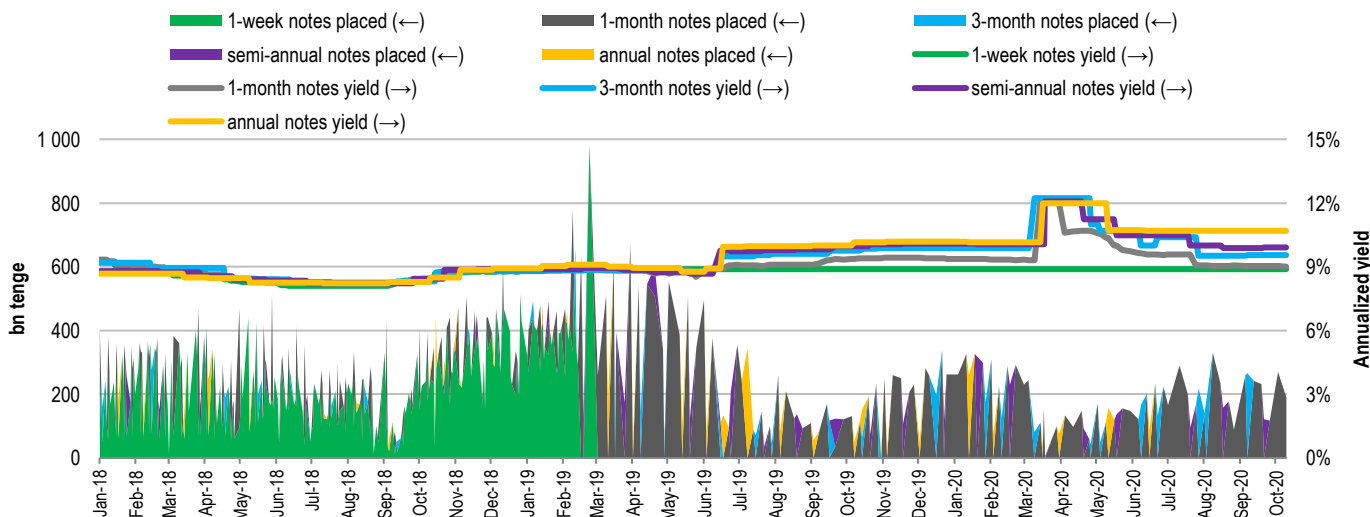


The yield of one-day repo transactions with government securities dropped by 112 bps to 8.27% APR over the week. SWAP 1D USD rate remained unchanged and amounted to 9.00 bps. The average amount of tenge liquidity raised for one day this week was KZT181.4 bn, which is 13.5% less than last week.

Inflation and interest rates

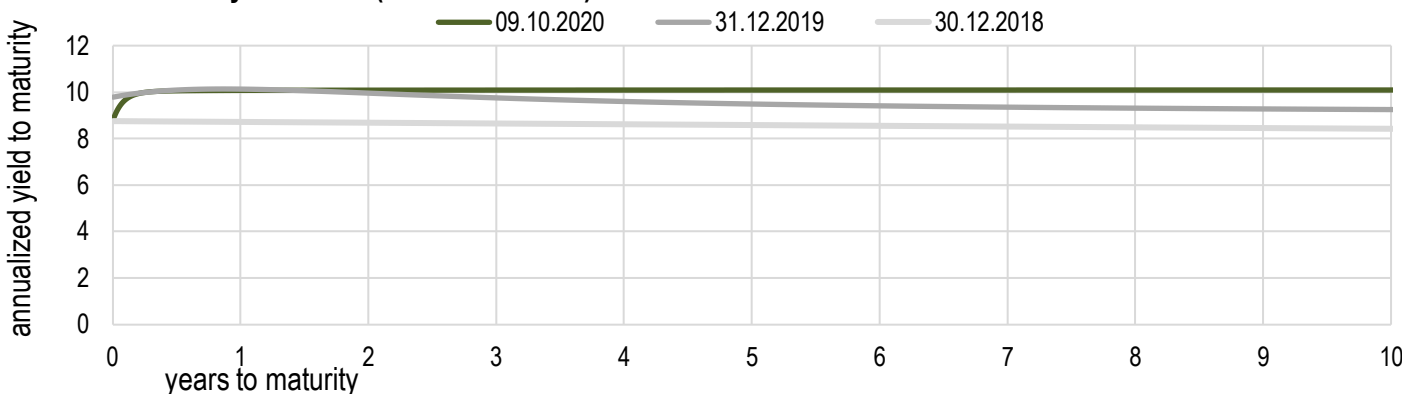


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The US dollar exchange rate against the tenge decreased by KZT3.83 (-0.9%) to KZT427.29 at the end of the week. Total trading volume over the week amounted to US \$541.7 mln (-15.0% compared to the last week). Total number of transactions for buying and selling the U.S. dollar was 1,838 (-406 compared to the last week). The maximum price this week was KZT431.50 per U.S. dollar, the minimum price is KZT427.00.

The tenge strengthened against the U.S. dollar by 0.9% over the week, reflecting external positive signs in the form of increased investor interest in risk assets. The rising oil prices and the strengthening of the Russian ruble benefits the rate of the national currency. Oil prices were supported by hurricanes in the Gulf of Mexico and the strike of workers at oil fields in the North Sea. According to estimates of the Bureau of Safety and Environmental Enforcement of the U.S. Department of the Interior, just over 80% of oil production facilities in the Gulf of Mexico were shut down on Wednesday. Meanwhile, the supplies from Norway could be cut by 25 % due to the oil workers' strike. Meanwhile, OPEC in its annual forecast of the cartel World Oil Outlook (WOO) said it expects global oil demand to increase by 9% to 109.3 mln barrels per day by 2040. A year ago, the OPEC predicted that the demand in 2040 will be at 110.6 mln barrels per day.

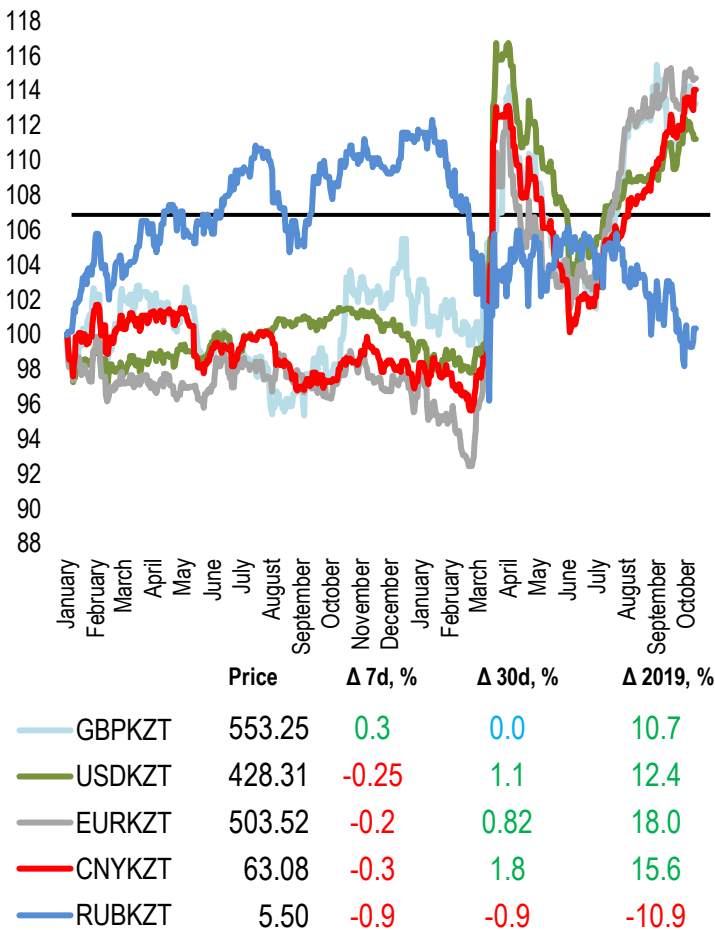
The price of the December Brent crude oil futures at the London ICE Futures stock exchange amounted to US \$42.96 per barrel by 15:00 Nur-Sultan time, which is 9.4% higher than last Friday's closing price.

Meanwhile, the U.S. dollar exchange rate against the Russian ruble is declining to RUB77.2193 on the Moscow Exchange, which is 1.2% lower than the previous Friday. Rising oil prices and lowering risks of serious anti-Russian sanctions from the EU contributed to the strengthening of the ruble.

The exchange rate of the Russian ruble rose by KZT0.0022 (+0.04%) to KZT5.5432. The euro rose by KZT0.05 (+0.01%) to KZT505.95 against the tenge. The Chinese yuan rose by KZT0.3327 (+0.5%) to KZ63.8017.

FX rates

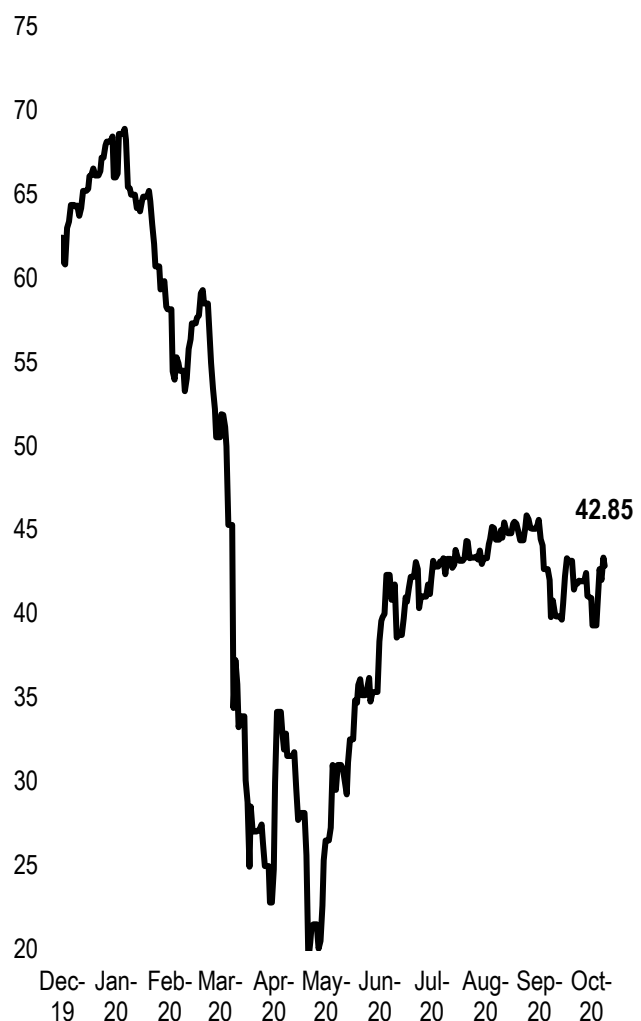
Δ %, base (01.01.19)



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

Commodities market

09.10.2020

Name	Value	Trend %			Futures	Name	Price	Trend %		
		7d	1m	1y	7d			7d	1m	1y
S&P 500	3 477,13	2,0	2,3	18,3	4,0	Oil (Brent)	42,85	3,8	5,1	-27,5
Dow Jones	28 586,90	1,6	2,3	7,9	3,5	Oil (WTI)	40,60	3,5	6,7	-24,2
RTS	1 164,34	0,6	-3,1	-12,5	1,4	Natural gas	2,74	4,8	13,9	23,6
MICEX	2 285,53	0,0	0,0	0,0	1,4	Copper	308,25	4,0	1,4	17,9
Hang Seng	24 119,13	1,5	-1,4	-6,2	2,6	Iron	994,00	3,5	6,1	25,3
SS CSI 300	4 681,14	2,0	2,1	20,8	2,2	Gold	1 930,40	0,9	-0,9	29,1
Euro Stoxx 50	3 273,12	1,6	-1,6	-6,3	2,7	Silver	25,11	2,2	-6,9	42,6
FTSEuroFirst	3 609,50	1,6	-1,2	-12,7	2,3	Wheat	593,75	1,6	11,2	20,4
FTSE 100	6 016,65	1,2	0,1	-16,3	2,2					
KASE	2 437,90	1,0	-0,9	11,6						

Economic calendar

Currency

Forecast

Previous

10/13	Change in the number of applications for unemployment benefits (Sept.)	GBP	80.0K	73.7K
10/13	Base consumer price index (CPI) (mom) (Sept.)	USD	0.2%	0.4%
10/15	The number of initial applications for unemployment benefits	USD	830K	840K
10/15	Crude oil reserves	USD	0.294M	0.501M
10/16	Consumer price index (CPI) (YoY) (Sept.)	EUR	-0.3%	-0.3%
10/16	Base retail sales index (BRSI) (mom) (Sept.)	USD	0.4%	0.7%
10/16	Retail sales volume (m/m) (Sept.)	USD	0.6%	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&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

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Corporate Events Calendar of KASE listed Companies

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