

# KASE WEEKLY

October 12–16, 2020

## KASE NEWS

- ▲ KASE held an online press conference on the results of the third quarter and nine months of 2020.
- ▲ KASE's Management Board [has determined](#) the weighted average yield rates for the fourth quarter of 2020 to calculate the fair value of illiquid debt securities of organizations – residents of the Republic of Kazakhstan.
- ▲ KASE [has determined](#) the representative list for calculating KASE Index from November 4, 2020.
- ▲ Bonds KZ2D00004066 (EABRb2) of Eurasian Development Bank were excluded from KASE's official list of due to maturity.
- ▲ International bonds XS2242422397 (KMGZe16) of NC "KazMunayGas" JSC [are included](#) in KASE's official list by the category "bonds" of the main market.
- ▲ Jýsan Invest JSC was assigned the status of a market-maker on KASE for bonds KZ2C00004430 (TSBNb33) and KZ2C00004463 (TSBNb36) of First Heartland Jýsan Bank JSC.
- ▲ Trades in bonds KZ2C00006849 (AGKKb13) and KZ2C00006922 (AGKKb14) of Agrarian Credit Corporation JSC [were opened](#).
- ▲ Bonds KZ2C00006948 (KFUSb2) of Kazakhstan Stability Fund JSC are included in the List T+ and the Collateral List T+, in the [GS basket without the CCP](#), in the [GS basket with the CCP and in the NBRK basket with the CCP](#).

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Microfinance Organization OnlineKazFinance LLP raised KZT555.0 mln on KASE by placing bonds [KZ2P00006877](#) (MFOkb1) at 19.0 % per annum and KZT257.4 mln by placing bonds [KZ2P00006877](#) (MFOkb1) at 19.0% per annum.
- ▲ Kazakhstan Sustainability Fund JSC raised KZT6.5 bn on KASE by placing bonds KZ2C00006948 (KFUSb2) with an average weighted yield to maturity of 10.8910 % per annum.
- ▲ NC "KazMunayGas" JSC [announced](#) a successful placement of Eurobonds for a total of USD750 mln.
- ▲ KazTransOil JSC [announced](#) the publication by S&P Global Ratings of the annual review of the company's credit rating.
- ▲ Tethys Petroleum Limited [has provided](#) an update on its operations.
- ▲ Subsidiary "Aktobe-Temir-VS" JSC [announced](#) prolongation of conservation at the field Velikhovskoye Yuzhnoye.
- ▲ Fincraft Resources JSC [ceased](#) to own a share in ShalkiyaZinc N.V.
- ▲ IC "Sinoasia B&R" JSC [announced](#) that it had been assigned ratings by Standard & Poor's, with a Stable outlook.



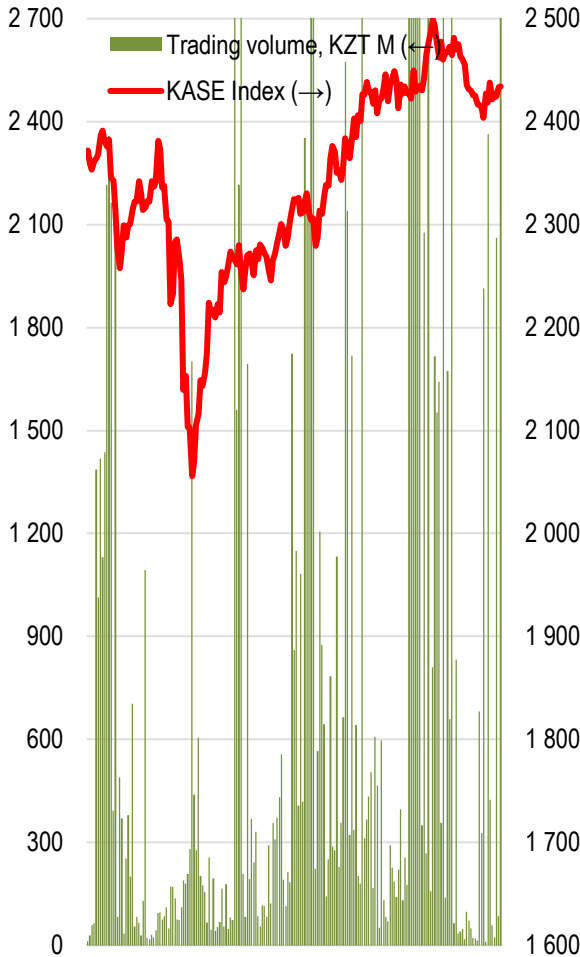
According to the results of the week, KASE index went down by 0.2 % to 2,433.74 points. The largest number of deals among index shares was concluded with common shares of Halyk Bank – 685 deals. The largest trading volume fell on Kcell securities – KZT5.7 bn (91.6 % of the total volume for the week).

16.10.2020

Trends (%)

KASE Index	2 433,74	0,5	-1,9
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
Freedom Holding Corp.	11 692,4	4,9	13,4
<b>Kazakhtelecom</b>	25 700,0	3,1	1,0
Gazprom	993,0	2,9	-4,2
Kazakhtelecom, preferred shares	12 350,0	1,6	-0,8
<b>KAZ Minerals</b>	2 950,0	1,4	-1,0
<b>Kcell</b>	2 708,0	0,9	7,0
<b>KEGOC</b>	1 714,1	0,6	0,5
Sberbank Russia	1 219,5	0,0	-6,3
<b>Bank CenterCredit</b>	218,0	0,0	-4,4
VTB Bank	0,2	0,0	-5,0
<b>NAC Kazatomprom</b>	6 093,0	-0,0	-3,6
<b>KazTransOil</b>	805,0	-0,6	-1,4
Aeroflot	344,0	-2,0	-26,6
<b>Halyk Savings Bank of Kazakhstan</b>	109,0	-2,5	-9,9
Bank of America Corporation	10 431,6	-4,1	-6,3

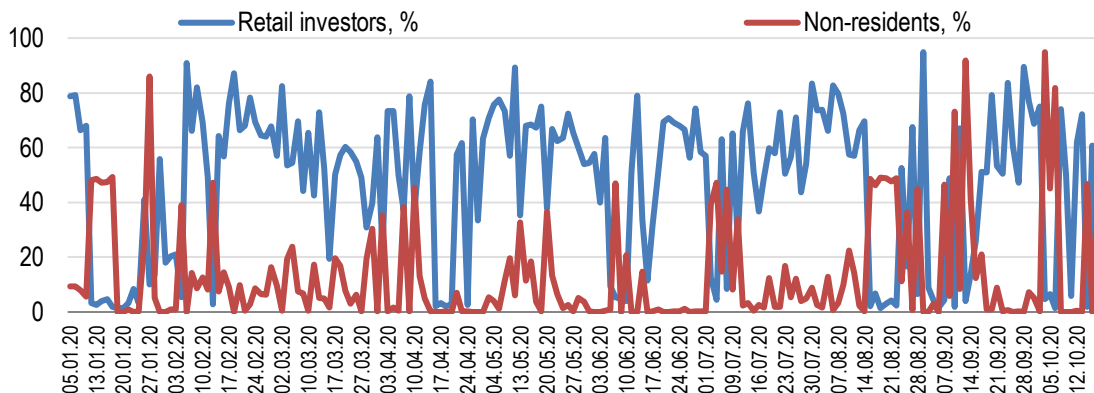
KASE Index shares



Note: Index stocks are highlighted in green

Against the background of negative external factors in the form of an increase in the number of people infected with COVID-19 and a decrease in prices of risky assets, the local stock market indicator slightly decreases and stays in a sideways trend. Half of the index basket closed in the red zone. The main outsiders of the week were common shares of two banks: Halyk Bank and Bank CenterCredit, whose prices dropped by 4.4 % to KZT108.98 and KZT218.00, respectively. Probably, the weakening of the national currency negatively affects the securities of local banks. Meanwhile, GDRs of Halyk Bank on the London Stock Exchange (LSE) at the close of trading on KASE on Friday were traded at \$9.96, which is equivalent to KZT106.48 per share at the rate of the National Bank on October 16. Meanwhile, shares of Kazakhtelecom are among the growth leaders, having risen in price by 3.1% – to KZT25,700.00. Shares of the telecommunications company on Friday, after rising the day before, are adjusting downwards and falling below the 50-day moving average.

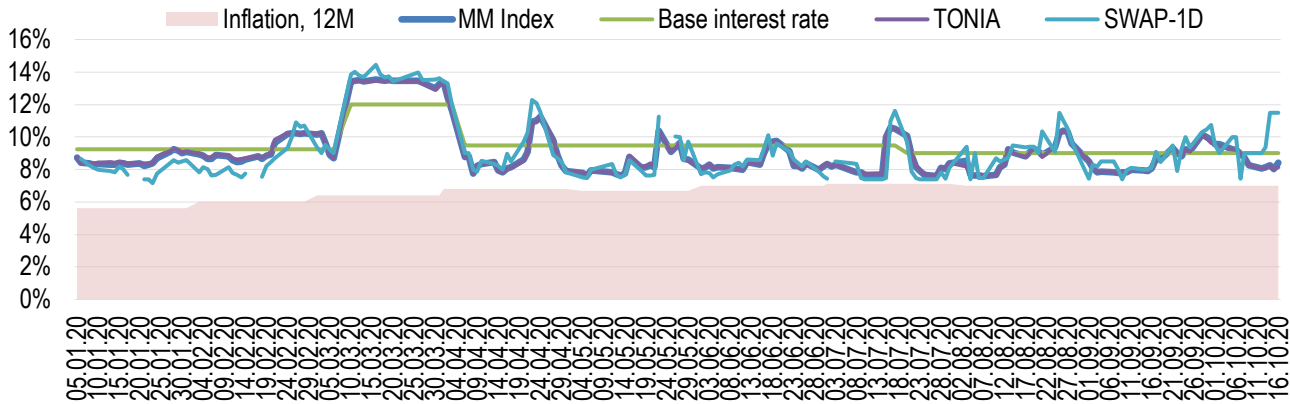
Retail investors & non-residents, %



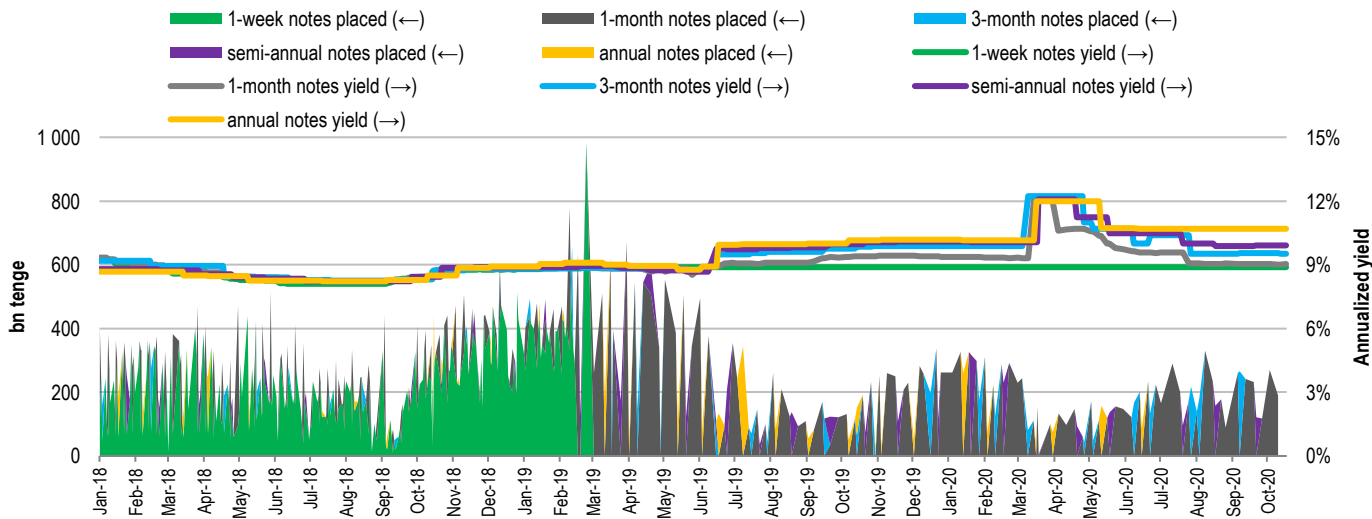


The yield on one-day repo transactions with government securities decreased by 14 b.p. over the week, to a level of 8.13 % per annum. The rate of borrowing the tenge secured by the US dollars increased by 250 b.p. to a level of 11.50 % per annum. The average borrowing volume of tenge liquidity for one day for the week amounted to KZT220.9 bn (-21.8% on the same indicator of the previous week).

**Inflation and interest rates**

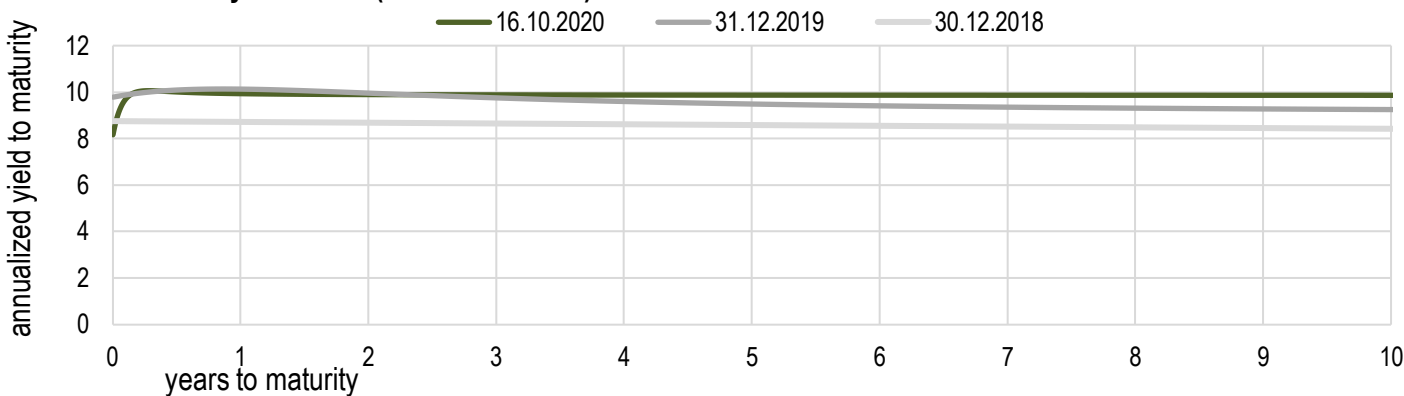


**Main Features of National Bank Notes Placements**



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

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





During the week, the US dollar rate against the tenge increased by KZT0.76 (+0.2%) to KZT428.05. The total trading volume for the week amounted to \$594.3 mln (+9.7% on the same indicator of last week). The total number of transactions for purchase and sale of the US dollar was 2,003 (+165 on the previous week). The maximum price was KZT429.15 per US dollar, the minimum was KZT427.20.

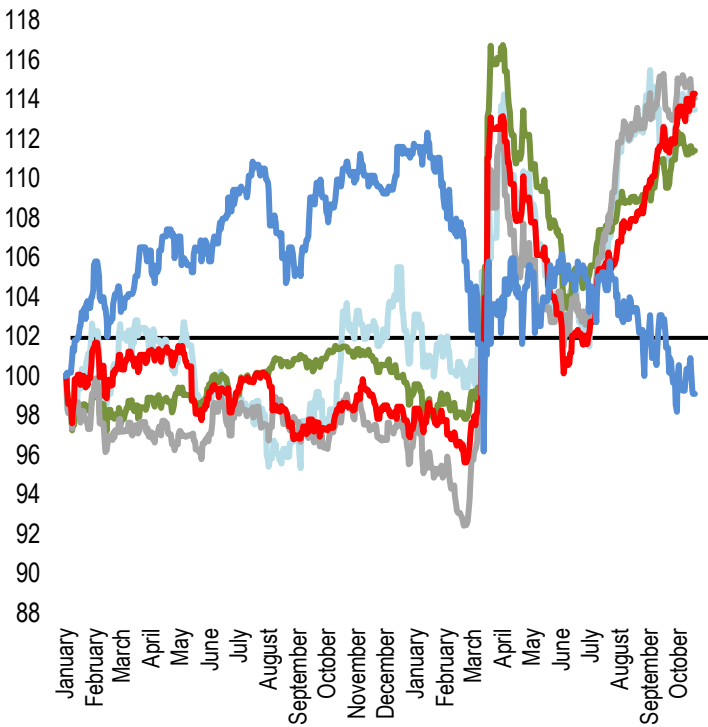
The exchange rate of the US dollar against the tenge is growing amid falling oil prices. Oil quotes are decreasing on Friday amid growing concerns about the start of the second wave of the coronavirus pandemic, which negatively affects the prospects for oil demand. New quarantine measures have been introduced in the UK, Germany, France and other European countries. Meanwhile, according to the latest published data from the US Department of Energy, oil reserves in the country for the week ended October 9, decreased by 3.8 million barrels. In addition, the prices at the beginning of the week were supported by news of the resumption of production in the Gulf of Mexico, the North Sea and Libya. However, the negative background in the form of an increase in the number of infected with COVID-19 puts stronger pressure on risky assets.

The price of December Brent futures on the London exchange ICE Futures decreased by 1.5% – to \$42.51 per barrel by 15:30 o'clock, Nur-Sultan time, on Friday. The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange by this time had grown by 0.05% – to 78.1250 rubles.

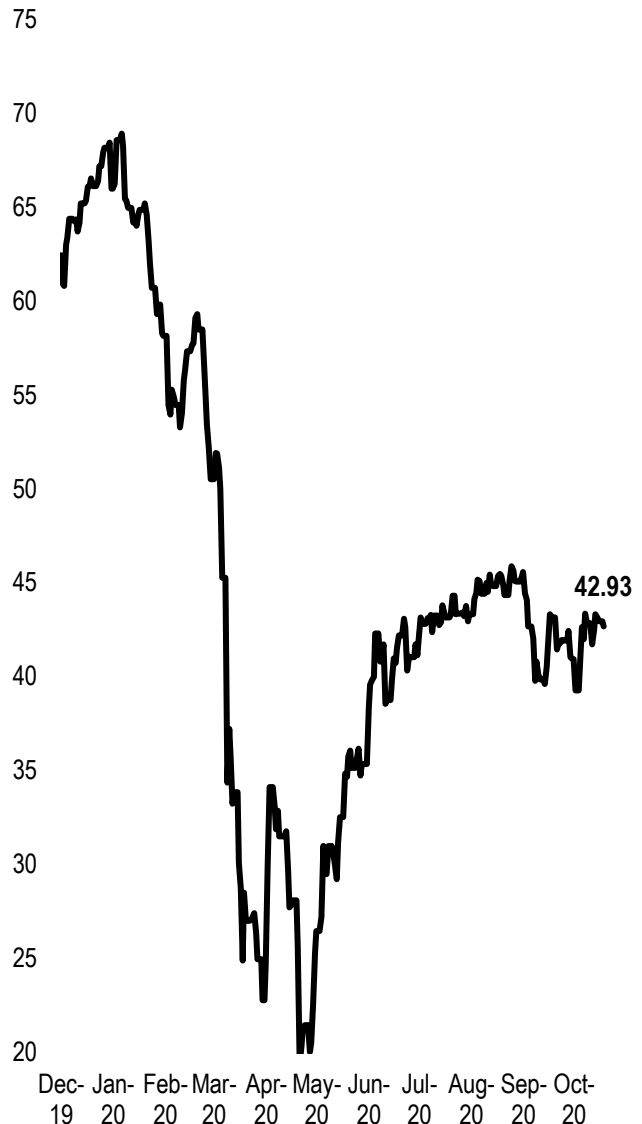
The value of the Russian ruble decreased by KZT0.0502 (-0.9%) to KZT5.4930. The euro fell against the tenge by KZT2.20 (-0.4%) to KZT503.75. The Chinese yuan fell by KZT0.0317 (-0.05%) to KZT63.7700.

**FX rates**

Δ %, base (01.01.19)



**Brent oil USD/barrel**



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	554.68	0.3	0.9	10.9
— USDKZT	427.63	-1.2	0.3	12.2
— EURKZT	500.75	-0.6	-1.2	17.3
— CNYKZT	63.54	0.7	1.0	16.5
— RUBKZT	5.48	-0.4	-3.5	-11.2

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

16.10.2020

Name	Value	Trend %			Futures 7d	Name	Price	Trend %		
		7d	1m	1y				7d	1m	1y
S&P 500	3 483,81	-1,4	2,9	16,2	-0,3	Oil (Brent)	42,93	2,9	1,7	-28,3
Dow Jones	28 606,31	-0,8	2,0	5,8	-0,4	Oil (WTI)	40,88	3,7	1,8	-24,2
RTS	1 132,80	-2,6	-9,5	-16,3	-2,6	Natural gas	2,77	-3,7	22,3	19,6
MICEX	2 285,53	0,0	0,0	0,0	-2,6	Copper	306,75	0,1	0,3	18,1
Hang Seng	24 386,79	-1,1	-1,4	-9,2	1,3	Iron	869,50	-11,0	-4,6	14,4
SS CSI 300	4 791,68	-0,7	2,9	22,1	1,7	Gold	1 899,29	-1,2	-3,1	27,1
Euro Stoxx 50	3 245,47	-1,6	-2,8	-9,6	-0,7	Silver	24,41	-3,4	-10,8	38,6
FTSEuroFirst	3 566,50	-1,8	-2,7	-16,1	-1,2	Wheat	625,25	5,2	15,4	19,0
FTSE 100	5 919,58	-1,4	-2,6	-17,6	-1,5					
KASE	2 433,74	0,5	-1,9	10,7						

## Economic calendar

## Currency

## Forecast

## Previous

10/20	NBK's base credit rate	CNY		3.85%
10/20	Consumer price index (CPI) (y/y) (Sept.)	GBP	0.6%	0.2%
10/21	Crude oil reserves	USD	-2.835M	-3.818M
10/22	Retails sales volume (m/m)	GBP		0.8%
10/22	Number of initial claims for unemployment benefits in the US	USD	860K	898K
10/23	Manufacturing PMI of Germany (Oct)	EUR	55.5	56.4
10/23	Decision on the interest rate (Oct)	RUB	4.25%	4.25%

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

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**Corporate Events Calendar of KASE listed Companies**

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