

KASE WEEKLY

September 28 – October 2,
2020

KASE NEWS

- ▲ KASE has [formed](#) lists of securities of the first, second and third classes of liquidity for October 2020.
- ▲ Islamic Bank "Zaman-Bank" JSC was [granted](#) KASE membership in the currency category.
- ▲ Tengri Bank JSC was [stripped](#) of KASE membership in the "currency" and "stock" categories.
- ▲ Amendments to the Regulations on clearing participants and the Rules of execution of clearing activities on deals in financial instruments have been [made](#).
- ▲ Trades in bonds [KZ2C00006955](#) (KFUSb3) of Kazakhstan Sustainability Fund JSC opened on KASE
- ▲ Bonds KZ2C00006955 (KFUSb3) of Kazakhstan Sustainability Fund JSC are included in the [basket](#) of GS with the CCP, the basket of the NBRK with the CCP, the [basket](#) of GS without the CCP, in the [List T+](#) and the Collateral List T+.
- ▲ Common shares KZ1C00007665 (TPIB) of Tengri Partners Investment Banking (Kazakhstan) JSC are [included](#) in the sector "shares" of KASE alternative market.
- ▲ Shares US78463V1070 (US_GLD_) SPDR Gold Shares, issued by SPDR Gold Trust investment fund, are [included](#) in the sector "Securities of investment funds" of KASE official list.
- ▲ Bonds KZ2C00006898 (BRKZb20) of Development Bank of Kazakhstan JSC are [included](#) in KASE official list by the category "bonds" of the main market.
- ▲ Halyk Finance JSC was [assigned](#) the status of a market-maker on KASE for bonds KZ2D00006939 (EABRb12) of Eurasian Development Bank.
- ▲ Common shares KZ1C00013143 (KZMK) of Qazaqstan Maqtasy JSC and KZ1C00007426 (PRKR) of NC "Food Contract Corporation" JSC were [admitted](#) to circulation on KASE in the sector "Non-listing securities".

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT221.9 bn on KASE by offering MEUKAM-156 of the sixth issue ([KZKD00000964](#)) with a yield to maturity of 10.50% per annum, MEUKAM-216 of the first issue ([KZKD00000972](#)) with a yield to maturity of 10.52 % per annum, MEUKAM-216 of the second issue ([KZKD00001079](#)) with a yield to maturity of 10.52 % per annum, MEUKAM-168 of the third issue ([KZKD00000949](#)) with a yield to maturity of 10.50 % per annum, MEUKAM-300 of the second issue ([KZKD00000774](#)) with a yield to maturity of 10.52 % per annum, MEUKAM-300 of the third issue ([KZKD00000857](#)) with a yield to maturity of 10.52 % per annum.
- ▲ Kazakhstan Sustainability Fund JSC raised KZT15.3 bn on KASE by placing bonds [KZ2C00006476](#) (BASPB7) with yield to maturity of 11.06600 % per annum and [KZ2C00006948](#) (KFUSb2) with weighted average yield to maturity of 10.8969 % per annum.
- ▲ KazTransOil JSC [announced](#) the commissioning after reconstruction of sections of the Uzen-Atyrau-Samara oil pipeline.

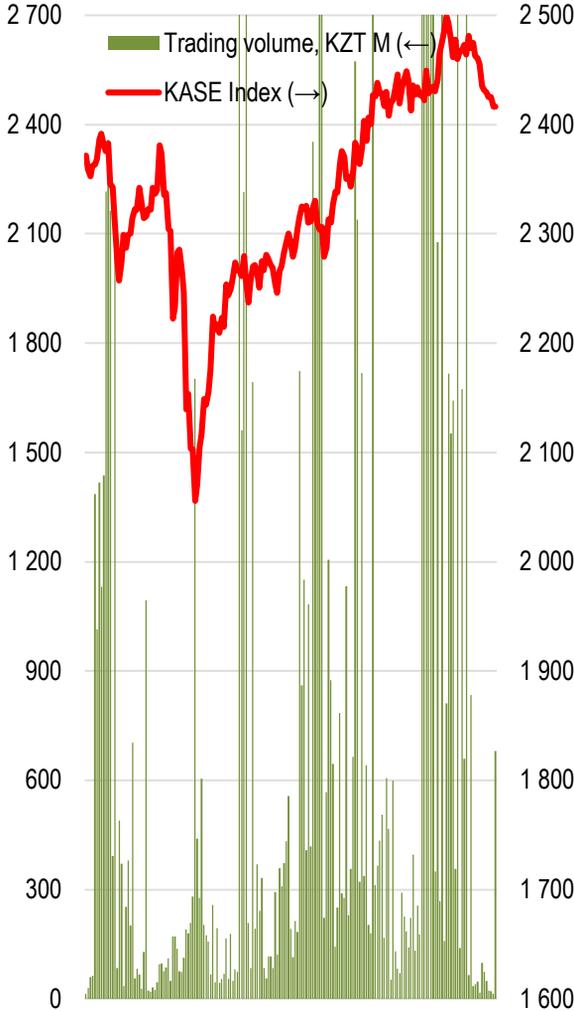


According to the results of the week, KASE index decreased by 0.8% to 2,412.14 points. The largest number of deals among index shares was made with common shares of Halyk Bank – 620 deals. The largest chunk of the trading volume fell on Kcell securities – KZT652.2 mln (83.1% of the total volume for the week).

02.10.2020

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 416,14	-0,5	-3,3
First class of liquidity	Price		
Kazakhtelecom, preferred shares	12 395,0	2,1	0,8
Kcell	2 586,0	0,8	2,4
KEGOC	1 709,6	0,0	-0,0
Bank CenterCredit	220,0	0,0	-3,6
Gazprom	10 000,0	0,0	0,0
Sberbank Russia	10 000,0	0,0	0,0
Freedom Holding Corp.	10 000,0	0,0	0,0
Bank of America Corporation	10 000,0	0,0	0,0
Aeroflot	10 000,0	0,0	0,0
VTB Bank	10 000,0	0,0	0,0
NAC Kazatomprom	6 179,7	-0,2	-1,1
Kazakhtelecom	24 940,0	-0,2	-4,8
KazTransOil	802,0	-0,5	-0,7
Halyk Savings Bank of Kazakhstan	115,9	-1,8	-3,6
KAZ Minerals	2 839,0	-2,1	-9,3

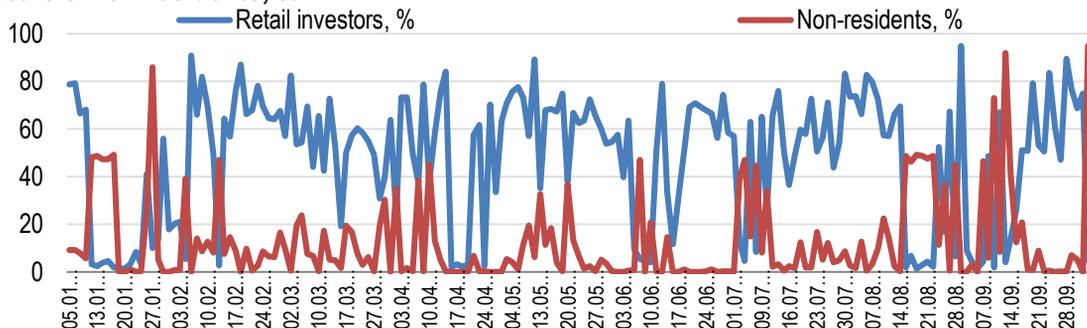
KASE Index shares



Note: Index stocks are highlighted in green

The main outsider of the trades was the common share of KAZ Minerals, whose price dropped by 3.4% to KZT2,801.00. Uncertainty on global markets regarding the pace of economic recovery is negatively affecting copper prices, which lost about 4% over the week. The share of the copper mining company on the London Stock Exchange (LSE) at the close of trading on KASE went down by 3.7% since last Friday and was trading at 508.40 British pence, which is equivalent to KZT2,804.59 at the official exchange rate of the National Bank on October 2. Also, this week, it was reported that the IT company IBM helped KAZ Minerals deploy a flexible and scalable backup website for the data center, allowing it to continue operations even in the event of an emergency. The growth leader was the share of Kcell, whose price increased by insignificant 0.8% to KZT2,586.00. Meanwhile, the company's GDR on the LSE at the close of trades on KASE traded at \$6.25, which is equivalent to KZT2,683.56 per share at the official exchange rate of the National Bank as of October 2. On Monday, KazTransOil JSC, whose shares account for 8.5% of the weight in KASE Index, announced the commissioning after reconstruction of sections of the Uzen-Atyrau-Samara oil pipeline. Under the construction of the linear part of the main pipeline, for the first time in Kazakhstan, the digital method of radiographic inspection of welded joints was successfully used, which was previously applied only in the USA and Russia. The price per share of the company decreased by 0.5% to KZT802.00.

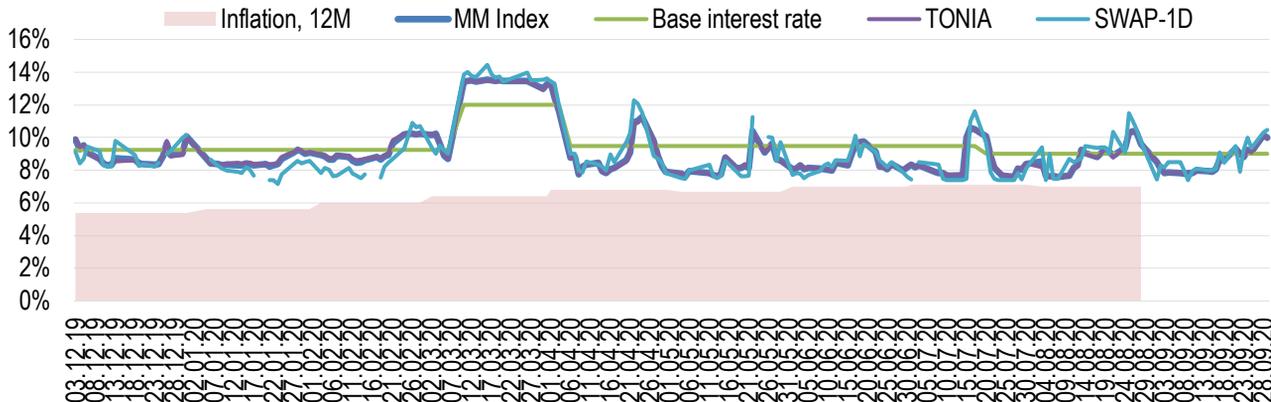
Retail investors & non-residents, %



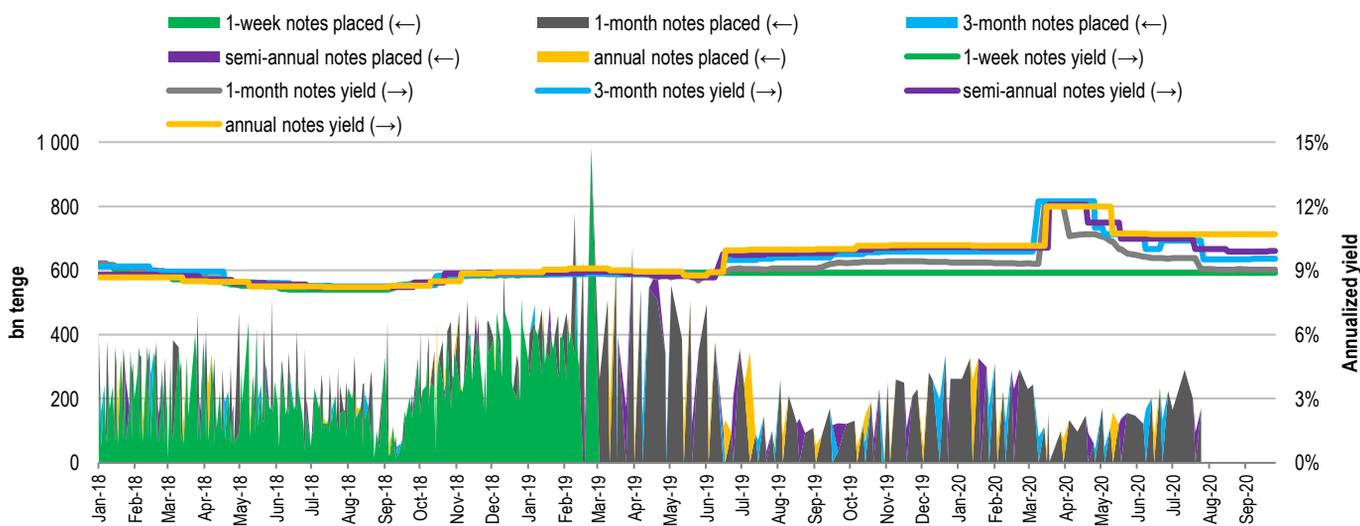


The yield on one-day repo transactions with government securities increased by 31 b.p. to the level of 9.39% per annum over the week. The rate of borrowing the tenge secured by the US dollar decreased by 35 b.p. to 9.00% per annum. The average volume of borrowed tenge liquidity for one day amounted to KZT209.8 bn over the week (+41.1% on the figure of the previous week).

Inflation and interest rates

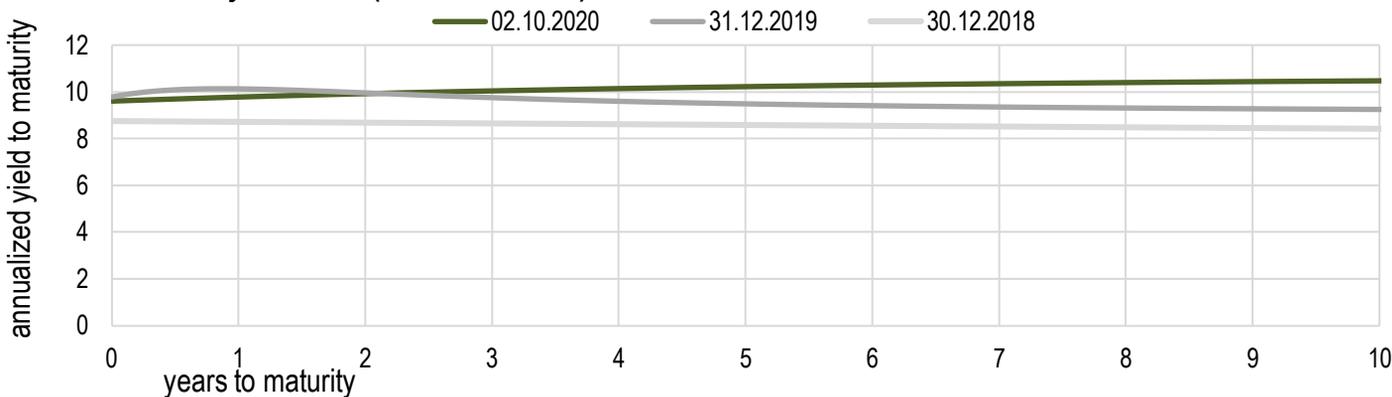


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





According to the results of the week, the KZT/USD exchange rate increased by KZT4.80 (+ 1.1 %) to KZT431.12. The total trading volume for the week amounted to \$637.1 mln (+1.7% on the figure of last week). The total number of transactions for purchase and sale of the US dollar amounted to 2,244 (-96 on the previous week's figure). The maximum price was KZT432.11 per US dollar, the minimum – KZT427.80.

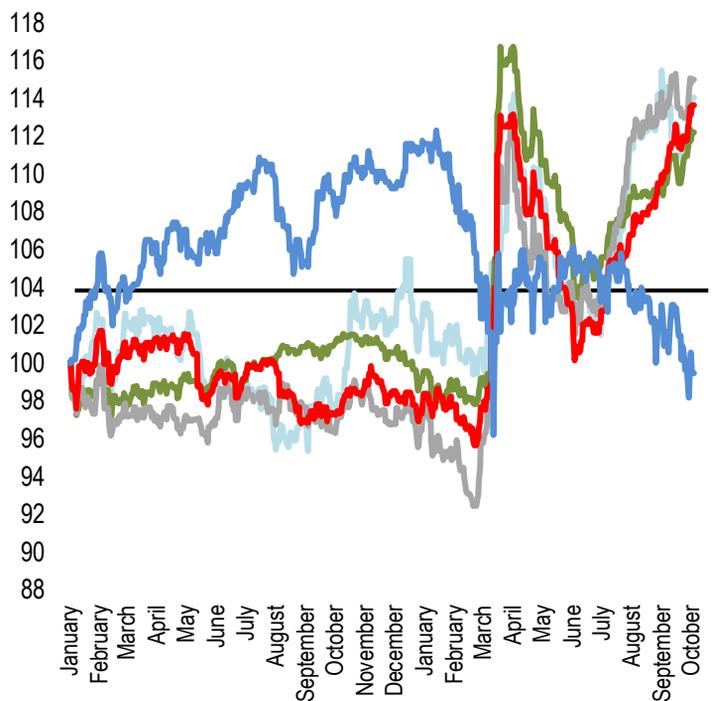
The tenge by the end of the week lost its positions against all foreign currencies traded on KASE amid falling oil prices and a weakening Russian ruble. Oil prices risk ending in the red for the second week in a row. On Friday by 15:30 o'clock, Nur-Sultan time, December Brent futures on London's ICE Futures exchange traded at \$39.58 a barrel, down 5.6% on last Friday's closing price. Oil prices dropped sharply on Friday on the news of a positive result for COVID-19 from US President Donald Trump. Meanwhile, despite data from the US Department of Energy released on Wednesday, which showed a decline in oil reserves in the country for the third week in a row, the market is still skeptical about the pace of recovery in global economic activity. Pressure on quotes continues to be exerted by concerns about the pace of recovery in demand due to the increase in the number of new infections with coronavirus in the world and the re-introduction of restrictive quarantine measures in several European countries.

Meanwhile, on the Moscow Exchange, the US dollar rate against the Russian ruble rose to RUB78.5338, which is 0.4% higher than the previous Friday's figure. The news of Trump's positive COVID-19 test also negatively affected the ruble, as this served as a reason for the sale of risky and commodity assets.

The value of the Russian ruble increased by KZT0.0004 (+ 0.01%) to KZT5.5410. The euro appreciated against the tenge by KZT8.43 (+ 1.7%) to KZT505.90. The Chinese yuan appreciated by KZT0.9890 (+ 1.6 %) to KZT63.4690.

FX rates

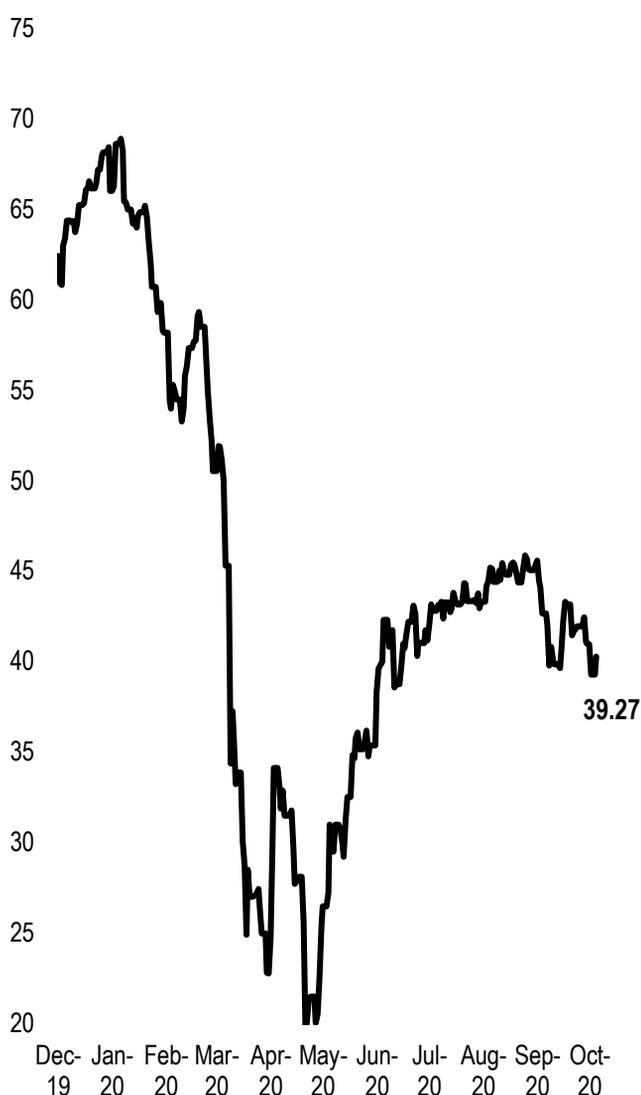
Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	551.65	1.4	-2.1	10.3
— USDKZT	429.37	0.75	2.4	12.6
— EURKZT	504.34	1.6	0.42	18.2
— CNYKZT	63.24	1.3	2.9	15.9
— RUBKZT	5.55	0.4	-2.5	-10

Brent oil

USD/barrel



39.27

Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jul-20 Aug-20 Sep-20 Oct-20

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					02.10.2020		
Name	Value	Trend %			Futures 7d	Name	Price	Trend %				
		7d	1m	1y				7d	1m	1y		
S&P 500	3 348,44	-0,1	-6,5	15,0	1,6	Oil	39,27	-7,4	-11,6	-32,0		
Dow Jones	27 682,81	0,4	-4,9	5,7	1,9		37,05	-8,7	-10,7	-29,4		
RTS	1 148,07	-1,6	-7,0	-12,2	-0,2	Natural gas	2,44	16,0	-1,9	4,7		
MICEX	2 285,53	0,0	0,0	0,0	-0,2	Copper	297,75	-0,4	-0,8	16,6		
Hang Seng	23 459,05	-0,1	-6,6	-10,2	1,2	Iron	960,50	5,1	3,4	21,2		
SS CSI 300	4 587,40	0,1	-5,3	20,3	0,0	Gold	1 899,84	1,0	-2,2	26,0		
Euro Stoxx 50	3 190,93	-1,0	-4,4	-6,6	1,9	Silver	24,03	2,1	-11,8	35,9		
FTSEuroFirst	3 521,00	-0,9	-3,5	-13,5	1,9	Wheat	573,25	4,2	4,7	17,3		
FTSE 100	5 902,12	-0,4	-0,7	-16,6	1,0							
KASE	2 416,14	-0,5	-3,3	12,0								

Economic calendar		Currency	Forecast	Previous
10/05	Business activity index in the services sector (Sep)	GBP	55.7	59.1
10/06	Short-term energy outlook from EIA	USD		
10/07	Crude oil reserves	USD	1.569M	-1.980M
10/08	Statement on the ECB's monetary policy	EUR		
10/08	Number of initial claims for unemployment benefits in the US	USD	823K	837K
10/09	GDP (qt/qt)	JPY		-7.9%
10/09	GDP (m/m)	GBP		6.6%

B – billions
M – millions
K – thousands

Note: the calendar contains the most significant economic events of the current week according to KASE analysts opinion

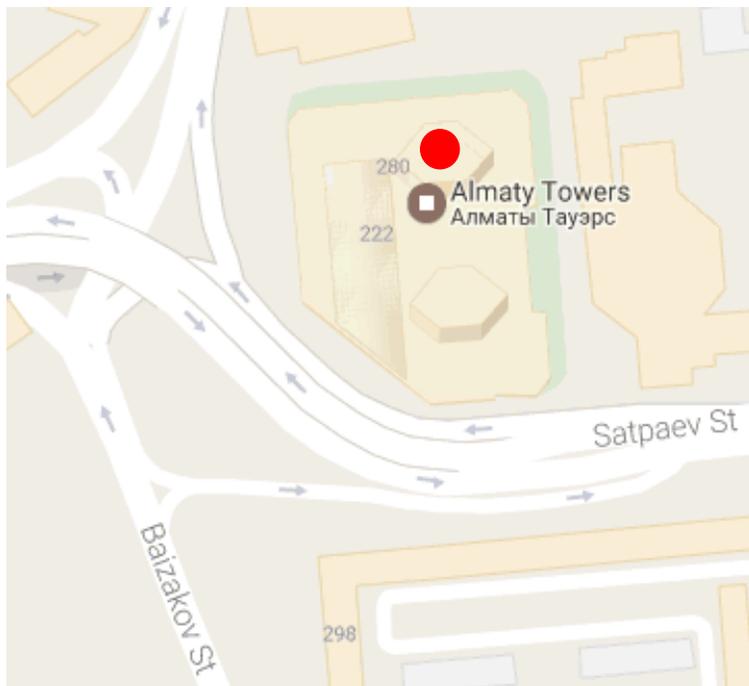
Kazakhstan statistics	Value	As of	Beginning 2019
Annual inflation	7.1%	08/01/20	5.3%
Gross international reserves of NBK, USD bn	31,561	06/01/20	30,927
Reserve money, KZT bn	8,428.3	06/01/20	5,995.7
Money supply, KZT bn	22,438.2	06/01/20	20,813.4
Kazakhstan credit ratings	Rating	Date	Previous
	BBB- stable	09/10/18	BBB- stable
	Baa3 stable	07/26/17	Baa3 stable
	BBB stable	09/28/18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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