

# KASE WEEKLY

June 14–18, 2021

## KASE NEWS

- ▲ Amendments to the [Regulations](#) on trading and operation of the control and collateral system and amendments to the [Instruction](#) on the procedure for assigning codes to members of Kazakhstan Stock Exchange JSC and their accounts, users of trading systems, issuers of securities and financial instruments were introduced.
- ▲ KASE extended the risk-parameters for financial instruments of the stock and foreign exchange markets for the period from June 15 to June 20.
- ▲ Trades in bonds KZ2C00001493 (ALTMb1) of Almatytemir JSC [resumed](#) on KASE.
- ▲ [Bonds](#) KZ2D00004298 (EABRb3), KZ2D00004306 (EABRb4) and KZ2D00004314 (EABRb5) of EDB were excluded from KASE official list due to the expiration of the circulation period and [GDR](#) US48668G2057 (KCELd) at the initiative of the admittance initiator.
- ▲ KASE official list was supplemented with bonds [KZMJ00000966](#) (TKK008\_096) of the Akimdik of Turkestan region, [KZ2P00007420](#) (MFNKb1) of MFO "Niet Credit" LLP, [KZ2P00007438](#) (MFKTb2) of MFO "Credit Time" LLP, [KZMJ00000974](#) (SKK024\_097) of the Akimdik of North Kazakhstan region, [KZMJ00000982](#) (KSK024\_098) of the Akimdik of Kostanay region, [KZ2D00005824](#) (EABRb13) of the Eurasian Development Bank, [KZX000000641](#) (MFOKe1) of MFO "OnlineKazFinance" LLP and shares [US46137V1420](#) (US\_PHO\_) Invesco Water Resources ETF.
- ▲ KASE's Management Board [has given](#) its consent to include proposed international bonds XS2351373134 of Asian Development Bank in the "Securities of International Financial Organizations" sector of the KASE official list.
- ▲ BCC Invest JSC [was assigned](#) the status of a market-maker for bonds KZ2C00007458 (KFUSb12) of Kazakhstan Sustainability Fund JSC.
- ▲ Trades in bonds KZ2P00007420 (MFNKb1) of MFO "Niet Credit" LLP [opened](#) on KASE.

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT10.0 bn on KASE by placing MEUKAM-072 of issue 13 ([KZKD00001145](#), MUM072\_0013), MEUKAM-168 of the fifth issue ([KZKD00001111](#), MUM168\_0005) and MEUKAM-072 of issue 13 ([KZKD00001145](#), MUM072\_0013).
- ▲ Kazakhstan Sustainability Fund JSC raised KZT19.8 bn KASE by placing bonds [KZ2C00007516](#) (KFUSb18) and [KZ2C00007573](#) (KFUSb24).
- ▲ Akimdik of Turkestan region [raised](#) KZT20.0 bn on KASE by placing bonds KZMJ00000966 (TKK008\_096).
- ▲ The Fund for Financial Support of Agriculture JSC [paid](#) dividends on ordinary shares for 2020.
- ▲ Kcell JSC [announced](#) delisting of GDRs on the London Stock Exchange and AIX.
- ▲ Freedom Holding Corp. [reported](#) financial results for the fiscal year 2021 ended March 31, 2021.
- ▲ NC KazMunayGas JSC [announced](#) the results of consent solicitation to holders of bonds of five issues.



June 18, 2021

		Trends (%)	
KASE Index	3 349,13	-0,6	-0,2
First class of liquidity	Price	Δ 7D	Δ 1M
Freedom Holding Corp.	25 799,0	5,8	31,6
Kazakhtelecom	29 650,0	4,0	2,0
NAC Kazatomprom	13 588,0	-0,1	6,1
Sberbank Russia	1 874,0	-0,1	5,3
Kcell	2 511,2	-0,1	-4,2
Bank CenterCredit	250,0	-0,2	-1,6
KEGOC	1 741,1	-1,0	-3,0
Gazprom	1 637,2	-1,1	11,0
Aeroflot	431,0	-1,1	-1,1
KazTransOil	1 110,0	-2,6	-8,0
Kazakhtelecom, preferred shares	17 801,0	-2,9	4,7
Halyk Savings Bank of Kazakhstan	167,0	-2,9	9,0
Bank of America Corporation	17 174,8	-4,6	-6,6
VTB Bank	0,3	-6,7	0,0

The value of KASE Index over the week decreased by 0.61 % – to 3,349.13 points. The largest number of deals among shares of the representative list was made with shares of Halyk Bank – 1,689. The largest volume of deals fell on shares of Kcell – KZT943.1 mln.

Meanwhile, the British investment fund Yellow Cake raised 62.5 million pounds to purchase uranium from Kazatomprom. Yellow Cake, which specializes in the purchase and storage of uranium oxide concentrate (UOC, an intermediate product of natural uranium processing), has held its second additional share offering this year to replenish its reserves amid continuing low prices. The funds raised will be used to purchase from 1 to 2 million pounds of UOC from Kazatomprom at an average spot price for June 7-11 – \$32.23 per pound.

Earlier in February, the fund raised about \$100 million through an additional share offering. With the funds raised, Yellow Cake fully exercised its option for 2021, purchasing 3.5 million pounds of UOC from Kazatomprom at \$28.95 per pound. The new acquisition is outside the scope of the option for the current year.

According to the CEO of Yellow Cake André Liebenberg, the fund managed to significantly increase the reserves of UOC in 2021 – from 9 million pounds to more than 15 million pounds.

Meanwhile, the European Bank for Reconstruction and Development (EBRD) on Friday announced that it will disburse \$60 million to Bank CenterCredit for lending to small and medium-sized enterprises (SMEs), the green economy and women entrepreneurs in Kazakhstan.

The bank will use a package of up to \$30 million to increase lending to Kazakh SMEs. Loan borrowers will have access to grant resources provided by the European Union Investment Fund for Central Asia.

The bank will receive another loan of up to \$20 million under the EBRD's Green Economy Financing Facility (GEFF), designed to support domestic SMEs in technologies and services to mitigate the effects of climate change.

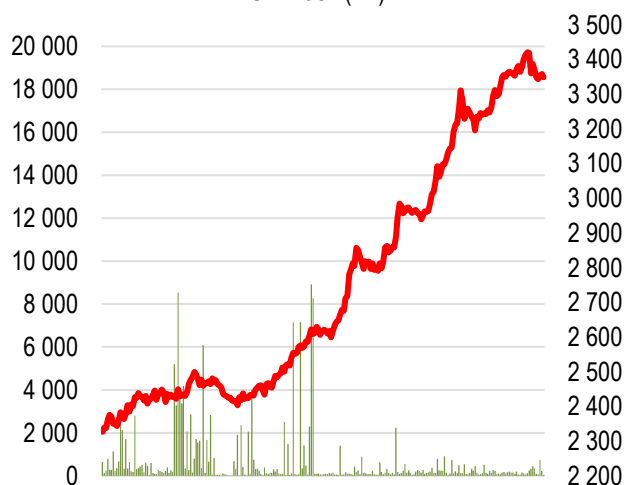
Part of the loan package of up to \$10 million will be used to foster women's entrepreneurship and business activity through the Women in Business (WiB) component. The initiative also provides technical support to women-led financial institutions to expand services to enterprises, and is supported by funds provided by the Ministry of National Economy of Kazakhstan.

To date, the EBRD has invested more than \$7.95 billion in the economy of Kazakhstan in the framework of 280 projects.

Note: Index stocks are highlighted in green

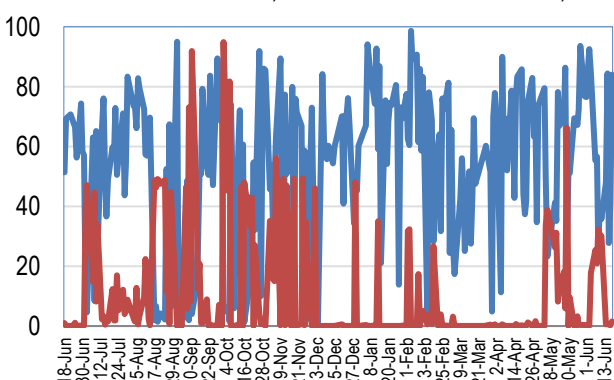
KASE Index shares

Trading volume, KZT M (←)  
KASE Index (→)



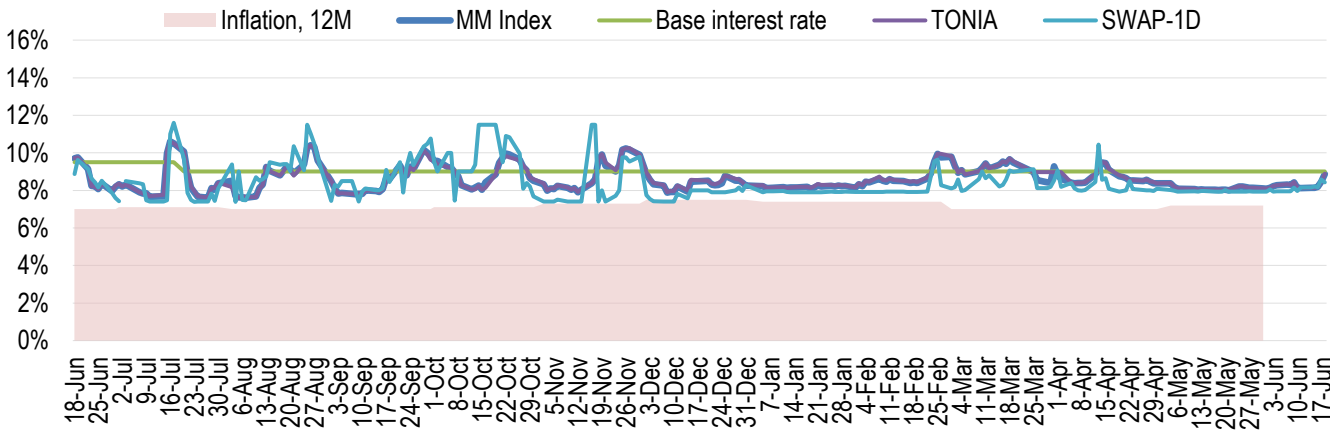
Retail investors & non-residents, %

Retail investors, %      Non-residents, %

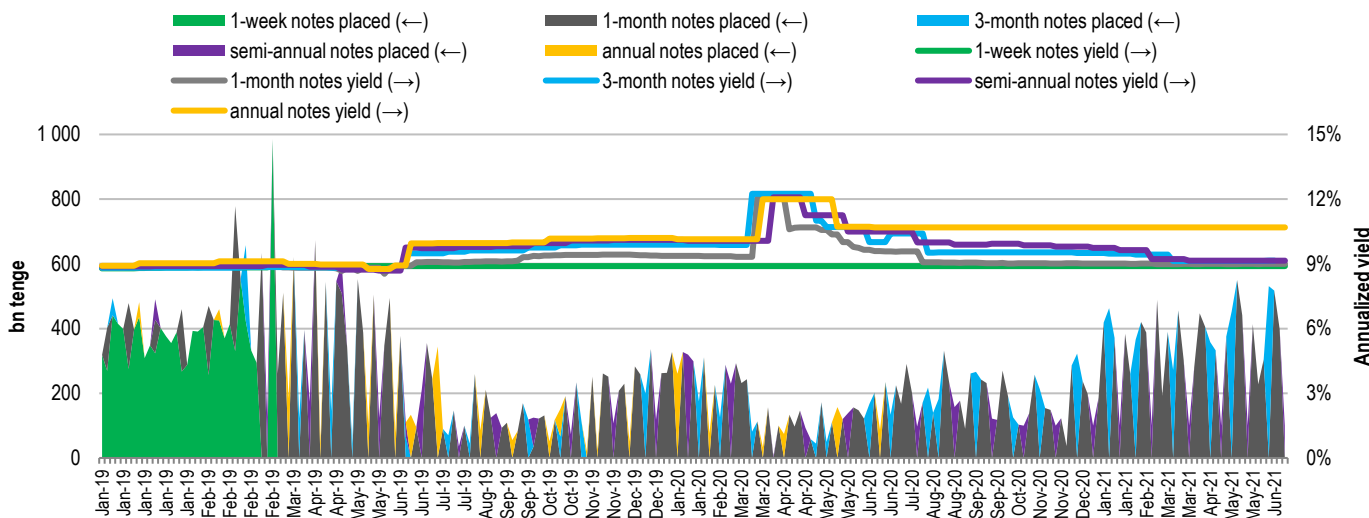


The yield on one-day REPO transactions with government securities (GS) (TONIA) increased by 76 b.p. over the week – up to 8.88% per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) increased by 27 b.p. over the week and amounted to 8.43 % per annum. The average trading volume in one-day money market instruments amounted to KZT363.5 bn, which is 3 % lower than the average value for the previous week.

**Inflation and interest rates**

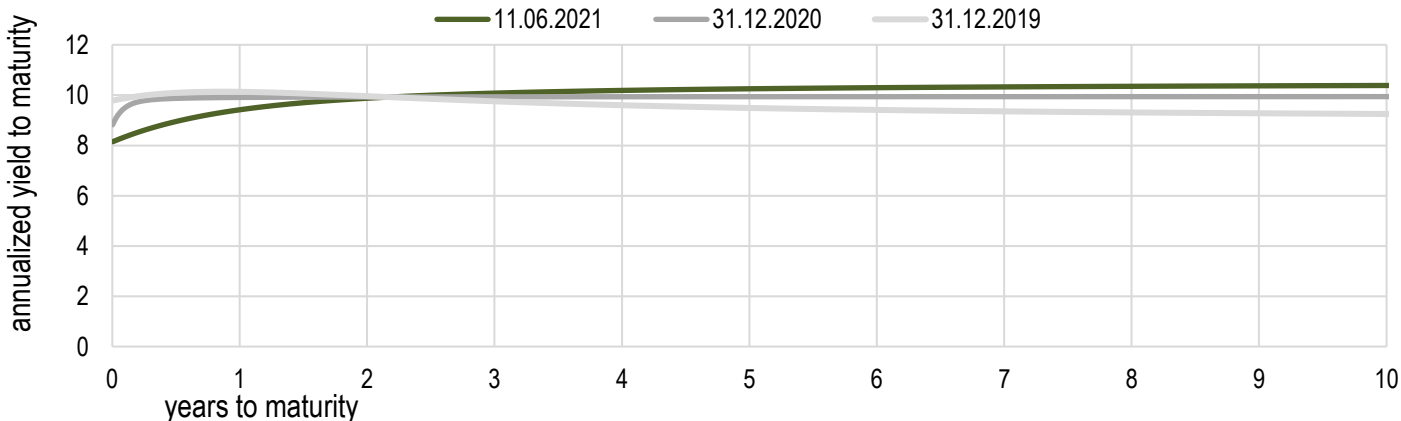


**Main Features of National Bank Notes Placements**



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

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





The weighted average rate of the US dollar against the tenge with a settlement term "tomorrow" over the week increased by KZT0.77 (0.18%) – to KZT427.83. Average trading volume was \$153.3 million, up 29.9% from the previous week's average. A total of 2,571 deals were concluded. The minimum price was KZT425.20 per US dollar, the maximum was KZT428.78, the price of the last deal was KZT427.85.

The dollar strengthened on the results of the meeting of the US Federal Reserve System (FRS). The ICE-calculated index, which tracks the dynamics of the dollar against six currencies (euro, Swiss franc, yen, Canadian dollar, pound sterling and Swedish krona), during trading on Friday rose to 92.05 points – the highest level in the last two months.

According to the results of the June meeting, the Federal Reserve System kept the federal funds rate in the range from 0% to 0.25% per annum. Most of the members of the Fed's Board of Governors (13 out of 18 CEOs) expect rate hikes in 2023, while the rest do not rule out a rate hike in 2022. In addition, the regulator noted that it will continue to repurchase at least \$80 billion in Treasury bonds monthly and at least \$40 billion in mortgage-backed securities until "significant progress is made to achieve maximum employment and price stability."

Meanwhile, the Federal Reserve upgraded its forecast for inflation in the country: in 2021 from 2.4% to 3.4%, in 2022 – from 2% to 2.1%, in 2023 – from 2.1% to 2.2% .

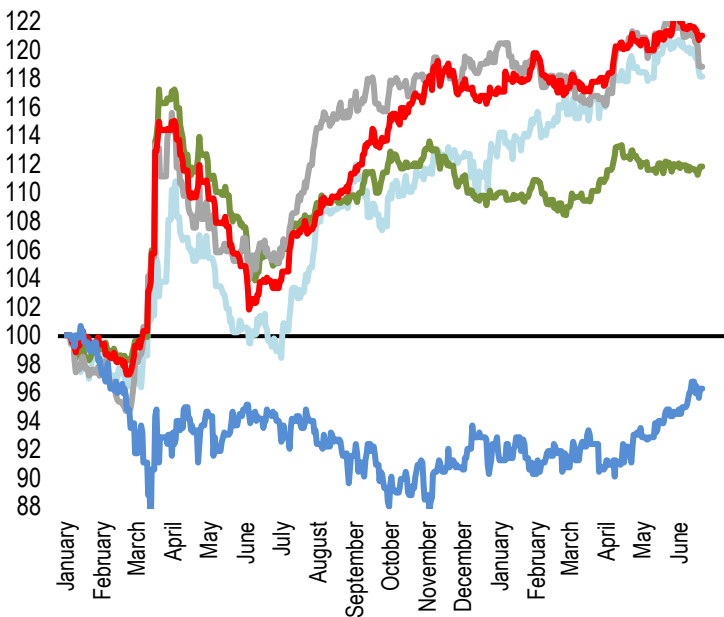
The strengthening of the dollar also put pressure on oil quotes. Brent lost 1.8% on Thursday. Earlier this week, benchmark crude reached its highest level since April 2019. However, the fall is limited by data released on Wednesday by the US Department of Energy, which indicates a significant reduction in oil reserves in the country last week – by 7.4 million barrels to 466.7 million barrels.

Meanwhile, investors continue to monitor the progress of negotiations on the Iranian nuclear program, following which US sanctions may be lifted on Tehran, which could lead to an increase in Iranian oil supplies.

The cost of Brent oil August futures on the London ICE Futures exchange increased by \$0.82 (1.13%) - up to \$73.51 per barrel at the end of the week. The US dollar against the Russian ruble on the Moscow Exchange increased by ₸0.7049 (0.98%) over the week to ₸72.8175.

**FX rates**

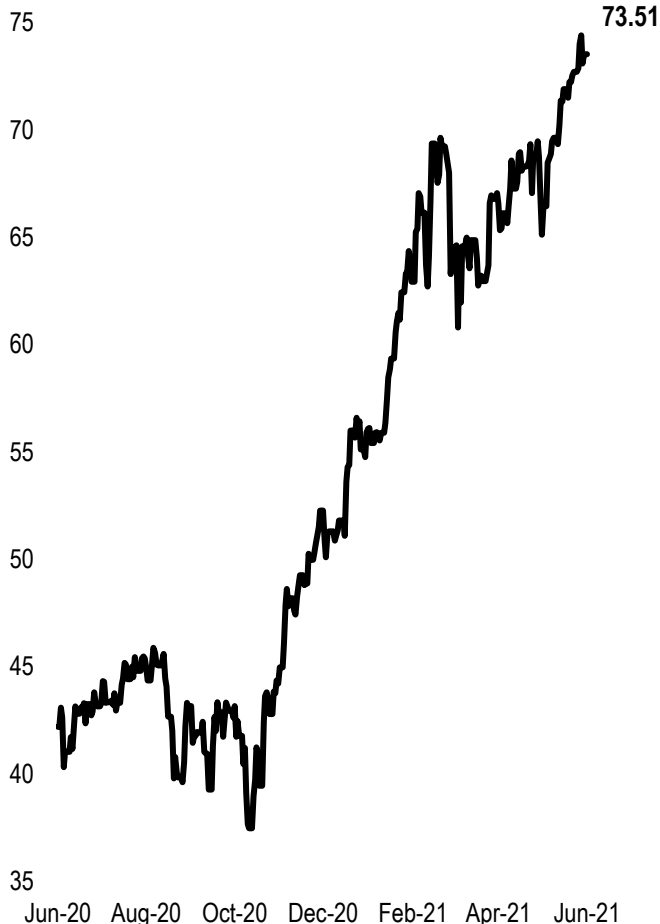
Δ %, base (01.01.20)



	Price	Δ 7D, %	Δ 30D, %	Δ 2020, %
— GBPKZT	596,28	-1,07	-1,46	4,40
— USDKZT	426,77	-0,18	0,17	1,44
— EURKZT	509,95	-1,95	-2,02	-1,20
— CNYKZT	66,34	-0,82	-0,02	2,87
— RUBKZT	5,89	-0,51	1,90	4,25

**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

June 18, 2021

Name	Value	Trend %			Futures 7D	Name	Price	Trend %		
		7D	1M	1Y				7D	1M	1Y
 S&P 500	4 166,45	-1,9	1,2	33,7	-2,0	Oil (Brent)	73,51	1,1	10,3	77,1
Dow Jones	33 290,08	-3,4	-1,8	27,6	-3,5	Oil (WTI)	71,64	1,0	13,1	84,4
 RTS	1 646,72	-1,9	6,0	33,8	-3,5	Natural gas	3,22	-2,5	8,5	96,3
MICEX	2 285,53	0,0	0,0	0,0	-3,5	Copper	415,70	-8,4	-9,4	60,6
 Hang Seng	28 801,27	-0,1	0,7	17,7	-0,2	Iron	1 291,00	-3,7	-0,3	59,6
SS CSI 300	5 102,47	-2,3	-1,3	26,2	-2,9	Gold	1 764,16	-6,0	-5,6	2,4
 Euro Stoxx 50	4 083,37	-1,0	3,7	25,6	-1,6	Silver	25,97	-7,7	-7,3	48,3
FTSEuroFirst	4 503,90	-1,3	2,8	22,4	-1,4	Wheat	662,75	-2,6	-2,4	37,1
 FTSE 100	7 017,47	-1,6	1,0	12,7	-2,8					
 KASE	3 349,13	-0,6	-0,2	43,9						

## Economic calendar

## Currency

## Forecast

## Previous

06/22	Speech of Fed Chairman Powell	USD		
06/23	Manufacturing PMI Germany (June)	EUR	63.4	64.4
06/23	Crude oil reserves	USD	-3.290M	-7.355M
06/24	Decision on interest rate (June)	GBP	0.10%	0.10%
06/24	GDP (qt/qt) (1 qt)	USD	6.4%	6.4%
06/24	Number of initial applications for unemployment benefits	USD	380K	412K

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 2020
Annual inflation	7.2%	06/01/21	5.6%
Gross international reserves of NBK, USD bn	34,674	02/01/21	35,638
Reserve money, KZT bn	9,173.8	01/01/21	8,652.5
Money supply, KZT bn	25,392	01/01/21	20,875.8

## Кредитные рейтинги Казахстана

## Rating

## Date

## Previous

<b>S&amp;P Global</b>	BBB-/A-3- stable	03/06/21	BBB- stable
<b>MOODY'S</b>	Baa3 positive	02/17/21	Baa3 positive
<b>FitchRatings</b>	BBB stable	02/20/21	BBB stable

# CONTACT INFORMATION



**Address:** Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

**Tel.:** +7 (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