

KASE WEEKLY

February 21 –
February 25
2022

KASE NEWS

- ▲ SFAI Kazakhstan LLP is [included](#) in the list of audit organizations recognized by KASE by the second level.
- ▲ KASE has [included](#) the Euronext exchange and the EURONEXT 100 Index in the list of exchanges and exchange indices for the purpose of admission of securities to the "KASE Global" sector.
- ▲ An addition to the [Regulations](#) on trading and operation of the control and collateral system has been put into effect.
- ▲ Social bonds [XS2444205756](#) (ASDBe9) of Asian Development Bank are included in KASE official list
- ▲ Bonds [KZ2C00004737](#) (EABRb8) of Eurasian Development Bank were excluded from KASE official list due to the expiration of the circulation period.
- ▲ Trades in bonds [KZ2C00007631](#) (KZIKb35) of Kazakhstan Housing Company JSC were opened at KASE.
- ▲ Trades in international bonds of the Ministry of Finance of Ukraine of three issues were [suspended](#) on KASE.
- ▲ Halyk Global Markets JSC was [assigned](#) the status of a market-maker on KASE for common shares of three titles.
- ▲ Halyk Finance was [assigned](#) the status of a market-maker on KASE for units KZPF00000538 (HFINhl) of IUIT "Halyk - Liquid".
- ▲ Investment Financial House "YURTA" JSC [relinquished](#) the status of a market-maker on KASE for bonds KZ2C00003010 (CSBNb15) and KZ2C00003028 (CSBNb16) of Kaspi Bank JSC.
- ▲ Freedom Finance JSC was [assigned](#) the status of a market-maker on KASE for common shares KZ1C00001619 (KZAP) of NAC Kazatomprom JSC.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan placed on KASE 29.9 mln MEUKAM-180 of issue 15 ([KZKD00001186](#), MUM180_0015) and 25.0 million MEUKAM-096 of issue 12 ([KZKD00001160](#), MUM096_0012).
- ▲ The Ministry of Finance of Kazakhstan raised KZT56.7 bn by placing on KASE MEUKAM-180 of issue 15 ([KZKD00001186](#), MUM180_0015) and MEUKAM-096 of issue 12 ([KZKD00001160](#), MUM096_0012).
- ▲ Asian Development Bank [raised](#) KZT14.0 bn on KASE via subscription by placing international social bonds XS2444205756 (ASDBe9) with a yield to maturity of 11.00 % APR.
- ▲ MFO Swiss Capital LLP [raised](#) KZT504.7 mln on KASE by placing bonds KZ2P00007818 (MFSCb1).
- ▲ Kcell JSC [reported](#) financial results for 2021.
- ▲ ANNOUNCEMENT: On March 15, a conference of Halyk Savings Bank of Kazakhstan JSC will be [held](#) to announce financial results for 2021.
- ▲ ANNOUNCEMENT: On March 16, NAC Kazatomprom JSC will [hold](#) a conference call "Overview of operating and financial results for 2021".
- ▲ Subsidiary Bank "Alfa-Bank" JSC [says](#) Fitch Ratings affirmed the bank's ratings.
- ▲ Subsidiary bank JSC "Home Credit and Finance Bank" [says](#) Fitch Ratings affirmed the bank's ratings.
- ▲ National Company "KazTransGas" [says](#) Fitch Ratings affirmed of the company's ratings.



25.02.2022

KASE Index	3 453,42	Trends (%)	
		-2,7	0,0
First class of liquidity	Price	Δ 7D	Δ 1M
Yandex N.V.	25 800,0	5,3	- 22,3
АО "Казакхтелеком"	35 398,0	2,2	3,6
ПАО "Аэрофлот - российскийские авиал"	390,0	1,3	0,3
АО "Кселл"	1 729,8	0,6	9,1
Ford Motor Company	18,6	0,3	- 23,5
АО "Банк ЦентрКредит"	397,6	0,1	0,1
Банк ВТБ (ПАО)	0,2	-	- 7,7
VTB Bank	0,2	-	- 7,7
ПАО "Ростелеком"	510,0	- 0,3	- 1,0
АО "КазТрансОйл"	1 107,9	- 0,4	4,3
АО "КЕГОС"	1 853,0	- 0,4	- 0,1
ПАО "Газпром"	2 000,0	- 0,5	- 7,9
Apple Inc.	169,7	- 0,7	- 1,6
АО Kaspi.kz	39 000,0	- 1,3	- 26,3
AT&T Inc.	23,8	- 1,8	- 12,7
Intel Corporation	47,8	- 2,0	- 13,7
АО "Национальная атомная компани"	14 733,0	- 2,8	- 6,0
АО "Народный сберегательный бан"	155,0	- 2,8	1,6
Pfizer Inc.	49,0	- 3,4	- 11,1
АО "KM GOLD"	1 050,0	- 3,5	- 11,8
ПАО "Сбербанк"	1 550,5	- 3,7	- 1,2
Freedom Holding Corp.	62,6	- 3,9	- 6,8
ПАО "Новолипецкий металлургичес"	1 410,0	- 7,2	- 1,4

The development of the local stock market in February continued to be determined by external political factors. In the dynamics of KASE Index, three distinct periods changed one another during the month. From February 1 to February 10, the index continued to develop the positive trend gained at the end of January. As information about the possible beginning of the Russian-Ukrainian military conflict became available, from February 11 to February 21, the market moved into a horizontal trend, and from February 22 into the red zone. Under the greatest influence of this factor were those companies whose shares are traded on the London Stock Exchange. On February 24, during the trading session in London, the decline in the price of Kaspi.kz shares exceeded 50%, Halyk Bank – 15%, Kazatomprom – 9%.

Considering that the change in share prices was not supported by negative internal fundamental factors, such significant drawdowns were quickly redeemed. Nevertheless, since the beginning of the month, absolutely all shares of the representative list of KASE Index have been marked by price reduction. Since the beginning of February, the value of the index itself has decreased by 4.6% to 3,386.14 points. Last time the index was at this level in October 2021.

As for internal fundamental factors, local companies are just starting to publish annual reports and announce dividends. Halyk Bank scheduled a conference on the announcement of financial results on March 15, Kazatomprom – on March 16, Bank CenterCredit from March 15 to 18 will pay dividends on preferred shares in the amount of 39.75 tenge per share. During Kcell's Issuer Day held on February 21, the mobile operator announced its financial results for 2021. The company's consolidated net income increased from last year by 84.9 % to 32.5 billion tenge, of which 21.5 billion tenge are recommended by Kcell's Board of Directors to be used to pay dividends. Dividends may amount to 107.5 tenge per share. Dividend yield, respectively, is estimated at about 6.3 % per annum.

By the way, reports of record annual profits and high dividend yields in February partially offset geopolitical risks on all world stock markets, and Kazakhstan's investors actively invested in reporting companies on the KASE Global market. In February, the volume of Kazakh investments in US securities at KASE Global reached 3.2 billion tenge.

As for new placements, it should be reminded that KASE is actively preparing for an IPO on its site of the "daughters" of the Sovereign Wealth Fund "Samruk-Kazyna" – Air Astana and KazMunayGas. In February, KASE Talks were held on this topic with Yernar Zhanadil, a member of the Management Board of Samruk-Kazyna, and on February 25, a training webinar on the topic "Pro IPO: what you need to know and how to participate." Shynar Elubayeva, Chief Specialist of KASE's Issuer and Investor Relations Department; Sholpan Ainabayeva, Chairman of the Management Board of SkyBridgelInvest JSC and Maria Pan, Director of the Sales Department of Halyk Finance JSC, spoke about the basic principles of investing during an IPO.

Interesting placements were made on the debt capital market during the month. Three issues were placed by microfinance organizations R-finance, OnlineKazFinance and Swiss Capital for a total amount of 2 billion tenge for a period of one to three years at 17.5 % – 19 % per annum. At 12.8 % per annum, HomeCredit Bank raised 4.8 billion tenge for 2 years. The yield to maturity of bonds placed by the Ministry of Finance increased significantly – up to 10.7 – 11.1%, which is associated with an increase in the base rate by the National Bank of the Republic of Kazakhstan to 13.5 % per annum on February 24 and an upward shift in the government securities' yield curve.

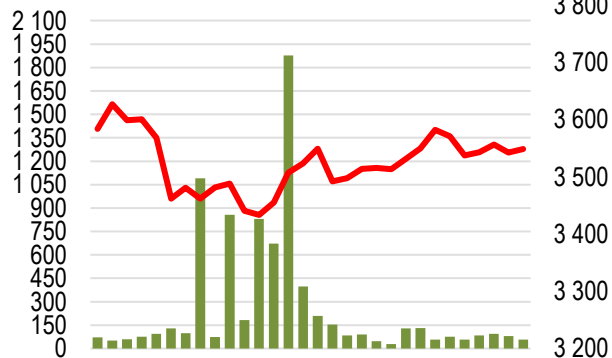
The Asian Development Bank placed the first issue of international social bonds this year for 14 billion tenge for a period of 8 years at 11 % per annum. By the way, Kazakhstan Stock Exchange invites all investors who are interested in the ESG sector this Friday, March 4, to the annual "Ring the bell for gender equality" opening ceremony and the event called "Inclusive Leadership: A New Reality in Business event".

Following the increase in the base rate by the National Bank, the yield on the money market also increased. The TONIA (Tenge OverNight Index Average) repo deals yield indicator reached 14.42 % per annum last Thursday, while the one-day dollar swaps yield indicator reached 14.9 % per annum. Volumes of the trading in the money market remained at the average level. On Friday, the values slightly corrected down to the middle of the base rate corridor.

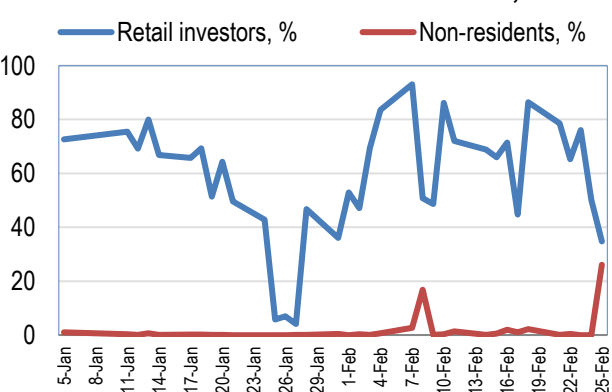
Note: Index stocks are highlighted in green

KASE Index shares

Trading volume, KZT M (←)



Retail investors & non-residents, %





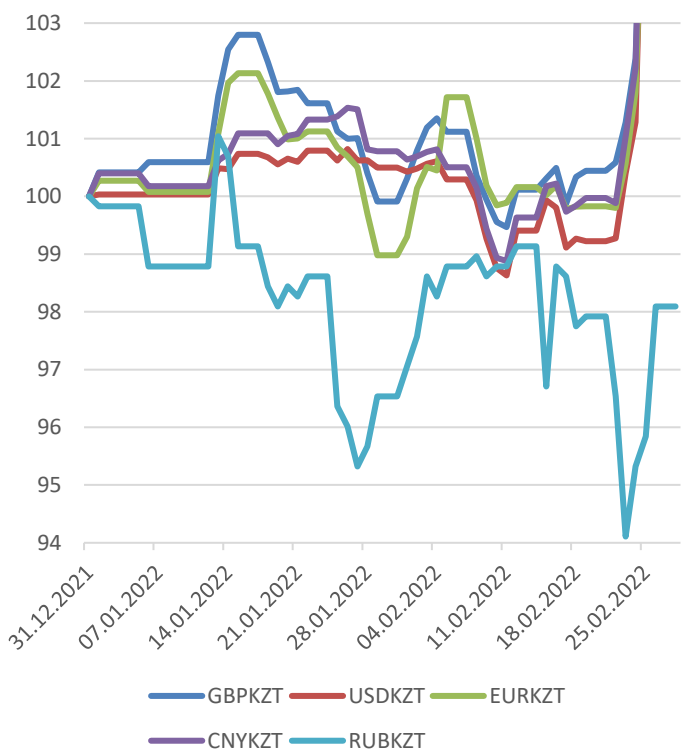
The National Bank of the Republic of Kazakhstan made an extraordinary decision on the level of the base rate, due to the need to maintain price stability against the background of the realization of risks from the external sector with a significant deterioration in the geopolitical situation, which was considered as part of the negative scenario and anti-crisis measures plans of the National Bank of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

From February 24, 2022, the base rate is set at 13.5 % per annum with an interest corridor of +/- 1.0 p.p. Accordingly, the rate on permanent access operations to provide liquidity will be 14.5 % and on permanent access transactions to withdraw liquidity – 12.5%.

The monetary policy of the National Bank of the Republic of Kazakhstan, carried out within the framework of inflation targeting, is aimed at preventing the spread of the consequences of an external shock to the country's economy, ensuring macroeconomic stability and protecting tenge assets. Second-tier banks are provided with the necessary liquidity within the framework of monetary policy instruments.

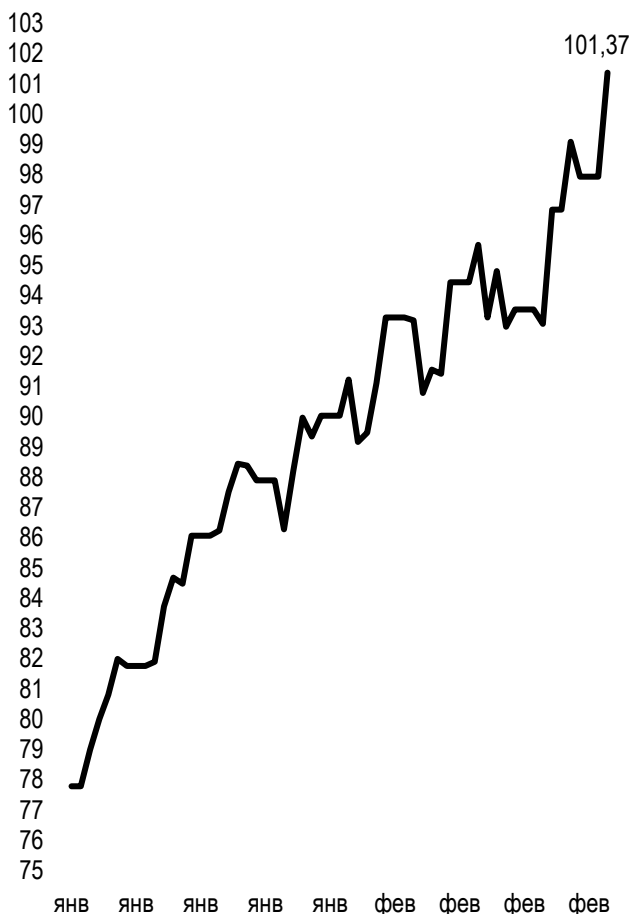
FX rates

Δ %, base (01.01.22)









	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
— GBPKZT	624,64	7,06	6,69	7,75
— USDKZT	467,09	9,05	7,07	7,95
— EURKZT	522,21	7,24	6,38	7,12
— CNYKZT	73,97	9,25	7,21	8,86
— RUBKZT	5,66	0,18	-0,18	-4,16

Brent oil USD/barrel



Global indices

Name	Value	Trend %			Futures
 S&P 500	4 384,65	0,8	0,8	14,5	0,8
Dow Jones	34 058,75	-0,1	-0,3	8,5	0,0
 RTS	936,94	-32,7	-29,3	-35,4	-33,5
MICEX	2 285,53	0,0	0,0	0,0	-33,5
 Hang Seng	22 767,18	-6,4	-6,3	-24,3	-7,0
SS CSI 300	4 573,43	-1,7	-2,9	-16,4	-1,6
 Euro Stoxx 50	3 970,69	-2,5	-4,7	7,7	-2,6
FTSEuroFirst	4 648,00	-1,9	-2,3	12,6	-1,9
 FTSE 100	7 489,46	-0,3	0,3	12,6	-0,1
 KASE	3 453,42	-2,7	0,0	16,5	

Commodities market

February 25, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	97,93	4,7	8,9	46,4
Oil (WTI)	91,59	0,6	4,9	44,2
Natural gas	4,47	0,9	4,5	61,0
Copper	447,20	-1,1	-1,0	4,8
Iron	712,00	-11,9	-6,7	-41,7
Gold	1 889,34	-0,5	3,2	6,7
Silver	24,00	0,0	0,8	-13,2
Wheat	843,00	5,8	6,0	25,5

Economic calendar

Currency

Forecast

Previous

28.02	Interest rate decision	RUB		9,5%
01.03	Purchasing Managers' Index (PMI) (Feb)	CNY	49,9	50,1
01.03	PMI Germany (Feb)	EUR	58,5	58,5
01.03	ECB President Lagarde to give a speech	EUR		
02.03	Statement by Fed Chairman Mr. Powell	USD		
03.03	Number of initial applications for unemployment benefits	USD	226K	232K

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

December 2021

Annual inflation	8.5%	01.02.22	8.4%
Gross international reserves of NBK, USD bn	33,4	01.02.22	34,4
Reserve money, KZT bn	10 683,9	01.02.22	10 957,7
Money supply, KZT bn	29 800,2	01.02.22	30 099,3

Kazakhstan credit ratings

Rating

Date

Previous

S&P Global

BBB-/A-3- stable

09/08/21

BBB- stable

MOODY'S

Baa2 stable

08/11/21

Baa3 positive

FitchRatings

BBB stable

02/04/22

BBB stable

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Corporate Events Calendar of KASE listed Companies

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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.

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