

# KASE WEEKLY

July 25-29  
2022

## KASE NEWS

- Bonds [KZMJ00001352](#) (VKK024\_135) of akimdik of East Kazakhstan region included in KASE official list.
- Bonds [KZ2C00007482](#) (KFUSb15) of Kazakhstan Sustainability Fund JSC and international bonds [RU000A100QS2](#) (RU\_04\_2207) of the Ministry of Finance of the Russian Federation are excluded from KASE official list due to the expiration of circulation.
- Trades in bonds [KZ2C00008654](#) (TMJLb10) of NC Kazakhstan temir zholy JSC and preferred shares [KZ1P00014559](#) (SABRp) of IC Sinoasia B&R JSC are opened on KASE.
- Freedom Finance JSC [relinquishes](#) the market-maker status on KASE on international bonds XS1902171757 (UA\_01\_2811) of the Ministry of Finance of Ukraine.

## ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 56.0 mln MEUKAM-180 of the second issue ([KZKD00000139](#), MUM180\_0002) and 150.2 mln MEUKAM-156 of the fifth issue ([KZKD00000758](#), MUM156\_0005).
- 55,000 preferred shares KZ1P00014559 (SABRp) of Sinoasia B&R JSC were [placed](#) on KASE at KZT17,800 per share during a subscription.
- KazAgroFinance JSC [raised](#) KZT20.1 bn on KASE by placing bonds KZ2C00008514 (KAFib12) at 16.85% APR.
- Akimdik of East Kazakhstan region [raised](#) KZT1.3 bn on KASE by placing bonds KZMJ00001352 (VKK024\_135).
- Kaspi.kz JSC [reported](#) financial results for the second quarter and first half of 2022 in English.
- Kcell JSC [reported](#) financial results for January-June 2022.
- AMF Group JSC [paid out](#) dividends on common shares KZ1C00000512 (AKFI) for 2021.
- NOSTRUM OIL & GAS PLC [announced](#) the continuation of the restructuring of its bonds.
- NOSTRUM OIL & GAS PLC [announced](#) operating results for the second quarter and six months ended June 30, 2022.
- KazTransOil JSC [announced](#) the results of production activities in the first half of 2022.
- Leasing Group JSC [says](#) Fitch Ratings downgraded the company's ratings; outlook is "Stable".
- TechnoLeasing LLP [says](#) Fitch Ratings affirmed the company's long-term ratings; outlook with a "Stable".



29.07.2022

KASE Index	2 953,54	Trends (%)	
		6,0	10,4
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7D</b>	<b>Δ 1M</b>
AO "Кселл"	1 450,00	29,7	32,8
AO "ForteBank"	4,00	18,3	5,5
AO Kaspi.kz	25 548,00	10,6	5,2
Yandex N.V.	13 885,00	6,8	6,8
Apple Inc.	161,21	4,7	13,3
AO "НАК "Казатомпром"	14 620,00	4,6	21,2
Advanced Micro Devices, Inc.	90,70	2,6	4,6
AO "Банк ЦентрКредит"	471,99	2,6	12,7
NVIDIA Corp.	180,02	2,6	4,1
Freedom Holding Corp.	53,43	2,4	32,6
Exxon Mobil Corporation	95,40	2,1	6,1
AO "КазТрансОйл"	821,00	0,9	21,6
AO "Казахтелеком"	27 900,00	- 0,4	3,0
AO "Народный сберегательный банк Казак"	112,05	- 0,4	- 1,1
AO "KEGOC"	1 597,00	- 0,9	- 0,9
AO "KM GOLD"	193,00	- 1,0	- 3,5
Intel Corporation	36,85	- 7,4	- 4,1

Note: Index stocks are highlighted in green

Leading American and European markets opened the second half of the year with a sharp reversal from local lows recorded at the end of the first half of the year, winning back by the end of the month from 6 to 8%. The last time such a sharp monthly increase on these markets was recorded in November 2020, when the market was at the beginning of one of the largest support cycles.

At the moment, there are not many fundamental reasons for the growth of the markets. In July, a large number of statistics, corporate reports and forecasts were published, indicating a slowdown in the economy. The statistics showed the renewal of the next highs in inflation, the slowdown in PMI business activity, the US GDP has been declining for the second quarter in a row, China's GDP growth has slowed down significantly, and the GDP of some Eurozone countries also turned out to be lower than expected. Central banks continue to raise rates: the ECB – immediately by 50 b.p., the US Federal Reserve – by 75 b.p. The number of companies that closed the quarter above market expectations is now below the five-year average, and companies' forecasts for the near future are mostly negative.

Despite all this, the markets welcome each positive report and expect the beginning of a next wave of support from the Central Banks. Of the companies represented on the KASE Global platform, after the publication of positive reports, Apple, Ford, Mastercard, Pfizer, Qualcomm, Texas Instruments, Coca-Cola, in particular, grew in price.

A lot of interesting opportunities were provided to investors this month by the equity market of Kazakh companies. KASE Index closed the best month since October last year, adding 10.4% on the results. Some companies on the index list posted double-digit growth rates.

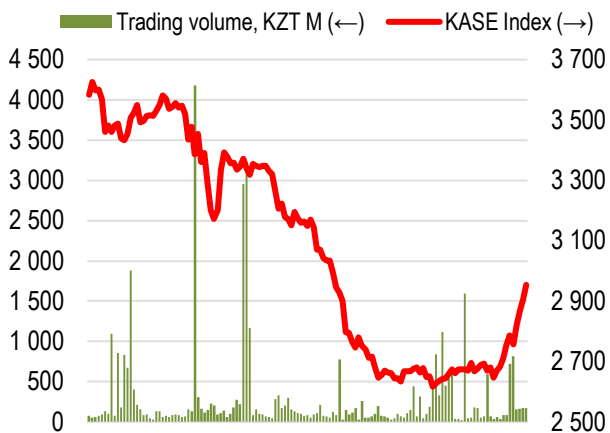
According to the results of the month, Kcell shares became the leader, having grown by 32.4%. On July 26, as part of the Issuer Day on KASE, Kcell announced that the company's net income in the second quarter increased by 19.4%, to 10.1 billion tenge, in the first half of the year the growth was 23.9% to 19.4 billion tenge. Common shares of Kazatomprom took the second place in terms of growth rates with a result of 21.4% over the month, despite the fact that prices for uranium futures fell from 50.3 to 49.2 dollars per ounce by the end of the month. On July 19, the company completed the payment of dividends for a total of 227.4 billion tenge, or 876.74 tenge per ordinary share. The top three are closed by KazTransOil shares which recovered in price by 19.9%. On July 27, the transport company reported its half-year operating results, according to which in six months the total transportation volume decreased by only 2.3% compared to the first half of 2021, which is significantly better market forecasts.

The growth leader in the financial sector were shares of Bank CenterCredit, which appreciated 9.6%. On July 22, the international agency S&P Global Ratings raised the long-term credit rating of Bank CenterCredit from "B" to "B+" with a "Stable" outlook, noting an improvement in the business position and an increase in the capital reserve.

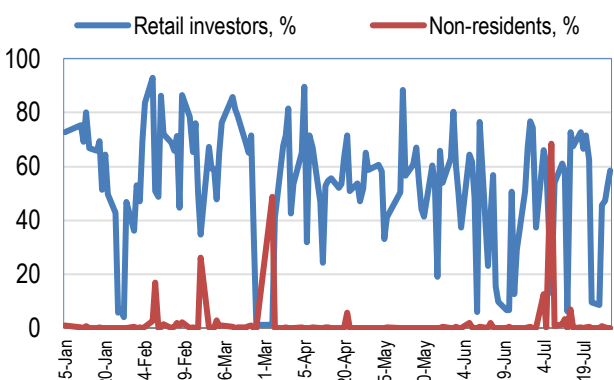
Common shares of Kaspi.kz recovered 5.4%. The company has published financial results for the second quarter and first half of 2022. Net profit of Kaspi.kz in the second quarter increased by 32% to 135.2 billion tenge. In the first half of the year, the growth amounted to 39.4% to 252.4 billion tenge. Based on these results, the Board of Directors proposed to pay dividends of 500 tenge per GDR. On July 22, the first Kaspi.kz GDR buyback program ended. The amount of the buyback amounted to approximately USD 51 million or 998.4 thousand GDRs, which is equivalent to 0.52% of the total number of GDRs in circulation. The Board of Directors approved a second three-month GDR buyback program of up to US\$100 million.

In the debt market, rates are still quite high. Kazakhstan Temir Zholy raised 118.9 billion tenge for two years under bonds with a floating interest rate, which is formed as an interest rate of TONIA + 3%. KazAgroFinance placed seven-year bonds in the amount of 20.1 billion tenge with a yield to maturity of 16.85% per annum.

### KASE Index shares

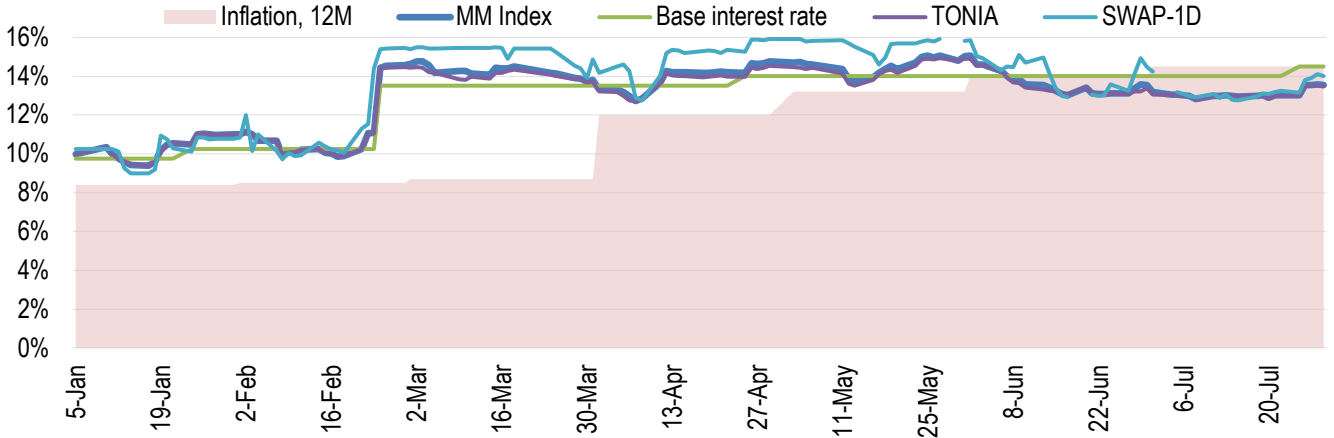


### Retail investors & non-residents, %

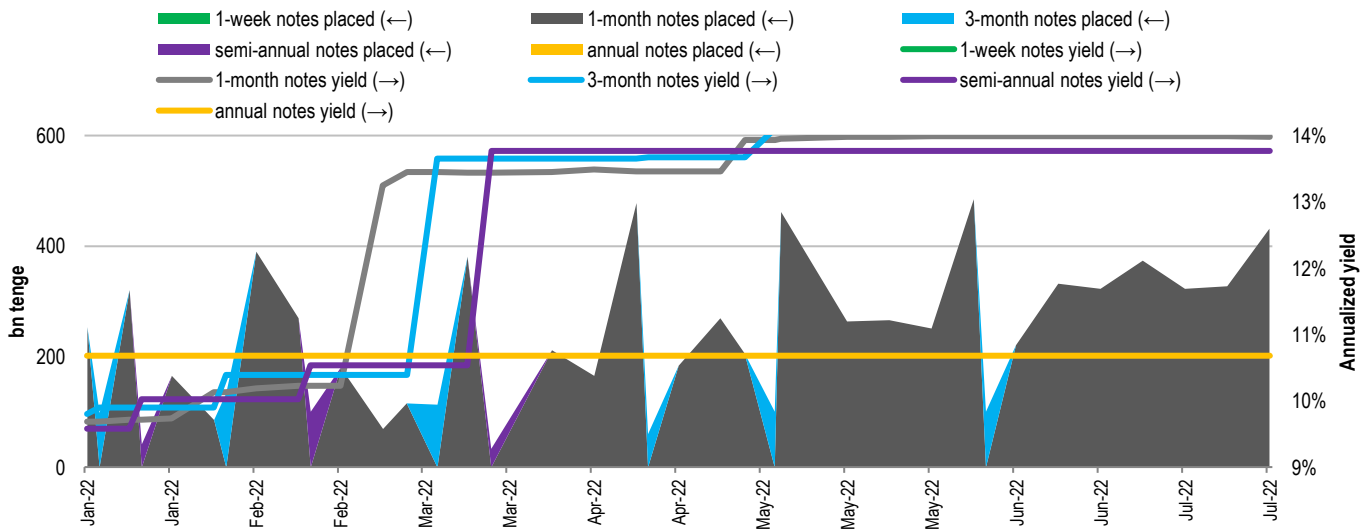


The yield of one-day REPO transactions with government securities (GS) (TONIA) from July 25 to 29 increased from 13.0% to 13.49% per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) for the period under review increased from 13.24% to 14.0% per annum.

### Inflation and interest rates

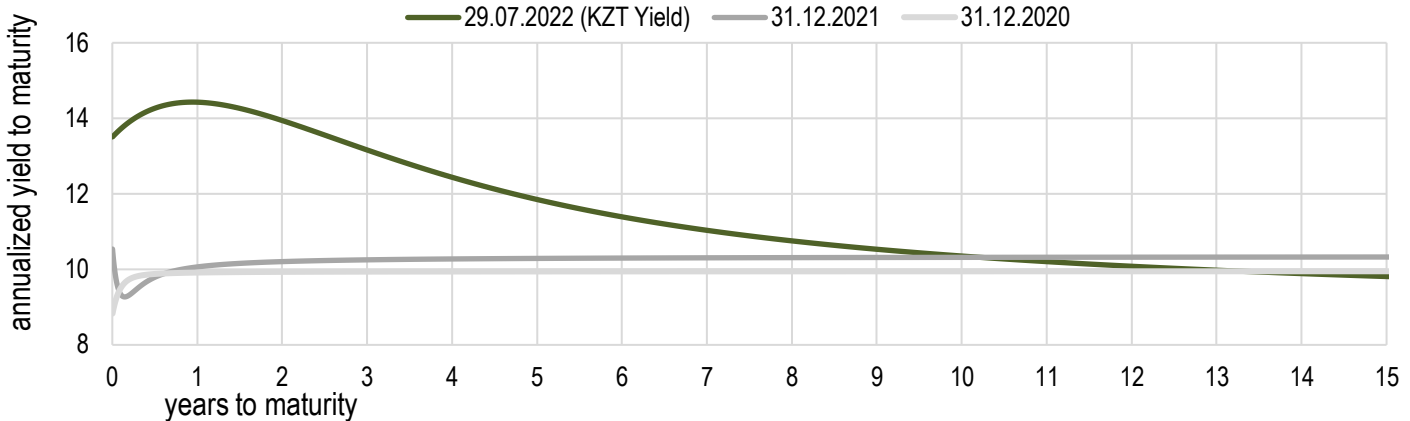


### Main Features of National Bank Notes Placements



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

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





In July, the National Bank did not conduct foreign exchange interventions, and neither did it conduct operations to buy or sell foreign currency for pension assets of the UAPF and other funds held in trust.

During July, the tenge was traded in the context of the global strengthening of the US dollar and the aggressive tightening of monetary policy by the Fed, as well as seasonal factors associated with the holiday period.

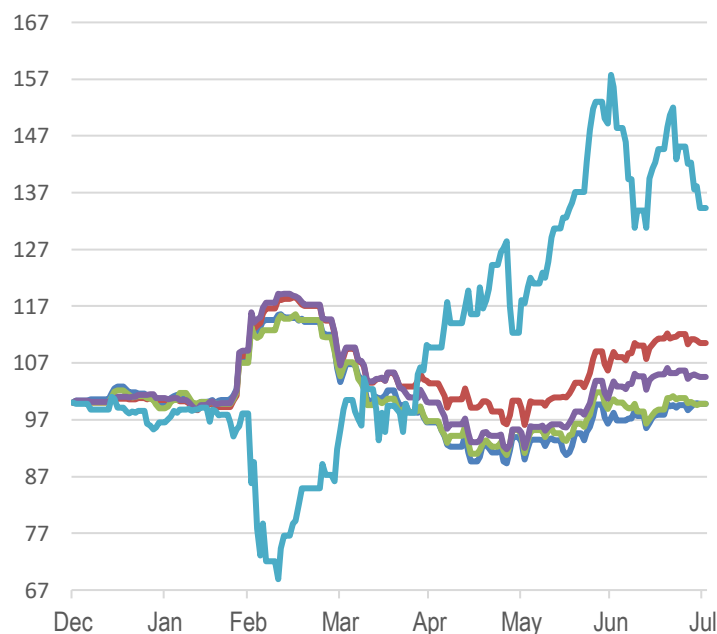
As a result of July, the tenge exchange rate changed by 1.5% to 477.07 tenge per US dollar. The average daily trading volume on Kazakhstan Stock Exchange increased from USD 96.4 million to USD 118.6 million over the month. The total trading volume in July was \$2.4 billion.

The foreign exchange market was supported by the sale of foreign exchange earnings by entities of the quasi-public sector, which amounted to about USD543.9 million. Quasi-public sector companies independently carry out sales on the foreign exchange market through second-tier banks.

Sales of foreign currency to ensure transfers from the National Fund to the republican budget in July amounted to 599.2 million US dollars. The share of sales from the National Fund amounted to 25.3% of the total trading volume.

In the short term, tenge volatility will depend on changes in the geopolitical situation, expectations of domestic participants and the situation on world markets. The National Bank states that it will continue to adhere to the flexible exchange rate regime, which eliminates the accumulation of imbalances and ensures the safety of gold and foreign exchange reserves.

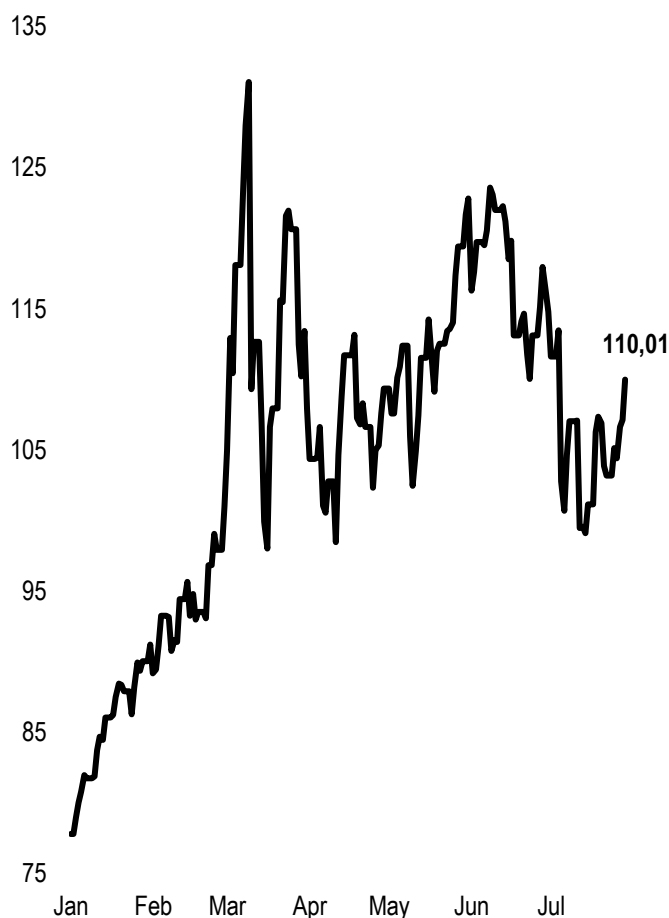
## FX rates



— GBPKZT — USDKZT — EURKZT  
— CNYKZT — RUBKZT

	Price	Δ 7d, %	Δ 30d, %	Δ 2022, %
GBPKZT	579,52	0,21	3,84	-0,04
USDKZT	477,09	-1,40	4,98	10,91
EURKZT	486,73	-0,98	0,69	-0,36
CNYKZT	70,83	-0,99	4,03	4,77
RUBKZT	7,75	-7,41	-7,43	38,13

## 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

Name	Value	Trend %			Futures
		7D	1M	1Y	7D
S&P 500	4 130,29	4,3	8,2	-6,5	4,2
Dow Jones	32 845,13	3,0	5,9	-6,4	3,0
RTS	1 129,24	-2,8	-20,1	-31,1	-5,0
MICEX	2 285,53	0,0	0,0	0,0	-5,0
Hang Seng	20 156,51	-2,2	-8,4	-23,4	-2,5
SS CSI 300	4 170,10	-1,6	-5,7	-14,0	-1,5
Euro Stoxx 50	3 708,10	3,1	5,5	-9,9	2,9
FTSEuroFirst	4 458,50	3,0	4,4	-1,1	3,1
FTSE 100	7 423,43	2,0	1,5	4,9	2,0
KASE	2 953,54	6,0	10,4	-4,7	

## Commodities market

July 29, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	110,01	6,6	-5,4	44,7
Oil (WTI)	98,62	4,1	-10,2	34,0
Natural gas	8,23	-0,8	26,6	102,7
Copper	357,35	6,7	-5,4	-21,0
Iron	832,50	15,9	-5,1	-26,3
Gold	1 765,94	2,2	-2,8	-3,4
Silver	20,20	8,7	-2,3	-21,7
Wheat	807,75	6,4	-11,8	14,5

## Economic calendar

		Currency	Forecast	Previous
01.08	<u>Caixin Manufacturing PMI (July)</u>	CNY	51.5	51.7
01.08	<u>German Manufacturing PMI (July)</u>	EUR	49.2	52.0
01.08	<u>ISM Manufacturing PMI (July)</u>	USD	52.0	53.0
03.08	<u>Crude oil reserves</u>	USD	-0.467M	-4.523M
04.08	<u>Interest Rate Decision (Aug)</u>	GBP	1.50%	1.25%
04.08	<u>Number of initial applications for unemployment benefits</u>	USD	255K	256K
05.08	<u>Unemployment rate (July)</u>	USD	3.6 %	3.6 %

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	Previous month
Annual inflation	15,0%	01.08.22	14,5%
Gross international reserves of NBK, USD bn	32,0	01.07.22	32,8
Reserve money, KZT bn	10 688,8	01.07.22	9 875,0
Money supply, KZT bn	30 423,2	01.07.22	28 319,2

## Kazakhstan credit ratings

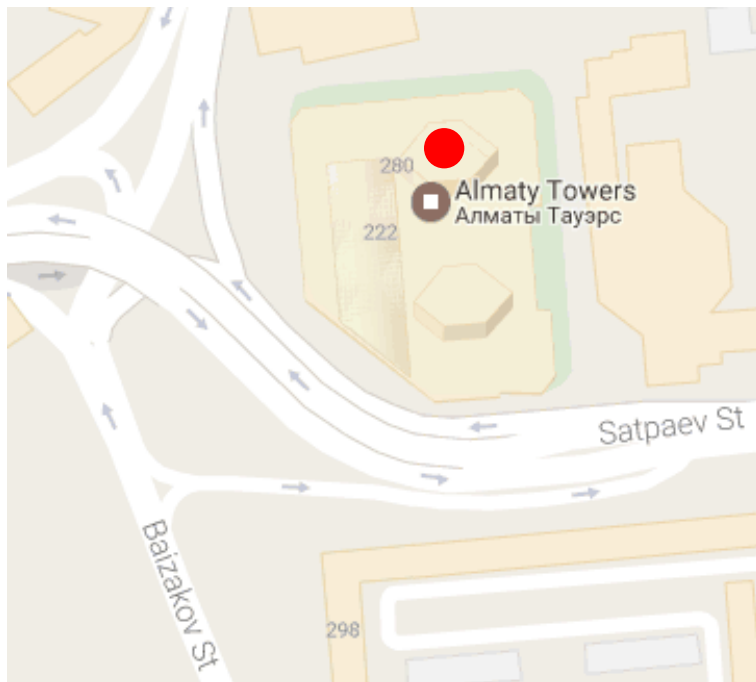
	Rating	Date	Previous
<b>S&amp;P Global</b>	BBB-/A-3 stable	05.03.22	BBB-/stable
<b>MOODY'S</b>	Baa2/stable	11.08.21	Baa3/positive
<b>FitchRatings</b>	BBB/stable	17.06.22	BBB/stable

# 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.