

KASE WEEKLY

July 24-28
2023

KASE NEWS

- Amendments to the Rules for Conduct of Clearing Activities for Transactions with Financial Instruments, Listing Rules, Regulation on Membership Fees, Exchange and Clearing Fees, Regulation on Commission for Recording Collateral and Rules of Operation of Trading and Clearing System in Remote Access Mode took effect.
- A new internal document of the KASE "Procedure for transfer of functionality for clearing and settlement activities and activities of the central counterparty from Kazakhstan Stock Exchange JSC to KASE Clearing Center JSC" took effect.
- The Board of Directors of KASE approved amendments to a number of KASE's internal documents in connection with separation of the central counterparty into a separate subsidiary.
- The Board of Directors of KASE made a decision to accept Teniz Capital Investment Banking JSC as a member of KASE in the "currency" category.
- The KASE has formed lists of securities of the first, second and third liquidity classes for August 2023.
- The KASE official list includes bonds of Home Credit Bank JSC of three issues, bonds KZ2P00009889 (IDCOpp2) of ID Collect Collection Agency LLP and three issues of international bonds of the US Treasury.
- International bonds US912796Y296 (US_59_2307) of the US Treasury were excluded from the official list of KASE due to expiry of the circulation period.
- Trades in bonds KZ2P00009277 (MFBLb1) of Birinshi Lombard LLP are opened at KASE.
- Freedom Finance JSC was assigned the status of market-maker on KASE on bonds KZ2C00009769 (MFOk11) of MFO OnlineKazFinance JSC.
- BCC Invest JSC was assigned the status of market-maker on KASE on bonds KZ2P00008162 (MFOk2), KZ2C00009769 (MFOk11) and KZX000000641 (MFOk1) of MFO OnlineKazFinance JSC.
- Eurasian Capital JSC gave up its status of a market maker on the KASE for common shares NL0000235190 (AIR_KZ) of Airbus.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on the KASE 111.3 million MEKKAM-12 issue 155 (KZK100000308, MKM012_0155), 17.5 million MEOKAM-48 issue 52 (KZK200000687, MOM048_0052), 21.8 million MEUKAM-72 issue 14 (KZKD000 01210, MUM072_0014), 13.1 million MEUKAM-108 issue 14 (KZKD00001236, MUM108_0014), 14.0 million MEUKAM-120 issue 16 (KZKD00000865, MUM120_0016) and 48.9 million MEUKAM-180 sixth issue (KZKD00000535, MUM180_0006).
- Kazakhstan Sustainability Fund JSC raised KZT9.8 billion on KASE from placement of bonds KZ2C00009371 (KFUSb50) with a weighted average yield to maturity of 15.15% p.a.
- Akimat of Aktobe region raised KZT5.5 billion on KASE from placement of bonds KZMJ00001584 (ABK024_158).
- JSC Kaspi.kz reported financial results for the second quarter and first half of 2023 in the English language.
- JSC Kaspi.kz provided a notice in the English language on the GDR buyback program for up to USD 100 million.
- TechnoLeasing LLP announced that ratings of the company have been confirmed by Fitch Ratings, with a Stable outlook.



28.07.2023

KASE Index	Price	Trends (%)	
		Δ 7D	Δ 1M
KASE Index	3 682,65	0,0	3,1
First class of liquidity			
		ТРЕНДЫ	
Intel Corporation	36,97	9,8	10,4
АО Kaspi.kz	41 510,00	4,8	11,1
Advanced Micro Devices, Inc.	112,61	1,9	3,4
Tesla, Inc.	267,46	1,3	10,5
АО "КазТрансОйл"	814,43	0,9	0,1
АО "Казактелеком"	33 200,00	0,7	8,2
Bank of America Corporation	31,90	0,7	13,0
Freedom Holding Corp.	79,79	0,3	- 3,3
AT&T Inc.	14,99	0,1	- 4,4
АО "KEGOC"	1 569,00	- 0,1	- 0,5
АО "Банк ЦентрКредит"	686,98	- 0,1	0,7
АО "Кселл"	1 899,97	- 0,2	- 0,0
АО "ForteBank"	3,80	- 0,5	- 0,8
PayPal Holdings Inc.	72,59	- 0,6	8,7
АО "БАСТ"	7 402,60	- 0,6	- 2,5
Apple Inc.	191,95	- 1,0	2,1
АО "Банк ЦентрКредит"	569,99	- 1,0	2,7
АО "НК "КазМунайГаз"	10 860,00	- 1,3	8,6
Ford Motor Company	14,01	- 1,4	0,4
АО "Народный банк Казахстана"	163,07	- 1,5	2,6
Pfizer Inc.	36,39	- 1,6	- 1,7
АО "KM GOLD"	125,99	- 2,3	0,4
АО "НАК "Казатомпром"	12 196,96	- 2,6	- 6,1

Note: Index stocks are highlighted in green

KASE index last week did not demonstrate market dynamics, during the week its value increased by 0.03% to 3,682.65 points.

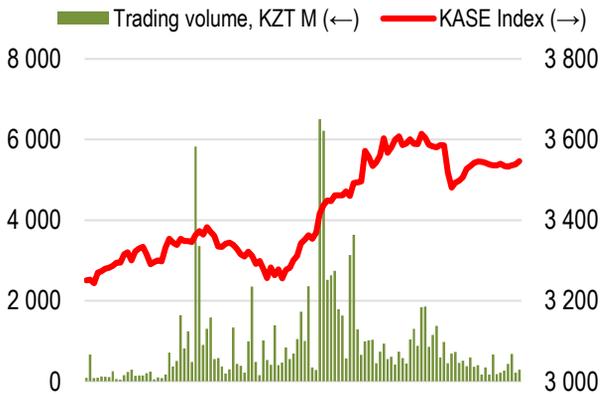
Main support for the Index was provided by common shares of Kaspi.kz, which grew by 4.8% over the week after the Holding reported on results for the first half of 2023. As part of its published financial statements, the company reported that revenue of the Group for the second quarter soared by 51% as compared to the same period last year. Forecast for revenue growth by the end of the year has been raised from 25% to 30%. By the end of this year, the company intends to buy out a 40% stake in the Kolesa Group holding. A new, fifth in a row, GDR buyback program for USD 100 million has been announced. Plans to enter a new exchange floor remain. A quarterly dividend of 750 KZT per share is recommended. This week, Kaspi.kz shares broke through the mark of 40 k KZT per share and are trading at the level of February 2022.

Downward pressure on the Index came from common shares of Kazatomprom, which dropped 2.6% over the week. In early July, Kazatomprom announced its plans to cut uranium production in 2023 by 20% as compared to production levels set under subsoil use contracts. Last week, another 10% cut for 2024 was announced. As Kazatomprom explained, the decline in production figures is attributed to a shortage of key materials, including sulfuric acid.

Despite the price decrease, Kazatomprom's GDRs were included on KASE in the list of securities of the first class of liquidity for August. This list was formed at the KASE last week. It included 44 papers, including GDRs of Kazatomprom, ordinary shares of Johnson & Johnson, Microsoft, Verizon and shares in short-term US government securities from one to three months.

For those who are interested in investing in US GS, we would like to inform that last week three new issues of US GS with a maturity of four months, six months and two years were included in the KASE list. Overall, there are currently 50 Treasury issues available for trading on the KASE with maturities from 1 year to 30 years.

KASE Index shares

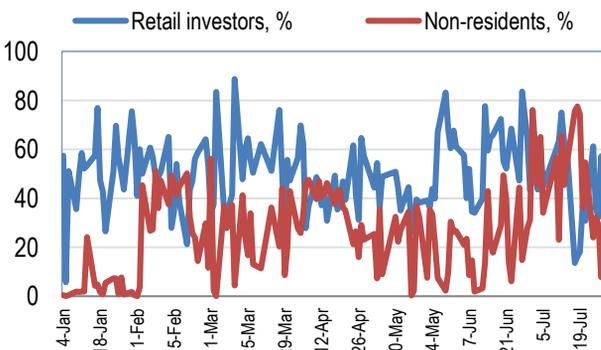


We draw attention to another interesting event. ETFs on the KASE Index increased in price by 7.2% over the week, and since the beginning of the year, growth of this instrument has reached 14.3%, while the KASE Index itself has risen by 13.3% over the same period.

From other corporate news. According to the Minister of Digital Development Bagdat Musin, Kazakhtelecom will sell one of the mobile operators by the end of the year. Today, this company owns 100% of common shares in Tele2/Altel and 51% of common shares in Kcell. Two interested buyers currently conduct due diligence. Shares of Kazakhtelecom and Kcell practically did not respond to this message.

Against the background of all the news, the sentiment on the market remained relatively neutral - SP fell by 0.28% over the week, the USD index remained at 101 points, yield on 10-year treasuries remained at 4.3% per annum. Meanwhile, move of the Chinese government to support the economic growth of the country has pushed Brent oil prices up to a three-month high of USD 83.7 per barrel. As a result, the energy sector added 4.63% this week. It is interesting that shares of Kazmunaigas, after a 11% rise the week before last to a historic high, did not follow a further increase in oil prices. The stock ended the week with a 1.3% correction.

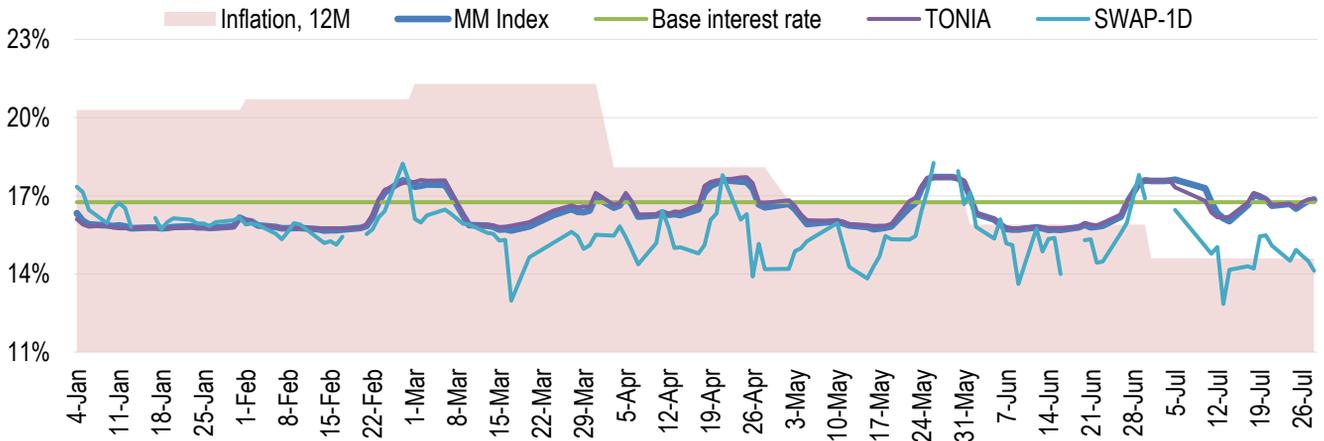
Retail investors & non-residents, %



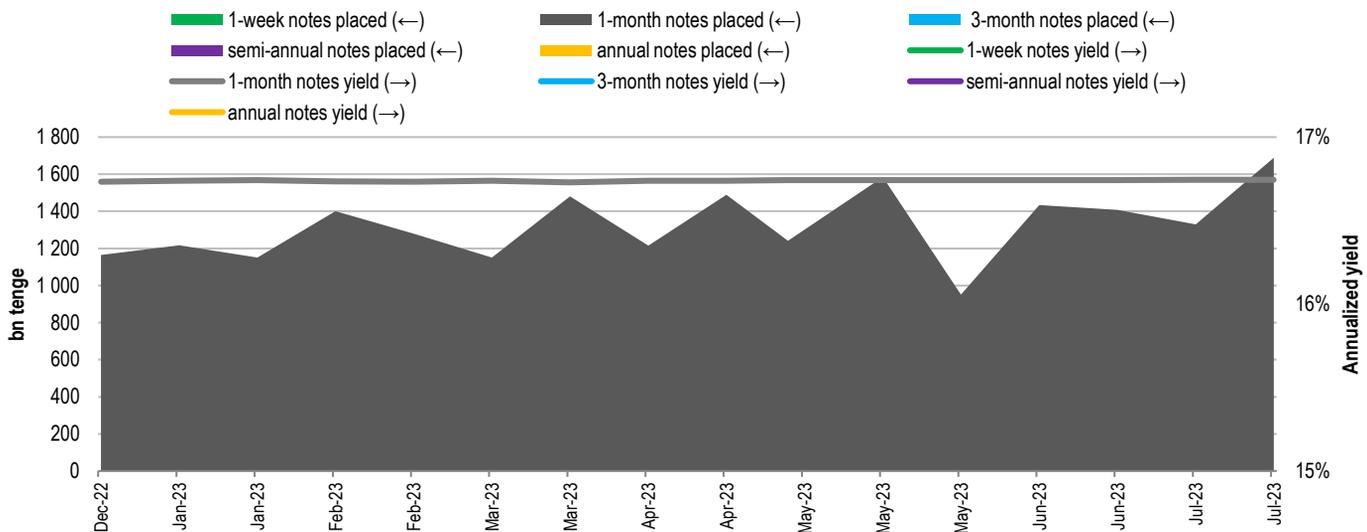
On the debt capital market, the official list of KASE includes three issues of HomeCreditBank bonds for a total of 50 billion KZT with a maturity from 2 to 5 years with an annual coupon of 16.5%. The stock exchange had two placements of one-year bonds of the Kazakhstan Sustainability Fund, which raised 14.9 billion KZT at 15.2% p.a. Listed microfinance companies Credit Time, R-Finance, Toyota Financial Services Kazakhstan, Kapitalinvest, TechnoLeasing reported payment of coupons on bonds with coupon rates from 11 to 25% p.a. last week. NMH Baiterek and Kazakhstan Temir Zholy made payments on bonds with coupon rates from 8 to 20% p.a., and Wholesale and Retail Trade Enterprise and First Heartland Jusan Bank reported servicing their debt obligations with coupon rates from 7.5 to 10.5% p.a.

On the KASE money market, the overnight repo rate TONIA increased from 16.66% to 16.90% p.a., moving into the upper corridor of the base rate. Yield of one-day currency swap operations in USD declined over the period from 15.08% to 14.12% per annum, also trading in the lower corridor of the base rate.

Inflation and interest rates

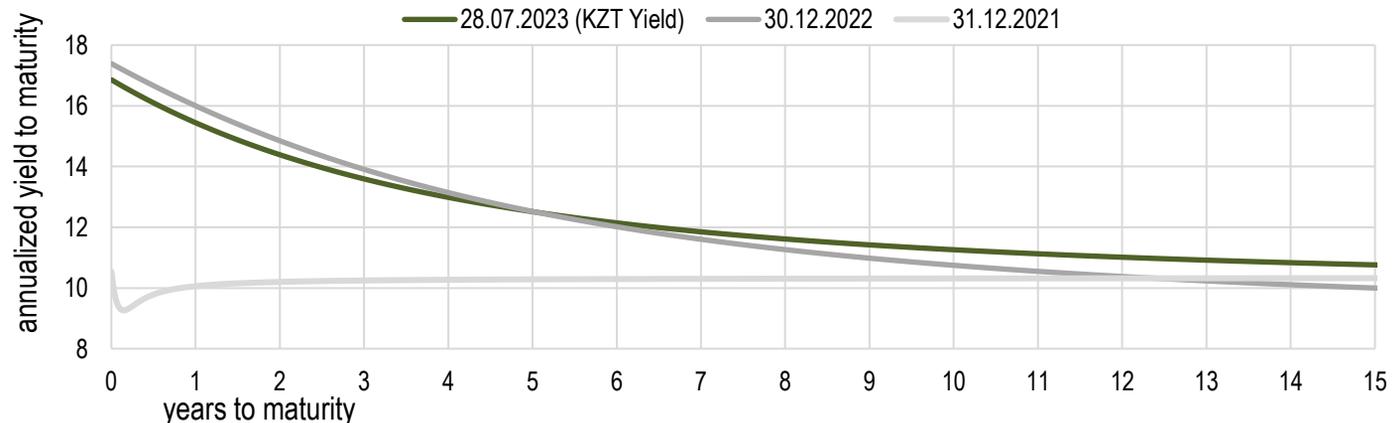


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





June results demonstrated slight devaluation of the KZT to the level of 452.26 KZT per USD or down by 1%.

Volumes of transactions for sale of foreign currency from the National Fund, as well as transactions for purchase of foreign currency to maintain currency share of the UAPF in June matched our forecasts and totaled USD 550 and USD240 million, respectively.

Quasi-public companies sold nearly USD 288 million for the past month. Also it is worth pointing out that according to decree of the Government, starting from July this year, share of mandatory sale of foreign exchange earnings declined from 50% to 30%.

At the end of June, volume of foreign exchange assets of the National Fund, according to preliminary data, stood at USD 59.8 billion, with an increase of about USD 600 million for the past month.

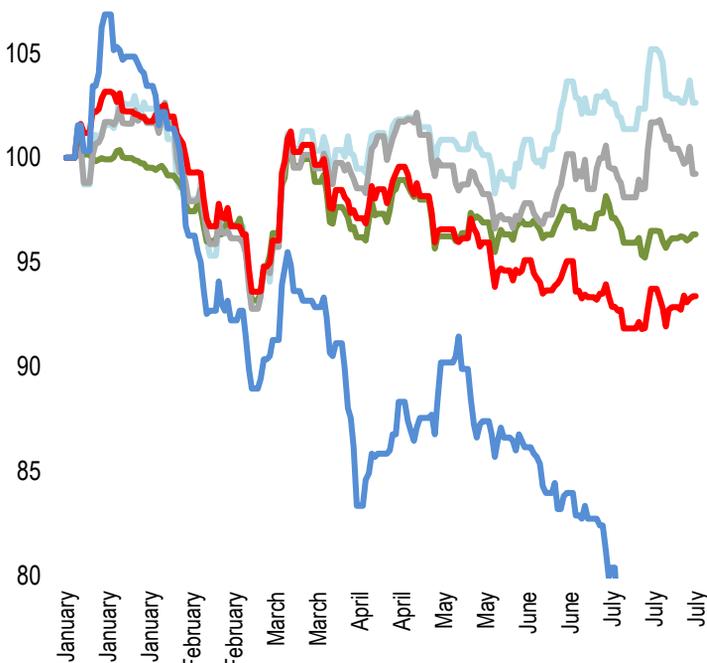
Last month, 279 billion KZT were remitted from the National Fund to the republican budget as transfers. For these purposes, foreign currency worth USD 550 million was evenly sold on the domestic foreign exchange market.

Along with that, foreign exchange receipts to accounts of the National Fund in June amounted to USD 310 million.

FX rates

Δ %, base (01.01.23)

110



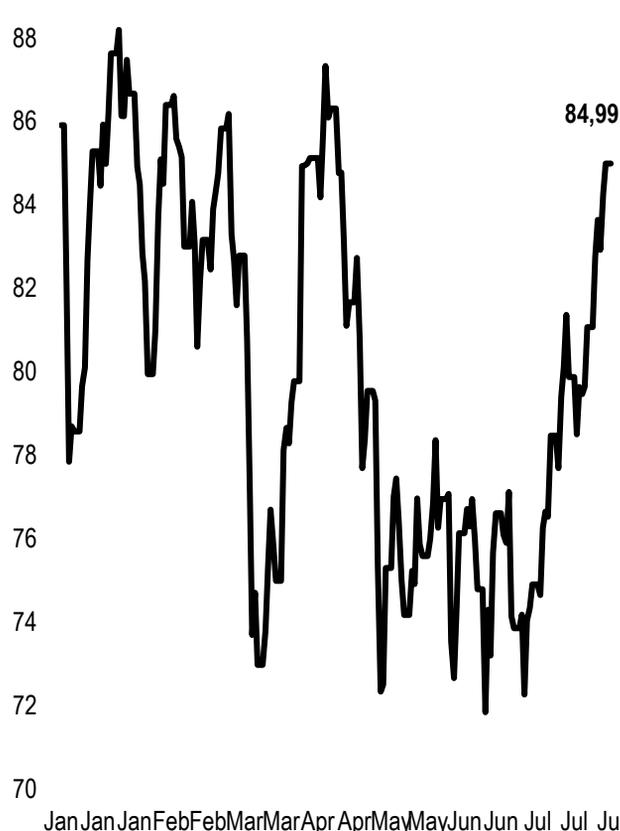
Price Δ 7d, % Δ 30d, % Δ 2023, %

— GBP	KZT 571,18	-0,19	0,77	3,69
— USD	KZT 445,68	0,20	-1,25	-3,88
— EUR	KZT 489,00	-1,20	0,53	0,51
— CNY	KZT 62,31	0,56	-0,26	-6,74
— RUB	KZT 4,90	-0,41	-6,60	-23,02

Brent oil

USD/barrel

90



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	4 582,23	1,0	4,7	12,5	0,9
Dow Jones	35 459,29	0,7	4,7	9,0	0,5
RTS	1 033,67	2,1	1,9	-9,2	2,0
MICEX	2 285,53	0,0	0,0	0,0	2,0
Hang Seng	19 916,56	4,4	3,9	-3,4	4,8
SS CSI 300	3 992,74	4,5	4,0	-5,5	4,6
Euro Stoxx 50	4 466,50	1,7	2,8	22,3	1,9
FTSEuroFirst	5 032,00	1,4	2,9	14,2	1,3
FTSE 100	7 694,27	0,4	2,6	4,8	0,4
KASE	3 682,65	0,0	3,1	26,8	

Commodities market

July 28, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	84,99	4,8	14,8	-20,7
Oil (WTI)	80,58	4,6	15,8	-16,4
Natural gas	2,64	-2,8	1,3	-67,6
Copper	392,65	3,2	5,5	13,0
Iron	895,50	0,8	1,2	10,3
Gold	1 959,49	-0,1	2,5	11,7
Silver	24,50	-0,8	7,0	23,3
Wheat	704,25	1,0	7,4	-13,8

Calendar of economic events

Currency

Forecast

Previous

31.07	Manufacturing PMI	CNY	49.2	49.0
01.08	Manufacturing PMI, Germany	EUR	38.8	40.6
01.08	Manufacturing PMI	GBP	45.0	46.5
01.08	Manufacturing PMI	USD	46.5	46.0
02.08	Crude oil stocks	USD	-0.071M	-0.600M
03.08	Interest rate decision (August)	GBP	5.25%	5.00%
04.08	Change in non-farm employment rate (July)	USD	184K	209K

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	14,6%	01.07.23	15,9%
Gross international reserves of NBK, USD bn	34,5	01.07.23	35,5
Reserve money, KZT bn	10 440,8	01.07.23	9 654,0
Money supply, KZT bn	34 713,6	01.07.23	33 980,6

Kazakhstan credit ratings

Rating

Date

Previous

S&P Global

BBB-/A-3 stable

03.03.23

BBB-/A-3 negative

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

26.05.23

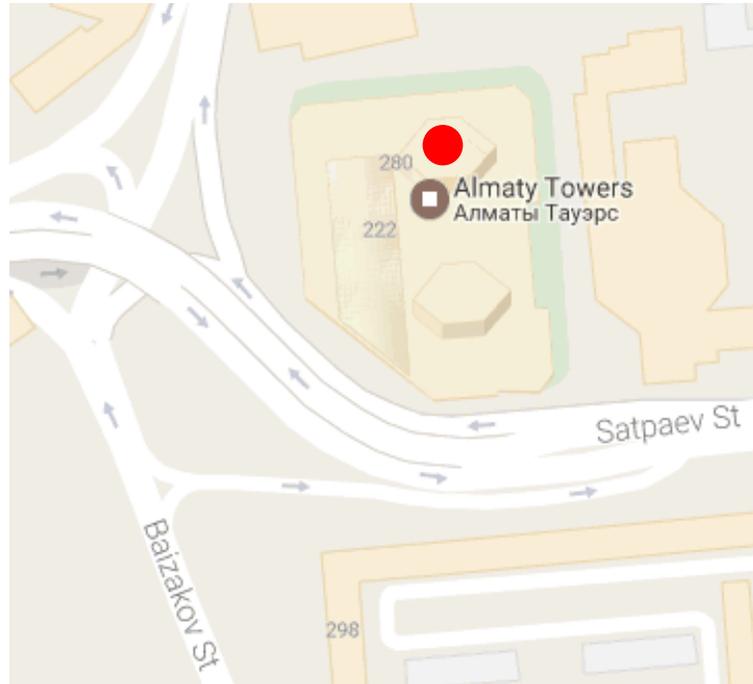
BBB/stable

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Corporate Events Calendar of KASE listed Companies

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