

## PRESS RELEASE

city of Almaty

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### **KASE presents results of the exchange market's operation in January 2024**

Kazakhstan Stock Exchange JSC (KASE, or the Exchange) announces the main results of its activities in January 2024:

- The total volume of trading on KASE in January 2024 amounted to 36.0 trln tenge having decreased by 16.4 %, or 7.1 trln tenge, relative to December.
- According to results of January, the value of KASE Index increased by 1.7 % to 4,258.65 points.
- According to results of January, the equity market capitalization decreased by 1.0 % to 26.5 trln tenge, the volume of traded corporate debt decreased by 1.2 % to 13.3 trln tenge.
- In January, three new issuers went through the listing procedure for corporate securities: one – in the stock sector, two – in the corporate bond sector.
- As of February 1, 2024, KASE's trading lists quoted 666 corporate securities of 240 issuers.

#### **KEY PROJECTS AND EVENTS**

In January of this year, KASE held an online award ceremony for the winners based on the results of the second stage of simulated trading within the framework of the 15th annual KASE competition – "Stock Exchange Simulator". The competition was organized as part of improving the financial literacy of university students in Kazakhstan and in support of the annual program World Investor Week 2023 of the World Federation of Stock Exchanges (WFE), also as part of the "Ring the Bell for Financial Literacy" ceremony.

As a result of the second stage of the competition, 10 winners from 2 universities were determined: Innovative Eurasian University LLP and RSE REM "S. Toraigyrov Pavlodar State University", while more than 6 thousand student participants from more than 100 universities in Kazakhstan were registered. The total trading volume within the competition, which took place from October 2 to November 2, 2023, exceeded 16.2 bn tenge. A total of 12.2 thousand transactions were concluded. The average daily volume of transactions reached more than 704 mln tenge.

In addition, in the reporting month, the Exchange hosted an online webinar themed "KASE Opportunities for Businesses" for potential issuers at the premises of the National Chamber of Entrepreneurs "Atameken" in Shymkent. During the online meeting, the Exchange's employees talked about the possibilities of raising financing on the stock market, government programs to support SMEs in going public, as well as listing procedures on KASE.

#### **EQUITY MARKET**

Based on results of January 2024, the equity market capitalization amounted to 26.5 trln tenge (59.1 bn USD), which is by 255.9 bn tenge, or 1.0 %, lower than in the previous month.

As of the end of January, there were 100 shares of 85 issuers on KASE trading lists. In the reporting month, common shares of Air Astana JSC were included in the "premium" category of KASE official list's main market. From January 3, common shares of ForteLeasing JSC were transferred from the "shares" sector of the alternative market to the "standard" category of KASE official list's main market.

The volume of trading in shares in January amounted to 13.8 bn tenge, having decreased by 31.8 %, or 6.4 bn tenge, compared to December. The average daily trading volume was 658.3 mln tenge, the average daily number of transactions was 4,203, the average volume of one transaction was 156.6 thousand tenge. Trading in shares in January took place exclusively on the secondary market.

Among the main categories of investors, individuals accounted for 47.8 % of the total volume of transactions in shares, banks – for 0.5 %, broker-dealer organizations – for 24.9 %, other institutional investors – for 2.7 %, other legal entities – for 24.2 %. The share of non-residents was 10.7 %.

## KASE INDEX

KASE Index value in January increased by 1.7 % and by the end of the month amounted to 4,258.65 points.

The volume of transactions with index shares in January 2024 amounted to 13.2 bn tenge, which is by 4.9 bn tenge less than in December 2023. The largest trading volume fell on common shares of NC KazMunayGas JSC – 4.8 bn tenge (36.0 % of the total trading volume with index shares).

### Changes in stock prices on recent transactions included in the representative list of KASE Index

Issuer	Trade code	Price, tenge per share			Trading volume*, mln tenge		
		as of 01.02.24	as of 01.02.24	Δ, %	January	December	Δ
Kcell JSC	KCEL	2,230.00	1,954.98	+14.1	246.5	4,381.93	-4,135.5
Bank CenterCredit JSC	CCBN	1,056.00	977.06	+8.1	324.1	2,677.64	-2,353.6
NC "KazMunayGas" JSC	KMGZ	11,933.15	11,541.00	+3.4	4,762.2	4,011.94	+750.3
National Atomic Company Kazatomprom JSC	KZAP	18,360.00	18,453.12	-0.5	1,349.4	778.27	+571.1
Kazakhtelecom JSC	KZTK	34,050.00	34,500.00	-1.3	2,764.1	1,852.44	+911.6
Halyk Bank of Kazakhstan JSC	HSBK	161.27	163.60	-1.4	1,142.1	1,003.78	+138.3
KazTransOil JSC	KZTO	850.00	865.00	-1.7	422.9	1,087.82	-664.9
Kaspi.kz JSC	KSPI	43,782.00	45,600.00	-4.0	742.6	395.83	+346.8
KEGOC JSC	KEGC	1,392.84	1,482.00	-6.0	1,492.1	1,996.18	-504.0

\*excluding large transactions and irregular transactions

The most growth in January was shown by the common shares of Kcell JSC, which increased in price by 14.1 %. Also in the green zone were the common shares of **Bank CenterCredit JSC** and **National Atomic Company KazMunayGas JSC**, which added 8.1 % and 3.4 % in price, respectively.

Shares of the financial sector of **Kaspi.kz JSC** and **Halyk Bank of Kazakhstan JSC** found themselves in the red zone, losing 4.0 % and 1.4 % in price, respectively. Kaspi.kz JSC raised \$1 bn on Nasdaq by placing 11.3 mln American Depositary Receipts (ADRs) at a price of \$92 per ADR. Additionally, Kaspi.kz JSC announced the end of the global depositary receipts repurchase program, which began on October 25 last year.

After a long rally, common shares of **National Atomic Company "Kazatomprom" JSC** decreased by 0.5 %. The international rating agency Fitch Ratings upgraded the rating of National Atomic Company "Kazatomprom" JSC from BBB- to BBB with a stable outlook. According to the rating agency, the company has good creditworthiness, low credit risks, the ability to repay financial obligations on time. Low leverage, growth in production volumes, high uranium prices, strong market positions, the availability of alternative export routes, as well as expected high dividends are the main factors increasing the company's rating.

Common shares of **Kazakhtelecom JSC** lost 1.3 % in price, reaching 34,050 tenge per common share.

Based on results of January, shares of **KazTransOil JSC** decreased in price by 3.7 %. The company summed up production results for 2023, according to which the volume of oil transportation through the

trunk pipeline system increased by 3 mln 532 thousand tons and amounted to 44 mln 188 thousand tons. KazTransOil JSC announced a planned increase in the volume of transit of Russian oil through the territory of the Republic of Kazakhstan to the Republic of Uzbekistan from 500 thousand tons to 550 thousand tons.

Common shares of **KEGOC JSC ended the month with the greatest decline**, losing 6.0 % in price. In January, KEGOC JSC summed up its operating results for 2023, according to which in 2023 net profit amounted to 42.7 bn tenge, an increase of 15.9 bn tenge, or 60 %, compared to the 2022 figure. At the same time, revenue increased by 16 % to 252 bn tenge due to an increase in volumes and tariffs for regulated services. In addition, the company announced that it is considering increasing the dividend payment for the second half of 2023, which will be implemented in the second quarter of 2024.

## SECTOR "KASE GLOBAL"

As of the end of January there were 45 shares and 11 Foreign ETFs in the KASE Global sector.

During the reporting month, transactions for a total amount of 2.2 bn tenge were concluded in the KASE Global sector having increased by 8.4 %, or 175.1 mln tenge, compared to December. The average daily trading volume was 107.1 mln tenge, the average daily number of transactions was 345, the average volume of one transaction was 310.7 thousand tenge.

The largest number of transactions in the KASE Global sector in January 2024 were concluded with the following shares:

- Ford Motor Company (F\_KZ) – 715 transactions for a total amount of 10.8 mln tenge;
- Pfizer Inc. (PFE\_KZ) – 663 transactions for a total amount of 57.6 mln tenge;
- Intel Corporation (INTC\_KZ) – 577 transactions for a total amount of 75.4 mln tenge;
- American Airlines (AAL\_KZ) – 538 transactions for a total amount of 14.3 mln tenge;
- AT&T Inc. (T\_KZ) – 533 transactions for a total amount of 104.9 mln tenge.

In terms of the main investor categories, 51.2 % are individuals, 37.1 % are broker-dealers, 11.6 % are other legal entities. The share of non-residents was 0.5 %.

## CORPORATE BONDS

The volume of corporate debt in circulation in January 2024 decreased by 1.2 % or 162.9 bn tenge to 13.3 trln tenge (29.7 bn USD).

As of the end of January 2024, KASE official list featured 418 corporate bond issues of 108 issuers. In January, 10 issues of corporate bonds of 7 issuers (two new ones) were included in KASE official list: three issues of MFO OnlineKazFinance JSC, two issues of KazAgroFinance JSC and one issue each of Microfinance Organization "R-Finance" LLP, MFO "TAS FINANCE GROUP" LLP, Collection Agency "ID Collect" LLP, Oasis Logistics LLP, Zharqyn Construction I LLP. In January, four bond issues were excluded from KASE official list: one issue of Kazakhstan Sustainability Fund JSC, Capital Leasing Group LLP, Kaspi Bank JSC, Eurasian Bank JSC due to the expiration of the circulation period.

The value of the KASE\_BMY corporate bond yield index decreased by 8 b.p. in January and as of the end of the month was 14.38 % per annum.

The volume of trading in corporate bonds on KASE increased 2.6 times, or by 314.0 bn tenge, relative to December 2023 to 511.9 bn tenge. The average daily trading volume amounted to 24.4 bn tenge (on the secondary market – 2.9 bn tenge), the average daily number of transactions – 297 transactions (on the secondary market – 290 transactions), the average volume of one transaction – 82.0 mln tenge (on the secondary market – 9.8 mln tenge).

In January 2024, the volume of the primary corporate bond market amounted to 451.9 bn tenge having increased relatively 3.5 times, or by 322.5 bn tenge. The following corporate bonds were placed in the reporting month:

- NMH Baiterek JSC raised 190.0 bn tenge by placing bonds with maturity of 15 years and yield to maturity of 13.00 % per annum;
- Bank CenterCredit JSC raised \$7.3 mln by placing three-month bonds with yield to maturity of 4.50 % per annum;

- Kazakhstan Sustainability Fund JSC raised 30.8 bn tenge by placing 3 issues of bonds with maturity of one year at weighted average yield to maturity of 12.87 %, 13.03 % and 13.49 % per annum;
- Kazakhstan Housing Company JSC raised 1.2 bn tenge by placing bonds with maturity of 30 years and a yield to maturity of 0.10 %;
- Birinshi Lombard LLP raised 499.8 mln tenge by placing two-year bonds with yield to maturity of 24.00 % per annum;
- Microfinance organization "FinTechLab" LLP raised 200.0 mln tenge by placing two-year bonds with yield to maturity of 21.50 % per annum, and \$1.0 mln by placing two-year bonds with yield to maturity of 11.00 %;
- MFO "TAS FINANCE GROUP" LLP raised 2.4 bn tenge by placing bonds with maturity of 2.5 years and yield to maturity of 22.00 % per annum;
- Orbis Leasing LLP raised 405.2 mln tenge by placing bonds with maturity of one year with yield to maturity of 21.50 % per annum.

In terms of the main investor categories in the primary corporate bond market, banks accounted for 7.1 %, broker-dealers – for 0.3 %, other institutional investors – for 40.4 %, other legal entities – for 50.5 %, individuals – for 1.7 %. Non-residents did not participate in the primary corporate bond market.

The volume of trading on the secondary bond market in January relative to December 2023 decreased by 12.4 %, or by 8.5 bn tenge, to 60.0 bn tenge.

In terms of the main investor categories in the secondary corporate bond market, banks accounted for 17.7 %, broker-dealer organizations – for 9.6 %, other institutional investors – for 18.5 %, other legal entities – for 42.9 %, individuals – for 11.3 %. The share of non-residents was 8.3 %.

### **GOVERNMENT SECURITIES (GS)**

The amount of government debt at par traded on KASE amounted to 24.1 trln tenge (53.7 bn USD), having increased by 0.9 %, or 213.8 bn tenge, since the beginning of the year.

The total volume of trading in government securities on KASE amounted to 1.2 trln tenge having increased by 4.9 times, or 977.8 bn tenge, compared to December last year. Based on results of January 2024, the average daily trading volume amounted to 58.6 bn tenge (on the secondary market – to 10.9 bn tenge), the average daily number of transactions – 21 (on the secondary market – 13), the average volume of one transaction – 2.8 bn tenge (on the secondary market – 0.8 bn tenge).

The volume of trading on the primary government securities market in January 2024 amounted to 1.0 trln tenge, in December last year – to 24.5 bn tenge. In the reporting month, the entire volume fell on placement of treasury obligations of the Ministry of Finance of the Republic of Kazakhstan. A total of 10 bond issues were placed with a yield of 11.00-13.35 % per annum with maturity from 0.8 years to 14.9 years.

In terms of the main investor categories in the primary market, banks accounted for 80.3 %, broker-dealer companies – for less than 0.1 %, other institutional investors – for 19.2 %, other legal entities – for 0.5 %. The share of non-residents in the primary government securities market was less than 0.1 %.

The volume of trading on the secondary market increased by 0.2 %, or by 490.3 mln tenge, amounting to 227.9 bn tenge. The share of trading in National Bank notes on the secondary market amounted to 31.7 %, or 72.2 bn tenge, of the total trading volume, the share of MEKAM was 66.7 %, or 152.1 bn tenge, the share of Eurobonds of the Republic of Kazakhstan was 0.4 %, or 995.0 mln tenge. The remaining volume, amounting to 1.1 %, or 2.5 bn tenge, came from transactions with government securities of foreign countries (bonds of the U.S. Department of the Treasury, Austria and the Sultanate of Oman).

In terms of the main investor categories in the secondary market, banks accounted for 61.7 %, broker-dealer companies – for 5.5 %, other institutional investors – for 4.3 %, other legal entities – for 27.8 %, individuals – for 0.7 %. The share of non-residents was 7.7 %.

### **BONDS OF INTERNATIONAL FINANCIAL ORGANIZATIONS (IFOs)**

As of the end of January 2024, KASE trading lists included bonds of 64 issues of five international financial organizations: 16 issues of the European Bank for Reconstruction and Development, 32 issues of the Eurasian Development Bank, 11 issues of the Asian Development Bank, four issues of the International Finance Corporation and one issue of the Islamic Corporation for the Development of the Private Sector.

During January 2024, five issues of the Eurasian Development Bank were included in KASE official list. In January, one issue of bonds of the European Bank for Reconstruction and Development was excluded from the "Securities of International Financial Organizations" sector due to the expiration of the circulation period.

In January, the volume of trading in bonds of international financial organizations compared to the previous month decreased by 81.3 %, or by 80.2 bn tenge, amounting to 18.5 bn tenge. The average daily trading volume was 878.9 mln tenge (on the secondary market – 42.3 mln tenge), the average volume of one transaction was 461.4 mln tenge (on the secondary market – 35.6 mln tenge).

Three issues of bonds of the Eurasian Development Bank were placed on the primary market of the sector "bonds of international financial organizations" for a total amount of 17.6 bn tenge at 14.28 %, 14.21 % and 13.78 % per annum.

In terms of the main investor categories in the primary market, the share of banks was 79.3 %, the share of institutional investors was 17.1 %, the share of other legal entities was 1.7 %, and the share of individuals was 2.0 %. Non-residents did not participate in the primary IFO market.

In January 2024, the volume of trading in the secondary market decreased compared to December 2023 by 77.9 %, or by 3.1 bn tenge, to 889.3 mln tenge.

In terms of the main investor categories in the secondary market for bonds of international financial organizations, the share of other institutional investors was 16.8 %, that of broker-dealers – 17.1 %, that of other legal entities – 32.8 %, and the share of individuals was 33.4 %. The participation of non-residents is estimated at 31.1 %.

### **SECURITIES OF INVESTMENT FUNDS**

As of February 1, 2024, the Investment Fund Securities sector featured 17 instruments of unit investment trusts managed by five management companies and six ETFs.

In January, units of the interval unit investment trust "abyROI" managed by First Heartland Jusan Invest JSC were excluded from KASE official list at the initiative of the admission initiator.

In the reporting month, the volume of trading in this sector amounted to 1.2 bn tenge having decreased by 61.7 %, or 2.0 bn tenge, relative to December 2023. In terms of the main investor categories, 51.7 % are individuals, 24.0 % – broker-dealers, 24.3 % – other legal entities. The share of non-residents was 4.5 %.

### **DERIVATIVE SECURITIES**

As of February 1, 2024, KASE official list featured global depositary receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company "Kazatomprom" JSC, Halyk Bank of Kazakhstan JSC, Kaspi.kz JSC, Kazakhtelecom and ForteBank JSC.

The volume of trading in January 2024 amounted to 199.7 mln tenge having increased relative to December 2023 2.2 times, or by 108.4 mln tenge. In terms of the main investor categories, 61.2 % fell on broker-dealer organizations, 1.7 % – on other legal entities, 37.1 % – on individuals. The share of non-residents was 0.3 %.

### **FOREIGN CURRENCY MARKET**

In January of this year, 31 KASE members took part in trading on the foreign currency market on KASE.

The volume of trading in the foreign currency market in January increased relative to December 2023 by 2.5 %, or by 63.9 bn tenge, to 2.6 trln tenge. The average daily trading volume was 125.9 bn tenge, the average daily number of transactions was 634, the average volume of one transaction was 198.5 mln tenge.



The table below shows the main characteristics of currency pairs traded on KASE (the change in the indicator compared to the previous month is indicated in parentheses, the change in the rate reflects the nominal change in the weighted average exchange rate of the foreign currency to the tenge).

Pair	Volume, mln currency units	Share in trading volume, %	Number of transactions	Min. and max. rates, quantity of quoted currency per unit of the base currency	Exchange rate as of the end of the month. (chg. %)
USD/KZT	3,770.40 (-2.5 %)	64.2 % (-4.3 %)	8,662 (+155)	444.73-457.98	448.17 (-1.4 %)
RUB/KZT	37,449.28 (-62.7 %)	7.2 % (-12.5 %)	3,256 (-1,227)	4.9724-5.1493	5.0164 (-0.9 %)
CNY/KZT	313.57 (+74.8 %)	0.7 % (+0.3 %)	194 (+64)	61.9884-64.0300	62.2700 (-2.6 %)
EUR/KZT	101.14 (-19.7 %)	1.9 % (-0.6 %)	555 (-78)	484.88-500.64	485.05 (-3.8 %)
EUR/USD	204.33 (-43.0 %)	3.8 % (-3.2 %)	454 (+5)	1.0822-1.0975	1.0822 (-2.7 %)
USD/CNY	1,297.64 (×3.6 times)	22.2 % (+20.2 %)	201 (+164)	7.2143	7.2143 (+1.4 %)
EUR/CNY	0 (-)	0 % (-)	0 (-)	7.8265	7.8265 (-)

## MONEY MARKET

The total volume of trading on the money market in January amounted to 31.5 trln tenge, decreasing compared to December by 20.9 %, or by 8.3 trln tenge.

On January 19, the Monetary Policy Committee of the National Bank of the Republic of Kazakhstan decided to reduce the key rate to 15.25 % per annum with an interest rate corridor of +/- 1.0 percentage points.

The composite indicator of the money market MM\_Index, which is the average value of the yield on USD/KZT currency swap transactions and automatic repo transactions with GS opened for one business day, weighted through the volume of transactions, decreased over the month by 148 b.p. from 15.19 % to 13.71 % per annum.

## REPO TRANSACTIONS MARKET

The total volume of repo transactions in January amounted to 25.3 trln tenge, which is by 7.5 trln tenge, or 22.9 %, lower than the volume in December. The average daily volume of transactions amounted to 1.2 trln tenge, the average daily number of transactions – 824, the average volume of one transaction – 1.5 bn tenge.

The volume of auto repo transactions with government securities amounted to 17.3 trln tenge, or 68.5 % of the total volume of repo transactions, that of auto repo with corporate securities – 8.0 trln tenge, or 31.5 %, that of nego repo with GS – 14.8 mln tenge, or less than 0.1 %, that if nego repo with corporate securities – 3.6 bn tenge, or less than 0.1 %.

Based on results of January 2024, the TONIA indicator decreased by 187 b.p. from 16.19 % to 14.32 % per annum, the value of the TRION indicator – by 184 b.p. from 16.19 % to 14.35 % per annum, the value of the TWINA indicator, which is the weighted average interest rate on repo transactions for a period of seven business days, – by 111 b.p. from 15.50 % to 14.39 % per annum.

## CURRENCY SWAP TRANSACTIONS

The total volume of currency swap transactions in January amounted to 6.2 trln tenge, which is by 842.7 bn tenge, or 11.9 %, lower than the volume in December. The average daily volume of transactions

amounted to 296.5 bn tenge, the average daily number of transactions was 46, the average volume of one transaction was 6.5 bn tenge.

In the structure of the currency swap, USDKZT swaps made up 6.2 trln tenge, or 99.9 % of the volume of currency swap transactions; RUBKZT – 5.4 bn tenge, or less than 0.1 %.

Currency pair	Instrument	Volume, bn tenge	Volume, mln units of currency	Share in trading volume, %
USD/KZT	USDKZT_0_001	1,949.0	4,315.4	31.3 %
	USDKZT_0_002	4,273.1	9,481.2	68.6 %
RUB/KZT	RUBKZT_0_001	0.4	75.0	< 0.1 %
	RUBKZT_0_002	5.0	1,000.0	0.1 %

The yield of the one-day dollar swap SWAP-1D (USD) as of the end of January was 8.84 % per annum, having decreased by 76 b.p. over the month. The yield of the two-day currency swap SWAP-2D (USD) in January fell by 290 b.p. to 9.07 % per annum.

### DERIVATIVES MARKET

Currently, in this sector of the exchange market, non-deliverable futures on the US dollar to tenge exchange rate, the Russian ruble to tenge exchange rate, KASE Index, common shares of Halyk Savings Bank of Kazakhstan JSC and NAC Kazatomprom JSC are available for trading.

In January 2024, no transactions were concluded on the derivatives market.

### For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fifth place in terms of the equity market capitalization among the FEAS exchanges.

It is a universal trading platform for corporate and government securities, bonds of international financial organizations, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

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