

KASE WEEKLY

18 – 22 February,
2019

KASE NEWS

- ▲ KASE [changed](#) duration of Base period for market valuation of non-indexed GS.
- ▲ KASE awarded most distinguished [Exchange members](#), [listed companies](#) with diplomas "For aspiration for transparency", as well as most distinguished [media representatives](#) for the results of the year 2018.

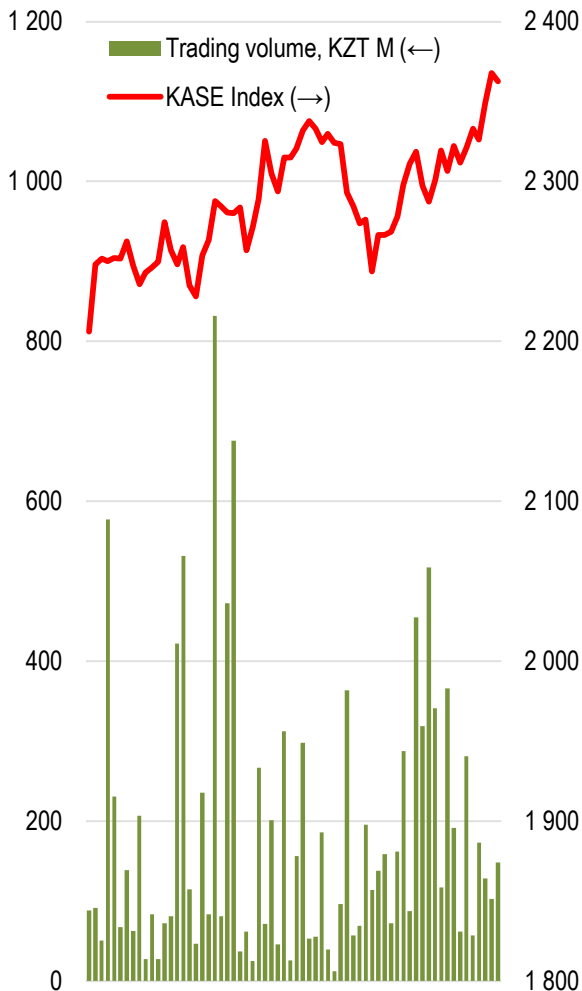
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Kazakhstan's Ministry of Finance [raised](#) KZT36.7 bn on KASE having placed 15-year bonds at 8.70 % APR with current maturity of 14.2 years.
- ▲ KazMunayGas Exploration Production [bought](#) back 44,625 own preferred shares (RDGZp) at the price of KZT12,800 per share.
- ▲ The Eurasian Development Bank [raised](#) KZT20.0 bn. having placed three-year bonds (EABRK220222) at 9.70% on February 22.
- ▲ The administration of the city of Astana [raised](#) KZT5.1 bn having placed two-year bonds (ASK024_005) at 0.35% APR on February 20.
- ▲ The administration of West Kazakhstan Region [raised](#) KZT4.1 bn having placed two-year bonds (ASK024_005) at 0.35% APR on February 20.
- ▲ The administration of Kostanay Region [raised](#) KZT6.2 bn having placed two-year bonds (KSK024_042) at 0.35% APR on February 22.
- ▲ Faeton Company [raised](#) KZT1.7 bn on KASE having placed bonds (FATNb3) at 10.50% APR on February 20.
- ▲ Freedom Finance [bought](#) back 228,459 pieces of its bonds (FFINb2) on KASE on February 22 for KZT251.3 mln.
- ▲ Tsesnabank [reported](#) that Standard & Poor's had upgraded the Bank's rating, outlook Stable.
- ▲ Fund for Financial Support of Agriculture [reported](#) that Moody's Investors Service has assigned ratings to company and its bonds, outlook Stable.
- ▲ Subsidiary Bank Sberbank of Russia was [named](#) "The Best Debt Bank" and "The Best Bank for New Financial Technology" in Central and Eastern Europe by Global Finance.



KASE Index closed the fourth week in the black having increased by 1.8% to 2,362.49 points. Last time, four-week continuous growth was observed in January 2018.

KASE Index shares



22.02.2019

		Trends (%)	
KASE Index	2 362,5	1,8	3,9
First class of liquidity	Price	Δ 7d	Δ 1m
KAZ Minerals	3 226,0	5,6	25,5
Kazakhtelecom	28 202,0	4,5	-5,5
Bank of America	10 850,0	3,1	2,4
Kcell	1 845,0	2,8	1,1
NOSTRUM OIL & GAS PLC	560,0	1,8	-1,1
Kazakhtelecom (pref.)	12 000,0	1,7	-1,6
NAC Kazatomprom JSC GDR, \$	13,6	1,0	1,0
NAC Kazatomprom JSC	5 200,0	1,0	1,0
KazTransOil	1 395,0	0,7	-0,4
BAST	29 365,5	0,0	-4,2
KazMunayGas EP (pref.)	12 800,0	0,0	0,0
Halyk Bank	102,7	-0,3	4,2
KEGOC	1 587,3	-0,5	-2,0
Aeroflot (Russia)	582,6	-0,8	-5,1
Sberbank (Russia)	1 171,3	-1,2	1,6
Gazprom (Russia)	894,4	-1,3	0,6
CenterCredit Bank	238,2	-2,0	-1,6

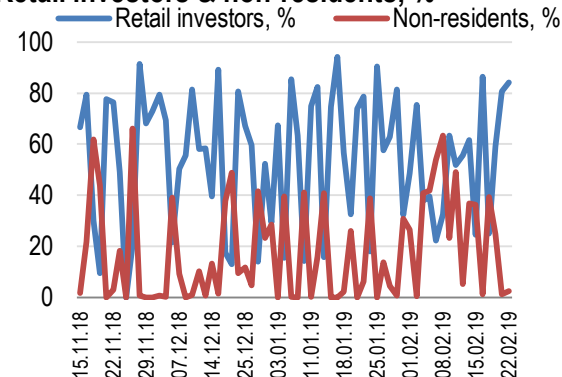
Note: Index stocks are highlighted in green

Once again, ordinary shares of KAZ Minerals that increased by 5.6% to KZT3,226 per share grew the most over the week. The impressive dynamics of the prices of shares of this manufacturing company showing continuing growth for the fourth week in a row is supported by market expectations about positive outcome of the trade conflict between China and the U.S. For instance, copper quotes on the London Metal Exchange on Friday, February 22, reached US \$6,448.5 thous. per tonne, which represents maximum since early July 2018.

Gradual restoration of quotations with simultaneous reduction of volatility is observed on common shares of Kazakhtelecom. Weekly growth on them reached 4.5% to KZT28,202.0 per share.

The greatest faller was shares of Bank CenterCredit that fell by 2.0 % to KZT238.15 per share.

Retail investors & non-residents, %



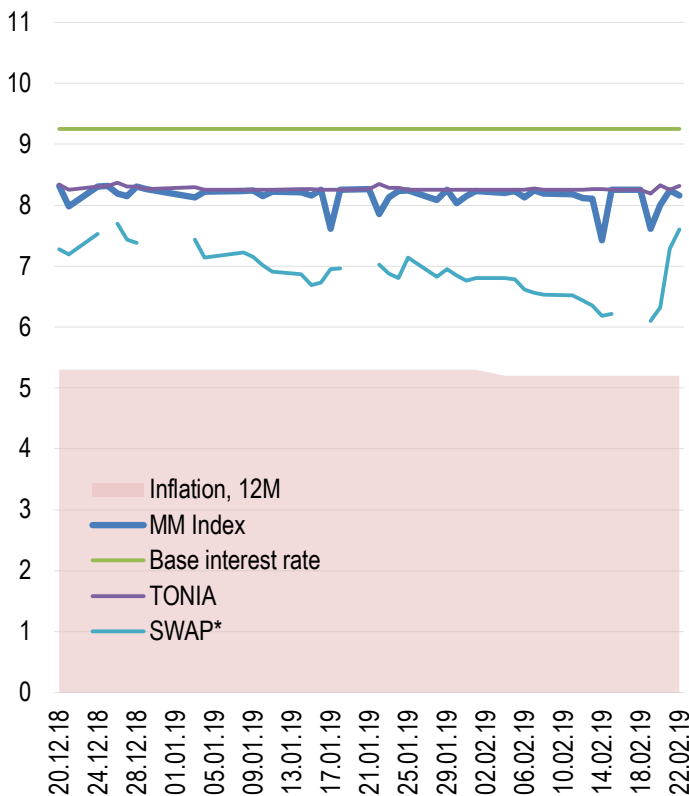


The yield of one-day currency swaps increased by 87 b.p. to 7.05% APR over the week. The yield of one-day repo transactions with government securities increased by 6 b.p. to 8.31% APR.

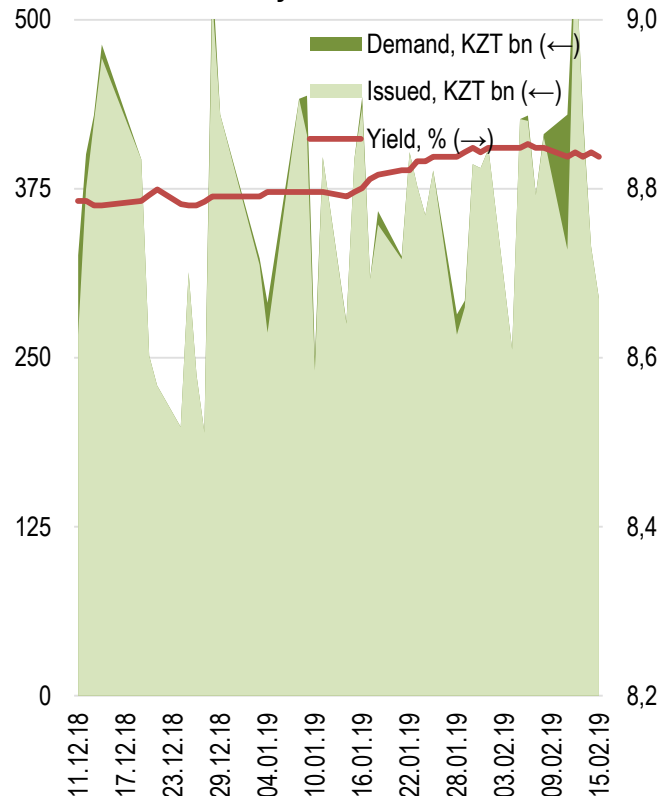
On February 18, 2019, the National Bank launches seven-day deposit auctions and stops auctions of weekly notes. Deposit auction will become the main monetary policy instrument on an open market for liquidity withdrawal.

Therefore, the National Bank placed two issues of notes for the total amount of KZT759.1 bn during the reporting week. 28-day notes were placed at 8.92% and the yield of semi-annual notes amounted to 8.96% APR.

Inflation and interest rates

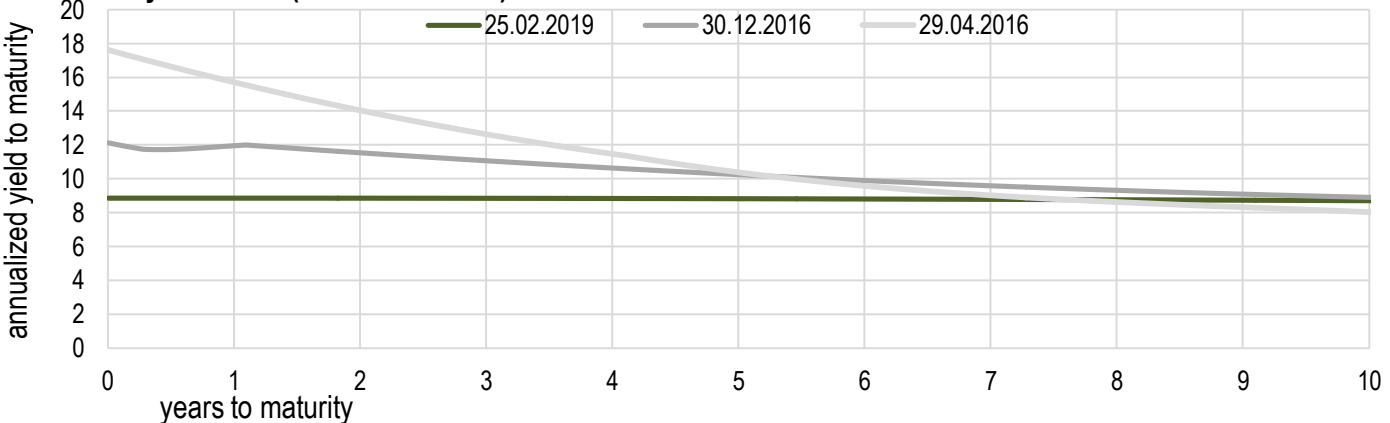


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





As expected, the tenge has strengthened against the US dollar, however, the effect of the week of tax payments was modest. Weighted average dollar rate decreased by 89 tiyn to KZT376.73 over the week. Trading volume amounted to US \$841.3 mln.

In addition to the taxes, the national currency was supported by external factors: continuing rise of oil prices and relatively stable USD/RUB exchange rate. For instance, oil prices grow amid news of supply cuts by OPEC countries.

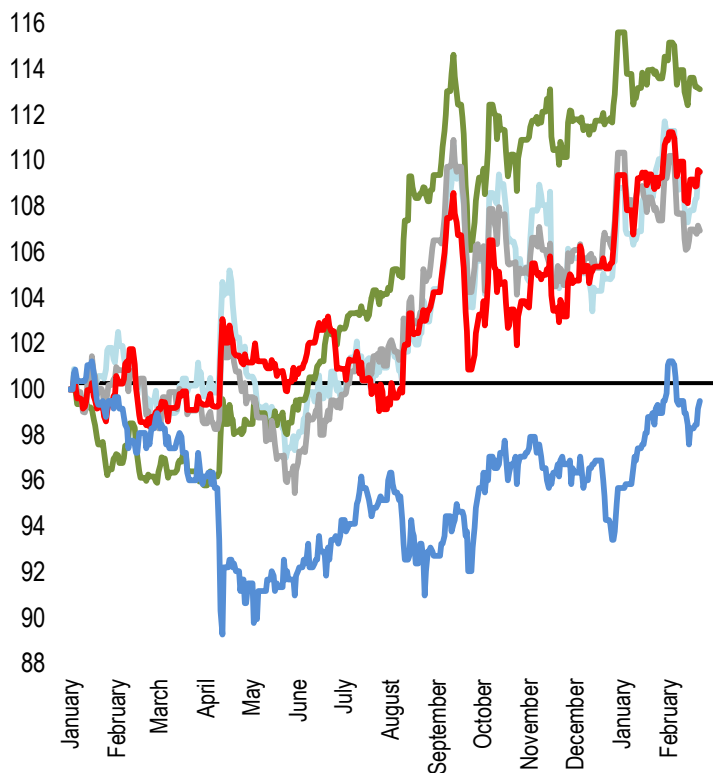
The exchange rate of the ruble rose by KZT0.0848 to KZT5.7547 at the trading volume of RUB71 mln.

The euro rate rose by KZT1.70 to KZT428.0 per unit of currency.

The yuan exchange rate with settlements T+0 rose by KZT0.5092 to KZT56.05.

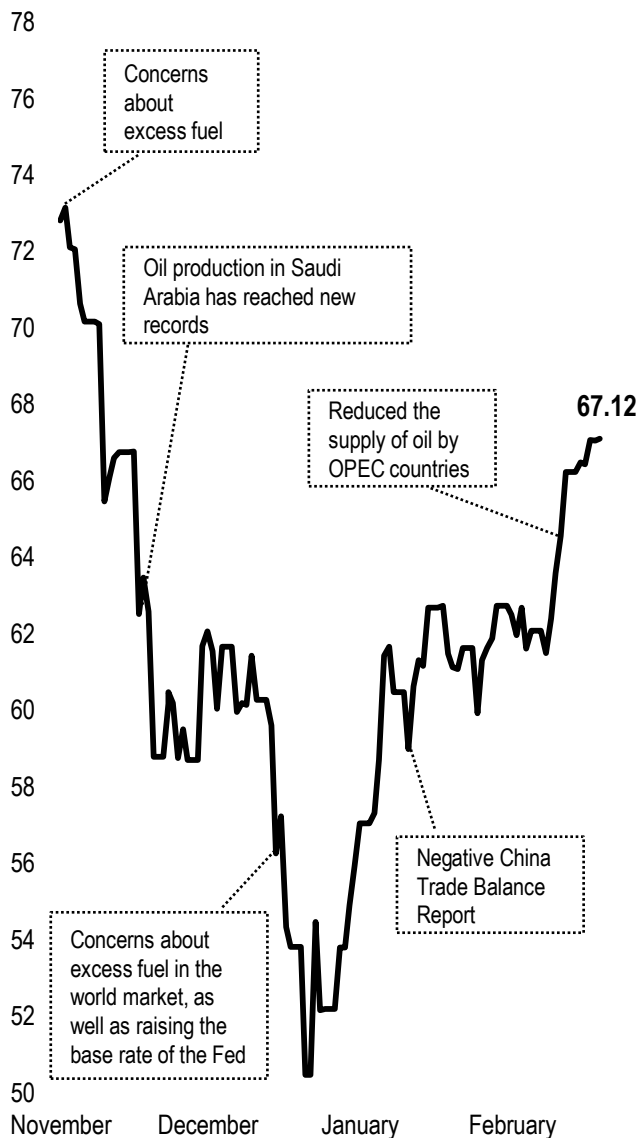
FX rates

Δ %, base (01.01.18)









	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	491,22	+1,7	+0,6	+0,6
— USDKZT	375,95	-0,1	-0,6	-2,1
— EURKZT	425,80	+0,4	-0,8	-3,1
— CNYKZT	55,94	+0,7	+0,7	+0,1
— RUBKZT	5,74	+2,0	+1,1	+4,0

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	2 792,67	0,6	5,8	3,3	0,5
Dow Jones	26 031,81	0,6	5,9	4,3	0,4
 RTS	1 198,40	1,8	1,0	-7,9	1,6
MICEX	2 285,53	0,0	0,0	-2,2	1,6
 Hang Seng	28 816,30	3,3	6,7	-6,9	3,4
SS CSI 300	3 520,12	5,4	12,1	-13,1	4,6
 Euro Stoxx 50	3 270,55	0,9	5,1	-4,7	0,9
FTSEuroFirst	4 046,00	0,4	5,4	-2,9	0,4
 FTSE 100	7 178,60	-0,8	4,9	-1,0	-0,5
 KASE	2 362,49	1,8	3,9	0,2	

Commodities market

22.02.2019

Name	Price	Trend %	
		7d	1m
Oil	67,12	1,3	9,8
	57,26	3,0	8,8
Natural gas	2,72	3,5	-8,8
Copper	295,15	5,5	11,2
Iron	651,00	-0,3	19,4
Gold	1 329,40	0,5	3,5
Silver	15,91	1,1	3,5
Wheat	486,75	-3,5	-7,5

Economic calendar

		Currency	Forecast	Previous
26.02	Building permits (Dec)	USD	1.290M	1.322M
26.02	CB Consumer Confidence (Feb)	USD	125.0	120.2
26.02	Fed Chair Powell Testifies	USD		
27.02	Crude Oil Inventories	USD	3.080M	3.672M
28.02	Manufacturing PMI (Feb)	CNY	49.5	49.5
28.02	GDP (QoQ) (Q4)	USD	2.6%	3.4%
01.03	CPI (YoY) (Feb)	EUR	1.5%	1.4%

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 2017
Annual inflation	5,2 %	01.02.19	7,1 %
Gross international reserves of NBK, USD bn	30 592	01.02.19	30 745
Reserve money, KZT bn	6 984,0	01.02.19	5 538,7
Money supply, KZT bn	21 412,1	01.02.19	19 456,0

Kazakhstan credit ratings

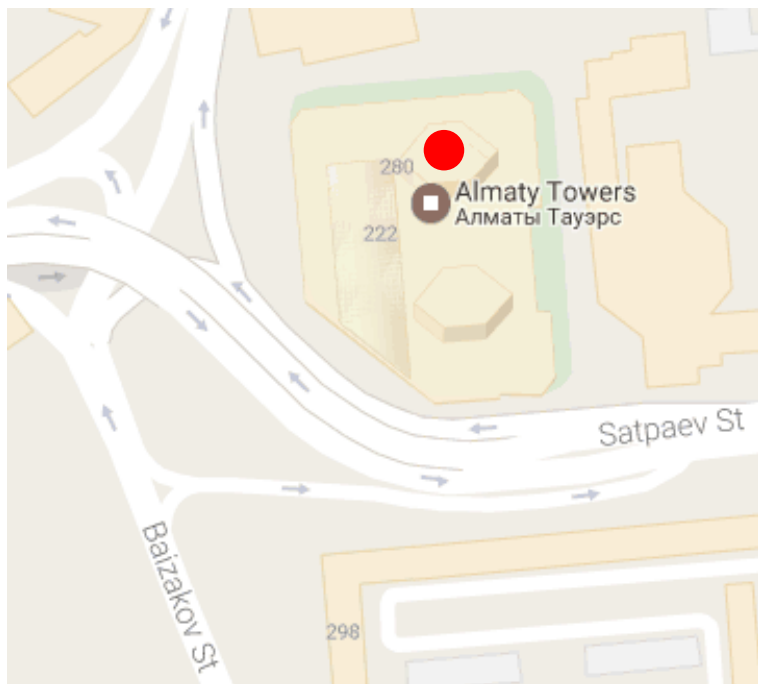
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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**Corporate Events Calendar of
KASE listed Companies**

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