

KASE WEEKLY

03–07 August, 2020

KASE NEWS

- ▲ The second release of the trading and clearing system ASTS+ of the stock market was [commissioned](#) on KASE.
- ▲ KASE has [formed](#) lists of securities of the first, second and third classes of liquidity for August 2020.
- ▲ KASE [changed](#) parameters of shares included in the representative list of KASE Index.
- ▲ KASE [changed](#) the procedure for determining the settlement price of the bond based on the use of the Z-spread.
- ▲ KASE [held](#) an online media briefing for the media on the results of the exchange market operation in July 2020.
- ▲ KASE's Board of Directors approved the amendments to the Methodology of Securities Valuation in the new edition.
- ▲ Common shares KZ1C00005388 (SABR) of Insurance Company "Sinoasia B&R" JSC are included in the "shares" sector of the alternative market.
- ▲ Bonds KZ2C00006880 (TCOMb2) of Transtelecom JSC are [included](#) in KASE's official list under the category "bonds" of the main market.
- ▲ Trades in bonds KZ2C00001287 (EKTNb1) of EKOTON+ JSC [resumed](#) on KASE.

ISSUER NEWS AND ANNOUNCEMENTS

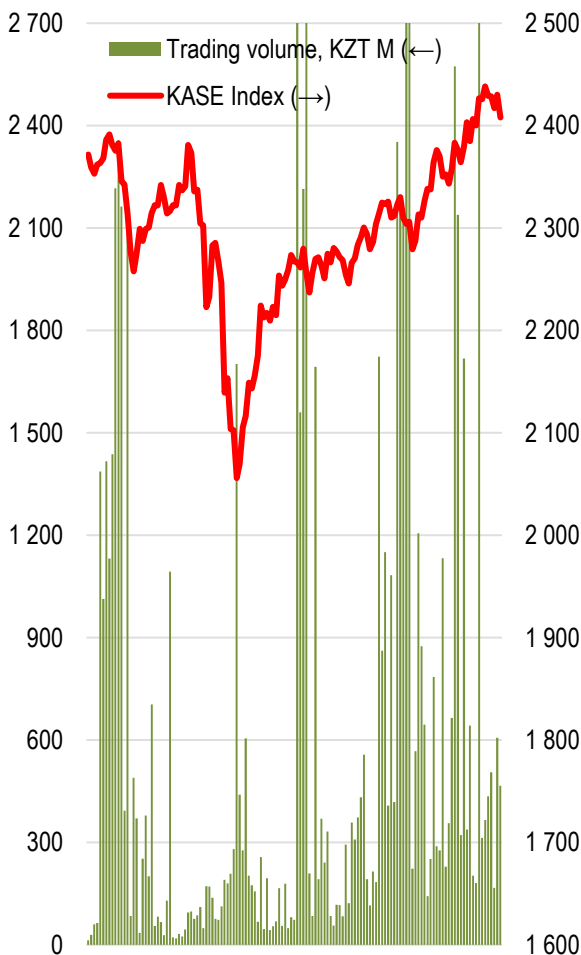
- ▲ Mortgage Organization "Kazakhstan Mortgage Company" JSC [raised](#) KZT480.0 mln on KASE by placing bonds KZ2C00004349 (KZIKb29).
- ▲ Kazakhstan Sustainability Fund JSC [raised](#) KZT4.9 bn on KASE by placing bonds KZ2C00006484 (BASPb8) with a weighted average yield to maturity of 10.9854% per annum.
- ▲ KazAgroFinance JSC [raised](#) KZT1.0 bn on KASE by placing bonds KZ2C00006781 (KAFIb10).
- ▲ NOSTRUM OIL & GAS PLC says that Standard & Poor's has [changed](#) its long-term issuer rating to "SD".
- ▲ KazTransGas Aimak JSC says Fitch Ratings [affirmed](#) ratings of the company and its bonds, the outlook is "Stable".
- ▲ Freedom Finance JSC [announced](#) the payment of dividends to holders of units KZPF00000082 (FFIN_or) of the IUIT "Fixed Income" for the second quarter of 2020.
- ▲ Fincraft Resources JSC [paid](#) dividends on preferred shares KZ1P00000566 (SATCp) for July 2019 – July 2020.
- ▲ National Company "KazMunayGas" JSC [reported](#) production results for the first half of 2020.
- ▲ National Atomic Company "Kazatomprom" JSC [reported](#) its operating results for the second quarter and first half of 2020.
- ▲ ForteBank JSC [signed](#) an agreement on the sale of 100% shares of Bank Kassa Nova JSC.

KASE Index dropped by 0.2% to 2 440.47 points over the week. The largest number of transactions among index shares – 855 – was made with Halyk Bank's ordinary shares. The largest volume of trading – KZT105.9 million – was attributed to Halyk Bank's securities.

07.08.2020

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 440,47	0,9	2,6
First class of liquidity	Price		
Freedom Holding Corp.	9 170,0	9,9	15,8
KAZ Minerals	3 048,0	7,5	22,4
Gazprom	1 155,0	4,3	-6,8
Bank of America Corporation	10 804,7	2,7	8,7
Sberbank Russia	1 310,0	2,3	4,0
Kcell	2 542,0	0,5	0,9
KEGOC	1 706,0	0,4	0,4
Kazakhtelecom, preferred shares	12 500,0	0,0	2,0
NAC Kazatomprom	5 998,0	-0,0	6,5
Aeroflot	484,0	-0,2	4,9
Kazakhtelecom	26 703,0	-0,7	8,1
KazTransOil	789,0	-0,8	-5,2
Bank CenterCredit	228,5	-1,0	-0,3
Halyk Savings Bank of Kazakhstan	113,0	-1,7	-11,3
VTB Bank	0,2	-4,3	4,8

KASE Index shares

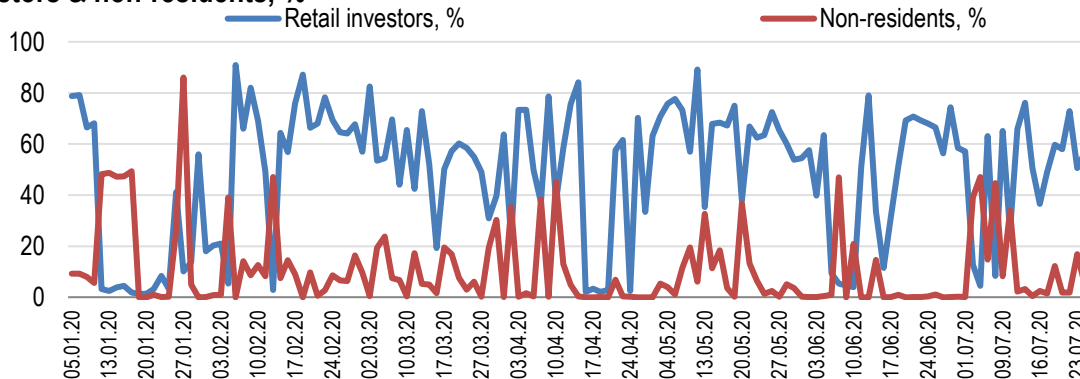


Note: Index stocks are highlighted in green

Six of eight index stocks closed in the red amid uncertain outlooks for the global economy. The most fall was recorded on ordinary shares of Halyk Bank (-3.2% to KZT113.00), and ordinary shares of KazTransOil (-3.2% to KZT789). Ordinary shares of KAZ Minerals grew the most rising by 4.6% to KZT3,047.99. The company's stocks rose most of all among index stocks in July 2020 and closed this week with another update of the maximum price in 2020, managing to cross the threshold of about KZT3,000. The company's shares on the London Stock Exchange closed yesterday at 586 pence, which is KZT3,224 at today's official rate of the National Bank. The price of the copper mining company's securities continues to rise against a backdrop of positive conditions in commodity markets, in particular, which have developed for copper and gold quotes.

It should also be noted that on Friday it became known that the proposal between the Government of the Russian Federation (RF) and KAZ Minerals Group on the construction of a new port and LNG-fired power plant in Chukotka is under consideration.

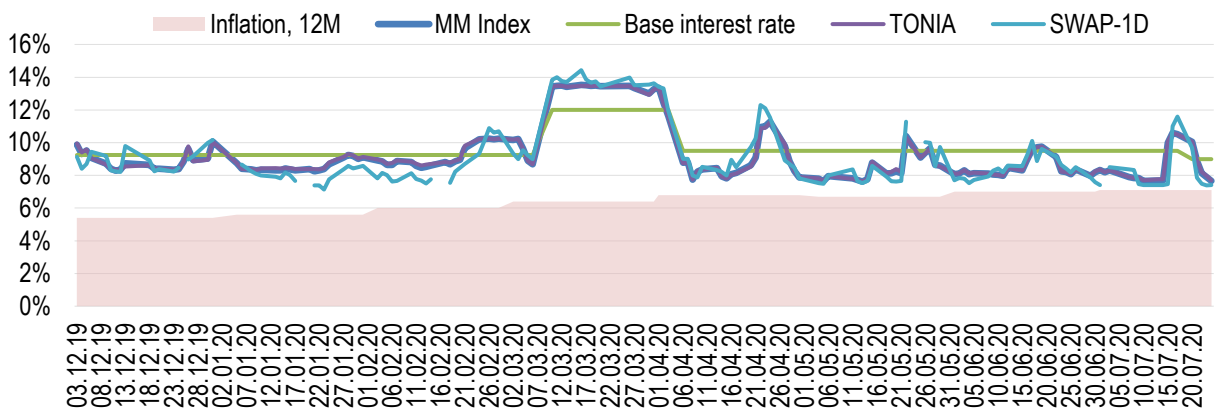
Retail investors & non-residents, %



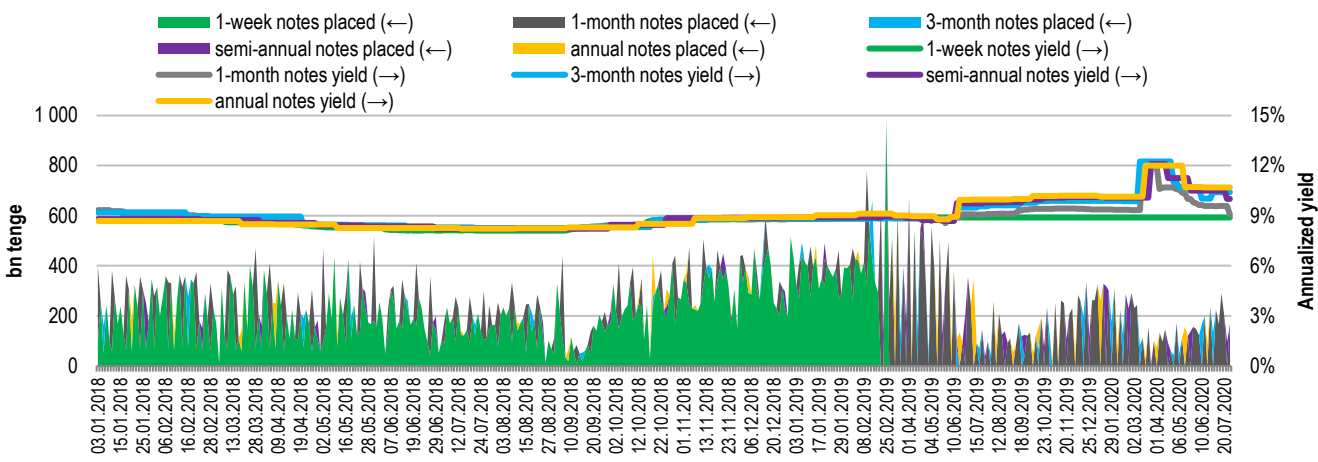


The yield of one-day repo transactions with government securities rose by 76 bps to 7.65% APR over the week. SWAP 1D USD rate was up 64 bps to 7.47% APR. The average amount of tenge liquidity raised for one day was -55.6% to last week's indicator.

Inflation and interest rates

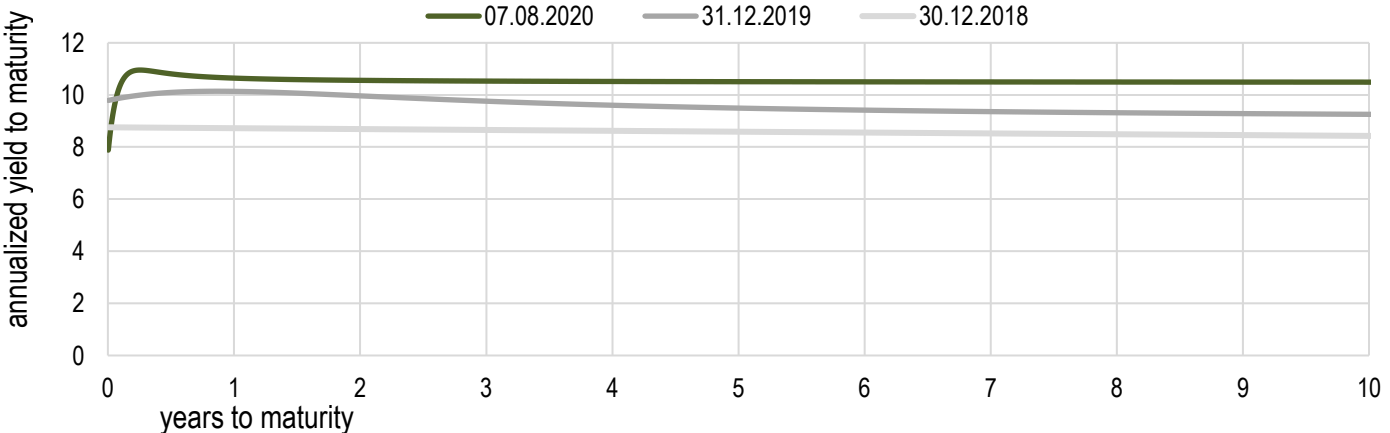


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





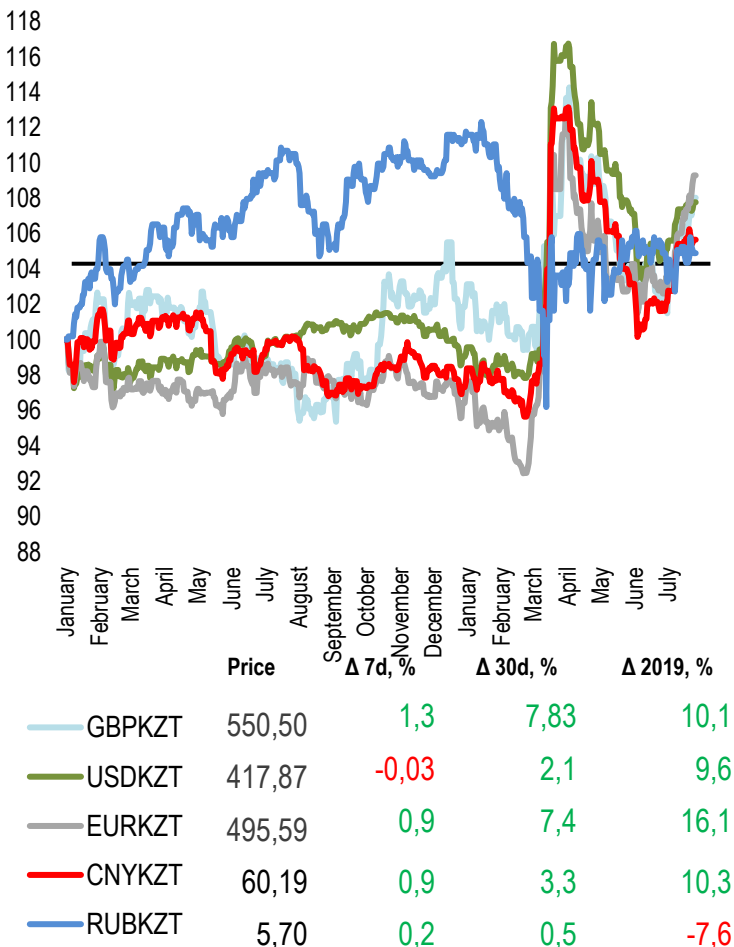
The tenge weakened against the US dollar by KZT0.17 to KZT418.17 by the end of the week. Total trading volume was US \$640.5 million, which is 33.4% more than the volume of the previous shortened week. Total number of transactions for buying and selling the U.S. dollar was 2,807 (+604 compared to the last week, 67.6% of the number of orders of this week). The maximum transaction price this week is KZT421.50 per U.S. dollar, the minimum price is KZT417.68.

The tenge ended the week by weakening against the U.S. dollar, the euro and the Chinese yuan. Despite rising oil prices and the strengthening of the Russian ruble, the exchange rate of the American greenback to tenge amid an uncertainty about the recovery of the world economy is growing slightly by 0.04%. The main reason for investors' fears continues to be the increase in the number of COVID-19 infection cases. The price of the October Brent crude oil futures rose by 3.3% by 15:00 Nur-Sultan time since the close of trading on the London ICE Futures stock exchange last Friday. The Russian ruble by the same time on trading on the Moscow Exchange strengthens against the U.S. dollar by 1% to RUB73.6951. The value of the oil futures contract showed an increase this week to five-month highs amid published data from the U.S. Department of Energy and the escalation of the situation in the Middle East. Thus, according to the latest publication of the U.S. Department of Energy, oil reserves in the states for the week ended July 31 decreased by 7.4 million barrels. At that time, API data released on August 4 reported a 8.6 million-barrel decline in reserves over the past week. Two explosions at the port of Beirut, in the Libyan capital, raised fears about the stability of future oil supplies from the region. Meanwhile, Iraq plans to cut production in August by an additional 400 thous. barrels per day to compensate for oversupply over the previous three months as part of the OPEC+ deal.

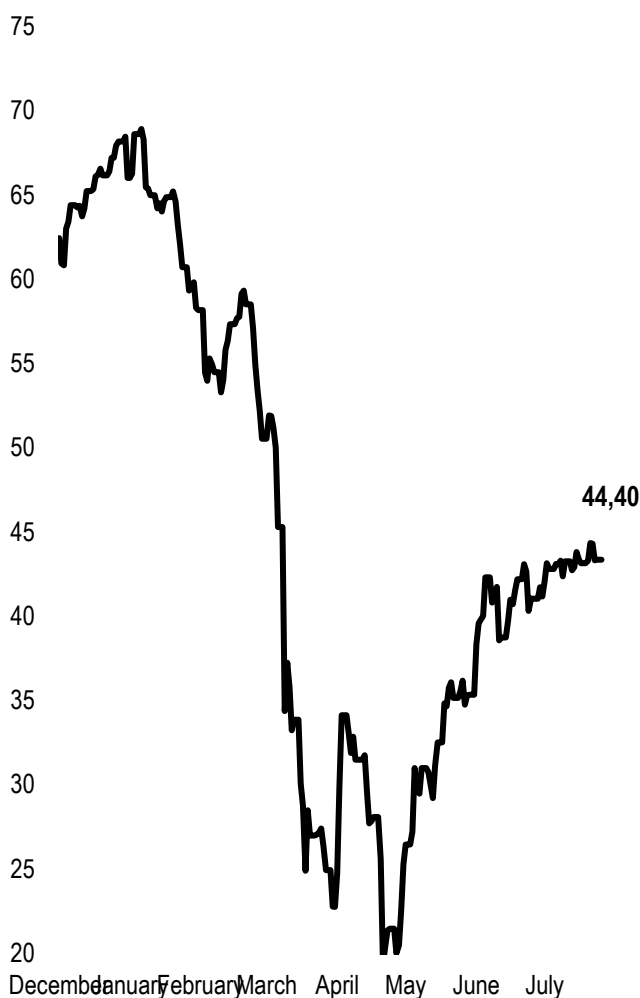
The Russian ruble dropped by KZT0.04 to KZT5.7088. The Euro rose by KZT5.00 to KZT495.30. The Chinese yuan rose by KZT0.3350 to KZT60.0550.

FX rates











Δ %, base (01.01.19)



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					Commodities market					07.08.2020	
Name	Value	Trend %			Futures 7d	Name	Price	Trend %			
		7d	1m	1y				7d	1m	1y	
 S&P 500	3 351,28	1,7	5,7	14,1	2,5	Oil	44,40	0,6	2,6	-22,6	
 Dow Jones	27 433,48	2,9	5,2	4,0	3,9		41,22	0,5	0,8	-21,5	
 RTS	1 271,43	1,1	2,1	-2,5	3,3	Natural gas	2,24	6,5	22,7	5,2	
 MICEX	2 285,53	0,0	0,0	0,0	3,3	Copper	279,25	-4,1	-0,8	7,1	
 Hang Seng	24 531,62	0,3	-6,1	-6,1	-0,7	Iron	889,00	-0,4	5,8	7,2	
 SS CSI 300	4 707,93	-1,3	-1,4	28,3	0,6	Gold	2 035,55	3,0	12,5	36,1	
 Euro Stoxx 50	3 252,65	0,1	-1,0	-3,6	1,9	Silver	27,54	12,8	44,3	62,6	
 FTSEuroFirst	3 594,00	-0,6	-2,5	-10,1	1,8	Wheat	495,50	-4,9	-4,3	-0,6	
 FTSE 100	6 032,18	0,0	-2,0	-17,2	1,8						
 KASE	2 440,47	0,9	2,6	9,7							

Economic calendar

Economic calendar		Currency	Forecast	Previous
08/11	Claimant Count Change (Jul)	GBP	10.0K	-28.1K
08/12	GDP (YoY) (Q2)	GBP	-22.4%	-1.7%
08/12	Manufacturing Production (MoM) (Jun)	GBP	10.0%	8.4%
08/12	Crude Oil Inventories	USD	-2.875M	-7.373M
08/13	Initial Jobless Claims	USD	1.120K	1.186K
08/13	Industrial Production (YoY)	CNY	5.1%	4.8%

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

Kazakhstan statistics	Value	As of	Beginning 2019
Annual inflation	7,1%	01.08.20	5,3 %
Gross international reserves of NBK, USD bn	31 561	01.06.20	30 927
Reserve money, KZT bn	8 428,3	01.06.20	5 995,7
Money supply, KZT bn	22 438,2	01.06.20	20 813,4

Kazakhstan credit ratings

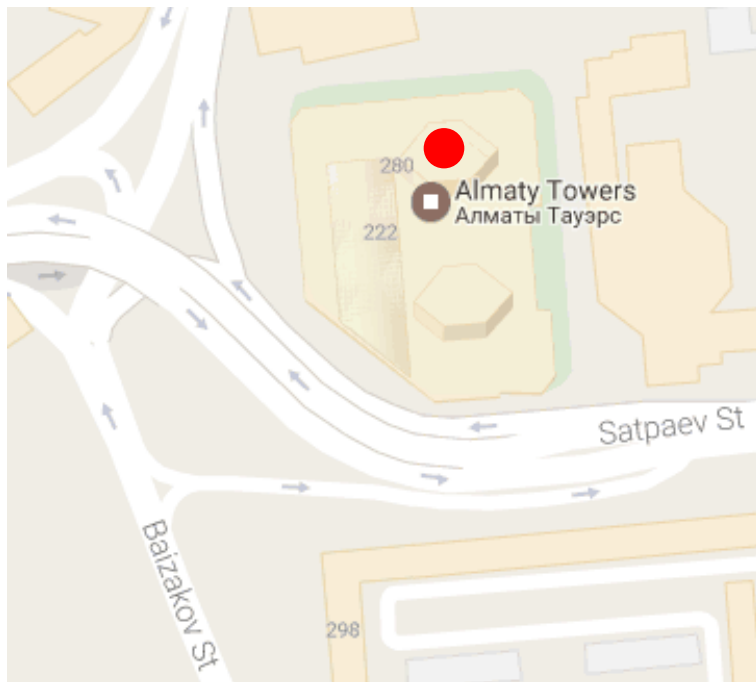
Kazakhstan credit ratings	Rating	Date	Previous
 S&P Global	BBB- stable	10.09.18	BBB- stable
 MOODY'S	Baa3 stable	26.07.17	Baa3 stable
 FitchRatings	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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