

# KASE WEEKLY

15–19 June, 2020

## KASE NEWS

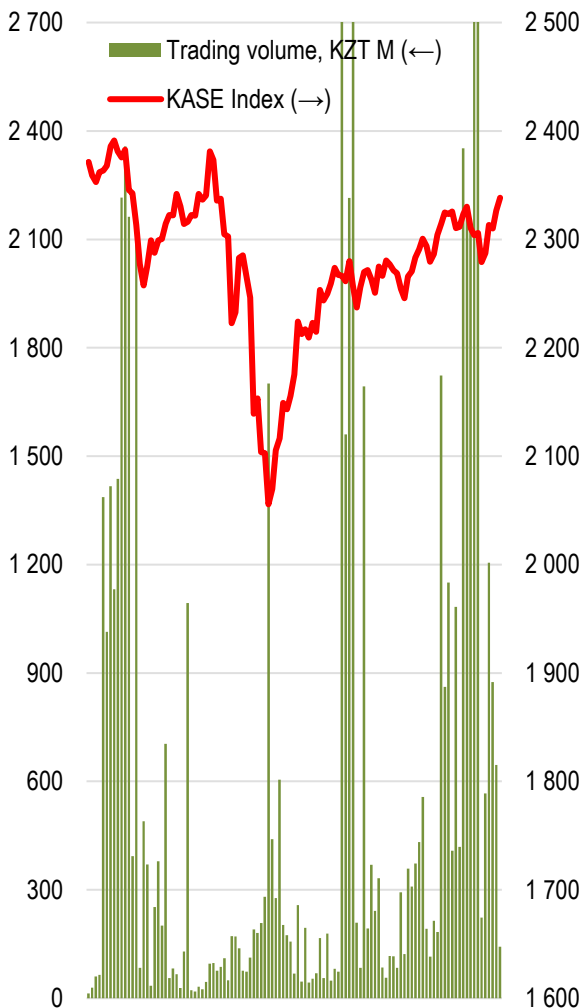
- ▲ KASE's Board approved a new internal document "[Specification](#) of nego repo transactions" and amendments to the "[Rules](#) of market-makers activities".
- ▲ [The limits](#) and concentration rates for shares traded under the T+2 scheme and discount rates in the repo market are specified.
- ▲ International discount bonds US912796TD16 (US\_01\_2008) of the United States Department of the Treasury are [included](#) in the "Government Securities" sector and trading in them was [opened](#).

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT40.6 bn on KASE by placing MEUKAM-180 of issue 12 ([KZKD00000840](#)) with weighted average yield to maturity of 10.8246% per annum, MEUKAM-144 of the first issue ([KZKD00000261](#)) with weighted average yield to maturity of 10.8224% per annum and MEKKAM-12 of issue 148 ([KZK100000241](#)) with a weighted average yield to maturity of 10.7650% per annum.
- ▲ KazAgroFinance JSC [raised](#) KZT6.1 bn on KASE by placing bonds KZ2C00006781 (KAFIb10).
- ▲ BAST JSC [placed](#) on KASE 12,000 common shares KZ1C00001015 (BAST) in the amount of KZT150.0 mln.
- ▲ Development Bank of Kazakhstan JSC [attracted](#) KZT10.6 bn on KASE by placing bonds KZ2C00004273 (BRKZb14) at 11.0% per annum.
- ▲ Kazakhstan Sustainability Fund JSC raised KZT4.6 bn on KASE by placing [KZ2C00006476](#) bonds (BASPb7) with a weighted average yield of 11.3089% per annum and [KZ2C00006484](#) bonds (BASPb8) with a yield to maturity of 11.2800% per annum.
- ▲ National company "Kazakhstan Temir Zholy" JSC [announced](#) the completion of the transaction for partial repurchase of international bonds XS0799658637, US48667DAD66 (TMJLe1).
- ▲ Tethys Petroleum Limited (Cayman Islands) [provided](#) an update on its operations.
- ▲ KEGOC JSC [paid](#) out dividends on common shares KZ1C00000959 (KEGC) for 2019.

KASE Index finishes the trading week with an increase of almost 3%, having fixed at the level of 2,338 points, the highest value since February 21 of this year. The largest number of deals this week was made with KazTransOil's securities – 1,120 transactions.

**KASE Index shares**



19.06.2020

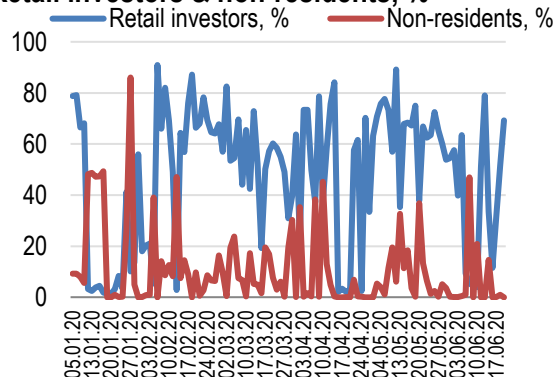
		Trends (%)	
<b>KASE Index</b>	2 338.47	2.6	2.1
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
Halyk Savings Bank of Kazakhstan	124.2	8.6	29.3
KazTransOil	804.0	4.8	-8.6
Freedom Holding Corp.	7 900.0	3.9	12.5
Kcell	2 540.0	2.8	-1.0
KAZ Minerals	2 212.0	1.9	-3.0
KEGOC	1 742.1	1.0	4.8
NAC Kazatomprom	5 670.0	0.8	-6.9
VTB Bank	0.2	0.0	5.0
Bank CenterCredit	235.6	-0.1	-0.4
Kazakhtelecom	26 200.0	-0.2	1.1
Sberbank Russia	1 217.0	-0.4	9.0
Aeroflot	499.2	-0.8	20.9
Gazprom	1 154.9	-1.2	-3.9
Bank of America Corporation	10 300.0	-1.3	9.0
Kazakhtelecom, preferred shares	12 330.1	-2.9	-5.2

Note: Index stocks are highlighted in green

The largest trading volume was recorded with shares of KEGOC – KZT792.9 million. The total volume of transactions with index shares this week amounted to KZT1.7 bn, which is almost 3 times less than last week.

Six out of eight representatives of the index basket closed in the black. Among them: Halyk Bank (+8.6%), KazTransOil (+4.8%), Kcell (+2.8%), KAZ Minerals (+1.9%), KEGOC (+1.0%), NAC Kazatomprom (+0.8%). Ordinary shares of Kazakhtelecom and Bank CenterCredit closed in the red: -0.2% and -0.1%, respectively. The main driver of the index's growth was the ordinary share of Halyk Bank, which went up by almost 9% to KZT124.20 apiece. The main drivers of stock growth are most likely the recovery of oil prices, the strengthening of the tenge and the growth of investors' risk appetite for emerging markets. Based on the week's results, the stock became the most liquid share in KASE's market. Meanwhile, the GDR of the bank on the London Stock Exchange by 17:30 o'clock, Almaty time, is trading at \$12.25, which is KZT124 per ordinary share at the official rate of the National Bank on Friday.

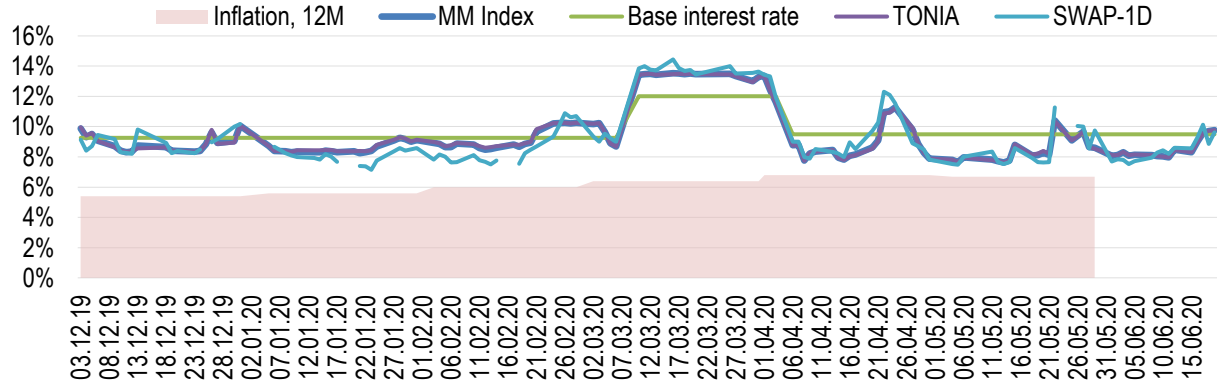
**Retail investors & non-residents, %**



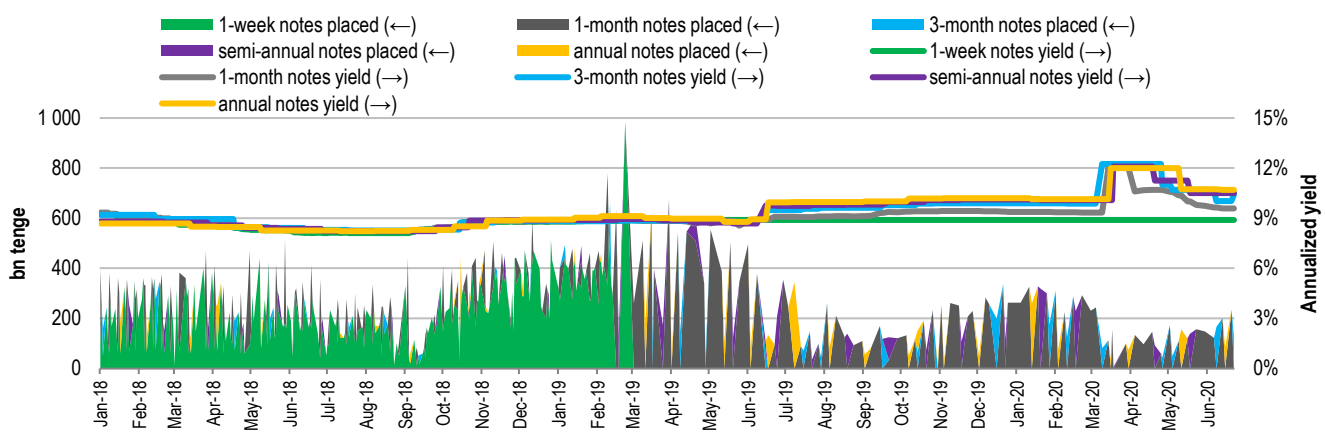


Amid the strengthening of the tenge, demand for the national currency increased. The yield on one-day repo transactions with government securities increased by 131 basis points to 9.8% per annum over the week. The borrowing rate of the tenge secured by US dollars increased by 101 basis points to 9.6% per annum. The average volume of borrowing tenge liquidity for one day this week decreased compared with last week by 23% and amounted to KZT279.2 bn.

### Inflation and interest rates

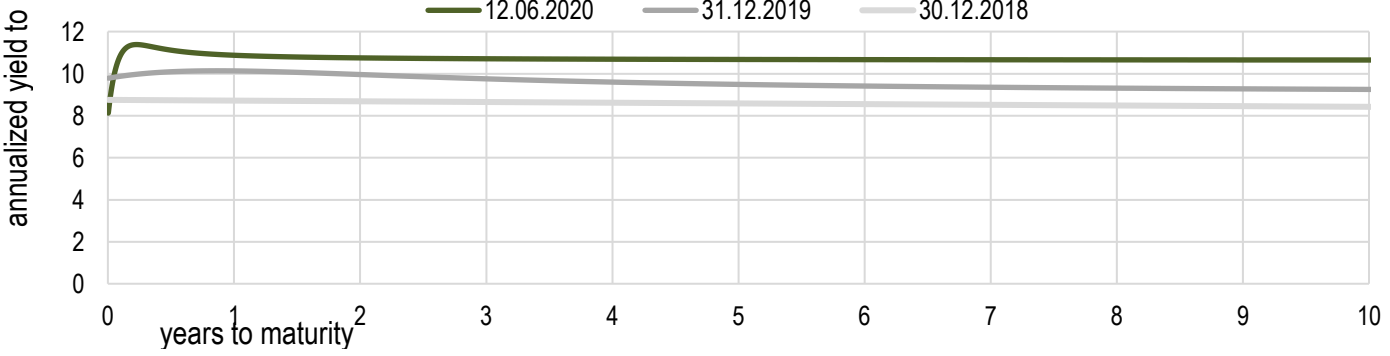


### Main Features of National Bank Notes Placements



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

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





USDKZT – as a result of this week, the tenge weakened slightly against the US dollar by 41 tyiyn to KZT403.79. The total trading volume during the week amounted to USD481 million.

Based on the week's results, the value of the US dollar, Chinese yuan and the euro is adjusted upward by 0.1%, 0.2% and 0.5%, respectively. The main news on the weekly agenda was investors' concerns about possible repeating of the coronavirus infection and unexpected data from the American Petroleum Institute, according to which US oil reserves show record results for the second week in a row. Nevertheless, positive market sentiment prevails due to hopes for an early economic recovery and the OPEC+ agreement to reduce oil production in order to restore the balance of demand for "black gold" in the world market.

So, by 15:30 o'clock, Nur-Sultan time, the price of Brent oil futures with delivery in August is trading at \$42.55, appreciating more than 9% over the week. Today, the Minister of energy of the Republic of Kazakhstan Nurlan Nogayev said that in May, within the framework of OPEC+, Kazakhstan fulfilled its obligations only by 71%, therefore Kazakhstan will compensate for the shortfall in August and September of this year.

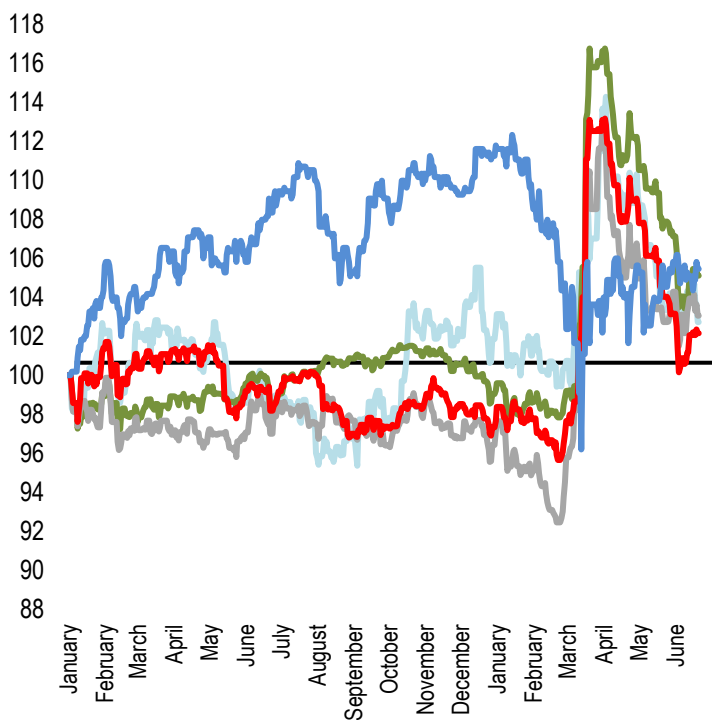
RUBKZT – the exchange rate of the Russian ruble slightly decreased by 1 tyiyn to KZT5.8074.

EURKZT – the euro has risen against the tenge by KZT2.17 to KZT453.17.

CNYKZT – the value of the Chinese yuan rose by 9 tyiyn to KZT57.09.

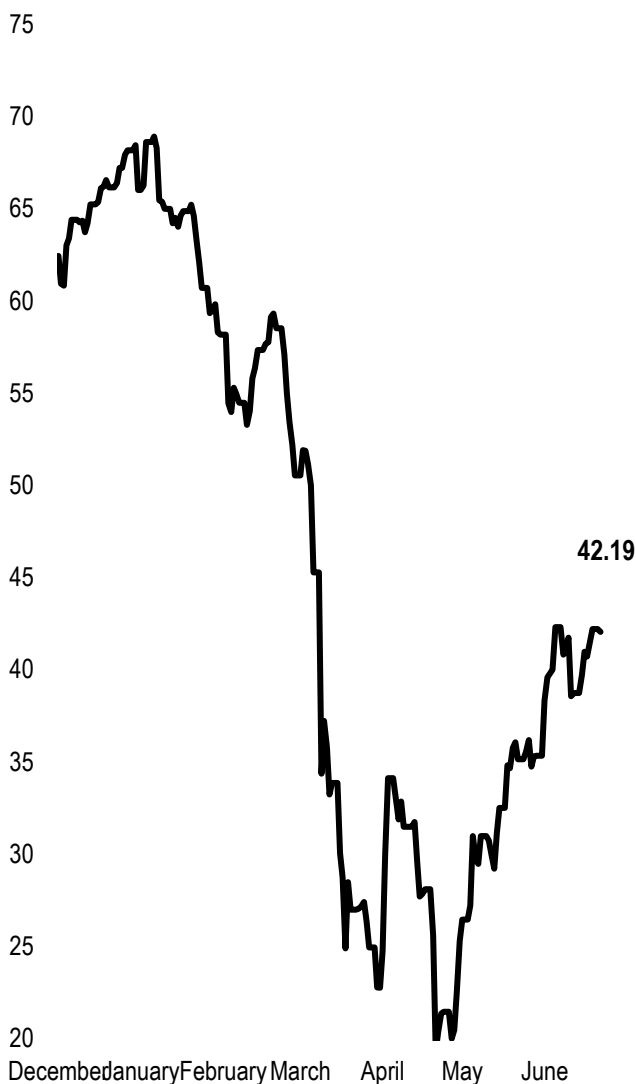
**FX rates**

Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2019, %
— GBPKZT	505,74	-0,2	-0,7	1,2
— USDKZT	404,79	1,3	-2,5	6,2
— EURKZT	455,31	0,1	0,1	6,7
— CNYKZT	57,19	1,2	-2,2	4,8
— RUBKZT	5,84	0,7	1,0	-5,3

**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	3 097.74	1.9	4.2	4.9	1.2
Dow Jones	25 871.46	1.0	5.3	-3.3	0.5
RTS	1 249.67	0.9	2.0	-10.2	-1.0
MICEX	2 285.53	0.0	0.0	0.0	-1.0
Hang Seng	24 643.89	1.4	1.0	-13.7	1.6
SS CSI 300	4 098.71	2.4	4.2	7.1	1.8
Euro Stoxx 50	3 269.10	3.7	11.1	-5.7	3.4
FTSEuroFirst	3 681.00	2.4	6.8	-12.7	2.9
FTSE 100	6 292.60	3.1	3.7	-15.2	2.6
KASE	2 338.47	2.6	2.1	3.2	

## Commodities market

19.06.2020

Name	Price	Trend %		
		7d	1m	1y
Oil	42.19	8.9	18.0	-34.5
	39.75	9.6	18.7	-29.8
Natural gas	1.67	-3.6	-5.8	-23.6
Copper	261.10	0.4	5.8	-3.7
Iron	806.00	2.8	6.3	-10.7
Gold	1 743.87	0.8	-0.2	25.6
Silver	17.85	2.1	-0.9	15.2
Wheat	481.25	-4.1	-6.3	-8.6

## Economic calendar

		Currency	Forecast	Previous
22.06	NBK's base credit rate	CNY		3,85%
23.06	Manufacturing PMI in Germany (June)	EUR	41,5%	36,6%
23.06	Composite index PMI	GBP		30,0
23.06	Speech by the governor of the Bank of England Bailey	GBP		
24.06	Ifo Germany Business Climate (June)	EUR	85,0	79,5
24.06	Crude oil reserves	GBP	-0,152M	1,215M
25.06	International reserves of the Central Bank (USD)	RUB		570,8B

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 2019
Annual inflation	6,7%	01.06.20	5,3 %
Gross international reserves of NBK, USD bn	30 557	01.05.20	30 927
Reserve money, KZT bn	8 284,2	01.05.20	5 995,7
Money supply, KZT bn	22 222,6	01.05.20	20 813,4

## 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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