

KASE WEEKLY

06-10 December
2021

KASE NEWS

- ▲ The official list of KASE includes [bonds](#) KZ2D00008257 (EABRb26), KZ2D00008265 (EABRb27), KZ2D00008273 (EABRb28) and KZ2D00008281 (EABRb29) of the Eurasian Development Bank and shares of [four](#) foreign issuers.
- ▲ The Board of KASE has decided to include the bonds [KZ2P00008295](#) (MFRFb2) of Microfinance Organization "RFinance" LLP in the official list of KASE in the category of "commercial bonds" of the alternative market.
- ▲ Trading with [KZ2P00008162](#) (MFOKb2) bonds of OnlinkAzFinance Microfinance Organization LLP, [KZ2C00008027](#) (KFUSb33) of Kazakhstan Sustainability Fund JSC and [KZ2P00008188](#) (PIFRb2) of PartnerInterFreight LLP has been opened on KASE.
- ▲ Bonds [KZ2C00007144](#) (KZHRb1) of JSC "Karazhyra" have been transferred to the trading mode in "pure" prices.
- ▲ [Halyk Global Markets JSC](#) has been awarded the status of a market maker on KASE for common shares of US88160R1014 (TSL_KZ) Tesla, Inc. and US64110L1061 (NFLX_KZ) Netflix, Inc.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised 55.8 billion tenge on KASE by placing MEUKAM-132 of the seventh issue ([KZKD00001152](#), MUM132_0007) and MEUKAM-120 of issue 16 ([KZKD00000865](#), MUM120_0016).
- ▲ JSC "Development Bank of Kazakhstan" attracted 23.3 billion tenge on KASE by placing bonds [KZ2C00004273](#) (BRKZb14).
- ▲ JSC "Eurasian Bank" raised 6.2 billion tenge on KASE by placing bonds [KZ2C00005981](#) (EUBNb18).
- ▲ Halyk Savings Bank of Kazakhstan JSC repurchased on KASE 698,769,505 of its common shares [KZ000A0LE0S4](#) (HSBC) in the amount of KZT 127.2 billion.
- ▲ Kazakhstan Sustainability Fund JSC raised 5.3 billion tenge on KASE by placing bonds [KZ2C00008027](#) (KFUSb33).
- ▲ 85,000 common shares of [KZ1C00001395](#) (KZAZ) of KazAzot JSC were purchased at KASE at a weighted average price of KZT 788,858.82 per share.
- ▲ Freedom Holding Corp. concluded an [agreement](#) to acquire MKM Partners, LLC.
- ▲ Freedom Holding Corp. announced plans to [expand](#) the range of services provided in Kazakhstan.
- ▲ NOSTRUM OIL & GAS PLC announced the [extension](#) of the agreement on abstention from exercising the right.
- ▲ KazTransOil JSC announced the completion of work on the [connection](#) of three newly built sections of the Uzen-Atyrau-Samara oil trunk pipeline.
- ▲ Halyk Savings Bank of Kazakhstan JSC announced the completion of the [repurchase](#) of common shares KZ000A0LE0S4 (HSBC) and GDR US46627J2033 (HSBKd) and the results of the offer to participate in the transaction for the acquisition of GDR [US46627J2033](#) (HSBKd).



10.12.2021

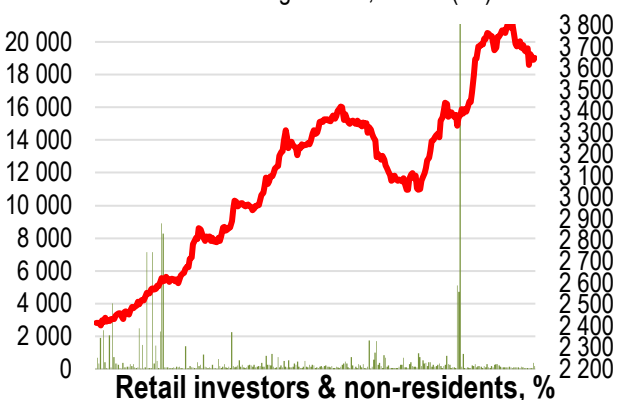
Trends (%)

KASE Index	3 648,00	-1,3	-3,4
First class of liquidity	Price	Δ 7D	Δ 1M
Ford Motor Company (USD)	0,0		
Apple Inc. (USD)	175,0	7,3	
Aeroflot	398,0	4,7	-4,6
Kaspi.kz	57 480,0	3,0	-7,3
Bank CenterCredit	370,0	1,4	7,3
Bank CenterCredit (pref.)	370,0	1,4	7,3
Kcell	1 600,0	1,2	-6,4
Intel Corporation (USD)	10 000,0	0,0	0,0
KEGOC	1 875,0	-0,7	-0,0
KazTransOil	1 111,0	-0,8	1,5
Kazakhtelecom	35 600,0	-1,2	-1,8
Pfizer (USD)	52,5	-1,8	
AltynGold	1 040,0	-2,3	0,1
Halyk Savings Bank of Kazakhstan	185,0	-2,3	-7,9
Freedom Holding Corp. (USD)	18,9	-2,6	
VTB Bank	0,3	-3,4	-12,5
Kazakhtelecom (pref.)	25 048,6	-3,7	-7,2
NAC Kazatomprom	17 488,0	-4,5	-11,7
Gazprom	2 126,0	-4,7	-19,4
Bank of America (USD)	44,7	-4,7	
Novolipetsk Steel	1 478,0	-6,5	-9,1
Rostelecom	535,0	-9,2	-17,4
Sberbank	1 812,8	-12,8	-24,4

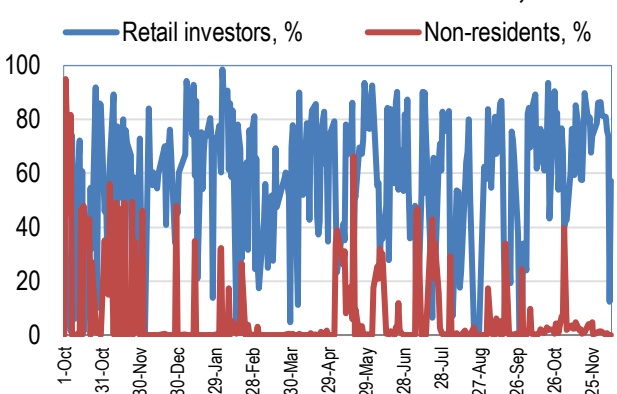
Note: Index stocks are highlighted in green

KASE Index shares

Trading volume, KZT M (←)



Retail investors & non-residents, %



In the first half of last week, the mood in the Western markets was positive. Judging by the main indices, investors have almost completely bought out the drawdown of the last two weeks, and the Vix volatility index has noticeably decreased. As the tension of the markets increased ahead of the release of inflation data in the US, the indicators sank slightly, but the week still ended in net positive. By the way, many foreign stocks available to Kazakhstani investors in the KASE Global sector have also increased in price, although the list of leaders of growth and decline turned out to be unpredictable.

Twitter unexpectedly became the leader of growth in the KASE Global sector last week, whose securities gained 10.4% in price. After the weak financial data released at the end of October, the shares fell by 18% last month. In December, the company's CEO was replaced, and his first decision was to acquire Quill in order to improve his own personal messaging services. Probably, the market decided to give a chance to the new management and bought part of the drawdown. Other shares of the communications sector, presented on KASE, also grew well this week. Meta (formerly called Facebook) added 7.5%, slightly smaller growth was shown by Uber, Amazon and Netflix. The only representative of this sector who finished the week in the red zone was AT&T. Many analysts believe that this company is undervalued, but since the beginning of the year it has lost 22% in price.

Trading on the new KASE platform has been going on for 4 weeks already. During this period, the trading volume exceeded 4.8 billion tenge. Last week, shares of Salesforce, Citi and Tesla were the most popular among private retail investors. Brokerage organizations bought shares of Apple, Tesla and Micron for their own purposes.

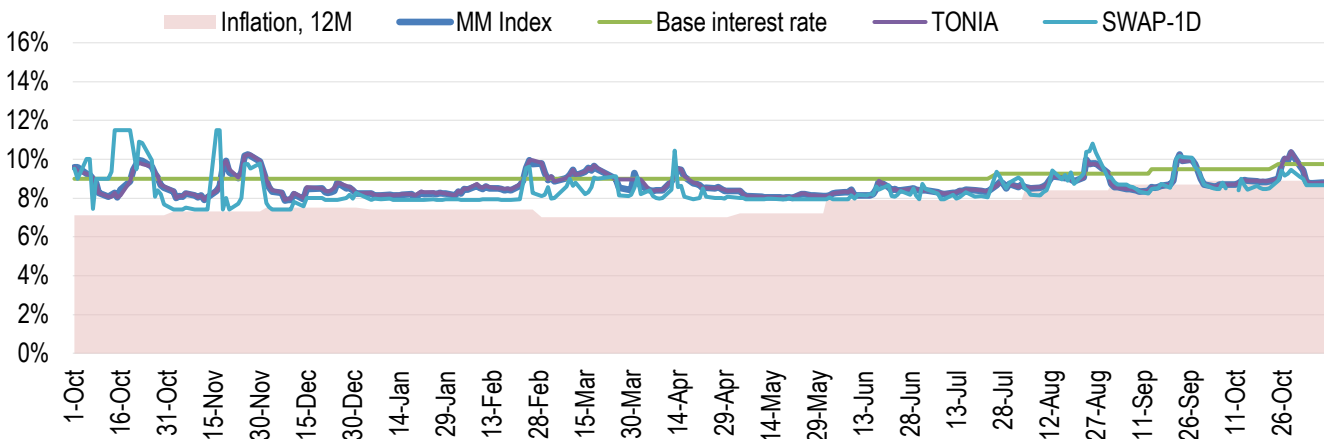
The correction that followed the publication of quarterly reports continues for the third week in a row on the local stock market of local companies. From its historical maximum on November 19, the KASE Index decreased by 4.5% and closed at the close of the week stabilized at 3,639 points. The situation for the Kazakhstani market is quite unusual, since in the New Year's Eve month, the KASE Index, as a rule, showed positive dynamics.

The only company whose shares continued the upward trend was the Bank CenterCredit. The market bought part of the drawdown of Kaztransoil shares after the announcement of the completion of work on the connection of three newly built sections of the Uzen-Atyrau-Samara oil trunk pipeline.

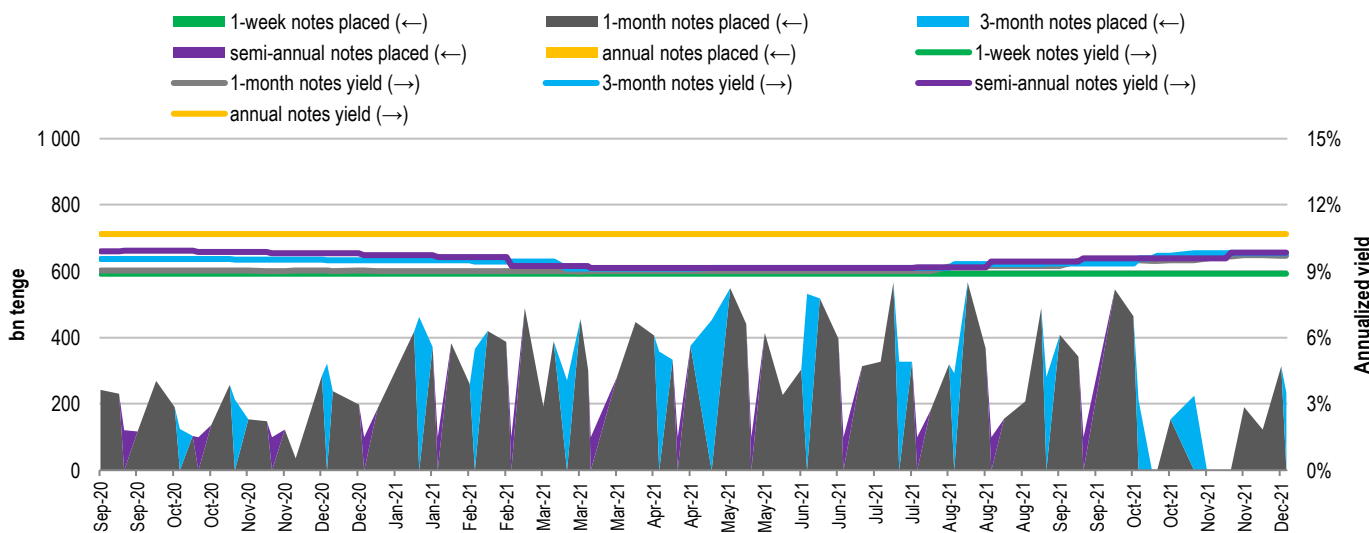
Halyk Bank bought a little more than 869 million of its shares from the market, including 699 million common shares at a price of 182.1 and 3.7 million GDR at a price of \$ 16.78, respectively. There are 10.9 billion shares in free circulation on the market. Applications for repurchase were accepted from December 3 to December 9, and on December 10, through specialized auctions on KASE, a repurchase was made from everyone. During the week, the share price varied in the range of 183-188 tenge per piece.

The yield of REPO operations with government securities (GS) for a period of one day (TONIA) from December 06 to December 10 increased from 10.67% to 10.69% per annum, being fixed above the average value of the corridor of the base rate range. The rate of borrowing tenge secured by US dollars for a period of one day (SWAP-1D) over the past week decreased from 11.31% to 10.83% per annum. The average trading volume of one-day money market instruments amounted to 994 billion KZT

Inflation and interest rates

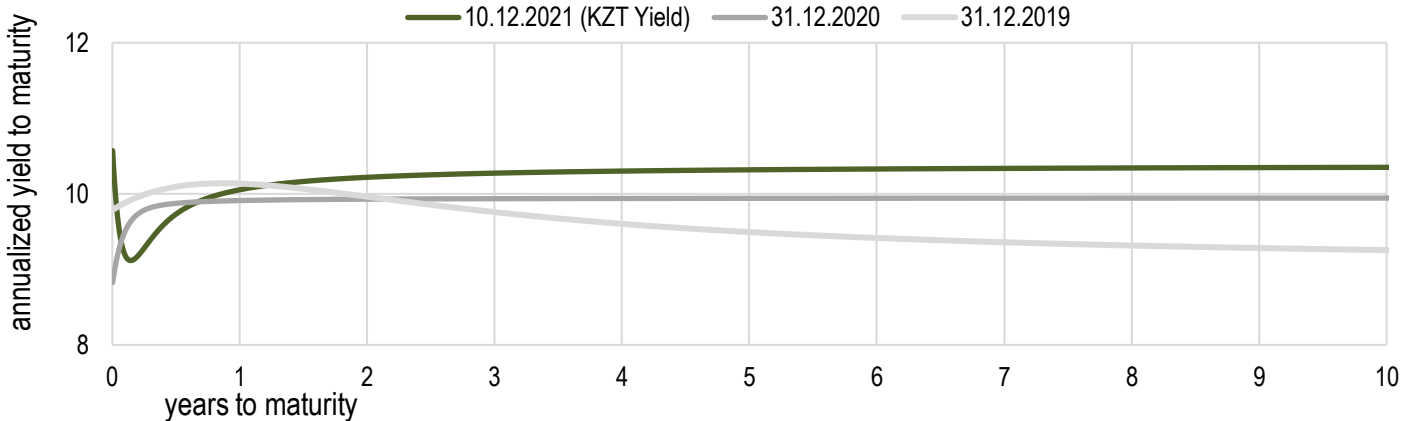


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)

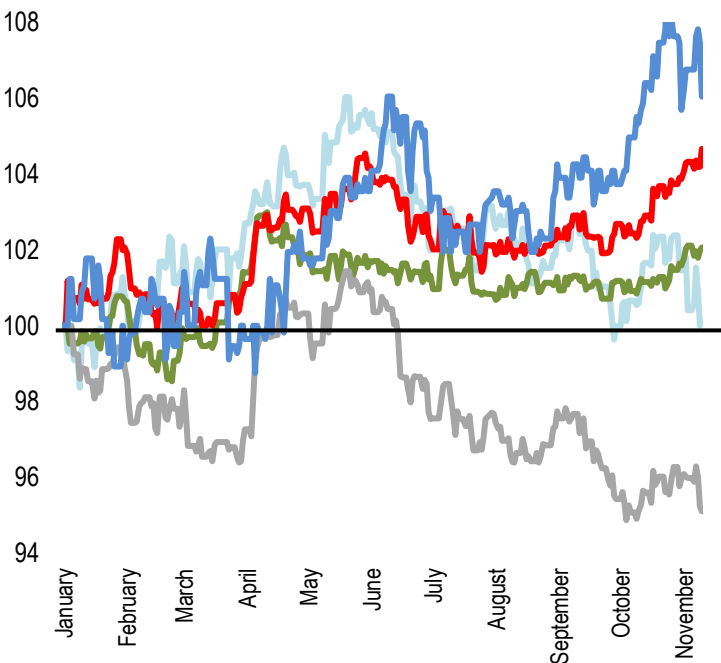


Last week, there was a strengthening of the national currency against the background of rising oil prices. Oil prices rose at the beginning of the week, but price growth was limited due to investor concerns, as new quarantine restrictions were introduced in Europe and Asia in the wake of a surge in the incidence of coronavirus infection. Brent crude futures for the week rose by more than \$2 to \$75.15 per barrel, while U.S. WTI crude futures rose by \$3.5 to \$71.30 per barrel. Analysts believe that the spread of the virus in Europe turned out to be stronger than expected, and if we take into account the holiday season, short-term forecasts may worsen as early as next month. Also recently, restrictive measures have been tightened in the UK and Norway in order to stop the spread of a new strain. In China, the large manufacturing province of Zhejiang is fighting a new outbreak of COVID-19, sending tens of thousands of citizens to quarantine, thereby suspending business operations. Also, the demand for oil may be hindered by the cuts announced on Tuesday in the forecasts of the Asian Development Bank for developing Asian countries for this and next year. However, the Organization of Petroleum Exporting Countries has raised its forecasts for global oil demand for the first quarter of 2022, adhering to the schedule of a return to pre-pandemic levels.

The US dollar index, also known as DXY, held above 95.9 points, reaching 96.0 points. A Bloomberg survey indicates that participants expect a two-fold increase in rates by 2022. In addition, two weeks ago, Federal Reserve Chairman Jerome Powell expressed interest in reducing quantitative easing more quickly. The same Bloomberg survey shows expectations of a reduction of up to \$30 billion dollars starting in January 2022. Analysts note that DXY is clearly in an uptrend, and in recent weeks the price movement has been fixed around the range of 95.5-96.5 points, forming an ascending triangle. Such a trend will lead to a weakening of the national currency if oil price quotes do not continue their growth.

FX rates

Δ %, base (01.01.21)













Brent oil USD/barrel



	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
— GBPKZT	573,41	-1,08	-1,96	0,20
— USDKZT	434,40	-0,43	0,97	3,01
— EURKZT	490,09	-0,56	-1,42	-4,96
— CNYKZT	68,22	-0,38	1,67	5,89
— RUBKZT	5,91	-0,17	-2,81	4,07

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							December 10, 2021		
Name	Value	Trend %			Futures	Exchange rate in tenge*	Trend		
 S&P 500	4 712,02	3,8	1,4	28,5	3,7	434,40	-0,4	1,0	3,0
 Dow Jones	35 970,99	4,0	-0,3	19,9	3,8				
 RTS	1 612,25	-3,4	-13,0	14,8	-3,0	5,91	-0,2	-2,8	4,1
 MICEX	2 285,53	0,0	0,0	0,0	-3,0				
 Hang Seng	23 995,72	1,0	-4,0	-9,1	0,8	68,22	-0,4	1,7	5,9
 SS CSI 300	5 055,12	3,1	4,9	2,3	3,4				
 Euro Stoxx 50	4 199,16	2,9	-3,4	19,2	3,2	490,09	-0,6	-1,4	-5,0
 FTSEuroFirst	4 653,50	2,9	-2,1	18,5	2,6				
 FTSE 100	7 291,78	2,4	-0,7	10,5	2,6	573,41	-1,1	-2,0	0,2
 KASE	3 648,00	-1,3	-3,4	40,0					

Economic calendar		Currency	Forecast	Previous
13.12	Financial Stability Report from the BANK (BA)	GBP		
14.12	Average salary level including bonuses (Oct)	GBP	4.6%	5.9%
15.12	Crude oil reserves	USD	-2.082M	-0.240M
15.12	GDP (quarterly) (YoY) (Q3)	RUB	4.3%	4.3%
15.12	Interest rate decision	USD	0.25%	0.25%
16.12	Interest Rate Decision (Dec)	GBP/EUR		

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 2021
Annual inflation	8.7%	01.11.21	8.9%
Gross international reserves of NBK, USD bn	35.8	01.11.21	35.5
Reserve money, KZT bn	10,402.1	01.11.21	10,689.7
Money supply, KZT bn	29,204.8	01.11.21	28,850.3

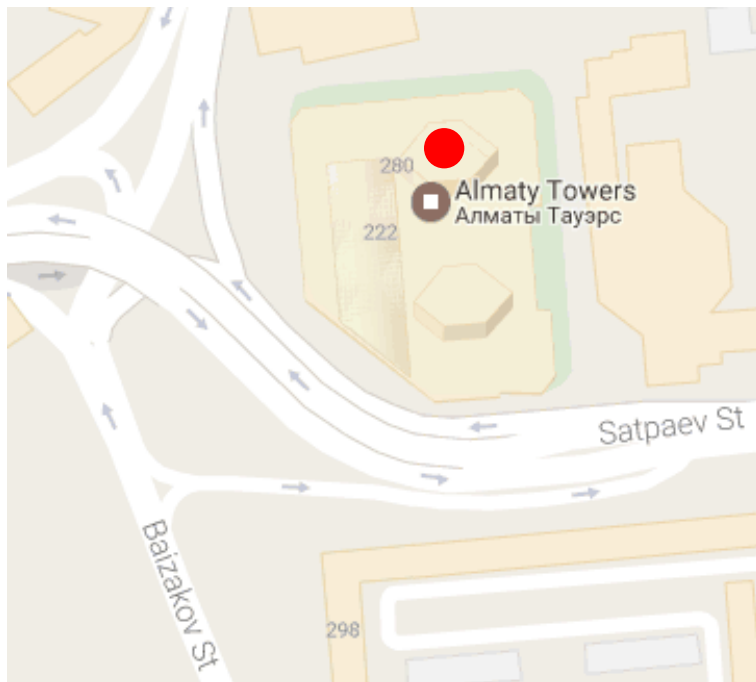
Kazakhstan credit ratings	Rating	Date	Previous
S&P Global	BBB-/A-3- stable	09/08/21	BBB- stable
MOODY'S	Baa2 stable	08/11/21	Baa3 positive
FitchRatings	BBB stable	08/13/21	BBB stable

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Corporate Events Calendar of KASE listed Companies

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2. previous results do not necessarily affect the future results with the future estimations based on the assumptions that may not materialize. The value of any investment or income may go down and up, as a result the investors might not receive the entire invested amount back. For the investments in non-universally recognized markets, the investors may experience various difficulties, including selling them or obtaining the reliable information about their value or the risks involved;
3. report does not take into account the individual financial characteristics and aims of those receiving it.

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