

# KASE WEEKLY

October 18– October 22,  
2021

## KASE NEWS

- ▲ KASE's Management Board has determined the weighted average yield rates for the fourth quarter of 2021 to calculate the fair value of illiquid debt securities of organizations – residents of the Republic of Kazakhstan.
- ▲ A new version of the trading and clearing system ASTS+ on KASE's currency market was commissioned.
- ▲ KASE official list was supplemented with international bonds [XS2291819980](#) (GB\_GAZFe1) of Gaz Finance PLC, units [RU000A1027E5](#) (RU\_UKFFvdo) of IUIT of market financial instruments "VDO Fund of Russia's Developing Companies" and bonds [KZ2C00008100](#) (KACMb2) of Kazyna Capital Management JSC.
- ▲ KASE's Management Board agreed to include the proposed international bonds of Sovereign Wealth Fund "Samruk-Kazyna" JSC in the "bonds" category of KASE official list's main market.
- ▲ KASE opened trades in social bonds [KZ2C00008068](#) (FRMPb3) of "Damu" Entrepreneurship Development Fund JSC and bonds [KZ2D00005816](#) (EABRb19) of Eurasian Development Bank.
- ▲ BCC Invest JSC was assigned the status of a market-maker for bonds [KZ2D00006525](#) (BVTBb7) of Subsidiary VTB Bank JSC (Kazakhstan).
- ▲ Bonds [KZ2D00005816](#) (EABRb19) of the Eurasian Development Bank are included in the T+ List and the T+ Collateral List.
- ▲ Bonds [AT0000A2HLC4](#) (AT\_01\_2006) of the Republic of Austria are included in the T + List and the T + Collateral List.

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Ministry of Finance of Kazakhstan raised KZT26.5 bn on KASE by placing MEUKAM-072 of issue 13 ([KZKD00001145](#), MUM072\_0013), MEUKAM-180 of the first issue ([KZKD00000105](#), MUM180\_0001) and MEUKAM-168 of the fifth issue ([KZKD00001111](#), MUM168\_0005).
- ▲ Eurasian Development Bank raised KZT2.9 bn on KASE by placing bonds [KZ2D00005816](#) (EABRb19).
- ▲ KEGOC JSC raised KZT16.6 bn on KASE by placing bonds [KZ2C00006658](#) (KEGCb3).
- ▲ Subsidiary VTB Bank JSC (Kazakhstan) raised KZT4.7 bn on KASE by placing bonds [KZ2D00006533](#) (BVTBb8).
- ▲ Freedom Finance JSC and First Heartland Securities JSC announce a teleconference for potential investors within the framework of a possible Eurobond issue of Sovereign Wealth Fund "Samruk-Kazyna" JSC.
- ▲ National Atomic Company Kazatomprom JSC announces investment in the physical uranium fund.
- ▲ NOSTRUM OIL & GAS PLC announced the extension of the forbearance agreement.
- ▲ International Airport of Almaty JSC paid dividends on common shares [KZ1C00000579](#) (ARAL) for 2015 and 2017.
- ▲ Caspi Neft JSC paid dividends on common shares [KZ1C00000694](#) (KSNF) for 2019.
- ▲ KazTransOil JSC reported results of production activities for January-September 2021.



**October 22, 2021**

		Trends (%)	
		Δ 7D	Δ 1M
<b>KASE Index</b>	3 738,14	2,5	10,1
<b>First class of liquidity</b>	<b>Price</b>		
<b>Kcell</b>	1 621,0	8,6	19,5
Gazprom	2 960,0	7,2	25,4
<b>NAC Kazatomprom</b>	19 849,9	5,4	25,2
Kaspi.kz	52 500,0	5,0	7,5
Freedom Holding Corp.	28 366,0	4,3	13,4
<b>Bank CenterCredit</b>	321,3	4,0	5,3
Novolipetsk Steel	1 538,0	3,9	-0,8
Apple Inc.	64 900,0	3,5	5,5
Bank of America	19 963,5	3,4	18,0
Kazakhtelecom (pref.)	25 649,0	3,4	14,5
VTB Bank	0,3	3,0	13,3
Pfizer	19 000,0	2,2	-5,5
Bank CenterCredit (pref.)	310,0	1,7	2,0
Ford Motor Company	6 960,0	0,9	24,1
<b>Kazakhtelecom</b>	36 400,0	0,3	7,9
<b>KEGOC</b>	1 899,8	0,1	1,9
<b>Halyk Savings Bank of Kazakhstan</b>	195,5	-0,3	7,4
<b>KazTransOil</b>	1 089,1	-0,5	2,0
Sberbank	2 226,1	-0,9	15,8
Rostelecom	599,5	-0,9	4,4
Aeroflot	414,7	-1,3	1,1
Intel Corporation	23 300,0	-1,3	-1,3
AltynGold	1 174,0	-1,7	3,7

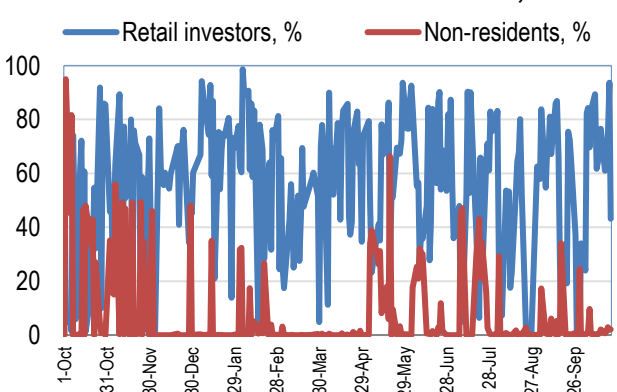
Note: Index stocks are highlighted in green

**KASE Index shares**

Trading volume, KZT M (←)



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



Meanwhile, the reporting season for the third quarter also began on the local stock market, and KazTransOil opened it. According to the results provided, for 9 months of 2021, the volume of oil transportation decreased compared to the same period last year. The decline was mainly observed in pipelines to Russia, while the volume of oil transported to local refineries and to China, on the contrary, increased. Obviously, the market was expecting similar results, so KazTransOil shares by the end of last week only slightly corrected downward and traded at around 1,090 tenge per share.

Next week, KEGOC is due to publish financials and announce the size and date of dividend payments, so after a long period of growth in shares, there is a hiatus. A release of financial data for the third quarter and shares of Halyk Bank is expected. Investors of Kazakhtelecom and Kcell, while awaiting financial results, continue to assess the economic effect of the sale of the latter's share. Since the beginning of the month, Kcell securities have already recovered 20% of their drawdown, but Kazakhtelecom continues to trade at around 36,450 tenge a piece.

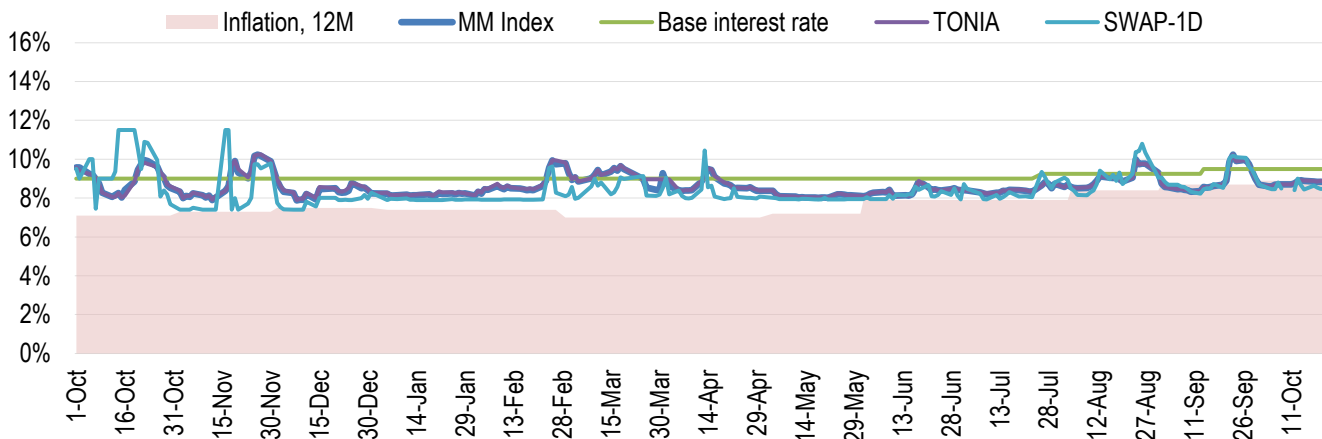
Kazatomprom shares gained just over 3% over the past week, despite a stronger recovery in world uranium prices and the registration in Kazakhstan of a new fund – ANU Energy OEIC Ltd, which aims to physically store uranium as a long-term investment.

Considering that the majority of shares of the representative list of KASE Index took a break in growth, the local stock market closed the week without much dynamics around 3,700 points. It is interesting that at the same time in the middle of trading sessions the index repeatedly broke through historically maximum levels, up to 3,867 points.

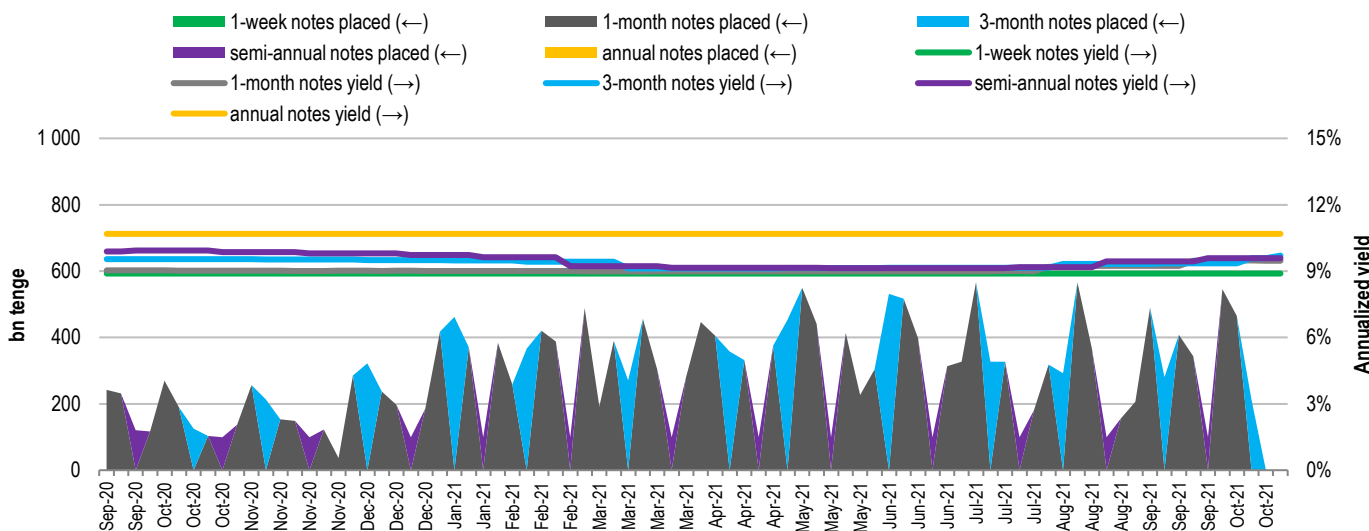
New interesting placements last week were held on KASE's debt market. In the banking sector, 2-year bonds in the amount of 4.7 billion tenge were sold by VTB with a yield of 11.25% per annum. KEGOC placed 16.6 billion tenge in the energy sector with a yield of 11.5% per annum for 14 years. In the sector of international financial organizations, the Eurasian Development Bank raised 2.9 billion tenge for six months with a yield to maturity of 9.69%. In addition, collecting of orders for five-year USD-denominated Eurobonds of SWF Samruk-Kazyna, with an indicative yield of 2.5% per annum began last week, also in KASE's trading system. Freedom Finance and First Heartland Securities acted as Kazakhstan lead managers and bookrunners. Joint Lead Managers are Citigroup, MUFG Securities, UBS AG, VTB Capital.

Yield on one-day REPO transactions with government securities (GS) (TONIA) from October 15 to 22 remained at the level of 8.91% per annum, still remaining below the average value of the base rate corridor. On the contrary, the rate of borrowing tenge secured by US dollars for a period of one day (SWAP-1D (USD)) increased from 8.43% to 8.49% per annum. The average trading volume in one-day money market instruments amounted to KZT491.024 billion.

**Inflation and interest rates**

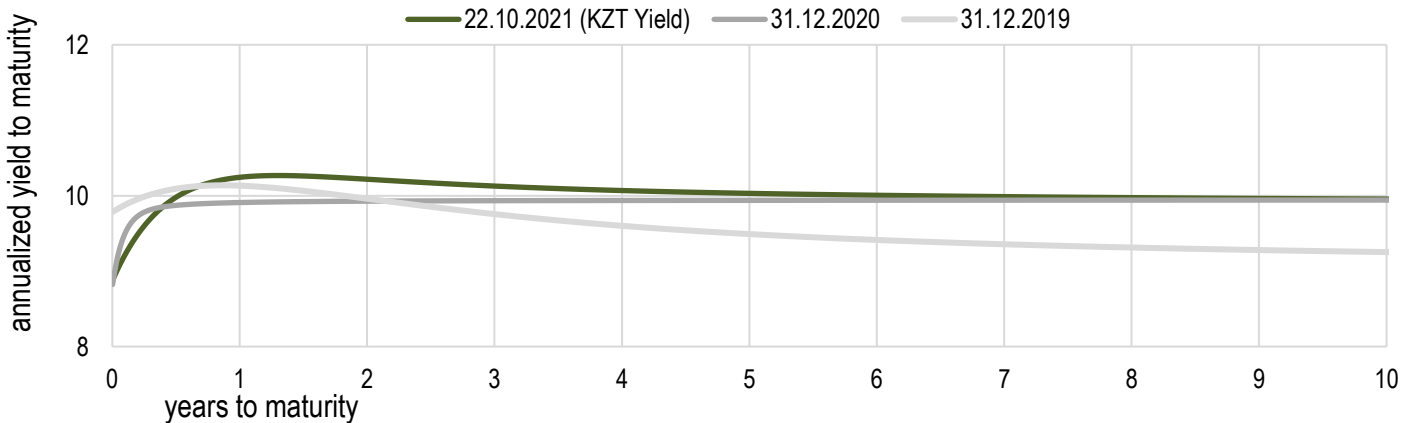


**Main Features of National Bank Notes Placements**



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

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



According to results of the week, the exchange rate of the US dollar against the tenge increased by 0.54 tenge (+ 0.13%) to 426.32 tenge. The total trading volume for the week amounted to \$659.5 million (+ 10.0% to the same indicator of last week). The maximum price was 426.70 tenge per US dollar, the minimum – 424.80 tenge.

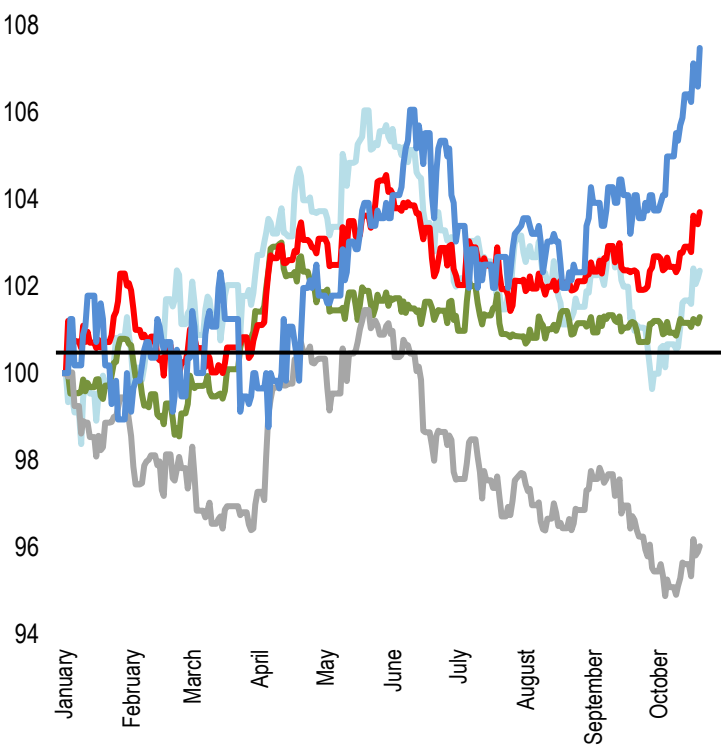
During the last trading week, the tenge was influenced by a number of factors with the opposite effect. The national currency was supported by the growth of oil prices, and the weakening of the dollar against the basket of currencies of developed countries.

The benchmark Brent has been steadily rising since the fourth week of August, reaching a three-year high of \$85 per barrel last week, as the ongoing energy crisis in Europe and Asia and supply constraints from OPEC+ countries have put pressure on the market and exacerbated the imbalance between demand and supply in recent months. While the DXY dollar index fell below the psychological mark of 94 points amid rising inflation.

The effect of these two factors is offset by increased demand for the US currency amid recovery in business activity in Kazakhstan, and the reduction in the US Federal Reserve's stimulus program through asset buybacks, which may begin this year already, puts additional pressure on emerging market currencies.

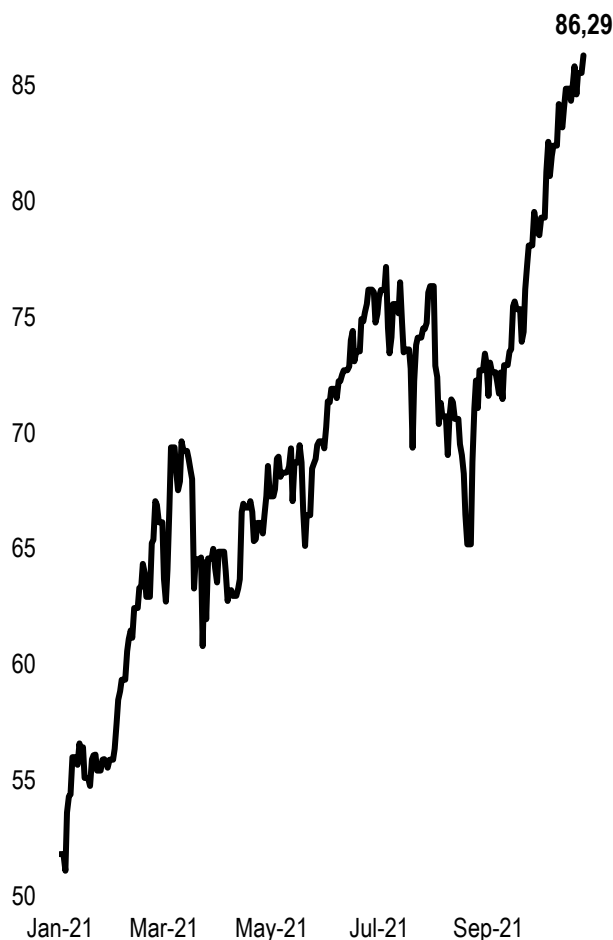
**FX rates**

Δ %, base (01.01.21)



**Brent oil**

USD/barrel













	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
— GBPKZT	588,41	0,67	0,77	2,85
— USDKZT	426,32	0,13	-0,03	1,19
— EURKZT	496,24	0,44	-0,85	-3,99
— CNYKZT	66,74	0,77	1,05	3,21
— RUBKZT	6,04	1,00	2,92	6,02

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

October 22, 2021

Name	Value	Trend %			Futures	Exchange rate in tenge*	Trend		
 S&P 500	4 544,90	1,6	3,4	31,6	1,7	426,32	0,1	0,0	1,2
 Dow Jones	35 677,02	1,1	4,1	25,8	1,1		6,04	1,0	2,9
 RTS	1 877,99	-0,7	7,5	62,6	-0,8	66,74		0,8	1,0
 MICEX	2 285,53	0,0	0,0	0,0	-0,8		496,24	0,4	-0,9
 Hang Seng	26 126,93	3,1	7,9	5,4	3,1	588,41		0,7	0,8
 SS CSI 300	4 959,73	0,6	2,9	3,8	0,7		3 738,14		
 Euro Stoxx 50	4 188,81	0,1	0,9	32,1	0,3				
 FTSEuroFirst	4 646,50	0,2	3,0	33,3	-0,1				
 FTSE 100	7 204,55	-0,4	1,7	24,5	-0,2				
 KASE		2,5	10,1	52,0					

## Economic calendar

Currency

Forecast

Previous

27.10	Crude oil reserves	USD	1.857M	-0.431M
28.10	Report on the monetary policy of the Bank of Japan	JPY		
28.10	Change in the number of unemployed in Germany (Oct)	EUR	-20K	-30K
28.10	Decision on the interest rate (Oct)	EUR		
29.10	Germany's GDP (qtr./qtr.) (3 qtr.)	EUR	2.2%	1.6%
29.10	GDP (y/y)	EUR		14.3%

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	8.9%	01.10.21	5,6%
Gross international reserves of NBK, USD bn	36 800	01.09.21	35 638
Reserve money, KZT bn	10 298,2	01.09.21	8 652,5
Money supply, KZT bn	28 056,2	01.09.21	20 875,8

## 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

# CONTACT INFORMATION



**Address:** Republic of Kazakhstan, 050040,  
Almaty, Baizakov St., 280, Business Center  
"Almaty Towers"

**Tel.:** +7 (727) 237 53 00



**Corporate website**



**Contact us**



**Corporate Events Calendar of  
KASE listed Companies**

The information contained therein was gathered by the employees of Kazakhstan Stock Exchange JSC (KASE). KASE does not guarantee the completeness and accuracy of the information contained in this report, as well as its reliability. Neither KASE, nor any of the employees are liable for any direct or indirect loss (damage) arising from the use of this report or information / analysis presented therein. KASE does not assume any responsibility to update this report on a regular basis or notify of all changes that have occurred.

KASE draws investors' attention to the following factors:

1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors;
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.

KASE recommends that the investors independently evaluate the feasibility of certain investments and strategies and encourages the investors to use the services of financial consultants.

KASE reserves all rights for the report. This analytical material can be copied and/or distributed in full or in part upon written permission of KASE