

KASE WEEKLY

July 19 – 23, 2021

KASE NEWS

- ▲ In KASE's trading system and databases, the information on the interest rate on bonds KZ2P00003874 (FATNb1) of Faeton Company LLP has been **changed** and trading in them has been resumed.
- ▲ Bonds KZ2C00001618 (CSBNb10) of Kaspi Bank JSC were excluded from KASE official [list](#) and from the representative [list](#) of indicators of the KASE_BM* series due to the expiration of the circulation period.
- ▲ KASE official list includes bonds [KZ2D00007663](#) (EABRb14), KZ2D00007671 (EABRb15) and KZ2D00007697 (EABRb16) of the Eurasian Development Bank and bonds [KZ2P00007776](#) (MFTFb1) of MFO "Toyota Financial Services Kazakhstan" LLP.
- ▲ KASE's Management Board [took](#) a decision to include bonds KZ2C00007763 (FIVEb2) of FIVE BROKERS 'CAPITAL JSC in the "commercial bonds" category of KASE official list's alternative market.
- ▲ Baker Tilly Qazaqstan Audit LLP is [included](#) in the list of auditing organizations recognized by KASE by the second level.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT73.2 bn on KASE by placing MEUKAM-072 of issue 13 ([KZKD00001145](#), MUM072_0013), MEUKAM-180 of issue 13 (KZKD00000931, MUM180_0013), MEUKAM-180 of issue 13 ([KZKD00000931](#), MUM180_0013) and MEUKAM-120 of issue 16 ([KZKD00000865](#), MUM120_0016).
- ▲ Fincraft Group LLP [raised](#) KZT2.5 bn on KASE by placing bonds KZ2P00006190 (NCOMb2) at 14.50 % per annum.
- ▲ Eurasian Development Bank [raised](#) KZT9.1 bn on KASE by placing bonds KZ2D00007663 (EABRb14) with an average weighted yield of 9.65% per annum.
- ▲ MFO "Toyota Financial Services Kazakhstan" LLP [raised](#) KZT 5.0 bn on KASE by placing five-year bonds KZ2P00007776 (MFTFb1) at 11.00 % per annum.
- ▲ BCC Invest JSC [announces](#) the payment of dividends to holders of shares KZPF00000058 (BCCI_cc) of IUIT "CenterCredit-Currency" for the period from July 1 to July 15, 2021.
- ▲ Freedom Finance JSC [reports](#) the payment of dividends to holders of shares KZPF00000082 (FFIN_or) of the IUIT "Fixed Income" for the second quarter of 2021.
- ▲ ATFBank JSC (Subsidiary Bank of Jusan Bank JSC) [announces](#) the upgrading of the bank's ratings by the agency Fitch Ratings, the outlook is "Stable".



July 16, 2021

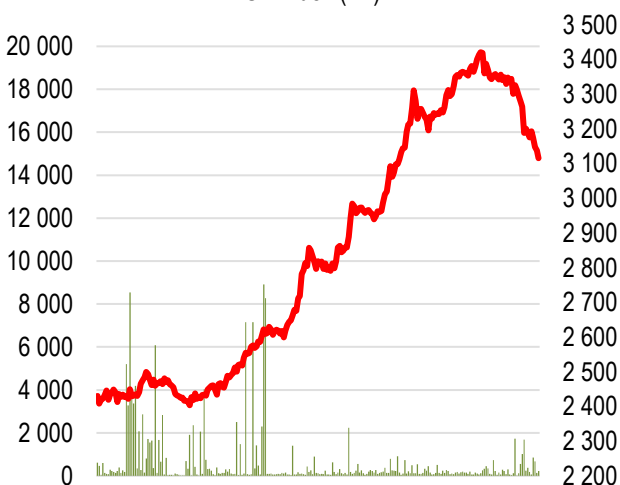
Trends (%)

	Price	Δ 7D	Δ 1M
KASE Index	3 193,04	-2,2	-4,8
First class of liquidity			
KAZ Minerals	0,0		
Kazakhtelecom, preferred shares	19 364,0	4,1	5,6
KEGOC	1 758,0	0,5	0,4
Bank of America Corporation	16 830,0	0,2	-5,9
Sberbank Russia	1 765,5	-0,3	-5,1
Freedom Holding Corp.	27 226,0	-0,3	7,1
KazTransOil	1 096,0	-0,4	0,2
Aeroflot	420,0	-0,7	-3,9
Halyk Savings Bank of Kazakhstan	163,0	-0,8	-4,6
Bank CenterCredit	249,0	-1,2	-0,8
Kazakhtelecom	30 590,0	-1,3	6,2
NAC Kazatomprom	12 415,0	-2,2	-8,0
Gazprom	1 640,0	-3,4	-1,1
VTB Bank	0,3	-3,6	-10,0
Kcell	1 940,0	-10,8	-23,0

Note: Index stocks are highlighted in green

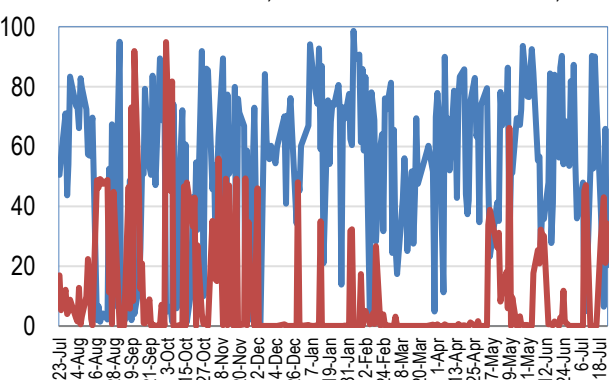
KASE Index shares

Trading volume, KZT M (←)
KASE Index (→)



Retail investors & non-residents, %

Retail investors, % Non-residents, %



The local stock market continues to be in a post-dividend lull. Last week KASE index closed trades with a decrease for four sessions in a row and reached the level of 3,115.36 points based on results of Friday. At the same time, the US stock markets were growing throughout the past week, supported by a season of positive quarterly reports and announcements of upcoming dividend payments. In the sector of foreign securities traded on KASE, against the background of the growth of the main indicators of the world stock markets, a number of shares rose in price, including the securities of APPLE, which increased by 2.7 %, Freedom holding – by 4.7 %, Pfizer – by 2.2 %, Starbucks – by 2.2 %, Gazprom – by 2 %. So investors working on KASE had the opportunity to compensate for small losses on the local market by investing in shares of global companies.

Last week, on the corporate bond market of KASE, KZT2.5 billion tenge at 14.5 % per annum were raised by the diversified holding Fincraft Group for a year and a half. Bonds of the MFO "Toyota Financial Services Kazakhstan" were included in the official list of the main market. Within the framework of the first bond prospectus, the company raised KZT5 bn for 5 years with a coupon rate of 11 % per annum. In the bond sector, Five Brokers'Capital entered the alternative market with commercial one-year bonds worth KZT100 mln. The issuer intends to pay a quarterly interest on these bonds in the amount of 15 % per annum. The offering date has not yet been determined.

First Heartland Jusan Bank (one issue at 7.5 %), Forte Bank (one issue at 8 %), TechnoLeasing (two issues at 16.5 % each), NMH Baiterek (three issues at 8 %, 15 % and 14 %) and Wholesale and retail trade venture (one issue at 10.5 %).

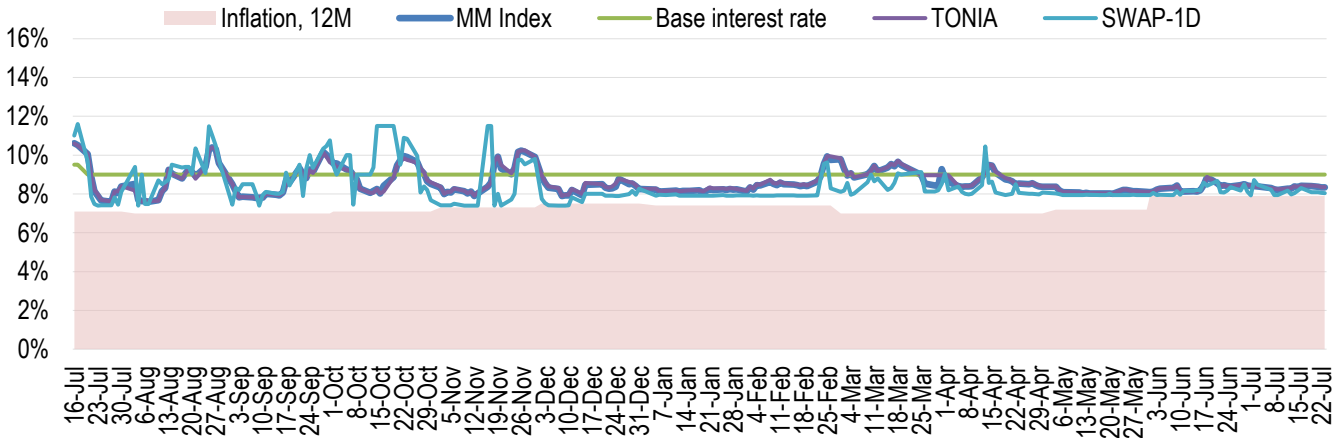
The list of securities of international financial organizations, traded on KASE, this week was replenished with three new bond issues of the Eurasian Development Bank. Within one of them KZT10 bn have already been raised by issuing discount bonds for a period of one year.

In the sector of mutual investment funds, BCC Invest paid dividends to holders of "Center Credit – Currency" units in the total amount of USD1.4 million, Freedom Finance paid dividends to the holders of "Fixed Income" units in the total amount of KZT27.5 million.

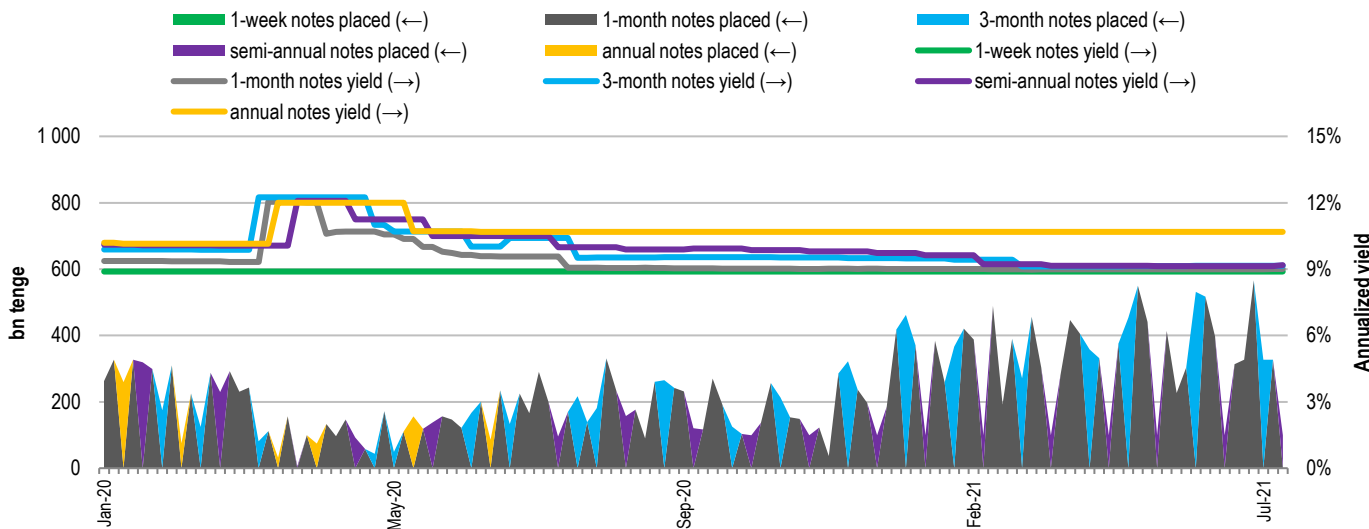
In the government securities sector, two additional offerings of bonds of the Ministry of Finance of the Republic of Kazakhstan took place last week at 8.7 % and 10.4 % per annum with maturities of 6 and 12 years.

The yield on one-day REPO transactions with government securities (GS) (TONIA) from July 19 to 23 decreased from 8.44 % to 8.35 % per annum, while at the end of the week the rate reached its minimum yield for the week. The rate of borrowing tenge secured by US dollars for a period of one day (SWAP-1D (USD)) also decreased over the past week from 8.09 % to 8.05 % per annum. Average trading volume in one-day money market instruments amounted to KZT305 bn.

Inflation and interest rates

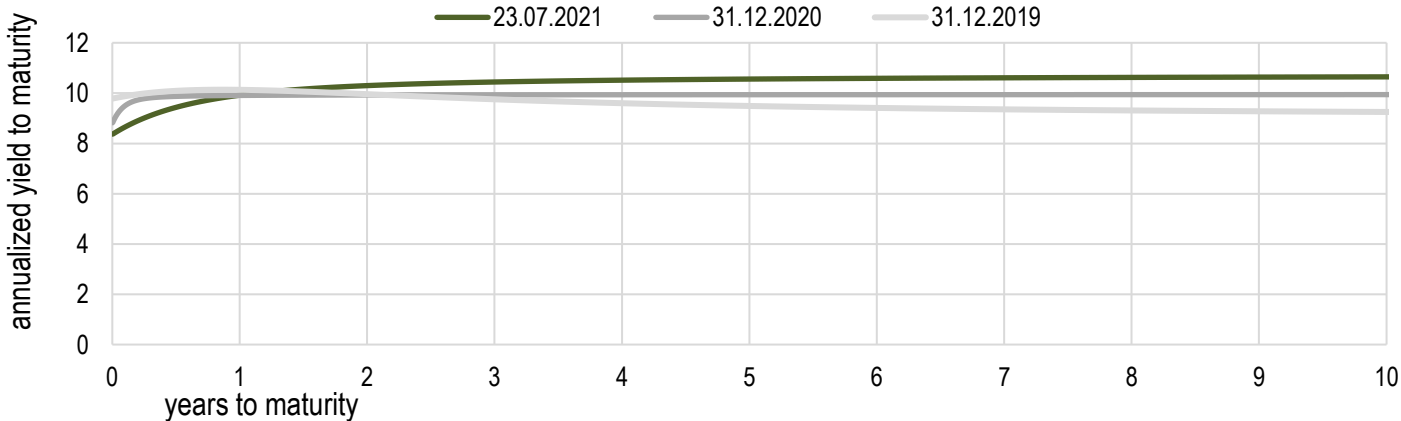


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The weighted average rate of the US dollar against the tenge with a settlement term “tomorrow” on the basis of the results from 19 to 23 July strengthened from KZT426.47 to KZT424.68. Aliya Moldabekova, Deputy Chairman of the National Bank, identifies three fundamental factors that affect the tenge:

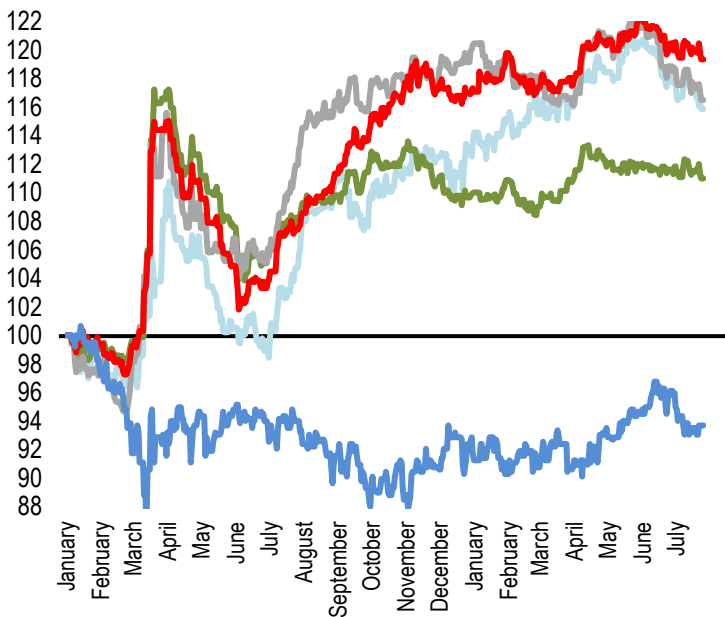
First, it is the price of oil – the main export commodity and a factor that determines the supply in the domestic foreign exchange market.

Secondly, it is the general market sentiment for the currencies of developing countries. Investor appetite for developing countries will be formed, in our opinion, based on the development of the situation with the coronavirus and further actions to reduce the monetary stimulus of the US Federal Reserve. In developing countries, from Brazil to Russia, Indonesia and Japan, there are more outbreaks of COVID-19 associated with the spread of the more aggressive Delta strain. Vaccine exports from the EU and the US are expected to rise markedly in the coming months as the required vaccination levels are achieved in these countries, which could be a key factor for emerging markets. Growth in global vaccine supply will allow developing countries to achieve critical levels of protection in the second half of 2021, which could support the growing attractiveness of Emerging Markets' assets. At the same time, the signals from the US Federal Reserve about an imminent tightening of monetary policy, depending on macroeconomic indicators, lead to a strengthening of the US dollar. The probable reduction in the monthly volume of asset repurchases, according to experts' expectations, will lead to an increase in rates in the United States and an outflow of capital from developing countries.

Thirdly, these are internal factors. Ongoing recovery in economic activity and fiscal stimulus will support demand for foreign exchange. The business activity index in Kazakhstan continues to be in the growth zone. In June this year, the index rose to 51.6 points from 51.1 in May this year thanks to continuing recovery in industry to 50.4 from 49.6, services to 52.7 from 52.3, and construction to 47.6 from 47.5.

FX rates

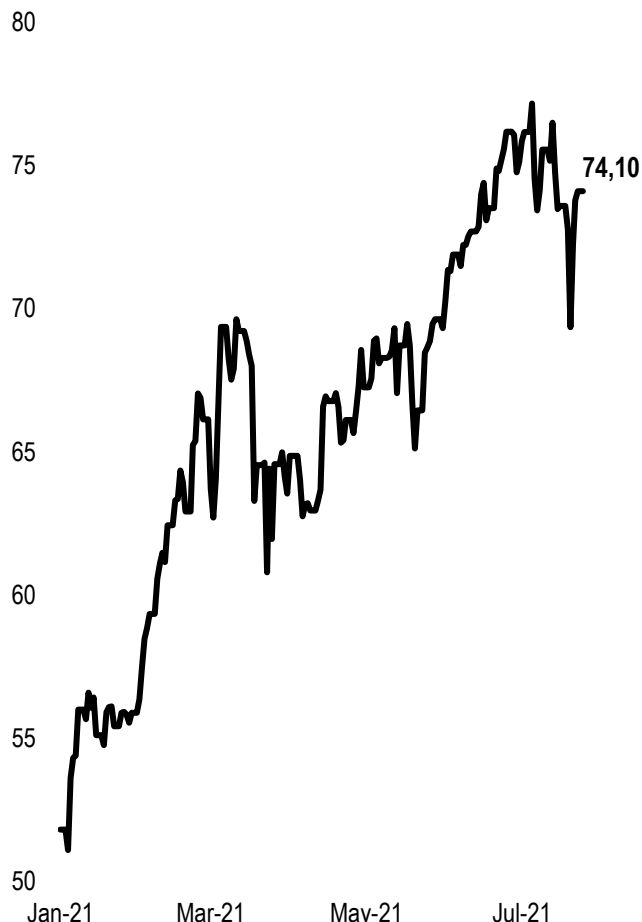
Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	590,21	-0,33	-1,78	3,34
— USDKZT	426,61	-0,74	-0,09	1,40
— EURKZT	505,15	-0,67	-2,40	-2,13
— CNYKZT	66,06	-0,38	-0,99	2,43
— RUBKZT	5,76	0,52	-3,03	1,95

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	4 327,16	-1,0	2,4	34,6	-0,9
Dow Jones	34 687,85	-0,5	1,9	29,7	-0,5
RTS	1 603,10	-2,0	-4,5	31,4	-1,5
MICEX	2 285,53	0,0	0,0	0,0	-1,5
Hang Seng	28 004,68	2,4	-1,5	12,2	2,8
SS CSI 300	5 094,77	0,5	0,3	12,8	0,1
Euro Stoxx 50	4 035,77	-0,8	-2,8	19,9	-0,8
FTSEuroFirst	4 426,50	-0,8	-3,5	17,6	-0,9
FTSE 100	7 008,09	-1,6	-2,5	12,1	-1,6
KASE	3 193,04	-2,2	-4,8	31,6	

Commodities market

July 16, 2021

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	73,59	-2,6	-1,1	69,7
Oil (WTI)	71,81	-3,7	-0,5	76,2
Natural gas	3,67	0,0	13,0	113,2
Copper	433,25	-0,5	-1,2	50,1
Iron	1 307,50	-2,9	1,9	50,6
Gold	1 812,05	0,2	0,0	0,8
Silver	25,78	-1,7	-7,3	32,2
Wheat	692,50	13,8	4,5	29,4

Economic calendar

		Currency	Forecast	Previous
26.07	<u>Decision on the NBK base rate</u>	KZT	9,0%	9,0%
28.07	<u>Retail sales volume (y/y) June</u>	RUB	12,0%	27,2%
28.07	<u>Decision on the Fed interest rate</u>	USD	0,25%	0,25%
29.07	<u>GDP (qt./qt.) 2 qt.</u>	USD	8,6%	6,4%
30.07	<u>Consumer price index (y/y) July</u>	EUR	2,0%	1,9%
31.07	<u>Manufacturing PMI</u>	CNY	50,8	50,9

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 2020
Annual inflation	7.9%	01.07.21	5.6%
Gross international reserves of NBK, USD bn	35 058	01.06.21	35,638
Reserve money, KZT bn	10 317,2	01.06.21	8,652.5
Money supply, KZT bn	27 446,6	01.06.21	20,875.8

Kazakhstan credit ratings

	Rating	Date	Previous
S&P Global	BBB-/A-3- stable	03/06/21	BBB- stable
MOODY'S	Baa3 positive	02/17/21	Baa3 positive
FitchRatings	BBB stable	02/20/21	BBB stable

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Corporate Events Calendar of KASE listed Companies

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