

KASE WEEKLY

October 25– October 29,
2021

KASE NEWS

- ▲ 13 issues of [bonds](#) of local executive bodies, [bonds](#) KZ2D00008158 (EABRb22), KZ2D00008141 (EABRb23), KZ2D00008133 (EABRb24) and [KZ2D00008174](#) (EABRb25) of Eurasian Development Bank and international bonds [XS2399149694](#) (SKKZe1) of Sovereign Wealth Fund "Samruk-Kazyna" JSC were included in KASE official list.
- ▲ Bonds [KZ2P00008071](#) (MFUCb1) of MFO "UNICREDO" LLP passed the listing procedure on KASE.
- ▲ Trades in bonds KZ2C00003432 (MREKb9) of Mangistau Regional Electricity Network Company JSC have been [suspended](#) on KASE.
- ▲ Trades in [bonds](#) KZ2C00007839 (KZIKb36) of Kazakhstan Housing Company JSC were opened on KASE.
- ▲ International bonds XS2069962343 (IFC_e4) of International Finance Corporation were [excluded](#) from KASE official list due to the expiration of the circulation period.
- ▲ Freedom Finance JSC was [assigned](#) the status of a market-maker on KASE for bonds KZ2C00008050 (KFUSb30) of Kazakhstan Sustainability Fund JSC.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT50.4 bn on KASE by placing MEUKAM-180 of issue 15 ([KZKD00001186](#), MUM180_0015), MEOKAM-060 of issue 52 ([KZK200000679](#), MOM060_0052) and MEUKAM-120 of issue 16 ([KZKD00000865](#), MUM120_0016).
- ▲ Development Bank of Kazakhstan JSC [raised](#) KZT32.2 bn on KASE by placing 10-year bonds KZ2C00007904 (BRKZb24).
- ▲ Kazyna Capital Management JSC [raised](#) KZT12.8 bn on KASE by placing 10-year bonds KZ2C00007805 (KACMb1).
- ▲ Kazakhstan Housing Company JSC [raised](#) KZT50.0 bn on KASE by placing bonds KZ2C00007839 (KZIKb36).
- ▲ Agrarian Credit Corporation JSC [raised](#) KZT5.0 bn on KASE by placing bonds KZ2C00007953 (AGKKb20).
- ▲ Akimdiks of 12 regions, the cities of Nur-Sultan, Almaty and Shymkent [raised](#) KZT42.1 bn on KASE.
- ▲ Freedom Finance JSC and First Heartland Securities JSC [announce](#) results of the subscription to international bonds XS2399149694 (SKKZe1) of Sovereign Wealth Fund "Samruk-Kazyna" JSC.
- ▲ Entrepreneurship Development Fund "Damu" JSC [provided](#) the report of the rating agency "Expert RA".
- ▲ AstanaGas KMG JSC [says](#) Fitch Ratings affirmed the ratings of the company, the outlook is "Stable".
- ▲ RG Brands Kazakhstan LLP [paid](#) dividends to the sole partner for 2020.
- ▲ Kaspi.kz JSC [provided](#) financial results for the third quarter of 2021 in English.
- ▲ Kcell JSC [reported](#) financial results for January-September 2021.
- ▲ National company "KazMunayGaz" JSC [reported](#) production results for January-September 2021.
- ▲ NOSTRUM OIL & GAS PLC [announced](#) results for the third quarter and nine months ended September 30, 2021.



October 29, 2021

Trends (%)

KASE Index	3 751,85	0,4	11,3
First class of liquidity	Price	Δ 7D	Δ 1M
Kcell	1 621,0	8,6	19,5
Gazprom	2 960,0	7,2	25,4
NAC Kazatomprom	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
Bank CenterCredit	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
Kazakhtelecom	36 400,0	0,3	7,9
KEGOC	1 899,8	0,1	1,9
Halyk Savings Bank of Kazakhstan	195,5	-0,3	7,4
KazTransOil	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

In October, the local stock market showed the largest monthly gain since the beginning of the year. KASE Index added 11.3% and traded around 3,700 points. At the same time, the companies started publishing their quarterly reports only at the very end of the month, so the market dynamics were driven by investors' expectations and external factors, and the market will react to the published financial indicators already in November.

The past month was very busy for the representatives of the banking sector.

Halyk Bank, according to the NBRK, became the leader in terms of loan portfolio growth, overtaking its closest competitor – Kaspi Bank – by 100 billion tenge. The deputy chairman of Halyk Savings Bank of Kazakhstan commented that the bank is moving to a fintech strategy with all the ensuing consequences for price benchmarks. After the release of the statistics, the securities of the Halyk Bank again went up and added 8.3 % over the month.

Meanwhile, Kaspi Bank itself is actively moving to expanding into the Ukrainian lending market. This summer, Kaspi bought out the Ukrainian payment system Portmone, and in October announced a deal to buy the banking license from bank BTA-Ukraine. Securities of Kazakhstan's unicom reacted to this news with growth and added 28.9% over the month. Also, kaspi.kz last week published quarterly reports, according to which the Group's net profit for 9 months of 2021 increased by 69% compared to the same period of last year.

The common shares of Bank CenterCredit also continued their growth, having added 11.9% over the month. Obviously, the catalyst for the growth in the share price is the reports of the financial regulator – the National Bank of the Republic of Kazakhstan, according to which the bank's loan portfolio shows a steady growth with a simultaneous decrease in the share of overdue loans.

Another high-profile event of the month was the decrease in Kazakhtelecom's stake in Kcell from 75% to 51% through the sale of 48 million shares of the latter on KASE. Kazakhtelecom has been stabilizing its debt burden for several years now and after the sale of its stake, Kcell received 55 billion tenge of free cash for its own purposes. As a result of the month, common shares of Kazakhtelecom increased in price by 4.9%, and securities of Kcell added 31.5%.

Securities of Kazatomprom took the second place in terms of growth among index shares in October with a result of 19.8%. At the same time, the entire period of growth fell on 3 trading sessions in mid-October, when officials from France, Japan and China simultaneously emphasized the importance of developing nuclear energy, thereby influencing the rise in uranium prices. The rest of the time the share price was developing horizontally. On October 18, the company announced the launch of a new uranium fund, in which the National Investment Company of the National Bank will be a co-investor, but this news did not affect the share price in any way.

For KEGOC, the Committee for the Regulation of Natural Monopolies approved from October 1, the maximum tariffs for the transportation of electricity for the next five years. At the same time, compared to 2020, the approved tariffs have increased. Against this background, the company's shares added 1.4% over the month. Also, the company this month placed bonds for KZT16.6 bn at 11.5% per annum. Obviously, KEGOC is working to replace foreign currency loans with tenge-denominated ones, since judging by the financial statements, this year the company faces the maturity of 14.4 billion tenge worth of loans denominated in dollars and euros.

Kaztransoil reported very modest operating results for the 3rd quarter of this year. The company's transportation volume as a whole has decreased, growth is observed in domestic directions and in exports to China. The company's shares reacted to the publication of operating results with a weak correction, growth by the end of the month amounted to 1.9%.

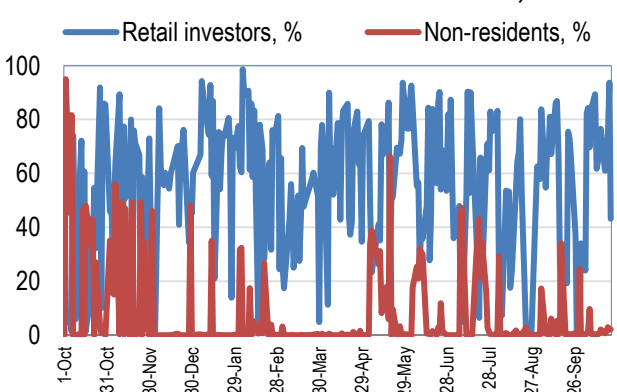
Note: Index stocks are highlighted in green

KASE Index shares

Trading volume, KZT M (←)

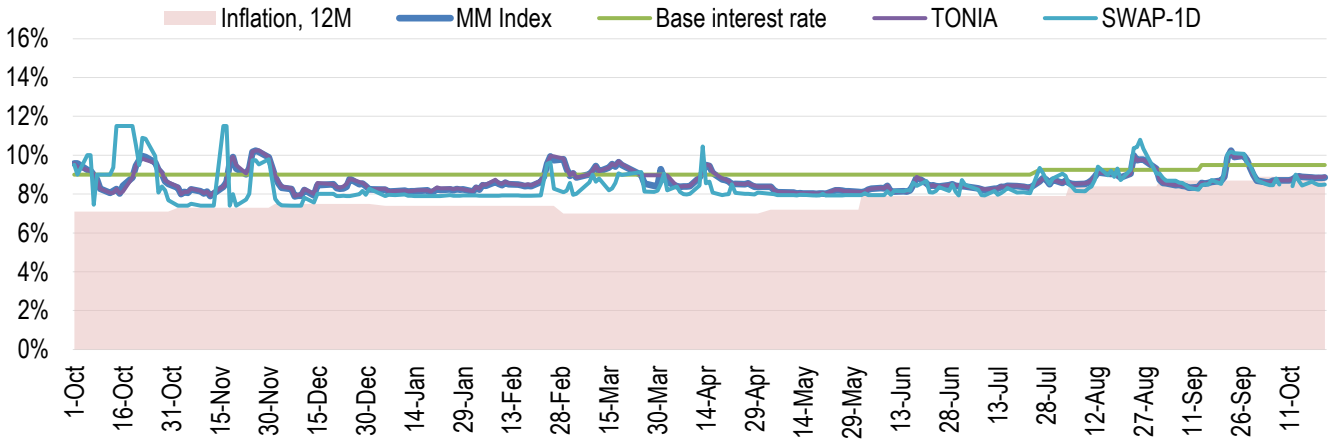


Retail investors & non-residents, %

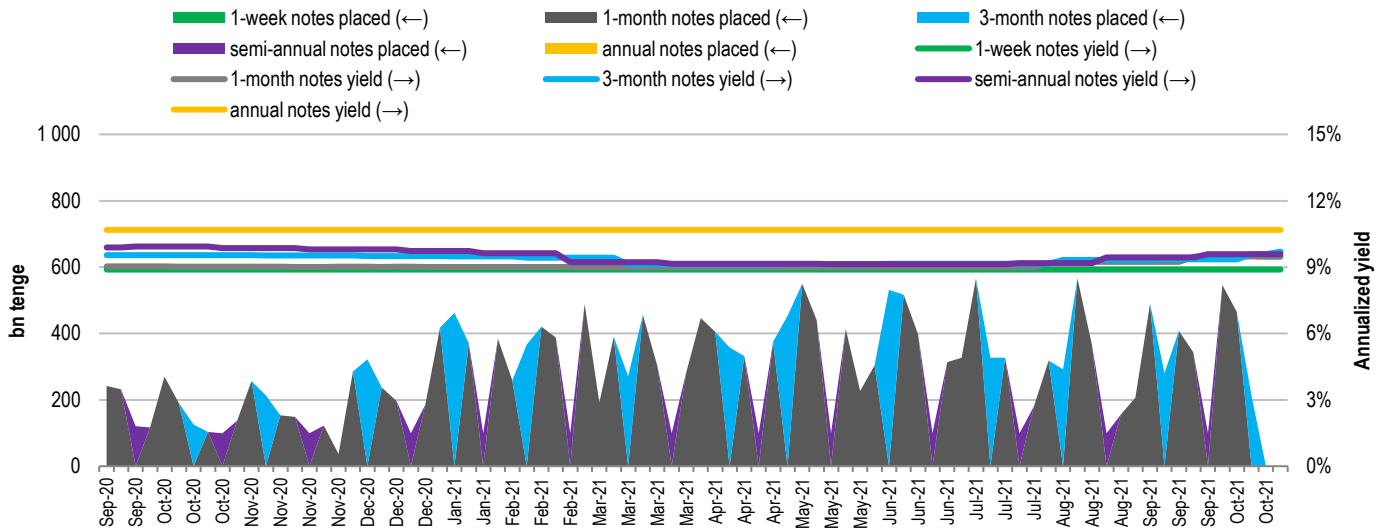


The yield on one-day REPO transactions with government securities (GS) (TONIA) from October 22 to 29 increased from 8.91% to 10.4% per annum, exceeding the average value of the base rate range band. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) also increased over the past week from 8.49% to 9.46% per annum. The average trading volume in one-day money market instruments amounted to KZT bn.

Inflation and interest rates

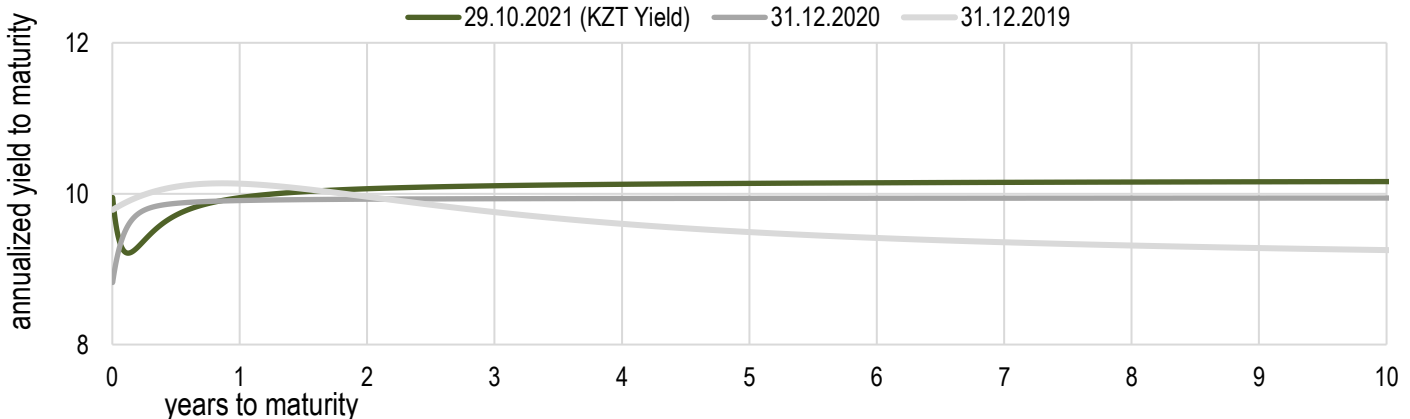


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)



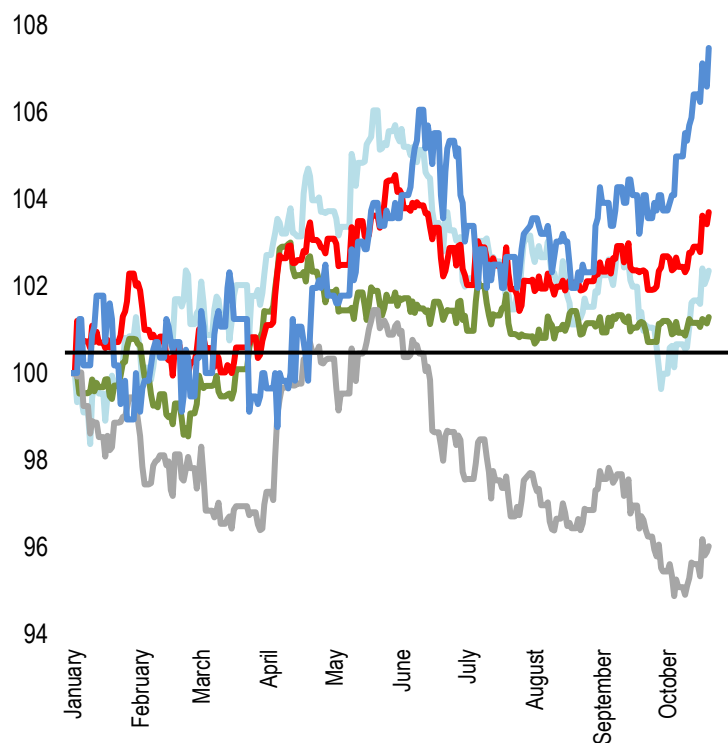


At the end of the week, the exchange rate of the US dollar against the tenge fluctuated in the range of 426.32- 427.57 tenge, slightly weakening by 0.04% to 427.11 tenge. The total trading volume for the week amounted to \$599.7 million (-4.9% to the same indicator last week).

An important external factor of pressure on the national currency was the weakening of oil prices. Futures for Brent crude oil on Friday fell to \$84.26 per barrel. China decided to free up its gasoline and diesel stocks to increase market supply and maintain price stability. US energy companies also increased the number of oil and natural gas rigs in October, according to energy company Baker Hughes Co. OPEC+ will meet on November 4, analysts expect the group to stick to its plan to increase production by 400,000 barrels per day in December, despite calls from countries, including the US, to increase production.

FX rates

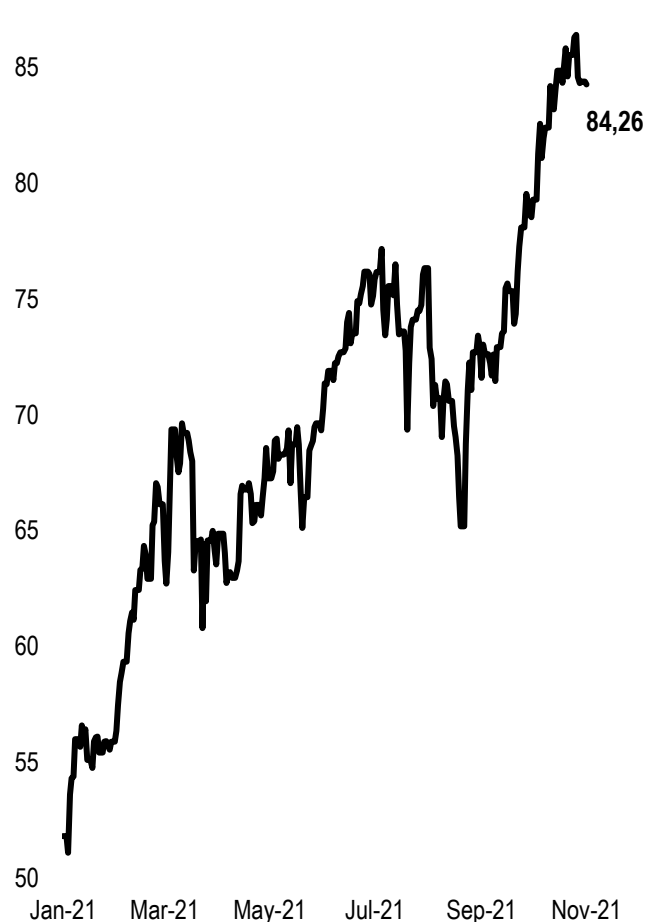
Δ %, base (01.01.21)



	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
— GBPKZT	588,64	0,04	1,70	2,97
— USDKZT	427,11	0,19	0,86	1,63
— EURKZT	497,50	0,25	0,13	-3,97
— CNYKZT	66,77	0,04	1,81	3,63
— RUBKZT	6,05	0,17	4,29	7,61

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
S&P 500	4 605,38	1,3	5,6	39,1	1,3
Dow Jones	35 819,56	0,4	4,2	34,4	0,4
RTS	1 843,83	-2,9	5,3	70,9	-1,7
MICEX	2 285,53	0,0	0,0	0,0	-1,7
Hang Seng	25 377,24	-2,9	2,9	3,2	-3,1
SS CSI 300	4 908,77	-1,4	1,5	2,8	-1,1
Euro Stoxx 50	4 250,56	1,4	4,2	43,6	1,4
FTSEuroFirst	4 680,50	0,7	4,3	42,4	0,9
FTSE 100	7 237,57	-0,1	1,8	29,7	0,4
KASE	3 751,85	0,4	11,3	52,1	

Commodities market

October 29, 2021

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	84,38	-2,2	7,3	124,1
Oil (WTI)	83,57	-1,2	11,7	131,0
Natural gas	5,43	-2,3	-0,9	64,4
Copper	436,80	-3,8	4,0	42,9
Iron	641,50	-6,2	-4,5	-24,7
Gold	1 783,38	-1,1	3,3	-4,5
Silver	23,95	-2,4	11,5	2,5
Wheat	772,75	1,1	8,8	28,0

Economic calendar

Currency

Forecast

Previous

01-05.11	PMI China, England, USA, Germany, Canada (Oct)			
02.11	Report on monetary policy of the Bank of Japan	JPY		
03.11	FOMC statement, decision on interest rate, FOMC conference	USD		
04.11	Speech of the Governor of the Bank of England, decision on interest rate	GBP	0.1%	0.1%
04.11	Number of initial applications for unemployment benefits	USD	275K	281K
05.11	Unemployment level (Oct)	USD	4.7%	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

Value

As of

Beginning 2021

Annual inflation	8.9%	01.11.21	5,6%
Gross international reserves of NBK, USD bn	35,5	01.10.21	35,6
Reserve money, KZT bn	10 689,7	01.10.21	8 652,5
Money supply, KZT bn	28 850,3	01.10.21	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