

KASE WEEKLY

July 4-8
2022

KASE NEWS

- Amendments to the [Rules](#) for Executing Clearing Activities on Transactions with Financial Instruments, the Regulations on Clearing Members and the Securities Valuation Methodology were put into effect.
- Bonds [KZ2C00007466](#) (KFUSb13) of Kazakhstan Sustainability Fund JSC were excluded from KASE's official list due to circulation period expiration.
- Trades in bonds [KZ2P00008386](#) (MFACb1) of MFO "Amur Credit" LLP are opened at KASE.
- Trading in futures with execution in December 2022 [opened](#) on KASE.
- Information on the number of announced and issued common shares [US34959E1091](#) (FTNT_KZ) of Fortinet, Inc. and [US0231351067](#) (AMZN_KZ) of Amazon.com, Inc. has been changed in the trading system and databases of KASE and trades in them have been resumed.
- Trades in common shares [US57636Q1040](#) (MA_KZ) of Mastercard, Inc. and [US92343V1044](#) (VZ_KZ) of Verizon Communications Inc. are suspended on KASE.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 23.5 mln MEUKAM-144 of the third issue ([KZKD00000378](#), MUM144_0003), 25.6 mln MEUKAM-156 of the fifth issue ([KZKD00000758](#), MUM156_0005) and 35.2 mln MEUKAM-180 of the second issue ([KZKD00000139](#), MUM180_0002).
- MFO "Amur Credit" LLP [raised](#) KZT105.0 mln on KASE by placing bonds KZ2P00008386 (MFACb1) at 21.00 % APR.
- Kazakhstan Sustainability Fund JSC [raised](#) KZT9.6 bn on KASE by placing bonds KZ2C00007995 (KFUSb36) with weighted average yield to maturity of 14.78% APR.
- Kazakhstan Sustainability Fund JSC [raised](#) KZT9.6 bn on KASE by placing bonds KZ2C00007995 (KFUSb36) with weighted average yield to maturity of 14.76% APR.
- Microfinance organization OnlineKazFinance LLP [raised](#) \$2.8 mln on KASE by placing bonds KZ2P00008584 (MFOkb4) with yield to maturity of 9.99 % APR.
- NOSTRUM OIL & GAS PLC [provided](#) an update on the process of restructuring bonds issued by Nostrum Oil & Finance B.V.
- National Company "Food Contract Corporation" JSC [says](#) the ACRA agency affirmed the company's rating.
- RG Brands Kazakhstan LLP [paid](#) the 11th and 12th tranches of dividends to the sole partner for 2021.
- RG Brands JSC [paid](#) the 11th and 12th tranches of dividends on common shares KZ1C00000496 (RGBR) for 2021.



08.07.2022

KASE Index	2 676,19	0,1	0,3
		Trends (%)	
First class of liquidity	Price	Δ 7D	Δ 1M
Freedom Holding Corp.	48,10	10,1	9,8
Apple Inc.	144,28	5,0	- 1,8
Exxon Mobil Corporation	93,49	4,0	- 6,3
NVIDIA Corp.	155,22	2,7	- 17,4
АО "НАК "Казатомпром"	12 400,61	2,4	- 1,7
АО "Банк ЦентрКредит"	436,70	2,2	13,9
Intel Corporation	38,17	1,3	- 11,8
АО "КазТрансОйл"	695,00	0,9	2,2
Advanced Micro Devices, Inc.	77,61	0,8	- 26,7
АО "KEGOC"	1 601,00	0,1	- 1,7
АО "KM GOLD"	200,00	-	- 50,6
АО "Казактелеком"	27 168,00	- 0,1	- 1,9
АО "ForteBank"	3,77	- 0,3	- 4,3
Yandex N.V.	13 200,00	- 0,4	4,5
АО "Народный сберегательный банк Казак"	113,99	- 0,4	4,8
АО Kaspi.kz	23 470,00	- 1,1	- 11,3
АО "Кселл"	1 087,66	- 1,5	6,1

Note: Index stocks are highlighted in green

The first ten days of July on Kazakhstan's stock market was characterized by a decrease in volatility traditional for the summer amid a relatively neutral domestic news background. Since the beginning of July, the KASE index has practically not changed, finishing the week at the level of 2,676.19 points, while the majority of index shares were in a sideways trend.

Kazatomprom showed the greatest positive dynamics – plus 2.7% and shares of KazTransOil – plus 1.8%.

Rating agency S&P Global Ratings on June 28 affirmed the long-term credit rating of Kaspi Bank at the level of "BB-", short-term – at the level of "B" with a positive outlook. As a reminder, Kaspi is currently implementing a GDR buyback program for up to \$100 million. The program will run until July 22, and to date, the repurchase amount has exceeded \$41 million.

At KASE's debt market, last week was characterized by the growth of activity of primary offerings.

In particular, on July 4, Kazakhstan Sustainability Fund raised KZT9.6 bn on KASE by placing bonds with a weighted average yield to maturity of 14.78 % per annum. On July 8, the Fund additionally placed these bonds with a yield to maturity of 14.76% per annum and a volume of 9.6 billion tenge.

MFO "Amur Credit" on July 7 raised KZT105.0 mln on KASE by placing two-year bonds at 21.0% APR. And on July 8, the Exchange held a special trading session for additional offering of annual bonds of Microfinance Organization OnlineKazFinance LLP with a yield to maturity of 9.99% per annum in the amount of USD2.8 million.

ForteBank on June 30 announced the redemption of its international bonds. The total amount of payments on these bonds made up USD38.4 million.

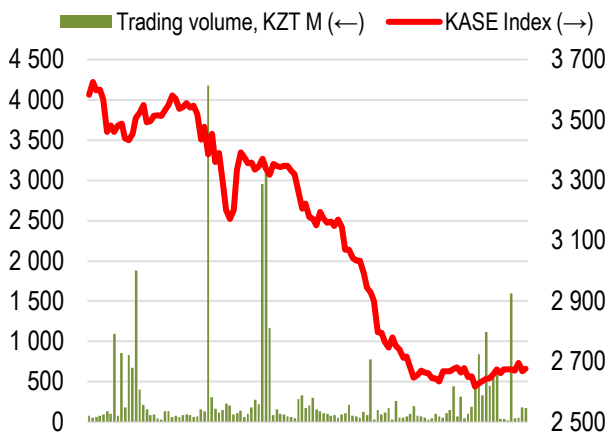
Last week, the Ministry of Finance placed three issues of treasury bills for a total of 74.1 billion tenge with a yield to maturity of 13.60-14.5% per annum and with a maturity of 0.8 to 5 years.

The money market in the first decade of July demonstrated saturation with liquidity. The rates for attracting short-term repo loans were at the lower boundary of the base rate corridor, the volume of transactions decreased to the average daily indicators of the previous year.

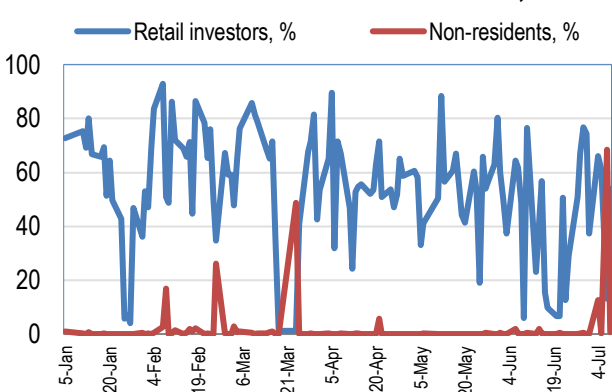
Last week, the US indices S&P 500 and Nasdaq closed positively for four sessions in a row on expectations of data on the US labor market. On Wednesday, the minutes of the meeting of the Federal Open Market Committee were published, according to which the meeting participants noted that the Fed needs to continue raising interest rates in order to achieve a slowdown in US inflation to the target level of 2%. In their opinion, the decision at the July meeting to raise the base rate by 50-75 b.p. may be appropriate. If inflationary pressure persists for a long time, a trend may form for further tightening of the Fed's policy. All this contributes to the increase of the dollar index above 107 for the first time since 2002. Also, for the first time in 20 years, the euro/dollar traded below 1.01.

Brent oil began July with growth from 109 to 114 dollars per barrel amid expectations of a mass strike of oil and gas industry workers in Norway. The quick end of the strike, the risks of a recession, a new wave of coronavirus, the growth of the dollar index, the discussion by the US and allies of restrictions on prices of oil from the Russian Federation provoked a short-term decline in oil prices below \$100, after which the price partially recovered to \$107 per barrel.

KASE Index shares

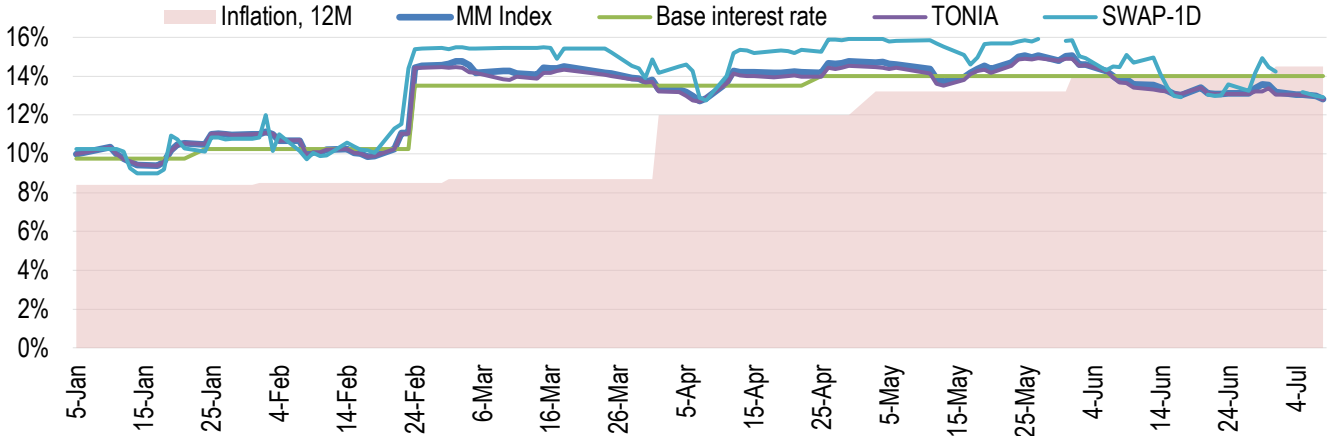


Retail investors & non-residents, %

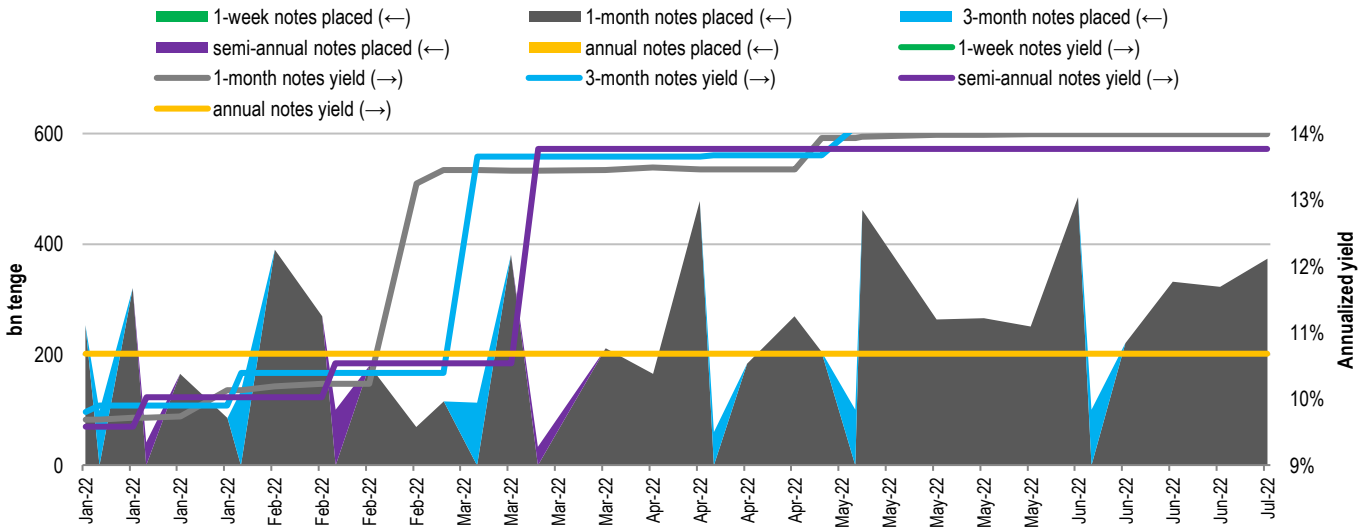


The yield of one-day REPO operations with government securities (GS) for (TONIA) from July 4 to 8 decreased from 13.06% to 12.80% per annum. The rate of tenge borrowing secured by US dollars for a period of one day (SWAP-1D (USD)) for the period under review decreased from 14.23% to 12.92% per annum.

Inflation and interest rates

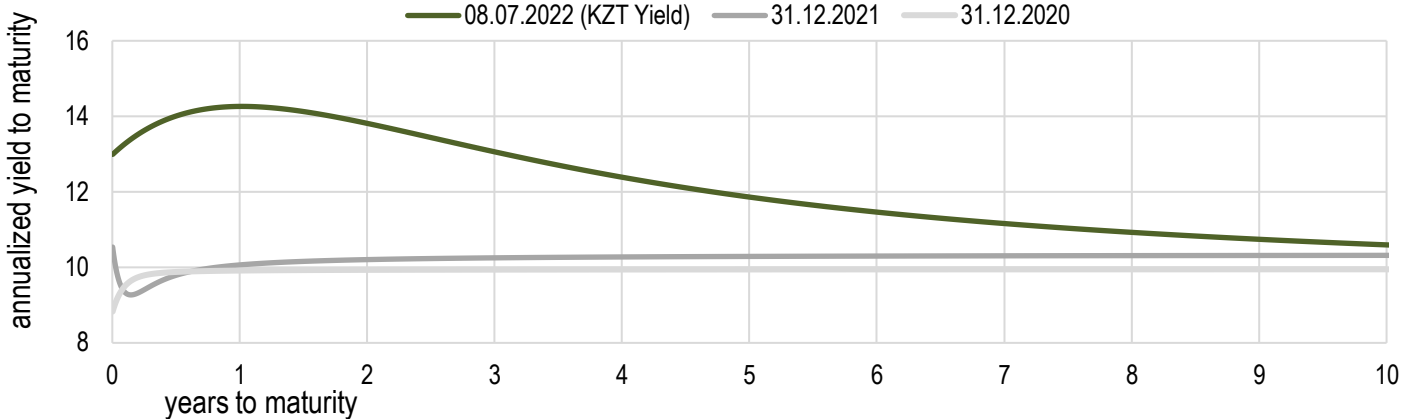


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





Currencies of developed and developing countries are under pressure against the background of the fight against inflation and geopolitical instability. The national currency also shows volatility due to persisting internal factors and under the influence of external changes.

The official exchange rate of the dollar as of July 8 was 477.24 tenge, having weakened by 12.16 tenge or 2.6% since the beginning of the month.

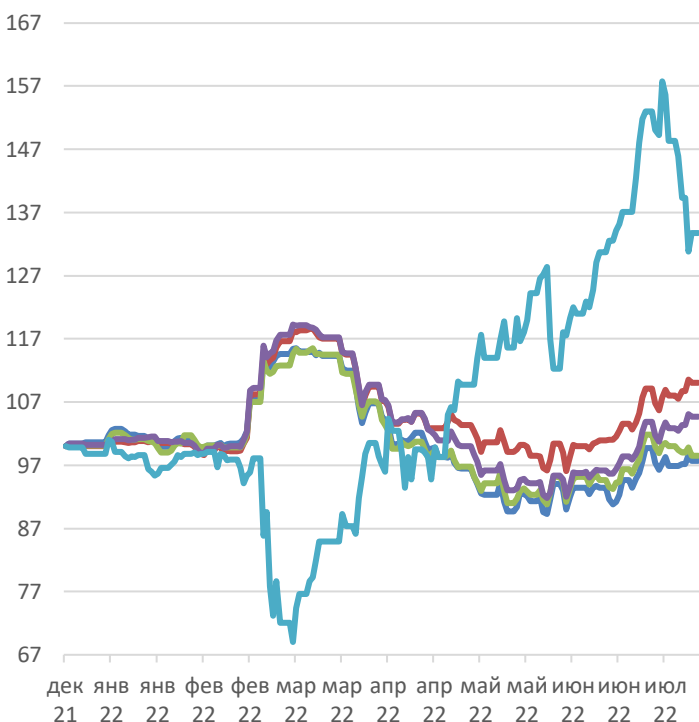
The prevailing factors in the dynamics of the tenge were the import operations of Kazakh companies, along with the global strengthening of the US dollar, lower energy prices, as well as the deterioration in the sentiment of market participants due to the risks of suspension of the CPC marine terminal.

The rise in US Treasury yields and the strengthening of the US dollar put pressure on the currencies of both developed and developing countries. Since the beginning of July, the DXY Index has risen 2.3% to 107.13 on July 7, while the JPMorgan Emerging Markets Index has tumbled 3.3%. The exchange rate of the Russian ruble on the Moscow Exchange stood at 61.95, having weakened by 20% since the beginning of the month.

Among the internal factors, the dynamics of the tenge was determined by the continued demand for foreign currency for import operations, repayment of external debts, as well as the constant demand for foreign currency from individuals. In the short term, the dynamics of the tenge will depend on the demand for foreign currency from participants in the framework of import operations and the holiday season.

Since the beginning of the month, the National Bank has not carried out foreign exchange interventions.

FX rates

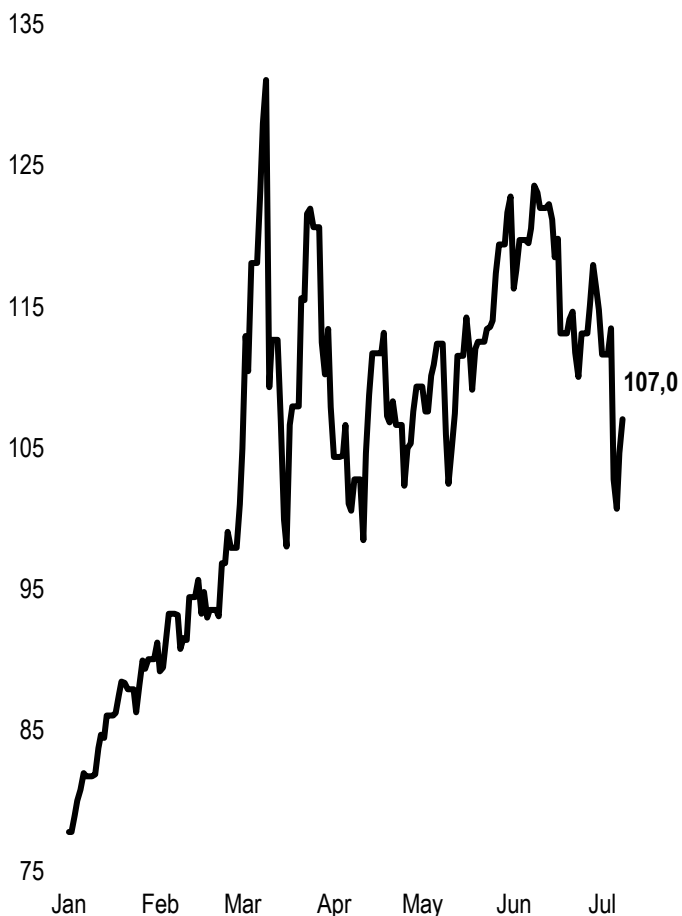


— GBPKZT — USDKZT — EURKZT
— CNYKZT — RUBKZT

Price Δ 7d, % Δ 30d, % Δ 2022, %







— GBPKZT	567,48	0,83	6,65	-1,43
— USDKZT	474,92	1,82	11,14	10,56
— EURKZT	480,52	-1,47	6,17	-0,21
— CNYKZT	70,88	1,77	10,54	5,12
— RUBKZT	7,72	-9,81	7,24	30,85

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	3 899,38	1,9	-5,3	-9,8	1,9
Dow Jones	31 338,15	0,8	-4,8	-9,0	0,8
 RTS	1 144,79	-10,3	-7,0	-29,7	-6,2
MICEX	2 285,53	0,0	0,0	0,0	-6,2
 Hang Seng	21 725,78	-0,6	-1,3	-20,0	-0,1
SS CSI 300	4 428,78	-0,8	5,0	-13,0	-0,5
 Euro Stoxx 50	3 506,55	1,7	-7,5	-12,2	2,0
FTSEuroFirst	4 267,00	2,1	-6,1	-2,7	1,8
 FTSE 100	7 196,24	0,4	-5,2	2,4	0,7
 KASE	2 676,19	0,1	0,3	-18,4	

Commodities market

July 8, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	107,02	-4,1	-13,4	44,4
Oil (WTI)	104,79	-3,4	-14,2	43,7
Natural gas	6,03	5,3	-30,6	63,6
Copper	353,20	-2,4	-20,7	-17,3
Iron	852,50	0,0	-14,1	-36,7
Gold	1 742,48	-3,8	-6,1	-3,3
Silver	19,17	-2,2	-13,2	-26,2
Wheat	879,25	5,8	-18,2	43,6

Economic calendar

Currency Forecast Previous

12.07	German ZEW Economic Sentiment (July)	EUR	-38.3	-28.0
13.07	Consumer Price Index (CPI) (YoY) (June)	USD	8.8 %	8.6 %
13.07	Crude oil reserves	USD	-1.933M	8.235M
14.07	Number of initial applications for unemployment benefits	USD	235 K	235 K
14.07	Producer Price Index (PPI) (MoM) (June)	USD	0.8 %	0.8 %
15.07	GDP (YoY) (Q2)	CNY	4.4 %	4.8 %
15.07	Industrial Production (YoY) (June)	CNY	4.0 %	0.7 %

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 Previous month

Annual inflation	14,5%	01.07.22	14,0%
Gross international reserves of NBK, USD bn	32,0	01.07.22	32,8
Reserve money, KZT bn	10 688,8	01.07.22	9 875,0
Money supply, KZT bn	28 319,2	01.06.22	28 984,2

Kazakhstan credit ratings

Rating Date Previous

S&P Global

BBB-/A-3 stable 05.03.22 BBB-/stable

MOODY'S

Baa2/stable 11.08.21 Baa3/positive

FitchRatings

BBB/stable 17.06.22 BBB/stable

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Corporate Events Calendar of KASE listed Companies

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