

# KASE WEEKLY

September 26 – 30  
2022

## KASE NEWS

- NGDEM Finance JSC [granted](#) membership of KASE in the "derivatives" category.
- [Additions](#) have been made to the files with data on the evaluation of securities, published on KASE website.
- [Amendments](#) to the Rules for determining the amount, terms and procedure for paying listing fees, the [Regulations](#) on membership fees, exchange and clearing fees and the [Rules](#) for disclosing information by securities admittance initiators were put into effect.
- KASE has [changed](#) maturity ranges for forming the yield function of the GS curve.
- Bonds [KZMJ00001402](#) (ABK024\_140) of the akimdik of Aktobe region and bonds [KZ2P00008832](#) (NCOMpp1) of Fincraft Group LLP are included in KASE official list.
- Trades in bonds [KZ2C00007524](#) (KFUSb19) of Kazakhstan Sustainability Fund are opened at KASE.
- Trading in units [KZPF00000165](#) (HKGMhg) of IUIT "Halyk Global", common shares US46625H1005 (JPM\_KZ) of JPMorgan Chase & Co., [US92343V1044](#) (VZ\_KZ) of Verizon Communications Inc. and [US57636Q1040](#) (MA\_KZ) of Mastercard, Inc. suspended on KASE.
- Bonds [KZ2P00008576](#) (MFOkb3) of Microfinance Organization OnlineKazFinance LLP were transferred to the trading mode in "clean" prices.

## ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 30.0 mln MEOKAM-48 of issue 54 ([KZK200000729](#), MOM048\_0054) and 20.0 mln MEOKAM-36 of issue 91 ([KZK200000695](#), MOM036\_0091).
- The Ministry of Finance of Kazakhstan raised KZT30.2 bn on KASE by placing METIKAM-48 of the first issue ([KZKT00000024](#), MTM048\_0001).
- Akimdik of Aktobe region raised KZT1.1 bn on KASE by placing bonds [KZMJ00001402](#) (ABK024\_140).
- Kazakhstan Sustainability Fund JSC raised KZT29.9 bn on KASE by placing bonds [KZ2C00008910](#) (KFUSb45) and [KZ2C00007300](#) (KFUSb8).
- QazaqGaz JSC says S&P Global Ratings [affirmed](#) the company's ratings; the outlook is "Positive".
- NC KazMunayGas JSC says S&P Global Ratings [upgraded](#) the company's ratings; outlook is "Negative".
- National Company Kazakhstan Temir Zholy JSC [announced](#) an offer to buy back international bonds XS0799658637, US48667DAD66 (TMJLe1) and vote for amendments to their terms.

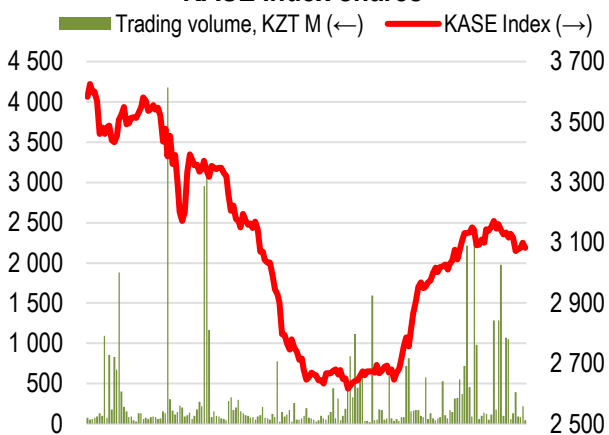


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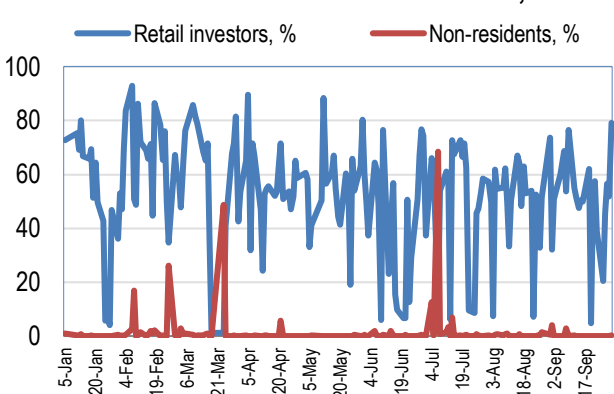
		Trends (%)	
KASE Index	3 083,79	-1,1	-2,1
First class of liquidity	Price	Δ 7D	Δ 1M
AO "ForteBank"	4,00	8,4	8,1
AO Kaspi.kz	28 100,00	2,0	0,5
AO "Народный сберегательный банк Каза	122,01	0,0	-4,7
AO "KEGOC"	1 581,99	-0,2	-0,5
Advanced Micro Devices, Inc.	70,65	-1,2	-25,6
AO "Банк ЦентрКредит"	589,00	-1,5	11,8
AO "Кселл"	1 553,00	-1,9	-6,4
AO "Казактелеком"	29 156,00	-2,1	5,3
AO "КазТрансОйл"	692,99	-2,8	-8,6
AO "НАК "Казатомпром"	13 722,00	-3,2	-5,7
AT&T Inc.	16,07	-3,7	-11,9
Intel Corporation	26,66	-4,9	-29,5
Meta Platforms, Inc.	136,25	-5,1	-17,9
Apple Inc.	143,11	-6,2	-15,5
Freedom Holding Corp.	49,29	-8,0	-15,9
AO "KM GOLD"	175,00	-9,8	-2,8

Note: Index stocks are highlighted in green

KASE Index shares



Retail investors & non-residents, %



For the local stock market, the third quarter ended successfully. KASE Index managed to win back 17.8% from the local minimum recorded on June 17. Almost all shares of the index rose in price, allowing investors to benefit significantly from the market recovery.

Kcell shares showed the greatest recovery in the third quarter, adding 41.8 % in price. Despite the fact that in 2021 the company's net earnings per share almost doubled, shareholders at the general meeting decided to postpone the payment of dividends. According to the results of the first half of the year, net profit grew even more, but the date of the meeting at which the issue of dividends will be decided has not yet been announced. At the same time, it became known that a change of major shareholders is planned in the company – Jusan Bank plans to sell shares of Kcell to SWF "Samruk-Kazyna". Shares of the main shareholder of Kcell – Kazakhtelecom reacted to the news of the sale with growth. Despite a slight decrease in the Group's net income compared to the first half of last year, Kazakhtelecom shareholders decided on October 31 to consider the distribution of net profit, and the shares of the telecommunications operator over the past three months rose in price by 8.0 %.

With a result of 36.8 %, shares of Bank CenterCredit ranked second in terms of growth rates in the third quarter among the companies of KASE Index. At the same time, if you look from the beginning of the year, the Bank's shares have grown in price by 48 %. BCC publishes very strong financial reports this year. In 2021, net profit more than doubled – from 12.5 billion to 20.6 billion tenge, and in the first half of the year amounted to 102.6 billion tenge due to the completion of the merger with Alfa-Bank. The bank did not pay dividends on ordinary shares, but paid 11.7 billion tenge in the form of dividends on preferred shares and redeemed the bond issue for 26.5 billion tenge. Noting the improvement in the financial institution's business position, S&P upgraded the long-term credit rating of Bank CenterCredit from "B" to "B+" with a "Stable" outlook.

Securities of another representative of the banking sector also corrected significantly in the local index – common shares and GDRs of Kaspi.kz grew by 15.9 % and 32.1 %, respectively, over three months. In addition to strong financial results, Kaspi.kz is supporting its securities with GDR buybacks and dividends of 500 tenge per share. Noting the stable position of the main asset of this group, S&P upgraded the ratings of Kaspi Bank from "BB-" to "BB" with a "Stable" outlook.

The measures taken significantly supported the price of Kaspi.kz GDRs, while the other two dual-listed companies had more modest gains on the London Stock Exchange. Common shares of Kazatomprom on KASE grew over the quarter by 14.0%, while GDRs were almost two times lower – only 8.1 %. Shares and GDRs of Halyk Bank closed the quarter controversially. Ordinary shares rose 6.3% in three months, while GDRs fell 1.5%. Neither the bank's strong financial results for the past year and the first half of this year, nor the buyout of Sberbank's assets for 330 billion tenge, nor the appointment of a shareholders' meeting for the distribution of net profit on October 21, nor confirmation of all three international ratings could not change the mood of investors.

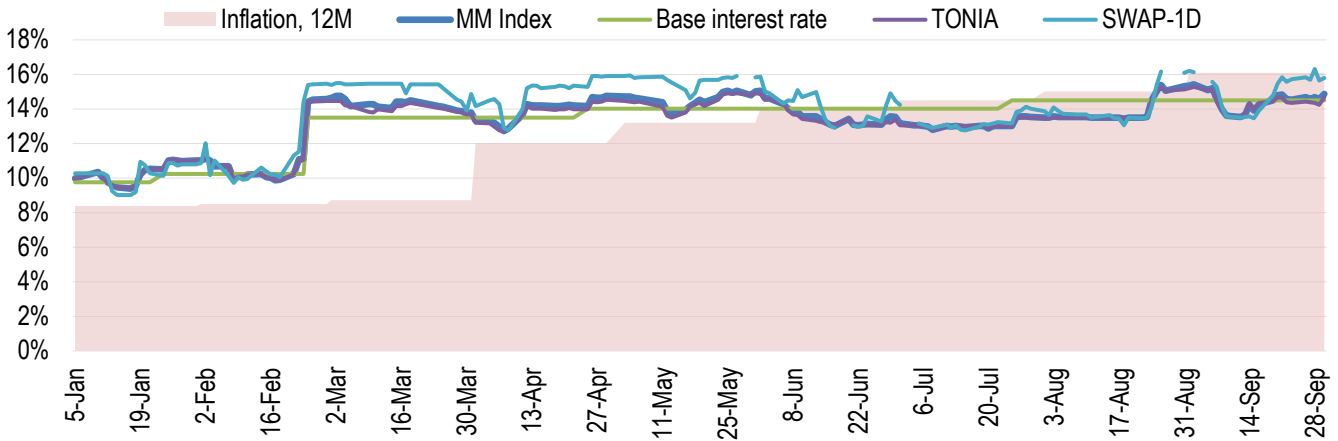
The only company whose shares closed the quarter in the red zone with a decrease of 1.4% was KEGOC. Interestingly, since the beginning of the year, the decline in the price of these shares amounted to 15.4%, and this was the most insignificant drop among the companies of KASE Index. In addition, the dividend yield on KEGOC shares for 2021 reached 7.2%, and the company has already set a date for the shareholders' meeting to distribute dividends for the first half of this year. Thus, KEGOC shares once again confirmed the status of the least volatile instrument in KASE Index basket.

KASE's debt capital market also looked attractive from the investor's point of view. MFO "OnlineKazFinance" placed dollar bonds at 10% per annum with a maturity of 1 year, MFO "Arnur Credit" placed tenge bonds at 21% per annum with a maturity of 2 years, KTZh places bonds with a floating rate calculated according to the formula "3%+rate TONIA", Kazakhstan Sustainability Fund places bonds for 1-3 years at 15.4-15.7% per annum, and KEGOC registered the first issue of green bonds.

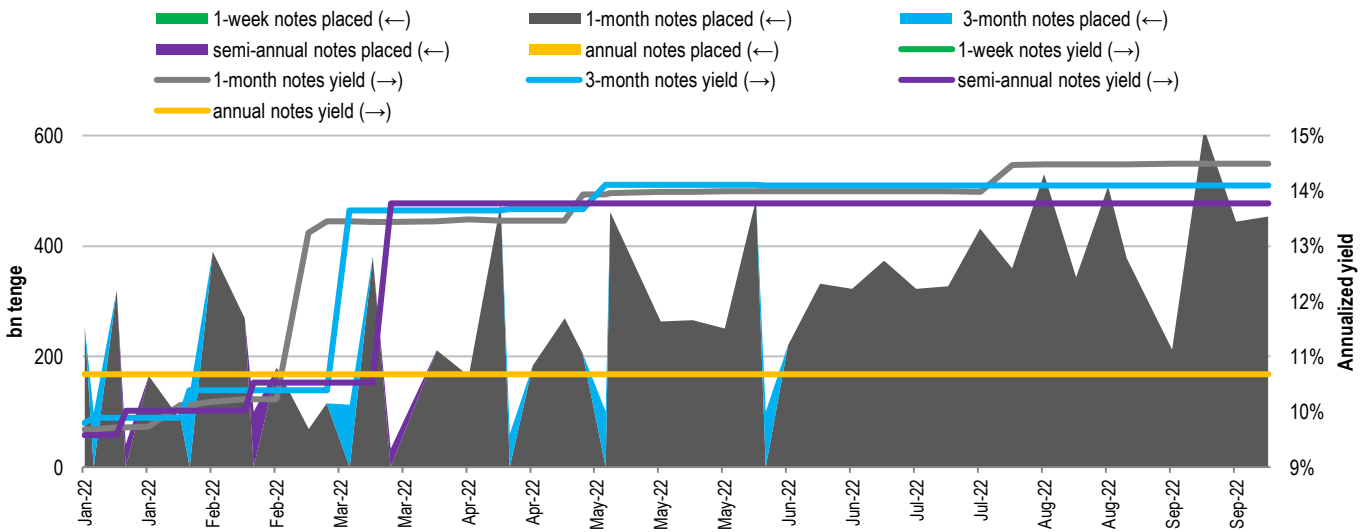
Against the background of the continued decline in Western markets and the growing risks of recession in developed countries, in the third quarter, the local stock market looked more attractive to investors. In the fourth quarter, one of the most anticipated events may be the IPO of a major national company of Kazakhstan – Kazmunaigas, with all parties involved actively preparing for it.

The yield of one day REPO transactions with government securities (GS) (TONIA) from September 23 to September 30 increased from 14.34 % to 14.68 % per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) for the period under review increased from 15.73 % to 15.82 % per annum.

**Inflation and interest rates**

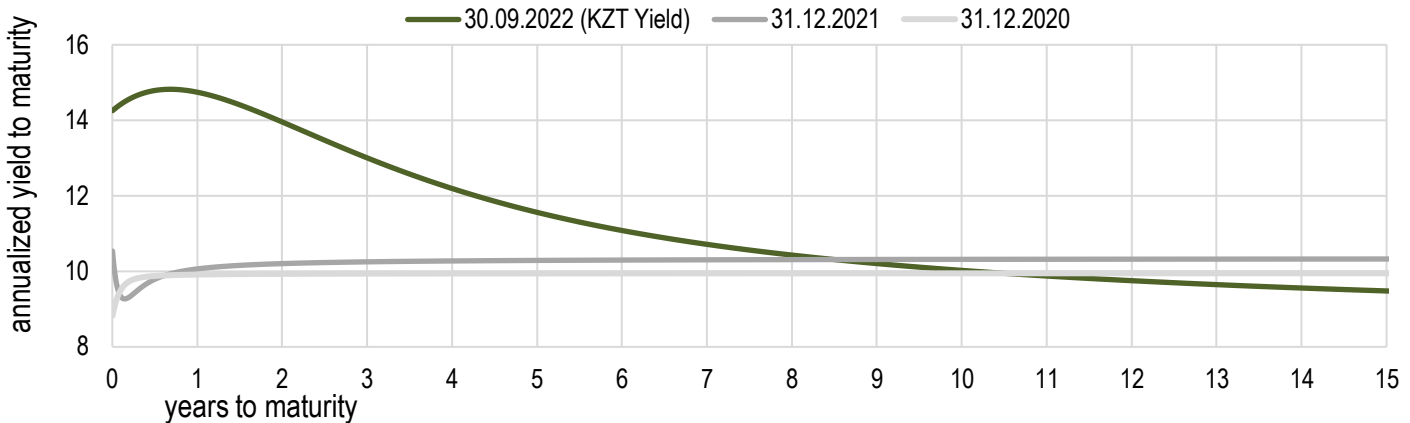


**Main Features of National Bank Notes Placements**



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

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





As a result of September, the tenge exchange rate changed by 0.9 % to 476.53 tenge per US dollar. The average daily trading volume on Kazakhstan Stock Exchange fell from \$98 million to \$91 million over the month. The total trading volume was \$2 billion. The foreign exchange market is still under pressure from external factors, including the escalation of conflicts in the geopolitical arena, lower energy prices, and the global strengthening of the US dollar.

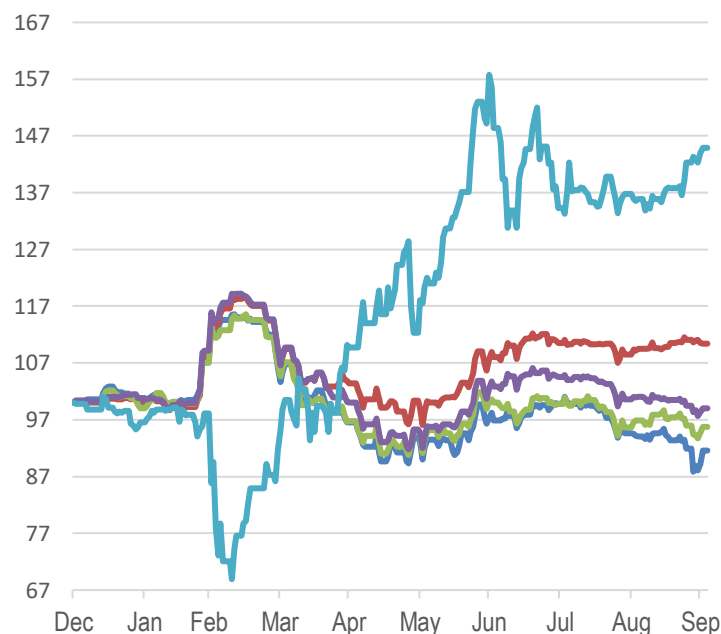
Sales of foreign exchange earnings by entities of the quasi-public sector during the past month amounted to about 583.5 million US dollars. Quasi-public sector companies independently carry out sales on the foreign exchange market through second-tier banks.

Sales of foreign currency to ensure transfers from the National Fund to the republican budget in September amounted to 85.1 million US dollars. The share of sales from the National Fund – 4.3 % of the total trading volume.

In September, the National Bank did not conduct foreign exchange interventions, as well as operations to buy or sell foreign currency for pension assets of the UAPF and other funds held in trust.

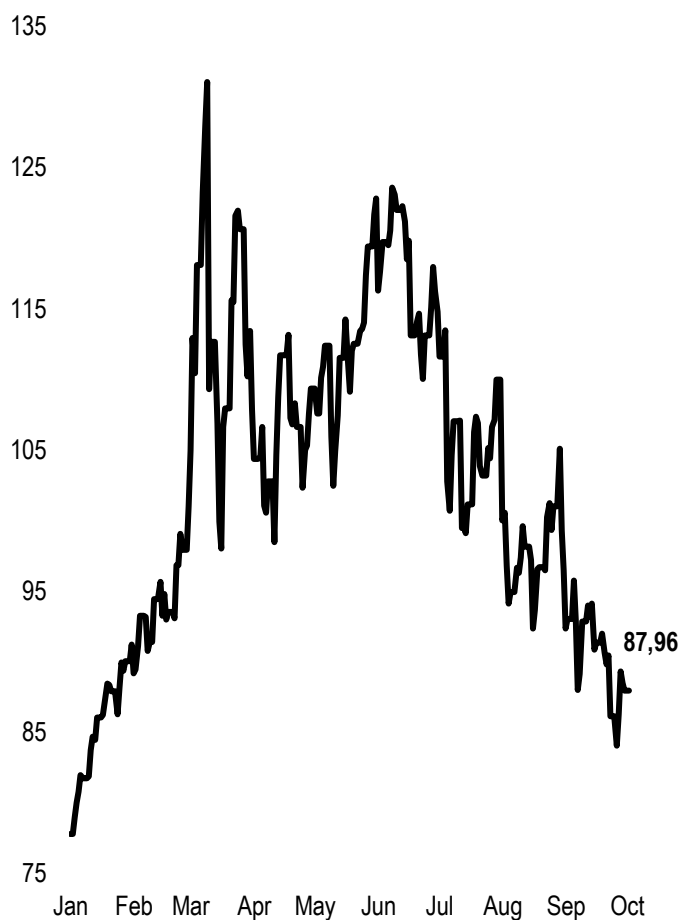
In the short term, tenge volatility will depend on changes in the geopolitical situation, expectations of domestic participants and the situation on world markets. The National Bank will continue to adhere to the flexible exchange rate regime, which eliminates the accumulation of imbalances and ensures the safety of gold and foreign exchange reserves.

## FX rates



— GBPKZT — USDKZT — EURKZT  
— CNYKZT — RUBKZT

	Price	Δ 7d, %	Δ 30d, %	Δ 2022, %
GBPKZT	531,72	-0,37	-5,78	-10,81
USDKZT	476,71	-0,57	1,88	10,48
EURKZT	467,03	-0,19	-0,87	-5,25
CNYKZT	67,10	-0,37	-2,17	-1,61
RUBKZT	8,36	1,83	5,32	44,02

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	3 585,62	-2,9	-9,3	-16,8	-2,9
Dow Jones	28 725,51	-2,9	-8,8	-15,1	-2,9
RTS	1 055,72	-7,5	-16,1	-40,3	-5,4
MICEX	2 285,53	0,0	0,0	0,0	-5,4
Hang Seng	17 222,83	-4,0	-13,7	-29,9	-3,8
SS CSI 300	3 804,89	-1,3	-6,7	-21,8	-1,3
Euro Stoxx 50	3 318,20	-0,9	-5,7	-18,0	-0,8
FTSEuroFirst	4 027,50	-0,7	-5,3	-10,3	-0,9
FTSE 100	6 893,81	-1,8	-5,4	-2,7	-1,5
KASE	3 083,79	-1,1	-2,1	-8,9	

## Commodities market

September 30, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	87,96	2,1	-8,8	12,0
Oil (WTI)	79,49	1,0	-11,2	5,9
Natural gas	6,77	-0,9	-25,9	15,3
Copper	341,25	1,2	-3,0	-16,5
Iron	762,00	-0,9	-0,8	6,6
Gold	1 660,61	1,0	-3,2	-5,5
Silver	19,04	1,1	7,2	-13,6
Wheat	921,50	4,7	13,9	27,0

## Calendar of economic events

Currency

Forecast

Previous

03.10	<u>Germany's manufacturing PMI (Sep)</u>	EUR	48.3	49.1
03.10	<u>ISM Manufacturing PMI (Sep)</u>	USD	52.2	52.8
05.10	<u>Crude oil reserves</u>	USD	1.966M	-0.215M
06.10	<u>Number of initial applications for unemployment benefits</u>	USD	203K	193K
07.10	<u>Manufacturing PMI</u>	CNY		49.4
07.10	<u>EU leaders summit</u>	EUR		
07.10	<u>Unemployment rate (Sep)</u>	USD	3.7%	3.7%

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	17,7%	01.10.22	16,1%
Gross international reserves of NBK, USD bn	32,7	01.09.22	32,8
Reserve money, KZT bn	12 076,5	01.09.22	11 579,1
Money supply, KZT bn	31 568,3	01.09.22	31 396,3

## Kazakhstan credit ratings

Rating

Date

Previous

**S&P Global**

BBB-/A-3 negative

02.09.22

BBB-/A-3 stable

**MOODY'S**

Baa2/stable

11.08.21

Baa3/positive

**FitchRatings**

BBB/stable

17.06.22

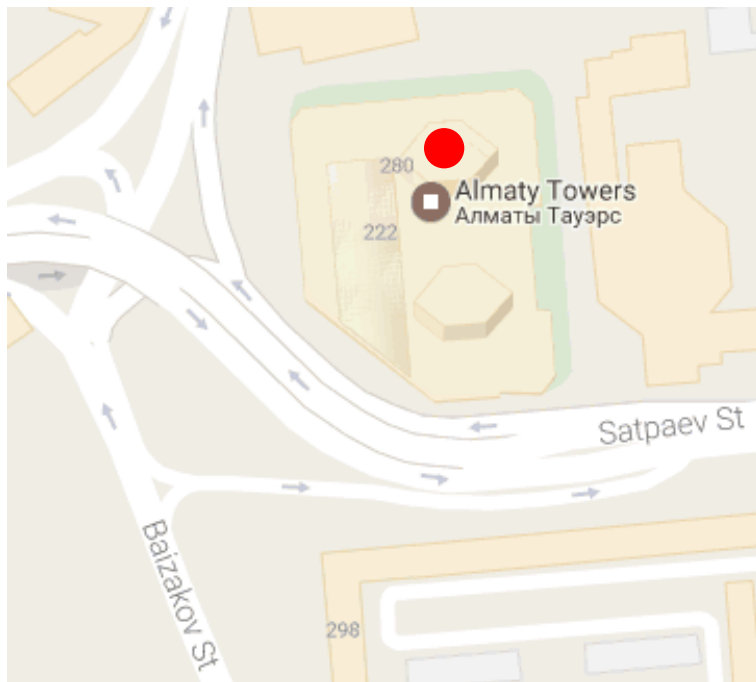
BBB/stable

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**Corporate website**



**Contact us**



**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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