

KASE WEEKLY

May 22–26
2023

KASE NEWS

- International bonds [US912797FF92](#) (US_33_2305) of the US Department of the Treasury excluded from KASE official list of due to the expiration of maturity.
- Trades in bonds [KZ2C00009140](#) (BRKZb28) of Development Bank of Kazakhstan JSC and bonds [KZ2P00009756](#) (MFRFb6) of Microfinance organization "R-Finance" LLP are opened at KASE.
- From May 26, Halyk Finance [assigned](#) status of market-maker on KASE for bonds KZ2P00008550 (MFKMb2) of Microfinance Organization "KMF" and KZ2C00008720 (KFUSb42) of Kazakhstan Sustainability Fund.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 34.3 m MEOKAM-24 of issue 88 ([KZK200000752](#), MOM024_0088), 44.3 million MEUKAM-72 of issue 14 ([KZKD00001210](#), MUM072_0014), 100.1 million MEUKAM-96 of issue 14 ([KZKD00001228](#), MUM096_0014) and 41.3 million MEUKAM-180 of issue 13 ([KZKD00000931](#), MUM180_0013).
- Akimdik of Almaty region [raised](#) KZT5.5 bn on KASE by placing bonds KZMJ00001501 (ATK024_150).
- Akimdik of Almaty region [raised](#) KZT887.5 mln on KASE by placing bonds KZMJ00001519 (ATK010_151).
- Kazakhstan Sustainability Fund JSC [raised](#) KZT5.9 bn on KASE by placing bonds KZ2C00008738 (KFUSb43) with weighted average yield to maturity of 15.64 % APR.
- BCC Invest [announces](#) payment of dividends to holders of units KZPF00000553 (BCClbe) of IUIT "BCC Elite" for period from November 15, 2022 to May 14, 2023.
- National Atomic Company Kazatomprom JSC [announces](#) its financial results for the first quarter of 2023.
- Shareholders of Halyk Savings Bank of Kazakhstan JSC [decided](#) to pay dividends on ordinary shares for 2022.
- Shareholders of Kaspi.kz JSC [decided](#) to pay dividends on ordinary shares for the first quarter of 2023.
- Shareholders of AIFN RETAM JSC [decided](#) to pay additional dividends on ordinary and preferred shares of the company for the third quarter of 2022.
- KazTransOil JSC [intends](#) to pay dividends on common shares KZ1C00000744 (KZTO) for 2022.
- Qazaqstan Investment Corporation JSC [intends](#) to pay dividends on ordinary shares for 2022.



26.05.2023

KASE Index	Price	Trends (%)	
		Δ 7D	Δ 1M
KASE Index	3 585,18	-0,5	1,4
First class of liquidity	Price	Δ 7D	Δ 1M
Freedom Holding Corp.	80,37	8,3	13,5
АО "Банк ЦентрКредит"	548,99	6,6	8,8
Ford Motor Company	14,00	3,7	5,3
АО "Казакхтелеком"	31 700,00	2,5	9,3
Bank of America Corporation	28,46	2,5	- 6,4
АО "Народный банк Казахстана"	163,01	2,1	13,2
АО "НК "КазМунайГаз"	10 299,99	2,0	- 0,7
Tesla, Inc.	175,01	1,8	- 8,4
АО "KM GOLD"	149,43	0,2	3,3
Apple Inc.	174,19	0,1	5,3
Citigroup Inc.	441,52	0,0	0,0
АО "Банк ЦентрКредит"	683,95	- 0,1	8,4
АО "НАК "Казатомпром"	13 220,00	- 0,3	- 1,7
АО Kaspi.kz	37 392,00	- 0,6	9,3
АО "Казакхстанская фондовая биржа"	17 800,00	- 1,1	- 6,3
АО "КазТрансОйл"	750,00	- 1,3	7,1
АО "БАСТ"	7 850,00	- 1,9	- 3,1
АО "Кселл"	1 884,77	- 1,9	0,0
АО "KEGOC"	1 577,90	- 3,0	- 1,5
AltynGold plc	850,00	- 3,1	4,8
АО "ForteBank"	4,14	- 4,6	- 5,7
Intel Corporation	29,84	- 5,3	- 8,2
AT&T Inc.	16,63	- 7,8	- 7,7

Note: Index stocks are highlighted in green

As a result of the last week, KASE Index fell by 0.5 %, dropping below the level of 3,600 points; at the same time since the beginning of the year the growth of KASE Index is as high as 10.3 %. Shares of Halyk Bank completed the week in the green zone rising by 1.9 %, those of Kcell did with an increase of 0.5 % and KazMunayGas – with a symbolic growth of 0.1 %.

The national company KazMunayGas announced production results for the first quarter of 2023: the volume of oil and gas condensate production increased by 8.7 % compared to the first quarter of last year and reached almost 6 million tons, the volume of oil transportation increased by 3 %, the volume of processing of hydrocarbons at Kazakh and Romanian refineries increased by 8.1 %. The prices of ordinary shares of the oil and gas company are 22.7 % higher than the price during the initial offering of KazMunayGas held at the end of 2022.

Last week, annual general meetings of shareholders were held, at which the issue of paying dividends was decided. Shareholders of Halyk Bank decided to pay dividends in the amount of 25.38 tenge per ordinary share. Kcell shareholders have decided not to pay dividends on ordinary shares for 2022.

Shareholders of Kazatomprom, based on the audited financial indicators for 2022, approved the amount of dividend per ordinary share in the amount of 774.88 tenge. Thus, the total amount of dividends will be almost 201 billion tenge, which is 76 % of the company's free cash flow.

The meeting of shareholders of KazTransOil decided to pay dividends on ordinary shares of the company for 2022 in the amount of 15 billion tenge, which is 39 tenge per ordinary share. The shareholders of Kaspi.kz decided to pay dividends on ordinary shares already for the first quarter of 2023 in the amount of 750 tenge per share.

Publication of annual audited financial statements of companies whose securities are on KASE official list continues. Mangistaumunaigas, Shubarkol komir, Fincraft Resources, Aktobe Oil Equipment Plant and Zhaityrbulak have announced the publication of their statements. According to the report, the consolidated total assets of Mangistaumunaigas increased by 5.3 % over the year, net profit decreased by 42 %.

BCC Invest announced the payment of dividends to holders of shares of the interval unit investment trust "BCC Elite" for the six-month period from November 15 to May 14, the total amount of payment was 4.3 million tenge.

On the debt market last week, Kazakhstan Sustainability Fund placed one issue of bonds in the amount of 5.9 billion tenge with a weighted average yield to maturity of 15.64 % per annum and with a maturity of one year.

Coupon interest on their bonds was paid by Baiterek holding, Development Bank of Kazakhstan, Kazakhstan Sustainability Fund, Central Asian Electric Power Corporation, DAMU AGRO and other companies.

The following companies, whose bonds are on KASE official list, announced the publication of their audited financial statements for the last year: Otbas bank, KazAgroFinance, Agrarian Credit Corporation, Batys tranzit, TechnoLeasing, Phaeton Company and FIVE BROKERS' CAPITAL. According to the report, the net profit of Otbas bank for 2022 increased by 46 % to 96 billion tenge, while the net profit of KazAgroFinance showed an increase of 19 % to 20.6 billion tenge.

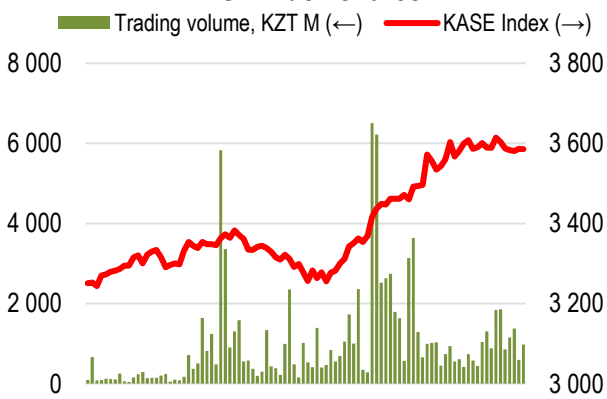
On the government securities market, last week the Ministry of Finance of Kazakhstan placed on KASE four issues of treasury bills for a total of KZT215.4 billion with a maturity of 2 to 10 years and a yield to maturity of 13-14.4 % per annum. Akimdik of Almaty region raised KASE 888 million tenge for 10 months and 5.5 billion tenge for 2 years on KASE by placing bonds to implement government programs.

The National Bank of Kazakhstan on Friday kept the key rate at the current level – 16.75 % per annum. In his statement, the Chairman of the National Bank, Mr. Pirmatov, said that "in April ... annual inflation ... continued the downward trend that began in March and amounted to 16.8 %. The food inflation slowed down to 17.9 % due to the stabilization of supply in the fruit and vegetable market. Non-food prices increased by 18.2 %, reflecting higher fuel prices. The cost of services increased by 13.7 %, which is associated with a strong demand for individual services."

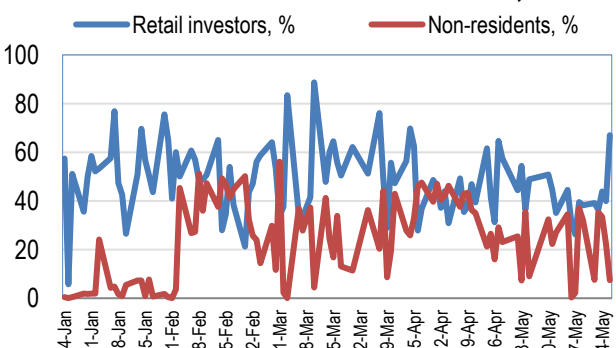
The National Bank also updated its forecasts: GDP growth in 2023 is expected at the level of 4.2-5.2 %, and the inflation rate is within 11-14 % per annum.

Indices of business activity in the manufacturing sector and the business climate in Germany for May came out below market expectations and previous values. This raised concerns due to the decline in German GDP for the 1st quarter of 2023, which generally led to a downward adjustment in developed stock markets. Fears were confirmed, Germany's GDP showed a decline for the second quarter in a row, which means a technical recession in the German economy. In addition, the US recorded a 20 % decline in building permits issued, and Fitch placed the US at 'AAA' on Rating Watch, under review, with a 'negative' outlook due to slow progress in negotiations. on the US government debt ceiling. The revision of the value of US GDP growth in the 1st quarter from 1.1 % to 1.3 % compared to the previous quarter supported US stock indices. As a result, out of 58 shares and ETFs traded in the KASE Global sector, last week only one fifth closed in positive territory. At the same time, NVIDIA and Advanced Micro Devices stocks were up more than 10 % due to the expected growth in demand for semiconductors against the backdrop of increased use of artificial intelligence technologies.

KASE Index shares



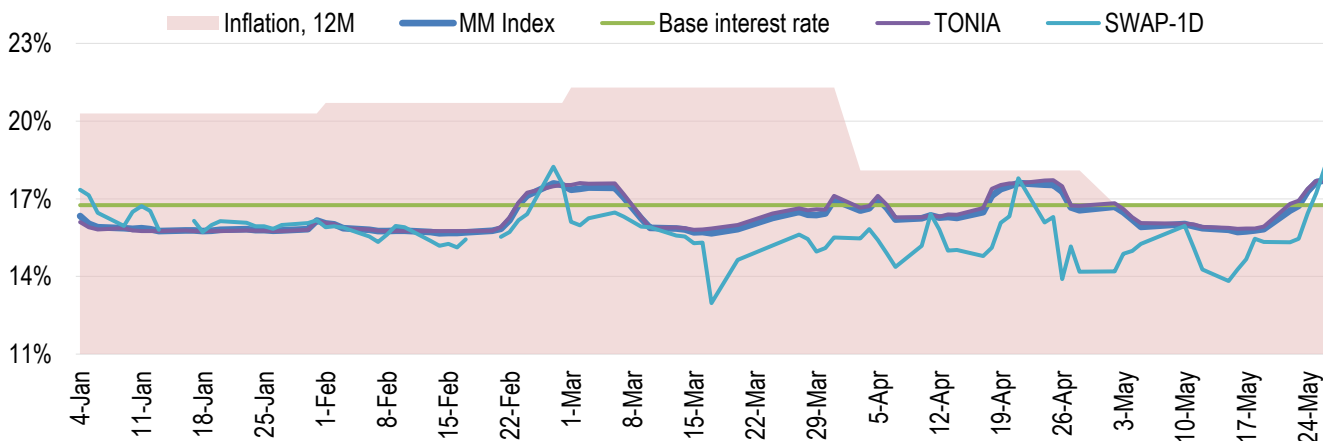
Retail investors & non-residents, %



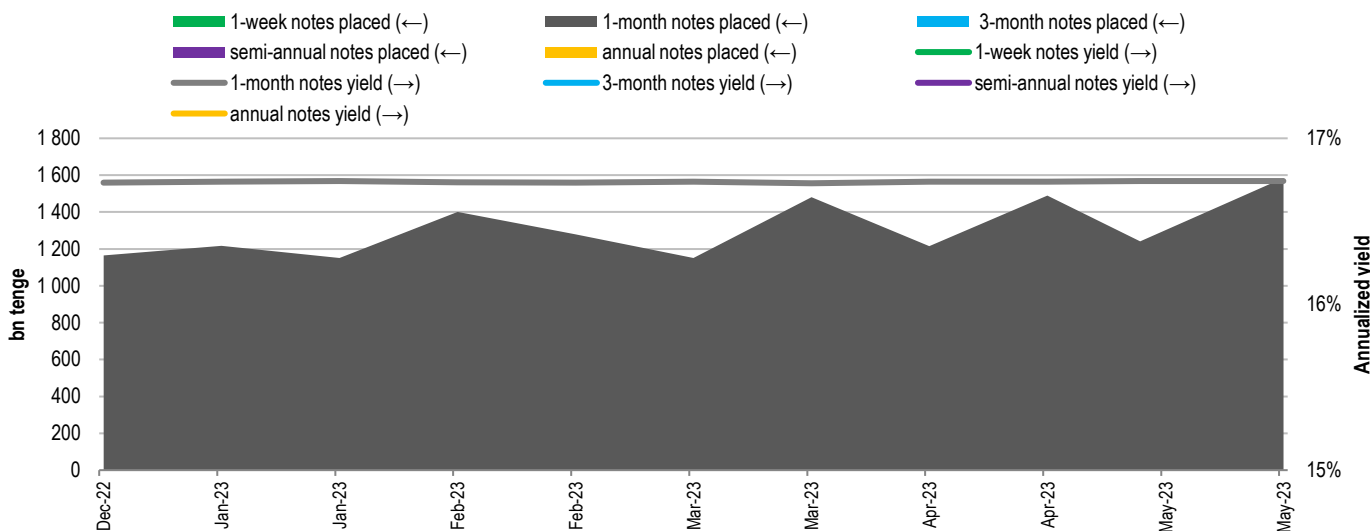


At the KASE money market, the overnight repo interest rate TONIA expectedly increased in the third decade of the month and increased by 176 basis points from 15.93 to 17.69 % APR. The yield of the one-day currency swap operations in US dollars increased over the week from 15.3 % to 18.27 % per annum, due to the decrease in short-term tenge liquidity against the backdrop of the "big tax period".

Inflation and interest rates

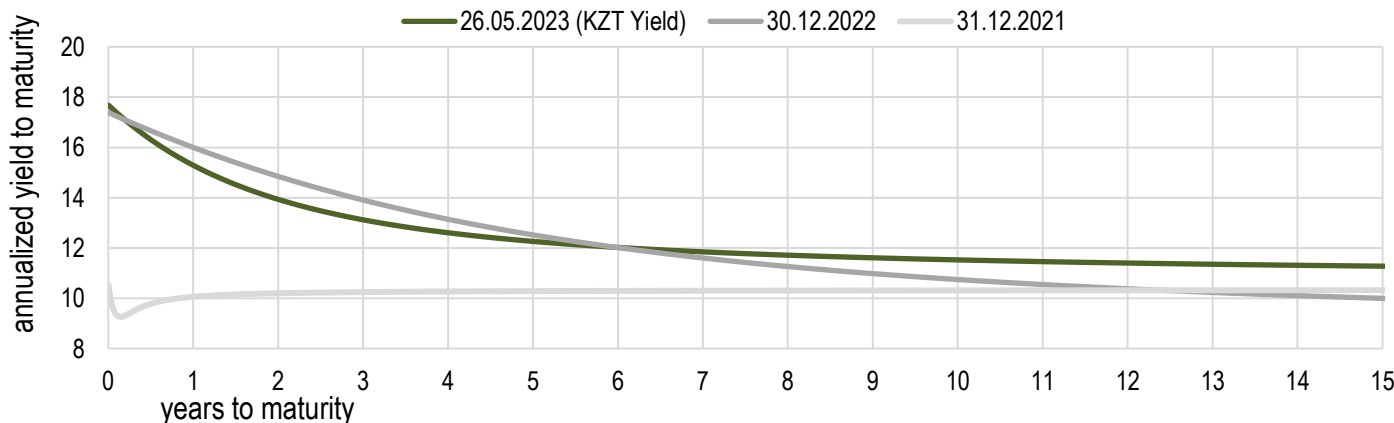


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)

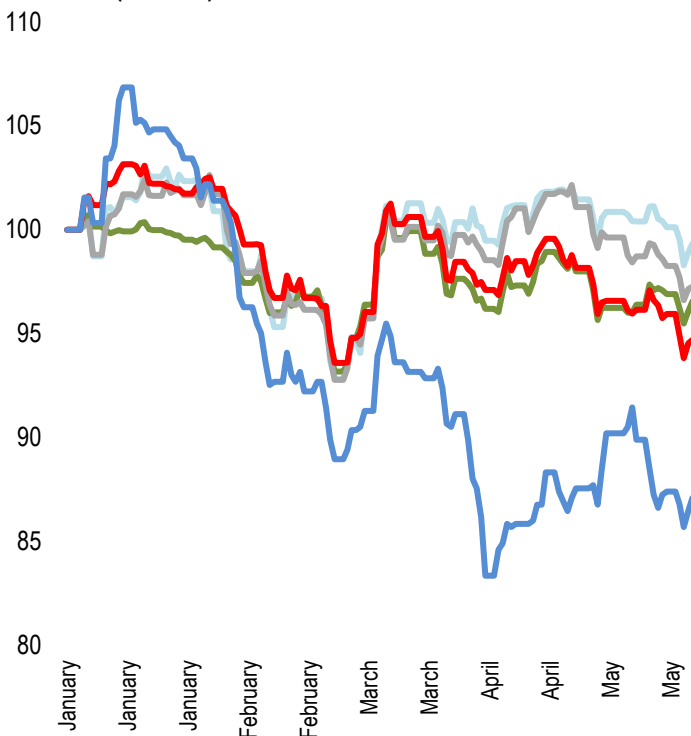


As a result of trades on May 26, the market rate of tenge formed at the level of 445.68 tenge per US dollar, having strengthened over the week by 0.6 % (from 448.31). A number of significant events took place on the foreign market from May 19 to May 26, 2023. The President of the United States announced that he had reached an agreement with the speaker of the House of Representatives on the issue of the national debt ceiling. The Chairman of the US Federal Reserve signaled the need to take a break in the cycle of rate hikes. Core PCE inflation in the US, measured by the change in the personal consumption price index, increased to 4.7 % y/y from 4.6 % y/y in April, exceeding analysts' expectations. These factors led to multidirectional dynamics of currencies in emerging markets. The dynamics of the exchange rates of developing countries against the US dollar was as follows:

- the Mexican peso appreciated by 0.9 % (from 17.79 to 17.63) against the background of the agreement reached by the Government with Grupo Mexico to buy part of the railroad. This eased investors' concerns about the security of businesses in the country;
- the Indian rupee gained 0.1 % (from 82.67 to 82.57) on the back of a monsoon weather forecast with no extreme bounce. This reduces investors' fears about the negative impact of weather conditions on inflation in the country;
- the Brazilian real did not change during the week, remaining at the level of 5 Brazilian reais per US dollar;
- the Russian ruble remained virtually unchanged over the period under review, depreciating by 0.1 % from 80 to 80.06 amid the influence of multidirectional factors: a decrease in oil and sanctions rhetoric, on the one hand, and approaching tax payments, on the other;
- the Indonesian rupiah weakened by 0.2 % (from 14,930 to 14,955). The Central Bank kept the base rate at 5.75 %, signaling that it will continue to implement measures aimed at maintaining currency stability;
- the Turkish lira weakened by 0.8 % (from 19.81 to 19.97) amid uncertainty and investor concern over the results of the second round of voting in the presidential election;
- the South African rand weakened by 1 % (from 19.45 to 19.65) amid diplomatic disagreements between the US and South Africa due to South Africa's ties with Russia. The Central Bank raised the rate by 50 b.p. to 7.75 % in order to reduce inflationary expectations due to the weakening of the national currency.

FX rates

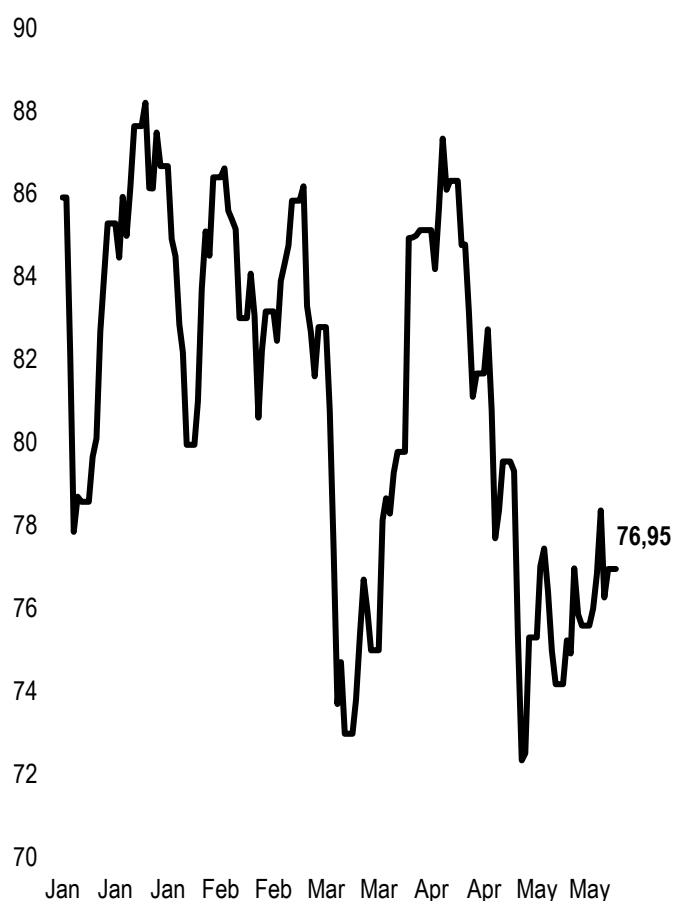
Δ %, base (01.01.23)



	Price	Δ 7d, %	Δ 30d, %	Δ 2023, %
— GBPKZT	550,82	-1,15	-2,56	-0,67
— USDKZT	445,68	-0,59	-1,84	-3,46
— EURKZT	478,35	-1,21	-4,50	-2,75
— CNYKZT	63,13	-1,41	-3,92	-5,30
— RUBKZT	5,57	-0,89	0,18	-12,91







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	4 205,45	0,3	3,7	3,6	0,2
Dow Jones	33 093,34	-1,0	-0,6	1,4	-1,1
 RTS	1 055,63	1,8	4,4	-10,1	1,6
MICEX	2 285,53	0,0	0,0	0,0	1,6
 Hang Seng	18 746,92	-3,6	-5,1	-6,8	-3,6
SS CSI 300	3 850,95	-2,4	-2,7	-3,6	-2,5
 Euro Stoxx 50	4 337,50	-1,3	-0,2	16,0	-1,3
FTSEuroFirst	4 858,50	-1,7	-1,0	7,3	-1,5
 FTSE 100	7 627,20	-1,7	-2,9	0,8	-1,8
 KASE	3 585,18	-0,5	1,4	35,1	

Commodities market

May 26, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	76,95	1,8	-1,0	-34,5
Oil (WTI)	72,67	1,6	-2,2	-36,3
Natural gas	2,18	-15,6	3,0	-75,5
Copper	367,35	-1,3	-4,7	-13,7
Iron	771,00	-5,3	-5,3	-18,7
Gold	1 946,46	-1,6	-2,0	5,2
Silver	23,24	-2,8	-6,6	5,9
Wheat	616,00	1,8	-1,8	-46,1

Calendar of economic events

Currency Forecast Previous

30.05	<u>CB Consumer Confidence (May)</u>	USD	99.0	101.3
31.05	<u>Manufacturing PMI (May)</u>	CNY	51.4	49.2
01.06	<u>Number of open vacancies in the labor market JOLTS (Apr)</u>	USD	9.775M	9.590M
01.06	<u>German Manufacturing PMI (May)</u>	EUR	42.9	44.5
01.06	<u>Consumer Price Index (CPI) (YoY) (May)</u>	EUR	7.0 %	7.0 %
01.06	<u>ISM Manufacturing PMI (May)</u>	USD	47.0	47.1
02.06	<u>Unemployment rate (May)</u>	USD	3.5 %	3.4 %

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	15,9%	01.06.23	16,8%
Gross international reserves of NBK, USD bn	37,6	01.05.23	36,1
Reserve money, KZT bn	9 854,4	01.05.23	10 284,5
Money supply, KZT bn	33 644,4	01.05.23	33 902,1

Kazakhstan credit ratings

Rating Date Previous

S&P Global

BBB-/A-3 stable 03.03.23 BBB-/A-3 negative

MOODY'S

Baa2/stable 11.08.21 Baa3/positive

FitchRatings

BBB/stable 26.05.23 BBB/stable

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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.
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