



## PRESS RELEASE

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### **KASE presents results of the exchange market's activities in the II quarter and the first half of 2022**

Kazakhstan Stock Exchange JSC (hereinafter – KASE, the Exchange) informs you about the main results of its activities in the first half of 2022:

- The total trading volume on KASE amounted to KZT136.9 trln, having increased by 91 %, or KZT65 trln, compared to the same period in 2021.
- The value of KASE Index decreased by 27.2 % to 2,674.72 points.
- The capitalization of the equity market decreased by 27.4 %, or KZT7.9 trln, to KZT20.9 trln.
- Since the beginning of 2022, 27 securities of 21 issuers have been included in KASE official list, with ten of them listed for the first time.
- As of July 1, 2022, non-government securities of 559 titles of 229 issuers were listed on KASE.
- As of July 1, 2022, the Central Securities Depository maintained 365 thousand personal accounts opened for 341 thousand individuals. According to the results of the first half of the year, individuals registered 158 thousand new personal accounts.

#### **BEST STOCK EXCHANGE CENTRAL ASIA 2022**

KASE received the Best Stock Exchange Central Asia 2022 award according to the international CFI.co Awards 2022, which was established by the British magazine Capital Finance International, which presents news in the field of finance, economics and business.

#### **KEY PROJECTS AND EVENTS**

As part of the implementation of KASE's development strategy for 2022–2024, in the first half of 2022, the Exchange implemented the following projects and carried out the following activities.

- on February 10, 2022, the closing ceremony of the 13th annual KASE contest "Exchange Simulator" took place. Simulated trading on KASE as part of the project was held in two stages: the first one – from April 1 to May 31, 2021, the second one – from October 1 to January 6, 2022. In total, more than 3,500 students participating in the project from 112 universities of Kazakhstan were registered;
- starting from March 9, 2022, the Exchange commenced calculating and publishing a series of indices of the government securities market of the Republic of Kazakhstan (GS). GS indices are an additional tool for tracking the yield and prices of Kazakhstan's risk-free securities over different periods. Index values are calculated once a day after the end of trading on the government securities market and are published on the Exchange's official website.
- On March 15, 2022, KASE held an annual award ceremony based on results of 2021: members of the Exchange who demonstrated the best results, listed companies – for their commitment to transparency, as well as representatives of the media – for active coverage of the stock market, as well as an awards ceremony for organizations according to the results of the competition of annual reports for 2020.
- On April 11, 2022, KASE and EY signed a memorandum of cooperation aimed at developing and implementing the principles of sustainable development in Kazakhstan's stock market.
- **Educational activities**

- As part of the Global Money Week global project aimed at improving the financial literacy of children and youth, the Exchange held webinars "Fundamentals of investment literacy", "Pro IPO: what you need to know and how to participate", "Tax declaration of securities" and an offline meeting "Tools of the stock market for business" with online broadcasting throughout Kazakhstan.
- The Exchange continued broadcasting the news program "KASE Exchange News" on the radio station "Business FM" in order to raise awareness about activities of KASE's exchange market, as well as to cover the events of the stock market.
- As part of the "KASE Talks" project, an open lecture "On the eve of the IPO of the companies of Samruk-Kazyna JSC" with the participation of the Managing Director for Privatization and Development, Member of the Management Board of Samruk-Kazyna JSC Yernar Zhanadil was held.
- As part of the project of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market FinGramota, the Exchange held a webinar "Stock market: a reminder for a novice investor".
- As part of the training program "My Portfolio at KASE", conducted to improve the financial literacy of retail investors, the Exchange held 6 webinars on the topics "Introduction to the securities market", "Selecting stocks", "Selecting bonds", "Selecting investment funds (UITs and ETF)", "Building an investment portfolio", "Buying the first securities" in cooperation with brokerage organizations.
- The Exchange held webinars "Venture market in 2021: \$60+ million investments. What is interesting on the agenda of the Central Asian Venture Forum 2022?" and "The very same venture: a \$60+ Million Market, and what else was 2021 highlighted with?" with the managing partner of venture fund "MOST Ventures" Alim Khamitov.
- **Events for business**
- As part of the "Issuer Day" project, KASE organized online meetings of executives of Kcell JSC, Kazakhtelecom JSC, KEGOC JSC and Asian Development Bank with investors, professional participants in the securities market and media representatives, dedicated to the key results of the companies and ongoing projects.
- With the support of KASE, the IX annual summit of top managers of the financial market CFO IDEA EXCHANGE & NETWORKING SUMMIT 2022 was held, during which Natalia Khoroshevskaya, Deputy Chairman of KASE's Management Board, spoke on the topic "Exchange agenda of ESG and sustainable financing".
- The Exchange held training webinars "Practice of preparing annual reports taking into account ESG disclosure" and "Listing on KASE" for potential and current issuers.
- The Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market, together with KASE and international financial organizations, held an online conference on the possibilities of raising "green" financing by Kazakhstan's issuers.
- As part of the training program "Raising Funding on KASE", conducted in order to improve the financial literacy of entrepreneurs and their awareness of stock market instruments, the Exchange held 3 webinars on the topics "Instruments for raising funds on the stock market and their advantages", "Company capital management and fundraising methods depending on the company development stage", "Stages of preparation for the placement of securities on the stock market".
- two-day training session was held on the Exchange with the participation of experts on drawing up the structure of ESG bond issues.
- **International cooperation**
- As part of the implementation of the UN Sustainable Stock Exchanges Initiative, this year for the 5th time the Exchange held the Ring the Bell for Gender Equality as well as the conference "Gender Inclusion and Sustainable Development".

## EQUITY MARKET

Capitalization of the equity market since the beginning of the year has decreased by 27.4 %, or 7.9 trillion tenge, to 20.9 trillion tenge (44.9 billion USD). At the same time, according to the results of the second quarter of 2022, the capitalization of the equity market decreased by 10.5%, or 2.5 trillion tenge.

As of the end of June 2022, there were 117 shares of 103 issuers listed on KASE, of which shares of three titles of three issuers are admitted to circulation in the "Unlisted securities" sector.

In the second quarter of 2022, ordinary shares of Maikuben-West JSC were listed on KASE for the first time. Also in the second quarter, the shares of Life insurance company "Standard Life" JSC and Life insurance company "Freedom Finance Life" JSC were transferred from the "shares" sector of the alternative market to the "standard" category of the main market.

Shares of five titles were excluded from the Exchange's trading list: in the first quarter, ordinary shares of Almaty International Airport JSC and ERG Exploration JSC and preferred shares of Estate Management Company JSC on the initiative of their issuers; in the second quarter, ordinary shares of Sberbank PJSC and VTB Bank PJSC were excluded from the official list.

The volume of trading in shares during the six months of 2022 amounted to 54.1 billion tenge having decreased compared to the first half of 2021 by 27.8%, or 20.8 billion tenge. The average daily trading volume amounted to KZT458.3 mln, the average daily number of deals made up 1,497, the average volume of one deal – KZT306.2 th.

Shares were traded in the first half of the year exclusively on the secondary market. The trading volume decreased by 27.0 % or 20.0 billion tenge compared to the same indicator of the secondary market last year and amounted to 54.1 billion tenge. At the same time, in the second quarter of 2022, the volume of trading in shares amounted to 25.7 billion tenge.

In terms of the main categories of investors in the secondary market, the share of individuals amounted to 46.6 % of the total turnover of transactions with shares. The share of broker-dealers amounted to 15.1 %, the share of other institutional investors – to 15.4 %, the share of other legal entities reached 22.9 %, the share of second-tier banks (STB) – 0.1 %. Participation of non-residents is estimated at 1.5 %.

## KASE INDEX

Since the beginning of the year, KASE Index has decreased by 27.2 %, or by 1,000.56 points, to 2,674.72 points. The total volume of trading in index shares amounted to 31.4 billion tenge. The largest trading volume fell on common shares of Kcell JSC – 10.7 billion tenge (34.1% of the total trading volume with index shares)\*.

As of July 1, 2022, the representative list for calculating KASE Index consists of shares of eight titles, since May 5, common shares of Kaspi.kz JSC have been included in the calculation of KASE Index.

### Change in prices of shares included in KASE representative list

Issuer	Trading code	Price, tenge per share			Trading volume, million tenge		
		as of 01.07.22	as of 01.01.22	Δ, %	6M 2022	6M 2021	Δ
Bank CenterCredit JSC	CCBN	430.54	398.00	+8.2	5,049.8	2,984.6	+2,065.3
KEGOC JSC	KEGC	1,605.00	1,870.52	-14.2	514.0	930.2	-416.3
Kazakhtelecom JSC	KZTK	26,999.98	35,800.00	-24.6	1,617.0	3,391.3	-1,774.3
National Atomic Company Kazatomprom JSC	KZAP	12,038.00	16,890.00	-28.7	2,171.7	775.1	+1,396.7
Kcell JSC	KCEL	1,095.00	1,626.91	-32.7	10,700.7	6412.7	+4 288.0
KazTransOil JSC	KZTO	685.00	1,094.10	-37.4	2,484.0	3,132.9	-648.9
Halyk Savings Bank of Kazakhstan JSC	HSBK	114.79	186.99	-38.6	6,861.6	5,866.4	+995.2
Kaspi.kz JSC	KSPI	24,240.00	52,250.00	-53.6	1976.1	-	+1,976.1

\*excluding large transactions and transactions of an irregular nature

Since the beginning of the year, in conditions of high volatility in stock and commodity markets, the world's largest indices, as well as indices of developing countries, have been under high pressure. In particular, the S&P 500 index has lost about 20% since the beginning of the year, the Nasdaq-100 – 28%. In the "red zone" were shares of technology and manufacturing companies, while mining companies were marked by a smaller decline against the background of high prices for resources.

The only representative of KASE's index basket, which closed the half of the year in the green zone, were common shares of Bank CenterCredit JSC, which grew in price by 8.2%. We remind you that in the second quarter the Bank acquired 100% of the shares of SB Alfa-Bank (Kazakhstan) JSC. On May 13, SB Alfa-Bank JSC (Kazakhstan) was re-registered as Eco Center Bank JSC (Subsidiary bank of Bank CenterCredit

JSC). On January 26, 2022, the international rating agency S&P Global Ratings affirmed the Bank's ratings on the international scale at the level of "B/B" and the rating on the national scale at the level of "kzBBB-".

The ratings of the country's largest bank, Halyk Savings Bank of Kazakhstan JSC, were also affirmed by three rating agencies. On January 26, the international rating agency S&P Global Ratings affirmed the Bank's ratings on the international scale at the level of "BB+/B". On March 15, the Group reported net profit for 2021 in the amount of 462.4 billion tenge against 352.7 billion tenge in 2020. Rating agencies Fitch and Moody's in April affirmed the Bank's ratings at the sovereign level. On May 17, the company provided consolidated financial information, according to which net income to ordinary shareholders increased by 28.3% to 124.2 billion tenge for the first quarter of 2022 compared to 96.8 billion tenge for the first quarter of 2021. On May 26, S&P Global Ratings affirmed the Bank's rating at the previous level of "BB+/B", with a "Stable" outlook.

Other KASE Index companies also reported positive financial results for 2021 and the first quarter. In particular, the net profit of NAC Kazatomprom JSC for 2021 was at the level of 220 billion tenge.

Kazakhtelecom JSC showed an increase in the group's consolidated net profit for 2021 by 49% from 65.3 to 97.4 billion tenge. On May 31, the company announced that the consolidated net profit for the first quarter amounted to 29.2 billion tenge, showing an increase of 17% compared to the same period last year.

In March, Kaspi reported that the company's net consolidated profit for 2021 increased by more than 1.5 times – from 258.3 to 393.8 billion tenge.

On April 6, KEGOC provided KASE with an auditor's report on the company's consolidated financial statements for 2021, according to which the company's net profit for 2021 amounted to 52.6 billion tenge compared to 53.5 billion tenge a year earlier.

## "KASE GLOBAL" SECTOR

As of the end of June, there were shares of 46 titles of 46 issuers in the Exchange's trading lists in the "KASE Global" sector. In the second quarter of 2022, common shares of Airbus, Cameco Corporation and KLA Corporation were included in the "KASE Global" sector of KASE official list.

During six months of 2022, the trading volume amounted to 18.1 billion tenge in the KASE Global sector. The average daily trading volume amounted to KZT153.5 mln, the average daily number of deals – 114, the average volume of one deal – KZT1.3 mln.

The following shares accounted for the largest trading volume in the first half of the year:

- Airbus SE (AIR\_KZ) – 65 transactions for a total of KZT9,921.8 mln;
- Intel Corporation (INTC\_KZ) – 862 deals for a total of KZT1,249.3 mln;
- Advanced Micro Devices Inc. (AMD\_KZ) – 756 deals for a total of KZT704.3 mln.

Among the main categories of investors, the largest portion fell on the share of broker-dealers – 42.0 %. The share of other legal entities accounted for 25.2 %, the share of individuals – for 23.0 %, the share of other institutional investors – for 9.8 %. Participation of non-residents is estimated at 0.3 %.

## CORPORATE BONDS

Based on results of six months of 2022, the volume of corporate debt traded on KASE decreased by 0.9%, or 143.1 billion tenge, to 15.3 trillion tenge (32.8 billion USD). At the same time, the volume of corporate debt for the second quarter of 2022 increased by 3%, or 443.7 billion tenge.

As of July 1, 2022, there were 324 issues of corporate bonds of 82 issuers in KASE's trading lists. Since the beginning of the year, 19 issues of bonds of 14 issuers (five new ones) have been included in KASE official list, of which, in the second quarter of 2022, bonds of nine issues of seven issuers (two new ones) were listed: two issues of KazAgroFinance JSC, Microfinance Organization OnlineKazFinance LLP and one issue each of National Company Food Contract Corporation JSC, Development Bank of Kazakhstan JSC, Microfinance Organization R-Finance LLP, ARKADA INDUSTRY LLP and FinQ LLP.

KASE\_BMY index (index of yield of corporate bonds of the main market) has increased by 101 b.p. since the beginning of the year, having reached the value of 11.62% APR.

During six months, the total trading volume amounted to 702.5 billion tenge, having decreased by 14.9 %, or 122.7 billion tenge, compared to the same period in 2021. The average daily trading volume amounted to 6.0 billion tenge (in the secondary market – 4.9 billion tenge), the average daily number of transactions – 64 (in the secondary market – 61), the average volume of one transaction was 92.3 million tenge (in the secondary market – 79.1 million tenge).

In the first half of 2022, 16 bond issues of ten issuers were placed for a total amount of 129.6 billion tenge, which is 72.2 % lower than the corresponding indicator of the previous year. Of these, in the second quarter,

the volume of offerings amounted to 118.3 billion tenge, with eight issuers having placed ten issues of their bonds:

- Kazakhstan Sustainability Fund raised 58.5 billion tenge by placing three bond issues with a yield to maturity of 14.50-14.80% per annum (weighted average yield on issues varied in the range of 14.67-14.79% per annum) with a maturity of one year;
- National Company Food Contract Corporation JSC raised 39.4 billion tenge by placing bonds with a yield to maturity of 15.50-16.90% per annum with a maturity of three years;
- Microfinance organization "OnlineKazFinance" LLP raised \$6.8 mln (equivalent to KZT3.0 bn) by placing bonds with a yield to maturity of 10.00% APR with a maturity of one year;
- Microfinance organization "R-Finance" LLP raised KZT119.8 mln by placing three-year bonds with yield to maturity of 25.00% APR;
- MFO "Swiss Capital" LLP raised \$1.4 mln (equivalent to KZT662.5 mln) by placing bonds with a yield to maturity of 10.0-10.50% per annum with a maturity of 1.4 years;
- three companies from the "Private Placement" market raised 16.7 billion tenge.

In terms of the main categories of investors in the primary market of corporate bonds, the share of banks was 42.6 %, that of brokerage and dealer organizations – 11.0 %, that of other institutional investors – 18.3 %, that of other legal entities – 25.5 %, that of individuals – 2.5 %. The share of non-residents in the primary corporate bond market was 5.7 %.

In the secondary bond market for the first half of 2022, the trading volume increased by 59.7%, or by 214.2 billion tenge, to 573.0 billion tenge compared to the same period in 2021.

In terms of the main categories of investors in the secondary market of corporate bonds for six months of 2022, the share of second-tier banks was 7.5 %, broker-dealer organizations – 4.1 %, that of other institutional investors – 11.9 %, that of other legal entities – 73.7 %, the share of individuals is 2.9 %. The share of non-residents was 11.3 %.

## GOVERNMENT SECURITIES (GS)

According to results of six months of 2022, the amount of public debt at par value traded on KASE amounted to 18.5 trillion tenge (39.9 billion USD), having increased by 4.0 %, or 715.4 billion tenge, since the beginning of the year. During the second quarter of 2022, the amount of public debt increased by 7.4%, or 1.3 trillion tenge.

The total volume of GS trading on KASE amounted to 2.8 trillion tenge having increased by 62.1%, or 1.1 trillion tenge, compared to the same period in 2021. According to the results of six months, the average daily trading volume amounted to 23.3 billion tenge (in the secondary market – 9.1 billion tenge), the average daily number of transactions – 13 (in the secondary market – 10), the average volume of one transaction – 1.8 billion tenge (average volume one transaction in the secondary market – 0.9 billion tenge).

The volume of trading in the primary GS market increased by 37.7%, or by 460.8 billion tenge, to 1.7 trillion tenge. Of these, 130.2 billion tenge were raised by akimdiks of 11 regions, cities of Nur-Sultan, Almaty and Shymkent at 0.35-4.24% per annum (in order to fund activities under the government programs). The Ministry of Finance raised 1.6 trillion tenge with a weighted average yield of 10.21-14.50% per annum (at 10.21-14.50% per annum), placing 20 issues (seven new issues and 13 issues were enlarged) with a maturity of 0.8 years to 15 years.

In the second quarter of 2022, the volume of offerings amounted to 1 trillion tenge. Of these, 64.6 billion tenge were raised by akimdiks, the Ministry of Finance – 966.5 billion tenge at 12.64–14.50% per annum.

In terms of the main categories of investors in the primary market during six months of 2022, second-tier banks accounted for 11.9%, the share of broker-dealer organizations – 0.4%, the share of other institutional investors – for 72.4%, the share of other legal entities amounted to 15.3%, the share of individuals is less than 0.1%. Non-residents did not take part in the primary GS market.

The trading volume on the secondary market doubled and reached 1.1 trillion tenge. The share of trading in notes of the National Bank in the secondary market is 15.5% or 85.7 billion tenge of the total trading volume, the share of MEKAM is 62.2%, or 399.1 billion tenge, the share of Eurobonds of the Republic of Kazakhstan is 7.4%, or 78.9 billion tenge. The rest of the volume fell on transactions with government securities of foreign countries and amounted to 2.1%, or 22.6 billion tenge.

In the second quarter of 2022, the volume of trading in the secondary government securities market amounted to 553.6 billion tenge. The share of trading in notes of the National Bank on the secondary market is 28.3%, or 303.6 billion tenge, of the total trading volume, the share of MEKAM is 72.1%, or 666.9 billion



tenge, the share of Eurobonds of the Republic of Kazakhstan is 10.7%, or 59.5 billion tenge. The rest of the volume fell on transactions with government securities of foreign countries and amounted to 1.7%, or 9.3 billion tenge.

In terms of the main categories of investors in the secondary government securities market during six months of 2022, the share of banks amounted to 32.0 %, that of brokerage and dealer organizations – to 3.4 %, that of other institutional investors – to 8.7 %, that of other legal entities – to 55.2 %, that of individuals – to 0.7 %. The share of non-residents was 11.5 %

### **BONDS OF INTERNATIONAL FINANCIAL INSTITUTIONS (IFIs)**

As at the end of the reporting period, there were 41 issues of bonds of four international financial institutions on KASE trade lists: nine issues of Asian Development Bank, 19 issues of Eurasian Development Bank, 11 issues of European Bank for Reconstruction and Development and two issues of International Finance Corporation.

Since the beginning of 2022, two issues of bonds of Asian Development Bank and one issue of Eurasian Development Bank have been included in the official list, of which two were included in the second quarter of 2022.

Over the past period, the trading volume amounted to 48.1 billion tenge, which is lower than the result of the same period in 2021 by 9.8 billion tenge, or 16.9%. The number of transactions compared to the same period last year increased by 3.4 times, amounting to 170 transactions.

In the primary market, the trading volume amounted to 24.0 billion tenge having decreased by 39.9%, or 15.9 billion tenge, compared to the same period in 2021.

In the primary market of the sector of bonds of international financial organizations, two issues of bonds of Asian Development Bank were placed for a total of 24.0 billion tenge: one issue of social bonds was placed in the first quarter in the amount of 14 billion tenge with a yield to maturity of 11.00% per annum and the second issue – in the second quarter in the amount of 10 billion tenge with a yield to maturity of 14.00 % per annum.

In terms of the main categories of investors in the primary market, the share of STBs was 20.8 %, that of institutional investors - 20.8%, that of other legal entities - 58.3%.

In the secondary market, the trading volume amounted to 24.1 billion tenge, which is 34.4%, or 6.2 billion tenge, higher than a year earlier.

In terms of the main categories of investors in the secondary market for six months of 2022, the share of banks accounted for 17.3%, the share of broker-dealer organizations - 21.1%, the share of other institutional investors - 26.9%, the share of other legal entities - 34.6%, for the share of individuals - 0.1%. Participation of non-residents is estimated at 7.2%.

### **UNITS OF INVESTMENT FUNDS**

As of July 1, 2022, there were 20 instruments of unit investment trusts managed by seven management companies and six ETFs.

In the second quarter of 2022, one instrument of a unit investment trust managed by Halyk Global Markets JSC (a subsidiary of Halyk Savings Bank of Kazakhstan JSC) was included in the official list.

In the reporting period, the trading volume amounted to 4.6 billion tenge, which is by 81.2%, or 19.7 billion tenge, lower than the result of the same period.

In terms of the main categories of investors, 28.8% are individuals, 30.3% - broker-dealers, 38.9% - other legal entities and 2.1% - other institutional investors. Participation of non-residents is estimated at 4.0%.

### **DERIVATIVE SECURITIES**

As of July 1, 2022, KASE official list included global depositary receipts (GDRs) of five issues, the underlying assets of which are common shares of National Atomic Company Kazatomprom JSC, Halyk Savings Bank of Kazakhstan JSC, Kaspi.kz JSC, Kazakhtelecom JSC and ForteBank JSC.

The trading volume in the first half of 2022 amounted to 15.3 billion tenge having decreased by 57.9%, or 21.1 billion tenge, compared to the first half of 2021.

In terms of the main categories of investors, 35.8% fell on accounts of individuals, 1.7% - on broker-dealer organizations, 46.4% - on other institutional investors and 16.0% - on other legal entities. The share of non-residents was 8.9 %.

### **ACCOUNTS OF INDIVIDUALS IN THE SECURITIES MARKET**

As of July 1, 2022, the Central Securities Depository maintained 365.1 thousand personal accounts opened for individuals, which is by 146.8 thousand accounts more than at the beginning of 2022. According to the results of the first half of the year, individuals registered 158 thousand new personal accounts.

## FOREIGN CURRENCY MARKET

In the first half of the current year, 32 members of KASE took part in trades on KASE's foreign currency market.

The trading volume in the first half of the year in the foreign exchange market amounted to 8.2 trillion tenge, which is by 20.4%, or 1.4 trillion tenge, higher than the same period last year. The average daily trading volume in the first half of the year amounted to 69.8 billion tenge, the average daily number of transactions – 335, the average volume of one transaction – 208.7 million tenge.

The table below shows the main characteristics of currency pairs traded on KASE (changes in volume, share in the trading volume, number of deals are indicated relative to the same period last year; rate change reflects the nominal change in the weighted average exchange rate of foreign currency against tenge by the beginning of the year).

Pair	Volume, mln units of currency	Share in trading volume, %	Number of transactions	Min. and max. rates, number of quoted currency per unit of basic currency	Exchange rate at the end of June (rev.%)
USD/KZT	15,859.82 (+0.8)	87.0% (-10.6%)	34,849 (-9 788)	409.50-523.00	470.24 (+8.9%)
RUB/KZT	115,553.39 (x9.8)	9.0% (+8.0%)	3,360 (+2 052)	4.7200-8.9400	8.8920 (+50.1%)
CNY/KZT	2,857.38 (x3.0)	2.5% (+1.5%)	1,023 (+369)	61.8000-81.0100	70.2604 (+3.6%)
EUR/KZT	183.52 (x3.1)	1.0% (+0.6%)	231 (+92)	449.50-570.00	484.00 (-1.6%)
EUR/USD	81.00 (-)	0.5% (+0.5%)	19 (+19)	1.1020-1.1070	1.1055 (-)

## MONEY MARKET

The total volume of trading in the money market for the first half of 2022 amounted to 125.1 trillion tenge, having increased 2.0 times, or by 63.1 trillion tenge, compared to the first half of 2021.

Composite indicator of the money market MM\_Index, which is the average yield on USD/KZT currency swap transactions and auto repo transactions with government securities opened for one business day weighted at the volume of deals, increased by 303 b.p. from 10.52% to 13.55% per annum by the end of June 2022.

## REPO transactions market

The volume of trading in this segment in the first half of 2022 amounted to 109.5 trillion tenge, which is by 93.6%, or 52.9 trillion tenge, more than in the same period in 2021. The average daily volume of transactions amounted to 927.7 billion tenge, the average daily number of transactions – 886, the average volume of one transaction – 1.0 billion tenge.

The volume of auto repo trades with government securities amounted to 83.1 trillion tenge, or 75.9% of the total repo volume, with CS – 26.4 trillion tenge, or 24.1%, direct repo with CS – 23.6 billion tenge, or 0.02% and direct repo with government securities – 1.2 billion tenge, or 0.001%.

By the end of June, the TONIA indicator (weighted average interest rate on repo opening deals for a period of one business day, concluded on the Exchange in the automatic repo sector with securities of the GS Basket) increased by 283 b.p. from 10.56% to 13.39% per annum. The TRION indicator (weighted average interest rate on repo opening deals for a period of one business day, concluded on the Exchange during the day in the automatic repo sector with securities of the GS Basket, for which the Exchange carries out clearing activities using the services of the Central Counterparty) increased by 292 b.p. from 10.53% to 13.45% per annum.

The TWINA indicator (weighted average interest rate on repo opening deals for a period of seven business days, concluded on the Exchange in the automatic repo sector with securities of the GS Basket, for which

the Exchange carries out clearing activities using the services of the Central Counterparty) increased by 283 b.p. from 10.34% to 13.17% per annum.

Volatility of the repo transactions indicators of TONIA, TRION and TWINA in the first half of the year fluctuated dynamically within the base rate corridor of the National Bank. The dynamics of volatility has traditionally increased during tax periods and during periods of expectation of a decrease in business activity in the future.

### Currency swap market

The volume of trading in the first half of 2022 in the currency swap market amounted to 15.6 trillion tenge, which is by 10.2 trillion tenge, or 2.9 times, more compared to the first half of 2021. The average daily volume of transactions during the half year amounted to 132.1 billion tenge, the average daily number of transactions – 24, the average volume of one transaction – 5.5 billion tenge.

In the instrumental structure, 15.1 trillion tenge, or 96.8% of the volume of swap transactions, fell on USDKZT swaps, 334.0 billion tenge, or 2.1%, – on RUBKZT swaps, 158.4 billion tenge, or 1.0 %, – on EURKZT swaps.

In the USDKZT pair, 73.3% of the total trading volume in swaps (KZT11,434.6 billion, or USD25,218.8 million) fell on transactions with the one-day currency swap (USDKZT\_0\_001), 22.2% of the total trading volume in swaps (3,461.4 billion tenge, or USD7,898.0 million) on deals with the two-day currency swap (USDKZT\_0\_002), 0.2% of the total trading volume of swaps (32.0 billion tenge, or 70.0 million USD) on deals with the one-week currency swap (USDKZT\_0\_01W), 1.1% of the total volume of trades in swaps (KZT172.8 bn, or USD387.0 mln) on deals with the one-month currency swap (USDKZT\_0\_01M).

In the RUBKZT pair, 0.8% of the total trading volume of swaps (KZT129.6 bn, or RUB17,700.0 mln) fell on transactions the one-day currency swap (RUBKZT\_0\_001), 1.2% of the total trading volume of swaps (193.3 KZT bn, or RUB26,300.0 mln) on deals with the two-day currency swap (RUBKZT\_0\_002), 0.1% of the total volume of trades in swaps (KZT11.2 bn, or RUB1,300.0 mln) on deals RUBKZT\_1\_001.

In the EURKZT pair, 0.8% of the total trading volume in swaps (KZT127.6 bn, or EUR255.4 mln) fell on transactions with the one-day currency swap (EURKZT\_0\_001), 0.2% of the total trading volume in swaps (KZT30.8 bn, or EUR55.0 mln) on transactions with EURKZT\_1\_001.

The yield of the one-day dollar swap indicator SWAP-1D (USD) at the end of June reached 14.48% per annum, having increased by 500 b.p. since the beginning of the year. The yield of the two-day currency swap indicator SWAP-2D (USD) has increased by 283 b.p. to 13.17% per annum since the beginning of the year.

### DERIVATIVES MARKET

At present, non-deliverable futures for the US dollar rate against tenge, common shares of Halyk Savings Bank of Kazakhstan JSC, NAC Kazatomprom JSC and KASE Index are available for trading in this sector of the exchange market.

In the first half of 2022, no transactions were concluded in this sector. By the beginning of July, there were no open positions of trading participants on the derivatives market.

### For reference

Kazakhstan Stock Exchange (KASE) is a leading stock exchange in the Central Asian region. KASE occupies the second place among the CIS exchanges in terms of securities trading volume, and the fifth rank in terms of the equity market capitalization among the FEAS exchanges.

It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies, transactions of the money market – repo and swap, as well as derivatives. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations, as well as a participant of the UN's "Sustainable Stock Exchanges" initiative.

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