

KASE WEEKLY

13 - 17 November,
2017

KASE NEWS

- ▲ As of November 10, 2017 KASE [put](#) the revised Information Policy into effect. The revised Policy was developed for purposes of updating the previous edition of the Policy and it defines KASE's main approaches to its information policy, including general principles of information disclosure, main provisions on the procedure of KASE information disclosure and its communication with other parties, on the use of KASE brand name by third parties.
- ▲ The agenda of the extraordinary general meeting of Kazakhstan Stock Exchange scheduled for November 29, 2017 was [supplemented](#).
- ▲ On November 17 Kazakhstan Stock Exchange celebrated its 24th birthday. Last year was marked by the continued positive dynamics along all direction, including KASE Index growth, increasing number of issuers and individual accounts, stock and bonds capitalization etc. KASE is not complacent and continues to implement its 2016-2018 [development strategy](#).

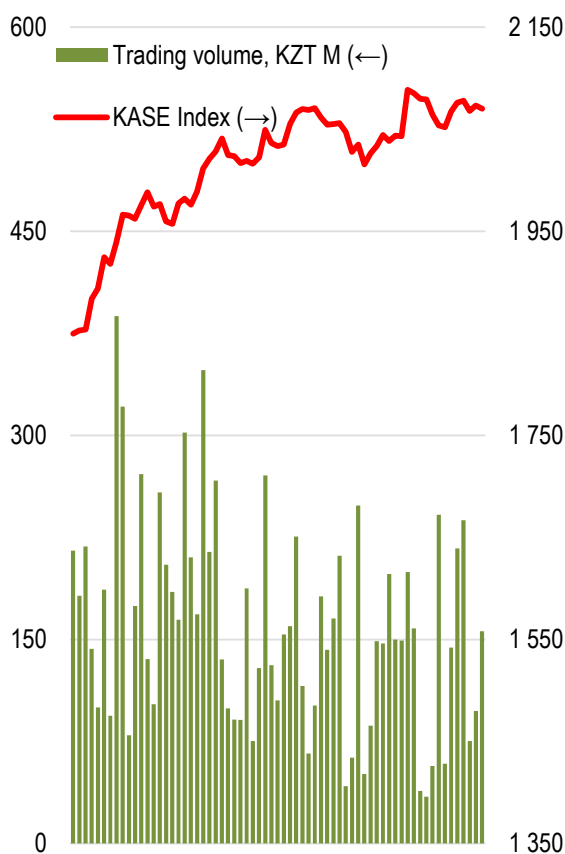
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Subsidiary bank Home Credit and Finance Bank says that Fitch Ratings [affirmed](#) ratings of both the bank and its bonds, outlook "Stable".
- ▲ Bank RBK [announces](#) proceedings initiated at court over a corporate dispute. Claimants are individuals intending to contest decisions of the extraordinary general meeting of shareholders.
- ▲ KazTransOil [announces](#) approval of tariffs and cost of services of transportation of oil of Russian origin through Kazakhstan to Uzbekistan.
- ▲ On November 16 Bank RBK [announced](#) ratings assigned to the bank by Standard & Poor's.
- ▲ Company Faeton [provided](#) minutes of an extraordinary general meeting of shareholders dated November 10, 2017 according to which the company plans to arrange a special trading session for initial offering of 07-year bonds in the amount of KZT 500 mln.
- ▲ ATFBank says Standard & Poor's [affirmed](#) the bank's ratings and took them off the CreditWatch.
- ▲ On November 17 ATFBank [announced](#) that Moody's Investors Service upgraded the bank's ratings, outlook "Positive".

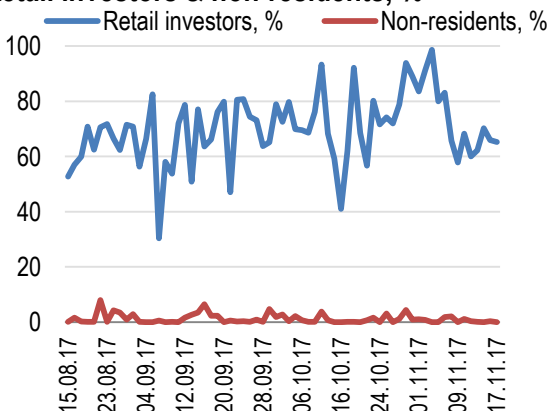
Investors got a little busier over the week. The total amount of shares trading on KASE made KZT 2.2 bn, having increased twofold on the previous week. The most actively trading shares were those of the mobile operator Kcell and Bank of America. KASE Index grew by 0.14% to 2,070.1 points.

Stocks of KazMunaiGas Exploration Production showed the most growth: 4.7% to KZT 22,402.

KASE Index shares



Retail investors & non-residents, %



17.11.2017

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 070,1	0,1	1,1
First class of liquidity	Price, KZT		
QAZKOM (pref.)	105,0	16,7	-1,9
KazMunayGas EP (pref.)	9 190,0	12,1	19,4
Kazakhtelecom (pref.)	8 858,0	5,6	17,8
Aeroflot (Russia)	981,0	5,0	-7,6
KazMunayGas EP	22 402,0	4,7	13,7
Kcell	1 810,0	3,1	-2,1
Halyk Bank	80,0	1,9	1,8
CenterCredit Bank	199,7	1,8	26,6
Bank of America	9 000,0	1,5	3,0
Sberbank (Russia)	1 250,0	1,2	9,7
Aktobe Metalware Plant	12 319,6	0,7	0,7
Bank of Astana	1 240,0	0,3	4,2
KEGOC	1 379,6	0,0	-2,4
KazTransOil	1 329,0	-0,2	1,0
BAST	55 955,0	-0,9	-1,8
Gazprom (Russia)	738,2	-1,5	2,2
KAZ Minerals	3 405,0	-3,8	-8,7
Kazakhtelecom	20 600,0	-4,8	5,1
QAZKOM	155,5	-6,8	3,7

04 shares out of 7 from the index universe got into the red zone over the week. Kazakhtelecom fell the most, having lost 5% and decreased to KZT 20,600 per share. Earlier, when Standard & Poor's upgraded the company's credit rating, its shares reached a five-year high. However, over the week under review the stocks failed to anchor at higher levels and were subject to adjustments.

03 issues of bonds of Kazakhstan's Ministry of Finance were sold on KASE over the week. On November 13 the Ministry of Finance raised KZT 16.1 bn with 8.85 % p.a. YTM and current maturity of 4.2 years, or 1,510 days. On November 15 KZT 9.3 bn were raised for 2,084 days (5.8 years) at 8.89%. On November 17, the Ministry of Finance raised KZT 6.8 bn, for a term of 3.6 years at 8.85%.

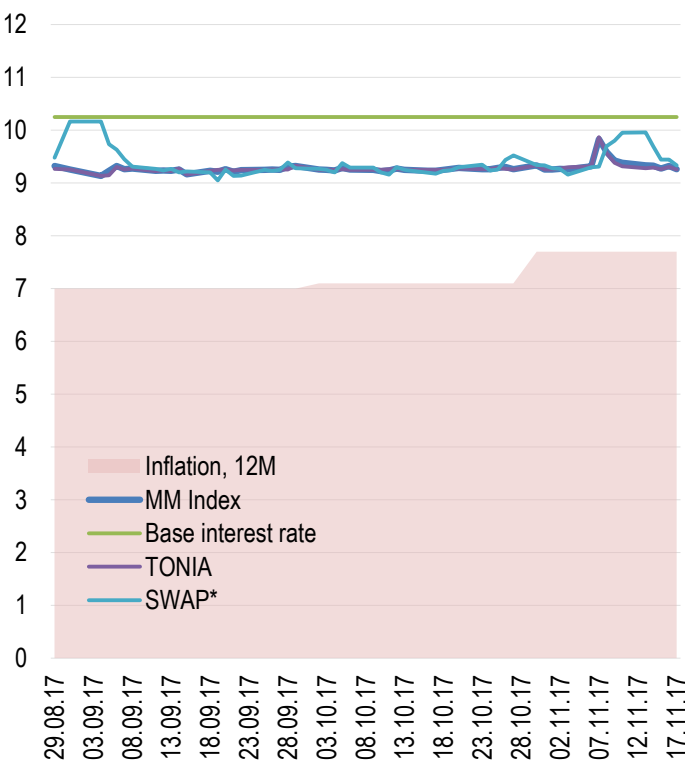
On November 16 East Kazakhstan's regional administration conducted an offering and raised KZT 2.8 bn on KASE. The term to maturity is 2 years at a yield of 0.35% p.a.



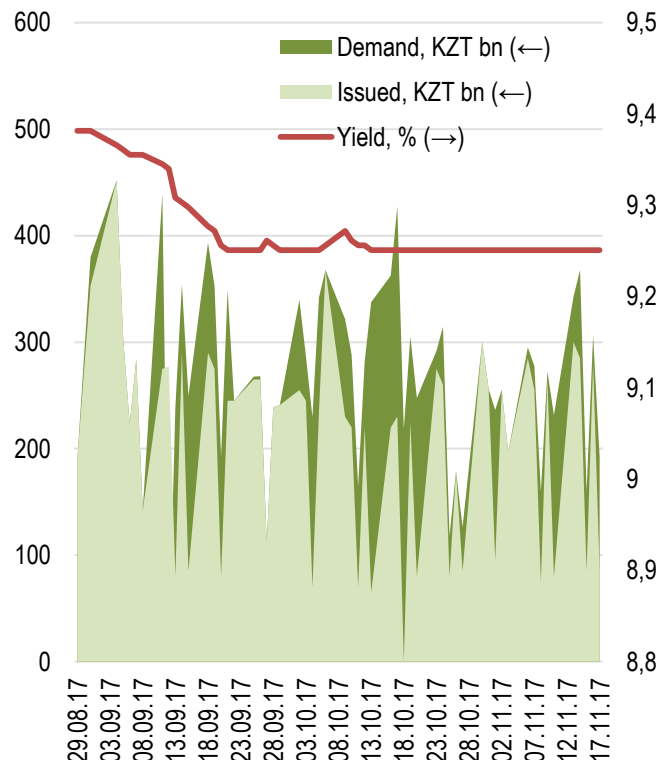
Over the week the yield on currency swaps went down against the background of the strengthening tenge: by 62 b.p. to 9.29% p.a. In the repo segment the yield dropped by 6 b.p. to 9.26 % p.a.

The National Bank continued to drain the surplus liquidity off the market, having sold 7 notes issue with various maturities over-the-counter during the week. The yield on the 7-day notes remained at 9.25 % p.a. The offering volume was KZT 1,035 bn. On 28-day notes the rate was as high as 9.39 % p.a. The offering amounted to KZT 191 bn. On 91-day notes the rate was at 9.24 % p.a. with the offering volume of KZT d41.8 bn. The total demand exceeded the supply by 28.5%, whereas the week before this difference was 26%.

Inflation and interest rates

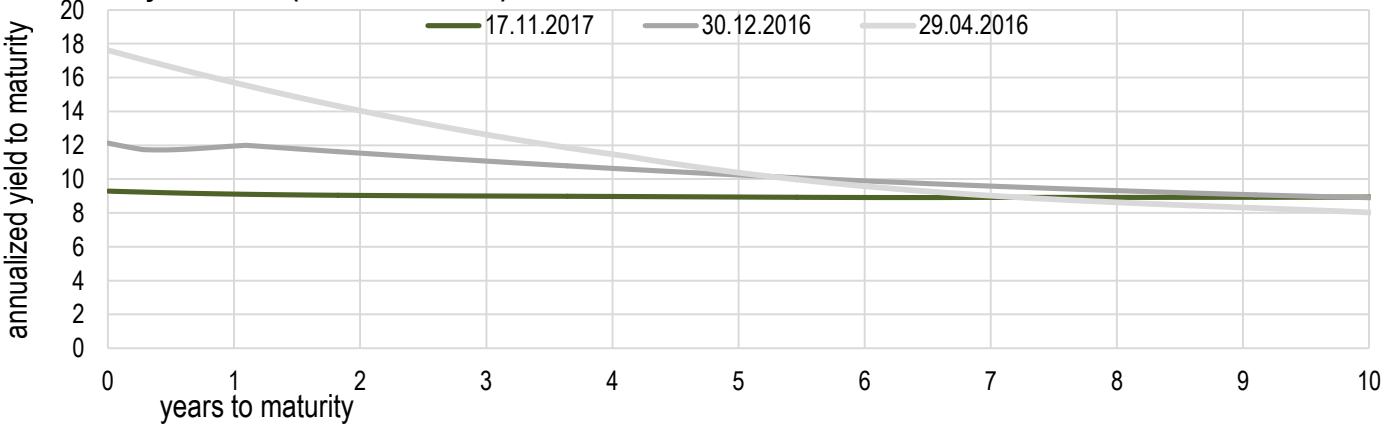


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





The dollar exchange rate went down by 0.1 %, or KZT 0.36, to KZT 332.21 over the week. The trading turnover in 5 days reached USD 749 mln, 64% more than the week before. The tenge continued to appreciate for a fourth week in a row in the light of rising oil prices (around \$60), and also due to the decreasing yield on US Treasuries, all that leading to emerging markets' instruments becoming more attractive.

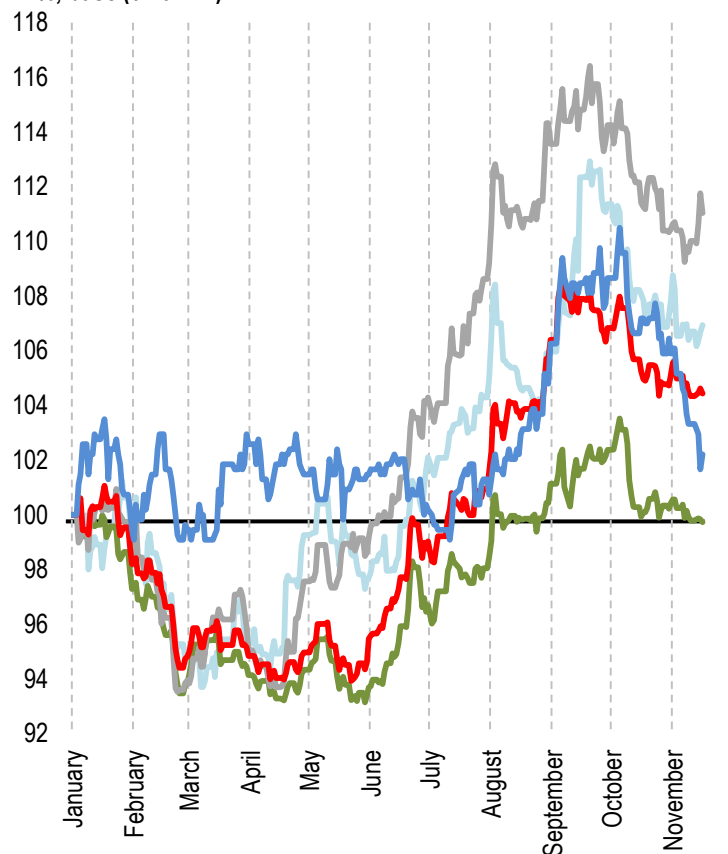
The ruble weakened over the week, to a minimum since 15 August 2017, decreasing 0.6%, to KZT 5.5781. The trade volume amounted to RUR 357.0 mln, which 38% up on the previous week.

The yuan exchange rate decreased by 46 tiyn over the week – to KZT 50.075.

The euro exchange rate was at KZT 392.65.

FX rates

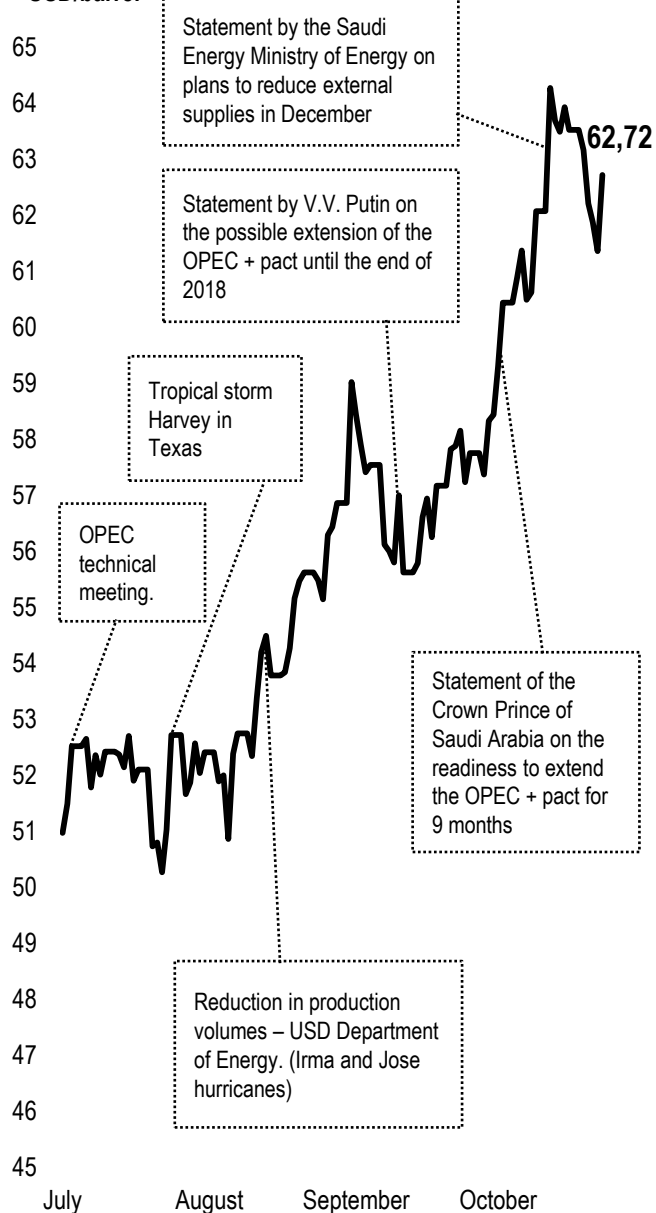
Δ %, base (01.01.17)



	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	438,21	+0,5	-0,8	+6,9
— USDKZT	332,38	-0,2	-0,3	-0,3
— EURKZT	391,28	+1,3	-0,2	+11,0
— CNYKZT	50,15	-0,0	-0,5	+4,4
— RUBKZT	5,55	-1,1	-4,6	+2,2







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	2 578,85	-0,1	0,7	17,9	-0,1
Dow Jones	23 358,24	-0,3	0,9	23,6	-0,3
 RTS	1 132,45	-2,1	-1,3	13,7	-2,4
MICEX	2 131,91	-1,7	1,8	4,4	-2,4
 Hang Seng	29 199,04	0,3	1,7	31,2	0,4
SS CSI 300	4 120,85	0,2	4,5	19,9	0,1
 Euro Stoxx 50	3 547,46	-1,3	-2,0	16,6	-1,2
FTSEuroFirst	4 251,50	-1,6	-1,6	11,4	-1,6
 FTSE 100	7 380,68	-0,7	-2,2	8,6	-0,5
 KASE	2 070,10	0,1	1,1	55,4	0,0

Commodities market

17.11.2017

Name	Price	Trend %	
		7d	1m
Oil	62,72	-1,3	7,9
	56,55	-0,3	8,7
Natural gas	3,10	-3,6	8,5
Copper	306,70	-0,3	-3,5
Iron	475,50	3,3	2,3
Gold	1 292,42	1,4	0,9
Silver	17,37	3,0	2,2
Wheat	427,25	-1,0	-0,6

Economic calendar

		Currency	Forecast	Previous
20.11	ECB President Draghi Speaks	EUR		
22.11	Fed Chair Yellen Speaks	USD		
22.11	Core Durable Goods Orders (MoM) (Oct)	USD	0,5%	0,7%
22.11	Crude Oil Inventories	USD	-2,200M	1,854M
22.11	FOMC Meeting Minutes	USD		
23.11	ECB Publishes Account of Monetary Policy Meeting	EUR		
23.11	Services PMI (Nov)	EUR	55,2	55,0

Note: The calendar contains the economic events of the upcoming week, deemed by KASE as most significant

B – billions
M – millions
K – thousands

Kazakhstan statistics

	Value	As of	Beginning year
Annual inflation	7,7 %	01.11.17	8,5 %
Gross international reserves of NBK, USD bn	31 844	01.11.17	29 530
Reserve money, KZT bn	5 690,8	01.11.17	5 162,2
Money supply, KZT bn	20 508,5	01.10.17	19 912,6

Kazakhstan credit ratings

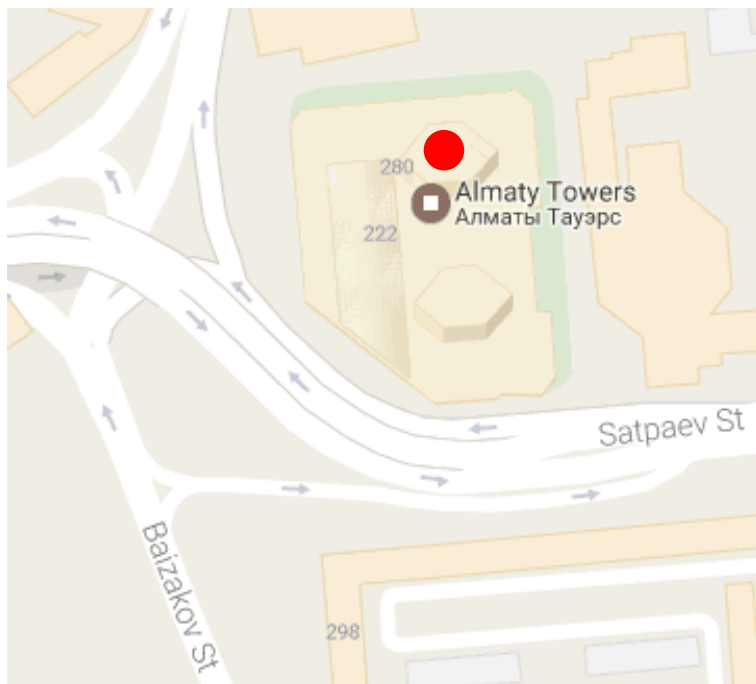
	Rating	Date	Previous
S&P Global	BBB- stable	08.09.17	BBB- negative
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	20.10.17	BBB stable

CONTACT INFORMATION



Address: Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

Tel.: 8 (727) 237 53 00



Corporate website



Contact us

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