

KASE WEEKLY

03 – 07 September,
2018

KASE NEWS

- ▲ KASE [released](#) revised draft Rules of executing clearing activities on deals in financial instruments.
- ▲ KASE [released](#) on its website activity rankings of Exchange members for August 2018.
- ▲ As of September 10, 2018 the new version of trading system NEXT was [put](#) into operation.
- ▲ On September 12, 2018 Bloomberg and KASE will [hold](#) a round table meeting "Bloomberg day on KASE" in Almaty.
- ▲ On September 20, 2018 KASE to [hold](#) seminar "Corporate governance essentials".
- ▲ On September 28, 2018 KASE to [hold](#) seminar for retail investors "How to trade on the stock market".

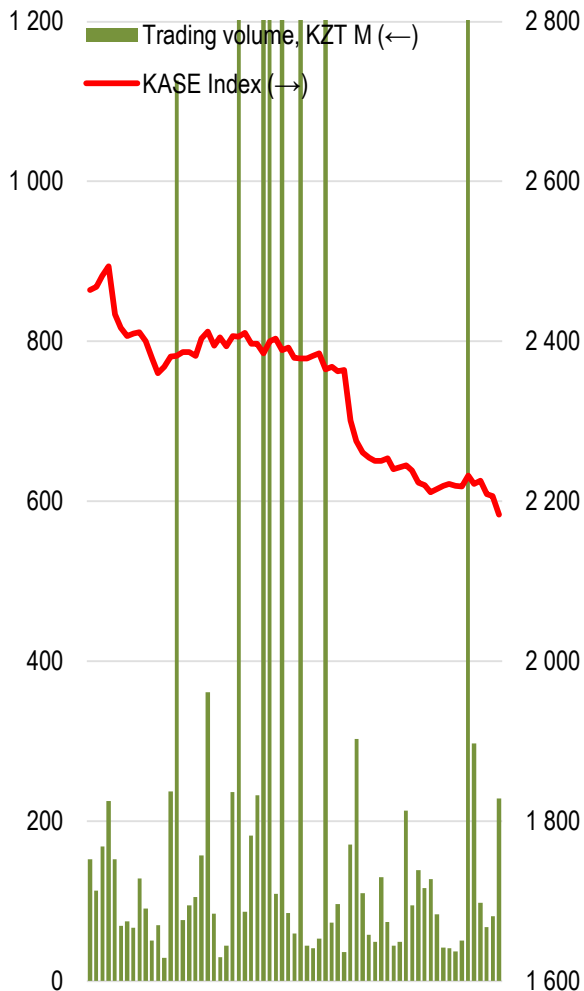
ISSUER NEWS AND ANNOUNCEMENTS

- ▲ Ministry of Finance [raised](#) KZT20.6 bn, selling 15-year bonds at 8.46% APR. Based on results of the auction, 3 orders were executed. Term to maturity is 14.6 years.
- ▲ The local executive body of East Kazakhstan region as part of the government program of new housing construction [sold](#) 2-year bonds in the amount of KZT1.6 bn.
- ▲ Tsesnabank [raised](#) KZT18.6 bn at 12% by selling two bond issues. Seven-year instruments TSBNb26 were sold KZT4.7 bn, eight-year bonds TSBNb27 – for KZT13.9 bn.
- ▲ From September 7 to 14 a repeated special trading session for offering of 536.0 mln ordinary shares (GDMM) of GLOTUR DS MULTIMEDIA will be held on KASE.
- ▲ Caspi neft [announced](#) payout of dividends on ordinary shares (KSNF) for 2012–2017 and second half of 2017.
- ▲ Bayan Sulu [pays](#) out dividends on ordinary shares (BSUL) for 2017.
- ▲ Halyk Savings Bank of Kazakhstan [says](#) Moody's Investors Service affirmed ratings of the bank and its bonds, outlook "Stable".
- ▲ Consolidated financial statements of KAZ Minerals PLC (United Kingdom) for the first half-year ended June 30, 2018 were [released](#).
- ▲ Kazakhtelecom [announced](#) change in shareholders holding a stake of ten or more percent in the company.



KASE Index closed the first week of the autumn with a considerable fall; the index went down 2.16 % based on results of the trading week, stopping at 2,183.68 points. Out of seven shares from the index universe, three components closed in the red.

KASE Index shares



07.09.2018

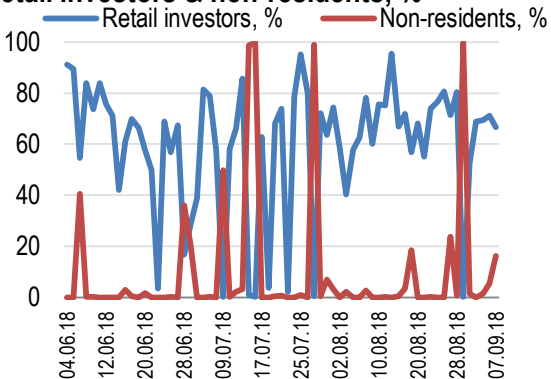
		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 183,7	-2,2	-3,0
First class of liquidity	Price, KZT		
Bank of America	11 471,0	3,9	6,7
Gazprom (Russia)	795,0	3,7	1,1
Aeroflot (Russia)	591,2	2,8	-3,7
Kazakhtelecom (pref.)	13 325,0	1,3	-0,6
KazMunayGas EP (pref.)	12 680,0	0,2	18,7
KazTransOil	1 358,0	0,2	-0,1
Kcell	1 637,9	0,2	0,9
KEGOC	1 492,6	0,1	6,5
Halyk Bank	98,7	0,1	-1,3
Sberbank (Russia)	958,0	-2,2	-14,8
BAST	42 480,0	-3,2	-16,2
CenterCredit Bank	260,0	-4,4	-4,1
Bank VTB (Russia)	0,2	-4,5	-19,2
Kazakhtelecom	30 385,0	-5,0	-4,5
KAZ Minerals	2 200,0	-9,8	-23,3

Note: Index stocks are highlighted in green

KAZ Minerals stocks went down: by 9.8% to KZT2,199.99. It seems that the company's shares remain under pressure of reports of the company's intention to acquire the Bayim field. Some pressure came from copper prices that went down 3% over the same time span.

The current situation on the currency market, particularly, the devaluation of the national currency, is not likely to move investors to purchase stocks. Vice versa, some market participants fix their positions in order to move to currency assets. Apparently, these were the main reasons for Kazakhtelecom and Bank CenterCredit shares price drop. Both instruments lost around 5% in value over the week.

Retail investors & non-residents, %

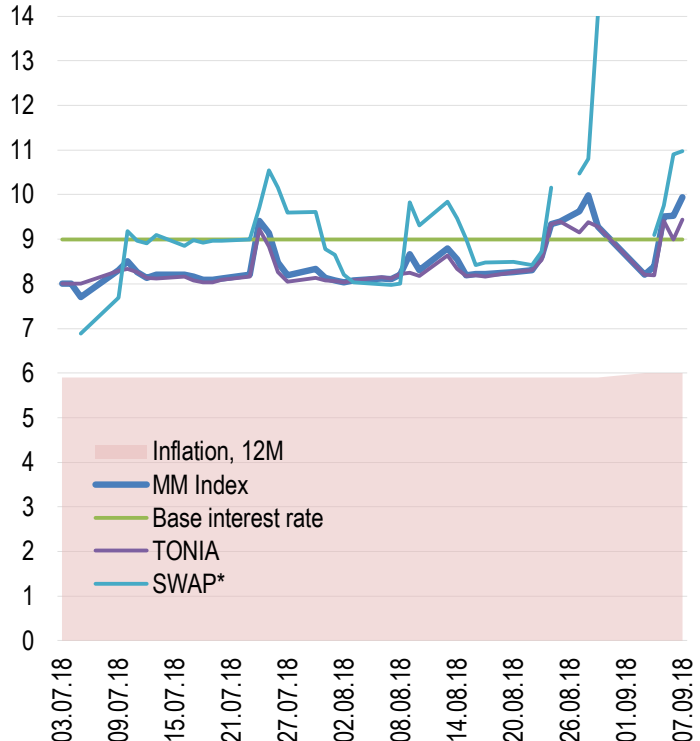




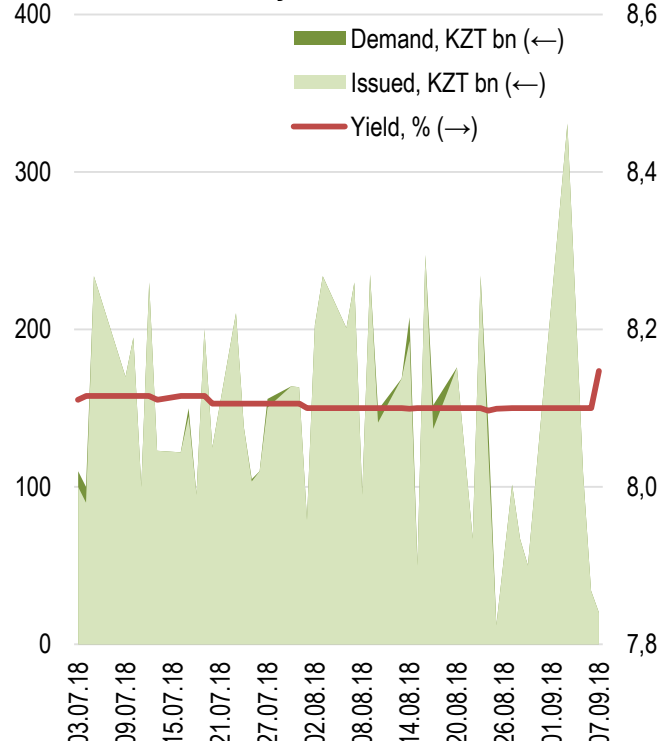
On September 3 the National Bank as expected kept the base rate at the current level. The yield on swaps remained near its upper borders. At that, due to the downward tenge rate trend the trading amounts rose. The yield on one-day currency swaps increased by 16 b.p. to 10.96 % over the week. The yield of one-day repo transactions with government securities rose by 16 b.p. to 9.44 % APR.

The National Bank sold seven note issues worth KZT1,086.9 bn over-the-counter. Five one-week note issues were sold for KZT711.8 bn, seven-day notes were placed at 8.10 – 8.15% APR. On 28-day notes the yield reached 8.21% with the offering volume of KZT332.5 bn. The amount of offering of one-year instruments reached KZT42.6 bn, the rate – 8.24%. The total weekly demand for notes was satisfied for almost 100%.

Inflation and interest rates

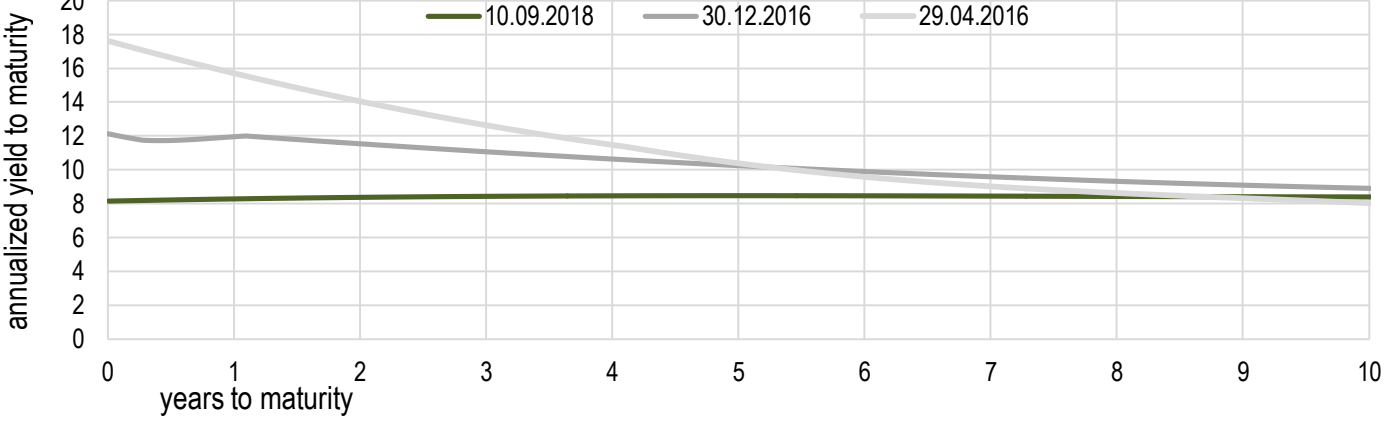


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





The weighted average dollar rate rose by 12.19 to KZT375.62, and the total trading amount compared with the previous week quadrupled reaching USD1,452.5 mln.

The pair USD/KZT continued to refresh its yearly highs reaching maximum levels since February 2016. The dollar appreciates due to risen volumes which, by the way, were maximal since the beginning of April this year. The heightened demand for foreign currency this week contributed to quicker depreciation of the tenge against both the ruble and the American currency.

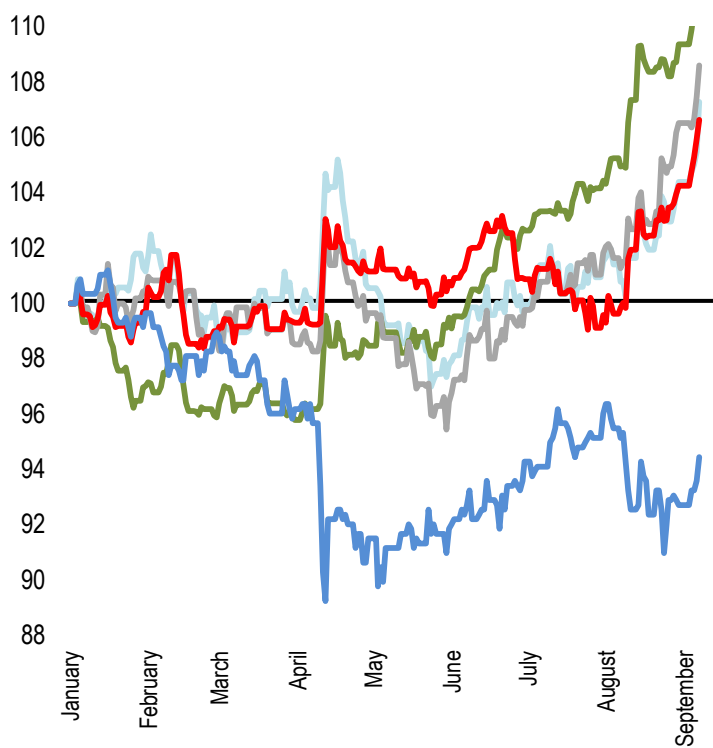
Meanwhile, the Russian currency rose by KZT0.0709 to KZT5.4299 on KASE over the week. The total trading amounted to RUR237 mln.

The euro ended the week by a KZT12.90 increase to KZT437.45.

The yuan rate with settlements today rose by KZT1.4870 over the week, stopping at KZT54.9070 per yuan. The yuan transactions exceeded KZT7 mln.

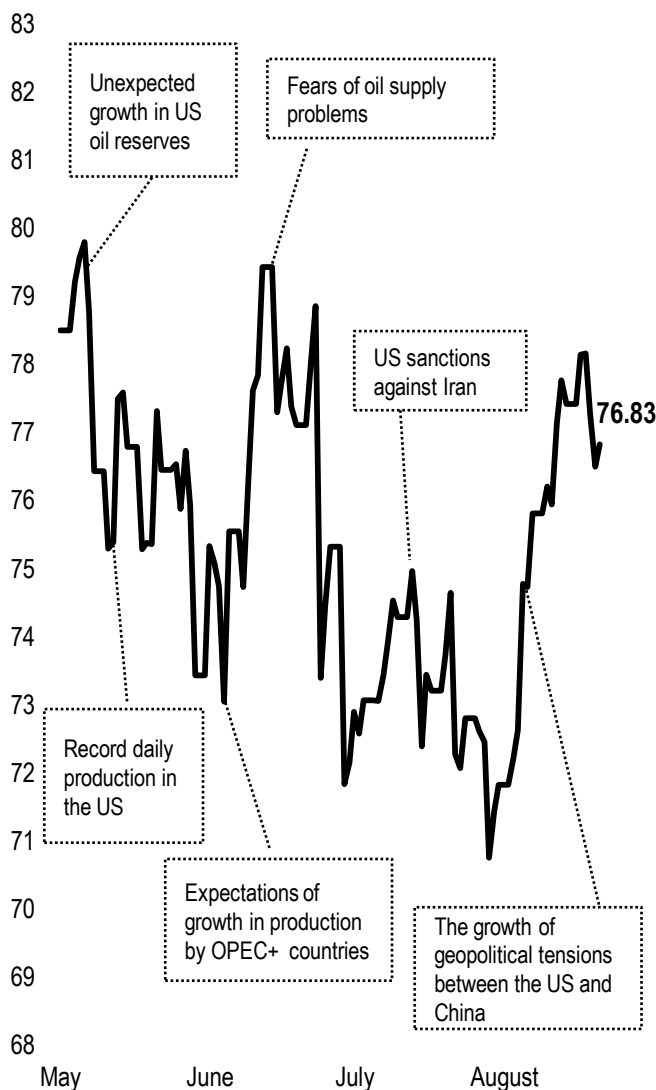
FX rates

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	481,29	+2,8	+6,4	+7,3
— USDKZT	372,23	+2,4	+6,7	+12,0
— EURKZT	432,53	+2,0	+7,0	+8,6
— CNYKZT	54,48	+2,3	+6,6	+6,6
— RUBKZT	5,45	+1,9	-0,9	-5,5

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	2 871,68	-1,5	0,5	16,5	-0,9
Dow Jones	25 916,54	-0,8	1,3	19,0	-0,1
 RTS	1 050,51	-3,2	-5,7	-5,4	-3,0
MICEX	2 285,53	0,0	0,0	13,7	-3,0
 Hang Seng	26 973,47	-5,1	-4,9	-2,0	-3,3
SS CSI 300	3 277,64	-3,2	-1,1	-14,4	-1,7
 Euro Stoxx 50	3 293,36	-4,7	-5,7	-4,5	-2,9
FTSEuroFirst	4 039,00	-4,2	-5,8	-2,5	-2,6
 FTSE 100	7 277,70	-3,8	-6,4	-1,6	-2,0
 KASE	2 183,68	-2,2	-3,0	11,4	

Commodities market

07.09.2018

Name	Price	Trend %	
		7d	1m
Oil	76,83	-0,4	6,3
	67,75	-2,5	1,2
Natural gas	2,78	-4,1	-5,9
Copper	260,35	-3,9	-5,4
Iron	491,50	-0,4	-2,2
Gold	1 196,93	-0,8	-1,4
Silver	14,07	-4,3	-8,8
Wheat	486,25	-5,7	-14,7

Economic calendar

		Currency	Forecast	Previous
10.09	GDP Quarterly (YoY)	RUB	1.8%	1.8%
12.09	PPI (MoM) (Aug)	USD	0.2%	0.0%
12.09	Crude Oil Inventories	USD	-1.294M	-4.302M
13.09	Deposit Facility Rate	EUR	-0.40%	-0.40%
13.09	ECB Interest Rate Decision (Sep)	EUR	0.00%	0.00%
13.09	Core CPI (MoM) (Aug)	USD	0.2%	0.2%
14.09	Interest Rate Decision (Sep)	RUB	7.25%	7.25%

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	Beginning 2017
Annual inflation	6,0 %	01.09.18	7,1 %
Gross international reserves of NBK, USD bn	30 842	01.08.18	30 745
Reserve money, KZT bn	6 367,7	01.08.18	5 538,7
Money supply, KZT bn	20 251,1	01.08.18	19 456,0

Kazakhstan credit ratings

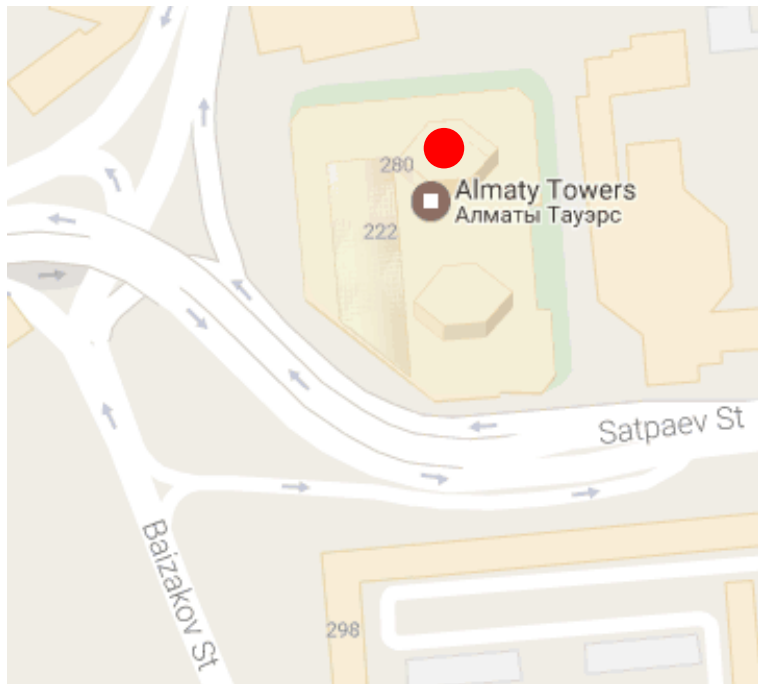
	Rating	Date	Previous
S&P Global	BBB- stable	12.03.18	BBB- stable
MOODY'S	Baa3 stable	26.07.17	Baa3 negative
FitchRatings	BBB stable	17.04.18	BBB stable

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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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