

# KASE WEEKLY

November 09–13,  
2020

## KASE NEWS

- ▲ KASE [held](#) an online press conference on the stock market results for October 2020.
- ▲ Amendments to the [Regulation on Membership](#), [Regulation on Membership Fees, Exchange and Clearing Fees](#) and KASE's [by-laws](#) on anti-money laundering and anti-terrorism financing were introduced.
- ▲ International bonds [XS0925015074](#) (KMGZe6), [XS1595713279](#) (KMGZe10) of KazMunaiGas NC JSC and [XS0274618247](#) (ATFBer7) of ATFBank JSC have been excluded from the official list of KASE due to their early redemption.
- ▲ Bonds [KZ2P00004245](#) (ARWAb2) of ARLAN WAGONS LLP have been excluded from the official KASE list.
- ▲ Common shares KZ1C00005388 (SABR) of Sinoasia B&R Insurance Company JSC [have been transferred](#) from the "shares" sector of the alternative facility to the "standard" category of the main facility of the official KASE list.
- ▲ Bonds [KZ2C00007011](#) (IDFRb2) of Industrial Development Fund JSC, [KZ2D00007002](#) (PKDAb1) of Production Cooperative SPK Damu AGRO, [three issues](#) of Baiterek National Management Holding JSC, [KZMJ00000891](#) (MGK024\_089) of Akimat of Mangistau Region and [XS2252216937](#) (EBRDe12) of the EBRD have been included in the official list of KASE.
- ▲ Bank CenterCredit JSC [was assigned](#) the status of a market maker on KASE for five issues of bonds of the Ministry of Finance of the Republic of Kazakhstan.
- ▲ Freedom Finance JSC was assigned the status of a market maker on KASE for bonds [KZ2C00006948](#) (KFUSb2) of Kazakhstan Fund for Stability JSC and [four issues](#) of bonds of the Ministry of Finance of the Republic of Kazakhstan.
- ▲ Common shares KZ0007786572 (CCBN) of Bank CenterCredit JSC [have been included](#) in the Collateral List T+.

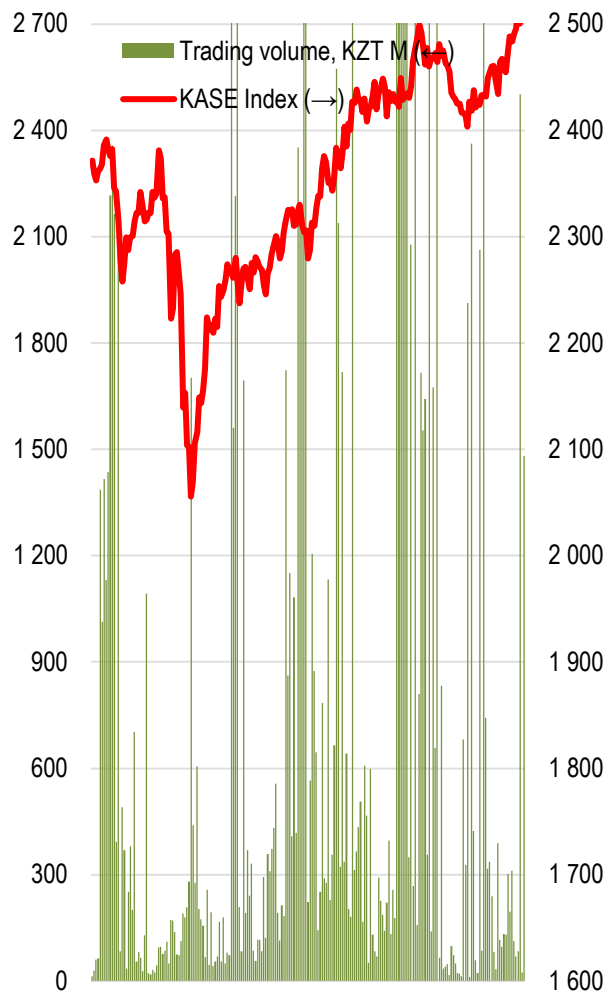
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT60.0 bn on KASE, having placed MEUKAM-120 issue 11 ([KZKD00000527](#)), MEUKAM-084 issue 17 ([KZKD00000881](#)) and MEUKAM-120 issue 17 ([KZKD00000899](#)).
- ▲ Industry Development Fund JSC [raised](#) KZT50.0 bn on KASE, placing bonds KZ2C00007011 (IDFRb2).
- ▲ Baiterek National Management Holding JSC [raised](#) KZT50.0 bn on KASE, having placed bonds KZ2C00007052 (BTRKb4).
- ▲ Bank RBK JSC [bought back](#) 7,450,344 of its bonds KZ2C00006013 (INBNb8) worth KZT4.5 bn on KASE.
- ▲ EBRD [raised](#) KZT80.0 bn on KASE through subscription, having placed international bonds XS2252216937 (EBRDe12) with a margin to the semi-annual coupon of 1%.
- ▲ Akimat of Mangistau region [raised](#) KZT3.5 bn on KASE having placed bonds KZMJ00000891 (MGK024\_089).
- ▲ Kazakhstan Fund for Stability JSC [raised](#) KZT14.7 bn on KASE, having placed bonds KZ2C00007037 (KFUSb4).
- ▲ KAZ Minerals PLC [provided](#) its 9M and Q3 2020 production report.
- ▲ Kazatomprom National Atomic Company JSC [reported](#) on the forthcoming change in its management team.
- ▲ Freedom Holding Corp. [reported](#) its Q2 2021 fiscal financial results.

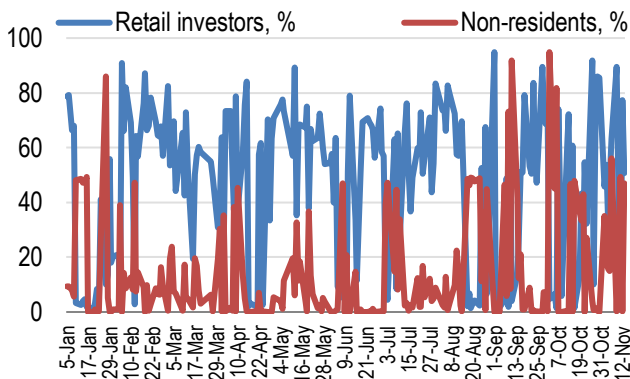


According to the results of the week, KASE index went up by 1.2 % to 2,521.49 points. The largest number of deals among index shares was concluded with common shares of Halyk Bank – 859 deals. The largest trading volume fell on Kcell securities – KZT3.9 bn (93.2 % of the total volume for the week).

### KASE Index shares



### Retail investors & non-residents, %



13.11.2020

KASE Index	2 521,49	Trends (%)	
		1,0	4,0
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
Sberbank Russia	1 320,0	8,8	8,2
Bank of America Corporation	11 375,0	6,0	3,5
VTB Bank	0,2	5,3	5,3
Gazprom	986,8	5,1	-1,1
<b>Halyk Savings Bank of Kazakhstan</b>	117,9	4,0	5,3
Freedom Holding Corp.	13 954,0	3,7	23,1
<b>KAZ Minerals</b>	3 400,0	1,5	16,8
Aeroflot	375,4	1,4	10,1
<b>NAC Kazatomprom</b>	6 210,0	1,2	2,0
<b>KEGOC</b>	1 701,8	0,9	-0,3
<b>Kazakhtelecom</b>	25 797,0	0,6	3,6
<b>KazTransOil</b>	809,0	0,3	0,1
Kazakhtelecom, preferred shares	12 300,0	0,0	1,2
<b>Kcell</b>	2 703,0	-0,4	-0,2
<b>Bank CenterCredit</b>	216,0	-0,5	-1,8

Note: Index stocks are highlighted in green

By the end of the week, most of the shares from the representative list were closed in the green zone. The growth leaders are common shares of Halyk Bank, whose price grew by 4.4% to KZT118.00 as the tenge strengthened against foreign currencies and risk appetite of investors went up. On November 17 Halyk Savings Bank of Kazakhstan will hold a teleconference for analysts and investors to announce its financial results for the nine months and the third quarter of 2020. M9 and Q3 2020 unaudited consolidated financial results will be published on November 16, 2020.

KAZ Minerals quotes showed the second best result and went up by 3.0% to KZT3,400.01. On Monday, the company provided KASE with 9M and 3Q 2020 production report of KAZ Minerals PLC (United Kingdom). The company indicated that production of all metals is on its track to meet or go beyond the annual targets, provided there is no new significant COVID-19 impact.

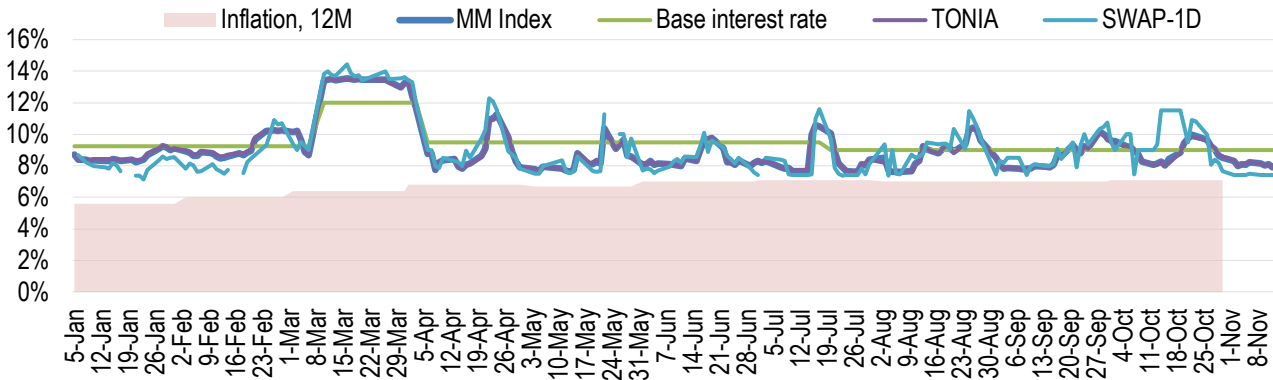
KazTransOil quotes were positively affected by the spike in oil prices and went up by 0.9% to KZT809.00. Fitch affirmed KazTransOil's rating (KZT808.82, +0.1%) at 'BBB', outlook 'Stable'. According to the agency's projections, the company will maintain a strong operational and financial profile. The business profile of KazTransOil is underpinned by its dominant position as a national operator of oil pipelines in Kazakhstan, as well as its strategic importance to the country's economy. The lack of a debt burden supports the agency's expectation of strong credit metrics. According to the latest recommendation by Halyk Finance analysts, a 12-month stock's price target is KZT1,066.

In January-September net IFRS profit of Kcell representing the telecom industry increased 3.6 times to KZT17.7 bn. The company's operating profit net of non-recurrent expenses grew by 18.3% to KZT29.6 bn. Its revenue increased by 9.9% to KZT125.5 bn. Its service income went up by 1% in January-September 2020. The net financing costs fell by 9.4%. The company's stocks declined by 0.4% to KZT2,703.00 tenge according to the weekly results.

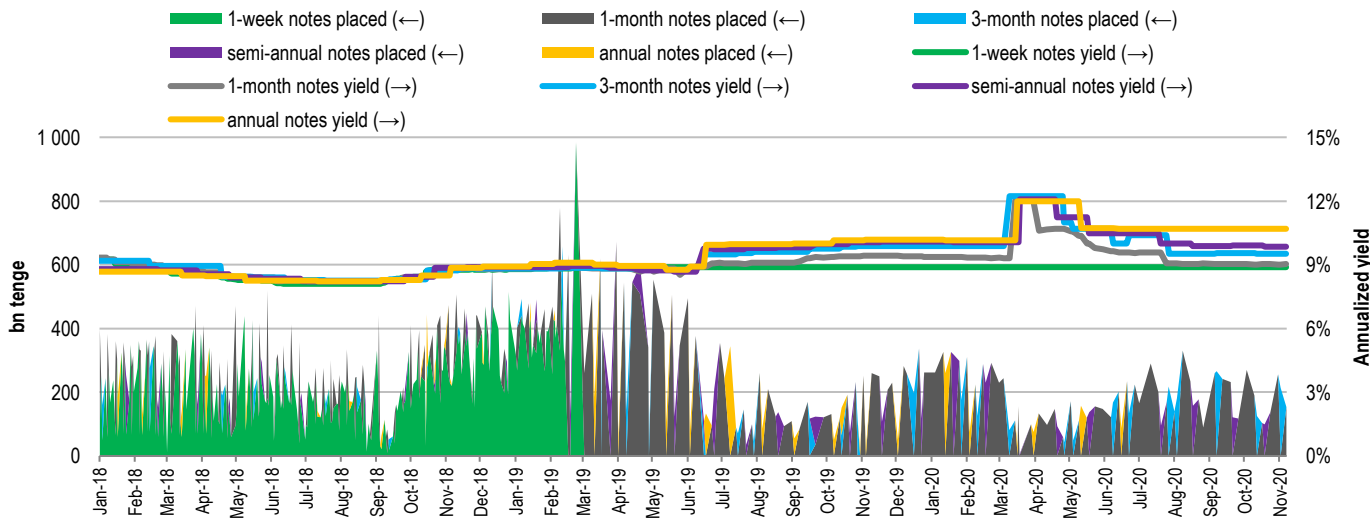


The yield on one-day repo transactions with government securities decreased by 19 b.p. over the week, to a level of 8.09% per annum. The tenge borrowing rate secured by the US dollars remains to be 7.40% per annum. The average one day tenge liquidity borrowing volume over the week amounted to KZT244.78 bn (+2.6% against the same indicator of the previous week).

**Inflation and interest rates**

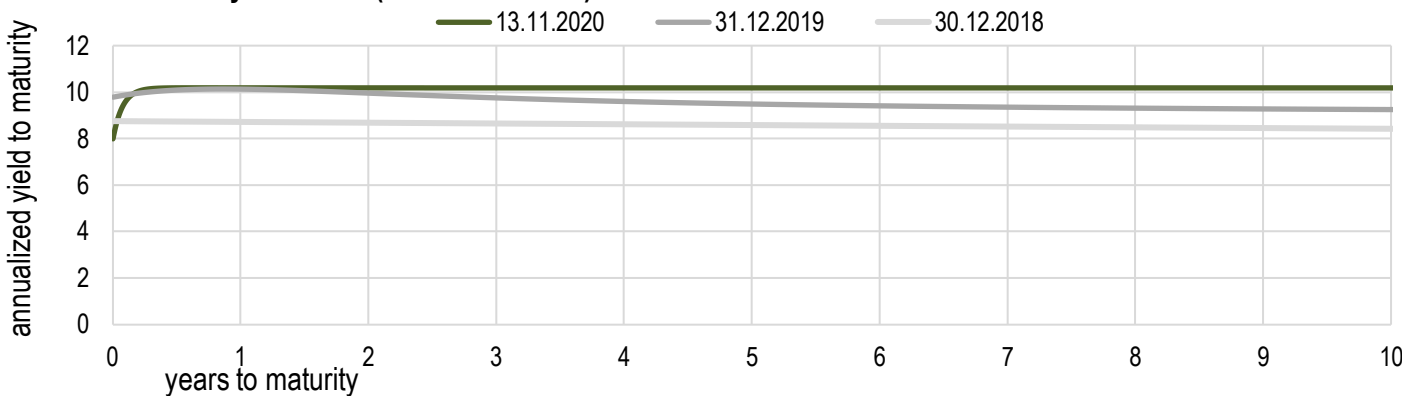


**Main Features of National Bank Notes Placements**



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

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





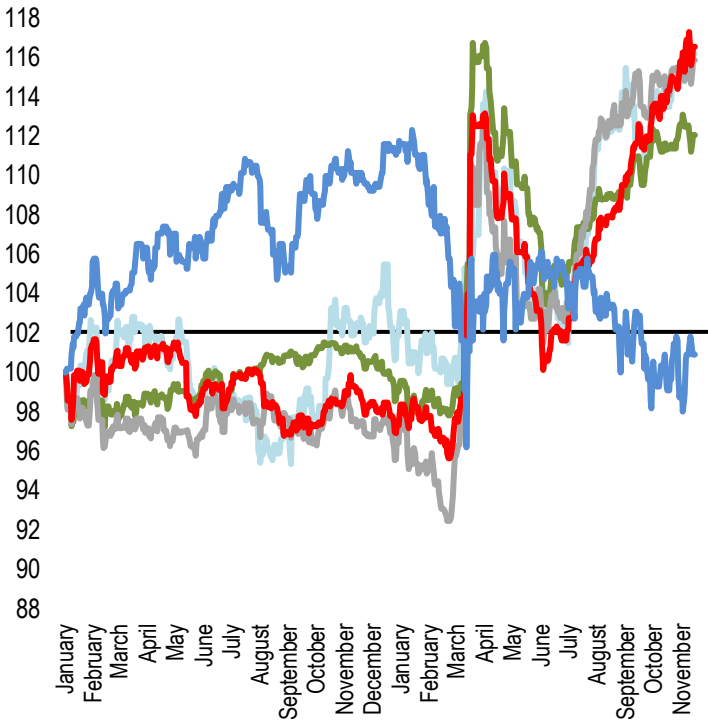
During the week, the US dollar rate against the tenge decreased by KZT2.05 (-0.5%) to KZT430.38. The total trading volume for the week amounted to \$560.3 mln (+6.4% against the same indicator of the last week). 1,885 was the total number of transactions for purchase and sale of the US dollar (+394 on the previous week). The maximum price was KZT431.65 per US dollar, the minimum was KZT426.94.

The tenge tends to strengthen against all currencies traded on KASE amid rising oil prices. Oil quotes declined on Friday due to growing COVID-19 cases, but may still climb into positive territory by the end of the week. The oil prices were mainly triggered by the news about successful COVID-19 vaccine tests made by American company Pfizer and German company BioNTech. Meanwhile, according to data released on Thursday by the U.S. Department of Energy, the country's oil reserves during the week ending November 6 increased by 4.3 mln barrels. Meanwhile, COVID-19 continues to break records and more countries introduce new restrictive measures. Meanwhile, on Thursday the International Energy Agency (IEA) reported that global oil demand is unlikely to be significantly triggered by coronavirus vaccination by the end of 2021.

The price of January Brent futures on the London exchange ICE Futures decreased by 1.0% to \$43.09 per barrel by 15:30 o'clock, Nur-Sultan time, on Friday. The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange by this time had dropped by 0.2% to RUR78.1250.

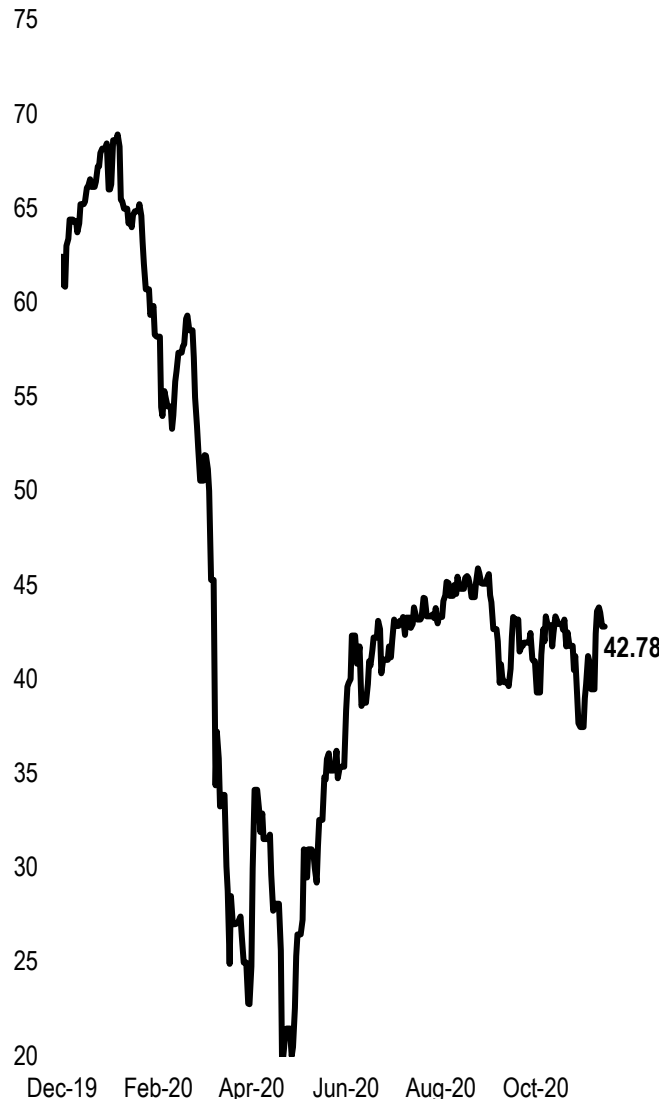
The value of the Russian ruble decreased by KZT0.0338 (-0.6%) to KZT5.5706. The euro fell by KZT3.35 (-0.4%) to KZT507.95. The Chinese yuan dropped by KZT0.2906 (-0.4%) to KZT65.0750.

**FX rates**  
Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	565.37	0.3	1.0	13.1
— USDKZT	428.99	-0.7	0.0	12.5
— EURKZT	506.51	-0.6	0.2	18.7
— CNYKZT	64.81	-0.6	1.8	18.8
— RUBKZT	5.58	0.4	0.2	-9.6

**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

## Commodities market

13.11.2020

Name	Value	Trend %			Futures 7d	Name	Price	Trend %		
		7d	1m	1y				7d	1m	1y
S&P 500	3 585,15	1,0	2,8	15,8	2,3	Oil (Brent)	42,78	0,9	-1,2	-31,3
Dow Jones	29 479,81	1,1	3,4	6,1	4,3	Oil (WTI)	40,13	-0,4	-2,2	-29,3
RTS	1 227,78	-0,7	5,8	-14,6	4,7	Natural gas	3,00	4,8	13,6	13,1
MICEX	2 285,53	0,0	0,0	0,0	4,7	Copper	317,80	0,7	4,2	21,2
Hang Seng	26 156,86	0,5	6,0	-0,6	1,8	Iron	866,00	6,8	-4,4	26,8
SS CSI 300	4 856,85	-2,5	1,0	24,3	-0,5	Gold	1 889,20	1,4	-0,6	28,3
Euro Stoxx 50	3 432,07	0,7	4,9	-7,0	7,5	Silver	24,78	4,5	1,6	45,5
FTSEuroFirst	3 805,50	1,7	5,7	-12,6	7,6	Wheat	593,50	-0,7	-0,5	16,9
FTSE 100	6 316,39	2,1	6,4	-13,4	7,3					
KASE	2 521,49	1,0	4,0	8,1						

## Economic calendar

## Currency

## Forecast

## Previous

11/18	UK: Consumer price index (CPI) (y/y) (Oct)	GBP	0.6%	0.5%
11/18	EU: Consumer price index (CPI) (y/y) (Oct)	EUR	-0.3%	-0.3%
11/18	USA: Crude oil reserves	USD	-0.913M	4.278M
11/19	USA: Number of initial claims for unemployment benefits	USD	705K	709K
11/20	NBK's base credit rate	CNY		3.85%
11/20	Russia: GDP (monthly) (y/y)	RUB		-3.3%
11/20	Russia: unemployment rates (Oct)	RUB	6.4%	6.3%

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 2019
Annual inflation	7.1%	08/01/20	5.3%
Gross international reserves of NBK, USD bn	31,561	06/01/20	30,927
Reserve money, KZT bn	8,428.3	06/01/20	5,995.7
Money supply, KZT bn	22,438.2	06/01/20	20,813.4
Kazakhstan credit ratings	Rating	Date	Previous

S&amp;P Global

BBB- stable

09/10/18

BBB- stable

MOODY'S

Baa3 stable

07/26/17

Baa3 stable

FitchRatings

BBB stable

09/28/18

BBB stable

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**Corporate Events Calendar of KASE listed Companies**

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3. report does not take into account the individual financial characteristics and aims of those receiving it.

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