

KASE WEEKLY

May 17–21, 2021

KASE NEWS

- ▲ Trades in bonds KZ2C00007383 (BTRKb7) of National managing holding "Baiterek" JSC [were opened](#) on KASE.
- ▲ KASE's Management Board made a decision to include in KASE official list the shares [US4642882249](#) (US_ICLN) iShares Global Clean Energy ETF, issued by the iShares Trust investment fund, and common shares [GB00BMH19X50](#) (GB_ALTN) of AlтынGold PLC.
- ▲ International bonds RU000A102CL3 (RU_20_3211) and RU000A102CK5 (RU_21_2711) of the Ministry of Finance of the Russian Federation [are included](#) in the List T+ and the Collateral List T+.
- ▲ Freedom Finance JSC [was assigned](#) the status of a market-maker on KASE for bonds KZ2C00007383 (BTRKb7) of National managing holding "Baiterek" JSC.
- ▲ Halyk Savings Bank of Kazakhstan JSC [was assigned](#) the market-maker status on KASE for bonds KZKD00000261 (MUM144_0001) of the Ministry of Finance of the Republic of Kazakhstan.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT135.1 bn on KASE by placing MEUKAM-144 of the third issue ([KZKD00000378](#), MUM144_0003), MEUKAM-084 of issue 17 ([KZKD00000881](#), MUM084_0017), MEUKAM-072 of issue 13 ([KZKD00001145](#), MUM072_0013) and MEUKAM-084 of issue 18 ([KZKD00001137](#), MUM084_0018).
- ▲ "Otbasy bank" house construction savings bank JSC [raised](#) KZT6.0 bn on KASE by placing bonds KZ2C00004133 (JSBNb1) at 10.80 % per annum.
- ▲ Halyk Savings Bank of Kazakhstan JSC [reported](#) consolidated financial results for the first quarter of 2021.
- ▲ National company "KazMunayGaz" JSC [reported](#) financial results for the first quarter of 2021.
- ▲ NAC Kazatomprom JSC [reported](#) financial results for the first quarter of 2021.
- ▲ NOSTRUM OIL & GAS PLC [announced](#) financial results for the first quarter of 2021.
- ▲ NOSTRUM OIL & GAS PLC [announced](#) the signing of a second forbearance agreement.
- ▲ AK Alтынalmas JSC [paid](#) dividends on its preferred shares for the first quarter of 2021.
- ▲ National company Food contract corporation JSC [paid](#) dividends on ordinary shares for 2020.



21.05.2021		Trends (%)	
KASE Index	3 361,77	1,9	4,2
First class of liquidity	Price	Δ 7d	Δ 1m
Gazprom	1 516,0	4,9	16,6
NAC Kazatomprom	13 051,0	4,6	1,7
Halyk Savings Bank of Kazakhstan	157,0	2,6	-0,2
Kcell	2 599,0	2,4	2,3
Bank CenterCredit	251,3	1,7	7,9
Freedom Holding Corp.	19 771,0	1,7	-7,5
KazTransOil	1 213,7	1,6	7,9
Kazakhtelecom, preferred shares	17 000,0	1,2	15,6
KEGOC	1 785,5	0,6	4,1
Bank of America Corporation	18 155,1	0,3	7,2
Kazakhtelecom	28 900,0	-0,8	-1,2
Sberbank Russia	1 764,0	-1,3	8,9
Aeroflot	417,0	-2,9	-1,9
VTB Bank	0,3	-6,9	0,0

KASE index grew by 1.9 % – up to 3,361.77 points. The largest number of deals among index shares was made with ordinary shares of Halyk Bank – 2,019 deals (44.2 % of the total share). The largest trading volume fell on securities of KazTransOil – KZT208.5 mln (30.7 % of the total share).

Common shares of Kazatomprom closed among the growth leaders. The nuclear company reported on Thursday that at the annual general meeting of shareholders on May 19, 2021, it was decided to allocate more than KZT150 bn (KZT578.67 per ordinary share) for payment of dividends for 2020. In 2019, KZT99 bn were allocated for dividends. Net income of Kazatomprom for 2020 amounted to KZT221.4 bn. Thus, 68 % of net income will be spent on dividend payments.

In addition, on Friday, the company provided unaudited financial statements for the first quarter of 2021, according to which the company's net income under IFRS in January-March 2021 decreased 4.9 times and amounted to KZT6 bn. The company's revenue compared to the same period of last year decreased by 9.9 %, to KZT55.6 bn. Gross profit decreased by 30.7 %, to KZT17.5 bn, profit before tax shrank 4.4 times, to KZT10.4 bn. Net income on exchange rate differences in January-March 2021 decreased 5.3 times, to KZT1.1 bn.

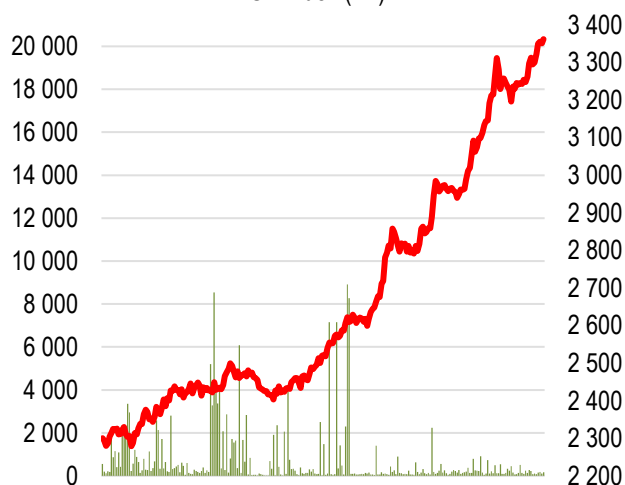
Meanwhile, Halyk Bank reported that in January-March 2021 it earned a consolidated net profit in accordance with IFRS in the amount of 96.8 billion tenge, which is 19.4% more than in January-March 2020. Against this background, the price of shares of the largest commercial bank in the country came close to the pre-COVID levels. The bank points out that net income increased mainly due to an increase in net income from insurance activities, net fee revenues and a decrease in expenses on credit losses. Net interest income in the reporting period increased by 3.3 % to KZT107.5 bn, net fee and commission revenue – by 28.6 % to KZT17.9 bn.

KEGOC shares, meanwhile, renewed their all-time high, closing on Wednesday at KZT1,804.77. KEGOC provided financial statements for January-March 2021, according to which the company received net income under IFRS in the amount of KZT13.4 billion tenge, which is by 4.6 % more than in January-March 2020. In addition, the company announced that it paid KZT39.5 bn of dividends on ordinary shares for 2020 (KZT152.1 per ordinary share). Dividends for the second half of 2020 started to be paid on May 12, 2021. The company's net income in 2020 amounted to KZT53.5 bn. Thus, 74% of the net income was allocated for payment of dividends.

Note: Index stocks are highlighted in green

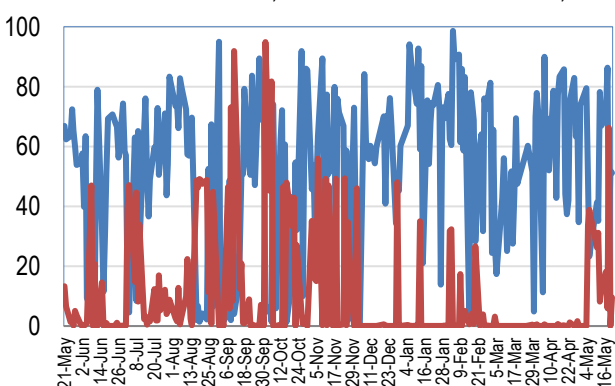
KASE Index shares

Trading volume, KZT M (←)
KASE Index (→)



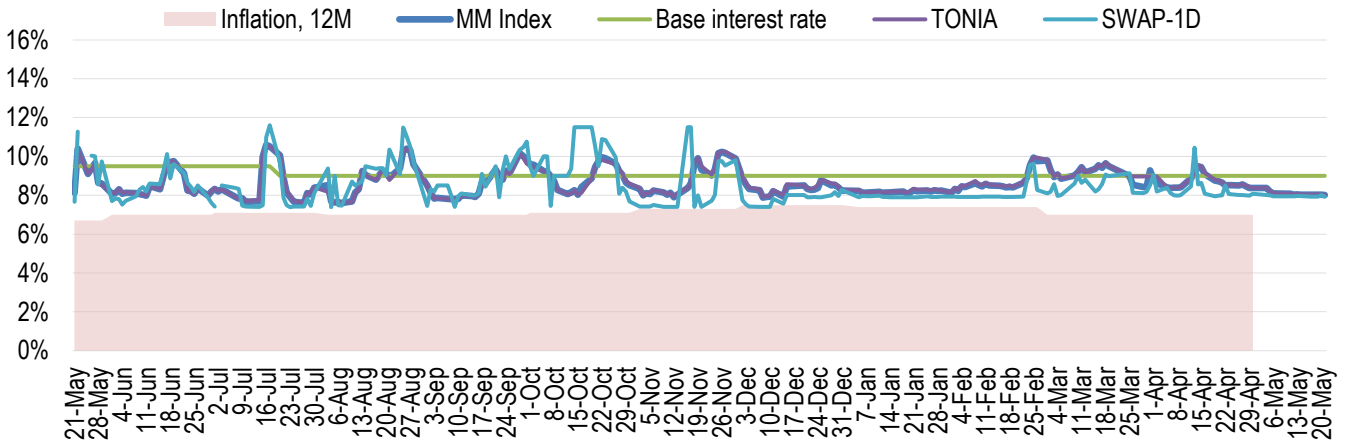
Retail investors & non-residents, %

Retail investors, % Non-residents, %

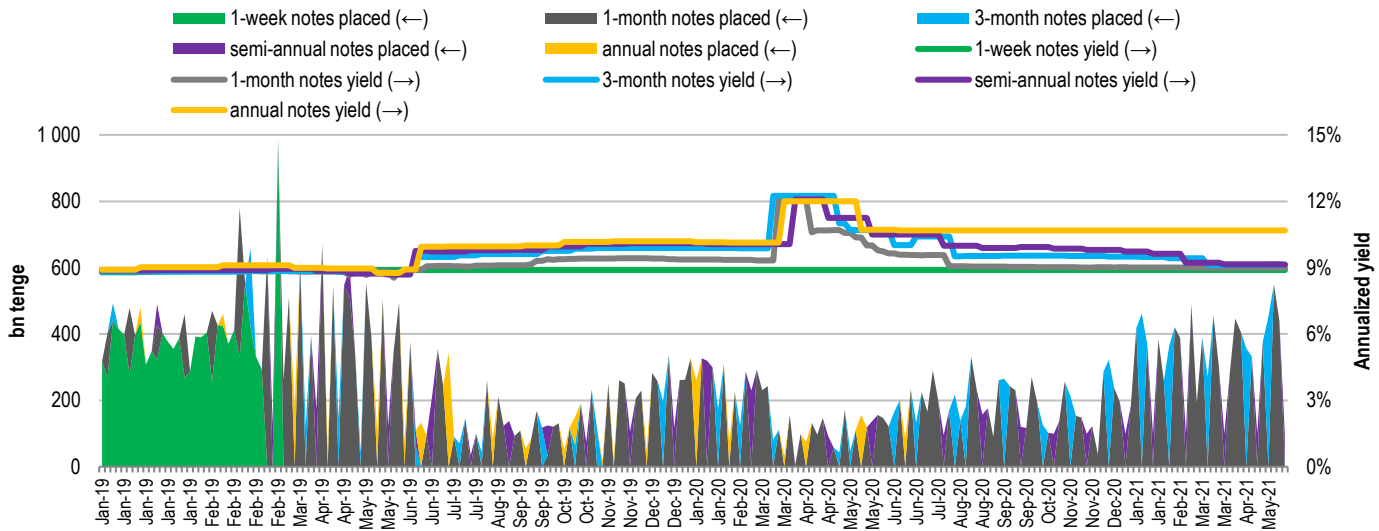


The yield on one-day repo transactions with government securities decreased by 1 b.p. – up to the level of 8.03 % per annum. The rate of borrowing the tenge secured by US dollars decreased by 2 b.p. and amounted to 7.94 % per annum. The average borrowing volume of tenge liquidity for one day for the reporting period amounted to KZT468.5 bn (+ 17.8 % on the same indicator of the previous week).

Inflation and interest rates

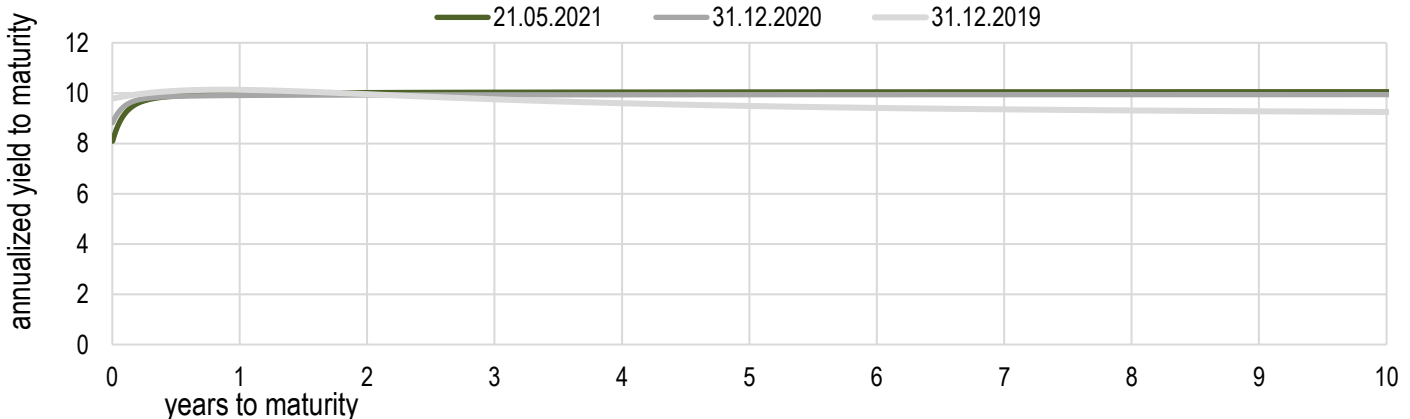


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The exchange rate of the US dollar against the tenge increased by KZT0.24 (0.1 %) – up to KZT428.86. The average trading volume amounted to \$121.7 million. The total number of deals for purchase and sale of the US dollar was 1,591. The maximum price was KZT429.85 per US dollar, the minimum – KZT425.60.

The tenge slightly weakened against the US dollar following the week's trading results. The US dollar depreciated against most major currencies at the beginning of the week amid statements from the Federal Reserve System (FRS) and a general weakening of risk appetite in global markets. Fed Deputy Chairman Richard Clarida, speaking on Monday at an online conference at the Federal Reserve Bank (FRB) of Atlanta, noted that the US labor market was still far from the levels it was at before the pandemic. Another representative of the American Central Bank – the head of the Federal Reserve Bank of Atlanta Rafael Bostic – noted that the number of jobs in the United States was still 8 million fewer than before the pandemic, and added that until the Fed makes serious progress in overcoming this lag, they need to maintain very high level of incentives.

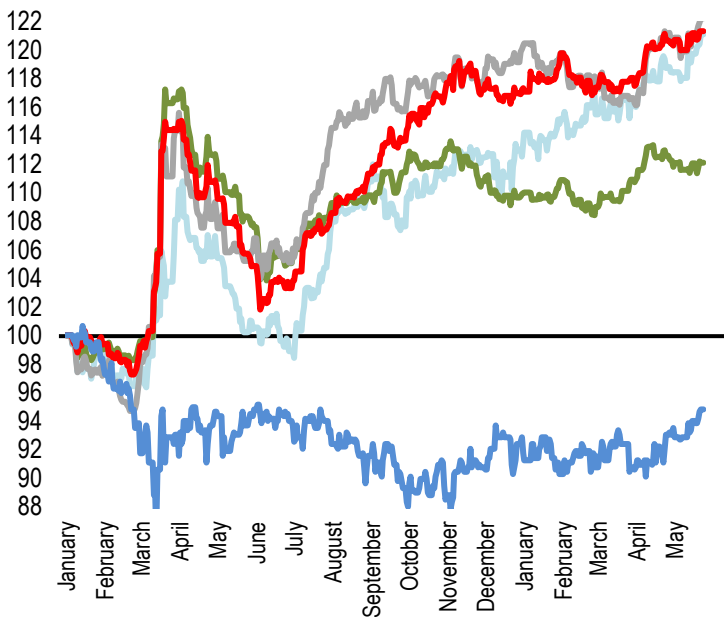
However, pressure on the tenge during the week was exerted by the decline in oil prices, which, in turn, fell amid growing concerns about the epidemiological situation in Asia. In addition, the market is being pressured by reports of progress in negotiations on the Iranian nuclear program. Iranian President Hassan Rouhani said on Thursday that Western countries had confirmed their intention to lift major sanctions against the country, including in the areas of oil and petrochemicals. Analysts cited by S&P Global Platts believe that the return of the United States and Iran to the Joint Comprehensive Plan of Action (JCPOA) on the Iranian nuclear program could lead to an increase in oil production in Iran to about 3.9 million barrels per day (bpd) next year. Oil quotes fell more than 2 % during Thursday's trading.

The price of July Brent oil futures on the London ICE Futures exchange on Friday closed at \$66.44 per barrel (-3.3%). The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange amounted to 73.6222 rubles (-0.5%).

The value of the Russian ruble increased by KZT0.0265 (0.5 %) – up to KZT5.8291. The Chinese yuan rose in price by KZT0.0943 tenge (0.1 %) – up to KZT66.7043.

FX rates

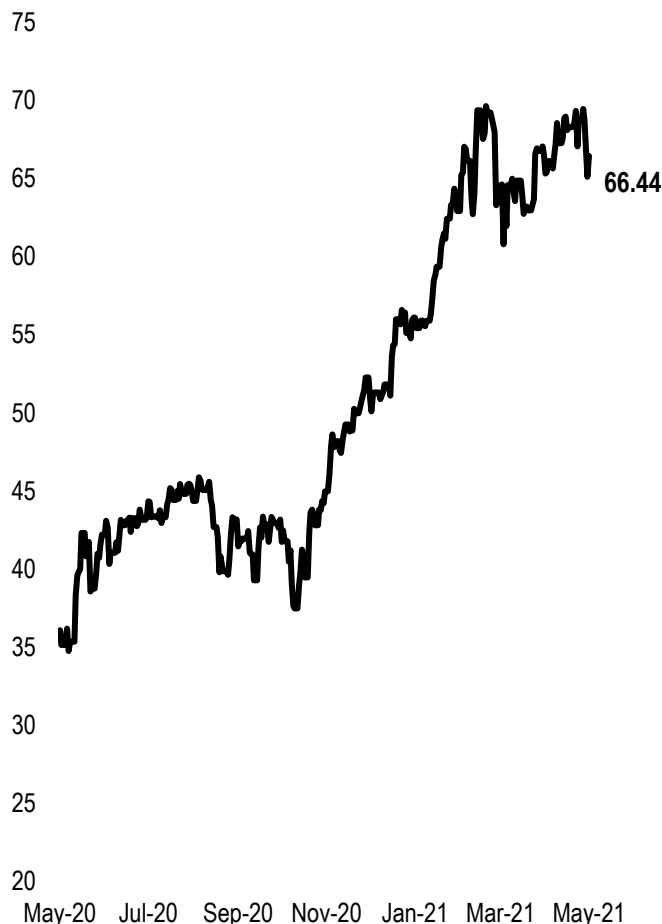
Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	606.09	1.1	0.9	6.1
— USDKZT	429.21	0.4	-0.1	2.0
— EURKZT	522.99	1.4	0.9	1.3
— CNYKZT	66.67	0.6	0.8	3.4
— RUBKZT	5.83	1.4	3.4	3.2

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

Commodities market

21.05.2021

Name	Value	Trend %			Futures	Name	Price	Trend %		
		7d	1m	1y	7d			7d	1m	1y
S&P 500	4 155,86	-0,4	-0,4	40,9	-0,4	Oil (Brent)	66,44	-3,3	1,7	84,2
Dow Jones	34 207,84	-0,5	0,2	39,8	-0,5	Oil (WTI)	63,58	-2,7	3,6	87,4
RTS	1 569,55	1,3	7,2	30,1	1,4	Natural gas	2,91	-1,9	7,9	69,9
MICEX	2 285,53	0,0	0,0	0,0	1,4	Copper	449,60	-3,6	5,1	83,4
Hang Seng	28 458,44	1,5	-0,6	17,2	1,5	Iron	1 210,50	-2,1	-0,5	59,2
SS CSI 300	5 134,15	0,5	0,7	31,2	0,5	Gold	1 881,25	2,1	4,9	9,1
Euro Stoxx 50	4 025,78	0,2	1,2	38,6	0,3	Silver	27,47	0,4	3,4	58,5
FTSEuroFirst	4 459,50	0,1	2,5	31,0	0,1	Wheat	674,25	-7,3	0,1	30,7
FTSE 100	7 018,05	-0,4	1,8	16,7	-0,2					
KASE	3 361,77	1,9	4,2	46,1						

Economic calendar

Currency

Forecast

Previous

05/25	Germany's GDP (qt/qt) (1 qt)	EUR	-1.7%	-1.7%
05/25	IFO Business Climate Index for Germany (May)	EUR	98.1	96.8
05/25	New home sales (Apr)	USD	975K	1 021K
05/26	Crude oil reserves	USD		1.321M
05/27	GDP (qt/qt) (1 qt)	USD	6.5%	6.4%
05/27	Number of initial claims for unemployment benefits	USD	425K	444K

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 2020

Annual inflation	7.0%	05/01/21	5.6%
Gross international reserves of NBK, USD bn	34,674	02/01/21	35,638
Reserve money, KZT bn	9,173.8	01/01/21	8,652.5
Money supply, KZT bn	25,392	01/01/21	20,875.8

Кредитные рейтинги Казахстана

Rating

Date

Previous

S&P Global

BBB-/A-3- stable

03/06/21

BBB- stable

MOODY'S

Baa3 positive

02/17/21

Baa3 positive

FitchRatings

BBB stable

02/20/21

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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