

KASE WEEKLY

March 25 – April 02,
2021

KASE NEWS

- ▲ KASE [transferred](#) the procedures for admission to the Exchange membership into electronic format.
- ▲ KASE [launches](#) training trades as part of the educational project "Stock Simulator".
- ▲ Trades in [bonds](#) KZ2C00001493 (ALTMb1) of Almatytemir JSC and [bonds](#) of NMH KazAgro JSC of six issues were suspended on KASE.
- ▲ Trades in bonds [KZ2C00007235](#) (TSBNb37) of First Heartland Jýsan Bank JSC, [RU000A102BF7](#) (PRKRe1) of NC "Food Contract Corporation" JSC, international bonds [KZX000000286](#) (GB_ALTNe1) of Altyn PLC and common shares [KZ1C00014141](#) (AKGR) of Akzhal Gold Resources opened on KASE.
- ▲ Bonds KZ2P00003528 (KSYSb1) of Kazakhstan Utility Systems LLP were [excluded](#) from KASE official list due to the circulation period expiration, [bonds](#) KZ2C00006088 (BTRKb2) and KZ2C00006203 (BTRKb3) of NMH Baiterek JSC were removed from KASE official list due to their cancellation.
- ▲ Common shares KZ1C00008077 (FHSE) of First Heartland Securities JSC are [included](#) in KASE official list.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT132.7 bn on KASE by placing MEUKAM-084 of issue 17 ([KZKD00000881](#), MUM084_0017), placing MEUKAM-132 of the third issue ([KZKD00000360](#), MUM132_0003), MEUKAM-180 of issue 12 ([KZKD00000840](#), MUM180_0012) and MEUKAM-084 of issue 17 ([KZKD00000881](#), MUM084_0017).
- ▲ NC Food Contract Corporation JSC [raised](#) KZT1.75 bn on KASE through subscription by placing five-year bonds RU000A102BF7 (PRKRe1) at 8.99 % per annum.
- ▲ Capital Leasing Group LLP [raised](#) KZT1.3 bn on KASE by placing bonds KZ2P00007222 (CLSGb1) with a yield to maturity of 18.00 % per annum.
- ▲ Kazakhstan Housing Company JSC [raised](#) KZT1.3 bn by placing bonds KZ2C00007086 (KZIKb32).
- ▲ Leasing Group JSC [raised](#) KZT1.0 bn on KASE by placing bonds KZ2C00006369 (LZGRb1).
- ▲ "Otbasy bank" house construction savings bank JSC [raised](#) KZT14.1 bn on KASE by placing bonds KZ2C00004133 (JSBNb1) at 10.80 % per annum.
- ▲ Subsidiary bank Home Credit and Finance Bank JSC [paid](#) dividends on ordinary shares for 2020.
- ▲ NMH Baiterek JSC began to [own](#) 100% of shares of Agrarian Credit Corporation JSC, KazAgroFinance JSC and Fund of Financial Support for Agriculture JSC.
- ▲ S&P Global Ratings has [affirmed](#) the ratings of LIC "Freedom Finance Life" JSC.
- ▲ Fitch Ratings has [affirmed](#) the ratings of National Atomic Company "Kazatomprom" JSC.
- ▲ Moody's Investors Service has [affirmed](#) the ratings of NC Food Contract Corporation JSC.
- ▲ ForteBank JSC [announced](#) the beginning of payment of dividends on common shares KZ000A0F4546 (ASBN) for 2020.

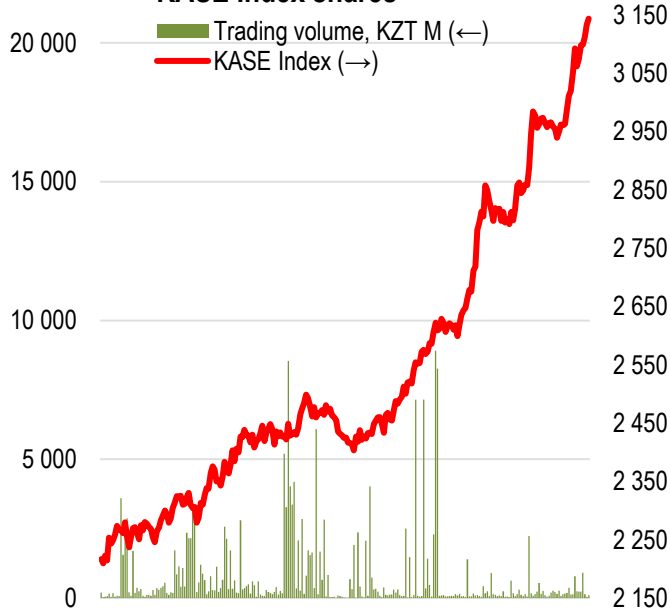


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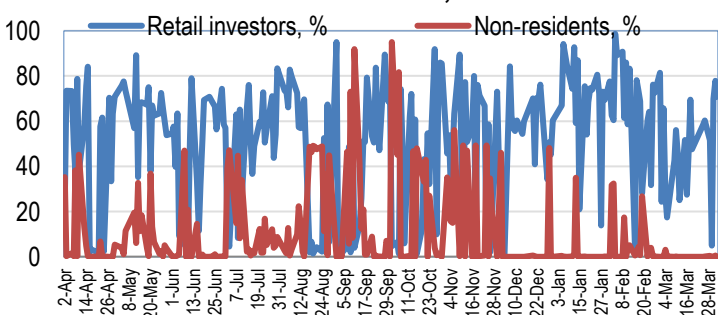
		Trends (%)	
KASE Index	3 143,78	1,7	6,3
First class of liquidity	Price	Δ 7d	Δ 1m
Freedom Holding Corp.	24 100,0	9,7	2,0
VTB Bank	0,2	9,1	14,3
Bank CenterCredit	235,0	4,4	11,3
KAZ Minerals	4 964,9	4,0	3,5
Bank of America Corporation	16 998,8	3,0	12,5
NAC Kazatomprom	10 920,0	2,1	15,9
KEGOC	1 691,8	1,8	0,8
Halyk Savings Bank of Kazakhstan	152,7	1,2	11,4
Kazakhtelecom	27 298,0	0,7	0,4
Kcell	2 380,0	0,4	-3,8
Kazakhtelecom, preferred shares	13 300,0	0,4	0,9
Sberbank Russia	1 632,0	0,2	5,6
KazTransOil	1 118,5	-0,5	10,1
Gazprom	1 284,0	-0,6	2,3
Aeroflot	434,0	-1,4	1,2

Note: Index stocks are highlighted in green

KASE Index shares



Retail investors & non-residents, %



KASE index rose by 1.7% to 3,143.78 points, having renewed its historical maximum. The most deals among index shares were made with ordinary shares of Halyk Bank – 2,269 deals (40.0% of the total share). The largest trading volume fell on Kcell securities – KZT980.4 mln (50.7% of the total share).

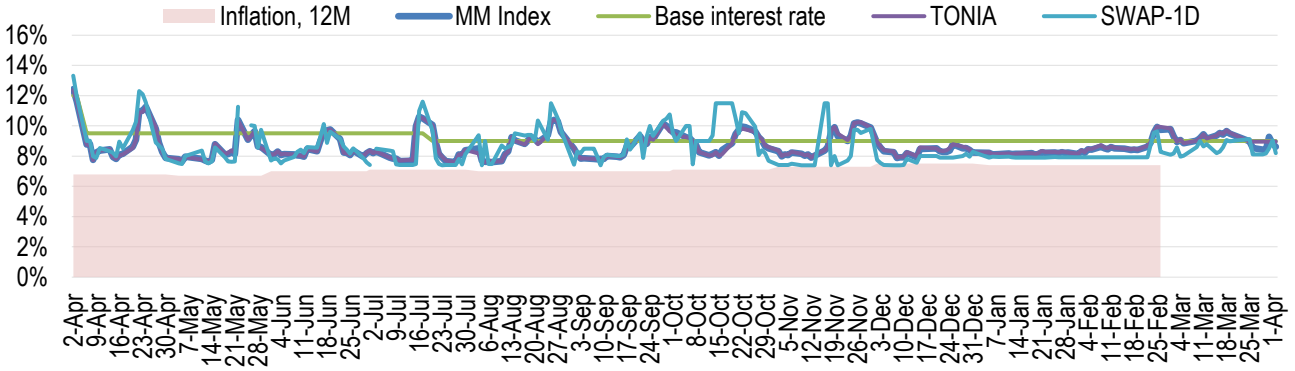
According to the results of the reporting period, shares of Kazatomprom added 2.1% in price with the international rating agency Fitch affirming the rating of the nuclear company at "BBB-" with a "Positive" outlook. The agency said the affirmation reflected Kazatomprom's continued strong financial position due to higher spot prices and uranium demand. The company maintains its strong position in the global market and continues to enjoy a fairly stable demand from the power sector. Meanwhile, NYMEX uranium futures are trading above \$30 a pound, rebounding from an 11-month low of \$27.6. The support was provided by the plans of uranium companies, announced in early March, to purchase physical nuclear fuel. In addition, global trends towards green energy and low-carbon solutions are also driving the increased demand for uranium. On April 2, it became known that the Board of Directors of Kazatomprom recommended to distribute KZT150.1 bn as dividends on ordinary shares for 2020, while KZT99 bn were distributed as dividends in 2019. Net income of Kazatomprom at the end of 2020 amounted to KZT221.4 bn. Thus, 68% of the net income will be distributed as dividends, if the proposal is approved by the shareholders. One ordinary share is priced at KZT578.67. The decision to approve the revised dividend policy of the company and to pay dividends is subject to approval by shareholders at a meeting on May 19, 2021.

Meanwhile, the international rating agency Moody's Investors Service has upgraded the outlook for Kazakhstan's banking system of from "negative" to "stable". The agency's report notes that the country's four largest banks, which together account for almost two-thirds of all assets in the system, have demonstrated resilience in the face of the economic downturn in 2020 and will continue to operate steadily. This will cover the risks associated with the weak solvency of several smaller banks. According to the results of the reporting period, shares of two banks included in the representative list closed positively: Bank CenterCredit shares added 4.4%, Halyk Bank – 1.2%.

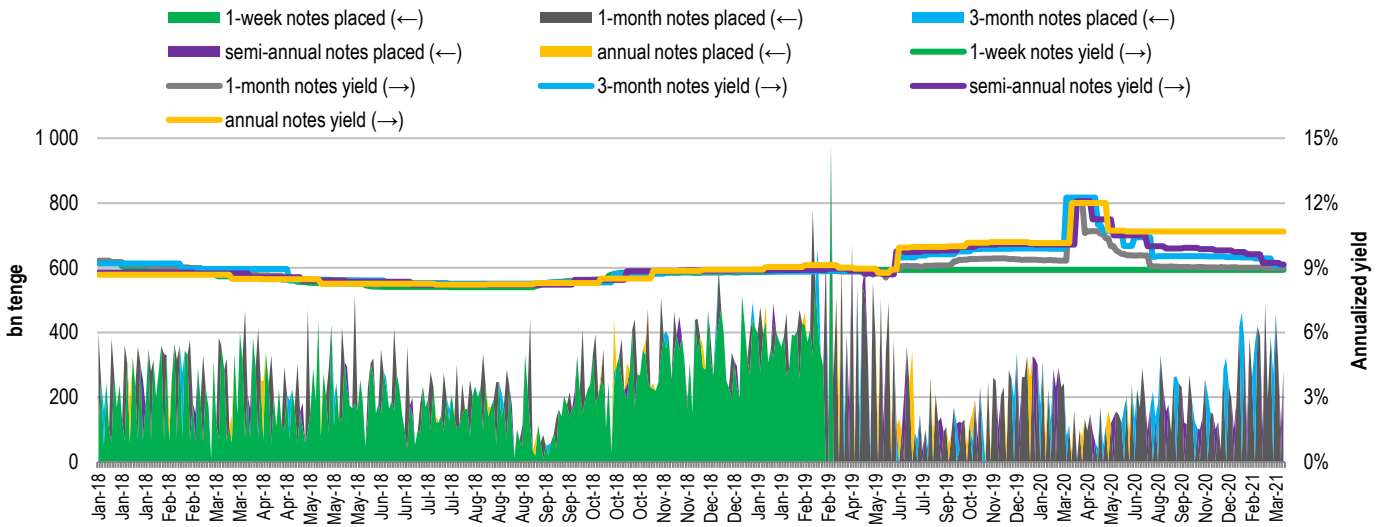
Kcell shares added 0.4% in price. On April 1, the press service of VTB Bank (Kazakhstan) announced an increase in the line of credit for Kcell from 6 to 7 billion tenge. The term of the line of credit is scheduled until October 15, 2023 with payment of interest in the amount of 10.7% per annum. It is noted that the mobile operator uses the borrowed funds to replenish working capital. In addition to financing the working capital, Kcell also planned to use the funds to refinance debts in other second-tier banks. This is a second loan provided by the bank to the operator. So, in 2019, Kcell had already secured a loan in VTB for KZT5 bn for 12 months.

The yield on one-day repo transactions with government securities decreased by 89 b.p. to the level of 8.66% per annum. The rate of borrowing the tenge secured by US dollars decreased by 79 b.p. and amounted to 8.20% per annum. The total volume of borrowing the tenge liquidity for one day amounted to KZT2.0 trln during the reporting period.

Inflation and interest rates

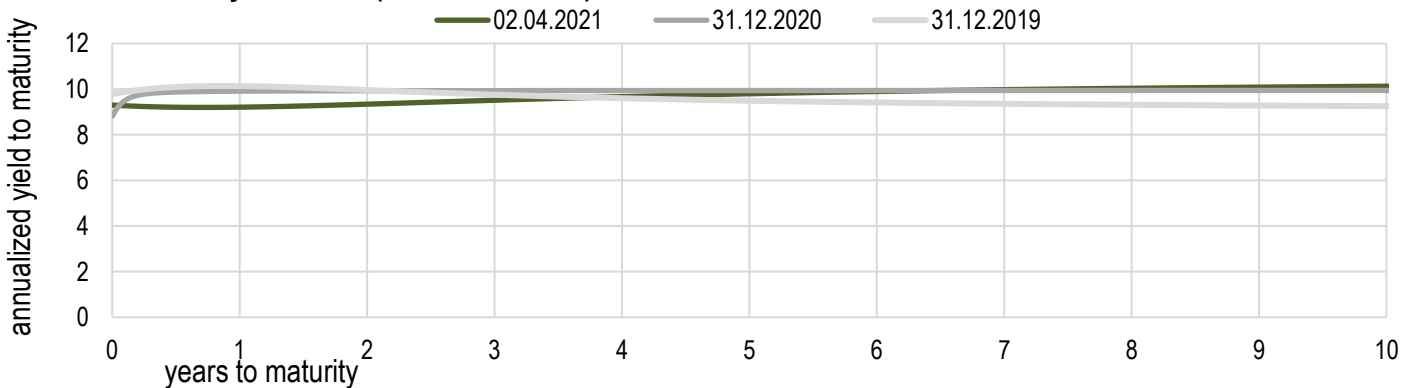


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The US dollar rate against the tenge increased by KZT5.55 (1.3%) to KZT426.84. The total trading volume amounted to \$971.9 mln (+63.4% on the same indicator of the previous week). The total number of deals for purchase and sale of the US dollar amounted to 2,678 (+1,141 on the same indicator of the previous week). The maximum price was KZT427.59 per US dollar, the minimum – KZT422.70.

The strengthening US dollar and the weakening of the Russian ruble played against the tenge. The dollar is strengthening amid expectations that the US economic recovery will accelerate thanks to massive vaccinations and large monetary stimulus from the government. Oil prices, meanwhile, turned to growth, recovering some of the losses incurred earlier, ahead of the meeting of the OPEC+ countries – investors expected the cartel to decide to maintain the current restrictions due to the accelerated growth of COVID-19 cases in the world. However, the OPEC+ countries, against expectations, decided to gradually increase the oil production – in three months the alliance will increase production by more than 1 million barrels per day. In addition, as noted by Bloomberg, referring to delegates to the ministerial meeting, Saudi Arabia may also reduce part of the previously voluntarily assumed additional limitation of production by 1 million barrels per day.

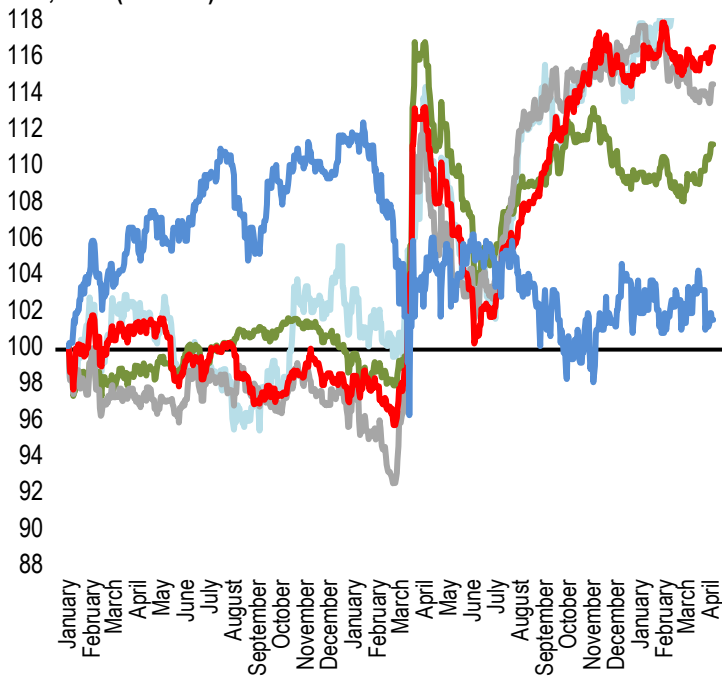
Meanwhile, EIA data showed an unexpected decline in US crude oil reserves last week, while an API report released the day before showed a larger-than-expected rise in reserves.

The price of Brent oil May futures on the London ICE Futures exchange on Thursday closed at \$64.86 per barrel (+ 0.5%). The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange on Friday amounted to 76.4762 rubles (+ 3.2%).

The value of the Russian ruble decreased by KZT0.0622 (1.1%) to KZT5.6106. The Chinese yuan rose in price by KZT0.3176 (0.5%) to KZT64.9900.

FX rates

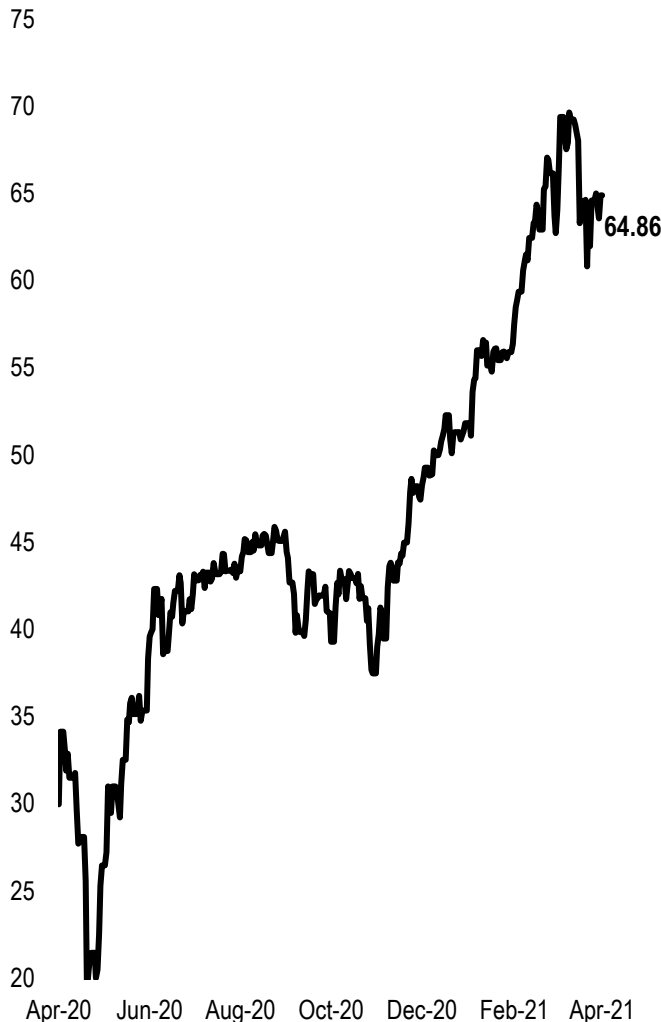
Δ %, base (01.01.19)









	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	584,21	-0,6	0,8	2,3
— USDKZT	419,45	1,1	-1,0	-0,3
— EURKZT	504,64	-0,4	-1,3	-2,2
— CNYKZT	64,88	0,9	-1,2	0,6
— RUBKZT	5,68	0,7	1,8	0,5

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					Commodities market					02.04.2021	
Name	Value	Trend %			Futures 7d	Name	Price	Trend %			
		7d	1m	1y				7d	1m	1y	
 S&P 500	4 019,87	2,7	5,2	59,1	1,6	Oil (Brent)	64,86	0,5	1,2	116,6	
Dow Jones	33 153,21	1,6	6,0	54,8	0,3	Oil (WTI)	61,45	0,0	0,3	142,7	
 RTS	1 466,71	-0,5	0,9	41,8	1,3	Natural gas	2,64	4,1	-6,3	70,0	
MICEX	2 285,53	0,0	0,0	0,0	1,3	Copper	399,05	-3,2	-3,9	79,9	
 Hang Seng	28 938,74	-0,2	-3,2	24,3	2,0	Iron	1 189,50	0,8	-3,9	78,7	
SS CSI 300	5 161,56	3,1	-5,3	38,2	2,1	Gold	1 728,87	-0,9	1,0	7,1	
 Euro Stoxx 50	3 945,96	2,8	6,3	46,8	2,2	Silver	24,95	-5,1	-5,3	70,2	
FTSEuroFirst	4 317,50	1,8	4,5	35,6	1,4	Wheat	611,00	-2,6	-6,3	12,8	
 FTSE 100	6 737,30	0,4	0,9	22,9	0,0						
 KASE	3 143,78	1,7	6,3	41,8							

Economic calendar		Currency	Forecast	Previous
04/06	Short-term energy market forecast from EIA	USD		
04/07	Crude oil reserves	USD	0.107M	-0.876M
04/08	ECB statement on monetary policy	EUR		
04/08	Number of initial claims for unemployment benefits	USD	680K	719K
04/08	Statement of Fed Chair Powell	USD		

B – billions
M – millions
K – thousands

Note: the calendar contains the most significant economic events of the current week according to KASE analysts opinion

Kazakhstan statistics	Value	As of	Beginning 2020
Annual inflation	7.4%	03/01/21	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
Kazakhstan credit ratings	Rating	Date	Previous
	BBB-/A-3-stable	03/06/21	BBB- stable
	Baa3 positive	02/17/21	Baa3 positive
	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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