

KASE WEEKLY

August 08-12
2022

KASE NEWS

- KASE [held](#) an online press briefing dedicated to the results of the exchange market operation in July 2022.
- ETF [securities](#) of four foreign issuers, bonds [KZMJ00001360](#) (KOK022_136) of the local executive body of Kyzylorda region, bonds [KZ2P00008741](#) (AVKGpp1) of Avesta-Karaganda LLP are included in KASE official list.
- Trades in bonds [KZ2C00008662](#) (FIVEb3) of FIVE BROKERS' CAPITAL JSC have been opened at KASE.
- Trading in common shares [US0255371017](#) (AEP_KZ) of American Electric Power Company, Inc., common shares [US4592001014](#) (IBM_KZ) of IBM corp., common shares [US3453708600](#) (F_KZ) of Ford Motor Company, common shares [US30231G1022](#) (XOM_KZ) of Exxon Mobil Corporation, common shares US8552441094 (SBUX_KZ) of Starbucks Corporation suspended on KASE.
- Trading in common shares [US0255371017](#) (AEP_KZ) of American Electric Power Company, Inc., common shares [US4592001014](#) (IBM_KZ) of IBM corp. resumed on KASE.
- Common shares [KZ1C00001783](#) (KOSH) of Kokshe JSC admitted to circulation on KASE in "Unlisted securities" sector.

ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 437.6 mln MEKKAM-12 of issue 151 ([KZK100000274](#), MKM012_0151), 37.6 mln MEUKAM-120 of issue 14 ([KZKD00000782](#), MUM120_0014) and 31.2 mln MEUKAM-156 of fifth issue ([KZKD00000758](#), MUM156_0005).
- The Ministry of Finance of Kazakhstan raised KZT35.0 bn on KASE by placing METIKAM-36 of the first issue ([KZKT00000016](#), MTM036_0001).
- Akimdik of Kyzylorda region raised KZT721.3 mln on KASE by placing bonds KZMJ00001360 (KOK022_136).
- Asian Development Bank raised KZT6.5 bn on KASE through subscription by placing international bonds [XS2507222904](#) (ASDBe11) with a yield to maturity of 14.15 % APR.
- Bank CenterCredit JSC [says](#) S&P Global Ratings upgraded the bank's ratings; the outlook is Stable.
- LOTTE Rakhat JSC paid dividends on common shares [KZ000A1CTMZ4](#) (RAHT) for 2021, Sinoasia B&R Insurance JSC paid dividends on common shares [KZ1C00005388](#) (SABR) for 2021.
- Freedom Holding Corp. [reported](#) financial results for the period ended June 30, 2022.



First class of liquidity

	Price	Δ 7D	Δ 1M
AO "Кселл"	1 699,92	6,2	53,9
Freedom Holding Corp.	58,18	5,0	15,9
AO "Банк ЦентрКредит"	490,00	3,7	11,6
Exxon Mobil Corporation	88,00	3,5	- 5,9
AO Kaspi.kz	26 558,89	3,0	13,4
Apple Inc.	169,57	2,9	16,3
AO "Народный сберегательный банк Казахстана"	112,70	1,5	- 0,2
Intel Corporation	35,83	1,5	- 4,3
Yandex N.V.	13 877,99	1,3	5,9
AO "KM GOLD"	189,00	0,5	- 5,0
AO "Казактелеком"	27 899,00	0,4	1,8
AO "KEGOC"	1 591,97	- 0,0	- 1,0
AO "КазТрансОйл"	782,00	- 1,6	8,6
AO "ForteBank"	3,70	- 2,1	1,9
AO "НАК "Казатомпром"	13 768,88	- 2,3	10,2
Advanced Micro Devices, Inc.	98,61	- 4,2	27,7
NVIDIA Corp.	179,06	- 6,5	19,0

Last week, the KASE index broke through the 3,000 points mark, continuing to recover from local lows recorded in mid-June. As the publication of semi-annual reports and the return of optimism on international markets, five out of eight representatives of the index basket showed a trend reversal.

Ordinary shares and GDRs of Kaspi.kz since mid-July managed to restore almost 30 % of the cost in price. The dynamics became even brighter after the publication of financial statements, according to which the semi-annual net profit of Kaspi.kz exceeded last year by 39.4 % . Halyk Bank set the date for the announcement of financial results for the half year to this Wednesday, August 17, but the Bank's GDRs have already shown growth and have added about 7 % in price since mid-July. Ordinary shares, in turn, remain without any pronounced dynamics.

Bank CenterCredit has not yet announced official results for the half year, but it is obvious that the market evaluates monthly reports from the National Bank. Common shares of BCC entered another wave of growth since mid-June and since that moment have added 24.4% in price. It would not be superfluous to note that over the past 365 days the price of this bank's shares on KASE rose from 250 tenge to 490 tenge per share, that is, almost doubled.

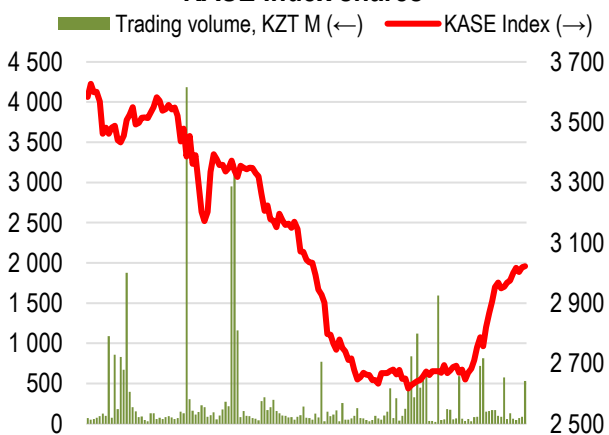
After an online meeting during the "Issuer Day" project arranged by KASE on July 26, KCELL shares soared by more than 50% over several trading sessions, and now the price has consolidated around 1,690 tenge per share.

Kazatomprom showed good operating results for the half year, with sales having increased by 46%, and the selling price – by 38 %. But prices of common stocks and GDRs , after double-digit gains last month, are now trading in the red. It is possible that this situation is explained by a decrease in interest in the nuclear energy sector in the world against the background of growing industry risks in Ukraine and France. Despite this, the market is in no hurry to cut the prices of uranium companies much, as the US is expected to disburse \$369 billion to reduce carbon emissions under the "Cut Inflation Act" in the near future.

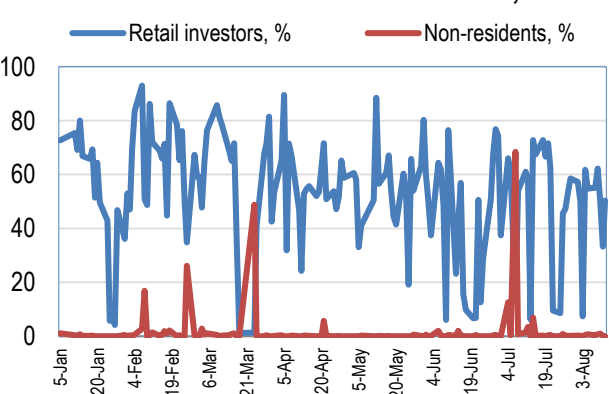
KEGOC and Kazakhtelecom remain shares of KASE Index basket, which are still traded without clear dynamics. KEGOC on Friday released financial statements for the first half of the year, according to which net profit fell by half. Kazakhtelecom has not reported half-year results yet.

A stable upward trend in August was continued by international markets, which contributed to the increase in the price of many shares represented in the KASE Global sector. Commodity prices have consolidated below \$100 a barrel since the beginning of the month, and the start of harvest campaigns has been reflected in a slowdown in the FAO producer price index . Against this background, in a number of countries, the published data showed a slowdown or decrease in inflationary pressure. Statistical data released in the US confirmed that the process of curbing both consumer and industrial inflation has begun in the country. The awareness that the peak of problems has passed, the situation is starting to improve, and the central banks may not raise rates much, contributed to a further rebound in prices on Western markets.

KASE Index shares

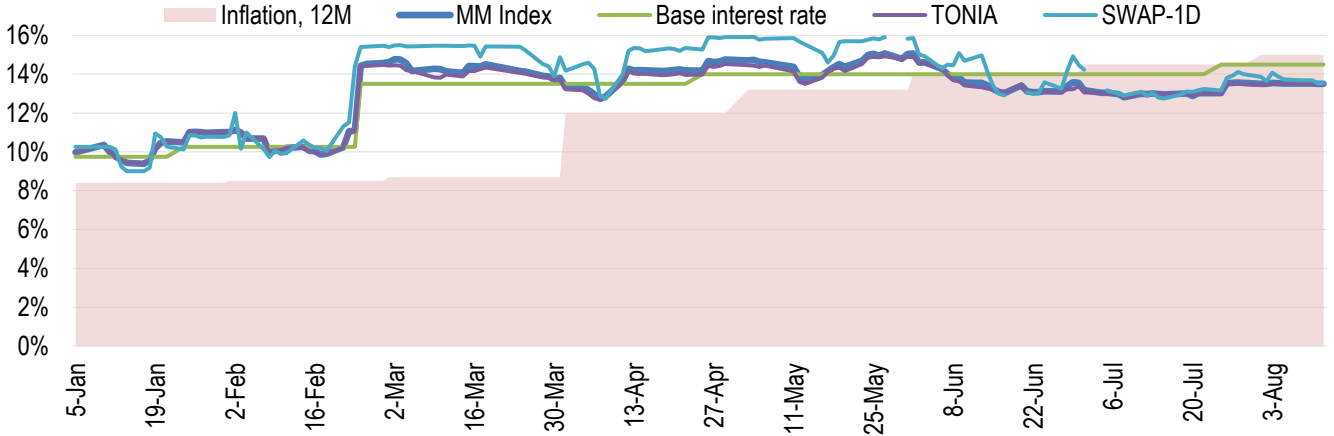


Retail investors & non-residents, %

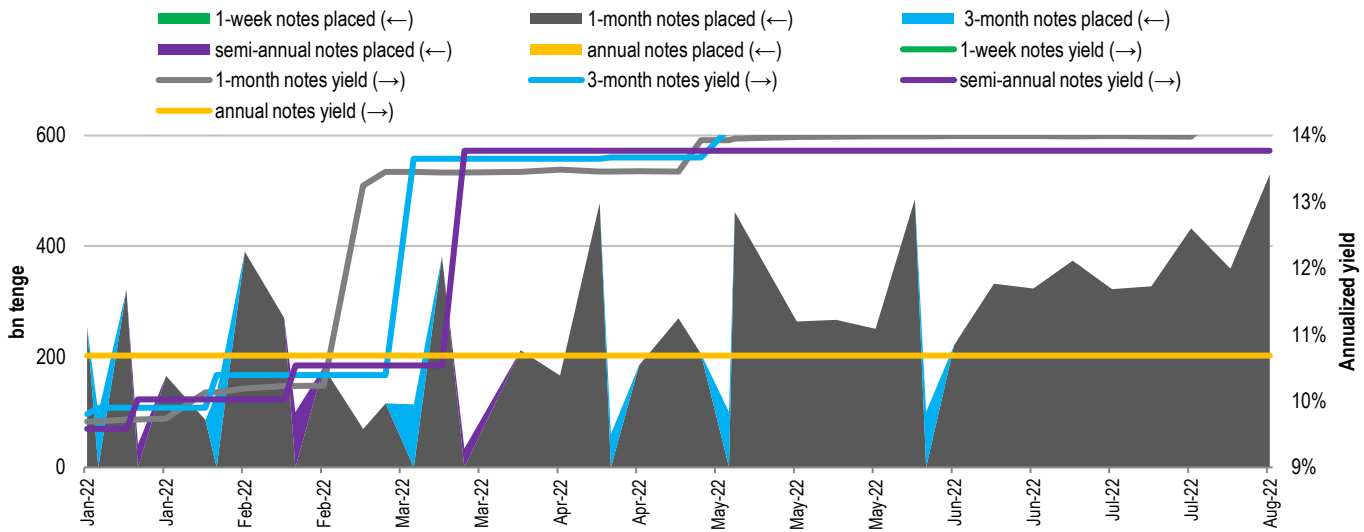


The yield of one-day REPO transactions with government securities (GS) (TONIA) from August 8 to 12 did not change and remained at the level of 13.50 % per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) during the period under review decreased from 13.68 % to 13.54 % per annum.

Inflation and interest rates

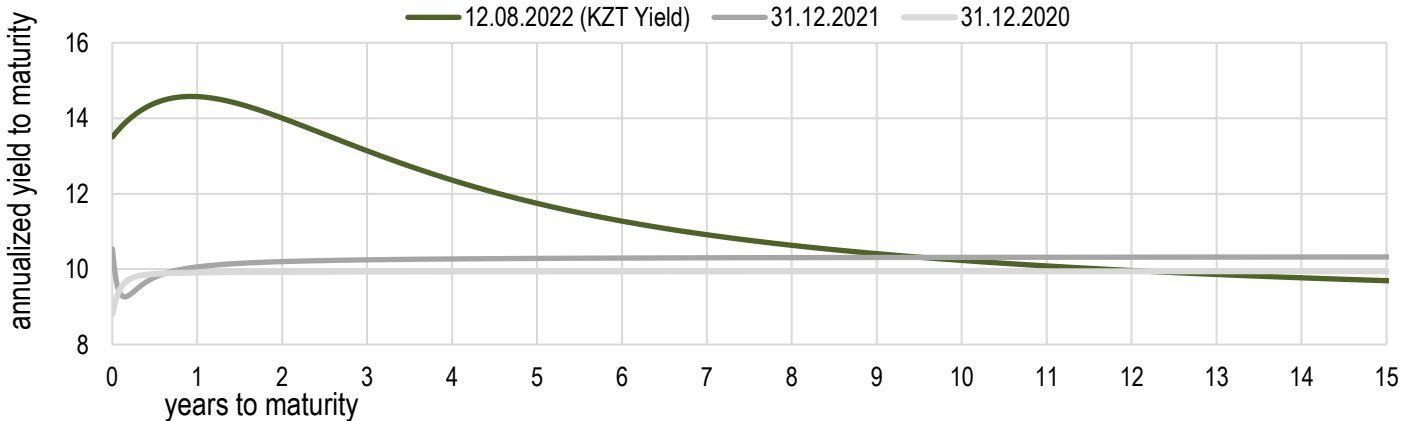


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)



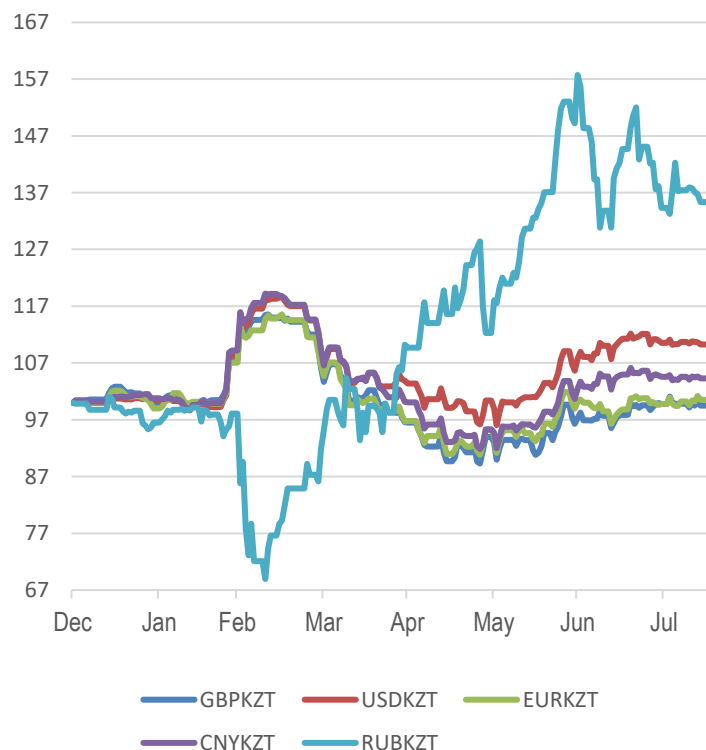


As a result of trades on August 12, the market exchange rate of the tenge formed at the level of 476.01 tenge per US dollar, having strengthened by 0.4% (from 477.98) over the week. A number of significant events took place on the foreign exchange market, the main of which is the release of data on inflation in the United States, which amounted to 8.5% in July in annual terms (9.1% a month earlier). The slowdown in consumer inflation, which turned out to be lower than analysts' forecast, changed the mood of investors to change the rhetoric of the US Federal Reserve towards easing monetary policy.

The dynamics of the exchange rates of developing countries [\[1\]](#) against the US dollar was as follows:

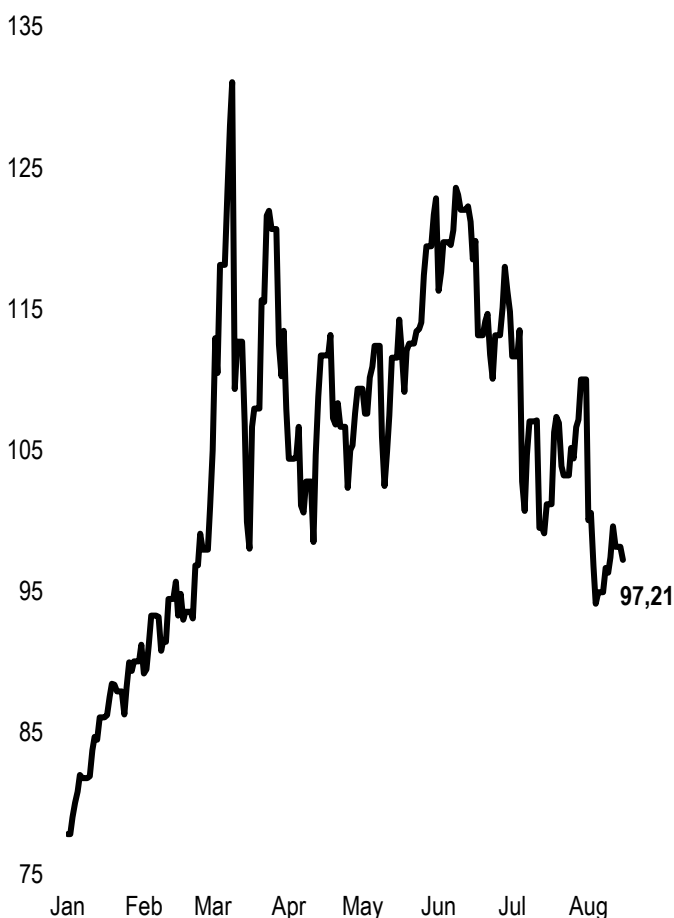
- **South African rand** strengthened by 3.6% (from 16.78 to 16.17) on the back of a significant inflow of foreign capital and reduced risks of higher rates in the US;
- **Mexican peso** strengthened by 2.7% (from 20.4 to 19.85) against the background of the decision of the Central Bank to raise the discount rate by 75 b.p. to a record 8.5 % and improved global risk sentiment;
- **Brazilian real** appreciated by 1.7% (from 5.17 to 5.08) against the background of a decline in the US dollar index DXY;
- **Indonesian rupiah** has strengthened by 1.5% (from 14894 to 14668) against the background of growing exports of palm oil, a trade surplus and the prospect of raising interest rates by the Central Bank;
- **Russian ruble** slightly weakened from 60.58 to 60.61;
- **Turkish lira** weakened by 0.2 % (from 17.92 to 17.95) against the background of a record level of annual inflation (79.6 % in July);
- **Indian rupee** weakened by 0.5 % (from 79.24 to 79.65) amid growing demand for foreign currency in the country and high crude oil prices.

FX rates









	Price	Δ 7d, %	Δ 30d, %	Δ 2022, %
GBPKZT	578,11	-0,32	4,23	0,50
USDKZT	476,01	-0,41	0,91	10,66
EURKZT	490,15	0,25	4,21	1,21
CNYKZT	70,64	-0,25	0,67	4,65
RUBKZT	7,81	-1,51	-1,99	36,74

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	4 280,15	3,3	12,6	-4,1	3,2
Dow Jones	33 761,05	2,9	9,7	-4,9	2,9
 RTS	1 116,32	4,1	-0,4	-33,0	6,1
MICEX	2 285,53	0,0	0,0	0,0	6,1
 Hang Seng	20 175,62	-0,1	-3,0	-23,9	0,0
SS CSI 300	4 191,15	0,8	-3,0	-15,7	1,2
 Euro Stoxx 50	3 776,81	1,4	9,3	-10,6	1,6
FTSEuroFirst	4 504,50	0,6	6,7	-2,6	0,8
 FTSE 100	7 500,89	0,8	4,8	4,3	1,2
 KASE	3 022,27	1,6	13,3	-2,0	

Commodities market

August 12, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	98,15	3,4	-1,4	37,6
Oil (WTI)	92,09	3,5	-4,4	33,3
Natural gas	8,77	8,7	31,1	122,9
Copper	366,85	3,3	10,3	-15,9
Iron	789,50	0,1	-7,4	-28,6
Gold	1 802,40	1,5	3,7	2,8
Silver	20,70	4,3	8,2	-10,5
Wheat	806,00	3,9	1,0	7,0

Economic calendar

Currency

Forecast

Previous

15.08	GDP (q/q) (Q2)	JPY	0.6 %	0.0 %
15.08	Industrial output volume (YoY) (2Q)	CNY	4.6 %	3.9 %
15.08	Base lending rate of the NBK	CNY	2.75 %	3.70 %
16.08	Number of initial claims for unemployment benefits	GBP		-20.0K
17.08	Consumer Price Index (CPI) (YoY) (July)	GBP	-0.1 %	1.0 %
17.08	Crude oil reserves	USD		5.458M
18.08	Consumer Price Index (CPI) (YoY) (July)	EUR	8.9 %	8.9 %

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

Previous month

Annual inflation	15,0%	01.08.22	14,5%
Gross international reserves of NBK, USD bn	32,0	01.07.22	32,8
Reserve money, KZT bn	10 688,8	01.07.22	9 875,0
Money supply, KZT bn	30 423,2	01.07.22	28 319,2

Kazakhstan credit ratings

Rating

Date

Previous

S&P Global

BBB-/A-3 stable

05.03.22

BBB-/stable

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

17.06.22

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

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