

KASE WEEKLY

March 24 –
April 01
2022

KASE NEWS

- ▲ KASE [formed](#) lists of securities of the first, second and third liquidity classes for April 2022.
- ▲ [Amendments](#) to the Clearing Rules for Trades in Financial Instruments were enacted and to the Regulations on Membership Fees, Exchange and Clearing Fees
- ▲ [KZSJ00000119](#) (SHK022_011) bonds of Shymkent city akimat were included in KASE official list.
- ▲ Bonds [KZ2C00008506](#) (PRKRb8) JSC National Company "Food Contract Corporation" passed the listing procedure on KASE in the category "bonds" of the main site.
- ▲ Freedom Finance JSC was assigned a market-maker status on KASE on bonds [KZKD00000261](#) (MUM144_0001) of the Ministry of Finance of the Republic of Kazakhstan
- ▲ Halyk Savings Bank of Kazakhstan JSC was assigned the market-maker status on KASE on bonds [KZKD00000790](#) (MUM180_0011) of the Ministry of Finance of the Republic of Kazakhstan
- ▲ Halyk Global Markets JSC [gave up](#) market-maker status on KASE on common shares of seven names

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan attracted KZT102.0 billion by placing on KASE MEUKAM-72 of issue 13 ([KZKD00001145](#), MUM072_0013), MEOKAM-48 of issue 52 ([KZK200000687](#), MOM048_0052), MEOKAM-12 issue 150 ([KZK100000266](#), MKM012_0150), MEUKAM-72 issue 13 ([KZKD00001145](#), MUM072_0013) and MEOKAM-36 issue 91 ([KZK200000695](#), MOM036_0091).
- ▲ Akimat of Turkestan region has attracted KZT8.8 bn. on KASE, having placed bonds [KZMJ00001188](#) (TKK024_118).
- ▲ Shymkent Municipality attracted KZT10.0 bln on KASE, having placed bonds [KZSJ00000119](#) (SHK022_011).
- ▲ JSC Subsidiary Bank "Alfa-Bank" [reported](#) that S&P Global Ratings downgraded the long-term credit rating of the bank.
- ▲ Home Credit and Finance Bank, a subsidiary of the bank, [reported](#) that Fitch Ratings agency has withdrawn its rating assessments of the bank.
- ▲ Subsidiary Bank Sberbank of Russia JSC [reported](#) that Fitch Ratings agency withdrew its rating assessments of the bank
- ▲ JSC "Life Insurance Company "Freedom Finance Life" [reported](#) that S&P Global Ratings confirmed the ratings of the company
- ▲ Bank CenterCredit JSC [paid](#) dividends on preferred shares KZ000A0H0930 (CCBNp) for 2021.
- ▲ AMF Group JSC [announced](#) the payment of dividends on preferred shares for 2021.



18.03.2022		Trends (%)	
KASE Index	3 372,76	5,3	-5,2
First class of liquidity	Price	Δ 7D	Δ 1M
АО "Национальная атомная компани"	16 400,0	25,4	11,6
АО "Народный сберегательный банк"	129,8	14,9	- 17,3
Pfizer Inc.	53,7	13,7	8,5
Freedom Holding Corp.	58,3	4,9	- 9,5
АО Kaspi.kz	29 249,0	2,3	- 26,9
АО "Банк ЦентрКредит"	380,0	-	- 4,4
ПАО "Сбербанк"	920,0	-	- 41,0
ПАО "Газпром"	1 672,0	-	- 15,3
Банк ВТБ (ПАО)	0,1	-	- 45,8
VTB Bank	0,1	-	- 45,8
ПАО "Новолипецкий металлургический комбинат"	1 381,0	-	- 6,6
ПАО "Ростелеком"	495,0	-	- 2,4
ПАО "Аэрофлот - российские авиалинии"	313,0	-	- 20,8
АО "КЕГОС"	1 851,0	- 0,1	- 0,1
АО "КазТрансОйл"	976,0	- 0,1	- 11,3
АО "Казакхтелеком"	30 700,0	- 0,9	- 11,0
Intel Corporation	47,0	- 1,3	- 3,2
АО "Кселл"	1 710,0	- 1,3	- 0,5
Apple Inc.	160,6	- 2,1	- 5,9
AT&T Inc.	23,3	- 2,7	- 4,2
Ford Motor Company	16,3	- 9,7	- 13,5
Yandex N.V.	12 358,4	- 39,4	- 48,0
АО "KM GOLD"	440,0	- 56,2	- 56,0

According to the results of March, the decline of KASE index was less than 1%, despite significant fluctuations during the month. From March 1 to March 9, the local stock market index lost 11.7%, dropping to its lowest value since the beginning of the year - 2,969.32 points. In the next two trading sessions - March 9 and 10, KASE Index almost completely recovered the decline and continued to develop in a narrow corridor until the end of March. By the end of trading on March 31, the Index was fixed at 3,348.63 points

The past month was quite rich with corporate events of Kazakhstan public companies. All representatives of the index basket, except for the national electricity grid management company KEGOC, reported on their annual financial results. Some of them announced the dates of annual meetings of shareholders, and recommendations of boards of directors on the size of dividend payments.

At the same time, a significant pressure on the quotations of securities was exerted by the continuing unstable geopolitical situation.

Under the influence of a set of multidirectional factors, the shares of the index basket closed the month mainly in the green zone. The exceptions were the shares of Halyk Bank, the dynamics of the value of which during the month was characterized by a sideways trend without pronounced fluctuations, as well as the shares of Kaztransoil.

Securities of other representatives of the banking sector were among the most volatile and multidirectional. Kaspi.kz ordinary shares on KASE grew in price by 4.1% in March, while GDRs on London Stock Exchange fell by 16.5%. During the month, the company reported net income of KZT435.2 bn against KZT263.3 bn in 2020. On March 24, Kaspi.kz shareholder meeting decided to pay KZT538.6bn in dividends, equivalent to KZT2,700 per share. Dividend income, therefore, will amount to about 9% per annum

Bank CenterCredit shares added 3.7% over the month. According to the annual report, the bank's net income for 2021 more than doubled from KZT8.6bn to KZT18.5bn. The bank paid T11.7bn as a dividend on preferred shares March 15-18. No recommendations on dividend payments on common shares were announced. Meanwhile, on March 24 the bank redeemed a KZT26.5bn bond issue and the board of directors of subsidiary BCC Invest decided to place an additional 415mn common shares at a price of KZT2.4 per share.

Halyk Bank's common shares on KASE decreased in price by 5.7%, while the GDR price on the London Stock Exchange decreased by only 2.3%. The group reported net income of KZT462.4bn versus KZT352.7bn in 2020. However, the board of directors recommended that the net profit not be allocated to dividend payments.

In turn, common shares of Kazatomprom JSC on the local market rose in price by 1.6%, and its GDR on the London platform added 8.5% and entered the list of the first liquidity class of the Kazakhstan Stock Exchange. The company became one of the main beneficiaries of the decision of the European Union to accelerate the transition to alternative energy sources. The price of uranium futures on this background rose by 21% - from 48.4 to 58.6 dollars per pound. Meanwhile, the annual net profit of Kazatomprom was 220 billion tenge against 221.4 billion tenge a year earlier due to the long-term price fixing in the contracts. Recommendations on dividend payment were not voiced by the board of directors.

Shares of telecommunication companies - Kcell and Kazakhtelecom added 0.8% and 0.2%, respectively, over the month. The group's consolidated profit for 2021 rose from KZT65.3bn to KZT97.4bn. On March 14 Kazakhtelecom's Board of Directors recommended T39.5bn in dividends, which translates into T3,590.39 per share. The annual meeting of shareholders, at which the distribution of net income will be considered, is scheduled for April 29.

On the whole, despite the increased volatility, the volume of trading in index shares in March relative to February increased from 6.1 to 9.6 billion tenge.

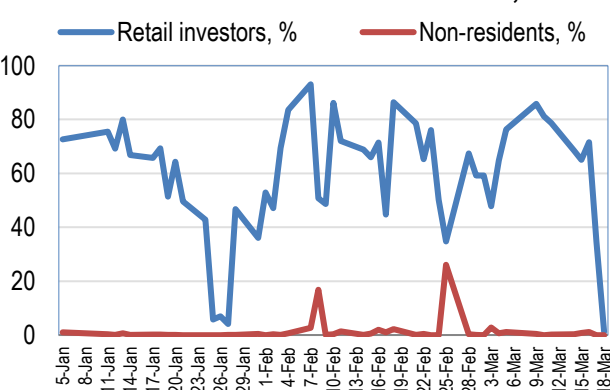
Note: Index stocks are highlighted in green

KASE Index shares

Trading volume, KZT M (←)

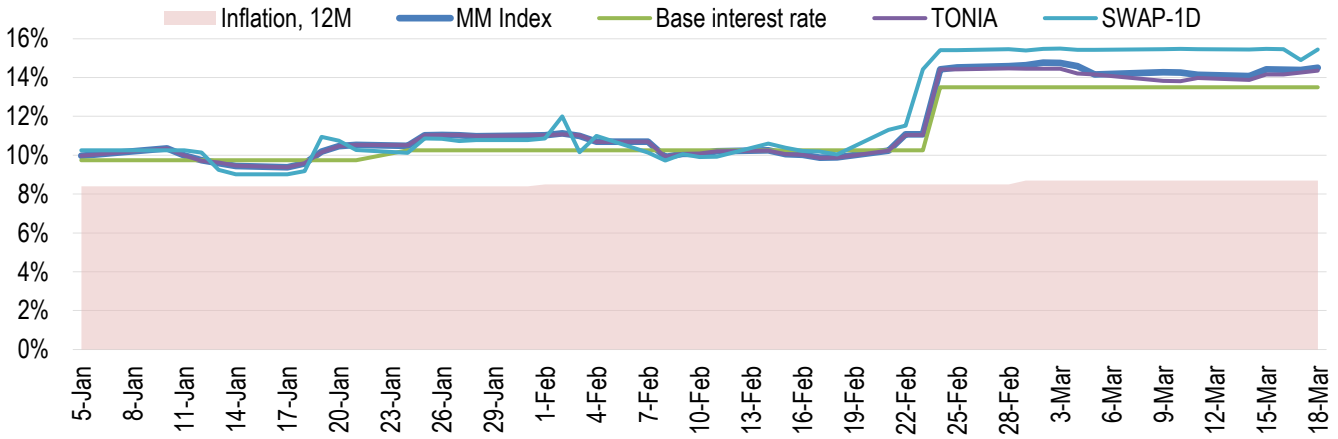


Retail investors & non-residents, %

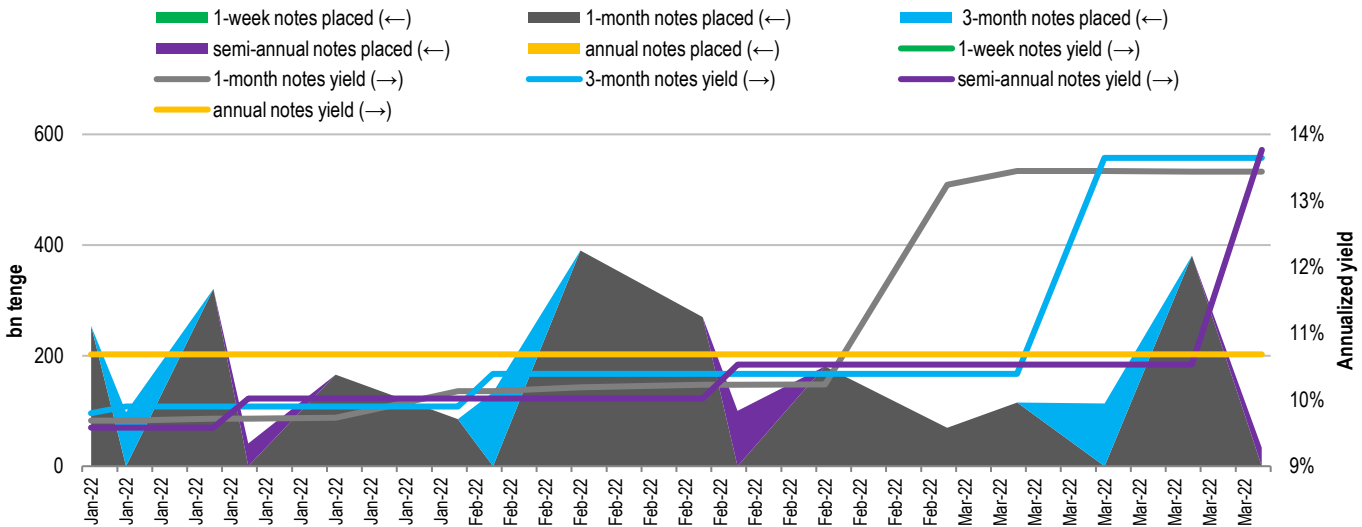


The yields of repo transactions in government securities (GS) for one day (TONIA) decreased from 14.35% APR to 13.22% from March 24 through April 1. Last week rate of borrowing of tenge against USD for one day (SWAP-1D (USD)) increased from 15.42% APR to 14.18%. Average volume of trades in one-day instruments of the money market equaled KZT649 bn.

Inflation and interest rates

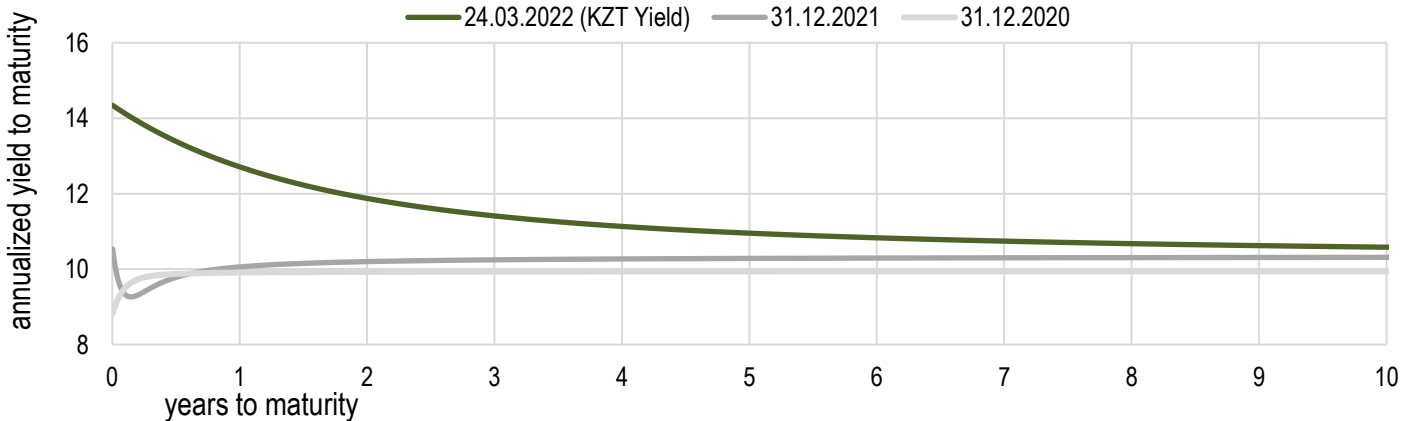


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)



The world financial markets in March were subject to high volatility against the background of the ongoing aggravation of the geopolitical situation. In order to prevent the transfer of external shocks to the economy of the country and in order to maintain the balance in the domestic foreign exchange market in the first half of March, the National Bank carried out foreign exchange interventions. According to the results of the month, their volume amounted to USD 990.5 million or 29% of the total volume of exchange trading.

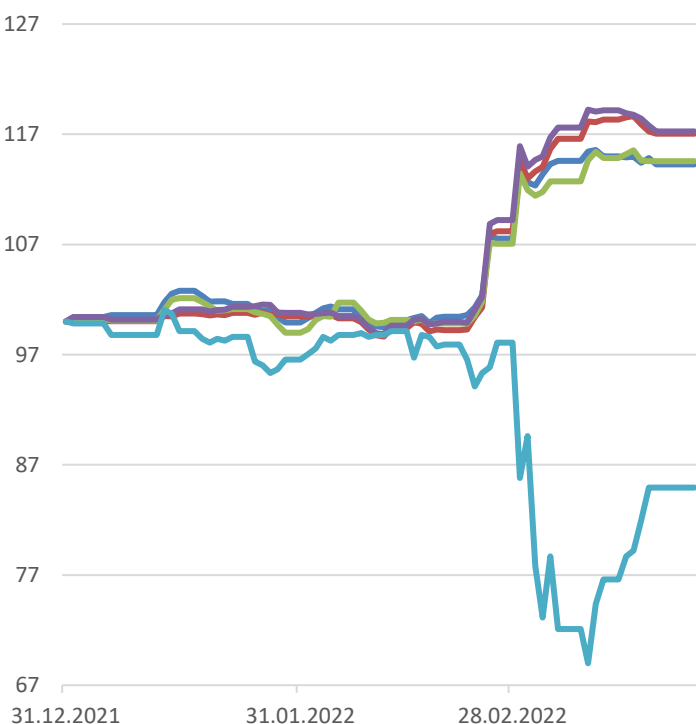
In March, sales of foreign currency to secure transfers from the National Fund to the republican budget amounted to USD 890.9 million. The share of currency interventions of the National Bank and sales from the National Fund amounted to 55% of the total trading volume.

The National Bank did not carry out operations on purchase or sale of foreign currency for pension assets of the unified accumulative pension fund and other funds under trust management.

Due to the high level of geopolitical tensions, the tenge reached a historical maximum of 512.17 tenge per U.S. dollar on March 15, 2022. However, after that the trajectory of the national currency has changed towards strengthening. Thus, on March 31 at the close of trading on the KASE, tenge was at 467.03 tenge per U.S. dollar, strengthening by 5.7% since early March. Strengthening of tenge occurred at the background of correction on the international financial markets, as well as the period of tax payments.

In the short term, the volatility of the tenge will depend on changes in the geopolitical situation, expectations of domestic participants and the situation on world markets. At the same time, we note that the National Bank continues to work on the transition to the full inflation targeting regime, a prerequisite for which are structural changes in the economy, reduction of concessional government lending, as well as a commitment to the principles of free floating of the exchange rate.

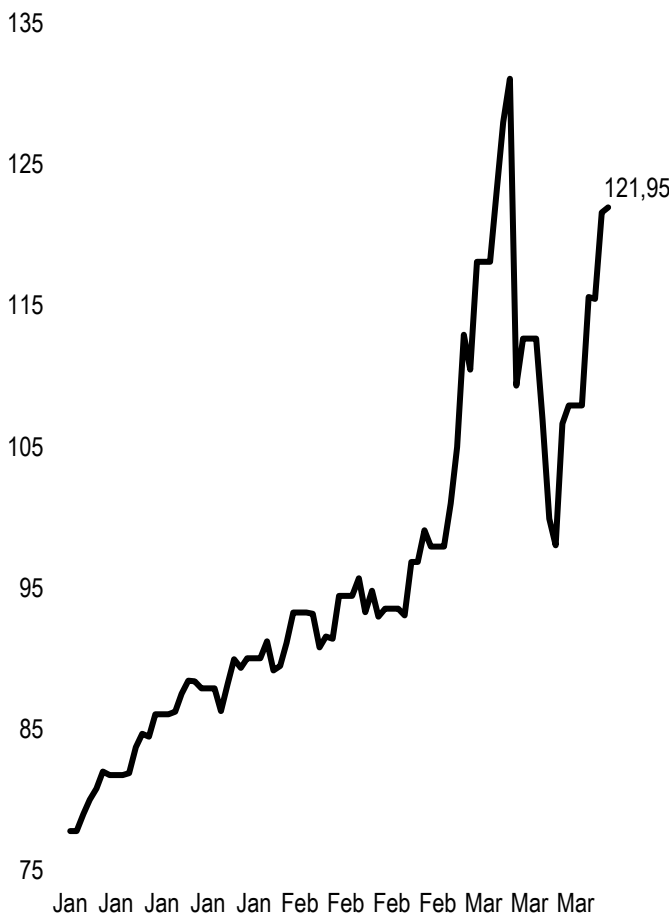
FX rates



— GBPKZT — USDKZT — EURKZT
— CNYKZT — RUBKZT

	Price	Δ 7d, %	Δ 30d, %	Δ 2021, %
— GBPKZT	620,24	-4,66	-6,49	5,31
— USDKZT	472,56	-4,37	-4,40	8,02
— EURKZT	522,37	-3,94	-5,13	6,19
— CNYKZT	74,33	-4,30	-4,83	8,56
— RUBKZT	5,80	15,08	10,25	-1,21

Brent oil
USD/barrel





Global indices

Name	Value	Trend %			Futures
S&P 500	4 463,12	3,1	-0,3	14,0	6,2
Dow Jones	34 754,93	3,4	-0,5	5,8	5,5
RTS	936,94	0,0	-38,5	-37,1	0,0
MICEX	2 285,53	0,0	0,0	0,0	0,0
Hang Seng	21 412,40	-2,3	-13,4	-27,2	4,5
SS CSI 300	4 265,90	-5,1	-7,6	-17,0	-0,9
Euro Stoxx 50	3 902,44	9,7	-5,7	0,9	5,5
FTSEuroFirst	4 585,40	7,5	-4,4	7,2	4,6
FTSE 100	7 404,73	6,0	-2,6	9,2	3,6
KASE	3 372,76	5,3	-5,2	10,5	

Commodities market

March 18, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	107,93	-8,6	13,8	70,6
Oil (WTI)	104,70	-9,5	11,8	74,5
Natural gas	4,86	-3,1	3,1	96,0
Copper	473,05	-4,0	4,3	14,9
Iron	851,00	3,5	17,3	-28,5
Gold	1 921,62	-2,5	2,8	10,7
Silver	25,06	-2,8	6,1	-4,8
Wheat	1 063,75	-21,1	36,3	68,7

Economic calendar

Currency

Forecast

Previous

04.04	Speech of the Governor of the Bank of England Bailey	GBP		
05.04	Interest Rate Decision (Apr)	AUD	0.10%	0.10%
05.04	Composite PMI Index (Mar)	GBP	59.7	59.7
06.04	Business Activity Index in the Construction Sector (Mar)	GBP	57.3	59.1
06.04	Crude oil reserves	USD		-3.449M
07.04	Publication of ECB Monetary Policy Meeting Minutes	EUR		

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

January 2022

Annual inflation	12.0%	01.03.22	8.7%
Gross international reserves of NBK, USD bn	33,5	01.03.22	34,4
Reserve money, KZT bn	10 764,9	01.03.22	10 957,7
Money supply, KZT bn	30 711,8	01.03.22	30 099,3

Kazakhstan credit ratings

Rating

Date

Previous

	BBB-/A-3 стабильный	05.03.22	BBB- stable
	Baa2/стабильный	11.08.21	Baa3 positive
	BBB/стабильный	04.02.22	BBB stable

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Corporate Events Calendar of KASE listed Companies

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