



# KAZAKHSTAN STOCK EXCHANGE



**July 1, 2012**

# KASE – Coeval of Tenge



**KASE** was established on November 17, 1993 under the name of Kazakh Inter-bank Currency Exchange – two days after Tenge (the new national currency of Kazakhstan) had been introduced on November 15, 1993.

Currently, November 15 is observed as the official "Day of National Currency".

# KASE Shareholders



**KASE** is a commercial joint-stock company with **56** shareholders (as of July 2, 2012).

Centras Credit MCO limited liability partnership and Regional Financial Center of Almaty JSC are the largest shareholders.

Shareholders include banks, brokerage firms, asset management companies, pension funds and other professional financial institutions.

Voting method: one share – one vote.

# KASE Shares and Capital



## As of July 1, 2012

(According to data from unconsolidated statements)

own capital	KZT 2,322.0 m (\$15.5 m)
paid up charter capital	KZT 517.3 m (\$3.5 m)
authorized shares	5,000,000
outstanding shares	544,999
share balance value	KZT 4,261 (\$28.5 )

# Yield Indexes



	assets	net profit	return on assets	return on equity
2011	\$17.4 m	\$1.0 m	5.7 %	6.8 %
2010	\$15.1 m	\$2.1 m	15.1 %	16.0 %
2009	\$12.2 m	\$2.5 m	20.4 %	22.0 %
2008	\$11.8 m	\$1.0 m	8.0 %	10.0%
2007	\$11.9 m	\$1.8 m	17.8 %	20.2 %
2006	\$8.3 m	\$2.2 m	32.5 %	34.3 %

The total of members – **73** of which:

"**Currency market member**" category (with the right to participate in trades with foreign currencies) – **34**;

"**Stock market member**" category (with the right to participate in trades with securities, admitted to circulation (trading) on KASE) – **65**.

"**Derivatives market member**" category (with the right to participate in trades with derivatives) – **15**.

# Our History (1)



- 1993 – trade in foreign currency (*US dollars*)
- 1995 – launch of trade in T-bills
- 1996 – derivatives (*KZT/USD exchange rate futures*)
- 1997 – listed shares
- 1997 – state-owned shareholding
- 1997 – unlisted corporate securities
- 1998 – launch of KASE "nego" deals system (*to substitute the OTC securities market*)
- 1998 – Euro bonds of Kazakhstan

# Our History (2)



1999 – listed bonds

1999 – municipal bonds (*prohibited for issue in 2005*)

1999 – launch of "nego" repo market

2001 – launch of "automatic" repo market (*currently the most massive and active sector of KASE market*)

2006 – foreign corporate bonds (*JP Morgan and Merrill Lynch*)

2006 – IPO of KazMunayGas Exploration Production through the KASE settlement system

2006 – KAZAKHMYS PLC (UK) secondary share offering by subscription through KASE



# Our History (3)



**2007** – the special trading floor of the Regional Financial Center of Almaty established on the base of KASE *(to attract foreign issuers and investors)*

**2007** – launch of new share market index – **KASE Index with numerical series of KASE\_Shares Index**

**2007** – KASE becomes a commercial organization

**2008** – implementation of new listing rules, reconstruction of unity through integration of MTF KASE and STF RFCA

**2008** – first trade in affined ingot gold futures

**2008** – launch of currency swap transaction market

# Our History (4)



**2009** – development and introduction of the new Listing Rules

**2009** – restoration of market unity through union of the main trading floor of KASE and STF RFCA

**2010** – launch of a new repo transactions market index – TWINA

**2010** – putting into operation of a liabilities revaluation system and compensatory payments on the nego repo market

**2010** – a consultancy project – "Kazakhstan Stock Exchange Capacity Building Project" – carried out within co-operation with EBRD

**2010** – re-start of the futures market (trading in cash-settled futures on USD/KZT exchange rate and KASE Index were opened)

# Our History (5)



**2011** – inclusion of KASE into the list of members of Dow Jones FEAS Indices

**2011** – the 17th General FEAS (Federation of Euro-Asian Stock Exchanges) Assembly. Within the event's programme, OECD in association with KASE conducted the first meeting of the Eurasian Group on Corporate Governance in the Stock Market Development and the first Marketing Fair of FEAS members

**2011** – General Secretary of the World Federation of Exchanges (WFE) visits KASE

**2011** – Memorandums on Mutual Co-operation signed with Tehran Stock Exchange and Stambul Stock Exchange

# Our History (6)

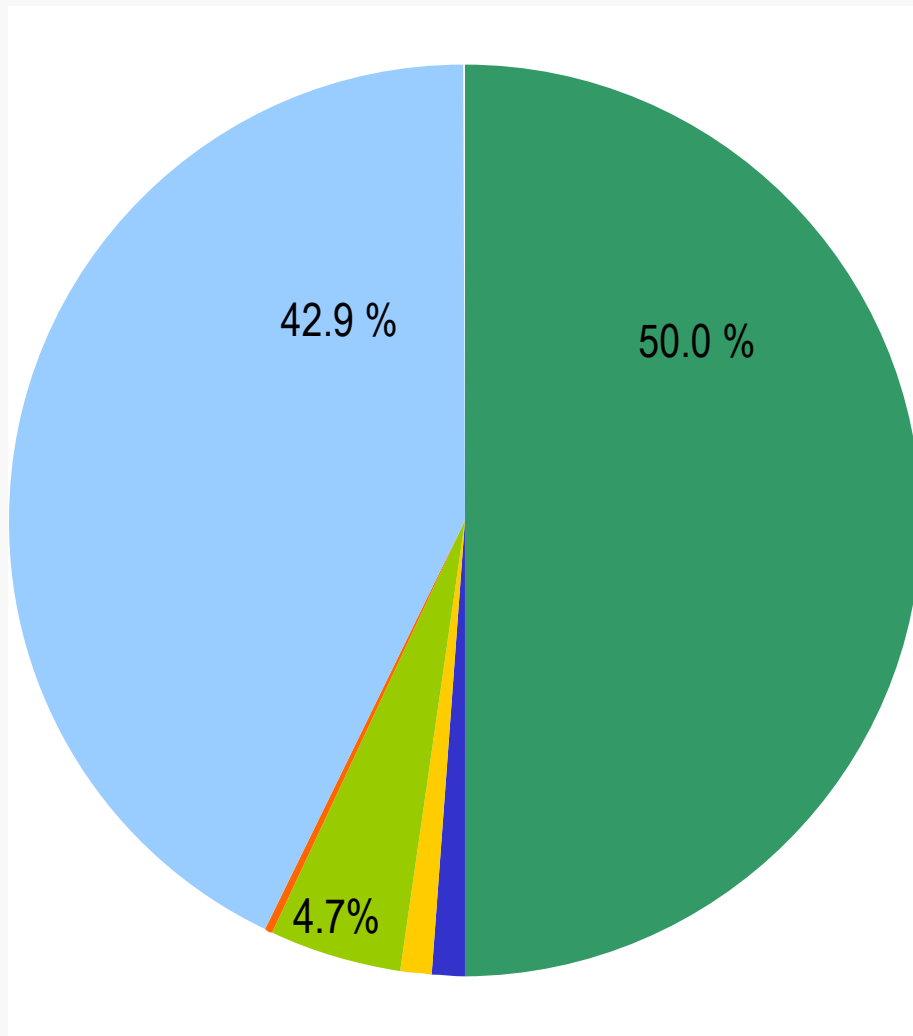



**2011** – transition to a secured system of settlements based on T+0

**2011** – putting into operation of a transactional Fix-gateway for remote access to KASE trading system

**2011** – creation of a new multifunctional Internet-trading system – "STrade"

# KASE Market Structure



		Volume, USD m	Stake of volume, %
	Currency	42 337.3	50.0
	Shares	898.6	1.1
	Corporate bonds	933.5	1.1
	Government securities	3 965.1	4.7
	Repo on corporate securities	187.5	0.2
	Repo on government securities	36 309.2	42.9

The total value of KASE trading for 6 months of 2012 – \$84,631.1 m

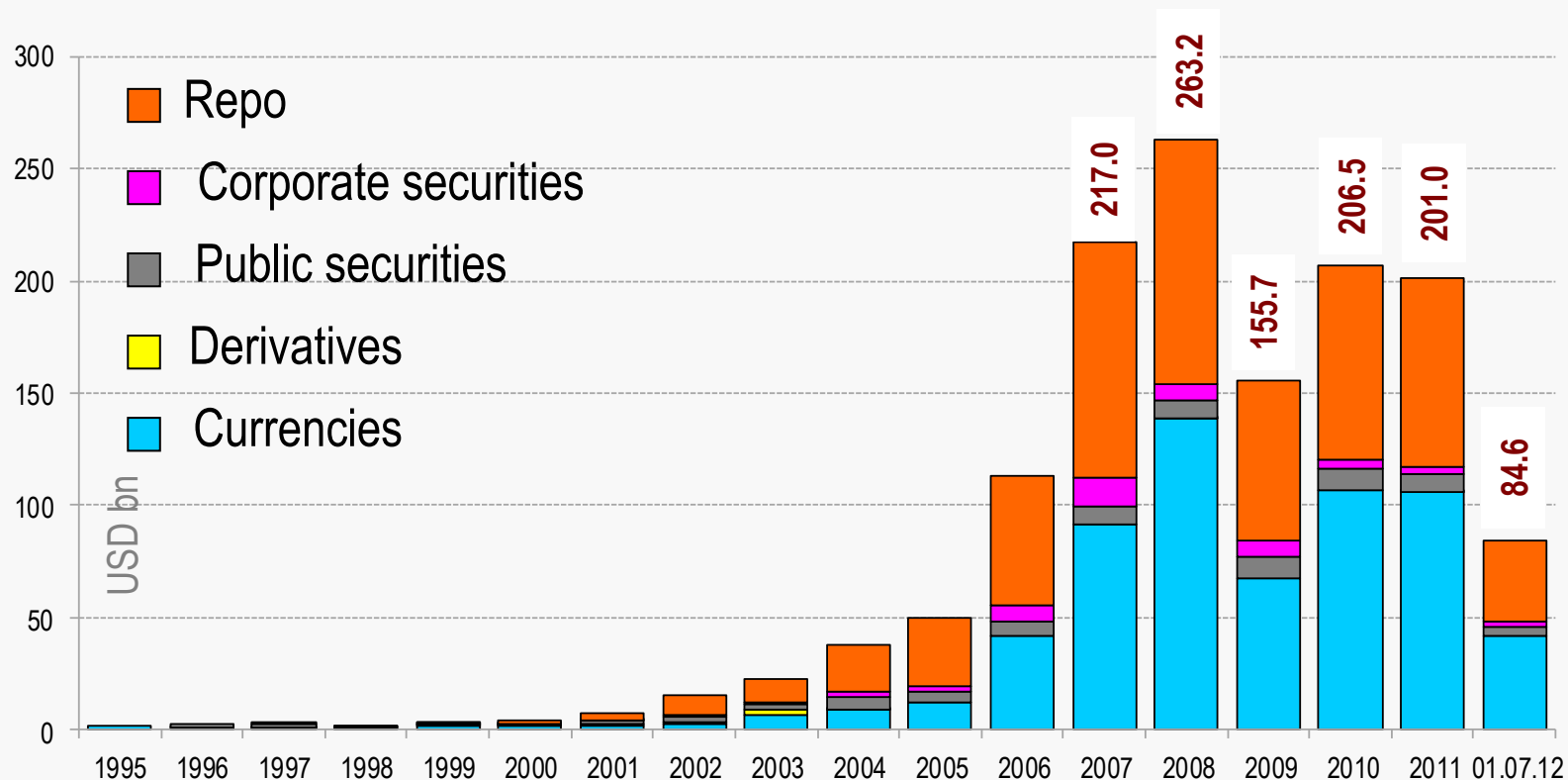
# KASE – Universal Market



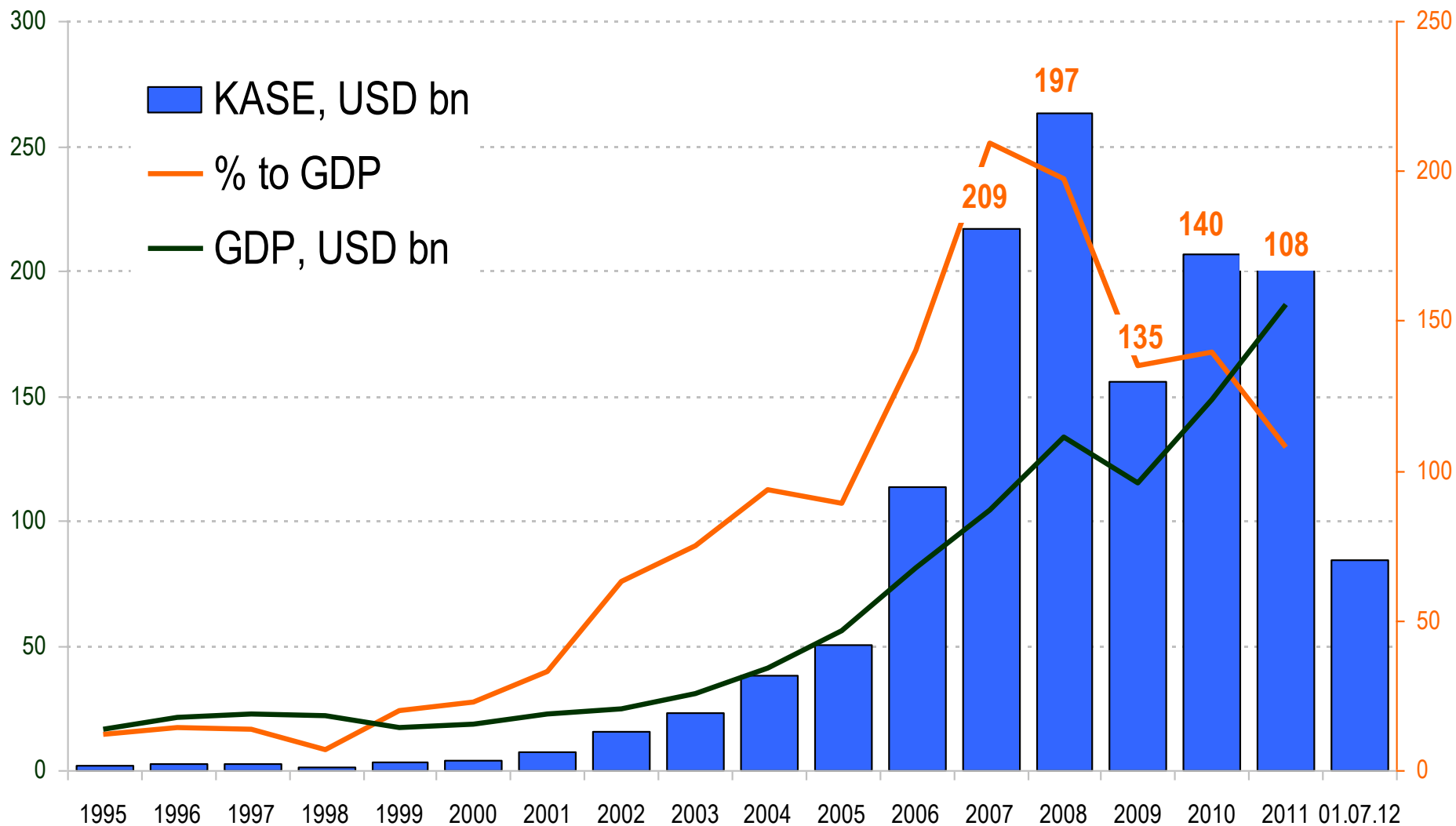
KASE serves a wide range of markets:

- ✓ "nego" and "automatic" repo with government and corporate securities
- ✓ foreign currency (US dollar, euro, Russian ruble)
- ✓ government securities issued by the National Bank, the Ministry of Finance (including Kazakhstan international bonds) and municipal bonds
- ✓ equities
- ✓ corporate bonds
- ✓ futures contracts

# Value Traded

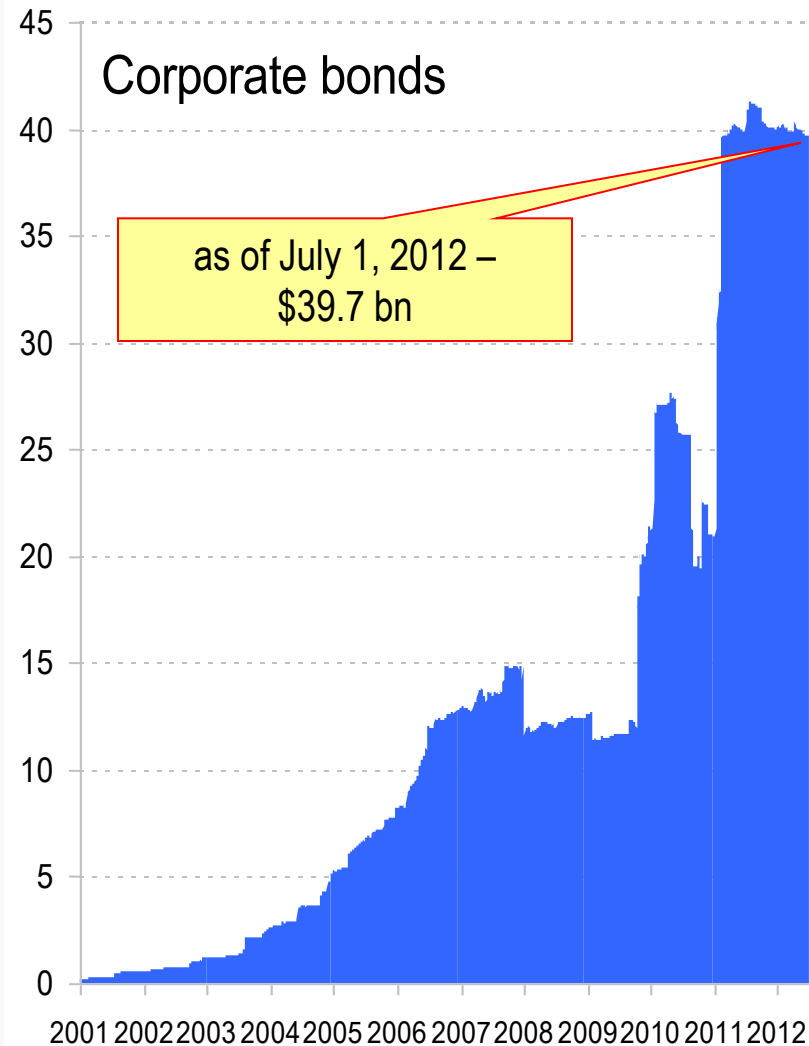
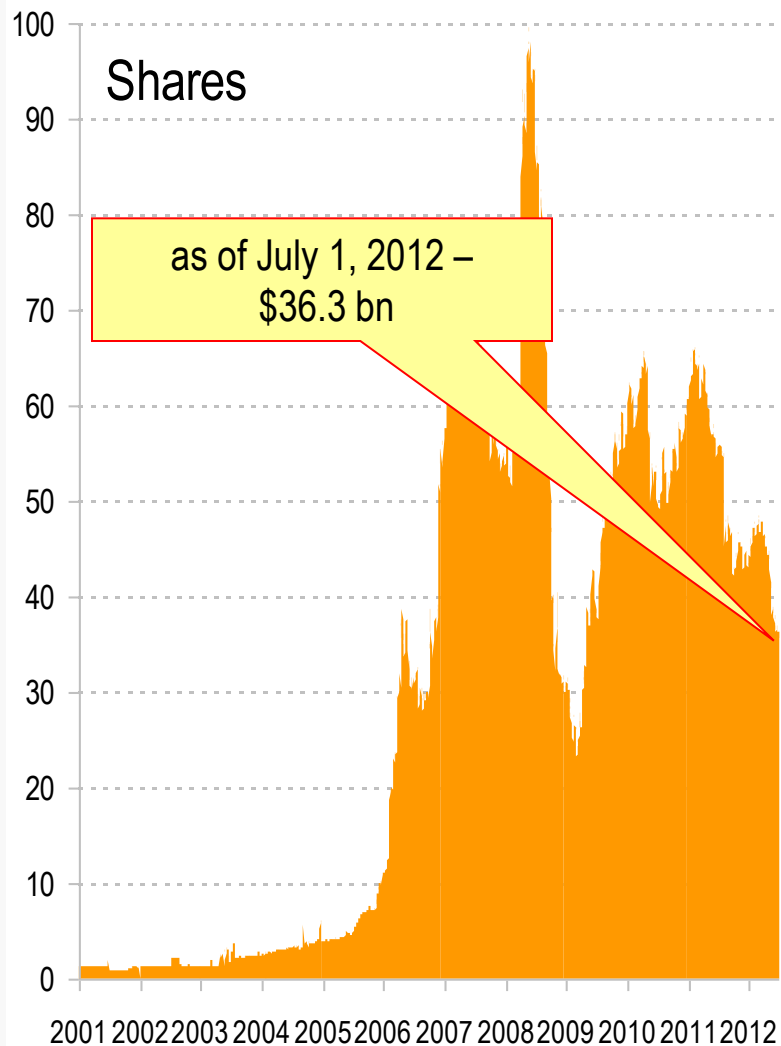


# Value Traded and GDP

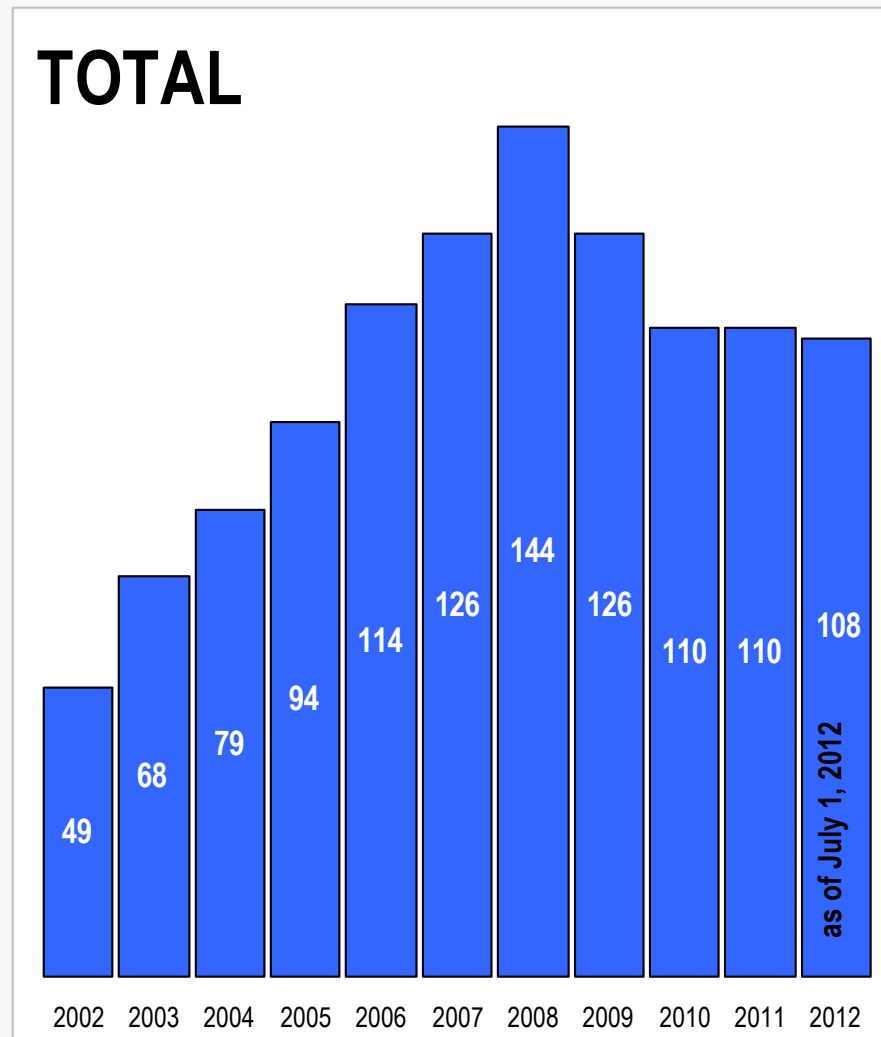
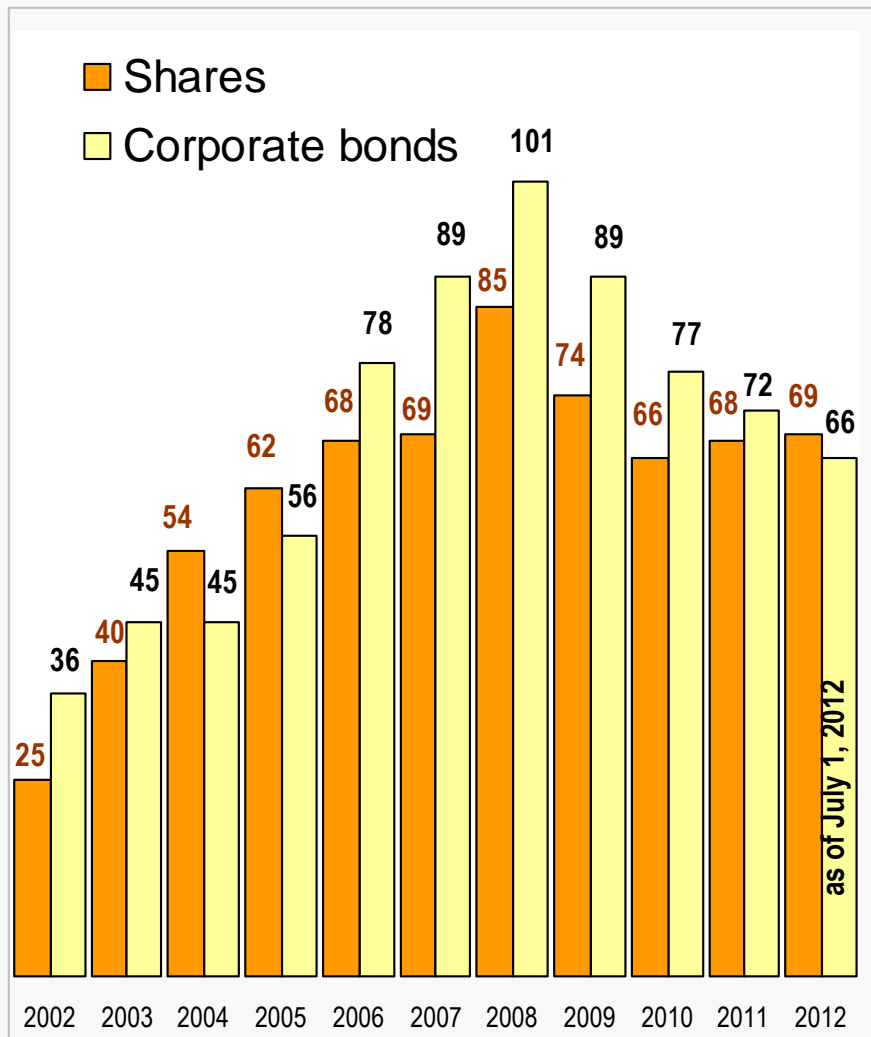




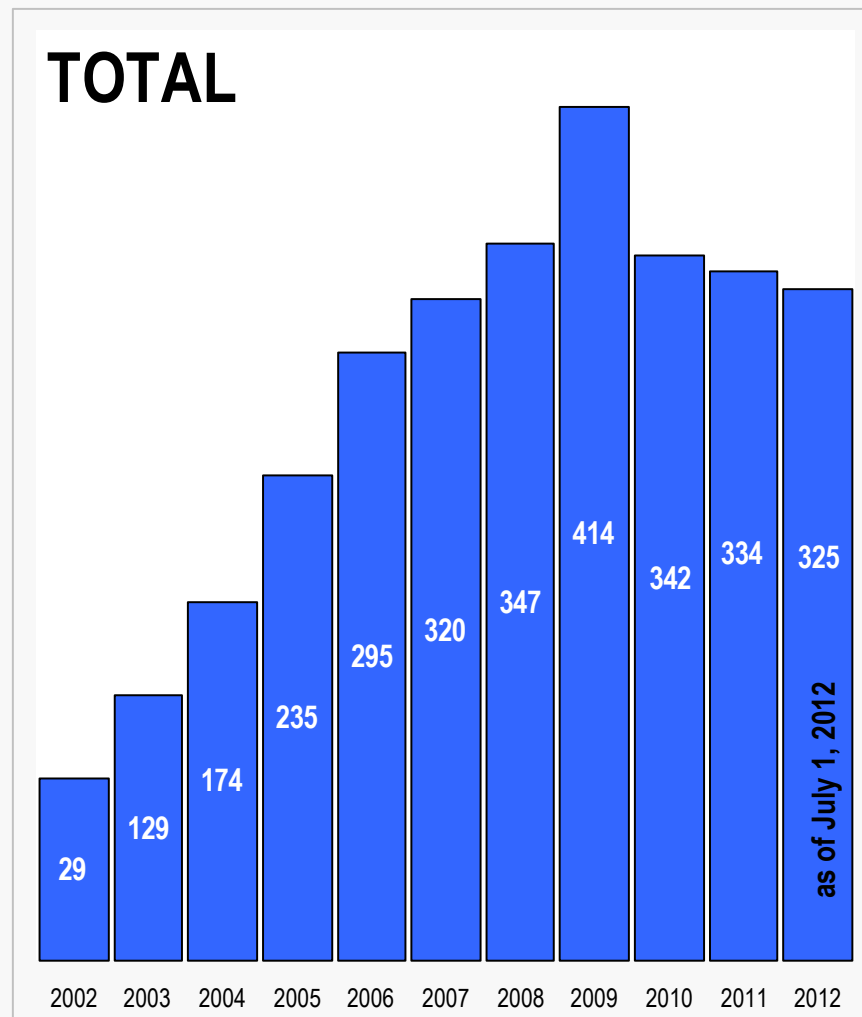
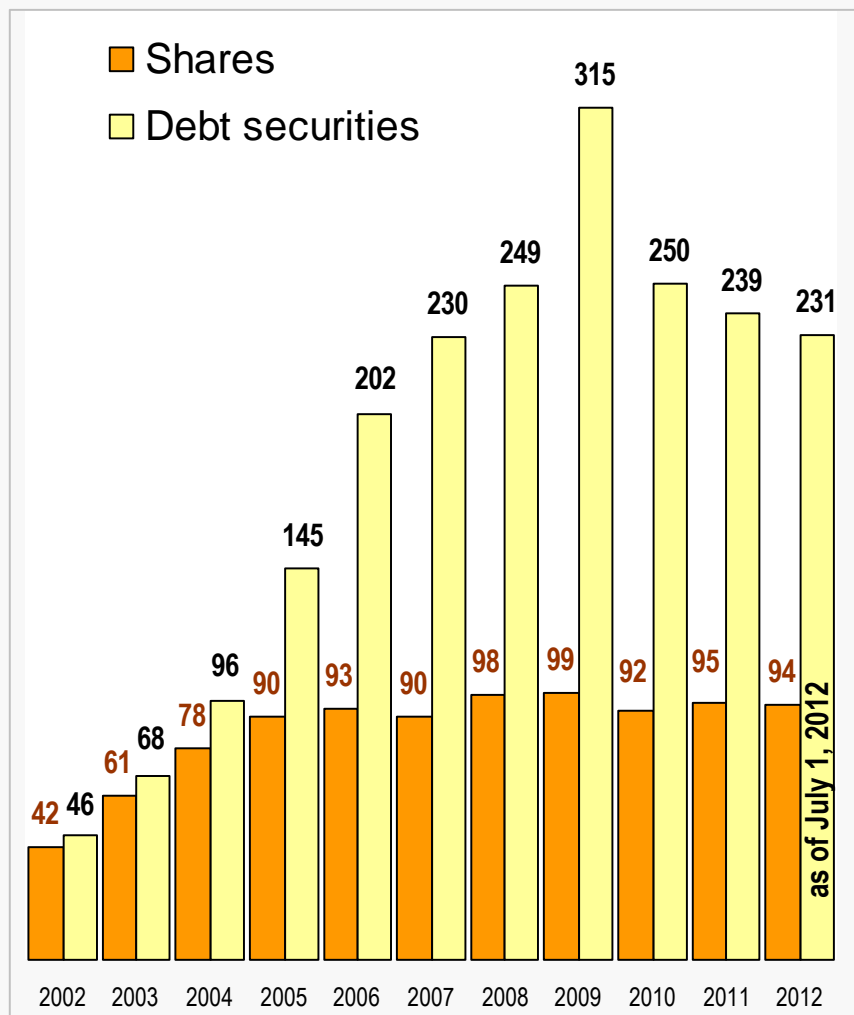
# Market Capitalization



# Listed Companies

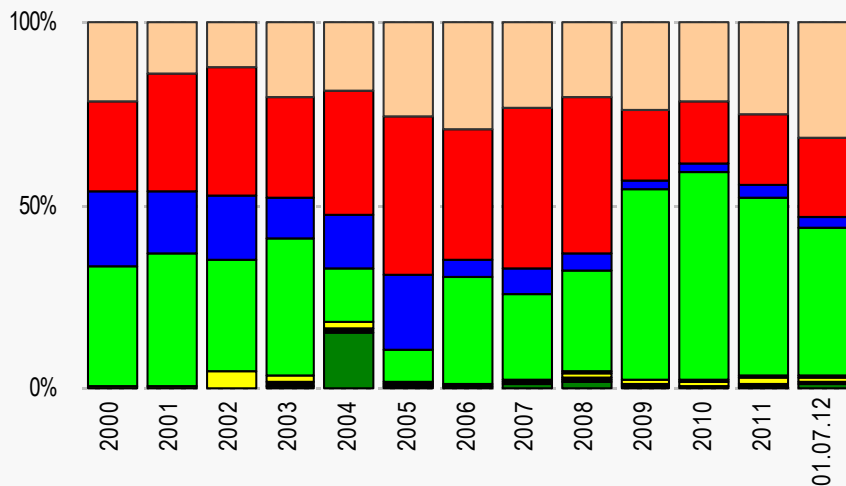


# Securities

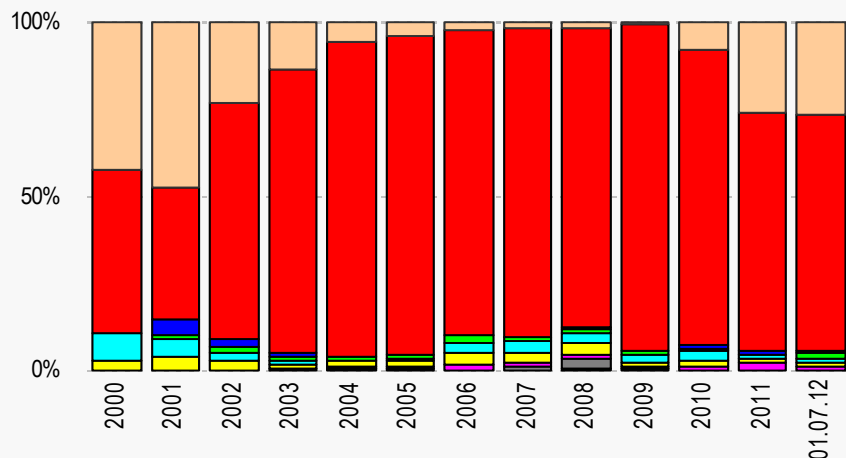


# Industry Structure

## Shares



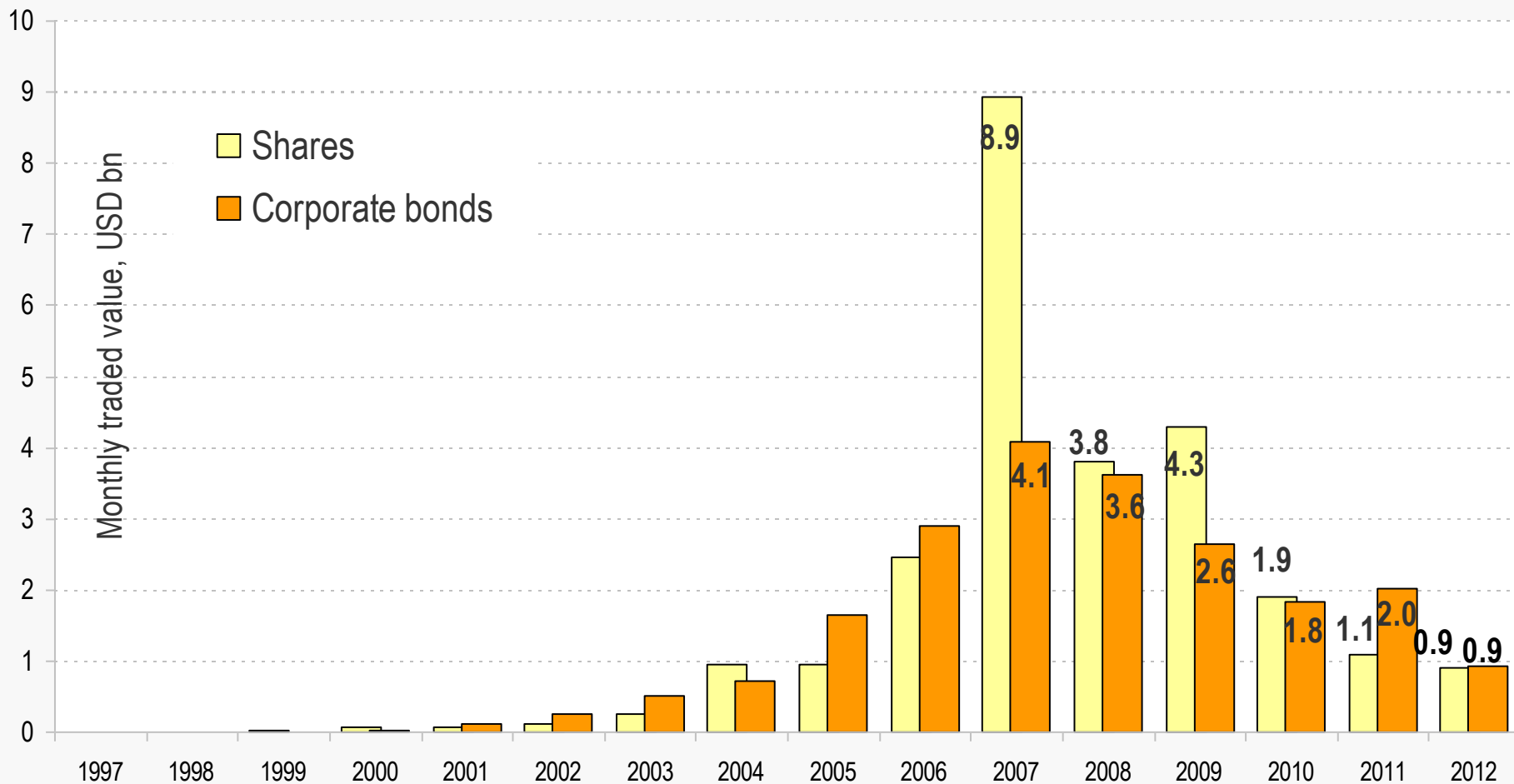
## Bonds



## Share in capitalization, %

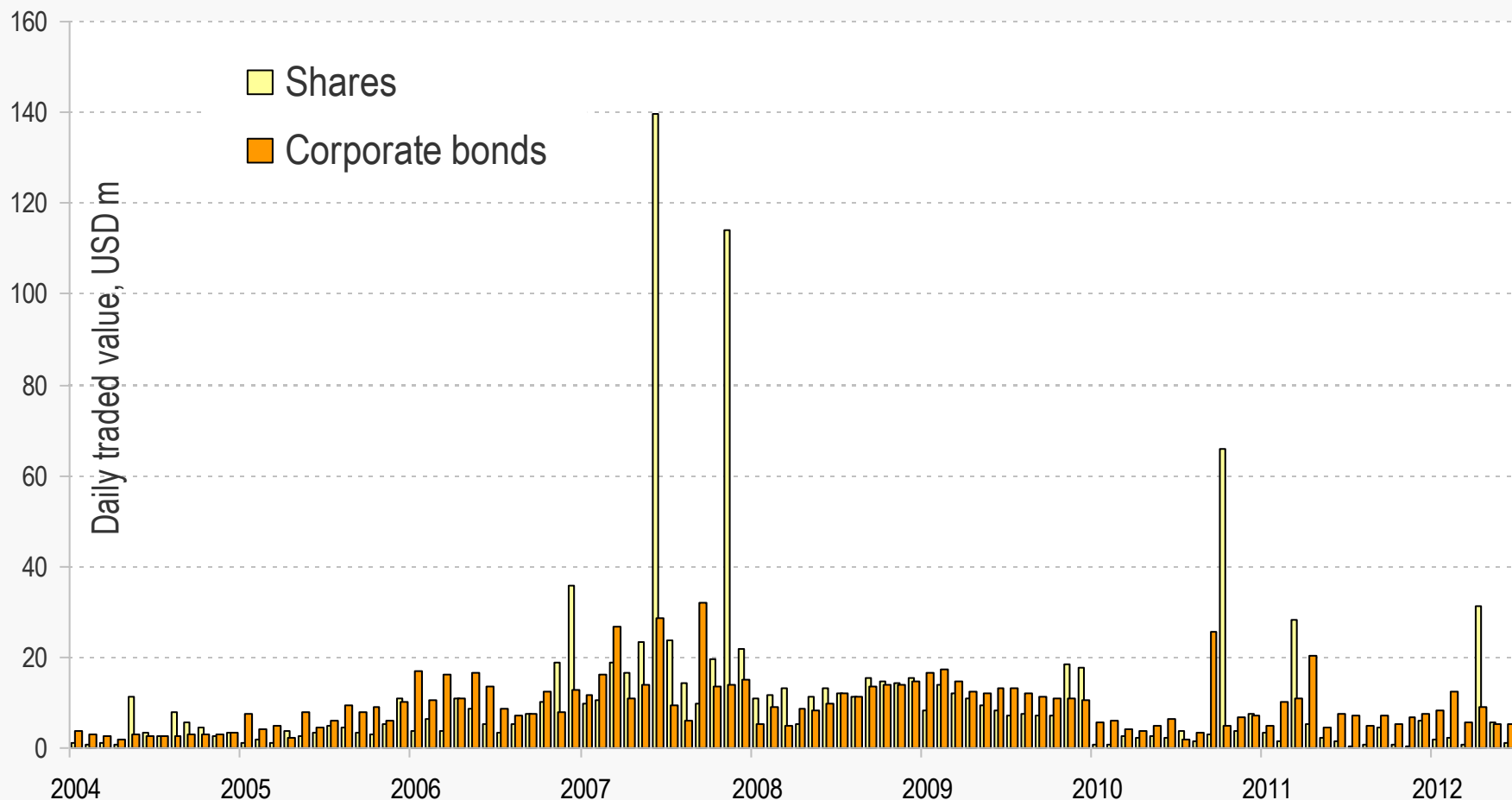
	Shares	Bonds
Energy	31.5	26.9
Financials	21.7	67.6
Provision of telecommunications services	3.2	0.8
Materials	40.2	1.6
Industrials	0.4	0.8
Commodity	1.5	1.6
Provision of municipal services	0.4	0.7
Information Technology	0	0
Health Care	0.1	0
Minor consumer goods	1.0	0.2

# Liquidity Parameters



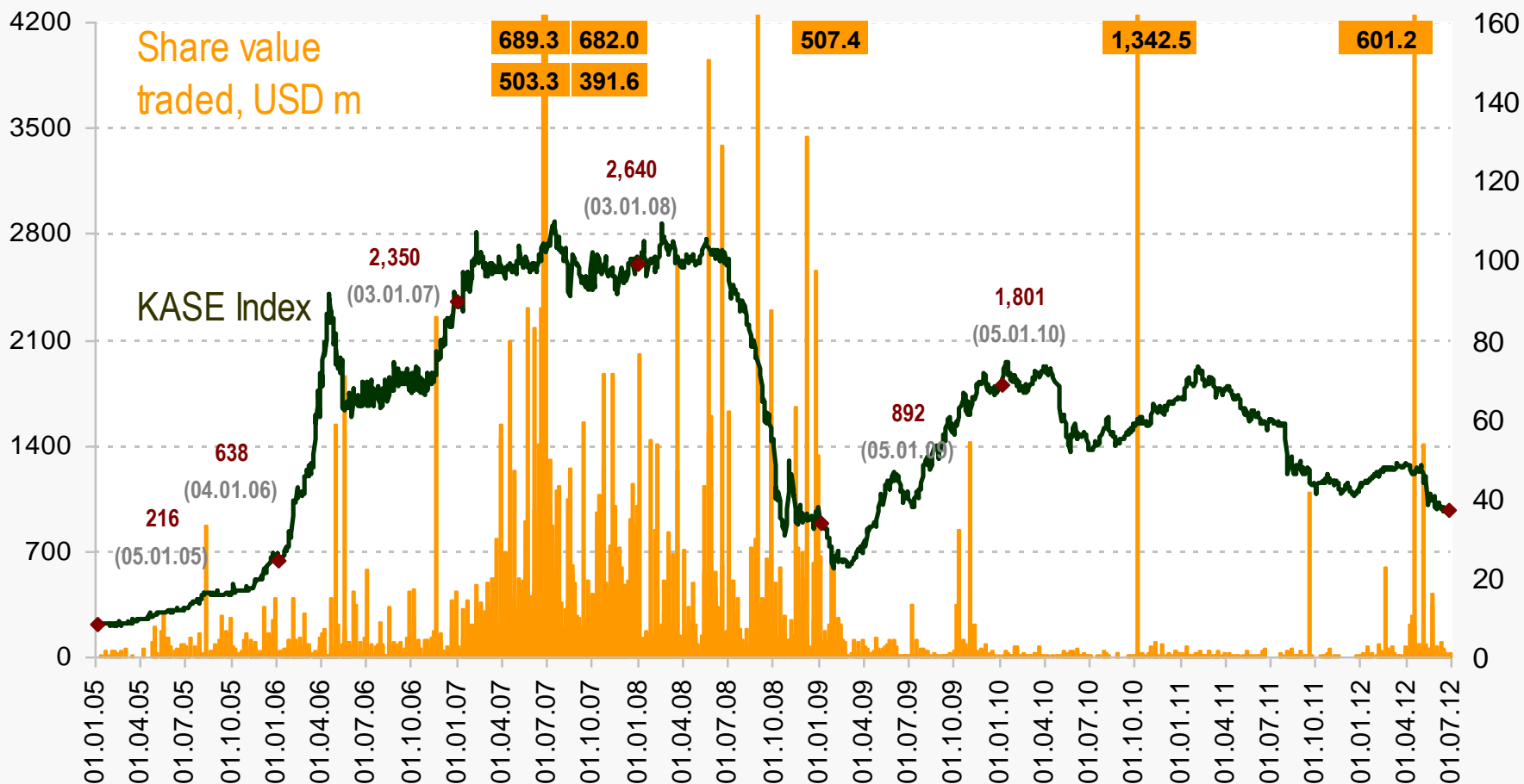
KASE total traded value for 5 months 2012 in shares – **\$0.898** bn,  
in corporate bonds – **\$0.933** bn

# Liquidity Parameters



KASE average **daily** traded value for 6 months 2012: in shares – **\$7.2 m**,  
in corporate bonds – **\$7.6 m**

# KASE Index



# KASE Technologies



KASE uses its own trading platform:

- ✓ "Server – Client" electronic trading system
- ✓ remote access
- ✓ electronic signature and electronic document circulation
- ✓ traffic encryption
- ✓ on-line data preservation



# Contact Information



Internet: [www.kase.kz](http://www.kase.kz)

E-mail: [kase@kase.kz](mailto:kase@kase.kz)

Reception: +7 (727) 237 53 00

Information  
and Analysis

Department: +7 (727) 237 53 18, 237 53 23

Fax: +7 (727) 296 64 02

Address: 8th floor, northern building, Almaty Towers,  
280 Baizakov Street, 050040, Almaty, Kazakhstan