

KASE Markets Overview

***Kazakhstan: Local Markets Development
December 5, 2019***

***Alina Aldambergen
Chairperson of the Management Board***

A large, stylized graphic of the numbers '01' in a vibrant green color. The '0' is a solid circle, and the '1' is a solid vertical bar. The background of the entire image is dark with a pattern of thin, radiating green lines that create a sense of depth and movement.

Kazakhstan at a Glance

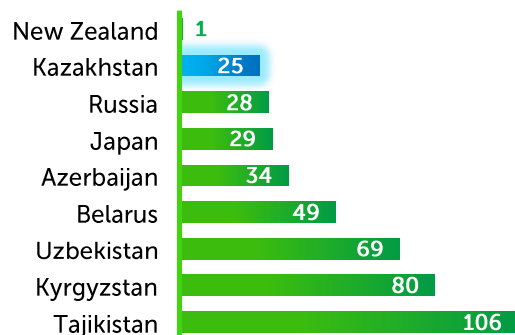
Kazakhstan: Facts and Figures

- **Sovereign Credit Ratings/ Investment Grade:**
 - Standard & Poor’s – BBB-/Stable (06.09.19)
 - Fitch – BBB/Stable (06.09.19)
 - Moody’s – Baa3/Positive (22.08.19)
- According to the World Bank’s classification by income level in 2018 Kazakhstan is among the **upper-middle-income countries** (gross national income per capita (\$3,896 - \$12,055))
- Member of **OSCE, WTO** and other international organisations
- Territory – **2.7 m sq. km:**
 - worldwide – the **9th place**
 - amongst the CIS countries – the **2nd place**
- **Natural resources** mainly comprised of mineral resources, oil and gas
- Population – **18.4 m**



Ease of Doing Business 2020 Ranking


Kazakhstan ranks 25th out of 190 countries




Indicator	2014	2015	2016	2017	2018	6M 2019
GDP, USD bn	221.4	184.4	137.3	166.8	179.3	73.6
Change in GDP, % (YoY)	+4.2	+1.2	+1.1	+4.1	+4.1	+4.1
Inflation, % (YoY)	7.4	13.6	8.5	7.1	5.3	5.4
Unemployment, %	5.0	5.1	5.0	4.9	4.9	4.8
Average USD/KZT rate	179.2	221.7	342.2	326.0	344.7	379.1
Money supply (M3), USD bn	70.2	50.3	59.4	59.7	54.2	51.5
National Fund Assets, USD bn	73.2	63.4	61.2	58.3	57.7	59.9

Kazakhstan in the World Ranking of Explored Resources

- **the world's largest** uranium producer
- **2nd place** in the world in reserves of chromium, lead and zinc
- **3rd place** in the world in manganese reserves
- **5th place** in the world in copper reserves
- **TOP 10** in the world for coal, iron and gold reserves

 70 types of resources have been explored

 60 elements are currently being produced

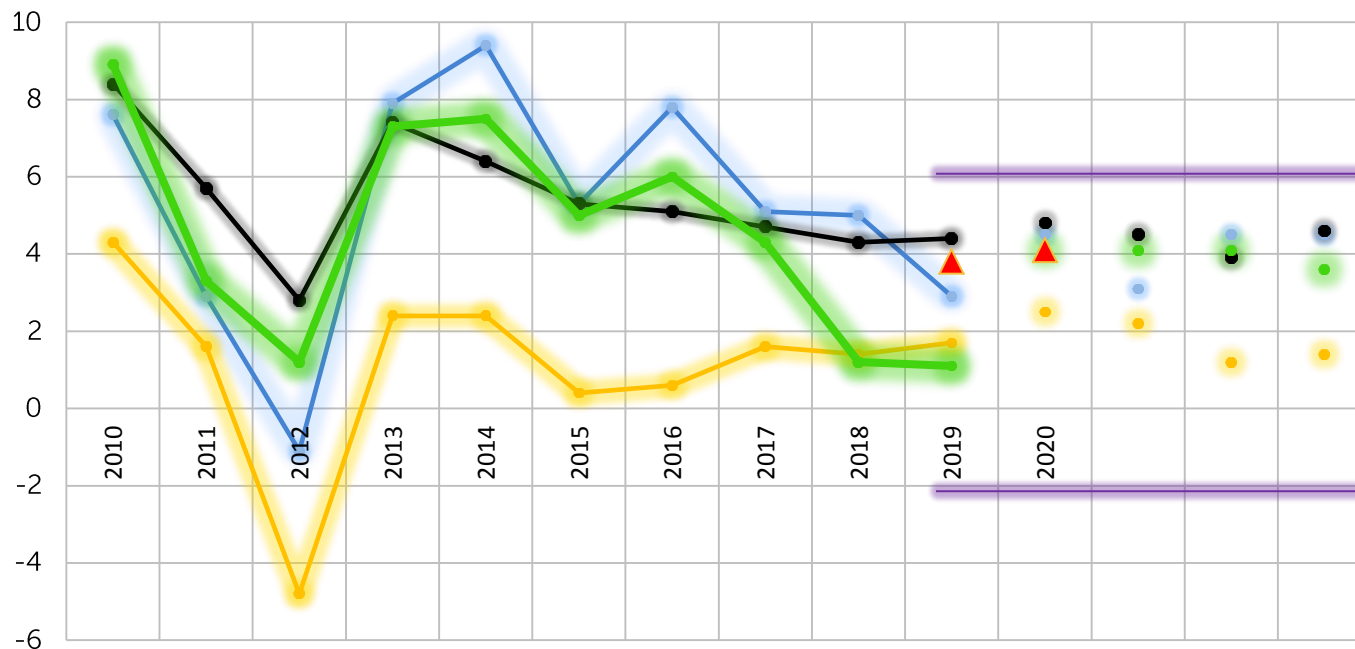
Source:

1. Committee on Statistics of the Ministry of National Economy of the RK
2. National Bank of the RK
3. KASE
4. KAZAKH INVEST JSC
5. World Bank

Sustainable Growth

Real GDP Growth (% change)

- Central Asia and Caucasus
- Europe
- Emerging markets
- Kazakhstan (IMF forecast)
- ▲ Kazakhstan (Ministry of National Economy forecast)



According to the IMF, the real GDP growth in **Kazakhstan is expected this year at the level of 4.1%**, which is lower than the same indicator of 4.5% in Central Asia and the Caucasus, but higher than 1.2% in Europe and the average of the developing countries, which is projected to be 3.9% in 2019.

Frontier Market (1/2)

FTSE
Russell

Frontier (September 2017)

Secondary emerging
Advanced emerging
Developed

MSCI

Frontier

Emerging
Developed

S&P DOW JONES
INDICES
McGraw Hill Financial

Frontier

Emerging
Developed



Frontier Market (2/2)



Openness to foreign ownership

Ease of capital inflows / outflows

- Capital flow restriction level

Efficiency of the operational framework

- Market regulations
- Custody
- Registry / Depository

Availability of Investment Instrument

“Similar to many markets globally, Kazakhstan successfully migrated from a T+3 to T+2 settlement cycle on March 20, 2019”

*MSCI Global Market Accessibility Review
June 2019*



Market & Regulation Environment

- None or selective incidence of foreign ownership restrictions
- No objection to or significant restrictions or penalties applied to the investment of capital or the repatriation of capital and income

Settlement

- Rare incidence of failed trades
- Free delivery available

Custody

- Sufficient competition to ensure high quality custodian services

Transparency

- Market depth information / visibility and timely trade reporting process

Brokerage

- Sufficient competition to ensure high quality brokerage service

**S&P Dow Jones
Indices**

A Division of **S&P Global**

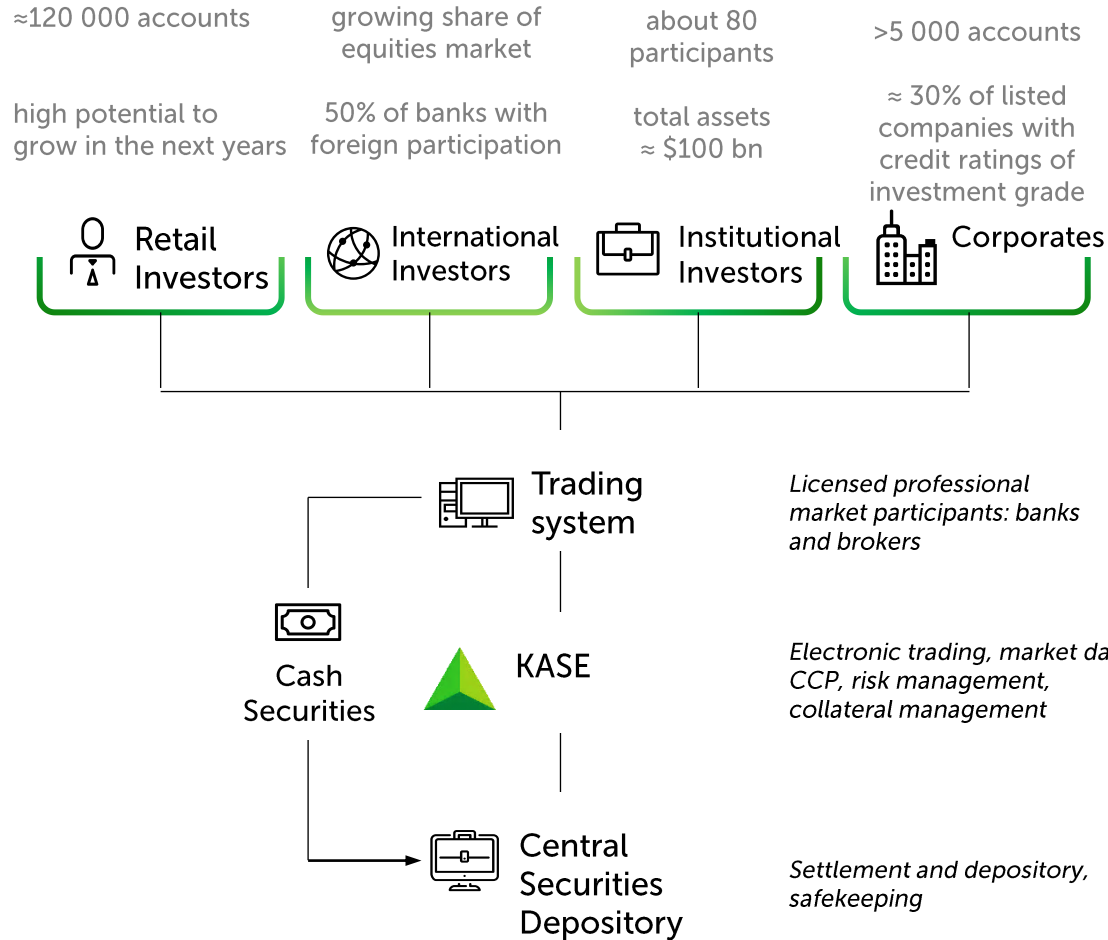
“...contains all publicly listed equities with the objective of meeting 80% total market capitalisation, subject to size and liquidity”



KASE

Infrastructure

Local Markets Infrastructure



★ Our Core Advantages

Offers a set of exchange services and technological solutions

Provides a wide range of instruments with convenient trading terms

Ensures effective attraction and investment of capital via KASE

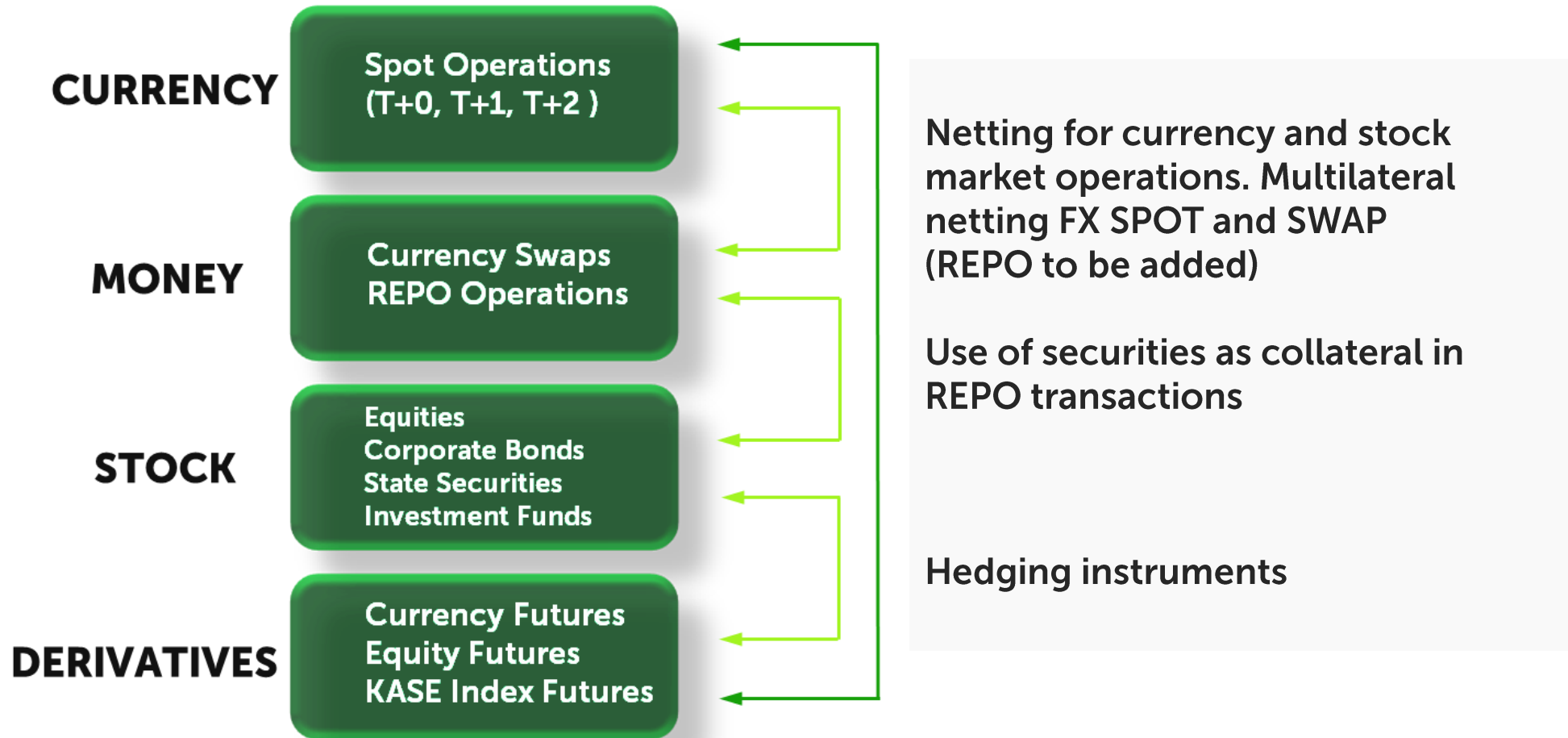
Guarantees fulfillment of the participants' financial obligations

Stock Market			Money Market	FX	Derivatives
Equities	Fixed Income	Structured Products	Swap	Spot	Stock
IPO / Auctions	Auctions	Secondary Markets	RUBKZT	RUBKZT	KASE Index
Redemption	Secondary Markets	Investment Funds	USDKZT	USDKZT	Currency
Secondary Markets	Government Bonds	ETFs	CNYKZT	CNYKZT	USDKZT
Large cap			EURKZT	EURKZT	
Small cap	Municipalities' bonds		Repo	EURUSD	
Dual listings	NBRK Notes		government and corporate securities		
GDRs	Corporate Bonds		equities and bonds		
	IFI Bonds				
143	501	8	170	15	5

Terms					
T+0	T+0	T+0	from T+0 to T+90	T+0	T+1W
T+2	T+2			T+1	T+1M
				T+2	T+3M
					T+6M

Note: numbers in green colour show the number of instruments serviced in a particular market as of November 01, 2019

Integrated Market



44

Stock Market

31

Foreign Exchange

23

Derivatives

24

second-tier banks (out of 28)

Kazakh residents

21

brokerage firms (out of 22)

Kazakh residents

49

local participants

2

foreign participants

2

international financial institutions

12

participants providing direct market access services

Access to the stock market via:

Direct Membership (Remote Membership)

- ✓ Obtaining Exchange member status
- ✓ Obtaining the Exchange clearing member status
- ✓ Obtaining remote access to trading

Direct Market Access (DMA) is a hardware/software of the KASE member meant to interact with the KASE trading system.

Sponsored Market Access (SMA) is a way of providing technical access to sub-systems of the Trading and Clearing System (TCS) for clients and trading participants that allows to submit orders directly to the TCS.

(after launching ASTS+)



LISTING

- admission of securities to the official list
- information disclosure



MEMBERSHIP

- stock market
- FX market
- derivatives market



MARKET DATA

- end-of-day data
- real time and delayed data
- historical data



FINANCIAL INSTRUMENTS

- securities
- currency pairs
- futures
- repo



POST-TRADING SERVICES

- clearing
- settlements
- Central Counterparty



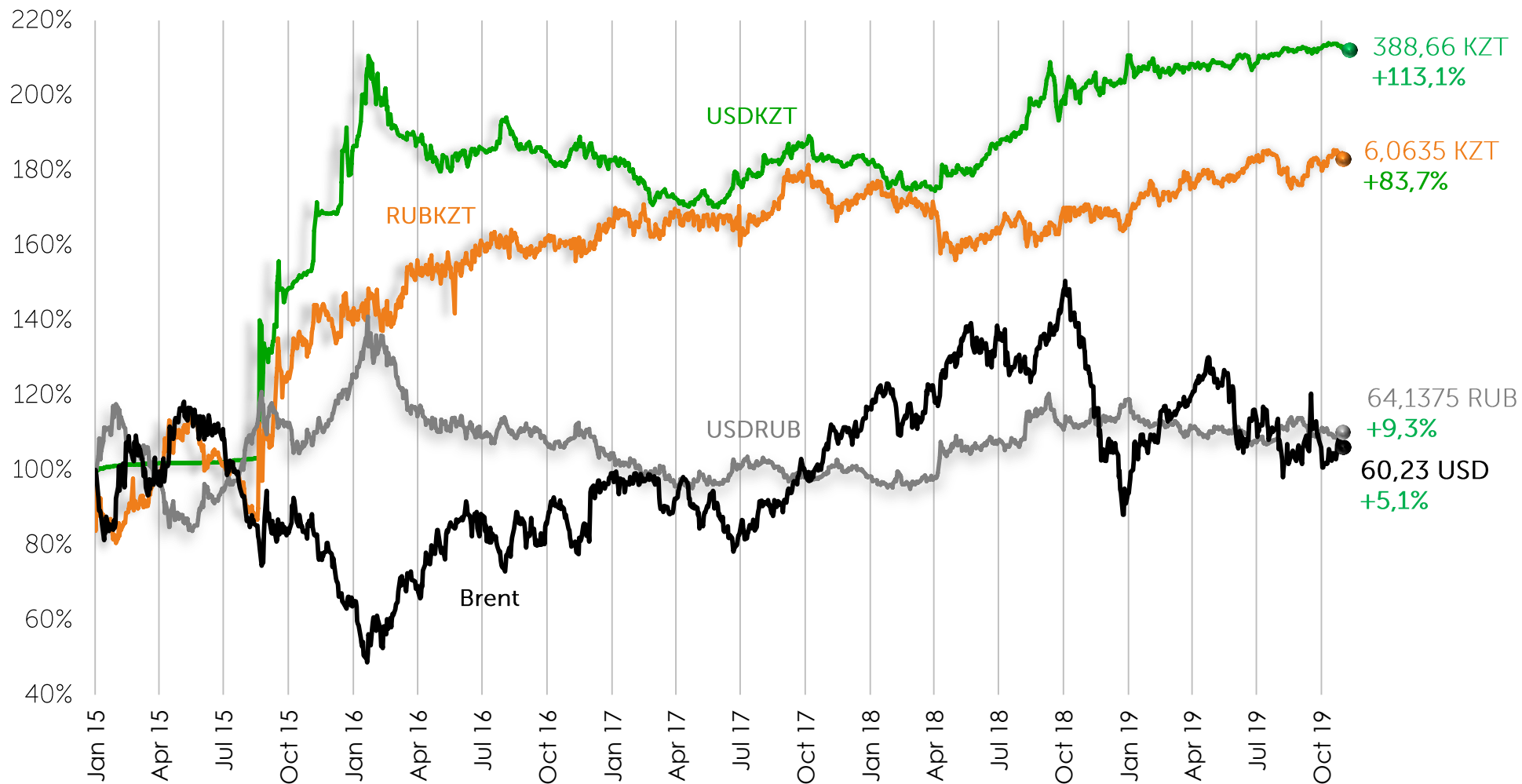
TECHNOLOGICAL SOLUTIONS

- three trading systems
- settlement and clearing systems
- FIX-gateways
- website and online services

KASE Markets Overview



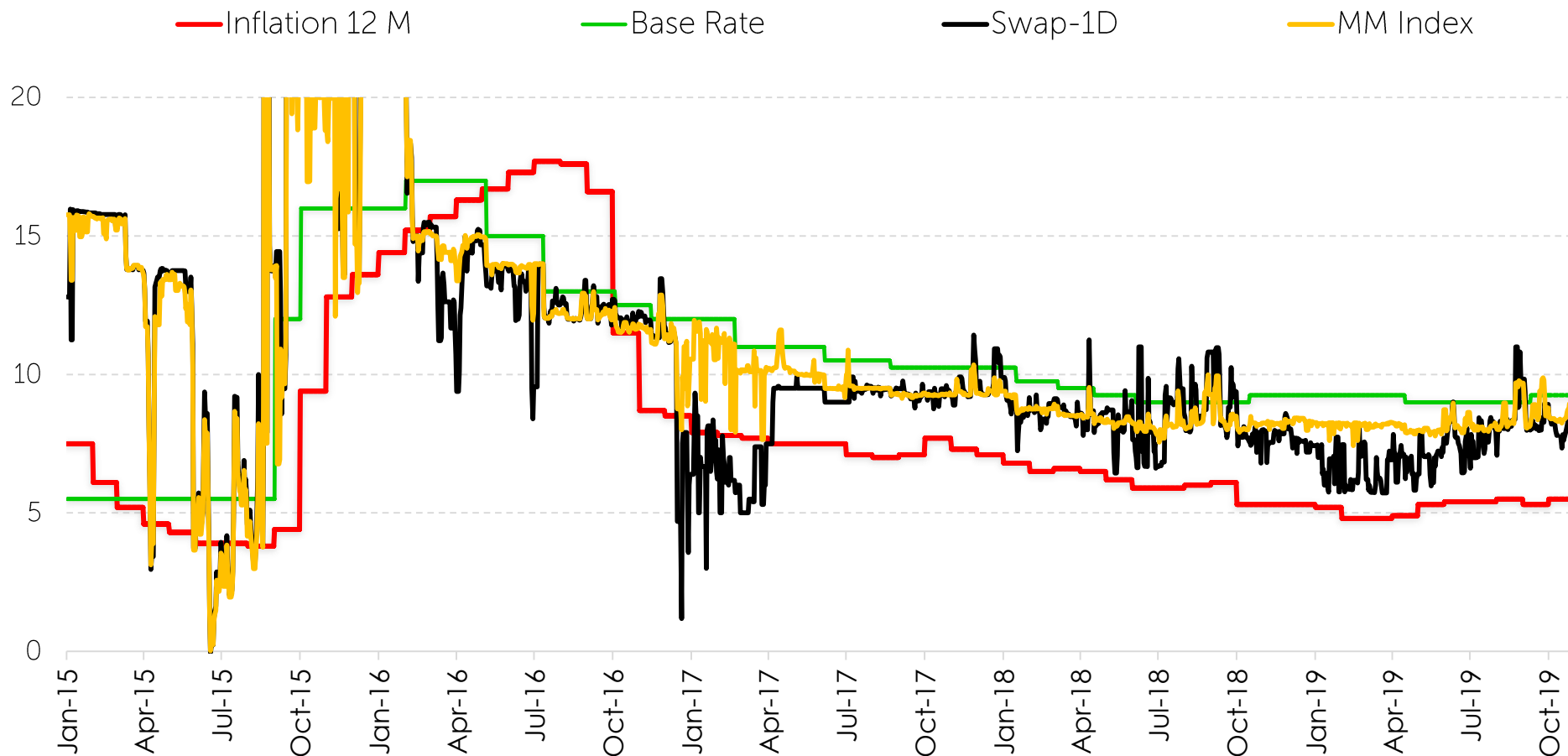
Key Macro Factors for 2019



Source: National Bank of RK, Bloomberg

Interest Rate Channel

Inflation and interest rates in Kazakhstan, % per annum

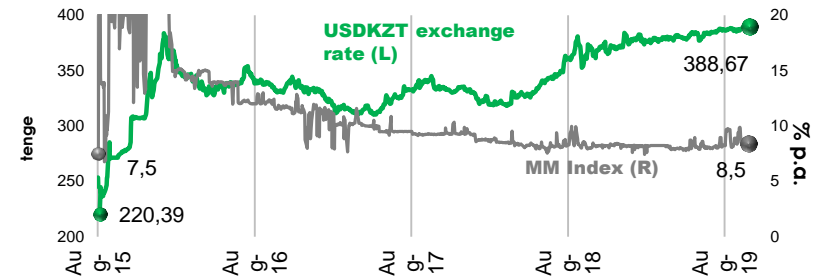


Note: MM Index (Money Market Index) – composite indicator of the money market, which represents the average value of average weighted interest rates (yield) on USD/KZT currency swap transactions and one-day auto repo transactions in government securities of the Republic of Kazakhstan weighted by the transactions amount.

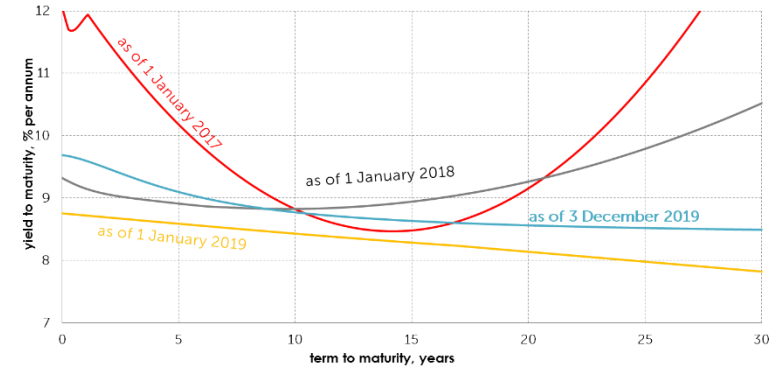
Kazakhstan stock market in 2016–2019:

Turning point

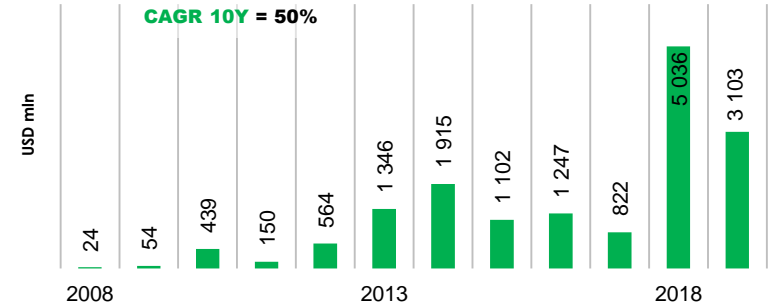
Stabilisation of the FX rate and money market rates



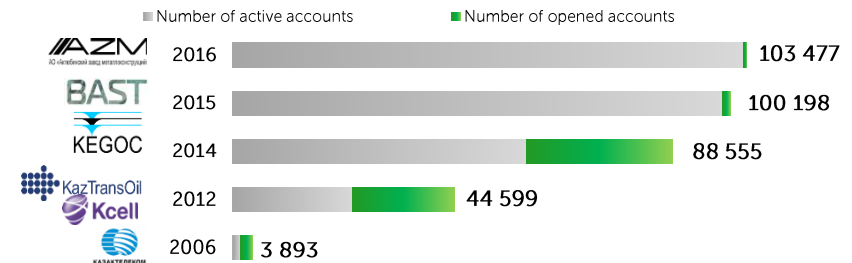
GS yield curve as a basis for pricing of corporate debt



Increase of volumes raised on competitive terms



The role of IPO in attracting retail investors



Ongoing Privatisation Programme

Plans for IPOs of state assets:

9 assets of the Samruk-Kazyna JSC, i.e. Kazatomprom, Air Astana, Kazakhtelecom, Kazakhstan TemirZholy, KazMunayGas and Kazpost, Samruk-Energy, Tau-Ken Samruk and Qazaq Air are planned for an IPO or strategic sale.



IPO of **Air Astana** and **KazMunayGas** and **Kazakhtelecom's** SPO is planned for 2020.



On November 13, 2019 Samruk-Kazyna sold an aggregate of 38.9 mln of ordinary shares (including GDRs) on LSE and AIX (1 GDR = 1 ordinary share) at USD 11.60, raising aggregate gross sale proceeds of USD 451.3 mln.



On September 25, 2019 Samruk-Kazyna sold an aggregate of 9.8 mln GDRs on LSE and AIX (1 GDR = 1 ordinary share) at a price of USD 13.00, raising aggregate gross sale proceeds of USD 128.2 mln, including USD 65.3 mln of gross sale proceeds through the AIX. 6.5 mln GDRs were purchased by international investors and 3.4 mln were purchased by domestic investors.

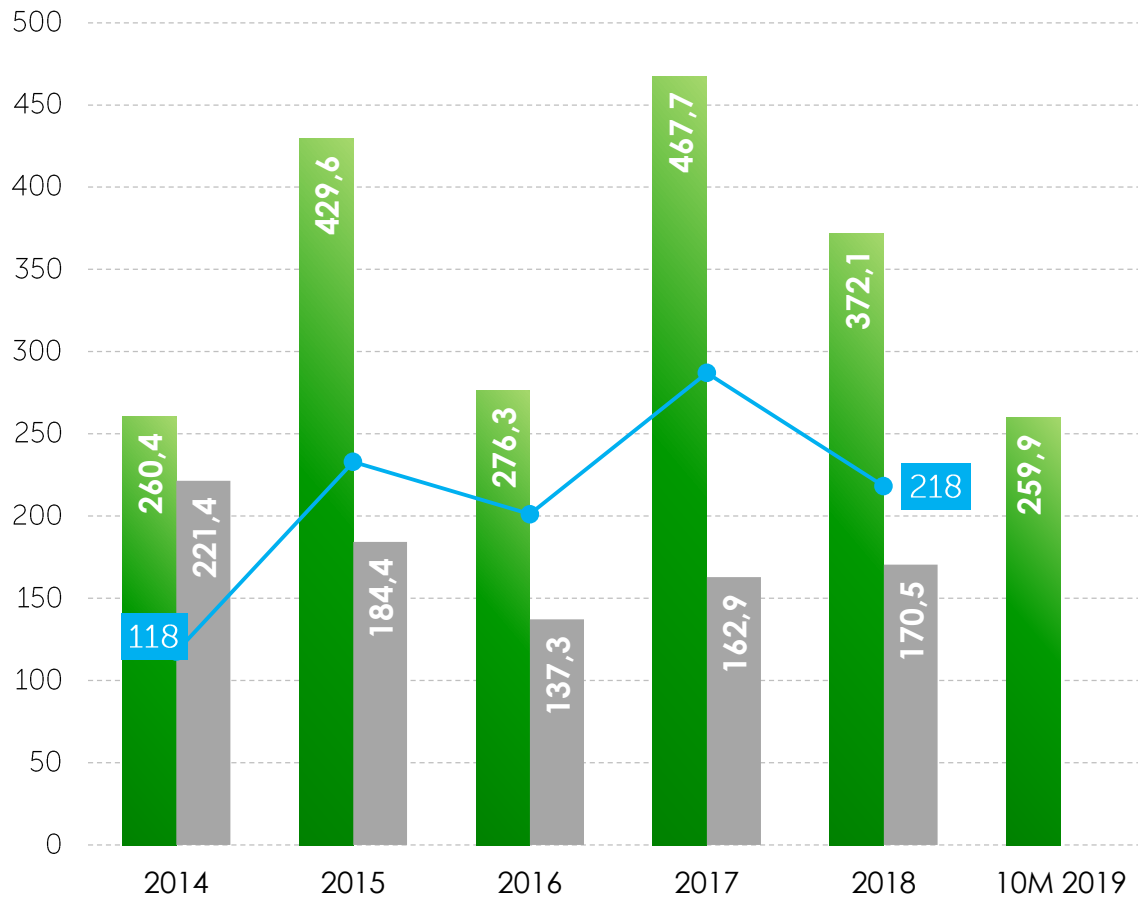


On September 27, 2019 Holding Group "ALMEX" JSC completed the fully marketed offering of 29.3 millions GDRs (1 GDR = 40 ordinary share) at a price of USD 11.75, raising aggregate gross sale proceeds of USD 344.5 mln, including USD 66.8 mln of gross sale proceeds through the AIX. 23.6 mln GDRs were purchased by institutional investors outside of Kazakhstan and 5.7 mln GDRs were purchased by domestic and international investors on AIX.

Trading Volume

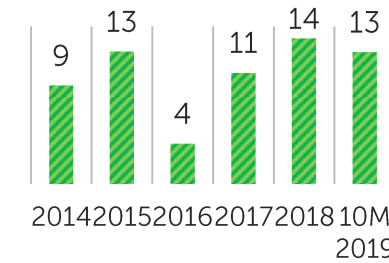
Trading Volume and GDP

■ KASE, USD bn ■ GDP, USD bn* ● % to GDP



Source: Committee on Statistics of Ministry of National Economy of the Republic of Kazakhstan

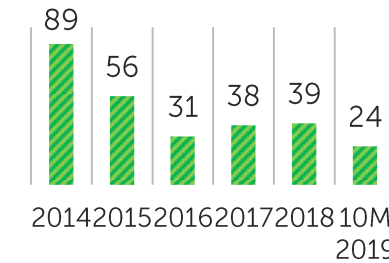
USD bn



Securities Market

2018	+31%
2017	+175%
2016	-70%
2015	+34%
2014	-17%

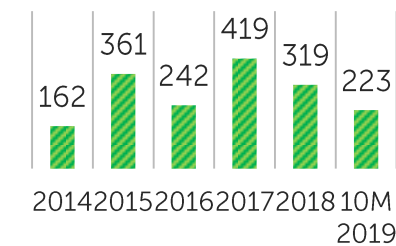
USD bn



FX Market

2018	+4%
2017	+23%
2016	-45%
2015	-37%
2014	+45%

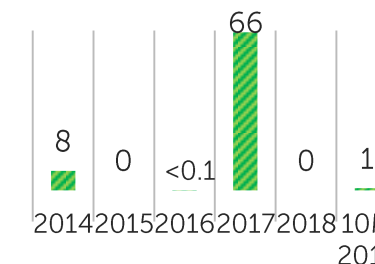
USD bn



Money Market

2018	-24%
2017	+73%
2016	-33%
2015	+123%
2014	+18%

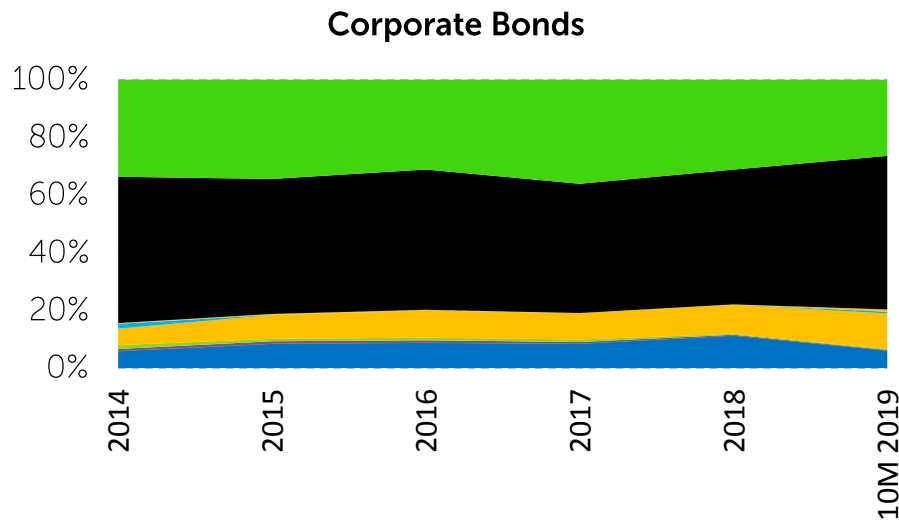
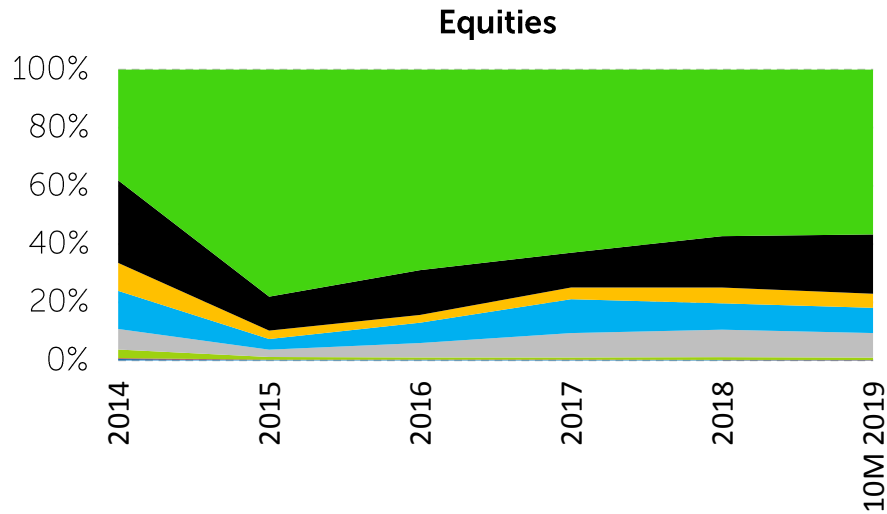
USD mln



Derivatives Market

2018	-100%
2017	>+100%
2016	-
2015	-100%
2014	-60%

Industry Structure



	Equities	Corporate bonds
Energy	56.7	26.4
Finance	20.4	53.2
Provision of telecommunications services	4.8	0.2
Materials	8.7	0.6
Industrials	8.4	12.3
Consumer staples	0.8	0.3
Provision of municipal services	< 0.1	0.2
Information technology	0	0
Health care	0	0
Consumer discretionary	0.1	6.1

Note: based on Global Industry Classification Standard (GICS)[®]

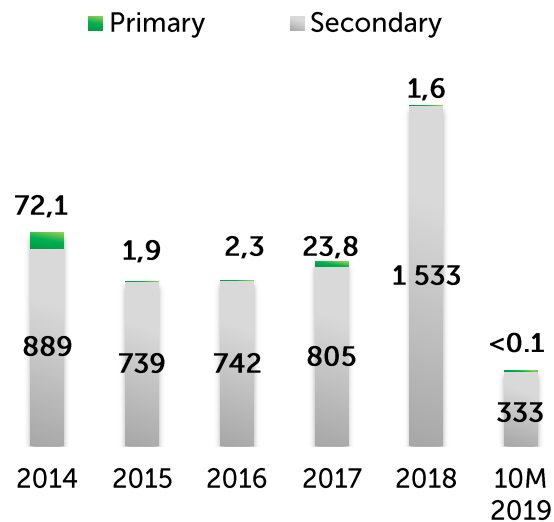
Equities

Key Facts and Numbers

- + **125** issuers
- + **141** equities issues
- + **19** new issues in 2019
- + current market cap **USD 40 bn**
- + traded volume CAGR for 20 years **36%**
- + **T+0, T+2** settlement schemes
- + trading in **KZT** and **USD**

Trading Volume, USD mln*

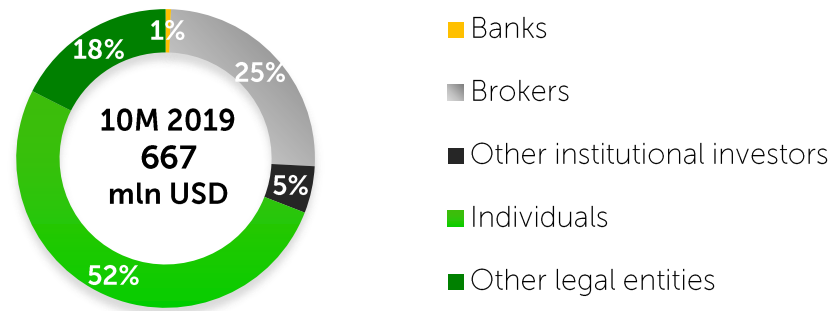
* excluding non-market deals



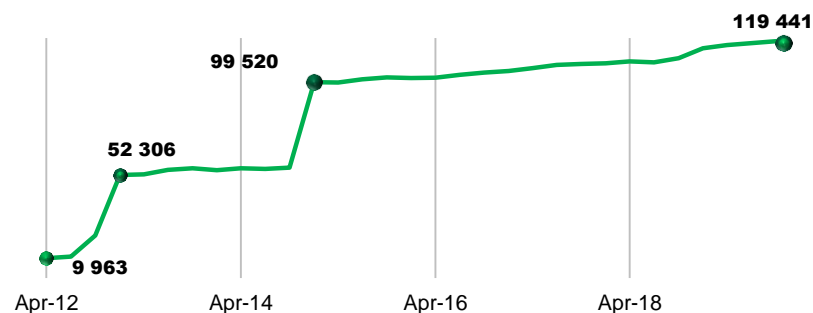
Source: KASE

Investors Breakdown in Secondary Market*

* total gross turnover

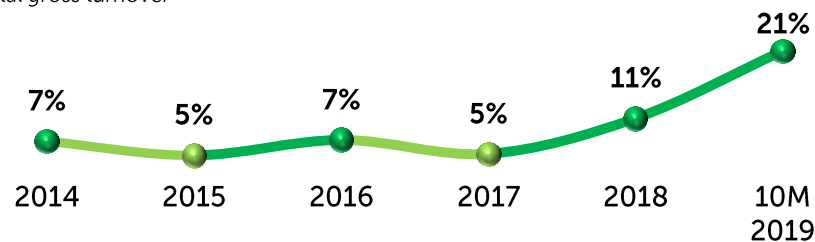


Number of retail investors accounts



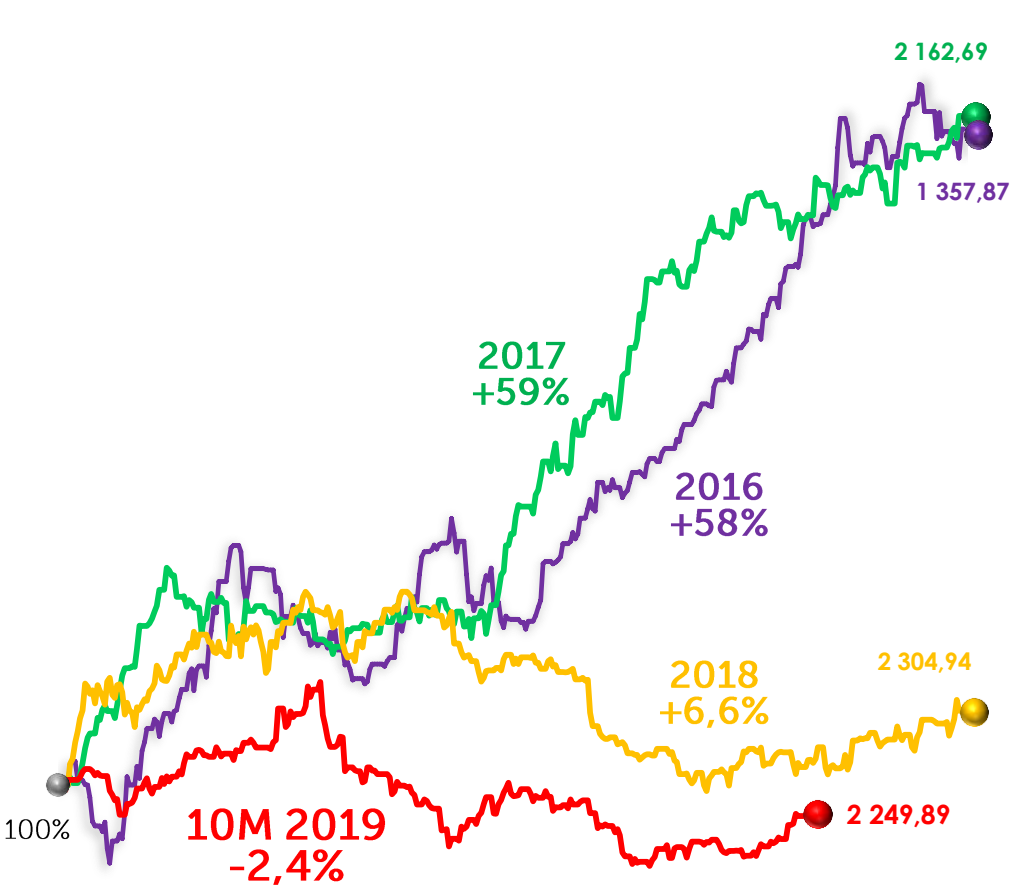
Share of Foreign Investors*

* total gross turnover

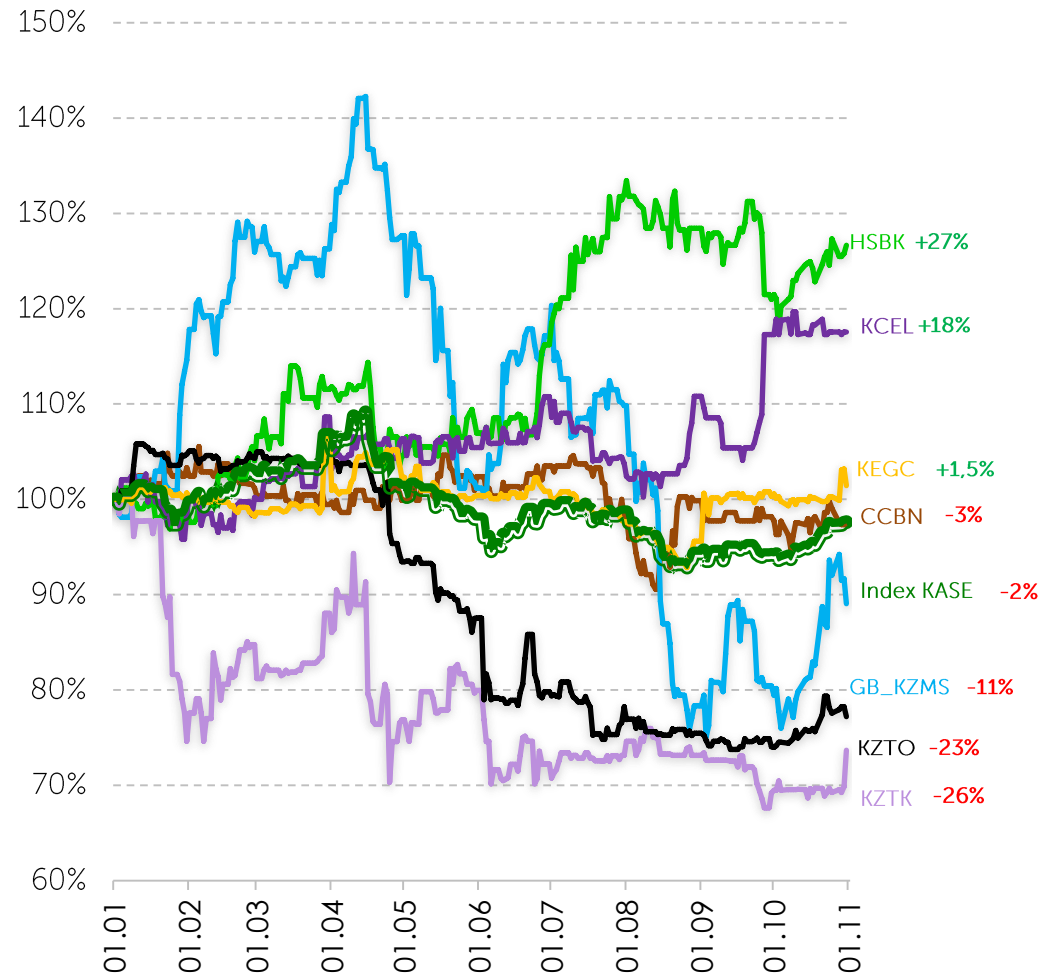


KASE Index Performance

KASE Index (2016-10M 2019)



Performance by Stock







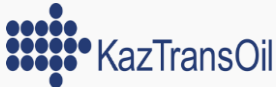







Source: KASE, Bloomberg

Index Stock Growth / Decline Factors

Code	Company	Freefloat, %	Sector	Key factors
GB_KZMS	KAZ Minerals	61,3	copper mining and processing	<ul style="list-style-type: none"> · demand/prices for copper · global production parameters · increased debt load and capital expenditures · changes in subsoil use legislation
CCBN	Bank CenterCredit	41,7	banking	<ul style="list-style-type: none"> · overall state of the national economy · position in the sector · regulation of the banking sector · rate of growth of loan portfolio and deposits
HSBK	Halyk Bank	35,5	banking	<ul style="list-style-type: none"> · overall state of the domestic economy · strategic position in the sector · regulation of the banking sector · rate of growth of loan portfolio and deposits
KCEL	Kcell	25	telecommunications	<ul style="list-style-type: none"> · strategic position in the sector · rates for services · publicly significant projects
KZTK	Kazakhtelecom	23	telecommunications	<ul style="list-style-type: none"> · strategic position in the sector · rates for services · publicly significant projects
KZAP	Kazatomprom	18,7	uranium exports and imports	<ul style="list-style-type: none"> · demand/prices for uranium · accident/shutdown/suspension of nuclear power plants in major countries · growth rates of the global economy · changes in the terms of mutual trade · changes in the position of the natural monopoly
KEGC	KEGOC	10,0	electricity supply	<ul style="list-style-type: none"> · rates for services · changes in the position of the natural monopoly · coverage territory for company services · increased debt burden and capital expenditures
KZTO	KazTransOil	10,0	oil transportation	<ul style="list-style-type: none"> · demand/prices for oil · rates for services · changes in the position of the natural monopoly · increased debt burden and capital expenditures

Most liquid shares on KASE

Issuer	Ticker	Last price, KZT				Total yield, % per annum			Average daily volume of deals, USD thds	Average daily number of deals
		31.10.19	01.01.19	01.01.18	01.01.17	10M 2019	2018	2017		
KazTransOil	KZTO	1,036.11	1,342.00	1,337.00	1,231.00	-27.4	+104.4	+168.6	65.3	106
Halyk Bank	HSBK	127.20	100.41	82.59	50.34	+32.0	+32.4	+70.4	39.6	85
KAZ Minerals PLC	GB_KZMS	2,253.40	2,530.00	3,800.00	1,511.00	-13.3	-33.4	+151.5	760.0	51
KEGOC	KEGC	1,624.00	1,600.64	1,389.00	1,192.15	+1.8	+150.1	+105.0	61.8	47
Kazakhtelecom	KZTK	24,682.99	33,499.00	20,505.00	14,522.97	-31.6	+844.4	+1 637.0	120.3	37
Bank CenterCredit	CCBN	228.01	234.21	197.24	168.41	-3.2	+18.7	+17.1	6.5	14
NAC Kazatomprom	KZAP	5,354.79	5,200.00	–	–	+3.6			28.1	9
Kcell	KCEL	2,175.00	1,850.00	1,784.00	1,102.01	+21.1	+33.6	+120.2	75.1	9
Jýsan Bank	TSBNp	639.80	605.00	638.60	609.76	+6.9	-5.3	+104.7	1.2	1
BAST	BAST	27,615.37	33,129.00	57,500.04	35,845.28	-20.0	-42.4	+60.4	9.4	1
Kazakhtelecom	KZTKp	13,184.00	12,800.00	8,499.90	7,828.00	+3.6	+831.7	+1 604.4	2.9	1
Aktobe Metalware Plant	AKZM	8,619.09	9,503.85	11,860.13	14,165.69	-11.2	-19.9	-16.3	0.2	<1
US dollar to tenge (USDKZT)		388.93	383.00	332.81	333.60	+1.9	+15.1	-0.24	117,278.2	317

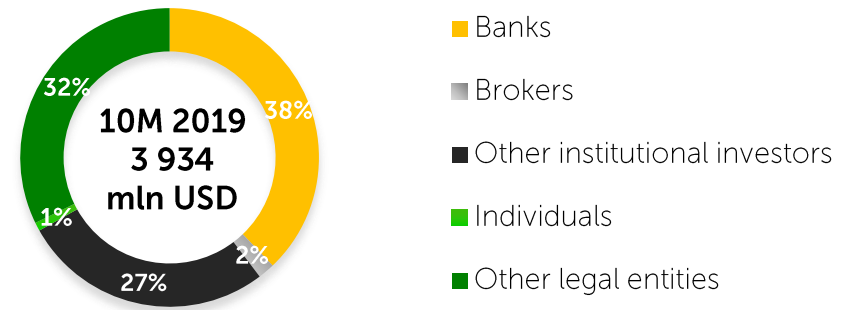
<p>2006</p>  <p>Volume: 12,2 млрд. KZT Offering price: 25 000–33 000 KZT Demand: 592% Current price: 26 300,00 KZT</p>	<p>2006</p>  <p>Volume: 258,0 млрд. KZT Offering price: 11 163,4 KZT Demand: 100% Current price: исключены с 10.05.18</p>	<p>2010</p>  <p>Volume: 2,7 млрд. KZT Offering price: 658,0 KZT Demand: 100% Current price: 298,70 KZT</p>	<p>2012</p>  <p>Volume: 7,5 млрд. KZT Offering price: 1 578,7 KZT Demand: 260% Current price: 2 174,76 KZT</p>	<p>2012</p>  <p>Volume: 27,9 млрд. KZT Offering price: 725,0 KZT Demand: 200% Current price: 992,12 KZT</p>	<p>2014</p>  <p>Volume: 13,1 млрд. KZT Offering price: 505,0 KZT Demand: 130% Current price: 1 597,69 KZT</p>
<p>2015</p>  <p>Volume: 359,6 млн KZT Offering price: 19 843,0–21 827,0 KZT Demand: 106% Current price: 27 753,35 KZT</p>	<p>2016</p>  <p>Volume: 800,0 млн KZT Offering price: 11 177,0 KZT Demand: 370% Current price: 8 500,69 KZT</p>	<p>2017</p>  <p>Volume: 1 125,0 млн KZT Offering price: 30 500,0 KZT Demand: 103,1% Current price: 27 753,35 KZT</p>	<p>2017</p>  <p>Volume: 6 500,0 млн KZT Offering price: 1 150,0 KZT Demand: 116,1% Current price: исключены с 27.09.18</p>	<p>2018</p>  <p>Volume: 526,4 млн KZT Offering price: 50 000,0 KZT Demand: 100,0% Current price: 27 753,35 KZT</p>	<p>2019</p>  <p>Volume: 5,2 млн KZT Offering price: 348,698 KZT Demand: 0,2% Current price: –</p>

Note: current prices are represented by prices of last deals in shares as of December 03, 2019

Corporate Bonds

Investors Breakdown in Secondary Market*

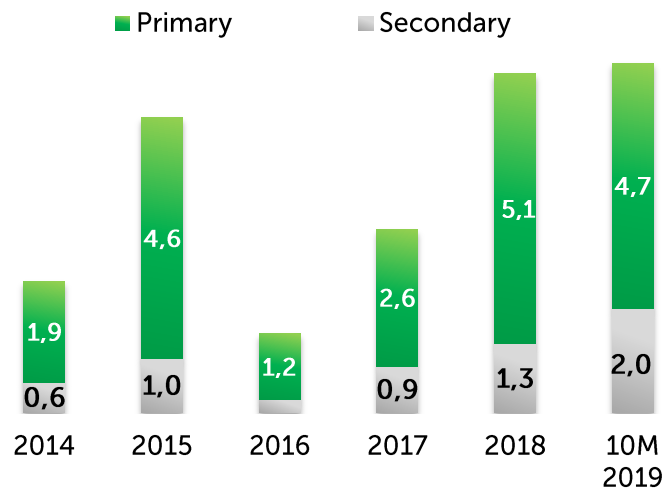
* total gross turnover



Key Facts and Numbers

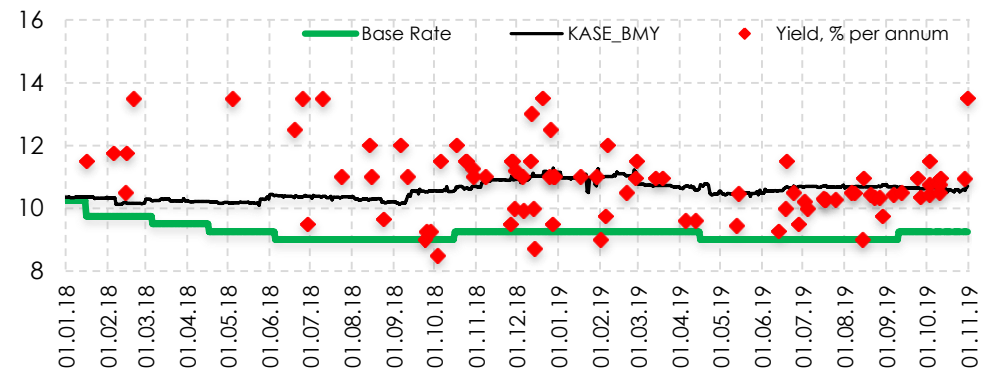
- + 67 issuers
- + 256 bonds issues, incl. 27 eurobonds
- + 34 new issues in 2019
- + current market cap **USD 32 bn**
- + share of Eurobonds in corporate debt outstanding **43%**
- + share of quasi-public sector in corporate debt outstanding **68%**
- + traded volume CAGR for 5 years **23%**
- + **T+0, T+2** settlement schemes
- + trading in **KZT** and **USD**

Trading Volume, USD bn



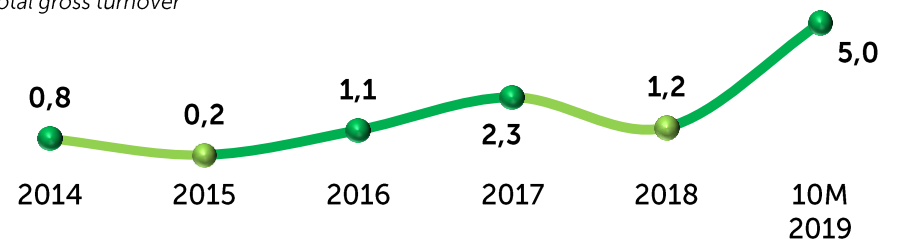
Source: KASE

Market Offerings (2018-2019)



Share of Foreign Investors*

* total gross turnover



Eurobonds settled in KZT

Issuer name	Ticker	Market-maker	Quote currency	Coupon. %	Yield. % APR
ForteBank	TEBNe1	✓	USD	14	11.75
ATFBank	ATFBe7	✓	USD	9.9122	10.79
ForteBank	ASBNe14	✓	KZT	11.75	10.63
Development Bank of Kazakhstan	BRKZe8	✓	KZT	9.5	9.54
Bank CenterCredit	CCBNe3	✓	USD	8.5402	9.38
Development Bank of Kazakhstan	BRKZe9	✓	KZT	8.95	9.34
KTZ Finance	TMJLe5	✓	RUB	8.75	8.57
Eastcomtrans	ECTRe1	✓	USD	8	8.20
Halyk Bank	HSBKe5	✓	USD	7.25	6.86
Development Bank of Kazakhstan	BRKZe3	✓	USD	6.5	6.30
Development Bank of Kazakhstan	BRKZe4	✓	USD	6	5.58
Halyk Bank	BTASe16	✓	USD	5.5	5.45
NC Kazakhstan Temir Zholy	TMJLe1	✓	USD	6.95	5.12
NC KazMunayGas	KMGZe15	✓	USD	6.375	5.08
NC KazMunayGas	KMGZe12	✓	USD	5.75	4.85
NC KazMunayGas	KMGZe14	✓	USD	5.375	4.65
NC Kazakhstan Temir Zholy	TMJLe6	✓	USD	4.85	4.39
NC KazMunayGas	KMGZe11	✓	USD	4.75	4.35
NC KazMunayGas	KMGZe13	✓	USD	4.75	4.33
NC KazMunayGas	KMGZe6	✓	USD	4.4	4.17
KazTransGas	KZTGe1	✓	USD	4.375	4.15
Development Bank of Kazakhstan	BRKZe7	✓	USD	4.125	3.95
NC KazMunayGas	KMGZe10	✓	USD	3.875	3.76
NC Kazakhstan Temir Zholy	TMJLe3	✓	CHF	3.638	3.36
KazTransGas Aimak	KTGAe1	–	KZT	7.5	–
Zhaikmunai	ZHMNe2	–	USD	9.5	–
Zhaikmunai	ZHMNe3	–	USD	9.5	–

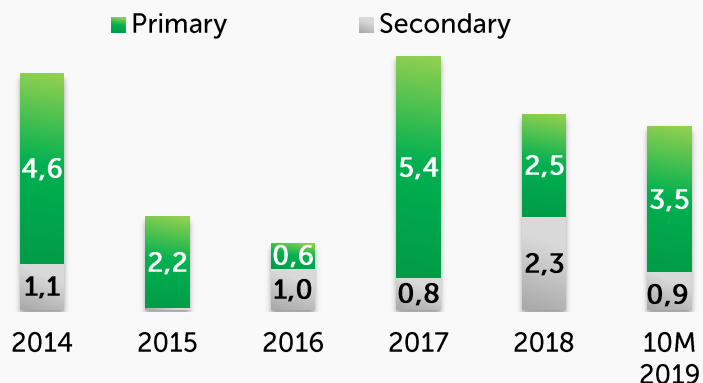
Eurobonds settled in US dollars

Issuer name	Ticker	Market-maker	Quote currency	Coupon. %	Yield. % APR
Eastcomtrans	ECTRe1_USD	–	USD	8.000	8.20
Halyk Bank	HSBKe5_USD	–	USD	7.250	6.86
Development Bank of Kazakhstan	BRKZe3_USD	–	USD	6.500	6.30
Development Bank of Kazakhstan	BRKZe4_USD	–	USD	6.000	5.58
NC Kazakhstan Temir Zholy	TMJLe1_USD	–	USD	6.950	5.12
NC KazMunayGas	KMGZe15_USD	–	USD	6.375	5.08
NC KazMunayGas	KMGZe12_USD	–	USD	5.750	4.85
NC KazMunayGas	KMGZe14_USD	–	USD	5.375	4.65
NC Kazakhstan Temir Zholy	TMJLe6_USD	–	USD	4.850	4.39
NC KazMunayGas	KMGZe11_USD	–	USD	4.750	4.35
NC KazMunayGas	KMGZe13_USD	–	USD	4.750	4.33
NC KazMunayGas	KMGZe6_USD	–	USD	4.400	4.17
KazTransGas	KZTGe1_USD	–	USD	4.375	4.15
Kazakh Ministry of Finance	KZ_06_4410_USD	–	USD	4.875	4.02
Development Bank of Kazakhstan	BRKZe7_USD	–	USD	4.125	3.95
NC KazMunayGas	KMGZe10_USD	–	USD	3.875	3.76
Kazakh Ministry of Finance	KZ_05_2410_USD	–	USD	3.875	3.66
Kazakh Ministry of Finance	KZ_07_2507_USD	–	USD	5.125	–

Key Facts and Numbers

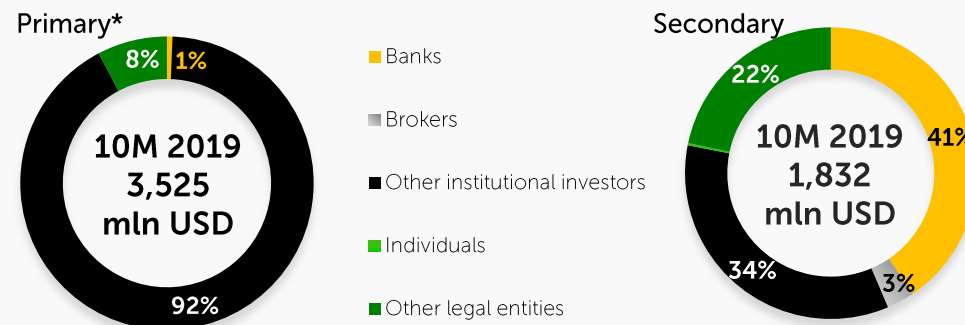
- issued by Ministry of Finance, National Bank and municipal authorities
- 23** issuers and **218** issues
- current public sector debt traded on KASE **USD 33 bn** (**≈80%** of all government debt)
- the largest share (20%) of outstanding tenge debt of Ministry of Finance falls on long term bonds (15 years)
- CAGR of trading volume for 5 years **19,5%**
- share of trading notes of NB RK in the secondary market **95%**
- yields on Ministry of Finance tenge bonds placements in 2019 **8,5-9,9%** per annum
- T+0** for primary market, **T+2** for secondary market

Trading Volume, USD bn



Investors Breakdown*

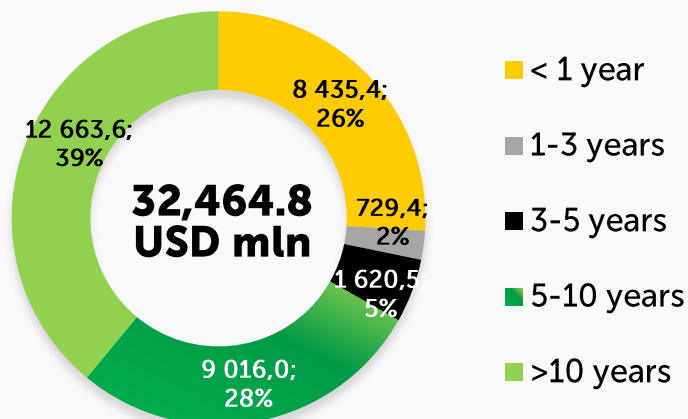
* total gross turnover



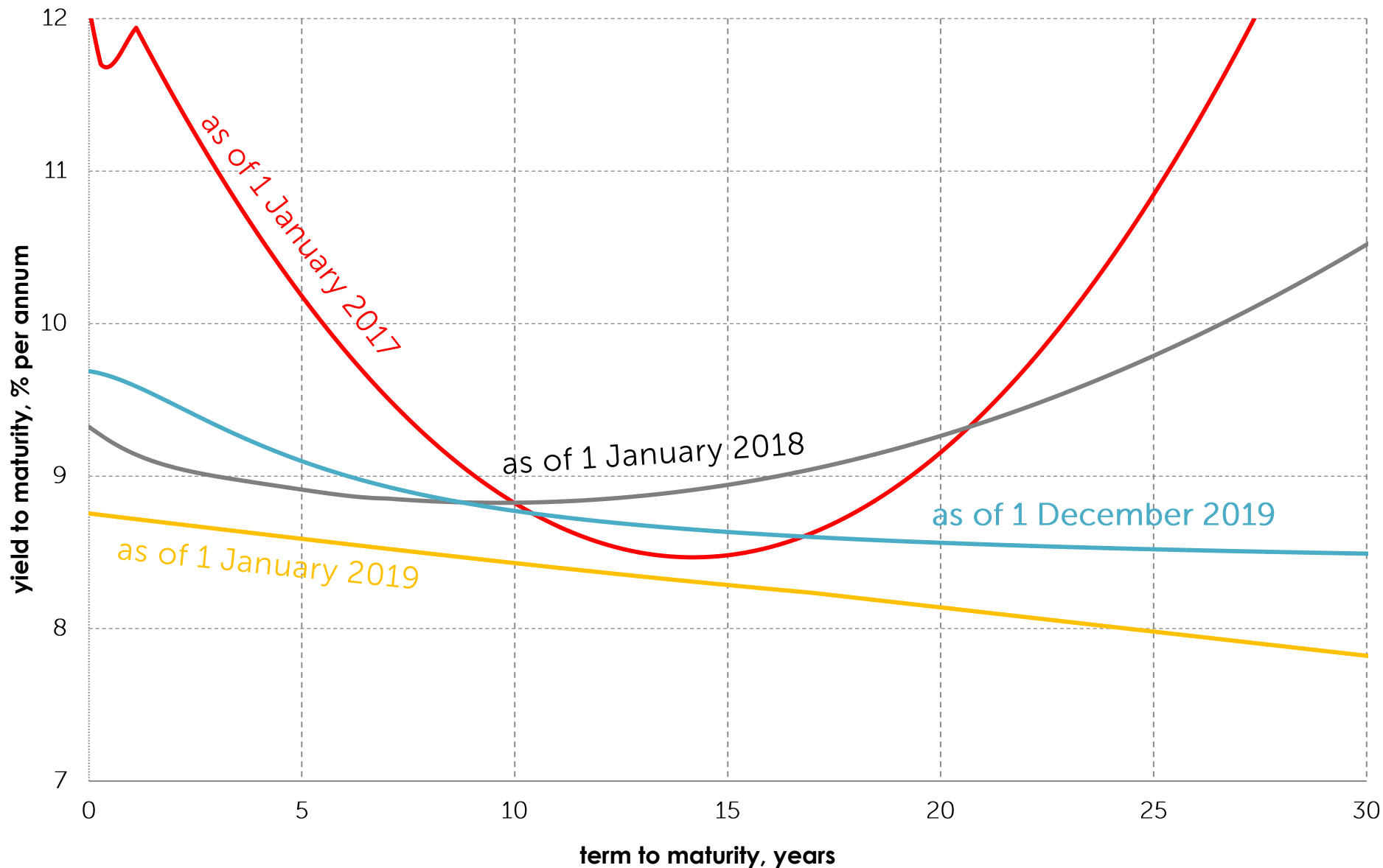
* Government bonds of the Ministry of Finance of Kazakhstan and bonds of local executive authorities. Short-term notes are placed in the National Bank of the Republic of Kazakhstan and are not accounted for on the primary market of KASE

Sovereign debt structure at par value by maturity

at November 1, 2019

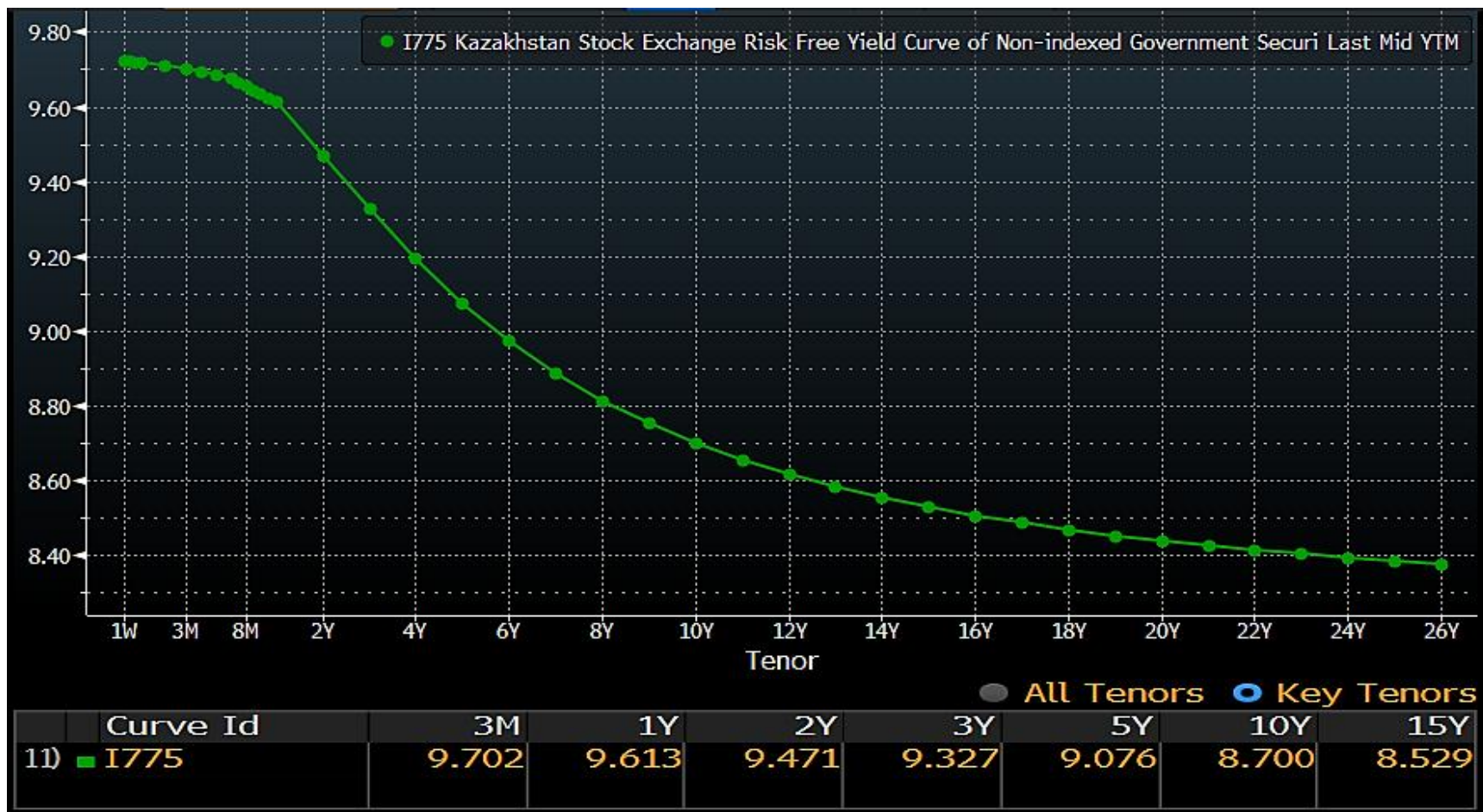


Kazakhstan Government Bonds Yield Curve



Bloomberg: YCGT0775 Index

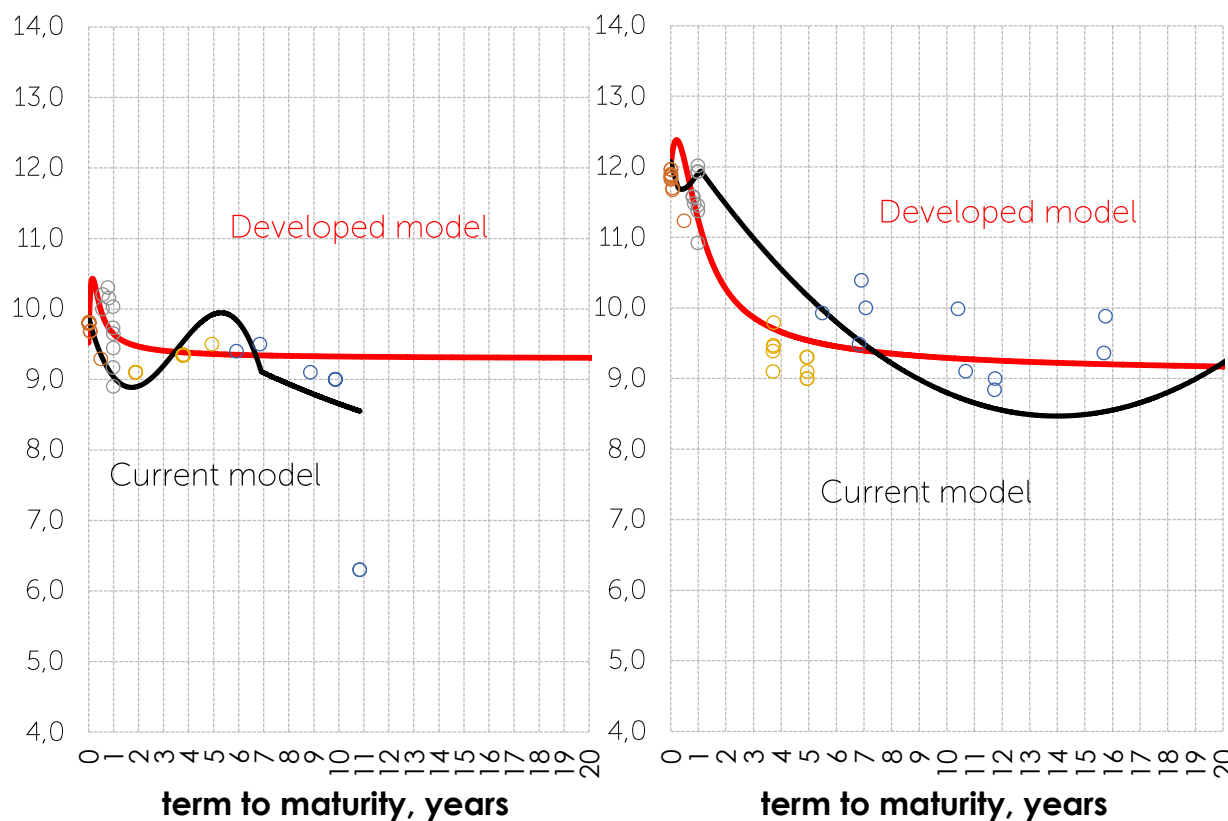
Access to the constructed yield curve of Kazakhstan government bonds now available in the Bloomberg Terminal



New Methodology for Market Valuation of Non-indexed GS

Objective: to achieve high reproducibility of the GS risk-free yield curve and to ensure a more stable curve behavior in conditions of low liquidity . Any market participants can represent the GS curve using open parameters.

Transition to the new methodology - **September 30, 2019**



New Methodology Features:

- o estimating yield curve using the Nelson-Siegel model
- o gives stable result on any settlement date and in moments of low liquidity
- o impact of transaction to curve construction depends on its volume and duration
- o statistical methods are used to exclude abnormal transactions
- o adaptive sampling is based on transparent and understandable methodology
- o the curve is reproducible in IRIS Finance due to data and functionality contained in the product

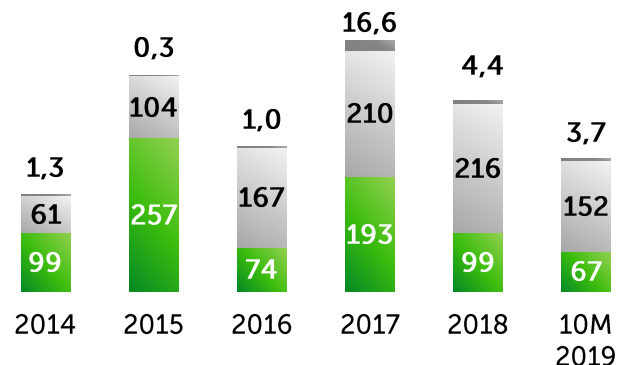
Money Market

Key Facts and Numbers

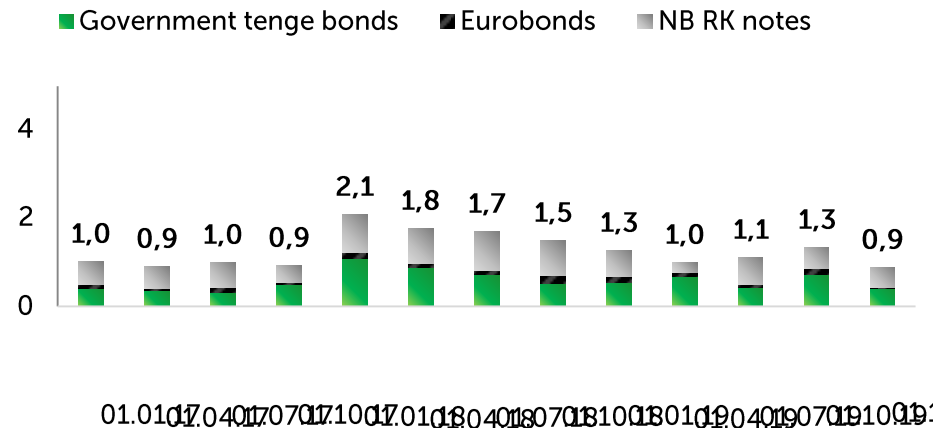
- + government securities, corporate bonds and equities can be used as collateral
- + **>95 %** of the total volume of repo transactions represented by transactions with a basket of GS
- + repo operations secured by GS are constantly carried out by **45** of the **52** KASE members (secondary banks and the largest local broker-dealers)
- + average daily volume of swap operations in 2019 accounts for **USD 327 mln**

Trading Volume, USD bn

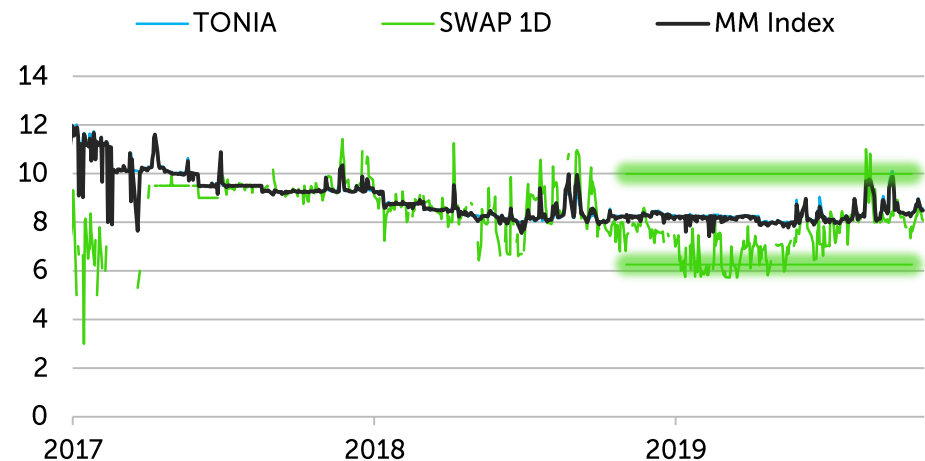
- Repo in corporate securities
- Repo in state securities basket
- Foreign currency swap



Open repo positions of participants in repo with GS on KASE, USD bn



Indicators, %



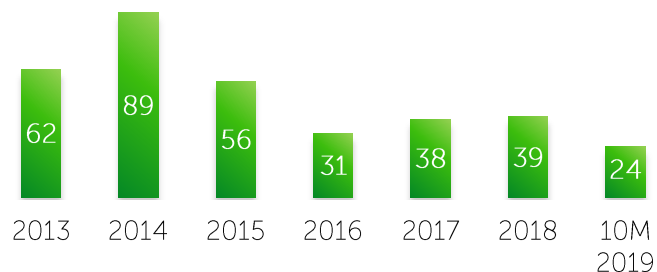
Key Facts and Numbers

- + **28 commercial and development banks** are members of the KASE FX market
- + in 2019 **2 brokerage companies** were admitted to the market
- + **5 currency pairs** are traded on **T+0, T+1, T+2** basis
- + extended trading day
- + average daily volume of spot operations accounts for **USD 118 mln**
- + **99%** of total spot market volume represented by USD/KZT transactions

Traded Instruments

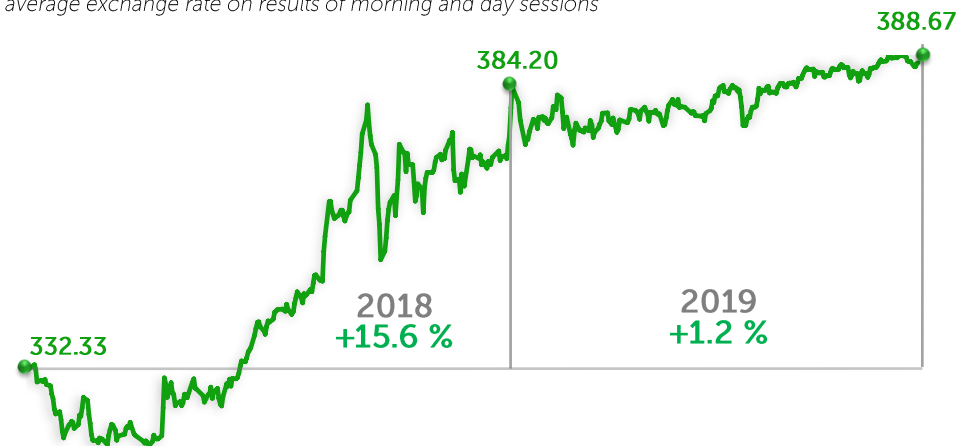
USDKZT_TOD	EURKZT_TOD	CNYKZT_TOD
USDKZT_TOM	EURKZT_TOM	CNYKZT_TOM
USDKZT_SPT	EURKZT_SPT	CNYKZT_SPT
RUBKZT_TOD	EURUSD_TOD	
RUBKZT_TOM	EURUSD_TOM	
RUBKZT_SPT	EURUSD_SPT	

Trading Volume, USD bn

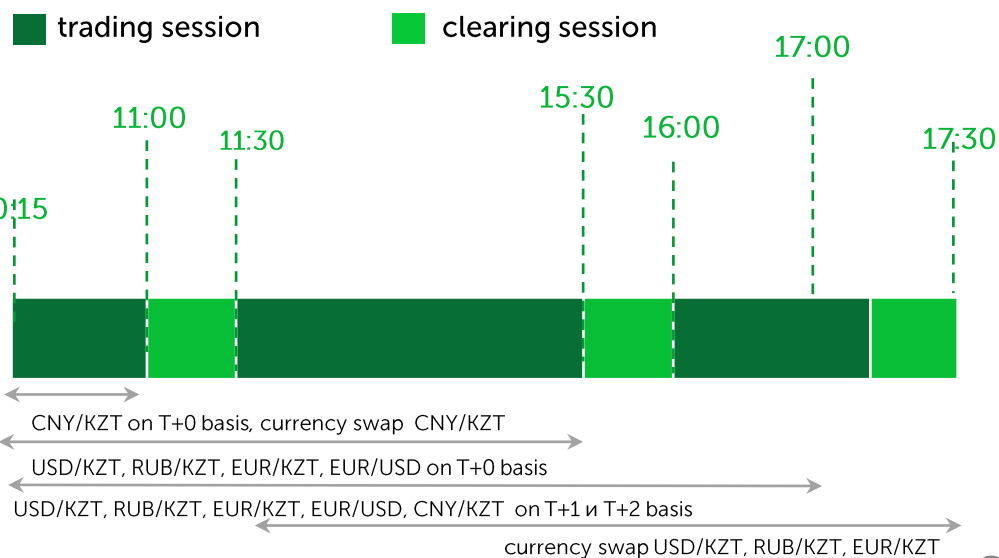


Dynamics of USD/KZT exchange rate, KZT per unit of currency*

* USD/KZT exchange rate is based on weighted average exchange rate on results of morning and day sessions

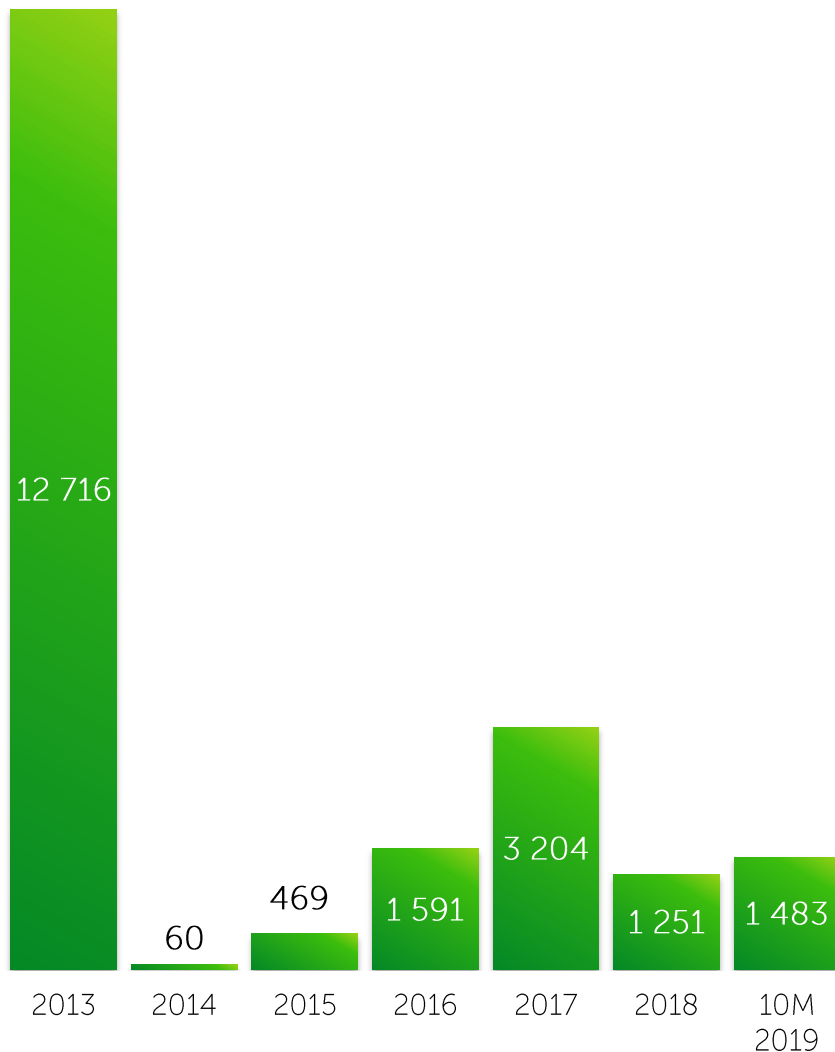


Trading Schedule



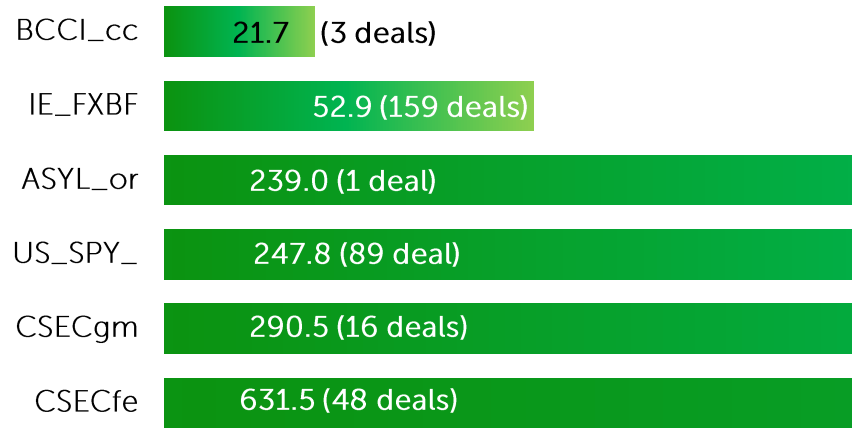
Investment Funds

Trading Volume, USD th.



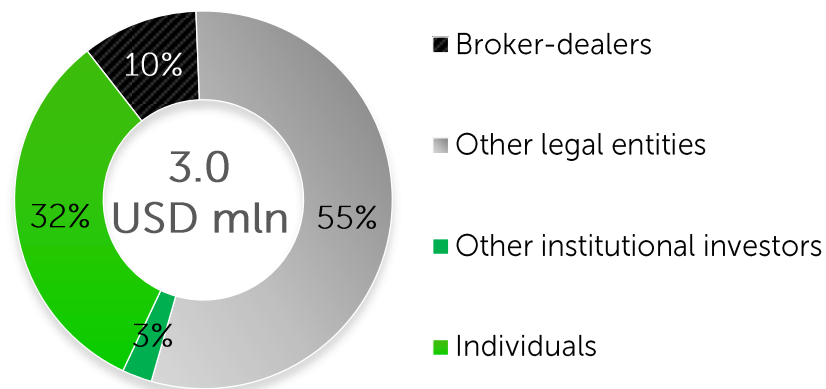
Source: KASE

Trading Volume by Instruments , USD th.



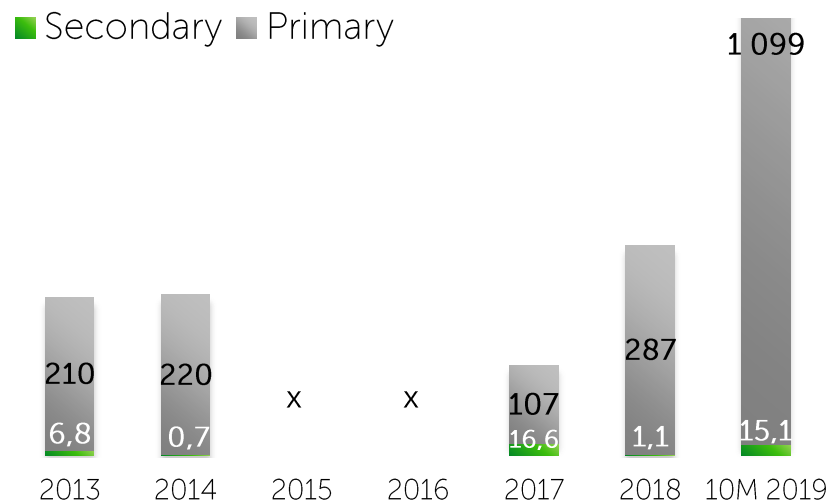
Investors Breakdown*

* total gross turnover



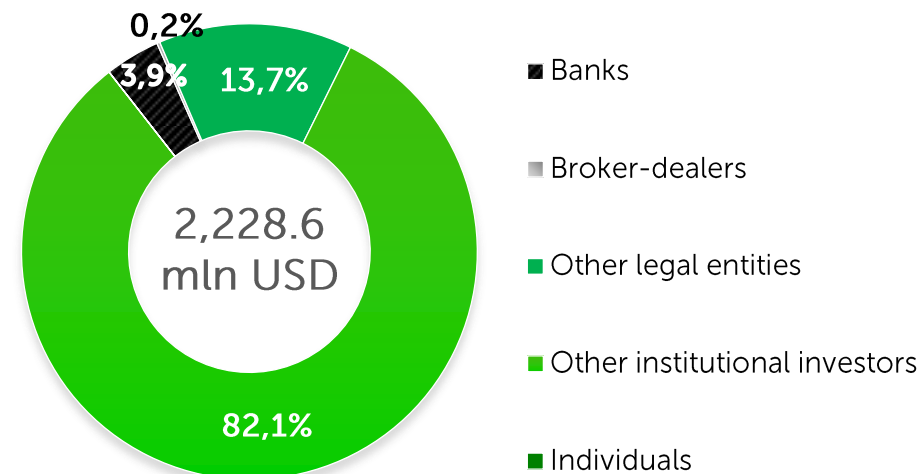
* of the total gross turnover of trading in securities of investment funds

Trading Volume, USD mln



Investors Breakdown*

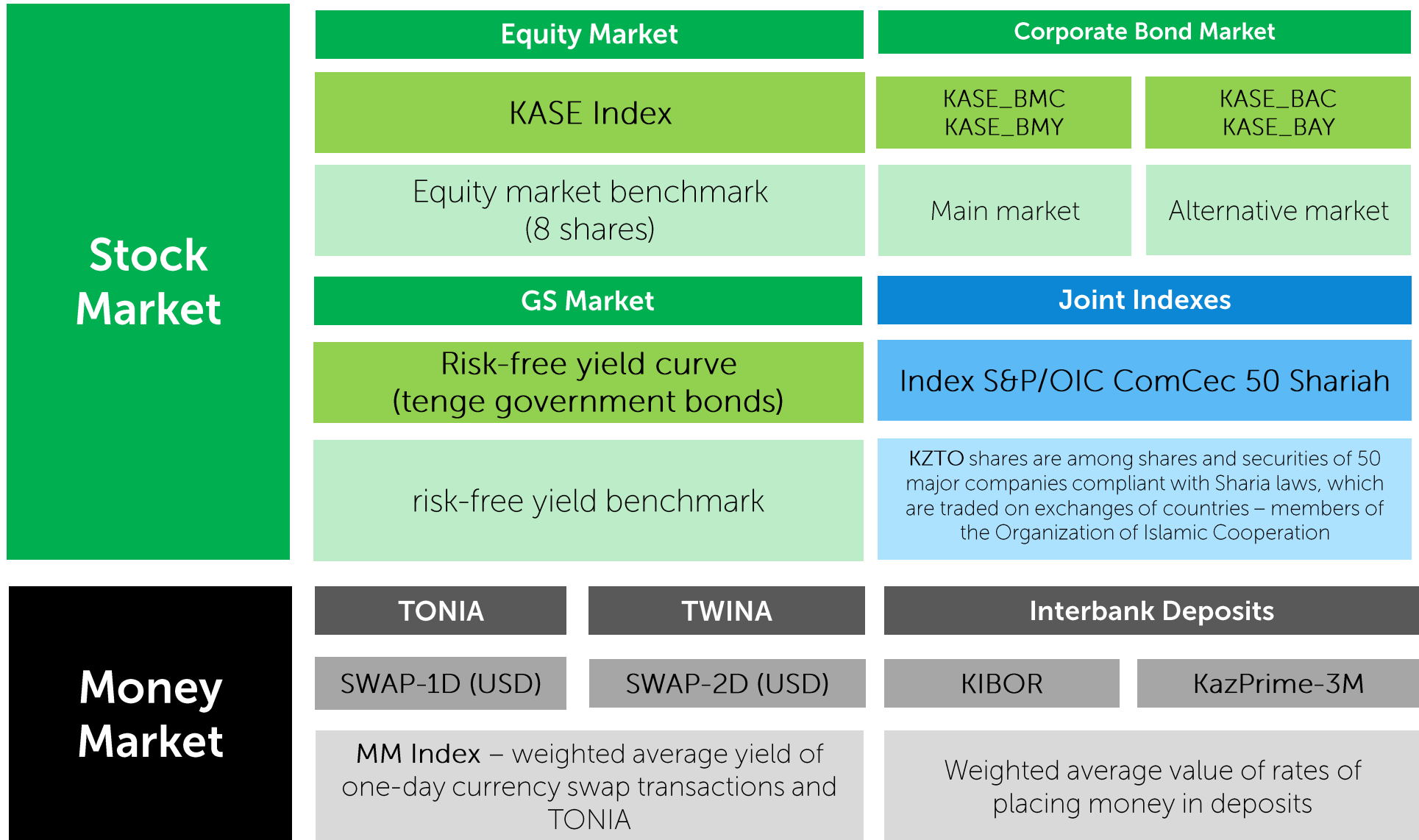
* total gross turnover



Institute	Value of bond placements in 2019, USD mln	Number of outstanding issues
Eurasian Development Bank	210.7	11
European Bank for Reconstruction and Development	683.4	8
International Finance Corporation	84.4	4
Asian Development Bank	120.7	3
European Investment Bank	-	1

Average yield at issue – 9,5% per annum

Family of KASE Indexes



KASE Information Products (1/2)



Real-time market data

Uninterrupted flow of up-to-date market data of KASE



Delayed market data

Uninterrupted delivery of flow of KASE's up-to-date market data with a 15-minute delay



End-of-day data

Information about results (also interim) of the trading in financial instruments



Software IRIS Finance

Information terminal featuring exchange information represented as separate modules on each of KASE markets



Corporate events

Information about events substantially influencing activities of KASE members and its issuers, affecting interests of shareholders and investors of a particular joint-stock company

KASE Information Products (2/2)



KASE news

Newsfeed sourced by KASE from issuers and members of KASE as the trading operator, as well as news generated by KASE as a result of processing exchange information



Web-Quotes in real time

Viewing the up-to-date information about the progress of trading in financial instruments via KASE website www.kase.kz



Historical data

Historical information about KASE-operated trading in financial instruments



Reference data

Information about parameters of financial instruments, as well as about issuers of securities on KASE



Non-display/Derived data

Use of KASE market data in Non-Display systems for generation and/or dissemination of Derived information for purposes of automation of operations



Irregular queries

Provision of information about the market value of securities, the list of securities and issuers, information about prices of deals in financial instruments

KASE Strategy

04

KASE Today

KASE Future

FX market, Derivatives

CCP

All markets

KASE StartUp Market
KASE Private Market
Alternative Market
Main Board

Fundraising

Motivating companies to go public

Tax benefits

Crowd funding opportunities

Access to FX market

Remote membership

Members

Short selling

Margin trading

National IPOs

Incomes gained on securities traded
on KASE are charged at 0 %

**Local
Retail Investors**

Bank deposit certificates

Government securities – retail bonds

Participation in national companies' IPOs

Investment opportunities for all local
Institutional Investors

Incomes gained on securities traded on KASE
are charged at 0 %

**Local
Institutional
Investors**

Private management of pension assets

Revising prudential regulation/
rating agencies requirements

Frontier Market Status

Clearstream link for Kazakh state securities

**Foreign
Investors**

Developed Market Status

Clearstream direct link

Euroclear direct link

Strategy for 2019-2021

IT Modernisation



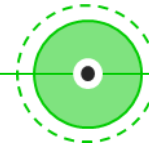
- The stage-by-stage IT modernization of trading-clearing system
- Implementation of the certified protocols for market information dissemination
- Implementation of the new trading regimes in the stock market

Launch of CCP Services



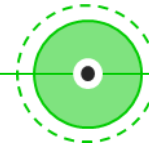
- Consistent implementation of clearing and CPP services in the following classes of financial instruments:
- FX SPOT / SWAP
 - Futures
 - Equity instruments T+2/T+0
 - Non-government bonds in tenge T+0
 - Government securities
 - Repo operations
 - Municipal bonds
 - Non-government bonds in foreign currencies T+2

Enhancing Liquidity and Market Depth



- Enhancing stock market liquidity
- Stimulating bond market as an option to bank lending
- Stimulating active involvement of public in investment on stock market
- Increasing investment opportunities for institutional investors.
- Expansion of the investor base by increasing the number of foreign market participants
- Boosting the trading volume and introduction of new products in FX, money and derivatives market.

Implementing the ESG Principles



- Strengthening the investment value of KASE
- Improvement in the risk management, internal control and audit
- Increasing transparency in KASE activities
- Setting green standards in the business processes
- Increasing social corporate responsibility


Cooperation with Moscow Exchange

- KASE and Moscow Exchange PJSC (MOEX) **signed Strategic Cooperation Agreement** on October 10, 2018
- MOEX is to acquire up to **20%** of KASE shares in 2018 - 2020 in two stages under the agreement
- In January 2019 MOEX became a shareholder of KASE. MOEX holds **3.32%** of KASE's issued shares


Cooperation Goals:

- acquisition of three trading and clearing systems (equities market, FX market and derivatives market)
- providing advice on the development of the exchange business
- launching CCP services
- providing mutual access of professional participants, investors and issuers of securities to KASE and MOEX

Stages of launching the ASTS+



December 2019 - liquid shares, Eurobonds settled in US dollars, units, GDR, ETF



2020'Q2 - other financial instruments, including repo with CS and GS baskets



2020'Q4 – FX



2021 – Derivative Market

Thank you for attention!

 Kazakhstan Stock Exchange

 kase_kz

 Kazakhstan.stock.exchange

 Kazakhstan Stock Exchange

Republic of Kazakhstan, 050040
city of Almaty, 280 Bayzakov St.,
Northern Tower,
Almaty Towers multifunctional complex, 8th floor
Tel.: +7 (727) 237 5300
e-mail: info@kase.kz
www.kase.kz

