



PRESS-RELEASE

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KASE presents stock exchange market performance results in November 2019

Kazakhstan Stock Exchange JSC (KASE) informs about main results of activities in November 2019.

- The total amount of trading on KASE in November 2019 made up KZT9,549.6 bn increasing by 7.6%, or KZT674.3 bn on October.
- On the securities market growth was seen in the shares sector – 6.4 times, and in the GS sector – 27.4 %.
- Based on results of November 2019, KASE Index grew by 3.0 % making up 2,318.23 points.
- As of December 1, 2019 KASE official list featured securities of 178 issuers in the non-government securities sector.
- The volume of the primary market in the corporate bond sector made up KZT58.7 bn.
- In November six issuances of five issuers were included in the official list of the corporate bonds sector with two of them undergoing listing for the first time.

EQUITY MARKET

The equity market's capitalization increased by 1.7 %, or KZT258.4, to KZT15.8 trln in November. The growth occurred on account of growing stock of several major companies.

As of the end of the month, KASE trading lists featured 141 stocks of 125 issuers, with four of them admitted to circulation in the unlisted securities sector.

The amount of trading in shares in November increased 6.4 times, or by KZT51.6 bn, on October to KZT61.2 bn. The average daily amount of trading made up KZT2.9 bn.

Among main investor categories, the share of individuals made up 54.9 % of the total amount of shares transactions. The share of second-tier banks (STB) – 2.9 %, that of brokers-dealers – 17.4 %, that of other institutional investors – 2.1 %, that of other legal entities reached 22.8 %. Non-residents' participation is estimated at 19.5 %.

KASE INDEX

KASE Index completed November with a growth of 3.0 %, or 68.34 points, to 2,318.23 points. Since the beginning of the year KASE Index increased by 0.58 %, or 13.29 points.

From November 1 shares of National atomic company "Kazatomprom" were included in the representative list of KASE Index. Their weight in the Index makes up 15%. Thus, there are currently stocks of 8 titles in KASE Index.

Prices of stocks from KASE Index universe

Issuer	Ticker	Price change		
		as of 01.10.19	as of 01.11.19	in November
Kazakhtelecom	KZTK	24,682.99	26,750.00	+8.37
KAZ Minerals PLC	GB_KZMS	2,253.40	2,436.90	+8.14
Halyk Savings Bank of Kazakhstan	HSBK	127.20	133.89	+5.26
Kcell	KCEL	2,175.00	2,219.00	+2.02
Bank CenterCredit	CCBN	228.01	231.99	+1.75
National Atomic Company	KZAP	5,354.79	5,308.00	-0.87
KEGOC	KEGC	1,624.00	1,590.24	-2.08
KazTransOil	KZTO	1,036.11	1,010.93	-2.43

In the month under review, two components of the index universe demonstrated substantial growth. Slightly more significant growth was demonstrated by Kazakhtelecom stocks. Having increased by 8.4%, the price of one share returned to the level of the end of May of this year. The main impulse for the stocks growth are positive results in financial statements for 9 months of 2019, as well as the strong strategic position of the company in the telecommunications sector. Within 9 months of 2019 revenues of Kazakhtelecom increased by 90% to KZT298.6 bn compared with the similar period of 2018. The revenue growth was mainly based on increased revenues from mobile telecommunications. The strong strategic position is based on the sector's high concentration and involvement of the company in implementation of major government programs on conduct and modernization of communication lines.

Stocks of KAZ Minerals PLC increased by 8.14% within the month. The positive dynamics is maintained on account of the growing performance indicators. Within 9 months of 2019 the company produced 230.5 th. tons of copper, which is up 6.3% YoY.

Stocks of Halyk Bank of Kazakhstan are on the third place, having increased by 5.26% over the month. Within the month the stocks were gaining momentum, the largest number of transactions was concluded in them: 2,376. The main drivers of the company's stocks were positive results in interim financial statements and the persisting role of the bank as a backbone one. Besides, the recent offering of global depositary receipts and increased free float of the company contributed to improvement of the security's liquidity. Financial results of 9 months turned out to be positive. The Group's net income increased from KZT164 bn to KZT251 bn (+53.3%), mainly on account of an increase in net interest income.

CORPORATE BOND MARKET

As of the end of November there were 257 corporate bond issuances of 69 issuers. In November six issuances of five issuers were included in the official list, with two of them undergoing listing on the Exchange for the first time: issuances of AMF Group, Sovereign wealth fund "Samruk-Kazyna", "TechnoLeasing" LLP, "QS Holding" LLP and two issuances of "Baspana" mortgage organization.

Five bond issuances of the following issuers were removed from KASE trading lists in said month: Halyk Savings Bank of Kazakhstan, Bank CenterCredit, Subsidiary bank "Alfa-Bank", "AMF Group" – due to maturity; those of National company "Kazakhstan Temir Zholy" – due to early redemption of bonds.

The amount of outstanding corporate debt decreased by 2.9 %, or KZT358.4 bn, to KZT12.2 trln in November.

The yield of the corporate bonds index KASE_BMY decreased by 3 basis points to 10.68 % APR in November.

The amount of corporate bond trading on KASE decreased by 84.4 %, or KZT344.1 bn, on October, to KZT63.5 bn.

In November four issuances in the total amount of KZT58.7 bn were placed in the corporate bonds sector of the primary market, which is by 85.5 %, or KZT344.6 bn, less than in October:

- Subsidiary bank "Home Credit and Finance Bank" raised KZT2.6 bn on November 5, by placing bonds HCBN6 at 13.5 % APR with current maturity of 2.1 years;
- "Baspana" mortgage organization raised KZT47.6 bn by placing two-year bonds BASPb5 with a weighted average yield of 10.8390 % APR;
- Agrarian credit corporation raised KZT7.9 bn on November 21, by placing bonds AGKKb12 at 10.75 % APR with current maturity of 6.9 years;
- "TechnoLeasing" LLP raised KZT584.9 mln through subscription, by placing four-year bonds.

In terms of main investor categories, on the primary corporate bond market the share of STB made up 43.2 %, that of brokers and dealers – 6.1 %, other institutional investors accounted for 45.1 %, other legal entities – for 5.4 %, individuals – for 0.3 %.

The amount of trading on the secondary bond market increased by 11.2 %, or by KZT0.5 bn, to KZT4.8 bn.

In terms of main investors, on the secondary corporate bond market the share of STB made up 15.8 %, that of brokers and dealers – 46.8 %, other institutional investors accounted for 11.5 %, other legal entities – for 22.0 %, individuals – for 4.0 %. Non-residents accounted for 6.1 %.

GOVERNMENT SECURITIES MARKET (GS)

The face value of the government debt being traded on KASE increased by 2.1 %, or KZT264.2 bn, to KZT12.9 trln in November.

In November the amount of trading on the GS market increased by 27.4 %, or KZT18.7 bn, to KZT86.8 bn.

In the month under review, the amount of trading on the GS primary market increased 2.6 times, or by KZT44.5 bn, to KZT73.0 bn. As part of implementing government programs, local executive bodies of three regions raised KZT12.3 bn (by 41.1 % more, offerings in the amount of KZT8.7 bn took place in October). The remaining amount – KZT60.6 bn, which is 3.1 times, or by KZT40.9 bn, more than in October – was raised by the Ministry of Finance which placed seven issuances of long-term bonds and one issuance of mid-term bonds at 8.92–9.81 %.

In terms of investors on the primary market the share of STB made up 1 %, that of other institutional investors – 82.1 %, other legal entities – 16.9 %. Non-residents didn't take part in the trading.

The amount of trading on the secondary market decreased by 65.2 %, or KZT25.8 bn, to KZT13.8 bn. 94.8 % of the total amount of trading on the secondary market fell on notes of the National Bank. 4.3 % of the amount of trading on the secondary market involved foreign countries' GS.

In terms of investors on the secondary market the share of STB made up 47.4 %, that of brokers and dealers – 16.5 %, other institutional investors – 18.9 %, other legal entities – 15.6 %, individuals – 1.5 %. Non-residents didn't take part in the trading.

IFI BONDS

At the end of the period under review there were 27 bond issuances of five international financial institutions in KASE's trade lists: Eurasian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, International Finance Corporation (IFC) and Asian Development Bank.

There were no offerings in the IFI bonds sector in the month under review. In said sector of the secondary market there were no transactions.

UNITS OF INVESTMENT FUNDS (UIF)

As of December 1 there were eight instruments managed by seven companies in the sector "Securities of investment funds".

In the month under review the trading amount made up KZT212.2 mln, in October – KZT3.5 mln. In terms of main investor categories, 63.9 % fell on individuals, 3.6 % – on brokers and dealers, 32.5 % – on other legal entities.

Accounts of individuals in the securities market

As of December 1, 2019 there were 118,795 personal accounts opened by individuals at the Central Depository, which is by 646 accounts more than in the previous month and by 1,971 accounts more than at the beginning of 2019.

FOREIGN EXCHANGE MARKET

The amount of trading on the foreign currency market made up KZT841.2 bn, which is by 0.1 %, or KZT1.2 bn, less than the previous month's figure.

The table below provides main characteristics of currency pairs traded on KASE (in the brackets: the change of the indicator on the previous month, the rate change reflects the nominal change of the weighted average exchange rate of the foreign currency against the tenge).

Pair	Amount, mln currency units	Weight in the trading amount, %	Number of deals	Min. and max. rates, qnty. of the quoted currency per base currency	Rate at the end of the month (chg.%)
USD/KZT	2,126.1 (+1.6 %)	97.9 % (+1.3 %)	5,658 (-238)	385.07 – 389.54	386.36 (-0.6 %)
RUB/KZT	2,379.8 (-42.6 %)	1.7 % (-1.2 %)	108 (-9)	6.0344 – 6.1253	6.0344 (-1.0 %)
CNY/KZT	25.6 (+34.1 %)	0.2 % (+0.04 %)	62 (+12)	54.6888 – 55.6621	54.9480 (-0.6 %)
EUR/KZT	3.4 (-24.4 %)	0.2 % (-0.1 %)	19 (-6)	424.97 – 434.09	425.30 (-2.2 %)

MONEY MARKET

By the end of November the TONIA increased by 160 b.p. to 10.17 % APR, whereas the TWINA ("Tenge Week INdex Average") showed a 58 b.p. growth to 9.50 % APR.

The yield of the one-day dollar swap SWAP-1D (USD) as of the end of November reached 10.26 % p.a., gaining 217 b.p., that of the two-day swap SWAP-2D (USD) increased by 197 b.p. to 10.19 % APR.

In November indicator KazPrime-3M (KZT) kept moving along the upper limit of the base rate of the National Bank at 10.25 % APR.

The composite money market indicator MM_Index, representing the transaction-amount-weighted average yield on currency swap transactions USD/KZT and auto repo transactions in GS, opened for one business day, went up by 169 b.p. to 10.18 % APR by the end of November.

Repo transactions market

The amount of trading in this segment made up KZT6,863.7 bn, which is by 22.5 %, or KZT1,262.8 bn, more than in last month.

98.3 % of the total amount of opening repo transactions fell on GS autorepos. The most popular instrument on the GS autorepo market is still the one-day repo transaction, its share in the total amount of trading on the GS basket autorepo market made up 79.2 %.

Currency swap market

The amount of trading on the currency swap market decreased by 15.7 %, or KZT304.1 bn, to KZT1,633.1 bn. In terms of instruments, 72.6 % of the total amount of trading (KZT1.2 trln, or USD3.1 bn) on the currency swap market fell on transactions in the two-day currency swap (USDKZT_0_002).

DERIVATIVES MARKET

Currently, futures, whose underlying assets are represented by the US dollar, KASE Index and particular stocks are available for trading in this sector of the exchange market. No deals in futures

were concluded in November. There were no open positions held by trading participants on the derivatives market by the beginning of December.

For reference

Kazakhstan Stock Exchange (KASE) is the leading stock exchange in the Central Asian region and the only exchange in Kazakhstan carrying out its activities in the financial market. It is a universal trading platform for repo market instruments, foreign currencies, government and corporate securities, bonds of international financial institutions as well as derivatives.

KASE is the member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and local professional associations. In 2015, KASE joined the UN Sustainable Stock Exchanges initiative. KASE ranks second among the CIS exchanges on the volume of trading in securities, and it also ranks sixth on equity market capitalization among FEAS stock exchanges.

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