

# KASE WEEKLY

20 - 22 December,  
2017

## KASE NEWS

- ▲ From December 20, 2017 KASE [changed](#) the duration of the Base period for carrying out the valuation of non-indexed GS.
- ▲ KASE [presented](#) results of the competition among retail investors on the equity market. On 15 December 2017, there was a ceremony on awarding winners of the competition who earned the maximum yield from transactions. KASE gave a merit certificate to a resident of the town of Petropavlovsk, who had made 1,181 transactions and had won in "The most active investor" nomination. Freedom Finance JSC and Kazpost JSC, who have involved most number of their clients to the competition (1,568 and 213 accordingly), became winners in the nomination "Most active broker firm".

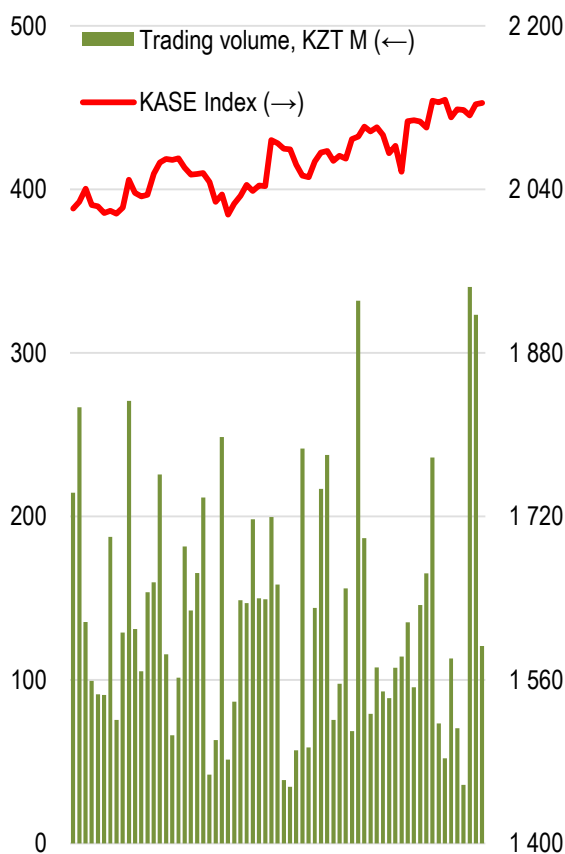
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ On 20 December KazMunaiGas Exploration Production [announced](#) inclusion of global depository receipts with ordinary shares (RDGZ) as underlying asset, in KASE official list, according to tender offer.
- ▲ On 20 December KazMunayGas Exploration and Production [announced](#) publishing materials for its extraordinary general meeting of shareholders scheduled for 22 January 2018 on its website.
- ▲ On 20 December Nurbank [announced](#) the decision of the Board of Directors on approval of the terms of issuance of subordinated bonds convertible into ordinary shares and offering of ordinary shares (NRBN) taking into account exercising of preemptive purchase right by shareholders of the bank.
- ▲ On 20 December SB Sberbank of Russia [announced](#) that Sberbank Online was recognized the leader of mobile banking applications in Kazakhstan according to the UsabilityLab ranking.
- ▲ On 21 December SB Sberbank of Russia [announced](#) affirmation of the rating of the bank and its bonds Fitch Ratings, outlook "Positive".
- ▲ On 21 December the Eurasian Bank [announced](#) affirmation of the rating of the bank and its bonds by Standard & Poor's, outlook "Negative".
- ▲ On 22 December AFTBank [announced](#) an upgrading the bank's long-term rating by Fitch Ratings to B, outlook "Stable".
- ▲ On 22 December Kazakhtelekom [announced](#) affirmation of the company's ratings by Fitch Ratings, outlook "Stable".
- ▲ On 22 December Bank CenterCredit [announced](#) affirmation of the rating of the bank and its bonds by Fitch Ratings, outlook "Stable".

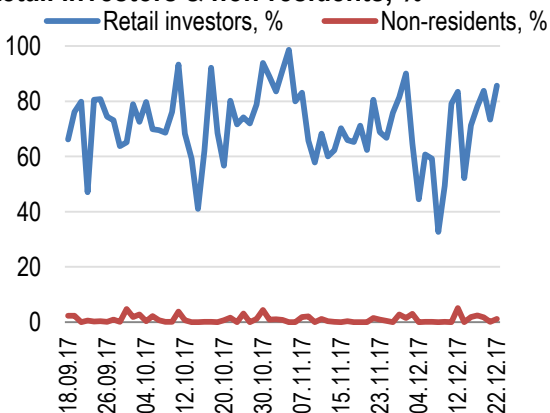
KASE Index went up by 0,33% to 2,124.48 points. All stocks from the Index have shown oppositely directed movement.

The stocks of KAZ Minerals PLC, which have increased by 2.46% to 3,585.02 tenge have shown maximum growth over the week. The price of the company's stocks is up following copper prices that have increased by more than 2% over the week at the close of trading on KASE.

### KASE Index shares



### Retail investors & non-residents, %



22.12.2017

		Trends (%)	
		0,3	1,1
<b>KASE Index</b>	2 124,5		
<b>First class of liquidity</b>	<b>Price, KZT</b>	<b>Δ 7d</b>	<b>Δ 1m</b>
QAZKOM (pref.)	100,0	12,6	-1,0
<b>KAZ Minerals</b>	3 585,0	2,5	0,3
<b>Halyk Bank</b>	82,5	2,4	1,0
Bank of America	9 953,7	1,6	13,0
CenterCredit Bank	197,0	1,0	1,3
<b>KazTransOil</b>	1 338,0	0,4	-0,8
BAST	56 200,0	0,4	-0,5
Kazakhtelecom (pref.)	8 300,0	0,0	-7,4
<b>KEGOC</b>	1 355,3	-0,1	-0,7
<b>KazMunayGas EP</b>	25 859,2	-0,3	9,6
Aktobe Metalware Plant	12 063,8	-0,7	-1,4
<b>Kcell</b>	1 710,0	-0,9	-2,2
<b>Kazakhtelecom</b>	20 300,1	-1,7	-1,5
Sberbank (Russia)	1 289,1	-1,7	-0,2
Gazprom (Russia)	750,0	-2,4	-0,7
Aeroflot (Russia)	810,0	-2,6	-12,8
KazMunayGas EP (pref.)	9 500,0	-2,8	-12,0
Bank of Astana	1 255,9	-2,9	2,0
Bank VTB (Russia)	0,3	-6,9	-12,9
QAZKOM	105,0	-25,0	-27,1

The most fall was seen on the part of Kazakhtelekom JSC shares, which decreased by 1.69% to 20,300.06 tenge per share. Stocks of the telecom company have been showing high volatility all this week at small trading amounts.

The most marketable securities this week were stocks of Kcell, their trading volume this week was KZT 561.1 mln, which accounts for 49.1% of the total trading volume at the secondary security market. Kcell share price has decreased 0.87% to KZT 1,709.99 over the week. At times, the price for Kcell shares went down to KZT 1,600, however, the customers managed to reverse the decline and raised the price to the amounts at which it was traded earlier.

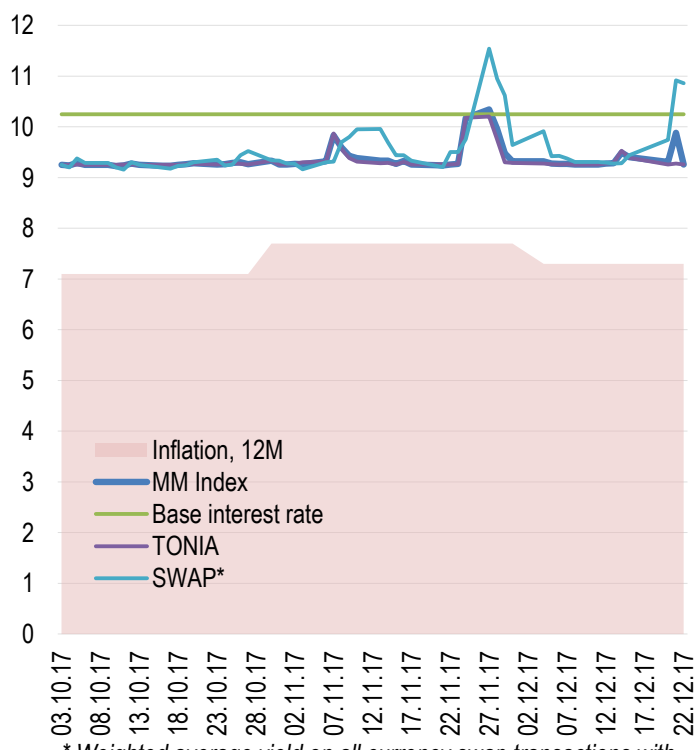
There were two bond offerings over the week on KASE. The Ministry of Finance has raised 32.8 bn tenge on KASE by issuing two bond offerings. The first offering in the amount of KZT 15.8 bn has a maturity of 4 years and 9 nine months at 8.87% APR. The second bond offering in the amount of KZT 17.0 bn has a maturity of 5 years and 7 months at 8.89% APR.



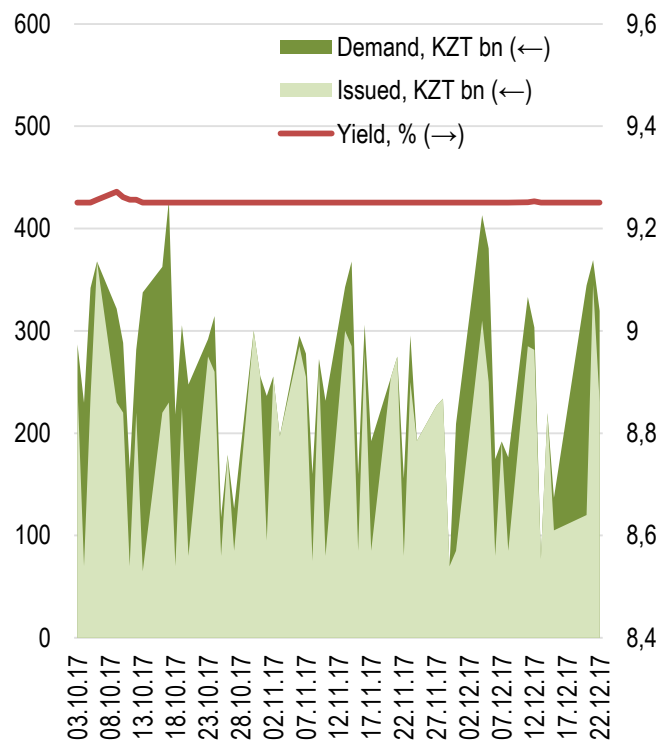
Over the week the yield on two-day currency swap transactions went up by 142 b.p. to 10.86% p.a. despite tenge appreciation. In the repo segment the yield drop by 13 b.p. to 9.26 % p.a. The volume of trading reached 1,227.5 bn tenge.

The National Bank continued to withdraw the surplus liquidity off the market, having sold 4 notes issues with various maturities over-the-counter during the week. The yield on the seven day notes remained at 9.25 % p.a. The offering volume reached KZT 695 bn. The total demand exceeded the supply by 49%, whereas the week before this difference was 10%. On 28-day notes the rate was at 9,43% p.a. The offering volume reached KZT 307.6 bn. The total demand exceeded the supply by 7% and amounted to KZT 338.7 bn.

**Inflation and interest rates**

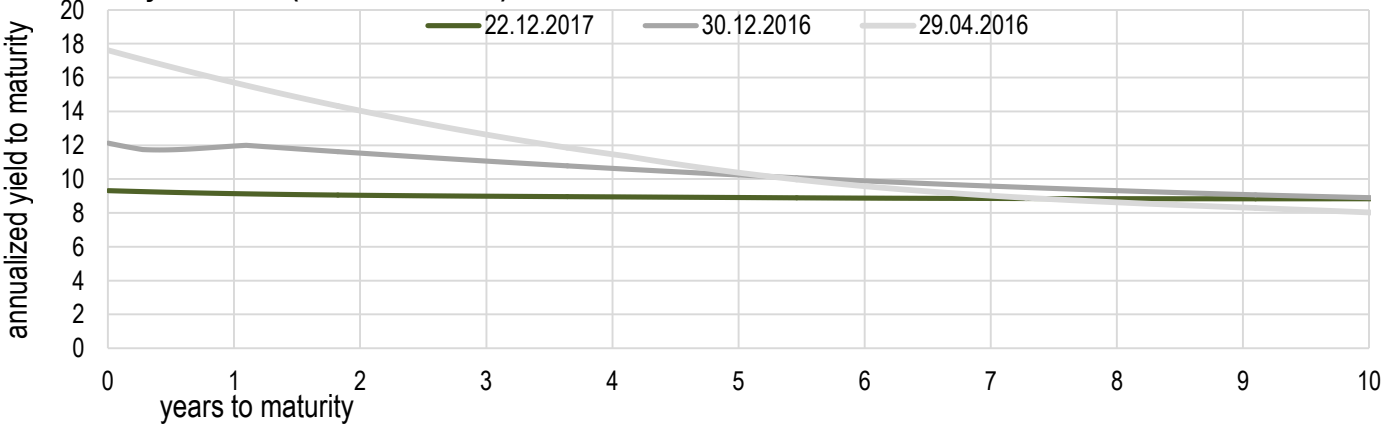


**Issuance of weekly NBK notes**



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

**Risk-free yield curve (non-indexed GS)**





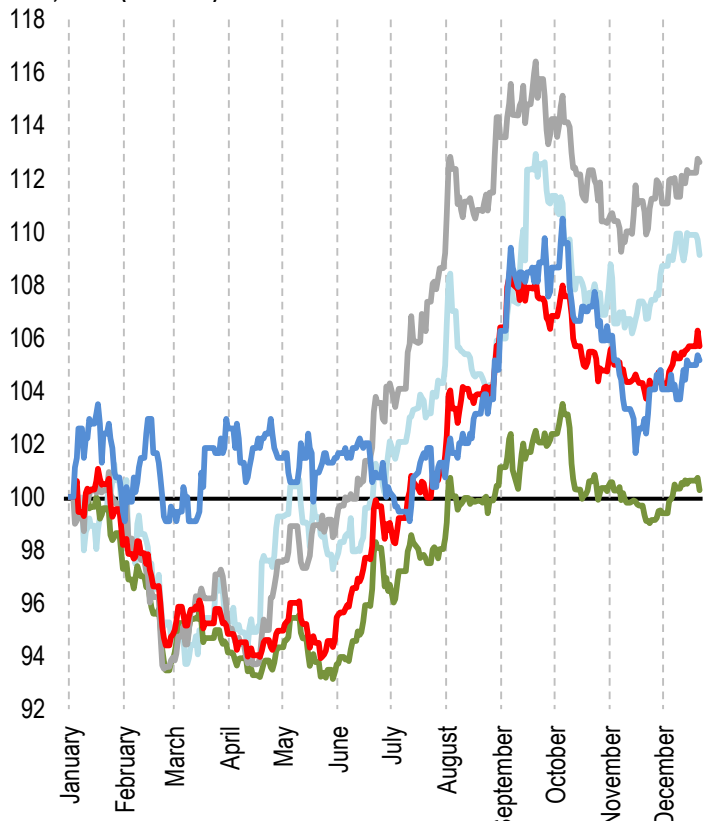
The dollar exchange rate went down by 0.8% or by KZT 2.65 to KZT 332.68 over the week. The trading volume reached USD 841.2 mln in three days, which is by 20% more than last week. The tenge appreciated after three consecutive weeks of weakening; trading volume is increasing. Tenge appreciation is supported by rising oil prices, which have increased by over 2% by the closure of trading session in foreign currencies this week.

The ruble exchange rate practically unchanged and remained at KZT 5.7079 over the week. The trading volume reached RUR 71.9 mln. The ruble rate was supported by sales of export revenues in foreign currency settled 'today' for payment of MET (mineral extraction tax) on Monday because western markets will be closed due to Christmas holidays.

The yuan exchange rate went down by KZT 4.62 to KZT 50.715.

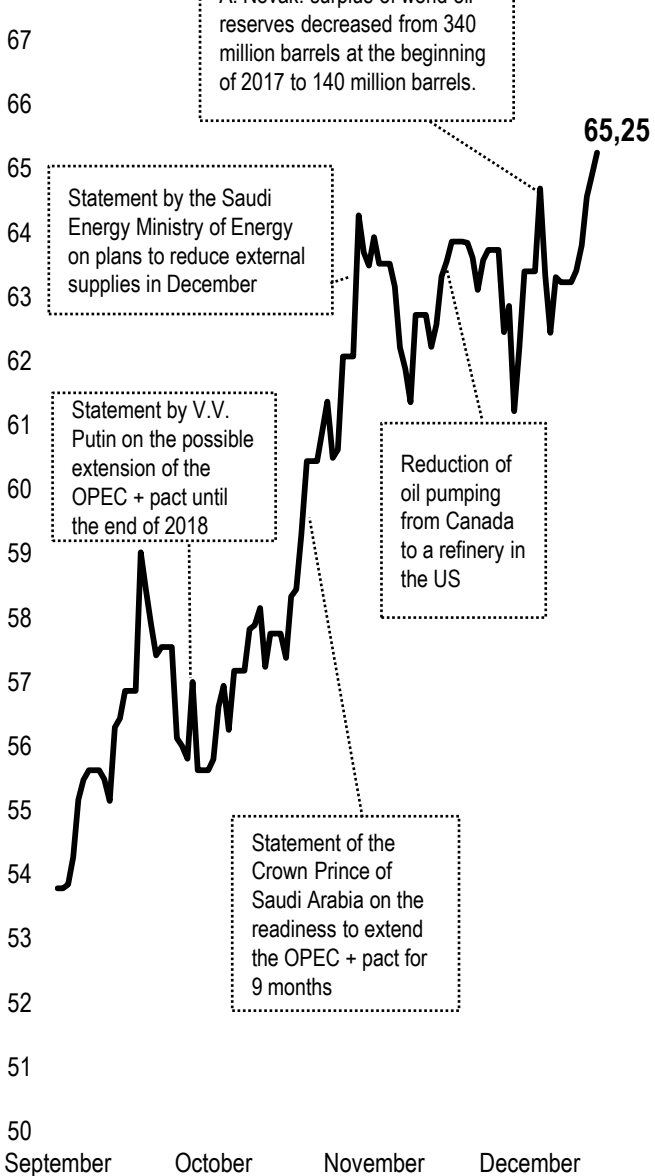
**FX rates**

Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	447,17	-0,8	+2,3	+9,1
— USDKZT	334,13	-0,2	+1,2	+0,3
— EURKZT	396,91	+0,3	+2,5	+12,6
— CNYKZT	50,75	+0,3	+1,9	+5,7
— RUBKZT	5,71	0,0	+2,7	+5,2

**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	2 683,34	0,3	3,3	18,7	0,1
Dow Jones	24 754,06	0,4	5,2	24,3	0,4
 RTS	1 135,70	-1,1	-2,0	0,9	0,2
MICEX	2 102,94	-1,9	-2,6	-3,3	0,2
 Hang Seng	29 578,01	2,5	-1,4	36,7	2,8
SS CSI 300	4 054,60	1,9	-4,1	21,6	2,3
 Euro Stoxx 50	3 553,39	-0,2	-0,3	8,7	-0,3
FTSEuroFirst	4 332,50	0,2	1,1	7,2	0,3
 FTSE 100	7 592,66	1,4	2,3	7,5	1,4
 KASE	2 124,48	0,3	1,1	57,1	

## Commodities market

22.12.2017

Name	Price	Trend %	
		7d	1m
Oil	65,25	3,2	3,0
	58,47	2,0	0,8
Natural gas	2,67	2,1	-10,1
Copper	321,45	3,4	2,5
Iron	516,50	6,2	8,3
Gold	1 274,16	1,4	-1,4
Silver	16,36	2,4	-4,4
Wheat	424,75	1,6	0,5

## Economic calendar

		Currency	Forecast	Previous
26.12	CB Consumer Confidence (Dec)	USD	128,1	129,5
27.12	Pending Home Sales (MoM) (Nov)	USD	-0,4%	3,5%
28.12	Crude Oil Inventories	USD	-3,769M	-6,495M
28.12	Markit Manufacturing PMI (Dec)	RUB		51,5
28.12	ECB Economic Bulletin	EUR		
28.12	GDP (YoY)	RUB	1,6%	1,0%
29.12	U.S. Baker Hughes Oil Rig Count	USD		747

Note: The calendar contains the economic events of the upcoming week, deemed by KASE as most significant

B – billions  
M – millions  
K – thousands

## Kazakhstan statistics

	Value	As of	Beginning year
Annual inflation	7,3 %	01.12.17	8,5 %
Gross international reserves of NBK, USD bn	31 428	01.12.17	29 530
Reserve money, KZT bn	5 782,4	01.12.17	5 162,2
Money supply, KZT bn	19 431,4	01.12.17	19 912,6

## Kazakhstan credit ratings

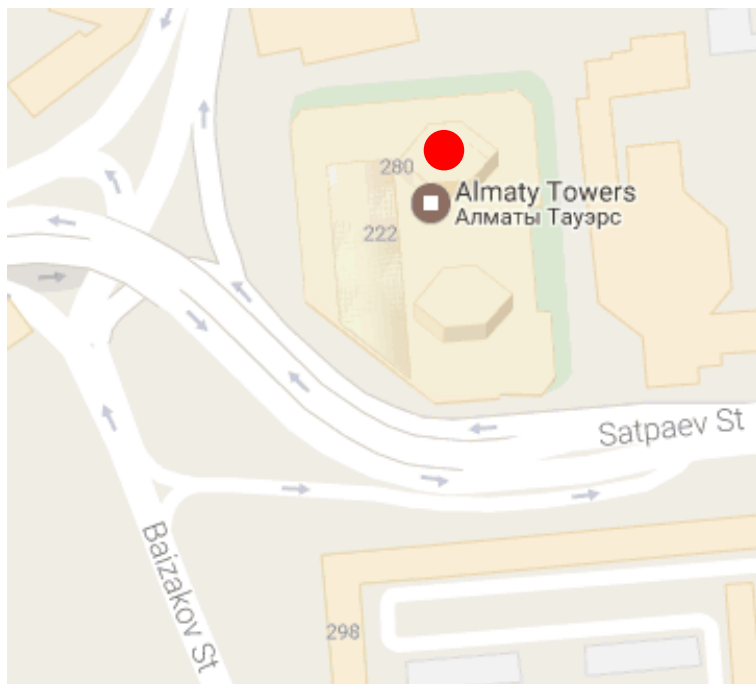
	Rating	Date	Previous
<b>S&amp;P Global</b>	BBB- stable	08.09.17	BBB- negative
<b>MOODY'S</b>	Baa3 stable	26.07.17	Baa3 negative
<b>FitchRatings</b>	BBB stable	20.10.17	BBB stable

# CONTACT INFORMATION



**Address:** Republic of Kazakhstan, 050040, Almaty, Baizakov St., 280, Business Center "Almaty Towers"

**Tel.:** 8 (727) 237 53 00



**Corporate website**



**Contact us**

The information contained therein was gathered by the employees of Kazakhstan Stock Exchange JSC (KASE). KASE does not guarantee the completeness and accuracy of the information contained in this report, as well as its reliability. Neither KASE, nor any of the employees are liable for any direct or indirect loss (damage) arising from the use of this report or information / analysis presented therein. KASE does not assume any responsibility to update this report on a regular basis or notify of all changes that have occurred.

KASE draws investors' attention to the following factors:

1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors;
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.

KASE recommends that the investors independently evaluate the feasibility of certain investments and strategies and encourages the investors to use the services of financial consultants.

KASE reserves all rights for the report. This analytical material can be copied and/or distributed in full or in part upon written permission of KASE