

# KASE WEEKLY

23-27 October,  
2017

## KASE NEWS

- ▲ KASE will conduct a competition among retail investors on the equity market from November 1 to December 8, 2017. The event is aimed at popularization of exchange-based trade in shares in Kazakhstan. Individuals who are clients of brokers operating on KASE are admitted to the competition. Winners of the competition will be three participants who will earn the maximum yield based on results of transactions in shares during the period of the competition. The winners will be awarded with valuable prizes. Details of the competition are available on KASE website
- ▲ As of October 23, 2017, following a [decision](#) of the Committee on Indexes and Securities Valuation of Kazakhstan Stock Exchange (KASE) for purposes of the market valuation of non-indexed government bonds of the Republic of Kazakhstan of the second subgroup (with a term of 100 or more days to maturity) parameters of deals concluded in them within 100 calendar days preceding the valuation date will be used.

## ISSUER NEWS AND ANNOUNCEMENTS

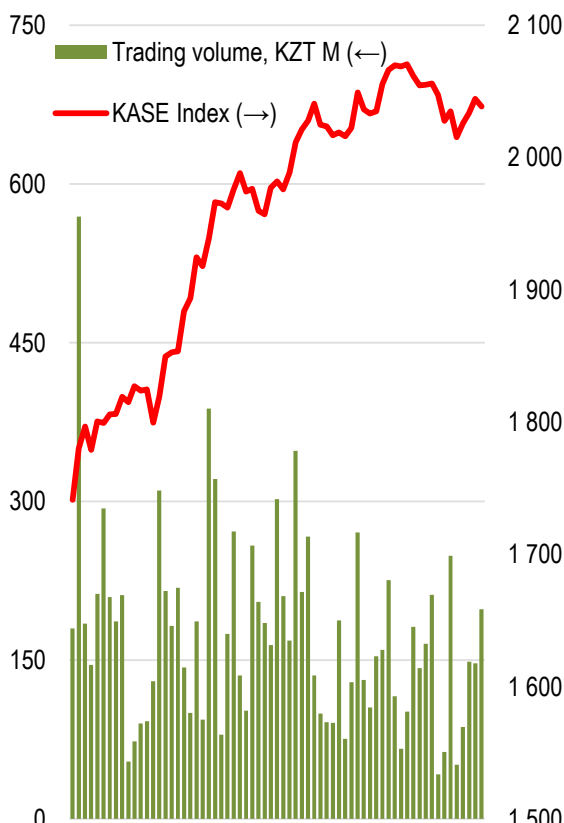
- ▲ Powers of a [managing](#) director of Bank CenterCredit were early terminated.
- ▲ On October 23 Bank CenterCredit [announced](#) its participation in the Program of strengthening the financial stability of the banking sector in the Republic of Kazakhstan.
- ▲ Bank RBK [announced](#) receipt of a written warning from the National Bank of the Republic of Kazakhstan; [receipt](#) of a statement of claim for recovery of funds under a bank deposit agreement; [receipt](#) of a statement of claim for termination of guarantee obligations; [receipt](#) of a statement of claim for termination of agreement and recovery of funds.
- ▲ On October 23 Kazakhstan utility systems [announced](#) that Fitch Ratings affirmed ratings of the company and its bonds at BB-; outlook Stable.
- ▲ Mangistau Distribution Power Grid [announced](#) that Fitch Ratings downgraded ratings of the company and its bonds, put them on Rating Watch Negative.
- ▲ Eurasian Bank [announces](#) decision of sole shareholder on approval of Action plan providing for early response measures to improve bank's financial strength
- ▲ FITCH [affirmed](#) Kazakhstan's ratings at "BBB" with a "Stable" outlook.
- ▲ On October 25 Tsesnabank [raised](#) KZT100.0 bn selling 15-year subordinated bonds with YTM of 4.00 % APR.
- ▲ National Company Kazakhstan Temir Zholy [announces](#) buyback offer and same-time consent solicitation through Halyk Finance, J.P. Morgan, MUFG and Renaissance Capital, as well as [possible](#) Eurobonds issue.



KASE Index rose 0.18% to 2,038.41 points over the week.

Six shares of KASE Index showed growth. No significant changes in prices of shares from the index universe were to see, however the week was abundant in 9M performance reports. Probably, the very same companies will be closely watched by investors next week.

**KASE Index shares**



**27.10.2017**

		Trends (%)	
		Δ 7d	Δ 1m
<b>KASE Index</b>	2 038,4	0,2	1,1
<b>First class of liquidity</b>	<b>Price, KZT</b>		
QAZKOM	162,0	4,9	0,8
KazMunayGas EP (pref.)	8 100,0	4,0	8,7
Bank of America	9 335,1	3,8	11,1
Bank of Astana	1 221,1	2,8	5,4
Kazakhtelecom (pref.)	7 600,0	1,3	4,1
<b>Kcell</b>	1 845,0	1,1	1,0
<b>KEGOC</b>	1 425,0	0,8	3,5
<b>KazMunayGas EP</b>	19 750,0	0,8	-4,6
<b>Halyk Bank</b>	77,8	0,7	-2,8
<b>CenterCredit Bank</b>	158,6	0,6	1,0
<b>KazTransOil</b>	1 326,1	0,3	1,8
Aeroflot (Russia)	1 063,0	0,1	-2,9
Gazprom (Russia)	728,6	-0,2	-0,5
<b>KAZ Minerals</b>	3 689,0	-0,3	7,7
Aktobe Metalware Plant	12 256,0	-0,4	-3,2
Sberbank (Russia)	1 128,6	-0,6	-1,3
BAST	56 200,0	-1,3	1,3
<b>Kazakhtelecom</b>	19 151,0	-2,3	1,3
QAZKOM (pref.)	101,6	-13,2	5,5

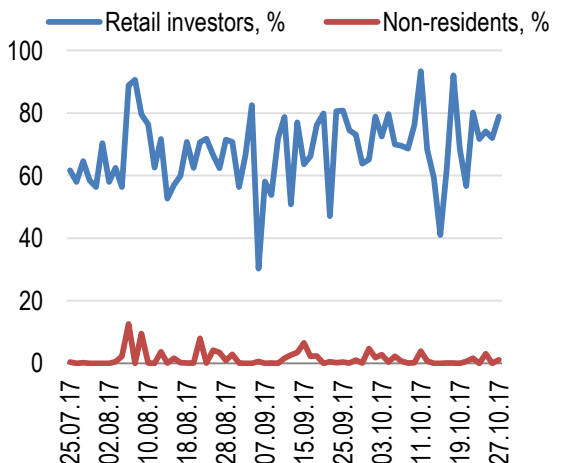
According to its performance report 9M 2017, KAZ Minerals PLC produced 193.3 th. tons of cathode copper, which is twice as much as in the same period of last year.

KEGOC announced payout of H1 2017 dividends equal to 70% of the net income, or KZT12.6 bn. We remind you that earlier the company paid KZT6.5 bn in dividends for the 1st half-year. Thus, dividends for the 1st half-year rose almost 2 times the same period of the previous year.

According to the released report, Kazakhtelecom in January-September 2017 earned a net income of KZT32.337 bn, which is 2 times less YoY.

On October 27 Kazakhstan's Ministry of Finance raised KZT16.3 bn on KASE, selling MEOKAM-48 of issue 51 with YTM of 8.99% APR. The current maturity is 3.8 years (1,367 days)

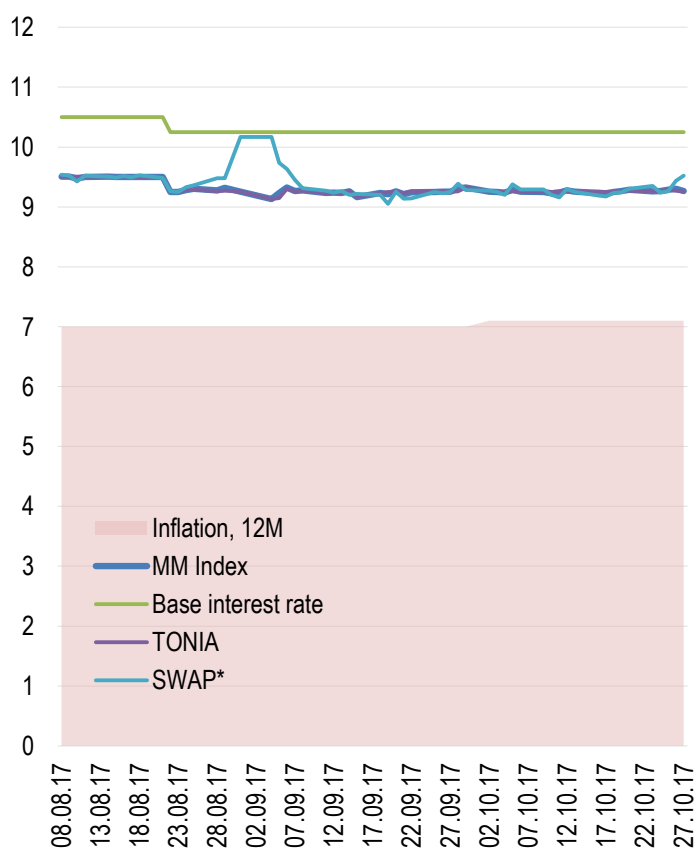
**Retail investors & non-residents, %**



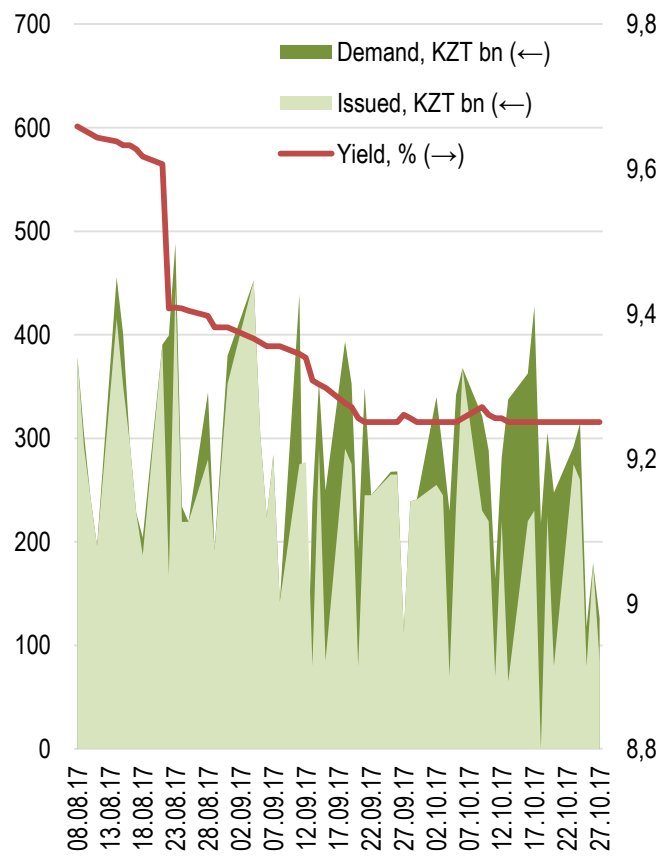


Over the week the yield of currency swap transactions decreased 6 b.p. to 9.46% APR. In the repo segment the yield went down 1 b.p. to 9.26 % APR. Thus, the spread of costs of raising liquidity under the US dollar and government securities rose from 14 b.p. to 20 b.p. over the week.

### Inflation and interest rates

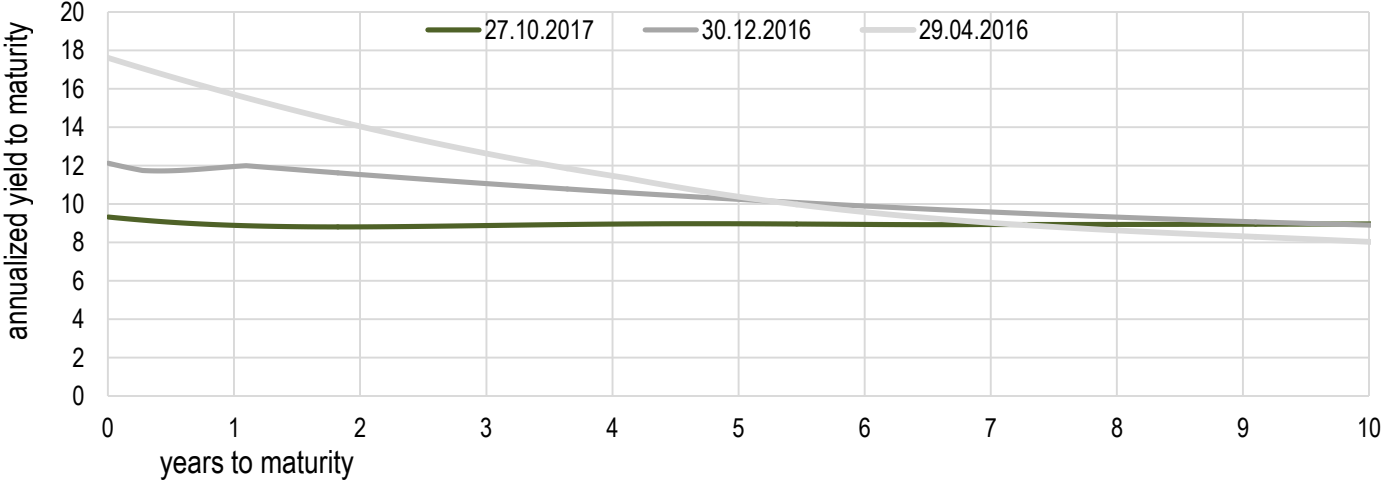


### Issuance of weekly NBK notes



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

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





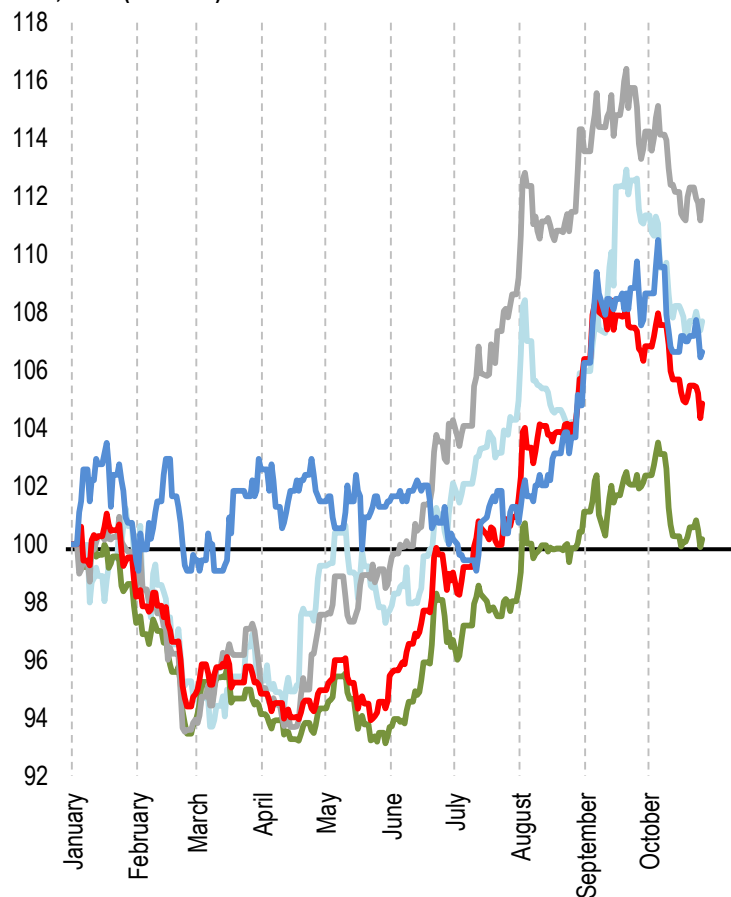
The dollar exchange rate decreased by 0.25%, or KZT0.84, to KZT334.40 over the week.

The ruble weakened to its lowest values since c 31 August 2017, decreasing by more than 5 tyiyn (KZT0.051) to KZT5.7784. The pressure on the Russian currency comes from three main factors, including the news about the updated list of sanctioned companies approved by the US State Department, absence of an internal supporting factor in form of tax payments and an accelerating decrease of the key rate.

The euro exchange rate went down by KZT6.93 to KZT389.1 over the week.

## FX rates

Δ %, base (01.01.17)

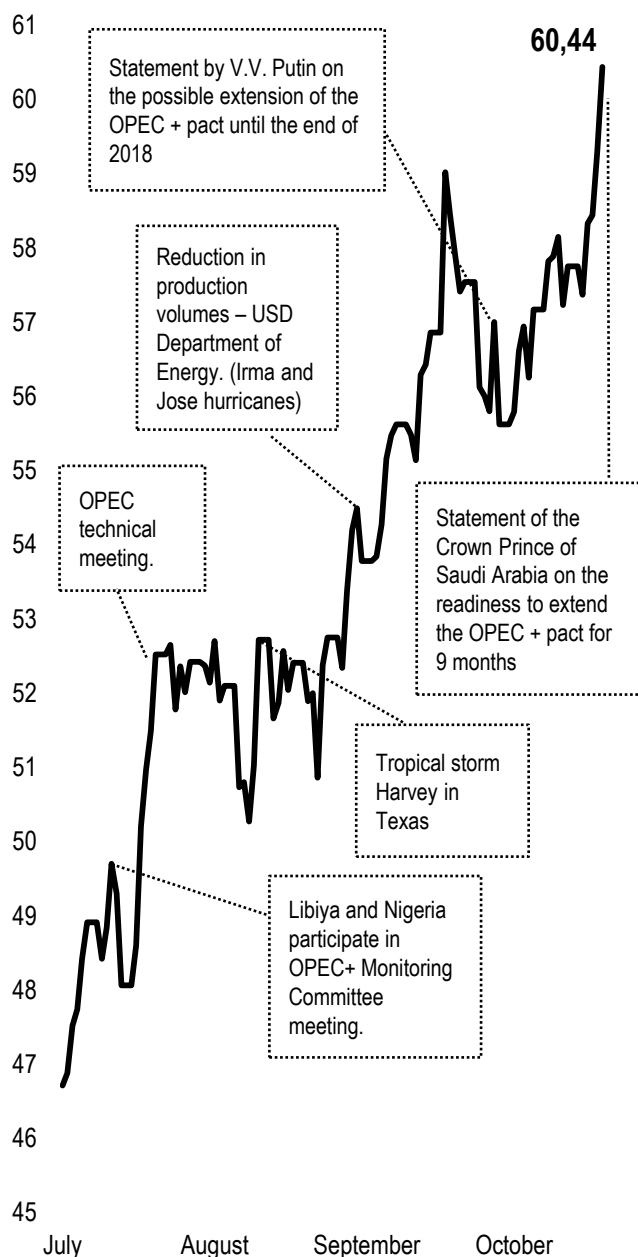


	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	441,31	+0,4	-3,5	+7,7
— USDKZT	333,87	-0,1	-1,7	+0,2
— EURKZT	394,23	-0,1	-1,7	+11,9
— CNYKZT	50,35	-0,2	-1,8	+4,9
— RUBKZT	5,79	-0,3	-1,9	+6,6







Note: The chart and the table are based on the official market rates of the NBK. NBK rates may differ from KASE rates.

## Brent oil

USD/barrel



## Global indices

Name	Value	Trend %			Futures
		7d	1m	1y	7d
 S&P 500	2 581,07	0,2	3,0	21,0	0,2
Dow Jones	23 434,19	0,5	4,9	29,0	0,4
 RTS	1 118,62	-1,4	-0,7	12,7	-1,4
MICEX	2 068,76	-0,1	-0,6	4,5	-1,4
 Hang Seng	28 438,85	-0,2	2,9	22,9	0,0
SS CSI 300	4 021,97	2,4	5,3	20,2	2,4
 Euro Stoxx 50	3 652,23	1,3	2,7	18,4	1,4
FTSEuroFirst	4 354,50	1,2	2,5	14,1	1,0
 FTSE 100	7 505,03	-0,2	2,6	7,4	-0,1
 KASE	2 038,41	0,2	1,1	58,7	0,0

## Commodities market

27.10.2017

Name	Price	Trend %	
		7d	1m
Oil	60,44	4,7	4,4
	53,90	4,7	3,4
Natural gas	2,75	-5,6	-7,5
Copper	310,35	-2,0	6,6
Iron	466,50	0,3	-3,6
Gold	1 273,35	-0,6	-0,7
Silver	16,75	-1,9	0,0
Wheat	427,25	0,3	-7,4

## Economic calendar

		Currency	Forecast	Previous
31.10	Manufacturing PMI (Oct)	CNY	52,0	52,4
31.10	CPI (YoY) (Oct)	EUR	1,5%	1,5%
31.10	CB Consumer Confidence (Oct)	USD	121,0	119,8
01.11	Caixin Manufacturing PMI (Oct)	CNY	51,0	51,0
01.11	ADP Nonfarm Employment Change (Oct)	USD	200K	135K
01.11	ISM Manufacturing PMI (Oct)	USD	59,5	60,8
01.11	Fed Interest Rate Decision	USD	1,25%	1,25%

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	7,1 %	01.10.17	8,5 %
Gross international reserves of NBK, USD bn	32 548	01.10.17	29 530
Reserve money, KZT bn	6 068,0	01.10.17	5 162,2
Money supply, KZT bn	20 508,5	01.10.17	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**

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