

KASE WEEKLY

08 - 12 January,
2018

KASE NEWS

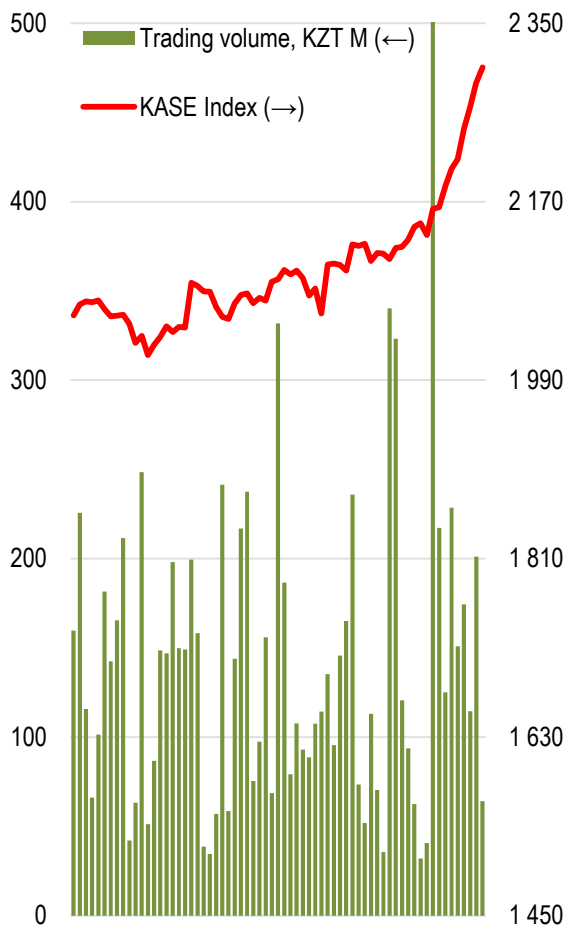
- ▲ On January 08, 2018, KASE [removed](#) two offering of bonds from representative list for bonds market indices of KASE_BM* series due to market maker's absence.
- ▲ On January 11, KazPrime [decreased](#) by 8 basis points and made 11.17 % APR.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ On 08 January, Aktobe Metalware Plant [announced](#) concluding KZT 3.66 bn worth contract with TBC Kazchrome Transnational Company.
- ▲ On 09 January, the National Bank [annuled](#) six issues of Almaty Power Plants bonds due to the buyback of all bonds by the issuer at the secondary securities market.
- ▲ On 09 January, Kazkommertsbank [announced](#) planned redemption of subordinated international bonds in the amount of USD 100 mln in whole at the call option. Redemption is scheduled for February 09, 2018.
- ▲ On 10 January, changes and additions to the charter of Batys Tranzit were [published](#).
- ▲ On 10 January, the Development Bank of Kazakhstan [announced](#) opening revolving line of credit to Molproduct under Nurly Zhol program.
- ▲ On 11 January, Tethys Petroleum Limited (Cayman Islands) [reported](#) on arbitration proceedings in Tajikistan.
- ▲ On 11 January, AK Altynalmas [announced](#) payout of dividends on preferred shares for Q4, 2017.
- ▲ On 11 January, BCC Invest – subsidiary of Bank CenterCredit [announced](#) payout of dividends to holders of units of IUIT CenterCredit – Valyutniy for the period from October 01 to December 31, 2017. Total payout amounted to USD 42,947.79. The list of holders of units for payout of dividends was fixed as of December 31, 2017.
- ▲ On 11 January, Tethys Petroleum Limited (Cayman Islands) [announced](#) an update on legal matters in Kazakhstan.
- ▲ On 12 January, Kazkommertsbank [reported](#) on the decision of the Board of Directors to reorganize Moskommertsbank by joining NBK-Bank to the former.
- ▲ On 12 January, Aktobe Metalware Plant [announced](#) successful fulfillment of terms and conditions of general contractor agreement with KazTransGas Onimderi for the amount of KZT 394.1 mln.

KASE Index closed the third consecutive week in the black. This was last observed in the beginning of February last year. The index has increased by 4.63 percent to 2305.3 points over the week. Shares of all companies in the representative list showed positive price changes.

KASE Index shares



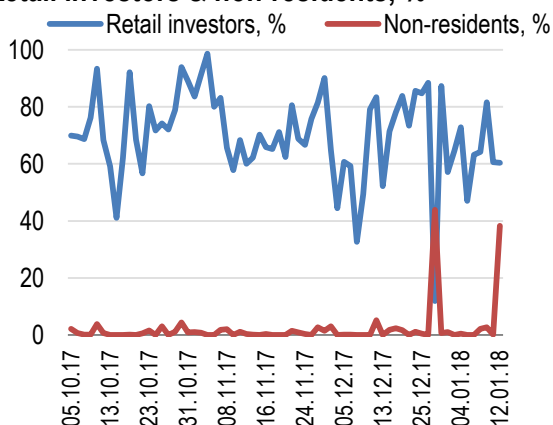
12.01.2018

		Trends (%)	
		Δ 7d	Δ 1m
KASE Index	2 305,3	4,6	9,2
First class of liquidity	Price, KZT		
QAZKOM (pref.)	103,0	15,3	3,0
Halyk Bank	100,2	15,2	23,7
Kazakhtelecom (pref.)	9 475,0	11,5	10,8
Gazprom (Russia)	841,0	7,8	10,6
KazMunayGas EP (pref.)	11 250,0	7,1	32,4
Kazakhtelecom	23 270,0	6,6	12,7
KAZ Minerals	4 103,0	5,6	17,9
QAZKOM	106,0	4,5	-24,3
Aktobe Metalware Plant	12 341,0	4,2	1,6
Bank of America	10 300,0	2,2	4,4
KazTransOil	1 412,0	1,9	6,9
Aeroflot (Russia)	880,1	1,1	8,2
Sberbank (Russia)	1 402,0	0,7	9,6
KazMunayGas EP	26 001,0	0,6	0,4
KEGOC	1 387,0	0,4	2,0
Kcell	1 705,0	0,3	0,3
Bank of Astana	1 255,0	-0,5	-3,1
CenterCredit Bank	193,0	-0,5	-3,0
BAST	56 250,0	-1,2	0,3
Bank VTB (Russia)	0,3	-3,3	0,0

Shares of Halyk Bank of Kazakhstan, which have renewed their historical maximum, showed the most growth. The company's securities increased by 15.16 percent to KZT 100.17. Significant growth of shares followed after Sberbank CIB analysts had lifted their target price for Halyk Bank to USD 16 per GDR, which approximates to KZT 132 per share. The recommendation was raised to BUY and the bank's shares were included in the list of most attractive shares of 2018.

Shares of Kazakhtelecom for the week rose by 6.57% to KZT 23,270. Securities of KAZ Minerals PLC reached their maximum values since June 2008 and increased by 5.56% to KZT 4,103.01.

Retail investors & non-residents, %



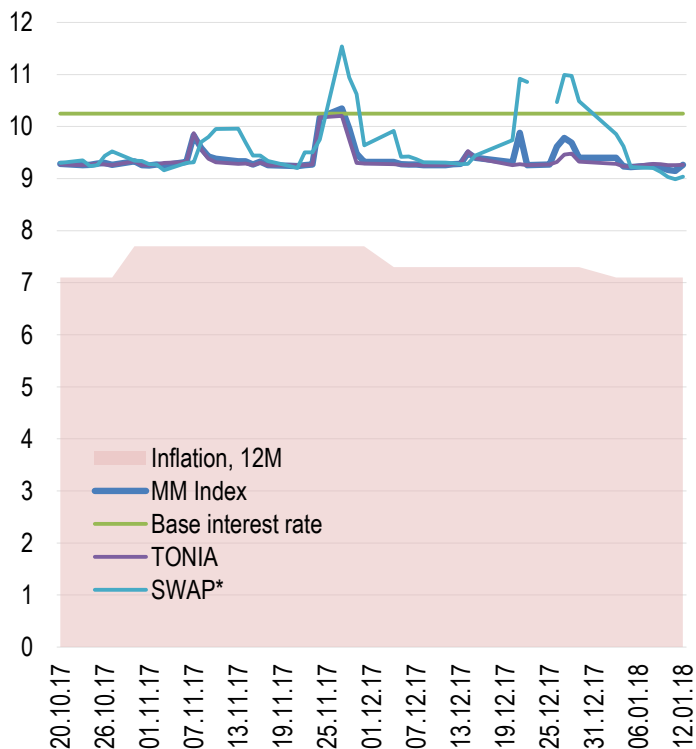


The yield of money market the lower level of the base rate's corridor this week approached.

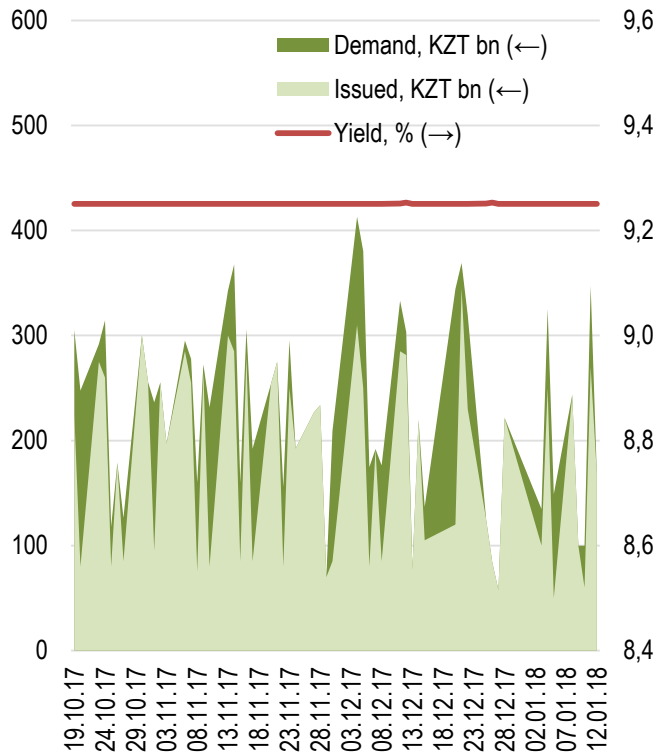
Over the week the yield on currency swap transactions went down to 9% amid tenge appreciation. The yield on one-day swaps went down by 8 b.p. and on two-day swaps decreased by 21 b.p. The yield of one-day repo transactions with government securities increased by 4 b.p. to 9.24% APR over the week. The volume of trading reached KZT 1,243.7 bn.

To sterilize the excess tenge liquidity, the National Bank has placed six issues of notes with the total trading volume of KZT 1,164.3 bn over-the-counter during the week. The yield on the 7-day notes remained at usual level of 9.25 % APR. On the 28-day notes, the rate was 1b.p. higher. The total demand for notes exceeded the supply by 30% and reached KZT 1,421.6 trillion.

Inflation and interest rates

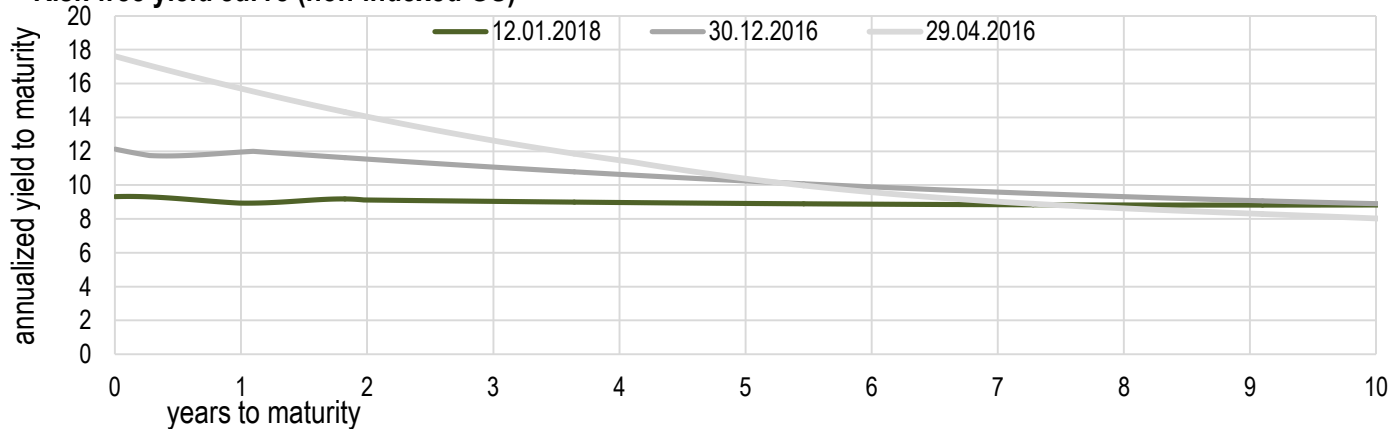


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





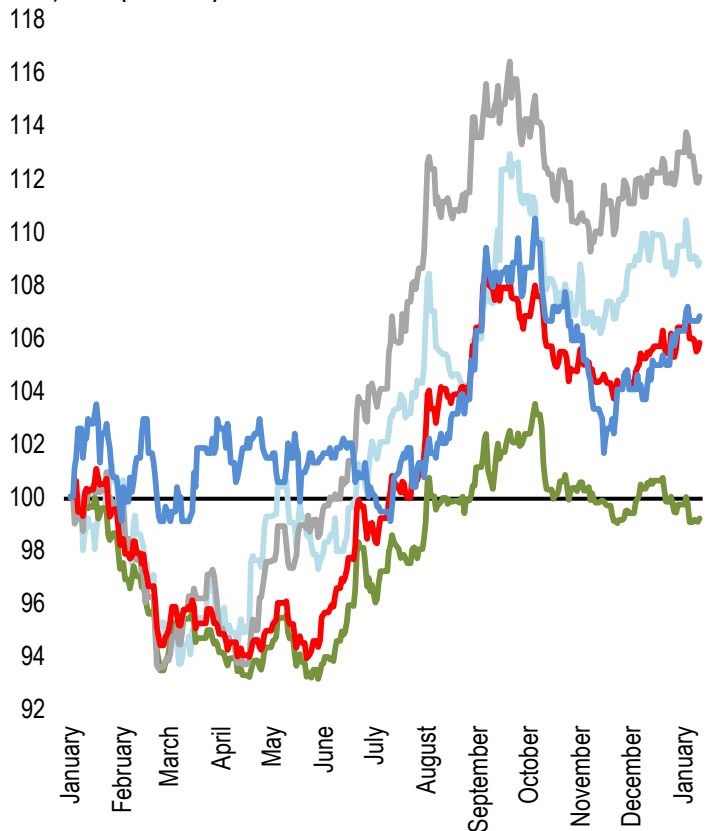
The dollar exchange rate decreased by 0.1 percent or by KZT 0.46 to KZT 329.67 over the week. The trading volume reached USD 707.3 mln over the week, an increase of 40% compared to the previous week. Weighted average US dollar exchange rate closed below 330 for the first time since the end of July 2017. The last transaction took place at the stock exchange at the price of 329.37 tenge per dollar. Tenge appreciation follows the ruble, which has strengthened this week against the dollar at a higher rate. Tenge and ruble are supported by oil, which is traded at maximum level over the past three years.

The ruble exchange rate stopped at KZT 5.8469 at trading volume of RUR 159.5 million.

On Friday, no deals were made with yuan. On Thursday, exchange rate of the Chinese currency stopped at KZT 50.6900.

FX rates

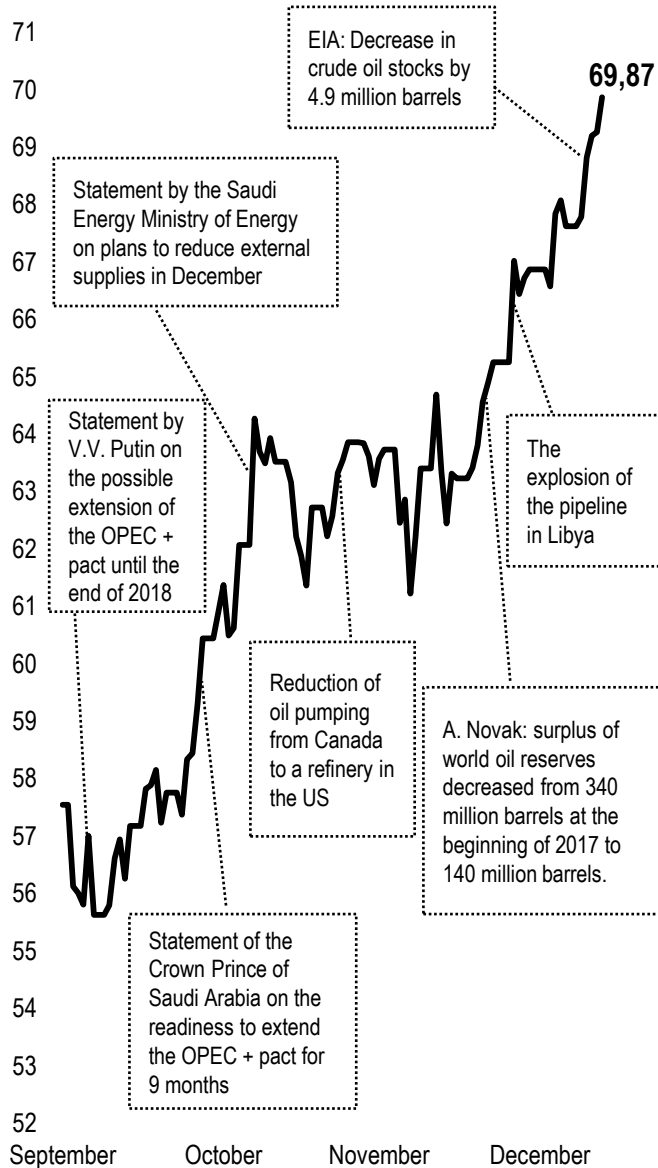
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	446,03	-0,9	-0,1	+8,8
— USDKZT	330,61	-0,5	-1,3	-0,8
— EURKZT	394,98	-1,3	+0,2	+12,1
— CNYKZT	50,81	-0,7	+0,4	+5,8
— RUBKZT	5,80	-0,3	+1,9	+6,8

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	2 786,24	1,6	4,6	22,7	1,7
Dow Jones	25 803,19	2,0	5,0	29,7	2,1
 RTS	1 261,07	3,4	10,5	7,3	3,0
MICEX	2 262,38	2,5	6,1	2,3	3,0
 Hang Seng	31 412,54	1,9	7,5	37,6	2,1
SS CSI 300	4 225,00	2,1	4,3	27,4	1,9
 Euro Stoxx 50	3 612,61	0,1	0,9	9,9	0,1
FTSEuroFirst	4 421,00	0,6	1,6	8,6	0,6
 FTSE 100	7 778,64	0,7	3,8	6,7	0,9
 KASE	2 305,30	4,6	9,2	62,9	

Commodities market

12.01.2018

Name	Price	Trend %	
		7d	1m
Oil	69,87	3,3	11,9
	64,30	4,7	13,6
Natural gas	3,20	14,5	17,9
Copper	321,85	-0,3	6,2
Iron	495,00	1,7	-5,0
Gold	1 337,64	1,4	6,5
Silver	17,14	-0,8	8,6
Wheat	420,50	-2,4	7,2

Economic calendar

		Currency	Forecast	Previous
17.01	CPI (YoY) (Dec)	EUR	1.4%	1.4%
18.01	GDP (YoY) (Q4)	CNY	6.7%	6.8%
18.01	Industrial Production (YoY) (Dec)	CNY	6.0%	6.1%
18.01	Building Permits (Dec)	USD	1.295M	1.303M
18.01	Crude Oil Inventories	USD	-3.890M	-4.948M
19.01	CFTC RUB speculative positions	RUB		26.0K
19.01	U.S. Baker Hughes Oil Rig Count	USD		752

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 2017
Annual inflation	7,1 %	01.01.18	8,5 %
Gross international reserves of NBK, USD bn	31 115	01.01.18	29 530
Reserve money, KZT bn	5 538,7	01.01.18	5 162,2
Money supply, KZT bn	19 375,6	01.12.17	19 912,6

Kazakhstan credit ratings

	Rating	Date	Previous
	BBB- stable	08.09.17	BBB- negative
	Baa3 stable	26.07.17	Baa3 negative
	BBB stable	20.10.17	BBB stable

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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;
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