

KASE WEEKLY

19 – 21 December,
2018

KASE NEWS

- ▲ KASE [summarized](#) results of competition among retail investors on equity market.
- ▲ KASE [uses](#) Kazteleport as the data processing centre for its information systems as of December 15.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ KazMunayGas Exploration Production [bought](#) back 27,471 own preferred shares (RDGZp) at KZT12,800 per share.
- ▲ Subsidiary Bank "Home Credit and Finance Bank" [raised](#) KZT2.8 bn on KASE on December 20 by selling three-year bonds (HCBNb6) at 13.50% APR.
- ▲ AsiaCredit Bank [bought](#) back KZT1.1 bn of its bonds (LARIb2) on KASE on December 21.
- ▲ Fitch Ratings [put](#) ratings of Kazakhtelecom and Kcell on review for possible upgrading.
- ▲ Baspana Mortgage Organization reported that Fitch Ratings [assigned](#) ratings to the company, outlook "Stable".
- ▲ Kazakhtelecom [reported](#) that Standard & Poor's affirmed ratings of company, outlook Stable.
- ▲ Kazakhtelecom [says](#) that the rating of its bonds (KZTKb3) was placed on CreditWatch "Positive".
- ▲ KazTransOil [reported](#) accreditation of its representative office in Moscow (Russian Federation).
- ▲ Trading in GDRs (KZAPd) of National Atomic Company Kazatomprom [opens](#) on KASE as of December 26 .
- ▲ As of December 21, 2018 KASE [included](#) GDR (KZAPd) of National Atomic Company Kazatomprom to the list of securities of the first class of liquidity for the period from December 21, 2018 to January 31, 2019.
- ▲ Tethys Petroleum Limited (Cayman Islands) [reported](#) possible acquisition of ordinary shares (KY_TPL_) by company shareholders.
- ▲ Kazpost to [render](#) transfer-agent services to Central Securities Depository as of January 1, 2019.
- ▲ TNC Kazchrome shareholders take decision on [payout](#) of dividends on ordinary shares (KZCR) and preferred shares (KZCRp) for Q3 2018.
- ▲ KEGOC [provided](#) management comments on financial results of operations for nine months ended September 30, 2018



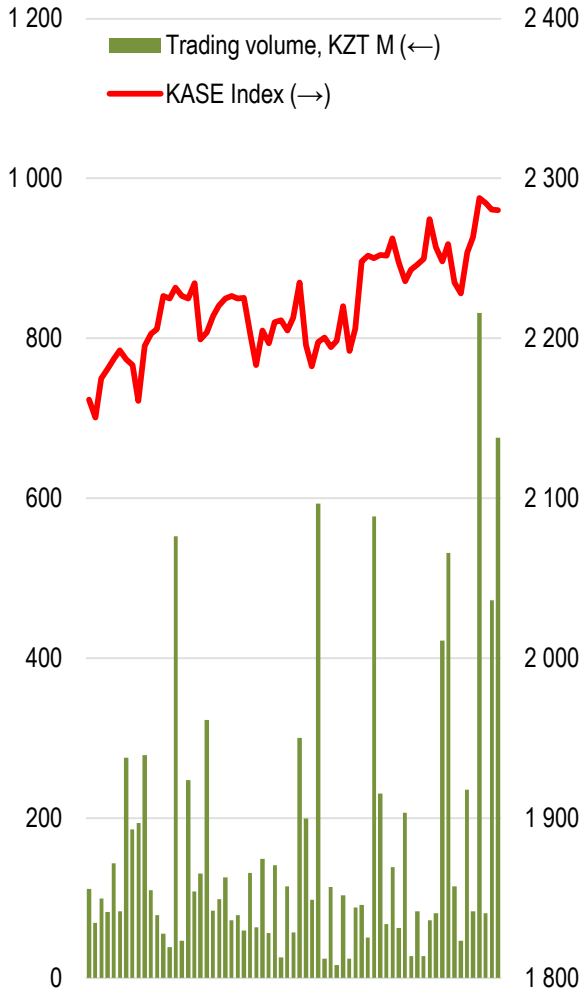
KASE Index fell by 0.34% and reached 2,280.10 points over the trading week. Four of seven share titles included in the Index closed in the red.

21.12.2018

Trends (%)

KASE Index	2 280,1	-0,3	1,2
First class of liquidity	Price, KZT	Δ 7d	Δ 1m
KazTransOil	1 340,0	2,5	0,1
Kcell	1 695,0	1,0	1,7
KEGOC	1 575,0	0,6	1,7
Bank VTB (Russia)	0,2	0,0	0,0
Halyk Bank	100,9	-0,6	-3,9
Bank of America	9 791,9	-1,0	-4,5
KAZ Minerals	2 498,0	-1,5	-1,2
Sberbank (Russia)	1 027,2	-1,7	-5,8
CenterCredit Bank	240,0	-1,9	-8,8
Aeroflot (Russia)	553,8	-2,5	-1,0
Kazakhtelecom	34 300,0	-2,6	17,1
Kazakhtelecom (pref.)	13 110,0	-2,8	11,1
Gazprom (Russia)	826,6	-3,9	-4,7
BAST	34 700,0	-4,5	-8,7
KazMunayGas EP (pref.)	11 343,1	-7,0	-6,3

KASE Index shares

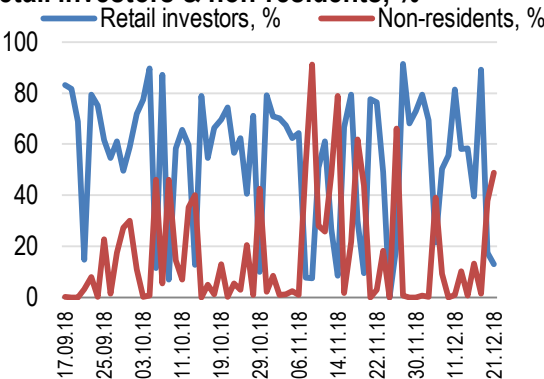


Note: Index stocks are highlighted in green

The greatest faller was Kazakhtelecom's stocks that have fallen by 2.55% after investors locked in their positions. This week it became known that Fitch Ratings has put ratings of the two telecommunication companies - Kazakhtelecom and Kcell - on positive review and that S&P Global Ratings affirmed ratings of Kazakhtelecom at BB + with stable Outlook amid news about Kazakhtelecom's acquisition of the controlling interest in Kcell. Positive assessment of this transaction reflects the opinion of rating agencies' experts that Kazakhtelecom's operating performance might improve.

KazTransOil's shares that increased in price by 2.52% to KZT1,340 per share, grew the most. The growth took place amid relatively low volumes and was not supported by any well known news or events.

Retail investors & non-residents, %

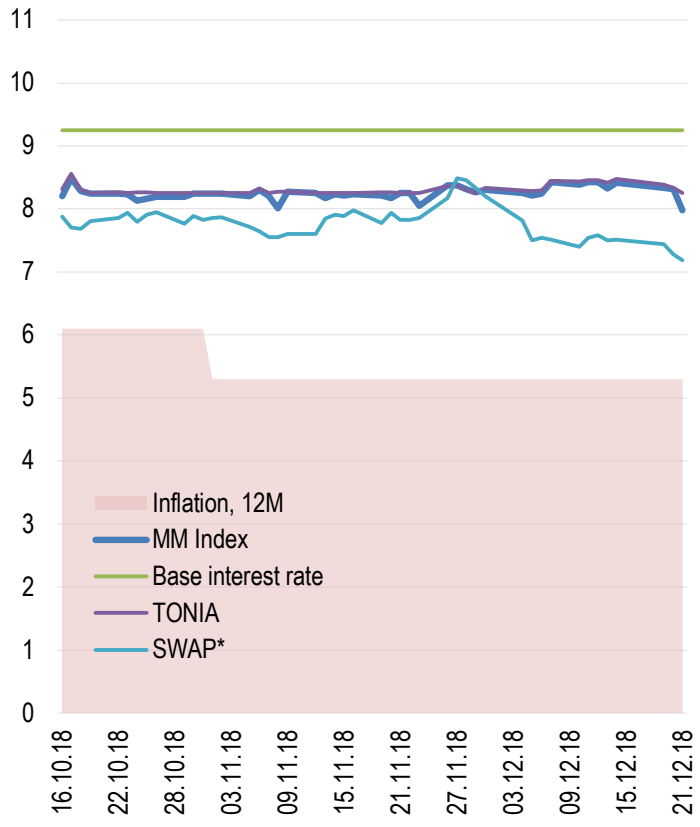




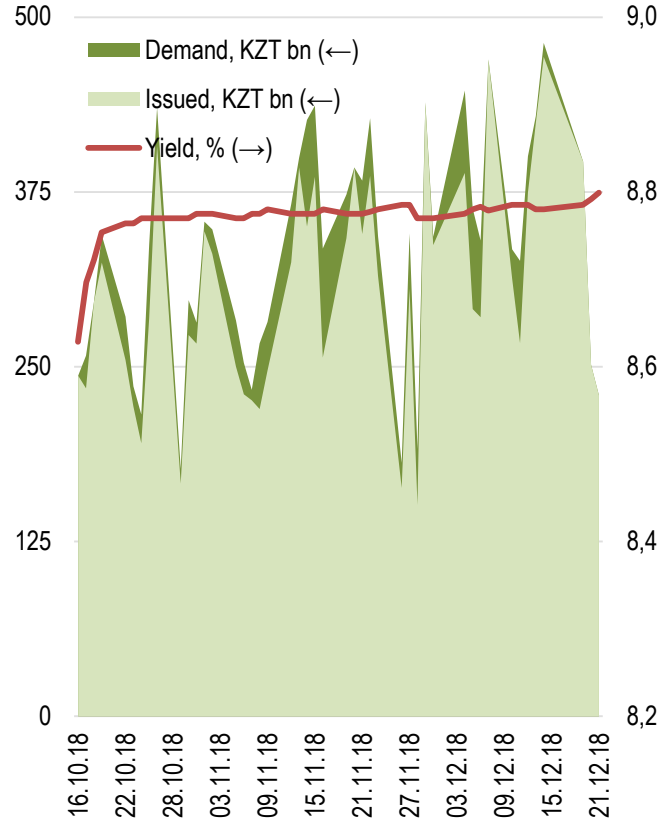
Short-term borrowing rates have declined over the week. The yield on one-day currency swaps dropped by 40 b.p. to 7.19% APR over the week. The yield of one-day repo transactions with government securities dropped 21 b.p. to 8.26% APR.

The National Bank has placed three issues of notes with the total trading volume of KZT877.5 bn over-the-counter. Yield rates ranged from 8.79% APR and 8.80% APR. The total demand for short-term notes was fully met.

Inflation and interest rates

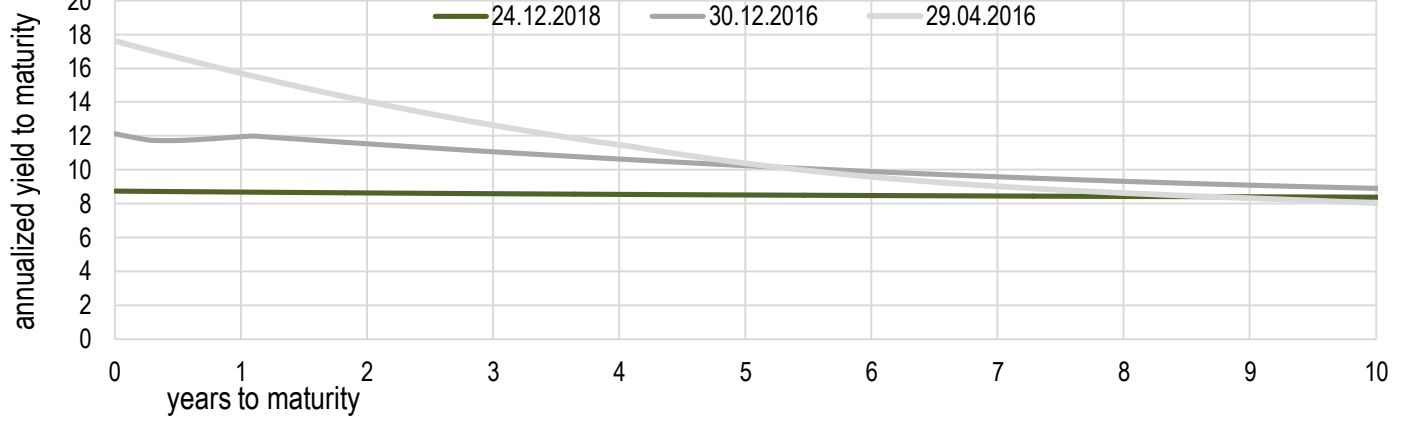


Issuance of weekly NBK notes



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

Risk-free yield curve (non-indexed GS)





Weighted average dollar rate increased by 4 tyn to KZT371.35 over the trading week. The total volume of trading in dollars amounted to US \$732.1 mln.

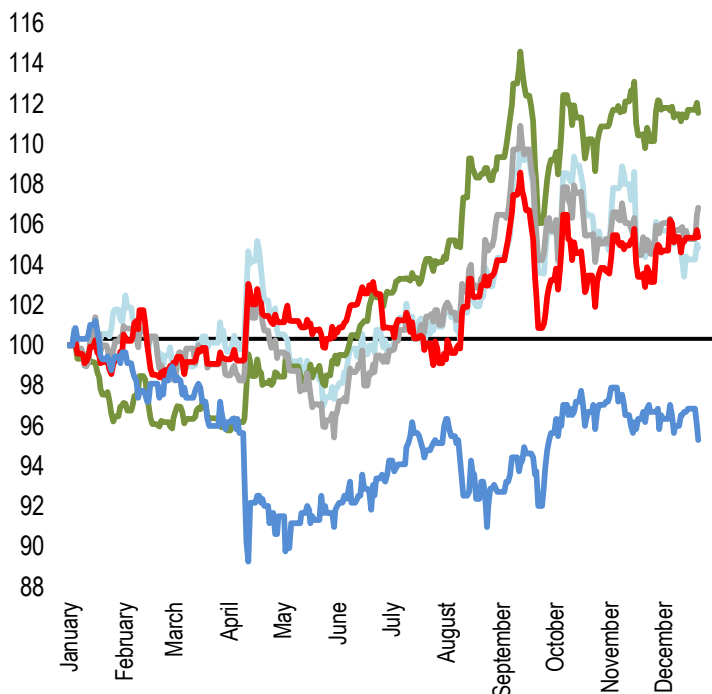
Negative external factors were countered by the increased currency supply. As a result, the exchange rate of the USD/KZT currency pair has remained almost unchanged during this three-day trading week. Meanwhile, by the closing of foreign currency trading on KASE, Brent quotes lost over 10% over the week dropping below US \$54 per barrel and the exchange rate of USD/RUB currency pair has reached RUB68 per US dollar for the first time since mid-September this year.

The Russian currency fell by KZT0.1423 to KZT5.4599 over the week. Total trading volume for the current week reached RUB236.3 mln.

The exchange rate of euro rose by KZT4.90 having closed at KZT424.80 over the reporting week.

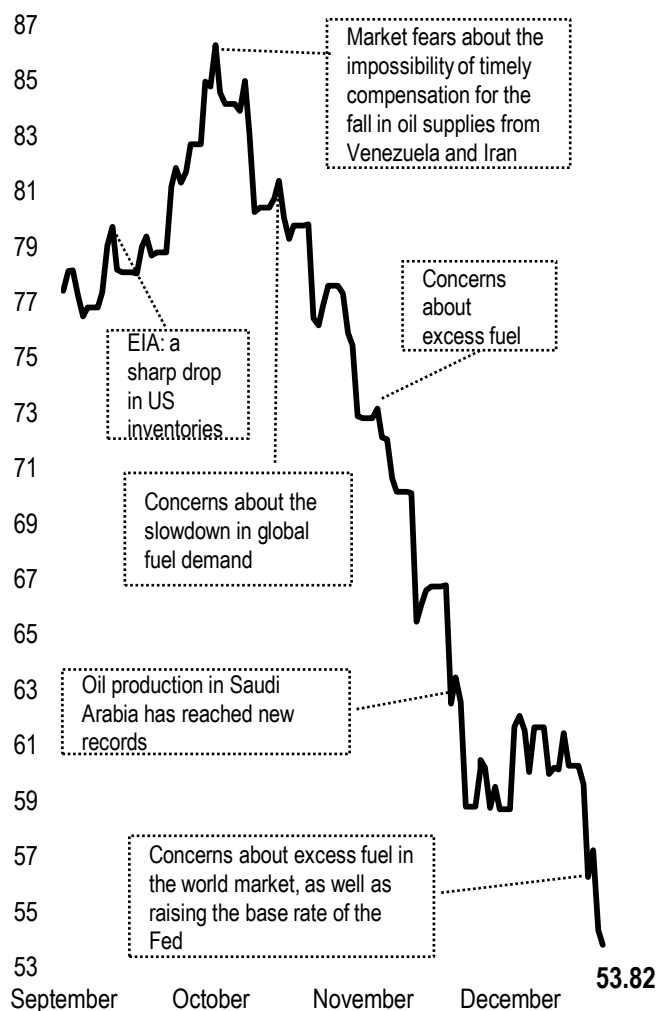
The exchange rate of yuan with settlements T+0 was down KZT0.0861 having fixed at KZT53.8356 at the trading volume of CNY2.8 mln over the week.

FX rates
Δ %, base (01.01.17)









	Price	Δ 7d, %	Δ 30d, %	Δ 2017, %
— GBPKZT	470,31	+0,4	+0,4	+4,8
— USDKZT	370,76	+0,2	+1,6	+11,6
— EURKZT	425,48	+1,1	+2,0	+6,8
— CNYKZT	53,84	+0,0	+2,4	+5,4
— RUBKZT	5,50	-1,4	-0,9	-4,7

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	2 416,62	-7,1	-8,8	-10,0	-7,4
Dow Jones	22 445,37	-6,9	-8,3	-9,4	-7,1
 RTS	1 077,17	-3,5	-4,5	-4,4	-2,4
MICEX	2 285,53	0,0	0,0	9,2	-2,4
 Hang Seng	25 753,42	-1,3	-0,8	-12,3	-1,5
SS CSI 300	3 029,40	-4,3	-6,1	-25,5	-4,9
 Euro Stoxx 50	3 000,61	-3,0	-4,9	-16,0	-3,3
FTSEuroFirst	3 721,90	-2,4	-5,0	-14,3	-2,7
 FTSE 100	6 721,17	-1,8	-4,7	-11,6	-2,9
 KASE	2 280,10	-0,3	1,2	7,4	

Commodities market

21.12.2018

Name	Price	Trend %	
		7d	1m
Oil	53,82	-10,7	-15,2
	45,59	-11,0	-16,5
Natural gas	3,82	-0,3	-14,3
Copper	267,85	-3,0	-4,2
Iron	539,00	8,3	-4,4
Gold	1 256,94	1,4	2,5
Silver	14,58	0,5	0,6
Wheat	514,00	-2,6	3,1

Economic calendar

		Currency	Forecast	Previous
27.12	CB Consumers Confidence (December)	USD	133.7	135.7
27.12	New Home Sales (November)	USD	562K	544K
28.12	Crude Oil Inventories	USD		-0.497M
27.12	ECB Economic Bulletin	EUR		
28.12	Baker Hughes Oil Rig Count	USD		883
28.12	Markit Manufacturing PMI (December)	RUB		52.6
28.12	Markit Services PMI (December)	RUB		55.6

Note: the calendar contains the most significant economic events of the current week according to KASE analysts opinion

B – billions
M – millions
K – thousands

Kazakhstan statistics

	Value	As of	Beginning 2017
Annual inflation	5,3 %	01.12.18	7,1 %
Gross international reserves of NBK, USD bn	30 158	01.12.18	30 745
Reserve money, KZT bn	5 988,4	01.12.18	5 538,7
Money supply, KZT bn	19 715,1	01.10.18	19 456,0

Kazakhstan credit ratings

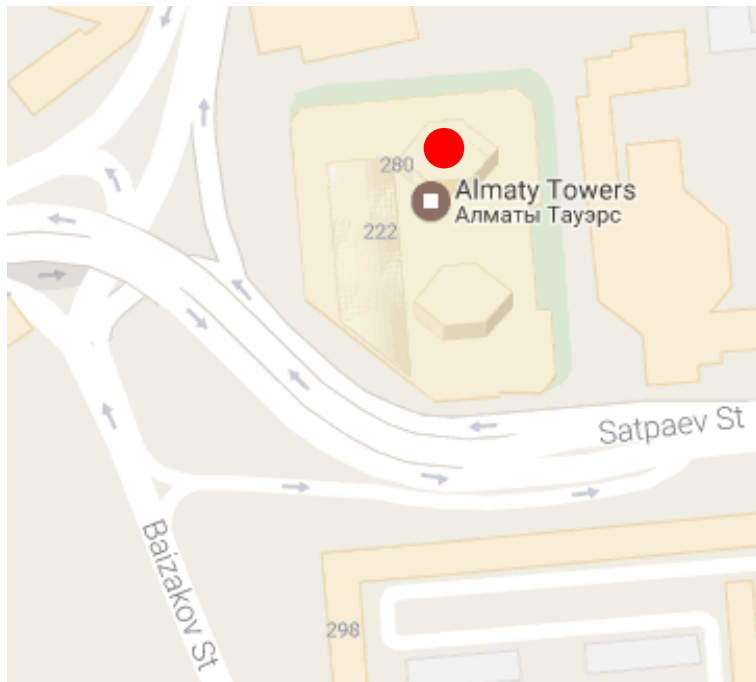
	Rating	Date	Previous
	BBB- stable	10.09.18	BBB- stable
	Baa3 stable	26.07.17	Baa3 stable
	BBB stable	28.09.18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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