

KASE WEEKLY

January 5–8,
2021

KASE NEWS

- ▲ KASE [has composed](#) lists of securities of the first, second and third classes of liquidity for January 2021.
- ▲ Freedom Finance JSC [has been assigned](#) the status of a market-maker on KASE for bonds KZ2C00007151 (SKKZb25) of Sovereign Wealth Fund "Samruk-Kazyna" JSC.
- ▲ Trades in bonds KZ2C00007094 (KZIKb33) of Mortgage Organization "Kazakhstan Mortgage Company" JSC [were opened](#) on KASE.
- ▲ Bonds KZ2C00007151 (SKKZb25) of Sovereign Wealth Fund "Samruk-Kazyna" JSC are included in the [List T+](#) and the Collateral List T+ and in the [basket of the BISP](#) with the CCP.
- ▲ International bonds US9127963T44 (US_03_2101) of the Department of the Treasury of the United States of America [were excluded](#) from KASE official list due to the expiration of the circulation period.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan [raised](#) KZT14.9 bn on KASE by placing the first issue MEUKAM-180 (KZKD00000105) with a yield to maturity of 10.00 % per annum.
- ▲ Kazakhstan Sustainability Fund JSC [raised](#) KZT4.5 bn on KASE by placing bonds KZ2C00007037 (KFUSb4) with a yield to maturity of 10.4900 % per annum.
- ▲ Joint Resources JSC became holder of 100% of [shares](#) of Caspian Oil JSC and 50% of [shares](#) of KazAzot JSC.
- ▲ Bank RBK JSC [paid](#) dividends on preferred shares KZ1P00000764 (INBNp) for 2019.
- ▲ Eastcomtrans LLP [intends](#) to carry out a full early redemption of international bonds XS0918292151 (ECTRe1).
- ▲ Fincraft Group LLP [redeemed](#) 36,080,240 bonds KZ2D00005949 (NCOMb1) and 25,000,000 bonds KZ2P00006190 (NCOMb2).
- ▲ KazTransOil JSC [plans](#) to complete the project "The first stage of the reverse of the Kenkiyak-Atyrau oil pipeline section" in 2021.
- ▲ Kcell JSC [announced](#) a reduction in the interest rate under an additional agreement with SB Alfa-Bank JSC.



KASE Index grew by 4.0% to 2,781.36 points. The largest number of deals among index shares was made with ordinary shares of Halyk Bank – 711 deals. The largest trading volume fell on KAZ Minerals securities – KZT95.2 mln (26.3% of the total trading volume).

KASE Index shares



08.01.2021

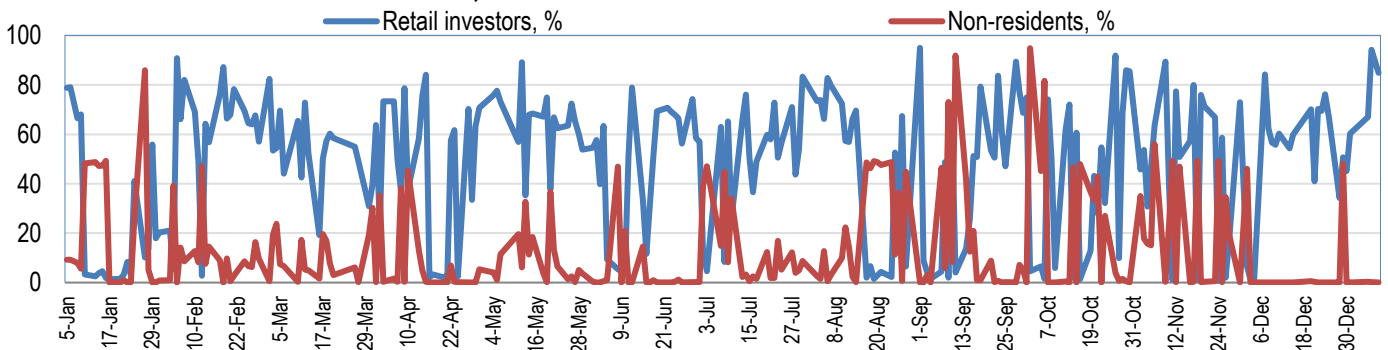
		Trends (%)	
KASE Index	2 781,36	4,0	6,1
First class of liquidity	Price	Δ 7d	Δ 1m
NAC Kazatomprom	8 000,0	11,9	19,4
KAZ Minerals	3 900,0	11,4	10,5
Bank of America Corporation	13 689,0	7,4	12,9
Gazprom	1 226,2	3,0	15,9
Aeroflot	420,5	3,0	-1,8
KazTransOil	991,6	2,2	9,6
Sberbank Russia	1 495,0	1,8	4,5
Halyk Savings Bank of Kazakhstan	126,0	1,6	2,4
Kcell	2 785,0	0,9	2,0
KEGOC	1 700,0	0,2	0,2
Kazakhtelecom, preferred shares	12 850,0	0,0	-1,1
VTB Bank	0,2	0,0	0,0
Bank CenterCredit	215,0	-0,3	0,1
Kazakhtelecom	26 407,8	-1,1	-2,2
Freedom Holding Corp.	21 053,6	-4,0	-8,4

Note: Index stocks are highlighted in green

The growth leaders among the index shares were ordinary shares of Kazatomprom, the price of which jumped by almost 12% – to KZT8,000.00. Securities of the nuclear company have once again renewed their all-time high on KASE. The positive dynamics of Kazatomprom quotes continues to be influenced by the approval of the bill on increasing strategic uranium reserves in the United States, as well as the halt of production at the largest uranium mine Cigar Lake (Canada) due to the outbreak of coronavirus in the region. The quarantine measures introduced at the mine have a positive effect on uranium quotations. Thus, in the week ended January 10, the uranium ETF URA rose in price by 7.6%.

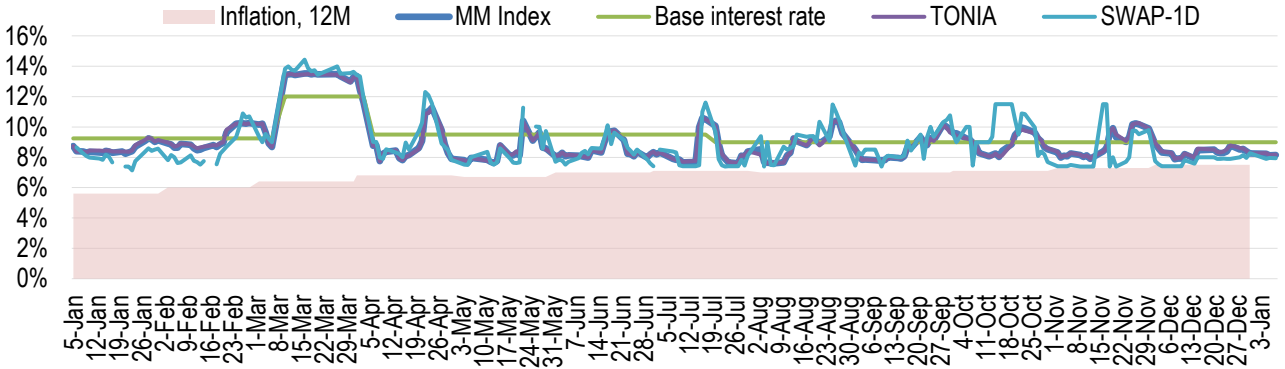
The second-best result was shown by the security of KAZ Minerals, whose price increased by 11.4% – up to KZT3,900.00. Copper stocks are gaining ground as copper futures rise to levels close to 8-year highs. The driver of price growth was a three-week protest at a checkpoint at one of the largest mines in Peru, Las Bambas. Meanwhile, Chile's copper exports jumped 6.7% on last December's figure. At the same time, production at the mines of the world's largest copper producer goes on despite the coronavirus pandemic.

Retail investors & non-residents, %

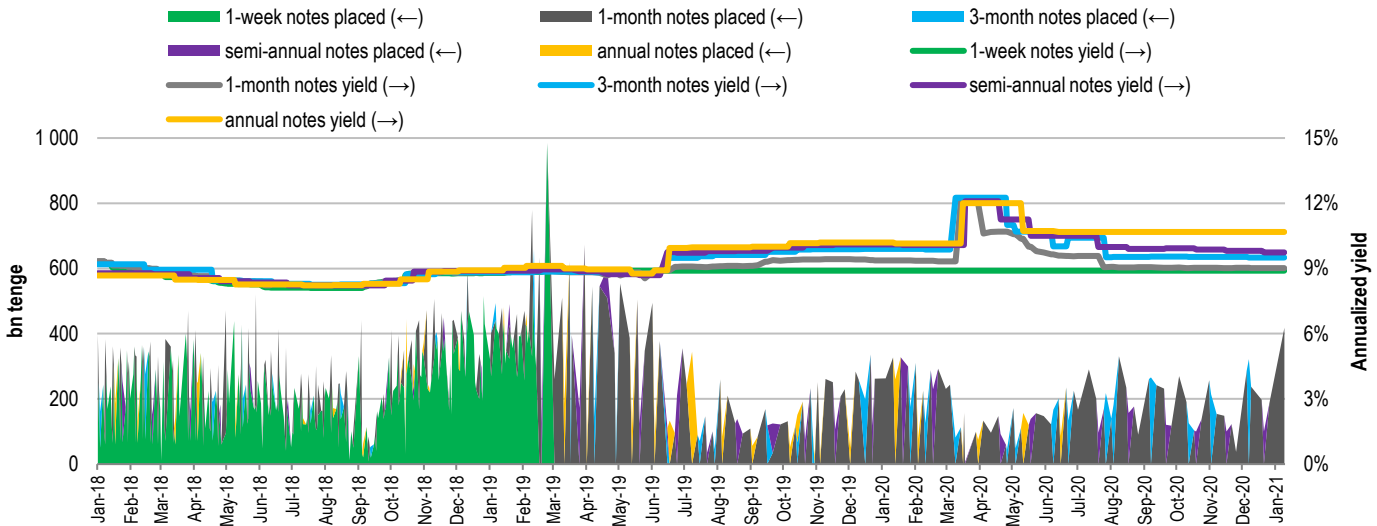


The yield on one-day repo transactions with government securities decreased by 9 b.p. to the level of 8.16% per annum. The rate of borrowing the tenge secured by US dollars decreased by 33 b.p. and amounted to 7.95% per annum. The average volume of borrowing the tenge liquidity for one day amounted to KZT420.6 bn (+ 10.8% on the same indicator of the previous week) during the week.

Inflation and interest rates

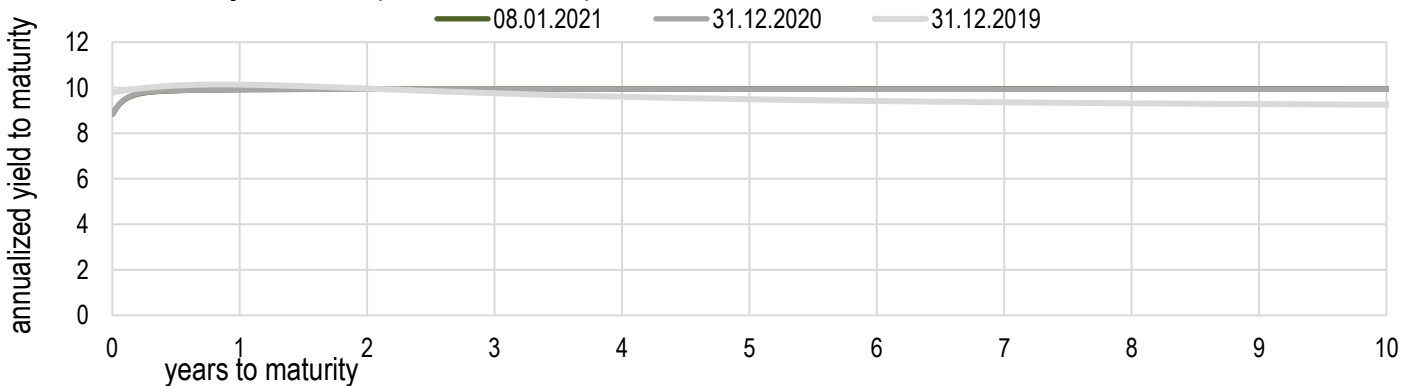


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The US dollar rate against the tenge decreased by KZT1.41 (-0.3%) to KZT419.50. The total trading volume amounted to \$444.0 million (-20.9% on the same indicator of the previous week). The total number of deals for purchase and sale of the US dollar amounted to 1,425 (-260 on the same indicator of the previous week). The maximum price was KZT421.50 per US dollar, the minimum was KZT418.44.

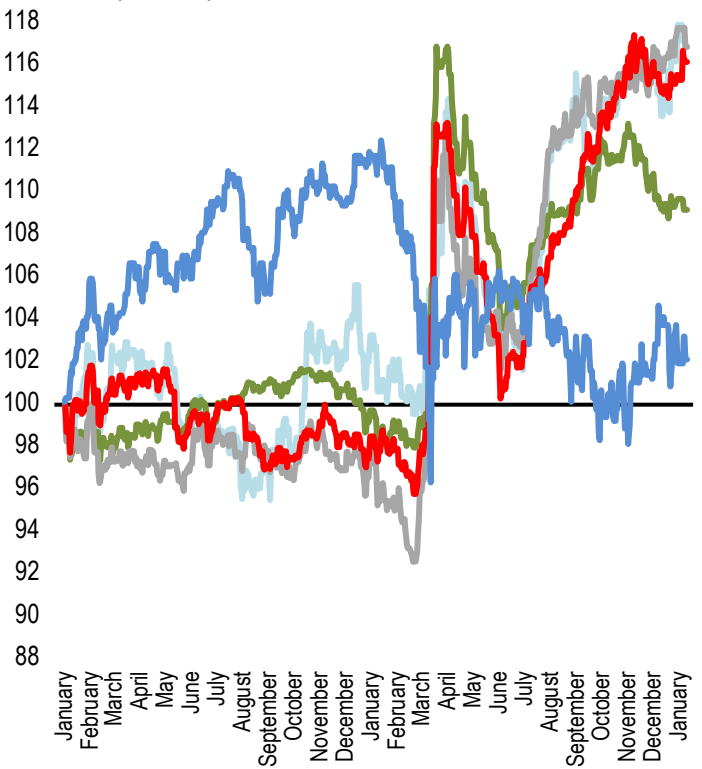
The tenge strengthens against the US dollar based on the first trading week of 2021 amid a surge in oil prices. Oil quotes rose on news of a decrease in production by Saudi Arabia in February-March by an additional 1 million bpd. Saudi Arabia's decision to voluntarily cut production was made against the background of the spread of a new strain of coronavirus and tightening of quarantine measures in Europe. In addition, traders positively assess the Democrats' victory in the elections in the state of Georgia, which brought the Democratic Party the majority in the US Senate. In addition, the market has received positively the news that the COVID-19 vaccine developed by Pfizer and BioNTech is likely to also work against new strains of the virus found in the UK and South Africa.

The price of March futures for Brent oil on the London ICE Futures exchange rose by 8.1% to \$ 55.99 per barrel over the week. The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange decreased by 0.3% to 74.1636 rubles.

The Chinese yuan increased in price by KZT0.1460 (+0.2%) to KZT64.8506.

FX rates

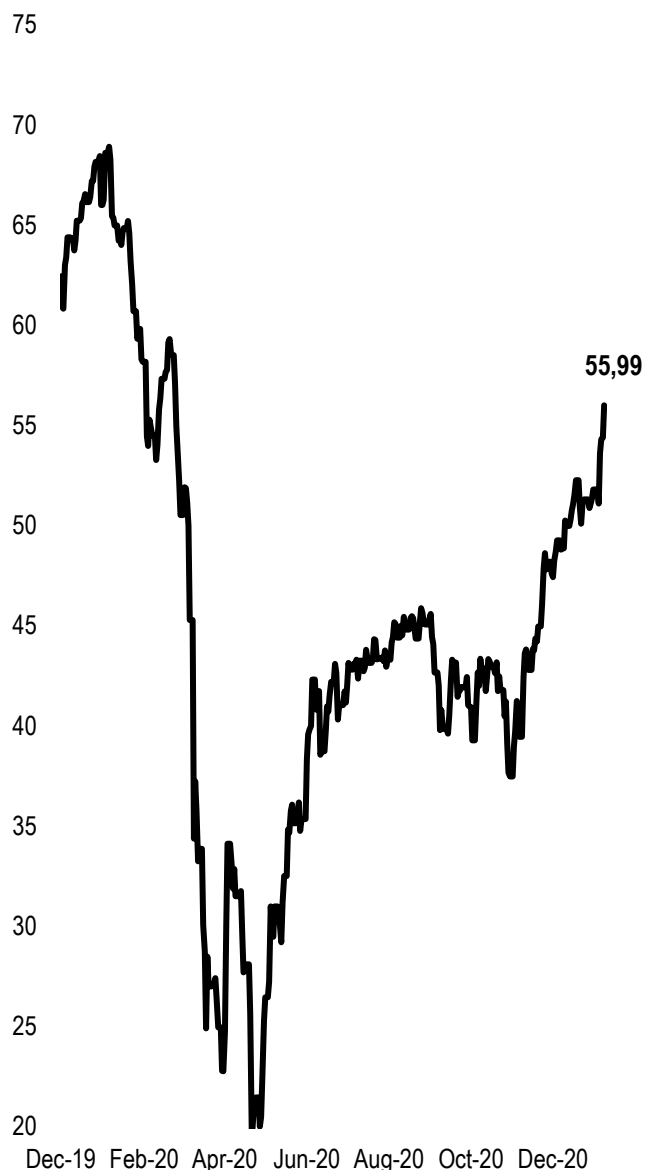
Δ %, base (01.01.19)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	571,60	-0,6	1,7	0,1
— USDKZT	418,94	-0,5	-0,5	-0,4
— EURKZT	516,85	0,0	1,2	0,1
— CNYKZT	64,89	0,8	0,6	0,6
— RUBKZT	5,69	1,2	-1,4	0,7

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

Commodities market

08.01.2021

Name	Value	Trend %			Futures 7d	Name	Price	Trend %		
		7d	1m	1y				7d	1m	1y
 S&P 500	3 824,68	1,8	4,1	16,8	1,8	Oil (Brent)	55,99	8,1	14,6	-14,3
Dow Jones	31 097,97	1,6	3,4	7,4	1,6	Oil (WTI)	52,24	7,7	14,8	-12,3
 RTS	1 466,50	5,7	6,9	-8,4	6,0	Natural gas	2,70	6,3	10,6	24,7
MICEX	2 285,53	0,0	0,0	0,0	6,0	Copper	367,35	4,4	4,7	31,1
 Hang Seng	27 878,22	2,4	5,2	-2,4	2,1	Iron	1 134,00	5,1	10,7	55,4
SS CSI 300	5 495,43	5,5	11,2	32,0	5,0	Gold	1 849,01	-2,6	0,5	19,3
 Euro Stoxx 50	3 645,05	2,6	3,3	-4,0	2,0	Silver	24,64	-6,7	3,0	37,4
FTSEuroFirst	4 056,00	3,9	3,1	-9,7	4,0	Wheat	638,75	-0,3	10,7	13,6
 FTSE 100	6 873,26	6,4	4,7	-9,5	6,2					
 KASE	2 781,36	4,0	6,1	17,7						

Economic calendar

Currency

Forecast

Previous

1/12	Short-term forecast of situation on energy source markets from EIA	USD		
1/13	Basic Consumer Price Index (CPI) (m/m) (Dec)	USD	0.1%	0.2%
1/13	US crude oil reserves	USD	-2.133M	-8.010M
1/14	Germany's GDP (qt/qt)	EUR		8.5%
1/14	Number of initial claims for unemployment benefits in the US	USD	780K	787K
1/14	Speech by the Chair of the Federal reserve Mr. Powell	USD		

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 2019



Annual inflation	7.1%	08/01/20	5.3%
Gross international reserves of NBK, USD bn	31,561	06/01/20	30,927
Reserve money, KZT bn	8,428.3	06/01/20	5,995.7
Money supply, KZT bn	22,438.2	06/01/20	20,813.4

Kazakhstan credit ratings

Rating

Date

Previous

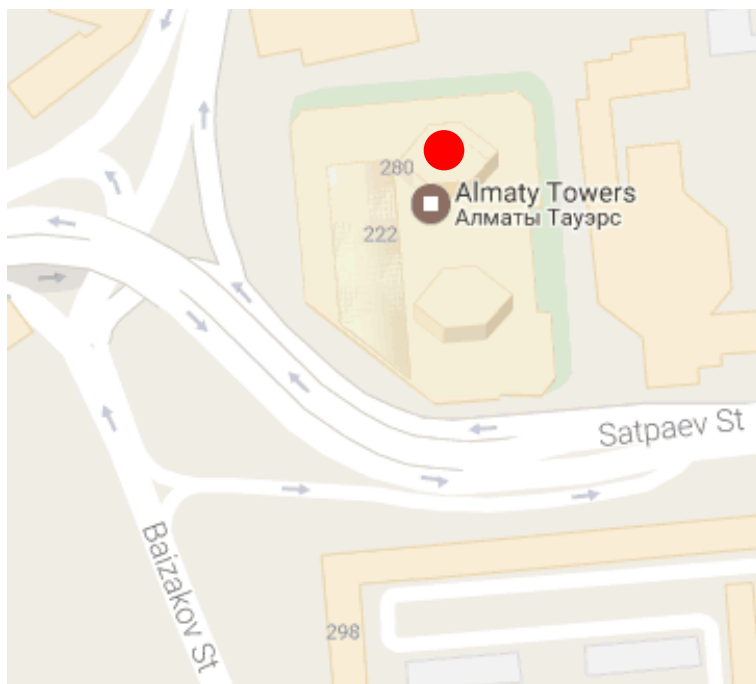
	BBB- stable	09/10/18	BBB- stable
	Baa3 stable	07/26/17	Baa3 stable
	BBB stable	09/28/18	BBB stable

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Corporate Events Calendar of KASE listed Companies

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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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