

# KASE WEEKLY

December 7 – 11, 2020

## KASE NEWS

- ▲ KASE [held](#) an online press briefing on the results of the exchange market's performance in November 2020.
- ▲ KASE [announces](#) decisions of the extraordinary general meeting of shareholders held by absentee voting.
- ▲ Trades in bonds [KZ2C00007151](#) (SKKZb25) of Sovereign Wealth Fund "Samruk-Kazyna" JSC, [KZ2C00006815](#) (BTDVb5) of Mortgage Organization "Kazakhstan Mortgage Company" JSC and [KZ2C00007052](#) (BTRKb4) of National Management Holding "Baiterek" JSC were opened on KASE.
- ▲ KASE's Management Board made a decision to include bonds [KZX000000286](#) (GB\_ALTNe1) of Altyn PLC and GDR [US48581R2058](#) (KSPId) of Kaspi.kz JSC in KASE's official list.
- ▲ International bonds [XS2264979431](#) (EBRDe13) of EBRD, bonds [KZ2C00007102](#) (BRKZb21) of Development Bank of Kazakhstan JSC and [KZ2C00007177](#) (AGKKb15) of Agrarian Credit Corporation JSC are included in KASE's official list.

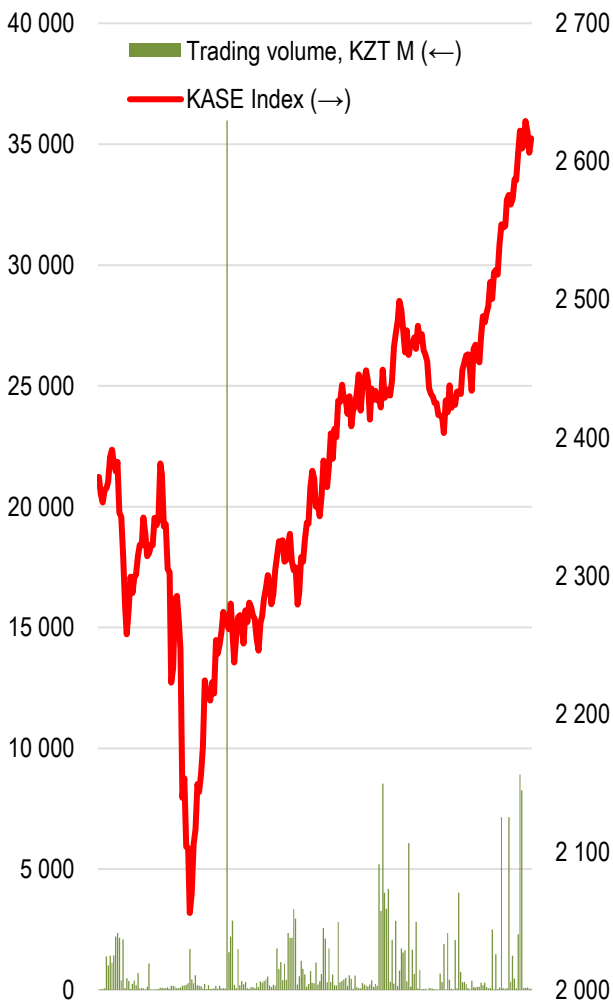
## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The EBRD [raised](#) KZT60.0 bn on KASE through subscription by placing international bonds [XS2264979431](#) (EBRDe13) with a margin to the six-month coupon of 1%.
- ▲ Development Bank of Kazakhstan JSC raised KZT100.0 bn on KASE by placing bonds [KZ2C00006898](#) (BRKZb20) and [KZ2C00007102](#) (BRKZb21).
- ▲ National Managing Holding "Baiterek" JSC raised KZT100.0 bn on KASE by placing bonds [KZ2C00007060](#) (BTRKb5) and [KZ2C00007078](#) (BTRKb6).
- ▲ Kazakhstan Sustainability Fund JSC raised KZT10.1 bn on KASE by placing bonds [KZ2C00007037](#) (KFUSb4) and [KZ2C00007110](#) (KFUSb5).
- ▲ Bank RBK JSC [raised](#) KZT25.0 bn on KASE by placing bonds [KZ2C00006021](#) (INBNb9).
- ▲ Akimdik of Mangystau region [raised](#) KZT1.5 bn on KASE by placing bonds [KZMJ00000891](#) (MGK024\_089).
- ▲ KAZ Minerals PLC [has provided](#) information in English on the recommended acquisition of KAZ Minerals PLC by NOVA RESOURCES B.V.
- ▲ KazTransOil JSC and Caspian Pipeline Consortium JSC [discussed](#) issues of cooperation in 2021.
- ▲ Kcell JSC [announced](#) an increase in the amount of the line of credit at SB "Bank of China in Kazakhstan" JSC.
- ▲ Transnational Company "Kazchrome" JSC will pay dividends on common shares [KZ0009093704](#) (KZCR) and preferred shares [KZ0009089744](#) (KZCRp) for the period from July 1 to September 30, 2020.
- ▲ Nurbank JSC [will pay](#) dividends on its preferred shares [KZ000A1CTMV3](#) (NRBNp6) for 2019.

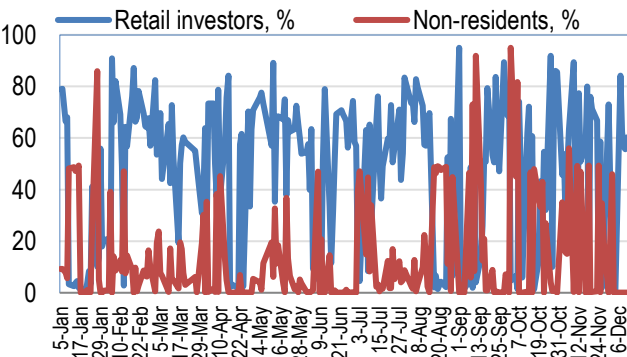


According to the results of the week, KASE index rose by 0.3% to 2,616.86 points. The largest number of deals among index shares over the week was made with common shares of Halyk Bank – 1,023 deals. The largest chunk of trading fell on securities of KazTransOil – KZT114.8 mln (27.6% of the total volume over the week).

**KASE Index shares**



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



**11.12.2020**

KASE Index	2 616,86	Trends (%)	
	Price	Δ 7d	Δ 1m
<b>First class of liquidity</b>			
Freedom Holding Corp.	21 398,0	7,0	62,9
Sberbank Russia	1 473,0	3,7	16,8
<b>NAC Kazatomprom</b>	6 557,0	3,2	6,0
Gazprom	1 079,9	2,0	12,8
Bank of America Corporation	12 152,8	0,9	6,3
<b>Kazakhtelecom</b>	26 650,0	0,6	3,7
<b>Kcell</b>	2 735,0	0,2	0,6
Kazakhtelecom, preferred shares	13 000,0	0,2	5,7
<b>KazTransOil</b>	909,0	0,0	12,3
VTB Bank	0,2	0,0	5,0
<b>Halyk Savings Bank of Kazakhstan</b>	123,8	-0,3	6,2
<b>KEGOC</b>	1 695,0	-0,4	0,5
<b>KAZ Minerals</b>	3 500,1	-1,1	4,5
<b>Bank CenterCredit</b>	213,0	-1,3	-0,5
Aeroflot	417,0	-2,9	7,0

Note: Index stocks are highlighted in green

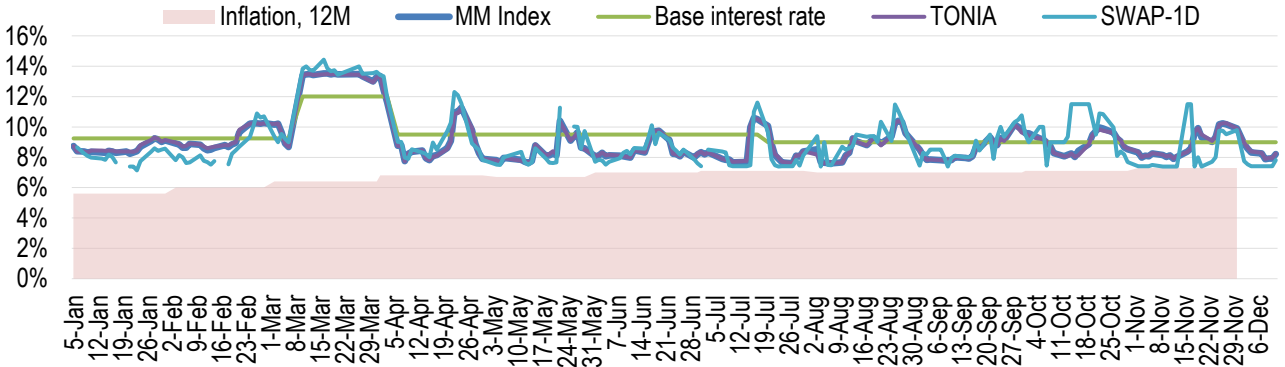
KASE index finished the week in the black, despite a decrease in most of the shares from the index basket. After renewing 12-year maximums, the local stock market indicator began to consolidate at the current levels. The driver for the growth of the index was the common share of Kazatomprom, which gained about 5% in price. The shares of the nuclear company appreciated amid the growth of the uranium ETF URA, whose value jumped 18% since the beginning of this month.

The market value of KEGOC decreased by 0.3% – to KZT1,695.00. On Monday, the President of Kazakhstan signed an act on the mandatory transfer of flood-generated electricity to KEGOC. The act stipulates the obligation of hydroelectric power plants to sell flood-generated electricity to the settlement and financial center of KEGOC, which, in turn, will distribute it among all consumers in the country.

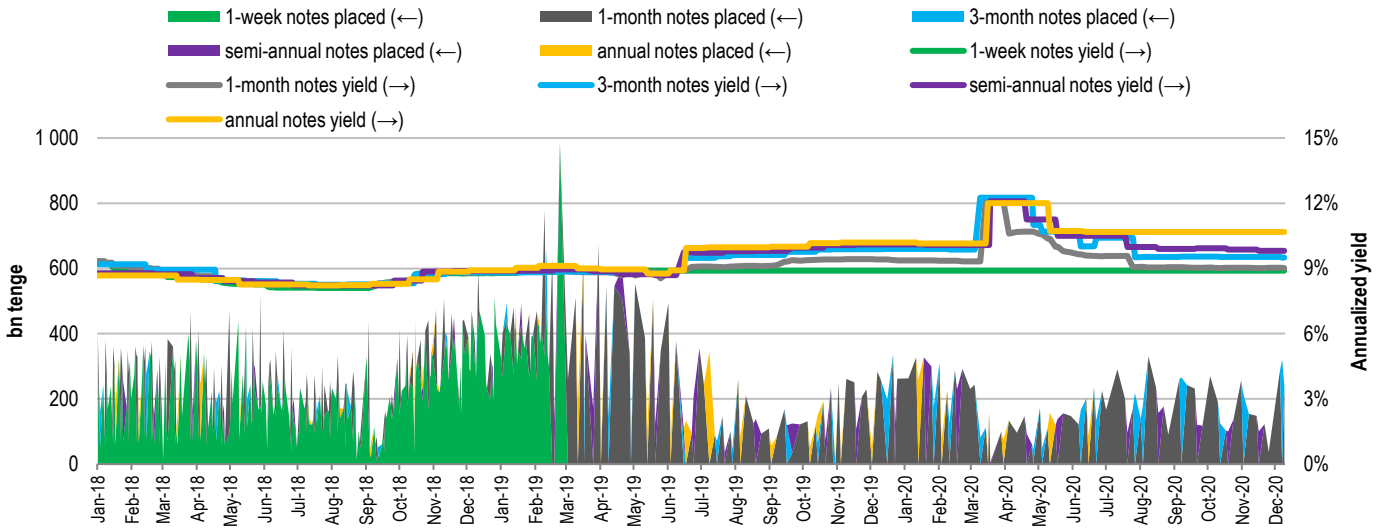
In its Q3 2020 production report released on Tuesday, KAZ Minerals raised its copper and gold production forecast by 2-3% relative to previously planned volumes. The report points out that the company expects higher production volumes than previously assumed, due to the successful completion of renovations in November 2020, the absence of significant disruptions due to COVID-19, as well as the pace of production. Meanwhile, copper prices are falling at the auction on Monday following the data on the reduction of metal imports by the PRC. However, the price of the metal remains above \$3.5/lb, the highest level since March 2013. According to the General Customs Department, in November China reduced copper supplies from abroad by 9.2% compared to the previous month. At the same time, the volume of imports jumped by 16.2% YoY. Against this background, the company's stock fell by 1.3% - to KZT3,500.05.

The yield on one-day repo transactions with government securities decreased by 13 b.p. over the week, to the level of 8.26% per annum. The rate of borrowing the tenge secured by US dollars increased by 41 b.p. and amounted to 7.82% per annum. The average volume of borrowing the tenge liquidity for one day amounted to KZT281.4 bn (-15.9% on the same indicator of last week) over the week.

**Inflation and interest rates**

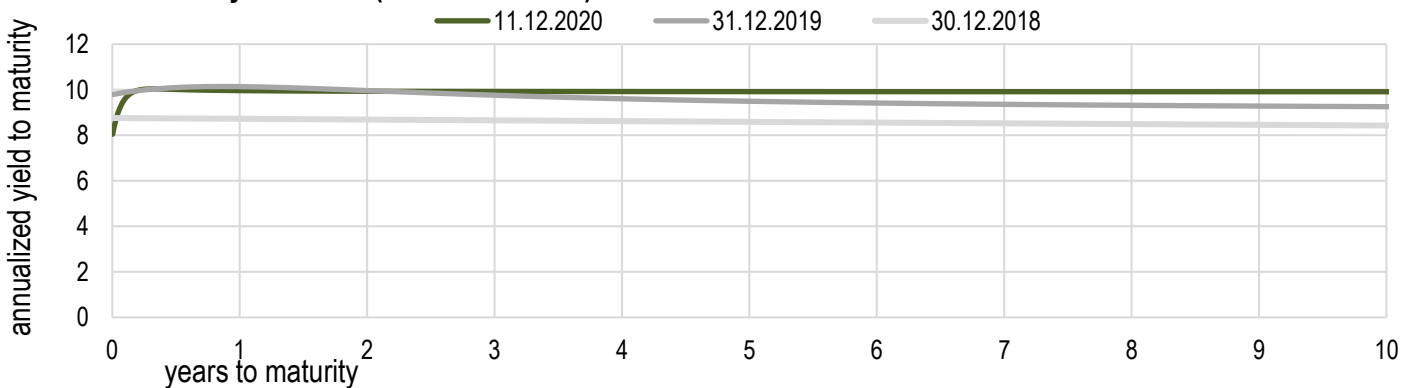


**Main Features of National Bank Notes Placements**



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

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





According to results of the week, the exchange rate of the US dollar against the tenge fell by KZT1.70 (-0.4%) to KZT419.09. The total trading volume over the week amounted to \$473.6 million (+ 7.1% on the same period of last week). The total number of transactions for purchase and sale of the US dollar was 1,607 (+193 on last week). The maximum price was KZT422.22 per US dollar, the minimum – KZT418.50.

The tenge strengthened against the US dollar at the end of the week amid optimism around COVID-19 vaccines. The news of the start of mass vaccinations in the UK, as well as the FDA's recommendation to approve the emergency use of the anti-coronavirus vaccine from Pfizer and BioNTech in the United States, are raising investors' interest in risky assets. Against this background, the price of the February Brent oil futures for the first time since the beginning of March exceeded \$50 per barrel. The FDA's Vaccines and Related Biological Products Advisory Committee, following Thursday's meeting, recommended that the FDA approve the emergency use of the COVID-19 vaccine from Pfizer and BioNTech in the United States. In addition, Johnson & Johnson announced the possibility of receiving test results for its vaccine in January 2021. In addition, the news that the demand for "black gold" in China has already exceeded the pre-COVID levels, contributes to the rise in oil prices.

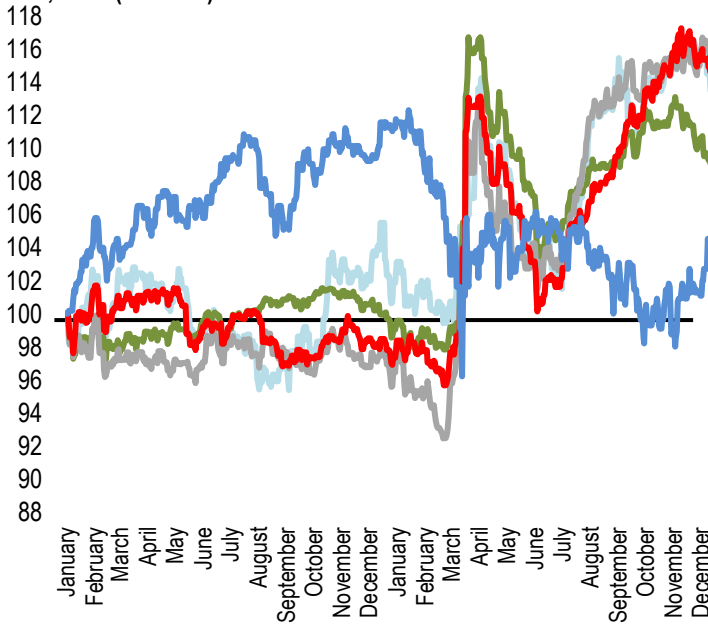
However, prices are holding back the highest weekly growth in US oil reserves since April. Meanwhile, Iran, in the event of easing US sanctions, is preparing to bring oil production and export to full capacity within three months, while the market is already under pressure from a significant oversupply.

The price of February Brent oil futures on the London stock exchange ICE Futures by 15:30 o'clock, Nur-Sultan time, on Friday decreased by 0.6% – to \$49.97 per barrel. The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange by this time increased by 0.2% – to 73.2562 rubles.

The price of the Russian ruble rose by KZT0.0808 (+ 1.4%) to KZT5.7392. The Chinese yuan fell by KZT0.2237 (-0.4%) to KZT64.2599.

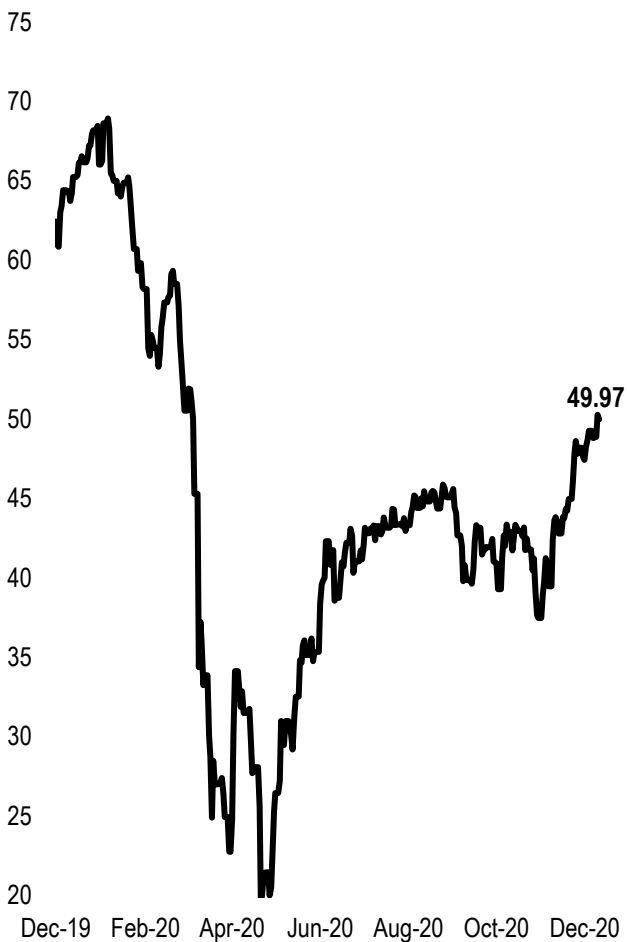
**FX rates**

Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	559.49	-1.3	-1.6	11.9
— USDKZT	420.16	-0.6	-2.1	10.2
— EURKZT	508.52	-0.7	0.4	19.1
— CNYKZT	64.22	-0.4	-1.1	17.7
— RUBKZT	5.72	1.6	1.8	-7.3

**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

11.12.2020

Name	Value	Trend %			Futures 7d	Name	Price	Trend %		
		7d	1m	1y				7d	1m	1y
 S&P 500	3 663,46	-0,8	2,5	15,6	-1,2	Oil (Brent)	49,97	2,4	14,1	-22,2
Dow Jones	30 046,37	-0,1	2,2	6,8	-0,9	Oil (WTI)	46,57	1,8	12,4	-21,3
 RTS	1 412,88	3,2	14,5	-5,6	3,9	Natural gas	2,59	7,7	-14,5	11,3
MICEX	2 285,53	0,0	0,0	0,0	3,9	Copper	352,40	0,4	12,4	26,3
 Hang Seng	26 505,87	0,0	1,1	-1,8	-1,6	Iron	1 024,50	4,5	11,4	60,6
SS CSI 300	4 889,63	-2,6	-0,3	25,7	-3,8	Gold	1 839,85	-1,2	-1,4	25,3
 Euro Stoxx 50	3 485,84	-1,3	0,5	-5,9	-1,4	Silver	24,03	-2,9	-1,0	42,7
FTSEuroFirst	3 879,00	-1,0	0,7	-11,4	-1,6	Wheat	608,25	6,5	1,7	12,8
 FTSE 100	6 546,75	-0,1	2,6	-10,0	0,1					
 KASE	2 616,86	0,2	4,7	13,8						

## Economic calendar

## Currency

## Forecast

## Previous

12/15	China: industrial production volume (y/y)	CNY	7.0%	6.9%
12/16	Decision on Fed's interest rate	USD	0.25%	0.25%
12/17	EU: Consumer price index (CPI) (y/y) (Nov)	EUR	-0.3%	-0.3%
12/17	Great Britain: decision on interest rate (Dec)	GBP	0.10%	0.10%
12/17	US: Number of initial claims for unemployment benefits	USD	800K	853K
12/18	Russia: decision on interest rate (Dec)	RUB	4.25%	4.25%

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

S&amp;P Global

MOODY'S

FitchRatings

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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