

KASE WEEKLY

May 04–14, 2021

KASE NEWS

- ▲ KASE [held](#) an online press briefing on the results of the exchange market operation for April 2021.
- ▲ KASE has [generated](#) lists of securities of the first, second and third classes of liquidity for May 2021.
- ▲ The Procedure for monitoring the disclosure of information by initiators of securities admission in a new edition and the [Regulations](#) on the Management Board in a new edition were put into effect.
- ▲ In KASE's trading system and databases, the issuer was [replaced](#) on bonds of NMH "KazAgro" JSC of six issues and trading in them was resumed.
- ▲ Trades in common shares KZ1C00003821 (ZHLT) of Zhaltyrbulak JSC were [opened](#) on KASE.
- ▲ The official list of KASE was supplemented with international [bonds](#) XS2337670421, US25159XAC74 (BRKZe11) and XS2337670694, US25159XAD57 (BRKZe12) of Development Bank of Kazakhstan JSC, bonds [KZMJ00000958](#) (SKK024_095) of the local executive body of North Kazakhstan region and [KZAJ00000077](#) (ALK024_007) of the local executive body of the city of Almaty.
- ▲ Common shares GB00B0HZPV38 (GB_KZMS) of KAZ Minerals PLC were [excluded](#) from KASE official list at the initiative of their issuer and from the representative [list](#) of KASE Index.
- ▲ Freedom Finance JSC was [assigned](#) the status of a market-maker on KASE for bonds KZ2C00007318 (KFUSb9) of Kazakhstan Sustainability Fund JSC.
- ▲ Bonds KZ2C00007326 (KFUSb10) and KZ2C00007334 (KFUSb11) of Kazakhstan Sustainability Fund JSC are [included](#) in the GS basket without the CCP.

ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan raised KZT28.6 bn on KASE by placing MEUKAM-120 of issue 17 ([KZKD00000899](#), MUM120_0017), MEUKAM-180 of issue 12 ([KZKD00000840](#), MUM180_0012), MEUKAM-084 of issue 18 ([KZKD00001137](#), MUM084_0018) and the fifth issue of MEUKAM-168 ([KZKD00001111](#), MUM168_0005).
- ▲ Akimdik of the city of Almaty [raised](#) KZT5.6 bn on KASE by placing two-year bonds KZAJ00000077 (ALK024_007).
- ▲ Akimdik of North Kazakhstan region [raised](#) KZT2.1 bn on KASE by placing two-year bonds KZMJ00000958 (SKK024_095).
- ▲ NAC Kazatomprom JSC [reported](#) operating results for the first quarter of 2021.
- ▲ National Company KazMunayGas JSC [reported](#) production results for the first quarter of 2021.
- ▲ S&P Global Ratings has [affirmed](#) the rating of National Company KazMunayGas JSC, the outlook is Negative.
- ▲ Kazakhtelecom JSC will [pay](#) dividends on common KZ0009093241 (KZTK) and preferred KZ0009094645 (KZTKp) shares for 2020.
- ▲ Kcell JSC [plans](#) to delist global depository receipts on the London Stock Exchange (LSE) and the Astana International Financial Center (AIX) on June 14, 2021.
- ▲ Tethys Petroleum Limited [provides](#) interim results for the first quarter of 2021.



14.05.2021		Trends (%)	
KASE Index	3 299,92	1,8	2,2
First class of liquidity	Price	Δ 14d	Δ 1m
Kazakhtelecom, preferred shares	16 800,0	8,7	25,5
Gazprom	1 445,4	7,8	14,6
Bank CenterCredit	247,0	6,4	5,6
KazTransOil	1 195,0	5,8	6,8
Bank of America Corporation	18 100,0	4,0	4,0
Sberbank Russia	1 786,4	3,8	11,3
NAC Kazatomprom	12 475,0	3,1	-6,8
KEGOC	1 775,1	2,1	4,1
Aeroflot	429,5	1,1	-1,0
Halyk Savings Bank of Kazakhstan	153,0	0,0	-1,0
VTB Bank	0,3	0,0	16,0
Kcell	2 539,3	-0,1	3,2
Kazakhtelecom	29 134,0	-2,9	5,6
Freedom Holding Corp.	19 437,0	-10,0	-14,0

KASE index grew by 1.8% - to 3,299.92 points. The largest number of deals among index shares was made with ordinary shares of Halyk Bank – 3,064 deals (44 % of the total share). The largest trading volume fell on Kcell securities – KZT429.4 mln (37.4% of the total share).

According to the results of the reporting period, common shares of KazTransOil demonstrated significant growth, the price of which increased by 5.8 %. The company's shares have been trading at their highest levels since May 2019. An upward trend in shares of KazTransOil has been observed since the end of November of the previous year, when the company announced the approval of the tariff for pumping oil to the domestic market of Kazakhstan in the amount of KZT4,355.57 per ton per 1,000 km, which is by 6% higher than the previous temporary tariff. The tariff was put into effect on January 1, 2021. Previously, uncertainty over this issue put pressure on the market value of the company.

We remind you that on April 21, KazTransOil announced the results of production activities for the first quarter of 2021, according to which the volume of oil transportation separately through KazTransOil JSC amounted to 10.2 million tons, which is by 2.6 % less than the same period in 2020. Oil cargo turnover separately through the system of main oil pipelines of KazTransOil JSC amounted to 8.7 billion ton-kilometers, which is by 3.6% less than in January-March 2020. Consolidated oil cargo turnover amounted to 10.7 billion ton-kilometers, down 0.7%.

In addition, the company reported that it has carried out activities to connect the sections 511.3-514.1 km and 516.8-528 km of the Uzen-Atyrau-Samara main oil pipeline after reconstruction. The replacement of the Uzen-Atyrau-Samara trunk pipeline section was carried out in accordance with the business plan of KazTransOil JSC for 2020-2024 and is aimed at ensuring reliable and accident-free oil transportation. The Atyrau-Samara oil pipeline is the second largest in terms of export of Kazakh oil to the world market. In 2020, 14.4 million tons of Kazakh oil were transported via the Atyrau-Samara oil pipeline.

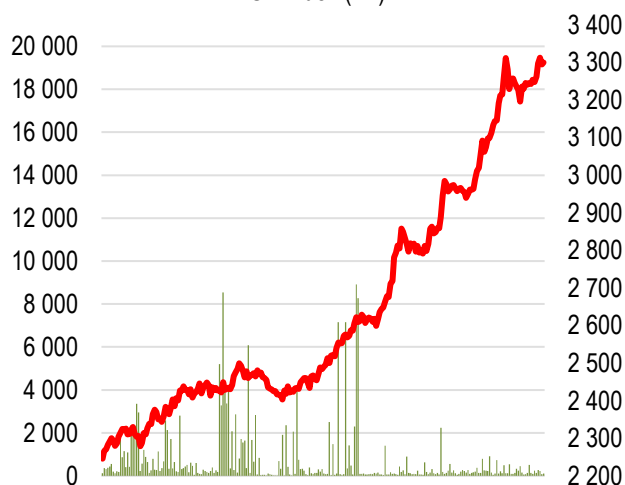
Kazatomprom shares added 3%. The day before, the mining company presented its operating results for the first quarter of 2021. The total production volume of enterprises in which Kazatomprom has a stake decreased by 6 %, to 4,925 tons, compared with the same period in 2020. At the same time, the production, which does not include production data for joint-venture partners, fell to 2,791 tons (6%). The Group's sales volume decreased by 27% to 1,278 tons. The sales volume separately for Kazatomprom decreased by 16%.

The report notes that for the most part of the first quarter, the level of activity that was observed in the spot uranium market, was from weak to moderate. As a result, by the first week of March, the spot price dropped from \$30.20 per pound to \$27.35 per pound. However, in the second half of March, a number of emerging uranium producers, small uranium companies and investors were seen on the spot market with the aim of acquiring physical uranium both as an investment and for long-term strategic needs, which led to a rise in the spot price to \$30.60 per pound by the end of the quarter.

Meanwhile, the mobile operator Kcell announced on Thursday that it intended to delist from the London Stock Exchange (LSE) and Astana International Exchange (AIX) on June 14, 2021. On May 13, the company sent notices to the British financial regulator FCA to cancel the standard inclusion of GDRs in the official FCA list, as well as to the LSE to cancel the admission of GDRs for trading on the LSE main market. Kcell also applied to AIX to remove the GDRs from the official list and cancel their admission to trading on AIX, and also sent a notice of the application for removal from the list. Earlier it was reported that maintaining the listing of GDRs on the LSE and AIX, together with the listing of the company's ordinary shares on the KASE, was leading to low levels of liquidity and fragmented trading trends in the movement of the respective instruments on each of the three exchanges. The mobile operator's shares decreased by 0.1 %.

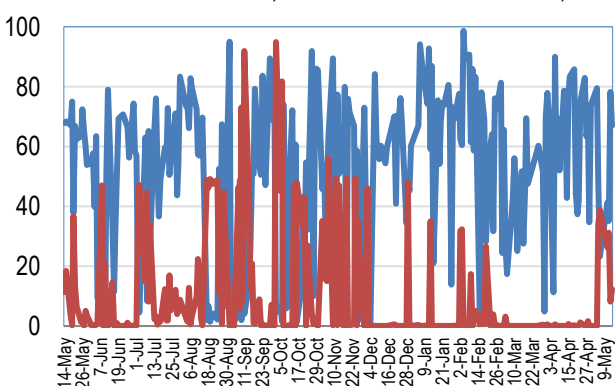
KASE Index shares

Trading volume, KZT M (←)
KASE Index (→)



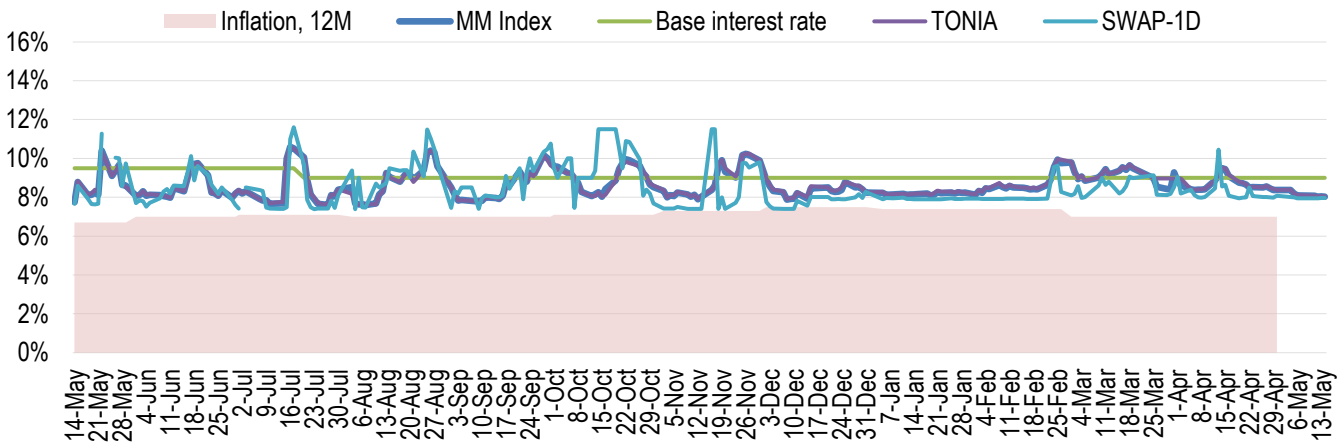
Retail investors & non-residents, %

Retail investors, % (blue line)
Non-residents, % (red line)

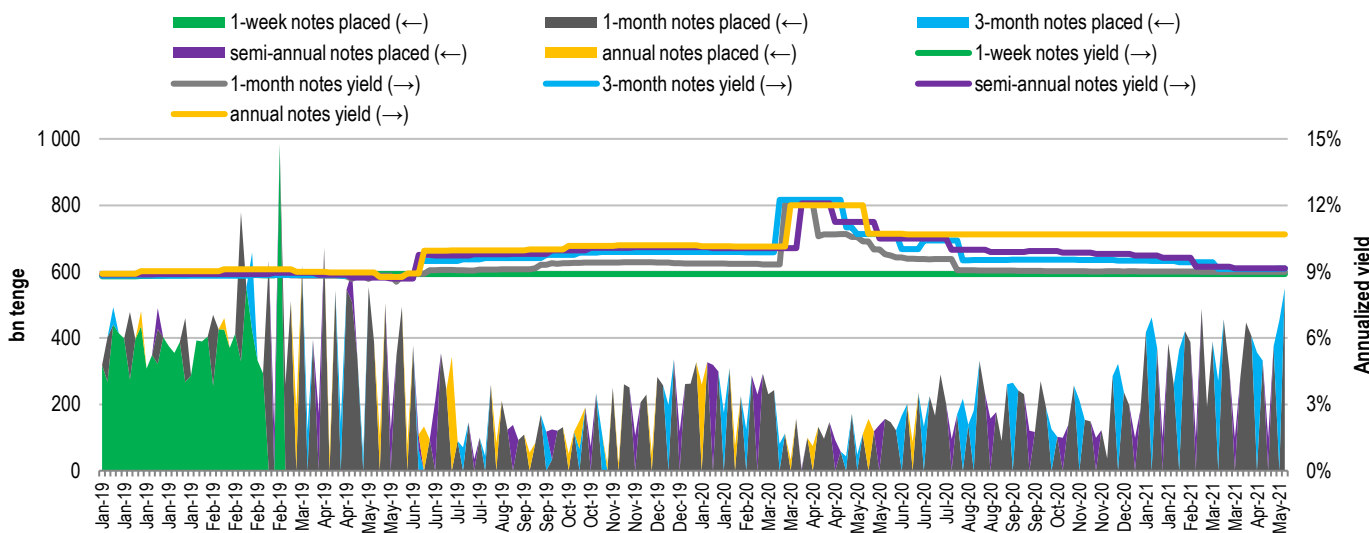


The yield on one-day repo transactions with government securities decreased by 34 b.p. – to the level of 8.38 % per annum. The rate of borrowing the tenge secured by US dollars decreased by 12 b.p. amounting to 7.96 % per annum. The average borrowing volume of the tenge liquidity for one day in the reporting period amounted to KZT397.7 bn (+38.7% to the same indicator of the previous week).

Inflation and interest rates

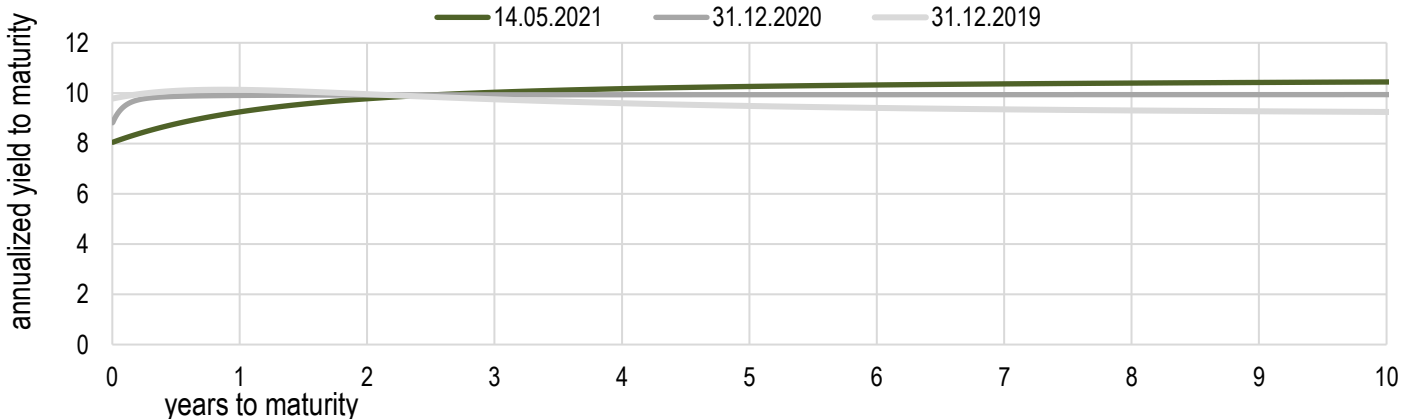


Main Features of National Bank Notes Placements



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

Risk-free yield curve (non-indexed GS)





The exchange rate US of the dollar against the tenge decreased by KZT0.13 (0.03 %) – to KZT428.62. The total trading volume amounted to \$1,004.2 mln. The total number of deals for purchase and sale of the US dollar was 2,496. The maximum price was KZT429.80 per US dollar, the minimum – KZT425.80.

According to the results of the reporting period, the US dollar against the tenge fell on the back of rising oil prices. Brent futures for the first time since mid-March exceeded \$69 per barrel during trading on March 4. The growth in oil prices was promoted by optimism about the recovery in fuel demand in the EU and the US. The European Commission has put forward a proposal to loosen the current restrictions on entry to the EU for non-binding reasons against the background of the expansion of the vaccination campaign and the development of the epidemiological situation around the world. The restrictions began to ease soon afterwards. In the United States, meanwhile, the authorities of some states have also begun to relax quarantine measures due to the fact that more than 40 % of adult Americans have already been vaccinated against the coronavirus.

In addition, oil prices were supported by data from the American Petroleum Institute (API), according to which US oil reserves fell by 7.7 million barrels in the week ended April 30.

Meanwhile, the epidemiological situation in India, the world's third largest oil consumer, continued to worsen. Against this background, many countries began to restrict transport links with India in order to reduce the chances of getting of "Indian" strains of COVID-19 into their country.

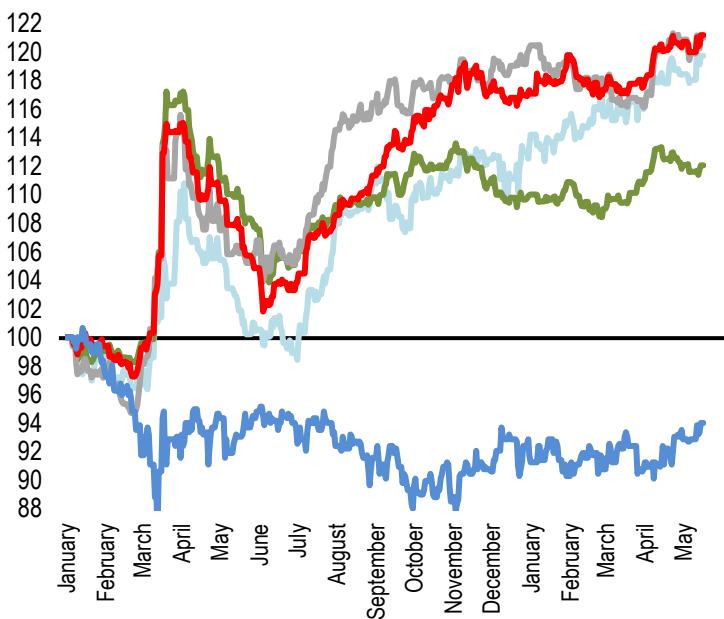
Meanwhile, the Colonial Pipeline Co.'s pipeline system, which is the main source of gasoline, diesel and jet fuel supplies to the US East Coast, has been hacked with the company having to shut down.

The price of Brent oil July futures on the London ICE Futures exchange on Friday closed at \$68.71 per barrel (+2.2%). The exchange rate of the US dollar against the Russian ruble on the Moscow Exchange amounted to 74.0079 rubles (-1.6%).

The value of the Russian ruble increased by KZT0.0626 (1.1%) – to KZT5.8026. The Chinese yuan rose in price by KZT0.2771 (0.4%) – to KZT66.6100.

FX rates

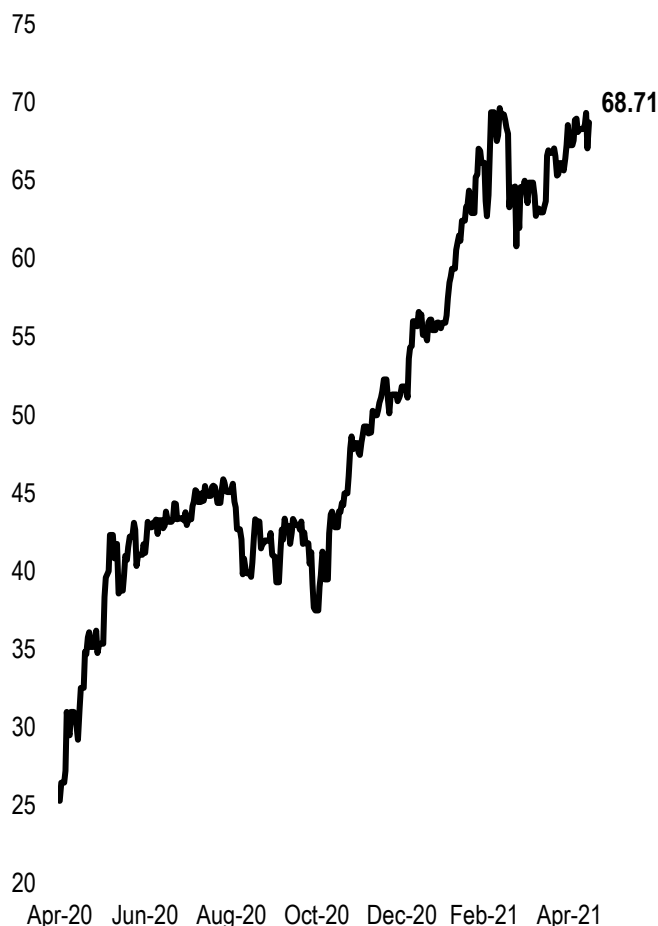
Δ %, base (01.01.20)



	Price	Δ 7d, %	Δ 30d, %	Δ 2020, %
— GBPKZT	599.60	0.9	0.5	5.0
— USDKZT	427.55	0.1	-1.4	1.6
— EURKZT	515.84	0.3	0.1	-0.1
— CNYKZT	66.24	0.4	0.0	2.7
— RUBKZT	5.75	0.5	2.3	1.8

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

30.04.2021

Name	Value	Trend %			Futures	Name	Price	Trend %		
		7d	1m	1y	7d			7d	1m	1y
S&P 500	4 181,17	0,0	5,2	43,6	0,1	Oil (Brent)	67,25	1,7	5,8	166,1
Dow Jones	33 874,85	-0,5	2,7	39,1	-0,5	Oil (WTI)	63,58	2,3	7,5	237,5
RTS	1 485,03	-1,8	0,5	32,0	-1,6	Natural gas	2,93	7,4	12,4	50,4
MICEX	2 285,53	0,0	0,0	0,0	-1,6	Copper	447,90	3,3	12,1	90,3
Hang Seng	28 724,88	-1,2	1,2	16,6	-1,8	Iron	1 235,00	1,0	5,2	78,7
SS CSI 300	5 123,49	-0,2	1,5	30,9	0,0	Gold	1 769,13	-0,5	3,6	4,9
Euro Stoxx 50	3 974,74	-1,0	1,4	35,8	-0,7	Silver	25,85	-0,9	5,4	73,5
FTSEuroFirst	4 369,00	0,0	1,6	27,1	-0,1	Wheat	742,50	4,5	20,1	40,2
FTSE 100	6 969,81	0,5	3,8	18,1	0,5					
KASE	3 242,81	0,2	4,2	42,5						

Economic calendar

Currency Forecast Previous

05/19	Crude oil reserves	USD		-0.427M
05/20	NBK base credit rate	CNY		3.85%
05/20	Number of initial claims for unemployment benefits	USD	450K	473K
05/21	Manufacturing PMI of Germany (May)	EUR	65.9	66.2
05/21	Composite PMI (May)	GBP	60.0	60,0
05/21	Sales on secondary housing market (Apr)	USD	6.09M	6.01M

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 2020

Annual inflation	7.0%	05/01/21	5.6%
Gross international reserves of NBK, USD bn	34,674	02/01/21	35,638
Reserve money, KZT bn	9,173.8	01/01/21	8,652.5
Money supply, KZT bn	25,392	01/01/21	20,875.8

Кредитные рейтинги Казахстана

Rating Date Previous

S&P Global

BBB-/A-3- stable 03/06/21 BBB- stable

MOODY'S

Baa3 positive 02/17/21 Baa3 positive

FitchRatings

BBB stable 02/20/21 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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