

# KASE WEEKLY

January 31 –  
February 04  
2022

## KASE NEWS

- ▲ KASE has [formed](#) the lists of securities of the first, second and third liquidity classes for February 2022.
- ▲ KASE [changed](#) the parameters of shares included in the representative list of KASE Index.
- ▲ Bonds [KZ2C00008365](#) (BCC1b1) of BCC Invest JSC, bonds [KZ2P00008378](#) (MFC1b1) of Microfinance Organization "Kapitalinvest" LLP, bonds [KZ2C00008431](#) (ALBNb6) of Subsidiary Bank "Alfa-Bank" JSC and [bonds](#) [KZ2D00008349](#) (HCBN7) and [KZ2D00008356](#) (HCBN8) of Subsidiary bank "Home Credit and Finance Bank" JSC were included in KASE official list.
- ▲ Bonds [KZ2C00007268](#) (AGKKb16) of Agrarian Credit Corporation JSC were excluded from KASE official list due to the expiration of circulation and international bonds [XS1937714597](#) (ASDBe1) of Asian Development Bank – due to their early redemption.
- ▲ Trades in global depository receipts [US34955X5077](#) (ASBNd), bonds [KZ2P00007743](#) (MFCCb1) of Microfinance organization "CCLone.kz" LLP and international [bonds](#) [XS1303921214](#) (UA\_03\_2209) and [XS1303921487](#) (UA\_04\_230) of the Ministry of Finance of Ukraine were opened at KASE.
- ▲ Trades in bonds [KZ2C00004059](#) (ATFBb16) of First Heartland Jusan Bank JSC were resumed at KASE.
- ▲ Trades in bonds [KZZJ00000078](#) (ASK022\_007) of the local executive body of the city of Nur-Sultan and international bonds [XS0474660676](#) (GB\_LOYDe1) of LLOYDS BANK PLC were suspended on KASE.
- ▲ Centras Securities JSC was [assigned](#) the status of a market-maker on KASE for international bonds [US34955XAA90](#), [USY2497PAD51](#) (TEBNe1) of ForteBank JSC.

## ISSUER NEWS AND ANNOUNCEMENTS

- ▲ The Ministry of Finance of Kazakhstan placed on KASE 16.0 mln MEUKAM-096 of issue 13 ([KZKD00001202](#), MUM096\_0013) and 35.8 mln MEUKAM-156 of issue 7 ([KZKD00001103](#), MUM156\_0007).
- ▲ The Ministry of Finance of Kazakhstan raised KZT53.2 bn by placing on KASE MEUKAM-156 of seventh issue ([KZKD00001103](#), MUM156\_0007) and MEUKAM-096 of issue 13 ([KZKD00001202](#), MUM096\_0013).
- ▲ Kazakhstan Housing Company JSC [raised](#) KZT1.3 bn on KASE by placing 30-year bonds [KZ2C00007631](#) (KZIKb35).
- ▲ MFO "R-Finance" LLP [raised](#) KZT548.0 th on KASE by offering bonds [KZ2P00008295](#) (MFRFb2).
- ▲ Bank CenterCredit JSC [says](#) that S&P Global Ratings affirmed the bank's ratings.
- ▲ Subsidiary Organization VTB Bank (Kazakhstan) [says](#) that S&P Global Ratings affirmed the bank's ratings.
- ▲ Nurbank JSC [says](#) that S&P Global Ratings affirmed the bank's ratings.
- ▲ Insurance company "Halyk" JSC [says](#) A.M. Best agency affirmed the company's ratings.



04.02.2022		Trends (%)	
<b>KASE Index</b>	3 515,29	<b>-0,2</b>	<b>-1,9</b>
<b>First class of liquidity</b>	<b>Price</b>	<b>Δ 7D</b>	<b>Δ 1M</b>
Ford Motor Company (USD)	0,0		
AltynGold	845,0	11,9	-14,2
Gazprom	2 040,0	8,3	-6,4
Novolipetsk Steel	1 444,0	7,8	3,0
Aeroflot	397,0	5,0	-0,7
Apple Inc. (USD)	172,9	3,7	-3,1
Bank of America (USD)	46,4	2,3	4,8
<b>Bank CenterCredit</b>	397,0	1,0	-0,3
Bank CenterCredit (pref.)	397,0	1,0	-0,3
<b>KEGOC</b>	1 865,4	0,7	-0,3
Rostelecom	515,0	0,4	-3,5
<b>KazTransOil</b>	1 101,0	0,1	0,6
<b>NAC Kazatomprom</b>	14 119,0	0,0	-16,4
<b>Kazakhtelecom</b>	35 400,0	0,0	-1,1
VTB Bank	0,2	0,0	-14,3
Kazakhtelecom (pref.)	24 900,0	0,0	-3,3
Intel Corporation (USD)	10 000,0	0,0	0,0
Sberbank	1 500,0	-0,1	-15,3
Pfizer (USD)	53,2	-0,3	-9,6
<b>Kcell</b>	1 700,0	-0,9	4,5
<b>Halyk Savings Bank of Kazakhstan</b>	154,0	-1,9	-17,6
Kaspi.kz	39 979,0	-14,8	-23,5
Freedom Holding Corp. (USD)	17,0	-15,3	-16,2

Note: Index stocks are highlighted in green

Since the beginning of the year, KASE Index has decreased by 4.4 %. As a result of trading on Friday, the value amounted to 3,515.29 points. In fact, three distinct trends changed during this period.

On the first trading day of the year on January 5, against the background of a tense internal situation, the shares of all public companies fell in price. Under the strongest pressure were securities traded on the London Stock Exchange, these are stocks of Kaspi.kz, Halyk Bank and Kazatomprom. At the same time, on the London market their price collapsed even more than on KASE.

Over the next two weeks, the dynamics of the share price developed in different ways under the pressure of a large amount of news. The general director of Kaztransoil quit his job. The direct subsidiaries of the Samruk-Kazyna fund – KEGOC, Kazakhtelecom and Kazatomprom – were under close scrutiny. The market was also affected by the overload of KEGOC networks and the strike of Kazakhtelecom workers. A large number of important appointments, announcements and reshuffles have been made outside of the index companies themselves. During this period, the market was in a sideways trend most of the time.

Since January 26, index companies have begun publishing annual operational reports and stocks have gradually moved to growth in anticipation of the dividend season. At the end of the month, index companies were divided into three groups. Those whose shares reacted the least to the January events were able to end the month in the green zone: Kcell rose in price by 7 %, Kazatransoil – by 3.2 %, Bank Center Credit – by 1.3 %. KEGOC and Kazakhtelecom, which did not drop critically in price, were able to reduce the price decline to 1 %. The strongest adjustment at the end of the month was recorded in the shares of Kazatomprom, Halyk Bank and Kaspi.kz.

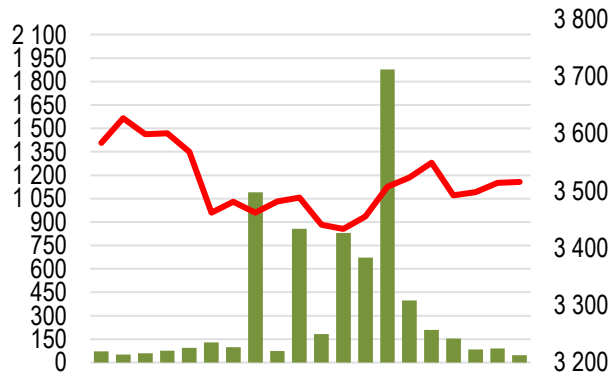
At the same time, the situation on international markets also influenced the local market in general and "Kase global" in particular. When the major central banks first announced at the end of last year that they were embarking on a smooth tapering, the reaction of the markets was rather moderate. Preliminary annual data came out in January, which confirmed that the world economy has indeed recovered significantly, and rising inflation is taking on a really high speed. Against this background, some reputable analytical agencies suggested that the US Federal Reserve could raise the rate this year not 2-3 times, as previously thought, but 5-7 times. The Bank of England raised rates again by 0.25% for the first time since 2004. And even the least aggressive European Central Bank announced at a press conference that after the completion of the asset buyback program in the third quarter, it will start raising the rate.

Pressured by the risks of accelerated rate hikes, markets have posted their worst performance since March 2020. And this is despite the fact that January is traditionally considered one of the strongest months in terms of historical data for the stock markets. However, it is impossible to call what is happening a full-fledged correction, and the reaction of the markets – too emotional. The season of quarterly reports and upcoming dividend payments significantly corrects the situation. Investors aggressively buy back successful companies and overreact to failures. Just a few days ago, we watched Apple's shares soar 9% in one day, Amazon – by 14%. At the same time, securities of Facebook whose reports were less successful, fell by 26 %, which was the largest failure collapse in the US most recent corporate history.

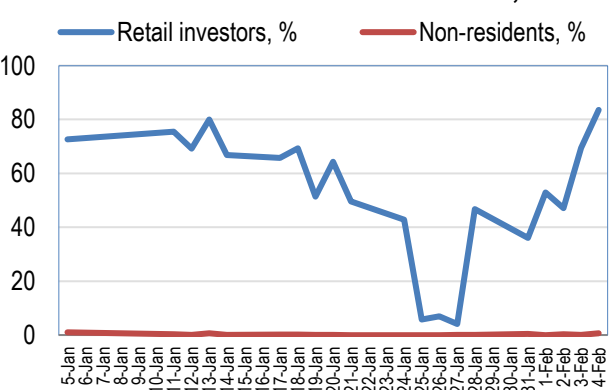
On the KASE Global site in recent weeks, investors' interest in the shares of those companies, whose statements are likely to exceed market expectations, has also been traced. According to the results of January, it can be stated that the average daily turnover on the site remained at the level of 240 thousand US dollars, the share of individuals in the purchase is about 40%. As mentioned in previous releases, the reaction to quarterly reports is not something of fundamental support for the market. Therefore, investors in a period of tightening monetary policy should be careful and learn how to build protective portfolios. Information about investment risks and ways to reduce them can be obtained from KASE's online webinar "Fundamentals of investment literacy for novice retail investors". The recording of the webinar is available on KASE's YouTube channel.

**KASE Index shares**

Trading volume, KZT M (←)



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





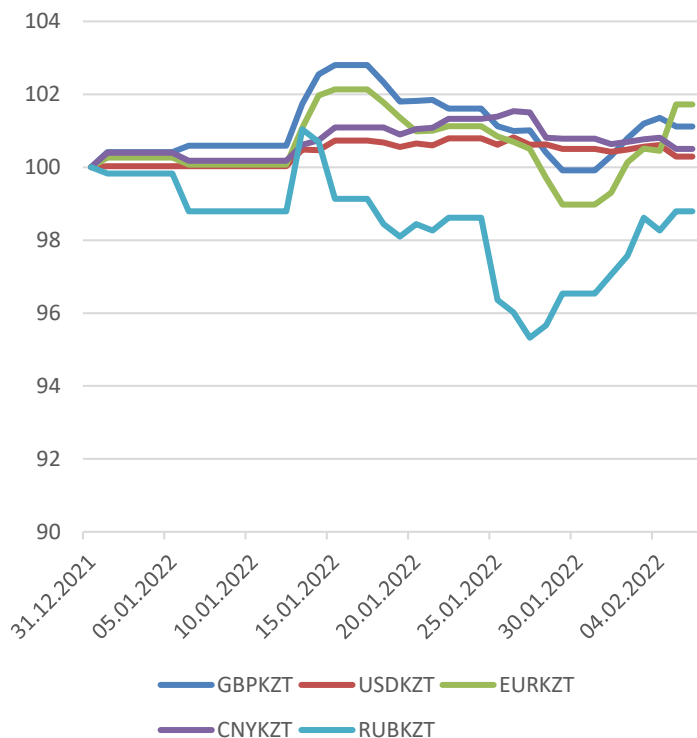


The main beneficiaries since the beginning of the year have been shares of energy companies. Of those whose shares are listed on KASE Global, securities of ExxonMobil and ConocoPhillips have grown in price by 30 % and 26 %, respectively, since the beginning of the year. The main catalyst for rising prices is the growth of geopolitical tensions. On Friday, Brent crude was already trading at a price above \$91 per barrel, and gas prices are once again updating their historical highs. Investors should not forget that rising energy prices will soon translate into further acceleration of inflation, which means an even greater likelihood of early rate hikes.

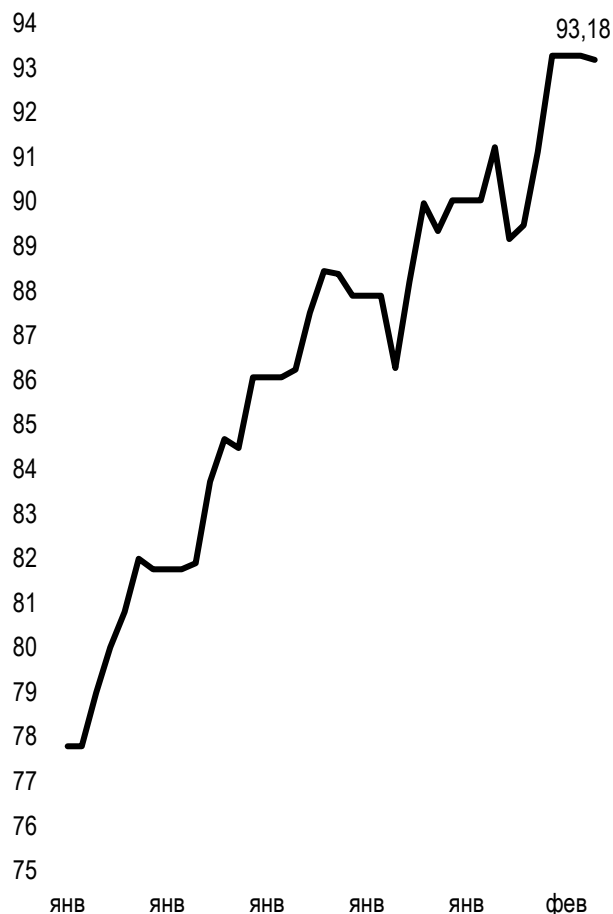
Another important event for the stock market was the decision taken on January 25 by the National Bank of Kazakhstan to raise the rate to 10.25 %. The money market rate TONIA rose to 11.03 % against the background of this decision. On the corporate debt market, offerings took place before the decision was made, so rates have so far remained at the level of last year. Since the beginning of the year, companies have already raised 3.3 billion tenge: Kazakhstan Sustainability Fund – at 10.3 %, MFO R-Finance – at 18 % and Kazakhstan Housing Company – at 0.1 %.

## FX rates

Δ %, base (01.01.22)



## 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
S&P 500	4 500,53	1,5	-4,3	16,2	1,6
Dow Jones	35 089,74	1,0	-3,6	13,0	1,1
RTS	1 436,00	2,1	-9,5	2,4	2,5
MICEX	2 285,53	0,0	0,0	0,0	2,5
Hang Seng	24 573,29	4,3	7,3	-15,6	4,8
SS CSI 300	4 563,77	0,0	-6,3	-16,6	0,0
Euro Stoxx 50	4 086,58	-1,2	-7,0	12,2	-1,3
FTSEuroFirst	4 714,00	0,1	-3,3	17,3	-0,6
FTSE 100	7 516,40	0,7	0,0	15,6	0,5
KASE	3 515,29	-0,2	-1,9	24,8	

## Commodities market

February 4, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	93,27	3,6	15,4	58,5
Oil (WTI)	92,31	6,3	18,6	64,2
Natural gas	4,57	-1,4	17,8	55,8
Copper	448,75	4,1	1,7	26,3
Iron	801,50	0,0	16,1	-30,9
Gold	1 808,28	0,9	-0,1	0,8
Silver	22,48	0,8	-3,0	-14,3
Wheat	763,25	-2,9	0,3	19,7

## Economic calendar

Currency Forecast Previous

09.02	<a href="#">Crude oil reserves</a>	USD	1.525M	-1.046M
10.02	<a href="#">Consumer Price Index (CPI) (m/m) (Jan)</a>	USD	0.5%	0.6%
10.02	<a href="#">Number of initial applications for unemployment benefits</a>	USD	228K	238K
10.02	<a href="#">Bank of England governor Bailey's speech</a>	GBP		
11.02	<a href="#">GDP (y/y) (4 qtr.)</a>	GBP	6.5%	6.8%
11.02	<a href="#">Interest rate decision (Feb)</a>	RUB	9.5%	8.5%

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 December 2021

Annual inflation	8.5%	01.02.22	8.7%
Gross international reserves of NBK, USD bn	34,4	01.01.22	35,5
Reserve money, KZT bn	10 957,7	01.01.22	10 476,2
Money supply, KZT bn	30 099,3	01.01.22	28 695,9

## Kazakhstan credit ratings

Rating Date Previous

<b>S&amp;P Global</b>	BBB-/A-3- stable	09/08/21	BBB- stable
<b>MOODY'S</b>	Baa2 stable	08/11/21	Baa3 positive
<b>FitchRatings</b>	BBB stable	02/04/22	BBB stable

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**Corporate Events Calendar of  
KASE listed Companies**

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