

# KASE WEEKLY

August 31 –  
September 9  
2022

## KASE NEWS

- KASE [held](#) an online press briefing on the results of the exchange market for August 2022.
- KASE has [generated](#) lists of securities of the first, second and third liquidity classes for September 2022.
- Bonds of two titles were [included](#) in the representative list of indexes of KASE\_BM\* series.
- KoshKal LLP was [excluded](#) from the list of audit organizations recognized by KASE on the company's initiative.
- Eco Center Bank JSC (SB of Bank CenterCredit JSC) [stripped](#) of KASE membership in "currency" and "stock" categories.
- Amendments to the [Regulations](#) on Membership Fees, Exchange and Clearing Fees have been put into effect.
- Common shares [US2546871060](#) (DIS\_KZ) of The Walt Disney Company included in KASE official list.
- Bonds [KZ2D00006939](#) (EABRb12) of Eurasian Development Bank and [KZ2C00006948](#) (KFUSb2) of Kazakhstan Sustainability Fund were excluded from KASE official list due to the expiration of the circulation period.
- Common shares [KZ1C00008077](#) (FHSE) of First Heartland Securities JSC were transferred to the "standard" category of the main market.
- Trades in bonds [KZ2P00008782](#) (MFOk5) of Microfinance Organization OnlineKazFinance LLP are opened at KASE.
- Trading in futures with execution in February and August 2023 is [open](#) on KASE.
- Trading in common shares [US20825C1045](#) (COP\_KZ) of ConocoPhillips, [US1912161007](#) (KO\_KZ) of The Coca-Cola Company and [US55616P1049](#) (M\_KZ) of Macy's suspended on KASE.
- Information on the number of authorized and issued common shares [US88160R1014](#) (TSLA\_KZ) of Tesla, Inc. has been changed in KASE's trading system and databases and trades in them have been resumed.
- Bonds [KZ2P00008808](#) (MFOk7) of MFO OnlineKazFinance LLP were transferred to trading mode in "clean" prices.

## ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 15.4 mln MEUKAM-120 of issue 14 ([KZKD00000782](#), MUM120\_0014), 30.0 mln MEUKAM-120 of issue 17 ([KZKD00000899](#), MUM120\_0017), 25.0 mln METIKAM-48 of first issue ([KZKT00000024](#), MTM048\_0001) and 21.5 mln MEOKAM-36 of issue 92 ([KZK200000703](#), MOM036\_0092).
- MFO OnlineKazFinance LLP [raised](#) \$3.9 mln on KASE by offering bonds [KZ2P00008584](#) (MFOk4).
- Kazakhstan Housing Company JSC [raised](#) KZT543.4 mln on KASE by offering bonds [KZ2C00004356](#) (KZIKb28).
- Kazakhstan Sustainability Fund JSC raised KZT19.3 bn on KASE by placing bonds [KZ2C00008670](#) (KFUSb37) and [KZ2C00008688](#) (KFUSb38).
- NOSTRUM OIL & GAS PLC [released](#) the results of the preliminary hearing regarding the Settlement Plan.
- NOSTRUM OIL & GAS PLC [provides](#) notice of the effective date of the Settlement Plan.
- S&P Global Ratings [affirms](#) Kazakhstan's ratings at BBB-/A-3 with a Negative outlook.
- MFO OnlineKazFinance LLP [says](#) S&P Global Ratings upgraded the company's ratings; outlook is Stable.
- Safe-Lombard LLP says Expert RA [affirmed](#) the rating at "kzBB+", outlook is "Positive".
- AsiaAgroFood JSC [paid](#) dividends on common shares [KZ1C00008721](#) (AAFD) for 2021.
- Development Bank of Kazakhstan JSC [announces](#) tender offer to purchase bonds [XS2337670694](#), [US25159XAD57](#) (BRKZe12).



09.09.2022

KASE Index	3 139,72	Trends (%)	
		0,2	4,5
First class of liquidity	Price	Δ 7D	Δ 1M
AO "Банк ЦентрКредит"	599,00	13,7	26,7
AO "КМ GOLD"	189,99	5,6	1,1
AO "НАК "Казатомпром"	14 827,99	1,9	5,4
AO "Казакхтелеком"	27 800,05	0,4	0,4
AO "Кселл"	1 663,80	0,2	- 2,4
AO "ForteBank"	3,70	-	- 0,5
AO "KEGOC"	1 584,00	- 0,4	- 0,7
AO "КазТрансОйл"	747,00	- 1,5	- 5,9
Meta Platforms, Inc.	163,30	- 1,6	- 4,0
AO Kaspi.kz	27 257,89	- 3,4	4,8
AO "Народный сберегательный банк Каза"	121,55	- 5,0	7,3
Freedom Holding Corp.	54,78	- 6,5	1,3
AT&T Inc.	16,98	- 7,0	- 6,6
Apple Inc.	155,77	- 8,0	- 5,2
Advanced Micro Devices, Inc.	83,66	- 11,9	- 15,6
Intel Corporation	30,69	- 18,9	- 13,8

Note: Index stocks are highlighted in green

At the beginning of September, capitalization of the stock market amounted to 22.7 trillion tenge, showing a monthly increase of 4 %. The main share of growth fell on the companies from the representative list of KASE Index, and in the forefront were the shares of the banking sector, which showed a strengthening in August by 10 percent or more.

September began on the stock market with three successive sessions of decrease of the index, totaling almost 2 %. In the following days, the decline was offset by a trend reversal and a positive correction. By the end of the first ten days of September, KASE Index was again in the green zone – +0.16% relative to the beginning of the month. The leaders of growth and support of KASE Index are still representatives of the banking sector.

By the beginning of the business season, there were 46 foreign shares and six ETFs of foreign issuers in the KASE Global sector. Since September 7, common shares of The Walt Disney Company have been included in the sector.

The growth leaders in this sector were shares of Tesla, trading in which reopened after a short suspension associated with the split, NVIDIA and Ford Motors Company.

During the week, S&P Global Ratings affirmed the ratings of the Republic of Kazakhstan at BBB-, while the outlook was changed from stable to negative. Similarly, the outlooks for the ratings of companies with state participation – KEGOC, Development Bank of Kazakhstan and the Damu Fund were revised.

This event did not find a significant response from investors in the Kazakh debt market. The yield indicator for corporate bonds is at the level of 11.79 % per annum and has shown a symbolic increase of 4 basis points since the beginning of the month.

The microfinance organization "OnlineKazFinance" announced that S&P Global Ratings upgraded the company's ratings to "B/B-" with a stable outlook.

Last week, Kazakhstan Housing Company raised KZT543.4 mln on KASE debt market by additionally placing 30-year bonds. The microfinance organization "OnlineKazFinance" raised \$3.9 million by placing annual bonds with a yield to maturity of 10.0 % per annum. At the same time, the company announced that S&P Global Ratings has upgraded its ratings to B/B- with a stable outlook.

Kazakhstan Sustainability Fund placed two issues of annual bonds in the amount of 19.3 bn tenge with a yield to maturity of 15.45 % per annum.

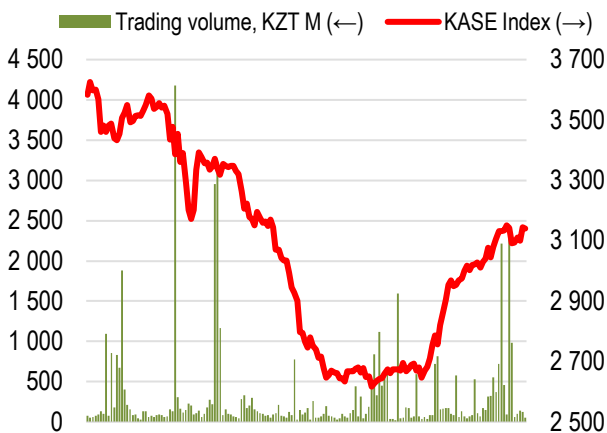
Since August 31, the Ministry of Finance has placed four issues of treasury bonds in the government securities market for a total of 87.3 bn tenge with a yield to maturity of 13.85-14.45 % per annum and with a maturity of 2 to 4.5 years.

On September 5, against the background of inflation accelerating to 16.1 % in annual terms, the National Bank left the base rate unchanged at 14.5 % per annum with an interest corridor of +/-1 percentage point.

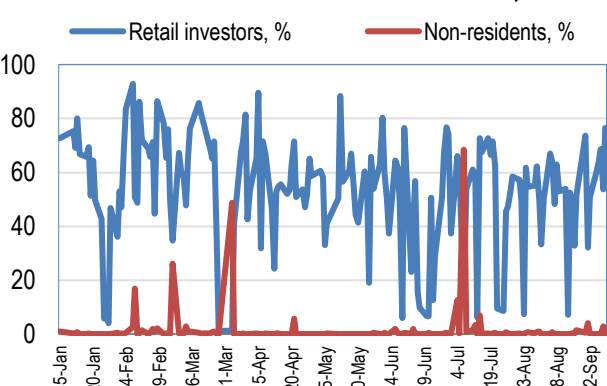
PMIs for manufacturing and services in Kazakhstan have risen above 50 for the fourth month in a row, indicating a steady improvement in economic conditions. PMI business activity indices in the US came out neutral-positive, in the Eurozone and the UK service PMI indices came out worse than expected.

Following the results of the September meeting, the European Central Bank raised interest rates by 75 basis points at once: the base rate to 1.25 %, the rate on deposits – to 0.75 %, the rate on margin loans – to 1.5 % per annum. This is the sharpest rate increase in the history of the Bank, but expected for the market, so there were no significant changes in market conditions. To combat the highest inflation in 40 years, the European Central Bank intends to continue raising rates at the next few meetings.

KASE Index shares

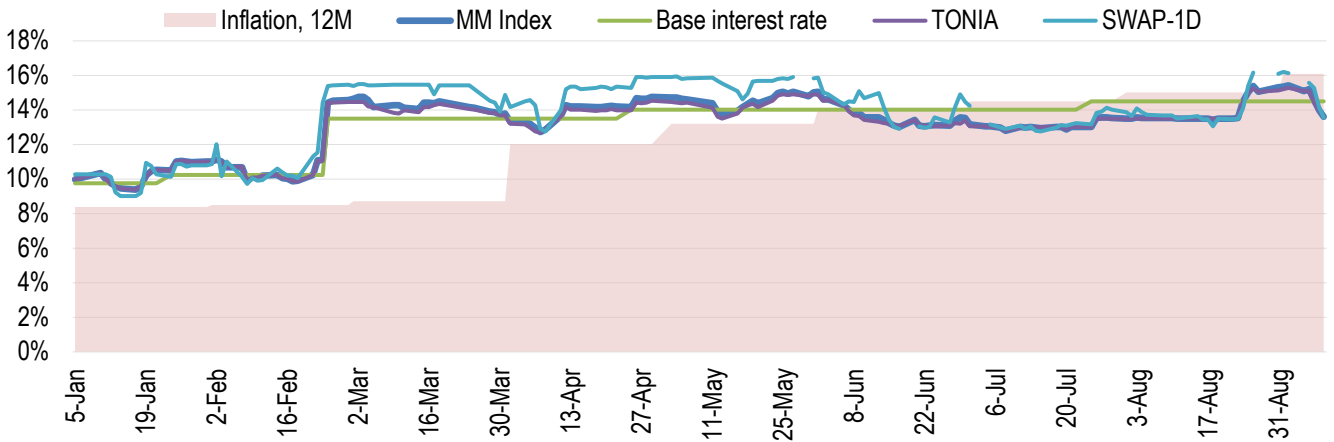


Retail investors & non-residents, %

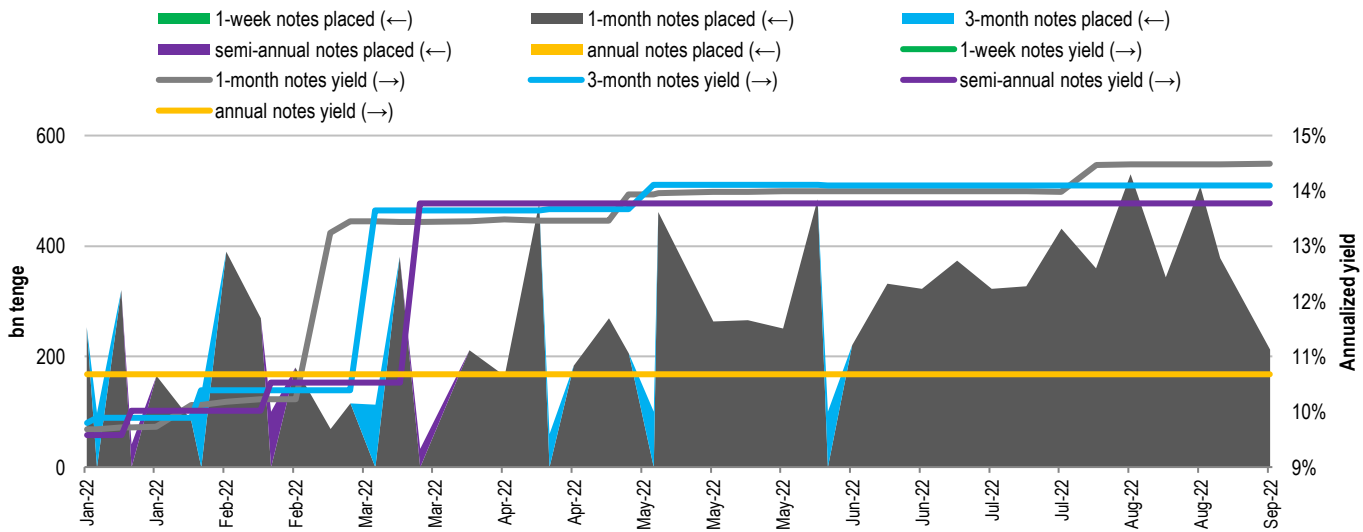


The profitability of one day REPO transactions with government securities (GS) (TONIA) from August 31 to September 9 decreased from 15.04% to 13.61% per annum. The rate of borrowing the tenge secured by US dollars for a period of one day (SWAP-1D (USD)) for the period under review decreased from 16.16% to 13.56% per annum. This indicates that the market has clearly reached a balance in terms of liquidity after the increase in rates in the previous tax period.

### Inflation and interest rates

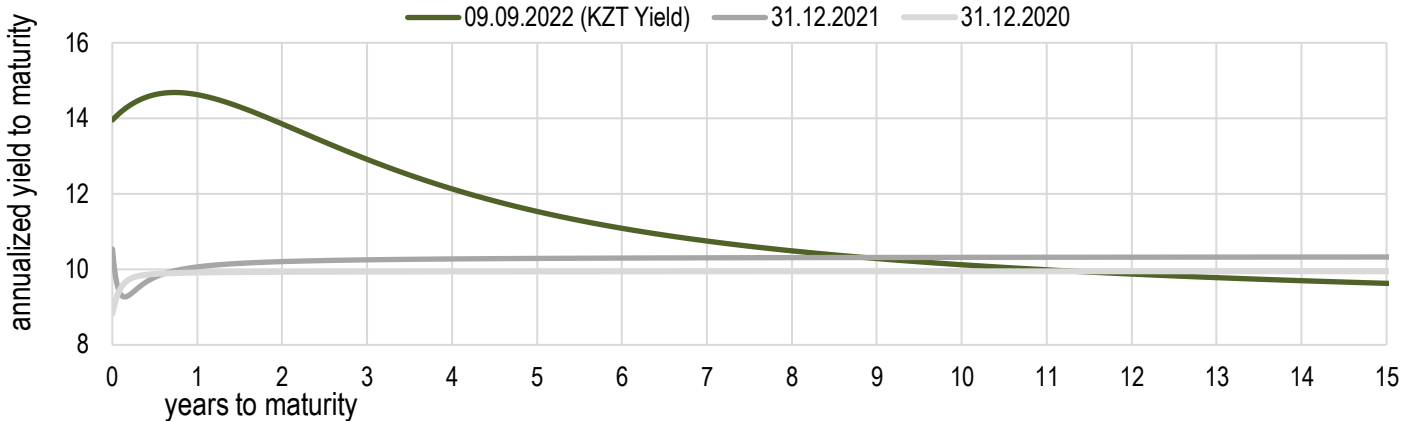


### Main Features of National Bank Notes Placements



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

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





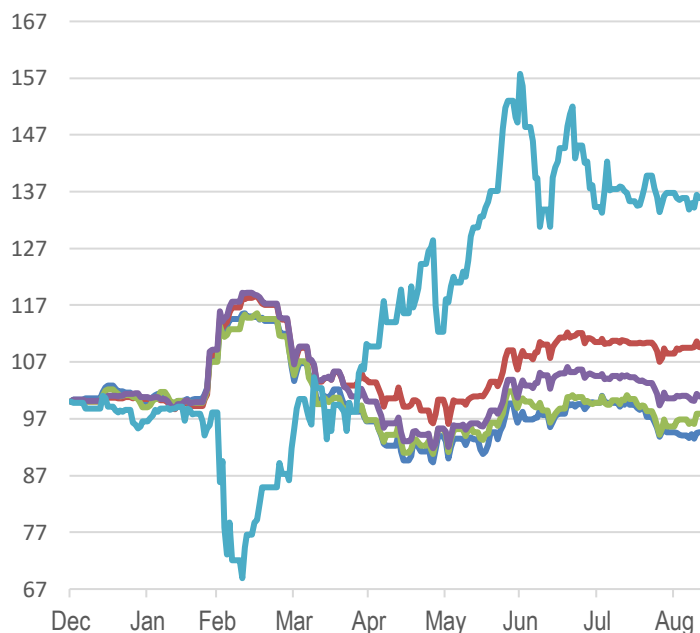
As a result of trading on September 9, the market rate formed at the level of 473.35 tenge per US dollar, depreciating over the week by 0.2 % (from 472.47). A number of significant events took place on the foreign exchange market from September 2 to September 9, 2022. US Federal Reserve Chairman Jerome Powell confirmed his readiness to take measures to reduce inflation, which reinforced expectations of another 75 b.p. rate hike at the next meeting. Japan's Finance Minister Shun'ichi Suzuki expressed concern about the record weakening of the Japanese yen due to continued loose monetary policy, he warned of possible retaliatory actions.

These factors led to multidirectional dynamics of currencies in emerging markets.

The dynamics of the exchange rates of developing countries against the US dollar was as follows:

- the Indonesian rupiah appreciated by 0.4 % (from 14,896 to 14,830) as the government raised the target for investment inflows (foreign direct and local) in 2023;
- the Brazilian real appreciated by 0.4 % (from 5.17 to 5.15). The absence of protests and the moderate rhetoric of the head of state, J. Bolsonaro, during the celebrations of Brazil's Independence Day before the presidential elections in October give investors hope for a potentially peaceful period after the elections;
- the Indian rupee appreciated by 0.3 % (from 79.8 to 79.58). The decline in oil prices supported the national currency of India;
- the Mexican peso appreciated by 0.3 % (from 19.95 to 19.9). Inflation in Mexico accelerated at the fastest pace since 2000 in August (8.7 % YoY);
- The South African rand remained unchanged over the week at 17.31. The pressure on the exchange rate comes from data on the current account deficit in the second quarter of 2022, (-)1.3 % of GDP;
- the Russian ruble weakened slightly, from 60.58 to 60.6 against the background of lower oil prices;
- the Turkish lira weakened by 0.2 % (from 18.19 to 18.22) amid the release of data on inflation growth of 80.2 % YoY in August.

FX rates

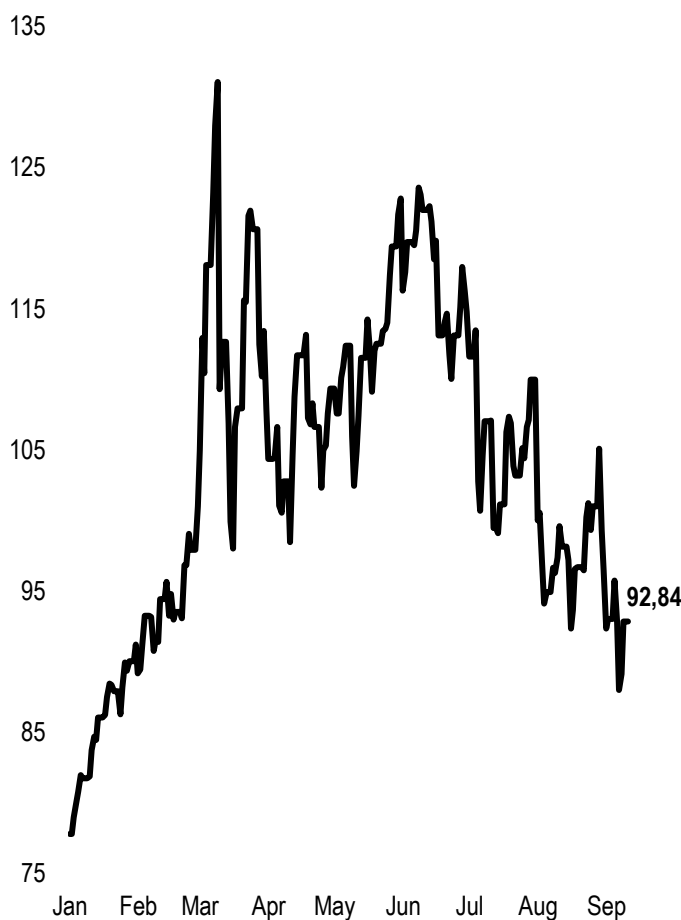


— GBPKZT    — USDKZT    — EURKZT  
— CNYKZT    — RUBKZT

Price    Δ 7d, %    Δ 30d, %    Δ 2022, %







GBPKZT	549,94	0,62	-5,39	-5,53
USDKZT	473,35	0,19	-0,19	10,61
EURKZT	477,37	1,00	-2,53	-2,16
CNYKZT	68,39	-0,03	-3,15	1,33
RUBKZT	7,84	0,00	-1,01	36,40

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	4 067,36	0,2	-3,4	-9,5	3,7
Dow Jones	32 151,71	-0,4	-3,5	-7,8	2,8
 RTS	1 262,72	6,7	12,9	-26,9	-0,6
MICEX	2 285,53	0,0	0,0	0,0	-0,6
 Hang Seng	19 362,25	-4,0	-1,3	-24,7	-0,1
SS CSI 300	4 093,79	-0,3	-0,4	-17,6	2,1
 Euro Stoxx 50	3 570,04	-0,9	-4,8	-14,5	0,7
FTSEuroFirst	4 300,00	-1,6	-4,3	-5,2	0,8
 FTSE 100	7 351,07	-1,0	-2,1	4,7	1,1
 KASE	3 139,72	0,2	4,5	-4,8	

## Commodities market

September 9, 2022

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	92,84	-8,1	-4,7	29,9
Oil (WTI)	86,79	-6,7	-5,6	27,4
Natural gas	8,00	-14,0	-2,5	58,9
Copper	358,10	-3,1	-1,9	-16,4
Iron	786,00	-0,9	-0,4	-2,4
Gold	1 716,83	-1,2	-4,2	-4,3
Silver	18,66	-0,5	-10,0	-22,7
Wheat	853,25	8,7	6,7	25,2

## Calendar of economic events

Currency

Forecast

Previous

13.09	<u>German ZEW Economic Sentiment (Sep)</u>	EUR	-60.0	-55.3
13.09	<u>Index (CPI) (YoY) (Aug)</u>	USD	8.1%	8.5%
14.09	<u>Index (CPI) (YoY) (Aug)</u>	GBP	10.2%	10.1%
14.09	<u>Index (PPI) (MoM) (Aug)</u>	USD	-0.1%	-0.5%
16.09	<u>Industrial Production (YoY) (Aug)</u>	CNY	3.8%	3.8%
16.09	<u>Index (CPI) (YoY) (Aug)</u>	EUR	9.1%	9.1%
16.09	<u>Interest Rate Decision (Sep)</u>	RUB	7.5%	8.0%

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

Previous month

Annual inflation	16,1%	01.09.22	15,0%
Gross international reserves of NBK, USD bn	32,7	01.09.22	32,8
Reserve money, KZT bn	12 076,5	01.09.22	11 579,1
Money supply, KZT bn	31 396,3	01.08.22	30 423,2

## Kazakhstan credit ratings

Rating

Date

Previous

**S&P Global**

BBB-/A-3 negative

02.09.22

BBB-/A-3 stable

MOODY'S

Baa2/stable

11.08.21

Baa3/positive

FitchRatings

BBB/stable

17.06.22

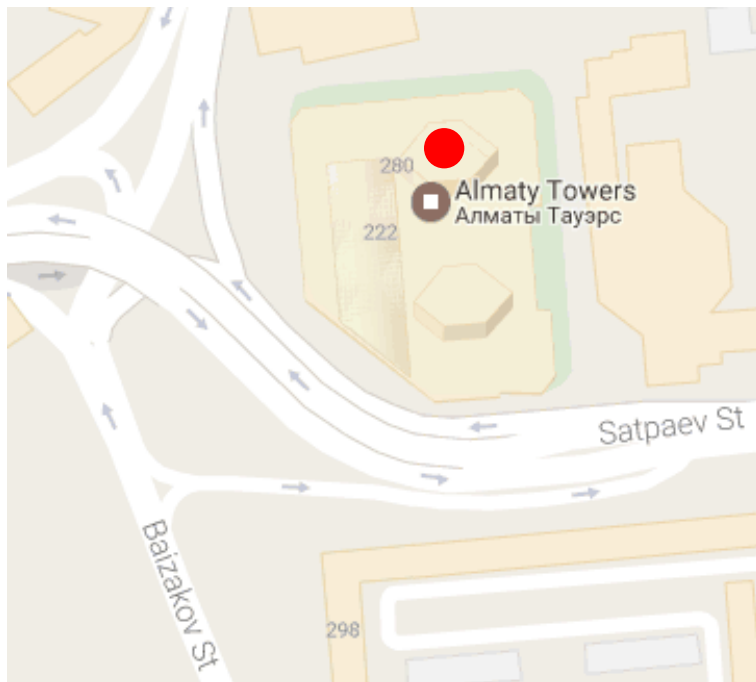
BBB/stable

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**Corporate website**



**Contact us**



**Corporate Events Calendar of KASE listed Companies**

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