

# KASE WEEKLY

March 13 – 17  
2023

## KASE NEWS

- KASE [summed](#) up the results of the exchange's operation for February 2023.
- Eight issues of [bonds](#) of the Eurasian Development Bank, three issues of international [bonds](#) of the US Department of the Treasury, bonds [KZ2C00009363](#) (RETMb1) of AIFN "RETAM" JSC, bonds [KZ2C00009371](#) (KFUSb50) and [KZ2C00009389](#) (KFUSb51) of Kazakhstan Sustainability Fund JSC, bonds [KZ2D00009628](#) (EABRb40) of Eurasian Development Bank included in KASE official list.
- Common shares [GB00BGP6Q951](#) (GB\_NTRM) of NOSTRUM OIL & GAS PLC were excluded from KASE official list on the initiative of the issuer.
- Trades in international bonds [XS2590132242](#) (ASDBe14) of the Asian Development Bank, international bonds of 12 issues and international [bonds](#) of the US Department of the Treasury of three issues are opened at KASE
- Futures with execution in March 2023 [closed](#) on KASE.

## ISSUER NEWS AND ANNOUNCEMENTS

- The Ministry of Finance of Kazakhstan placed on KASE 30.0 mln MEOKAM-24 of issue 87 ([KZK200000745](#), MOM024\_0087) and 31.5 mln MEUKAM-132 of the seventh issue ([KZKD00001152](#), MUM132\_0007).
- AIFN "RETAM" JSC [raised](#) KZT6.5 bn on KASE by placing bonds [KZ2C00009363](#) (RETMb1) with yield to maturity of 30.00 % APR.
- MFO "Swiss Capital" LLP [raised](#) KZT1.0 bn on KASE through subscription by placing bonds [KZ2P00007818](#) (MFSCb1) with yield to maturity of 22.50 % APR.
- Kazakhstan Sustainability Fund JSC [raised](#) KZT10.4 bn on KASE by placing bonds [KZ2C00008944](#) (KFUSb48) with weighted average yield to maturity of 18.76 % APR.
- MFO OnlineKazFinance JSC [raised](#) \$20.0 mln on KASE by placing bonds [KZ2C00009538](#) (MFOKb9) with yield to maturity of 10.00 % APR.
- Halyk Savings Bank of Kazakhstan JSC [announces](#) consolidated financial results for 2022.
- NOSTRUM OIL & GAS [plans](#) to acquire oil and gas assets in the northwest of Kazakhstan.
- Sovereign Wealth Fund "Samruk-Kazyna" [says](#) S&P Global Ratings affirmed ratings of the fund; outlook "Stable".
- KazTransOil [says](#) S&P Global Ratings affirmed ratings of the company; outlook "Stable".
- KEGOC [says](#) S&P Global Ratings affirmed ratings of the company; outlook "Stable".
- National company "KazMunayGas" [says](#) S&P Global Ratings affirmed ratings of the company; outlook "Stable".
- NC "KazMunayGas" JSC [announces](#) financial results for 2022.
- National Atomic Company "Kazatomprom" JSC [announces](#) its financial results for 2022.
- BCC Invest JSC [announces](#) the payment of dividends to holders of units [KZPF00000231](#) (BCClrb) of IUIT "CenterCredit - Reasonable Balance" for December 2022 – February 2023.
- Shubarkol Komir JSC [paid](#) dividends on common and preferred shares for the third quarter of 2022.
- KazTransOil JSC [shipped](#) 325.9 thousand tons of oil for export to Makhachkala.
- KazTransOil JSC [plans](#) to transit 25 thousand tons of Russian oil to Uzbekistan in March.



17.03.2023

KASE Index	3 277,44	Trends (%)	
		-0,6	-2,8
First class of liquidity	Price	Δ 7D	Δ 1M
Advanced Micro Devices, Inc.	96,95	16,0	16,6
Intel Corporation	30,00	12,7	5,2
NVIDIA Corp.	262,00	11,9	19,4
Meta Platforms, Inc.	201,79	10,8	4,5
Microsoft Corporation	276,35	9,3	1,6
AO "Народный банк Казахстана"	129,02	3,0	1,7
Ford Motor Company	13,49	2,6	- 3,6
Apple Inc.	154,40	2,2	2,2
Freedom Holding Corp.	70,00	1,7	7,8
AO "Казакхтелеком"	29 500,10	1,0	0,0
Tesla, Inc.	186,54	0,9	- 9,4
AO "Банк ЦентрКредит"	462,50	0,2	1,9
AO "Банк ЦентрКредит"	641,00	0,1	2,0
AO "НАК "Казатомпром"	13 197,72	0,1	- 7,9
AO "БАСТ"	8 992,90	- 0,1	- 5,9
AO "KEGOC"	1 615,00	- 0,1	- 0,1
AO Kaspi.kz	34 100,00	- 0,4	- 0,3
AO "KM GOLD"	144,30	- 0,5	- 14,1
AO "Кселл"	1 800,01	- 1,1	1,3
AO "Мангистаунайгаз"	6 237,99	- 1,5	2,9
AO "ForteBank"	3,96	- 1,7	- 7,3
AO "КазТрансОйл"	670,00	- 2,9	- 7,2
AO "НК "КазМунайГаз"	8 826,50	- 6,0	- 10,7

Note: Index stocks are highlighted in green

The past week for global financial markets was marked by a surge in volatility and a decrease in investor interest in risk, caused by concerns about the banking sector in the US and Europe after the closure of two regional US banks. In order to restore confidence in the market, US banks borrowed a record \$164.8 billion from the Fed over the week. In turn, the National Bank of Switzerland provided emergency liquidity to Credit Suisse, whose shares fell sharply amid risks of the impact of the local crisis in the US on Eurozone banks.

The ECB, despite the problems of the banking sector, at a meeting on Thursday decided not to deviate from the announced tightening policy and raised the interest rate by 50 basis points from 3 to 3.5 % per annum. This week on Wednesday, the Fed will meet to revise the discount rate. Against the background of problems in the US financial sector and providing it with additional short-term liquidity, markets expect the Fed to reduce the rate hike step. In addition, according to the US Department of Labor, in February, inflation in America in annual terms decreased from 6.4 to 6 %, which also gives the Fed an opportunity to soften the policy of raising rates.

Against the background of rising volatility, most US and European indices last week lost all the growth gained since the beginning of the year. The international agenda had a much milder effect on Kazakhstan's stock market. The value of KASE Index at the end of the week fell by 0.6 % to the level of 3,280 points, while half of the representatives of the index basket ended the week in the green zone. Shares of Halyk Bank showed the highest growth, having grown by 3 %, shares of Kazakhtelecom added 1 %. Kazatomprom and Bank CenterCredit showed symbolic growth of 0.1 %.

Halyk Bank announced its audited consolidated financial results: the bank's net profit increased by 19.8 % to 553.8 billion tenge in 2022 compared to 462.4 billion tenge in 2021. According to the financial statements, the increase in net profit was due, among other things, to a significant growth in the lending business. The operating profit of Kazatomprom at the end of 2022 amounted to 456 billion tenge, an increase of 91 % compared to 2021, which is associated with an increase in income and the average selling price of uranium. The net profit of Kazatomprom over the past year increased by 2.2 times and amounted to 473 billion tenge.

The National Company KazMunayGas also reported financial results: the company's net profit over the past year increased by 2.4 % compared to 2021 and amounted to 1.3 trillion tenge, or \$2.9 billion. In 2022, free cash flow, taking into account the buyback of a stake in KMG Kashagan B.V. turned out negative. The share price of the oil and gas company decreased by 6 % over the week, including due to lower oil prices. The current price of KazMunayGas shares is 5 % higher than the placement price.

Following the March 3 improvement in Kazakhstan's sovereign rating outlook, S&P Global Ratings revised its outlook on Samruk-Kazyna, KazMunayGas, KEGOC and KazTransOil from negative to stable. The rating of Samruk-Kazyna was affirmed at "BBB-", the ratings of KazMunayGas, KEGOC and KazTransOil were affirmed at "BB+".

BCC Invest, a subsidiary of Bank CenterCredit, announced the payment of dividends to the holders of shares of the unit investment trust "CenterCredit-Reasonable Balance" for the period from December 2022 to February 2023. According to the information provided, the amount of payment amounted to 98.9 million tenge.

On March 20, opening of trading in shares of iShares 10+ Year Investment Grade Corporate Bond ETF under management of BlackRock Fund is expected in the "KASE Global" sector. Units of mutual funds and ETFs, due to their diversification, are less risky investment instruments compared to shares of individual companies.

On the debt capital market, last week the real estate investment fund "RETAM" raised KZT6.5 bn on KASE by placing seven-year bonds with a yield to maturity of 30 % APR.

Microfinance organizations were also active in the borrowing market. MFO OnlineKazFinance raised \$20 mln on KASE by placing annual bonds with a yield to maturity of 10 % per annum. MFO "Swiss Capital" raised KZT1 bn on KASE by placing three-year bonds with yield to maturity of 22.5 % APR.

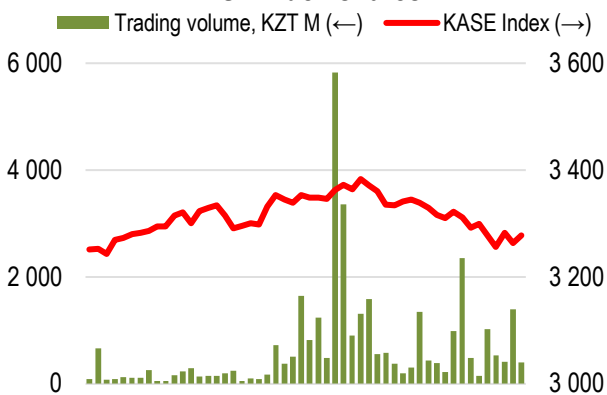
Kazakhstan Sustainability Fund placed one issue of bonds in the amount of 10.4 billion tenge with a yield to maturity of 18.76 % per annum and a maturity of 7 years.

On March 20, a special trading session on offering of three-year bonds of the Eurasian Development Bank in the amount of \$75 million is scheduled at KASE.

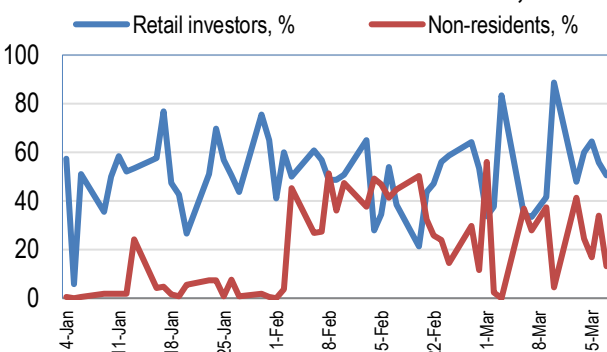
Last week, the Ministry of Finance of the Republic of Kazakhstan placed on KASE two issues of treasury bills for a total of 60.2 billion tenge with a maturity of 2 years and 9 years, and with a yield to maturity of 15 and 13.9 % per annum, respectively.

Besides, trades in international government bonds of Philippines, Abu Dhabi emirate, Ministries of Finance of Qatar, Saudi Arabia, USA and Peru were opened at KASE.

KASE Index shares

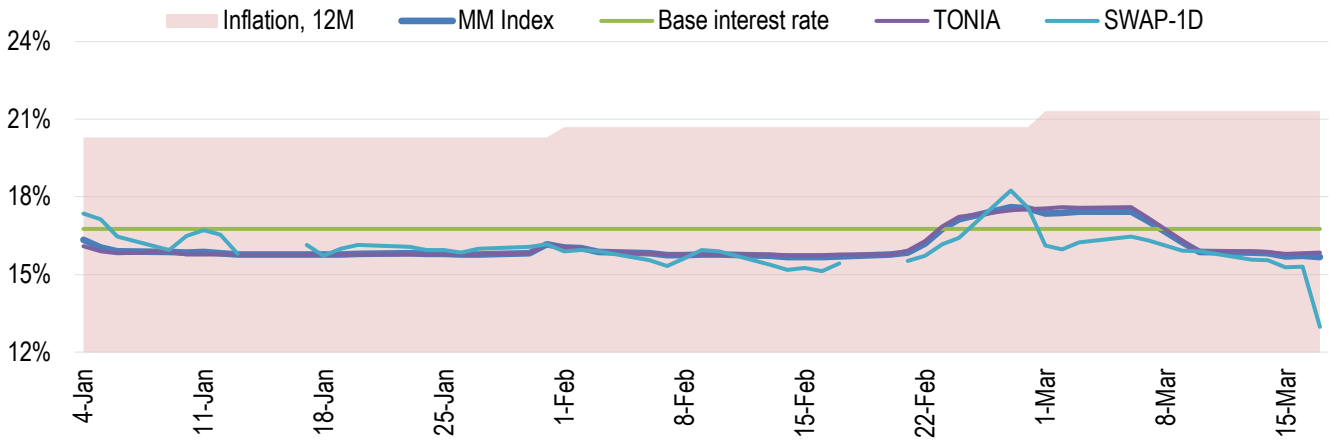


Retail investors & non-residents, %

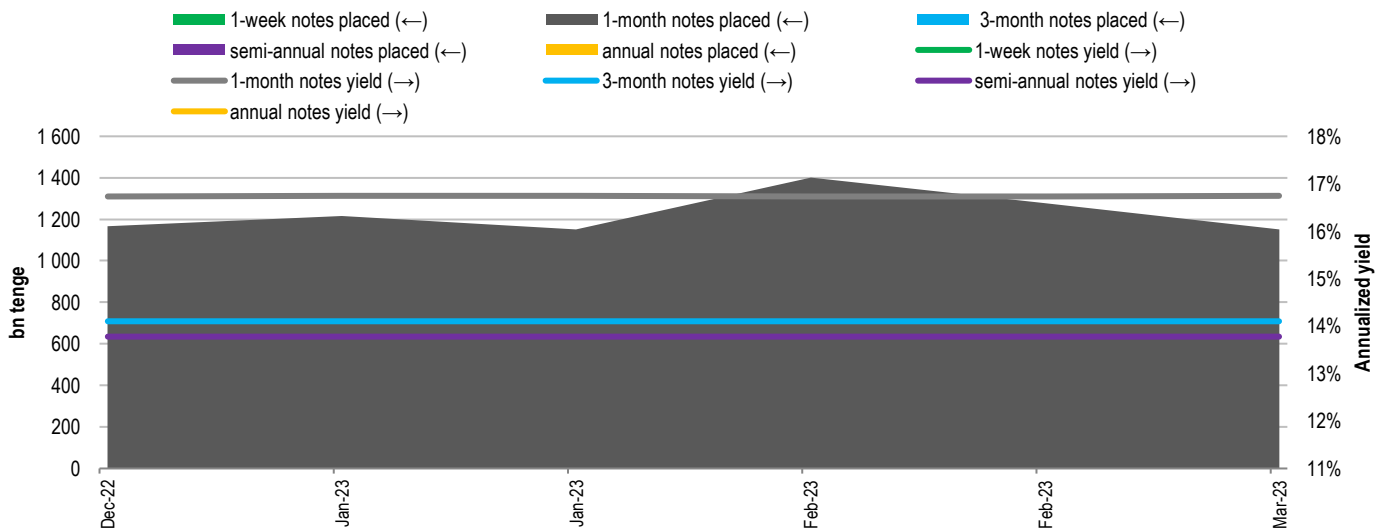


Last week, the overnight repo attraction rate TONIA, as expected for the middle of the month, showed low volatility, changing in a narrow range of 15.8-15.9 % per annum. This level slightly above the lower boundary of the base rate corridor is typical for the second decade of the month, during this period there is usually no shortage of tenge liquidity. The yield of one-day currency swap transactions in US dollars decreased over the week from 15.9 % to 12.98 % per annum.

**Inflation and interest rates**

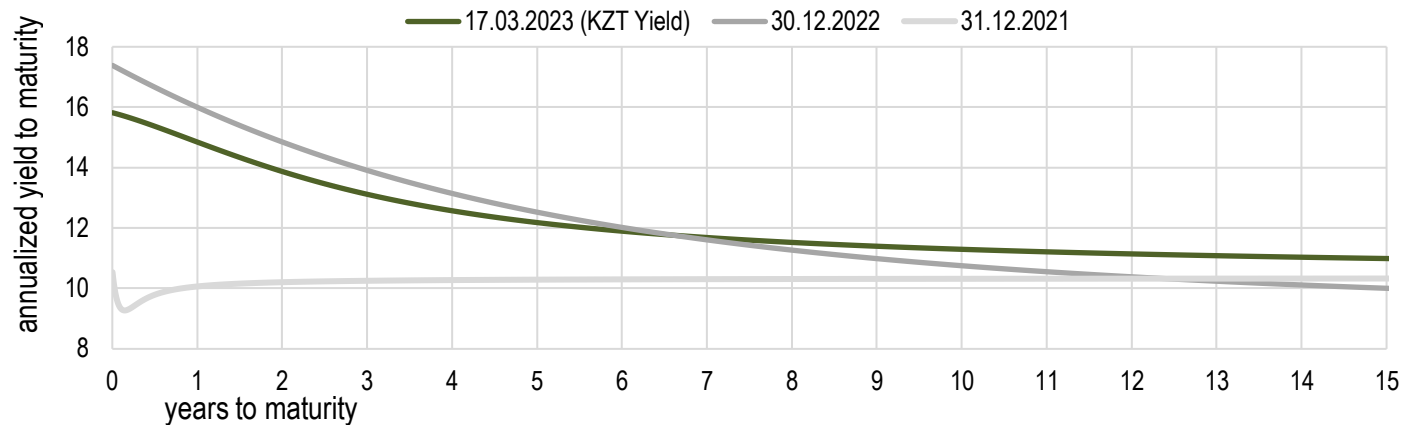


**Main Features of National Bank Notes Placements**



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

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





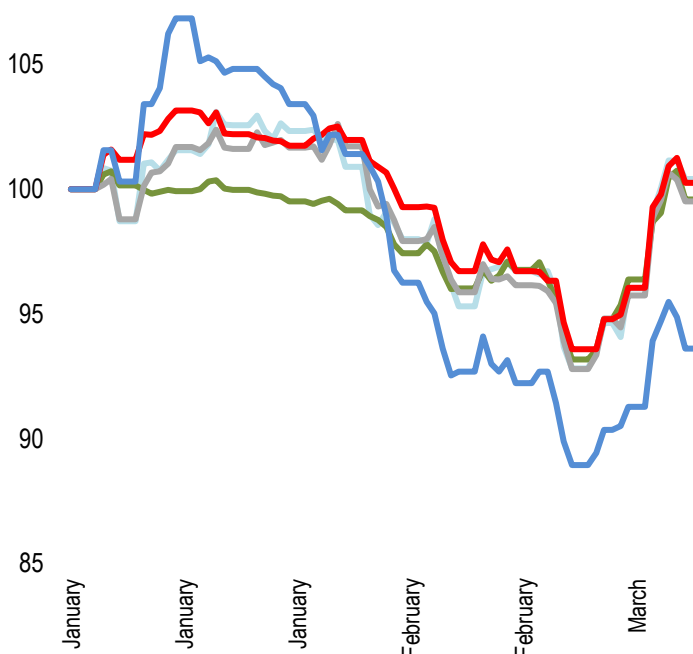
As a result of trades on March 17, the market rate of the tenge amounted to 460.79 tenge per US dollar, depreciating over the week by 3.3 % (from 445.98). A number of significant events took place on the foreign exchange market from March 10 to March 17, 2023. Global financial markets are seeing a surge in volatility and a decline in investor appetite for risk caused by fears of a global banking crisis. So, on March 10-12, the closure of two US banks that served the technology sector was announced: Silicon Valley Bank and Signature Bank. The risks of the impact of the local crisis led to a fall in the value of shares of another large US bank – First Republic Bank, as well as the Swiss bank Credit Suisse. Core CPI excluding food and energy rose 0.5 % (5.5 % y/y) in February to a five-month high, according to the US Federal Bureau of Labor Statistics. The ECB raised its key rate by 50 basis points after the March meeting. The above factors led to a predominantly negative dynamics of emerging market currencies. The dynamics of the exchange rates of developing countries against the US dollar was as follows:

- the Indonesian rupiah appreciated by 0.7 % (from 15450 to 15345). The Central Bank decided to leave the rate at 5.75 %;
- the Turkish lira weakened by 0.2 % (from 18.97 to 19.01) amid global uncertainty;
- the Indian rupee weakened by 0.6 % (from 82.05 to 82.55) amid a decline in global risk appetite;
- the South African rand weakened by 0.8 % (from 18.32 to 18.47) against the background of the outflow of foreign capital;
- The Russian ruble weakened by 1.3 % (from 76.1 to 77.06) against the background of lower world energy prices. The Central Bank of the Russian Federation decided to keep the rate at 7.5 %;
- the Brazilian real weakened by 1.3 % (from 5.21 to 5.28) amid volatility in the global market after the US banking turmoil;
- the Mexican peso weakened by 2.2 % (from 18.5 to 18.91) on the back of lower global risk sentiment and the decision of the ECB to raise rates.

**FX rates**

Δ %, base (01.01.23)

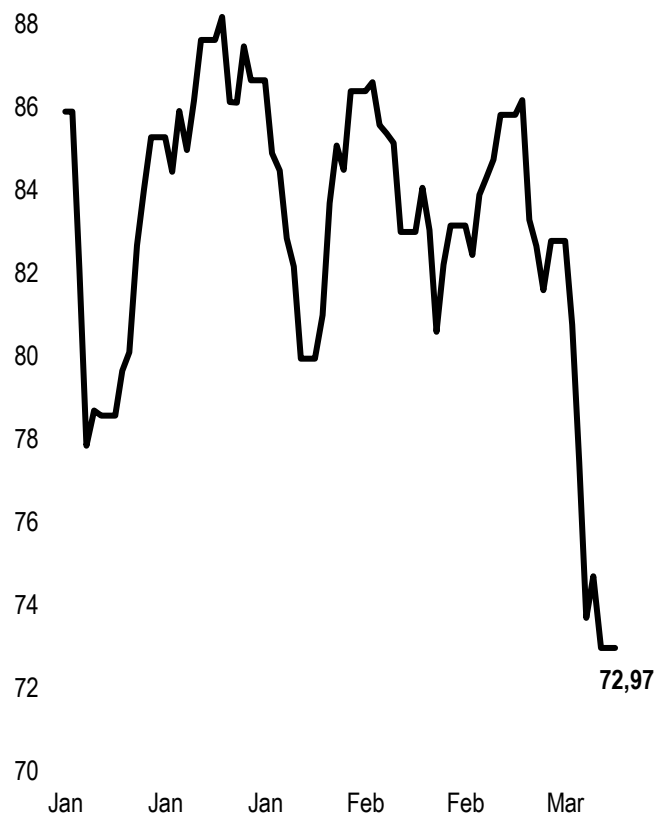
110



	Price	Δ 7d, %	Δ 30d, %	Δ 2023, %
— GBPKZT	558,89	4,57	2,37	1,12
— USDKZT	460,79	3,32	3,32	0,76
— EURKZT	490,51	3,95	1,94	0,40
— CNYKZT	66,91	4,40	2,02	1,26
— RUBKZT	6,02	2,56	-0,16	-5,13

**Brent oil  
USD/barrel**

90



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	3 916,64	1,4	-5,6	-11,2	1,3
Dow Jones	31 861,98	-0,1	-6,6	-7,6	-0,3
RTS	948,97	0,7	3,7	1,3	1,0
MICEX	2 285,53	0,0	0,0	0,0	1,0
Hang Seng	19 518,59	1,0	-6,2	-9,2	1,4
SS CSI 300	3 958,82	-0,2	-4,0	-6,6	-0,4
Euro Stoxx 50	4 064,99	-3,9	-5,0	4,6	-5,2
FTSEuroFirst	4 634,90	-3,7	-6,1	1,6	-4,1
FTSE 100	7 335,40	-5,3	-8,3	-0,7	-5,2
KASE	3 277,44	-0,6	-2,8	-2,1	

## Commodities market

March 17, 2023

Name	Price	Trend %		
		7D	1M	1Y
Oil (Brent)	72,97	-11,9	-14,5	-31,6
Oil (WTI)	66,74	-13,0	-15,1	-35,2
Natural gas	2,34	-3,8	-5,4	-53,1
Copper	391,35	-3,3	-2,4	-16,6
Iron	934,00	-2,5	4,1	11,4
Gold	1 989,25	6,5	8,3	2,4
Silver	22,35	9,7	3,6	-12,6
Wheat	710,50	6,6	-7,6	-35,3

## Calendar of economic events

Currency

Forecast

Previous

20.03	<u>Base lending rate of the NBK</u>	CNY	3.65 %	3.65 %
20.03	<u>ECB President Lagarde to give speeches on 20, 21 and 22 March</u>	EUR		
22.03	<u>Fed rate decision</u>	USD	5.00 %	4.75 %
23.03	<u>EU leaders summit March 23-24</u>	EUR		
23.03	<u>Number of Initial Claims for Unemployment Benefits</u>	USD	199K	192K
24.03	<u>German Manufacturing PMI (Mar)</u>	EUR	47.0	46.3
24.03	<u>Underlying Durable Goods Orders (MoM) (Feb)</u>	USD	0.2 %	0.8 %

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	21,3%	01.03.23	20,7%
Gross international reserves of NBK, USD bn	34,6	01.03.23	36,7
Reserve money, KZT bn	11 135,1	01.03.23	11 707,1
Money supply, KZT bn	32 983,0	01.03.23	33 834,4

## Kazakhstan credit ratings

Rating

Date

Previous

**S&P Global**

BBB-/A-3 stable

03.03.23

BBB-/A-3 negative

**MOODY'S**

Baa2/stable

11.08.21

Baa3/positive

**FitchRatings**

BBB/stable

02.12.22

BBB/stable

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**Corporate Events Calendar of KASE listed Companies**

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1. return on investment in financial instruments depends on a variety of market and non-market factors. In particular, the actual income of an investor may change depending on the fluctuations in interest rates, changes in taxation, FX movements, changes in quotations of securities, market indexes, changes in production and financial performance of companies, and other factors.
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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