

WEEKLY MONEY MARKET WRAP

November 29 – December 3*, 2021



TENGRI PARTNERS
Investment Banking

TONIA, % APR 29.11.2021 – 03.12.2021

Date	TCR 1M	TCR 3M	TCR 6M	TONIA	Volume, bn KZT	Volume, m USD
29.11.21	9.35	9.17	9.02	10.25	762.35	1768.50
30.11.21	9.36	9.17	9.03	10.57	834.29	1923.47
02.12.21	9.43	9.23	9.06	10.55	958.94	2208.73
03.12.21	9.49	9.25	9.08	10.64	944.41	2167.28

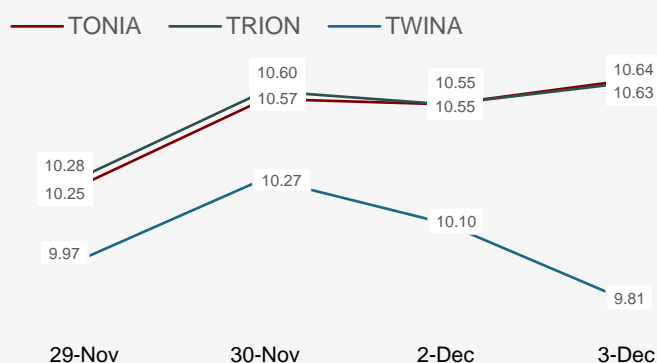
TRION, % APR 29.11.2021 – 03.12.2021

Date	Opening	Max	Min	TRION	Volume, bn KZT	Volume, m USD
29.11.21	9.96	10.32	9.96	10.28	755.79	1753.29
30.11.21	10.25	10.60	10.02	10.60	828.56	1910.26
02.12.21	9.80	10.61	9.80	10.55	978.24	2253.18
03.12.21	10.10	10.64	10.10	10.63	962.63	2209.08

TWINA, % APR 29.11.2021 – 03.12.2021

Date	Opening	Max	Min	TWINA	Volume, bn KZT	Volume, m USD
29.11.21	9.65	9.97	9.65	9.97	6.85	15.89
30.11.21	9.75	10.35	9.75	10.27	21.31	49.13
02.12.21	10.20	10.20	9.92	10.10	32.98	75.95
03.12.21	9.70	9.81	9.61	9.81	36.22	83.13

TONIA, TWINA and TRION % APR 29.11.2021 – 03.12.2021



NBK Short-Term Deposit Auction, % APR 29.11.2021 – 03.12.2021

Date	Bid-to-cover	Term, days	Cut-off yield, %	W-average rate, %	Volume, bn KZT
29.11.21	1.00x	7	9.75	9.75	528.50
30.11.21	1.00x	7	9.75	9.75	249.50
02.12.21	1.00x	7	9.75	9.75	325.11
03.12.21	1.00x	7	9.75	9.75	299.00

Market Review and Outlook

The system of money market instruments which consists of open market operations, standing facilities, and minimum reserve requirements allows the National Bank of Kazakhstan ("NBK") to regulate liquidity and interest rates in the money market, influence the lending activity of banks and control the volume of money supply in circulation.

TONIA settled at 10.64% on Friday with daily average transaction volume of KZT875.00 bn **growing by 61.09%** since the week before (KZT543.17 bn on November 22-26). On December 2, transaction volume **reached a record high of KZT958.94 bn**. This phenomenon can be associated with the latest FX volatility which potentially led to the flight towards the USD instruments.

TRION concluded the week at 10.63% as a result of deals settled on Friday which is **by 8 bps higher** than at the end of the previous week. Daily transaction volumes **increased by 73.71%** amounting to KZT881.31 bn on average (KZT507.35 bn on November 22-26).

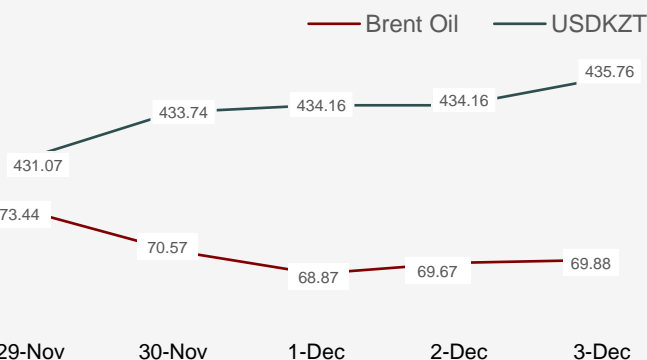
TWINA moved during the week in the range of 9.81 – 10.27% and closed at 9.81% on Friday. On average, transaction volume **rose by 43.26%** reaching KZT24.34 bn (KZT16.99 bn on November 22-26). A significant difference between the transaction volumes on weekly and overnight repo is due to the presence of the NBK in the latter.

7-day NBK deposit auctions amounted to KZT350.53 bn on average **swelling by 23.72%** since last week (KZT283.32 bn on November 22-26). On Monday, November 29, placement volume **reached a 3-week high** amounting to KZT528.50 bn. The cut-off yield and weighted-average rate remained unchanged at 9.75%.

NBK offered 28-day notes in the amount of KZT122.63 bn. This is the **smallest placement volume on monthly notes since November 2020**.

This week KZT **lost KZT4.69 against USD** resulting in KZT435.76/USD on Friday. Concurrently, Brent oil future prices **dropped by 4.85%** and closed the week at USD69.88 per barrel. Such negative dynamics can be attributed to the prevailing economic uncertainty amidst the emergence of new COVID-19 variant.

USDKZT 29.11.2021 – 03.12.2021



NBK Short-Term Notes Auction, % APR 29.11.2021 – 03.12.2021

Date	Bid-to-cover	Term, days	Yield, %	Volume, bn KZT
29.11.21	1.00x	28	9.71	122.63

December 1, Wednesday, is the official holiday in Kazakhstan – First President Day.
Source: KASE, NBK, analysis of Tengri Partners Investment Banking.
KZT denominated in USD equivalent based on the historic exchange rate at time of transaction.
TONIA – the weighted average interest rate on repo opening deals for one business day.
TRION – the weighted average intraday interest rate on repo opening deals for one business day with KASE as the central counterparty.
TWINA – the weighted average interest rate on repo opening deals for seven working days.

ANALYST CERTIFICATION: The research analyst(s) responsible for authoring this report hereby certifies or certify that (i) the views expressed in this report accurately reflect the personal views of the author(s), while not necessarily representing the views of their employer and (ii) no part of this report was influenced by commercial considerations of their employer.

IMPORTANT DISCLAIMER: The information provided in this report is for informational purposes only. No warranty or representation is made as to the correctness, completeness, and accuracy of either the information provided, or the conclusions drawn. Opinions reflected in this document may change without notice. Opinions expressed may be different or inconsistent with views reflected in other reports produced by Tengri Partners Investment Banking (Kazakhstan) JSC, and Tengri Partners Investment Banking (Kazakhstan) JSC assumes no obligation to bring such other reports and opinions to the attention of any recipient of this present report.