

## WEEK OF STOCK MARKET OF KAZAKHSTAN February 22 - 28

1 US dollar = **145.30** tenge at official rate for the end of the period  
1 US dollar = **145.28** tenge at weighted average rate of the Exchange for the end of the period

### YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during February 22 - 28. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

#### Investment attractiveness of stock exchange instruments from February 22 through 28

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
RENTb	USD	15.02 (15.07)	0 (0)	0 (0)
VITAb2	USD	13.52 (13.54)	0 (0)	0 (0)
Securities repo	USD	*13.13 (13.35)	48.0 (0.8)	330.5 (5.8)
SMGZb1	USD	13.00 (13.00)	0 (0)	0 (0)
RGBRb2	USD	12.53 (12.30)	135.7 (0)	933.7 (0)
KZASb1	USD	11.70 (12.00)	0 (0)	0 (0)
BTASb1	USD	11.30 (11.47)	18.6 (0)	127.7 (0)
CCBNb1	USD	11.11 (10.94)	0 (0)	0 (0)
KARMB1	USD	10.90 (10.90)	0 (0)	0 (0)
KZOLb	USD	10.65 (10.40)	29.1 (11.2)	200.0 (77.0)
ATFBb	USD	10.50 (10.52)	0 (0)	0 (0)
HSBKb	USD	10.50 (10.50)	0 (0)	0 (0)
KZTOb	USD	10.21 (10.17)	14.6 (0)	100.2 (0)
TMJLb	USD	9.65 (9.90)	56.3 (161.6)	387.4 (1,111.9)
ALKSb	USD	9.52 (11.90)	0 (0)	0 (0)
KKGBe2	USD	9.51 (9.58)	0 (0)	0 (0)
Securities repo	KZT	*9.00 ( -)	1.1 (0)	7.2 (0)
Euronotes-4	USD	8.43 (8.43)	2,504.9 (654.2)	17,240.4 (4,501.8)
Euronotes-3	USD	7.67 (7.71)	387.5 (794.4)	2,667.2 (5,466.9)
Euronotes-2	USD	7.66 (7.57)	80.4 (315.5)	553.4 (2,171.5)
MEKAVM	USD	*7.23 (8.28)	53.8 (64.1)	370.5 (441.9)
MEKKAM, notes	KZT	*7.31 (7.79)	951.4 (1,022.5)	6,548.2 (7,036.6)
TEBNb	USD	6.82 (8.48)	4.5 (0)	30.6 (0)
GB repo	KZT	*7.00 (7.13)	3,696.2 (3,988.4)	25,440.4 (27,447.2)
Bonds of IFO	USD	5.10 ( -)	260.3 (0)	1,791.3 (0)
KKGBb	USD	4.82 (3.53)	0 (0)	0 (0)

**Notes:** yields of BTASb1, KZOLb, KZTOb, RGBRb2, TEBNb and TMJLb are calculated as average of the deals, yields of other corporate bonds are calculated as average of offer bids.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a trend of **0.39% APR**.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

#### Indicators of Kazakhstan interbank deposit market as of February 28, 4:00 PM ALT and changes during the week

Term	Currency	Rate	Trend
1 week	KZT	8.67	+0.07
2 weeks	KZT	9.42	+0.07
1 month	KZT	10.17	-0.23
2 months	KZT	10.92	-0.43
3 months	KZT	11.83	-0.17

During the period the dynamics of interbank deposits reflected, on one hand, the stabilization of the cost of money, and on the other hand, positive forecasts of the dealers on the tenge liquidity. It can be stated that big volumes of GB repayments for a total of KZT7.8 bln on Thursday and Friday, March 2, as well as the beginning of a new month served as reference point for the banks this week. The first one left a hope for a complete restoration of short-term liquidity of the market in terms of tenge quite soon, the second, release of the bank resources after the closing of the month and activation of the pension assets management companies on the

market. There was a third factor, expiration of the term for making budgetary payments by the results of the last year at the end of March. These payments caused the cost of borrowing to hike now.

Under the influence of these factors the rates were inclined to stabilize during the period. It was very clear with long money, and to a lesser degree with the shortest. Therefore, the resulting weekly change of the indicators, shown in the table, is not homogeneous.

## THE SECURITIES SECTOR (SS)

### Secondary market

During observed period 31 deals amounting to **\$3,326.8 th.** were made in **purchase and sale sector** of the securities on trade floors of the KASE. Relative to previous period (\$1,195.3 th., 13 deals) weekly turnover of the sector increased 2.8 times. Absolute leaders of this week were **common shares of Bank TuranAlem OJSC** (KZ1C34920412, official list of the KASE securities, category "A", BTAS), with their proportion reaching 44.8% of total volume. Then, there were coupon bonds of RG BRANDS LLP (KZ72KAT51A39, official list of the KASE category "A", RGBRb2) – 28.1%, followed by coupon bonds of Kazakhstan Temir Joly NSE (KZ2CLALN6A19, official list of the KASE securities, category "A", TMJLb) – 11.6%. For other securities, traded during the week, volumes of the deals were insignificant. Last week coupon bonds of Kazakhstan Temir Joly NSE were the leaders.

By the last deals of the period the price of BTAS increased by 3.5% relative to the previous successful trades, MMGZp – by 0.4%, AMGZp fell by 44.2%, KZEM – by 38.2%, KZMS – by 55.6%, KZTKp – by 20.8%, UTMKp – 6.4 times. The values of ALKZp, KZCRp and SSGPp did not change. The yields of KZOLb bonds fell from 10.3951% to 10.6001%,TEBNb – from 11.2835% to 6.6943%, TMJLb – from 9.8502% to 9.5001% APR. The yields of KZTOb bonds grew from 10.2000% to 10.2105%. The yields of RGBRb2 bonds did not change. Moreover, for the first time after the registration of its issue by KAZKOMMERTSBANK OJSC in U.S. dollars at the KASE, the deal was made in the bank shares. The price exceeded the face value of the share more than 3 times, which was taken into account in capitalization calculations, and reached \$0.45.

It should be noted that last week the arrow of instruments that the brokers worked with in this sector of the market was extremely broad. The deals were made in 17 various instruments.

On February 28, 2001 **the capitalization of the companies**, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,392.6 mln** or KZT202.3 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number increased **by \$4.7 mln** in terms of dollars can be explained by a compensatory influence of the dynamics of certain securities on the capitalization. Fixing the market values of KKGB and the growth of BTAS value added to the increase in capitalization, whereas the decline in the value of KZMS and preferred shares of some companies drew the capitalization downwards (see above).

**The capitalization of corporate bonds market of the Exchange by their best ask prices**, that are regularly put out by the market-makers of these securities in the trade system of the Exchange, was fixed at **\$231.1 mln** as of February 28, or KZT33,573.3 mln. In nominal value (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$236.8 mln** as of this check date, or KZT34,400.1 mln.

Data on the deals, bid and offer information in purchase and sale sector of the securities, as well as description of trade codes are given in the tables.

### Results of the trades in shares from February 22 - 28

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.1540	0.3080
Aliumini Kazakhstana OJSC	ALKZp	*0.4129	0.4129	1 951	0.4129	0.4129
Aktobemunaigas JSC	AMGZp	*8.35	8.35	154	8.35	8.35
Bank TuranAlem OJSC	BTAS	71.52	72.32	20 586	73.26	71.52
Bank CenterCredit OJSC	CCBN	1.2737		0	1.3423	1.3666
Halyk Bank of Kazakhstan OJSC	HSBK	0.8324		0	0.9000	1.8000
KAZKOMMERTSBANK OJSC	KKGB	*0.4500	0.4500	333	0.4500	0.4500
TNC Kazchrome OJSC	KZCRp	*2.409	2.409	1 796	2.409	2.409
Kazakhoil-Emba OJSC	KZEM	*1.7300	1.7300	467	1.7300	1.7300
Corporation Kazakhmys OJSC	KZMS	*12.000	12.000	825	12.000	12.000
Kazakhtelecom	KZTK	14.500		0	13.500	16.500
Kazakhtelecom	KZTKp	*8.710	8.710	1 264	8.710	8.710
Mangistaumunaigas OJSC	MMGZp	*3.0000	4.8324	6 349	7.7700	3.0000
Rakhat JSC	RAHT			0	*0.42	
SAUR OJSC	SAYR			0		*0.3400
SSGPO JSC	SSGPp	*2.75	2.75	3 375	2.75	2.75
SHNOS OJSC	SYRG	1.6300		0	1.3000	
Temirbank OJSC	TEBN	*1.095		0	0.688	3.500
UKTMK OJSC	UTMK	*50.000		0	5.000	145.000
UKTMK OJSC	UTMKp	*4.3100	4.3100	44	5.0000	4.3100
VALUT-TRANZIT BANK OJSC	VTBN	2.5572		0	1.3767	2.5112
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033		0	1.3767	2.2989

**Results of the trades in bonds from February 22 - 28**

yield for the buyer in % APR till maturity, unless otherwise specified

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb	USD	15.8542		0.00	18.2059	11.8142
AMB CJSC	ATFBb	USD	10.5979		0.00	10.9021	10.4984
Bank TuranAlem OJSC	BTASb1	USD	11.3000	11.3000	127.74	11.3000	11.3000
Bank CenterCredit OJSC	CCBNb1	USD	11.6998		0.00	11.9883	11.6554
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	11.2702		0.00	12.3588	10.5000
Karazhanbasmunai OJSC	KARMb1	USD			0.00	10.9859	10.9000
KAZKOMMERTSBANK OJSC	KKGBb	USD	7.00		0.00	9.26	5.50
DAGOK Kustanaiasbest OJSC	KZASb1	USD			0.00	12.7000	11.7000
NOC KazakhOil CJSC	KZOLb	USD	10.6001	10.6501	199.98	10.6001	10.7000
NOTC KazTransOil CJSC	KZTOb	USD	10.2105	10.2105	100.21	10.2105	10.2105
RENATA LLP	RENTb	USD			0.00		*15.08
RG BRANDS LLP	RGBRb2	USD	12.5000	12.5311	933.68	12.5000	12.5315
SHAHARMUNAIGAS OJSC	SMGZb1	USD			0.00	19.0000	13.0000
Temirbank OJSC	TEBNb	USD	6.6943	6.7432	20.43	6.6943	10.0877
Kazakhstan Temir Joly NSE	TMJLb	USD	9.5001	9.6501	387.43	9.5001	10.1500
VITA LLP	VITAb2	USD			0.00	14.4277	13.5416

Notes: bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals. For VITAb2 - auction deal.

The **KASE index** that reflects the changes in the ask bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers, **fell by 0.0282** during the week, at **105.8554** at February 28 closing.

In the **securities repo sector** 7 deals were made during the week for a total of \$1.7 mln (KZT251.1 mln). Of this number 3 deals (\$337.7 th.) were repo opening deals and 4 (\$1,390.2 th.) repo closing. At the end of the period 17 securities repos (in dollars and tenge) were opened at the trade floor of the Exchange for a total of **\$2,990.0 th.** Common and preferred shares of VALUT-TRANZIT BANK OJSC, coupon bonds of VITA LLP, coupon bonds of RG BRANDS LLP and coupon bonds of Bank TuranAlem OJSC were used as the object of repo deals. The terms vary from 6 to 59 days, and the rates from 10.00 to 19.66% APR. In tenge only one repo was opened at 9.0% APR.

**Total of 38 deals** amounting to **\$5,054.8 mln** were made in securities **on trade floors of KASE** during last week (purchase and sale and repo sector). A week ago volume of 16 deals was \$2,036.6 mln.

**February results**

As the next month ended the agency IRBIS has analyzed the February results in all sectors of securities trades at the KASE. Total of **92 deals** in securities were made in all sectors of the market amounting to **\$12,813.9 th.**, or **KZT1,861.5 mln** at current rate of the Exchange effective on the day the deals were made on. Following are the tables showing the securities market at the Exchange in February, 2001.

**Table of securities liquidity at the KASE in February 2001**

Code	Brief title of the issuer	Volume of deals, th. USD	Volume of deals, mln KZT	Volume of deals in Number securities of deals
BTAS	Bank TuranAlem OJSC	3,634.81	527.91	48,653
TMJLb	Kazakhstan Temir Joly NSE	2,241.48	325.78	23,200
RGBRb2	RG BRANDS LLP	2,105.69	305.80	20,610
VITAb2	VITA LLP	1,292.66	187.80	12,600
CCBN	Bank CenterCredit OJSC	1,057.92	153.64	751,500
VTBN	VALUT-TRANZIT BANK OJSC	687.89	100.00	500,000
VTBNp	VALUT-TRANZIT BANK OJSC	612.70	89.00	620,000
KZOLb	NOC KazakhOil CJSC	486.86	70.78	4,870
KZTOb	KazTransOil CJSC	200.06	29.05	2,000
BTASb1	Bank TuranAlem OJSC	134.97	19.61	1,300
CCBNb1	Bank CenterCredit OJSC	122.20	17.75	1,190
ATFBb	AMB CJSC	103.62	15.06	1,000
MMGZp	Mangistaumunaigas OJSC	30.68	4.46	6,349
KZTKp	Kazakhtelecom	28.19	4.09	2,826
TEBNb	TEMIRBANK OJSC	20.43	2.97	200
SSGPp	SSGPO JSC	17.71	2.57	6,451
KZMS	Corporation Kazakhmys OJSC	9.90	1.44	825
KKGBb	KAZKOMMERTSBANK OJSC	7.06	1.03	70
EAECp	Evroaziatskaya energeticheskaya korporatsya	4.56	0.66	1,899
KZCRp	TNC Kazchrome OJSC	4.39	0.64	1,821
ALKSb	Almaty Kus OJSC	4.17	0.60	40
ALKZp	Aluminii Kazakhstana OJSC	3.52	0.51	8,545
AMGZp	Aktobemunaigas JSC	1.29	0.19	154
KZEM	KazakhOil-Emba OJSC	0.81	0.12	467

To be continued on the page 4

Table of securities liquidity at the KASE in February 2001

Code	Brief title of the issuer	Volume of deals, th. USD	Volume of deals, mln KZT	Volume of deals in Number securities of deals
UTMKp	UKTMK OJSC	0.19	0.03	44
KKGB	KAZKOMMERTSBANK OJSC	0.15	0.02	333

**Comments:** The securities were sorted in descending order based on the volumes of deals expressed in U.S. dollars. The volumes of the deals are given for all sectors of the market, including repo deals and initial offerings. Small letters in the securities codes have the following meanings: "p" - preferred inscribed share; "b" - bond; "e" - eurobond; the rest - common inscribed share. The figure shows the number of the bond issue. If there is no figure (old code) it implies that it is the first issue.

Table of the dynamics of the main indicators of the securities market in February 2001

Date	The KASE index	Capitalization of the bond market, mln USD	Capitalization of the share market, mln USD	Volume of deals, th. USD
Jan.31.01	105.9243	204.418	1,390.7	1,312.0
Feb.01.01	105.8536	206.219	1,394.2	355.2
Feb.02.01	105.8238	206.219	1,399.9	1,655.2
Feb.05.01	105.7369	206.366	1,399.8	345.3
Feb.06.01	105.8018	210.366	1,398.9	277.3
Feb.07.01	105.6886	210.717	1,399.0	1,088.1
Feb.08.01	105.5588	210.849	1,390.0	955.6
Feb.09.01	105.7063	211.614	1,389.9	317.7
Feb.12.01	105.7369	211.614	1,389.6	0.0
Feb.13.01	105.7203	217.639	1,389.4	100.0
Feb.14.01	105.1469	217.639	1,389.9	79.0
Feb.15.01	105.1494	217.699	1,390.2	222.0
Feb.16.01	105.1531	217.699	1,387.9	5.4
Feb.19.01	105.8531	217.709	1,387.7	966.9
Feb.20.01	105.8536	237.709	1,387.9	0.0
Feb.21.01	105.8835	237.709	1,387.9	0.8
Feb.22.01	105.8837	238.552	1,390.0	472.4
Feb.23.01	106.1358	238.655	1,394.8	453.5
Feb.26.01	105.8371	238.664	1,394.6	10.2
Feb.27.01	105.8554	238.721	1,392.6	2,375.1
Feb.28.01	105.8554	238.725	1,392.6	25.7

**Comments:** The KASE index reflects the changes in the bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers. The capitalization of the bond market – indicator that reflects the volume of corporate debt circulating on the KASE as the bonds of the companies. It is calculated on the basis of the number of issued bonds and the bonds admitted to the trades and their market values. In case of the absence of the last figure, face value is used instead. The capitalization of the share market – indicator that reflects the market capitalization of the companies whose shares were entered into all the lists of the KASE securities. It is calculated on the basis of the number of issued shares and their last market values. In case of the absence of the deals the face values of the securities, expressed in U.S. dollars (if necessary) at the rate of the Exchange for the current day, are used.

Table of monthly volumes of deals with securities at the KASE in a year 2001 grouped by months (th. US dollars)

Month	Sector of the securities exchange market			Total
	Primary	Purchase and sale	Repo	
January		5,557.2	1,239.7	6,796.9
February		9,695.4	3,118.5	12,813.9
<b>TOTAL</b>		<b>15,252.6</b>	<b>4,358.1</b>	<b>19,610.7</b>

**Comments:** In 2000 volumes of securities operations at KASE were equal to \$138,440.4 th. IRBIS specialists warn that hidden repo deals can be made at the securities purchase and sale sector of the KASE, therefore the volumes of deals shown for this segment of the market can include the volumes of such deals.

## Changes in the trade lists

From February 23, 2001, by the decision of the Board of the Kazakhstan Stock Exchange (KASE), the shares of following issuers were removed from the trade lists of the Exchange in the category "Non-listed securities": common inscribed (KZ1C28430428, trade code - KTEP) and preferred inscribed shares (KZ1P28430423, trade code - KTEPp) of KATEP OJSC (Almaty); preferred registered shares (KZ1P14341519, trade code - EAECp) of Evroaziatskaya energeticheskaya korporatsya OJSC (Eurasian Energy Corporation, Aksu-2, Pavlodar region). The securities were traded with the second admission level. The decision on the removal of these securities from the trade list was made according to the application of KATEP OJSC and broker company that traded shares of the Eurasian Energy Corporation.

From March 1, 2001, based on the application of the trade member of the Kazakhstan Stock Exchange (KASE), common registered (KZ1C05431910, **ORJD**) shares of **ORAL ZHOLDARY OJSC** (Uralsk, Western Kazakhstan region) are admitted to the trades in "Non-listed securities" sector under second admission level.

Announced authorized capital of the company is KZT52,397,680. In total, the company has registered two issues of shares. The first issue was annulled due to changes in the size and structure of the authorized capital. The second emission included issue of 654,971 shares with KZT80 at face value, of which 589,474 - common registered and 65,497 preferred registered. The report on floatation of the second emission was approved on March 09, 1998. The emission was fully distributed. On Dec.28, 1999 the company received new certificate on government registration of the second emission due to modification of identification numbers. The register is maintained by Registratorskaya sistema tsennykh bumag JSC (securities registering system, Almaty). The constitutional documents do not include any notions that infringe ownership right for transfer or alienation of shares. Primary activities: construction, repair and exploitation of automobile roads, bridges, small artifice structures, housing construction, etc.

## SECTOR OF GOVERNMENT BONDS (GB)

In **GB purchase and sale sector** of KASE total volume of 96 deals equaled **KZT5,132.2 mln**. Last week the turnover exceeded KZT3,379.1 mln with 84 deals made. Significant growth of the volume of this sector was due to an increase in the liquidity of the market in tenge (volume of repo sector decreased). The turnover structure changes towards the increase in the proportion of deals made in euronotes with simultaneous decline in trading frequency of MEKKAM and the notes.

Parameters of stock exchange transactions in GB from February 22 - 28

(in parentheses are comparable figures of the previous period)							
Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge	Number of deals	
	min	max	last deal	weighted average			
<b>Discounted GB: MEKKAM-12, notes</b>				<b>18.6% (30.3%) of purchase and sale sector's turnover</b>			
less than 8	6.00	7.65	6.10	6.98 (6.37)	421.2	9	
8 - 14	5.92	6.30	6.30	6.23 (5.85)	6.2	2	
15 - 28	6.03	6.90	6.39	6.57 (7.44)	174.4	6	
29 - 36	6.50	9.00	9.00	8.93 (6.94)	101.7	2	
43 - 56	6.50	6.57	6.57	6.54 ( -)	198.5	2	
182 - 364	8.25	8.25	8.25	8.25 (8.06)	49.5	1	
Total					951.4 (1,022.5)	22 (31)	
<b>Discounted indexed GB: MEKAVM-12</b>				<b>1.0% (1.9%) of purchase and sale sector's turnover</b>			
less than 8	7.00	7.00	7.00	7.00 ( -)	51.7	1	
8 - 14	6.56	6.56	6.56	6.56 ( -)	2.2	1	
Total					53.8 (64.1)	2 (3)	
<b>Coupon GB: MEOKAM-36, MEOKAM-24</b>				<b>17.4% (15.6%) of purchase and sale sector's turnover</b>			
687 - 725	13.90	14.70	14.25	14.29 ( -)	548.0	7	
938 - 1,079	14.56	17.22	17.21	16.82 (16.38)	345.9	11	
Total					893.9 (528.4)	18 (15)	
<b>Euronotes of Kazakhstan, USD</b>				<b>57.9% (52.2%) of purchase and sale sector's turnover</b>			
574 - 575	7.49	7.75	7.49	7.66 (7.57)	80.4	5	
1,310 - 1,315	7.61	7.77	7.66	7.67 (7.71)	387.5	10	
2,233 - 2,239	8.27	8.50	8.49	8.43 (8.43)	2,504.9	26	
Total					2,972.8 (1,764.1)	41 (35)	
<b>Euronotes of international financial organizations, USD</b>				<b>5.1% (0%) of purchase and sale sector's turnover</b>			
369 - 373	4.87	4.94	4.87	4.93 ( -)	106.8	5	
740 - 744	5.02	5.03	5.02	5.03 ( -)	90.3	4	
1,479 - 1,483	5.48	5.49	5.48	5.49 ( -)	63.2	4	
Total					260.3 ( -)	13 ( -)	
<b>SUBTOTAL</b>					<b>5,132.2 (3,379.1)</b>	<b>96 (84)</b>	

Notes: for euronotes (\* - second issue, \*\* - third issue, \*\*\* - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

In **GB repo sector 111 deals for a total of KZT7,108.5 mln** were made during the period. Of this number 52 deals (for KZT3,696.2 mln) were repo opening deals and 59 (KZT3,412.3 mln) were repo closing deals. Last period the turnover of this sector of the market was registered at KZT9,878.2 mln. After closing of the trades on February 28 total amount of opened repo equaled **KZT2,723.3 mln**. Current weighted average rates as of February 28 (% APR) equaled: for 1 day - 7.47; for 3 days - 4.00; for 6 days - 8.00; for 7 days - 7.33; for 9 days - 8.50; for 13 days - 7.00; for 28 days - 6.95; for 29 days - 8.00; for 30 days - 8.00.

**Total of 207 deals** amounting to **KZT12,240.7 mln** were made in GB on trade floors of KASE during last week (purchase and sale and repo sector). A week ago volume of 200 deals was KZT12,257.3 mln. In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GB for comparable operations (including euronotes and repo operations) equaled **82.8%**, for last week it was 77.8%.

## February results

In February of year 2001, 819 deals for a total of **KZT52,021.6 mln** (\$358.0 mln at the current exchange rate of KASE) were made in all sectors of the government bonds (GB) market of Kazakhstan Stock Exchange. In last month, total volume of 958 deals totaled KZT82,064.4 mln (\$564.7 mln). **In purchase and sale sector** 415 deals were made for a total of **KZT21,351.7 mln**. In comparison with previous month **the sector's** turnover grew by 38.4%. **In repo sector** of KASE 404 deals were registered for a total of **KZT30,669.9 mln** in February. Corresponding figure for the previous month – 600 deals for KZT65,443.5 mln.

### Volumes of deals in GB at the KASE in 2001 grouped by months (mln KZT)

Month	GB sector of the stock exchange market			Total
	Primary	Purchase-sale	Repo	
January		16,630.8	65,433.5	82,064.4
February		21,351.7	30,669.9	52,021.6
<b>TOTAL</b>		<b>37,982.6</b>	<b>96,103.4</b>	<b>134,085.9</b>

Kazakhstan Stock Exchange (KASE) defined list of companies - leading operators of the KASE government bonds market for February 2001. The rating is made according to portion of concluded deals in aggregate gross turnover of trades (total of purchased and sold bonds). The rating included purchase-sale deals (41.0% of the secondary market) and direct and reverse repo operation (59.0%). The position of each entity was expressed in currency of the payments, i.e. tenge. In total, **21 companies** participated in trades with GB at KASE (banks, broker-dealer companies, pension assets management companies and SAPF).

### List of 10 the most active operators of Kazakhstan GB market

Position in January 2001	Position in 2000	Brief title of a company	Share in gross volume of trades, %
1	5	State Accumulative Pension Fund CJSC, SAPF (Almaty)	12.9
2	3	Bank TuranAlem OJSC (Almaty)	12.3
3	1	Halyk Bank Kazakhstan OJSC (Almaty)	11.8
4	2	AMB CJSC (Almaty)	11.5
5	10	TEMIRBANK OJSC (Almaty)	7.9
6	6	Eurasian bank CJSC (Almaty)	5.7
7	7	Caspian Bank OJSC (Almaty)	5.6
8	4	KAZKOMMERTSBANK OJSC (Almaty)	5.4
9	9	Bank CenterCredit OJSC (Almaty)	5.3
10	11	Pension Asset Management Company of Halyk Bank of Kazakhstan CJSC	4.1

## INFORMATION ON COMPANIES

**Karazhanbasmunai OJSC** (Almaty) presented the information on charged and actually paid dividends to preferred shareholders in 1999. Based on submitted data, total amount of charged dividends reached **KZT23,212,400**. Actually amount of dividends paid equaled **KZT19,616.390** (as of Jan.19, 2001). Income tax amounted for KZT3,073,770. The difference between accrued and paid dividends (KZT522,240) is explained by absence of shareholders or their addresses.

**NOC KAZAKHOIL CJSC** (Astana) summarized the company's results in 2000. Based on this information, NOC KAZAKHOIL has increased its payments to the national budget more than twice. The company and its subsidiaries have paid KZT32.847 mln in taxes and other mandatory payments to the budget. It is by 227% more than the figure of the year 1999. Last year the company has increased its capital investment consumption rate 4 times (purchasing of equipment, drilling new wells, exploration, construction etc). For these purposes the company invested KZT26.5 bln. "Increase in payments to the national budget, growth of oil production and the beginning of the production facilities were due to effective management of NOC KAZAKHOIL and favorable prices", is said.

NOC KAZAKHOIL also mentioned following achievements in 2000.

The company's bonds have been placed on domestic stock market. Increased demand of the commercial banks and the pension assets management companies caused the first issue volume to increase from \$16 to \$25 mln. An agreement has been signed with the Japanese Marubeni Corporation on the reconstruction of Atyrau refinery, and the cost of the project was reduced from \$412 to \$308 mln. NOC KAZAKHOIL received credit ratings of "B1" and "BB-" (at sovereign level) from leading agencies Moody's and Fitch, which allows the company to get into the world capital markets and take on international borrowings. Became the first among Kazakhstani oil companies to decrease the risk of oil price fall by hedging 1 mln tons of oil. The company expanded the presence of Kazakhstan on external oil markets by purchasing 60% of state block of Ukrainian Kherson oil refinery.

In 2000 NOC KAZAKHOIL has placed KZT2.5 bln worth of orders with domestic companies under the program of Kazakhstani industry support and import substitution program, and took the third place among all companies. Last year the total of the contracts signed with domestic producers increased 1.5 times, at KZT3.78 bln. The enterprises, which are controlled by the company, produced 5.9 mln tons of oil last year (107.4% growth relative to previous year). The management of NOC KAZAKHOIL believes that the stabilization and increase in oil production was due to the focus on the implementation of the program for the year 2000, which means the work on the wells, drilling and renewal of existing capacities. Drilling of new wells increased 6.4 times in 2000 relative to 1999, and major overhaul increased by 132.6% during this time. Underground repair works reached 126.6%, and major overhaul of the pipelines increased 3.6 times.

It should be mentioned also that in 2000 NOC KAZAKHOIL met its obligations on supplying domestic market with oil products with excess. Its companies have supplied 2.3 mln tons of oil (39% of annual production volume). Oil processing at Atyrau refinery reached 2.2 mln tons (16.3% growth relative to 1999). In order to create vertically integrated company, the company started building its own network of gasoline stations in 2000. Presently, 12 gas stations are almost finished in Aktobe, West Kazakhstan, Mangistau, Atyrau regions and in Astana. Besides, 11 natural gas stations and were being built in Mangistau regions.

There are other figures on implementing the social programs in Atyrau and Mangistau regions by the company, which includes the housing construction, improving the working and living conditions of the oilmen. More than KZT4.5 bln was used for these purposes last year. With the joint efforts of the subsidiaries the employment problem is being solve in oil sector. By the results of Uzenmunaigas OJSC, it has provided job places for about 2 th. people, and city employment center quota was fulfilled 3 times. In Atyrau region Kazakhoil-Emba OJSC restored and created about 2,000 work places. For charity (helping orphans, supporting talented youth and holding activities popularizing healthy life) NOC KAZAKHOIL spent \$2.6 mln in 2000.

**Shymkentnefteorgsintez OJSC** (SHNOS OJSC, Shymkent) presented the information on charged and actually paid dividends to preferred shareholders in 1999 to the KASE. In total for 1999 amount of dividends paid for 1999 equaled **KZT327,500**, of which as of Feb.01, 2001 company paid **KZT33,150**. The company still continues paying dividends. The general meeting of shareholders held on May 15, 2000 decided to invest dividends on common shares in production. Dividend per preferred share set at 100% at face value.

Also, SHNOS OJSC, in compliance with the listing obligations, provided the KASE with **the state registration certificate and the issue prospectus of the third share issue**. On January 18, 2001 the National Securities Commission of Kazakhstan cancelled the second issue of the company's shares and registered the third issue of shares with different national identification number for a total of **KZT62,322,701**. The third share issue of SHNOS OJSC consists of 61,928,201 common (KZ1C37400310) and 394,500 preferred (KZ1P37400317) shares at KZT1 each. Announced authorized capital of the company remained unchanged at KZT100.0 mln. The issue has been entered into the State register under the number A-3740. The registrar of the company is Reestr-Service LLP (Almaty).

On February 16, 2001 the NSC registered the first issue of SHNOS OJSC bonds **for \$25 mln**. Inscribed coupon bonds with \$100 face value were assigned national identification number KZ2CUIY03A339. The issue contained 250 th. inscribed coupon bonds. The issue is non-documentary and has been entered into the State register of the securities under the number A33. Presently, SHNOS OJSC is undergoing the listing at the KASE in order to get the admittance for its bonds to the Exchange. Based on the data of the issuer, the bonds have 3 year circulation term, with semiannual coupon at 10% APR and services in tenge at the currency rate of the Exchange. Financial consultants of the bond issue are ABN AMRO Bank Kazakhstan CJSC (Almaty), KAZKOMMERTSBANK OJSC (Almaty) and Halyk Bank of Kazakhstan (Almaty).

## **KASE NEWS**

By the decision of the Board of the Kazakhstan Stock Exchange (KASE), dated February 23, 01, **the schedule of the trades in government bonds (GB)** was changed at the KASE. **From March 1, 2001** these trades will be held from **11:30AM till 6:30PM** Almaty time (ALT). Now the trades are held from 11:30AM till 7:30PM ALT.

**On February 28, 2001** the heads of Moscow Interbank Currency Exchange CJSC (MICEX) and Kazakhstan Stock Exchange CJSC (KASE) signed **Cooperation memorandum** in Moscow, which is meant to expand and deepen the interaction of two Exchanges. By basing the cooperation goal on the formation of integrated stock market environment and creation of favorable investment climate among CIS countries and EAU, the two parties intend to engage in mutual information sharing and development of perspective plans and directions.

Following are major directions stated in the Cooperation memorandum:

- Regular exchange of the information on the conditions of the stock markets, also through Internet. Allowing each other to view the trades held at the Exchanges in financial instruments in real time mode.
- Comparable analysis of existing transaction rules on major segments of the MICEX and the KASE financial markets, studying norms of the Russian Federation and Republic of Kazakhstan regarding the regulations of the transactions on the financial markets in order to unify existing rules and norms.

- Development of conceptual approaches in organization of joint trades in Russian roubles and Kazakhstani tenges towards each other and to other currencies.
- Studying possibilities of mutual adaptation and further unification of the technologies and the settlements at the MICEX and the KASE.
- Exchange of the experiences of using advanced technologies at trades in financial instruments, including Internet.
- Sharing the experience between the MICEX and the KASE, including training the specialists.

In order to realize these goals the MICEX and the KASE have agreed to create a working group among the specialists of both Exchanges.

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