

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 25 - 31

US dollar = 148.10 tenge at official rate for the end of the period

US dollar = 148.13 tenge at weighted average rate of the Exchange for the end of the period

Weekly rate of tenge devaluation – 2.61% APR

Money market rates as of October 31 and weekly changes

Term	Currency	Rate	Trend
Repo opening at KASE (WA, % APR)			
1 day	KZT	4.08	-26.88%
22 days	KZT	8.31	–
KIBOR (indicative, % APR)			
1 week	KZT	7.20	-0.13
2 weeks	KZT	8.10	-0.23
1 month	KZT	8.90	-0.43
2 months	KZT	9.70	-0.55
3 months	KZT	10.30	-0.70

Stock market indicators as of October 31 and their weekly change

Index	Value	Trend
Shares of "A" listing		
KASE Shares	104.3709	+0.001%
Corporate bonds of "A" listing		
KASE_BP	117.72	+0.68%
KASE_BC	103.84	+0.58%
KASE_BY	10.73	-1.74%
Euronotes of Kazakhstan		
KASE_EP	131.26	+0.45%
KASE_EC	113.45	+0.19%
KASE_EY	6.52	-1.68%

Investment attractiveness of stock exchange instruments from October 25 through 31

Financial instrument	Currency	Yield, % APR	Volume of deals, KZT m	Volume of deals, USD m
Instruments denominated in national currency, tenge				
CS Repo	KZT	*12.00 (–)	5.1 (0)	34.5 (0)
MEOKAM, MEAKAM	KZT	8.28 (9.81)	270.2 (2,305.2)	1,824.4 (15,571.6)
MEKKAM, notes	KZT	*5.63 (*5.70)	345.6 (302.3)	2,333.4 (2,042.2)
GS Repo	KZT	*5.34 (*5.17)	16,749.0 (13,329.9)	113,082.3 (90,038.3)
Instruments indexed to the US dollar				
SMGZb1	USD	13.00 (13.00)	0 (0)	0 (0)
GS repo	USD	*13.00 (*8.97)	44.4 (904.6)	300.0 (6,109.7)
ALKSb2	USD	11.98 (11.99)	0 (0)	0 (0)
VTBNb1	USD	11.50 (11.49)	0 (52.2)	0 (352.8)
CCBNb1	USD	11.07 (11.07)	0 (0)	0 (0)
KARMB1	USD	11.00 (12.05)	402.6 (1.5)	2,718.1 (10.2)
VITAb2	USD	11.00 (12.00)	0 (31.2)	210.8 (0)
RGBRb2	USD	11.00 (11.00)	0 (0)	0 (0)
KZASb1	USD	11.00 (11.00)	0 (0)	0 (0)
TEBNb2	USD	11.00 (10.89)	270.3 (0)	1,824.8 (0)
BTASb1	USD	10.88 (10.70)	0 (0)	0 (0)
ASFib1	USD	10.50 (10.50)	0 (0)	0 (0)
TEBNb	USD	10.50 (10.50)	0 (0)	0 (0)
KZTOb	USD	9.81 (9.28)	176.5 (7.4)	1,191.9 (49.8)
KZOLb	USD	8.95 (8.26)	173.9 (30.8)	1,174.2 (207.8)
TMJLb2	USD	8.80 (10.00)	0 (28.9)	0 (195.0)
HSBkb	USD	8.72 (8.35)	0 (0)	0 (0)
SYRGb1	USD	8.50 (8.50)	0 (0)	0 (0)
VKU036.001	USD	8.38 (8.41)	137.0 (117.2)	925.5 (791.7)
ARU060.003	USD	8.34 (8.35)	0 (0)	0 (0)
ARU024.002	USD	7.42 (7.43)	0 (0)	0 (0)
ASU012.002	USD	5.13 (5.21)	0 (0)	0 (0)

Financial instrument	Currency	Yield, % APR	Volume of deals, KZT m	Volume of deals, USD m
Instruments denominated in US dollars				
BTASe1	USD	10.84 (10.85)	0 (0)	0 (0)
KZTOe1	USD	9.63 (10.13)	0 (214.2)	0 (1,446.6)
KKGBe2	USD	9.31 (9.20)	0 (0)	0 (0)
ENU07.05	USD	6.86 (6.94)	251.0 (325.5)	1,694.8 (2,199.4)
ENU04.10	USD	6.37 (6.42)	30.2 (898.7)	203.5 (6,069.7)
Supranational bonds	DEM	3.74 (3.86)	0 (0)	0 (0)
Supranational bonds	USD	1.81 (2.02)	0 (0)	0 (0)

The yields at which the deals have been made (volume of deals is not zero) are calculated as average of the deals, for other corporate bonds – as average of offer bids. The correspondent ratio of last week is given in the parentheses. Securities marked by an asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given).

During the period the situation on almost all the stock market of the Exchange was under the control of the main factor – upcoming end of the month which, this time, coincided with the decline in short-term liquidity of the banking sector. The behaviors of the participants on different trade floors of the KASE, including currency floor, were showing a complex of actions aimed at an active distribution of the money. All this turned into a noticeable activation of the CS market thanks to a series of direct deals, as well as a record high volume of repo deals in government securities. On the last day of the period the situation normalized and the market began to return to its normal condition.

THE CORPORATE SECURITIES SECTOR (CS)

In CS purchase-sale sector of KASE a total of 20 deals were concluded amounting to a record high – **\$15,893.2 th.** (KZT2,353.9m). Compared to previous week (23 deals, \$4,109.3 th., or KZT608.4m) the sector's turnover increased 3.9 times. All deals were made using 8 instruments, with four of them being the shares.

Mainly, high volume of trades was due to only two deals made in common shares of Bank TuranAlem OJSC (BTAS), which, as in previous week, were the most traded, controlling 56.0% of the CS sector's turnover. The values of other shares did not seem to be logical, since they have been fixed based on the results of direct deals. For instance, AMGZp were traded at \$3.27 and \$13.00 during the week. At that, relative to previous successful trades their values fell by 25.7%. The value of GEOT rose 2.5 times at once. Only the change in the value of KZTKp by 1.5% corresponded more or less to market fluctuations.

Increase in the number of brokers making direct deals made the dynamics of the bids of shares from the “A” listing to be minimal. Throughout the week the brokers preferred not to make any experiments in this direction which resulted in a symbolic change in KASE_Shares index. The most solid trend of the week was the growth of bid prices on Corporation Kazakhmys OJSC shares. In a week the bids of KZMS rose from \$16.0 to \$21.0, KZMSp – from \$9.0 to \$14.0. However, increase in bid prices, undertaken by the market-maker of these securities, again was not successful. There were no ask prices, since actual value of Corporation Kazakhmys OJSC shares are much greater than those put out by R.G. Securities LLP, as experts believe.

The capitalization of the companies, whose shares are traded on Kazakhstani CS stock market, was fixed at **\$904.5m** (KZT134.0bn) as of October 31, 2001. Mainly, the increase in capitalization (by \$2.1m) was due to an increase in value of BTAS.

On corporate bonds market the deals were made using 4 instruments. Notably, their values were changing in different ways. The yield of KARMB1 fell from 12.0543% to 11.0002%. Yield of KZOLb grew from 8.2231% to 8.9990%, KZTOb – from 9.2797% to 9.8039%, TEBNb2 – from 11.0000% to 11.0004% APR. Based on the movements of KASE_BY index (table at the beginning of the review), the growth trend of the yields of these bonds has been exhausted, and now they are normalizing around 10.8% APR in terms of index. The yields of five bonds, whose issuers have different characteristics, have settled at 11.0% APR (table on investment attractiveness).

The capitalization of bonds market of the Exchange based on the best bid prices, which are regularly put out by the market-makers of these securities at the Exchange, was fixed at **\$527.5m** or KZT78,144.8m as of October 31. In nominal terms is estimated at \$585.0m or KZT86,660.0m as of the check date.

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 October 25 through 31

USD per share, unless otherwise specified

Issuer	Securities	Last price	WA price	Volume, #	Volume, USD th.	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0	0.1540	0.3080
Almaty Kus OJSC	ALKSp			0	0	0.0900	0.1700
Almaty Kus OJSC	ALKSp3			0	0	0.0680	0.0700
CNPC-Aktobemunaigas OJSC	AMGZp	*13.00	4.41	17,000	75.1	13.00	3.27
Astana-finance OJSC	ASFI	*10.000		0	0	5.000	10.000
AMB OJSC	ATFBp	6.760		0	0	6.750	6.820
Bank TuranAlem OJSC	BTAS	*77.96	77.96	114,175	8,900.5	80.00	77.95
Bank CenterCredit OJSC	CCBN	1.4370		0	0	1.1775	1.3839
AES OJSC	GEOT	*0.17	0.17	2,821	0.5	0.17	0.17
Halyk Bank of Kazakhstan OJSC	HSBK	1.2200		0	0	0.6100	1.2200
KAZKOMMERTSBANK OJSC	KKGB	*0.4500		0	0	0.2000	0.4000
Corporation Kazakhmys OJSC	KZMS	*11.970		0	0	21.000	
Corporation Kazakhmys OJSC	KZMSp	*4.710		0	0	14.000	
Kazakhtelecom	KZTK	17.030		0	0	12.000	17.000
Kazakhtelecom	KZTKp	*13.300	13.300	614	8.2	13.300	13.300
Raushan OJSC	RAUS			0	0		*4.1500
SHNOS OJSC	SYRG	1.6300		0	0	1.5500	
Temirbank OJSC	TEBN	*1.095		0	0	2.350	6.750
Temirbank OJSC	TEBNp			0	0	2.700	6.750
UKTMK OJSC	UTMK	35.000		0	0	20.000	40.000
UKTMK OJSC	UTMKp	25.0000		0	0	23.0000	46.0000
VALUT-TRANZIT BANK OJSC	VTBN	2.5480		0	0	1.4855	2.8355
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033		0	0	1.7556	3.1393
TOTAL	23			134,610	8,984.2		

Results of the trades in bonds from October 25 through 31

(% APR till maturity, unless otherwise specified)

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb2	USD	12.0000		0	12.5742	11.9752
Astana-finance OJSC	ASFIb1	USD	10.4985		0	10.9980	10.5000
Bank TuranAlem OJSC	BTASb1	USD	11.2037		0	11.2959	10.8818
TuranAlem Finance B.V.	BTASe1	USD			0	12.1591	10.8417
Bank CenterCredit OJSC	CCBNb1	USD	11.4988		0	11.9892	11.0663
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	11.0000		0	13.3926	8.7195
Karazhanbasmunai OJSC	KARMB1	USD	11.0002	10.9999	2,718.1	10.9906	11.5240
KAZKOMMERTSBANK OJSC	KKGBe2	USD			0	11.1876	9.3107
DAGOK Kustanaiasbest OJSC	KZASb1	USD	11.7958		0	11.9993	10.9992
NOC Kazakhoil CJSC	KZOLb	USD	8.9990	8.9549	1,174.2	8.5010	8.9990
NOTC KazTransOil CJSC	KZTOb	USD	9.8039	9.8064	1,191.9	9.8039	10.1375
NOTC KazTransOil CJSC	KZTOe1	USD	9.9880		0	10.1332	9.6289
RG Brands OJSC	RGBRb2	USD	12.4999		0	12.0000	11.0000
SHAHARMUNAIGAS OJSC	SMGZb1	USD	13.5162		0	19.0049	13.0004
SHNOS OJSC	SYRGb1	USD			0	11.9954	8.5024
Temirbank OJSC	TEBNb	USD	10.4964		0	10.9023	10.5000
Temirbank OJSC	TEBNb2	USD	11.0004	11.0004	1,824.8	11.0004	11.0004
Kazakhstan Temir Joly	TMJLb2	USD	10.0000		0	10.0000	8.8030
VITA LLP	VITAb2	USD	11.0101		0	12.9998	11.0001
VALUT-TRANZIT BANK OJSC	VTBNb1	USD	11.4948		0	14.0000	11.5000
TOTAL	20				6,909.0		

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.

In the repo sector of CS a total of 8 deals were made amounting **\$1,190.5 th.** (KZT176.3m). Of this number, 2 deals (\$334.5 th.) were repo opening deals and 6 (\$856.1 th.) – closing deals. Volume of deals in previous week equaled \$13,098.9 th. (KZT1,939.4m).

In all CS trade floors of KASE a total of 28 deals were concluded in 528,509 securities amounting to **\$17,083.7 th.** (KZT2,530.2m). Last week volume of 41 deals equaled \$17,208.2 th. (KZT2,547.8m).

It should be noted that in a history of KASE monthly volume of CS deals has never been such high. In October it reached \$55,678.0 th.

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE (including euronotes of Kazakhstan and supranational bonds) a total volume of 39 deals was very low – **KZT1,034.0m** (\$6,980.9 th.). It is enough to say that in adjacent sector of repo deals, daily trade volume sometimes exceeded this figure 5 times. As it has been said before, the banks were short of tenge this week, which became a reason for a deep decline in turnover of the purchase and sale sector. The preference were given to the shortest securities which were usually used by the banks to regulate

their short-term liquidity. Significant growth of the yields of MEOKAM for the buyers should be mentioned as a regularity of the period, as well as continuing steady decline in the returns of Kazakhstani euronotes.

Parameters of Exchange's transactions in GS from October 25 through 31

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted GS (KZT): notes, MEKKAM-3, 12				33.4% (7.6%) of purchase and sale sector's turnover		
15 - 28	4.62	5.25	4.62	4.81 (-)	39.2	6
29 - 36	4.88	4.89	4.88	4.88 (-)	15.7	2
37 - 42	5.64	5.73	5.64	5.69 (-)	169.0	2
43 - 56	5.31	5.33	5.33	5.32 (5.32)	22.7	2
64 - 91	5.57	5.57	5.57	5.57 (6.66)	99.0	3
Total					345.6 (302.4)	15 (9)
Coupon GS (KZT): MEOKAM-24, 36				26.1% (58.3%) of purchase and sale sector's turnover		
less than 730	8.00	8.97	8.42	8.25 (8.01)	258.96	8
731 - 1,095	9.00	9.00	9.00	9.00 (8.81)	11.27	3
Total					270.2 (2,305.2)	11 (29)
Coupon bonds (USD/KZT): VKU				13.2% (3.0%) of purchase and sale sector's turnover		
731 - 1,095	8.38	8.41	8.41	8.38 (8.41)	136.98	3
Total					137.0 (117.2)	3 (3)
Euronotes of Kazakhstan (USD)				27.2% (31.1%) of purchase and sale sector's turnover		
*1,070	6.37	6.37	6.37	6.37 (6.52)	30.1	2
**1,991 - 1,992	6.86	6.93	6.93	6.86 (6.94)	251.0	8
Total					281.2 (1,231.9)	10 (10)
GRANDTOTAL					1,034.0 (3,956.6)	39 (51)

Notes: for euronotes (* – third issue, ** – fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange, over domestic devaluation indexed bonds - official exchange rate; yield over coupon bonds are shown at semiannual basis.

In GS repo sector 255 deals for a total of KZT32,672.8m were made during the period. Of this number 125 deals (for KZT16,749.0m) were repo opening deals and 130 (KZT15,923.8m) were repo closing deals. Last period the turnover of this market sector did not exceed KZT24,725.3m. After closing of the trades on October 31 total amount of opened repo reached **KZT9,489.7m**.

Total of 294 deals amounting to **KZT33,706.8m** were made in **GS on all trade floors of KASE** during the week (purchase-sale and repo sector). A week ago volume of 283 deals equaled KZT28,681.9m. This week **the proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations equaled **89.8%**, for last week it was 96.8%.

As in the case with CS, in October record high monthly transaction volumes of GS were achieved at KASE – KZT118.4bn, or \$799.5m.

INFORMATION ON COMPANIES

VALUT-TRANZIT BANK OJSC (Karagandy) informed KASE about opening of a Aktobe branch. The branch has been opened in Aktobe on 95, Maresiev St. The registration certificate #1429-1904-F-I of the branch as a legal entity was issued on August 16, 2001. Now, VALUT-TRANZIT BANK OJSC has 7 branches in Astana, Almaty, Aktobe, Kostanai, Pavlodar, Oskemen, Petropavlovsk and 54 settlement centers servicing legal entities and individuals in may regions of Kazakhstan.

KAZKOMMERTSBANK OJSC (Almaty) informed the KASE on conducting an extraordinary general meeting of its shareholders on November 30, 2001 where the results of financial activities of KAZKOMMERTSBANK OJSC in 9 months of 2001 and the matter on getting a banking holding status by KAZKOMMERTSBANK OJSC will be considered.

Almaty Kus OJSC (Chapaev, Almaty region; production and sales of poultry goods) along with the opening of subsidiaries in seven regional centers of Kazakhstan, the company is continuing increasing volume, capacity and technological potential of its production. Particularly, it is said the company has purchased egg sorting machine Moba from Austrian Agroova for 730 th. euros (DM1.5m) which is an exclusive distributor of well known Holland company Moba. Its capacity is 120 th. eggs an hour. And it can handle up to 20 packaging lines. In addition to sorting and packaging, Moba can control the quantity and quality and intactness of eggs. The management of the company believes that Moba equipment will take it closer to achieving planned general strategic goal of the company – 1.5m eggs a day.

Bank Caspian OJSC (Almaty) provided the KASE with its financial statements for 9 months of 2001: balance sheet and income statement.

Comparable figures of financial and economic activities of Bank Caspian OJSC in 9 months of 2001

(in th. KZT, unless otherwise specified)

Ratio	As of	As of	Change, %
	Oct 1 '00	Oct 1 '01	
Authorized capital (less treasury stock)	828,880	993,223	+19.8
Shareholders' equity	1,084,534	1,552,658	+43.2
Total assets	6,836,382	12,962,016	+89.6
Liquid assets	2,659,754	3,447,219	+29.6
Credits given (net)	3,117,449	8,075,625	+159.0
Liabilities, total	5,751,848	11,409,358	+98.4
Loans and deposits	4,703,110	10,572,326	+124.8
Total income	859,476	1,893,486	+120.3
General expenses	792,785	1,637,524	+106.6
Net income of the period	66,691	255,962	+283.8

Compared to similar period of 2000 **growth** took place in: **shareholders' equity** of the bank – by KZT468.1m, including: final amount of undistributed income – by KZT167.5m, paid part of authorized capital – by KZT164.3m, additional capital – by KZT79.7m, accumulations in funds and reserves – by KZT56.6m; **assets** – by KZT6.1bn, of which: net volume of loan portfolio – by KZT5.0bn, correspondent account – by KZT387.6m, securities in portfolio of bank – by KZT374.3m, other assets – by KZT56.6m; **liabilities** – by KZT5.7bn as a result of an increase in deposits by KZT4.4bn and credits attracted – by KZT1.5bn with a decrease in other liabilities – by KZT211.7m; **income** – by KZT1.0bn; **expenses** – by KZT844.7m. **Net income** of Bank Caspian OJSC for 9 months of 2001 equaled KZT256.0m, which is KZT189.3m or 3.8 times more than in similar period of 2000.

Dynamics of some parameters of Bank Caspian OJSC in 2001 on a quarterly, not accumulating sum basis

(in th. KZT, unless otherwise specified)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Change in deposits	1,069,694	38,327	-96.4	1,210,126	+3,057.4
Total income	479,672	613,586	+27.9	800,228	+30.4
Net income	14,098	96,629	+585.4	145,235	+50.3

Temirbank OJSC (Almaty) provided the KASE with its financial statements for 9 months of 2001: balance sheet and income statement.

Comparable figures of financial and economic activities of Temirbank OJSC in 9 months of 2001

(in th. KZT, unless otherwise specified)

Ratio	As of	As of	Change, %
	Oct 1 '00	Oct 1 '01	
Authorized capital (less treasury stock)	1,370,547	1,378,423	+0.6
Shareholders' equity	1,995,545	2,137,992	+7.1
Total assets	12,897,246	18,192,360	+41.1
Liquid assets	2,717,577	4,103,631	+51.0
Credits given (net)	8,966,691	12,476,890	+39.1
Liabilities	10,901,701	16,054,368	+47.3
Loans and deposits (including bonds)	10,298,141	15,480,004	+50.3
Total income	2,078,894	2,465,091	+18.6
General expenses	1,913,710	2,161,684	+13.0
Net income of the period	165,184	303,407	+83.7
Book value of a share, KZT	1,456.02	1,551.04	+6.5

Compared to similar period of 2000 **growth** took place in: **shareholders' equity** of the bank – by KZT142.4m as a result of an increase in accumulations in funds and reserves – by KZT172.7m, paid part of authorized capital – by KZT7.9m, with a decrease in final amount of undistributed income – by KZT38.2m; **assets** – by KZT5.3bn, of which: loan portfolio – by KZT3.5bn, correspondent account – by KZT1.3bn, other assets – by KZT532.9m; **liabilities** – by KZT5.2bn, including deposits – by KZT4.0bn, issued bonds – by KZT860.7m, other liabilities – by KZT316.7m; **income** – by KZT368.2m; **expenses** – by KZT248.0m. **Net income** of Temirbank OJSC for 9 months of 2001 increased by KZT135.2m or 1.8 times relative to similar period of 2000.

Dynamics of some parameters of Temirbank OJSC in 2001 on a quarterly, not accumulating sum basis

(in th. KZT, unless otherwise specified)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Change in deposits	1,154,766	75,351	-93.5	2,017,861	+2,577.9
Total income	902,671	819,223	-9.2	743,197	-9.3
Net income	134,363	40,313	-70.0	128,731	+219.3

Moody's Investors Service Inc (Moody's, New York) distributed a message on October 30, 2001 where it states that the issuer's rating of NOC KAZAKHOIL CJSC (Astana; production of oil and accompanying services) was lowered to "Ba3" from "Ba2". The rating outlook is "stable". It is said that the main reason for the rating decrease was that the Kazakh Government would transfer Kazakhoil's 20% stake in the TengizChevroil project (TCO) from the company without consideration. Moody's said the downgrade reflects the significant loss of

reserves and production that the transfer constitutes, the impact it will have on the future development of the company and the potential weakening of Kazakhoil's long-term importance to the Kazakh state.

However, Moody's does not deny that it was Kazakhoil that requested the transfer, and that it can affect the potential gains and not the company's financial condition. Transfer allowed the company to decrease its accounts receivable. Moody's added. In the interim, Kazakhoil will continue to rebuild its production levels, and there will likely be other opportunities for the company to participate in projects on the state's behalf, particularly on the Caspian shelf, through which the company's development could permit some positive rating action depending on its ongoing operational and financial relationship with the Government.

KASE MEMBERS

Based on the decision of the Exchange council of KASE, from October 29, 2001 **FUTURE CAPITAL LLP** has been admitted to KASE members under categories 'K', 'P' and 'N' with the right to participate in government securities and corporate securities trades based on its application. The company was registered by the Ministry of Justice of Kazakhstan on March 26, 2001. The company has a state license #0401200423 issued on June 29, 2001 by the National Securities Commission of Kazakhstan to engage in brokerage and dealing activities on the stock market with the right to handle client accounts as a nominal holder. Qualification requirements to a staff of the company were performed. Declared and paid charter capital of FUTURE CAPITAL LLP amounts KZT25.0m, shareholders' equity on October 1, 2001 – KZT24,899.8 th.

KASE NEWS

On November 2, 2001 initial additional offering of second and third issue inscribed coupon bonds of Atyrau region local executive body will be held in the Trade system of KASE. The issuer is local executive body of Atyrau region (akimat). Financial consultants of the issuer are DB Securities (Kazakhstan) OJSC (Almaty), Kazkommerts Securities OJSC (Almaty), Halyk Bank of Kazakhstan OJSC (Almaty). The legal advisor of the issue and the issuer is White & Case LLP (Almaty). Financial agent of the issuer is the Kazakhstan Stock Exchange CJSC (Almaty). The register on bonds is maintained by the Central Depository of Securities CJSC (Almaty). The market-maker of bonds is Kazkommerts Securities OJSC. On June 08, 2001. international rating agency Moody's Investors Service, Inc gave Atyrau region ratings of issuer of debt obligations in foreign and national currency at the level "B1" with positive forecast. The bonds were admitted to the Exchange on September 19, 2001 based on the decision of the Board of KASE and decision of the Exchange Council of the same date.

Following are the parameters of the issue announced by the issuer and his financial consultants and also main parameters:

Type of securities	inscribed coupon bond indexed by the KZT/USD exchange rate fluctuation	
Issue number	2	3
NIN	KZE4KY020023	KZE4KY050038
KASE trade code	ARU024.002	ARU060.003
IRBIS registration number	2/24ARU	3/60ARU
Face value, USD	100.00	100.00
Circulation begins on (first accumulated interest accrual date)	Sept 26.01	Sept 26.01
Maturity (structure/actual)	Sept 25.03 / Sept 25.03	Sept 24.06 / Sept 25.06
Circulation term	730 days (2 years)	1825 days (5 years)
Coupon	semiannual	semiannual
Coupon rate	8,00% APR	8,60% APR
Coupon payments dates (planned / actual)	1 March 26.02 / March 26.02	March 26.02 / March 26.02
	2 Sept 25.02 / Sept 25.02	Sept 25.02 / Sept 25.02
	3 March 26.03 / March.03.03	March 26.03 /March 26.03
	4 Sept 25.03 / Sept 25.03	Sept 25.03 / Sept 25.03
	5 –	March 25.04 / March 25.04
	6 –	Sept 24.04 / Sept 24.04
	7 –	March 25.05 / March 25.05
	8 –	Sept 24.05 / Sept 26.05
	9 –	March 25.06 / March 27.06
	10 –	Sept 24.06 / Sept 25.06
Register fixing date (coupon, maturity)	3 working days	3 working days
Announced issue volume, KZT	1,880,663,000.00	870,746,576.00
Floated volume, KZT	actual/365	actual/365
Auction date	Nov 02.01	Nov 02.01
Settlement date (till 4:00PM ALT)	Nov 05.01	Nov 05.01
Accumulated interest by auction date	0.898630%	0.966027%
Volume of additional issue, tenge	1,851,123,000.00	869,269,576.00

Coupon accrual begins on the day following the day when the financial agent transfers the money for purchased bonds into the issuer's account, and continues throughout the circulation term, **including maturity day**. The issuer has the

right to **call back** the bonds by paying the coupon for their actual outstanding period during the next coupon accrual period.

Applications are to be submitted in the trade system of KASE from 9:00AM till 12:00PM Almaty time. Clean price of bond without accumulated interest will be a subject of an auction, which is entered into the trade system of the KASE as a price in percents of the face value expressed with four figures after the decimal. The number of bonds is stated at their face value. Bids are satisfied by the results of the auction and after the cut-off procedure conducted by the issuer in increments of one thousandth of clean price. Bids are cut if the prices shown there exceed the cut-off price stated by the issuer. Bids with the prices that are higher or equal to the cut-off price are satisfied at an submitted price. The issuer has a right to satisfy only a part of bids, price in which is equal to cut-off price. In this case bids are satisfied according to giving order. Only competitive bids are accepted at auction.

According to resolutions of the Board of the National bank of Kazakhstan "On investing of pension assets in bonds of local executive body of Atyrau region with maturity in year 2003" and "On investing of pension assets into bonds of local executive body of Atyrau region with maturity in year 2006", kazakhstani pension assets management companies and State Accumulative Pension Fund (Almaty) are allowed to buy bonds of Atyrau region of mentioned issues for pension assets.

All settlements regarding the purchasing (including at the auction), servicing and repayment of the bonds are made in Kazakhstani tenges at the KZT/USD official rate of the National Bank of Kazakhstan, effective on the dates prior to settlement dates. Investors will pay for the bonds purchased at the auction through organizations, which have accounts in Central Depository of Securities CJSC (Almaty).

Issue, circulation and redemption procedures of the bonds are regulated by the "Issue, floatation, circulation, repayment and servicing rules for mid-term currency government securities of the local executive bodies", which was approved by the resolution #1139 of the Government of Kazakhstan, dated September 4, 2001.

By the decision of the Board of KASE **from November 10, 2001** RG Securities LLP is exempted from the status of exchange market - maker of common (KZ1C44930010, KZMS) and privileged (KZ1P44930215, KZMSp) shares of Corporation Kazakhmys OJSC (Jezkazgan). A basis for the decision was an application of RG Securities LLP about voluntary refuse from the status of market – maker.

Based on the decision of the Exchange council of KASE **on October 28, 2001** a participation of KASE in the charter capital of the Kyrgyz Stock Exchange CJSC (KSE, Bishkek) has been approved. In March of current year on the basis of delegations presented to the Board of KASE by the Exchange council negotiations between two exchanges were held, during which an agreement about sale of automated system of trades (AST) of KASE and accompanying services to KSE was made. According to conditions of planned agreement, instead of payment for AST and services KSE will sell KASE 60 its common shares, for that KSE is going to implement a registration of new issue of shares. After making a deal KASE will own share in the amount of 10.6% of charter capital of KSE. A share of participation of Istanbul Stock Exchange (ISE) in the capital of KSE will decrease to 24.5%, other shareholders – to 64.9%. Currently a share of ISE in the charter capital of KSE amounts 27.4%, other shareholders – 72.6%.

Prepared by the agency IRBIS