

# WEEK OF STOCK MARKET OF KAZAKHSTAN

September 25 – October 1

Money market indicators as of October 1 and change for the period

Term	Currency	Rate	Trend
<b>“Overnight” on autorepo at KASE(TONIA)</b>			
1 day	KZT	2.80	-4.21
<b>Repo opening at KASE (WA, % APR)</b>			
1 day	KZT	2.79	-4.11
7 days	KZT	4.50	–
14 days	KZT	4.17	-1.52
29-30 days	KZT	8.28	-1.02
33 days	KZT	4.10	–
183 days	KZT	8.00	–
<b>KIBOR (indicative, % APR)</b>			
1 week	KZT	7.00	0
2 weeks	KZT	7.50	0
1 month	KZT	8.00	0
2 months	KZT	8.50	0
3 months	KZT	9.00	0

Stock market indicators as of October 1 and their change for the period

Index	Value	Trend
<b>Shares of “A” listing</b>		
KASE_Shares	133.50	-3.88%
<b>Corporate bonds of “A” listing</b>		
KASE_BP	147.98	+0.19%
KASE_BC	121.86	-0.01%
KASE_BY	7.44	-0.04%
<b>Euronotes of Kazakhstan</b>		
KASE_EP	151.29	+0.49%
KASE_EC	112.41	+0.47%
KASE_EY	3.16	-7.30%

US dollar = **148.97** tenge at official rate for the end of the period.

US dollar = **148.58** tenge at weighted average rate of the Exchange for the end of the period.

Rate of tenge devaluation for the period at the Exchange’s rate – **1.2% APR**.

## THE CORPORATE SECURITIES MARKET (CS)

In purchase-sale sector a total of 66 deals amounting to \$35,707.7 th. or KZT5,314.4 m. were made during the analyzed period at Kazakhstan stock exchange (KASE). In comparison with the previous period (18 deals, \$3,705.0 th. or KZT549.2 m) volume of the sector increased 9.6 times. During the analyzed period deals were made by 13 KASE’s members on 25 instruments 16 of which were bonds. At that, 11.3% of gross-turnover (7.0% on purchasing transactions and 15.6% - on sale) were made at the expense of pension market’s subjects. During the last week KASE’s 10 members of “P” and “H” categories were interested in 11 securities, 3 of which were bonds. Stake of pension assets was 13.2% of gross turnover, including 7.8% on purchasing transactions, 18.6% – on sale transactions.

The shown data gives evidence about abrupt growth of stock exchange’s turnover in this sector of the market due to activation of brokers, increasing of number and volume of deals, and also expansion of the range of traded instruments. At that, the main volume of transactions was made on the last day of the month and the quarter. This circumstance, as well as peculiarities of separate big-volume deals, make connect activation of the market with final quarter turnovers and forming of accounts by the results of the quarter by participants. Sharp tenge deficit,

Investment attractiveness of stock exchange financial instruments since September 25 till October 1

Financial instrument	Currency of transaction	Yield, %	APR trend
<b>Instruments denominated in KZT</b>			
UKPFb1	KZT	14.00	0
TXBNb1	KZT	11.68	-0.52
TXBNb2	KZT	11.00	0
CCBNb3	KZT	10.21	+1.21
ARNAb1	KZT	9.50	0
HSBKb3	KZT	8.86	+0.36
CS repo*	KZT	7.84	-2.14
KZIKb2	KZT	6.54	+0.50
MEOKAM, MEAKAM	KZT	6.41	+0.46
MEKKAM, notes*	KZT	5.50	+0.03
KZIKb1	KZT	5.00	-0.78
GS repo*	KZT	4.28	-5.17
<b>Instruments indexed on devaluation</b>			
ALKSb2	USD	10.86	+0.65
RGBRb3	USD	10.50	+0.30
KZASb1	USD	10.10	0
ORDBb1	USD	10.00	0
VTBNb1	USD	10.00	0
ASFIb2	USD	10.00	+1.00
CSBNb2	USD	9.64	-0.11
BTASb1	USD	9.58	+1.08
VITAb3	USD	9.41	–
BTASb2	USD	9.00	0
NRBNb2	USD	9.00	–
ASBNb1	USD	8.52	0
TEBNb3	USD	8.50	0
NRBNb1	USD	8.50	+2.50
CSBNb1	USD	8.20	0
CCBNb2	USD	8.00	-0.01
TEBNb2	USD	8.00	0
KKGBb2	USD	8.00	+0.51
CCBNb1	USD	8.00	+0.01
HSBKb	USD	8.00	+0.01
LARlb1	USD	7.75	0
HSBKb2	USD	7.64	+0.01
TEBNb	USD	7.58	0
ALBNb1	USD	7.00	+0.01
ART060.004	USD	6.50	0
BRKZb1	USD	6.02	-1.48
ATFBb2	USD	6.00	0
KZPSb1	USD	6.00	0
KZAPb1	USD	5.90	+0.01
TMJLb2	USD	5.72	+0.32
KZTKb1	USD	5.50	-0.01
AST048.006	USD	5.38	-0.04
SYRGb1	USD	5.35	-0.55
AST048.005	USD	5.29	-0.09
KARMB1	USD	5.00	-0.80
VKU036.002	USD	5.00	0
AST036.004	USD	4.95	-0.19
ASU036.003	USD	4.71	-0.09
VKU036.001	USD	4.00	0
<b>Instruments denominated in foreign currency</b>			
BTASe3	USD	8.57	+0.34
KKGBe4	USD	8.49	+0.19
BTASe2	USD	7.31	+0.20
KKGBe2	USD	7.00	0
KZTOe1	USD	6.69	+1.72
KKGBe3	USD	6.22	-0.01
BTASe1	USD	4.46	+0.51
BRKZe1	USD	4.00	+0.01
ENU04.10	USD	3.46	+0.10
ENU07.05	USD	3.32	-0.05
IFO bonds	EUR	1.57	+0.20

The yields of bonds at which the deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to previous week. Securities marked by asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield is given.

which was observed at the financial market in the end of September, gives the same idea. As a rule, banks lack of free funds at the moment of quarterly accounts formation results in the significant and temporary redistribution of securities between participants. The very big volume (\$17.6 m.) of four direct deals in shares of Corporation Kazakhmys OJSC, marks non-market nature of the noted activation. Money were transferred here between investors' accounts, which were mainly under control of one broker-dealer company.

Other factors did not influence much upon CS market and yielded by their impact to the described factor.

In corporate bonds market there is fundamental expansion of the range of instruments, which were involved into deals. But the main tendency, which is graphically illustrated by the dynamics of indexes of the series KASE\_B\* – further and gradual falling of yield because of prices growth – remains relevant. During the week, judging on conducted deals, yield of ALKSb2 fell from 12.85% APR to 10.05% APR, ARNAb1 – from 12.98% to 9.50%, ASFib2 – from 10.20% to 10.00%, HSBKb3 – from 8.98% to 8.50%, ORDBb1 – from 10.93% to 10.00%, TXBNb1 – from 12.20% to 11.60%, VTBNb1 – from 10.65% to 10.00%. Following securities' yield for purchaser grew: BTASb1 (from 8.50% APR to 9.58% APR), CCBNb3 (from 10.00% to 10.21%), KZTOe1 (from 5.87% to 6.69%), NRBNb1 (6.91% to 8.50%). First two deals in KZIKb2 have been made, yield for purchaser on the last of them equaled to 7.00% APR. Yield of other bonds did not change (see the table). Changing of market-makers' quotations (see the table of investment attractiveness) demonstrated an interesting regularity. Quotations of demand for most profitable securities were falling increasing their attractiveness for a purchaser, and quotations of less profitable were growing resulting in deeper decreasing of their yield.

As the result of predominate growth of corporate bonds' prices, and also including of new securities into KASE's list (see below), capitalization of this market's segment rose within 7 days by \$17.6 m. and equaled by October 1 to \$2,152.6 m.

In shares segment, as was said above, KZMS attracted attention, their rate rose by 6.7%, and volume of deals controlled the half of turnover of stock exchange's CS market and 72% of shares market's turnover. Biggest deals on these securities were direct. Rate of the usual favorite, which was actively traded by direct deals, also grew – by 9.4%, VTBNp – by 28.6%. BTAS fell during the week by 24.8%, KTTH – by 83.8%. Rate of other securities did not change. Capitalization of shares market rose within 7 days by \$32.5 m. and equaled by October 1 to \$2,249.6 m.

The tables show data on deals, bid and ask in CS purchase and sale sector, including SBS, and also decoding of trade codes.

**Results of the trades in bonds within September 25 – October 1** (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1	8.9999	0	10.0022	7.0046
Almaty Kus OJSC	ALKSb2	10.0500	968.6	10.0500	11.8000
ARNA OJSC	ARNAb1	9.4953	81.1	9.5000	9.5000
Alliance-Bank OJSC	ASBNb1	11.4999	0	11.0000	8.5200
Astana-finance OJSC	ASFib2	*10.0000	1,909.6	*10.0000	*10.0000
ATFBank OJSC	ATFBb2	7.1965	0	8.9983	6.0045
Development Bank of Kazakhstan JSC	BRKZb1	7.5000	0	8.8424	6.1754
Development Bank of Kazakhstan JSC	BRKZe1	5.0843	0	6.9795	4.0045
Bank TuranAlem OJSC	BTASb1	9.5796	55.6	9.5796	9.5796
Bank TuranAlem OJSC	BTASb2	9.0000	0	10.4990	9.0039
TuranAlem Finance B.V.	BTASe1	6.4226	0	5.8803	4.8102
TuranAlem Finance B.V.	BTASe2	8.2954	0	8.0677	7.3157
TuranAlem Finance B.V.	BTASe3		0	9.3001	8.5712
Bank CenterCredit OJSC	CCBNb1	12.2713	0	10.6285	8.0040
Bank CenterCredit OJSC	CCBNb2	11.1244	0	10.8041	8.0050
Bank CenterCredit OJSC	CCBNb3	10.2052	12.9	10.2052	10.2052
BANK CASPIAN JSC	CSBNb1	9.2992	0	10.5000	8.2000
BANK CASPIAN JSC	CSBNb2	9.7500	241.2	9.4948	9.7500
Halyk Bank of Kazakhstan OJSC	HSBKb	8.4509	0	10.7868	8.0029
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	9.6489	7.6443
Halyk Bank of Kazakhstan OJSC	HSBKb3	8.5018	23.6	8.5018	9.2227
Karazhanbasmunai OJSC	KARMB1	6.4989	0	7.9968	5.0050
KAZKOMMERTSBANK OJSC	KKGBb2	8.0000	9.9	8.0000	8.0000
KAZKOMMERTSBANK OJSC	KKGBe2	7.0658	0	9.9954	6.9998
Kazkommerts International B.V.	KKGBe3	7.3056	0	7.8515	6.2257
Kazkommerts International B.V.	KKGBe4	8.7780	0	8.9725	8.4989
NAC Kazatomprom	KZAPb1	8.0237	0	8.7985	5.9030
DAGOK Kustanaiasbest JSC	KZASb1	10.1036	10.2	11.9970	10.1047
Kazakhstan Mortgage Company CJSC	KZIKb1	6.9000	0	7.9960	5.0046
Kazakhstan Mortgage Company CJSC	KZIKb2	*7.0001	2,423.5	6.1108	*7.0001
Kazpost OJSC	KZPSb1	8.4991	0	8.7997	5.9974
Kazakhtelecom	KZTKb1	6.4954	0	7.4959	6.0032
KazTransOil CJSC	KZTOe1	6.6926	10.6	6.1017	6.6926
JB LARIBA-BANK OJSC	LARib1		0	10.7482	7.7501

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Nurbank OJSC	NRBNb1	8.5000	3,440.6	8.5000	8.5000
Corporation "Ordabasy" OJSC	ORDBb1	10.0000	10.7	10.9773	10.0000
RG BRANDS OJSC	RGBRb3	10.4978	604.6	10.5005	10.5005
PetroKazakhstan Oil Products JSC	SYRGB1	6.4978	0	8.0021	6.0045
TEMIRBANK OJSC	TEBNb	10.4996	0	9.0762	7.5832
TEMIRBANK OJSC	TEBNb2	10.9983	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3		0	8.9978	8.5049
NC KTZh CJSC	TMJLb2	7.4122	0	8.5804	5.7236
TEXAKABANK OJSC	TXBNb1	11.5971	1,317.6	11.5971	13.2781
TEXAKABANK OJSC	TXBNb2	11.0000	0	12.0000	11.0000
UKBF CJSC	UKPFb1		0	15.5000	14.0000
VITA OJSC	VITAb3	14.0042	0	17.0105	9.4131
VALUT-TRANZIT BANK OJSC	VTBNb1	*10.0039	66.6	9.6448	10.0508
<b>TOTAL</b>	<b>47</b>		<b>11,186.9</b>		

**Results of the trades in shares during September 25 – October 1** (KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*10.00	8,380,000	564.1	*10.00	*10.00
Almaty Kus OJSC	ALKSp	*14.80	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
Almaty Kus OJSC	ALKSx	*10.00	40,000,000	2,691.2	*10.00	*10.00
CNPC – Aktobemunaigaz OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
ATFBank OJSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank OJSC	ATFBp	999.00	0	0	1,000.00	1,500.00
ATFBank OJSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem OJSC	BTAS	15,373.19	8,949	923.5	15,373.19	15,373.19
Bank CenterCredit OJSC	CCBN	*200.00	475,000	639.2	*200.00	*200.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	171.00	256.50
Halyk Bank of Kazakhstan OJSC	HSBK	120.00	0	0	150.00	170.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	150.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	180.00	0	0	150.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	*65.79	0	0	65.55	98.04
KAZKOMMERTSBANK OJSC	KKGBp	103.49	0	0	74.49	111.41
Kaztorgtehnika OJSC	KTTH	*700.00	8,000	45.8	1,000.00	*700.00
Corporation Kazakhmys JSC	KZMS	*4,160.00	563,282	17,616.2	4,799.00	1,970.00
Kazakhtelecom	KZTK	3,566.88	0	0	2,979.40	4,456.50
Kazakhtelecom	KZTKp	1,482.00	0	0	1,489.70	2,228.25
TEMIRBANK OJSC	TEBN	1,000.00	60,005	403.9	1,000.00	1,000.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
TEXAKABANK OJSC	TXBN		0	0	9,086.00	13,629.00
UKTMC OJSC	UTMK	*6,147.00	0	0	4,171.16	6,239.10
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	557,872	1,238.9	*350.00	322.51
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	167,946	398.1	*450.00	350.00
<b>TOTAL</b>	<b>28</b>		<b>50,221,054</b>	<b>24,520.8</b>		

**Notes:** bid and offer prices for the period are given; if no deals were made during reporting period (volume =0), the last price of successful trades is given; marked by the star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals and indicators received with its using.

**In the repo-transactions sector of CS** 42 deals were made in the total amount of **\$7,446.1 th.** (KZT1,108.1 m.) during the described period. 24 deals of them (in the amount of \$4,350.9 th.) were repo opening and 18 deals (in the amount of \$3,095.1 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$3,583.3 th. (KZT530.4 m).

**In all at CS trade floors of KASE** a total of 108 deals amounting to **\$43,153.7 th.** (KZT6,422.5 m) were concluded within the analyzed period. During the previous period (including primary additional floatation and repo sector) volume of 37 deals reached \$8,829.5 th. (KZT1,308.3 m).

### Changes in KASE's trade lists

As was informed before, by the decision of KASE's Council dated September 22 of 2003 **inscribed indexed bonds of KazTransCom OJSC** (Almaty) of the first issue (KZ2CKY07A834, KZTCb1; KZT1, KZT3.0 bn.; July 25, 03 – July 25, 10; semi-annual coupon 8.0 APR of indexed face value, 30/360) have been included into KASE's official "A" listing category. The decision took effect **since September 26 of 2003** because the issuer had paid KASE the entrance and the first annual listing fees on these securities and made Agreement about listing. Information about opening of trades in the bonds at KASE will be announced later.

## SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE a total volume of 66 deals reached **KZT8,939.3 m.** (\$60,065.2 th) during the analyzed period. Corresponding figure of the previous period – KZT6,207.8 m (\$41,913.8 th.). No fundamental changes occurred this week here. Expansion of the segment contained banks' deficit of tenge and distraction of their money to the work with US dollar. At the same time precisely this circumstance promoted to three-fold growth of volume of deals in notes. Separate participants of the market were selling these bonds, and invested the earned money in repo sector at high interest. Bonds' yield for purchaser varied insignificantly and differently for bonds of different types and terms.

### Parameters of Exchange's transactions in GS within September 25– October 1

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, min tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted (KZT): National Bank's notes</b>				<b>53.9% (25.8%) of purchase and sale sector's turnover</b>		
less than 8	4.20	4.20	4.20	4.20 (4.68)	11.0	1
8 - 14	5.00	5.00	5.00	5.00 (5.60)	8.2	1
15 - 28	4.48	5.00	4.48	4.55 (5.60)	164.8	6
29 - 36	6.45	6.45	6.45	6.45 ( -)	507.0	1
37 - 42	5.10	5.10	5.10	5.10 ( -)	9.9	1
43 - 56	5.05	6.39	5.05	6.23 (5.05)	450.9	4
57 - 63	5.02	5.10	5.10	5.06 ( -)	1,586.9	2
64 - 91	4.97	5.42	5.42	5.36 (6.29)	1,561.8	5
92 - 181	3.72	5.19	3.72	4.95 (4.06)	84.9	5
182 - 364	4.96	5.07	4.96	5.01 ( -)	435.4	11
Total					4,820.8 (1,599.6)	37 (31)
<b>Coupon (KZT): MEOKAM-24, 36, 60, MEIKAM, MEAKAM</b>				<b>42.9% (72.9%) of purchase and sale sector's turnover</b>		
less than 730	5.49	6.44	6.44	6.42 (5.96)	2,076.9	3
731 - 1095	2.80	5.76	5.68	4.55 (4.94)	189.7	5
1096 - 1460	6.50	6.50	6.50	6.50 ( -)	3.5	1
1461 - 1825	6.07	6.62	6.07	6.37 (6.39)	1,565.4	16
Total					3,835.5 (4,523.2)	25 (28)
<b>Euronotes of Kazakhstan (USD)</b>				<b>3.2% (1.4%) of purchase and sale sector's turnover</b>		
*382	3.46	3.46	3.46	3.46 (3.34)	259.9	1
**1301 - 1305	3.29	3.51	3.29	3.32 (3.37)	23.4	3
Total					283.0 (85.1)	4 (4)
<b>TOTAL</b>				<b>8,939.3 (6,207.8)</b>		<b>66 (63)</b>

**Notes:** for euronotes (\* – third issue, \*\* – fourth issue) volume of the deals has been calculated at weighted average USD/KZT rate of the Exchange.

In **GS repo-transactions sector** 438 deals were made for a total of **KZT48,848.7 m** (including automatic repo sector) during the period. Of this number 216 deals (for KZT25,495.2 m.) were repo opening deals and 222 (KZT23,353.5 m.) – repo closing deals. During the previous period volume of transactions of this type was equal to KZT48,590.9 m. After closing of the trades on October 1 total amount of opened at KASE repo reached KZT21,503.5 m.

### Major parameters of automatic repo market on opening deals within September 25 – October 1

(in parentheses – comparable figures of previous period)

Instrument (currency, term of repo)	Yield, % APR				Volume, m KZT	Number of deals	Portion, %
	on first deal	min	max	at last deal			
KZT_001	10.00	1.00	10.00	1.00	3.63 (10.68)	14,334.02	131 75.9 (55.8)
KZT_002	8.00	6.00	8.00	6.00	7.48 (12.68)	135.00	2 0.7 (4.7)
KZT_007	5.20	4.50	6.00	4.50	5.46 (6.28)	1,235.01	20 6.5 (2.9)
KZT_014	6.00	4.00	6.00	4.00	5.34 (5.80)	1,807.00	13 9.6 (12.9)
KZT_028	5.80	5.00	6.50	5.00	5.72 (6.62)	1,365.00	19 7.2 (23.1)
<b>TOTAL</b>						<b>18,876.0 (18,955.0)</b>	<b>185 (239) 100.0</b>

**Total of 504 deals were made at CS trade floors of KASE** total amounting to **KZT57,788.0 m** during the analyzed period. During the previous period volume of 537 deals reached KZT54,798.7 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **79.4%**, last week - 56.3%.

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