

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 23 – October 29

Money market indicators as of October 29 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	3.38	-3.87
Repo opening at KASE (WA, % APR)			
1 day	KZT	3.33	-3.83
7 days	KZT	4.65	-0.79
14 days	KZT	4.50	-0.90
28 days	KZT	4.80	-1.07
31 days	KZT	12.00	–
KIBOR (indicative, % APR)			
1 week	KZT	6.50	-1.50
2 weeks	KZT	7.25	-1.75
1 month	KZT	8.00	-1.00
2 months	KZT	8.75	-1.25
3 months	KZT	9.50	-0.50

Stock market indicators as of October 29 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	134.10	+0.13%
Corporate bonds of “A” listing		
KASE_BP	148.49	+0.22%
KASE_BC	121.84	+0.13%
KASE_BY	7.38	-0.29%
Euronotes of Kazakhstan		
KASE_EP	149.62	-0.57%
KASE_EC	109.91	+0.55%
KASE_EY	3.97	-7.75%

US dollar = 148.05 tenge at official rate for the end of the period.

US dollar = 148.11 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 – 4.1% APR.

THE CORPORATE SECURITIES MARKET (CS)

In purchase-sale sector a total of 39 deals amounting to \$12,424.8 th. or KZT1,839.4 m. were made during the analyzed period at Kazakhstan stock exchange (KASE). In comparison with the previous period (40 deals, \$7,879.4 th. or KZT1,161.7 m.) volume of the sector increased 1.6 times. During the analyzed period deals were made by KASE’s 11 members on 17 instruments 9 of which were bonds. At that, 13.8% of gross-turnover (14.1% on purchasing transactions and 13.5% - 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 15 securities, 9 of which were bonds. Stake of pension assets was 21.9% of gross turnover, including 34.7% on purchasing transactions, 9.1% – on sale transactions.

At corporate bonds market no changes occur. On the background of working fluctuations of total deals volume general tendency of gradual decreasing of securities’ yield for purchaser, while their prices grow, is still relevant. In index expression weekly decrease for bonds, which are indexed on tenge devaluation level relative to dollar, is estimated at 0.29% (index KASE_BY, table in the beginning of the review). However

Investment attractiveness of stock exchange financial instruments since October 23 till October 29

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated in KZT			
UKPFb1	KZT	14.00	0
TXBNb1	KZT	11.67	+0.07
TXBNb2	KZT	10.80	-0.20
CS repo*	KZT	9.40	+1.56
HSBKb3	KZT	9.00	0
ARNAb1	KZT	9.00	-3.00
CCBNb3	KZT	8.91	0
KZIKb2	KZT	7.42	-0.11
MEOKAM, MEAKAM	KZT	6.13	+0.71
KZIKb1	KZT	5.00	0
MEKKAM, notes*	KZT	4.91	-0.21
GS repo*	KZT	3.46	-4.38
Instruments indexed on devaluation			
RGBRb3	USD	10.54	+0.34
ASFIb2	USD	10.50	+0.06
ALKSb2	USD	10.05	0
ORDBb1	USD	10.00	0
CSBNb2	USD	9.70	+0.02
VITAb3	USD	9.50	-7.68
VTBNb1	USD	9.41	-0.01
ATFBb2	USD	9.24	+3.24
BTASb2	USD	9.00	0
KZASb1	USD	9.00	0
NRBNb2	USD	9.00	–
CCBNb2	USD	8.86	+0.86
ASBNb1	USD	8.52	0
TEBNb3	USD	8.50	0
BTASb1	USD	8.50	0
CSBNb1	USD	8.20	0
TEBNb2	USD	8.00	0
CCBNb1	USD	8.00	0
HSBKb	USD	7.91	0
LARib1	USD	7.75	-0.51
HSBKb2	USD	7.61	0
TEBNb	USD	7.56	0
ALBNb1	USD	7.00	0
KKGBb2	USD	7.00	0
ART060.004	USD	6.50	0
NRBNb1	USD	6.21	+0.08
BRKZb1	USD	6.04	+0.04
KZPSb1	USD	5.90	-0.04
KZAPb1	USD	5.89	-0.04
ART060.003	USD	5.60	0
AST048.006	USD	5.53	-0.11
KZTKb1	USD	5.50	0
AST048.005	USD	5.45	-0.16
TMJLb2	USD	5.33	0
SYRGb1	USD	5.25	0
AST036.004	USD	5.15	-0.01
VKU036.002	USD	5.00	-0.01
ASU036.003	USD	5.00	-0.05
KARMB1	USD	5.00	0
VKU036.001	USD	4.00	0
Instruments denominated in foreign currency			
KKGBe4	USD	8.19	0
BTASe3	USD	7.95	-0.02
BTASe2	USD	7.04	+0.13
KKGBe2	USD	7.00	0
KKGBe3	USD	6.05	-0.12
KZTOe1	USD	6.05	+1.19
BTASe1	USD	4.53	+0.07
BRKZe1	USD	4.00	0
ENU04.10	USD	2.85	+0.02
IFO bonds	EUR	1.71	+0.04

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.

tenge securities are also growing in price. The key influence upon behavior of index KASE_BY is made by market-makers' quotations, but not real prices of deals because the list of traded securities is much wider than list of securities involved into deals. And as regards deals within 7 days yield of ASF1b2 rose from 10.10% to 10.50% APR, ATFBb2 – from 7.10% to 8.99% APR, RGRBb3 – from 10.50% to 10.54% APR, TXBNb1 – from 11.60% to 11.67% APR. Yield of following securities fell: CCBNb2 (from 10.87% to 8.86% APR), KZIKb2 (from 7.45% to 7.38% APR), KZTOe1 (from 6.69% to 6.05% APR). Yield of CSBNb2 and HSBKb3 remained on the former level (see the table). Absence of constant favorites is typical for the market. First places in the tradability rating in various analyzed periods belong to different securities. Only KZIKb2 are outlined on this background, they are one of five leading securities by the volume of deals for the fifth week one after another.

Capitalization of corporate bonds sector decreased within 7 days by \$24.5 m. and equaled by October 29 to \$2,133.0 m. This indicator changed mainly because of excluding of the first issue bonds of KazTransOil CJSC from KASE's trade lists in accordance with redemption, whereas including of the first issue bonds of AES Ust-Kamenogorsk HS into the lists (see below) made a compensating influence.

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 October 23 – October 29 (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1	8.9999	0	9.9999	7.0040
Almaty Kus OJSC	ALKSb2	10.5000	0	12.8500	10.0500
ARNA OJSC	ARNAb1	11.9999	0	12.0000	9.0000
Alliance-Bank OJSC	ASBNb1	11.4999	0	11.5000	8.5200
Astana-finance OJSC	ASF1b2	10.5000	109.7	10.5000	10.5000
ATFBank OJSC	ATFBb2	*8.9913	4,112.6	*8.9913	9.4902
Development Bank of Kazakhstan JSC	BRKZb1	6.1975	0	8.9992	6.2470
Development Bank of Kazakhstan JSC	BRKZe1	5.0843	0	6.9762	3.9970
Bank TuranAlem JSC	BTASb1	9.5796	0	10.0000	8.5000
Bank TuranAlem JSC	BTASb2	9.0000	0	10.4962	9.0007
TuranAlem Finance B.V.	BTASe1	6.4226	0	5.6384	4.7716
TuranAlem Finance B.V.	BTASe2	8.2954	0	7.7291	7.1087
TuranAlem Finance B.V.	BTASe3		0	8.4759	7.9716
Bank CenterCredit OJSC	CCBNb1	12.2713	0	10.5889	8.0030
Bank CenterCredit OJSC	CCBNb2	8.8595	684.5	8.8595	8.8600
Bank CenterCredit OJSC	CCBNb3	10.2052	0	10.4979	8.9117
BANK CASPIAN JSC	CSBNb1	9.2992	0	10.5000	8.2000
BANK CASPIAN JSC	CSBNb2	9.7006	576.2	9.7006	9.7006
Halyk Bank of Kazakhstan OJSC	HSBKb	8.4509	0	10.7801	7.9112
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	9.6702	7.6092
Halyk Bank of Kazakhstan OJSC	HSBKb3	8.9954	776.6	8.9952	8.9954
Karazhanbasmunai OJSC	KARMB1	6.4989	0	7.9961	4.9999
KAZKOMMERTSBANK OJSC	KKGBb2	8.0000	0	8.5178	6.9977
KAZKOMMERTSBANK OJSC	KKGBe2	7.0658	0	10.0001	7.0035
Kazkommerts International B.V.	KKGBe3	6.8973	0	7.6939	6.0691
Kazkommerts International B.V.	KKGBe4	8.7780	0	8.6560	8.1920
NAC Kazatomprom	KZAPb1	8.0237	0	8.8020	5.8995
DAGOK Kustanaiasbest JSC	KZASb1	10.1036	0	11.9951	9.0048
Kazakhstan Mortgage Company CJSC	KZIKb1	6.9000	0	8.0002	5.0046
Kazakhstan Mortgage Company CJSC	KZIKb2	7.3800	1,176.1	7.3800	7.4500
Kazpost OJSC	KZPSb1	8.5048	0	8.7894	5.9056
Kazakhtelecom	KZTKb1	6.7474	0	7.4951	6.0040
KazTransOil CJSC	KZTOe1	6.0517	10.9	6.0406	6.0517
JB LARIBA-BANK OJSC	LAR1b1		0	10.7499	7.7500
Nurbank OJSC	NRBNb1	8.5000	0	8.9523	6.2381
Corporation "Ordabasy" OJSC	ORDBb1	10.0000	0	11.0000	10.0000
RG BRANDS OJSC	RGRBb3	10.5372	139.0	10.5400	10.5400
PetroKazakhstan Oil Products JSC	SYRGB1	6.4978	0	7.9953	5.5033
TEMIRBANK OJSC	TEBNb	10.4996	0	9.0558	7.5610
TEMIRBANK OJSC	TEBNb2	10.9983	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3		0	9.0000	8.5000
NC KTZh CJSC	TMJLb2	7.4122	0	8.1458	5.3710
TEXAKABANK OJSC	TXBNb1	11.6719	558.1	11.6719	11.6719
TEXAKABANK OJSC	TXBNb2	11.0000	0	11.6000	10.8000
UKBF CJSC	UKPFb1		0	15.5000	14.0000
VITA OJSC	VITAb3	*21.3610	0	15.6715	9.6105
VALUT-TRANZIT BANK OJSC	VTBNb1	10.4612	0	10.6029	9.4162
TOTAL	47		8,143.7		

At shares market no changes occurred either. The biggest volume of transactions is traditionally concerned with CCBN, which are used by participants mainly as a pawn asset during financial schemes realization. These securities' price decreased within the week by 2.3% that does not reflect any tendencies because during two years rate of CCBN has been insignificantly fluctuating near KZT200 per share. Price of TEBN decreased by 3.4% this time. Situation here is similar with CCBN. Rate of following securities grew during the week: ALKS (by

5%), KZMS (by 2.4%), MMGZp (by 7.1%). These changes are not fundamental either. Rate of other shares has not changed (see the table).

Capitalization of shares market at KASE rose within 7 days by \$11.6 m. and on October 29 in the evening it reached \$2,270.2 m. The reason of indicator's changing is mainly growth of the cost of KZMS.

Results of the trades in shares during October 23 – October 29 (KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	10.50	9,531,100	654.4	10.50	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
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Astana-finance OJSC	ASFI	1,014.96	0	0	700.00	1,050.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp	999.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem OJSC	BTAS	15,373.19	0	0	13,336.20	19,981.35
Bank CenterCredit OJSC	CCBN	*205.14	2,577,858	3,319.2	250.00	179.00
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	160.00	170.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	160.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	180.00	0	0	160.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	65.79	0	0	65.20	97.69
KAZKOMMERTSBANK OJSC	KKGBp	103.49	0	0	74.09	111.01
Corporation Kazakhmys JSC	KZMS	*4,200.00	1,300	36.9	*4,200.00	4,100.00
Kazakhtelecom	KZTK	3,566.88	0	0	2,963.60	4,440.30
Kazakhtelecom	KZTKp	1,472.11	0	0	1,481.80	2,220.15
Mangistaumunaigas OJSC	MMGZp	*850.00	98	0.6	*850.00	*850.00
TEMIRBANK OJSC	TEBN	1,000.00	4	0.03	1,035.00	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	4,149.04	6,216.42
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	17,899	39.1	*350.00	320.00
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	40,942	97.7	*450.00	348.40
Zerde OJSC	ZERD	*2.00	9,850,376	133.1	*2.00	*2.00
TOTAL	29		22,019,577	4,281.0		

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 26 deals were made in the total amount of **\$4,710.1 th.** (KZT697.4 m.) during the described period. 15 deals of them (in the amount of \$2,501.2 th.) were repo opening and 11 deals (in the amount of \$2,208.8 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$3,233.9 th. (KZT477.4 m).

In all at CS trade floors of KASE a total of 65 deals amounting to **\$17,134.8 th.** (KZT2,536.8 m) were concluded within the analyzed period. During the previous period volume of 58 deals reached \$11,113.3 th. (KZT1,639.0 m).

Changes in KASE's trade lists

By the decision of KASE's Council dated October 22 of 2003 **inscribed coupon secured bonds of AES Ust-Kamenogorsk HS OJSC** (Ust-Kamenogorsk) of the first issue (KZ2CKY03A874; 1 tenge, KZT612.78 m.; October 21, 03 – October 21, 06, semi-annual coupon 9.0% APR) have been included into KASE's official "A" listing category. This decision took effect **since October 24 of 2003**, because the issuer had paid KASE the entrance and the first annual listing fees for these securities and made Agreement about listing. At KASE the bonds were assigned trade code **UKTCb1**. Quotation accuracy in KASE's trade system is four decimal figures of bond's clean price, which is expressed as percentage of the face value. During calculation of yield and sum of the deal on the bonds, methods, which have been set for usual coupon bonds, will be used. Date of opening of trades in the bonds at KASE will be announced later. Status of the market-maker of UKTCb1 at KASE, on the basis of submitted application, has been assigned to Alliance Investment Management JSC (Almaty). Minimal volume of compulsory quotation for the market-maker is 1,700,000 bonds. More detailed information about the securities and their issuer will be published in KASE's web-site (www.kase.kz) in the nearest future.

By the decision of KASE's Board since October 24 of 2003 indexed on tenge devaluation level **bonds of KazTransOil CJSC** (Astana) of the first issue (KZ73LAONAA35, KASE's official "A" listing category; KZTOb; \$100, \$30.0 m.; October 23, 00 – October 23, 03; semi-annual coupon 9.0% APR) have been removed from KASE's official "A" listing category **in accordance with redemption**. Bonds of KazTransOil CJSC were included into KASE's official list on October 20 of 2000. First trades were held on October 24 of the same year. During the whole circulation period of bonds at KASE 219 deals (368,279 bonds) were made in purchase and sale sector to the amount of KZT5,439.7 m. (\$36,786.2 th.). Bonds' yield to maturity for a purchaser varied

during the whole time of trades from 3.79 to 10.57% per annum in terms of dollar. The last deal was made with the yield of 5.50% APR. In repo sector during the whole circulation period of KZTOb at KASE 11 transactions (22 deals) were made in 15,898 bonds to the amount of borrowing KZT246.7 m. (\$1,622.7 th.).

SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE a total volume of 48 deals reached **KZT4,926.6 m.** (\$33,263.0 th) during the analyzed period. Corresponding figure of the previous period – KZT2,088.8 m (\$14,156.6 th.). The sector has significantly increased due to activation of trade in all types of instruments. In the opinion of specialists of IRBIS, it was promoted by normalization of short-term liquidity on tenge in the banking sector. Dynamics of bonds' yield (see the table) was minimal and was not characterized by any marked tendency.

Parameters of Exchange's transactions in GS within October 23– October 29

(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 (KZT): MEKKAM, National Bank's notes				44.1% (44.3%) of purchase and sale sector's turnover		
8 - 14	3.29	3.29	3.29	3.29 (-)	50.0	1
15 - 28	4.63	5.08	5.08	4.95 (6.03)	368.9	4
29 - 36	4.51	4.51	4.51	4.51 (-)	49.8	1
37 - 42	4.74	8.29	8.29	5.72 (4.75)	82.6	4
43 - 56	4.94	4.94	4.94	4.94 (4.92)	2.0	2
57 - 63	4.97	4.97	4.97	4.97 (6.00)	19.8	1
64 - 91	4.39	4.91	4.91	4.76 (5.16)	159.8	3
92 - 181	2.60	6.12	6.12	4.84 (4.69)	961.1	11
182 - 364	0.88	5.15	0.88	4.87 (3.74)	479.5	9
Total					2,173.5 (924.8)	36 (22)
Coupon (KZT): MEOKAM-36, 60, 84, MEAKAM, MEIKAM				49.2% (51.4%) of purchase and sale sector's turnover		
less than 730	6.15	6.15	6.15	6.15 (5.57)	207.6	1
731 - 1095	3.91	6.00	6.00	4.76 (4.97)	120.0	2
1461 - 1825	6.08	6.23	6.08	6.14 (6.08)	97.1	4
more than 2191	6.10	6.10	6.10	6.10 (-)	2,000.1	2
Total					2,424.9 (1,074.3)	9 (22)
Euronotes of Kazakhstan (USD)				6.7% (4.3) of purchase and sale sector's turnover		
*349 - 355	2.68	2.85	2.68	2.85 (2.83)	328.2	3
Total					328.2 (88.9)	3 (7)
TOTAL				4,926.6 (2,088.0) 48 (51)		

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** 478 deals were made for a total of **KZT60,123.8 m** (including automatic repo sector) during the period. Of this number 243 deals (for KZT33,523.3 m.) were repo opening deals and 235 (KZT26,600.5 m.) – repo closing deals. During the previous period volume of transactions of this type was equal to KZT48,889.8 m. After closing of the trades on October 29 total amount of opened at KASE repo reached KZT25,398.2 m.

Major parameters of automatic repo market on opening deals within October 23 – October 29

(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	3.00	0.80	7.50	3.80	3.11 (6.29)	24,212.0	167 76.9 (66.2)
KZT_002	3.00	3.00	4.50	4.50	4.33 (4.67)	1,771.0	5 5.6 (0.8)
KZT_003	4.00	4.00	5.00	5.00	4.60 (-)	1,290.0	4 4.1 (-)
KZT_007	4.50	4.00	5.00	4.00	4.67 (6.52)	1,239.0	19 3.9 (6.6)
KZT_014	5.00	4.00	5.00	4.50	4.76 (6.44)	1,984.0	24 6.3 (10.0)
KZT_028	5.85	4.80	5.85	4.80	5.21 (6.80)	971.0	9 3.1 (16.4)
TOTAL						31,467.0 (18,938.0)	228 (210) 100.0

Total of 526 deals were made at trade floors of KASE in GS amounting to **KZT65,050.4 m** during the analyzed period. During the previous period volume of 559 deals reached KZT50,977.7 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **91.8%**, last week - 92.5%.

Prepared by Information agency of financial markets "IRBIS"

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: 720117, fax: 720670