

WEEK OF STOCK MARKET OF KAZAKHSTAN

August 23-28

SUPPLEMENTAL INFORMATION

US dollar = **125.94** at official rate for the end of the period.

US dollar = **126.05** at weighted average rate of the Exchange for the end of the period.

Speed of devaluation of tenge to dollar for the period at exchange's rate totaled **44.3% APR**.

Money market indicators as of August 28 and change for the period

Indicator	Rate	Trend
TONIA	7.67	-2.05
Autorepo GS 5 days	9.75	-
Autorepo GS 7 days	9.01	+0.01
Autorepo GS 31 days	9.50	-
KazPrime-3M	9.00	+0.25

Stock securities' market indicators as of August 28 and change for the period

Index	Value	Trend
KASE_Shares	2 623.17	-0.10
KASE_BP	214.61	+1.21
KASE_BC	132.10	+1.23
KASE_BY	7.69	-4.61

MAIN NEWS OF THE MARKET

On August 28 Fitch Ratings has changed JSC Kazakhtelecom's ("Kaztel") Outlook to Stable from Positive. Its Long-term foreign and local currency Issuer Default ratings (IDR) are affirmed at 'BB' and the Short-term foreign currency IDR at 'B'. "The change of Outlook to Stable from Positive reflects the uncertainty regarding the timeframe for break even of its greenfield mobile business, a marked upward revision in capex and steep tariffs cuts for international calls", says Frederic Beaumelou, Associate Director in Fitch's TMT team. In addition to the deployment of a mobile infrastructure, higher than expected fixed-line capex include ongoing digitalisation, extension of the local loop, installations of DSLAMs and rollout of a next generation network. While Fitch believes there is scope for a third GSM operator in Kazakhstan, the mobile market has become increasingly competitive, which partly explains the slow start of Mobile Telecom Services (MTS). Thus, Fitch does not expect any improvement in the company's financial ratios by end 2008, hence the stabilisation of the Outlook.

Full text of message from Fitch Ratings is given on site of the agency and also is retranslated by IRBIS agency in the news.

SHARES MARKET

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 318 deals amounting to \$42,973.3 th. or KZT5,403.8 m. were made in shares during the analyzed period. In comparison with the previous period (August 16-22, 486 deals, \$114,419.0 th. or KZT14,324.8 m.), turnover of the sector has decreased 2.7 times. During the analyzed period on KASE, 2.2% of operations in quantitative expression and 16.8% in volumetric were nego. In the previous period these indicators made 2.5% and 4.7% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 37 (36) members on 38 (37) instruments. At that: 5.0%(10.4%) of gross-turnover of the market – 8.4% (16.6%) on purchasing transactions and 1.7% (4.2%) - on sale transactions were controlled by pension market subjects; 15.2% (18.65%) of exchange's turnover of shares – 16.7% (12.1%) - on purchasing transactions and 13.6% (25.1%) - on sales transactions went through the depo accounts, registered on physical persons during the week.

In the described period weighted average daily prices of 39% (27%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 53% (65%) – fell, prices of 3% (5%) remained unchanged. In the described period shares prices changed positively in the range from 0.1% (HSBKp1) to

734.4% (EKTN), negative change – from 0.03% (UTMK) to 60.0% (RMXR).

KASE_Shares index by results of the period had decreased symbolically (see the table in the beginning of review).

As a whole the week in this sector may be called hard to Kazakhstan investors. In the previous period due to their demand index KASE_Shares was managed to be return to before crisis rates. However European markets, and first of all LSE did not support such moving of quotations of Kazakhstan companies shares. To the end of analyzed period had formed then situation at which almost all shares, traded on LSE (in form of GDR) and on KASE, were higher estimated on KASE. It is understandable that not the last role here was after dynamics of dollar rate in Kazakhstan. However the experience shows that our market cannot stay in such state for a long time. Because the main volume of deals with mentioned securities happens on LSE, our market is “following” after the London, but not vice versa. The described disposition of prices had caused to sudden fall of shares turnover on KASE (see above) and gradual slipping of KASE_Shares index downward.

Giving the due to courage of our qualified investors, which during last four days do not let KASE_Shares to fall faster than 0.9% per day, should be considered that without support of London it will be hard to hold the market on current rates. There is only hope that impressive presentations of two our large banks in the first half0-year and their not less impressive work for borrowing of big syndicated loans will persuade the West in reliability of our “blue chips”.

Detailed results of trades in shares on KASE are given in the table.

Results of share trades on KASE, including STF of RFCA within August 23-28 only by data of deals, made on the secondary market of KASE by the methods of opened trades)

Share code on KASE	Price, KZT per share:		on the last deal: price	trend, %	for last 365 days:		Volume of deals th. USD	Num-ber of deals	Best for the period:	
	min.	max.			min.	max.			bid	offer
ASAV	83,639.50	83,639.50	83,639.50	+73.4	34,351.00	83,639.50	93.2	3	83,639.50	83,639.50
ASBN	41,900.00	50,000.00	41,900.00	-2.8	11,100.00	69,000.00	96.4	5	50,000.00	38,525.00
ASFI	10,500.00	11,300.00	10,500.00	-7.1	8,100.00	14,000.00	51.3	2	11,300.00	10,500.00
ASFlp	11,500.00	11,500.00	11,500.00	+15.0	4,001.00	11,500.00	7.9	1	11,500.00	11,500.00
aTEBNp	1,500.00	1,500.00	1,500.00		1,500.00	2,600.00	696.4	1	2,580.00	1,500.00
ATFB	9,800.00	10,000.00	9,800.00	+3.1	7,000.00	14,000.00	65.3	3	10,000.00	9,800.00
ATFBp	4,048.00	4,048.00	4,048.00	+13.4	2,800.00	6,500.00	323.1	1	4,050.00	1,601.00
ATFBp8	3,830.00	4,300.00	3,941.00	-4.8	1,500.00	8,999.00	8,254.0	30	4,300.00	3,830.00
BTAS	126,001.01	136,998.00	130,000.00	-5.8	90,000.00	157,275.00	1,967.5	18	150,000.00	126,001.01
CCBN	1,620.00	1,750.00	1,650.00	-9.3	510.02	2,050.00	1,416.2	33	3,000.00	1,620.00
CHFM	900.00	900.00	900.00	-3.2	600.00	1,500.75	5.9	2	900.00	900.00
CSBN	6,500.00	6,523.00	6,500.00	-5.8	3,100.00	8,000.00	122.0	3	6,523.00	6,500.00
CSBNp	2,500.00	2,500.00	2,500.00	-16.7	700.01	3,505.00	42.7	3	2,500.00	2,301.00
DNBN	2,817.50	3,095.00	3,095.00	+14.5	1,400.00	6,727.50	80.7	3	3,095.00	2,817.50
EKTN	117,799.99	117,800.00	117,800.00		14,117.65	117,800.00	1,028.0	2	117,800.00	117,799.99
EXBN	2,900.00	2,900.00	2,900.00	-3.3	2,000.00	3,700.00	0.7	1	2,900.00	2,900.00
EXBNp	1,750.00	1,750.00	1,750.00	0	1,100.00	2,050.00	1,611.7	4	1,750.00	1,750.00
HSBK	590.00	649.99	605.00	+0.8	260.01	781.00	607.2	22	649.99	590.00
HSBKp	333.50	333.50	333.50		180.00	333.50	1.3	1	333.50	333.50
HSBKp1	310.00	314.99	310.00	0	180.00	345.00	5.5	4	314.99	310.00
KANT	1,150.00	1,265.00	1,200.00	-20.0	1,150.00	2,012.50	68.3	4	1,265.01	1,150.00
KIBN	402.00	402.00	402.00	0	150.00	1,150.00	17.5	1	402.00	402.00
KKGB	1,036.05	1,139.00	1,036.05	+3.1	840.00	1,550.00	2,482.8	95	1,139.00	1,032.00
KKGBp	300.00	360.00	300.00	-9.1	100.00	499.00	85.8	8	360.00	300.00
KZTCp	3,200.00	3,500.00	3,450.00	-3.2	1,044.00	8,750.00	50.9	3	3,500.00	3,200.00
KZTK	45,999.00	48,000.00	45,999.00	-2.1	28,000.00	55,000.00	296.7	7	48,000.00	45,500.00
KZTKp	16,500.00	17,000.00	16,500.00	-3.5	8,950.00	27,100.00	18.7	3	17,000.00	16,500.00
NFBN	5,305.00	5,500.00	5,305.00	+76.8	1,739.60	7,622.50	92.8	4	5,500.00	5,305.00
NRBN	28,000.00	28,000.00	28,000.00	-6.7	28,000.00	62,250.00	26.7	1	28,000.00	28,000.00
RAHT	3,500.00	3,500.00	3,500.00	+9.4	600.00	4,000.00	11.5	2	3,500.00	3,500.00
RDGZ	15,500.00	16,505.00	16,460.00	+4.2	11,260.00	18,399.99	14,813.4	8	16,505.00	15,500.00
TEBN	8,000.00	8,000.00	8,000.00	-3.6	3,000.01	9,000.00	2.1	1	8,300.00	8,000.00
TEBNp	2,500.00	2,690.00	2,690.00	+7.2	1,080.00	3,300.00	358.0	15	2,700.00	2,351.00
TSBN	3,900.00	4,100.00	3,900.00	-2.5	1,510.00	4,550.00	723.5	5	4,100.00	3,900.00
UTMK	27,000.00	27,000.00	27,000.00	0	25,000.00	28,750.00	222.6	11	27,200.00	26,500.00
ZERD	3.95	3.95	3.95	-0.3	1.10	4.50	4.0	1	3.95	3.95
36							35,752.1	311		

Notes: Trends are given relative to the last deal of the previous month (July 22 – August 22, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers' symbols is available at http://www.kase.kz/instruments/nzb_code.htm

CORPORATE BOND MARKET

News of corporate bond market

Since August 23, 2007 trades in bonds **KZPP1Y05B763** (official "B" listing category, KRZHb1; KZT100, KZT700.0 m., December 23, 05 – December 23, 10, annual coupon, 14.00% APR) of **Karagandy Zharyk LLP** (Karaganda) were renewed on KASE.

Since August 24 **KZ2C0Y03C692** bonds (KZT1,000; KZT6.1 bn. August 14, 07 – August 14, 10; semi-annual coupon, 10.00% APR; 30/360) of **Kazinvestbank JSC** (Almaty) have been included into KASE's official "A" listing category under **KIBNb3** symbol. It will be additionally announced on KASE about the opening of the trades with the specified bonds. Centras Securities JSC (Almaty) acts as underwriter of the issue and as financial consultant of the issuer while introducing of its bonds to the organized market. More detailed information about securities had been published on KASE's web site at <http://www.kase.kz/emitters/kibn.asp>.

Starting from August 27, 2007 trades with **KZ2C0Y05C515** bonds (KASE's category "A" official list, AGKKb1, KZT1,000, KZT3.0 bn.; August 10, 07 – August 10, 12, semi annual coupon, 8.6% APR, 30/360) of **Agrarian credit corporation JSC** (Astana) are to be opened in KASE's secondary market sector. Kazkommerts Securities JSC (daughter organization of Kazkommertsbank JSC) (Almaty) acts as financial consultant of the issuer while introduction of its bonds to the organized market. Specified bonds were included in KASE's official "A" listing category on August 8, 2007.

Starting from August 28, 2007 trades with **KZPC2Y03C346** bonds (KASE's category "A" official list, ASAVb2, KZT1,000, KZT2.0 bn.; April 30, 07 – April 30, 10, semi annual coupon, 8.3% APR for the current coupon period, 30/360) of **AZIA AVTO JSC** (Ust-Kamenogorsk) are to be opened in KASE's secondary market sector. Kazkommerts Securities JSC (daughter organization of Kazkommertsbank JSC) (Almaty) acts as financial consultant of the issuer while introduction of its bonds to the organized market. Specified bonds were included in KASE's official "A" listing category on April 30, 2007.

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 41 deals amounting to \$16,176.6 th. or KZT2,036.0 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (August 16-22, 14 deals, \$13,951.6 th. or KZT1,744.4 m.), turnover of the sector has increased by 16.0%. In the analyzed period on KASE 0.02% operations in quantitative expression and 0.000001% in volumetric were nego. In the previous period these indicators were 7.1% and 0.0001% correspondingly.

During the analyzed period deals were made by KASE's 16 (10) members on 17 (10) instruments. At that 4.9% (36.2%) of gross-turnover passed through accounts of pension market subjects. 11.6% (16.9%) of exchange's gross-turnover of corporate bonds – 16.8% (23.8%) on purchasing transactions and 6.4% (9.8%) on sale transactions, passed through depo accounts registered on physical persons.

By results of week 9 names of bonds were characterized by growth of average weighted price on the opened market, 6 – of decrease, two securities were traded for the first time. RGBRb4 seemed re-sold, net price of which decreased by 10.7%, not any instrument seemed re-bought. Yield to maturity for buyer on deals made decreased of 8 bonds, increased for 7.

The significant weekly change of indices of KASE_B* series (the table in the beginning of review) should not be considered as positive, because in greater extent it reflects the imperfection of methods of indicator calculation, whether common behavior of market. Judging by weekly change of quotations of corporate bonds their market looked enough balanced in price relation, though it was characterized by low activity.

Detailed data on corporate bond market is given in trades results table.

Results of bond trades on KASE, including STF of RFCA within August 23-28 (only on data of deals, made on secondary market of KASE by the methods of opened deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Num- ber of deals	Best for the	
			on the last deal:		for last 365 days:				period:	
	min.	max.	yield	trend	min.	max.			bid	offer
AGKKb1	13.00	13.00	13.00		13.00	13.00	33.6	1	11.00	13.00
ASAVb2	10.50	10.50	10.50		10.50	10.50	39.8	1	10.50	10.50
ASBNb4	12.50	13.50	13.50	-0.50	8.10	14.00	34.5	2	12.50	13.50
ASF1b12	9.00	9.00	9.00	0	9.00	9.90	1,552.6	2	9.00	9.00

To be continued on the page 4

Continued of table

**Results of bond trades on KASE, including STF of RFCA within August 23-28
(only on data of deals , made on secondary market of KASE by the methods of opened deals)**

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Num- ber of deals	Best for the	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
ASFb5	11.99	11.99	11.99	+0.09	8.83	11.99	204.6	1	11.99	11.99
ATFBb6	9.00	9.00	9.00	0	8.49	9.00	1,019.3	1	9.00	9.00
BRKZe1	6.17	6.17	6.17	+2.40	3.77	6.17	13.4	1	5.49	6.17
BTASb7	7.00	7.60	7.00	0	7.00	8.60	6,564.0	12	7.00	7.60
HSBkb8	7.70	9.00	9.00		7.70	9.00	64.7	4	7.70	9.00
KAFb1	8.20	8.20	8.20	-0.40	8.20	8.60	1,406.4	1	8.20	8.20
KRZHb1	7.73	7.73	7.73		7.73	10.14	17.1	1	7.73	10.00
NRBNb2	13.00	13.00	13.00		8.20	13.00	2,667.3	1	13.00	13.00
ORNkb1	11.00	11.00	11.00	-0.50	6.35	14.14	1,663.0	1	11.00	11.00
PRKRb2	9.90	9.90	9.90		8.00	10.20	744.3	1	9.90	9.90
RGBRb4	8.00	12.00	12.00	+4.00	8.00	12.00	121.6	8	8.00	12.00
TEBNb2	14.00	14.00	14.00	0	13.50	16.00	14.0	1	14.00	14.00
TSBNb4	8.50	8.50	8.50	-0.40	8.50	10.20	16.4	1	8.50	8.50
17							16,176.6	40		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (July 22 – August 22, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers symbols is available at http://www.kase.kz/instruments/nzb_code.htm

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 62 deals made on KASE had reached KZT99,472.1 m. (\$789.8 m.). In the previous period (August 16-22) the turnover of the sector totaled KZT84,356.9 m. with 52 deals. In both cases into deals were involved only notes of National Bank.

Secondary GS market for the second week continues to work under expressed influence of so-called crisis of liquidity, though analysts of IRBIS are sure that events on the world have the minimal influence on the conjuncture. Increased demand of banks for tenge is forming now by local factors – rushed demand of population for cash dollar and also wish of banks to earn on dollar as on financial instrument. In the beginning of review was noted that yield of short-term investments in USD for banks, working on KASE, exceeded 44% APR in analyzed period. At the background of repo rates “overnight” at 7-9% APR it is understandable the interest of financial institutions to tenge, which is possible to borrow from National Bank for “opening” of speculative potential of American currency on local market.

GS market on KASE in the analyzed period was executing the function of money supplier for banks. Here the specifics of National Bank as instrument, regulating the liquidity, had showed itself in full measure. Some second tier banks (analysts of IRBIS counted 4 such banks on the week) were eagerly throwing away the notes in exchange for tenge with good discount. Blessing, the issuer had eagerly redeemed them on such terms. By the described event the analysts of IRBIS are explaining the significant growth of volume of exchange operations with GS relative to previous week, despite that the last period was one day longer.

Stake of exchange’s turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period had reached **80.0%**. On the previous week it was equal to 93.1%.

More detailed data about trades with GS on KASE are given in the table.

Parameters of Exchange’s transactions in GS within August 23-28

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted (KZT): National Bank’s notes						
100.0% (100.0%) of purchase and sale sector’s turnover						
less 8	6.00	13.71	9.00	9.18 (-)	66,168.5	37
8 - 14	9.00	11.00	11.00	10.26 (9.60)	8,504.9	8
15 - 28	5.25	12.00	9.00	8.89 (6.70)	5,252.2	6
29 - 36	11.00	11.00	11.00	11.00 (9.00)	1,542.0	1
43 - 56	5.91	6.79	6.79	5.92(10.92)	11,838.3	7
92 - 181	6.45	6.45	6.45	6.45 (6.00)	4,742.2	3
182 - 364	7.00	8.48	8.48	7.12 (-)	1,424.1	3
Total					99,472.1 (84,356.9)	62 (52)
GRANDTOTAL					99,472.1 (84,356.9)	62 (52)

Prepared by IRBIS Information agency of financial markets

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