

WEEK OF STOCK MARKET OF KAZAKHSTAN

February 21 – 27

SUPPLEMENTAL INFORMATION

US dollar = **120.75** at official rate for the end of the period.

US dollar = **120.77** 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 made **27.8% APR**

Money market indicators as of February 27 and change for the period

Indicator	Rate	Trend
TONIA	0.20	-4.53
Autorepo GS 28 days	7.40	-1.10
KazPrime-3M	11.11	+0.07

Stock securities' market indicators as of February 27 and change for the period

Index	Value	Trend
KASE	2,759.35	-1.26
KASE_BP	233.25	+0.13
KASE_BC	140.78	-0.07
KASE_BY	9.13	-0.31

MAIN NEWS OF THE MARKET

On February 26 international rating agency Standard & Poor's assigned **Credit partnership ORDA credit LLP** (Shymkent) **CCC+/C** long- and short-term counterparty credit and **'kzB+'** Kazakhstan national scale ratings **with stable outlook**.

On February 21 Kedentransservice JSC (Almaty), informed about its intention to execute its stake of participation in the authorized capitals of the following companies: Trading house Temir Zholy LLP (to the amount of 100%, KazSnabTrade LLP (100%), JVGP Zwiehoff & Co.Kazakhstan LLP (70%), KazCHI-IIT LLP (51%), Transportation holding of Kazakhstan LLP (90%).

KASE yet do not have the information about coupon payment by Kazneftechim JSC of 6-th coupon on bonds **KZ2CKY05B273** (KZNHb2). Let us remind that in accordance with prospect of issue of indexed on devaluation rate of tenge to US dollar bonds **KZ2CKY05B273** (KASE's category "A" official list, KZNHb2; KZT1, KZT4.0 bn.; February 18, 05 – February 18, 10, semi annual coupon 10.00 % APR) of **Kazneftechim JSC** (Almaty), during 3 working days following after February 17, 2008 (date of bondholders' register fixation), had be conducted the payment of sixth coupon to holders of mentioned bonds. As of current moment KASE do not have any official information from the issuer about payment or non-payment of given coupon and had directed to Kazneftechim JSC the official query about it.

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 568 deals were made in shares during the analyzed period. Average daily volume made \$5,169.8 th. or \$622.6 m. and decreased compared to previous period (\$9,422.8 th. or \$1,132.2 m.) by 45.01%. During the analyzed period on KASE, 2.1% of operations in quantitative expression and 8.3% in volumetric were nego. In the previous period these indicators made 1.3% and 8.1% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 45 (43) members on 31 (26) instruments. At that: 8.8% (11.8%) of gross-turnover of the market – 2.7% (6.6%) on purchasing transactions and 8.9% (17.0%) - on sale transactions were controlled by pension market subjects; 30.8% (27.8%) of exchange's turnover of shares – 22.8% (30.0%) - on purchasing transactions and 38.9% (25.7%) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 24.5% (26.7%) of gross-turnover – 35.6% (31.8%) on purchase and 13.3% (21.5%) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 45% (54%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 39% (31%) – fell, prices of 16% (15%) remained unchanged. In the described period shares prices changed positively in the range from 0.08% (RDGZ) to 26.7% (AMGZp), negative change – from 0.80% (HSBK) to 54.6% (aASND).

As it was expected by analysts of IRBIS last week, KASE index had started the correctional movement after reaching of its maximal rate of year 2008 at 2,850 points. Now given indicator is traded in the region of first level of support (and, very likely, the weakest yet) a little bit higher than 2,750. Correction movement upward was promoted, by our opinion, by absence of fundamental (widely known) data for growth, and also closing of many traders of their long positions upper than psychologically important rate of 2,800 points.

It not surprising that the largest correction movement was registered at significantly over-purchased common shares KKGB of Kazkommertsbank JSC (-5.22 %). Nevertheless, these securities are continue to be traded at enough high level – KZT1090.00 per share, what corresponds to value P/B equal to 2.1. Similar indicator for common shares BTAS of BTA Bank JSC makes 1.6. So, analysts of IRBIS are pointing on possibility of decrease of rate of KKGB by KZT50-70 more (to P/B equal to 1.8).

Despite the reaching by oil of record price upper than \$100 per barrel, price of common shares of Exploration Production KazMunayGas JSC (RDGZ) decreased by KZT600 (-3.16 %) to KZT18,400.00 per share. Growth of this instrument, most likely, is limited by uncertainty in relation to introduction of state dues for oil export. Let us remind, that Government of Kazakhstan intends to introduce state dues for export of hydrocarbons, however the unclear is the question, whether the innovations will refer to national oil extracting companies.

Next week analysts of IRBIS do not expect particular changes in market conjuncture. In case of striking by index of 2,750 rates' level, is possible its entering to horizontal channel between 2,650 and 2,750.

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

Results of share trades on KASE, including STF of RFCA within February 21-27 (only by data of deals, made on the secondary market of KASE by the methods of opened trades)

Share code on KASE	on the last deal:		Price, KZT per share:	for last 365 days:		Volume of deals th. USD	Num-ber of deals	Best for the period:		
	min.	max.		price	trend, %			min.	max.	bid
aASND	25,000.00	25,000.00	25,000.00		5,060.00	55,000.00	17.63	1	25,000.00	25,000.00
AMGZp	38,000.00	38,000.00	38,000.00		20,000.00	75,000.00	69.54	1	38,000.00	38,000.00
ASAV	153,000.00	153,000.00	153,000.00	0	34,351.00	168,300.00	57.27	2	153,000.00	153,000.00
ASBN	28,300.00	28,710.00	28,300.00	+10.1	14,000.00	69,000.00	111.68	7	28,710.00	28,270.00
ASBNp1	11,000.00	11,500.00	11,000.00	-8.3	10,610.00	25,000.00	953.60	6	11,500.00	11,000.00
ATFBp8	5,800.00	5,800.00	5,800.00	+3.6	1,570.00	8,999.00	3.66	2	5,800.00	5,800.00
BTAS	78,000.00	85,000.00	82,200.00	+1.5	850.01	157,275.00	2,541.23	54	85,000.00	78,000.00
CCBN	1,550.00	1,640.00	1,615.00	-2.1	1,000.00	2,050.00	410.57	25	1,640.00	1,550.00
CHFM	990.00	990.00	990.00	+3.4	900.00	1,500.75	29.02	1	990.00	957.00
DNBN	3,600.00	3,600.00	3,600.00	0	1,400.00	6,727.50	18.36	1	3,600.00	3,600.00
GB_KZMS	3,300.00	3,500.00	3,500.00	+11.1	2,640.00	3,700.00	338.70	10	3,500.00	3,300.00
HSBK	502.00	542.00	525.00	-1.9	402.00	781.00	200.23	18	552.00	502.00
HSBKp	285.00	285.00	285.00	-0.7	285.00	333.50	4.99	2	290.00	285.00
HSBKp1	305.00	318.00	305.00	-3.2	270.00	353.00	46.04	6	318.00	300.00
KIBN	374.00	374.00	374.00	+5.4	110.00	1,150.00	42.46	5	374.00	363.00
KKGB	1,040.00	1,255.00	1,120.00	-2.6	600.00	1,470.00	10,615.77	228	1,255.00	1,030.00
KKGBp	361.00	390.32	380.01	+2.7	190.00	499.00	2,361.43	11	390.32	361.00
KZTK	32,000.00	33,400.00	32,400.00	-0.3	31,800.00	52,100.00	791.27	16	33,400.00	32,000.00
KZTKp	17,000.00	18,000.00	17,000.00	-8.1	14,500.00	27,100.00	29.54	2	18,100.00	17,000.00
MMGZp	12,501.00	15,200.00	12,501.00	-17.8	7,000.00	16,400.00	15.44	2	15,200.00	12,500.00
NFBN	4,500.00	4,501.00	4,500.00	0	2,530.00	7,622.50	58.07	3	4,501.00	4,500.00
ORDB	2,750.00	2,750.00	2,750.00	0	2,750.00	4,600.00	0.84	1	2,750.00	2,750.00
RAHT	2,800.00	3,000.00	3,000.00	0	1,000.00	4,200.00	72.20	2	3,000.00	2,800.00
RDGZ	18,300.00	19,050.00	18,400.00	-3.2	13,000.00	24,595.00	3,935.14	129	19,299.99	18,300.00
ROSA	580.00	580.00	580.00		580.00	722.77	24.12	1	580.00	580.00
TEBNp	2,600.00	2,727.27	2,727.27	+4.9	1,114.01	3,300.00	136.57	5	2,727.27	2,600.00
TSBN	2,090.00	2,200.00	2,200.00	+11.1	1,680.01	4,550.00	157.35	11	2,200.01	2,090.00
TSBNp	1,133.00	1,133.00	1,133.00	+5.9	1,070.00	2,415.00	29.12	1	1,145.00	1,133.00
ZERD	3.50	3.50	3.50	0	3.00	4.50	515.56	2	3.50	3.50
29							23,587.42	555		

Notes: Trends are given relative to the last deal of the previous month (January 20 – February 20, 2008). 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

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 66 deals amounting to \$2,114.8 th. or KZT255.0 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (\$2,114.8 th. or KZT255.0 m.), turnover of the sector has decreased compared to previous period (\$6,234.3 th. and KZT749.1 m. correspondingly) 2.9 times. In the analyzed period stake of nego deals on KASE in quantitative expression totaled 4.5%, in volumetric – 0.002%. In the previous period no nego deals were made on KASE.

During the analyzed period deals were made by KASE's 20 (23) members on 35 (29) instruments. At that 15.1% (42.4%) of gross-turnover passed through accounts of pension market subjects 30.2% (84.9%) on purchasing transactions. 28.6% (0%) of exchange's gross-turnover of corporate bonds – 5.23% (0%) on purchasing transactions and 52.0% (6.0%) on sale transactions, passed through depo accounts registered on physical persons.

By results of period 14 names of bonds were characterized by growth of average weighted net price on the opened market, 119 – of decrease, price of BTASb7 stayed unchanged. International bonds ASBNe2 were traded on KASE for the first time. ASBNb1 (-8.7 %) and NRBNb2 (-7.4 %) seemed re-sold, while BTTRb1 (+30.7 %) and BTAIb14 (+8.1 %) seemed re-bought. Yield to maturity for buyer on deals made decreased during the week for 11 bonds, increased for 25.

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

Results of bond trades on KASE, including STF of RFCA within February 21-27, 08 (only on data of deals , made on secondary market of KASE by the methods of open deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Number of deals	Best for the period:	
	min. max.		on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
ASBNb1	22.25	25.75	25.75	+5.2	10.01	111.04	29.04	3	22.25	25.75
ASBNb4	13.50	13.50	13.50		8.50	18.20	18.47	1	13.50	13.50
ASBNe2	12.00	12.00	12.00		12.00	12.00	16.69	1	12.00	12.00
ASELb1	13.02	13.02	13.02		13.00	13.02	13.93	1	13.02	13.02
ASFlb7	13.93	14.00	14.00		9.50	15.00	217.11	3	13.93	14.00
ATFBb6	8.40	8.40	8.40	0	6.21	9.49	35.59	2	8.40	8.40
BTAIb13	8.50	8.50	8.50		8.50	8.50	76.28	1	8.50	8.50
BTAIb14	8.50	9.50	9.50	-1.0	7.30	13.50	55.77	2	8.50	9.50
BTAIb7	10.00	10.00	10.00		9.97	10.00	16.79	1	10.00	10.00
BTASb1	15.50	15.50	15.50	+0.5	9.00	15.50	1.65	1	15.40	15.50
BTASb4	15.00	15.00	15.00	+0.6	7.00	47.47	76.98	1	15.00	15.00
BTASb7	7.00	7.00	7.00	0	6.73	13.50	286.33	1	7.00	7.60
BTTRb1	8.00	8.00	8.00	-4.0	8.00	12.00	21.39	1	8.00	8.00
CACMb1	11.75	12.01	12.01	+1.0	9.75	12.01	106.91	3	10.40	12.50
CSBNb6	11.25	11.25	11.25		9.11	13.25	8.88	1	9.45	11.25
DNTLb1	11.97	11.97	11.97	0	11.97	12.30	25.76	1	11.97	11.97
GLOTb2	7.50	7.50	7.50	+0.5	7.00	12.00	1,303.55	1	7.50	7.50
KAFIb1	9.00	9.00	9.00	+0.2	6.75	10.00	12.48	1	9.00	9.00
KARMB2	9.50	9.50	9.50	-0.5	7.50	10.00	14.54	1	9.50	10.00
KAZIb2	12.50	12.50	12.50		10.10	13.50	13.44	1	12.50	12.50
KKAGb3	16.30	16.30	16.30	+3.8	10.00	16.30	14.50	1	13.50	16.30
KONDb1	4.42	4.42	4.42		4.42	10.20	94.60	1	4.39	4.42
KZIKb10	10.25	10.25	10.25	-0.8	5.50	11.00	36.69	1	10.25	10.91
KZIKb6	13.50	13.50	13.50		6.20	13.50	24.17	1	13.50	13.50
KZIKb8	9.50	9.50	9.50	0	7.00	12.70	21.94	1	9.50	9.50
KZIKb9	10.25	10.25	10.25	-0.7	6.00	11.00	39.66	1	10.25	10.91
MREKb3	9.00	9.00	9.00		8.50	9.50	95.91	1	9.00	9.00
MREKb5	13.00	13.71	13.71	+0.7	13.00	13.71	3,436.24	6	12.00	13.71
NRBNb2	18.00	21.00	21.00	+4.0	8.99	21.00	3,781.24	9	15.00	21.00
ORDBb2	12.43	13.20	13.20	+0.7	11.50	13.50	233.99	6	12.43	13.20
ORDKb1	11.99	14.00	11.99	-3.0	11.99	15.00	124.94	2	11.99	14.01
RESCb1	16.00	16.00	16.00		11.50	16.00	74.07	1	16.00	16.00
TMLZb1	11.32	11.32	11.32	+0.3	11.00	13.00	6.67	1	11.32	11.32
TXBNb2	11.50	11.50	11.50	-0.5	8.76	13.50	224.64	2	11.50	11.50
VITAb5	15.00	15.00	15.00	+0.2	9.40	17.12	12.78	1	15.00	15.00
35							10,573.62	63		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (January 20 – February 20, 2008). 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.

In the **Debt certificates sector on STF RFCA** 1 deal was made with 37 certificates on shares BMG749471212 (aBM_RECHe1) of Renaissance Capital Holdings Limited (Hamilton, Bermudas) for a total amount of \$126.0 or KZT15.1 m. Compared to previous period (February 14-20, 1 deals with 40 certificates, \$138.9 th. or KZT16.7 m.) the turnover of sector decreased by 9.3%.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

On **February 21** specialized trades for offering of **governmental long-term treasury liabilities of Ministry of finance of Republic of Kazakhstan MUIKAM-72 of second issue** (KZKBKY060027, MUX072_0002; KZT1,000, February 21, 08 – February 21, 14, annual coupon) were held in exchange's trade system, on which Ministry of finance was planned to borrow KZT12,800.0 m. **Fixed rate** of bonds was the subject of trades. 13 primary dealers, which were KASE's members of "K" category participated in trades. Investors had submitted 63 bids (52 limited and 11 market), from which till the time expired 46 orders had left active (38 limited and 8 market). Total volume of active bids (volume of demand) had reached KZT29,720.0 m., including KZT18,600.0 m. on competitive bids and KZT11,120.0 m. on non-competitive (market) bids). Demand exceeded the suggested volume of bonds 2.3 times. Rate of fixed coupon (forecasted yield to maturity) on active limited bids varied from 0.30% APR (19.07% APR) to 2.00% APR (20.77% APR) and in average weighted expression made 0.73% APR (19.50% APR). In total volume of active bids to the stake of pension market subjects came 27.6%, to the stake of second tier banks (STB) – 61.6%, clients of STB – 0.1%, broker-dealer companies – 10.8%. **By results of trades** the issuer made cut-off at the value of fixed coupon at **0.50% APR** and satisfied bids for sum of borrowing at **KZT16,405.0 m.**, offering on trades 128.2% from planned volume. 15.2% from total volume of offered bids were redeemed by pension market subjects, 67.1% - STB, 0.1% - clients of STB, 17.7% - broker-dealer organizations., All deals were executed.

Let us remind, that indexation of money, invested to MUIKAM is made by calculation of indexed coupon, received from addition of fixed coupon, determined while offering and inflation index for the past coupon period. The current inflation rate for the last 12 months (from February 1, 2007 to February 1, 2008), judging from month consumers' price indexes, which are published by Statistics agency of Republic of Kazakhstan, was 118.722. That allows the KASE specialists to assess the forecasted profitability to offered bonds maturity at the level of **19.272% APR** on the conditions of received coupon rate interpolation for the entire circulation term of securities. While submitting of bids for trades primary dealers and their clients may use the other method of forecasting the coupon arte, as the result of which the calculated by them forecasted yield to maturity may differ from published by exchange.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 24 deals made on KASE made KZT5,420.5 m. (\$45.0 m.). In the previous period (February 14-20, 2008) the given indicator was equal to KZT6,106.3 m. or \$50.8 th. with 30 deals. Stake of exchange's turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period made 100.0%.

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

Parameters of Exchange's transactions in GS within February 21-27, 2008

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discount (KZT): notes of National Bank					13.9 % (6.4 %) of purchase and sale sector's turnover	
15 – 28	3.00	3.00	3.00	3.00	159.8	1
64 – 91	7.00	7.80	7.00	7.40 (7.00)	591.1	2
Total					750.9 (388.2)	3 (5)
Coupon (KZT): MEOKAM-24, 48, MUIKAM-72, GTO-72					86.1 % (93.6 %) of purchase and sale sector's turnover	
Less than 730	6.50	8.50	7.00	7.79 (8.44)	1,099.0	6
731 – 1095	6.48	6.48	6.48	6.48 (6.49)	204.0	1
1826 – 2190	17.67	19.08	19.08	18.51 (19.56)	3,366.6	14
Total					4,669.7 (5,718.1)	21 (25)
GRANDTOTAL					5,420.5 (6,106.3)	24 (30)

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