

WEEK OF STOCK MARKET OF KAZAKHSTAN

December 4 – 10

SUPPLEMENTAL INFORMATION

US dollar = **120.44** at official rate for the end of the period.

US dollar = **120.46** at weighted average rate of the Exchange for the end of the period.

Speed of tenge devaluation to dollar for the period at exchange's rate made **0.5% APR**.

Money market indicators as of December 10 and change for the period

Indicator	Rate	Trend
TONIA	3.88	-5.25
Autorepo GS 2 days	5.00	-4.00
Autorepo GS 7 days	7.32	-2.57
Autorepo GS 28 days	10.82	–
KazPrime-3M	9.60	0

Stock securities' market indicators as of December 10 and change for the period

Index	Value	Trend
KASE	906.04	-2.30
KASE_BP	240.89	+1.66
KASE_BC	141.95	+2.48
KASE_BY	12.53	-0.83

MAIN NEWS OF THE MARKET

KazMunaiGas Exploration Production announces that pursuant to the Share Buy Back Programme commenced on 24 November, 2008:

- on 03 December 2008, the Company acquired 12,500 global depository receipts ("GDR") on London Stock Exchange at the average \$13.0000 per GDR, and 2,150 common shares, offered on Kazakhstan Stock Exchange, at the average KZT 9,299 per ordinary share;
- on 04 December 2008 the Company acquired 50,000 of its global depository receipts on the London Stock Exchange at \$13.0000 per one GDR and 3,690 ordinary shares on the Kazakhstan Stock Exchange at an average price of KZT 9,193.85 each. Since the start of the Share Buy Back Programme, the Company has purchased in aggregate 147,500 GDRs and 11,627 ordinary shares.

December 4 the president of Kazakhstan Nursultan Nazarbayev signed the Law "On republican budget for 2009-2011", the press service of the head of the state reported. As the message says, the law "reflects the basic indicators of social and economic development of Kazakhstan and aims at implementing the activities of the head of the State, noted in a message to the people of Kazakhstan on February 6, 2008". It was reported that the parliament for the first time in the history of the republic has adopted a three-year republican budget on November 26. As reported, unlike the original version of the republican budget draft, adopted document is more conservative because of crisis on the world markets and declining prices of main export commodities of Kazakhstan, including oil. In particular, among the major developments - the downgraded outlook on oil prices on the world market from \$60 to \$40 per barrel for 2009, and the price at \$50 - for 2010-2011. As a result, forecast GDP growth, which is still based in Kazakhstan on export of hydrocarbon resources, reduced in 2009-2011 from 5-7 % a year (with KZT18 trl. in 2009, KZT20.8 trl. - in 2010 and KZT24.1 trl. - in 2011) in the original draft of the document to 2.7-4.1 % annually in the approved form.

December 5 BTA Bank (Almaty) continues successful fulfillment of obligations to international investors. Repayment of external loans to the amount of about USD 1.2 bn., planned for payment in 2008, was made by the bank without refunding that demonstrated once again the ability of BTA Bank to timely fulfill all obligations. In compliance with the schedule, during the year BTA Bank paid off syndicated loans to the total amount of USD1 bn., namely in March to the amount of USD530.9 m., in May – USD2.5 m., in June – USD27.5 m., in July – USD66.6 m., in September – USD193.4 m., in November – 177.5 m., and bonds to the amount of USD200 m.

December 8 Standard & Poor's Ratings Services today said it had lowered its foreign currency sovereign credit ratings on The Russian Federation to 'BBB/A-3' from 'BBB+/A-2'. The long-term local currency rating was also lowered to 'BBB+' from 'A-', while the short-term local currency rating was affirmed at 'A-2.' In addition, Russia's Transfer and Convertibility (T&C) assessment was lowered to 'BBB' from 'BBB+'. The outlook is negative. "The lowering of the ratings on Russia reflects risks associated with the sharp reversal in external portfolio and other investment flows, which has increased the cost and difficulty of meeting the country's external financing needs," Standard & Poor's credit analyst Frank Gill said. We expect GDP growth to decelerate sharply during 2009, with Russian economic output in nominal U.S. dollar terms likely to decline. In 2009, the general government budget is likely to shift into deficit as the presidential administration implements various tax cuts and lower commodity prices and a weaker economy hurt tax revenues. Over the ratings horizon, fiscal deficits should narrow after peaking at 4% of GDP in 2010. We estimate that, in the absence of a rebound in global oil prices, the amount of financing required for Russia's 2009 and 2010 fiscal deficits plus the recapitalization needs of its domestic banks will equal the 14% of GDP in fiscal reserves now held in Russia's Reserve and National Welfare Funds.

December 9 Statistics Agency of Republic of Kazakhstan informed that in November 2008 compared with the previous month on the primary housing market the price of one square meter decreased in Almaty – by 2.4 %, Shymkent – by 0.6 %. On the secondary market, reduction in prices over the past month was noted in Shymkent – by 4.8 %, Uralsk – by 3.3 %, Almaty – by 3.1 %, Pavlodar – by 2 %, Ust-Kamenogorsk – by 0.2 %.

December 9 the head of the National welfare fund SamrukKazyna Kairat Kelimbetov offers help on the side of state bodies in Kazakhstan commercial banks foreign debt restructuring. He said that currently the total foreign debt of second-tier banks in Kazakhstan exceeds \$40 bn. and much of this debt is subject to maturity in the next two-three years.

December 10 RFCA JSC and Russian Stock Exchange RTS OJSC announced on establishing Commodity Exchange Eurasian Trade System (ETS). According to the Chairman of the Agency of Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations Arken Arystanov, commodity exchange aims at spot and future trades with exchange commodities. Conduction of derivative commodity trades will become ETS priority. According to the Chairman of the Board of RTS Stock Exchange OJSC Roman Goryunov, trades on ETS are planned to start in the first quarter of 2009, initially contracts on grains and oil and lubricants will be put in circulation. Both final consumers and commodity, stock brokers from the number of Russian and Kazakhstan market participants are supposed to be the participants of ETS trades. The planned volume of trade with wheat on ETS in 2009 makes 1.2 m. tones, diesel oil – 2.5 – 3 m. tones, fuel oil - to 2.5 m. tones. The exchange founders plans the launching of commodity index and future on commodity index as the next stage.

SHARES MARKET

News of shares market

From December 5, on the Special Trading Floor of the Regional Financial Center of Almaty (STF RFCA) **are open trades in preferred shares** KZ1P50780116 (trading code – aREALp) of **Financial company REAL-INVEST.kz** (Almaty). Financial company REAL-INVEST.kz will fulfill the market-maker obligations by itself with the mandatory quotation minimum volume in the size of 3,000 MCI. More detailed information on the mentioned shares issue is published on KASE website at <http://www.kase.kz/ru/emitters/show/real>

From December 5 units KZP01Y05D295 (aREAMfv) **of interval unit investment fund FAVORIT** (IUIF FAVORIT) were included in sector "Securities of investment funds" of the official list of STF RFCA. The management company of IUIF FAVORIT is REAL ASSET MANAGEMENT (Almaty). Trades with the mentioned securities on STF RFCA are opened since **December 10**. Financial company REAL-INVEST.kz will fulfill the market-maker obligations by itself with the mandatory quotation minimum volume in the size of 2,000 MCI. Details on issue of the units will be available at the KASE website at: <http://www.kase.kz/ru/emitters/show/ream>

From December 9 trades in **common stock** KZ1C47260019 (ASTL) of **ASTEL** (Almaty) **were opened** in the KASE secondary market. Details on issue of the shares are available at the KASE website at: <http://www.kase.kz/ru/emitters/show/astl>

From December 9 common KZ1C57070019 (KATR) and preferred KZ1P57070115 (KATRp) shares of Atameken-Agro (Kokshetau) were included in the KASE official list in the second category. Trades in the shares will be announced additionally. Financial advisor of Atameken-Agro is Astana-Finance (Astana). Details on issues of securities will be available at the KASE website December 9, at: <http://www.kase.kz/ru/emitters/show/katr>.

Beginning December 23, Asia Broker Services (Almaty) was released from exercising KASE market maker duties on **common shares KZ1C50770011** (KASE official list of the third category, ATOL) of **Kazakhstan Petrochemical Industries** (Almaty).

Beginning December 23, Financial company Alliance Capital (Almaty) on the basis of market-maker application was released from exercising KASE market maker duties on **common shares KZ1C40310019** (ASBN) and **preferred shares KZ1P40310115** (ASBNp1) of **Alliance Bank** (Almaty), which are traded in KASE official list of the first category.

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 321 deals were made in shares during the analyzed period. Average daily volume made \$35,107.5 th. or KZT4 225.7 m. and increased compared to previous period (previous week weighted average volume made \$10,522.7 th. or KZT1 266.8 m.) by 3.3 times. In analyzed period no nego deals with shares on KASE were made. In the previous period 0.7 % transactions on KASE in quantitative expression and 1.1 % in volumetric expression were nego deals.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 43 (37) members. In deals 28 (27) denominations of shares were included. At that: 0.4 % (5.0 %) on sale transactions were controlled by pension market subjects; 2.0 % (9.1 %) of gross-turnover of shares – 1.9 % (3.6 %) - on purchasing transactions and 2.2 % (14.6 %) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 45.9 % (14.9 %) of gross-turnover – 2.6 % (28.9 %) on purchase and 89.2 % (0.9 %) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 29 % (30 %) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 54 % (48 %) – fell, prices of 14 % (22 %) remained unchanged. In the described period shares prices changed positively in the range from 0.01 % (TEBNp) to 54.29 % (ORDB), negative change – from 0.34 % (BTAS) to 19.78 % (ASBN).

Kazakhstan KASE shares Index showed insignificant fluctuations this week within horizontal trend and fell by 2.3 %. The last Index value was fixed at 906.0 points.

Shares of EP KazMunaiGaz JSC, which price grew by 6.7 % turned out to be the leaders of the growth. Share Buy Back Programme of EP KazMunaiGaz JSC significantly supported this growth.

Common shares of Halyk Savings Bank of Kazakhstan JSC became the total outsider of this week. The price fall is estimated at 16.0 %. The fall was aroused by the released financial indicators of the bank by results of 9 months, 2008, which turned out to be very low. The bank's net income in annual comparison fell by 47.6 %, at the same time; the bank has priority in funding issues due to significant part of short-term liquidity assets.

At the same time, the stock markets observe priority of negative background. The last macroeconomic data of one of the largest world economy – China, turned out to be very low. Thus, China export fell by 2.2 % in November compared to November 2007 and by 10.4 % compared to October 2008. Import also showed the negative dynamic, decreasing by 19.5 % compared to October. Such fall of trade balance indicator can't help alerting, in particular when Europe, the USA and some Asian countries are already in technical recession stage. We confidently may speak about decreasing of consumption in China that will immediately affect quotations of raw material and producing companies.

We forecast the weak sector activity till the end of the current year. At that volatility of the main indicator of Kazakhstan stock market – KASE Index will grow on sharp fluctuations in energy resources prices (fluctuations in oil prices reaches 10 % during one trade session, December 10 Brent oil price made \$42.4 per barrel, decreasing by 6.7 % for a week) and on external negative.

The range of KASE Index values is forming between 800 and 1 100 points.

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

Results of share trades on KASE, including STF of RFCA within December 4 – 10 (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:				Volume of deals th. USD	Num-ber of deals	Best for the period:			
	on the last deal:		for last 365 days:				bid	offer		
	min.	max.	price	trend, %					min.	max.
aASBN	4,800.00	4,800.00	4,800.00	-28.4	4,800.00	20,000.00	58.18	4	4,860.00	4,800.00
aASFI	22,728.00	22,728.00	22,728.00	0	22,728.00	22,728.00	53.59	3	22,728.00	22,728.00
ASBN	4,195.00	4,640.00	4,350.00	-18.5	4,195.00	28,710.00	116.29	8	4,860.00	4,190.00
ASBNp1	4,800.00	5,150.00	4,800.00	-5.9	4,800.00	12,200.00	127.45	8	5,150.00	4,800.00
ASFI	22,000.00	22,728.01	22,000.00	-3.2	14,950.00	25,000.00	285.89	10	22,728.01	22,000.00
aZERD	6.00	6.10	6.00		3.51	6.71	381.93	2	6.10	6.00
BTAS	27,500.01	35,000.00	30,000.00	-0.8	22,000.00	125,000.00	2,166.80	17	35,000.00	27,500.01
CCBN	475.00	550.00	475.00	-13.6	475.00	2,000.00	295.26	20	550.00	475.00
DNBN	1,800.00	1,800.00	1,800.00	-10.0	1,800.00	4,025.00	29.12	1	1,800.00	1,100.00
EXBN	950.00	950.00	950.00	+5.0	905.00	2,500.00	62.32	1	950.00	950.00
GB_ENRC	450.00	539.00	538.00	+17.9	395.00	3,750.00	23.93	9	539.00	450.00
GB_KZMS	440.00	450.00	450.00	+2.3	379.50	4,600.00	44.81	10	450.00	440.00
HSBK	99.00	116.00	100.00	-16.0	85.00	547.00	479.72	97	116.00	99.00
							125,481.5			
KANT	2,998.00	3,922.07	3,922.07	+30.7	770.00	4,953.23	5	10	3,922.07	2,998.00
KKGB	420.00	420.00	420.00	+2.4	190.00	1,255.00	107.14	6	420.00	420.00
KKGBp	90.91	102.00	92.00	-8.0	90.91	440.00	64.34	7	102.00	90.91
KZTK	14,454.55	15,100.00	14,500.00	-8.8	13,000.00	41,000.00	102.46	12	15,100.00	14,454.55
KZTKp	5,500.01	5,700.00	5,700.00	-5.0	4,600.00	24,000.00	15.54	4	5,700.00	5,500.00
MREK	2,700.00	2,700.00	2,700.00	0	2,490.00	2,970.00	0.90	1	2,700.00	2,700.00
NFBN	4,800.00	4,899.00	4,800.00	-8.3	1,321.00	5,270.00	70.05	4	4,900.00	4,800.00
NRBN	20,000.00	20,000.00	20,000.00	-7.0	20,000.00	26,000.00	1.66	1	20,000.00	20,000.00
ORDB	2,700.00	2,700.00	2,700.00	+54.3	1,750.00	4,000.00	2,907.95	3	2,700.00	2,700.00
RDGZ	8,200.00	9,600.00	9,600.00	+6.7	6,201.00	24,595.00	4,820.74	72	9,950.00	8,200.00
TEBNp	909.09	909.09	909.09	0	909.01	2,805.00	33.67	3	909.09	909.09
TSBN	851.00	851.00	851.00	0	851.00	2,500.00	14.13	1	851.00	851.00
VSTN	350,000.01	350,000.01	350,000.01	0	322,000.00	360,310.83	5.81	1	350,000.01	350,000.01
ZERD	6.00	6.22	6.22	-7.3	3.50	6.71	731.77	5	6.22	6.00
ZNGRp	9,870.50	9,870.50	9,870.50	-1.3	9,742.00	10,000.00	1,946.89	1	9,870.50	9,870.50
28							140429.87	321		

Notes: Trends are given relative to the last deal of the previous month (November 3 – December 3, 2008). If deals were not made in the previous month the trend is not calculated. Detailed information on prices and shares quotations is available at KASW website at <http://www.kase.kz/ru/shares>

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 118 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$13,430.1 th. or KZT1 617.5 m. and decreased in comparison with the previous period (\$17,271.4 th. and KZT2 078.9 m. correspondingly) by 22.2 %. In analyzed period 0.8 % (1.3 %) of transactions on KASE in quantitative expression and 0.1 % (less than 0.01 %) in volumetric expression were nego deals.

During the analyzed period (in parenthesis there are comparable indicators of previous week) deals were made by KASE's 33 (33) members on 41 (59) instruments. At that 11.7 % (27.0 %) of gross-turnover passed through accounts of pension market subjects, 23.2 % (33.6 %) on purchasing transactions and 0.1 % (20.4 %) on sales operations. 2.3 % (9.1 %) of exchange's gross-turnover of corporate bonds – 2.8 % (5.4 %) on purchasing transactions and 1.8 % (12.8 %) on sale transactions, passed through depo accounts registered on physical persons. At that 0 % (7.8 %) of exchange's gross-turnover – 0 % (0 %) on purchasing transactions and 0.2 % (15.5 %) on sales transactions went through accounts of non-residents.

By results of period 20 names of bonds were characterized by growth of average weighted net price on the opened market, 20 – of decrease. Deals with aZERDb1 were made for the first time. BTTRb1 (-20.6 %), aHSBKb11 (-18.2 %), KSMKb1 (-11.1 %) and KRZHb1 (-7.7 %) seemed re-sold, while bonds HSBKb10 (+35.1 %), ASFIb16 (+23.0 %), aBTTRb1 (+17.0 %), aHSBKb10 (+16.9 %) and aREALb1 (+8.6 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 12 bonds, increased for 23.

Detailed data on corporate bond market is given in trade's results table.

**Results of bond trades on KASE, including STF of RFCA within December 4 – 10, 08
(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	Number of deals	Best for the period:	
	on the last deal:		for last 365 days:		bid	offer				
	min.	max.	yield	trend						
aAPKlb3	12.00	12.00	12.00		12.00	12.50	494.70	2	12.00	12.00
aBTRb1	22.00	22.00	22.00		15.99	26.00	18.59	1	21.99	22.00
aHSBKb10	12.00	12.00	12.00		8.20	16.00	13.34	1	12.00	16.20
aHSBKb11	18.00	18.00	18.00		9.50	18.00	9.67	1	18.00	18.00
AKFib1	12.00	12.00	12.00		9.00	13.50	143.86	1	12.00	12.00
aREALb1	9.58	9.58	9.58		9.58	12.00	3,550.52	1	9.58	12.00
ASBNe2	32.90	32.90	32.90	+0.9	12.00	32.90	25.10	1	32.90	32.90
ASFib16	10.00	10.00	10.00	-3.0	9.98	16.00	9.61	1	10.00	10.00
ASFib22	11.00	11.00	11.00	0	11.00	11.00	21,603.50	2	11.00	11.00
ATFBb5	14.00	15.03	15.03	0	11.00	15.03	12,467.69	2	14.00	15.03
aZERDb1	10.00	10.00	10.00		10.00	10.00	381.93	1	10.00	10.00
BTAIb12	7.50	7.50	7.50	0	7.45	7.50	1,653.02	2	7.50	7.50
BTAIb4	24.00	24.00	24.00	+1.0	15.50	24.00	213.40	2	24.00	24.00
BTASb1	18.95	22.50	18.95	-2.1	10.30	27.33	348.52	11	18.95	22.50
BTASb3	13.50	13.50	13.50	0	11.80	47.77	132.66	1	13.50	13.50
BTASb9	11.00	11.00	11.00	0	9.00	14.00	659.62	2	11.00	11.00
BTASe3	31.00	41.92	33.00	-2.0	13.38	41.92	305.23	12	31.00	41.92
BTTRb1	22.00	22.50	22.00	+5.3	6.99	26.00	69.56	6	22.00	22.50
DTJLb1	29.82	32.00	32.00	+1.0	7.00	32.68	226.28	2	29.82	32.00
EXNBb1	13.00	14.00	14.00	+1.0	8.61	22.00	81.43	5	13.00	14.00
EXNBb2	15.00	15.00	15.00	0	12.00	21.00	37.62	3	13.14	15.00
HSBKb10	12.00	16.20	12.00	-6.0	8.20	20.00	60.03	7	12.00	16.20
HSBKb11	18.00	18.00	18.00	-1.0	7.50	22.00	9.22	1	18.00	18.00
HSBKb13	13.95	13.95	13.95	0	13.95	14.00	8,828.69	4	13.95	13.95
HSBKe1	14.63	14.63	14.63	+0.4	14.21	16.00	288.93	1	14.50	14.63
ISKEb1	13.53	13.53	13.53		13.20	14.00	149.09	1	13.53	13.53
KAZIb1	16.40	16.40	16.40		11.00	16.40	42.37	1	16.40	16.40
KKGBe6	16.62	19.10	19.00	0	10.20	34.39	160.46	6	16.62	19.10
KRZHb1	13.50	13.50	13.50	+4.5	6.80	15.00	124.62	1	12.00	13.50
KSMKb1	31.00	33.00	33.00	+6.0	9.00	33.00	22.37	2	29.00	40.00
KZNHb2	16.00	18.00	18.00	+2.0	14.00	18.00	42.95	3	16.00	18.00
NRBNb6	8.00	8.00	8.00	0	8.00	14.00	52.01	2	8.00	8.00
OILAb1	19.00	19.00	19.00	0	18.00	19.00	41.48	1	19.00	19.00
ORDBb2	14.50	15.00	15.00	+0.5	7.00	16.00	55.40	5	14.50	15.00
ORDKb1	14.00	14.00	14.00	+2.0	11.99	15.03	271.24	2	13.91	14.00
ORNKb1	9.00	9.00	9.00	0	9.00	34.80	150.76	4	9.00	27.00
RESCb1	15.00	15.00	15.00	0	12.07	17.00	4.18	1	15.00	15.00
SATCb1	10.00	10.00	10.00	0	10.00	14.50	88.69	4	10.00	10.00
TSSMb1	20.00	20.00	20.00	0	1.00	35.00	119.91	8	20.00	20.00
TXNBb2	14.00	14.00	14.00	0	11.50	14.50	4.19	1	14.00	14.00
ZERDb1	10.00	10.00	10.00		9.80	10.00	719.10	2	10.00	10.00
41							53,681.53	117		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (November 3 – December 3, 2008). If deals were not made in the previous month the trend is not calculated. Detailed information on prices and quotations of debt securities is available at KASE website at <http://www.kase.kz/ru/bonds>

In the **Debt certificates sector on STF RFCA** no deals were made.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

December 10, the specialized trades on offering of **government long-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan MEUKAM-72 of the third issue**(KZKDKY060025, MUM072_0003; KZT1 000, 10.12.08 – 10.12.14, annual coupon, 30/360) was held in KASE trade system, on which the Ministry of Finance planned to borrow KZT10.0 bn. **The rate of coupon** was the subject of the trade. 8 primary dealers participated in the trades, which were category “K” KASE members. Through these subjects, investors submitted 17 bids (10 limited and 7 markets) which until the bids' confirmation time expired had left active. Total volume of active bids (volume of demand) made **KZT8,709.0 m.** or 87.1 % of the suggested volume of offering. The rate of coupon in bids, varied from 8.7000 % APR to 9.0000 % APR making in average weighted expression 8.7650 % APR. In the total volume of active orders the stake of pension market subjects

totalled 42.8%, Kazakhstan second tier banks (STB) – 11.5%, clients of STB – 26.4 %, brokerage and dealers organizations – 17.2%, clients of brokerage and dealers organizations – 2.1%. **By the results of trade**, the issuer satisfied bids on purchasing **8 159 000 bonds** at the amount of **KZT8 159.0 m. at 8.75 % APR**. By results of auction, 42.6% from the total number of placed bonds were re-purchased by the pension market subjects, 12.3% - by STB, 28.2 % - by STB clients, 14.7 % - by brokerage and dealers organizations, 2.2 % – their clients.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 30 deals made on KASE made KZT9, 573.2 m. (\$79.5 m.). In the previous period (November 27 – December 3, 2008) the given indicator was equal to KZT8,617.5 m. or \$71.6 m. with 67 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 %.

Parameters of Exchange's transactions in GS within December 4 – 10, 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): MEKKAM, notes of National Bank					82.7 % (41.7%) of purchase and sale sector's turnover	
43 – 56	6.30	6.39	6.39	6.39	3,579.3	7
64 – 91	6.77	6.77	6.77	6.77	3,335.4	2
92 - 181	9.00	9.00	9.00	9.00 (6.99)	48.0	1
182 - 364	8.00	8.00	8.00	8.00 (12.11)	956.2	10
Total					7,918.9 (3,592.4)	20 (19)
Coupon (KZT): MEUKAM – 72, MEOKAM – 36, 60, MUIKAM - 72					17.3 % (58.3 %) of purchase and sale sector's turnover	
Less than 730	7.33	8.20	8.20	7.74 (7.64)	204.1	2
731 – 1095	8.25	8.54	8.25	8.28	231.3	3
1461 - 1825	8.50	8.50	8.50	8.50 (7.60)	504.7	1
1826 - 2190	3.80	9.09	8.75	8.06 (6.97)	714.2	4
Total					1,654.3 (5,025.2)	10 (48)
GRANDTOTAL					9,573.2 (8,617.5)	30 (67)

KASE MEMBERS

By the decision of the Exchange Council of Kazakhstan Stock Exchange (KASE) of December 5, 2008 **Subsidiary of Halyk Bank of Kazakhstan - Halyk Capital** (Almaty), was admitted to KASE membership in "K", "P" и "H" categories.

December 4 KASE released at its website:

- the text of Law No. 576-II of the Republic of Kazakhstan "On Investment Funds" of July 7, 2004 at http://www.kase.kz/files/normative_base/zakon_if.pdf. The text of the Law has been made effective in accordance with Law No. 88-IV of the Republic of Kazakhstan "On Amendments to Legislative Acts of Republic of Kazakhstan on Collective Investment and Operation of Accumulative Pension Funds" of November 20, 2008, which is to be effective December 6, 2008.
- effective text of Law No. 461-II of Republic of Kazakhstan "On Securities Market" of July 2, 2003 at http://www.kase.kz/files/normative_base/zakon_rzb.pdf. The text of the Law has been made effective in accordance with Law No. 88-IV of the Republic of Kazakhstan "On Amendments to Legislative Acts of Republic of Kazakhstan on Collective Investment and Operation of Accumulative Pension Funds" of November 20, 2008, which is to be effective December 6, 2008. The main content of amendments to the Law of the Republic of Kazakhstan "On Securities Market" may be summarized as the following:
 - glossary structure was changed (which is linked, most likely, with necessity to ensure identity of the structure in Kazakh and Russian versions of the Law);
 - a norm that allowed for organizations – participants of the regional financial center, operating, save as joint-stock companies, carrying our brokerage and/or dealer activity on the securities market was removed;
 - a mitigating norm, providing for (in addition to transfer-agents) brokers and (or) dealers without right of maintaining client accounts, and registrars to operate in other business forms, besides joint-stock companies was effected;
 - infrastructure bond definition was improved in the part of determination of the norm which says a bond is an infrastructure bond only in case, state guarantee, which is a collateral of obligation thereon, complies with the cost of the object transferred to the state;

- Kazakhstan depository receipt definition now has no indication on ties to securities of a non-resident of the Republic of Kazakhstan;
- pure business reputation definition changed;
- definition of organizations – residents of Republic of Kazakhstan, used in article 22–1 of the Law "Terms and Order of Issue and Placement of Serial Securities at Territory of Foreign State", has been supplemented with a criterion, in accordance with which an organization – resident of Republic of Kazakhstan is an organization with at least two third of assets at the territory of Republic of Kazakhstan or issued in accordance with the legislation of Republic of Kazakhstan;
- requirements to managing employees of licensee (applicant for receipt of license for carrying out activities on the securities market) have been partially modified;
- a logical mistake conceded in item 3 of article 56 of the Law, in accordance with which a substantial change of number of securities (at definition of securities deal as executed for price manipulative purposes) was a within ten percent difference of the primary number of securities, available at deal parties has been corrected;
- a requirement to quantitative make-up of an investment committee managing investment portfolio or pension assets has been set;
- a maximum limit of number of shares of a trade organizer, which may belong to one shareholder jointly with their affiliated persons, has been increased from five to twenty percent of the total of outstanding shares of a trade organizer (preserving 25 percent limit for Regional Financial Center of Almaty JSC as a shareholder of a trade organizer);
- a provision saying "one share – one vote" is not the only principle at voting at the general meeting of shareholders of the trade organizer has been introduced (allowing for exceptions, set in item 1 of article 50 of the Law of Republic of Kazakhstan "On Joint-Stock Companies");
- a ban on simultaneous circulation of securities in trading systems (quotation exchange systems) of several trade organizers has been removed;
- a requirement to minimum number of members of self-regulatory organization has been decreased.

Kazakhstan Stock Exchange (KASE) Board by its decision of December 9, 2008 approved additions and changes # 17 into the KASE internal document "Regulations of Trades and Confirmation System Operation". The mentioned amendments will become effective from December 25, 2008. In compliance with the mentioned amendments in order to avoid manipulation deals was changed the algorithm of Frankfurt trades closing, executed at transition of trades into the standby mode, and namely that:

- if the standby mode duration, determined based on its minimum duration and the admissible extension time, makes up from 11 to 18 minutes, the standby mode expires precisely in compliance with this duration;
- if the standby mode duration, determined based on its minimum duration and the admissible extension time, makes up from 18 to 20 minutes, the standby mode expires within the mentioned time period at the random moment of time, determined by the trading system automatically by the random number generation method.

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