

## WEEK OF STOCK MARKET OF KAZAKHSTAN

June 18 - 22, 2012

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
15.06.2012	972.10	148.99	0.12	0.41	2.00
18.06.2012	978.47	148.92	0.31	0.24	2.00
19.06.2012	957.15	148.88	0.26	0.36	2.00
20.06.2012	994.10	148.80	0.44	0.41	2.00
21.06.2012	979.52	148.99	0.46	0.45	2.00
22.06.2012	967.66	149.17	0.42	1.24	2.00
<b>Trend</b>	<b>-4.44</b>	<b>0.18</b>	<b>0.30</b>	<b>0.83</b>	<b>0</b>
<b>%</b>	<b>-0.5</b>	<b>+0.1</b>	<b>+250.5</b>	<b>+203.5</b>	<b>0</b>

### MAIN NEWS OF KAZAKHSTANI MARKET

**June 18 press service of the Ministry of Transport and Communications of RK reported that the Government approved new Rules of organization of railway stations.** In order to improve the quality of services and improvement of railway passenger transport the Government of the Republic of Kazakhstan approved a new version of the Rules of organization of the railway stations. As reported, in the first place the document states that the division of stations by proficiency will be carried out by authorized body taking into account the volume of passenger traffic and technical equipment. In this regard, each class will be charged certain number of requirements.

**June 19 in Astana at the selectory meeting in the Government by the Minister of Economic Development and Trade of Kazakhstan Bakytzhan Sagintayev said that development and adoption of retail trade support mechanism for Y2013-2020 is planned.** According to him, the concept of retail trade modernization will be built in accordance with the Road Map of Business-2020. "I propose developing retail trade modernization program for Y2013-2020 by analogy with the Program 'Road Map of Business-2020'. According to actual data, as of today 12 m. people are employed in this sector of 14.5% of economically active population, of them around 200 th. people are engaged in market trade. In this, 55% of total gross production of agriculture falls on small holdings", - B. Sagintayev said. As stated, further development of the Program will be implemented jointly with the akimats and Atameken Union.

**June 19 the site of the Prime Minister of RK reported that as part of the Concept of reforming the permit system list of permits regulating the activities of various sectors of the economy and society will be created.** As the head of the Ministry of Economic Development and Trade reported, permits will be the documents, receipt of which is mandatory in the state body prior to implementation. At the same time, it's proposed to divide permits into six classes according to their functional purpose. "The first class of permits is issued for the activity of business entities, the second - on professional practice based on evidence of qualification for the use of limited resources, issued through the mechanisms of affirmative action and competition. In addition, the fourth class is aimed at permitting the use of objects (buildings, transport facilities). The last two classes of permits are issued for one-time actions and products. They are used in land use, construction, and import and export, and are aimed at ensuring the compliance of products", - said B.Sagintayev. In this case, reportedly, after the classification all permits will be divided into three categories depending on the degree of risk. According to the Ministry of Economic Development and Trade of RK, the distribution of risk levels will be based on analysis of adverse events, statistics, probability of occurrence of emergencies and their consequences.

**June 20 the press service of the Majilis Apparatus reported that:**

- The Majilis of the Parliament of the Republic of Kazakhstan at the plenary session in the second reading approved the bill "On introducing amendments and addenda to some legislative acts of the Republic of Kazakhstan on the reduction of permits and optimization of control and oversight functions of state bodies". As the press service of Majilis reports, the bill was developed in response to the request of the Head of State on further reduction of the number of licenses and permits by another 30%. The bill provides for amendments in 80 legislative acts, aimed at the abolition of licensing of certain activities not consistent with the principles of licensing, reduction and optimization of control and oversight functions of government, ban on the testing of newly created small and medium-sized businesses over three years.

- The Majilis of the Parliament of the Republic of Kazakhstan has agreed with the amendments and addends introduced by the Senate in the bill "On making amendments and addenda to some legislative acts of the Republic of Kazakhstan on the state monopoly". As noted in the conclusion of the Committee for Economic Reform and Regional Development, the amendments introduced by the Senate do not alter the substantive provisions of the bill approved by the Majilis. As noted, May 2, 2012 the bill approved by the Majilis of the Parliament with 143 adopted amendments was sent to the Senate. June 7, 2012 the Senate considered the bill and sent it to the Majilis with 4 amendments. Among them: 1 new amendment concerns the addition to the Code of RK "On the health of the people and the health care system" in the part of the change of the name of the document issued on the results of the evaluation of safety and quality of medicines and medical products, 3 amendments of editorial and clarifying nature.

**June 21 the press service of the Ministry of Transport and Communications reported that the necessity of submitting more than 10 m. documents in hard copies will be omitted due to optimization and automation of public services.** As reported, the Minister of Transport and Communications Askar Zhumagaliyev told deputies of the Majilis and representatives of non-governmental sector on the work done in conjunction with all government agencies on optimization and automation of public services at the round table held in Astana. So, until the end of this year as part of the orders of the President of the Republic of Kazakhstan Nursultan Nazarbayev, 80 permits and 60% of the socially important services will be transferred to electronic format. As a result of the optimization and automation of public services, only by the example of the issuance of licenses, 853 documents will be excluded from required list. According to preliminary calculations, the annual volume of incoming paper correspondence to the state agencies will be reduced by 10 million documents. Most of optimized services will be available on the portal "egov.kz" and "elicense.kz" at the end of the year. It should be noted that the optimization and automation process means not only decrease in terms of performance, but also reduction of the list of required documents for a particular service, license or permit document.

**June 21 the press service of the Ministry of Transport and Communications of the Republic of Kazakhstan reported that from July 1 this year the size of the billing unit for calls from urban (rural) phone to long-distance and subscribers of mobile operators will be reduced from 10 to 1 second.** In addition, reportedly, billing rate for calls from urban (rural) phone and the cellphone to the foreign networks will be reduced from 30 to 10 seconds. It is noted that the first decrease in billing units was initiated by the Ministry of Communications and Information in February 2011. Then the billing rate for mobile subscribers for calls within the network and the networks of other operators was set at 1 second. The fee for calls from cellphone to other operators was also waived. In countries such as Russia, Azerbaijan, Tajikistan and Belarus for the subscribers of cellular communication size of the billing unit for calls within the country varies from 10 to 60 seconds. In Ukraine, along with the basic service rates for international calls, mobile users are charged for the connection. For fixed-line subscribers (urban numbers) per minute billing (60 seconds) when making long distance and international phone calls is used in Belarus, Uzbekistan, Russia, Kyrgyzstan, USA, Great Britain.

**June 21 the Senate Committee on Finance and Budget reported that the Parliament adopted draft amendments to the Law of the Republic of Kazakhstan "On housing construction savings in the Republic of Kazakhstan".** As pointed out by the Senate Committee on Finance and Budget, the goal of the draft law is to further develop the system of housing loans and housing and construction savings, as well as providing opportunities to participate in government and industry programs for the general population. The bill provides for procedures of pre-clearance and intermediate housing loans, as well as housing loans under single contract of bank loan, which greatly simplifies and reduces the cost of procedures for the issuance of all types of housing loans. In order to implement the state program of housing construction in Kazakhstan in Y2008-2010, housing construction programs for 2011-2014 envisage the provision of interim and preliminary housing loans to public sector housing programs' participants at the expense of long-term budget loans or joint funds of long-term budget loans and loans of housing construction savings bank.

## STOCK MARKET

### Secondary market section

During the study period at KASE on the secondary purchase market 287 deals were conducted.

	Current week	Change for	
		1 week	2 weeks
Average daily volume. USD th.	631.5	-47.5%	2.5 times
Average daily volume. KZT m.	94.1	-47.4%	2.5 times
Stake of nego deals. number (%)	0	-0.003 pp	-0.003 pp
Stake of nego deals. volume (%)	0	-0.004 pp	-0.01 pp
KASE members	26	-13.3%	-16.1%
Number of shares denominations*	17	-22.7%	-10.5%
Stake of pension funds. gross (%)	0	0	-2.9 pp
on purchase	0	0	-5.8 pp
on sale	1.5	-0.2 pp	+1.5 pp
Stake of individuals. gross (%)	52.5	+2.8 pp	+0.3 pp
on purchase	47.9	+0.5 pp	-6.2 pp
on sale	57.2	+5.1 pp	+6.9 pp
Stake of nonresidents. gross (%)	2.3	+2.3 pp	+2.3 pp
on purchase	1.2	+1.2 pp	+1.2 pp
on sale	3.3	-5.2 pp	-17.7 pp

In the described period growth in average daily prices was detected for 6 instruments, fall was demonstrated by 8 instruments involved in the transactions; prices of 3 instrument remained unchanged. The negative changes in the weighted average share price varied from 0.002% (KZTK) to 12.59% (KASE), positive - from 0.30% (CCBN) to 17.41% (VSTN).

В описываемом периоде рост средневзвешенных дневных цен показали 6 долевых

Detailed information on share trades at KASE is given in the table below:

#### Results of share trades on KASE, including STF RFCA within June 18-22, 2012 only by data on deals made on the secondary market of KASE with open trading):

Share code on KASE	KZT per share:				Amount of deals, th. USD	Num. of deals	Best for Period: D	S		
	Min.	Max.	Last deal: price	trend,%						
BSUL	556.00	556.00	556.00	0	556.00	642.00	26.7	4	556.00	556.00
BTAS	0.64	0.67	0.64	-4.5	0.20	2.50	0.3	3	0.67	0.64
CCBN	217.01	218.00	218.00	+0.5	215.00	505.04	6.9	2	218.00	217.00
GB_ENRC	980.00	1,055.00	1,000.00	+3.6	950.00	1,950.00	133.0	28	1,060.00	980.00
GB_KZMS	1,700.00	1,820.00	1,710.00	+0.6	1,585.00	3,300.00	156.8	23	1,820.00	1,700.00
HSBK	189.00	203.30	192.60	-3.2	185.01	333.00	165.6	34	203.30	189.00
KASE	5,000.00	5,000.00	5,000.00	-12.6	4,500.00	5,720.00	0.1	1	6,000.00	4,900.00
KKGB	181.00	192.00	182.00	-4.2	175.00	415.00	226.2	17	192.00	180.00
KZTK	13,500.00	14,300.00	14,179.00	+0.7	9,999.00	33,000.00	1,259.6	101	14,450.00	13,500.00
KZTKp	13,000.00	13,480.00	13,190.00	-1.9	7,490.00	27,500.00	646.8	42	13,480.00	13,000.00
RAHT	1,850.00	1,850.00	1,850.00	+2.2	1,000.00	1,850.00	18.6	1	1,850.00	1,850.00
RDGZ	14,901.00	15,100.00	15,099.99	-0.0001	12,100.00	18,950.00	61.8	9	15,120.00	14,901.00
RDGZp	10,320.00	10,990.00	10,320.00	-2.2	10,320.00	18,170.00	58.0	12	13,900.00	10,320.00
SATC	39.98	39.98	39.98	0	39.96	71.63	61.6	1	39.98	39.98
TSBN	1,056.00	1,060.00	1,060.00	+0.9	670.00	1,155.00	64.1	5	1,060.00	1,056.00
VSTN	137,500.00	137,500.00	137,500.00		115,455.00	150,000.00	1.8	1	137,500.00	137,500.00
ZERDp	3.20	3.20	3.20	0	3.20	5.56	269.4	3	3.20	3.20
17							3,157.4	287		

Notes: Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## CORPORATE BONDS MARKET

### Secondary market sector

During the study period at KASE on the secondary market 34 deals were made.

	Current week	Change for	
		1 week	2 weeks
Average daily volume, USD th.	2,700.8	-39.8%	-12.4%
Average daily volume, KZT m.	402.4	-39.8%	-12.2%
Stake of nego deals, number (%)	0.03	+0.03 pp	+0.01 pp
Stake of nego deals, volume (%)	0.05	+0.05 pp	+0.04 pp
KASE members	21	-27.6%	-4.5%
Number of bonds denominations*	12	-9.0%	-42.9%
Stake of pension funds, gross (%)	13.0	-18.8 pp	-1.6 pp
on purchase	21.7	-33.5 pp	+3.6 pp
on sale	4.2	-4.1 pp	-6.8 pp
Stake of individuals, gross (%)	1.4	+0.5 pp	-2.4 pp
on purchase	1.5	+1.3 pp	+1.2 pp
on sale	1.4	-0.4 pp	-6.0 pp
Stake of nonresidents, gross (%)	0	-5.7 pp	-13.8 pp
on purchase	0	-11.2 pp	-3.9 pp
on sale	24.7	+24.5 pp	+1.0 pp

\* on which deals were made at KASE

Following the period yield to maturity rose for 5 bonds, declined - for 5 bonds. Positive changes in yields to maturity were in the range from 0.10% (CSBNb7) to 2.44% (EUBNb9), negative - from 0.001% (PRKRb5) to 2.50% (TSBNb2).

More detailed information on corporate bonds on KASE is shown in table.

#### Results of bond trading on KASE within June 18 - 22, 2012

(only on data of deals made on secondary market of KASE by open trading excluding direct deals):

Code of the bond on KASE	Yield to maturity for a buyer. % APR:						Volume		Best for the	
			Last deal:		last 365 days,:		of deals, th. USD	Number of deals	period:	
	min.	max.	yield	trend, %	min.	max.			D	S
ATFBe6	9.23	9.23	9.23		7.26	15.19	3,090.19	2	9.23	9.23
CAHOb1	10.00	10.00	10.00		8.50	10.00	268.69	1	9.00	10.00
CCBNb3	15.32	15.32	15.32	-1.0	6.21	16.35	1,812.20	1	15.32	15.32
CSBNb7	9.80	9.80	9.80	+0.1	8.00	12.00	566.00	2	9.80	9.81
EXBNb1	13.00	13.00	13.00		12.50	15.50	36.70	1	13.00	13.00
KKGBe23	12.00	12.06	12.00		10.39	12.06	1,726.15	9	11.21	12.06
KMGZe3	-6.84	-6.84	-6.84	+0.4	-7.22	-5.23	121.51	1	4.82	6.17
PRKRb5	7.50	7.50	7.50	-0.001	6.80	7.50	671.76	2	7.50	7.50
SKKZb23	6.20	6.20	6.20		5.70	6.50	2,775.15	2	6.20	6.20
TSBNb2	3.00	5.50	3.00	-2.5	3.00	9.00	5.58	8	3.00	5.50
ZHMNe1	9.95	10.42	10.27		9.19	14.16	1,759.41	4	9.00	10.42
<b>11</b>							<b>12,833.3</b>	<b>33</b>		

**Notes:** Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

**June 19 in KASE trading system repeated specialized auction on placement of long-term treasury securities of the Ministry of Finance of the Republic of Kazakhstan MEUKAM-120 of issue 11** (KZKDKY100110, MUM120\_0011; 1,000 tenge, 19.03.12– 19.03.22, 30 / 360) was held, on which the Ministry of Finance planned to place 15.0 m. bonds. The subject of the auction was the net price of bonds. The auction was attended by 11 primary dealers, who were members of KASE. Through these subjects investors filed 22 applications, of which by the expiration time 20 warrants were active. The total amount of active applications (demand volume) was 23,811.4 million tenge. Net price of bonds on submitted active applications varied from 5.5000% to 103.4859%, average – 84.8606%. **As a result of trading, the issuer granted the application for purchase of 18,718,000 bonds in the amount of 19,386,644,396.00 tenge (124.8% of planned volume of placement) with 102.2472% from the nominal.**

**June 21 in KASE trading system repeated specialized auction on placement of long-term treasury securities of the Ministry of Finance of the Republic of Kazakhstan MEUKAM-240 of issue 1** (KZKDKY200019, MUM240\_0001; 1,000 tenge, 24.04.12– 24.04.32, 30 / 360) was held, on which the Ministry of Finance planned to place 15.0 m. bonds. The subject of the auction was the net price of bonds. The auction was attended by 16 primary dealers, who were members of KASE. Through these subjects investors filed 38 applications, of which by the expiration time 29 warrants were active. The total amount of active applications (demand volume) was 23,384.1 million tenge. Net price of bonds on submitted active applications varied from 89.0023% to 104.2687%, average – 100.1323%. **As a result of trading, the issuer granted the application for purchase of 3,674,500 bonds in the amount of 3,863,352,152.34 tenge (24.5% of planned volume of placement) with 104.2687% from the nominal.**

### Secondary market sector

During the period total volume of 16 deals made on KASE was 3,509.5 million tenge. Share of exchange turnover in the overall volume of Kazakhstani secondary market for government securities on comparable sales and purchases in the analyzed period was 100.0%.

#### Parameters of transactions in GS within June 18-22, 2012

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge on the discount	Number of dealsk
	min	max	last deal	average weighted		
Coupon (KZT): MEUKAM, MEOKAM, MEUJKAM				60.7% (100.0%) of the turnover of purchase and sale sector		
731 - 1095	-2.07	-2.07	-2.07	-2.07 (-1.40)	859.3	1
1096 - 1460	3.83	3.83	3.83	3.83 (3.68)	54.9	1
More than 2191	4.34	5.20	4.40	5.10 (4.61)	2,595.3	14
Total					3,509.5 (6,476.1)	16 (41)
<b>TOTAL</b>					<b>3,509.5 (10,670.9)</b>	<b>16 (44)</b>

Prepared by IRBIS Information agency of financial markets

Tulebaev Str. 38, New building, 2nd floor; Almaty, Kazakhstan; [dm@fininfo.kz](mailto:dm@fininfo.kz). [info@fininfo.kz](mailto:info@fininfo.kz).

Tel.: +7 (727) 321 65 55. fax: +7 (727) 321 60 11.

*IRBIS agency stresses that information given above is not an offer or recommendation to sell or buy shares on KASE. Using it while taking investment decisions does not make IRBIS agency responsible for possible losses resulting from such decisions.*