

WEEK OF STOCK MARKET OF KAZAKHSTAN

August 7 – 13

SUPPLEMENTAL INFORMATION

US dollar = **120.17** at official rate for the end of the period.

US dollar = **120.05** 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 **1.5% APR**.

Money market indicators as of August 13 and change for the period

Indicator	Rate	Trend
TONIA	2.14	-0.77
Autorepo GS 7 days	4.00	-0.19
Autorepo GS 14 days	5.50	+1.46
KazPrime-3M	6.78	0

Stock securities' market indicators as of August 13 and change for the period

Index	Value	Trend
KASE	2,196.37	-3.51
KASE_BP	273.20	-1.42
KASE_BC	164.49	-1.80
KASE_BY	10.71	-0.26

MAIN NEWS OF THE MARKET

August 7 Alliance Bank JSC (Almaty) disseminated the press release **on signing a bilateral agreement with Merrill Lynch International to raise a loan of USD 95 million due on January 20, 2010**. The Loan rate was fixed at 9.67% per annum. The loan funds will be forwarded for the origination of loans to Alliance Bank's customers.

August 7, the Exchange Council of KASE cancelled its decisions on approval of amendments into KASE internal documents – changes and additions # 10 into Regulations on Membership and changes # 7 into Rules of Repo Transactions Execution (Amendments). Amendments were approved by the Exchange Council on April 24, 2008 with the date of their putting into effect from April 28, 2008 and were submitted for agreement to the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations (AFS). The force of Amendments was suspended by the decision of Specialized Inter-district Economic Court of Almaty to ensure the suit of Subsidiary of Bank CenterCredit JSC – BCC Invest JSC against KASE on recognition of decisions illegal, made by the Exchange Council on April 24, 2008. With the same definition AFS suspended agreement of Amendments.

August 8 Fitch Ratings affirmed Kazakhstan-based JSC KazMunaiGas Exploration Production's (KMG EP) ratings at Long-term foreign and local currency Issuer Default (IDR) 'BBB-' (BBB minus) and Short-term IDR 'F3'. The Outlooks for the Long-term IDRs are Stable. The ratings reflect KMG EP's strong ties with its parent company, KazMunaiGas National Company (NC KMG; 'BBB'/Negative), through which KMG EP has preferential access to the onshore fields in Kazakhstan, as well as oil and gas pipelines. Utilising its relationship with the parent company, KMG EP acquired a 50% interest in Kazgermunai and a 50% stake in CCEL, which owns Karazhanbasmunai; the acquisitions have had limited impact on the company's credit metrics" – is said in press release of Fitch Ratings.

August 11 Company KAZAKHMYS PLC (United Kingdom) disseminated the press release **on purchasing of a further 35,733,717 shares in ENRC PLC ("ENRC")**. The purchases were made at an average price of 1126 pence per share, in line with the closing price of ENRC on 8 August 2008. This takes the total holding of Kazakhmys in ENRC to 322,177,851 shares or 25.02% of the issued share capital of ENRC, just above the strategic 25% level. Oleg Novachuk, Chief Executive of Kazakhmys stated: "The recent decline in mining equities provided an opportunity to modestly increase our holding in ENRC. We are the largest single shareholder of ENRC with just above 25%".

August 11 Mangistaumunaigaz JSC (Aktau), informs KASE that from August 7, 2008 it started payment of dividends on its preferred shares KZ1P05020113 **for 1998-2007** in the amount of **KZT2,601.97 per share**. According to the message of Mangistaumunaigaz JSC dividends will be calculated and paid considering dividends paid for the mentioned period.

August 13 Kazakhtelecom JSC (Astana) notified KASE in an official letter that the company paid dividends for 2007:

- on common shares for the total of KZT2,886,570.4 th. (with account of tax at the source of payment);
- on preferred shares – an additional payment for the total of KZT88,052.7 th. (with account of tax at the source of payment).

According to the message of Kazakhtelecom JSC list of shareholders, entitled to receive dividends, has been compiled as on June 30, 2008. According to Kazakhtelecom JSC additional dividends payment on preferred shares for 2007 makes KZT244.79 per share (earlier, dividends payment on preferred shares in amount of KZT300.00 per share was made). Dividends payment on common shares makes KZT544.79 per share.

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 236 deals were made in shares during the analyzed period. Average daily volume made \$3,020.8 th. or KZT362.7 m. and increased compared to previous period (previous week weighted average volume made \$1,738.0 th. or KZT208.8 m.) by 1.7 times. In analyzed period 1.7 % transactions on KASE in quantitative expression and 2.4 % 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 37 (38) members. In deals 15 (25) denominations of shares were included. At that: 10.4 % (19.0 %) of gross-turnover of the market – 18.9 % (24.2 %) on purchasing transactions and 2.0 % (13.8 %) - on sale transactions were controlled by pension market subjects; 46.5 % (33.1 %) of gross-turnover of shares – 35.8 % (50.6 %) - on purchasing transactions and 57.2 % (15.7 %) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 10.0 % (9.6 %) of gross-turnover – 0.4 % (2.1 %) on purchase and 19.5 % (17.1 %) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 18 % (16 %) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 77 % (76 %) – fell, prices of 5 % (8 %) remained unchanged. In the described period shares prices changed positively in the range from 3.56 % (TEBN) to 19.63 % (NFBN), negative change – from 0.33 % (VSTN) to 12.31 % (DNBN).

August 12 index again reached its regular minimum for the last year (2,196.31 point). Negative external background continued to influence market. Last week macroeconomic statistics of USA turned out to be worse than expectations. Financial organizations, which informed on possible losses written off also brought negative mood. Thus, August 13 major investment bank JPMorgan Chase & Co informed on new written off losses on \$1.5 bn. Besides, sharp depreciation of EUR/USD (EUR/USD reached its minimal value – 1.50) last week as well as falling energy resources prices (Brent oil barrel price fell to \$112.67) led to capital flow-out from equity instruments market of developing countries. Internal market also experienced long positions closing on the side of foreign investors.

Stiffing situation in Georgian and Ossetin conflict zone didn't optimize the market. Beginning of open war actions between Georgia and Russia forced stock market to fall on Friday. By the results of trade, RTS index lost 6.54 %, MICEX index fell by 5.26 %. Beginning of the current week also showed falling.

That's why we can't tell about situation improvement in short-term prospect. Downward tendency will likely to continue.

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 7 – 13 (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, %						
ASBN	18,500.00	18,500.00	18,500.00	-8.9	14,000.00	64,500.00	27.12	3	18,500.00	18,500.00
ASBNp1	10,500.00	11,100.00	10,500.00	-5.4	10,000.00	19,000.00	52.12	2	11,100.00	10,500.00
ASFI	22,728.01	22,728.01	22,728.01	-9.1	9,700.00	25,000.00	88.01	3	22,728.01	22,728.01
aTEBN	6,600.00	6,600.00	6,600.00	-5.7	6,250.00	7,000.00	16.49	1	6,600.00	6,600.00
BTAS	57,000.00	60,000.00	58,000.00	-3.3	850.01	139,000.00	884.58	17	60,000.00	57,000.00
CCBN	1,408.00	1,500.00	1,460.00	+3.2	1,000.00	1,875.00	836.78	46	1,826.00	1,408.00
CSBN	4,520.52	4,520.52	4,520.52	0	3,850.00	7,400.00	0.68	1	4,520.52	4,520.52
CSBNp	2,057.70	2,280.00	2,057.70	-9.7	2,001.00	3,000.00	116.68	4	2,280.00	2,057.70
DNBN	2,970.00	2,970.00	2,970.00	+8.0	2,000.00	4,025.00	0.12	2	2,970.00	2,970.00
GB_ENRC	2,431.00	2,673.00	2,431.00	-0.9	2,350.00	3,750.00	47.17	18	2,673.00	2,431.00
GB_KZMS	3,195.00	3,520.00	3,195.00	-8.7	2,640.00	4,600.00	57.15	7	3,520.00	3,058.00
HSBK	345.45	394.99	360.00	-2.7	345.45	649.99	3,126.95	32	394.99	345.00
KKGB	754.55	800.00	760.00	-5.0	600.00	1,255.00	346.07	6	800.00	754.55
KKGBp	330.00	360.00	360.00	+5.6	255.00	440.00	27.43	2	361.00	330.00
KZTK	31,000.00	32,000.00	31,100.00	-7.4	31,000.00	48,000.00	60.31	4	33,499.00	30,000.00
KZTKp	14,000.00	15,000.00	14,000.00	-6.7	14,000.00	24,600.00	33.24	12	15,000.00	14,000.00
MREK	2,500.00	2,500.00	2,500.00	0	2,500.00	2,970.00	27.90	4	2,500.00	2,500.00
NFBN	1,321.00	5,222.77	4,900.00	-1.0	1,321.00	6,083.50	840.76	5	5,222.77	1,321.00
RDGZ	16,500.00	17,900.00	16,500.00	-1.5	15,001.00	24,595.00	3,946.21	46	17,900.00	16,500.00
TEBN	6,362.50	6,998.75	6,840.00	+3.6	4,450.46	9,000.00	445.36	10	6,998.75	6,362.50
UTMKp	3,500.00	3,500.00	3,500.00	0	1,500.00	10,000.00	20.26	1	4,000.00	3,500.00
VSTN	350,000.01	353,904.00	350,000.01	-0.3	322,000.00	353,904.00	3,636.64	5	353,904.00	350,000.01
22							14,638.05	231		

Notes: Trends are given relative to the last deal of the previous month (July 6 – August 6, 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

News of corporate bond market

August 11 the Risk committee of KASE accepted the decision **while conduction of the market estimation of infrastructural bonds KZ2CKY23B672 (DTJLb1) of Doszhan Temir Zholy (DTZ) JSC** for determination of the average value of the yield from all bids for purchasing of bonds of this title to use the period, equal to **five working days**, previous to the first working day of the week. The decision was accepted due to the significant change on August 2, 2008 of the coupon interest rate on named bonds and impossibility of correct application of the algorithm for determination of the market price of DTJLb1, foreseen by KASE internal document "Methodology of securities estimation".

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 91 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$4,460.9 th. or KZT535.8 m. and decreased in comparison with the previous period (\$15,588.2 th. and KZT1,872.9 m. correspondingly) by 3.5 times. In the analyzed period no nego deals were made. In the previous period the stake of nego deals on KASE made 1.3 % in quantitative expression and 16.3 % in volumetric expression.

During the analyzed period (in parenthesis there are comparable indicators of previous week) deals were made by KASE's 24 (25) members on 38 (42) instruments. At that 17.4 % (7.4 %) of gross-turnover passed through accounts of pension market subjects 32.0 % (14.1 %) on purchasing transactions and 2.3 % (0.8 %) on sales operations. 13.1 % (33.7 %) of exchange's gross-turnover of corporate bonds – 10.9 % (31.3 %) on purchasing transactions and 15.2 % (36.0 %) on sale transactions, passed through depo accounts registered on physical persons. At that 8.2 % (10.8 %) on sales transactions went through accounts of non-residents.

By results of period 18 names of bonds were characterized by growth of average weighted net price on the opened market, 18 – of decrease. Deals with aCBH_b1 were made for the first time on KASE. CSBNb6 (-13.1 %) seemed re-sold, while bonds EUBNb4 (+10.6 %) and ORNKb1 (+7.5 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 13 bonds, increased for 21.

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

**Results of bond trades on KASE, including STF of RFCA within August 7 – 13, 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	Num- ber of deals	Best for the	
			on the last deal:		for last 365 days:				period:	
	min.	max.	yield	trend	min.	max.			bid	offer
aASFib3	16.00	16.00	16.00	+2.0	14.00	16.00	41.32	1	16.00	16.00
aASFib5	15.50	15.50	15.50	0	15.50	15.50	47.36	2	15.50	15.50
aCBH_b1	17.00	17.00	17.00		17.00	17.00	19.63	1	17.00	17.00
ASBNb1	23.00	23.50	23.50		10.50	111.04	84.33	7	23.00	23.50
ASBNb10	9.75	9.75	9.75	0	9.75	13.20	4.26	1	9.75	9.75
ASFib4	17.00	17.00	17.00		9.48	17.00	7.09	1	17.00	17.00
ASFib5	15.00	15.50	15.00	-0.5	11.90	15.50	1,686.92	3	15.00	15.50
ATFBb3	12.00	12.00	12.00	+0.5	7.51	14.00	83.74	1	11.50	12.00
BIGRb1	9.34	11.73	11.58	-0.1	9.34	13.50	989.86	3	9.34	11.73
BTAIb12	7.50	7.50	7.50	0	7.45	7.50	1,617.72	2	7.00	7.50
BTAIb3	14.50	14.50	14.50		10.10	14.50	16.81	1	14.50	14.50
BTAIb4	17.09	18.00	18.00	0	8.90	106.15	504.91	5	17.09	18.00
BTASb4	18.00	18.00	18.00	+0.8	10.50	47.47	74.48	2	18.00	18.00
BTASb9	11.00	11.00	11.00	0	11.00	11.00	1,666.50	1	11.00	11.00
CACMb1	17.67	17.70	17.67	+0.2	9.75	17.71	325.85	5	17.67	17.70
CCBNb6	14.97	14.97	14.97	+0.3	7.50	16.00	26.84	1	14.97	14.97
CCBNb9	14.50	14.50	14.50	0	7.50	14.50	27.07	1	14.50	14.50
CSBNb6	12.75	15.44	15.44	+3.2	9.40	16.10	173.47	2	12.75	15.44
EUBNb4	10.00	10.00	10.00	-1.5	9.00	18.00	414.41	1	10.00	10.00
KASTb2	10.98	10.98	10.98	+0.2	9.99	12.00	4.22	1	10.50	10.98
KAZIb1	16.20	16.40	16.20	-0.2	11.00	16.40	824.26	2	16.20	16.40
KKAGb1	14.42	14.50	14.42	+1.9	10.30	19.00	2,578.74	5	14.42	14.50
KKGBb2	25.41	25.41	25.41	-0.8	12.83	26.21	229.69	1	25.41	27.68
KKGBb4	13.73	13.73	13.73	+1.2	9.00	13.73	101.95	1	13.00	13.73
KZIKb6	16.50	18.00	16.50		11.00	18.00	1,893.26	2	16.50	18.00
MAG_b1			12.28		12.00	13.20	389.40	5	11.75	19.57
MREKb2	17.00	17.00	17.00	+1.0	11.00	17.00	38.21	2	17.00	17.00
NRBNb4	12.50	12.50	12.50	-2.0	9.00	19.50	309.77	2	12.50	12.50
ORDKb1	12.00	14.80	14.80	+0.8	11.99	15.03	33.40	2	12.00	14.80
ORNKb1	23.40	27.00	23.40	-5.6	10.00	29.00	76.02	5	23.40	27.00
RESCb1	16.00	16.00	16.00		14.31	16.00	1,250.33	1	16.00	16.00
RGBRb4	13.00	15.50	15.00		8.00	15.50	130.37	5	13.00	15.50
TEBNb3	12.00	12.00	12.00	0	9.00	14.02	9.22	1	12.00	12.00
TSBNb3	13.90	13.90	13.90	-0.1	10.00	14.05	607.13	1	13.90	13.90
TSBNb4	17.00	17.50	17.50	+0.5	8.50	17.50	515.08	5	17.00	17.50
TXBNb3	12.60	14.00	12.60	-0.4	7.00	14.50	1,120.73	4	12.60	14.00
US_MER_e1	21.98	22.41	22.41	-0.2	8.00	22.59	4,376.41	4	21.98	22.41
VITAb4	19.00	19.00	19.00	0	11.45	29.00	3.91	1	19.00	19.00
38							22,304.67	91		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (July 6 – August 6, 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 with 37 certificates on shares BMG749471212 (aBM_RECHe1) of Renaissance Capital Holdings Limited (Hamilton, Bermudas) on total amount \$100.0 th. or KZT12.0 m. was made.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

August 13 the specialized trades on offering of **government mid-term treasury instruments of the Ministry of Finance of the Republic of Kazakhstan MEOKAM-24 of 73rd issue** (KZK2KY020735, MOM024_0073; KZT1 000, 13.08.08 – 13.08.10, semiannual coupon) were held in the KASE trading system, on which the Ministry of Finance planned to borrow KZT7.0 bn. **The rate of coupon** was the subject of the trade. 6 primary dealers, which were KASE category “K” members participated in the trades. Through these subjects, investors submitted 12 bids (7 limited and 5 market), which until the bids’ confirmation time expired had left active. Total volume of active bids (volume of demand) made KZT11,070.0 m. and exceeded the suggested volume 1.6 times. The rate of coupon in limited active orders, varied from 7.95 % APR to 9.50 % APR, making in average weighted expression 8.10 % APR. In the total volume of active bids subjects of pension market covered 2.7 %, second tier banks (STB) covered 54.2 %, clients of STB – 36.8 %, brokerage and dealers organizations – 6.3 %. **By results of trade**, the issuer made cut off price at coupon value **8.00 % APR** and satisfied bids on purchasing of **7,000,000 bonds** on sum **KZT7.0 bn.**, having placed all planned volume of bonds. By results of offering, 3.9 % from the entire volume of offered bonds were purchased by one of the pension market subjects, 53.8 % - STB, 42.3 – STB clients.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 28 deals made on KASE made KZT7, 207.2 m. (\$60.0 m.). In the previous period (July 31 – August 6, 2008) the given indicator was equal to KZT16,898.8 m. or \$140.7 th. with 47 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 54.7 %.

Parameters of Exchange's transactions in GS within August 7 – 13, 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					10.2 % (11.7%) of purchase and sale sector's turnover	
less than 8	6.50	6.50	6.50	6.50	299.8	1
182 – 364	7.89	7.89	7.89	7.89	431.8	1
Total					731.7 (1,982.8)	2 (4)
Coupon (KZT): MEOKAM, MEUKAM, MUIKAM					89.8 % (88.3 %) of purchase and sale sector's turnover	
less than 730	8.55	10.31	10.31	8.56 (8.39)	1,024.2	2
731 - 1095	8.46	8.49	8.49	8.49 (8.54)	308.7	1
1826 - 2190	5.50	17.88	16.81	13.01 (5.90)	3,753.5	11
more than 2191	15.79	17.81	15.79	16.67 (8.73)	1,389.1	12
Total					6,475.5,(14,916.0)	26 (43)
GRANDTOTAL					7,207.2,(16,898.8)	28 (47)

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