

# KAZAKHSTAN STOCK MARKET

December 24 - December 30, 2009

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## SUPPLEMENTAL INFORMATION

US dollar = 148.35 at official rate for the end of the period.

US dollar = 149.36 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 hasn't change.

### Money market indicators as of December 30 and change for the period

| Indicator           | Rate | Trend |
|---------------------|------|-------|
| TONIA               | 0.16 | -0.4  |
| Autorepo GS 2 days  | 0.21 | +0.04 |
| Autorepo GS 7 days  | 0.45 | +0.1  |
| Autorepo GS 28 days | 0.72 | +0.2  |
| KazPrime-3M         | 2.74 | -0.2  |

### Stock securities' market indicators as of December 30 and change for the period

| Index   | Value    | Trend |
|---------|----------|-------|
| KASE    | 1,744.15 | +0.5  |
| KASE_BP | 328.32   | +0.7  |
| KASE_BC | 317.97   | -0.1  |
| KASE_BY | 13.13    | +0.2  |

## MAIN NEWS OF THE MARKET

### Statistic Agency of the Republic Kazakhstan reported:

**December 24, rating service Standard & Poor's removed its ratings assessment Agricultural credit corporation JSC (Kazakhstan) from CreditWatch.** The rating action follows the signing of an agreement between the ACC and Commerzbank on the new progressive schedule of payments on the loan covenants with impaired capacity of 136 million dollars forecast on ratings - Stable. Mr. Kopeikin said that Stable outlook reflects expectations of continued strong support of the current ACC by the state in 2010-2012. That would increase the level of capitalization and liquidity of the company.

**December 24, it became known that Bekmuhambetov A.A/ appointed president of JSC Almaty International Airport (Almaty).**

**December 24, it became known that the Turkish Calik Holding interested in participating projects of the transport sector in Kazakhstan.** Head of Transport Minister of Kazakhstan Mr. Abelgazi Kussainov invited to consider participating in holding such large concession projects, like road construction Astana - Karaganda and the boundary of Zhambyl oblast - Shymkent - border of Uzbekistan with the assistance of his own money.

**December 24, National Bank of Kazakhstan announced that from June 7, 2010 in Kazakhstan will use the new bank account numbers of customers and the new bank identification codes of banks,** based on ISO 13616: IBAN (International Bank Account Number - international bank account number) and ISO 9362: BIC (Bank Identifier Codes - bank identification numbers), respectively.

**December 24, KASE Council approved the Regulations of the Listing commission.** Regulations aimed at harmonization in the AFS and ARA RFCA. The situation will be put into effect the first working day following the day of his agreement with those of the named agencies, which is consistent situation later. The situation will be published on the Web site at KASE <http://www.kase.kz/geninfo/normbase/> after its approval. **Also KASE amended the methodology used to evaluate securities.**

**December 25, Eurasian Development Bank announced that it has signed a loan agreement with Corporation AIC-Invest LLP (Kazakhstan) on the financing of a project to increase the export of grain.** The project provides for the acquisition of 420 thousand tons of grain in a number of farms Akmola, Kostanay and North Kazakhstan regions. Grains intended for export to countries near and far abroad, of which a substantial part (80%) - in the States parties to the EDB.

**December 25, KASE Council approved the Regulations on the Committee on foreign exchange markets and the amendments to the Rules of the calculations on the basis of trading foreign currencies.** The said provisions and amendments are aimed at the harmonization of AFS and will be put into effect the first working day following the day of their approval. The text of the Regulations will be published on the KASE website at [http://www.kase.kz/files/normative\\_base/](http://www.kase.kz/files/normative_base/) after coordination with AFS. Updated text of the Rules will be published on the KASE website at <http://www.kase.kz/geninfo/normbase/dmoney.pdf> after coordination with AFS.

**December 25, JSC National Welfare Fund Samruk-Kazyna reported that under the Joint Action Plan for 2009-2010 provided by KZT 240 billion to deal with the real estate market.** Under this plan, the Fund Samruk-Kazyna uses such mechanisms as: the completion of housing units through a second-tier banks to follow the implementation of housing "at a fixed price and free", complete objects through the redemption of Fund property Samruk-Kazyna.

**December 26, Kazakhstan's antitrust agency announced that it would prevent the unjustified growth of imports in connection with the introduction of the Common Customs Tariff.** In this regard, the Agency shall consider such facts as a violation of the antimonopoly legislation in the form of conspiracy, for which the administrative and criminal responsibility (Articles 10 and 11 of the Law on konkurentsii, article 196 of the Criminal Code of RK). The agency also found anti-competitive collusion in the market implementation of cement and fuel in the market. The results of the investigations of the LLP Cement Plant Families, JSC Bukhtarminskaya Cement Company and JSC Central Asia Cement indicate the presence of anticompetitive concerted actions between these plants, in terms of establishing and maintaining the sales price of cement during peak periods. In this regard, the Office decided on bringing these companies to administrative responsibility and the transfer of materials in the courts.

**December 28, Eurasian Bank JSC (Almaty) reported an increase in its authorized capital to 24.2 billion tenge by placing an additional 1,377,718 ordinary shares KZ1C31550011.**

**December 28, Minister of Economy and Budget Planning of Kazakhstan Bakhyt Sultanov on a conference call said that in 2009 the economic growth of Kazakhstan was more than 0.1%.**

**December 29, Prime Minister of Kazakhstan Mr. Karim Masimov informed that**

- **According to preliminary estimates GDP growth in Kazakhstan in 2009 will be 0.5-1.0%, the inflation rate – 6.3%, unemployment – 6.3-6.5%.** In 2008, GDP growth in Kazakhstan amounted to 3.2%, inflation rate – 9.5%, unemployment – 6.6%.
- **The Government of Kazakhstan has been negotiating for entry into the project to develop the Karachaganak field.** According to the source, BG attempts to recover more than \$ 1 billion in export duties imposed by the Government of Kazakhstan. Government of Kazakhstan has covered enterprise BG tax requirements and wants to get a share of ownership in the project to accelerate its development, said an anonymous source.
- **In 2010, the Government of Kazakhstan is determined with the mechanism and timing of capital out of the second-level banks.** As you know, the Government of Kazakhstan in the framework of anti-crisis measures included in the capital of four system-the commercial banks of Kazakhstan (JSC BTA Bank JSC Alliance Bank, Kazkommertsbank and Halyk Savings Bank of Kazakhstan).
- **The Government of Kazakhstan will increase taxes for companies mining sector in the near future.**

**December 29, JSC Insurance Company Kommesk - Omir (Almaty) has reported selling 100% stake in the authorized capital Shymkent subsidiary Kommesk – Omir LLP.**

**December 29, REUTERS with reference to the statement of the Government of South Korea reported that South Korean Korea National Oil Corp. (KNOR) has bought the Kazakhstan oil operator Sumbe for \$ 335 million Under the deal,** Korea National Oil Corp (KNOOC) and its Kazakh partners to acquire 85 per cent and 15 per cent Sumbe (SUMB.KZ), respectively.

**December 29 Alliance Bank (Almaty) reported deferring the date by which the creditor must provide the forms of available options of restructuring.** Postponement of the date of Form caused by the delay in agreeing the procedures for selecting Options Restructuring bankruptcy creditors including holders of the Eurobonds. Further information on this subject will be available in January 2010.

**December 29, KazakhGold Group Limited announced that its planned deployment of new ordinary shares of KazakhGold and global depositary receipts representing such shares had been postponed to** allow more time for consideration KazakhGold obtain further permission Kazakh regulators in connection with the placement.

**December 29, it became known that the Italian Impregilo SpA chosen by the concessionaire for the project on reconstruction and exploitation of Almaty-Khorgos.** The cost of building area is about KZT 169 billion. As part of the concession project includes reconstruction of the area with bringing him to the technical parameters of category Ib (design speed - 120 km / h) and its further operation by the concessionaire as a toll road. Under the terms of the tender documentation, not less than 70% of

the volume of products and materials used in the construction area should be Kazakh production. Contest participants are also required to attract Kazakh workers and train local labor personnel working with ITS and other objects in the management of toll road.

**December 29, International rating company Standard & Poor's assigned Kazakh Tsesnabank 'national scale rating at "kzB +"**. Long-term and short-term counterparty credit ratings at 'B- and C, respectively, remained unchanged. **Forecast on ratings is Negative.** Credit analyst at Standard & Poor's Ekaterina Trofimova said that Tsesnabank ratings reflect the low quality of assets and the bank's weak profitability, high concentration of its loans and deposits on individual customers, large foreign currency debt maturing in February 2010 and a moderate level of capitalization. Forecast Negative reflects the possibility of a downgrade since the weakened economic environment will continue to have a negative impact on asset quality, profitability, liquidity and capitalization Tsesnabank - at least for 2010, - said Ms. Trofimova.

**December 29, Minister of Economy and Budget Planning of Kazakhstan Bakhyt Sultanov said that Kazakhstan could take about \$ 1 billion from the World Bank to cover the budget deficit in 2010 and to postpone release of its first decade of debt securities in foreign currency.** As indicated in the message, the government forecasts a budget deficit next year of KZT 721 billion (\$ 4.9 billion) or 4.1% of GDP. The government plans to take about KZT 650 billion in the country. He noted that the amount that Kazakhstan will look abroad, will depend on the response from domestic investors.

**December 29, agency Fitch Ratings downgraded the ratings of KazAgroFinance, Kazakhstan,** including long-term issuer default rating (IDR) in foreign exchange from level "BB +" to "BB", thus eliminating, the rating from Rating Watch "Negative". Simultaneously, Fitch **affirmed the ratings of the Kazakhstan Development Bank (KDB)**, including long-term foreign currency IDR "BBB-" and changed the rating outlook to "negative" to "Stable". KazAgroFinance downgrade reflects the change in Fitch's view on the likelihood of company support from the state if necessary. The revised opinion takes into account the defaults of other financial institutions in Kazakhstan during 2009, while also taking into account the less significant role KazAgroFinance into policies and less importance to the economy on the BRC. At the same time KazAgroFinance ratings continue to reflect the moderate probability of support from the state, given that the company is publicly owned, its small size (and hence the price support) and financial assistance from the state, which was given to the present.

**Dec. 29, Board of the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations (AFS) has decided to extend the suspension of a license to conduct banking operations in national and foreign currencies, issued by Joint-Stock Company Subsidiary mortgage organization of joint-stock company BTA Bank BTA Mortgage Lending (Organization) on August 14, 2008 # 27 to 26 March 2010.** FSA said that the letter from Dec.2, 2009, the Organization has asked the FSA with a request to extend the suspension of a license to conduct banking operations until March 26, 2010 because of the need for additional time to implement measures to improve the quality of loan portfolios. Considering the submissions of the Organization and the expiry of a Resolution of the Board of the Agency # 221 dated September 26, 2009, the Board of AFS, it was decided to extend the suspension of a license to conduct banking operations in national and foreign currency up to 26 March 2010.

**December 30, President of the National Bank of Kazakhstan Mr. Grigory Marchenko said that the National Bank of Kazakhstan in 2010 will expand the corridor to exchange rate fluctuations of up to KZT 150 to the dollar +15 / -22,5 tenge.** This corridor is set from February 3, 2010 to March 20, 2011. The head of the National Bank pointed out that this target has or boundaries of the corridor changes in the dollar "is possible only when a sudden change in long-term trends in dynamics of the global currency and commodity markets."

**December 30, it became known that Kazakhstan has achieved a first place for the extraction of uranium in the world.** According to the LLP Mining Company JSC Kazatomprom production of natural uranium amounted to 13 500 tons. With the development of nuclear energy and reduction of supply due to secondary sources, **in 2016 the world's projected deficit of natural uranium.** In order to cover the expected shortfall planned to increase uranium production in Kazakhstan in 2010 to 18 thousand tons.

**December 30, News Agency 24.kg (Bishkek) with reference to the Ministry of State Property of the Kyrgyz Republic that LLP EnergoAlmaty HPP (Kazakhstan) has filed an application for the purchase of the largest distribution company in Kyrgyzstan Severelektro.** The report stated that according to the decision of the Government of Kyrgyzstan, investment competition announced at the implementation of state-owned shares of JSC Severelektro without pricing. The Ministry has received three bids from Chakan HPP JSC (Kyrgyzstan), OJS Yakutgidrospetsstroy (Russia) and LLP EnergoAlmaty HPP (Kazakhstan).

**December 30 Uranium One reported that the revised deal on financing. 270 million Canadian dollars with a consortium of Japanese partners, the transaction will be closed Jan. 15, 2010.** As is

known, the agreement of 09 февраля 2009 provided for sale Jumi 117 million ordinary shares of Uranium One at 2.30 Canadian dollars per share, totaling \$ 269.1 million under the revised terms of the agreement, Uranium One will receive this amount as a 3 %-governmental unsecured bond with a maturity of ten years. The bonds will be automatically converted into 117.0 million ordinary shares of Uranium One, after obtaining the necessary permits Kazakh government, which is expected during 2010.

**December 30 FSA Board adopted a decision on compulsory redemption of shares of joint-stock company Alliance Bank and the sale of JSC National Welfare Fund Samruk-Kazyna.** As reported FSA, earlier this year identified numerous violations of the law, prompting the need for a significant amount of provisions. As a result, for the period from April to May 2009 the Bank formed the losses that led to the negative value of equity. In order to ensure the financial sustainability of the Bank and the protection of its depositors Agency has repeatedly indicated the bank holding company JSC Financial Corporation Seimar Alliance (hereinafter - the bank holding Seimar) and major participants in the Bank about the need for prompt action aimed at maintaining the Bank's equity capital at a sufficient level. At the same bank holding company Seimar not been held under the law dokapitalizatsii Bank's activities and improve the financial condition of the Bank, except for proposals for the restructuring of liabilities. In addition, the Bank's shareholders have not taken effective measures to increase its equity capital possible acceptable ways, which it had plenty of time and amount of equity capital from the Bank for over seven months in 2009 had a negative value. Failure of the shareholders of the Bank jeopardizes its continued operation. Decree provides for the implementation of activities for compulsory acquisition 100% of the ordinary and preference shares of the Bank and sale of JSC National Welfare Fund Samruk-Kazyna. In turn, JSC National Welfare Fund Samruk-Kazyna will hold activities to recapitalize banks by purchasing newly issued common shares of the Bank amounting to KZT 24 billion and conversion rights requirements of JSC" National Welfare Fund Samruk-Kazyna on bonds of the Bank amounting to KZT 105 billion in preferred shares of the Bank. It is planned that after the implementation of these activities the size of Bank's equity capital will be raised to the required level, under the banking laws of the Republic of Kazakhstan. Due to the fact that the bank's own capital is negative, the total purchase price of the shares of the Bank is one (1) the rate of KZT 0.0000000996 per one (1) placement of ordinary share of the Bank and KZT 0.0000000996 per one (1) placed preferred share of the Bank.

## **SHARES MARKET**

### ***Market news***

**December 28, common shares KZ1C52350010 (ORNK) Ornek XXI (Almaty). Excluded from the official list of KASE.** In conclusion, KASE on November 19, 2009 stated that the reason for the delisting of these shares is the failure Ornek XXI disclosure requirements that are set by an internal document KASE Listing Rules and a treaty of non-listing equity securities on June 21, 2005 concluded between Ornek XXI and KASE, as well as debt Ornek XXI in the payment of a listed annual fee. At the date of the meeting of the Listing commission Ornek XXI "is not provided to KASE the audit report on the consolidated financial statements for the year 2008.

**December 28, simple KZ1C48710012 (ORDB) and preferred KZ1P48710118 (ORDBp) shares of Ordabasy Corporation are excluded from the official list of KASE.** In conclusion, KASE on 19 November 2009 stated that the reason for the delisting of these securities is the failure of "Corporation Ordabasy "disclosure requirements that are set by an internal document KASE" Listing Rules "and a treaty of non-listing of equity securities of August 5, 2002, entered into between the Corporation JSC Ordabasy and KASE, as well as arrears of Corporation Ordabasy on a listed payment of annual fee. At the date of the meeting of the Listing commission JSC Ordabasy Corporation has not provided KASE: an audit report on consolidated financial statements of JSC Ordabasy Corporation for the year 2008 and quarterly report for the 9 months of 2009, including the financial statements of" Ordabasy Corporation for specified period.

### ***Primary market sector***

**December 25, in the trade system of KASE held specialized auctions for selling ordinary shares KZ1C53370017 (SUMB) Sumbe JSC (Almaty).** The total volume of announced common shares of JSC "Sumbe" currently stands at 1,382,000 pieces of them stationed 182,000 pieces. The declared volume of sales was the entire volume of offered common shares. Participated in trades, one member of KASE is broker-dealer organization, which submitted the application for the purchase of these shares as a single lot at a price KZT 146,909.28 per share. **Following the auction the seller satisfied this request in full. Total sales amounted to KZT 26,737,488,960.00 (\$ 180.3 million).**

## Secondary market sector (purchase and sale)

A total of 311 deals were made in shares during the analyzed period.

|                                   | current | Trend for  |            |
|-----------------------------------|---------|------------|------------|
|                                   | week    | 1 week     | 2 weeks    |
| Average daily volume. USD th.     | 476.1   | -56.8%     | -64.1%     |
| Average daily volume. KZT m.      | 70.6    | -56.9%     | -64.2%     |
| Stake of nego deals. number (%)   | 0.3     | +0.3 pp    | +0.3 pp    |
| Stake of nego deals. volume (%)   | 0.0001  | +0.0001 pp | +0.0001 pp |
| KASE members                      | 30      | -18.9%     | -11.8%     |
| Number of shares denominations*   | 20      | -9.1%      | -4.8%      |
| Stake of pension funds. gross (%) | 7.1     | -3.0 pp    | -4.3 pp    |
| on purchase                       | 12.3    | -7.9 pp    | -9.8 pp    |
| on sale                           | 1.9     | +1.9 pp    | +1.1 pp    |
| Stake of individuals. gross (%)   | 49.3    | +19.9 pp   | +7.1 pp    |
| on purchase                       | 41.1    | +16.5 pp   | +10.1 pp   |
| on sale                           | 57.4    | +23.3 pp   | +4.2 pp    |
| Stake of nonresidents. gross (%)  | 6.3     | -12.4 pp   | +2.3 pp    |
| on purchase                       | 1.4     | -15.2 pp   | -5.1 pp    |
| on sale                           | 11.2    | -9.6 pp    | +9.7 pp    |

on which, deals were made at KASE and STF RFCA

In the described period weighted average daily prices of 7 items of shares involved in the transaction, the fall 9 and prices of 3 instruments has not changed. Positive change in shares prices in the range from 0.51% (HSBK) to 28.17% (ZERD), negative - from 0.29% (GB\_KZMS) to 35.90% (KZTC).

More detailed data on share trades on KASE shown in table below.

**Results of share trades on KASE, including STF of RFCA within Dec. 24 – Dec. 30, 2009, only by data on 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. % |                        |                   |                      |       |             |              |
| ASNDp              | 10,000.00             | 10,000.00    | 10,000.00          | .        | 10,000.00              | 10,000.00         | 0.4                  | 1     | 10,000.00   | 10,000.00    |
| BTAS               | 2,001.00              | 2,288.00     | 2,200.00           | -4.3     | 1,090.00               | 48,000.00         | 5.3                  | 4     | 2,288.00    | 2,001.00     |
| CCBN               | 717.00                | 814.50       | 743.00             | -3.4     | 200.00                 | 955.00            | 371.1                | 72    | 815.00      | 715.00       |
| CHFM               | 1,331.00              | 1,464.10     | 1,464.10           | .        | 880.00                 | 1,464.10          | 8.8                  | 2     | 1,538.00    | 1,331.00     |
| CSBN               | 4,069.57              | 4,283.76     | 4,069.57           | .        | 4,069.57               | 4,300.00          | 62.0                 | 3     | 4,283.76    | 4,069.57     |
| GB_ENRC            | 2,100.00              | 2,190.00     | 2,100.00           | 0        | 470.00                 | 2,385.00          | 18.3                 | 25    | 2,199.00    | 2,100.00     |
| GB_KZMS            | 2,930.00              | 3,090.00     | 3,090.00           | -0.3     | 370.00                 | 3,299.00          | 23.2                 | 28    | 3,090.00    | 2,930.00     |
| HSBK               | 313.00                | 328.40       | 322.00             | +0.9     | 61.51                  | 341.00            | 17.7                 | 19    | 328.40      | 313.00       |
| KKGB               | 665.00                | 686.00       | 665.00             | +5.6     | 250.00                 | 740.00            | 34.2                 | 9     | 686.00      | 665.00       |
| KKGBp              | 241.00                | 264.00       | 263.00             | -0.4     | 94.00                  | 341.00            | 18.7                 | 24    | 264.00      | 241.00       |
| KZPC               | 1,240.00              | 1,240.00     | 1,240.00           | -0.8     | 1,200.00               | 1,250.00          | 72.8                 | 1     | 1,240.00    | 1,240.00     |
| KZTC               | 3,250.00              | 4,590.00     | 3,280.00           | -35.7    | 3,250.00               | 12,000.00         | 153.6                | 7     | 5,100.00    | 3,025.00     |
| KZTK               | 17,000.00             | 18,700.00    | 17,200.00          | -7.5     | 5,000.00               | 23,000.00         | 588.0                | 47    | 18,700.00   | 17,000.00    |
| KZTKp              | 8,000.00              | 8,500.00     | 8,000.00           | -5.9     | 1,880.50               | 9,900.00          | 155.8                | 10    | 8,500.00    | 8,000.00     |
| RDGZ               | 21,183.00             | 21,550.00    | 21,200.00          | -1.4     | 8,300.01               | 23,500.00         | 45.9                 | 7     | 21,550.00   | 21,183.00    |
| TSBN               | 940.00                | 940.00       | 940.00             | 0        | 600.00                 | 1,155.55          | 1.0                  | 1     | 940.00      | 940.00       |
| UTMKp              | 4,500.00              | 5,500.00     | 5,500.00           | .        | 4,500.00               | 5,500.00          | 2.8                  | 25    | 5,500.00    | 4,500.00     |
| ZERD               | 3.98                  | 7.01         | 6.99               | +55.3    | 1.10                   | 7.20              | 322.2                | 22    | 7.01        | 3.98         |
|                    |                       |              |                    | +25.0    |                        |                   |                      |       | 1,250,000.0 |              |
| ZNGRp              | 1,000,000.00          | 1,250,000.00 | 1,250,000.00       | .        | 1,000,000.00           | 1,250,000.00      | 478.6                | 3     | 0           | 1,000,000.00 |
| 19                 |                       |              |                    |          |                        |                   | 2,380.5              | 310   |             |              |

Notes: Trends are given relative to the last deal of the previous 30 days period (Nov. 23 – Dec. 23, 2009). If deals were not made in the previous month the trend is not calculated.

## MARKET OF CORPORATE BONDS

### News of corporate bonds market

**December 25, Alliance Bank (Almaty) temporarily exempt from execution of a market-maker on the KASE from December 01, 2009 to February 28, 2010 for its next bond ALB Finance BV: KZ2CKY07B394 (ASBNb3); KZPC4Y07B576 (ASBNb7); KZPC5Y05B577 (ASBNb8); KZPC6Y03B570 (ASBNb9); KZPC7Y07B579 (ASBNb10); KZP02Y07C960 (ASBNb12); KZP03Y02C969 (ASBNb13); KZP04Y10C960 (ASBNb14). From December 8, 2009 to February 28, 2010 on international bonds ALB Finance BV (Rotterdam): XS0234283264 (ASBNe2), XS0251702618 (ASBNe3).**

**December 28, bonds KZ2C0Y05C275 (ORDBb2) Ordabasy Corporation JSC (Almaty) were excluded from the official list of KASE.** Dec. 28 KASE removed from the list of indexes representative series KASE\_B \* these bonds. In conclusion, KASE on November 19, 2009 stated that the reason for delisting these securities is the failure of "Corporation Ordabasy disclosure requirements

as are prescribed by internal documents KASE Listing Rules and a treaty of non-listing of equity securities of August 5, 2002, entered into between the Corporation JSC Ordabasy and KASE, as well as the debt of Corporation Ordabasy a listed in the payment of annual fee. At the date of the meeting of the Listing commission Ordabasy JSC Corporation has not provided KASE: an audit report on consolidated financial statements of JSC Ordabasy Corporation for the year 2008 and quarterly report for the 9 months of 2009, including the financial statements of Ordabasy Corporation for specified period.

**December 28, bonds KZ2C0Y05D059 (KMSBb1) KOMBISNAB JSC (Almaty region). Excluded from the official list of KASE.** In conclusion, KASE on November 19, 2009 noted that these bonds from October 2, 2009, were transferred from the second sub-category Debt Securities without ratings in the category of buffer category the official list of KASE, since KOMBISNAB JSC committed a default on remuneration on these bonds. In accordance with paragraph 8), paragraph 13-16 of the Annex to the order of the President of the Republic of Kazakhstan Agency for Regulation of the Regional Financial Center of Almaty "On establishing the requirements for issuers whose securities are assumed to include or included in the list of special trading floor of the Regional Financial Center of Almaty as well as to such securities, from May 8, 2008 # 04.2-09/119 securities are subject to delisting if while they are in the category of "buffer category" in addition to inconsistencies, which led them to translate in this category do not match other requirements of paragraph 11 of the aforementioned applications. According to the financial statements of JSC KOMBISNAB for 2008, confirmed that the audit report, the equity joint-stock company KOMBISNAB as at December 31, 2008 had a negative value (KZT -198.0 million), which does not comply with listing requirements, prescribed in subparagraph 5) paragraph 11 of the aforementioned applications.

**December 30, bonds KZP01Y05D212 (CCBNb21), KZP02Y10D210 (CCBNb22) and KZP03Y15D217 (CCBNb23) Bank CenterCredit (Almaty) are included in KASE's official list of the first sub-category "Debt Securities without ratings.**

**December 30, bonds KZ2P0Y05D650 (EKGSb1) LLP Ekibastuzskaya TPP-1 (Ekibastuz) are included in KASE's official list of the first sub-category Debt Securities without ratings.**

**JSC Alliance Bank (Almaty) has reported a delay of payment:**

- **Fourteenth coupon on and principal on its bonds KZ2CKY07A701 (ASBNb1).** Under the terms of issue of these bonds of JSC "Alliance Bank" was supposed to pay the principal debt and this coupon payment on Dec. 23, 2009.
- **Sixth coupon on its bonds KZPC5Y05B577 (ASBNb8).** According to the prospectus of issue of these bonds of JSC Alliance Bank was supposed to pay this fee on Dec. 28, 2009.

In a letter JSC Alliance Bank reported that did not make coupon payment due to the fact that the bonds of the Bank subject to the above issue of restructuring.

**December 30, Subsidiary of BTA Bank JSC - Temirbank (Almaty) reported delays in the payment of the eighth coupon on its bonds KZPC3Y07B552 (TEBNb6).** According to the prospectus of issue of these bonds Subsidiary of BTA Bank "- Temirbank must pay this fee in the period from December 30, 2009 to January 15, 2010. In a letter Subsidiary of BTA Bank "- Temirbank reported that did not make coupon payment in connection with the approval of the specialized financial court of Almaty restructuring plan of the bank.

### ***Primary market sector***

**December 28, in the trade system of KASE held specialized auction on placement of subordinated bonds KZP03Y10C723 (KKGBB8) Kazkommertsbank JSC (Almaty).** Issuer planned to deploy 20 000 bonds (20% of the registered volume). The subject of the auction is the net price of bonds. Participated in trades, one member of KASE - broker-dealer company, which filed a request to purchase 15,649 bonds on a net price of 81.0138% (12.50% per annum to maturity for a buyer), which at the end of the application period to remain active. As a result of trade, the issuer has established cut-off price at the level of 81.0138%, which corresponds to the yield to maturity for a buyer in the amount of 12,50% per annum, and granted the application at a given price, thereby placing 78.2% of the planned volume of bonds. **Amount of investment amounted to KZT 1,293,214,581.20.**

## Secondary market sector (purchase and sale)

A total of 83 deals were made in bonds during the analyzed period on KASE.

|                                   | current<br>week | Trend for |         |
|-----------------------------------|-----------------|-----------|---------|
|                                   |                 | 1 week    | 2 weeks |
| Average daily volume. USD th.     | 15,083.8        | 3.2 times | +65.9%  |
| Average daily volume. KZT m.      | 2,237.7         | 3.2 times | +65.1%  |
| Stake of nego deals. number (%)   | 1.2             | -0.2pp    | +0.5pp  |
| Stake of nego deals. volume (%)   | 1.08            | +1.0pp    | +1.1pp  |
| KASE members                      | 34              | -2.9%     | +6.3%   |
| Number of bonds denominations*    | 38              | -32.1%    | -22.4%  |
| Stake of pension funds. gross (%) | 40.9            | +9.8pp    | +27.7pp |
| on purchase                       | 42.5            | +13.8pp   | +16.9pp |
| on sale                           | 39.4            | +5.9pp    | +38.4pp |
| Stake of individuals. gross (%)   | 12.2            | -18.3pp   | -7.1pp  |
| on purchase                       | 7.7             | -24.6pp   | +2.2pp  |
| on sale                           | 16.7            | -12.0pp   | -16.4pp |
| Stake of nonresidents. gross (%)  | 0.0             | -0.4pp    | 0       |
| on purchase                       | 0.0             | -0.7pp    | 0       |
| on sale                           | 0.0             | -0.03pp   | 0       |

on which, deals were made at KASE and STF RFCA

Following the period of growth of average net price on the open market (excluding transactions RFCA) were characterized by bonds of 17 items, falling - 20. Yield to maturity for a buyer on deals rose in the week for 21 bonds declined - from 16. Positive change in bond yield to maturity in the range from 0.0004% (ATFBe4) up to 851.01% (KKAGb1), negative was from 0.00001% (KATRb2) and to 404.00% (KMSBb1).

More detailed data on corporate bonds on KASE shown in table.

### Results of bond trades on KASE including STF of RFCA within Dec. 24– Dec.30, 2009 (only on data of deals . made on secondary market of KASE by the methods of opened deals)

| Bond<br>code<br>on KASE | Yield to maturity for a buyer. % APR: |          |                    |           |       |          | Volume<br>of deals<br>th. USD | Num-<br>ber of<br>deals | Best for the<br>period: |          |
|-------------------------|---------------------------------------|----------|--------------------|-----------|-------|----------|-------------------------------|-------------------------|-------------------------|----------|
|                         | on the last deal:                     |          | for last 365 days: |           | bid   | offer    |                               |                         |                         |          |
|                         | min.                                  | max.     | yield              | trend     |       |          |                               |                         | min.                    | max.     |
| ATFBb6                  | 11.00                                 | 13.20    | 12.00              | +1.0      | 7.00  | 30.00    | 13,380.92                     | 5                       | 11.00                   | 13.20    |
| ATFBe4                  | 10.00                                 | 10.00    | 10.00              | +0.00004  | 9.11  | 30.00    | 85.49                         | 2                       | 10.00                   | 10.00    |
| BTAIb1                  | 25.02                                 | 49.68    | 25.02              |           | 25.02 | 114.81   | 167.65                        | 4                       | 25.02                   | 49.68    |
| BTAIb14                 | 15.00                                 | 19.18    | 15.00              |           | 9.50  | 70.00    | 116.67                        | 2                       | 15.00                   | 19.18    |
| BTAIb9                  | 7.00                                  | 7.00     | 7.00               | -23.3     | 7.00  | 70.00    | 241.80                        | 2                       | 7.00                    | 7.00     |
| BTTRb1                  | 9.63                                  | 9.63     | 9.63               | -0.3      | 9.09  | 28.00    | 229.85                        | 1                       | 9.63                    | 9.63     |
| CCBNb3                  | 12.90                                 | 12.90    | 12.90              |           | 12.90 | 28.00    | 33.79                         | 1                       | 12.90                   | 12.90    |
| CTECb1                  | 13.00                                 | 14.00    | 14.00              | +0.8      | 12.50 | 20.00    | 13,219.15                     | 3                       | 13.00                   | 14.00    |
| EUBNb2                  | 6.83                                  | 7.00     | 6.83               |           | 6.50  | 7.00     | 11,093.94                     | 3                       | 6.83                    | 7.00     |
| EUBNb4                  | 13.01                                 | 13.01    | 13.01              |           | 11.00 | 13.01    | 3,576.85                      | 1                       | 13.00                   | 13.01    |
| EUBNb6                  | 10.94                                 | 11.00    | 10.94              |           | 10.94 | 11.00    | 49.05                         | 2                       | 10.94                   | 11.00    |
| EXNBb2                  | 17.00                                 | 17.50    | 17.00              | -1.0      | 12.00 | 22.00    | 2,358.60                      | 3                       | 17.00                   | 18.00    |
| HSBb13                  | 13.91                                 | 13.91    | 13.91              | +0.2      | 12.99 | 14.00    | 203.41                        | 1                       | 13.19                   | 13.91    |
| JGOKb2                  | 10.40                                 | 10.40    | 10.40              |           | 7.33  | 10.40    | 12.94                         | 1                       | 11.11                   | 11.12    |
| KAFIb1                  | 12.71                                 | 12.71    | 12.71              | -0.1      | 12.00 | 16.03    | 274.97                        | 1                       | 12.71                   | 12.71    |
| KATRb2                  | 16.00                                 | 16.00    | 16.00              |           | 15.00 | 20.03    | 1,011.11                      | 1                       | 16.00                   | 16.00    |
| KDTSb1                  | 36.00                                 | 36.00    | 36.00              | -0.6      | 13.40 | 103.55   | 0.55                          | 1                       | 36.00                   | 36.00    |
| KKAGb1                  | 1,502.00                              | 1,502.00 | 1,502.00           | +851.0    | 15.00 | 2,833.53 | 117.14                        | 1                       | 1,502.00                | 1,502.00 |
| KKGBb16                 | 14.54                                 | 14.54    | 14.54              |           | 9.88  | 33.74    | 18.12                         | 1                       | 14.51                   | 14.54    |
| KRZHb1                  | 60.00                                 | 60.00    | 60.00              |           | 12.00 | 114.96   | 2.02                          | 1                       | 60.00                   | 60.00    |
| KZIKb10                 | 7.97                                  | 7.97     | 7.97               | +0.1      | 7.90  | 13.50    | 10.25                         | 1                       | 7.97                    | 7.97     |
| KZIKb17                 | 15.00                                 | 15.50    | 15.50              | +2.5      | 5.50  | 15.50    | 3,820.69                      | 2                       | 15.00                   | 15.50    |
| KZIKb18                 | 13.00                                 | 13.00    | 13.00              | +0.7      | 10.00 | 13.50    | 2,706.22                      | 1                       | 13.00                   | 13.00    |
| KZIKb8                  | 15.17                                 | 17.14    | 15.17              | +2.2      | 13.00 | 26.00    | 210.40                        | 2                       | 13.00                   | 17.14    |
| LOGCb1                  | 10.30                                 | 20.00    | 20.00              | +9.7      | 6.82  | 50.30    | 29.09                         | 2                       | 10.30                   | 28.00    |
| NRBNb5                  | 14.00                                 | 14.00    | 14.00              | +1.0      | 12.50 | 31.97    | 4,727.94                      | 1                       | 14.00                   | 14.00    |
| ORDKb2                  | 16.00                                 | 16.00    | 16.00              | -0.000003 | 14.00 | 16.00    | 74.11                         | 3                       | 16.00                   | 16.00    |
| PDENb1                  | 16.40                                 | 16.40    | 16.40              |           | 10.00 | 16.40    | 2,592.92                      | 2                       | 10.00                   | 16.40    |
| PRKRb2                  | 10.00                                 | 10.90    | 10.90              |           | 9.77  | 13.00    | 6,726.83                      | 5                       | 10.00                   | 10.90    |
| RGBRb4                  | 16.20                                 | 16.20    | 16.20              | +0.2      | 8.00  | 35.00    | 2,293.64                      | 1                       | 16.00                   | 16.20    |
| RGBRb5                  | 9.00                                  | 9.00     | 9.00               |           | 8.00  | 14.00    | 2,004.46                      | 1                       | 9.00                    | 9.00     |
| RGBRb6                  | 13.98                                 | 14.00    | 14.00              |           | 8.06  | 16.34    | 2,513.47                      | 2                       | 13.98                   | 14.00    |
| SATCb1                  | 5.04                                  | 5.04     | 5.04               | +1.0      | 4.05  | 16.00    | 504.21                        | 1                       | 5.04                    | 9.00     |
| TSNBb2                  | 19.00                                 | 19.00    | 19.00              | -2.0      | 19.00 | 25.00    | 10.69                         | 1                       | 19.00                   | 19.00    |
| TSNBb5                  | 20.00                                 | 21.75    | 20.00              | -1.0      | 17.00 | 50.00    | 12.48                         | 2                       | 19.98                   | 21.75    |
| VITAb4                  | 1,183.00                              | 1,183.00 | 1,183.00           | -2.0      | 22.12 | 1,185.00 | 5.45                          | 5                       | 1,183.00                | 1,183.00 |
| ZERDb1                  | 10.00                                 | 69.00    | 10.00              | -46.0     | 9.00  | 106.00   | 166.20                        | 13                      | 10.00                   | 69.00    |
| <b>37</b>               |                                       |          |                    |           |       |          | <b>74,603.1</b>               | <b>82</b>               |                         |          |

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous 30days period (November 23 – December 23, 2009). If deals were not made in the previous month the trend is not calculated.



## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

December 30, in the trade system of KASE held specialized auction on placement of government long-term savings and treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEUJKAM-228 Second Edition (KZKAKY190023, MUJ228\_0002; KZT 1,000, 30.12.09 - 30.12.28, the annual coupon, 30/360) which the Ministry of Finance planned to borrow KZT 13.0 billion. The subject of the auction is the fixed coupon rate. Participated in trades 6 primary dealers, which are mainly members of KASE category "K". Through these market players, investors filed 11 applications, of which the time expired applications remained active 9 warrants. The total volume of active bids (volume of demand) was KZT 44,000.0 million. Fixed coupon rate in active bids varied from 0.01% to 0.01% per annum, making in average terms, 0.0100% per annum. As a result of trade, the issuer granted the application for the purchase of 13 100 000 bonds worth KZT13,100,000,000 (100.8% of planned volume of placement) under 0.01% per annum.

### Secondary market sector (purchase)

During the study period a total volume of 77 inmates at the KASE trades amounted to KZT 19,398.0 million (\$ 130.7 million). In the previous period (10 - 23 December 2009) the figure was KZT 61,693.7 million (\$ 415.7 million) in 116 transactions. Share exchange turnover in the overall volume of Kazakhstan GS secondary market transactions for comparable sales in the analyzed period amounted to 83.8% (in the previous period – 91.0%).

#### Parameters of Exchange's transactions in GS within Dec. 24– Dec. 30, 2009

| Days till maturity                                   | Yield to maturity for a buyer. % APR. |      |           |   | Volume. m. tenge discounted | Number of deals |
|--|---------------------------------------|------|-----------|---|-----------------------------|-----------------|
|  | min                                   | max  | last deal | weighted average  |                             |                 |
| <b>Discount (KZT): the notes of NB. MEKKAM</b>       |                                       |      |           | <b>5.4 % (52.2 %) of purchase and sale sector's turnover</b>  |                             |                 |
| 8 - 14   | 0.75                                  | 0.75 | 0.75      | 0.75  | 446.91                      | 2.00            |
| 64 - 91  | 1.50                                  | 2.02 | 2.02      | 1.76 (1.69)   | 602.07                      | 4.00            |
| Total  |                                       |      |           |   | <b>1,049.0(32,206.7)</b>    | <b>6 (33)</b>   |
| <b>Coupon (KZT): MUIKAM. MEOKAM. MEUKAM. MEUJKAM</b> |                                       |      |           | <b>94.6 % (47.8 %) of purchase and sale sector's turnover</b> |                             |                 |
| Less 730   | 3.50                                  | 6.90 | 6.00      | 4.39 (3.82)   | 4 193.42                    | 10              |
| 731 - 1095   | 4.90                                  | 5.35 | 5.35      | 5.12 (4.79)   | 337.23                      | 2               |
| 1096 - 1460  | 4.20                                  | 7.46 | 4.90      | 5.36 (5.13)   | 3 934.71                    | 22              |
| 1461 - 1825  | 6.30                                  | 6.80 | 6.80      | 6.43 (5.40)   | 278.07                      | 4               |
| 1826 - 2190  | 5.20                                  | 7.30 | 7.30      | 6.40 (5.86)   | 561.55                      | 3               |
| More 2191  | 6.00                                  | 6.80 | 6.50      | 6.57 (6.48)   | 9 044.07                    | 30              |
| Total  |                                       |      |           |   | <b>18,349.0(29,487.0)</b>   | <b>71 (83)</b>  |
| <b>TOTAL</b>   |                                       |      |           |   | <b>19,398.0(61,693.7)</b>   | <b>77 (116)</b> |

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