

## WEEK OF STOCK MARKET OF KAZAKHSTAN September 7 - 13

1 US dollar = **142.75** tenge at official rate for the end of the period  
1 US dollar = **142.72** tenge at weighted average rate of the Exchange for the end of the period

### YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during September 7 - 13. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

#### Investment attractiveness of stock exchange instruments from September 7 through 13

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
Repo GS	KZT	*5.41 (6.39)	3,474.4 (8,466.3)	24,322.0 (59,358.5)
MEKKAM, notes	KZT	*8.57 (9.29)	370.3 (324.1)	2,592.6 (2,272.7)
MEKAVM	USD	*7.10 (9.04)	77.4 (378.1)	541.6 (2,650.6)
Euronotes-2	USD	9.18 ( -)	759.0 ( 0)	5,313.5 ( 0)
Euronotes-3	USD	9.46 (9.18)	291.5 (696.4)	2,040.5 (4,882.4)
Euronotes-4	USD	9.56 (9.58)	2,642.8 (1,135.2)	18,500.9 (7,959.3)
TMJLb	USD	10.00 (10.03)	0 ( 0)	0 ( 0)
KKGBb	USD	10.13 (10.05)	0 ( 0)	0 ( 0)
TEBNb	USD	11.28 (11.62)	1.4 (7.1)	10.1 (50.0)
HSBKb	USD	12.00 (12.00)	0 ( 0)	0 ( 0)
KZOLb	USD	12.04 (10.78)	14.0 ( 0)	98.3 ( 0)
KOMBb	USD	13.50 (13.50)	0 ( 0)	0 ( 0)
RENTb	USD	15.00 (16.40)	0 ( 0)	0 ( 0)
ALKSb	USD	15.11 (15.13)	0 (0.4)	3.1 (3.1)

**Notes:** yields of KZOLb and TEbNb are calculated as average of the deals, for other corporate bonds as average of offer quotations.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a **negative trend of 3.48% APR**.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

#### Indicators of Kazakhstan interbank deposit market as of September 13, 4:00 PM ALT and changes during the week

Term	Currency	KIBOR	
		rate	tend
1 week	KZT	<b>7.60</b>	+0.41
2 weeks	KZT	<b>8.38</b>	+0.50
1 month	KZT	<b>9.40</b>	+0.52
2 months	KZT	<b>10.44</b>	+0.66
3 months	KZT	<b>11.34</b>	+0.71

### THE SECURITIES SECTOR (SS)

#### Secondary market

During observed period 26 deals amounting to **\$1,690.1 th.** were made in **purchase and sale sector** of the securities on trade floors of Kazakhstan stock exchange (KASE). Relative to previous period (\$307.7 th., 8 deals) weekly turnover of the sector increased by 5.5 times.

As it were in last week, in terms of deal volumes **common shares of Bank TuranAlem OJSC** (Almaty, official list of securities, category "A", BTAS) were the leaders again, with their proportion in total turnover of securities reaching 72.5%. In other instruments the volumes of the deals were insignificant.

The price of ALKZ fell by 30.1% relative to previous successful trades, CHPV - by 0.2%, KZCR - by 20.0%, MMGZp - by 43.3%, UTMKp - by 20.0%, the price of KZTKp grew by 27.3%. The values of HSBK and BTAS did not change. The yield of KZOLb grew from 11.34% to 12.04% APR, TEBNb fell from 11.62% to 11.28% APR.

It is interesting to note that the first deal was made in common inscribed shares of Bayan-Sulu OJSC (BSUL, official list of securities, category "B", activities - production and sales of confectionery) from the time they were admitted to the trades (Aug.25,98). The deal was made on September 13 at \$2.12 per share while the face value is at KZT150.00.

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

#### Results of the trades in shares from September 7 - 13

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.15	0.31
Aliuminii Kazakhstana OJSC	ALKZ	*0.70	0.70	566	*0.70	*0.70
Bayan-Sulu OJSC	BSUL	2.12	2.12	11 600	2.12	2.12
Bank TuranAlem OJSC	BTAS	70.20	72.32	16 939	79.16	70.20
Bank CenterCredit OJSC	CCBN	1.40		0	1.08	1.40
SHYMKENTPIVO CJSC	CHPV	*3.50	3.50	19 900	*3.50	*3.50
Halyk Bank of Kazakhstan OJSC	HSBK	*0.91	0.91	9 000	1.70	*0.91
KAZKOMMERTSBANK OJSC	KKGB	0.70		0	0.25	0.50
TNC Kazchrome OJSC	KZCR	*5.60	5.60	1	*5.60	*5.60
Kazakhoil-Emba OJSC	KZEM	*2.85	1.79	70 510	*2.85	*0.75
Kazakhtelecom	KZTK	15.00		0	16.00	18.00
Kazakhtelecom	KZTKp	*7.00	7.29	7 205	9.50	*6.00
Mangistaumunaigas OJSC	MMGZp	4.00	3.50	13 400	4.00	*3.00
SHNOS OJSC	SYRG	1.63		0	1.30	
Temirbank OJSC	TEBN	7.39		0	0.70	7.34
UKTMK OJSC	UTMK	50.00		0	5.00	145.00
UKTMK OJSC	UTMKp	28.00	28.00	1 000	28.50	28.00

#### Results of the trades in bonds from September 7 - 13

yield for the buyer in % APR till maturity, unless otherwise specified

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb	USD	15.13		0.00	16.86	15.11
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	12.66		0.00	12.61	12.00
KAZKOMMERTSBANK OJSC	KKGBb	USD	12.76		0.00	12.05	10.13
Komirbank OJSC	KOMBb	USD	14.50		0.00	16.25	13.50
NOC Kazakhoil CJSC	KZOLb	USD	12.04	12.04	98.30	11.34	12.04
RENATA LLP	RENTb	USD			0.00		*15.00
Temirbank OJSC	TEBNb	USD	11.28	11.28	10.07	11.28	11.28
Kazakhstan Temir Joly NSE	TMJLb	USD	10.82		0.00	10.50	10.00

Notes: bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals.

In securities repo sector no deals were made during analyzed week. At the end of analyzed period still four indexed securities repos were opened for a total of **\$1,540.7 th.** on the trade floor of the Exchange. Common shares of Bank CenterCredit OJSC were used as an object of repo.

#### Capitalization

For September 13, 2000 total capitalization of the companies, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,331.4 mln** or KZT190.0 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number grew by \$14.9 mln in terms of dollars irrespective of the decrease in the values of the most of shares traded during the week (see above), which was due to entering common shares of Kazakhoil-Emba into trade lists of the Exchange.

The capitalization of the exchange market of corporate bonds (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$100.3 mln** as of September 13 or **KZT14,312.0 mln.**

#### CHANGE IN LEGAL BASE

By the decision #75/1 of the Board of Kazakhstan Stock Exchange CJSC (KASE), dated **August 25, 2000** internal document of KASE "**Calculation method of the deal amount and yields of the bonds**" was adopted and went into effect.

The document states that the bonds are to be quoted in the trade system of the Exchange at clean price, in percents to face value of the bond, the number of bonds are to be indicated at face value. To make the settlements on the deals made in bonds the Exchange passes the information with the number of securities and dirty price in KZT to the Central depository. The dirty price is determined as the product of clean price and accumulated interest and calculated in KZT at weighted average rate of the Exchange or at official rate of the National Bank (depending on the type of the bond) effective on the day when the deal was made on.

The yields of MEKKAM, MEKAVM, National Bank notes and discounted bonds of local executive bodies are calculated using the time basis: actual (calendar) number of days till maturity and 364 days in a year (**actual/364**). The yields of discounted bonds of listed companies are calculated using **actual/360** time basis. Yields of these securities are found by the following formula:

$$Y_n = (N - P_i) / P_i * T_0 / T_i * 100\%$$

where, **N** – face value of the bond in percents; **P<sub>i</sub>** – current price in percents; **T<sub>0</sub>** – number of days in a year; **T<sub>i</sub>** – number of days till maturity.

The yields of MEOKAM are calculated using **actual/364** time basis, those of MEAKAM, international bonds, coupon bonds of local executive bodies and corporate coupon bonds are found by using **30/360** time basis. Yields of the bonds on indicated securities are determined by the formula used to calculate the dirty price from necessary yield by approximate calculations. Yields of NSB are not calculated.

## SECTOR OF GOVERNMENT SECURITIES (GS)

### Secondary market

In **GS purchase and sale sector** of KASE total volume of **61 deals** equaled **KZT4,186.9 mln**, whereas in previous week the turnover equaled KZT2,649.4 mln with 60 deals made.

Parameters of stock exchange transactions in **SS** from **September 7 - 13**

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted GS: MEKKAM-3, 6, 12, notes</b>				<b>8.8% (12.2%) of purchase and sale sector's turnover</b>		
15 – 28	7.00	7.98	7.00	7.27 (7.01)	65.49	10
29 – 36	7.40	7.80	7.40	7.46 (8.00)	45.80	3
43 – 56	7.60	7.88	7.88	7.65 (7.73)	99.98	5
57 – 63	7.60	7.69	7.60	7.66 (8.10)	2.87	4
64 – 91	8.00	8.00	8.00	8.00 (8.02)	13.54	1
92 – 181	9.05	9.45	9.05	9.08 (12.89)	111.20	3
182 – 364	11.50	11.50	11.50	11.50 ( - )	31.46	1
Total					370.3 (324.1)	27 (24)
<b>Discounted indexed GS: MEKAVM-6, 9</b>				<b>1.8% (14.3%) of purchase and sale sector's turnover</b>		
15 – 28	6.70	7.00	7.00	6.79 (7.18)	70.72	4
29 – 36	7.49	7.49	7.49	7.49 (7.50)	5.24	1
37 – 42	8.89	8.89	8.89	8.89 ( - )	1.41	1
Total					77.4 (378.1)	6 (13)
<b>Coupon GS: NSB-13, MEOKAM-36</b>				<b>1.1% (4.4%) of purchase and sale sector's turnover</b>		
1,091	18.81	18.81	18.81	18.81 ( - )	45.8	1
Total					45.8 (115.6)	1 (3)
<b>Euronotes of Kazakhstan, USD</b>				<b>88.2% (69.1%) of purchase and sale sector's turnover</b>		
*739 - 744	9.11	9.42	9.42	9.18 ( - )	759.0	8
**1,477 - 1,481	9.44	9.48	9.46	9.46 (9.18)	291.5	7
***2,398 - 2,404	9.54	9.75	9.75	9.56 (9.60)	2 642.8	12
Total					3,693.4 (1,831.6)	27 (20)
<b>SUBTOTAL</b>				<b>4,186.9 (2,649.4) 61 (60)</b>		

**Notes:** for euronotes (\* - second issue, \*\* - third issue, \*\*\* - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

In **GS repo sector** **84 deals** for a total of **KZT7,723.0 mln** was made during the period. Of this number 38 deals (for KZT3,474.4 mln) were repo opening deals and 46 (KZT4,248.6 mln) were repo closing deals. Last week total turnover of this sector of the market was at KZT14,817.0 mln.

Parameters of repo opening deals in **SS** at **KASE** from **September 7 - 13**

(in parentheses – comparable figures for previous period)

Opening date	Term of repo, days	Currency	Amount raised, mln KZT	WA yield, % APR	Number of deals
Sep.7, 00	1	KZT	200.2	4.00	2
Sep.8, 00	3	KZT	450.3	3.00	5
Sep.11, 00	1	KZT	250.1	4.00	3
Sep.11, 00	2	KZT	22.0	4.00	1
Sep.12, 00	1	KZT	1,009.0	5.46	15
Sep.12, 00	2	KZT	20.0	4.00	1
Sep.12, 00	28	KZT	700.0	5.50	2
Sep.13, 00	1	KZT	321.7	6.55	4
Sep.13, 00	7	KZT	501.2	7.00	5
<b>TOTAL</b>			<b>3,474.4 (8,466.3)</b>		<b>38 (60)</b>

After closing of the trades on September 13 total amount of opened repo equaled **KZT9,392.2 mln**. Current weighted average rates as of September 13 (% APR) equaled:

- 1 day (KZT321.7 mln) – **6.55**;
- 2 days (KZT20.0 mln) – **4.00**;
- 7 days (KZT501.2 mln) – **7.00**;
- 21 days (KZT2,550.0 mln) – **5.53**;
- 22 days (KZT400.0 mln) – **5.50**;
- 24 days (KZT1,100.0 mln) – **5.50**;
- 25 days (KZT2,400.0 mln) – **5.50**;
- 28 days (KZT1,700.0 mln) – **5.79**;
- 29 days (KZT399.3 mln) – **9.93**.

**Total of 145 deals** amounting to **KZT11,909.9 mln** were made in GS on trade floors of KASE during last period (purchase and sale and repo sector). Last week volume of 179 deals was KZT17,466.4 mln.

In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations (including euronotes and repo operations) equaled **80.8%**, for last week it was 76.0%.

## INFORMATION ON THE COMPANIES

**Kazakhtelecom** (Astana, official list of securities, category "A"), in accordance with listing requirements, provided KASE with the materials of annual shareholders general meeting, which was held on August 17, 2000.

Based on agenda of the meeting, the shareholders of Kazakhtelecom approved financial statements and auditing report of Deloitte & Touche for 1999:

- approved annual allocations into reserve capital of 5% from net profit;
- approved the Board's decision about dividend payments for 1999 on preferred shares at 30% of face value, the date of actual repayment is Aug 21, 2000, the date of registration of entitled shareholders is August 21, 2000.
- canceled the authority of the previous council and elected a new one ahead of schedule, the new council has 7 members: Bektasov Aben, Zhamishev Bolat, Zhanabilov Miyat, Zhusupova Nina, Karibzhanov Aidan, Nalibayev Abdykalyk, Sukhanberdin Nurzhan.

Besides, the shareholders approved that the problem of persons who were occasionally missed at a free distribution of Kazakhtelecom preferred shares is to be unsolved as:

- all shares including preferred ones distributed in proper terms among previously approved persons in accordance with current legislation;
- recalling of preferred shares from their holders to distribute among missed ones cannot be executed without violation of rights of present holders.

**SHNOS OJSC** (Shymkent, official list of securities, category "A"), in accordance with listing requirements, provided KASE with the minutes of extraordinary general shareholders meeting, which was held on August 21, 2000.

Based on agenda of the meeting, the shareholders made the following decisions:

- To make changes and amendments to the Charter, regarding:
  - structure of share issue (in order to eliminate inconsistencies in the number of shares upon the registration of the second issue of the securities that caused the proportion of preferred share owners to fall from 394,500 to 3,945 shares and simultaneous increase in the proportion of common shares from 99,605,500 to 99,996,055 shares);
  - executive body (collegial body was substituted by a single - the President, who is assigned and dismissed by the Board of directors).
- To pass the matter regarding the decrease in issued (paid) authorized capital, which was entered into the agenda, to the Board of directors for further consideration.
- To issue coupon bonds to raise additional funds for the development of SHNOS OJSC up to USD25 mln with 2 to 4 year circulation term. Leading financial agent and consultant of the issue - ABN AMRO BANK Kazakhstan CJSC, additional financial agents and consultants - consortium of Halyk Bank of Kazakhstan and KAZKOMMERTSBANK OJSC.

Moreover, SHNOS OJSC informed KASE of the Board of directors' decision, dated August 30, 2000, about assignment of the company's new president Mr. Marlo Thomas.