

WEEK OF STOCK MARKET OF KAZAKHSTAN

March 8 - 14

1 US dollar = **145.45** tenge at official rate for the end of the period
 1 US dollar = **145.48** 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 March 8 - 14. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

Investment attractiveness of stock exchange instruments from March 8 through 14

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
RENTb	USD	15.23 (15.17)	0 (0)	0 (0)
Securities repo	USD	*15.19 (11.41)	22.0 (200.3)	151.0 (1,378.5)
VITAb2	USD	13.54 (13.54)	0 (0)	0 (0)
MEKKAM, notes	KZT	*8.04 (6.49)	106.4 (924.5)	731.0 (6,355.1)
SMGZb1	USD	13.00 (13.00)	0 (0)	0 (0)
KZASb1	USD	12.00 (12.00)	2.3 (66.0)	16.1 (453.4)
RGBRb2	USD	12.00 (12.06)	0 (0)	0 (0)
BTASb1	USD	11.50 (11.30)	351.4 (0)	2,415.3 (0)
KARMB1	USD	10.90 (10.90)	0 (0)	0 (0)
CCBNb1	USD	10.82 (10.89)	0 (0)	0 (0)
HSBKb	USD	10.50 (10.50)	0 (0)	0 (0)
GB repo	KZT	*5.36 (4.31)	8,993.8 (8,069.8)	61,808.7 (55,470.2)
KZOLb	USD	10.30 (10.26)	14.7 (0)	101.0 (0)
KZTOb	USD	10.20 (10.16)	29.3 (0)	201.6 (0)
KKGBe2	USD	9.50 (9.50)	0 (0)	0 (0)
ATFBb	USD	9.48 (9.41)	0 (0)	0 (0)
ALKSb	USD	9.25 (9.04)	0 (0)	0 (0)
TMJLb	USD	8.25 (9.40)	28.3 (28.3)	194.3 (194.3)
Euronotes-4	USD	8.12 (8.29)	605.1 (1,697.0)	4,158.2 (11,664.9)
TEBNb	USD	8.09 (8.24)	0 (0)	0 (0)
Euronotes -3	USD	7.58 (7.68)	943.5 (3,680.8)	6,484.1 (25,300.8)
Securities repo	KZT	*2.00 (2.00)	4.0 (30.8)	34.3 (211.9)
Euronotes -2	USD	6.78 (7.03)	797.9 (153.5)	5,483.5 (1,055.3)
KKGBb	USD	5.50 (5.40)	0 (0)	0 (0)
IFO bonds	USD	4.78 (4.80)	4.5 (59.1)	30.6 (406.2)

Notes: yields of BTASb1, KZASb1, KZOLb and KZTOb are calculated as average of the deals, yields of other corporate bonds are calculated as average of offer bids.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a trend of **negative 5.00% APR** (tenge revalued against the dollar).

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 March 14, 4:00 PM ALT and changes during the week

Term	Currency	Rate	Trend
1 week	KZT	7.16	-0.04
2 weeks	KZT	7.80	-0.30
1 month	KZT	8.60	-0.40
2 months	KZT	9.40	-0.50
3 months	KZT	10.30	-0.40

During this period it can be said that indicative offering rates were stable at average of the last four months. Despite the absence of deficit of tenge on the market, some banks (mainly mid-sized ones) are attracting big volumes of short money, which does not let the rates to go below the levels noticed in previous week.

THE SECURITIES SECTOR (SS)

Secondary market

During observed period 7 deals amounting to **\$5,358.3 th.** (KZT779.7 mln) were made **in purchase and sale sector** of the securities on trade floors of the KASE. Relative to previous period (\$1,427.6 th., KZT207.7 mln, 9 deals) weekly turnover of the sector increased 3.8 times, though this period consisted of only four working days. The introduction of a 15-minute standby mode to satisfy counterbids from March 12 at the KASE did not hinder the brokers and the traders. It was on this day that the maximum volume of the deals was registered on the trade floor – \$5,039.5 th.

Absolute leaders of this week were common shares of Bank TuranAlem OJSC (31.8% of sector's turnover). Then, there were the first issue bonds of this bank (45.1%). Last week coupon bonds of DAGOK Kustanaiasbest OJSC were the leaders. It is interesting to note that all the deals were made by the brokers in the main trade mode of the KASE using the counterauction method.

By the last deals of the period the price of BTAS increased by 1.6% relative to the previous successful trades. The yields of BTASb1 bonds grew from 11.30% to 11.50%. The yields of KZOLb1 fell from 10.6001% to 10.30%, KZTOb1 – from 10.2105% to 10.1964% APR. The yields of KZASb1 did not change at 12.00% APR.

On March 14, 2001 **the capitalization of the companies**, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,407.6 mln** or KZT204.8 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number increased **by \$3.7 mln** in terms of dollars is explained solely by an increase in values of BTAS.

The capitalization of corporate bonds market of the Exchange by their best ask prices, that are regularly put out by the market-makers of these securities in the trade system of the Exchange, was fixed at **\$232.4 mln** as of March 14, or KZT33,816.1 mln. In nominal value (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$261.8 mln** as of this check date, or KZT38,084.1 mln.

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

Results of the trades in shares from March 8 - 14

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.1540	0.3080
Aktobemunaigas JSC	AMGZp	*8.35		0		*15.00
Bank TuranAlem OJSC	BTAS	72.68	72.42	36 239	72.68	69.48
Bank CenterCredit OJSC	CCBN	1.3393		0	1.3404	1.3739
Halyk Bank of Kazakhstan OJSC	HSBK	0.8324		0	0.9000	1.8000
KAZKOMMERTSBANK OJSC	KKGB	*0.4500		0	0.2500	0.5000
Kazakhtelecom	KZTK	14.500		0	13.500	16.500
Kazakhtelecom	KZTKp	*8.710		0	8.000	12.000
Rakhat JSC	RAHT			0	*0.42	
SAUR OJSC	SAYR			0		*0.3400
SHNOS OJSC	SYRG			0	1.3000	
Temirbank OJSC	TEBN	*1.095		0	0.687	3.500
ULBA JSC	ULBAp	*10.00		0		*10.31
UKTMK OJSC	UTMK	*50.000		0	5.000	145.000
UKTMK OJSC	UTMKp	*4.3100		0	5.0000	
VALUT-TRANZIT BANK OJSC	VTBN	2.5572		0	1.3748	2.5074
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033		0	1.3748	2.3013

Results of the trades in bonds from March 8 - 14

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	15.8542		0.00	20.0537	10.0573
AMB CJSC	ATFBb	USD	10.5979		0.00	9.8476	9.5574
Bank TuranAlem OJSC	BTASb1	USD	11.5000	11.5000	2 415.29	11.5000	11.5000
Bank CenterCredit OJSC	CCBNb1	USD	11.6998		0.00	11.9877	10.8907
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	11.2702		0.00	13.5000	10.5000
Karazhanbasmunai OJSC	KARMB1	USD			0.00	11.0200	10.9000
KAZKOMMERTSBANK OJSC	KKGBb	USD	7.00		0.00	10.51	5.51
DAGOK Kustanaiasbest OJSC	KZASb1	USD	12.0000	12.0000	16.13	12.0000	12.0000
NOC Kazakhoil CJSC	KZOLb	USD	10.3000	10.3000	100.99	10.3000	10.3000
NOTC KazTransOil CJSC	KZTOb	USD	10.1964	10.1982	201.64	10.1964	10.2012
RENATA LLP	RENTb	USD			0.00		*15.89
RG BRANDS LLP	RGBRb2	USD	12.5000		0.00	12.7000	12.0000
SHAHARMUNAIGAS OJSC	SMGZb1	USD			0.00	19.0000	13.0000
Temirbank OJSC	TEBNb	USD	6.6943		0.00	17.0936	9.9525
Kazakhstan Temir Joly NSE	TMJLb	USD	9.6501		0.00	9.2452	8.2502
VITA LLP	VITAb2	USD			0.00	14.4760	13.5416

Notes: bid and ask 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.

The **KASE_Shares index** that reflects the changes in the ask bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers, **fell by 0.4195** during the week, at **105.4282** at March 14 closing. The values of the indexes of corporate bonds market (changes during the week are in parentheses) are: KASE_BY – 12.19 (-0.06), KASE_BP – 109.57 (+0.41), KASE_BC – 102.76 (+0.18).

In the securities repo sector **8 deals were made** during the week **for a total of \$583.5 mln** (KZT84.9 mln). Of this number 4 deals (\$185.3 th.) were repo opening deals and 4 (\$398.2 th.) repo closing deals. At the end of the period 17 securities repos in dollars and tenge were opened on the trade floor of the Exchange for a total of **\$2,617.9 th.** Common and preferred shares of VALUT-TRANZIT BANK OJSC, bonds of VITA LLP, RG BRANDS LLP, SHAHARMUNAIGAS OJSC, NOC KAZAKHOIL CJSC and NOTC KazTransOil CJSC were used as the object of repo deals. The terms vary from 2 to 87 days, and the rates from 2.00 to 19.66% APR. In tenge repo was opened for 1 and 2 days at 2.0% APR.

Total of 15 deals amounting to **\$5,941.8 mln (KZT864.9 mln)** were made in securities **on trade floors of KASE** during last week (purchase and sale and repo sector). A week ago volume of 16 deals was \$3,220.0 mln.

In general, the securities market of the Exchange does not change much. Its volume is mainly determined either by repo deals (including "hidden repo" deals made in purchase-sale sector, or repo-like deals aimed at redistributing the money among affiliated companies), or initial offerings of the next bond issue. The sluggishness of the shares market and its indifference to any influences were reflected in almost zero dynamics of the KASE_Shares index. The market of corporate bonds is more lively. However, these securities were often used as an object of repo deals.

SECTOR OF GOVERNMENT BONDS (GB)

Secondary market

In **GB purchase and sale sector** of KASE total volume of 55 deals equaled **KZT3,040.4 mln**. Last week the turnover equaled KZT6,742.0 mln with 89 deals made. Change in the volume can be hardly considered principal, taking into account the difference in the number of working days in the period. However, the adherence of the traders to repo sector was demonstrated clearly during the week, which caused the purchase-sale sector to shrink somewhat. Demand greatly exceeds the supply on the secondary market now. But, yields are too high on demand side in order to get the sellers interested under a constant and vivid growth in the prices.

The values presented in the table makes it possible to talk about a significant deformation of the GB turnover structure at the KASE during this period. In the opinions of the IRBIS specialists, it was due to the repayment of the last issue of MEKAVM, the bonds indexed towards the devaluation of the national currency, on March 9. The Ministry of Finance is actively restructuring internal debt trying to make it cheap and stretching the borrowing terms by increasing the proportion of MEOKAM and MEIKAM in the turnover structure. These changes are reflected on secondary market of the Exchange. The proportion of long debt increased noticeably in the KASE turnover, and the volumes of deals made in MEKKAM and notes are gradually decreasing. It is likely that this tendency can be considered a long-term trend. The decrease in the proportion of euronotes seems to be natural, taking into account a gradual decrease in the yields of this debt (KASE_EY index fell from 7.8141 to **7.7191** during the week) and an increase in the number of investors of domestic bonds indexed towards the inflation. The proportion of the bonds of international financial organizations is not great as the yields of these bonds are not high.

Parameters of stock exchange transactions in GB from March 8 - 14

(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		
Discounted GB: MEKKAM-12, notes						3.5% (13.8%) of purchase and sale sector's turnover
8 – 14	7.26	8.07	8.07	7.82 (5.65)	67.9	4
15 – 28	6.57	6.57	6.57	6.57 (6.23)	0.3	1
29 – 36	6.37	6.37	6.37	6.37 (6.60)	1.5	1
92 – 181	7.80	7.80	7.80	7.80 (-)	36.6	1
Total					106.4 (924.5)	7 (21)
Coupon GB: MEOKAM-36, MEOKAM-24						19.2% (3.3%) of purchase and sale sector's turnover
697 – 709	12.02	13.00	12.02	12.59 (13.51)	319.6	3
927 – 1,086	14.95	17.12	15.74	16.08 (15.69)	263.6	15
Total					583.2 (225.2)	18 (18)
Euronotes of Kazakhstan, USD						77.2% (82.0%) of purchase and sale sector's turnover
558 – 560	6.65	6.99	6.99	6.78 (7.03)	797.9	7
1,294 – 1,297	7.51	7.75	7.55	7.58 (7.68)	943.5	12
2,218 – 2,220	7.96	8.41	7.96	8.12 (8.29)	605.1	10
Total					2,350.9 (5,531.3)	30 (44)
Euronotes of international financial organizations, USD						0.1% (0.9%) of purchase and sale sector's turnover
353 - 353	4.78	4.78	4.78	4.78 (4.78)	4.5	1
Total					4.5 (59.1)	1 (5)
SUBTOTAL					3,040.4 (6,742.0)	55 (89)

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 GB repo sector 122 deals for a total of KZT20,083.3 mln were made during the period. Of this number 67 deals (for KZT8,993.8 mln) were repo opening deals and 55 (KZT11,089.5 mln) were repo closing deals. Last period the turnover of this sector of the market was registered at KZT8,069.8 mln. As it was mentioned above, the growth in the volumes of deals in this sector was due to an influence of a local factor. During the week 2-3 mid-sized banks were actively raising money in the sector, solving their own problems (supporting the liquidity, reinvesting the funds at more higher rates etc). Demand for the money created in such a way helped to maintain the rates at a quite high level, though there no deficit of tenge on the market.

After closing of the trades on March 14 total amount of opened repo equaled **KZT4,872.6 mln**. Current weighted average rates as of March 14 (% APR) equaled: for 1 day – 5.22; for 3 days – 7.00; for 5 days – 5.00; for 6 days – 4.00; for 18 days – 8.00; for 20 days – 6.60; for 21 days – 8.00; for 22 days – 7.00; for 26 days – 8.00; for 28 days – 7.30; for 29 days – 8.00; for 30 days – 7.62; for 31 days – 8.08.

Total of 177 deals amounting to **KZT23,123.7 mln** were made in GB on trade floors of KASE during last week (purchase and sale and repo sector). A week ago volume of 159 deals was KZT17,241.6 mln. In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GB for comparable operations (including euronotes and repo operations) equaled **84.2%**, for last week it was 86.2%.

CHANGE IN KASE LISTING REQUIREMENTS

From April 2, 2001 KASE enforces new wording of one of the basic legislative documents of the Exchange, **Securities Listing Regulation** (Regulation). The new wording of Regulation is thoroughly revised document that introduces number of fundamental amendments and modifications. These changes **considerably affect essential listing requirements**. Amendments and modifications were approved by decision of KASE members in categories "K", "P", "H" on Nov.08, 2000 and meeting of KASE members in category "P" on Feb.12, 2001. New regulation was approved by the Directorate of the National Securities Commission (NSC) on Jan 27, 2001 and March 02, 2001 (resolutions #765 and #787). IRBIS believes that the new wording of the Regulations deserves a close attention both of the securities issuers and professional participants of the market. The full text of Regulation is published at the Internet site of KASE (<http://www.kase.kz/GenInfo/NormBase/listing.asp>). Telephone for consultations - (8 7372) 634963.

INFORMATION ON COMPANIES

On March 7, 2001 the NSC approved the issue and floatation reports of the second issue of Astana-Finance OJSC (Astana) shares for **KZT1,664,764,000**.

Bank CenterCredit OJSC (Almaty), according to the listing requirements, informed KASE on convocation of annual general meeting of the banks' shareholders. Meeting will be held on April 27 with following agenda:

- On modifications and amendments to Regulation of the bank;
- Approval of the report on results of activity in 2000;
- Approval of the annual financial statements for 2000;
- Approval of the inspection commission report;
- Distribution of net income of the bank;
- Increase of announced authorized capital;
- Attraction of the syndicated loan;
- Approval of the independent auditor.

The meeting will be held to the address: 29/6, Satpayev St. Almaty, Hyatt Regency Rakhmat Palace. In case of lack of quorum, the meeting will be held on April 28, 2001: #205, 100 Shevchenko St.

KAZKOMMERTSBANK OJSC (Almaty) officially informed KASE of **full** repayment of third coupon interest on bonds of the first emission (KZ72KA7B9A11, category "A" of the official list, trade code - KKGBb, volume \$30.0 mln, face value - \$100, Circulation period Sep.06, 99-Sep.06, 01, semiannual coupon - 10.0% APR, current market profitability - 7.00% APR). The payments were made on March 6, 2001 in accordance with the prospect of issue. The bank's information does not state amount of payment. According to IRBIS agency, coupon payment totals \$1.5 mln or **KZT218,265,000.00** at servicing exchange rate.

INFORMATION ON KASE MEMBERS

From March 26, 2001, based on the decision of the Board of KASE, market-maker status of TEMIRBANK OJSC inscribed common shares (KZ1C00260413, trade code - TEBN) and first issue inscribed coupon bonds (KZ75KAMJ8A57, trade code - TEBNb), granted to **KBS Securities LLP** (Almaty), was cancelled. The decision was based on the application of KBS Securities LLP on refusing the market-maker status of these securities.

On March 5, 2001 the NSC of Kazakhstan issued a license to **JETYSU PAMC CJSC** (Almaty) to manage securities portfolio. JETYSU PAMC CJSC became the first Kazakhstani pension assets management company to receive such a license. This license allows the PAMC to engage in investment management of not only the assets of its own pension funds, but the securities portfolio of other investors (investment funds, legal entities and private persons) on the basis of investment declarations and agreements.

KASE NEWS

By the decision of the Board of KASE new wording of “**Stock Market Indicators Estimation Procedure**” (Procedure) was approved and enacted. The full text of the procedure can be browsed at KASE site in the Internet (www.kase.kz) http://www.kase.kz/GenInfo/Normbase/ind_met.asp. The procedure sets estimation methods for number of indicators (indexes) of the Kazakhstan stock market. Besides regularly estimated shares' index (official name - KASE_Shares) the exchange would form **6 indexes** daily: KASE_BC; KASE_BP; KASE_BY; KASE_EC; KASE_EP; KASE_EY. These indicators show the changes on the stock market of corporate and sovereign debt of Kazakhstan. On March 12 KASE and IRBIS began publishing regularly the values of main indexes (KASE_Shares, KASE_BY and KASE_EY) on title page of the upgraded version of the KASE site. The site's visitors will be able not only observe resulting changes in indexes, but also follow for six month dynamics in graphical mode.

On March 12 KASE launched **new version of Internet web-site** (www.kase.kz) supported by Actis Systems Asia (Almaty). The site's designing did not change. While pages were optimized that led to increase in operating speed of the site. There are two major innovations.

First one, **section of market indicators** on the title page. New version brings powerful tool for any analyst. The list of indicators was extended. Now, indicators are automatically updated directly from the KASE trade system. Users could easily receive any notes on particular indicator including its date, abbreviation or extended explanation thanks to floated tips. New section of market indicators is managed by multi-purpose administrative system. The system provides efficient screen output of sections and indicators with simultaneous changes in visual parameters. The administrative system allows display unlimited number of indicators, hide or show lines' visualization. Such mechanism gives to an administrator tool to react on changes in market conditions and change set of displayed indicators.

Second innovation - development of **market's sectors portal program**. New version of the site presents first portal-station on Kazakhstan interbank deposits market (<http://www.kase.kz/portals/kibr/>). The page allows receive operative data, archives browsing including queries and charts construction modes. The project's framework includes development of **five multi-purpose pages** devoted to foreign exchange market, government and corporate securities, KASE repo sector and KASE indexes. Actis Systems Asia started development of the foreign exchange market portal. The project will be accomplished during next two months.

Important fact of the new site version is that that project has been moved to special purpose high-capacity server. The server was kindly granted to IRBIS agency by EURASIA foundation. The server will not include any other projects, besides IRBIS and KASE. This will significantly increase reliability and speed of the server.

Prepared by the agency «IRBIS»