

WEEK OF STOCK MARKET OF KAZAKHSTAN

July 26 - August 01

1 US dollar = 146.80 tenge at official rate for the end of the period
 1 US dollar = 147.15 tenge at weighted average rate of the Exchange for the end of the period

RESULTS OF KASE OPERATIONS IN SEVEN MONTHS 2001

During first seven months of 2001 total volume of transactions made in all sectors of the KASE reached an equivalent of **\$4,229.2m, or KZT616.9bn**. Compared to similar period of last year, turnover **increased 1.85 times** in dollars equivalent and 1.90 times in tenge.

Following is the table of volumes of deals made at KASE during those periods, as well as dynamics of the turnover structure of the Exchange. The calculation was made in terms of dollars.

Market sector KASE	January- July, 2000	January- July, 2000	Trend, %	
			in USD m	in USD m
Foreign currency	1,002.8 23.7%	894.1 39.2%	+108.7	+12.2
GS	3,066.7 72.5%	1,266.1 55.5%	+1,800.5	+142.2
CS	159.7 3.8%	60.8 2.7%	+98.9	+162.8
Futures	0 0%	59.4 2.6%	-59.4	0
TOTAL	4,229.2 100%	2,280.4 100%	+1,948.8	+85.5

IRBIS specialists think that the main positive tendency of stock exchange market development should be blacked: total volume of securities turnover (GS + CS) increased to 76.3% from 58.2% meanwhile the speed of CS turnover growth is significantly higher than similar ratio for GS market, which is not linked the real sector of economy. Also we should mark that at the increase of currency transactions' volume their total market turnover portion substantially declined. KASE becomes more securities oriented stock exchange market.

Following is the table with the dynamics of the turnover of the Exchange in this year, which is grouped by months and market sectors. Turnover structures of the sectors were calculated in terms of dollars. No data are given for futures because of the absence of deals.

Month	Foreign currency			GS			CS			TOTAL	
	m USD	bn KZT	share, %	m USD	bn KZT	share, %	m USD	bn KZT	share, %	m USD	bn KZT
January	126.2	18.339	18.1	564.7	82.064	80.9	6.8	0.987	1.0	697.7	101.4
February	133.3	19.374	26.4	358.0	52.022	71.0	12.8	1.862	2.5	504.1	73.3
March	145.2	21.121	24.1	435.4	63.350	72.2	22.4	3.266	3.7	603.0	87.7
April	129.7	18.879	20.6	480.3	69.914	76.2	20.4	2.975	3.2	630.4	91.8
May	160.9	23.515	25.4	453.0	66.202	71.4	20.8	3.035	3.3	634.7	92.8
June	142.4	20.880	27.2	354.1	51.900	67.5	28.0	4.104	5.3	524.5	76.9
July	165.1	24.224	26.0	421.2	61.827	66.4	48.4	7.107	7.6	634.7	93.2
TOTAL	1,002.8	146.331	23.7	3,066.7	447.279	72.5	159.7	23.336	3.8	4,229.2	616.9

All equivalent amounts have been calculated based on the method adopted at the KASE: foreign currencies and corporate securities (CS) – at the exchange rate of the main session of KASE, effective on the deal striking time; government securities (GS) – at the exchange rate of the main session of KASE (euronotes, IFO bonds) or at official rate on the deal striking date (GS of the Ministry of Finance and the National Bank).

The given data shows that total volume of transactions at KASE in July rose up by \$110.2m (21.0%) or by KZT 16.3bn (21.2%) relative to previous month. Meanwhile CS sector is characterized by the fastest speed of increase – 72.9%, which is substantially over GS sector (19.0%) and FC sector (15.9%). Owing to this portion of market controlled by CS rose up by 7.6% – the unprecedented value for KASE.

Again, by the results of the year 2000 total volume of deals made at the KASE equaled \$5,077.8m, or KZT725.2bn (27.9% of GDP). Compared to 1999 (\$3,535.3m, or KZT442.1bn – 21.9% of GDP), it grew 1.44 times measured in dollars, and 1.64 times measured in tenges. By comparing these figures with those given in the first paragraph of this news, it can be said that so far, the growth rate of the transaction volumes at the KASE in 2001 is exceeding that of the whole year 2000.

In 2000 the highest growth rate of the transaction volumes, 7.1 times, or 613.1%, was typical to the CS sector. The volumes of deals made in GS increased 2.8 times, or 176.8% in 2000 relative to 1999. Comparison of these figures with those of the first seven months of 2001 shows a significant decline in the growth rate of the volumes of CS transactions relative to the whole year 2000, and the same growth rate for the volumes of transactions in GS.

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 July 26 - August 01. In parentheses – figures of previous period. Instruments are given in descending order of their attractiveness within specified groups.

Investment attractiveness of stock exchange instruments from July 26 through August 01

Financial instrument	Currency	Yield, % APR	Volume of deals, KZT m	Volume of deals, USD m
Instruments denominated in national currency, tenge				
MEOKAM, MEAKAM	KZT	9.60 (10.43)	1,670.4 (1,164.2)	11,362.3 (7,933.5)
Repo CS	KZT	*9.45 (*10.07)	106.6 (266.8)	725.3 (1,818.6)
MEKKAM, notes	KZT	*5.36 (*5.32)	211.2 (113.8)	1,436.5 (775.7)
Repo GS	KZT	*4.46 (*5.14)	2,670.7 (4,309.5)	18,166.5 (29,370.3)
Instruments indexed to the US dollar				
VITAb2	USD	13.54 (13.54)	0 (0)	0 (0)
SMGZb1	USD	13.00 (13.00)	0 (0)	0 (0)
RGBRb2	USD	12.00 (12.00)	0 (0)	0 (0)
CCBNb1	USD	11.50 (11.11)	60.5 (0)	412.1 (0)
KZASb1	USD	11.00 (11.00)	0 (0)	0 (0)
BTASb1	USD	11.00 (11.00)	0.3 (0)	2.1 (0)
TEBNb	USD	10.60 (10.59)	0 (0)	0 (0)
ASF1b1	USD	10.51 (10.50)	2.6 (50.3)	17.6 (343.0)
KARMB1	USD	9.94 (9.95)	0 (0)	0 (0)
TMJLb2	USD	9.00 (9.00)	217.0 (73.1)	1,478.7 (498.1)
KZOLb	USD	8.60 (8.70)	7.5 (0.9)	50.8 (6.1)
KZTOb	USD	8.60 (9.24)	0 (73.5)	0 (500.8)
HSBKb	USD	8.50 (8.50)	0 (0)	0 (0)
SYRb1	USD	8.50 (8.49)	0 (0)	0 (0)
ATFBb	USD	6.22 (6.86)	0 (0)	0 (0)
KKGBb	USD	5.03 (4.70)	0 (0)	0 (0)
Instruments denominated in US dollars				
BTASe1	USD	10.69 (11.00)	0 (0)	0 (0)
KKGBe2	USD	9.20 (9.20)	0 (0)	0 (0)
Euronotes-4	USD	7.24 (7.22)	584.0 (616.8)	3,973.7 (4,203.3)
Euronotes-3	USD	6.94 (6.97)	741.6 (924.6)	5,045.0 (6,301.5)
Euronotes-2	USD	6.14 (5.97)	3.1 (154.6)	21.0 (1,053.3)

Notes: Yields of ASF1b1, CCBNb1, BTASb1, TMJLb2 and KZOLb are calculated as average of the deals. Yields of other corporate bonds are calculated as average of offer bids.

In this week tenge devaluation rate is estimated at weighted average rate of the main session of KASE as **9.98% 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). Securities marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them. Yields for bonds with more than a year maturity are estimated on a semiannual basis.

Indicators of Kazakhstan interbank deposit market as of July 25, 4:00 PM ALT and changes during the week

Term	Currency	Rate	Trend
1 week	KZT	7.80	+0.05
2 weeks	KZT	8.90	+0.40
1 month	KZT	9.80	+0.55
2 months	KZT	10.50	+0.50
3 months	KZT	11.20	+0.57

THE CORPORATE SECURITIES SECTOR (CS)

Week results

In the primary market, KASE held additional initial public offering for inscribed coupon bonds of **NSE Kazakhstan Temir Joly** (the second emission, KZ2EUY03A368, category "A" of the official listing; TMJLb2; \$100, \$30m, July 10.01 - July 10.04, semiannual coupon at 8.0% APR). total of three deals were concluded amounting \$498,128.33 over 5,100 bonds (KZT73,075,426.50 at current exchange rate). Four deals over 15,100 bonds were made for \$1,478,698.63 or KZT217,072,958.39 at official exchange rate. Weighted average yield equaled to **8.9980%**.

In the purchase-sale sector, 17 deals were concluded amounting **\$539.8 th.** (KZT79.3m). Compared to previous week, (11 deals \$881.6 th., KZT129.3m) the sector's turnover fell by 38.8%. Most tradable securities were bonds of Bank CenterCredit OJSC that took 76.3% of the sector's turnover. Other instruments were traded in insignificant amount. Twelve out of seventeen deals were direct. Deals were made over 12 instruments compared to 4 on previous week.

Considering last deals of the reported period price for ALKZ declined 0.1%; KIBN - 3.0%, KZCRp - 0.1%. Price of CCBN grew up by 14.3%. No prices have changed for ALKZp, DNFBp, KZCR. First deal was concluded over DNFB at \$0.06 per share. Yield of ASFIb1 grew up from 10.50% to 10.51%. Yield for BTASb1 fell down from 11.50% to 11.00%, CCBNb1 - from 11.70% to 11.50%, KZOLb - from 8.70% to 8.60%.

The index KASE_Shares fell by 0.0770 (0.08%) during the week and fixed at closing at **98.0483** on August 01. The index was affected by growth of bid prices for Bank TuranAlem preferred shares from \$73.70 to \$74.00 (0.4%). The decrease came from lowering of quotations for common shares of Bank CenterCredit OJSC and preferred shares of VALUT-TRANSIT BANK OJSC. Yet, the index decline has had no fundamental nature. Despite expectations, Kazkommerts Securities OJSC, the market maker of SHNOS OJSC shares did not return quotations on previous level. As a result, the index is still at low historic levels.

Dynamics of corporate bonds market indexes looked as follows (figures in parentheses indicate weekly changes): **KASE_BY - 11.17 (-1.14%)**, **KASE_BP - 115.75 (+0.12%)**, **KASE_BC - 104.61 (-0.02%)**. On previous week KASE_BY grew up 1.26%. The given changes reflect day-to-day fluctuations of corporate yield index considering its general downward trend. Nevertheless, the rate of lowering has slowed two times for the last month.

Capitalization of companies, whose shares are being traded at the CS sector of KASE reached **\$815.9m** or KZT120.1bn by August 01. This indicator grew by \$1.1m compared to previous week mainly thanks to increased value of CCBN (see above).

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 **\$280.6m** or KZT41,292.0m as of August 01. In nominal value (total face value of the bonds that were admitted into trade lists of KASE) is estimated at **\$443.0m** or KZT65,189.1m.

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 July 26 - August 01

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
Almaty Kus OJSC	ALKSp			0	0.0900	0.1700
Almaty Kus OJSC	ALKSp3			0	0.0680	0.0700
Aluminiy Kazakhstana OJSC	ALKZ	*0.5445	*0.5445	776	0.5445	0.5445
Aluminiy Kazakhstana OJSC	ALKZp	*0.4084	*0.4084	4,836	0.4084	0.4084
Astana-finance OJSC	ASFI	*10.000		0	5.000	10.000
AMB OJSC	ATFBp	6.870		0	6.800	6.860
Bank TuranAlem OJSC	BTAS	*72.87		0	74.00	74.90
Bank CenterCredit OJSC	CCBN	*1.4157	1.3741	18,500	1.4157	1.3251
Donskaya Neftebaza OJSC	DNFB	*0.0600	*0.0600	1,154	0.0600	0.0600
Donskaya Neftebaza OJSC	DNFBp	*0.0600	*0.0600	2,878	0.0600	0.0600
Halyk Bank of Kazakhstan OJSC	HSBK	0.8324		0	0.6100	1.2200
Kazinterbank OJSC	KIBN	*0.6807	*0.6807	40,000	0.6807	0.6807
KAZKOMMERTSBANK OJSC	KKGB	*0.4500		0	0.2500	0.5000
TNC KAZCHROME OJSC	KZCR	*6.806	*6.806	200	6.806	6.806
TNC KAZCHROME OJSC	KZCRp	*2.382	*2.382	214	2.382	2.382

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Results of the trades in shares from July 26 - August 01

USD per share, unless otherwise specified

Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Kazakhtelecom`	KZTK	*12.000		0	12.000	16.500
Kazakhtelecom	KZTKp	12.000		0	11.300	12.200
Raushan OJSC	RAUS			0		*4.1500
SHNOS OJSC	SYRG	1.6300		0	0.8000	
TEMIRBANK OJSC	TEBN	*1.095		0	1.360	6.800
TEMIRBANK OJSC	TEBNp			0	1.360	6.800
ULBA JSC	ULBAp	*10.00		0		*10.22
UKTMK OJSC	UTMK	35.000		0	22.000	44.000
UKTMK OJSC	UTMKp	28.0000		0		43.5000
VALUT-TRANZIT BANK OJSC	VTBN	2.5480		0	1.4976	2.7183
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033		0	1.7018	3.0581

Results of the trades in bonds from July 26 - August 01

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

Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Astana-finance OJSC	ASFib1	USD	10.5050	10.5050	17.65	10.5050	10.5041
AMB OJSC	ATFBb	USD	7.7025		0	6.5301	6.2184
Bank TuranAlem OJSC	BTASb1	USD	10.9956	10.9956	2.09	10.9956	11.0005
TuranAlem Finance B.V.	BTASe1	USD			0	11.9062	10.6850
Bank CenterCredit OJSC	CCBNb1	USD	11.4988	11.4988	412.11	11.4988	11.4988
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	11.0000		0	13.4971	8.5037
Karazhanbasmunai OJSC	KARMb1	USD	10.3243		0	11.3295	9.9370
KAZKOMMERTSBANK OJSC	KKGBb	USD	7.00		0	9.80	5.03
KAZKOMMERTSBANK OJSC	KKGBe2	USD			0	11.1952	9.1968
DAGOK Kustanaiasbest OJSC	KZASb1	USD	11.7958		0	11.9955	10.9995
NOC KazakhOil CJSC	KZOLb	USD	8.6003	8.6003	50.84	8.6003	8.6048
NOTC KazTransOil CJSC	KZTOb	USD	8.8975		0	8.9976	8.5982
RG Brands OJSC	RGBRb2	USD	12.4999		0	12.0000	12.0000
SHAHARMUNAIGAS OJSC	SMGZb1	USD			0	18.9956	12.9956
SHNOS OJSC	SYRGr1	USD			0	11.9928	8.5000
Temirbank OJSC	TEBNb	USD	10.6241		0	11.1907	10.5984
Kazakhstan Temir Joly	TMJLb2	USD			0	9.4259	8.9999
VITA LLP	VITAb2	USD	13.9999		0	14.4760	13.5417

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 the repo sector of CS 9 deals were made for a total of **\$4,674.1 th.** (KZT686.7m). Of this number, 4 deals (\$725.3 th.) were repo opening deals and 5 (\$3,948.9 th.) – closing deals. Volume of deals on previous week reached \$3,952.1 th. (KZT579.9m).

At evening of August 01, 21 CS repos in tenge and U.S. dollars were opened on the trade floor of the Exchange for a total of **\$6,490.3 th.** Common and preferred shares of VALUT-TRANZIT BANK OJSC, common shares of Bank TuranAlem OJSC, common shares of Bank CenterCredit OJSC, preferred shares of Kazakhtelecom, bonds of VITA LLP were used as the underlying instruments of repo deals. The tenge-repo terms varied from 13 to 30 days, and rates from 7.95% to 9.99% APR. The dollar-repo terms varied from 7 to 132 days, and rates varied from 8.01% to 15.00% APR.

In all trade floors of KASE (including primary market) total of 30 deals were concluded over corporate securities (689,692 securities) amounting to **\$6,692.6 th.** (KZT983.0m). A week ago volume of 25 deals was \$5,331.8 th. (KZT782.3m).

Results of July

IRBIS agency analyzed results of month in all trade floors of CS sector. The total volume of operations equaled \$48,440.5 th. or KZT7,107.4m (141 deals). The table below presents main parameters of the CS stock exchange market in July 2001.

Most tradable securities at the KASE in July 2001 (including repo sector)

Code	Brief title of the issuer	Volume of deals, th. USD	Volume of deals, m, KZT	Volume of deals in Number securities of deals
VTBN	Valut Transit Bank OJSC	12,786.4	1,876.7	4,947,901
TMJLb2	SRE Kazakhstan Temir Zholy	11,564.4	1,696.6	118,540
ASFib1	Astana-finance OJSC	8,901.3	1,305.0	91,290
BTAS	Bank TuranAlem OJSC	6,917.6	1,015.6	96,644
VITAb2	VITA LLP	2,454.2	360.0	24,204
VTBNp	Valut Transit Bank OJSC	2,437.7	357.7	1,349,212
KZTOb	KazTransOil CJSC NOTC	1,545.1	226.7	15,216

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Second part of the table

Most tradable securities at the KASE in July 2001 (including repo sector)

Code	Brief title of the issuer	Volume of	Volume of	Volume of	Number securities of deals
		deals, th. USD	deals, m, KZT	deals in USD	
KZOLb	Kazakhoil CJSC NOC	561.9	82.5	5,560	3
CCBNb1	Bank CenterCredit OJSC	412.1	60.5	4,000	1
ATFBp	MB OJSC	274.8	40.3	40,000	2
TEBNb	Temirbank OJSC	210.4	30.9	2,000	2
KZTKp	Kazakhtelecom OJSC	141.8	20.8	11,819	2
AMGGb1	AtMMG OJSC	100.0	14.7	1,000	1
BTASb1	Bank TuranAlem OJSC	51.5	7.6	480	2
KARMB1	Karazhanbasminay OJSC	30.7	4.5	300	1
KIBN	Kazinterbank OJSC	27.2	4.0	40,000	1
CCBN	Bank CenterCredit OJSC	14.2	2.1	10,000	1
KZCRp	Kazhrom OJSC	3.5	0.5	1,463	4
KZCR	Kazhrom OJSC	2.7	0.4	400	2
ALKZp	Aluminum of Kazakhstan OJSC	2.0	0.3	4,836	2
ALKZ	Aluminum of Kazakhstan OJSC	0.85	0.12	1,552	2
DNFBp	Donskaya oilbase OJSC	0.17	0.03	2,878	2
DNFB	Donskaya oilbase OJSC	0.07	0.01	1,154	2

Comments: The securities were sorted in descending order based on the volumes of deals expressed in U.S. dollars. The volumes of the deals are given for all sectors of the market, including repo deals and initial offerings. Small letters in the securities codes have the following meanings: "p" - preferred inscribed share; "b" - bond; "e" - eurobond; the rest - common inscribed share. The figure shows the number of the bond issue. If there is no figure (old code) it implies that it is the first issue.

Dynamics of the securities market indicators in July 2001

Date	Capitaliza- tion of the share market, m, USD	Share index	The KASE index	Capitaliza- tion of the bond market, m, USD	Bond value index, including accum interest	Volume of deals, th. USD
29.06.01	1,869.8	102.5727	268.551	10.9459	116.0194	622.8
02.07.01	821.8	102.7115	278.551	11.2081	115.3446	274.8
03.07.01	821.7	102.7657	278.285	11.1901	115.3704	3,870.2
04.07.01	821.8	103.9277	278.270	11.1939	115.3919	1,204.0
05.07.01	821.7	104.1669	278.270	11.1914	115.4301	2,436.7
06.07.01	813.9	103.8929	278.270	11.3367	115.1804	589.1
09.07.01	813.9	102.8840	278.380	11.2033	115.5261	254.1
10.07.01	813.9	102.9120	309.416	11.2459	115.4459	120.5
11.07.01	813.9	104.0629	309.442	11.2137	115.5660	1,601.9
12.07.01	814.4	104.1441	308.654	11.1764	115.6814	300.5
13.07.01	814.4	104.4472	308.654	11.1008	115.8953	396.4
16.07.01	814.4	104.3661	308.653	11.7021	114.7966	49.4
17.07.01	814.4	104.4476	308.695	11.1294	116.0706	136.4
18.07.01	814.4	104.4746	308.697	11.1562	116.0353	549.8
19.07.01	814.4	104.5029	426.222	10.6942	116.1437	164.8
20.07.01	814.4	104.6609	423.663	10.9532	115.6131	0
23.07.01	814.2	97.9276	423.695	11.1324	115.3281	37.9
24.07.01	814.9	97.9671	443.696	11.1157	115.2358	165.1
25.07.01	814.8	97.9713	443.877	11.2982	115.6072	513.8
26.07.01	816.7	98.0252	443.877	11.3038	115.6262	18.7
27.07.01	816.7	96.6899	444.024	11.0081	116.0825	457.0
30.07.01	816.7	96.6869	443.911	11.0386	116.0616	0
31.07.01	816.6	96.9270	444.320	11.1336	115.7969	52.9
Trend	-1,053.2	-5.6457	+175.769	+0.1877	-0.2225	
	-56.33%	-5.50%	+65.45%	+1.71%	-0.19%	

Comments: The KASE index reflects the changes in the bids on the shares from the official list of the Exchange's securities of the category "A", including the market capitalization of their issuers. The capitalization of the bond market – indicator that reflects the volume of corporate debt circulating on the KASE as the bonds of the companies. It is calculated on the basis of the number of issued bonds and the bonds admitted to the trades and their market values. In case of the absence of the last figure, face value is used instead. The capitalization of the share market – indicator that reflects the market capitalization of the companies whose shares were entered into all the lists of the KASE securities. It is calculated on the basis of the number of issued shares and their last market values. In case of the absence of the deals the face values of the securities, expressed in U.S. dollars (if necessary) at the rate of the Exchange for the current day, are used. Bonds yield index (KASE_BY) - weighted average yield of corporate securities (semiannual basis) admitted to category "A" of the official listing estimated over deals or average quotations of market makers (in case of absence of deals). Bonds price index including accrued interest (KASE_BP) - weighted average gross price corporate securities (semiannual basis) admitted to category "A" of the official listing estimated over deals or average quotations of market makers (in case of absence of deals).

Volumes of deals with CS deals made at KASE in 2001 broken down by months
(thousand US dollars)

Month	GS exchange sector			Total
	Primary market	Secondary market		
		Purchase-Sale	Repo	
January	0	5,557.2	1,239.7	6,796.9
February	0	9,695.4	3,118.5	12,813.9
March	0	15,363.8	7,084.4	22,448.2
April	0	12,110.8	8,328.6	20,439.4
May	0	12,108.8	8,669.6	20,778.4
June	651.3	11,896.5	15,462.4	28,010.3
July	19,324.7	5,137.3	23,978.5	48,440.5
Total	19,976.0	71,869.8	67,881.7	159,727.6

Table clarification: Unrevealed repo is possible in KASE sector of purchase-sale in CS that is why indicated volume of deals in this market segment may include sum of such deals.

In 2000 the volume of CS transactions at KASE estimated at \$138.5m i.e. was smaller than first seven months of this year. Compared to similar period of last year, turnover increased 2.6 times or by \$98.9m.

SECTOR OF GOVERNMENT SECURITIES (GS)

Week results

On July 31, 2001, KASE held second auction on additional initial offering of East-Kazakhstan region municipal bonds (KZ7051806A46, VKU036.001; \$100, KZT1bn, June 20. 01 - June 18. 04, semiannual coupon 6.30% APR). The declared volume of additional floatation – KZT500m. No bids were submitted to KASE trade system during the auction. Thus, it was considered to be invalid.

The issuer submitted another one application for additional offering of bonds for a total of **KZT500.0**. Conditions and terms of the auction are identical to previous IPO. The only difference is that bids will be quoted in the Trade system of the KASE **from 9:00AM to noon Almaty time** are made for the auction on August 7, 2001. The payment date for the bonds purchased at the auction is **August 7, 2001 till 4:00PM Almaty time**. Accumulated interest on the offering date is 0.845753% of the bond face value (6.3/365*42, where 6.3 is coupon rate, 365 – calculation base, 42 – number of days from the circulation beginning date).

In **GS purchase and sale sector** of KASE total volume of 65 deals equaled **KZT3,210.3m** (\$21,834.2 th.). Last week the turnover reached KZT3,086.9m with 70 deals made. It should be noted that this sector of KASE looked rather identical to previous week situation.

Parameters of stock exchange transactions in GS from July 26 - August 01

(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 GS: notes				6.6% (3.7%) of purchase and sale sector's turnover		
15 - 28	4.98	5.20	5.04	5.03 (4.96)	101.7	7
29 - 36	5.31	5.43	5.43	5.33 (5.05)	12.0	2
57 - 63	5.48	5.48	5.48	5.48 (5.42)	14.2	1
64 - 91	5.31	5.52	5.31	5.48 (5.35)	83.3	2
Total					211.2 (113.8)	12 (13)
Coupon GS, KZT denominated:				52.0% (37.7%) of purchase and sale sector's turnover		
MEOKAM-24, 36, MEAKAM						
328 - 574	7.44	8.69	7.49	8.15 (8.47)	682.0	9
826 - 989	8.88	10.19	10.08	9.33 (9.97)	382.9	12
2344 - 1249	11.30	11.48	11.48	11.40 (11.50)	605.5	5
Total					1,670.4 (1,164.2)	26 (27)
Euronotes of Kazakhstan, USD				41.4% (56.7%) of purchase and sale sector's turnover		
*426	6.14	6.14	6.14	6.14 (5.97)	3.1	1
**1157 - 1162	6.89	7.02	6.98	6.94 (6.97)	741.6	10
***2080 - 2085	7.18	7.28	7.23	7.24 (7.21)	584.0	16
Total					1,328.7 (1,749.1)	27 (25)
GRANDTOTAL					3,210.3 (3,086.9)	65 (70)

Notes: for euronotes (* - second issue, ** - third issue, *** - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange, over domestic devaluation indexed bonds - official exchange rate; yield over coupon bonds are shown at semiannual basis.

By the results of the week the dynamics of the KASE indexes that indicate the condition of the market of Kazakhstani sovereign debt at the Exchange is as follows (in parentheses - weekly

changes): **KASE_EY** – equaled **7.03 (-0.45%)**; **KASE_EP** – 127.90 (+0.17%); **KASE_EC** – 112.61 (+0.05%). Last week **KASE_EY** increased by 0.31%. No principal changes were observed here, indexes are demonstrated rare stability.

In GS repo sector 76 deals for a total of KZT5,839.7m were made during the period. Of this number 36 deals (for KZT2,670.7m) were repo opening deals and 40 (KZT3,169.0m) were repo closing deals. Last period the turnover of this market sector reached KZT10,207.9m. After closing of the trades on August 01 total amount of opened repo equaled **KZT3,897.3m**. Current weighted average rates as of August 01 (% APR) equaled: for 1 day – 3.15; for 3 days – 3.99; 5 days - 3.99; for 6 days - 5.98; for 7 days – 6.98; for 8 days - 6.49; for 12 days – 6.98; for 14 days – 6.47; for 25 days – 7.98; for 26 days - 8.98; for 28 days – 8.13; for 29 days – 7.75; for 30 days – 6.19.

Total of 141 deals amounting to **KZT9,050.0m** were made **over GS in all trade floors of KASE** during last week (purchase-sale and repo sector). A week ago volume of 207 deals was at KZT13,294.8m. This week **the proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations equaled **76.7%**, for last week it was 85.4%.

Results of July

In July 2001 KASE registered 863 deals for a total of KZT61,827.4m (\$421.2m at current exchange rate) in all trade floors of the GS sector. Previous month volume was KZT51,899.6m (\$354.1m) at 800 deals. The overall share of the stock exchange turnover in the country's GS market was 85.2% (June - 70.2%).

Volume of deals with GS at KASE in 2001 broken down by months (KZT m)

Month	GS exchange sector			Total
	Primary market	Secondary market		
		Purchase-Sale	Repo	
January	0	16,630.8	65,433.5	82,064.4
February	0	21,351.7	30,669.9	52,021.6
March	0	17,922.6	45,427.5	63,350.1
April	0	24,666.1	45,248.0	69,914.2
May	0	24,732.3	41,469.4	66,201.7
June	500.0	21,336.0	30,063.6	51,899.6
July	0	15,102.5	46,724.9	61,827.4
Total	500.0	141,742.0	303,036.8	447,278.8

In the whole 2000 the volume of GS transactions at KASE reached KZT446.9bn or \$3,129.0bn. During the first seven months of 2001 total volume of GS transactions made in KASE reached an equivalent of KZT447.3bn, or \$3,066.7bn. Compared to similar period of last year, turnover increased 2.5 times.

Kazakhstan Stock Exchange (KASE) defined list of companies - leading operators of the KASE government securities market for July 2001. The rating is made according to portion of concluded deals in aggregate **gross turnover** of trades (total of purchased and sold bonds). The rating included purchase-sale deals (24.4% of the secondary market) and direct and reverse repo operation (75.6%). The position of each entity was expressed in currency of the payments, i.e. tenge. In total, **23 companies** participated in trades with GB at KASE (banks, broker-dealer companies, pension assets management companies and SAPF). Below is the list of 10 the most active operators given in descending order.

Position in July 2001	Position in June 2001	Brief title of a company	Share in gross volume of trades, %
1	2	Bank CenterCredit OJSC (Almaty)	15.7
2	6	ZHETYSU CJSC PAMC (Almaty)	11.8
3	1	Bank TuranAlem OJSC (Almaty)	10.8
4	4	AMB OJSC (Almaty)	8.6
5	9	KAZKOMMERTSBANK OJSC (Almaty)	8.2
6	3	Pension assets managing company of Halyc Bank Kazakhstan CJSC (Almaty)	7.7
7	10	CASPIAN BANK OJSC (Almaty)	7.3
8	11	Euroasian bank CJSC (Almaty)	7.0
9	5	Halyk Bank Kazakhstan OJSC (Almaty)	4.8
10	13	ABN AMRO Bank Kazakhstan CJSC SB (Almaty)	4.5

The followings are new banks in active 10, in July – Euroasian bank CJSC and ABN AMRO Bank Kazakhstan CJSC SB replaced State accumulative pension fund CJSC (Almaty, SAPF, in June position #7) and Temirbank OJSC (Almaty, in June position #8).

INFORMATION ON COMPANIES

KazTransOil NOTC CJSC (Astana; primary activities of the company: extraction and transportation of oil and oil products by pipelines, marine and railway transport facilities) provided the KASE with its financial statements for 2000: balance sheet, income and cash flow statements and auditing conclusion of Arthur Andersen (Almaty, Kazakhstan). Following are the results of the company in 2000 by the data of the issuer (in m KZT).

Comparable characteristics of KazTransOil activity for 2000

(thousands tenge unless otherwise indicated)

Ratio	As of	As of	Change, %
	Jan.1 '00	Jan.1 '01	
Authorized capital (paid)	19,406,071	32,903,713	+69.6
Shareholders' equity	25,149,100	121,453,747	+382.9
Total assets	30,877,099	133,275,308	+331.6
Net working capital	3,654,471	13,697,964	+274.8
Accounts receivable (net)	4,551,465	6,384,484	+40.3
Bad debt reserves	5,727,999	11,821,561	+106.4
Accounts payable	5,085,762	7,646,257	+50.3
Issued circulating bonds	–	3,628,829	–
Sales	17,698,345	35,148,218	+98.6
Cost of goods sold	10,091,881	23,668,161	+134.5
Net income (loss)	5,639,812	7,431,698	+31.8

Calculated based on the issuer's data:

Return on sales, (ROS), %	42.98	32.66	-24.0
Return on equity, (ROE), %	22.43	6.12	-72.7
Return on assets, (ROA), %	18.27	5.58	-69.5

Compared to 1999 growth took place in (all figures are given in tenge, unless otherwise indicated): **shareholders' equity of the company** – by 96.3bn, or 4.8 times (authorized capital – 13.5bn, with a decrease in additional unpaid capital – by 67.5m and in reserve capital by 13.3m and final amount of undistributed income – by 67.5bn); **assets** – by 102.4bn, or 4.3 times as a result of overestimation of main resources in January 2000; **liabilities** – by 6.1bn, or 2.1times due to an increase in accounts payable – by 2.4bn and bonds floatation by 3.6bn; **sales** – by 17.5bn, or 98.6%; **cost of goods sold** – by 13.6bn, or 3.9 times; **expenses of the period** – by 811.0bn, or 22.6 times.

As a result, **net income** received by the company in 2000 equaled 7.4bn, or 1.8bn or 31.8 % more than that in 1999.

Quarterly results of NOTC KazTransOil CJSC activity in 2000

(thousands tenge unless otherwise indicated)

Ratio	change			change			change	
	I-2000	II-2000	in %	III-2000	in %	IV-2000	in %	in %
Volume of sales	5,293.4	9,220.8	+74.2	9,638.1	+4.5	10,995.9	+14.1	
Net income	-1,588.2	3,145.7	+298.1	2,230.3	-29.1	3,643.9	+63.4	

Comparable characteristics of KazTransOil activity for 2000 by the data of Arthur Andersen

(thousands tenge unless otherwise indicated)

Ratio	1999	2000
Authorized capital (paid)	19.406.071	32.903.713
Shareholders' equity	25.149.100	121.453.747
Total assets	30.877.099	133.275.308
Net working capital	4.546.459	14.750.495
Accounts receivable (net)	4.536.870	6.510.224
Bad debt reserves	5.727.999	11.821.561
Accounts payable	4.666.742	6.729.380
Issued circulating bonds	–	3.628.829
Sales	17.698.345	35.148.218
Cost of goods sold	10.091.881	23.668.161
Net income (loss)	5.639.812	7.431.698

Calculated based on the audit data:

Return on sales, (ROS), %	42.98	32.66
Return on equity, (ROE), %	22.43	6.12
Return on assets, (ROA), %	18.27	5.58

Arthur Anderson held audit in accordance with Audit international standards and on May 03, 2001 was completed over. Audited financial report prepared in accordance with Kazakhstani accounting standards (KAS).

The Auditor considers that financial report of companies in all substantial aspects reflect its financial situation on Dec 31, 2001 – 1999, results of activity and monetary flow during indicated dates according to KAS.

Temirbank OJSC (Almaty) submitted to KASE the board of directors has determined bonds' coupon rate for next year of circulation at **10.5% APR** of face value, in accordance with terms of its first issue bonds (KZ75KAMJ8A57; TEBNb; \$100; \$5 m; August 19. 00 - August 19. 05; semiannual coupon 11.0% APR for first year of circulation, current market revenue – 10.6241% APR). Bonds passed KASE listing procedure under A category on August 1, 2000. The trades will be opened at KASE on August 21, 2000.

According to bonds floatation rules and conditions annually not later than 20 calendar days before the end of next circulation year, the bank announces interest rate through one of the regular issues, which are approved by Decision of National Securities Commission #79 dated Apr. 07 and #96 dated May 4, 2000. The interest rate is set by the decision of bank Board of directors depending on current market situation and is over 5.0% APR. In case if interest rate is not suitable to bonds holder, he could apply for selling of bonds to the bank at nominal price. In the first day of a next year, banks repurchase bonds at nominal price at weighted average rate of KASE, effective on the payment date.

Coupon rate of Temirbank OJSC's bonds was determined at 11.0% APR for first year of circulation.

Kazchrome TNC, monopolistic producer of ferroalloy, decided to restructure its production by overtaking Donskoy GOK () and Ferrochrome plant in Aktobe. General annual meeting of shareholders decided to repay dividend by results of 2000 in amount of KZT121.0 per share. The information was given in the press release distributed by Eurasian Industrial Association. Kazakhstan government also supported idea of merger of two previously closely dependent companies. The legal status of two companies will be defined as branches of Kazchrome TNC. The public relation department of the Company stated that previous structure of Kazchrome has been undermining its development. Considering worsening conditions of the world market, the company undertakes measures to lower operating costs. The company's management considers that most efficient measure will be consolidation of all branches and independent unit under one legal entity. Shareholders of the company approved decision on dividend payments for 2000.

Net income figure for 2000 equals KZT4,173.8m. Dividend on common (90% of shares) and preferred (10%) shares will be accrued in amount of KZT121.0. The payment date is November 20, 2001. At present, Kazchrome employs 15 thousand people. The annual production of commodity chrome ore is 2.5m tons, ferroalloys - 1m tons. The government stake is 31.37% of shares, private entities - 59.06%, preferred shares take - 9.4%.

Public relations department of KAZKOMMERTSBANK OJSC informed IRBIS that shareholders of the bank decided to enlarge the authorized capital from KZT2.9bn up to KZT5bn by additional issue of common and preferred shares in order to spread the activity and develop bank operation. The decision of preferred shares issue total at KZT1.250bn or 25% of the authorized capital's size was admitted on special meeting of bank shareholders – July 30, 2001. Also bank will issue additionally common inscribed shares total at KZT850,0m.

On July 12 shareholders discussed the question of additional issue of preferred shares. Then shareholders approved the offer to float preferred shares on free sale with fixed size of dollar dividend. Now they approved the volume of issue. Now the authorized capital of bank is KZT2.9bn. After additional issue of shares it will be of KZT5.0n including KZT3.75bn – common inscribed shares and KZT1.25bn – preferred shares. The board of KAZKOMMERTSBANK will define terms and conditions of new shares issue.

According to bank information its assets in July were over \$1bn. It forced bank of Kazakhstan and Central Asia to make size of authorized capital proper to scale of activity and raise additional investments by new shares issue. Assets of bank increased in 2.2 times on July 1, 2001 relative to similar period of 2000 and totaled KZT158.3bn or \$1.081bn. Proper capital including shareholders capital, funds, reinvested income increased by 22.8% up to KZT17.1bn.

Bank informs that during this meeting shareholders approved financial report of Kazkommertsbank for first half of this year and accepted the strategy of retails business development and amended bank charter due to decision of authorized capital enlargement and additional issue.

BANK CASPIAN OJSC (Almaty) provided KASE with copy of Fitch agency's letter (London) confirming effecting long term credit bank rating “**B**”. It contained agency's **negative forecast**. On **November 30, 2000** Fitch published results of survey devoted to rating value of Caspian bank OJSC. According to the information disposed by IRBIS on January 25, 2000 international rating agency – Thomson BankWatch confirmed effecting ratings of Caspian bank – domestic at

“IC-D” rate, short term denominated in local currency “I-C-3” and basic long term at “B” rate. According to web site information (<http://www.kcbank.almtly.kz>) rating was confirmed at the same rate in 2000.

As it is known on October 19, 2000 Fitch agency engrossed Thomson BankWatch. Afterwards and till yesterday no documents were submitted to KASE concerning credit ratings of Caspian bank OJSC.

Bank TuranAlem OJSC made summary of first six months' 2001 activity and submitted main indicators to IRBIS agency. According to bank information total sum of assets in 2000 grew up by 1.7 times and on Dec 31, 2001 totaled KZT79,586m relative to similar period of last year. Bank's capital doubled and achieved KZT10,892m during the same period. Assets totaled KZT110,491m having increased in 1.4 times in first six months of 2001. Private capital grew up in 1.2 times during the same period and totaled KZT12,572m at the beginning of July.

In first six months the portion of active deals were increasing because precisely this type of active deals gives the highest profit. Credit investments at the end of 2000 increased by 1.9 times at KZT56,110m or 70.5% total assets. In first six months credit portfolio increased by KZT76,713m (1.4 times).

Bank TuranAlem OJSC spreads its activity at securities' market. Volume of securities' investments tripled in 2000 and their specific heat increased from 6.8% up to 12%. Bank invested in securities KZT11,082m in first six months. In half of the year this indicator grew up by 1.2 times.

Volume of correspondent accounts' means and means of cashier's desk of Bank TuranAlem OJSC totaled KZT8,420m on June 31, 2001. The bank authority think that it is enough to support liquidity for bank stability.

High quality and assortment of services enable bank to form considerable part of resource base by using money raised in the form of sustains at settlement accounts and deposits. Bank TuranAlem OJSC informs that further diversification of bank activity resulted the establishment of balanced structure of liabilities optimally corresponding to bank functions and finance market on the end of half year.

The best indicator of clients credo is data of volumes and clients' activity. Total client base exceeded over KZT65,386m and relative to 1999 increased by 1.7 times. Correspondent indicators of first six months – KZT93,795m and 1.4 times against beginning of year. Total volume of accounts' remains is over KZT22,300m or 32.5% of liabilities, it increased by 1.7 times. On June 31, 2001 accounts' remains increased by KZT27,591 or 1.2 times.

The volume of floating urgent deposits for corporate and private entities in banks increased substantially. In 2000 its volume increased in 1.8 times, in first half of 2001 – in 1.3 times and specific heat of bank's liabilities totaled 31.9%.

In 2000 the portion of means raised from other banks substantially increased that reflects status promotion of Bank TuranAlem, which firmed as one of the biggest center of interbank loans. The volume of interbank money increased by 1.8 times at 22.1% of total liabilities in 2000. In first six months of 2001 raised interbank money increased in 1.7 times or 25.7% respectively.

Balanced increase of liabilities of Bank TuranAlem were accompanying by adequate capital growth. Due to increase of volume of non restricted bank profit and increase of authorized fund total volume of proper means doubled at KZT10,892m in 2000. The portion of proper assets in liabilities totaled 13.7%.

Bank has also remind of bonds and significant credit agreements issued in 2001 which were described in detail by IRBIS in previous editions.

CHANGES IN REGULATION

From August 01, 2001 KASE enforces amendments into internal document “**Size of membership and commissioning charge for stock exchange**” by the decree of “K” and “P” members. The amendment concerns membership charge. According to the amendment at the admission of company into KASE membership under “P” category (the right to participate CS trades of exchange official list) and “K” (the right to participate in GS trades at KASE) the exchange Board is granted the right to release applicants from membership charge but to fix for them high monthly membership charge.

From August 01, 2001 Kazakhstan Stock Exchange (KASE) enforced new wording of the **Repo Deals Conclusion Rules**. The rules were approved on the meeting of KASE members of KASE (categories “K”, “P”, and “H”) on July 30, 2001. Amendments relate to optimization of the Rules and detailed description of particular notions regarding automatic repo sector. New

wording of the Rules is presented at KASE web-site:
<http://www.kase.kz/GenInfo/NormBase/repo.asp>.

From August 01, 2001 Kazakhstan Stock Exchange (KASE) enforced new wording of the **Securities payment rules by trades' results**. The rules were approved on the meeting of KASE members of KASE (categories "K", "P", and "H") on July 30, 2001. Amendments concern lock regime for securities before exchange sessions. New wording of the Rules is presented at KASE web-site: <http://www.kase.kz/GenInfo/NormBase/reglment.asp>.

KASE MEMBERS

The member of exchange – **Kazkommerts Securities OJSC** since **August 10, 2001** was deprived of the status of market-maker for preferred shares of SHNOS OJSC (Shymkent, NIN shares – KZ1P37400317, trade code SYRGp, official list of KASE securities A category) **by the decision of KASE board of directors dated July 27, 2001** according to point 16 of article 5 – Rules for stock exchange market-makers' operation.

The statement of Kazkommerts Securities OJSC about free will rejection from market-maker status was the basis for the decision.

The decision of Kazakhstan Stock Exchange (KASE) assigned **from Aug. 02 of 2001 the specialist status** over coupon bonds of Almaty Kus of second emission to Kazkommerts Securities OJSC (KZ2CUY05A383; \$20m; \$100; July 18, 2001 - July 18, 2006; semiannual coupon 10.0%). The decision to be enforced since **August 02, 2001**. Primary activity of Almaty Kus is poultry farming and egg production. Minimal volume of obligatory quotations for a specialist is equivalent of **\$50,000** at face value.

By the decree of KASE board dated July 31, 2001 based on exchange board decision dated June 02, 2001 (due to exchange members meeting where amendments for domestic KASE document "Size of charge and collects for members" were approved) **ABN AMRO Asset Management closed joint stock company pension assets managing company** (Almaty) was admitted in KASE membership under the following categories:

- "K" – the right to participate in government securities' sessions, held at KASE
- "P" – the right to participate in corporate securities' sessions included in official list of KASE securities.

ABN AMRO Assets Management CJSC PAMC – is the fourth PAMC admitted in KASE membership. Ak niet CJSC PAMC (Almaty), ZHETYSU CJSC PAMC (Almaty) and Company representing Halyc Bank of Kazakhstan for pension assets management CJSC (Almaty) are enabled to make GS and CS deals at KASE as well as ABN AMRO Assets Management CJSC PAMC.

KASE NEWS

From August 01, 2001, KASE started trades in automatic repo sector. Trades are to be held **from 11:30 a.m. till 6:30 p.m. ALT**. **No charges are presently collected** from participants of automatic repo sector.

The following are results of first trades.

Code repo	Calendar term of days.	Weighted average rate % ARP	Volume,		The best at closing, % APR	
			in KZT M	Deals	bid	ask
KZT_001	1		0	0	2.30	4.00
KZT_002	2		0	0	–	5.00
KZT_003	5	4.00	80.0	2	3.00	6.00
KZT_007	7		0	0	–	7.20
KZT_014	14		0	0	–	8.50
KZT_028	28		0	0	4.50	9.00
TOTAL			80.0	2		

Repo code (code of instrument) reflects currency of quotation (loan) and repo term expressed in number of weekdays. Purchase quotation (bid) is a repo loan rate. Sale quotation (ask) reflects money offer rate.

MEOKAM-36 issue#7 (KZ53L0210A34) – deposit of held deals.

Prepared by IRBIS agency