

WEEK OF STOCK MARKET OF KAZAKHSTAN

November 20 – November 26

Money market indicators as of November 26 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	1.43	-0.48
Repo opening at KASE (WA, % APR)			
1-2 days	KZT	1.44	-0.46
7 days	KZT	4.25	+0.39
14 days	KZT	9.00	-1.49
28 days	KZT	6.25	–
33 days	KZT	7.96	–
89 days	KZT	6.50	–
92 days	KZT	11.90	+4.90
KIBOR (indicative, % APR)			
1 week	KZT	6.00	0
2 weeks	KZT	7.00	0
1 month	KZT	7.00	-0.50
2 months	KZT	8.00	-0.25
3 months	KZT	9.00	0

Stock market indicators as of November 26 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	132.29	-1.67%
Corporate bonds of “A” listing		
KASE_BP	151.89	+0.50%
KASE_BC	122.65	+0.43%
KASE_BY	7.78	-10.00%
Euronotes of Kazakhstan		
KASE_EP	151.85	-0.18%
KASE_EC	111.21	-0.43%
KASE_EY	3.16	+4.67%

US dollar = **146.61** tenge at official rate for the end of the period.
 US dollar = **146.43** tenge at weighted average rate of the Exchange for the end of the period.
 Rate of tenge devaluation for the period at the Exchange's rate – **2.5% APR.**

THE CORPORATE SECURITIES MARKET (CS)

In purchase-sale sector a total of 40 deals amounting to \$12,213.7 th. or KZT1,788.2 m. were made during the analyzed period at Kazakhstan stock exchange (KASE). In comparison with the previous period (31 deals, \$20,821.7 th. or KZT9,284.0 m.) volume of the sector decreased by 41.3% because of abrupt decrease of volume of deals in bonds in presence of compensating expansion of shares market. During the analyzed period deals were made by KASE's 9 members on 17 instruments 8 of which were bonds. At that, 5.7% of gross-turnover (11.4% on purchasing transactions) were made at the expense of pension market's subjects. During the last week KASE's 13 members of “P” and “H” categories were interested in 12 securities, 8 of which were bonds. Stake of pension assets was 37.8% of gross-turnover, including 70.8% on purchasing transactions, 4.8% – on sale transactions.

At corporate bonds market traders' activity abruptly decreased. In comparison with previous week volume of deals decreased three times. Specialists of IRBIS explain it mainly by outflow of money of pension market's subjects to GS circulation sector (reasons are

Investment attractiveness of stock exchange financial instruments since November 20 till November 26

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated in KZT			
UKPFB1	KZT	14.00	0
TXBNb1	KZT	11.73	+0.23
TXBNb2	KZT	10.80	0
ARNAb1	KZT	9.00	0
HSBKb3	KZT	7.80	-0.20
CS repo*	KZT	7.20	-0.19
MEOKAM, MEAKAM	KZT	6.00	+0.26
MEKKAM, notes*	KZT	4.57	-0.35
GS repo*	KZT	2.69	-0.07
Instruments indexed on inflation			
CCBNb3	KZT	9.00	0
BTASb3	KZT	7.50	-0.51
KZIKb2	KZT	6.78	-0.60
KZIKb1	KZT	4.72	0
Instruments indexed on devaluation			
VITAb3	USD	11.20	-0.20
ORDBb1	USD	11.00	+1.00
VTBNb1	USD	10.55	+0.87
RGBRb3	USD	10.20	+1.05
ALKSb2	USD	10.05	0
ASF1b2	USD	9.68	+0.18
CSBNb2	USD	9.15	-0.03
KZASb1	USD	9.00	0
ATFBb2	USD	8.99	+2.99
ASBNb1	USD	8.52	0
TEBNb3	USD	8.50	-0.04
BTASb2	USD	8.50	-0.30
CSBNb1	USD	8.20	0
CCBNb1	USD	8.00	0
KZTCb1	USD	8.00	-0.20
CCBNb2	USD	8.00	0
BTASb1	USD	8.00	-0.30
HSBKb	USD	8.00	0
TEBNb2	USD	8.00	0
LAR1b1	USD	7.75	0
TEBNb	USD	7.54	0
HSBKb2	USD	7.50	-0.03
ALBNb1	USD	7.00	0
KKGBb2	USD	7.00	0
ART060.004	USD	6.50	–
NRBNb2	USD	6.24	-0.06
NRBNb1	USD	6.05	0
BRKZb1	USD	6.01	-0.26
KZPSb1	USD	5.71	-0.59
KZAPb1	USD	5.61	-0.27
ARU060.003	USD	5.60	0
KZTKb1	USD	5.50	0
AST048.006	USD	5.41	+0.04
SYRGb1	USD	5.25	-2.25
AST048.005	USD	5.23	+0.05
TMJLb2	USD	5.20	-0.03
VKU036.002	USD	5.00	0
KARMB1	USD	5.00	0
AST036.004	USD	4.99	-0.06
ASU036.003	USD	4.67	-0.08
VKU036.001	USD	4.00	-1.00
Instruments denominated in foreign currency			
KKGBe4	USD	8.07	-0.12
BTASe3	USD	7.50	-0.38
KKGBe2	USD	7.00	-0.07
BTASe2	USD	6.80	-0.41
BRKZe2	USD	6.79	-0.01
KKGBe3	USD	6.01	-0.98
KZTOe1	USD	4.76	-0.06
BRKZe1	USD	4.48	-0.03

given in the description of this sector), and also by participation of investors in primary floatations of new corporate bonds held by issuers and their financial consultants by subscription. Besides, during the week international bonds of Kazakhstan corporate issuers significantly grew in price during the week. It was accompanied by decreasing of their yield for potential purchaser that was correspondingly reflected in quotations of domestic market-makers. However this movement of quotations was not supported by Kazakhstan investors, and euronotes offer remained without demand.

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated in foreign currency			
BTASe1	USD	4.24	-0.83
IFO bonds	USD	4.12	-0.11
ENU04.10	USD	2.37	-0.13
IFO bonds	EUR	2.37	+0.32

The yields of bonds at which the deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to previous week. Securities marked by asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield is given.

Growth of quotations of all without exclusion euronotes, which were included in KASE's official "A" listing category (see table of investment attractiveness), predetermined change of indexes of the series KASE_B*. KASE_BY quickly went down after the bounce, which had been caused by expansion of representative list of the index, and KASE_BC and KASE_BP, correspondingly, grew. The picture concerning made deals was a bit different. Yield of only three securities fell within 7 days: ALKSb2 (from 10.10% to 10.05% APR); ASFIb2 (from 10.50% to 9.50% APR) and RGBRb3 (from 10.50% to 10.20% APR). Within the same period yield of following securities rose: ATFBb2 (from 7.40% to 8.99% APR), KZIKb2 (from 7.38% to 7.50% APR), ORDBb1 (from 10.00% to 11.00% APR), TXBNb1 (from 11.69% to 11.73% APR, VTBNb1 (from 8.83% to 10.15% APR). Judging on number and volume of deals, KZIKb2 were the most liquid instruments of the sector.

Capitalization of stock exchange's corporate bonds market increased within 7 days by \$23.2 m. and equaled by November 26 to \$2,316.0 m. Major reason of this indicator's growth was including of the first issue bonds of Alliance Bank OJSC (Almaty) in KASE's trade lists (see below).

At shares market there was notable animation. Volume of trade rose 2.5 times, and instruments, which were out of brokers' attention for a long time, were involved into deals. Alas, market nature of most conducted transactions still raises grounded doubts. Within 7 days rate of BTAS according to made deals rose by 10.6%, CHFM – by 0.6%, KZMS – by 0.2%. Rate of following securities fell: CCBN (by 2.5%) and UTMK (by 0.03%). Other shares' rate did not change (see the table). Capitalization of shares market rose within the week by \$14.8 m. and by November 26 it reached \$2,323.9 m. Reason of the growth was the significant increase of the cost of BTAS and KZMS, and also including of common shares of CHARALTYN JSC (Semipalatinsk) into KASE's trade lists.

The tables show data on deals, bid and ask in CS purchase and sale sector, including SBS, and also decoding of trade codes.

Results of the trades in bonds within November 20 – November 26 (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1	8.9999	0	10.0000	7.0000
Almaty Kus OJSC	ALKSb2	10.0500	109.6	10.0500	10.1003
ARNA OJSC	ARNAb1	11.5632	0	12.0000	9.0000
Alliance-Bank OJSC	ASBNb1	11.5000	0	11.5000	8.5200
Astana-finance OJSC	ASFIb2	9.5000	86.0	9.7093	9.7093
ATFBank JSC	ATFBb2	8.9938	512.6	9.0000	6.0000
Development Bank of Kazakhstan JSC	BRKZb1	6.2715	0	8.9632	6.0130
Development Bank of Kazakhstan JSC	BRKZe1	5.0843	0	6.5700	4.8413
Development Bank of Kazakhstan JSC	BRKZe2		0	7.5090	6.7953
Bank TuranAlem JSC	BTASb1	*9.0000	0	9.5000	8.0000
Bank TuranAlem JSC	BTASb2	*9.5000	0	9.8000	8.5000
Bank TuranAlem JSC	BTASb3	8.0074	0	8.3034	7.5030
TuranAlem Finance B.V.	BTASe1	5.0728	0	4.9427	4.9700
TuranAlem Finance B.V.	BTASe2	8.2954	0	7.4882	6.9951
TuranAlem Finance B.V.	BTASe3		0	7.9405	7.6271
Bank CenterCredit OJSC	CCBNb1	12.2713	0	10.6500	8.0000
Bank CenterCredit OJSC	CCBNb2	8.8574	0	10.8000	8.0000
Bank CenterCredit OJSC	CCBNb3	10.2052	0	10.5000	9.0000
BANK CASPIAN JSC	CSBNb1	9.2992	0	10.4999	8.2001
BANK CASPIAN JSC	CSBNb2	9.7192	0	9.7500	9.1500
Halyk Bank of Kazakhstan OJSC	HSBKb	8.4509	0	10.8000	8.0000
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	9.5000	7.6000
Halyk Bank of Kazakhstan OJSC	HSBKb3	8.9962	0	9.5000	8.0000
Karazhanbasmunai OJSC	KARMB1	6.4989	0	0.0000	5.0005
KAZKOMMERTSBANK OJSC	KKGBb2	7.4588	0	8.5000	7.0000

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
KAZKOMMERTSBANK OJSC	KKGBe2	7.0658	0	10.0000	7.0000
Kazkommerts International B.V.	KKGBe3	6.4500	0	7.4499	6.0858
Kazkommerts International B.V.	KKGBe4	8.7780	0	8.4976	8.1889
NAC Kazatomprom	KZAPb1	8.0237	0	8.5000	5.9000
DAGOK Kustanaiasbest JSC	KZASb1	10.1036	0	11.9999	9.0002
Kazakhstan Mortgage Company CJSC	KZIKb1	7.9999	0	7.7056	4.7183
Kazakhstan Mortgage Company CJSC	KZIKb2	*7.4998	4,699.3	4.9946	7.6900
Kazpost OJSC	KZPSb1	8.5048	0	8.6000	5.9000
KazTransCom OJSC	KZTCb1		0	10.0000	8.0000
Kazakhtelecom	KZTKb1	6.7474	0	7.4999	6.0001
KazTransOil CJSC	KZTOe1	5.9342	0	5.9794	5.2000
JB LARIBA-BANK OJSC	LARib1		0	10.7500	7.7500
Nurbank OJSC	NRBNb1	8.5000	0	9.0000	6.0500
Nurbank OJSC	NRBNb2		0	9.2000	6.3000
Corporation "Ordabasy" OJSC	ORDBb1	*11.0000	284.0	*11.0000	*11.0000
RG BRANDS OJSC	RGBRb3	*10.2000	495.5	10.2027	10.2028
PetroKazakhstan Oil Products JSC	SYRGb1	7.5001	0	7.9999	5.5001
TEMIRBANK OJSC	TEBNb	10.4996	0	9.0374	7.5408
TEMIRBANK OJSC	TEBNb2	10.9983	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3	9.0000	0	9.0000	8.5000
NC KTZh CJSC	TMJLb2	7.4122	0	8.1000	5.3500
TEXAKABANK OJSC	TXBNb1	11.7289	17.4	11.7289	11.7289
TEXAKABANK OJSC	TXBNb2	11.0000	0	11.6000	10.8000
UKBF CJSC	UKPFb1		0	15.5000	14.0000
VITA OJSC	VITAb3	17.9999	0	50.0000	12.0001
VALUT-TRANZIT BANK OJSC	VTBNb1	10.1500	271.4	10.1500	10.6082
TOTAL	51		6,475.9		

Results of the trades in shares during November 20 – November 26 (KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	10.50	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp	10.00	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Astana-finance OJSC	ASFI	1,014.96	0	0	750.00	1,050.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp	999.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem JSC	BTAS	*17,000.00	11,394	1,323.3	*17,000.00	*17,000.00
Bank CenterCredit OJSC	CCBN	200.00	757,730	1,065.0	217.00	200.00
Himfarm JSC	CHFM	*820.00	59,010	330.6	*820.00	*820.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	175.00	256.50
Halyk Bank of Kazakhstan OJSC	HSBK	120.00	0	0	155.00	170.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	155.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	180.00	0	0	155.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	65.79	0	0	64.51	96.46
KAZKOMMERTSBANK OJSC	KKGBp	103.49	0	0	73.31	109.61
Corporation Kazakhmys JSC	KZMS	*4,199.00	4,431	127.1	*4,199.00	*4,199.00
Kazakhtelecom	KZTK	3,566.88	0	0	2,932.20	4,384.50
Kazakhtelecom	KZTKp	1,472.11	0	0	1,466.10	2,192.25
TEMIRBANK OJSC	TEBN	1,035.00	34,228	240.9	1,035.00	1,030.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
TEXAKABANK OJSC	TXBN		0	0	9,086.00	13,629.00
UKTMC OJSC	UTMK	*6,145.00	13,300	558.4	*6,145.00	6,138.30
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	493,667	1,174.3	352.88	330.00
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	355,252	783.1	*450.00	321.00
Zerde OJSC	ZERD	*2.00	9,901,011	135.1	*2.00	*2.00
TOTAL	29		11,630,023	5,737.8		

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

In the repo-transactions sector of CS 40 deals were made in the total amount of \$9,715.8 th. (KZT1,423.0 m.) during the described period. 19 deals of them (in the amount of \$7,116.8 th.) were repo opening and 21 deals (in the amount of \$2,598.9 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$4,262.4 th. (KZT625.5 m).

In all at CS trade floors of KASE a total of 80 deals amounting to **\$21,929.4 th.** (KZT3,211.2 m) were concluded within the analyzed period. During the previous period volume of 62 deals reached \$25,084.1 th. (KZT9,909.5 m).

Changes in KASE's trade lists

By the decision of KASE's Board dated November 19 of 2003 **indexed on tenge devaluation level bonds of Alliance Bank OJSC** (Almaty) of the second issue (KZ2CKY03A924; KZT1, KZT2.0 bn.; October 31, 03 – October 31, 05, semi-annual coupon of 8.5%APR of indexed face value) have been included in KASE's official "A" listing category. This decision took effect **since November 24 of 2003**. Date of opening of trades in the bonds at KASE will be announced later. Status of the market-maker of ASBNb2 at KASE, on the basis of submitted application, has been assigned to Alliance Investment Management JSC (Almaty).

By the decision of KASE's Council dated November 19 of 2003 **bonds of Eurasian bank JSC** (Almaty) of the first issue (KZ2CKY05A911; KZT1, KZT1.5 bn.; 5 years, semi-annual coupon of 7.0%APR in the first circulation year, afterwards – by the decision of the bank's Board of directors) have been included in KASE's official "A" listing category. This decision took effect **since November 25 of 2003**. Date of opening of trades in the bonds at KASE will be announced later. Status of the market-maker of EUBNb1 at KASE, on the basis of submitted application, has been assigned to Central-Asian Trust Company LLP (Almaty).

By the decision of KASE's Council dated November 19 of 2003 **common shares of CHARALTYN JSC** (Semipalatinsk) of the first issue (KZ1C50510011; 3.0 bn. shares) have been included into KASE's official "A" listing category. This decision took effect **since November 26 of 2003**. Trades in the shares have been opened since November 27. Status of the market-maker of HRLT at KASE has been assigned to KIB ASSET MANAGEMENT JSC (Almaty).

Detailed information about the issuers and their securities has been placed in KASE's web-site at <http://www.kase.kz/emitters/>.

SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE a total volume of 68 deals reached **KZT11,644.1 m.** (\$79,528.1 th.) during the analyzed period. Corresponding figure of the previous period – KZT3,274.7 m. (\$22,277.5 th.). Researches conducted by specialists of IRBIS let assume that the significant growth of the turnover in the described week was in great degree caused by local factor – bringing of MEOKAM and National Bank's notes by some banks in big volume. Growth of bonds offer resulted in decrease of their price, and as the result it was possible to buy securities with more profitable conditions than at auctions. On one hand this served as the reason of outflow of money of "pension market subjects" from CS circulation sector to the described sector of the stock exchange's market, and on the other hand – it caused growth of yield of domestic bonds to maturity for purchaser and in some was influenced upon changing of the structure of the stock exchange's GS turnover (see the table). There can be various reasons, on which banks were selling bonds.

Parameters of Exchange's transactions in GS within November 20– November 26

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.		last deal	weighted average	Volume, mln tenge discounted	Number of deals
	min	max				
Discounted (KZT): MEKKAM, National Bank's notes						
58.7% (71.6%) of purchase and sale sector's turnover						
less than 8	2.01	4.75	2.25	3.11 (–)	4,518.2	7
8 - 14	-13.83	160.09	3.42	5.39 (3.30)	1,606.7	8
29 - 36	4.08	4.08	4.08	4.08 (–)	36.9	1
92 - 181	-1.31	19.60	4.91	5.57 (4.89)	401.7	7
182 - 364	-0.39	5.50	4.00	3.59 (5.00)	269.3	7
Total					6,832.7 (2,343.5)	30 (35)
Coupon (KZT): MEOKAM-24, 36, 48, 60, 84, MEAKAM						
36.6% (17.5%) of purchase and sale sector's turnover						
less than 730	4.16	5.96	5.55	5.64 (5.45)	1,153.9	13
731 - 1095	5.50	6.01	5.75	5.78 (5.56)	794.7	10
1096 - 1460	5.96	6.00	5.96	6.00 (–)	335.0	3
1461 - 1825	6.09	6.27	6.09	6.10 (6.08)	1,908.9	8
more than 2191	6.10	6.10	6.10	6.10 (6.30)	70.1	1
Total					4,262.5 (571.8)	35 (13)
Euronotes of Kazakhstan (USD)						
4.7% (10.4) of purchase and sale sector's turnover						
*322 - 327	2.28	2.79	2.79	2.37 (2.50)	548.8	3
Total					548.8 (339.4)	3 (5)
TOTAL					11,644.1 (3,274.7)	68 (54)

Notes: for euronotes (* – third issue) volume of the deals has been calculated at weighted average USD/KZT rate of the Exchange.

In **GS repo-transactions sector** 530 deals were made for a total of **KZT79,774.7 m** (including automatic repo sector) during the period. Of this number 266 deals (for KZT39,694.6 m.) were repo opening deals and 264 (KZT40,080.2 m.) – repo closing deals. During the previous period volume of transactions of this type was equal

to KZT71,753.2 m. After closing of the trades on November 26 total amount of opened at KASE repo reached KZT16,807.7 m.

Major parameters of automatic repo market on opening deals within November 20 – November 26

(in parentheses – comparable figures of previous period)

Instrument (currency, term of repo)				Yield, % APR		Volume, m KZT	Number of deals	Portion, %
	on first deal	min	max	at last deal	weighted average			
KZT_001	2.80	0.40	8.00	0.50	2.58 (2.44)	29,278.0	176	90.3 (83.0)
KZT_002	2.00	2.00	2.50	2.50	2.13 (2.75)	400.0	4	1.2 (0.4)
KZT_003	3.10	3.10	3.30	3.30	3.15 (3.33)	400.0	5	1.2 (2.0)
KZT_007	4.00	3.50	4.50	3.50	4.05 (4.03)	804.0	13	2.5 (3.7)
KZT_014	4.40	4.00	4.50	4.00	4.42 (4.86)	949.0	12	2.9 (5.9)
KZT_028	5.15	4.99	5.50	4.99	5.16 (5.10)	593.0	8	1.8 (5.0)
TOTAL						32,424.0 (30,495.0)	218 (246)	100.0

Total of 598 deals were made at trade floors of KASE in GS amounting to KZT91,418.8 m during the analyzed period. During the previous period volume of 629 deals reached KZT75,028.0 m. The proportion of the Exchange's turnover in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to 85.0%, last week - 72.7%.

KASE'S NEWS

By the decision of KASE's Council, on November 19 of 2003 in order to stimulate switching of stock exchange's members to payment of commission fees on deals in corporate securities (CS) by "fixed" method, there have been set following benefits concerning commission fees payment for stock exchange's members, which have switched to the mentioned method **before January 15 of 2004**:

- if average monthly fixed commission fee is from 750 th. tenge and more – discount is 20%,
- from 600 to 750 th. tenge inclusive – discount is 15%,
- from 450 to 600 th. tenge inclusive – discount is 10%,
- from 300 to 450 th. tenge inclusive – discount is 5%,
- to 300 th. tenge inclusive no discount is provided.

Possibility of stock exchange's member of "P" category to choose "fixed" method for commission fee payment when working with CS in the stock exchange's purchase and sale sector was included in KASE's internal document "Stock exchange's fees at securities market" by the decision of general meeting of KASE's members on April 11 of 2003. These changes of the stock exchange's normative base were coordinated with the National Bank of Kazakhstan on April 29 of 2003 and took effect since April 30 of 2003.

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