

WEEK OF STOCK MARKET OF KAZAKHSTAN

December 11 – December 24

Money market indicators as of December 24 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	3.48	+1.88
Repo opening at KASE (WA, % APR)			
1 day	KZT	3.61	+2.02
28-30 days	KZT	6.10	+0.47
KIBOR (indicative, % APR)			
1 week	KZT	7.50	+1.83
2 weeks	KZT	8.25	+1.75
1 month	KZT	9.00	+1.67
2 months	KZT	9.75	+1.50
3 months	KZT	10.50	+1.50

Stock market indicators as of December 24 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	142.41	+0.56%
Corporate bonds of “A” listing		
KASE_BP	154.81	+0.55%
KASE_BC	123.73	+0.24%
KASE_BY	7.58	-0.70%
Euronotes of Kazakhstan		
KASE_EP	150.54	+0.57%
KASE_EC	109.07	+0.36%
KASE_EY	3.93	-6.61%

US dollar = **144.10** tenge at official rate for the end of the period.

US dollar = **144.24** 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 – **negative 17.2% APR.**

THE CORPORATE SECURITIES MARKET (CS)

Primary floatation sector

On December 11 in Kazakhstan stock exchange’s (KASE) trade system specialized trades on primary additional floatation of **privileged shares of VALUT-TRANZIT BANK OJSC** (Karaganda) were opened. The additional floatation is held from 11:30 a.m. till 1:00 p.m. of Almaty time by open trade method with payment by the scheme T+0 and will be continued on working days till January 27 of 2004. Within the framework of this measure the issuer plans to float 6,250,000 privileged shares out of 9,125,000 registered. The floated shares (KZ1P33290811), which are traded in KASE’s official “A” listing category under the code VTBNp, give right to their holder to receive quarterly dividend, which is not less than refinancing rate, which has been set by the National Bank of Kazakhstan on the day of paying it.

December 11, 12, 13 were successful for the issuer during the analyzed period (on other days sellers authorized by the issuer did not make quotations for sale). On these days 2,999,000 shares were floated at KASE to the total amount of KZT809,730,000.00 at KZT270.00 per security (precisely this price was

Investment attractiveness of stock exchange financial instruments since December 11 till December 24

Financial instrument	Currency of transaction	Yield, %	APR trend
Non-indexed instruments			
UKPFb1	KZT	14.00	0
CS repo*	KZT	12.50	+4.03
YASYb1	KZT	12.50	–
TXBNb1	KZT	11.79	-0.54
TXBNb2	KZT	10.90	-0.10
ARNAb1	KZT	9.00	-3.50
EUBNb1	KZT	8.16	–
HSBKb3	KZT	8.01	-1.49
UKTCb1	KZT	8.00	0
INCAb1	KZT	6.19	-1.15
MEOKAM, MEAKAM	KZT	5.79	+0.02
MEKKAM, notes*	KZT	4.89	0
GS repo*	KZT	4.60	+2.66
Instruments indexed on inflation			
KZIKb3	KZT	8.25	–
CCBNb3	KZT	8.62	+0.45
BTASb3	KZT	8.00	+0.10
KZIKb2	KZT	7.22	-0.15
KZIKb1	KZT	6.00	+0.26
Instruments indexed on devaluation			
ORDBb1	USD	11.00	0
ASF1b2	USD	10.98	+1.48
RGBRb3	USD	10.24	+0.03
ALKSb2	USD	10.05	-0.05
VTBNb1	USD	9.65	+0.26
CSBNb2	USD	9.50	0
TEBNb3	USD	9.00	0
CSBNb1	USD	9.00	+0.80
KZTCb1	USD	8.71	-0.70
BTASb2	USD	8.55	-0.34
ASBNb1	USD	8.52	0
ASBNb2	USD	8.50	0
TEBNb2	USD	8.39	+0.39
ASF1b3	USD	8.30	+0.30
CCBNb1	USD	8.05	+0.05
HSBKb	USD	8.01	+0.01
BTASb1	USD	8.00	0
CCBNb2	USD	8.00	0
LAR1b1	USD	7.75	0
KKGBb2	USD	7.66	+0.66
TEBNb	USD	7.52	+0.01
ALBNb1	USD	7.00	0
HSBKb2	USD	7.00	0
VITAb3	USD	6.87	-4.59
AST048.005	USD	6.70	+0.92
ART060.004	USD	6.67	+0.17
AST036.004	USD	6.30	+0.78
AST048.006	USD	6.26	+0.82
KZASb1	USD	6.25	-0.75
NRBNb2	USD	6.23	+0.07
NRBNb1	USD	6.03	+0.01
BRKZb1	USD	6.00	0
ATFBb2	USD	6.00	0
KZAPb1	USD	5.88	+0.04
KZPSb1	USD	5.63	-0.20
TMJLb2	USD	5.61	+0.06
ARU060.003	USD	5.59	-1.41
KZTKb1	USD	5.44	-2.06
SYRGb1	USD	5.25	-2.25
VKU036.002	USD	5.00	0
ASU036.003	USD	4.96	+0.15

announced by the issuer as floatation price). The only member of KASE was interested in the shares, he acted as purchaser on his client's instructions. It's notable that at the adjoining exchange's floor – in purchase and sale sector during secondary circulation – price of the same shares on conducted deals on December 11 was KZT350.00 per security, on December 13 – KZT451.71. But deals were direct. As the whole the conducted trades showed absence of market's interest in these securities. At any rate, at offered price.

On December 12, 18 and 19 specialized trades on primary additional floatation of **indexed on inflation level mortgage bonds of Kazakhstan Mortgage Company CJSC** (Almaty) of the third issue (KZ2CKY10A986, KASE's official "A" listing category, KZIKb3; KZT1, KZT5.0 bn.; December 1, 03 – April 1, 14, semi-annual coupon with floating rate, for the first half-year – 8.3% APR, 30/360) were held in

Kazakhstan stock exchange's (KASE) trade system. All trades were held on bonds' quotations in dirty prices with satisfaction of bids at cut-off price using settlement schemes T+0 or T+1. All conducted floatations were successful. Volume of demand varied from 30% to 180% of announced volume of the additional floatation. According to results of the trades the issuer sold 770 m. bonds for KZT772,772,920.00 at forecasted (calculated by parameters of the first coupon period) 8.30% APR to maturity for purchaser. After conducting of five specialized trades (on December 4, 10, 12, 18 and 19) Kazakhstan Mortgage Company CJSC floated 1,721,300,000 bonds of the third issue (34.4% of the registered volume) at forecasted 7.80 – 8.30% APR. Sumo a borrowing was KZT1,731,903,025.44 (about USD12.0 m. at the current stock exchange's rate). Weighted average forecasted yield of securities to maturity for purchaser on all conducted floatations is 8.25% APR. All categories of Kazakhstan investors took part in the trades that lets say about market's high interest in these securities. Primary floatation of KZIKb3 is to be continued on December 25 and 26.

Purchase-sale sector

Here a total of 122 deals amounting to **\$36,076.7 th.** or KZT5,234.2 m. were made during the analyzed period at Kazakhstan stock exchange (KASE). In comparison with the previous period (65 deals, \$35,355.9 th. or KZT5,157.0 m.), **which was shorter by three working days**, volume of the sector increased by 2.0%. During the analyzed period deals were made by KASE's 13 members on 41 instruments 31 of which were bonds. At that, 31.2% of gross-turnover (41.9% on purchasing transactions, and 20.6% - on sale transactions) were made at the expense of pension market's subjects. During the last week KASE's 15 members of "P" and "H" categories were interested in 28 securities, 21 of which were bonds. Stake of pension assets was 20.3% of gross-turnover, including 20.8% on purchasing transactions and 19.7% on sale transactions.

Despite outflow of much funds of investors to primary floatation sector, secondary market of CS remains very active, that, in the principle, is typical for the end of the year.

At corporate bonds market main tendencies remain unchanged. Yield of very limited number of securities grew during the period. Following securities' yield to maturity for purchaser grew:

- ASFIb2 – from 10.45% to 11.00% APR;
- BTASe1 – from 3.58% to 4.41% APR;
- KKGBb2 – from 7.46% to 7.50% APR;
- KKGBe2 – from 7.07% to 10.00% APR.

Yield of following securities fell:

- ALKSb2 – from 10.10% to 10.06% APR;
- BRKZb1 – from 6.27% to 6.00% APR;
- BRKZe1 – from 5.66% to 5.57% APR;
- BRKZe2 – from 7.37% to 6.91% APR;
- BTASb1 – from 8.50% to 8.00% APR;
- BTASb2 – from 8.89% to 8.55% APR;
- BTASb3 – from 7.70% to 7.42% APR;
- BTASe2 – from 7.07% to 6.78% APR;

Financial instrument	Currency of transaction	Yield, % APR	
		value	trend
Instruments denominated in foreign currency			
KKGBe2	USD	10.00	+3.00
KKGBe4	USD	7.73	+0.01
BTASe3	USD	7.24	-0.22
BRKZe2	USD	6.92	-0.45
BTASe2	USD	6.78	-0.29
KKGBe3	USD	5.90	+0.09
KZTOe1	USD	5.79	-0.03
BRKZe1	USD	5.58	-0.08
BTASe1	USD	4.41	+0.83
IFO bonds	USD	4.13	-0.13
ENU07.05	USD	2.95	-0.04
ENU04.10	USD	2.79	+0.16
IFO bonds	EUR	2.47	-0.12

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.

- CCBNb1 – from 12.27% to 8.05% APR;
- CSBNb1 – from 9.30% to 9.00% APR;
- HSBKb – from 8.45% to 8.01% APR;
- HSBKb3 – from 9.51% to 8.00% APR;
- INCAb1 – from 7.35% to 6.19% APR;
- KKGBe3 – from 6.42% to 5.90% APR;
- KZIKb2 – from 7.37% to 6.68% APR;
- KZTOe1 – from 5.92% to 5.78% APR;
- RGBRb3 – from 10.20% to 9.00% APR;
- TEBNb2 – from 11.00% to 8.39% APR;
- TMJLb2 – from 7.41% to 5.61% APR;
- TXBNb1 – from 11.79% to 10.55% APR;
- VTBNb1 – from 10.24% to 9.64% APR.

Yield of CSBNb2, ORDBb1, KZTCb1 and TEBNb3 remained almost the same. First deals in ASFIb3 and YASYb1 were made at KASE in purchase and sale sector (see table of trade results).

Several conclusions come from the mentioned data. In particular, the significant inflow of money to corporate finance market forms high demand for bonds, as the result of which prices of securities grow and, as the result, their yield for purchaser also falls. This tendency is also in full degree illustrated by behavior of indexes of the series KASE_B*, levels of which are given in the table in the beginning of the review. Offer for bonds SVP from outside of pension market's subjects and other investors, who decrease their currency position under the influence of tenge strengthening, also grows at the market. Some eurobonds are still sold at growing prices. As the whole prices of most securities grow regardless of their structure, circulation term and indexation type of holders revenue.

Capitalization of stock exchange's corporate bonds market rose within 14 days by \$73.1 m. and equaled by December 24 to \$2,507.4 m. Removal of securities of Karazhanbasmunai OJSC (see below) from trade lists did not significantly influenced upon changing of this indicator, because, first of all, during the analyzed period subordinate bonds of BANK CASPIAN JSC, bonds of VALUT-TRANZIT SECURITY LLP and bonds of VALUT-TRANZIT ZOLOTO OJSC (see below) had been included in KASE's trade lists, and second, prices of most traded securities had significantly grown.

At shares market there is also increased activity, though this sector does not change qualitatively. Most deals are direct, range of traded securities is narrow, favorites are the same. Rate of shares changed differently. Price of CCBN rose by 1.9%, price of TEBN – by 2%. HSBKp fell (by 9.0%) and HSBKp7 (by 15.5%). Frost two deals were made in HRLT during the period, price on the last deal was KZT3.5 per share. Rate of other shares remained on the same level (see table below). Capitalization of shares market rose within two weeks by \$12.4 m. to \$2,400.5 m. Reason of this change was growth of market cost of CCBN and TEBN.

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 December 11 – December 24(% 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	10.0600	14.0	10.0501	10.0600
ARNA OJSC	ARNAb1	*12.5000	0	12.0000	9.0000
Alliance-Bank OJSC	ASBNb1	11.5000	0	11.5000	8.5200
Alliance-Bank OJSC	ASBNb2		0	9.5020	8.5018
Astana-finance OJSC	ASFIb2	*10.9971	101.9	9.5068	*10.9971
Astana-finance OJSC	ASFIb3	8.3000	1,633.6	8.3000	8.3000
ATFBank JSC	ATFBb2	8.9938	0	9.0000	6.0000
Development Bank of Kazakhstan JSC	BRKZb1	6.0018	1.4	6.0018	6.0018
Development Bank of Kazakhstan JSC	BRKZe1	5.5725	21.3	5.5725	5.5786
Development Bank of Kazakhstan JSC	BRKZe2	6.9147	20.8	6.8978	6.8986
Bank TuranAlem JSC	BTASb1	8.0013	0.2	8.0013	8.0013
Bank TuranAlem JSC	BTASb2	8.5500	0.7	8.5500	8.5500
Bank TuranAlem JSC	BTASb3	7.4192	2,777.5	7.4191	8.0038
TuranAlem Finance B.V.	BTASe1	4.4086	163.5	3.7503	4.4086
TuranAlem Finance B.V.	BTASe2	6.7848	122.5	6.3789	6.4043
TuranAlem Finance B.V.	BTASe3		0	7.4766	7.3817

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Bank CenterCredit OJSC	CCBNb1	8.0479	0.2	8.0479	8.0479
Bank CenterCredit OJSC	CCBNb2	10.8000	0	10.8000	8.0000
Bank CenterCredit OJSC	CCBNb3	10.2052	0	10.5000	9.0000
BANK CASPIAN JSC	CSBNb1	9.0000	0.1	9.0000	9.0000
BANK CASPIAN JSC	CSBNb2	9.4995	158.8	9.4995	9.4995
Halyk Bank of Kazakhstan JSC	HSBKb	8.0057	0.2	8.0057	8.0057
Halyk Bank of Kazakhstan JSC	HSBKb2	*9.3049	0	9.7296	7.0000
Halyk Bank of Kazakhstan JSC	HSBKb3	8.0000	21.5	8.0000	8.0119
INTERGAS CENTRAL ASIA CJSC	INCAb1	6.1923	1.4	6.1923	6.1923
KAZKOMMERTSBANK OJSC	KKGBb2	7.4987	9,736.1	7.4987	8.0000
KAZKOMMERTSBANK OJSC	KKGBe2	10.0000	564.8	10.0000	10.0000
Kazkommerts International B.V.	KKGBe3	5.8950	1,480.0	5.8950	5.8950
Kazkommerts International B.V.	KKGBe4	8.7780	0	8.2628	7.7361
NAC Kazatomprom	KZAPb1	8.0237	0	8.8000	5.9500
Kostanai minerals JSC	KZASb1	*12.0001	0	8.9999	7.0000
Kazakhstan Mortgage Company CJSC	KZIKb1	7.9999	0	9.0000	6.0000
Kazakhstan Mortgage Company CJSC	KZIKb2	6.6759	1,408.8	6.6759	7.4930
Kazakhstan Mortgage Company CJSC	KZIKb3		0	8.2900	8.3034
Kazpost OJSC	KZPSb1	8.5048	0	8.5000	5.7500
KazTransCom OJSC	KZTCb1	8.0000	133.1	8.0000	10.0000
Kazakhtelecom	KZTKb1	7.5002	0	7.4998	6.0001
KazTransOil CJSC	KZTOe1	5.7810	44.1	4.7962	5.7962
JB LARIBA-BANK OJSC	LARIB1		0	10.7500	7.7500
Nurbank OJSC	NRBNb1	8.5000	0	9.0000	6.0300
Nurbank OJSC	NRBNb2		0	9.1500	6.2800
Corporation "Ordabasy" OJSC	ORDBb1	*11.0000	1,311.9	*11.0000	*11.0000
RG BRANDS OJSC	RGBRb3	9.0000	390.6	9.0024	10.5029
PetroKazakhstan Oil Products JSC	SYRGB1	7.5001	0	7.9998	5.5002
TEMIRBANK OJSC	TEBNb	10.4996	0	9.0198	7.5332
TEMIRBANK OJSC	TEBNb2	8.3859	0.2	8.3859	8.3859
TEMIRBANK OJSC	TEBNb3	8.9989	510.3	8.9989	8.9989
NC KTZh CJSC	TMJLb2	5.6101	0.2	5.6071	5.6101
TEXAKABANK OJSC	TXBNb1	10.5500	86.5	10.5500	11.7979
TEXAKABANK OJSC	TXBNb2	11.0000	0	11.6000	11.0000
UKBF CJSC	UKPFb1	*15.5000	0	15.5000	14.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1		0	10.0000	8.0000
VITA OJSC	VITAb3	17.9999	0	0.0000	11.0000
VALUT-TRANZIT BANK OJSC	VTBNb1	9.6449	621.6	9.6449	10.0001
YASSY OJSC	YASYb1	12.5000	1,751.2	12.4999	12.5000
TOTAL	56		23,079.1		

Results of the trades in shares during December 11 – December 24 (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	700.00	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	*14,548.00	0	0	13,099.50	19,453.50
Bank CenterCredit OJSC	CCBN	*208.69	2,396,573	3,599.1	232.48	200.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	175.00	256.50
CHARALTYN JSC	HRLT	3.50	34,200,000	824.7	3.52	3.50
Halyk Bank of Kazakhstan JSC	HSBK	120.00	7,462	5.8	160.00	110.00
Halyk Bank of Kazakhstan JSC	HSBKp	152.10	500	0.5	160.00	152.10
Halyk Bank of Kazakhstan JSC	HSBKp7	152.10	500	0.5	160.00	152.10
KAZKOMMERTSBANK OJSC	KKGB	96.80	0	0	100.00	119.73
KAZKOMMERTSBANK OJSC	KKGBp	103.49	0	0	100.00	108.85
Embamunaigas OJSC	KZEM	*116.55	0	0	250.00	

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Embamunaigas OJSC	KZEMp	*107.93	0	0	250.00	
Corporation Kazakhmys JSC	KZMS	*4,199.00	0	0	2,800.00	3,300.00
Kazakhtelecom	KZTK	3,566.88	0	0	4,000.00	4,323.00
Kazakhtelecom	KZTKp	1,472.11	0	0	1,455.50	2,161.50
TEMIRBANK OJSC	TEBN	1,020.00	277,719	1,949.6	1,035.50	1,000.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
Tsesnabank OJSC	TSBN		0	0	700.00	1,050.00
TEXAKABANK OJSC	TXBN		0	0	18,000.00	20,000.00
Uzenmunaigas OJSC						
NC Kazmunaigas CJSC	UMGZ	*3,000.04	0	0	1,000.00	
Uzenmunaigas OJSC						
NC Kazmunaigas CJSC	UMGZp	*3,003.09	0	0	1,000.00	
UKTMC OJSC	UTMK	*6,145.00	3,091	131.7	*6,145.00	6,052.20
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	329,524	794.7	*350.00	*350.00
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	2,359,422	5,402.7	*450.00	390.00
Zerde OJSC	ZERD	*2.00	962,147	288.2	999.38	*2.00
TOTAL	36		40,536,938	12,997.6		

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.

Sector of CS repo-transactions

Here 62 deals were made in the total amount of **\$16,445.8 th.** (KZT2,378.5 m.) during the described period. 27 deals of them (in the amount of \$7,087.4 th.) were repo opening and 35 deals (in the amount of \$9,358.8 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$11,401.6 th. (KZT1,657.1 m).

In all at CS trade floors of KASE a total of 193 deals amounting to **\$63,421.6 th.** (KZT9,195.3 m) were concluded within the analyzed period (including primary floatation sector and repo sector). During the previous period (including primary floatation sector and repo sector) this indicator was \$85,149.1 th. (KZT12,400.9 m).

Changes in KASE's trade lists

By the decision of KASE's Council dated December 13 of 2003 **indexed on tenge devaluation level subordinate bonds of BANK CASPIAN JSC** (Almaty) of the third issue (KZ2CKY07B014, CSBNb3; KZT20,000, KZT7.5 bn.; December 6, 03 – December 6, 10; semi-annual coupon 8.75%APR, 30/360) have been included in KASE's official "A" listing category. This decision took effect since December 13 of 2003. Date of trades opening in the bonds at KASE will be announced later. Status of market-maker of CSBNb3 at KASE, on the basis of submitted statement, has been assigned to RG Securities LLP (Almaty). Minimal volume of compulsory quotation for the market-maker is 90 bonds.

Decision of KASE's Council dated December 3 of 2003 about including **bonds of VALUYT-TRANZIT-SECURITY LLP** (Karaganda) of the second issue (KZ2PKY08A904, VTSKb2; KZT1, KZT1.0 bn.; October 30, 03 – October 30, 11; semi-annual coupon 10.0% APR) in KASE's official "B" listing category took effect since December 13 of 2003. Information about opening of trades in the bonds at KASE will be given later.

Decision of KASE's Council dated December 3 of 2003 about including **bonds of VALUT-TRANZIT ZOLOTO OJSC** (Karaganda) of the first issue (KZ1CKY10A895, VTZLb1; KZT1, KZT2.5 bn.; October 29, 03 – October 29, 13; annual coupon 10.0% APR, 30/360) in KASE's official "B" listing category took effect since December 18 of 2003. Information about opening of trades in the bonds at KASE will be given later

By the decisions of KASE's Council dated December 23 following securities have been included in stock exchange's official "B" listing category:

- **common shares** (KZ1C32140010, KZPF) of **PAPF Kazakhstan JSC** (Almaty);
- **indexed on tenge devaluation level bonds of Himfarm JSC** (Shymkent) of the first issue (KZ2CKY03A932, code of KASE – CHFMb1; KZT10,000, KZT1,550.0 m.; January 26, 04 – January 23, 07, annual coupon 10.0% APR, financial consultant and underwriter of the issue – VISOR Investment Solutions LLP);
- **mortgage bonds of BTA Mortgage OJSC** (Almaty) of the first issue (KZ2CKY07A867, coed of KASE –

BTA1b1; KZT10,000, KZT500.0 m.; 7 years, three-month floating coupon, 30/360; financial consultant and market-maker – TuranAlem Securities JSC).

Dates, wince which the mentioned decisions will take effect, as well as dates of opening of trades in the securities at KASE, will be announced later. Detailed information about the issuers and their securities will be placed in KASE's site at <http://www.kase.kz/emitters/> in the nearest future.

By the decision of KASE's Board **since December 23** coupon bonds of Karazhanbasmunai OJSC (Aktau) of the first issue (KZ73BAQLBA36, KARMB1; \$100, \$20.0 m.; December 20, 00 – December 20, 03; semi-annual coupon 11.0% APR) have been removed from KASE's official "A" listing category in accordance with redemption. These securities were included into KASE's official list on December 8 of 2000. First trades were held on January 5 of 2001. During the whole circulation period of bonds at KASE 62 deals (151,845 bonds) were made in purchase and sale sector to the amount of KZT2,343.2 m. (\$15,717.9 th.). Bonds' yield to maturity for a purchaser varied during the whole time of trades from 6.50 to 12.78% per annum in terms of dollar. The last deal was made with the yield of 6.50% APR. In repo sector during the whole circulation period of KARMB1 at KASE 8 transactions (16 deals) were made with 18,453 bonds to the amount of borrowing KZT288.7 m. (\$1.9 m.).

By the decision of KASE's Board **since December 19** indexed on changing of the rate of tenge to dollar municipal **bonds of East-Kazakhstan oblast (EKO) of the third issue** (KZF2KY070035, code KASE - VKU084.003; KZT15,370, 7 years, semiannual fixed coupon) have been excluded from the trade lists of the exchange. The decision was made due to partial annulment of Agreement on circulation at exchange's trades in mentioned securities dated June 26, 2002. These bonds were admitted to circulation at KASE on July 22, 2002 based on decision of Exchange's Council dated July 19, 2002 along with securities of the second issue. Stated issue volume was KZT2.0 bn. It was planned to use funds, which might be received from floatation of bonds, for financing a project "Ust – Kamenogorsk automobile assembling plant BIPEK AVTO CJSC. The issuer made three attempts to float bonds at KASE at primary market. The first floatation was held in trade system of KASE on July 24, 2002. Demand exceeded supply two times, yet the issuer refused to float due to unsatisfactory offered price parameters. Second attempt was made on August 7, 2002. Demand exceeded supply by KZT410.8 th. The issuer again refused to conclude a deal at least at 9.00%APR and did not float its bonds. Third attempt was undertaken on August 15, 2002. Having offered to market participants bonds for a total face value of KZT310.0 m the issuer tried during floatation process to decide on coupon rate. Demand did not exceed KZT254.2 m. Stated bids varied between 8.70% and 9.50% APR and were characterized by weighted average value of 9.1851%APR. After analyzing submitted bids the issuer refused to make a deal at offered price parameters. After several attempts akim office of Eastern Kazakhstan oblast refused to float bonds, because there is no need in financing project "Ust – Kamenogorsk automobile assembling plant BIPEK AVTO CJSC by attracting funds at open market.

SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE total volume of 111 deals reached **KZT22,573.9 m.** (\$155,532.7 th.) during the analyzed period. Corresponding figure of the previous period – KZT22,409.1 m. (\$154,085.5 th.).

Parameters of Exchange's transactions in GS within December 11– December 24

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mIn tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted (KZT): MEKKAM, National Bank's notes						
20.1% (20.0%) of purchase and sale sector's turnover						
less than 8	4.00	4.00	4.00	4.00 (4.00)	20.0	1
15 - 28	4.02	5.43	4.85	5.21 (4.76)	369.9	6
37 - 42	5.10	5.10	5.10	5.10 (-)	298.2	1
43 - 56	4.69	4.71	4.69	4.70 (-)	474.0	2
64 - 91	3.50	3.50	3.50	3.50 (4.31)	29.0	1
92 - 181	4.52	4.72	4.54	4.60 (4.99)	1,242.6	13
182 - 364	4.84	5.02	4.84	4.95 (5.00)	2,105.2	12
Total					4,538.9 (4,485.9)	36 (31)
Coupon (KZT): MEOKAM-24, 36, 48, 60, 72, 84, MEAKAM						
78.5% (79.6%) of purchase and sale sector's turnover						
less than 730	4.48	5.41	4.94	4.99 (4.87)	6,205.9	13
731 - 1095	5.50	8.00	5.50	5.63 (8.00)	291.6	8
1461 - 1825	5.80	8.25	6.09	6.02 (5.90)	9,250.2	27
1826 - 2190	6.09	6.40	6.10	6.13 (6.40)	1,161.7	14
more than 2191	6.09	6.40	6.40	6.16 (-)	809.8	7
Total					17,719.3 (17,840.6)	69 (39)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
Coupon (USD): bonds of Astana				0.1% (0.1) of purchase and sale sector's turnover		
less than 730	6.30	6.30	6.30	6.30 (-)	9.8	1
731 - 1095	6.70	6.70	6.70	6.70 (7.00)	19.8	1
Total					29.7 (15.6)	2 (1)
Euronotes of Kazakhstan (USD)				1.3% (0.3) of purchase and sale sector's turnover		
*305	2.79	2.79	2.79	2.79 (2.63)	282.3	2
**1222 - 1230	2.92	2.98	2.92	2.95 (2.99)	3.7	2
Total					286.0 (67.0)	4 (5)
TOTAL				22,573.9 (22,409.1)		111 (76)

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

The sector is still active mainly due to high liquidity at the market of mid-term bonds of the Ministry of finance, which had come alive under the influence of notification of the Ministry of finance about its intention to redeem ahead of time on December 23 MEAKAM, which remained in circulations, at face value. Under the pressure of market's participants, who turned to the government asking to reexamine mechanism of prescheduled redemption of these bonds, date of redemption was postponed to December 25, and the issuer will make redemption at the current market price. In spite of forecasts, which were made in several mass medias, this action did not result in undermining of investors' trust to bonds of the Ministry of finance. Despite active sales of MEAKAM and MEOKAM by several participants of trades, offer met demand without fail, and as the result yield of these instruments for purchaser remained almost on the same level, as well as trade volume. No changes occurred in other segments of GS market.

In GS repo-transactions sector 1,022 deals were made for a total of **KZT118,156.2 m** (including automatic repo sector) during the period. Of this number 526 deals (for KZT61,134.0 m.) were repo opening deals and 496 (KZT57,022.2 m.) – repo closing deals. During the previous period volume of transactions of this type was equal to KZT66,116.9 m. After closing of the trades on December 24 total amount of opened at KASE repo reached KZT20,151.6 m.

Major parameters of automatic repo market on opening deals within December 11 – December 24

(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			
KZT_001	2.50	1.50	20.00	1.50	40,140.1	393	75.3 (87.8)
KZT_003	4.00	3.00	4.10	3.00	173.0	3	0.3 (1.1)
KZT_007	4.75	4.00	6.00	6.00	1,853.0	10	3.5 (1.0)
KZT_014	4.70	4.00	5.50	4.80	2,659.0	27	5.0 (2.1)
KZT_028	5.00	4.00	7.00	5.50	8,497.0	45	15.9 (7.9)
TOTAL					53,322.1 (32,428.0)	478 (223)	100.0

Total of 1,133 deals were made at trade floors of KASE in GS amounting to **KZT140,730.1 m** during the analyzed period. During the previous period volume of 541 deals reached KZT88,526.1 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **78.8%**, last week - 67.4%.

KASE'S NEWS

By the decisions of KASE's Board trades in following securities **were opened** in the stock exchange's secondary market sector during the described period:

- since December 12 – **in discount bonds of YASSY OJSC** (Turkestan, South-Kazakhstan oblast) of the first issue (KZ2CKY01A787; KASE's official "B" listing category, YASYb1; KZT10,000, KZT550.0 m., July 4, 03 – July 4, 04, market-maker is TuranAlem Securities LLP, minimal volume of compulsory quotation is 170 bonds);
- since December 13 – **in bonds of VALUT-TRANZIT TECHNOLOGY OJSC** (Karaganda) of the first issue (KZ2CKY09A947; KASE's official "B" listing category, VTTHb1; KZT1, KZT1.0 bn.; November 6, 03 – November 6, 12, annual coupon 10.0% APR.);
- since December 18 – **in bonds of VALUT-TRANZIT-SECURITY LLP** (Karaganda) of the second issue (KZ2PKY08A904; KASE's official "B" listing category, VTSKb2; KZT1, KZT1.0 bn., October 30, 03 – October 30, 11, annual coupon 10.0% APR);

- since December 19 – **in bonds of VALUT-TRANZIT ZOLOTO OJSC** (Karaganda) of the first issue (KZ1CKY10A895; KASE’s official “B” listing category, VTZLb1; KZT1, KZT2.5 bn., October 29, 03 – October 29, 13, annual coupon 10.0% APR).

By the decision of KASE’s Board since December 12 trades in common (KZ1C02901519; ALKZ; KZT100, KZT5,293,939,600) and preferred (KZ1P02901514; ALKZp, KZT100, KZT540,871,100) **shares of Aluminum of Kazakhstan JSC** (Pavlodar), which circulate in official “B” listing category, have been renewed. The decision has been made in connection with removal of violations of Listing rules, which had been made by Aluminum of Kazakhstan JSC.

By decision of KASE’s Board starting from December 19 indexed on tenge devaluation rate **bonds of Alliance Bank OJSC** (Almaty) of the second issue (KZ2CKY03A924; KASE’s official “A” listing category, trade code is ASBNb2; KZT1.0; KZT2.0 bn.; October 31, 2003 – October 31, 2005; semi-annual coupon 8.5% APR) have been included into the representative’s list for KASE_BC, KASE_BP and KASE_BY indexes calculation. As the result 42 bonds of KASE’s official list of “A” category are currently in the representative list for the mentioned indexes calculation

Prepared by Information agency of financial markets “IRBIS”

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: 720117, fax: 720670