

WEEK OF STOCK MARKET OF KAZAKHSTAN

March 18 – 24

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

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	2.60	+0.79
Repo opening at KASE (WA, % APR)			
1-2 days	KZT	2.60	+0.80
7 days	KZT	3.35	-0.05
14 days	KZT	3.78	–
548 days	KZT	10.50	–
KIBOR (indicative, % APR)			
1 week	KZT	5.00	0
2 weeks	KZT	6.00	0
1 month	KZT	7.00	0
2 months	KZT	7.67	-0.33
3 months	KZT	8.50	-0.50

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

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	176.40	+0.22%
Corporate bonds of “A” listing		
KASE_BP	160.34	+1.02%
KASE_BC	125.95	+0.95%
KASE_BY	7.22	-3.25%
Euronotes of Kazakhstan		
KASE_EP	152.42	+0.32%
KASE_EC	108.09	+0.26%
KASE_EY	3.56	-5.48%

US dollar = 138.80 tenge at official rate for the end of the period.
 US dollar = 138.85 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 10.1% APR.

THE CORPORATE SECURITIES MARKET (CS)

Primary floatation sector

On March 19 in Kazakhstan stock exchange’s (KASE) trade system specialized trades on primary additional floatation of **common shares of VALUT-TRANZIT BANK OJSC** (Karaganda) were continued. According to results of the day the seller floated **250,031 common shares** of VALUT-TRANZIT BANK OJSC at **KZT270.00** per security for a total amount **KZT67,508,370.00**. Unlike previous additional offerings of VTBNA at KASE, tow members were buying securities. 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 April 30 of 2004. KG Securities LLP (Karaganda) has exclusive right to submit bids for shares sale, which in this sector of stock exchange’s market have trade code VTBNA. Within the framework of this measure the issuer plans to float 18,750,000

Investment attractiveness of stock exchange financial instruments since March 18 till March 24

Financial instrument	Currency of transaction	Yield, % APR	trend
Non-indexed instruments denominated in tenge			
UKPFb1	KZT	14.00	0
TXBNb2	KZT	10.80	-0.24
TXBNb1	KZT	10.50	-2.99
YASYb1	KZT	10.00	0
BTAIb1	KZT	9.50	0
VTZLb1	KZT	9.25	0
CS repo*	KZT	9.24	+3.65
VTTHb1	KZT	8.97	-0.01
VTSKb2	KZT	8.93	0
UKTCb1	KZT	8.00	0
ATFBb3	KZT	7.00	0
ARNAb1	KZT	7.00	0
EUBNb1	KZT	7.00	0
HSBKb3	KZT	6.98	-0.02
KKGBb3	KZT	6.50	0
INCAb1	KZT	5.70	-0.40
MEOKAM	KZT	5.40	-0.64
MEKKAM, notes*	KZT	5.02	+0.16
GS repo*	KZT	2.72	+1.02
Instruments indexed on inflation			
KZIKb2	KZT	7.36	+0.01
CCBNb3	KZT	6.98	-0.02
KZIKb4	KZT	6.90	0
BTASb3	KZT	6.50	-0.77
KZIKb3	KZT	6.00	-2.24
KZIKb1	KZT	6.00	0
Instruments indexed on devaluation of tenge to US dollar			
ORDBb1	USD	12.00	+1.60
VTBNb1	USD	11.48	-0.01
ALKSb2	USD	10.05	+0.01
ASBNb1	USD	9.50	-0.12
BRKZb1	USD	8.61	+2.11
BTASb1	USD	8.58	-0.03
BTASb2	USD	8.40	-0.30
CSBNb1	USD	8.20	0
KKGBb2	USD	8.04	+1.04
TEBNb2	USD	8.00	0
ATFBb2	USD	8.00	-0.17
CCBNb1	USD	8.00	0
TEBNb	USD	7.99	0
HSBKb	USD	7.95	-0.05
LARib1	USD	7.75	0
HSBKb2	USD	6.99	-0.01
NRBNb1	USD	6.97	+0.11
NRBNb2	USD	6.65	+0.05
ART060.004	USD	6.50	0
KZAPb1	USD	6.27	-0.04
AST048.005	USD	6.06	+0.05
AST048.006	USD	6.06	+0.01
TMJLb2	USD	5.97	-0.04
AST036.004	USD	5.96	+0.05
ASU036.003	USD	5.76	-0.05
VKU036.002	USD	5.50	0
VKU036.001	USD	5.00	0
ARU060.003	USD	5.00	-3.64

preferred shares out of 27,375,000 registered. The floated shares (KZ1C33290012) are traded in KASE's official "A" listing category under the code VTBN.

On March 24 specialized trades on primary additional floatation of **indexed on inflation level mortgage bonds of Kazakhstan Mortgage Company CJSC** (Almaty) of the **fourth issue** (KZ2CKY10B075, KZIKb4; KZT1, KZT5.0 bn.; February 1, 04 – April 1, 14, semi-annual coupon with floating rate, for the first half-year – 6.9% APR, 30/360) were held in KASE's trade system. The issuer offered to market's participants bonds for a total face value of KZT1.0 m., which corresponds to 20.0% of the registered issue volume. 8 members of KASE took part in trades through submitting 34 limited bids. By the deadline time for bids submission, 25 orders for purchasing 4,382,583,487 bonds for a total amount of KZT4,312,128,233.43. Thus, total demand exceeded supply 4.4 times. Bids were submitted with the prices ranging between 87.3634% (forecasted 9.0000%APR yield to maturity for a purchaser) and 103.3136%APR (6.5858%APR). Weighted average bid price was 98.4400% with corresponding yield of 7.2772%APR. The average was weighted on total amount of the order in tenge. 72.0% of volume of bids was stated by pension system entities, 11.4% - second tier banks, 16.6% - brokerage – dealer firms. **According to results of the trade** the issuer satisfied 9 bids to purchase **1,000,000,000 bonds for KZT1,010,160,000.00** submitted by 4 members of KASE, having thereby floated the whole planned volume. All bids were satisfied at dirty price of **101.0160%**, which corresponds to the yield –to – maturity of **6,9028%APR** on semi-annual basis. By trade results, 33.0% of bonds were purchased at the expense of assets under private pension funds management, 15,7% - by second tier banks and 51.3% - by clients of brokerage – dealer companies.

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated on devaluation of tenge to US dollar with protection from strengthening of tenge against dollar			
RGBRb3	USD	10.70	+0.27
ASBNb2	USD	8.95	-0.02
ASFIb2	USD	8.50	-1.35
TEBNb3	USD	8.50	0
CSBNb3	USD	8.10	-0.33
CSBNb2	USD	8.10	0
ASFIb3	USD	8.00	0
KARMB2	USD	8.00	0
CCBNb2	USD	8.00	0
KZTCb1	USD	8.00	0
KZPSb1	USD	5.76	+0.01
Non-indexed instruments denominated in foreign currency			
KKGBe2	USD	8.97	+1.53
KKGBe4	USD	7.22	-0.28
BTASe3	USD	6.48	-0.01
BRKZe2	USD	6.21	-0.09
KKGBe3	USD	4.98	+0.06
BTASe2	USD	4.55	-0.03
KZTOe1	USD	4.29	-0.35
BRKZe1	USD	4.07	-0.26
BTASe1	USD	2.74	+0.12
IFO bonds	USD	2.43	-0.03

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

Purchase and sale sector

In purchase-sale sector a total of 37 deals to the amount of **\$10,410.1 th.** or KZT1,446.9 m. were made during the analyzed period at KASE. In comparison with the previous period (69 deals, \$18,191.2 th. or KZT2,529.4 m., turnover of the sector decreased by 42.8%. During the analyzed period deals were made by KASE's 9 members on 17 instruments 9 of which were bonds. At that, 14.9% of gross-turnover (22.3% on purchasing transactions, and 7.4% - on sale transactions) were made at the expense of pension market's subjects. During the last period KASE's 10 members of "P" and "H" categories were interested in 20 securities, 11 of which were bonds. Stake of pension assets was 31.1% of gross-turnover, including 30.5% on purchasing transactions and 31.8% on sale transactions.

Corporate bonds market demonstrated a small volume. Indexes KASE_B* showed a calm dynamics of prices and quotations reflecting falling of yield of traded instruments (table in the beginning of the review). Among all instruments, in which deals were made, KKGBb2 were favorites (59.1% of total volume of deals). Yield to maturity for a purchaser on them rose from 7.50% APR to 8.04% APR. All transactions made in this instrument raise doubts in their market nature. Yield of following instruments also rose: BRKZb1 – from 6.50% to 8.61% APR, KZIKb2 – from 7.35% to 7.36% APR, RGBRb3 – from 10.50% to 10.70% APR. Yield of following instruments fell: ASBNb2 (from 8.97% to 8.95% APR), ASFIb2 (from 9.90% to 8.50% APR), BTASb1 (from 8.61% to 8.58% APR), BTASb2 (from 9.50% to 8.40% APR) and KKGBe2 (from 9.66% to 8.97% APR). Yield of KZIKb4 almost did not change within 7 days. Capitalization of corporate bonds market rose within the week by \$4.1 m. to \$2,773.4 m. that was the result of growth of most traded instruments' prices.

At shares market volume of concluded deals exceeded corresponding indicator of last week almost two times.

The reason of the change were direct, not market transactions in BSUL, total volume of which reached \$4.5 m. (last deals in these securities were made in August of 2002). At that, price of BSUL rose 2.2 times. VTBN also grew (by 8.6%). Prices of following securities fell: HSBK (by 8.3%), KZMS (by 13.8%), VTBNp (by 28.5%). Rate of CCBN did not fall considerably. The only instrument, price of which has not changed, was TEBN (KZT1,015.00 per a security). TSBN also deserve attention, the first deal in them was made this week at KZT1,050.00 per share. Capitalization of shares market fell within the week by \$15.2 m. to \$2,865.0 m. as the result of price falling of KZMS and HSBK.

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 March 18 – 24

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Almaty Kus OJSC	ALKSb2	11.0000	0	12.8500	10.0500
ARNA OJSC	ARNAb1	*12.3993	0	10.0000	7.0000
Alliance-Bank OJSC	ASBNb1	8.5002	0	9.6000	9.5000
Alliance-Bank OJSC	ASBNb2	8.9476	163.5	8.9497	8.9497
Astana-finance OJSC	ASFib2	8.5001	158.1	8.5001	8.5001
Astana-finance OJSC	ASFib3	8.5000	0	9.0000	8.0000
ATFBank JSC	ATFBb2	9.5000	0	10.5000	8.0000
ATFBank JSC	ATFBb3	8.4945	0	8.5000	7.0000
Development Bank of Kazakhstan JSC	BRKZb1	6.4619	711.7	6.4619	8.9700
Development Bank of Kazakhstan JSC	BRKZe1	5.4938	0	6.8012	4.0784
Development Bank of Kazakhstan JSC	BRKZe2	6.6018	0	7.2216	6.2830
BTA Mortgage JSC	BTAib1	10.2000	0	11.0000	9.5000
Bank TuranAlem JSC	BTASb1	8.5830	65.7	8.5830	8.5830
Bank TuranAlem JSC	BTASb2	*8.4016	65.4	*8.4016	8.7000
Bank TuranAlem JSC	BTASb3	7.9976	0	7.9977	6.4998
TuranAlem Finance B.V.	BTASe1	4.2452	0	3.7060	3.4098
TuranAlem Finance B.V.	BTASe2	6.7848	0	7.8246	4.5606
TuranAlem Finance B.V.	BTASe3		0	7.8712	6.4839
Bank CenterCredit OJSC	CCBNb1	8.8416	0	10.6767	8.0000
Bank CenterCredit OJSC	CCBNb2	9.5000	0	10.6939	8.0000
Bank CenterCredit OJSC	CCBNb3	8.8853	0	9.9885	6.9887
BANK CASPIAN JSC	CSBNb1	8.9999	0	10.4998	8.2001
BANK CASPIAN JSC	CSBNb2	8.5450	0	8.5500	8.1000
BANK CASPIAN JSC	CSBNb3	8.4277	0	8.5500	8.1000
Eurasian bank JSC	EUBNb1	7.5000	0	8.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb	8.0100	0	10.6660	7.9571
Halyk savings bank of Kazakhstan JSC	HSBKb2	*9.3049	0	9.4805	6.9882
Halyk savings bank of Kazakhstan JSC	HSBKb3	8.0000	0	8.9998	6.9865
INTERGAS CENTRAL ASIA CJSC	INCAb1	6.1900	0	8.6227	5.8156
Karazhanbasmunai OJSC	KARMB2	8.4408	0	8.6000	8.0000
KAZKOMMERTSBANK OJSC	KKGBb2	8.5000	2,826.2	7.6000	8.5000
Kazkommertsbank JSC	KKGBb3		0	7.2000	6.5000
KAZKOMMERTSBANK OJSC	KKGBe2	8.9700	606.1	9.1947	9.1947
Kazkommerts International B.V.	KKGBe3	6.6054	0	6.5000	5.0000
Kazkommerts International B.V.	KKGBe4	7.8113	0	7.5000	7.5725
NAC Kazatomprom	KZAPb1	8.0237	0	9.0000	6.5367
Kazakhstan Mortgage Company CJSC	KZIKb1	7.7000	0	9.0000	6.0000
Kazakhstan Mortgage Company CJSC	KZIKb2	7.3595	163.7	7.3595	7.3595
Kazakhstan Mortgage Company CJSC	KZIKb3	8.2412	0	8.5379	6.0024
Kazakhstan Mortgage Company CJSC	KZIKb4		0	6.5858	5.5749
Kazpost JSC	KZPSb1	8.5048	0	8.7013	5.8100
KazTransCom OJSC	KZTCb1	8.5000	0	10.0000	8.0000
KazTransOil CJSC	KZTOe1	4.6524	0	5.5000	5.1500
JB LARIBA-BANK OJSC	LARib1		0	10.7500	7.7500
Nurbank OJSC	NRBNb1	9.3000	0	9.9000	7.0400
Nurbank OJSC	NRBNb2		0	8.0000	6.7000
Corporation "Ordabasy" OJSC	ORDBb1	12.5418	0	15.0000	12.0000
RG BRANDS JSC	RGBRb3	10.7000	24.3	10.3026	10.7028

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
TEMIRBANK OJSC	TEBNb	8.9636	0	9.4866	7.9900
TEMIRBANK OJSC	TEBNb2	10.1800	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3	8.9959	0	9.0000	8.5000
NC KTZh CJSC	TMJLb2	7.7800	0	9.0002	6.0100
TEXAKABANK OJSC	TXBNb1	13.4900	0	13.5000	10.5000
TEXAKABANK OJSC	TXBNb2	11.0000	0	10.9000	10.8000
UST-KAMENOGORSK BATTERY FARM OJSC	UKPFb1	*16.0357	0	15.5000	14.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1	10.0031	0	10.0000	8.0000
VALUT-TRANZIT BANK OJSC	VTBNb1	10.6655	0	12.8500	11.4818
VALUT-TRANZIT-SECURITY LLP	VTSKb2	9.0000	0	9.4895	8.9292
VALUT-TRANZIT TECHNOLOGY OJSC	VTTHb1	9.0000	0	9.4912	8.9755
VALUT-TRANZIT ZOLOTO JSC	VTZLb1	9.2521	0	9.4923	9.2492
YASSY OJSC	YASYb1	*12.5000	0	12.9999	10.0002
TOTAL	61		4,784.7		

Results of the trades in shares within March 18 – 24

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th, USD	Purchase	Sale
Almaty Kus OJSC	ALKS	10.00	0	0	10.00	12.00
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
Alliance-Bank OJSC	ASBN	11,505.00	0	0	10,000.00	12,000.00
Astana-finance OJSC	ASFI	1,000.11	0	0	700.00	1,050.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp	1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp8		0	0	1,000.00	1,500.00
Bayan-Sulu OJSC	BSUL	*150.00	2,768,965	4,472.6	317.05	*150.00
Bank TuranAlem JSC	BTAS	*12,533.00	0	0	12,517.20	18,641.21
Bank CenterCredit OJSC	CCBN	*200.00	7,700	11.1	235.00	*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	0	0	3.50	3.60
Halyk savings bank of Kazakhstan JSC	HSBK	*110.00	202	0.2	140.00	*110.00
Halyk savings bank of Kazakhstan JSC	HSBKp	*167.20	0	0	153.00	180.00
Halyk savings bank of Kazakhstan JSC	HSBKp7	152.10	0	0	153.00	180.00
Kant OJSC	KANT	359.10	0	0	80.00	120.00
KAZKOMMERTSBANK OJSC	KKGB	200.00	0	0	160.00	240.00
Kazkommertsbank JSC	KKGBp	103.49	0	0	120.00	180.00
Corporation Kazakhmys JSC	KZMS	*3,296.00	2,363	71.0	4,200.00	*3,296.00
Kazakhtelecom	KZTK	*4,177.50	0	0	5,000.00	7,500.00
Kazakhtelecom	KZTKp	2,789.40	0	0	2,086.20	3,123.00
KAZZINC JSC	KZZN	*880.00	0	0	700.00	1,050.00
TEMIRBANK OJSC	TEBN	1,015.00	4	0.03	1,015.00	1,015.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
Tsesnabank JSC	TSBN	1,050.00	500	3.8	1,050.00	1,050.00
TEXAKABANK OJSC	TXBN		0	0	18,000.00	20,000.00
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMK	*6,285.02	0	0	5,500.00	8,250.00
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00

Issuer	Security code	Last price	Volume, shares	Volume, th. USD	Purchase	Sale
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	252,280	582.0	*350.00	320.00
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	209,274	484.6	*450.00	320.00
VALUT-TRANZIT ZOLOTO JSC	VTZL	200.00	0	0	200.00	300.00
VALUT-TRANZIT ZOLOTO JSC	VTZLp	152.94	0	0	200.00	300.00
TOTAL	35		3,241,288	5,625.3		

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 sector of CS repo-transactions 22 deals were made in the total amount of **\$6,731.0 th.** (KZT934.9 m.) during the described period. 10 deals of them (in the amount of \$4,003.5 th.) were repo opening and 12 deals (in the amount of \$2,727.5 th.) – repo closing. During the previous week volume of deals in this sector reached \$2,742.1 th. (KZT380.8 m.).

In all at CS trade floors of KASE a total of 70 deals amounting to **\$24,902.5 th.** (KZT3,459.5 m.) were concluded during the analyzed period. During the previous period this indicator was \$25,597.3 th. (KZT3,558.2 m.).

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE total volume of 45 deals reached **KZT7,035.5 m.** (\$50,639.7 th.) during the analyzed period. Corresponding figure of the previous period – **KZT9,376.1 m.** (\$67,429.0 th.). As is seen in the table below, activity in this sector has considerably decreased. Structure of the turnover has deformed a bit – participants were interested only in tenge securities, whereas in previous period almost the whole range of securities was working. Yield of government bonds did not vary significantly, but as a whole it had tendency to fall.

Parameters of Exchange's transactions in GS within March 18 – 24

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.		last deal	weighted average	Volume, m. tenge discounted	Number of deals
	min	max				
Discounted (KZT): National Bank's notes						
79.8% (66.5%) of purchase and sale sector's turnover						
8 - 14	3.59	3.59	3.59	3.59 (3.92)	64.9	1
92 - 181	4.00	5.00	4.74	4.91 (4.85)	1,591.9	14
182 - 364	5.03	5.10	5.10	5.06 (5.22)	3,959.8	21
Total					5,616.6 (6,231.6)	36 (85)
Coupon (KZT): MEOKAM-36, 60, 84, 180						
20.2% (33.1%) of purchase and sale sector's turnover						
less than 730	6.30	6.30	6.30	6.30 (5.47)	30.2	1
1096 - 1460	5.06	5.30	5.30	5.18 (6.00)	677.6	2
1461 - 1825	5.31	6.10	6.10	5.36 (6.17)	645.0	4
more than 2191	6.10	6.30	6.10	6.19 (-)	66.1	2
Total					1,418.9 (3,102.3)	9 (28)
GRANDTOTAL					7,035.5 (9,376.1)	45 (115)

In GS repo-transactions sector 425 deals were made for a total of **KZT52,911.4 m.** (including automatic repo sector) during the period. Of this number 215 deals (for KZT26,525.3 m.) were repo opening deals and 210 (for KZT26,386.1 m.) – repo closing deals. During the previous period volume of transactions of this type did not exceed KZT86,949.3 m. After closing of the trades on March 24 total amount of opened at KASE repo reached KZT15,112.0 m.

Major parameters of automatic repo market on opening deals within March 18 – 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	2.90	0.50	5.00	4.00	20,713.0	157	80.5 (94.8)
KZT_002	2.00	2.00	3.50	2.50	1,660.0	8	6.4 (0.2)
KZT_003	4.00	3.00	4.00	4.00	264.0	3	1.0 (0.2)
KZT_007	3.50	3.30	4.00	3.30	1,358.0	16	5.3 (0.9)
KZT_014	3.40	3.20	3.50	3.30	1,227.0	19	4.8 (1.5)
KZT_028	4.00	4.00	5.00	4.00	521.0	4	2.0 (2.4)
TOTAL					25,743.0 (40,751.1)	207 (269)	100.0

Total of 470 deals were made at trade floors of KASE in GS amounting to **KZT59,946.9 m.** during the analyzed period. During the previous period volume of 702 deals reached KZT96,325.4 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **99.7%**, last week - 99.96%.

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