

# WEEK OF STOCK MARKET OF KAZAKHSTAN

January 10 - 16

---

## SUPPLEMENTAL INFORMATION

US dollar = **120.42** at official rate for the end of the period.

US dollar = **120.24** at weighted average rate of the Exchange for the end of the period.

Speed of strengthening of tenge to dollar for the period at exchange's rate totaled **17.2% APR**.

### Money market indicators as of January 16 and change for the period

Indicator	Rate	Trend
TONIA	2.85	-2.05
Autorepo GS 2 days	3.50	—
Autorepo GS 7 days	6.77	-1.87
Autorepo GS 28 days	9.19	-0.01
KazPrime-3M	12.42	-0.04

### Stock securities' market indicators as of January 16 and change for the period

Index	Value	Trend
KASE	2,675.15	+1.91
KASE_BP	228.31	+0.33
KASE_BC	138.81	+0.18
KASE_BY	9.24	-3.10

## MAIN NEWS OF THE MARKET

**On January 10, 2008 Kazakhmys PLC** announced that it has commenced a non-discretionary programme to purchase ordinary shares for cancellation during its close period which commences on 6 January 2008 and is expected to end on the date of the announcement of its preliminary results. The buy back programme will be managed by an independent third party, which makes its trading decisions independently of, and uninfluenced by, the Company. Any acquisitions will be effected within certain pre-set parameters, and in accordance with both the Company's general authority to repurchase shares and Chapter 12 of the Listing Rules which requires that the maximum price paid be limited to no more than 5 per cent above the average market value for the shares as derived from the London Stock Exchange Daily Official List for the five business days immediately prior to such purchase.

**On January 14, 2008** minister of energy and mineral resources Sauat Mynbayev announced that **stake of NC KazMunayGas JSC** (Astana) in the project of mastering of Kashagan oil and gas field was **increased twice**. By his information, announced on the press-conference on Monday in Almaty, Kazakhstan on proportional basis will buy the additional stake from all existing shareholders of the project, as the result stake participation of Kazakhstan in project makes 16.81%. According to terms of achieved agreements price for purchasing stake will make \$1.78 bn. plus percents, which will be charged to this sum till the moment of payment. Payment will be made after start of oil extraction with three tranches. Except redeeming of stake, also was discussed the possible portfolio of money inflows in favor of Kazakhstan. Sum of money inflows makes about \$5 bn. (net present value) – sum paid in favor of Kazakhstan during whole project's existence.

By results of negotiations about Kashagan international rating agencies had reacted in next way:

- On January 14, 2008 **Standard & Poor's** Ratings Services said that ratings of **NC KazMunayGas JSC** on (KMG; BBB-/Stable/--) remain unchanged following an agreement with an international consortium to double KMG's stake in Kashagan. Analysts of agency consider that renegotiation of Kazakhstan's agreement with the international shareholders and the acquisition price illustrates the strong government support that KMG currently enjoys. S&P supposes that KMG will not need to raise any new debt to pay for the Kashagan stake or to participate in the \$2.5 billion-\$4.5 billion compensation that the consortium will have to pay to the Kazakhstan government because of a delay in the project.
- On January 15, 2008 **Fitch Ratings** has affirmed **NC KazMunayGas's** Long-term foreign and local currency Issuer Default ratings (IDR) at 'BBB' and Short-term foreign currency IDR at 'F3'. The Outlooks for the Long-term foreign and local currency IDRs are Negative. The affirmation follows yesterday's announcement that the company plans to increase its stake in the Kashagan oilfield to 16.81%. By opinion of Fitch this transaction will have a limited impact on NC KMG's financial profile as it is expected to be funded by cash flows from the Kashagan field.

**On January 15, 2008** Fitch Ratings has assigned Kazakhstan-based JSC Astana Finance's EUR40m tap issue a final Long-term rating of 'BB+'. The notes were issued on 21 December 2007 and will be consolidated to form a single series with the EUR300m 7.875% notes due 2010 raised off the company's USD2bn EMTN programme in June 2007.

**On January 15, 2008 KASE's Exchange council** confirmed the inclusion of amends to number of internal documents of exchange:

- additions # 10 to "Clause about membership fees and exchange dues";
- changes and addition # 9 into "Clause about membership";
- change # 8 to "Rules of exchange trade with securities";
- changes and additions # 2 to "Rules of organization and functioning of special trade floor of regional financial center of Almaty".

All mentioned amends had taken effect since January 15, 2008. Actualized texts of documents are available at <http://www.kase.kz/geninfo/normbase>

### **Primary market sector**

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

### **Secondary market sector (purchase and sale)**

A total of 479 deals were made in shares during the analyzed period. Average daily volume made \$423.3 th. or \$3,513.2 m. and decreased compared to previous period (\$25,913.5 th. or \$3,123.1 m.) 7.4 times. During the analyzed period on KASE, 1.0% of operations in quantitative expression and 29.9% in volumetric were nego. In the previous period these indicators made 4.0% and 10.4% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 33 (34) members on 20 (32) instruments. At that: 7.8% (1.8%) of gross-turnover of the market – 2.8% (1.5%) on purchasing transactions and 12.7% (2.0%) - on sale transactions were controlled by pension market subjects; 35.1% (8.4%) of exchange's turnover of shares – 24.7% (11.3%) - on purchasing transactions and 45.5% (5.5%) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 14.5% (1.71%) of gross-turnover – 26.15% (2.97%) on purchase and 2.89% (0.45%) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 50% (28%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 35% (47%) – fell, prices of 15% (25%) remained unchanged. In the described period shares prices changed positively in the range from 0.16% (CSBN) to 16.81% (CCBN), negative change – from 0.10% (NFBN) to 6.90% (TSBN).

KASE index by results of the week grew by 1.91%, having closed on Wednesday at the rate of 2,675.15 points. The notable peculiarity of analyzed period is the testing by index of resistance level of 2,650 points and closing at the rate of 2,740.60 on Tuesday. It should be noted the relatively low day volumes of trades during the week, which is shown by data given above (for comparison, average daily turnover on shares in year 2007 made KZT24,502.71 m., average daily turnover on shares in second half of year 2007 made KZT15,431.20 m.). Nevertheless, it cannot be said about confident exiting of index out of limits of horizontal consolidation channel.

Main "points of growth" were extracting, telecommunication and baking sectors of the market. And if the growth of only representative of oil sector Exploration Production KazMunayGas JSC (RDGZ) was caused by high prices for energy resources and recent message about increase of stake of mother company – KazMunayGas JSC in oil consortium Agip KCO, than growth of banks' shares was less predicable and connected to many different factors. In particular the leaders of growth were common shares of Bank CenterCredit JSC (CCBN), which had "shot" for the week by record 14.7%, having reached on Tuesday its pre-crisis level – KZT1,600 per share.

Analysts of IRBIS are connecting the growth of financial sector with majority of favorable news during analyzed period. For example, is had become known about successful borrowing by Bank CenterCredit JSC and Ban TuranAlem JSC of funds abroad on rates "less than market". Volumes of borrowing were relatively low, so in initially it was not expected the storm reaction of market. More "promising" seems the offering by Astana-Finance JSC of bonds for amount of 40 m. euro (for comparison assets of the company as of end of third quarter made about 1,200 m. euro). It should be noted, that eurobonds of this company are trading lower than yields' curve of Kazakhstan eurobonds, which possibly is connected to significant factor of support form the side of state, and also intentions of Akimat of Astana to give the 25%-ge stake to management of state fund Kazyna. As a whole, analysts of IRBIS are inclined to consider the current growth as correction after massed sale of bank's shares in the autumn.

Baseless seems the growth in price by 7.6% of only Kazakhstan telecom – common shares of Kazakhtelecom JSC (KZTK). The reasons for it are not observed yet, but maybe the market is playing on expectations of annual results of this company.

As of given moment, analysts of IRBIS consider that it is early to speak about braking of tendency and entering of market to new levels. The determinant will become the next week. During which KASE index will either confidently fix on reached positions, or will enter the former frames of horizontal consolidation. More evident now

seems the second way. Next shocks, which the world financial system is experiencing, are already become to reflect on local financial market. The fact is that foreign investors, confirmed with negative statistic data form USA and whole world, and also big writing off by Citi are afraid of recession of economy of USA and whole world. Current moods are observed in many sectors all over the worlds ( from rate of USD to price for oil) and, it seems, will have the influence on our stock and currency markets.

Detailed results of trades in shares on KASE are given in the table.

**Results of share trades on KASE, including STF of RFCA within January 10-16 (only by data of deals, made on the secondary market of KASE by the methods of opened trades)**

Share code on KASE	Price, KZT per share:				Volume of deals th. USD	Number of deals	Best for the period:			
	min.	max.	on the last deal: price	trend, %			for last 365 days: min.	max.	bid	offer
ASFI	15,000.00	15,000.00	15,000.00	0	8,100.00	15,000.00	24.88	1	15,000.00	15,000.00
ATFB	9,400.00	9,700.00	9,400.00	-6.0	8,100.00	14,000.00	40.99	4	9,700.00	9,400.00
BTAS	74,000.02	80,000.00	78,000.00	+1.3	850.01	157,275.00	1,773.29	36	80,000.00	74,000.02
CCBN	1,340.00	1,665.00	1,545.00	+14.7	1,000.00	2,050.00	2,733.02	116	1,665.00	1,337.00
CSBN	5,550.00	6,000.00	6,000.00	+8.1	4,500.00	8,000.00	7.05	2	6,000.00	5,550.00
GB_KZMS	3,000.00	3,200.00	3,000.00	-6.3	3,000.00	3,700.00	5.68	2	3,201.00	3,000.00
HSBK	495.00	515.00	509.99	0	402.00	781.00	99.49	13	550.00	495.00
HSBKp1	305.00	335.45	305.01	-1.0	249.19	353.00	78.25	9	335.45	305.00
KIBN	340.00	340.00	340.00	0	110.00	1,150.00	17.50	2	341.00	340.00
KKGB	740.00	838.00	751.00	-2.5	600.00	1,550.00	3,874.45	128	838.00	740.00
KKGBp	340.00	358.59	350.00	0	190.00	499.00	881.09	11	358.59	340.00
KZTK	34,200.00	37,000.00	36,800.00	+7.6	33,501.01	55,000.00	39.69	7	37,000.00	34,200.00
KZTKp	19,700.01	21,300.00	21,300.00	+6.5	12,150.00	27,100.00	402.40	7	21,300.00	19,700.01
MMGZp	14,001.00	15,494.00	15,494.00	0	7,000.00	16,400.00	267.72	10	15,494.00	13,600.00
NFBN	4,500.00	4,501.00	4,500.00	-0.1	2,012.50	7,622.50	105.99	4	4,501.00	4,500.00
RDGZ	23,300.00	24,595.00	23,600.00	-0.4	13,000.00	24,595.00	4,732.84	89	29,000.00	23,300.00
SUMB	302,000.00	302,000.00	302,000.00	+0.7	270,000.00	302,000.00	122.72	1	302,000.00	302,000.00
TEBN	7,000.00	7,000.01	7,000.00	0	3,550.00	9,000.00	202.21	2	7,000.01	7,000.00
TEBNp	2,400.01	2,500.00	2,400.01	-2.8	1,114.01	3,300.00	1,138.57	12	2,649.99	2,176.99
TSBN	2,000.00	2,150.00	2,000.00	-7.0	1,510.00	4,550.00	699.48	18	2,150.00	2,000.00
<b>20</b>							<b>17,247.32</b>	<b>474</b>		

**Notes:** Trends are given relative to the last deal of the previous month (December 9, 2007 – January 9, 2008). If deals were not made in the previous month the trend is not calculated. Full list of issuers' symbols is available at [http://www.kase.kz/instruments/nzb\\_code.htm](http://www.kase.kz/instruments/nzb_code.htm)

## CORPORATE BOND MARKET

### News of corporate bond market

**Since January 15, 2008 KZPC3Y01B548 discount bonds (KZIKb15, KZT1, KZT5.0 bn.; January 15, 07 – January 15, 08) of Kazakhstan mortgage company JSC (Almaty) have been excluded from KASE's official "A" listing category due to expiration of the circulation period.** Bonds have been included into KASE's official list since February 20, 2007, trades with them were opened on March 25, 2007. 2 deals were made with them for the whole period of circulation of securities on KASE in purchase and sale sector. The yield of bonds to maturity for buyer on deals made 9.00% APR and 9.50% APR. Except this, the specified bonds were included into official list of special trade floor of regional financial center of Almaty ("C" category) since February 23, 2007 under symbol aKZIKb15, trades with them were not opened. By the message of the issuer sum of maturity made **KZT3,925,000,000.00**.

**Since January 15, 2008 KZ2CKY07A305 bonds (AMGGb1, \$100, \$1.0 m. January 15, 01 – January 15, 08, semi annual coupon 8.0% APR) of Atyraunaygasgeologiya JSC (Atyrau) have been excluded from KASE's official "B" listing category due to expiration of the circulation period.** Bonds have been included into KASE's official list since July 10, 2001 with simultaneous trades' opening. For the whole period of circulation of securities on KASE in purchase and sale sector the single deal was made with them on July 13, 2007, yield of bonds to maturity on mentioned deal made 11.86% APR.

**Starting from January 16, 2008 trades with bonds KZ2C0Y07C826 (SATCb1, KZT100, KZT15.0 bn., January 3, 08 – January 3, 15, semiannual coupon, 12% APR for the first circulation year, then float rate dependent on inflation rate; 30/360) of SAT & Company JSC (Almaty) are opened.** BCC Invest JSC - daughter organization of Bank CenterCredit JSC (Almaty) executes the functions financial consultant of the issuer while placement of its bonds on the organized market. More detailed information about these securities and their issuer is published on KASE's web site at <http://www.kase.kz/emitters/satc.asp>

## Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

## Secondary market sector (purchase and sale)

A total of 58 deals amounting to \$4,806.5 th. or KZT578.9 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (\$6,486.5 th. or KZT782.4 m.), turnover of the sector has decreased by 25.9%. In the analyzed period the stake of nego deals on KASE in quantitative expression made 5.2% and 4.5% - in volumetric expression. In the previous period these indicators made 1.4% and 0.3% correspondingly.

During the analyzed period deals were made by KASE's 20 (21) members on 26 (32) instruments. At that 30.9% (29.2%) of gross-turnover passed through accounts of pension market subjects 49.5% (54.1%) on purchasing transactions, and 12.3% (4.3%) on sales operations). 6.9% (11.4%) of exchange's gross-turnover of corporate bonds – 1.3% (3.3%) on purchasing transactions and 12.5% (19.6%) on sale transactions, passed through depo accounts registered on physical persons. At that 1.95% (0%) on sales transactions had passed through accounts of non-residents.

By results of period 13 names of bonds were characterized by growth of average weighted net price on the opened market, 11 – of decrease. CCBNb4 (-11.47 %) and CCBNb3 (-7.88 %) seemed re-sold, while re-bought seemed BTASb5 (+13.17 %), KASTb2 (+10.26 %) and ATFBb4 (+8.46 %). Yield to maturity for buyer on deals made decreased during the week for 13 bonds, increased for 14.

Detailed data on corporate bond market is given in trades results table.

### Results of bond trades on KASE, including STF of RFCA within January 10-16, 08 (only on data of deals , made on secondary market of KASE by the methods of opened deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:				Volume of deals th. USD	Num- ber of deals	Best for the period:			
	on the last deal:		for last 365 days:				bid	offer		
	min.	max.	yield	trend						
AGKkb1	8.98	8.98	8.98	0	13.00	255.29	1	8.98	8.98	
ASFib7	13.00	13.00	13.00		8.50	15.00	1	13.00	13.00	
ATFBb4	10.00	10.00	10.00	-2.0	7.00	12.00	1	10.00	10.00	
ATFBb6	7.50	9.00	7.50	0	6.21	9.49	4	7.50	9.00	
BTAlb1	7.10	7.10	7.10		7.10	10.00	1	7.10	9.00	
BTASb1	10.30	10.30	10.30	-3.1	9.00	13.43	1	10.30	11.50	
BTASb2	14.00	15.00	15.00		9.50	15.00	3	14.00	15.00	
BTASb4	13.00	13.00	13.00	-34.5	7.00	47.47	1	13.00	13.00	
BTASb5	6.50	6.50	6.50		6.50	8.50	1	6.50	6.50	
BTASb7	7.00	7.00	7.00	-0.6	6.73	13.50	2	7.00	7.60	
BTTRb1	8.00	8.00	8.00		8.00	9.00	1	8.00	8.00	
CCBNb18	13.00	13.00	13.00		13.00	13.00	10,955.46	2	10.00	13.00
CCBNb3	15.00	15.00	15.00	+4.0	8.58	15.00	1,413.60	2	15.00	15.00
CCBNb4	11.50	11.50	11.50	+4.0	7.50	11.82	447.85	1	11.50	11.50
KASTb2	10.00	10.00	10.00	-0.9	10.00	10.94	17.12	1	10.00	10.00
KKAGb3	11.50	11.50	11.50		9.20	11.50	47.78	2	11.50	11.50
KKGBb2	20.23	20.23	20.23		1.89	20.23	198.03	1	20.23	20.23
KKGBb6	10.73	10.73	10.73		6.96	10.73	14.31	1	10.73	10.73
KZIKb2	13.40	13.40	13.40		8.60	13.40	40.27	3	13.40	13.40
KZIKb3	13.00	13.00	13.00	0	7.88	13.00	73.05	3	13.00	13.00
KZIKb5	11.50	14.00	11.50	-2.5	8.00	14.00	81.05	7	11.50	14.00
KZIKb6	13.50	13.50	13.50		6.20	13.50	23.83	2	13.50	13.50
KZIKb8	9.50	9.50	9.50	+0.2	7.00	12.70	4,151.12	1	9.50	9.50
TSSMb1	12.00	12.00	12.00	-0.1	9.07	14.00	164.14	2	12.00	12.00
TXBNb3	9.00	9.00	9.00		7.00	11.00	9.11	2	9.00	9.00
VITAb5	12.63	17.12	17.12	+2.1	9.40	17.12	8,794.62	8	12.63	17.12
26							32,142.08	55		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (December 9, 2007 – January 9, 2008). If deals were not made in the previous month the trend is not calculated. Full list of issuers symbols is available at [http://www.kase.kz/instruments/nzb\\_code.htm](http://www.kase.kz/instruments/nzb_code.htm)

## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

### Secondary market sector (purchase - sale)

In the analyzed period total volume of 19 deals made on KASE made KZT9,807.2 m. (\$81.5 m.). In the previous period (December 27, 2007 – January 9, 2008) the given indicator was equal to KZT5,950.5 m. or \$49.4 th. with 12 deals. Stake of exchange's turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period made 100.0%. More detailed data about trades with GS on KASE are given in the table.

#### Parameters of Exchange's transactions in GS within January 10-16, 08

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discount (KZT): notes of National Bank, MEKKAM-6</b>				<b>81.4% (2.5%) of purchase and sale sector's turnover</b>		
Less than 8	5.49	5.49	5.49	5.49	3,998.8	2
15 - 28	5.50	5.50	5.50	5.50 (4.00)	3,985.0	2
Total					<b>7,983.8 (146.8)</b>	<b>4 (2)</b>
<b>Coupon (KZT): MUIKAM-72, STL-96</b>				<b>18.6% (97.5%) of purchase and sale sector's turnover</b>		
1461 – 1825	5.50	5.50	5.50	5.50	1,049.5	1
1826 - 2190	9.98	19.37	13.79	13.91	773.9	14
Total					<b>1,823.4 (5,803.7)</b>	<b>15 (10)</b>
<b>GRANDTOTAL</b>					<b>9,807.2 (5,950.5)</b>	<b>19 (12)</b>

#### Prepared by IRBIS Information agency of financial markets

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: (8 727) 272 01 17, 237 53 05; fax: (8 727) 237 53 22

*IRBIS agency gives notice that material given above is not an offer or recommendation to sell or buy shares on KASE. Using it by anyone while taking investment decisions does not make IRBIS agency responsible for possible losses, resulting from such the decisions.*