

# WEEK OF STOCK MARKET OF KAZAKHSTAN

March 13 – 19

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## SUPPLEMENTAL INFORMATION

US dollar = **120.72** at official rate for the end of the period.

US dollar = **120.71** at weighted average rate of the Exchange for the end of the period.

Speed of devaluation of tenge to dollar for the period at exchange's rate made **5.5% APR**

### Money market indicators as of March 19 and change for the period

Indicator	Rate	Trend
TONIA	2.05	+0.98
Autorepo GS 7 days	4.70	+0.70
Autorepo GS 14 days	5.00	+0.01
Autorepo GS 28 days	6.80	+0.24
KazPrime-3M	10.32	-0.19

### Stock securities' market indicators as of March 19 and change for the period

Index	Value	Trend
KASE	2,668.17	-2.06
KASE_BP	235.60	+0.95
KASE_BC	141.65	+0.92
KASE_BY	9.33	+0.26

## MAIN NEWS OF THE MARKET

**Alina Aldambergen and Kuat Kozhakhmetov were appointed as new deputies chairman of state agency of Kazakhstan for regulating and supervision over financial market.** Corresponding orders were signed by president of Kazakhstan Nursultan Nazarbayev, the pres-service of head of the state informed on March 13. Along with it by the other order of president Gani Uzbekov was released from the post of deputy chairman of specified state agency "due to transfer to another job", is indicated in the information.

**On March 14 BTA Bank** informed that the bank **had repaid the first tranche to the sum of 530.9 m. US dollars and charged interest to the amount of 15 m. US dollars of global syndicated loan**, borrowed in September 2006 to the total sum of 1,111 m. US dollars. The organizers of that global loan were The Bank of Tokyo-Mitsubishi UFJ, Ltd., Commerzbank Aktiengesellschaft and Standard Chartered Bank. Interest margin on the first tranche of the syndicated loan totaled 0.35%. The second tranche to the amount of 580.1 m. US dollars will be repaid in three equal payments: in September 2008, March 2009, and September 2009. The given repayment, being almost a half of liabilities of BTA to repay and the greatest repayment in 2008, was conducted without refinancing and borrowing the resources on the internal and external markets. BTA intends to repay the remaining external liabilities with repayment-terms in 2008 (USD670 m.) at the expense of internal resources and does not plan refinancing at least till the end of the year.

**Company for foreign insurance Kazakhinstrakh JSC** had notified KASE by the official letter that on **March 14, 2008**, the Board of directors of the company accepted the decision about offering among unlimited range of investors of common shares KZ1C39450016, regarding which the shareholders refused of execution of option right. Amount of offered common shares of company is – **89 copies**. **Price of offering** of one share makes **KZT50,000.00**. Floatation of shares is decided to conduct through subscription on the basis of written applications, submitted by investors.

**On March 16 Federal reserve system of USA** conducted the urgent session, by results of which the **discount rate was reduced by 25 basis points to 3.25%**. On March 18 FRS USA reduced the **interest rate on main funds by 0.75 points to 2.25%**. In corresponding announcement of Federal open markets commission is noted, that "financial markets are staying under significant pressure, and roughening of credit terms and deepening recession on habitation market, most likely, will influence negatively on economic growth during several nearest quarters".

**On March 17** KASE informed that the change # 12 into the internal document of KASE "**Rules of market-makers activity**" was coordinated with Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations (AFS) on March 13 of 2008 and put in force since January 1, 2008. The specified change was included in the Appendix 1 of Rules "Specification of the status of market-maker for Stock exchange's members within categories "P" and "H" (Specification) and provides the decrease

of spread between the best obligatory quotations of market-makers on shares from 15% to 10% of bid quotations. The renewed text of Rules has been published on KASE's web site at [http://www.kase.kz/geninfo/normbase/m\\_maker.pdf](http://www.kase.kz/geninfo/normbase/m_maker.pdf)

**On March 17 Bank CenterCredit JSC** announced about **purchasing of 30%-ge stake in capital by South Korean Kookmin Bank with further perspective of increase of its participation to 50.1% or higher**. Initial investment makes about KZT76 bn. (equivalent of 634 m. US dollars) through combined purchase of shares from existing shareholders and issue of new shares with aims of support of further growth of BCC. Selling shareholders agreed to offer their incomes from sale partially (240 m. US dollars) to deposit for support of liquidity of BCC. Also it is expected, that agreed issue of new shares will provide additional growth of capital of BCC by about 160 m. US dollars. After initial purchasing Kookmin Bank will increase its stake to control level, or through purchasing of additional shares, further inflow of capital/new emissions, or through any other combination of such option. Deal will be considered as finished after receiving of all necessary permissions from the side of Commission for financial services of Korea, ministry of strategy and finances of Korea, Agency of Republic of Kazakhstan for regulating and supervision over financial market and organizations and Agency of competitive protection of Republic of Kazakhstan. Morgan Stanley acted as exclusive financial adviser of BCC, along with White & Case, as juridical consultant.

**On March 18** the Deputy Chairman of the National Bank Board Medet Sartbayev at the press-briefing announced that **gold-exchange reserves (GER)** of the republic **"are not strongly exposed to the dollar's devaluation risk"**. He noted that the structure of GER portfolio is diversified enough: dollars make up 45%, euro – about 30%. According to data of National bank, reflected in the regulating press-release dated March 19, 2008 **net foreign reserves (NFR)** of National bank, without consideration of money of National Fund of Republic of Kazakhstan, in current prices for the **first half of March 2008 increased by 2.3% to \$19,469.9 m. US dollars**. In the press-release is indicated that purchasing of currency on internal currency market and inflow of currency to accounts of Government in National Bank were partially neutralized by reduction of remains on correspondent accounts of second tier banks in foreign currency in the National Bank. As the result, net exchange reserves (NER) increased by \$395.7 m., assets in gold – by \$33.8 m. as the result of growth of its price on world markets by 2.0%.

**On March 19 Tsesnabank JSC** informed that the bank had totally mastered the money funds in size of 3 billions tenge, extracted by Government according to program of Fund for small business development (FSBD). It is the first tranche, mastering of which had started after signing of agreement between Fund for small business development JSC and Tsesnabank JSC in December 2007.

## SHARES MARKET

### *News of shares market*

**Starting from March 13, 2008** trades with common shares **KZ1C07780014** (aROSA) of **ROSA JSC** (Pavlodar) to be opened in special trade floor of regional financial center of Almaty. Financial company REAL-INVEST.kz JSC (Almaty) executes the functions of market-maker on named shares on STF RFCA with minimal volume of compulsory quotation in size of 3,000 monthly payment indicators. Mentioned bonds are included into STF RFCA official list ("C" category) since December 27, 2007. Additionally, given securities were included into KASE's category "A" official list since July 30, 2004, trades with them were opened since October 4, 2004.

**Starting from March 13, 2008** trades with common shares **KZ1C05500018** (aUTMK) of **Ust-Kamenogorskiy titanium-magnesium combine JSC** (Ust-Kamenogorsk) to be opened in special trade floor of regional financial center of Almaty. Daughter organization of joint stock company Bank TuranAlem TuranAlem Securities JSC (Almaty) executes the functions of market-maker on named shares on STF RFCA with minimal volume of compulsory quotation in size of 3,000 monthly payment indicators. Mentioned bonds are included into STF RFCA official list ("C" category) since February 29, 2008. Additionally, given bonds were included into KASE's category "A" official list since October 16, 1997, trades with them were opened since October 28, 1997.

As it was announced earlier, by the decision of Expert council of special trading floor of regional financial center of Almaty (STF RFCA) dated March 7, 08, **common shares KZ1C45320013** of **Kazakhstan Mortgage Company JSC** (Almaty) **have been included in STF RFCA official list (category "C") according to term 1 under aKZIK symbol**. The given decision of Expert council takes effect since **March 14, 2008**. About trades' opening with named bonds on special trading floor of RFCA will be announced later. More detailed information about the securities will be published on March 14 on KASE's website at <http://www.kase.kz/emitters/kzik.asp>.

### *Primary market sector*

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



Continued of table

**Results of share trades on KASE, including STF of RFCA within March 13-19 (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:			
			on the last deal:				for last 365 days:		bid	offer
	min.	max.	price	trend, %			min.	max.		
MMGZp	14,400.00	15,499.99	15,499.99	0	7,500.00	16,400.00	967.54	10	15,499.99	14,400.00
NFBN	4,900.00	5,200.00	4,920.00	+9.3	2,530.00	7,622.50	857.39	6	5,200.00	4,900.00
NRBN	20,050.00	20,050.00	20,050.00	0	17,500.00	54,050.00	1.16	1	20,050.00	20,050.00
RDGZ	18,880.00	19,630.00	19,120.00	-1.9	13,000.00	24,595.00	2,182.19	82	19,700.00	18,880.00
TEBN	7,000.00	7,000.01	7,000.00	0	4,450.46	9,000.00	545.94	9	7,000.01	7,000.00
TEBNp	2,650.00	2,700.00	2,650.00	-3.6	1,115.00	3,300.00	62.11	2	2,700.00	2,650.00
TSBN	2,201.00	2,343.00	2,201.00	-4.7	1,680.01	4,500.00	90.53	8	2,343.00	2,201.00
UTMK	27,000.00	27,000.00	27,000.00	,	27,000.00	28,750.00	11.65	1	27,000.00	27,000.00
UTMKp	1,500.00	1,500.00	1,500.00	,	1,500.00	15,000.00	35.85	1	1,501.00	1,500.00
24							17,306.79	365		

**Notes:** Trends are given relative to the last deal of the previous month (February 12 – March 12, 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

By the decision of KASE Board dated March 12, 2008 was given an agreement for considering of planned to be issued **international bonds of KazAgroFinance JSC** (Astana) as included into KASE's category "A" official list in accordance with simplified listing procedure, set by the article 19-1 of Listings rules. The **KAFle1** symbol was appointed to the bonds on KASE. The given decision simultaneously is the decision about consideration of mentioned securities as included into KASE's category "A" official list, which takes effect after appearing of these securities as objects of civil rights and executing by the issuer of all terms, stated by paragraph 1 article 19-2 of Listing rules. Date when the decision takes effect will be announced later. Information about opening of trades in the bonds on KASE will be given additionally. Planned volume of issue of international bonds of KazAgroFinance JSC makes 200 mln US dollars. The organizers of issue are Citigroup Global Markets Limited, JP Morgan Securities Ltd. (both – London, United Kingdom). The person empowered is - Citicorp Trustee Company Limited (London, United Kingdom). Main payment agent and registrar is - Citibank N.A. (London, United Kingdom). More detailed information about securities will be published on KASE's web site after the mentioned decision of Board takes place.

Since **March 14** the following bonds with corresponding parameters, which are used in indices evaluation, were included to representative list for KASE\_BY, KASE\_BP and KASE\_BC indices calculation:

- bonds of **Agrarian credit corporation JSC** of the first issue (KZ2C0Y05C515, trade symbol is – AGKKb1), amount of offered bonds is – 1,671,000 copies, limiting coefficient – 1.000000;
- bonds of **Astana-Finance JSC** of thirteenth issue (KZPC1Y03C538, ASF1b13), amount of offered bonds – 42,000,000,000 copies, limiting coefficient – 1.000000;
- bonds of **Bank CenterCredit JSC** of eighteenth issue (KZP11Y15B651, CCBNb18), amount of offered bonds – 50,000,000 copies, limiting coefficient – 1.000000;
- bonds of **Kazinvestbank JSC** of third issue (KZ2C0Y03C692, KIBNb3), amount of offered bonds is – 5,612,000 copies, limiting coefficient – 1.000000;
- bonds of **Kazkomemrts Invest JSC** of the first issue (KZ2C0Y03C585, KKI\_b1), amount of offered bonds – 2,948,000,000 copies, limiting coefficient – 1.000000;

Additionally, according to mentioned decision of Risk committee since March 14 while evaluation of KASE\_BP index, the exchange will use the **correction coefficient (K)**, equal to 1.0011840, while evaluation of KASE\_BC – 1.0013241, KASE\_BY – 0.9826132. Until mentioned date K for KASE\_BP index was equal to 1.0000444, for KASE\_BC – 1.0000478 and 0.9985042 for KASE\_BY correspondingly.

Methods of indices evaluation is regulating by the KASE internal document "Methods of stock market indicators evaluation", which is available at [http://www.kase.kz/geninfo/normbase/indicators\\_met.pdf](http://www.kase.kz/geninfo/normbase/indicators_met.pdf)

## 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 60 deals amounting to \$902.2 th. or KZT109.1 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (\$902.2 th. or KZT109.1 m.), turnover of the sector has increased 5.6 times. In the analyzed period no nego deals were made on KASE, similar as on previous.

During the analyzed period deals were made by KASE's 20 (22) members on 36 (33) instruments. At that 12.2% (6.6%) of gross-turnover passed through accounts of pension market subjects 19.7% (13.1%) on purchasing transactions and 4.7% (0.1%) on sales operations. 11.0% (6.7%) of exchange's gross-turnover of corporate bonds – 2.5% (1.6%) on purchasing transactions and 19.6% (11.8%) on sale transactions, passed through depo accounts registered on physical persons. At that, 33.8% (0%) on purchase operations had passed through accounts of non-residents.

By results of period 17 names of bonds were characterized by growth of average weighted net price on the opened market, 17 – of decrease, price of BTASb7 and CCBNb14 stayed unchanged. EXBNb1 (-10.0 %) and ATFBb4 (-7.0 %) seemed re-sold, while bonds EUBNb1 (+15.4%) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 16 bonds, increased for 19.

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

### Results of bond trades on KASE, including STF of RFCA within March 13-19, 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						
aASFIb7	14.00	14.00	14.00		11.80	14.00	17.50	1	14.00	14.00
ASFIb12	9.70	9.70	9.70	0	8.43	9.90	16.58	1	9.70	9.70
ASFIb3	11.00	11.00	11.00		6.00	11.93	41.26	1	11.00	11.00
ASFIb5	14.50	14.50	14.50		8.83	15.50	18.01	1	14.50	14.50
ASFIb7	14.00	15.00	15.00	+1.0	9.60	15.00	42.41	3	14.00	15.00
ATFBb3	11.50	11.50	11.50	+1.5	6.10	11.50	34.98	2	11.50	11.50
ATFBb4	12.00	12.00	12.00	+1.5	7.00	12.00	15.84	1	10.41	12.00
ATFBb5	12.50	12.50	12.50	0	8.15	12.50	17.23	2	12.50	12.50
BTAIb1	12.50	13.50	13.50	+1.5	7.10	13.50	26.85	2	12.50	13.50
BTASb1	17.00	18.00	18.00	-9.3	9.00	27.33	27.00	2	17.00	18.00
BTASb4	15.00	20.77	15.50	+0.5	7.70	47.47	16.32	3	15.00	20.77
BTASb7	7.00	7.00	7.00	0	6.73	13.50	8,475.07	2	7.00	7.60
CCBNb14	9.50	9.50	9.50		7.50	9.50	414.17	1	9.50	9.50
CCBNb2	16.00	18.00	16.00	-2.0	10.00	106.23	162.09	2	16.00	18.00
CCBNb3	14.80	14.80	14.80		8.58	15.00	206.35	1	14.80	14.80
CCBNb4	12.00	12.00	12.00		7.50	12.30	186.93	1	12.00	12.00
CSBNb3	9.50	9.50	9.50		9.30	12.00	166.98	1	9.50	9.50
DTJLb1	11.00	11.00	11.00	0	7.00	11.00	4,146.46	2	8.50	11.05
EUBNb3	9.50	9.50	9.50		8.20	9.70	35.59	1	9.50	9.50
EUBNb4	9.00	9.00	9.00	-3.0	9.00	12.50	18.29	1	9.00	10.00
EXBNb1	9.50	13.00	13.00		9.11	14.00	48.36	3	9.50	13.00
GLOtb2	7.00	7.00	7.00	-0.5	7.00	12.00	62.12	3	7.00	7.00
HSBKb3	10.90	10.90	10.90		6.92	93.00	182.43	1	10.90	10.90
KAFIb1	9.00	9.00	9.00	0	6.75	10.00	65.30	3	9.00	9.00
KAZIb2	12.50	12.50	12.50	0	10.29	13.50	76.71	1	12.50	12.50
KRZHb1	11.50	11.50	11.50		7.73	12.00	26.60	1	11.50	11.50
KZIKb16	11.00	12.00	11.00		11.00	12.00	1,290.32	2	9.00	12.00
KZIKb2	13.40	13.40	13.40	0	8.60	13.40	234.20	1	13.40	13.40
KZPSb1	8.00	8.00	8.00		6.50	73.00	11.93	1	8.00	8.00
MREKb4	9.00	9.00	9.00	0	9.00	9.45	132.30	1	9.00	9.00
NRBNb5	12.00	12.00	12.00	0	5.80	13.00	805.16	1	12.00	12.00
PDESb1	9.70	9.70	9.70		9.70	9.70	16.14	1	9.70	12.00
TSNAb1	10.22	10.22	10.22		10.22	11.20	7,595.93	1	10.22	10.22
TXBNb2	11.50	11.50	11.50	-0.5	8.76	13.50	327.31	1	11.50	11.50
VITAb4	12.90	17.50	17.50	+0.5	10.00	17.50	109.88	6	12.90	17.50
VITAb5	15.00	17.00	17.00	+2.0	9.40	17.12	31.66	2	15.00	17.00
<b>36</b>							<b>25,102.27</b>	<b>60</b>		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (February 12 – March 12, 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).

In the **Debt certificates sector on STF RFCA** no deals in the analyzed period were made.1.

## 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 12 deals made on KASE made KZT5,532.3 m. (\$45.9 m.). In the previous period (March 6-12, 2008) the given indicator was equal to KZT2,424.6 m. or \$20.1 th. with 16 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 8.4%.

More detailed data about trades with GS on KASE are given in the table.

#### Parameters of Exchange's transactions in GS within March 13-19, 2008

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</b>				<b>50.5 % (16.4%) of purchase and sale sector's turnover</b>		
Less than 8	6.00	6.00	6.00	6.00	299.7	1
8 - 14	6.00	6.00	6.00	6.00	2,496.7	3
<b>Total</b>					<b>2,796.4 (398.7)</b>	<b>4 (2)</b>
<b>Coupon (KZT): MEOKAM 48, MUIKAM-72, MEUKAM-120</b>				<b>49.5% (83.6%) of purchase and sale sector's turnover</b>		
Less than 730	8.10	8.10	8.10	8.10 (8.48)	652.8	4
1826 - 2190		19.00		9.19	1,883.7	3
More than 2191	5.50	5.50	5.50	5.50 (6.00)	199.4	1
<b>Total</b>					<b>2,735.9 (2,025.9)</b>	<b>8 (14)</b>
<b>GRANDTOTAL</b>					<b>5,532.3 (2,424.6)</b>	<b>12 (16)</b>

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