

WEEK OF STOCK MARKET OF KAZAKHSTAN

May 10-13, 2011

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
06.05.11	1,644.97	145.68	0.0601	0.2503	1.6500
10.05.11	1,636.96	145.90	0.1390	0.3039	1.6300
11.05.11	1,644.66	145.75	0.1973	0.2774	1.6300
12.05.11	1,598.90	145.74	0.1423	0.2934	1.6300
13.05.11	1,637.61	145.73	0.0737	0.2638	1.6300
Trend	-7.4	0.05	0.01	0.01	0
%	-0.4	+0.03	+22.6	+5.4	-1.2

MAIN NEWS OF KAZAKHSTANI STOCK MARKET

On May 10 the National Bank of Kazakhstan reported that:

- In April 2011, gross international reserves of National Bank of Kazakhstan grew by 5.1% to \$ 37.0 billion (from the beginning of the year - an increase of 30.7%); According to preliminary estimates of balance of payments of the Republic of Kazakhstan the current account surplus for the first quarter of 2011 totaled \$ 4.8 billion, an increase of 74.4% compared to the same period in the first quarter of 2010;
- In April 2011 the situation on the domestic market in Kazakhstan has remained stable. During the month, the tenge against the U.S. dollar changed in the range 145.28-145.81 tenge per \$ 1. During April 2011 tenge has appreciated by 0.1%, and month-end exchange rate of tenge was 145.54 tenge per U.S. dollar;
- In April 2011 the total volume of placed interbank deposits as compared to March 2011 decreased by 22.4%, amounting to the equivalent of 2,570.2 bln;
- The total amount of residents' deposits in depository institutions in March 2011 increased by 4.2% to 7 826.7 billion (YTD increase of 5.8%);
- the total amount of banks' lending to the economy in March 2011 increased by 0.8% to \$ 7.665.9 billion (YTD increase of 0.9%).

On May 12 the Agency on Statistics reported that:

- In March 2011 the average nominal wage per employee was 87.470 tenge increased compared with the corresponding month last year by 21.1%, in real terms - by 11.5%;
- In April 2011 prices in some segments of the economy has changed;
- "index of perceptions of consumers" in April 2011 compared to the prior month unchanged at (+13)%;
- Business activity of the firms of Trade and Industry surveyed in April 2011 increased compared to the previous month;
- The volume of industrial production in Kazakhstan in January-April 2011 increased by 6.1%;
- According to the operational data on large and medium-sized businesses and organizations in April 2011 made 81.4 thousand people dropped out for various reasons – 69.9 thousand people;
- in March 2011 there was an increase in prices for products of foreign trade in Kazakhstan;
- In the economy of the republic in April 2011 (estimated) 8.2 million people were employed;
- per capita nominal income of the population in March 2011, according to preliminary data, amounted to 44,973 tenge, an increase compared with the corresponding period of 2010 of 21.1%;
- gross domestic product (GDP) in January-March 2011 in current prices amounted to 4,910.3 billion tenge, an increase compared with the corresponding period of last year in comparable prices by 6.6%. In the GDP share of manufacturing goods is 40.9%, services - 53.6%;
- Short-term economic indicators in January-April 2011 comparing to January-April 2010 amounted to 107%;
- Real GDP in Kazakhstan in January-March 2011 compared to same period of 2010 increased

by 6.6%;

- The volume of retail trade in January-April 2011 increased in comparison with the corresponding period the previous year by 11.8% and amounted to 1048.4 bln.

Stock exchange market

During the study period at KASE on the secondary market sale 246 deals were concluded

	current	change for	
	week	1 week	2 weeks
Average daily volume. USD th.	1,140.9	5.3,times	2.4,times
Average daily volume. KZT m.	166.2	5.3,times	2.4,times
Stake of nego deals. number (%)	0	0	0.8,pp
Stake of nego deals. volume (%)	0	0	22.4,pp
KASE members	29	3.6%	12.1%
Number of shares denominations*	15	0	16.7%
Stake of pension funds. gross (%)	0	0	0
on purchase	4.6	2.1,pp	7.2,pp
on sale	0	0	0
Stake of individuals. gross (%)	46.9	30.6,pp	7.9,pp
on purchase	53.4	1.8,pp	12.7,pp
on sale	40.5	62.9,pp	28.6,pp
Stake of nonresidents. gross (%)	29.5	27.6,pp	16.0,pp
on purchase	43.5	42.2,pp	32.2,pp
on sale	15.5	13.1,pp	0.3,pp

*on which the deals on KASE have been conducted

In the described period falling of average daily prices was shown by 7 items of equity instruments, the growth was by demonstrated 4 tools involved in the transaction, the price of four instruments has not changed. Adverse change in shares prices in the range of 1.07% (KZTKp) to 12.63% (BTAS), positive - from 0.42% (RDGZp) to 4.71% (HSBK).

During the period KASE index remained virtually unchanged. Reduction in the KASE Index did not exceed 7 points, because the main components of the indicator of stock market showed multidirectional dynamics. External background in the last period was moderately negative.

A wave of selling swept through the international market of base metals, after the Central Bank of China has once again raised the bank reserve rate by 50 basis points. Thus, after 8 and by increasing demands, the level of reserve bank in China was 21%. In the end, amid falling prices for base metals stock quotes of Kazakhmys lost 4.9%, while ENRC shares fell 0.6%.

Rise in inflation in China and unpopular actions of the Central Bank of the country under its control have marred investor sentiment on the oil market. Earlier this week in the commodities markets have increased the sale of inventory of raw materials. However, the situation has changed dramatically because of the strong U.S. dollar weakness, which prompted investors to reassess their positions. Despite the ambiguous situation in the international market, common shares of EP KMG were able to complete the week with growth at 2.1%.

During the week, investors in the Kazakh stock exchange did not show much interest to the securities of the banking sector. Quotes of common shares of National Bank of Kazakhstan JSC and BankCenterCredit grew by 2.9% and 4%. At the same time, the price of common shares of Kazkommertsbank slipped by 3.4%.

Results of share trades on KASE, including STF of RFCA within March 5 - 11, 2011, only by data on 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	Num. of deals	Demand	Best for The period: Supply,		
	min,	max,	Last deal: price	trend,%						
BSUL	630	630	630	0	620	658.05	21.88	2	630	630
BTAS	3.5	4.75	3.5	-18.60	3.5	900	59.23	31	4.75	3.5
CCBN	495	515	515	+4.04	495	670	18.16	5	515	495
GB_ENRC	2040	2170	2087.57	-0.59	1800	2600	25.04	7	2170	2040
GB_KZMS	2950	3150	3000	-4.94	2155	3800	229.38	28	3150	2950
HSBK	341	355	355	+2.90	250	445	17.33	3	355	340
KAZI	220	220	220		100	220	22.81	1	220	220
KAZIp	335	335	335		300	390	23.01	7	335	335
KKGB	435	485	469.73	-3.35	356	616	22.83	8	485	435
KZTK	18800	19200	19190	-0.05	11800	20850	2 246.00	28	19400	18800
KZTKp	9000	9600	9000	-3.74	6000	9990	6.09	3	9600	9000
RDGZ	18800.01	19450	19400	+2.11	15155.01	21000	736.57	32	19500	18800.01
RDGZp	19000	19500	19000	+1.01	10800	20510	1 146.65	46	19500	19000
SATC	71.07	71.07	71.07	0	70	72	40.18	5	71.07	71.07
ZERDp	5.4	5.4	5.4	0	4.6	5.72	10.67	1	5.4	5.4
							4,625.8	207		

Notes: Trends are given relative to the last deal of the previous 30 days period (March 28 – April 14, 2011). If deals were not made in the previous month the trend is not calculated.

Corporate bonds market

In this sector of KASE during the analyzed period 43 deals were made.

	current week	Change for	
		1 week	2 weeks
Average daily volume. USD th.	5,389.6	3.0,times	2.1,times
Average daily volume. KZT m.	785.4	3.0,times	2.1,times
Stake of nego deals. number (%)	0	0.03,pp	0
Stake of nego deals. volume (%)	0	0.05,pp	0
KASE members	24	60.0%	0
Number of bonds denominations*	22	22.2%	21.4%
Stake of pension funds. gross (%)	36.2	36.2,pp	6.6,pp
on purchase	31.4	31.4,pp	19.7,pp
on sale	41.0	28.5,pp	6.4,pp
Stake of individuals. gross (%)	1.2	4.7,pp	3.9,pp
on purchase	0.8	6.1,pp	1.6,pp
on sale	1.7	3.4,pp	6.3,pp
Stake of nonresidents. gross (%)	0.0	5.4,pp	0
on purchase	0.0	5.3,pp	0.01,pp
on sale	49.4	43.9,pp	49.4,pp

* on which deals were made at KASE

Following the period the growth of average net prices on the open market characterized bonds of 8 items, fall - 9, the price of four instruments has not changed. Yield to maturity for a buyer on deals rose in the week at 6 bonds declined - in 9, the yield of the five instruments had not changed. Positive change in the yield to maturity was in the range from 0.50% (EXBNb1) to 3.64% (TSASb1), negative - from 0.22% (HSBKe4) to 2.03% (TEBNb16).

More detailed data on corporate bonds on KASE is shown in the table below:

Results of bond trades on KASE including STF of RFCA within May 13 - 16, 2011 (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:						Amount Of deaks, Th. USD	Number Of deals	best for the period:	
	on the last deal:			for last, 365 days,:					demand	supply,
	min.	max.	yield	min.	min,	max,				
ABDIb1	27.00	27.00	27.00	0	27.00	36.00	26.58	2	27.00	27.00
AESOb1	12.50	12.50	12.50	-0.39	11.80	13.00	72.71	1	12.50	12.50
ASBNe13	14.32	14.32	14.32	+1.09	13.22	15.66	13.60	1		9.53
BTAIb14	34.00	34.00	34.00		34.00	37.89	0.39	1	34.00	34.00
BTAIb9	13.00	13.00	13.00		6.80	30.00	23.35	1	13.00	13.00
BTASe10	8.56	8.56	8.56		8.56	8.56	190.30	1		
CSBNb7	12.00	12.00	12.00		12.00	14.00	15.08	1	12.00	12.00
EUBNb3	10.00	10.00	10.00	+1.00	8.00	13.00	14.71	2	10.00	10.00
EXBNb1	17.00	17.00	17.00		11.35	17.00	752.21	2	17.00	17.00
HSBKb12	10.00	10.00	10.00		8.00	10.00	853.90	1	10.00	10.00
HSBKe3	6.30	6.30	6.30		6.30	7.14	3,957.75	1	6.30	6.30
HSBKe4	4.31	4.50	4.31		4.31	7.57	7,854.50	3	4.31	4.50
KZIKb16	11.50	11.50	11.50	0	9.00	11.50	1,654.26	1	11.50	11.51
NRBNb7	11.00	11.00	11.00		9.00	12.00	7,615.64	2	11.00	11.00
NRBNb2	8.05	8.05	8.05		8.05	9.31	111.26	1	8.05	8.05
ORDKb2	12.00	14.00	14.00	+2.00	12.00	16.02	127.46	5	12.00	14.00
PRKRb4	7.30	7.30	7.30		6.15	8.50	43.94	1	7.30	7.30
SKKZb23	4.50	5.70	5.70	+1.20	4.50	6.50	377.73	3	4.50	5.70
TEBNb16	11.91	11.91	11.91		11.91	14.00	79.57	1	11.91	11.97
TSASb1	28.64	28.64	28.64		25.00	28.64	458.80	2	28.64	28.64
TSBNb4	5.00	5.00	5.00	0	5.00	11.08	0.71	1	5.00	5.00
TXBNb5	3.20	3.20	3.20	0	3.20	7.06	32.17	1	3.20	6.50
23							33,240.6	65		

Notes: Trends are given relative to the last deal of the previous 30 days period (March 28 – April 28, 2011). If deals were not made in the previous month the trend is not calculated.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

On May 12, in the KASE trading system specialized trades have been held on placement of mid-term treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEOKAM-60 release of the thirty-eighth (KZK2KY050385, MOM060_0038; 1,000 tenge, 12/05/1911, 12/05/1916, semi-annual coupon, 30/360) on which the Ministry of Finance planned to borrow 10.0 bln. Negotiable coupon rate. In the auction was attended by 19 primary dealers, which are members

of KASE category "K". Through these subjects, investors filed 66 applications, of which the expiration time applications were 65 active warrants. Total volume of active bids (demand volume) was 49,842.0 million tenge and exceeded the suggested volume of 5.0 times. Coupon in active bids ranged from 3.20% to 5.90% per annum, amounting in average terms, 4.2823% per annum. As a result of trade, the issuer granted the application for the purchase of 6,666,666 bonds worth 6,666,666,000.0 tenge (66.7% of planned volume offering) at 3.20% per annum.

Secondary market sector)

During the study period, the total volume of 25 deals concluded on KASE trade amounted to 8,769.7 million tenge (\$ 60.2 million). In the previous period (03 - 06 May 2011) the figure was 2,032.2 million tenge (\$ 13.9 million), with 6 transactions. The share of exchange turnover in the total volume of Kazakhstan GS secondary market for comparable sales and purchases in the analyzed period was 100.0% (previous period – 100.0%).

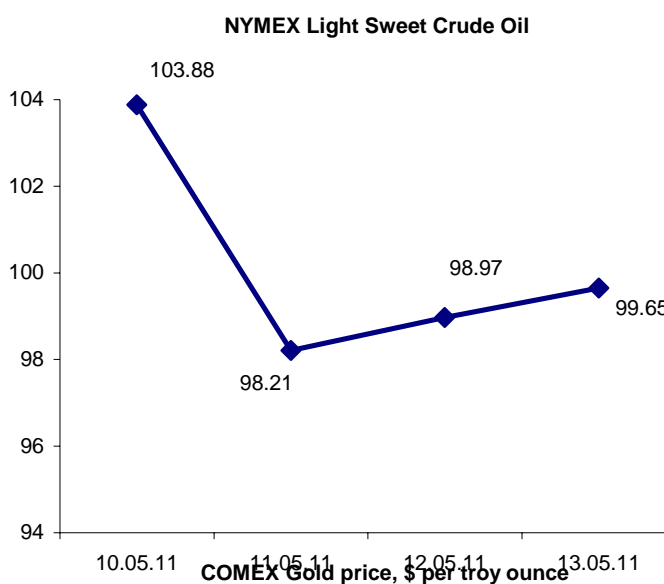
Parameters of Exchange's transactions in GS within May 10-13, 2011

Days till maturity	Yield to maturity for a buyer. % APR.				Volume.		last deal
	min	max	last deal	min	max		
Discount (KZT): Notes of NB							
15 - 28	0.40	0.80	0.40	0.67	449.81	2.00	5.1% (71.6%) of purchase and sale sector's turnover
Total					449.8 (1 455.0)	2 (4)	
Coupon (KZT): MEUKAM. MEUJKAM. MEOKAM							
Less than 730	1.85	1.85	1.85	1.85	352.60	2	94.9% (28.4%) of purchase and sale sector net turnover
1096 - 1460	2.94	2.94	2.94	2.94	984.80	3	
1826 - 2190	3.80	5.03	3.80	4.81	1,625.97	4	
More than 2191	5.03	5.55	5.07	5.16	5,356.54	14	
Total					8,319.9 (577.1)	23 (2)	
TOTAL					8,769.7 (2 032.2)	25 (6)	

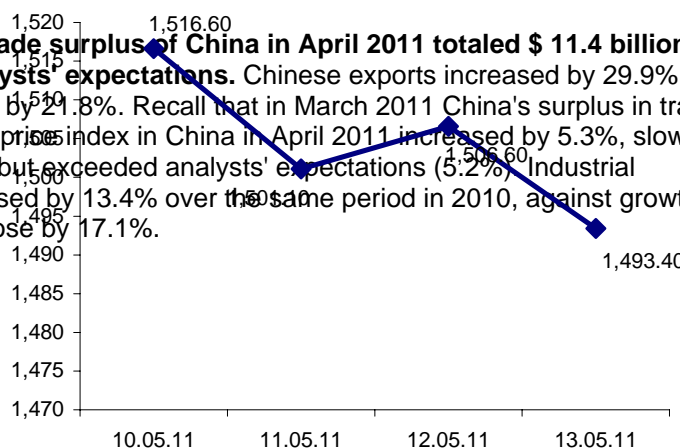
WORLD MARKETS

Main news of the world markets

On May 10, it became known that the international rating agency Standard & Poor's (S & P) has downgraded the long-term sovereign rating of Greece in two stages - from BB- to B. & P. Short-term indicators have also undergone negative changes and now are at a level "C" that is pre-default state. Last month, Greece has not kept consumer prices, and they began to grow. Perhaps the lenders will agree to restructure and extend the maturities of loans. Previously, Greece requested to reduce the interest rate on loans from the EU and IMF, to weaken the commitment to reduce government spending and a two-year period to push the program to reduce the budget deficit to 3% of GDP.



On May 11 it became known that a trade surplus of China in April 2011 totaled \$ 11.4 billion, which exceeded three times the analysts' expectations. Chinese exports increased by 29.9% over the same period last year, import - by 21.3%. Recall that in March 2011 China's surplus in trade balance was \$ 139 million in consumer price index in China in April 2011 increased by 5.3%, slowing down as compared with March (5.4%), but exceeded analysts' expectations (5.2%). Industrial production in the country in April increased by 13.4% over the same period in 2010, against growth by 14.8% in March 2011. Retail sales rose by 17.1%.



On May 12, it became known that the PBOC raises deposit reserve standard of commercial banks to 18 May 2011 by 50 basis points. This increase was the fifth since the beginning of the year. Thus, a new level of reserve requirement is set at a record level of 21%. These measures taken by the Chinese Central Bank to combat the excessive inflation in the country.

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