

WEEK OF STOCK MARKET OF KAZAKHSTAN

February 17 - 23

1 US dollar = **140.10** tenge at official rate for the end of the period
 1 US dollar = **140.09** tenge at weighted average rate of the Exchange for the end of the period

Yield of stock exchange financial instruments

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted (thanks to the market-makers) at KASE from February 17 through 23.

Investment attractiveness of stock exchange financial instruments from February 17 through 23, 2000

Financial instrument	Currency	Yield, % APR.
AVMEKAM	USD	12.91 (12.74)
KKGBb	USD	12.21 (13.00)
BTAS	USD	12.35 (12.38)
MEKKAM, notes	KZT	*14.28 (15.53)
MEKKAM, MGU	USD	*9.14 (14.48)
Euronotes-3	USD	10.38 (10.60)

Notes: Yield of OJSC "Bank TuranAlem" shares (BTAS) was calculated for 6 days by bid quotations; yield of KKGBb – average for bid quotations; MGU – bonds of Mangistau region.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits. Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

Trades in corporate securities

During observed period on trade floors of Kazakhstan stock exchange (KASE) a total turnover of private issue securities (PIS) sector amounted to **\$620.82 th.**, including \$155.99 th. from three deals made in regular trade mode (trades on secondary market) and \$464.83 th. from six deals of initial auction additional placement. Weekly volumes of the deals in PIS grew more than 12 times relative to that of previous period (\$49.15 th.).

The deals that were made in regular trade mode concerned common shares of **OJSC "Bank TuranAlem"** (Almaty, official list of securities, category "A", **BTAS**), common shares of **OJSC "Astana-finance"** (Astana, official list of securities, category "B", **ASFI**) and preferred shares of **OJSC "Mangistaumunaigas"** (Aktau, official list of securities, category "B", **MMGZp**).

Results of the trades in private issue securities from February 17 - 23

USD per share, unless otherwise specified

Issuer	Securities	Close	Volume	Offer	Bid
OJSC «Bank TuranAlem»	BTAS	74.22	2 000	75.90	73.84
OJSC «Halyk Bank of Kazakhstan»	HSBK	2.00	0	2.50	
OJSC «KAZKOMMERTSBANK»	KKGBb	98.20	0	101.31	99.30
OJSC «Komirbank»	KOMBb	10.11	46 000		
«KAZAKHTELECOM»	KZTK	28.38	0	24.00	
OJSC «SHNOS»	SYRG	1.05	0		1.00
OJSC «Astana-finance»	ASFI	7.15	1 000		
OJSC «Mangistaumunaigas»	MMGZp	2.00	200		
OJSC «GEOTEKS»	GEOT	0.13	0	*0.11	
JSC «Aktobemunaigas»	AMGZp	2.00	0	*4.00	
JSC «Kazakhstan Caspishelf»	KKSHp	22.73	0	*20.00	
JSC «ULBA»	ULBAp		0	*10.00	

Notes: bid and offer prices are given for the period, for KKGBb – for last date of the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode.

Compared to previous successful trades price of BTAS grew 0.8%, ASFI – did not change, MMGZp – fell 42.9%.

Data on the deals, demand and supply are given in the table.

On February 18, 2000 an auction for additional placement of coupon bonds of OJSC "Komirbank" (Ekibastuz, KZ2CCA EQCA00, KASE official list of securities, category "A", trade code KOMBb) was held in trade system of the Exchange, where the issuer was able to sell 46,000 bonds at 101.5% of face value (or \$10.105 per paper) including accumulated interest and 308 days till maturity (base – 30/360).

By the decision of the Board of KASE, dated February 21, and based on the decision of the Exchange council of KASE, dated February 11, coupon bonds of OJSC "Komirbank" (Ekibastuz, KZ2CCA EQCA00, KASE official list

of securities, category "A", trade code KOMBb) are allowed to the trades of the Exchange in "Listed corporate bonds" sector **from February 21 of this year.**

Bonds with one year circulation term are denominated in U.S. dollars, serviced in tenges at official rate, have \$10.00 face value and semiannual coupon of 12.0% APR. Maturity date – December 26, 2000.

KASE has established following **quotation regulations for KOMBb** in "Listed corporate bonds" sector:

- When bidding face value of the bonds being purchased or sold should be indicated as **the number** of securities. Face value should be indicated in the currency it was issued in – U.S. dollars. The trade system will make necessary calculations automatically and send the number of bonds to Central depository (CD)/
- Bond **prices** should be indicated in percents of face value with double digit accuracy, excluding accumulated interest.
- When making a report on the deals to CD accumulated interest will be added to net price of the deal and the price will be recalculated in Kazakhstani tenges automatically. Accumulated interest will be calculated with four digit accuracy in this case, by using 30/360 time basis, and the prices will be recalculated at official rate of tenge to U.S. dollar effective on transaction date.

Settlement of accounts will be made for KOMBb using T+0 schedule.

Capitalization of the stock market for PIS

For February 23, 2000 total capitalization of the stock market for PIS of Kazakhstan (A+B+N without SBS) equaled **\$2,221.6 mln** or KZT311.2 bln at tenge to dollar rate of the Exchange, effective on that date. Capitalization rose \$3.4 mln in seven days in terms of dollars caused by entering preferred shares of OJSC "Eurasian energy corporation" (see below) and by a slight growth in market value of OJSC "Bank TuranAlem" common shares (see above).

Trades in state securities

Significant increase in the activity of the traders was observed in **purchase and sale sector** for SS of KASE during the period being analyzed. Total volume of **116 deals** reached **KZT5,144.6 mln**. Comparable figure of last week – KZT2,608.0 mln for 81 deals. Growth in volumes was being observed practically in all sectors of PIS market (please, table below).

Parameters of stock exchange transactions in SS from February 17 - 23

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted SS: MEKKAM-3, 6, 12, notes of the National Bank						
41.3% (65.0%) of purchase and sale sector's turnover						
less than 8	8.86	10.42	10.42	9.59 (9.37)	192.2	4
8 – 14	9.12	12.42	12.17	10.64 (9.91)	236.6	9
15 – 28	10.49	35.11	12.19	11.81 (19.19)	584.1	31
29 – 36	12.90	13.11	12.90	13.06 (13.16)	104.6	3
43 – 56	12.54	15.90	14.12	12.70 (13.16)	116.1	4
92 – 181	14.99	16.55	14.99	16.08 (14.90)	95.1	2
182 – 364	17.34	17.50	17.34	17.39 (-)	797.4	3
Total					2,126.3 (1,696.0)	56 (46)
Discounted indexed SS: MEKAVM-6, 9, 12, MGU						
18.4% (1.5%) of purchase and sale sector's turnover						
92 – 181	8.03	14.11	8.03	8.08 (8.36)	50.4	3
182 – 364	9.02	9.90	9.26	9.19 (-)	894.2	7
Total					944.6 (39.1)	10 (2)
Indexed coupon SS: AVMEKAM						
15.5% (2.8%) of purchase and sale sector's turnover						
1,485 - 1,491	12.16	12.93	12.58	12.91 (12.74)	797.9	17
Total					797.9 (72.5)	17 (8)
Euronotes of Kazakhstan, USD						
24.8% (30.7%) of purchase and sale sector's turnover						
1,675 - 1,681	10.2193	10.7730	10.4654	10.38 (10.60)	1 275.8	33
Total					1,275.8 (800.4)	33 (25)
SUBTOTAL					5,144.6 (2,608.0)	116 (81)

Notes: for euronotes (deals were made in third issue only) and AVMEKAM yields are calculated at weighted average USD/KZT. Yields for indexed domestic SS are calculated considering official rate of USD/KZT. From February 14 the data on the deals made in all coupon SS that are traded at KASE are processed using 30/360 time basis. Previously, for AVMEKAM they were processed using actual time basis.

Activity of **the repo sector** participants grew also. During the period **18 deals** were registered at KASE for a total of **KZT598.3 mln**, of which 10 deals (KZT313.1 mln) were closing of repo and 8 deals – repo closing (KZT285.1 mln).

Parameters of repo opening deals in SS on KASE from February 17 - 23

(in parentheses – comparable figures for previous period)

Opening date	Term of repo, days	Currency	Amount raised, mln KZT	Weighted average yield, % APR	Number of deals
Feb.18,00	3	KZT	45.2	6.00	2
Feb.18,00	10	KZT	50.3	11.00	2
Feb.21,00	1	KZT	45.0	9.00	2
Feb.21,00	4	KZT	70.0	11.00	2
Feb.23,00	5	KZT	102.6	11.50	2
TOTAL			313.1		10 (-)

After closing of trades on February 23 total amount of repos opened on the trade floor reached **KZT283.6 mln**. Current repo rates for February 23 (% APR):

- 4 days (KZT70.0 mln) – **11.00%** APR;
- 5 days (KZT102.6 mln) – **11.50%** APR;
- 10 days (KZT50.3 mln) – **11.00%** APR;
- 27 days (KZT33.7 mln) – **12.88%** APR;
- 30 days (KZT27.0 mln) – **15.00%** APR.

Total of 134 deals amounting to **KZT5,742.8 mln** were made **on trade floors of KASE** during last period (purchase and sale and repo sector). Last week volume of 82 deals was KZT2,648.9 mln.

In this week **share of the stock market turnover** in total volume of deals on Kazakhstani secondary market for SS for comparable operations (including euronotes and repo operations) equaled **53.8%**, for last week it was 50.8%.

Changes in trade lists

From February 17, 2000 based on the application of the trade member of Kazakhstan stock exchange (KASE), preferred inscribed shares (KZ1P14341519) of **OJSC “Eurasian energy corporation”** (Aksu-2, Pavlodar region, trade code – **EAECp**) are entered into trades in “Non-listing securities” sector with the second admittance level.

Announced authorized capital of OJSC “Eurasian energy corporation” is KZT2,919,527,000.00, paid-up – KZT2,819,527,000.00. The first three issues of the company shares were cancelled. The fourth issue contains 2,819,527 shares, including: 2,627,575 common inscribed shares (KZ1P14341514) and 191,952 preferred inscribed shares (KZ1P14341519). Share face value is KZT1,000.00.

Primary activities of the company: generation of electricity and heat, coal mining.

News

By the decision of the Board of KASE, dated February 17 and 22, 2000, and based on the decision of the Exchange council of August 13, 1999, OJSC “Halyk Bank of Kazakhstan” and OJSC “Bank CenterCredit” were allowed to participate in the trades in PIS that are entered in official list of the Exchange (category “P”).

Prepared by the agency «IRBIS»