

WEEK OF STOCK MARKET OF KAZAKHSTAN

April 25 - May 1

Money market rates as of May 1 and weekly changes

Term	Currency	Rate	Trend
"Overnight" on autorepo at KASE(TONIA)			
1 day	KZT	4.54	-2.30
Repo opening at KASE (WA, % APR)			
1-2 days	KZT	4.53	-2.28
7 days	KZT	5.30	-0.88
14 days	KZT	6.13	-
28 days	KZT	6.00	-0.77
62 days	KZT	9.75	-
KIBOR (indicative, % APR)			
1 week	KZT	8.75	+1.00
2 weeks	KZT	9.31	+1.06
1 month	KZT	10.13	+1.21
2 months	KZT	11.00	+1.21
3 months	KZT	11.56	+0.98

Stock market indicators as of May 1 and their weekly change

Index	Value	Trend
Shares of "A" listing		
KASE_Shares	108.7477	-5.34%
Corporate bonds of "A" listing		
KASE_BP	123.18	+0.13%
KASE_BC	106.16	-0.01%
KASE_BY	9.24	+0.05%
Euronotes of Kazakhstan		
KASE_EP	139.53	-0.28%
KASE_EC	116.57	-0.48%
KASE_EY	4.75	+3.77%

US dollar = **152.80** tenge at official rate for the end of the period
 US dollar = **152.99** tenge at weighted average rate of the Exchange for the end of the period
 Weekly rate of tenge devaluation at the Exchange's rate – **negative 1.19% APR**

THE CORPORATE SECURITIES SECTOR (CS)

Results of the week

On primary market specialized trades on initial offering of sixth issue indexed inscribed preferred shares of Halyk Bank of Kazakhstan OJSC (Almaty; KZ1P33870612, official list of KASE securities under category "A", trade code HSBKp) was held in the Trade system of Kazakhstan Stock Exchange (KASE) on April 26, 2002. With total issue volume of 18m shares, the issuer offered 15m securities for floatation. During the trades five members of the Exchange submitted five bids to buy 12,350,000 shares for a total of KZT1,826,215,000.00. Minimum price of HSBKp equaled KZT100.10 in submitted bids, maximum – KZT150.00, weighted average – KZT147.87 per share. Within total demand, the pension assets management companies (PAMC) accounted for 89.1% (based on the number of shares) of submitted bids, clients of brokerage-dealing firms – 7.3%, brokers working as dealers – 2.4%, banks – 1.2%. After a cut-off procedure conducted at KZT150.00 per share, the issuer satisfied the demand for 11m shares amounting to KZT1,650,000,000.00 at KZT150.00 per share. All shares have been bought using the assets of accumulative pension funds.

In CS purchase-sale sector of KASE a total of 13 deals were concluded amounting to **\$7,871.8 th.** or KZT1,204.0m. Compared to previous week (7 deals, \$661.3 th., or KZT101.1m) the sector's volume

Investment attractiveness of stock exchange instruments from April 25 through May 1

Financial instrument	Currency of transaction	Yield, %	tr
Instruments denominated in national currency, tenge			
TXBNb1	KZT	15.00	
CS repo	KZT	*9.39	
MEOKAM, MEAKAM	KZT	9.08	+
MEKKAM, notes	KZT	*5.78	+
GS repo	KZT	*5.43	-
Instruments indexed to KZT/USD rate fluctuation			
SMGZb1	USD	13.00	
RGBRb2	USD	12.00	+
ALKSb2	USD	11.98	-
VTBNb1	USD	11.49	
KZASb1	USD	10.89	-
TEBNb2	USD	10.80	
BTASb1	USD	10.70	+
ASF1b1	USD	10.50	
BTASb2	USD	10.36	
TEBNb	USD	10.00	
CSBNb1	USD	9.95	
BRKZb1	USD	9.36	+
ATFBb2	USD	9.26	
KARMB1	USD	8.98	-
ALBNb1	USD	8.97	
CCBNb1	USD	8.72	-
TMJLb2	USD	8.70	
SYRGb1	USD	8.50	
HSBKb	USD	8.34	-
KZTKb1	USD	8.23	-
ASU036.003	USD	6.89	+
KZTOb	USD	6.88	+
ARU060.003	USD	6.74	-
VKU036.001	USD	6.47	+
ARU024.002	USD	4.49	-
KZOLb	USD	1.98	-
ASU012.002	USD	0.47	-
Instruments, denominated in foreign currency			
BTASe1	USD	10.49	+
KKGBe2	USD	9.20	
KZTOe1	USD	8.11	-
ENU07.05	USD	5.34	+
ENU04.10	USD	3.69	-
ENU02.10	USD	3.39	+
Supranational bonds	DEM	2.96	-
Supranational bonds	USD	2.25	-

The yields at which the deals have been made (volume of deals is not zero) are calculated as average of the deals, for other corporate bonds – as average of offer bids. The correspondent ratio of last week is given in the parentheses. Securities marked by an asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given).

increased 11.9 times. A total of 9 instruments were used to make the deals, including 4 bonds. Last week the brokers were interested in 7 securities, including – 4 bonds.

These data show that the market of corporate bonds is continuing to returning to its normal volumes. And if in previous week most of the transactions could not be regarded as market deals, then current deals seem to be quite market like deals. At that, not only the buyers of the bonds are going for a compromise, but also the sellers of the bonds. The yields of BTASe1 fell from 10.10% to 10.00% APR within a week, VTBNb1 – from 11.494% to 11.493% APR. At the same time the yields of RGBRb2 grew from 11.11% to 11.50% APR, BRKZb1 – from 9.27% to 9.36% APR. Bilateral changes in prices turned into the stabilization of KASE_BY index, which, as many other indices of the corporate bonds market, were quite in this week (table at the beginning of the review).

Capitalization of the stock exchange market of bonds grew by \$24.5m in a week and on May 1 it was estimated by the Exchange at **\$710.0m**. This change was mainly attributable to the admittance of second issue coupon bonds of Bank TuranAlem OJSC to the trade lists of KASE (see below).

On the market of shares positive changes were also taking place. First of all, the first deal should be mentioned, which was made in preferred shares of KAZKOMMERTSBANK OJSC (KKGBp). The value of this instrument was fixed at \$0.2901 per share. Most of the deals of this period were made using the main trade method of KASE. Direct deals were made only in shares traded on non-listed floor. Relative to the last day of the previous period the value of BTAS fell by 10.1%, CCBN – by 4.1%, and ZHEN grew by 15.3%. The first deal was made in SSGP at the Exchange at \$6.53 per share.

On May 1 the capitalization of the companies, whose shares are traded within official list of KASE, reached **\$1,422.4m** (KZT217.6bn) and grew by \$33.1m in seven days. Such a noticeable change took place mainly due to the admittance of preferred shares of Halyk Bank of Kazakhstan OJSC (see below) to the trade lists of KASE and fixing the market value of KKGBp (previously these securities were taken into account in capitalization calculations at face value).

Data on the deals, bid and offer information in purchase and sale sector of the securities, as well as description of trade codes are given in the tables.

Results of the trades in shares from April 25 through May 1

USD per share, unless otherwise specified

Issuer	Securities	Last price	Volume, #	Volume, USD th.	Best bid	Best offer
Almaty Kus OJSC	ALKS		0	0	0.1540	0.3080
Almaty Kus OJSC	ALKSp		0	0	0.0900	0.1700
Almaty Kus OJSC	ALKSp3		0	0	0.0680	0.0700
Astana-finance OJSC	ASFI	6.632	0	0	4.000	8.000
AMB OJSC	ATFBp	5.430	0	0	5.400	7.200
Bank TuranAlem OJSC	BTAS	82.89	17,940	1,487.0	82.89	82.89
Bank CenterCredit OJSC	CCBN	1.3170	350,000	461.3	1.3195	1.3170
Halyk Bank of Kazakhstan OJSC	HSBK	1.2200	0	0	1.0000	1.3400
Halyk Bank of Kazakhstan OJSC	HSBKp	150.0000	11,000,000	10,785.7	150.0000	
KAZKOMMERTSBANK OJSC	KKGB	0.4500	0	0	0.2500	0.5000
KAZKOMMERTSBANK OJSC	KKGBp	0.2901	25	0.01	0.2901	0.2901
Corporation Kazakhmys OJSC	KZMS	100.000	0	0	60.000	120.000
Kazakhtelecom	KZTK	17.400	0	0	13.000	25.000
Kazakhtelecom	KZTKp	*14.000	0	0	11.000	22.000
Mangistaumunaigas OJSC	MMGZp	4.5518	0	0		*10.0000
SSGPO JSC	SSGP	*6.53	110,500	721.6	*6.53	
Temirbank OJSC	TEBN	1.095	0	0	3.270	6.530
Temirbank OJSC	TEBNp		0	0	3.270	6.530
UKTMK OJSC	UTMK	39.000	0	0	30.000	56.000
UKTMK OJSC	UTMKp	42.0000	0	0	23.0000	46.0000
VALUT-TRANZIT BANK OJSC	VTBN	2.6617	0	0	1.4517	2.7714
VALUT-TRANZIT BANK OJSC	VTBNp	2.3033	0	0	1.7156	3.0683
Julyenergya OJSC	ZHEN	*0.948	800,000	758.4		*0.948
TOTAL	23		12,278,465	14,214.1		

Results of the trades in bonds from April 25 through May 1

(% APR, unless otherwise specified)

Issuer	Code	Last	Volume, th. USD	Best bid	Best offer
SB Alfa-Bank OJSC	ALBNb1		0	11.9808	8.9706
Almaty Kus OJSC	ALKSb2	12.0000	0	12.8094	11.9980

Issuer	Code	Last	Volume, th. USD	Best bid	Best offer
Astana-finance OJSC	ASFb1	10.5000	0	14.9996	10.5037
AMB OJSC	ATFBb2		0	9.9446	9.2620
Development Bank of Kazakhstan OJSC	BRKZb1	9.3574	971.3	9.3574	9.3574
Bank TuranAlem OJSC	BTASb1	10.8333	0	11.0031	10.7985
Bank TuranAlem OJSC	BTASb2		0	10.9036	10.3649
TuranAlem Finance B.V.	BTASe1	10.0022	1,529.5	10.0022	10.5036
Bank CenterCredit OJSC	CCBNb1	11.0190	0	12.3363	8.7271
Bank Caspian OJSC	CSBNb1	*9.8960	0	11.0994	9.9506
Halyk Bank of Kazakhstan OJSC	HSBKb	11.0249	0	13.4971	8.3401
Karazhanbasmunai OJSC	KARMb1	12.5930	0	13.0645	8.9892
KAZKOMMERTSBANK OJSC	KKGBe2		0	11.2038	9.2036
DAGOK Kustanaiasbest OJSC	KZASb1	*12.1994	0	11.9989	11.0047
NOC Kazakhoil CJSC	KZOLb	7.9612	0	7.9142	2.8957
Kazakhtelecom	KZTKb1	9.0000	0	9.6876	8.2373
NOTC KazTransOil CJSC	KZTOb	4.4704	0	8.9973	6.9936
NOTC KazTransOil CJSC	KZTOe1	8.6913	0	8.8567	8.2242
RG Brands OJSC	RGBRb2	11.5000	1,882.0	11.5000	12.5000
SHAHARMUNAIGAS OJSC	SMGZb1	14.0232	0	19.0047	12.9983
SHNOS OJSC	SYRGb1	10.8001	0	11.9987	8.5021
Temirbank OJSC	TEBNb	10.4300	0	11.0032	10.0006
Temirbank OJSC	TEBNb2	10.9815	0	11.1950	10.8001
Kazakhstan Temir Joly NSE	TMJLb2	10.2000	0	11.9955	8.6999
TexaKaBank OJSC	TXBNb1		0	17.0000	15.0000
VALUT-TRANZIT BANK OJSC	VTBNb1	11.4929	60.6	11.4929	11.4929
TOTAL	26		4,443.4		

Notes: bid and offer prices are given for 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, or the price of direct deals.

In the repo sector of CS 7 deals were made amounting **\$2,548.7 th.** (KZT389.9m). Of this number 4 deals (\$1,151.2 th.) were repo opening deals, and 3 (\$1,397.5 th.) – repo closing deals. Last week no deals were made in this sector.

In all CS trade floors of KASE (purchase-sale and repo sectors) a total of 21 deals were concluded amounting to **\$21,206.2 th.** (KZT3,243.9m). Last week volume of 7 deals did not exceed \$661.3 th. (KZT101.1m).

Changes in KASE trade lists

From April 26, 2002 the decision of the Exchange council of KASE about inclusion from the mentioned date into official list of securities under category “A” sixth issue **preferred inscribed shares Halyk Bank of Kazakhstan OJSC** (Almaty, KZ1P33870612) enters into force. The shares were granted the trade code HSBKp. According to submitted application, status of market-maker of HSBKp at the exchange was given to Fondovyi service CJSC (Almaty). Volume of mandatory quotation for a market-maker accounts for 4,000 shares. Market-maker will start its work from the date of trades opening at secondary market which will be announced later. Privileged shares of Halyk Bank of Kazakhstan OJSC of sixth issue have par value at KZT100, were issued in non-documentary form, don't give to the holder the right to vote and guarantee to him receiving once per year of indexed at tenge devaluation rate to dollar dividends. Dividend was specified in the amount of KZT15.75 per one share as of the date of state registration and is indexed for the moment of actual repayment according to formula $D = 15.75 \times Kd$, where: D – amount of dividend on the date of actual repayment calculated with precision up to second decimal figures; Kd – tenge devaluation rate, calculated with precision up to fourth decimal figures based on formula $Kd = Xt / Xo$, where: Xt – weighted average exchange rate of USD to tenge, stated at morning (main) session of Kazakhstan stock exchange (KASE) CJSC on the day of actual repayment of dividends; Xo – weighted average exchange rate of USD to tenge, stated at morning (main) session of KASE on the date of state registration of privileged shares issue in authorized body. $Xo = 153.03$ – weighted average USD/KZT rate of the Exchange that settles at morning (main) session of KASE on the state registration date of the preferred shares at authorized body. The register of shareholders of Halyk Bank of Kazakhstan OJSC is maintained by independent registrar – Fondovyi tsentr CJSC (Almaty). More detailed information on the issuer and its securities is given [in special bulletin](#) of the agency IRBIS.

From April 29, 2002 the decision of the Exchange council of KASE about inclusion from the mentioned date into official list of securities under category “A” **second issue inscribed coupon indexed insubordinate**

bonds of Bank TuranAlem OJSC (Almaty, KZ2CKY08A535; KZT3,750.0m; KZT15,000; Apr 29,02 – Apr 29,10; semiannual coupon at 9.0% APR) enters into force. The bonds were granted trade code BTASb2. Quotation accuracy in trade system of the exchange was stated up to four decimal figures of clean price of bonds expressed in percents from indexed par value. According to submitted application, status of market-maker of BTASb2 at the exchange was given to TuranAlem Securities LLP (Almaty). Minimal volume of mandatory quotation for a market-maker accounts for 500 bonds. Date of the trades opening with bonds at KASE and also inclusion of bonds into representative list for settling indices KASE_BP, KASE_CP and KASE_BY will be announced additionally.

April results

As the next month ended the agency IRBIS has analyzed the results of April in all sectors of the CS trades at the Exchange. Total volume of 53 deals reached **\$40,341.2 th.** (KZT6,164.3m at current rate of the Exchange effective on the day the deals were made on). In comparison with previous month sector's turnover increased by \$10,024.2 th. (KZT1,549.7m) or 33.1% (33.6% in tenge). Relative to April 2001 volume of transactions rose by \$20,266.3 th (KZT3,242.5m) or 2.0 times (2.1 times in tenge).

Following are the tables showing the stock exchange corporate securities market in previous month and from the beginning of the year.

Most tradable securities at the KASE in April 2002 (all sectors of the market)

Code	Brief title of the issuer	Volume of deals, th. USD	Volume of deals, m, KZT	Volume of deals in securities	Number of deals
HSBKp	Halyk Bank of Kazakhstan OJSC	10,785.7	1,650.0	11,000,000	1
KZOLb	NOC KazakhOil CJSC	7,372.2	1,125.1	71,540	3
KZASb1	DAGOK Kustanaiasbest JSC	5,422.3	827.5	53,400	2
BTASe1	TuranAlem Finance B.V.	4,669.0	713.2	4,481,000	5
CCBN	Bank CenterCredit OJSC	3,454.1	528.1	2,600,000	7
RGBRb2	RG BRANDS OJSC	1,882.0	287.5	18,000	2
BTAS	Bank TuranAlem OJSC	1,487.0	227.5	17,940	1
KZTOb	KazTransOil CJSC	1,068.3	163.0	10,380	3
BRKZb1	Development Bank of Kazakhstan OJSC	971.3	148.6	150,000	1
ZHEN	Zhyluenergiya OJSC	758.4	116.1	800,000	1
SSGP	SSGPO JSC	721.6	110.4	110,500	1
VTBNb1	VALUT-TRANZIT BANK OJSC	599.3	91.6	5,940	9
AMGZp	CNPC-Aktobemunaigas OJSC	439.0	67.1	28,149	2
KZTKb1	Kazakhtelecom	204.2	31.1	2,000	2
RAHT	Rakhat JSC	152.2	23.3	92,785	1
KTTH	Kazorgtehnika OJSC	130.7	20.0	2,000	1
UTMKp	UKTMK OJSC	102.8	15.7	2,448	1
KZTKp	Kazakhtelecom	71.4	10.9	4,240	3
ALKSb2	Almaty Kus OJSC	47.8	7.3	500	1
KZCRp	TNC Kazchrome OJSC	1.4	0.2	607	2
ALKZp	Aliuminii Kazakhstana OJSC	0.5	0.1	1,159	2
DNFBp	Donskaya neftebaza OJSC	0.1	0.0	1,545	1
KKGBp	KAZKOMMERTSBANK OJSC	0.0	0.0	25	1

Table of major indicators of stock exchange corporate securities market indicators in April 2002

Date	Capitalization of the share market, m, USD	Share index	Capitalization of the bonds market, m, USD	Bonds yield index	Bond value index, including accum interest	Volume of deals, th. USD
Mar 29.02	1,390.6	111.8017	631.498	10.0281	122.3636	2,408.4
Apr 01.02	1,390.6	111.2335	685.957	10.1858	121.9937	0.0
Apr 02.02	1,389.0	111.2307	685.811	10.2813	121.7523	1.8
Apr 03.02	1,388.6	111.2266	685.881	10.1200	122.2446	336.5
Apr 04.02	1,388.5	111.3615	685.838	10.1264	122.2586	0.0
Apr 05.02	1,388.6	111.2279	685.895	10.1209	122.3063	137.0
Apr 08.02	1,388.6	111.2282	685.920	10.1232	122.3929	0.0
Apr 09.02	1,388.7	111.2305	685.925	10.0776	122.5506	33.1

Date	Capitalization of the share market, USD		Capitalization of the bonds market, USD		Bonds yield index	Bond value index, including accum interest	Volume of deals, th. USD
	m, USD	Share index	m, USD				
Apr 10.02	1,388.7	111.2314	685.973	10.0256	122.7124	0.0	
Apr 11.02	1,388.7	111.2317	685.986	10.0335	122.7389	0.0	
Apr 12.02	1,388.7	111.2317	685.980	10.0292	122.7759	0.0	
Apr 15.02	1,388.7	112.8928	685.964	9.2311	122.7466	0.0	
Apr 16.02	1,393.0	111.5024	683.274	9.2443	122.7161	9,281.2	
Apr 17.02	1,392.9	111.6372	683.225	9.2356	122.7885	0.0	
Apr 18.02	1,389.3	111.6330	683.098	9.2362	122.8168	295.8	
Apr 19.02	1,389.2	111.3599	683.019	9.2363	122.8468	152.2	
Apr 22.02	1,389.3	111.2266	683.131	9.2321	122.9562	55.4	
Apr 23.02	1,389.4	117.3314	685.534	9.2271	123.0119	137.2	
Apr 24.02	1,389.3	114.8864	685.530	9.2331	123.0185	20.7	
Apr 25.02	1,405.4	108.8712	684.656	9.2321	123.0528	2,973.9	
Apr 26.02	1,423.0	108.8704	684.553	9.4195	122.2241	1,908.9	
Apr 29.02	1,423.1	108.6149	709.999	9.2311	123.1823	1,745.5	
Apr 30.02	1,422.4	108.7477	710.038	9.2376	123.1838	1,243.5	
Trend	+31.8	-3.0540	+78.540	-0.7905	+0.8202	,	
	+2.29%	-2.73%	+12.44%	-7.88%	+0.67%	,	

Table of volumes of CS deals made at KASE in first four months of 2002 grouped by months as well as the structure of the turnover and comparable data for year 2001 (in th. USD).

Month	CS market exchange sector				Total
	Primary		Secondary market		
	Floatation SBS		Purchase-sale	Repo	
January	0	0	28,513.8	14,025.5	42,539.3
February	0	0	26,715.9	8,952.6	35,668.5
March	9,853.9	0	16,727.4	3,735.7	30,317.0
April	10,785.7	0	18,322.8	11,232.6	40,341.2
Total	20,639.7	0	90,280.0	37,946.4	148,866.0
Jan-Apr 2001	0	0	42,727.2	19,771.2	62,498.3
Trend, times			+2.11	+1.92	+2.38

SECTOR OF GOVERNMENT SECURITIES (GS)

Results of the week

In GS purchase and sale sector of KASE (including euronotes of Kazakhstan) a total volume of 89 deals reached **KZT5,583.5m** (\$36,494.2 th.). Corresponding figure of last week did not exceed KZT3,713.0m (\$24,285.2 th.). The table shows that the expansion of the market took place mostly to a sharp increase in the volumes of deals made in fourth issue euronotes of sovereign debt of Kazakhstan. In turn, it is the effect of the actions of one of the entities of the pension market at KASE, which sold these euronotes for more than KZT1.5bn in this week. The sales were held at a quite high prices, which aroused the buyers' interests and led to a noticeable (+3.77%) growth of KASE_EY index to 4.75% APR. Otherwise, no new developments take place on the floor. It should be mentioned only that as in the case with corporate bonds, the movements of both the buyers and sellers towards a price compromise was clear. The yields to maturity of government securities that are resold stopped falling and even grew considerably for some of them.

Parameters of Exchange's transactions in GS from April 25 through May 1

(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 GS (KZT): notes						
less than 8	4.61	4.61	4.61	4.61 (5.05)	4.0	2.00
8 - 14	5.06	5.06	5.06	5.06 (5.13)	21.1	3.00
15 - 28	5.22	5.66	5.22	5.37 (-)	60.4	3.00

8.7% (10.4%) of purchase and sale sector's turnover

Days till maturity	Yield to maturity for a buyer, % APR.				Volume,	
	min	max	last deal	weighted average	mln tenge discounted	Number of deals
37 - 42	5.36	5.36	5.36	5.36 (-)	99.4	3.00
43 - 56	5.54	5.86	5.86	5.82 (5.75)	213.3	3.00
64 - 91	5.72	6.01	5.72	5.89 (5.92)	85.0	2.00
Total					483.1 (386.4)	16 (9)
Coupon GS (KZT): MEOKAM-36, 48, MEAKAM			20.7% (49.2%) of purchase and sale sector's turnover			
less than 730	7.34	15.81	8.03	8.02 (8.01)	580.7	16
731 - 1,095	8.99	11.98	8.99	10.43 (-)	357.4	4
1,826 - 2,190	9.63	9.67	9.63	9.65 (9.66)	218.9	6
Total					1,157.0 (1 825.4)	26 (30)
Euronotes of Kazakhstan (USD)			70.6% (40.4%) of purchase and sale sector's turnover			
*153 - 157	3.10	3.90	3.49	3.39 (3.04)	435.2	13
**888 - 893	3.58	3.88	3.73	3.69 (3.79)	260.6	9
***1,811 - 1,816	5.05	5.70	5.29	5.34 (5.10)	3,247.6	25
Total					3,943.4 (1,501.1)	47 (32)
GRANDTOTAL					5,583.5 (3,713.0)	89 (71)

Notes: for euronotes (* – second issue, ** – third issue, *** – fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange, over domestic devaluation indexed bonds - official KZT/USD exchange rate.

In GS repo sector 247 deals were made for a total of KZT36,336.8m (including automatic repo sector) during the period. Of this number 127 deals (for KZT19,006.5m) were repo opening deals and 120 (KZT17,330.3m) were repo closing deals. Last period the turnover of this market sector equaled KZT32,521.0m. After closing of the trades on April 30 total amount of opened repo reached KZT16,349.6m. Parameters of automatic repo market are given in the table.

Major parameters of automatic repo market from April 25 through May 1

(in parentheses – comparable figures of previous period)

Instrument (currency, term or repo)	Yield, % APR				Volume, m KZT	Number of deals	Portion, %
	at first deal	MIN	MAX	at last deal			
KZT_001	7.50	4.00	7.50	4.20	11,565.0	63	64.1 (47.5)
KZT_003	6.00	6.00	6.00	6.00	90.0	1	0.5 (9.0)
KZT_007	6.25	5.00	6.50	5.00	2,705.0	27	15.0 (17.9)
KZT_014	7.00	5.50	7.00	6.10	1,040.0	11	5.8 (2.7)
KZT_028	6.50	6.00	6.50	6.00	2,645.0	15	14.6 (13.4)
TOTAL					18,045.0 (16,820.0)	117	100.0

Total of 336 deals were made amounting to KZT41,920.3m in GS on trade floors of KASE during the week (purchase-sale and repo sector). A week ago volume of 366 deals equaled KZT36,234.0m. This week the proportion of the Exchange's turnover in total volume of deals on Kazakhstani secondary market for GS for comparable operations equaled 79.8%, for last week it was 99.2%.

April results

In April of year 2002, volume of 1,638 deals amounted to KZT175,114.8m (\$1,146.1m). In last month volume of 1,585 deals reached KZT239,970.5m (\$1,576.4). In a month stock exchange turnover of GS decreased by 27.03%. Relative to April 2001 the exchange turnover rose 2.5 times (by KZT105,226.8bn).

Table of volumes of GS deals made at KASE in first four months of 2002 grouped by months (m KZT) as well as the structure of the turnover.

Month	GS market exchange sector			Total
	Primary	Secondary market		
	Floatation	Purchase-Sale	Repo	
January	0	23,860.9	180,780.0	204,641.0
February	0	13,544.8	190,359.0	203,903.9
March	0	26,811.6	213,159.0	239,970.5
April	0	17,047.7	158,067.1	175,114.8
Total	0	81,265.0	742,365.2	823,630.2
Jan-Apr of 2001	0	80,018.8	186,778.9	266,797.7
Trend, %	-	+1.6	+297.5	+208.7

INFORMATION ON ISSUERS

Bank CenterCredit OJSC (Almaty) distributed a press-release where it says that it plans to attract second syndicated loan for USD40m and start program of the issue of euro commercial securities for 100m euro this year. The program of euro commercial securities issue will allow the bank to operatively manage its liquidity. According to this program, the bank having entered it once may during the year attract funds within the specified range placing its own securities among pension and mutual funds and also investment banks. Realization of this project will allow Bank CenterCredit OJSC in opinion of its management to achieve an attraction of cheap resources in huge volumes at international capital markets.

Besides, the Bank informed that at next meeting that will take place on April 26 the shareholders would be offered to approve fourth issue of common inscribed shares for the amount of 2 billion tenge. Therefore, by the end of current year shareholders' equity of Bank CenterCredit OJSC may increase up to KZT6.3bn. In the year 2001 the bank's capital grew from almost 2.6bn tenge up to 3.66bn tenge. According to Bank CenterCredit OJSC data, in 2001 loan portfolio of the bank grew by 75% up to KZT21.8bn. Current year according to forecasts volume of granted credits will increase by more than 14bn tenge, paid authorized capital – up to 3.5bn tenge. The bank's assets should grow from 32.6bn tenge up to 52bn tenge.

KazTransOil CJSC (Astana) distributed a message where it gave some results of its activities in first quarter of 2002. Based on presented data, total volume of oil transportation through long-distance pipelines of KazTransOil CJSC in January-March 2002 equaled 7,089 th. tons. Compared to similar period of last year (7,726 th. tons) volume of transportation fell by 9%. Decline in transportation volume is explained by KazTransOil CJSC with the transportation of part of the oil from Tengiz field through CPC system. Turnover of oil during the reporting period equaled 5,845m ton-km. Total volume of water supply through waterways reached 3,782 th. cubic meters in this period. Decrease in water supplies is due to the transfer of assets of Atyrau administration of water preparation and water supply (AAWPS), which was previously a structural subdivision of the western branch of KazTransOil CJSC, to Atyrau region. The transfer of assets took place in December 2001. By preliminary data, during the first quarter of 2002 KazTransOil CJSC paid KZT1,629m to the budget, including: corporate income tax – KZT291m; individual income tax – KZT244m; social tax – KZT399m; property tax – KZT240m and others.

KAZKOMMERTSBANK OJSC (Almaty) provided the KASE with its financial statements for 2001 (audited based on Kazakhstan accounting and audit standards): balance sheet and income and cash flow statement.

Comparable figures of financial-economic activities of KAZKOMMERTSBANK OJSC in 2000 and 2001

Ratio	(th. KZT unless otherwise specified)		
	As of Jan 1 '01	As of Jan 1 '02	Change, %
Authorized capital (issued)	2,942,200	4,192,201	+42.5
Authorized capital (paid)	2,942,200	3,498,102	+18.9
Shareholders' equity	14,579,105	21,328,413	+46.3
Total assets	109,959,876	191,479,721	+74.1
Liquid assets	36,599,241	41,039,951	+12.1
Loans granted	63,555,799	136,165,355	+114.2
Liabilities	95,380,771	170,151,308	+78.4
Loans and deposits (including bonds)	86,591,115	164,178,123	+89.6
Total income	15,862,760	24,821,311	+56.5
General expenses	12,955,795	21,030,181	+62.3
Net income	2,906,965	3,791,130	+30.4
Calculated based on the issuer's data:			
Return on equity (ROE), %	19.94	17.78	-10.9
Return on assets (ROA), %	2.64	1.98	-25.1
Book value of 1 share, KZT	51.08	60.97	+19.4
Earning per common share (EPS), KZT	10.18	12.89	+26.5
Price to earnings ratio (P/E)	–	5.07	–

Compared to the year 2000 **growth** took place in: **shareholders' equity** of the bank – by KZT6.7bn as a result of increase of authorized capital (issue of privileged shares of 8th issue) – by KZT555.9m, additional paid capital – KZT2.6bn, final amount of undistributed income by KZT3.6bn at decrease of accumulations in the funds and reserves – by KZT15.6m; **assets** – by KZT81.5bn (growth of loan portfolio equaled KZT72.6bn, correspondent accounts – by KZT6.0bn, securities portfolio decrease – by KZT3.8bn, other assets increase – by KZT6.7bn; **liabilities** – by KZT74.8bn that was conditioned by the growth deposits by KZT65.3bn, attracted credits - by KZT11.1bn at decline of other liabilities – by KZT1.6bn; **total income** – by KZT9.0bn that was conditioned to the growth of income from loan transactions – by KZT6.8bn, re-evaluation

income – by KZT1.7bn, commission income – by KZT620.4m at a decline of other income by KZT119.5m; **expenses** – by KZT8.1bn from which: deposits payments – KZT2.9bn, assignments for reserves (provisions) – KZT3.5bn, personnel and office expenses – KZT695.5m and other expenses – KZT1.0bn. **Net income** of KAZKOMMERTSBANK OJSC received in 2001 equaled KZT3.8bn, or KZT884.2m more than in 2000.

Dynamics of some parameters of KAZKOMMERTSBANK OJSC for year 2001 on a quarterly, non-accumulating sum basis

Ratio	(m KZT)							
	I-2001	II-2001	Change, %	III-2001	Change, %	IV-2001	Change, %	
Change in deposits	6,368.1	31,457.2	+394.0	6,698.4	-78.7	20,744.2	+209.7	
Total income	4,829.2	5,355.5	+10.9	6,461.8	+20.7	8,174.9	+26.5	
Net income	1,111.5	1,283.3	+15.5	436.2	-66.0	960.1	+120.1	

Also, KAZKOMMERTSBANK OJSC provided the KASE with auditing report of Deloitte & Touche (Almaty, Kazakhstan) made on consolidated financial statements of the banks for 2001, which have been prepared by International Accounting Standards.

Comparable figures of financial-economic activities of KAZKOMMERTSBANK OJSC in 2000 and 2001, audited by Deloitte & Touche

Ratio	(th. KZT unless otherwise specified)	
	2000	2001
Authorized capital (paid)	2,931,906	3,497,691
Weighted average issued shares	284,677,841	287,982,090
Shareholders' equity	17,352,087	24,423,028
Total assets	124,015,677	194,343,507
Total liquid assets	47,072,224	42,636,459
Offered amounts and loans to clients (net)	67,080,203	137,661,500
Offered amounts and loans to banks (net)	15,711,530	17,569,835
Liabilities to banks	23,362,974	42,900,272
Liabilities to clients	54,138,572	108,975,301
Operating income	9,128,335	12,033,420
General expenses	5,276,482	5,940,102
Net income	4,024,190	5,288,901
Calculated by audited financial statements		
Return on equity (ROE), %	23.19	21.66
Return on assets (ROA), %	3.24	2.72
Earnings per share (EPS), KZT*	14.14	18.37
Book value of a share, KZT*	60.95	84.81

* – calculated on weighted average number of shares.

Audit was conducted by Deloitte & Touche based on International Auditing Standards. Financial statements of the bank have been corrected properly to make them in compliance with International Auditing Standards. Consolidated financial statements of the bank includes financial statements of following subsidiaries, where the bank has 100% stake: Kazkommerts Securities OJSC (Almaty, Kazakhstan), Kazkommertspolis OJSC (Almaty, Kazakhstan), as well as the one registered in the Chamber of commerce of Rotterdam – Kazkommerts Capital – 2 B.V., Kazkommerts International B.V. and Kazkommerts Finance – 2 B.V. Due to the absence of any economic activities the liquidation of a subsidiary Edinaya raschetnaya sistema CJSC (Almaty, Kazakhstan) started. The following are associated companies, where the investments are considered at the proportion of the stake in the capital: ABN AMRO Bank Kazakhstan CJSC (stake – 29.0%), PAMC ABN AMRO Asset Management CJSC (48.9%), Accumulative Pension Fund UlarUmit CJSC (25.0%).

In the opinion of the auditor, consolidated financial statements give true reflection consolidated financial conditions of KAZKOMMERTSBANK OJSC and its subsidiaries as of December 31, 2001 and 2000, results of their activities and cash flows for each year that ended on those dates based on International Accounting Standards.

Also, KAZKOMMERTSBANK OJSC informed about the issue of five-year eurobonds that issued by a subsidiary firm Kazkommerts International B. V. (Netherlands) under full guarantee of the bank in compliance with the legislation of England. Lead-managers of the issue are ABN AMRO and JP Morgan, co-lead-managers are CommerzBank A.G., RZB (Raiffeisenlandesbank) and Uni-Credit (Suisse) Bank SA. Eurobonds were granted ratings "Ba2" from Moody's, "B+" from S&P, "BB-" from Fitch. Floatation took place at the end of weekly road show through cities of Europe and the USA (Frankfurt, Munich, Vienna, Milan, London, New-York). The issue amount is USD150 million. Date of maturity – May 08,2007. Coupon rate – 10.125% APR. Yield at primary floatation accounted for 10.275% APR (+590 basis points relative US

Treasury Bills), price – 99.043% of par value of a debt. Bonds passed through listing procedure at the stock exchange of Luxemburg. As the first Deputy chairman of the Board of the bank Nina Zhushupova said, bonds have been already floated among about 50 institutional investors, about one third of securities – in the USA, two thirds – in Europe.

Halyk Bank of Kazakhstan OJSC (Almaty) provided the KASE with its financial statements for 2001 (balance sheet and income statement).

Comparable figures of financial-economic activities of Halyk Bank of Kazakhstan OJSC in Q1 of 2000 and 2001

(th. KZT unless otherwise specified)

Ratio	As of Apr 1 '01	As of Apr 1 '02	Change, %
Authorized capital (paid)	5,422,600	5,422,600	0
Shareholders' equity	7,881,896	8,605,430	+9.2
Book value of assets	99,319,324	130,107,045	+31.0
Liquid assets	34,482,550	37,156,997	+7.8
Credits granted (net)	51,818,268	79,028,674	+52.5
Loans and deposits (including bonds)	87,158,343	114,423,142	+31.3
Liabilities, total	91,437,428	121,501,615	+32.9
Total income	87,158,343	114,423,142	+31.3
General expenses	51,818,268	79,028,674	+52.5
Net income of a period	43,002	551,782	+1,183.2
Book value of a share, KZT	145.35	158.70	+9.2

Compared to the year 2000 **growth** took place in: **shareholders' equity** – by KZT723.5m as a result of an increase in final amount of net income (of previous years and reporting period) by KZT615.6m and accumulations in funds and reserves by KZT107.9m; **assets** – by KZT30.8bn, including: net volume of loan portfolio – by KZT27.2bn, correspondent accounts – KZT7.1bn, cash currency – by KZT3.6bn, other assets – by KZT976.7m with a decrease in securities in the bank's portfolio by KZT8.1bn; **liabilities** – by KZT30.1bn, including: deposits – by KZT20.3bn, credits attracted – by KZT6.5bn and other liabilities – by KZT3.2bn (including "repo" deals, bonds floated and others); **income** – by KZT1.2bn due to an increase in lending income – by KZT1.3bn with a decrease in other income by KZT92.3bn; **expenses** – by KZT731.0m due to an increase in allocations to reserves (provisions) – by KZT391.6m and other expenses by KZT339.4m. **Net income** of Halyk Bank of Kazakhstan OJSC in I quarter of 2002 equaled KZT551.8m, or KZT508.8m or almost 13 times more than in similar period of last year.

Also, Halyk Bank of Kazakhstan OJSC presented to KASE a copy of a protocol of annual general meeting of shareholders that was held on March 27, 2002. In compliance with adopted day agenda of the meeting shares holders of Halyk bank of Kazakhstan approved annual financial reporting for the year 2001, conclusion of audit company Deloitte & Touche by annual financial reporting of the bank and conclusion of Revision commission. Also shareholders made following decisions:

- Not to pay dividends on common stocks of the bank by results of activity for the year 2001; net income of 2001 in the amount of KZT233,654 th. leave undistributed;
- Before appointed time stop authorities of members of functioning composition of Revision commission and elect a new Revision commission consisting of three people: Zhakezhanov M. Y. (Chairman), Daniyalova L. N. , Botanbekova K. A. (members).
- Approve Regulations "On an order of repurchase by Halyk bank of Kazakhstan of issued shares and a method of determination of repurchased shares value".
- Approve count commission with term of power for one year comprising: Mursalimov D.K. (Chairman), Denisova N.D., Zhanzakova A.E., Mukhamedkhan Z.Z., Akhmesh Z.N., Tungatarova G.S. (members);
- Before appointed time stop authorities of functioning composition of the Board of Directors of Halyk Bank of Kazakhstan OJSC and elect a new Board of Directors comprising eight people: Abuov M.G., Amanbaev M.N., Arstanbekova K.V., Karibzhanov A.T., Matakov N.B., Moldakhmetov N.S., Saidenov A.G., Satylganov K.A.

Besides, the first Deputy Chairman of the Board of Halyk Bank of Kazakhstan Svyatov S. A. informed that the Board and the Board of Directors of the bank have decided to repay to shareholders – natural persons material help in the amount of KZT10 per one share taking into account tax at repayment source. The right for material support belongs to shareholders – natural persons registered in the shareholders register as of March 06, 2002. The date of material help payment has been defined as April 11, 2002.

TuranAlem Securities – financial consultant and market-maker of **DAGOK Kustanaiasbest OJSC** (Jetykara, Kostanai region) bonds at KASE, which are traded within official list of the Exchange under category “A”, informed the KASE about the change of the owner of 95.35% shares of DAGOK Kustanaiasbest OJSC. Shareholders of DAGOK Kustanaiasbest OJSC – POLE Co LLP (Almaty, Kazakhstan, 3,510,400 common inscribed shares or 76.31% of paid authorized capital) and ALHO HOLDINGS LIMITED (Tel-Aviv, Israel, 877,600 common inscribed shares or 19.08% of paid authorized capital), have sold their stakes to the company, which is part of Aton investment group (Moscow, Russia). As TuranAlem Securities LLP informs, Atom investment group is the owner of cement company Oskoltsement and has over 55% stake in Orenburgasbest OJSC. Thus, after this deal, Aton investment group will own two asbestos mining enterprises, which produce about 500 th. tons of commercial asbestos in total (about 30% of world consumption of this material).

Bank TuranAlem OJSC (Almaty) informed the KASE about signing an agreement on maintaining the register of the bank’s securities (shares and bonds) with a new independent registrar – Registr-Tsentr LLP (Almaty, Kazakhstan, State license #0406200212 of the National Bank of Kazakhstan to maintain the register of securities holders, dated April 29, 2001). Previously, the register of Bank TuranAlem OJSC securities was maintained by KAZREGISTR LLP (Almaty).

VALUT-TRANZIT BANK OJSC (Karagandy) provided the KASE with auditing report of Deloitte & Touche (Almaty, Kazakhstan) made on consolidated financial statements of the banks for 2001, which have been prepared by International Accounting Standards.

Comparable figures of financial-economic activities of VALUT-TRANZIT BANK OJSC in 2000 and 2001, audited by Deloitte & Touche

(th. KZT unless otherwise specified)

Ratio	2000	2001
Authorized capital (paid)	1,300,000	1,299,560
Shareholders' equity	1,877,327	2,413,039
Total assets	6,057,302	9,975,195
Total liquid assets	777,223	1,531,128
Loan portfolio (including lease), net	4,645,887	7,516,688
Liabilities to banks	699,350	1,035,410
Liabilities to clients	3,412,601	5,103,296
Issued debt securities	–	827,795
Operating income	953,203	1,912,221
General expenses	912,073	1,701,925
Net income	41,130	210,296
Calculated by auditor's data		
Return on equity (ROE), %	2.19	8.71
Return on assets (ROA), %	0.68	2.11
Earnings per share (EPS), KZT	3.53	42.71
Book value of a share, KZT	288.82	371.36

Audit was conducted by Deloitte & Touche based on International Auditing Standards. In previous financial statements classification of a number of amounts has been changed to make them in compliance with the classification adopted in statements of 2001. In the opinion of the auditor, financial statements give true reflection financial condition of VALUT-TRANZIT BANK OJSC as of December 31, 2001, results of its activities and cash flows for the year that ended on this date based on International Accounting Standards. Auditor confirms that as of December 31, 2000 the bank met all prudential norms and requirements on minimum capital set by the National Bank of Kazakhstan.

In order to provide the monitoring, **Eastern-Kazakhstan regional** finance department presented to KASE the data on performance of budget of Eastern-Kazakhstan region for three months of 2002, and modified plan for the budget 2002 which are given in the table (in th. KZT, unless otherwise specified):

Article	Performance of budget in 3 months of 2002			Budget 2002 Plan
	plan	actual	%	
INFLOWS	6,662,011	6,342,652	95.2	27,587,038
REVENUES	5,173,638	4,921,892	95.1	21,930,285
Tax inflows	5,038,756	4,713,398	93.5	21,367,243

Article	Performance of budget in 3 months of 2002			Budget 2002
	plan	actual	%	Plan
Non-tax inflows	76,218	93,606	122.8	348,535
Capital transactions	58,664	114,888	195.8	214,507
Transfers received	1,407,357	1,354,258	96.2	5,247,265
Repayment	81,016	66,502	82.1	409,488
EXPENDITURES AND FINANCING	7,097,866	5,491,914	77.4	28,105,805
EXPENDITURES	6,806,877	5,422,414	79.7	27,635,855
Common state services	358,160	256,125	71.5	1,214,094
Defense	260,242	212,066	81.5	1,016,354
Public security	354,982	281,818	79.4	1,441,637
Education	2,155,222	1,964,909	91.2	8,630,490
Health care	1,377,744	1,102,952	80.1	5,767,628
Social payments	783,724	637,538	81.3	3,752,799
Housing	257,049	174,500	67.9	740,615
Culture, sport and information	473,996	330,085	69.6	1,202,630
Agriculture and environment protection	84,514	29,454	34.9	317,707
Industry and construction	27,662	11,243	40.6	106,943
Transport and communication	178,829	71,401	39.9	775,154
Other	487,753	350,323	71.8	2,584,804
Debt servicing	7,000	0	–	85,000
Financing	290,989	69,500	23.9	469,950
BUDGET DEFICIT (SURPLUS)	(435,855)	850,738	–	(518,767)
FINANCING OF BUDGET DEFICIT (USAGE OF PROFICIT)	435,855	150,796	–	518,767
INFLOW	0	4,682	–	0
Use of free remaining amounts of budget at the beginning of fiscal year	435,855	146,114	33.5	518,767
Residual amounts	0	855,420	–	0

By a decision of XIII session of Eastern Kazakhstan oblast maslikhat of II convocation dated February 08,2002 ##13|1-II there have been introduced changes and additions to the decision of maslikhat “On oblast budget for 2002”dated December 21,2001 #12/2-11.

KASE NEWS

By the decision of the Board of KASE dated April 11,2002 based on a decision of the meeting of exchange members under categories “K”, “P” and “H” dated the same date **from May 02, 2002 KASE turns to a regime of shares quoting in Kazakhstan tenge**. A necessity of these changes was caused by putting normative base of KASE in compliance with amendments introduced into legislation (amendments of article 282 of Civil Code of the Republic of Kazakhstan, according to which from January 01,2002 monetary obligations on the territory of the Republic of Kazakhstan have to be expressed in terms of tenge). Before corporate securities at KASE have already been quoted in tenge. After transition to floating exchange rate of tenge in April of 1999 by the exchange from July 01,1999 there was made turn to quotations in USD. Quoting order was regulated by an internal document of KASE “Rules of making quotation of corporate securities” which from May 02 of current year is annulled. Quoting of all instruments at KASE in terms of tenge will be within two digit accuracy.

By the decision of the Board of KASE **from April 25, 2002** the trades in first issue indexed **inscribed coupon bonds of Subsidiary bank Alfa-Bank OJSC** (SB Alfa-Bank OJSC, Almaty; KZ2CKY06A497; KZT1.5bn; KZT15,000; Feb 28.02 - Feb 28.08; semiannual coupon at 9.0% APR) was opened. The bonds were admitted to the official list of KASE securities under category “A” from February 28, 2002. Trade code – ALBNb1. Quotation accuracy in the trade system of KASE is set at four decimal places of clean price of the bonds expressed in percents of indexed face value. The market-maker of AIBNb1 at KASE was given to KIB ASSET MANAGEMENT Ltd. (Almaty) based on its application. Minimum volume of mandatory quotations for the market-maker is set at 30 bonds.

Prepared by the agency IRBIS

Sixth issue preferred shares of Halyk Bank of Kazakhstan OJSC passed KASE listing under category “A”

Special issue based on the information of Halyk Bank of Kazakhstan OJSC, Fondovyi servis CJSC, Kazakhstan Stock Exchange (KASE) and agency IRBIS.

On April 26, 2002 by the decision of the Exchange council of the Kazakhstan Stock Exchange (KASE) sixth issue inscribed preferred shares of Halyk Bank of Kazakhstan OJSC (Almaty) without voting rights were admitted into official list of KASE securities under category “A”.

SHARES

Sixth issue of Halyk Bank of Kazakhstan OJSC shares were entered into the State register under the number A3387-5 and registered with the National Bank of Kazakhstan on April 19, 2002. Issue volume of the shares is KZT1.8bn at KZT100.00 face value and announced authorized capital of KZT7,222,599,900. The issue consists of 18m inscribed preferred shares without voting rights which were assigned a national identification number KZ1P33870612. The issue is non-documentary. The register of shareholders is maintained by Fondovyi tsentr CJSC (Almaty).

Dividend for one share of sixth issue was specified in the amount of **KZT15.75** per share as of the date of state registration and is indexed for the moment of actual repayment according to formula $D = 15.75 \times Kd$, where: D – amount of dividend on the date of actual repayment calculated with precision up to second decimal figures; Kd – tenge devaluation rate, calculated with precision up to fourth decimal figures based on formula $Kd = X_t / X_o$, where: X_t – weighted average exchange rate of USD to tenge, stated at morning (main) session of Kazakhstan stock exchange (KASE) CJSC on the day of actual repayment of dividends; X_o – weighted average exchange rate of USD to tenge, stated at morning (main) session of KASE on the date of state registration of privileged shares issue with the National Bank of Kazakhstan.

Newly issued shares are offered through open trades to unlimited number of individuals maintaining preemptive rights of existing shareholders. In order to buy one preferred share of sixth issue one should have three previously issued shares of Halyk Bank of Kazakhstan OJSC. The issuer offered its shareholders to use their preemptive right to buy preferred shares at KZT150 per share.

At KASE the shares of sixth issue were assigned a trade code HSBKp. Based on submitted application, market-maker status of HSBKp at the Exchange was given to Fondovyi servis CJSC. Volume of mandatory quotations for the market-maker is 4,000 shares. The market-maker will start functioning from the opening date of the trades on secondary market, which will be announced additionally.

On April 26, 2002 in the Trade system of KASE special trades were held for initial offering of HSBKp. The issuer offered 15m securities for sale. During the trades five members of the Exchange submitted five bids to buy 12,350,000 shares for a total of KZT1,826,215,000.00. Minimum price of HSBKp equaled KZT100.10 in submitted bids, maximum – KZT150.00, weighted average – KZT147.87 per share. Within total demand, the pension assets management companies (PAMC) accounted for 89.1% (based on the number of shares) of submitted bids, clients of brokerage-dealing firms – 7.3%, brokers working as dealers – 2.4%, banks – 1.2%. After a cut-off procedure conducted at KZT150.00 per share, the issuer satisfied the demand for 11m shares amounting to KZT1,650,000,000.00 at KZT150.00 per share. All shares have been bought using the assets of accumulative pension funds.

ISSUER

Following data are presented by the agency IRBIS (Almaty) about the issuer of bonds and they borrowed from the conclusion of KASE Listing commission. The management of Halyk Bank of Kazakhstan OJSC and its financial consultant assume all the responsibility for the reliability of the information presented to the Exchange. The information has not been checked by the agency IRBIS.

General information

Date of initial state registration – January 20, 1994. Date of last state re-registration – April 19, 1999. Legal status – open joint stock company. Ownership – private. Primary activities – banking services. The legal and actual address: 97, Rozybakiev St., Almaty, 480046, Kazakhstan. Tel.: 8 (3272) 509991, fax. 540271. Email: hsbk@hsbk.kz, <http://www.hsbk.kz/>.

Halyk Bank of Kazakhstan OJSC has following licenses:

- Of the National Bank of Kazakhstan to conduct banking operations in tenge and foreign currency dated June 4, 2001, #10;

- Of the National Securities Commission of Kazakhstan to engage in brokerage and dealing activities on the stock market with the right to handle client accounts as a nominal holder, dated December 30, 1999, #0401100177;
- Of the National Securities Commission of Kazakhstan to engage in custodian activities on the stock market dated October 4, 2000, #0407100106;

Now Halyk Bank of Kazakhstan OJSC is a totally private universal bank offering all types of banking services. It is one of the three biggest banks of Kazakhstan with a wide network of branches (166 branches and 455 settlement centers as of late 2001) and with two foreign representatives in London (Great Britain) and Beijing (China). By the data of the bank, as of April 1, 2002 its card system was the biggest in Kazakhstan and contained over 850 th. payment cards (70% of all issued in Kazakhstan) and 365 ATMs (65% of the market).

The bank has stakes in following legal entities: Kazteleport CJSC (100%), Halyk-Leasing CJSC (100%), Pension Assets Management Company of Halyk Bank of Kazakhstan CJSC (100%), Halyk invest CJSC (93.09%), Accumulative Pension Fund of Halyk Bank of Kazakhstan CJSC (20.77%), HSBK (Europe) B.V. (Amsterdam, Netherlands, 100%), as well as the member of: Kazakhstan Stock Exchange CJSC, Central Depository of Securities CJSC, Association of financiers of Kazakhstan, Association of banks of Kazakhstan, International Institute of Savings Banks, International payment association of Europay International and VISA International, Society of Worldwide Interbank Financial Telecommunication S.W.I.F.T. SCRL.

The bank has credit ratings from international rating agencies: **Standard & Poor's** – "B" long-term and "C" short-term counter agent ratings with stable outlook; **Moody's Investors Service** – long-term "Ba3" on deposits in foreign currency (July 19, 01), bank's financial strength rating "D-" (Sept 3,01), short-term deposits "NP" (Sept 24,97); **Fitch Ratings** – support rating of "4T".

Capital, shares, dividends, shareholders

As of April 20, 2002 announced and issued authorized capital of Halyk Bank of Kazakhstan OJSC equaled KZT7,222,599,900.0, paid – KZT5,422,599,900.0.

The bank conducted a total of six issues of shares. First five issues consist of common shares (NIN – KZT1C33870410), sixth – preferred shares. All shares of the bank have a face value of KZT100.00 and issued in non-documentary form.

Based on the charter, the decision on dividend payments to common shares is made at the general meeting of the bank's shareholders. The amount of dividends paid to common inscribed shares equaled: in 1995 – KZT33,017 th. or KZT4.33 per share, in 1996 – KZT78,000 th. or KZT10.24 per share, in 1997 no dividends were paid, in 1998 – KZT396,854.6 th. or KZT13.18 per share, in 1999 – KZT316,253.4 th. or KZT8.75 per share, no dividends were declared for 2000 and 2001.

As of January 1, 2002 the bank had 35,164 shareholders, including 35,153 individuals (stake in authorized capital – 2.6%) and 11 legal entities (stake in authorized capital – 49.8%), 47.5% of shares are in nominal holding. The following are those, who has over 5% of authorized capital of the bank (stakes in paid authorized capital are shown): Delta LLP (Almaty) – 15.94%, Corporation Asia-Invest LLP (Almaty) – 13.28%, Almex LLP (Almaty) – 9.96%, Agys LTD (Astana) – 9.50%, Karat-24 LLP (Almaty) – 6.92%, DAKOT LLP (Almaty) – 6.92%.

Financial indices

Halyk Bank of Kazakhstan OJSC prepares its financial statements in compliance with the Kazakhstani Accounting Standards (KAS), as well as based on banking legislature, instructions and regulations of the National Bank of Kazakhstan.

Data from non-consolidated financial statements of Halyk Bank of Kazakhstan OJSC and figures calculated by KASE on their basis (th. KZT, unless otherwise specified)

Item	as of	as of	as of
	Jan 1.00	Jan 1.01	Jan 1.02
Authorized capital	3,615,067	5,422,600	5,422,600
Shareholders' equity	5,755,792	7,838,894	8,053,648
Total assets	57,160,094	103,288,865	129,989,745
Liquid assets*	24,281,645	41,525,894	34,113,721
Credits granted (net)	20,577,670	50,304,407	84,820,090

Item	as of	as of	as of
	Jan 1.00	Jan 1.01	Jan 1.02
Liabilities, total	51,404,302	95,449,971	121,936,097
Loans and deposits	47,993,148	90,428,012	115,766,933
General income	13,770,106	14,814,023	19,245,433
General expenses	13,139,724	14,583,706	19,011,779
Net income	630,382	230,317	233,654
Return on assets (ROA), %	1.10	0.22	0.18
Return on equity (ROE), %	10.95	2.94	2.90
Book value of a share, KZT	159.22	144.56	152.61
Earnings per share (EPS), KZT	17.44	4.25	4.31
Price earnings ratio (P/E)	15.46	28.17	41.66

* – total of liquid assets is determined by the methods of the National Bank

International audit of consolidated statements of the bank, which have been prepared based on International Accounting Standards, was conducted by Arthur Andersen (Almaty, Kazakhstan) by International Accounting Standards for 1998-2000, for 2001 – by Deloitte & Touche (Almaty, Kazakhstan).

Data from consolidated and audited financial statements of Halyk Bank of Kazakhstan OJSC and figures calculated by KASE on their basis (th. KZT, unless otherwise specified)

Item	as of	as of	as of
	Jan 1.00	Jan 1.01	Jan 1.02
Authorized capital (paid)	3,615,067	5,422,600	5,422,600
Shareholders' equity	5,260,338	6,889,122	6,903,023
Total assets	55,946,565	102,185,545	127,123,908
Liquid assets	24,595,005	41,170,278	35,814,646
Loans to clients	20,159,709	49,373,253	77,228,923
Loans and other deposits in banks	4,298,118	4,405,696	12,923,364
Liabilities to banks and other credit organizations	2,396,079	10,166,514	13,836,517
Liabilities to clients	47,173,977	81,260,372	97,875,976
Subordinate debt	–	2,257,298	2,356,254
Net profit (loss)	472,823	(223,471)	31,062
Return on assets (ROA), %	0.85	–	0.02
Return on equity (ROE), %	8.99	–	0.45
Book value of a share, KZT	169.01	179.36	127.30
Earnings per share (EPS), KZT	15.19	–	0.57
Price earnings ratio (P/E)	17.75	–	313.39

Based on auditing reports, consolidated reports give true and reliable picture of financial conditions of Halyk Bank of Kazakhstan OJSC and its subsidiaries as of December 31, 1999-2001 in all essential aspects, as well as the results of their operations and cash flows on these dates based on International Accounting Standards.

Assets

Assets of Halyk Bank of Kazakhstan OJSC grew by KZT90.3bn or 3.3 times from 1999 through 2001 (in 1999 to 1998 – by KZT17.4bn or 43.9%, in 2000 to 1999 – by KZT46.1bn or 80.7%, in 2001 to 2000 – by KZT26.7bn or 25.9%). While the assets of the bank accounted for 19.6% of all the assets of existing Kazakhstani bank in late 2000, then in late 2001 this figure declined to 15.9% (as of March 1, 02 – 16.4%).

Most of the growth of the assets was due to an increase in loan portfolio, which accounted for 36.0% of all assets in 1999, in 2000 – 48.7%, in 2001 – 65.3%, and the securities portfolio (proportion in 1999 – 29.3% of the assets, in 2000 – 29.4%, in 2001 – 11.9%). The proportion of deposits made in other banks (including correspondent accounts) in assets grew by 9.4% in late 2001 against 5.1% in late 2000.

Net volume of loan portfolio grew by KZT66.9bn or 4.8 times in last three years (in 1999 to 1998 – by KZT2.7bn, in 2000 to 1999 – by KZT29.7bn, in 2001 to 2000 – by KZT34.5bn) and reached KZT84.8bn in late 2001, which is 7.8% of aggregate net credits granted by all second tier banks existing in Kazakhstan.

In late 2001 most of the financing went to such sectors of the economy as wholesale trade (20.4%), base sectors of the industry (energy, machinery and etc – 14.0%), agriculture (13.6%), oil and gas sector (13.4%) and construction (6.2%). Volumes of financing of individuals increased by KZT2.0bn or 3.2 times in 2000 against 1999, in 2001 – by KZT4.5bn or 2.5 times against 2000 and in late 2001 equaled KZT7.4bn or 8.8% of all loan portfolio (in 2000 – 5.8%). In late 2001 short-term and mid-term credits were prevailing in the structure of the bank's loan portfolio (49.9% and 39.8%, respectively).

Quality of Halyk Bank of Kazakhstan OJSC loan portfolio

Type of the loan	as of Jan 1.00		as of Jan 1.01		as of Jan 1.02	
	m KZT	%	m KZT	%	m KZT	%
Standard	16,892.8	82.6	45,782.7	88.9	72,274.4	75.3
Substandard	3,472.5	13.9	2,941.5	5.7	12,180.7	15.5
Unsatisfactory	17.2	1.4	2,220.9	4.3	1,222.0	0.1
Doubtful	706.4	0.5	38.8	0.1	440.6	3.4
Unprofitable	1,276.2	1.5	509.3	1.0	1,344.9	5.7
Total	22,422.1	100.0	51,493.3	100.0	87,462.6	100.0

Loan provisions formed by Halyk Bank of Kazakhstan OJSC

Type of the loan	as of Jan 1.00		as of Jan 1.01		as of Jan 1.02	
	m KZT	%	m KZT	%	m KZT	%
Standard	-	-	-	-	-	-
Substandard	181.2	9.8	163.8	13.8	627.2	25.7
Unsatisfactory	3.8	0.2	496.3	41.7	248.3	10.2
Doubtful	380.2	20.6	19.4	1.6	220.3	9.0
Unprofitable	1,279.2	69.4	509.3	42.8	1,344.9	55.1
Total	1,844.5	100.0	1,188.8	100.0	2,440.7	100.0

As of January 1, 2002 the proportion of standard loans, which do not require the formation of provisions, declined by 13.6% compared to the beginning of the year. At that, the volume of formed provisions increased by KZT1.3bn or 2.1 times, which, apart from an increase in financing, was the result of the growth in the proportion of unprofitable credits by KZT4.7% (growth of formed provisions on these credits equaled KZT835.6m or 61.5% of total increase of provisions). The proportion of formed provisions compared to loan portfolio increased from 2.3% as of January 1, 2001 to 2.8% as of January 1 of current year (in 1999 - 8.2%).

Income and expenses

Income of Halyk Bank of Kazakhstan OJSC increased 2.0 times during the last three years (in 1999 – by 45.9%, in 2000 – by 7.6%, in 2001 – by 29.9%). The most of the bank's income (in 1999 – 37.0%, in 2000 – 49.0%, in 2001 – 62.5%) is made of interest income, which grew by KZT7.8bn or 2.9 times from 1999 to 2001 as a result of an increase in volumes of financing and transactions with the securities. The proportion of commission income was a little over 20% on average, and the income of financial transactions about 10% of annual income of the bank.

Expenses of the bank grew by KZT10.1bn or 2.1 times during the same period, including: in 1999 – by KZT4.3bn or 47.9% to 1998, in 2000 – by KZT1.4bn or 11.0% to 1999, in 2001 – by KZT4.4bn or 30.4%. Such a considerable increase in expenses in 2001 was caused primarily by an increase in provisions by KZT2.5bn or 2.3 times against year 2000 and increase in interest expenses by KZT1.3bn or 37.4%.

Following major trends are being observed in the expenses of the bank during the last three years: decline in proportion of personnel expenses (from 52.9% in late 1998 to 25.9% in late 2001), increase in loss coverage reserves within total expenses (from 19.1% in late 1998 to 23.9% in late 2001) and interest expenses (from 13.7% in late 1998 to 26.5% in late 2001) caused by the growth of deposits made in the bank.

Shareholders' equity

From 1999 through 2001 shareholders' equity of Halyk Bank of Kazakhstan OJSC, calculated by the methods of the National Bank, grew by KZT5.8bn or 2.2 times. Major growth of shareholders' equity (KZT4.8bn or 92.8%) took place in 2000 as a result of an increase in paid authorized capital (placement of fifth issue common shares) by KZT1.8bn or 1.5 times and attraction of subordinated debt (launching subordinate bonds of first issue) for KZT2.3bn. Increase in shareholders' equity in 1999 and 2001 was insignificant: KZT317.9m or 6.5% and KZT681.0m or 6.8%, respectively.

By the volume of shareholders' equity now Halyk Bank of Kazakhstan OJSC is the third bank in Kazakhstan. In late 2001 the bank's shareholders' equity was 6.6% of aggregate shareholders' equity of all Kazakhstani second tier banks compared with 8.0% in 2000.

Prudential norms

As the Banking and Insurance Supervision Department of the National Bank of Kazakhstan informs, the bank was meeting all prudential norms and other mandatory norms and limits of the National Bank of Kazakhstan as of March 1, 2002, except for a several violations of the maximum risk per borrower coefficient who has no special ties with the bank.

Besides, the Banking and Insurance Supervision Department notes that as of January 1, 2002 Halyk Bank of Kazakhstan OJSC violated shareholders' equity sufficiency ratios (k1 and k2) which were 0.05 and 0.11, while by the norms they have to be at 0.06 and 0.12, respectively.

Following is the comparison of the Halyk Bank of Kazakhstan OJSC figures with average figures of comparable Kazakhstani banks based on their shareholders' equity. Average values were calculated based on financial statements presented by the banks to KASE, which are the members of the Exchange holding "B" category (foreign currency trades).

**Comparable figures as of March 1, 2002
with other commercial banks (m KZT, unless otherwise specified)**

Item	Halyk Bank of Kazakhstan OJSC	Average value
Shareholders' equity	11,434.5	23,576.5
Assets	130,091.4	165,430.4
Net income	407.6	736.2
k1 (min 0,04)	0.06	0.11
k2 (min 0,08)	0.12	0.14
k4 (min 0,20)	0.70	0.66
ROA, %	0.31	0.43
ROE, %	3.56	3.08

Liabilities

From 1999 through 2001 the liabilities of Halyk Bank of Kazakhstan OJSC grew by KZT87.0bn or 3.5 times, including KZT83.0bn or 95.4% of the growth that came from deposits.

**Proportion of assets and liabilities of
Halyk Bank of Kazakhstan OJSC based on their terms as of January 1, 2002 (th. KZT)**

Assets / Liabilities	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 year to 3 years	Over 3 years	Total
Currency and rare metals	6,441,294	–	–	–	–	6,441,294
Deposit account in NBK	2,010,204	–	–	–	–	2,010,204
Deposit account in other banks	7,231,292	–	2,703,600	285,100	–	10,219,992
Securities	4,375,897	1,393,223	228,150	1,997,814	7,456,301	15,451,385
Loans	6,937,402	5,508,642	31,236,894	34,821,057	8,958,555	87,462,550
Other	34,195	–	–	–	–	34,195
Total assets	27,030,284	6,901,865	34,168,644	37,103,971	16,414,856	121,619,620
Deposits of clients	63,633,512	6,475,041	24,481,023	7,308,344	1,371,036	103,268,958
Liabilities to other banks and organizations	85,531	776,624	3,310,294	1,540,949	1,829,515	7,542,913
Securities	–	–	2,449,682	–	–	2,449,682
Other liabilities	259,819	–	–	72,165	2,405,675	2,737,659
Total liabilities	63,978,862	7,251,665	30,240,999	8,921,458	5,606,226	115,999,212

Deposits

As of January 1, 2002 total volume of deposits made by the clients of Halyk Bank of Kazakhstan OJSC equaled KZT97.2b, including KZT55.4bn of time deposits, which increased from 37.1% in late 1999 to 57.0% in late 2001. The proportion of call deposits declined from 62.9% to 43.0% during the same period. By the information of the bank, the most of the deposits of individuals is made of time deposits, which increased from 49.3% in 1999 to 63.6% in 2001. The growth of time deposits accepted from the population equaled KZT13.5bn in late 2001 or 67% against the beginning of the year, though their interest rate fell from 7.18% to 6.0%. Within the deposits of legal entities still current accounts of the clients prevail, but their proportion is gradually declining: in late 1999 they took 84.2%, then in late 2001 – 50.8%. The proportion of Halyk Bank of Kazakhstan OJSC on Kazakhstani market of deposits was 23.6% as of December 31, 2001.

Credit lines and loans

Halyk Bank of Kazakhstan OJSC is the member of small business financing program under the line of the European Bank for Reconstruction and Development (EBRD) and the program of agricultural financing of the World Bank, as well as the program of granting bank loans to domestic producers of goods and services, financing small and mid-sized business.

Existing loans and credit lines of the bank, th. KZT	Amount due as of Jan 1.02
CTB International (USA)	20,462
Eximbank Kazakhstan CJSC (Kazakhstan)	300,400
Commertzbank (Germany)	826,586
Bank One (USA)	183,506
Drezdnerbank (Germany)	242,712
Standard Bank London Limited (UK)	1,085,751
EBRD (UK)	2,654,230
Government of Kazakhstan	84,382
Ministry of Finance of Kazakhstan	17,250
National Bank of Kazakhstan	549
Small business development fund	2,201,181
Total:	7,620,009

Bond loans

In June 2000 the bank attracted a loan through launching 160,000 subordinate coupon bonds on domestic market of Kazakhstan for a total of \$16.0m. The bonds are to mature in June 2007 at face value. The debt is serviced in strict compliance of the bond issue terms.

Securities, capitalization

Common shares of Halyk Bank of Kazakhstan OJSC (trade code – HSBK) were admitted to the official list of KASE under category “A” on September 16, 1998 (from July 30, 1998 till September 16, 1998 the shares were traded on non-listed floor under the second admittance level). From July 1, 1999 till April 29, 2002 a total of 49 deals were made in 12,978,676 bonds of the bank amounting to \$11.4m. The market-maker of the shares at the Exchange is Fondovyi servis CJSC. On April 29, 2002 common shares were quoted at \$1.0000 / \$1.3400. Based on these parameters, the market capitalization of Halyk Bank of Kazakhstan OJSC is estimated by the Exchange by bid price at \$54.226m.

First issue bonds of Halyk Bank of Kazakhstan OJSC (trade code –) passed the listing of KASE under category “A” on June 27, 2000. From the admittance date till April 29, 2002 a total of 27 deals were made in 167,350 bonds amounting to \$16.8m. The market-maker of the bonds at KASE is Fondovyi servis CJSC.

Prepared by the agency «IRBIS»