

WEEK OF STOCK MARKET OF KAZAKHSTAN

January 23 – January 29

Money market indicators as of January 29 and changes for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	4.43	-1.43
Repo opening at KASE (WA, % APR)			
1 day	KZT	4.31	-1.53
5-7 days	KZT	5.41	-0.41
14 days	KZT	8.50	+2.29
28 days	KZT	6.80	-0.44
30 days	KZT	11.00	-
KIBOR (indicative, % APR)			
1 week	KZT	7.33	0
2 weeks	KZT	8.33	0
1 month	KZT	9.33	0
2 months	KZT	10.00	-0.33
3 months	KZT	11.00	0

Stock market indicators as of January 29 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	125.65	-0.05%
Corporate bonds of “A” listing		
KASE_BP	145.67	+0.37%
KASE_BC	118.06	+0.26%
KASE_BY	8.27	-1.16%
Euronotes of Kazakhstan		
KASE_EP	147.01	-0.16%
KASE_EC	115.82	-0.42%
KASE_EY	3.51	+2.77%

US dollar = 155.20 tenge at official rate for the end of the period.

US dollar = 155.05 tenge at weighted average rate of the Exchange for the end of the period.

Rate of tenge devaluation for the period at the Exchange's rate – negative 5.10% APR.

THE CORPORATE SECURITIES MARKET (CS)

In CS purchase-sale sector a total of 26 deals amounting to \$24,494.1 th or KZT3,797.9 m were made during the analyzed period. In comparison with the previous period (30 deals, \$11,957.4 th. or KZT1,857.7 m) volume of the sector increased 2 times. Deals were made by 10 KASE's members on 11 instruments 5 of which were bonds. During the previous period 15 brokers were interested in 13 securities 7 of which were bonds.

This time abrupt increase of transactions volume in the sector did not mean expansion of the market because \$20.4 m of the mentioned volume are the result of only two transitions with BTASe1, which had been made on January 28. These deals, according to their form, were not market deals though they were made by open trade method being just a part of the financial scheme, which were realized by participants out of stock exchange. If keep from taking into account the volume of these transactions, the CS market has significantly compressed in comparison with previous week. Analysts of IRBIS consider absence of coupon payments on bonds during the week as the main reason of it. Market's "overheating" due to demand of

Investment attractiveness of stock exchange financial instruments since January 23 till January 29

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated in national currency, tenge			
CS repo	KZT	*21.25	-15.55
TXBNb1	KZT	14.20	-1.73
KZIKb1	KZT	9.08	-0.01
LAR1b1	KZT	7.99	-
MEOKAM, MEAKAM	KZT	7.42	+0.39
MEKKAM, notes	KZT	*5.67	+0.10
GS repo	KZT	*4.77	-1.05
Instruments indexed by devaluation			
SMGZb1	USD	17.59	+1.49
ALKSb2	USD	12.10	+0.85
VTBNb1	USD	10.50	0
KZASb1	USD	10.28	+0.21
ORDBb1	USD	10.00	0
CSBNb1	USD	10.00	0
ASFIb2	USD	9.77	+0.01
ASFIb1	USD	9.21	0
KARMB1	USD	9.20	-0.04
BTASb2	USD	9.19	0
TEBNb	USD	9.10	-0.11
CCBNb2	USD	9.03	0
SYRGb1	USD	9.00	0
BTASb1	USD	8.81	+0.11
ASBNb1	USD	8.52	-
TEBNb2	USD	8.08	0
ALBNb1	USD	8.05	+0.02
CCBNb1	USD	7.89	+0.05
HSBKb	USD	7.86	-1.14
HSBKb2	USD	7.69	0
KZAPb1	USD	7.40	-0.02
NRBNb1	USD	7.40	-0.16
BRKZb1	USD	7.31	+0.04
AST048.005	USD	6.94	+0.05
KZTKb1	USD	6.72	-0.05
TMJLb2	USD	6.54	-0.17
ATFBb2	USD	6.49	-0.01
ARU060.003	USD	6.42	-0.01
AST036.004	USD	5.88	-0.17
VKU036.002	USD	5.50	-0.02
ASU036.003	USD	5.36	-0.46
KZTOb	USD	5.36	-0.08
VKU036.001	USD	4.06	-0.03
ARU024.002	USD	2.63	-0.14
Instruments, denominated in foreign currency			
KKGBe2	USD	9.19	-0.01
KKGBe3	USD	7.71	-0.09
BTASe2	USD	7.40	-0.01
KZTOe1	USD	7.03	+0.10
BTASe1	USD	6.99	-0.75
BRKZe1	USD	6.45	0
ENU07.05	USD	3.77	-0.05
Supranational bonds	USD	3.14	-0.07
Supranational bonds	DEM	2.79	-0.08
ENU04.10	USD	2.69	-0.22

The yields of bonds at which the deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to previous week. Securities marked by asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield is given.

the last month, as the result of which potential of the yield of available for purchasers bonds ended, also plays a certain role.

At corporate bonds market the range of involved in deals securities sharply decreased because of the mentioned above reasons. Judging on the dynamics of the index KASE_BY, bonds' yield for a purchaser tended to decrease. According to results of the week yield of BTASe1 fell from 7.74% to 7.00% APR, KZTOe1 – from 7.18% to 6.92% APR, ORDBb1 – from 10.68% to 10.00% APR. Only yield of ALKSb2 was growing (from 11.00% to 12.10% APR) and SMGZb1 (from 16.10% to 17.59% APR). As the result of growth of prices of the largest issues' liabilities capitalization of stock exchange's corporate bonds market increased within 7 days in \$1.0 m and as of January 29 was fixed by KASE on the level of \$1,220.0 m.

Shares market seemed to be active first. But there also were large-volume deals, which were non-market on their nature, and which also were made on January 28. They are transactions with ALKS and CCBN, which's total volume has reached \$2.5 m. At that, the rate of ALKS fell by 57.5%, and CCBN rose by 7.9%. Rate of other shares was mainly growing: CSBN – by 22.14%, CSBNp – by 21.43%, NFBN – by 0.1%. Only price of VTBNp did not change (KZT350.50 per share). The peculiar feature of the week is absence of deals in KZMS, which were actively traded at KASE during last two months. In all probability, influence of selling state block of shares of Corporation Kazakhmys OJSC has come to naught. As the results of the described price dynamics capitalization of shares market increased within 7 days by \$14.5 m to **\$1,330.3 m** (KZT206.3 bn).

As the whole CS purchase and sale sector did not make any constructive impression upon unlike previous months.

The tables show data on deals, bid and ask in CS purchase and sale sector, including SBS, and also decoding of trade codes.

Results of the trades in shares during January 23 – 29

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*11.00	12,417,500	1,008.5	10.00	*11.00
Almaty Kus OJSC	ALKSp	55.17	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
Astana-Finance OJSC	ASFI	1,014.96	0	0	700.00	1,050.00
AMB OJSC	ATFBp	834.35	0	0	700.00	1,050.00
Bank TuranAlem OJSC	BTAS	*14,070.00	0	0	13,966.20	20,927.70
Bank CenterCredit OJSC	CCBN	*215.86	1,060,000	1,443.7	206.50	206.48
BANK CASPIAN OJSC	CSBN	171.00	1,210	1.3	171.00	170.00
BANK CASPIAN OJSC	CSBNp	170.00	27	0.03	171.00	170.00
Halyk Bank of Kazakhstan OJSC	HSBK	*130.00	0	0	109.00	130.00
Halyk Bank of Kazakhstan OJSC	HSBKp	*150.00	0	0	144.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	*151.00	0	0	144.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	93.57	0	0	77.59	116.27
KAZKOMMERTSBANK OJSC	KKGBp	44.38	0	0	69.83	104.64
Kazakhstankasiishelf JSC	KKSHp	*3,227.21	0	0		3,000.00
Corporation Kazakhmys OJSC	KZMS	*9,000.00	0	0	7,000.07	10,500.10
Kazakhtelecom`	KZTK	3,062.00	0	0	2,793.23	4,185.54
Kazakhtelecom	KZTKp	*2,800.00	0	0	2,482.88	3,720.48
Neftebank OJSC	NFBN	*1,301.18	7,734	64.9		*1,301.18
Rakhat JSC	RAHT	*250.97	0	0		250.00
TEMIRBANK OJSC	TEBN	1,004.30	0	0	675.00	1,010.00
TEMIRBANK OJSC	TEBNp		0	0	675.00	1,010.00
UKTMC OJSC	UTMK	*5,850.00	0	0	4,655.40	6,975.90
UKTMC OJSC	UTMKp	6,541.50	0	0	4,780.00	7,100.00
VALUT-TRANZIT BANK OJSC	VTBN	350.00	0	0	320.00	480.00
VALUT-TRANZIT BANK OJSC	VTBNp	350.50	121,407	274.5	*350.50	*350.50
TOTAL	26		13,607,878	2,792.9		

Results of the trades in bonds within January 23 – 29

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1		0	11.0113	8.0952
Almaty Kus OJSC	ALKSb2	12.0970	32.1	12.0970	12.0970
Alliance-Bank OJSC	ASBNb1		0	11.5000	8.5200
Astana-finance OJSC	ASFib1	10.5075	0	11.1986	9.2138
Astana-finance OJSC	ASFib2	10.3875	0	11.6019	9.7704

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
AMB OJSC	ATFBb2	8.5895	0	9.2126	6.4932
Development Bank of Kazakhstan OJSC	BRKZb1	8.4372	0	9.7136	7.3276
Development Bank of Kazakhstan OJSC	BRKZe1	6.5293	0	7.1211	6.4482
Bank TuranAlem OJSC	BTASb1	9.3024	0	9.6019	8.8250
Bank TuranAlem OJSC	BTASb2	9.1866	0	9.8569	9.1871
TuranAlem Finance B.V.	BTASe1	7.0048	20,445.7	6.9602	7.0048
TuranAlem Finance B.V.	BTASe2	7.8033	0	7.7838	7.4007
Bank CenterCredit OJSC	CCBNb1	10.9158	0	10.9415	8.0372
Bank CenterCredit OJSC	CCBNb2	9.6971	0	10.6677	9.0336
BANK CASPIAN OJSC	CSBNb1	10.1436	0	11.0000	10.0000
Halyk Bank of Kazakhstan OJSC	HSBKb	7.8751	0	10.6574	7.8666
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	10.0269	7.6917
Karazhanbasmunai OJSC	KARMB1	9.8995	0	12.7707	9.2191
KAZKOMMERTSBANK OJSC	KKGBe2		0	11.1965	9.1931
Kazkommerts International B.V.	KKGBe3	7.8210	0	8.0798	7.7524
NAC Kazatomprom	KZAPb1	8.9120	0	9.2043	7.3984
DAGOK Kustanaiasbest JSC	KZASb1	12.4447	0	13.2002	10.3527
Kazakhstan Mortgage Company CJSC	KZIKb1	9.8050	0	10.4000	9.0866
Kazakhtelecom	KZTKb1	7.0644	0	8.5514	6.7404
KazTransOil CJSC	KZTOb	7.0008	0	7.9756	6.5043
KazTransOil CJSC	KZTOe1	6.9204	1,075.5	6.9204	7.0346
Nurbank OJSC	NRBNb1	9.1071	0	9.5987	7.3990
Corporation "Ordabasy" OJSC	ORDBb1	*9.9992	91.3	12.0028	10.0046
SHAHARMUNAIGAS OJSC	SMGZb1	*17.5869	56.5	19.0004	17.6462
HOP OJSC	SYRGB1	10.8001	0	11.9970	9.0030
TEMIRBANK OJSC	TEBNb	10.4876	0	10.1672	9.1265
TEMIRBANK OJSC	TEBNb2	10.6945	0	10.9927	8.0803
NC KTZh CJSC	TMJLb2	7.1033	0	9.1008	6.9012
TEXAKABANK OJSC	TXBNb1	*15.0000	0	16.0000	15.0000
VALUT-TRANZIT BANK OJSC	VTBNb1	11.3109	0	11.4996	10.5037
TOTAL	35		21,701.1		

Notes: bid and offer prices for the period are given; if no deals were made during reporting period (volume =0), the last price of successful trades is given; marked by the star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals and indicators received with its using.

In the repo sector of CS 33 deals were made in the total amount of **\$6,698.4 th.** (KZT1,039.0 m) during the described period. 18 deals out of them (in the amount of \$5,045.7 th.) repo opening and 15 deals (in the amount of \$1,652.6 th.) – repo closing. Last period volume of deals in this sector amounted to \$8,296.2 th. (KZT1,287.9 m).

In all CS trade floors of KASE (including SBS sale sector and primary floatation and repo sector) a total of 59 deals amounting to **\$31,192.4 th.** (KZT4,836.9 m) were concluded within the analyzed period. Last period volume of 48 deals equaled to \$20,253.6 th. (KZT3,145.6 m).

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE (including euronotes of Kazakhstan) a total volume of 55 deals reached the unprecedented size **KZT20,051.3 m** (\$129,283.3 th.) during the analyzed period. Corresponding figure of the previous period – KZT2,232.2 m (\$14,375.8 th.). Unfortunately, as well as with CS, there were also non-market deals (mainly in euronotes of Kazakhstan). Volume of three such transactions, which were made on January 24 with pension funds' participation, equaled to 67% of the whole week' turnover. At the same time it is necessary to note that conducting of three such the transactions does not contradict to the rules of stock exchange's trade. Participants have the right to use the stock exchange's floor in order to realize their financial schemes. IRBIS agency accentuates attention on such the deals just to exclude illusions concerning bonds' prices, which are formed under the influence of non-market factors. As regards the market, which has changed insignificantly in comparison with last weak, traders preferred to work with the shortest instruments more. The range of such the securities, which were involved into deals, significantly expanded and their yield for a purchaser was mainly growing. As well as in previous period, long securities were characterized by opposite tendency, and the yield of euronotes of Kazakhstan of the issue, which is closest for maturity, fell to its absolutely historic minimum – 2.69% APR.

As the whole GS market does not seem to be liquid and are in difficult situation on account of absence of new issues of the Ministry of finance and very low yield of the most reliable corporate bonds.

Parameters of Exchange's transactions in GS within January 23 – January 29

(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 (KZT): notes				4.8% (13.7%) of purchase and sale sector's turnover		
less than	4.68	4.68	4.68	4.68 (-)	7.0	1
8 - 14	4.43	5.40	4.43	5.28 (4.95)	56.9	3
15 - 28	5.16	5.47	5.19	5.40 (5.27)	105.8	3
29 - 36	5.12	5.31	5.30	5.23 (5.30)	97.9	3
37 - 42	5.40	5.40	5.40	5.40 (-)	99.4	1
57 - 63	5.50	5.60	5.60	5.57 (-)	226.2	5
64 - 91	5.70	5.77	5.70	5.72 (5.66)	368.8	7
Total					962.1 (304.7)	23 (17)
Coupon (KZT): MEOKAM-24, 36, MEAKAM				11.2% (65.3%) of purchase and sale sector's turnover		
less than 730	6.50	7.50	7.50	6.92 (6.61)	730.7	19
1461 - 1825	7.40	7.51	7.51	7.45 (7.77)	1,509.4	6
Total					2,240.1 (1,457.0)	25 (28)
Euronotes of Kazakhstan (USD)				84.0% (21.1%) of purchase and sale sector's turnover		
*619 - 621	2.69	2.70	2.69	2.69 (2.91)	2,947.7	3
**1542 - 1547	3.75	3.78	3.75	3.77 (3.89)	13,901.4	4
Total					16,849.1 (470.6)	7 (4)
GRANDTOTAL				20,051.3 (2,232.2) 55 (49)		

Notes: for euronotes (* – third issue, ** – fourth issue) volume of the deals has been calculated at weighted average USD/KZT rate of the Exchange.

In GS repo-transactions sector 428 deals were made for a total of **KZT46,963.5 m** (including automatic repo sector) during the period. Of this number 211 deals (for KZT23,990.6 m) were repo opening deals and 217 (KZT22,972.9 m) were repo closing deals. Last period transactions volume of this type reached KZT55,766.1 m. After closing of the trades on January 29 total amount of opened at KASE repo reached KZT20,030.3 m. Parameters of automatic repo market are given in the table.

Major parameters of automatic repo market on opening deals within January 23 - 29

(in parentheses – comparable figures of previous period)

Instrument (currency, term or repo)	Yield, % APR					Volume, m KZT	Number of deals	Portion, %
	on first deal	min	max	at last deal	weighted average			
KZT_001	6.25	3.20	7.00	3.50	4.56 (5.72)	16,375.0	138	83.1 (63.0)
KZT_003	4.75	4.75	4.75	4.75	4.75 (5.50)	80.0	1	0.4 (0.1)
KZT_007	6.00	5.50	6.50	5.50	5.84 (5.71)	1,520.0	20	7.7 (12.7)
KZT_014	6.20	5.50	6.20	5.80	5.84 (5.99)	980.0	9	5.0 (5.5)
KZT_028	6.00	5.50	6.50	5.50	6.21 (6.33)	750.0	3	3.8 (13.7)
TOTAL						19,705.0 (25,075.1)	171 (219)	100.0

Total of 483 deals were made at trade floors of KASE amounting to **KZT67,014.8 m** in GS on trade floors of KASE during the analyzed period (purchase-sale and repo sector). The previous period volume of 546 deals equaled to KZT57,998.4 m. This week the proportion of the Exchange's turnover in total volume of deals on Kazakhstani secondary market for GS for comparable operations equaled to **96.1%**, for last week it was equal to 97.0%.

INFORMATION ON ISSUERS

Alliance Bank OJSC (Almaty) distributed press-release, in which it is said that the bank had got down to floatation of its internal indexed on tenge devaluation subordinate bonds of the first issue (KZ2CKY07A701, KASE's official "A" listing category, ASBNb1; KZT1, KZT3.0 bn, December 23, 02 – December 23, 09, semi-annual coupon 9.0% APR) at Kazakhstan financial market. According to the bank's information, at present there have been floated bonds for KZT375.5 m. In the nearest future Alliance Bank OJSC intends to float additionally bonds for KZT390 m. Major purchasers of the bank's securities are Kazakhstan pension funds and other juridical persons. Bonds of Alliance Bank OJSC of the first issue have been included into KASE's official "A" listing category since December 28 of 2002. Trades on the bonds at the stock exchange have not been opened yet. Status of the market-maker of ASBNb1 at KASE has been assigned to Alliance Investment Management LLP (Almaty).

CLAscAS OJSC (Almaty) informed KASE about reelection of the President of its Board of directors. According to eth presented information, by the decision of the Board of directors of CLAscAS OJSC dated January 27 of 2003 Tynyshtyk Zhanabergenov has been elected the President of the Board of directors (since the date of

making the decision).

NEWS OF KASE

By the decision of Kazakhstan stock exchange's (KASE) Board, on the basis of application, which was submitted by KASE's member, **since January 27 of 2003** at KASE there have been opened trades on new instruments at automatic repo market on the security of corporate securities (CS). They are inscribed coupon bonds of Development Bank of Kazakhstan CJSC (Astana) of the first issue and its international securities of the first tranche. Standard terms of instruments are **1, 3, 7, 14 and 28 days**.

By the decision of Kazakhstan stock exchange's (KASE) Board **since January 30 of 2003** at KASE there have been opened trades on inscribed indexed on tenge devaluation subordinate bonds of KAZKOMMERTSBANK OJSC (Almaty) of the second issue (KZ2CKY07A693, KZT150,000, KZT7.5 bn, December 1, 02 – December 1, 09, semi-annual coupon 8.0% APR). The bonds have been included into KASE's official list of "A" category since December 2 of 2002. Trade code – **KKGBb2**. Quotation accuracy on the stock exchange's trade system is four decimal figures of bond's clean price, which is expressed as percentage of the face value. Status of market-maker of KKGBb2 at KASE has been assigned to **Kazkommerts Securities OJSC** (Almaty) on the basis of submitted application. Minimal volume of compulsory quotation for the market-maker is **10 bonds**.

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