

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 20 – 26

Money market indicators as of October 26 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	0.87	+0.34
Repo opening at KASE (WA, % APR)			
1-3 days	KZT	0.85	+0.32
6-7 days	KZT	2.09	-0.48
14 days	KZT	2.00	–
28 days	KZT	3.00	+0.80

Stock market indicators as of October 26 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	205.54	+0.61%
Corporate bonds of “A” listing		
KASE_BP	163.79	+0.13%
KASE_BC	122.72	-0.06%
KASE_BY	7.79	-0.03%

US dollar = **132.50** tenge at official rate for the end of the period.

US dollar = **132.29** 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 21.5% APR**.

Investment attractiveness of stock exchange financial instruments since October 20 till October 26

Financial instrument	Currency of trans-n	Yield, % value	% APR trend	Coupon, % APR	Term, years
Non-indexed instruments denominated in tenge					
UKPFb1	KZT	12.50	0	14.00	2.9
TXBNb2	KZT	10.49	+0.06	11.00	5.7
VTTHb1	KZT	8.94	0	10.00	8.0
VTSKb2	KZT	8.88	-0.01	10.00	7.0
UKTCb1	KZT	8.54	+0.43	9.00	2.0
VTZLb1	KZT	8.21	+0.11	10.00	9.0
TXBNb1	KZT	8.00	0	15.00	1.9
BTAIb1	KZT	8.00	0	10.00	6.2
CCBNb5	KZT	7.60	0	8.50	2.9
ARNAb1	KZT	7.00	0	13.00	0.9
ATFBb3	KZT	7.00	-1.02	8.50	4.1
HSBKb3	KZT	6.98	-0.01	9.00	4.7
EUBNb1	KZT	6.93	-0.07	7.00	4.1
PRKRb1	KZT	6.80	-0.20	8.00	4.6
KKGBb3	KZT	6.50	0	7.00	2.2
HSBKb5	KZT	6.48	-0.24	5.00	2.6
MEOKAM	KZT	5.05	-0.56	5.68-6.09	0.6-5.0
CS repo*	KZT	4.02	-3.23	–	0.001-0.1
MEKKAM, notes*	KZT	3.07	+0.20	–	0.03-0.89
INCAb1	KZT	3.01	0	–	0.1
GS repo*	KZT	0.79	-0.05	–	0.003-0.08
Instruments indexed on inflation					
ASFIb4	KZT	9.50	+0.78	9.00	6.6
BTAIb2	KZT	9.00	–	–	10.0
KZASb2	KZT	9.00	+0.20	8.80	4.6
KZALb1	KZT	8.50	-1.00	9.00	4.6
TSBNb1	KZT	8.50	0	9.00	2.6
CSBNb4	KZT	8.20	0	7.50	6.6
NRBNb3	KZT	7.80	+0.07	8.09	2.6
KZIKb5	KZT	7.80	+0.08	9.00	4.4
CCBNb4	KZT	7.70	0	9.00	6.9
BTASb4	KZT	7.54	+0.01	8.00	9.6
KZIKb4	KZT	7.47	+1.33	8.20	9.4
CCBNb3	KZT	7.06	-0.01	12.60	5.6
HSBKb4	KZT	7.00	0	8.50	5.7
BTASb3	KZT	6.59	-1.26	8.00	9.0
KZIKb2	KZT	6.53	-0.88	9.50	8.9
KZIKb3	KZT	5.70	0	8.70	9.4
KARMB2	KZT	5.60	0	8.60	4.2
KZIKb6	KZT	5.09	-0.01	8.09	6.4
KZIKb1	KZT	5.00	0	11.25	1.0
MEIKAM	KZT	4.15	-8.24	–	0.3-0.28
Instruments indexed on devaluation of tenge to US dollar					
ALKSb2	USD	16.32	-0.67	10.00	1.8
LARIb1	USD	15.75	+3.00	7.75	0.8
TEBNb2	USD	13.75	+2.57	11.00	3.9
CCBNb1	USD	13.00	+2.55	12.00	1.1
ORDBb1	USD	13.00	0	11.00	0.8
ATFBb2	USD	13.00	+2.94	9.00	2.2

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**Investment attractiveness of stock exchange
financial instruments since October 20 till October 26**

Financial instrument	Currency of trans-n	Yield, % APR value	trend	Coupon, % APR	Term, years
KKGBb2	USD	12.49	+0.99	8.00	5.1
HSBKb	USD	12.31	+4.22	11.80	2.7
HSBKb2	USD	12.00	+1.13	8.00	2.6
BTASb1	USD	12.00	+1.50	12.00	4.3
NRBNb1	USD	11.60	+1.42	8.50	0.6
VTBNb1	USD	10.58	-0.02	10.00	1.9
TEBNb	USD	9.50	0	9.50	0.8
ASBNb1	USD	9.50	0	9.00	5.2
BTASb2	USD	8.50	-0.77	9.00	5.5
BRKZb1	USD	8.50	+2.00	8.50	2.3
NRBNb2	USD	7.69	-0.28	9.00	6.6
ART060.004	USD	7.14	-0.03	8.50	3.6
ARU060.003	USD	6.76	+0.01	8.60	1.9
AST048.006	USD	6.54	+0.01	8.50	2.7
AST048.005	USD	6.34	+0.01	8.50	2.0
AST036.004	USD	6.16	+0.01	8.31	1.0
KZAPb1	USD	6.14	-0.17	8.50	2.4
ASU036.003	USD	6.13	+0.05	9.80	0.2
VKU036.002	USD	5.50	0	8.50	0.8

Instruments indexed on devaluation of tenge to US dollar with protection from strengthening of tenge against dollar

RGBRb3	USD	9.73	+1.23	10.00	3.3
CHFMb1	USD	9.50	0	10.00	2.3
ASFib2	USD	9.50	+3.00	9.00	0.4
ROSAb1	USD	9.50	-0.48	11.00	2.5
ASBNb2	USD	8.54	+0.04	8.50	2.0
CSBNb3	USD	8.23	-0.07	8.75	6.1
TEBNb3	USD	8.20	0	9.00	8.0
CSBNb2	USD	8.19	+0.01	9.50	5.6
ASFib3	USD	8.00	-0.50	7.00	4.1
MREKb1	USD	8.00	-1.50	13.00	2.5
CCBNb2	USD	8.00	0	10.00	4.4
KZTCb1	USD	8.00	0	8.00	5.8
KZPSb1	USD	5.73	+0.83	8.00	3.6

Non-indexed instruments denominated in foreign currency

KKGBe2	USD	12.50	+0.50	11.000	3.2
KKGBe4	USD	7.69	+0.01	8.500	8.5
BTASe3	USD	7.65	0	7.875	5.6
RU_01_2806	USD	7.40	-0.03	12.75	23.7
PKKRe1	USD	7.10	-0.18	9.625	5.3
RU_02_3003	USD	6.84	-0.03	5.00	25.4
BRKZe2	USD	5.91	-0.13	7.375	9.1
BTASe2	USD	5.80	-0.02	10.000	2.6
KKGBe3	USD	5.40	-0.06	10.125	2.6
IFO bonds	USD	3.98	0	4.38-5.50	7.9-9.2
KZTOe1	USD	3.87	-0.04	8.500	1.7
ENU07.05	USD	3.48	-	11.125	2.5
BRKZe1	USD	3.46	-0.10	7.125	3.0
IFO bonds	EUR	1.85	+0.04	7.13	0.6

The yields of bonds in which deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to the last day of previous period. Securities marked by asterisk are the instruments with less than one year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield calculated on the effective coupon rate is given. Term of instrument is shown with regard to the last date of the analyzed period (for bonds – till maturity, for repo instruments – till repo closing date).

THE CORPORATE SECURITIES MARKET (CS)

Primary floatation sector

On October 22 specialized trades on primary floatation of **secured by the pawn of demand rights on mortgage loan agreements of BTA Ipoteka JSC (Almaty) of second issue (KZ2CKY10B257; KASE official "B" listing category, BTAIb2; KZT1, KZT1 500,0 m.; October 21, 2004 – October 21, 2014, semiannual coupon indexed on inflation rate, 30/360)** were held in Kazakhstan stock exchange's (KASE) trade system. Issuer offered to participants of bond market for the amount of nominal value KZT 150.0 m, that is 10% from registered volume of issue.

Subject of trade was value of fixed margin, which was introduced by participants in bids as a price. This parameter determines, value of coupon premium on bonds, which should be fixed in trades as a cutting off rate

(premium on bonds in current coupon period is calculated from amount of fixed margin and level of inflation in annual expression for the period September 2003 – September 2004 – 7.7%) - on the one hand, on the other hand it was price parameter, as it was used in calculation of price, which should satisfy non cut bids. Trades accepted limited (competitive in terms of GS market) and market (noncompetitive) bids. Market bids satisfaction stake – 70 %.

Two members of KASE has taken part in the trades – subjects of pension market of Kazakhstan, who gave 3 limited bids for purchase of 45 m bonds and one market – for purchase of 105 m bonds. Margin in all given limited bids equaled to 1.30% that corresponds to coupon rate 9.00% APR. **By the results of trade** issuer satisfied all given bids (for purchase of **150 m bonds**), thus having placed planned volume. At that as a fixed margin was used value **1.30%**, as a result premium on bonds in current coupon period determined on the level **9.00%APR**. The bids were satisfied at **clean price 99.9995%** of bond's face value. Sum of borrowing was **KZT 150,036,685.22**. By results of the floatation total issue volume was purchased using pension assets of accumulative pension funds.

Purchase and sale sector

In purchase and sale sector a total of 83 deals to the amount of **\$24,556.8 th.** or KZT3,257.3 m. were made during the analyzed period at KASE. In comparison with the previous period (73 deals, \$50,215.3 th. or KZT6,683.2 m.) turnover of the sector has decreased 2 times. Volume of deals decreased considerably in both share sector and in bond sector. A part of investors' money were used for purchasing new bonds – BTAlb2.

During the analyzed period deals were made by KASE's 13 members on 37 instruments 22 of which were bonds. At that, 16.8% of gross-turnover (1.6% on purchasing transactions, and 32.1% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 17 members of "P" and "H" categories were interested in 35 securities, 22 of which were bonds. Stake of pension assets was 17.7% of gross-turnover, including 16.4% on purchasing transactions and 19.0% on sale transactions.

Corporate bond market is notable with falling of turnover 1.7 times (by \$9,719.0 th.). Number of securities involved into deals and number of deals almost have not changed. It's not excluded that the quick falling of dollar rate at domestic market now makes difficulties for effective trading in this segment.

KZIKb5 were leading this week (45.6% of total bond turnover, 6 deals). It occurred due to selling of the mentioned bonds by one pension assets management company, which, in all probability, capitalized difference of purchase and sale prices.

Weighted average daily prices were mainly falling. Prices of 14 securities out of 22 involved into deals fell, prices of 8 securities – grew. The notable peculiarity of the period is that prices of most tradable instruments were mainly growing that is explained by the increased demand for them. As a rule, these are securities, which protect holder's income from strengthening of tenge against dollar or not tied to change of the rate of tenge relative to USD. Weighted average daily yield of bonds to maturity for purchaser tended to grow, because yields of 17 securities changed positively, and yields of 5 securities changed negatively.

KASE_BY index almost has not changed (table in the beginning) and went on fluctuating near 7.8% APR.

Results of the trades in bonds within October 20 – 26

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Almaty Kus OJSC	ALKSb2	17.0100	0	20.5000	17.7500
ARNA OJSC	ARNAb1	*9.5000	0	10.0000	7.0000
Alliance Bank JSC	ASBNb1	9.6000	0	9.7000	9.5000
Alliance Bank JSC	ASBNb2	8.5001	0	9.5023	8.6021
Astana-Finance JSC	ASFib2	*9.5000	19.8	9.4999	*9.5000
Astana-Finance JSC	ASFib3	8.5000	0	8.6000	8.0000
Astana-Finance JSC	ASFib4	*9.5000	77.7	*9.5000	*9.5000
ATFBank JSC	ATFBb2	13.0000	13.3	13.0000	13.0000
ATFBank JSC	ATFBb3	8.0181	0	9.0000	7.0000
Development Bank of Kazakhstan JSC	BRKZb1	8.5000	848.6	8.5000	8.5000
Development Bank of Kazakhstan JSC	BRKZe1	5.7612	0	5.0956	3.5496
Development Bank of Kazakhstan JSC	BRKZe2	6.6018	0	6.5993	6.0137
BTA Ipoteka JSC	BTAlb1	10.2000	0	10.2000	8.0000
Bank TuranAlem JSC	BTASb1	12.0000	51.0	12.0000	12.0000
Bank TuranAlem JSC	BTASb2	*8.5000	914.8	*8.5000	*8.5000
Bank TuranAlem JSC	BTASb3	7.8500	0	8.1050	6.5947
Bank TuranAlem JSC	BTASb4	*7.6000	0	8.0000	7.6000
TuranAlem Finance B.V.	BTASe2	6.7848	0	6.9945	5.8080
TuranAlem Finance B.V.	BTASe3		0	8.3248	7.6497
Bank CenterCredit JSC	CCBNb1	13.0000	13.7	13.0000	13.0000
Bank CenterCredit JSC	CCBNb2	9.2000	0	10.8000	8.0000
Bank CenterCredit JSC	CCBNb3	8.7890	0	9.9794	7.0644

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Results of the trades in bonds within October 20 – 26

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Bank CenterCredit JSC	CCBNb4	*8.2617	0	7.9500	7.7000
Bank CenterCredit JSC	CCBNb5	7.8014	0	7.8000	7.6000
Chimfarm JSC	CHFMb1	*10.2000	0	10.2000	9.5000
BANK CASPIAN JSC	CSBNb2	9.7475	0	9.7500	8.3000
BANK CASPIAN JSC	CSBNb3	8.4958	0	9.3000	8.5000
BANK CASPIAN JSC	CSBNb4	8.5000	0	8.6000	8.2000
Eurasian bank JSC	EUBNb1	8.0000	0	7.8605	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb	13.0000	19.2	13.0000	13.0000
Halyk savings bank of Kazakhstan JSC	HSBKb2	12.0041	11.8	13.0000	12.0041
Halyk savings bank of Kazakhstan JSC	HSBKb3	8.0000	0	7.2000	6.9822
Halyk savings bank of Kazakhstan JSC	HSBKb4	8.3500	0	9.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb5		0	8.0000	7.4500
INTERGAS CENTRAL ASIA CJSC	INCAb1	7.0000	0	6.0161	3.0086
Karazhanbasmunai OJSC	KARMB2	8.5059	0	8.6000	5.6000
Kazkommertsbank JSC	KKGBb2	13.0000	25.1	12.0000	13.0000
Kazkommertsbank JSC	KKGBb3	6.5001	0	7.2000	6.5000
Kazkommertsbank JSC	KKGBe2	12.5000	10	12.5000	12.5000
Kazkommerts International B.V.	KKGBe3	7.0123	0	6.5046	5.4440
Kazkommerts International B.V.	KKGBe4	7.8113	0	8.8395	7.6869
Mining and smelting concern Kazakhaltyn JSC	KZALb1	9.5000	0	9.1500	8.5000
NAC Kazatomprom	KZAPb1	8.3300	0	9.0006	6.5200
KOSTANAI MINERALS JSC	KZASb2	*9.1000	1,990.9	9.0000	*9.1000
Kazakhstan Mortgage Company JSC	KZIKb1	7.4700	0	8.0000	5.0000
Kazakhstan Mortgage Company JSC	KZIKb2	7.4114	0	9.4981	6.5500
Kazakhstan Mortgage Company JSC	KZIKb3	7.4500	0	8.7000	5.7000
Kazakhstan Mortgage Company JSC	KZIKb4	7.4700	238.5	7.4700	7.4700
Kazakhstan Mortgage Company JSC	KZIKb5	7.8000	5,744.5	7.8000	7.8000
Kazakhstan Mortgage Company JSC	KZIKb6	7.2800	0	8.0900	5.1000
Kazpost JSC	KZPSb1	8.2000	0	8.7000	5.7402
KazTransCom OJSC	KZTCb1	8.2000	0	8.2100	8.0000
KazTransOil JSC	KZTOe1	3.8654	154.2	3.8654	3.8933
JB LARIBA-BANK JSC	LARIB1	15.7500	19.1	15.7500	15.7500
Mangistau distributing electricity network company OJSC	MREKb1	9.4999	0	9.5000	8.0000
Nurbank OJSC	NRBNb1	11.6001	12.0	11.6001	11.6001
Nurbank OJSC	NRBNb2	7.9750	0	7.4500	8.2000
Nurbank OJSC	NRBNb3	8.0000	0	8.7000	8.6000
Corporation "Ordabasy" OJSC	ORDBb1	13.3000	0	15.9999	13.0000
PetroKazakhstan Finance B.V.	PKKRb1	*7.3461	0	7.9731	7.0984
Food contract corporation JSC	PRKRb1		0	7.4100	7.4000
RG Brands JSC	RGBRb3	9.7332	250.8	9.7357	9.7357
ROSA JSC	ROSAb1	9.9750	0	9.8000	9.5000
TEMIRBANK OJSC	TEBNb	10.5000	0	10.9999	9.5000
TEMIRBANK OJSC	TEBNb2	14.0000	18.6	13.5000	14.0000
TEMIRBANK OJSC	TEBNb3	*8.5000	0	8.3000	8.2000
Tsesnabank JSC	TSBNb1	8.9900	0	10.5000	8.5000
TEXAKABANK OJSC	TXBNb1	10.0000	0	11.0000	8.0000
TEXAKABANK OJSC	TXBNb2	10.0000	62.0	10.0000	11.0000
UST-KAMENOGORSK BATTERY FARM OJSC	UKPFB1	*12.4500	95.8	*12.4500	12.5000
AES Ust-Kamenogorsk HS OJSC	UKTCb1	10.2143	0	11.0000	9.4996
Valut-Tranzit-Bank JSC	VTBNb1	*12.0316	0	12.3100	10.5917
Security corporation Sary-Arka Sarbazy LLP	VTSKb2	9.0000	0	9.4801	8.8846
TEXHO-LIFE JSC	VTTHb1	9.4814	0	9.4834	8.9407
Kazyuvelirprom JSC	VTZLb1	*9.3191	2,014.1	8.2000	*9.3191
TOTAL	75		12,605.4		

Share market was also notable with brokers' passivity. Volume of deals has fallen 2.3 times – by \$15,939.6 th. It occurred mainly due to falling of market's favorites turnover – common shares of Corporation Ordabasy JSC (ORDB) and Corporation Kazakhmys JSC (KZMS). Volume of deals made with the former securities has fallen 4 times, with the latest ones – 5.4 times. Nonetheless, these instruments have remained leaders at KASE, their

stake was 31.5% and 13.2% of total share turnover correspondingly. Two transactions were made with ORDB (last week – five), and the only deal was made with KZMS (last week – nine).

Weighted average daily rates of six securities out of 15 securities involved into deals have grown (ORDBp – by 30.7%, ATFBp – by 30.0%, VTZL – by 28.6%, ORDB – by 24.5%, KZTK – by 16.0%, ALKZp – by 0.6%), rates of three securities have fallen (KZMS – by 13.6%, CCBN – by 10.0%, VTBN – by 1.9%). Rates of ALKS, BTAS, MMGZp, VTBNp, VTZLp and ZERD have not changed. KASE_Shares index grew within 7 days by 0.61% to the record figure **205.54**.

Results of the trades in shares within October 20 – 26

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th. USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*13.00	4,000,000	347.4	*13.00	10.00
Almaty Kus OJSC	ALKSp	*13.00	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	*10.00	0	0	10.00	15.00
Aluminium of Kazakhstan JSC	ALKZp	*89.00	1,904	1.3	*89.00	*89.00
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Alliance Bank JSC	ASBN	*10,135.89	0	0	11,500.00	12,000.00
Astana-Finance JSC	ASFI	1,000.00	0	0	770.00	1,155.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp	*1,300.00	27,237	267.2	*1,300.00	*1,300.00
ATFBank JSC	ATFBp8	1,001.00	0	0	1,000.00	1,500.00
Bank TuranAlem JSC	BTAS	*13,698.63	730	75.3	*13,698.63	*13,698.63
Bank TuranAlem JSC	BTASp	12,832.80	0	0	15,832.80	18,000.00
Bank CenterCredit JSC	CCBN	*200.00	300,000	452.5	217.00	*200.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	171.00	256.50
CHARALTYN JSC	HRLT	3.50	0	0	3.50	5.25
Halyk savings bank of Kazakhstan JSC	HSBK	110.00	0	0	110.00	163.38
Halyk savings bank of Kazakhstan JSC	HSBKp	*206.00	0	0	144.00	180.00
Halyk savings bank of Kazakhstan JSC	HSBKp7	152.10	0	0	144.00	180.00
Kant OJSC	KANT	359.10	0	0	98.00	138.00
Kazkommertsbank JSC	KKGB	160.00	0	0	155.00	232.50
Kazkommertsbank JSC	KKGBp	89.00	0	0	85.00	127.50
Corporation Kazakhmys JSC	KZMS	*4,382.56	47,799	1,577.9	*4,382.56	*4,382.56
Kazakhtelecom JSC	KZTK	*6,900.00	18,260	945.7	*6,900.00	5,930.00
Kazakhtelecom JSC	KZTKp	*2,500.00	0	0	2,500.80	3,735.00
KAZZINC JSC	KZZN	*900.00	0	0	900.00	1,350.00
Mangistaumunaigas OJSC	MMGZp	*550.00	29,166	137.6	700.00	*550.00
Nurbank OJSC	NRBNp6	10,500.00	0	0	8,600.00	12,900.00
Corporation Ordabasy JSC	ORDB	*2,100.00	250,000	3,766.2	*2,100.00	1,900.00
Corporation Ordabasy JSC	ORDBp	1,150.00	180,000	1,564.7	1,150.00	1,150.00
ROSA JSC	ROSA	904.98	0	0	603.32	904.98
Temirbank JSC	TEBN	*700.00	0	0	1,015.00	1,040.00
Temirbank JSC	TEBNp	0	0	0	676.00	1,014.00
Tsesnabank JSC	TSBN	1,050.00	0	0	1,000.00	1,500.00
Tsesnabank JSC	TSBNp	1,000.00	0	0	1,000.00	1,500.00
TEXAKABANK OJSC	TXBN	0	0	0	18,000.00	20,000.00
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMK	*3,560.00	0	0	3,750.00	5,250.00
Valut-Tranzit-Bank JSC	VTBN	*350.00	414,804	894.7	360.00	270.00
Valut-Tranzit-Bank JSC	VTBNp	*350.00	58,653	134.8	355.00	270.00
Kazyvelirprom JSC	VTZL	*270.00	241,675	491.8	*270.00	*270.00
Kazyvelirprom JSC	VTZLp	*206.00	734,190	1,139.2	*206.00	*206.00
Zerde OJSC	ZERD	*1.30	17,738,015	155.0	*1.30	1.00
TOTAL	42		24,042,433	11,951.3		

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 all at CS trade floors of KASE (including primary floatation sector) a total of 87 deals amounting to **\$25,689.1 th.** (KZT3,407.3 m.) were concluded during the analyzed period. During the previous period this indicator was \$50,215.3 th. (KZT6,683.2 m.).

Changes in KASE's trade lists

By the decision of KASE's Council dated October 20 of 2004 **common shares KZ1C3950012 of Almatinskiy Sakhar OJSC JSC** (Almaty oblast, Eskeldy region, Karabulak set-t) of the third and the fourth issues have been included in KASE's official "B" listing category. At KASE the shares have been assigned trade code **ALSA**. Date, on which the mentioned decision takes effect will be announced later

By the decision of KASE's Council dated October 20 of 2004 **bonds of BTA Ipoteka JSC (Almaty) of the second issue** (characteristics is given above), which are secured by pledging of chose action on the contracts of mortgage borrowing, have been included in KASE's official "B" listing category. At KASE the bonds have been assigned trade code **BTAIb2**. The decision took effect **since October 21 of 2004**, because the issuer paid listing fee for these securities. Trades in the bonds at KASE's secondary market are opened **since October 26**. Detailed information about this issue is on KASE's web-site at <http://www.kase.kz/emitters/btai.asp>.

The resolution of KASE's Council dated October 21, 2004 admitted **common shares (ISIN CA71649P1027) of PetroKazakhstan Inc** (Calgary, Alberta province) in the official "B" listing of KASE. These are first securities of a foreign issuer admitted in the listing of KASE. The resolution was approved on the basis of two internal documents of KASE – Listing Rules and Listing requirements to foreign issuers and Kazakhstan depository receipts. The enforcement date of the resolution will be announced later. Financial consultant of the issuer on domestic stock exchange market is **TuranAlem Securities JSC (Almaty)**. The shares were assigned **CA_PKZ** trade code.

SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE total volume of 40 deals reached **KZT8,151.1 m.** (\$61,494.5 th.) during the analyzed period. Corresponding figure of the previous period – KZT16,861.9 m. (\$126,764.5 th.).

Parameters of Exchange's transactions in GS within October 20 – 26

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted (KZT): MEKKAM, National Bank's notes						
65.3% (71.9%) of purchase and sale sector's turnover						
less than 8	0.49	4.31	4.31	1.93 (1.50)	451.7	6
8 - 14	3.14	3.14	3.14	3.14 (1.85)	154.9	3
29 - 36	3.03	3.03	3.03	3.03 (3.02)	174.5	1
37 - 42	2.30	2.96	2.30	2.74 (-)	274.2	3
57 - 63	3.30	4.01	4.01	3.78 (-)	825.1	5
92 - 181	2.90	3.78	3.78	2.90 (3.07)	2,385.9	5
182 - 364	2.90	4.00	4.00	3.32 (3.58)	1,056.9	6
Total					5,323.2 (12,120.9)	29 (57)
Coupon (KZT): MEOKAM-36, 48, 60, 72, 84						
34.3% (28.1%) of purchase and sale sector's turnover						
less than 730	3.70	23.58	19.24	4.12 (6.99)	548.6	3
1461 - 1825	5.70	5.70	5.70	5.70 (5.45)	0.1	1
1826 - 2190	5.30	5.30	5.30	5.30 (5.50)	2,245.6	3
Total					2,794.4 (4,741.0)	7 (23)
Euronotes of Kazakhstan (USD)						
0.4% (-) of purchase and sale sector's turnover						
*919	3.45	3.49	3.45	3.48 (-)	33.5	4
Total					33.5 (-)	4 (-)
GRANDTOTAL					8,151.1 (16,861.9)	40 (80)

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

This sector is still compressing because of absence of primary floatations, banks' keenness on the work with US dollar, and also as the result of very low profitability of GS. During the analyzed period there was hold the only primary floatation of government bonds – on October 22 National Bank's notes took from the market KZT4,067.2 m. Specialists of IRBIS explain such the low issuing activity by unwillingness of the Ministry of finance in borrowing money after repayment of the third issue sovereign euronotes and limited abilities of the head bank in further increasing of its internal debt. As the result excessive liquidity is now tied up mainly at the repo market. As regards the secondary GS market, parameters of securities offer there do not suit potential buyers, who keep from making deals.

Price parameters of the market and the structure of GS turnover at KASE are given in the table.

The proportion of the Exchange's turnover in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **97.6%**, last week - **91.8%**.

FOREIGN SECURITIES MARKET

In **foreign government securities (FGS) purchase and sale sector** no deals were made. At closing of the trades on October 26 best quotations of bonds were fixed on the level of:

- on **RU_01_2806** (US78307AAE38) – 158.7000 / 159.9000 % of bonds face value without accumulated interest (7.44 / 7.36 % APR to maturity);
- on **RU_02_3003** (US78307ACZ49) – 99.5000 / 100.7000 % of bonds face value with accumulated interest (6.91 / 6.81 % APR to maturity).

Bonds quotation at the stock exchange is still conducted by the only member of KASE – their market-maker – TuranAlem Securities JSC.

KASE'S MEMBERS

By the decision of KASE's Council dated October 20 of 2004 **State institution National Bank of Kazakhstan** (Almaty) has been admitted to the membership of KASE under "**P**" category (right to participate in trades in corporate securities (including foreign ones), which have been included in KASE's official securities list, and also in securities of international financial organizations and foreign government securities admitted to circulation (trading) at KASE). Till present the bank was a member of KASE under categories "B" (right to participate in trades in foreign currencies) and "K" (right to participate in trades in government securities of Kazakhstan, which are circulating (traded) at KASE), including securities of domestic executive bodies.

By the decision of KASE's Council dated October 20 of 2004 **Kazpost JSC** (Almaty) has been admitted to KASE's membership under the categories "**P**" (right to participate in trades in corporate securities (including foreign ones), which have been included in KASE's official securities list, and also in securities of international financial organizations and foreign government securities admitted to circulation (trading) at KASE) and "**H**" (right to participate in trades in corporate securities admitted to circulation in KASE's "Non-listing securities" sector and state blocks of shares of privatized organizations). Till present Kazpost JSC was a member of KASE under "K" category.

KASE'S NORMATIVE BASE

Decision of Exchange Council of Kazakhstan Stock Exchange (KASE) dated October 20, 2004 has approved new KASE internal document "**Rules of dissemination of stock exchange information**" (Rules). Rules are complied with Agency of the Republic of Kazakhstan on regulation and supervision of financial market and financial organizations (AFN) on September 01, 2004 and came into force from October 21, 2004. Rules determine basic (minimal) requirements to stock exchange information, and also terms and orders of its dissemination. Document is published on KASE web-site http://www.kase.kz/geninfo/normbase/Info_rules.pdf.

KASE'S NEWS

By the decision of KASE's Council dated October 20 of 2004 **Kazneftehim JSC** (Almaty) **has been refused to include** its indexed bonds of the second issue in the stock exchange's official "A" listing category. The stock exchange's Council made such the decision after examination of KASE's Listing commission's conclusion and comments of representatives of the issuer and its financial consultant, which was **RG Securities LLP** (Almaty). According to paragraph 3 of the article 18 of Listing rules decision about inclusion of securities in KASE's official list and (or) distribution between its categories is to be made by the majority votes of those, who are present at the meeting of members of stock exchange's Council. 4 members of exchange's Council voted for including shares of Kazneftehim JSC in "B" listing category, four members objected, and five members abstained.

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