

WEEK OF STOCK MARKET OF KAZAKHSTAN

January 12 – 18

Money market indicators as of January 18 and change for the period

Term	Currency	Rate	Trend
"Overnight" on autorepo at KASE(TONIA)			
1 day	KZT	3.07	+2.41
Repo opening at KASE (WA, % APR)			
1 day	KZT	2.98	+2.33
3 days	KZT	3.00	-2.55
31 days	KZT	6.99	+1.51
59 days	KZT	9.01	-
365 days	KZT	7.00	-
KIBOR (indicative, % APR)			
1 week	KZT	4.00	+0.33
2 weeks	KZT	4.83	+0.50
1 month	KZT	5.67	+0.67
2 months	KZT	6.33	+0.50
3 months	KZT	7.00	+0.50

Stock market indicators as of January 18 and their change for the period

Index	Value	Trend
Shares of "A" listing		
KASE_Shares	216.80	-1.05%
Corporate bonds of "A" listing		
KASE_BP	169.91	+0.74%
KASE_BC	125.36	+0.63%
KASE_BY	7.41	-2.10%

US dollar = **129.99** tenge at official rate for the end of the period.
 US dollar = **129.98** 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 – **1.4% APR.**

Investment attractiveness of stock exchange financial instruments since January 12 till January 18 of 2005

Financial instrument	Currency of trans-n	Yield, % value	% APR trend	Coupon, % APR	Term, years
Non-indexed instruments denominated in tenge					
UKPFb1	KZT	12.56	+0.21	14.00	2.6
TXBNb1	KZT	9.22	+1.72	15.00	1.6
VTTHb1	KZT	8.91	-0.01	10.00	7.8
VTSKb2	KZT	8.85	0	10.00	6.8
TXBNb2	KZT	8.60	-0.76	11.00	5.5
ATFBb4	KZT	8.50	-	8.50	9.9
UKTCb1	KZT	8.00	-1.66	9.00	1.8
HSBKb7	KZT	7.90	-	7.50	10.0
NRBNb4	KZT	7.90	+0.09	8.00	4.0
VTZLb1	KZT	7.59	-0.01	10.00	8.8
HSBKb3	KZT	7.31	-0.09	9.00	4.4
ATFBb3	KZT	7.09	-0.25	8.50	3.9
CS repo*	KZT	7.05	-9.14	-	0.003-0.76
ARNAb1	KZT	7.00	-2.00	13.00	0.6
BTAIb1	KZT	7.00	-0.50	10.00	6.0
PRKRb1	KZT	6.72	+0.05	8.00	4.3
CCBNb5	KZT	6.50	-0.94	8.50	2.7
KKGBb3	KZT	6.50	0	7.00	2.0
HSBKb5	KZT	6.36	+0.03	5.00	2.3
EUBNb1	KZT	6.00	0	6.50	3.9
EUBNb2	KZT	5.50	0	6.00	6.9
MEOKAM	KZT	4.31	-0.89	5.5-8.0	0.62-7.89
MEKKAM, notes*	KZT	2.64	-0.10	-	0.08-0.62
GS repo*	KZT	1.49	-0.19	-	0.003-0.08
Instruments indexed on inflation					
ASFIb4	KZT	9.50	+0.16	9.00	6.3
KZASb2	KZT	9.25	0	8.80	4.4
KZALb1	KZT	9.00	+0.53	9.70	4.4
VTBNb2	KZT	8.80	+0.10	8.80	4.9
TSBNb1	KZT	8.50	0	9.00	2.3
CCBNb3	KZT	8.36	+1.33	12.80	5.4
CCBNb6	KZT	8.20	+0.01	9.00	10.0
CSBNb4	KZT	7.97	-0.03	8.40	6.4
NRBNb3	KZT	7.96	-0.04	8.00	2.4
BTASb4	KZT	7.50	-0.05	8.00	9.4
HSBKb4	KZT	7.24	+0.57	8.50	5.4
CCBNb4	KZT	7.00	-0.53	9.00	6.7
KZIKb4	KZT	6.99	+0.06	8.20	9.2
BTASb3	KZT	6.50	0	9.40	8.8
ASBNb3	KZT	6.30	-0.95	8.50	6.8
KZIKb2	KZT	5.89	-0.06	9.50	8.7
KARMB2	KZT	5.87	+0.12	8.60	4.0
KZIKb3	KZT	5.12	-0.15	8.70	9.2
KZIKb7	KZT	5.00	0	6.90	6.7
KZIKb6	KZT	4.90	-0.56	8.09	6.2
KZIKb5	KZT	4.90	0	8.09	4.2
KZIKb1	KZT	4.50	0	12.25	0.8

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Investment attractiveness of stock exchange financial instruments since January 12 till January 18 of 2005

Financial instrument	Currency of trans-n	Yield, % APR value	trend	Coupon, % APR	Term, years
Instruments indexed on devaluation of tenge to US dollar					
TEBNb2	USD	13.64	-1.70	11.00	3.7
ORDBb1	USD	13.00	-0.42	11.00	0.6
HSBKb	USD	11.95	+0.08	11.80	2.4
KKGBb2	USD	11.93	+0.93	8.00	4.9
ATFBb2	USD	11.50	-0.69	9.00	2.0
CCBNb1	USD	11.43	-0.86	12.00	0.9
HSBKb2	USD	11.01	+1.71	8.00	2.3
BTASb1	USD	10.92	-0.08	12.00	4.1
VTBNb1	USD	10.30	+0.11	10.00	1.7
NRBNb1	USD	10.14	-0.53	8.50	0.3
NRBNb2	USD	9.76	-0.70	9.00	6.4
ASBNb1	USD	9.50	0	9.00	4.9
BTASb2	USD	9.50	-0.50	9.00	5.3
TEBNb	USD	9.50	0	9.50	0.6
AST048.006	USD	8.42	-1.63	8.50	2.5
ARU060.003	USD	8.25	+0.05	8.60	1.7
AST048.005	USD	8.23	+0.01	8.50	1.7
AST036.004	USD	8.06	+0.01	8.31	0.7
KZAPb1	USD	7.00	0	8.50	2.2
ART060.004	USD	6.75	+0.25	8.50	3.3
BRKZb1	USD	6.10	-2.40	8.50	2.1
VKU036.002	USD	5.50	0	8.50	0.6
Instruments indexed on devaluation of tenge to US dollar with protection from strengthening of tenge against dollar					
ROSAb1	USD	9.50	-0.49	11.00	2.2
CHFMb1	USD	9.50	-0.20	10.00	2.0
ASBNb2	USD	9.36	-0.04	8.50	1.8
MREKb1	USD	9.00	+0.01	13.00	2.2
TEBNb3	USD	8.40	0	9.00	7.8
CSBNb3	USD	8.23	-0.27	8.75	5.9
CSBNb2	USD	8.10	-0.59	9.50	5.4
CCBNb2	USD	8.00	0	10.00	4.2
ASFIb3	USD	8.00	0	7.00	3.9
RGBRb3	USD	8.00	-0.45	10.00	3.0
ASFIb2	USD	7.53	+2.42	9.00	0.2
KZTCb1	USD	7.50	0	8.00	5.5
KZPSb1	USD	5.70	-2.22	8.00	3.3
Non-indexed instruments denominated in foreign currency					
KKGBe2	USD	8.00	0	11.000	3.0
KKGBe4	USD	7.67	0	8.500	8.2
BTASe3	USD	7.66	+0.21	7.875	5.4
RU_01_2806	USD	7.03	+0.05	12.75	23.4
PKKRe1	USD	6.73	+0.01	9.625	5.1
RU_02_3003	USD	6.66	+0.05	5.00	25.2
BRKZe2	USD	5.88	+0.09	7.375	8.8
BTASe2	USD	5.87	+0.11	10.000	2.4
KKGBe3	USD	5.02	-0.06	10.125	2.3
IFO bonds	USD	4.05	0	4.38-5.50	7.7-8.9
BRKZe1	USD	3.99	+0.46	7.125	2.7
KZTOe1	USD	3.08	0	8.500	1.5
IFO bonds	EUR	1.49	-0.03	7.13	0.3

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 current 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

Within January 12 – 18 specialized trades on primary floatation of **bonds of Halyk savings bank of Kazakhstan JSC (Almaty) of the 6th issue** (KZPC3Y02B199, official “A” category list, HSBKb6; KZT1,000, KZT2,000.0 m.; Jan 21, 05 – Jan 21, 07, indexed on tenge devaluation level and changing of S&P500 index coupon at maturity, 30/360) were continued in Kazakhstan stock exchange’s (KASE) trade system. This issue is the third to be issued under the bond program adopted by Halyk savings bank of Kazakhstan JSC and approved by Kazakhstan agency for financial market and financial organizations regulation and supervision on May 4, 2004.

The floatation was held in open trade form from 11:30 a.m. to 1:00 p.m., settlement date was January 20. The issuer planned to float the whole volume of the registered issue. Peculiarity of the floatation is the fact that it's made at face value. Issuer forms in KASE's trade system bids for bonds sale at this price (KZT1,000 per security or 100% of the face value), and participants can satisfy these bids only at offer price for the amount they are interested in.

During the period two members of KASE – pension market's subjects took part in the trades, besides the seller. However only one of them submitted a bid at offer price and as the result on January 13 the issuer offered **200 th. bonds at the face value** that was 10% of the registered issue volume. Trades will be continued at KASE **until January 20 inclusive**.

In the opinion of specialists of IRBIS agency the low demand for HSBKb6 is explained by complexity of the instrument, which looks unusually on our market. Mechanism of investor's income indexation, along with endogenous factors, also takes into account effect of particularly outer circumstances, which do not depend on the situation in Kazakhstan, but which make a certain influence upon it. The negative peculiarity of the securities is that they almost do not protect investor's income from local risks of strengthening of tenge to dollar (taking into account the small circulation term of bonds), but just let make earning due to growth of American economics. Analysts of TuranAlem Securities JSC (Almaty) tried to estimate the theoretical yield of these bonds and received 8.33% APR. However most professional participants estimate this figure as too optimistic one. Analysts of IRBIS think that before the end of the first coupon period of HSBKb6 no forecasted yield of bonds is defensible.

Within January 12 – 18 specialized trades on primary floatation of **bonds of Halyk savings bank of Kazakhstan JSC (Almaty) of the 7th issue** (KZPC4Y10B190, official "A" category list, HSBKb7; KZT1, KZT4,000.0 m.; Dec 31, 04 – Dec 31, 14, fixed semi-annual coupon 7.5% APR, 30/360) were continued in Kazakhstan stock exchange's (KASE) trade system. This issue is the fourth to be issued under the bond program adopted by Halyk savings bank of Kazakhstan JSC and approved by Kazakhstan agency for financial market and financial organizations regulation and supervision on May 4, 2004. The issuer offered 2,000 bonds that was 50.0% of the registered issue volume. Subject of the trades was bonds' clean price (without accumulated interest). Trades were held by the scheme T+0.

During the period KASE's three members – pension market's subjects and a broker-dealer company were interested in these bonds. Within 5 days they submitted six limited bids for purchasing 600 m. bonds. Price in the bids varied from 92.9600% (8.56% APR to maturity) to 97.2717% (7.90% APR). Weighted average demand price in the analyzed period was 95.48% (8.18% APR).

During the whole period of trades the issuer only once made cut-off procedure – on January 14. On other days demand was either absent or its price did not satisfy the seller. Only two bids for purchasing 350 m. bonds were satisfied at **97.2717%** that corresponded to semi-annual yield of bonds to maturity for a purchaser at the rate of **7.90%** APR. Sum of borrowing has equaled to **KZT341,471,783.33**. According to results of the trades 85.7% of bonds were purchased by pension assets of accumulative pension funds, 14.3% – by a broker-dealer company at its own expense. After the last day of the analyzed period the issuer offered on the organized market only 8.75% of the registered securities volume.

According to issuer's notification, trade on primary floatation of HSBKb7 will be continued in KASE's trade system until January 21 inclusive on the same terms.

Purchase and sale sector

In purchase and sale sector a total of 77 deals amounting to **\$18,483.5 th.** or KZT2,402.8 m. were made during the analyzed period at KASE. In comparison with the previous period (178 deals, \$111,798.9 th. or KZT14,535.3 m.), which was longer by three working days, turnover of the sector has decreased 6 times.

During the analyzed period deals were made by KASE's 13 members on 31 instruments 19 of which were bonds. At that, 31.9% of gross-turnover (25.2% on purchasing transactions, and 38.7% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 25 members of "P" and "H" categories were interested in 49 securities, 33 of which were bonds. Stake of pension assets was 31.1% of gross-turnover, including 44.3% on purchasing transactions and 17.9% on sale transactions.

Corporate bond market has reduced its turnover 5.8 times or by \$71,976.8 th. in comparison with the previous period. Number of deals has fallen from 89 to 38. The stake of direct (contractual) deals was only 7.7% of transactions in quantitative expression and 1.0% in volumetric expression (24.7% and 27.1% in last week). Average daily volume of deals in bonds has fallen from KZT1,412.0 bn. (\$10,860.5 th.) to KZT387.6 m. (\$2,981.5 th.).

In the opinion of specialists of IRBIS market's turnover abruptly fell mainly because of ending of primary offering of the fourth issue domestic bonds of Bank TuranAlem JSC (**BTASb4**). The issuer officially offered this issue by December 30 of 2004. However it was rather bonds purchasing by underwriter, who was actively selling the securities at the secondary trades until January 14.

As regards previous period's leaders, another new security – sixth issue bonds of Bank CenterCredit JSC (**CCBNb6**) kept its positions in trading rating. Due to two concluded deals its stake equaled to 17.7% of total

trade volume in this segment of KASE's market. IRBIS also does not exclude primary floatation of bonds by their underwriter, like in case of BTASb4.

Other leaders – KZIKb4 (Kazakhstan Mortgage Company JSC) with 16.0% stake in bond market's turnover and HSBKb (Halyk savings bank of Kazakhstan JSC) with 12.8% stake were among leaders, most probably, due to restructuring of portfolios of "pension market's subjects". All of these securities were sold at falling prices.

As regards prices, corporate bond market was as follows. Weighted average dirty prices of 11 securities out of 19 ones involved into deals have grown, prices of 7 securities have fallen (there was nothing to compare price of ATFBb4 with). KKGBb2 grew most of all (by 8.1%), HSBKb fell most of all (by 2.2%). Predominant growth of prices was also observed in last week, that evidences about some prevalence of demand over offer. But unlike the previous period price dynamics did not correlate with the charter of securities indexation because bonds indexed on tenge devaluation against dollar (without protection from strengthening of tenge) almost did not interest brokers.

Judging on results of the period 9 instruments' yields to maturity for a purchaser have fallen, and yields of 8 instruments have grown. KASE_B* indexes, like in previous period, were characterized by the increased volatility. That's why indexes trends, which are given in the table in the beginning of the review, reflect local fluctuations rather than the general tendency. General tendency is almost unchanged and is characterized by the fluent "climbing down" of bonds' yields while their prices are gradually growing. However during the described week it was less pronounced than before due to falling of corporate euronotes' quotations (see table of investment attractiveness).

It should be noted that in chase of quoted securities' liquidity some of their market-makers by their own initiative started narrowing spreads of compulsory quotations. Results of analysis let reveal the considerable narrowing of spreads on quotations of **MONEY EXPERTS JSC** (Almaty). This company at present fulfills at KASE obligations of market-maker on bonds of Nurbank JSC of four issues. Since December 1 of 2004 (of trades opening date if it was later) till January 12 of 2005 MONEY EXPERTS JSC has narrowed spreads between the best compulsory quotations of the first issue bonds of Nurbank JSC (NRBNb1) from 3.0 to 0.70 percentage points on bonds' yield to maturity calculated best quotations; second issue (NRBNb2) – from 3.0 to 1.5 percentage points; third issue (NRBNb3) – to 0.2 percentage points; fourth issue (NRBNb4) – from 0.7 to 0.2 percentage points. Unfortunately, the mentioned narrowing of spreads has not influenced upon liquidity of the listed instruments yet. None of them is among securities actively traded at KASE. Deals in all four securities were not made at all in the analyzed period. So, analysts of IRBIS conclude that market-makers' spreads are not among the key factors determining liquidity degree of bonds at KASE.

We're reminding that in accordance with the existing exchange's requirements a market-maker of corporate bonds at KASE must support the spread between the best compulsory quotations at the rate not exceeding three percentage points of the difference between yield to maturity, which is calculated on these bonds purchase and sale quotations.

Results of the trades in bonds within January 12 – 18

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th., USD	Purchase	Sale
ARNA OJSC	ARNAb1	*9.0000	0	10.0000	7.0000
Alliance Bank JSC	ASBNb1	6.2483	0	9.5100	9.5000
	ASBNb2	9.3500	633.8	8.5117	9.4019
	ASBNb3	*8.4963	0	7.0100	7.0000
Astana-Finance JSC	ASFib2	*7.0001	513.1	*7.0001	7.7151
	ASFib3	8.1462	0	8.6000	8.0000
	ASFib4	9.5000	384.6	6.5100	9.5000
ATFBank JSC	ATFBb2	14.5000	0	14.0000	12.0000
	ATFBb3	7.3470	0	7.0100	7.5500
	ATFBb4	8.5000	389.5	8.5000	8.5000
Development Bank of Kazakhstan JSC	BRKZb1	8.5014	0	9.1000	6.1000
	BRKZe1	5.7612	0	5.0443	4.1861
	BRKZe2	6.6018	0	6.2796	5.9493
BTA Ipoteka JSC	BTAIb1	*10.1500	0	9.0000	7.0000
Bank TuranAlem JSC	BTASb1	11.0000	0	10.9100	11.0000
	BTASb2	10.0000	0	11.0000	9.5000
	BTASb3	7.8500	0	6.5100	6.5000
	BTASb4	7.5000	99.9	6.0100	7.5000
TuranAlem Finance B.V.	BTASe2	6.7848	0	6.2976	5.8870
	BTASe3		0	7.8717	7.7561
Bank CenterCredit JSC	CCBNb1	11.0100	0	11.0099	12.5000
	CCBNb2	9.2000	0	10.8000	8.0000
	CCBNb3	8.3559	629.3	7.0300	8.3591
	CCBNb4	8.1700	0	7.9500	7.0000
	CCBNb5	7.8014	0	7.8500	7.0000
	CCBNb6	8.2000	2,642.2	8.1500	8.2000

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Results of the trades in bonds within January 12 – 18

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th., USD	Purchase	Sale
Chimfarm JSC	CHFMb1	9.7000	0	9.5100	9.5000
BANK CASPIAN JSC	CSBNb2	8.6920	0	8.5000	8.1000
	CSBNb3	8.4500	0	9.3000	8.9000
	CSBNb4	8.0000	0	8.1600	8.1500
Eurasian bank JSC	EUBNb1	8.0000	0	6.0100	6.0000
	EUBNb2		0	7.5000	5.5000
Halyk savings bank of Kazakhstan JSC	HSBKb	13.5000	1,907.3	11.2500	13.5000
	HSBKb2	9.3000	0	13.5058	11.0219
	HSBKb3	7.3084	625.1	6.5000	7.3150
	HSBKb4	7.2339	497.3	6.5100	7.3637
	HSBKb5		0	7.3000	6.8000
Karazhanbasmunay OJSC	KARMb2	7.3098	0	6.2900	6.5700
Kazkommertsbank JSC	KKGBb2	11.2500	1,164.9	11.0100	12.6500
	KKGBb3	6.5001	0	6.5100	6.5000
	KKGBb2	10.9579	0	11.0000	8.0000
Kazkommerts International B.V.	KKGBb3	6.1675	0	6.3323	5.0396
	KKGBb4	7.9562	0	8.8423	7.6685
Mining and smelting concern Kazakhaltyn JSC	KZALb1	9.0000	19.0	8.2100	9.0000
NAC Kazatomprom	KZAPb1	8.2500	0	10.0000	7.0000
KOSTANAY MINERALS JSC	KZASb2	9.2500	76.9	9.1000	9.2500
Kazakhstan Mortgage Company JSC	KZIKb1	6.0000	0	4.5100	4.5000
	KZIKb2	9.0000	0	7.5000	5.8954
	KZIKb3	5.1156	593.1	4.7100	5.3700
	KZIKb4	6.9900	2,392.3	4.9100	6.9900
	KZIKb5	7.8000	0	7.5000	4.9000
	KZIKb6	5.4617	0	4.9100	4.9000
	KZIKb7	6.8964	0	8.0000	5.0000
Kazpost JSC	KZPSb1	7.9075	0	7.7000	5.7000
KazTransCom JSC	KZTCb1	8.0000	0	8.2000	7.5000
KazTransOil JSC	KZTOe1	4.4680	0	4.5840	3.0840
Mangistau distributing electricity network company OJSC	MREKb1	*9.0000	76.1	*9.0000	*9.0000
Nurbank JSC	NRBNb1	13.0001	0	10.9999	10.5000
	NRBNb2	10.4999	0	9.5100	9.9000
	NRBNb3	8.0000	0	8.2000	8.0000
	NRBNb4		0	8.2000	7.9000
Corporation "Ordabasy" JSC	ORDBb1	13.4236	0	13.0100	13.0001
PetroKazakhstan Finance B.V.	PKKRb1	*7.3461	0	7.5714	7.3479
Food contract corporation JSC	PRKRb1		0	7.3000	7.0000
RG Brands JSC	RGBRb3	8.4567	0	8.5019	8.0018
ROSA JSC	ROSAb1	9.9940	0	9.7000	9.5000
Temirbank JSC	TEBNb	10.9998	0	10.9999	9.5000
	TEBNb2	15.3450	0	13.5100	14.0000
	TEBNb3	8.4500	0	8.4100	8.4000
Tsesnabank JSC	TSBNb1	*10.5000	0	8.5100	8.5000
TEXAKABANK JSC	TXBNb1	9.2214	632.0	9.2214	9.2240
	TXBNb2	9.4000	0	8.5200	9.0000
UST-KAMENOGORSK POULTRY FARM OJSC	UKPFb1	13.0000	823.3	12.3100	13.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1	9.3500	0	9.5000	8.0000
Valut-Tranzit-Bank JSC	VTBNb1	*10.1884	0	10.3059	10.3116
	VTBNb2	8.7976	807.5	8.7976	8.7976
Security corporation Sary-Arka Sarbazy LLP	VTskb2	9.0000	0	9.4540	8.8475
TEXHO-LIFE JSC	VTThb1	9.4814	0	9.4630	8.9122
Kazyuvelirprom JSC	VTZLb1	*7.7330	0	7.8416	7.5916
TOTAL	79		14,907.4		

Share market has also reduced its turnover (7 times or by \$21,338.6 th.). Number of shares involved into deals has fallen to 12, and number of deals – from 89 to 39. Average daily volume of transactions has fallen to KZT93.0 m. (\$715.2 th.) in this period from KZT404.9 m. (\$3,114.3 th.) in the previous one. 48.7% of deals in quantitative expression and 79.8% in volumetric expression were contractual (direct), whereas in previous period these indicators were 67.4% and 85.5% correspondingly.

There were not many peculiarities on share market. Judging on the number of concluded deals (11), privileged shares of Kazkommertsbank JSC (**KKGBp**) still were the most liquid and traded ones on market principles. This instrument's rate is still by the historic maximum level, contractual deals are absent.

Privileged shares of Halyk savings bank of Kazakhstan JSC (**HSBKp**), which were among leaders by falling of the rate due to the only deal (53.1 times), should also be noted. As was said before, the anomalously high price of this instrument was fixed at KASE on December 15 of last year, and the deal concluded again brought the rate to the usual level.

Making of four transactions with common shares of CHARALTYN JSC (**HRLT**), which are not met often in exchange's deals register, are also among peculiarities of the week.

Major peculiarity of the analyzed period on share market is the well expressed tendency of most shares' rates falling. Weighted average daily rates of eight securities out of 12 ones involved into deals have fallen: HSBKp – 53.1 times, MMGZp – by 38.8%, CCBN – by 8.1%, HRLT – by 3.7%, VTBNp – by 1.5%, UTMK – by 1.4%, VTBN – by 1.3%, KKGBp – by 0.01%. Rates of only two instruments have grown: VTZLp – by 27.5% and CHFM – by 27.5%. Rates of ALKZp (KZT80.00 per share) and KZCRp (KZT500.00) have not changed.

Results of the trades in shares within January 12 – 18

(KZT per share, unless otherwise specified)							
Issuer	Security code	Last price	Volume, shares	Volume, th. USD	Purchase	Sale	
Almaty Kus OJSC	ALKS	*10.01	0	0	10.00	15.00	
	ALKSp	*13.00	0	0	10.00	15.00	
	ALKSp3	*10.00	0	0	10.00	15.00	
Aluminium of Kazakhstan JSC	ALKZ	*320.00	0	0	80.00		
	ALKZp	*80.00	109	0.1	*80.00	*80.00	
CNPC – Aktobemunaygas OJSC	AMGZ	9,100.00	0	0	6,100.00	9,100.00	
Alliance Bank JSC	ASBN	*10,000.00	0	0	11,500.00	12,500.00	
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	
	ATFBp	*1,000.00	0	0	1,000.00	1,500.00	
	ATFBp8	*1,000.00	0	0	1,000.00	1,500.00	
Bank TuranAlem JSC	BTAS	*12,801.00	0	0	16,800.00	20,800.00	
	BTASp	12,832.80	0	0	16,700.00	21,000.00	
PetroKazakhstan Inc	CA_PKZ_		0	0	4,873.52	6,984.01	
Bank CenterCredit JSC	CCBN	*200.00	803,890	1,243.6	213.00	*200.00	
Chimfarm JSC	CHFM	*1,141.13	150	1.3	*1,141.13	*1,141.13	
BANK CASPIAN JSC	CSBN	171.01	0	0	171.00	256.50	
	CSBNp	171.01	0	0	171.00	256.50	
CHARALTYN JSC	HRLT	3.53	21,813,030	592.3	3.53	3.53	
Halyk savings bank of Kazakhstan JSC	HSBK	*25,751.08	0	0	117.00	163.38	
	HSBKp	*172.69	620,526	824.3	*172.69	*172.69	
	HSBKp7	152.10	0	0	144.00	180.00	
Kant JSC	KANT	359.10	0	0	210.00	250.00	
Kazkommertsbank JSC	KKGB	163.00	0	0	170.00	156.00	
	KKGBp	138.99	76,846	82.2	139.00	138.99	
TNC Kazchrome OJSC	KZCR	*1,500.00	0	0	1,000.00		
	KZCRp	*500.00	79	0.3	*500.00	*500.00	
Kazakhtelecom JSC	KZTK	*5,896.20	0	0	7,150.00	8,752.80	
	KZTKp	*2,700.00	0	0	2,500.80	3,751.20	
KAZZINC JSC	KZZN	*1,040.00	0	0	928.12	1,350.00	
Mangistaumunaygas OJSC	MMGZp	*490.00	12,850	48.4	*490.00	*490.00	
MINERAL OJSC	MNRL	*7,395.16	0	0	50.00		
Nurbank JSC	NRBN	10,000.00	0	0	14,200.00	18,000.00	
	NRBNp6	10,700.00	0	0	11,000.00	14,500.00	
Corporation Ordabasy JSC	ORDB	*1,815.36	0	0	2,000.00	3,000.00	
	ORDBp	1,148.00	0	0	1,400.00	1,700.00	
ROSA JSC	ROSA	538.68	0	0	603.32	904.98	
Temirbank JSC	TEBN	*1,137.00	0	0	1,015.00	1,200.00	
	TEBNp		0	0	714.00	1,014.00	
Tsesnabank JSC	TSBN	1,000.00	0	0	1,000.00	1,500.00	
	TSBNp	1,000.00	0	0	1,000.00	1,500.00	
TEXAKABANK JSC	TXBN		0	0	18,000.00	20,000.00	
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMK	*3,533.33	11,705	318.1	3,700.00	*3,533.33	
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMKp	*1,270.00	0	0	1,000.00		
Valut-Tranzit-Bank JSC	VTBN	*320.00	172,090	394.9	360.00	229.00	
	VTBNp	325.00	2,740	6.9	335.00	325.00	
Kazyuvelirprom JSC	VTZL	*280.00	0	0	200.00	300.00	
	VTZLp	*255.00	32,500	63.7	*255.00	*255.00	
TOTAL	48		23,546,515	3,576.1			

Notes: best 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 direct quotations unlike the bids submitted in regular trade mode, or the prices of direct deals and indicators received with their using.

In all at CS trade floors of KASE (including primary floatation sector) a total of 80 deals amounting to **\$22,648.6 th.** (KZT2,944.3 m.) were concluded during the analyzed period. During the previous period this indicator was \$111,798.9 th. (KZT14,535.3 m.).

SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE total volume of 70 deals reached **KZT8,580.8 m.** (\$66,008.6 th.) during the analyzed period. Corresponding figure of the previous period – KZT85,482.1 m. (\$657,528.5 th.).

As was said in the previous review, main turnover of the previous period had been formed by final transactions of the year made at KASE on December 30 and 31. Now the market has come back to its usual condition demonstrating the average weekly turnover while its conjuncture was almost unchanged.

Parameters of Exchange's transactions in GS within January 12 – 18

(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): National Bank's notes				76.0% (78.0%) of purchase and sale sector's turnover		
less than 8	1.55	1.85	1.55	1.64 (-)	22.5	2
8 - 14	1.96	3.01	2.51	2.21 (1.71)	2,112.2	6
15 - 28	2.50	2.92	2.50	2.57 (1.61)	327.9	3
29 - 36	2.30	2.72	2.40	2.51 (2.49)	516.4	5
37 - 42	2.40	3.01	2.40	2.93 (2.42)	229.8	4
43 - 56	2.61	2.88	2.80	2.80 (2.52)	2,238.1	17
57 - 63	2.86	2.88	2.86	2.87 (2.68)	298.7	3
64 - 91	2.96	3.09	2.96	3.04 (2.79)	22.9	3
92 - 181	3.00	3.30	3.30	3.02 (3.14)	709.4	4
182 - 364	3.29	3.39	3.39	3.34 (3.36)	40.9	3
Total					6,518.8 (66,697.2)	50 (132)
Coupon (KZT): MEOKAM-24, 36, 48, 60, 72				24.0% (21.9%) of purchase and sale sector's turnover		
less than 730	3.65	4.71	4.70	4.12 (4.67)	1,775.0	11
1096 - 1460	4.75	5.03	5.03	4.82 (5.19)	138.9	3
1461 - 1825	5.70	5.71	5.71	5.71 (5.24)	101.3	4
1826 - 2190	5.70	5.70	5.70	5.70 (5.09)	46.8	2
Total					2,062.0 (18,734.0)	20 (71)
GRANDTOTAL					8,580.8 (85,482.1)	70 (204)

The peculiarity of the period is growth of yields of most traded GS. Specialists of IRBIS think falling of government instruments prices was caused by two factors: the decreased short-term liquidity of the banking sector and "clearing" of investors' portfolios for new bonds of the Ministry of finance. The first factor is illustrated by anomalously high for the last three months rates of "overnight" repo (table in the beginning) and resulted in commercial banks' increased offer volume of notes. The second factor is concerned with MEKAM market: on January 27 Ministry of finance will offer indexed on inflation rate 10-year MEUJKAM at KASE among Kazakhstan pension funds for a total of KZT18 bn. It's obvious that funds getting ready for this event and try to sell securities they have.

The proportion of the Exchange's turnover in total volume of Kazakhstan secondary market of GS on comparable purchase and sale transactions has equaled to **99.3%**, last week – 98.8%.

FOREIGN SECURITIES MARKET

In **foreign government securities (FGS) purchase and sale sector** no deals were made. At closing of the trades on January 18 best quotations of bonds were fixed at:

- on **RU_01_2806** (US78307AAE38) – 163.5000 / 165.0000 % of bonds face value without accumulated interest (7.13 / 7.04 % APR to maturity);
- on **RU_02_3003** (US78307ACZ49) – 102.7000 / 103.5000 % of bonds face value with accumulated interest (6.77 / 6.71 % APR to maturity).

The only member of KASE – their market-maker – TuranAlem Securities JSC quoted the bonds at the stock exchange.

KASE'S NEWS

By the decision of KASE's Board **since January 13** trades in **subordinate bonds of ATFBank (Almaty) of the fourth issue** (KZ2CKY10B406; ATFBb4, KZT100, KZT4.5 bn., November 23, 04 – November 23, 14, semi-annual coupon, 8.5% APR) are opened in KASE's secondary market sector. KIB ASSET MANAGEMENT JSC (Almaty) performs market maker's functions on bonds. Minimum volume of compulsory quotation is 18,300 bonds. The mentioned bonds were included in KASE's official "A" listing category on December 22 of 2004.

Detailed information about these securities is available on KASE's web-site at <http://www.kase.kz/emitters/atfb.asp>.

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