

## WEEK OF STOCK MARKET OF KAZAKHSTAN

January 16-20, 2012

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
13.01.2012	1,165.77	148.17	0.05	0.19	2.00
16.01.2012	1,147.53	148.36	0.09	0.28	2.00
17.01.2012	1,167.51	148.35	0.14	0.30	2.00
18.01.2012	1,163.60	148.30	0.10	0.20	2.00
19.01.2012	1,160.72	148.20	0.09	0.19	2.00
20.01.2012	1,166.18	148.32	0.07	0.20	2.00
<b>Trend</b>	<b>0.41</b>	<b>0.15</b>	<b>0.02</b>	<b>0.01</b>	<b>0</b>
<b>%</b>	<b>+0.04</b>	<b>+0.1</b>	<b>+47.0</b>	<b>+3.1</b>	<b>0</b>

### MAIN NEWS OF KAZAKHSTANI STOCK MARKET

**January 16 "BTA Bank" reported that it would hold preliminary talks with creditors during the week beginning January 23, to prepare measures for the formation of the Creditors' Committee.** BTA Bank JCS (hereinafter - the Bank) thanks holders of global depository receipts (GDRs) and creditors to participate in meetings and constructive approach shown during the presentations to investors from Brussels, Frankfurt, Geneva, London, Miami, Munich, New York York and Stockholm, organized by the Bank on 11 and 12 January this year", - was stated in the message. It was reported that 130 representatives from 70 financial institutions were present at the meetings at which the Bank has provided information about their current situation and gave detailed explanations about the decisions to be taken by shareholders at the General Shareholders' Meeting January 26, 2012. "BTA Bank announced that it plans to enter into negotiations with stakeholders to develop a Plan of Restructuring and Recapitalization, followed by a set of procedures established by the legislation of the Republic of Kazakhstan, associated with its approval and adoption. For this purpose, the Bank will hold preliminary talks with creditors for a week starting from January 23, to prepare measures for the formation of the Creditors' Committee", - was stated in the message.

**January 17 JSC "Halyk Bank of Kazakhstan" has reported that the December 30, 2011 it completed collection of applications to purchase unlimited number of outstanding preferred shares and preferred shares convertible into common shares of the Bank from shareholders.**

**January 17 it was announced that the composition of shareholders of JSC "Accumulation Pension Fund "Republic" was reinforced with new shareholder - Kenes Rakishev.** As noted, in early 2011 0assets of APF "Republic" were purchased by a major investor of the domestic economy - Kenes Rakishev, who owns industrial holding JSC "SAT & Company". Since September 2011 shareholders' equity of "Republic" was increased by 500 million tenge. In late 2011, the shareholders held on additional capitalization of 640 million tenge, which allowed to continue the implementation of the objectives of the Fund and its investors ", - was stated in the message. JSC "SAT & Company" - a company with a widely diversified business structure, represented in the real sector the economy. It consists of more than 30 companies mining, steel, petroleum and other sectors. The volume of the market capitalization of the investment company is 576 million U.S. dollars.

**January 17 the Central Election Commission of the Republic of Kazakhstan has summed up the elections of deputies of the Majilis of the Parliament of the Republic of Kazakhstan.** January 15, 2012 special elections of the deputies of the Republic of Kazakhstan of the fifth convocation, elected on party lists for a single national constituency, were held. As stated in the report of the CEC, the lists of voters in the republic included 9,303,693 citizens, of whom 7,018,927 people or 75.4% took part in the vote. Outside the polling facilities 178,385 votes were taken. 7 political parties participated in the election. The following number of votes filed for the parties: People's Democratic Party "Nur Otan" 5,621,436 votes or 80.99% of voters who took part in voting; Party of Patriots of Kazakhstan 57,732 votes or 0.83% of votes who took part in voting; Democratic Party of Kazakhstan "Ak Zhol" 518,405 votes or 7.47% of voters who took part in voting; National Social-Democratic Party 116,534 votes or 1.68% of voters who took part in voting; Communist People's Party of Kazakhstan 498,788 votes or 7.19% of voters who took part in voting; Kazakhstan Social and Democratic Party "Aul" 82,623 votes or 1.19% of voters who took part in voting; Democratic Party "Adilet" 45,702 votes or 0.66% of the voters who took part in the vote. As a result of voting by party lists parliamentary mandates are distributed as follows: People's Democratic Party "Nur Otan" - 83, Democratic Party of Kazakhstan "Ak Zhol" - 8; Communist People's Party of Kazakhstan - 7.

**January 18 JSC "Sovereign Wealth Fund "SK" stated that information about a possible merger of JSC "BTA Bank" with other Kazakh bank is not true.** This was also announced today the Vice-Chairman of the National Bank of Kazakhstan Bisengali Tadzhiyakov.

**January 19 Fitch Ratings downgraded the long-term Issuer Default Ratings ("IDR") of "BTA Bank" from the level of "C" to "RD".** As indicated, the downgrade reflects the fact that January 18, 2012, the bank had expired grace period during which coupon payments in the amount of \$ 165

million could be made, and payments were not made. BTA Bank confirmed its intention to restructure its obligations under the senior unsecured and subordinated bonds totaling approximately \$ 3.5 billion. Fitch affirmed the senior unsecured rating of BTA on the level "C" as the obligations for which default is admitted, as a rule, are not given ratings of "RD" and "D", but instead they are rated in categories "B" or "C", depending on the prospects for repayment of such obligations.

## Stock exchange market

During the study period at KASE on the secondary market sale 238 deals were concluded

	current	change for	
	week	1 week	2 weeks
Average daily volume. USD th.	5,509.3	4.8 times	7.3 times
Average daily volume. KZT m.	816.9	4.8 times	7.3 times
Stake of nego deals. number (%)	0.04	+0.03 pp	+0.03 pp
Stake of nego deals. volume (%)	0.03	+0.02 pp	+0.02 pp
KASE members	29	0	+3.6%
Number of shares denominations*	18	+12.5%	+50.0%
Stake of pension funds. gross (%)	42.8	+42.8 pp	+42.8 pp
on purchase	42.8	+42.8 pp	+42.8 pp
on sale	42.8	+42.8 pp	+42.8 pp
Stake of individuals. gross (%)	7.2	-28.8 pp	-31.5 pp
on purchase	5.5	-32.2 pp	-19.4 pp
on sale	8.9	-25.5 pp	-43.6 pp
Stake of nonresidents. gross (%)	0.3	-5.5 pp	+0.3 pp
on purchase	0.2	-0.4 pp	+0.2 pp
on sale	0.4	-10.6 pp	-9.6 pp

\*on which the deals on KASE have been conducted

In the described period falling of average daily prices was detected for 8 equities, growth showed 9 instruments involved in the transaction, the price of 1 instrument has not changed. Adverse change in the weighted average share price fixed at the levels from 0.08% (ZERDp) to 39.31% (BTAS), positive - from 1.52% (RDGZ) to 18.66% (TSBN).

In the intervening period equity market indicator has not changed. Securities included in the index KASE finished the week in different directions. External news background was mixed, in fact, the influence of external factors was minimal. At the international commodities market investors keep quiet while watching the developments around Iran.

High volume in the stock market for the week is associated with deals with shares of SAT & Company.

The maximum decrease in the domestic stock market was led by JSC "BTA Bank", which quotations have fallen by 40% due to the necessity of regular bank debt restructuring.

Detailed information on share trades at KASE is given in the table below:

**Results of share trades on KASE, including STF of RFCA within January 16-20, 2012, only by data on deals made on the secondary market of KASE by the methods of opened trades):**

Share code on KASE	Last deal:				Price, KZT per share:		Volume of deals Th. USD	Num. of deals	Best for The period:	
	min	max	price	trend,%	for last 365 days:				Demand	Supply,
					min	max				
BSUL	640.00	640.00	640.00	0	629.99	658.05	35.2	4	640.00	640.00
BTAS	0.60	1.50	0.60	-40.0	0.20	6.39	4.3	9	1.50	0.60
CCBN	243.00	253.82	244.00	+0.4	233.00	670.00	201.9	9	253.82	243.00
GB_ENRC	1,600.01	1,650.00	1,650.00	-2.9	1,275.00	2,580.00	52.8	11	1,650.01	1,600.01
GB_KZMS	2,310.00	2,467.50	2,450.00	+2.1	1,780.00	3,800.00	110.2	15	2,467.50	2,310.00
HSBK	191.61	198.00	196.00	-1.3	191.00	445.00	254.4	37	199.00	191.61
KKGB	231.00	243.43	243.43	+5.8	185.00	616.00	110.2	10	243.43	230.00
KKGBp	145.00	155.00	145.00		142.00	230.00	61.3	3	155.00	145.00
KZTC	2,500.00	2,500.00	2,500.00		2,500.00	2,600.00	0.3	1	2,500.00	2,500.00
KZTK	20,500.00	21,900.00	21,600.00	-1.8	16,800.00	23,000.00	749.4	43	21,900.00	20,500.00
KZTKp	16,500.01	18,110.00	17,200.00	-4.7	7,490.00	19,000.00	569.6	22	18,110.00	16,500.01
RDGZ	13,650.00	13,900.00	13,750.00	-0.4	12,100.00	21,000.00	220.6	10	13,900.00	13,650.00
RDGZp	11,000.00	12,599.00	12,599.00	+8.6	11,000.00	20,510.00	266.7	20	12,599.00	11,000.00
SATC	68.99	71.63	68.99	-1.6	68.99	72.00	12,117.4	15	71.63	68.99
SATCp	31.23	31.23	31.23		31.23	31.23	11,790.1	5	31.23	31.23
TSBN	865.00	865.00	865.00	+18.7	729.00	942.85	92.4	2	865.00	735.90
ZERDp	5.38	5.40	5.40	0	5.00	5.56	114.0	12	5.40	5.38
<b>18</b>							<b>26,751.0</b>	<b>229</b>		

**Notes:** Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## Corporate bonds market

In this sector of KASE during the analyzed period 51 deals were made.

	current	Change for	
	week	1 week	2 weeks
Average daily volume. USD th.	4,581.4	+12.8%	7.6 times
Average daily volume. KZT m.	679.5	+12.7%	7.6 times
Stake of nego deals. number (%)	0.04	-0.03 pp	+0.04 pp
Stake of nego deals. volume (%)	0.1	+0.01 pp	+0.1 pp
KASE members	21	+16.7%	+75.0%
Number of bonds denominations*	15	-8.0%	+36.4%
Stake of pension funds. gross (%)	0	0	0
on purchase	0	0	0
on sale	24.4	-54.8 pp	-41.5 pp
Stake of individuals. gross (%)	6.5	-2.1 pp	-2.4 pp
on purchase	5.9	-6.7 pp	+5.2 pp
on sale	7.1	+2.5 pp	-9.9 pp
Stake of nonresidents. gross (%)	14.3	+14.3 pp	+14.3 pp
on purchase	2.2	+1.2 pp	+0.4 pp
on sale	26.5	26.5 pp	+26.5 pp

\* on which deals were made at KASE

Following the period, growth of average net price on the open market bonds characterized 10 names, fall - 5 names. Yield to maturity on deals rose in the week for 8 bonds, declined - for 7. Positive changes in bond yield to maturity were in the range from 0.000005% (TEBNb6) to 5.17% (ATFBe6), negative - from 0.0003% (EXBNb2) to 2.00% (HSBKb13).

More detailed data on corporate bonds on KASE is shown in the table below:

### Results of bond trades on KASE including STF of RFCA within January 16-20, 2011 (only on data of deals . made on secondary market of KASE by the methods of open trading):

Bond code on KASE	Yield to maturity for a buyer. % APR:						Amount of deals, th. USD	Number of deals	best for the	
	on the last deal:			for last, 365 days,:					demand	supply,
	min.	max.	yield	min.	min,	max,				
ATFBe3	7.23	7.23	7.23		4.64	7.99	493.8	1	7.23	7.23
ATFBe6	12.00	15.19	15.19	+5.2	6.30	15.19	3,273.9	11	12.00	15.20
BTAIb2	15.99	15.99	15.99		8.99	16.50	205.0	2	15.99	16.09
CCBNb17	7.80	7.99	7.80	+0.3	6.00	9.01	3,199.1	7	7.80	8.36
CSBNb6	12.00	12.10	12.00	-0.1	10.00	13.00	2,393.1	5	11.99	12.11
EXBNb2	8.50	8.50	8.50	-0.0003	8.50	18.50	27.9	3	8.50	9.08
HSBKb13	8.00	8.00	8.00	-2.0	8.00	12.20	69.2	1	8.00	8.00
HSBKe2	5.90	6.37	5.90		4.34	6.82	3,101.5	3	5.90	6.37
KKGBe4	8.90	8.91	8.90	+0.7	7.14	10.80	711.9	3	8.90	8.91
ORDKb2	12.00	12.00	12.00	+0.00004	12.00	16.02	19.6	1	12.00	12.00
PRKRb4	7.01	7.01	7.01	+0.01	5.00	8.30	5,669.8	7	7.01	7.02
RESCb1	11.00	11.00	11.00	+1.0	8.00	12.00	435.3	1	11.00	11.00
SKKZb22	5.60	5.60	5.60		5.25	6.00	438.6	2	5.60	5.70
TEBNb6	14.00	14.00	14.00		12.00	14.00	6.8	1	14.00	14.00
TXBNb5	7.01	7.01	7.01		3.20	7.06	23.7	1	7.01	7.01
<b>15</b>							<b>20,069.1</b>	<b>49</b>		

Notes: Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

January 18 at KASE trade system repeated auction on placement of long-term treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEUKAM-120 tenth issue (KZKDKY100102, MUM120\_0010; 1,000 tenge, 21/12/11, 21/12/21, 30/360) was held, on which the Ministry Finance planned to place 16.0 million of bonds. The subject of the auction was the net price of bonds. The auction was attended by 11 primary dealers, who were members of KASE. Through these subjects, investors filed 26 applications, of which by the expiry time 26 orders remained active. The total amount of active orders (demand volume) amounted to KZT 21,878.7 mln. Net price of the bonds filed by active bids varied from 91.4085% to 102.1416%, in average terms, 98.8429%. As a result of trade, the issuer granted the application for purchase of 16 million bonds in the amount of KZT 16,122,784,000.00 (100.0% of planned volume of placement). **Net price of the bonds in the satisfied bids amounted to 100.3699%.**

### Secondary market sector)

During the period, total volume of 7 deals made on KASE was 647.2 million tenge (\$ 4.4 million). Share exchange turnover in the overall volume of Kazakhstan secondary market for government securities of comparable sales and purchases in the analyzed period was 100.0%.

#### Parameters of Exchange's transactions in GS within January 16-20, 2012

Days till maturity	Yield to maturity for a buyer. % APR.			Volume.		last deal
	min	max	last deal	min	max	
Coupon (KZT): MEUKAM				100.0% (100%) of purchase and sale sector net turnover		
Less than 730	-5.14	-5.14	-5.14	-5.14	5.4	1
1096 - 1460	3.10	3.10	3.10	3.10	54.4	1
1461 - 1825	3.44	3.44	3.44	3.44	451.9	2
More than 2191	4.41	5.10	4.41	4.53 (5.20)	135.6	3
Total					647.2 (537.4)	7 (1)
<b>TOTAL</b>					<b>647.2 (537.4)</b>	<b>7 (1)</b>

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