

# WEEK OF STOCK MARKET OF KAZAKHSTAN

July 24 – July 30

Money market indicators as of July 30 and change for the period

Term	Currency	Rate	Trend
<b>"Overnight" on autorepo at KASE(TONIA)</b>			
1 day	KZT	3.83	-1.39
<b>Repo opening at KASE (WA, % APR)</b>			
1-2 days	KZT	3.84	-0.91
5 days	KZT	6.00	+0.60
14 days	KZT	5.20	-0.22
28 days	KZT	5.00	-
<b>KIBOR (indicative, % APR)</b>			
1 week	KZT	7.00	-1.00
2 weeks	KZT	7.75	-1.25
1 month	KZT	8.50	-1.50
2 months	KZT	9.25	-1.75
3 months	KZT	10.00	-2.00

Stock market indicators as of July 30 and their change for the period

Index	Value	Trend
<b>Shares of "A" listing</b>		
KASE_Shares	130.82	+4.08%
<b>Corporate bonds of "A" listing</b>		
KASE_BP	143.62	+0.07%
KASE_BC	119.84	-0.10%
KASE_BY	7.94	+0.32%
<b>Euronotes of Kazakhstan</b>		
KASE_EP	149.89	-0.22%
KASE_EC	112.98	-0.48%
KASE_EY	3.37	+4.61%

US dollar = **146.83** tenge at official rate for the end of the period.  
 US dollar = **146.79** 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 – **positive 17.5% APR.**

## THE CORPORATE SECURITIES MARKET (CS)

In CS purchase-sale sector a total of 37 deals amounting to **\$3,399.7 th** or KZT498.4 m were made during the analyzed period. In comparison with the previous period (29 deals, \$10,707.9 th. or KZT1,568.1 m) volume of the sector decreased 3.1 times. Deals were made by 12 KASE's members on 22 instruments 14 of which were bonds. At that, 15.9% of gross turnover (25.7% on purchasing transactions and 6.1% – on sale) were made at the expense of assets of pension market's subjects. During the previous period KASE's 13 members of "P" and "H" categories were interested in 17 securities, 8 of which were bonds. Stake of pension assets was 36.3% of gross turnover, including 68.8% on purchasing transactions, 3.8% – on sale.

During the week the market was influenced by several factors. Resulting vector of their action resulted in the significant expansion of the range of traded instruments and increase of number of deals, and not more. As was shown above, volume of the market has significantly decreased, and mainly because of bonds sector.

In the opinion of specialists of IRBIS, growth of the number of deals and expansion of the range of traded instruments were influenced by coming of the end of the month. Pension market's subjects activated in conducting of low-volume "revaluation deals", because

Investment attractiveness of stock exchange financial instruments since July 24 till July 30

Financial instrument	Currency of transaction	Yield, % APR Value	trend
<b>Instruments denominated in KZT</b>			
UKPfb1	KZT	14.00	0
ARNAb1	KZT	12.50	-0.67
TXBNb1	KZT	12.00	0
CCBNb3	KZT	9.50	-0.51
HSBKb3	KZT	9.00	0
KZIKb1	KZT	8.40	+2.40
CS repo*	KZT	7.96	-3.48
MEOKAM,MEAKAM	KZT	6.51	+0.80
MEKKAM, notes*	KZT	5.31	-0.07
GS repo*	KZT	4.05	-0.72
<b>Instruments indexed on devaluation</b>			
VITAb3	USD	10.54	+2.46
VTBNb1	USD	10.44	-0.78
RGBRb3	USD	10.20	0
KZASb1	USD	10.10	0
ALKSb2	USD	10.05	+3.73
ORDBb1	USD	10.00	0
CSBNb2	USD	9.15	0
ASFIb2	USD	9.00	-1.25
BTASb2	USD	9.00	0
TEBNb	USD	8.56	-0.19
ASBNb1	USD	8.52	0
TEBNb3	USD	8.50	0
BTASb1	USD	8.50	0
HSBKb	USD	8.45	+0.45
CSBNb1	USD	8.20	0
CCBNb1	USD	8.00	0
CCBNb2	USD	8.00	0
TEBNb2	USD	8.00	0
ATFBb2	USD	7.98	+1.97
LARlb1	USD	7.75	0
KKGBb2	USD	7.74	+0.15
HSBKb2	USD	7.54	0
KZPSb1	USD	7.20	+0.10
NRBNb1	USD	7.20	+0.29
KZAPb1	USD	7.00	0
ALBNb1	USD	7.00	0
SYRGb1	USD	6.95	-0.20
BRKZb1	USD	6.74	+0.02
ART060.004	USD	6.50	0
AST048.006	USD	6.31	-0.03
KZTOb	USD	6.30	+3.03
AST048.005	USD	6.15	+0.03
KARMB1	USD	6.00	0
TMJLb2	USD	5.80	-0.06
KZTKb1	USD	5.75	0
AST036.004	USD	5.71	-0.15
ARU060.003	USD	5.59	0
ASU036.003	USD	5.48	+0.59
VKU036.002	USD	5.00	0
VKU036.001	USD	4.00	0
ARU024.002	USD	3.00	0
<b>Instruments denominated in foreign currency</b>			
BTASe2	USD	8.24	+0.50
KKGBe3	USD	7.28	+0.28
KKGBe2	USD	7.00	-0.03
KZTOe1	USD	6.17	+1.23
BTASe1	USD	6.05	+0.75
BRKZe1	USD	5.90	+0.90
ENU07.05	USD	3.50	-0.11
ENU04.10	USD	2.50	-0.24
IFO bonds	EUR	1.69	+0.40

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 National Bank forms indexes of funds' activity by the results of each month. The data, which is given below, shows that it was possible to make deals in most bonds at growing price that meets funds' interests.

Another fact, which attracts attention is involving of almost all circulating at KASE corporate euronotes into trade. It's explained by falling of bonds' prices at the world market that was adequately reflected in dynamics of prices at KASE. Within 7 days only BRKZe1 grew. And precisely these notes had the least change of prices on quotations of ISMA.

The third peculiarity of the week is rather quick strengthening of tenge to US dollar (17.5% APR). On one hand, it caused increased activity at the market of dollar and indexed on devaluation bonds, on the other hand – it promoted to outflow of banks' free money from CS sector to the currency market, which looked more attractive in speculative context.

At corporate bonds market yield on made deals was mainly falling during the week. Yield of ARNAb1 fell from 13.17% to 12.50% APR, ATFBb2 – from 8.95% to 7.98% APR, BRKZe1 – from 5.91% to 5.90% APR, HSBKb – from 8.68% to 8.45% APR, HSBKb3 – from 9.01% to 9.00% APR, KKGBb2 – from 8.22% to 7.74% APR, KZTOb – from 6.76% to 6.30% APR, SYRGB1 – from 7.50% to 7.20% APR. Mainly yield of euronotes was grew on the mentioned reasons: BTASe1 – from 5.71% to 6.05% APR, BTASe2 – from 7.74% to 8.24% APR, KKGBe3 – from 6.93% to 7.27% APR, KZTOe1 – from 5.55% to 6.16% APR. Following securities should be added to this group: ALKSb2 (growth of yield for purchaser from 6.32% to 10.05% APR) and KZIKb1 (from 6.50% to 6.90% APR). Dynamics of indexed of the series KASE\_B\* (table in the beginning of the review) during the week reflected mainly prices of euronotes, because on account of the big volume of their issues precisely they influence indexes of this series most of all. Capitalization of exchange's corporate bonds market decreased within the week by \$10.2 m. to \$1,401.5 m. as of July 30 on the same reason.

At shares market there are no significant changes. Volume of transactions remained on the same level. Mainly rate of shares was falling: ALKS – by 31.0%, KTTH – by 34.7%, KZMS – 3.4 times, VTBnp – by 47.2%. The only instrument, price of which rose, was TEBN (growth by 5.0%). Rate of other traded securities has not changed (see the table). Capitalization of stock exchange's shares market decreased within the week by \$1,426.4 m. to \$2,192.1 m. as the result of falling of prices of ALKS, KZMS and VTBnp.

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 bonds within July 24 – July 30** (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1		0	10.0028	7.0033
Almaty Kus OJSC	ALKSb2	*10.0491	657.7	10.0491	10.0500
ARNA OJSC	ARNAb1	12.5000	11.6	12.5000	12.5000
Alliance-Bank OJSC	ASBNb1	8.5819	0	11.5000	8.5200
Astana-finance OJSC	ASFib2	*10.5000	0	10.5000	9.0000
ATFBank OJSC	ATFBb2	7.9804	57.0	7.9804	7.9804
Development Bank of Kazakhstan OJSC	BRKZb1	7.2519	0	9.7171	6.7763
Development Bank of Kazakhstan OJSC	BRKZe1	5.8985	10.7	5.8985	5.8985
Bank TuranAlem OJSC	BTASb1	9.0985	0	10.0000	8.5045
Bank TuranAlem OJSC	BTASb2	10.2693	0	10.5000	9.0000
TuranAlem Finance B.V.	BTASe1	6.0489	85.7	6.0489	6.0489
TuranAlem Finance B.V.	BTASe2	8.2395	10.8	8.0554	8.0554
Bank CenterCredit OJSC	CCBNb1	12.2713	0	10.6227	8.0027
Bank CenterCredit OJSC	CCBNb2	*8.8669	0	10.8727	8.0048
Bank CenterCredit OJSC	CCBNb3	10.0107	0	9.6029	9.5028
BANK CASPIAN OJSC	CSBNb1	9.1016	0	10.5000	8.2000
BANK CASPIAN OJSC	CSBNb2		0	9.7500	9.1500
Halyk Bank of Kazakhstan OJSC	HSBKb	8.4509	56.1	8.4509	8.4509
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	9.5854	7.5362
Halyk Bank of Kazakhstan OJSC	HSBKb3	8.9984	61.4	8.9984	8.9984
Karazhanbasmunai OJSC	KARMB1	*9.0028	0	8.9966	6.0044
KAZKOMMERTSBANK OJSC	KKGBb2	7.7435	54.5	7.7435	7.7435
KAZKOMMERTSBANK OJSC	KKGBe2	7.0658	0	9.9967	7.0027
Kazkommerts International B.V.	KKGBe3	7.2721	167.3	7.2721	7.3517
NAC Kazatomprom	KZAPb1	8.0194	0	8.8014	7.0003
DAGOK Kustanaiasbest JSC	KZASb1	*7.0116	0	13.0996	10.1023
Kazakhstan Mortgage Company CJSC	KZIKb1	6.9000	1,490.9	6.9000	10.0000
Kazpost OJSC	KZPSb1	8.4991	0	8.8998	7.2017
Kazakhtelecom	KZTKb1	6.0440	0	7.5000	6.0001
KazTransOil CJSC	KZTOb	6.2976	41.2	6.6966	6.3029
KazTransOil CJSC	KZTOe1	6.1650	10.7	6.1650	6.1650
JB LARIBA-BANK OJSC	LARib1		0	10.7470	7.7532
Nurbank OJSC	NRBNb1	6.9091	0	8.9494	7.1999
Corporation "Ordabasy" OJSC	ORDBb1	9.9960	0	10.9950	10.0005

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
RG BRANDS OJSC	RGBRb3	10.2029	0	10.5000	10.2023
PetroKazakhstan Oil Products JSC	SYRGB1	7.2038	81.6	6.6984	7.2038
TEMIRBANK OJSC	TEBNb	10.4876	0	9.6948	8.6856
TEMIRBANK OJSC	TEBNb2	10.6945	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3		0	9.0000	8.5000
NC KTZh CJSC	TMJLb2	7.2092	0	8.5508	5.8002
TEXAKABANK OJSC	TXBNb1	14.5705	0	15.0000	12.0000
UKBF CJSC	UKPFb1		0	15.5000	14.0000
VITA OJSC	VITAb3	13.9743	0	17.0018	10.5401
VALUT-TRANZIT BANK OJSC	VTBNb1	11.2224	0	11.5643	10.4397
<b>TOTAL</b>	<b>44</b>		<b>2,796.9</b>		

#### Results of the trades in shares during July 24 – July 30

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*10.00	300,000	20.4	*10.00	*10.00
Almaty Kus OJSC	ALKSp	14.93	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
CNPC – Aktobemunaigaz OJSC	AMGZ	9,100.00	0	0	6,100.00	9,100.00
Astana-Finance OJSC	ASFI	1,014.96	0	0	700.00	1,050.00
ATFBank OJSC	ATFB		0	0	1,000.00	1,500.00
ATFBank OJSC	ATFBp	999.00	0	0	1,000.00	1,500.00
ATFBank OJSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem OJSC	BTAS	16,500.00	0	0	13,214.70	19,759.95
Bank CenterCredit OJSC	CCBN	199.00	0	0	200.00	250.00
BANK CASPIAN OJSC	CSBN	171.00	5,308	6.2	171.00	171.00
BANK CASPIAN OJSC	CSBNp	171.00	235	0.3	171.00	171.00
Halyk Bank of Kazakhstan OJSC	HSBK	*120.00	0	0	150.00	179.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	150.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	150.00	0	0	150.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	120.00	0	0	73.42	109.78
KAZKOMMERTSBANK OJSC	KKGBp	44.38	0	0	69.00	103.50
Kaztorgtekhnik OJSC	KTTH	*6,000.00	4,000	163.8	*6,000.00	*6,000.00
Corporation Kazakhmys OJSC	KZMS	3,500.00	1,260	30.0	3,500.00	3,500.00
Kazakhtelecom	KZTK	3,566.88	0	0	3,300.00	3,512.88
Kazakhtelecom	KZTKp	*1,757.00	0	0	2,000.00	2,634.66
TEMIRBANK OJSC	TEBN	*1,050.00	4,707	33.0	*1,050.00	1,000.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
TEXAKABANK OJSC	TXBN		0	0	9,086.00	13,629.00
UKTMC OJSC	UTMK	*6,147.00	0	0	4,111.24	6,147.54
UKTMC OJSC	UTMKp	*5,035.72	0	0	3,000.00	4,500.00
VALUT-TRANZIT BANK OJSC	VTBN	350.00	0	0	320.00	480.00
VALUT-TRANZIT BANK OJSC	VTBNp	*237.72	38,000	61.5	312.00	*237.72
Zerde OJSC	ZERD	*1.00	20,000,000	136.2	*1.00	*1.00
<b>TOTAL</b>	<b>29</b>		<b>20,353,510</b>	<b>451.5</b>		

**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** 34 deals were made in the total amount of **\$4,534.1 th.** (KZT665.2 m) during the described period. 18 deals of them (in the amount of \$2,768.4 th.) were repo opening and 16 deals (in the amount of \$1,765.7 th.) – repo closing. Last period volume of deals in this sector amounted to \$4,651.9 th. (KZT681.2 m).

**In all CS trade floors of KASE** a total of 71 deals amounting to **\$7,933.8 th.** (KZT1,163.6 m) were concluded within the analyzed period. Last period volume of 57 deals equaled to \$15,359.8 th. (KZT2,249.4 m).

#### Changes in KASE's trade lists

As was informed before, by the decision of KASE's Council dated July 22 of 2003 **inscribed discount bonds of YASSY OJSC** (Turkestan, South-Kazakhstan oblast) of the first issue (KZ2CKY01A787, YASYb1; KZT550.0 m., KZT10,000, July 4, 03 – July 4, 04) have been included into KASE's official "B" listing category. The decision took effect **since July 25 of 2003** because the issuer had paid KASE the entrance and the first annual listing fees on these securities and made Agreement about listing. Information about opening of trades in the bonds at KASE will be announced later. Detailed information about the securities and their issuer, including conclusion of KASE's Listing commission, is in the Internet at <http://www.kase.kz/emitters/yasy.asp>.

## SECTOR OF GOVERNMENT SECURITIES (GS)

In primary market sector on July 24 at KASE the next specialized trades on primary additional floatation of municipal indexed on tenge devaluation level **bonds of Atyrau oblast of the fourth issue** (KZE4KY050046, ART060.004; KZT100, KZT3.4 bn.; May 15, 03 – May 13, 08, semi-annual coupon 8.5% APR, actual/365), were held, at which the issuer planned to borrow KZT7.0 m. Subject of haggling was bonds' clean price (without accumulated interest), which was expressed as percentage towards indexed face value. Only limited bids were admitted to the specialized trades. After expiration of bids submitting time no order for bonds purchasing was fixed in KASE's trade system, that, in all probability, was concerned with small offer volume. Judging on results of the trades the additional floatation was recognized as failed because of absence of demand.

We're reminding that during primary floatation of the bonds, which was held at KASE on May 14 of this year, the issuer floated 23,530,000 bonds at the yield of 8.50% APR to the amount of KZT2,353,000,000.00 that was 69.2% of the planned issue volume. At the specialized trades on bonds' primary additional floatation, which were held at KASE on May 28, the issuer floated 1,040,000 bonds at the yield of 8.50% APR to the amount of KZT1,040,000,000.00 that was 30.6% of the planned issue volume. Total volume of bonds, which were offered at the specialized trades on May 14 and 28, equaled to KZT3,393,000,000.00 at the face value or 99.8% of the planned issue volume.

In **GS purchase and sale sector** of KASE a total volume of 47 deals reached **KZT5,007.2 m** (\$34,160.6 th.) during the analyzed period. Corresponding figure of the previous period – KZT6,620.6 m (\$45,196.4 th.). The shown data is the evidence of the fact that trade activity remained the same. The increased volatility of tenge ;s rate relative to dollar took banks' funds to dollar market and to repo sector, where some traders borrowed money in order to make currency speculations. The structure of market's turnover has significantly changed, where the stake of transaction in the shortest securities increased 2.5 times. It was caused mainly by the effect of the local factor – making of one very big deal to the amount of about KZT2 bn., during which one of large pension funds increased its short tenge position. As is seen from the table, yield of GS for purchaser varied differently during the week and mainly tended to decrease reflecting the main tendency of the primary market.

### Parameters of Exchange's transactions in GS within July 24 – July 30

(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		
<b>Discounted (KZT): National Bank's notes</b>						
					<b>92.7% (37.9%) of purchase and sale sector's turnover</b>	
less than 8	4.50	5.13	4.50	4.65 (5.33)	167.4	3
8 - 14	4.87	5.24	4.87	5.03 (4.88)	5.2	4
15 - 28	3.98	5.07	3.98	4.19 (4.56)	154.5	5
29 - 36	4.18	5.01	5.01	4.96 (4.99)	48.8	3
37 - 42	5.00	5.00	5.00	5.00 (4.66)	73.0	1
57 - 63	5.21	5.21	5.21	5.21 (5.21)	20.8	1
64 - 91	5.01	5.38	5.38	5.22 (5.27)	103.2	4
92 - 181	5.03	5.39	5.27	5.26 (5.26)	762.0	9
182 - 364	5.38	5.50	5.38	5.38 (6.26)	3,304.9	10
Total					4,639.7 (2,507.2)	40 (36)
<b>Coupon (KZT): MEOKAM-24, MEAKAM</b>						
					<b>1.7% (49.8%) of purchase and sale sector's turnover</b>	
less than 730	5.98	5.98	5.98	5.98 (4.87)	6.0	1
1461 - 1825	6.20	6.69	6.69	6.44 (6.57)	79.4	2
Total					85.4 (3,297.8)	3 (36)
<b>Euronotes of Kazakhstan (USD)</b>						
					<b>5.6% (12.3%) of purchase and sale sector's turnover</b>	
*438	2.50	2.50	2.50	2.50 (2.74)	36.1	1
**1361 - 1367	3.47	3.57	3.57	3.50 (3.50)	246.0	3
Total					282.1 (815.6)	4 (9)
<b>GRANDTOTAL</b>					<b>5,007.2 (6,620.6)</b>	<b>47 (81)</b>

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

### Major parameters of automatic repo market on opening deals within July 24 – July 30

(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			
KZT_001	4.50	2.00	4.55	2.60	3.91 (4.72)	26,460.0	192 86.9 (83.6)
KZT_002	3.00	3.00	4.00	4.00	3.81 (5.66)	394.0	4 1.3 (1.3)
KZT_007	5.00	5.00	6.00	5.50	5.12 (5.52)	463.0	10 1.5 (4.3)
KZT_014	5.20	5.00	5.20	5.20	5.19 (5.41)	1,438.0	17 4.7 (5.4)
KZT_028	5.40	5.00	5.50	5.00	5.45 (5.60)	1,691.0	18 5.6 (5.4)
<b>TOTAL</b>					<b>30,446.0 (29,710.0)</b>	<b>241 (264)</b>	<b>100.0</b>

In **GS repo-transactions sector** 551 deals were made for a total of **KZT72,023.7 m** (including automatic repo sector) during the period. Of this number 278 deals (for KZT37,346.4 m) were repo opening deals and 273 (KZT34,677.4 m) were repo closing deals. Last period transactions volume of this type did not exceed

KZT69,713.6 m. After closing of the trades on July 30 total amount of opened at KASE repo reached KZT15,967.7 m.

**Total of 598 deals were made at trade floors of KASE** amounting to **KZT77,030.9 m** in GS on trade floors of KASE during the analyzed period. The previous period volume of 639 deals reached KZT76,334.2 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **93.7%**, last week it did not exceed 94.9%.

**Prepared by Information agency of financial markets "IRBIS"**

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: 720117, fax: 720670