

# WEEK OF STOCK MARKET OF KAZAKHSTAN

August 11 – 17

Money market indicators as of August 17 and change for the period

Term	Currency	Rate	Trend
<b>“Overnight” on autorepo at KASE(TONIA)</b>			
1 day	KZT	1.50	+1.11
<b>Repo opening at KASE (WA, % APR)</b>			
1 day	KZT	1.48	+1.09
7 days	KZT	2.90	+0.32
31 days	KZT	7.01	-0.97
<b>KIBOR (indicative, % APR)</b>			
1 week	KZT	5.00	0
2 weeks	KZT	5.75	+0.25
1 month	KZT	6.50	+0.50
2 months	KZT	7.25	+0.75
3 months	KZT	8.00	+1.00

Stock market indicators as of August 17 and their change for the period

Index	Value	Trend
<b>Shares of “A” listing</b>		
KASE Shares	176.80	-9.97%
<b>Corporate bonds of “A” listing</b>		
KASE_BP	161.27	-0.43%
KASE_BC	122.72	-0.67%
KASE_BY	7.88	+2.05%
<b>Euronotes of Kazakhstan</b>		
KASE_EP	152.36	+0.17%
KASE_EC	103.61	+0.13%
KASE_EY	4.85	-1.89%

US dollar = **135.33** tenge at official rate for the end of the period.

US dollar = **136.16** 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 – **42.7% APR**.

Investment attractiveness of stock exchange financial instruments since August 11 till August 17

Financial instrument	Currency of trans-n	Yield, % APR value	trend	Coupon, % APR	Term, years
<b>Non-indexed instruments denominated in tenge</b>					
TXBNb2	KZT	11.20	+0.35	11.00	6.0
BTAIb1	KZT	10.20	+2.20	10.00	6.4
UKPFb1	KZT	10.00	0	14.00	3.2
ARNAb1	KZT	9.50	+1.00	13.00	1.1
VTZLb1	KZT	9.07	0	10.00	9.3
VTTHb1	KZT	8.95	0	10.00	8.3
VTSKb2	KZT	8.89	0	10.00	7.3
TXBNb1	KZT	8.50	0	15.00	2.1
ATFBb3	KZT	8.27	-0.03	8.50	4.4
CS repo*	KZT	8.09	+6.53	–	0.003-1.0
UKTCb1	KZT	8.00	0	9.00	2.3
EUBNb1	KZT	7.00	0	7.00	4.4
HSBKb3	KZT	6.99	-0.41	9.00	4.9
KKGBb3	KZT	6.50	0	7.00	2.5
PRKRb1	KZT	6.50	–	8.00	4.8
MEOKAM	KZT	5.37	-0.66	5.68-8.30	1.04-5.4
INCAb1	KZT	4.03	-0.23	–	0.4
MEKKAM, notes*	KZT	3.42	+0.20	–	0.01-0.92
GS repo*	KZT	0.82	+0.22	–	0.003-0.08
<b>Instruments indexed on inflation</b>					
ASFib4	KZT	9.74	+0.89	9.00	6.8
KZASb2	KZT	9.23	+0.02	8.80	4.9
KZALb1	KZT	8.60	-0.40	9.00	4.9
TSBNb1	KZT	8.50	0	9.00	2.8
HSBKb4	KZT	8.35	+1.35	8.50	5.9
CSBNb4	KZT	8.20	0	7.50	6.9
BTASb4	KZT	7.70	+0.19	8.00	9.9
KZIKb3	KZT	7.50	+2.50	7.50	9.7
NRBNb3	KZT	7.20	0	8.00	2.9
KZIKb6	KZT	7.18	+1.82	7.29	6.7
CCBNb3	KZT	6.84	-1.96	12.60	5.9
BTASb3	KZT	6.50	0	8.00	9.3
KZIKb1	KZT	6.28	+0.28	11.25	1.3
KZIKb4	KZT	5.94	-0.95	7.00	9.7
KARMb2	KZT	5.60	0	8.60	4.5
KZIKb2	KZT	5.35	+0.03	8.30	9.2
<b>Instruments indexed on devaluation of tenge to US dollar</b>					
ORDBb1	USD	12.00	0	11.00	1.1
VTBNb1	USD	11.25	-0.65	10.00	2.2
ALKSb2	USD	10.05	0	10.00	2.0
ASBNb1	USD	9.50	0	9.00	5.4
BTASb2	USD	9.50	+0.98	9.00	5.8

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**Investment attractiveness of stock exchange  
financial instruments since August 11 till August 17**

<b>Financial instrument</b>	<b>Currency of trans-n</b>	<b>Yield, % APR value</b>	<b>trend</b>	<b>Coupon, % APR</b>	<b>Term, years</b>
ATFBb2	USD	9.45	+1.45	9.00	2.5
TEBNb	USD	9.20	-0.30	9.50	1.1
BTASb1	USD	8.40	-0.02	12.00	4.6
HSBKb	USD	8.04	+0.04	11.80	2.9
CCBNb1	USD	8.00	0	12.00	1.4
TEBNb2	USD	8.00	0	11.00	4.2
LARib1	USD	7.75	0	7.75	1.1
HSBKb2	USD	7.40	-0.10	8.00	2.8
KZAPb1	USD	7.10	-1.11	8.50	2.7
NRBNb1	USD	7.04	0	8.50	0.8
KKGBb2	USD	7.00	0	8.00	5.4
ARU060.003	USD	6.66	+0.01	8.60	2.2
NRBNb2	USD	6.63	0	9.00	6.9
AST048.006	USD	6.51	0	8.50	2.9
ART060.004	USD	6.50	0	8.50	3.8
AST048.005	USD	6.34	+0.02	8.50	2.2
AST036.004	USD	6.14	+0.01	8.31	1.2
BRKZb1	USD	6.10	-0.22	8.50	2.6
ASU036.003	USD	5.85	-0.09	9.80	0.4
VKU036.002	USD	5.50	0	8.50	1.1
<b>Instruments indexed on devaluation of tenge to US dollar with protection from strengthening of tenge against dollar</b>					
ROSAb1	USD	10.01	+0.01	11.00	2.7
RGBRb3	USD	9.75	+0.25	10.00	3.5
CHFMb1	USD	9.50	0	10.00	2.5
ASFib2	USD	9.00	-0.38	9.00	0.7
MREKb1	USD	9.00	+0.06	13.00	2.7
ASBNb2	USD	8.50	0	8.50	2.3
TEBNb3	USD	8.40	-0.30	9.00	8.3
CSBNb3	USD	8.10	0	8.75	6.4
CSBNb2	USD	8.10	0	9.50	5.9
KZTCb1	USD	8.09	-0.06	8.00	6.0
CCBNb2	USD	8.00	0	10.00	4.7
ASFib3	USD	8.00	-0.56	7.00	4.4
KZPSb1	USD	5.74	+0.04	8.00	3.8
<b>Non-indexed instruments denominated in foreign currency</b>					
BTASe3	USD	7.65	-0.01	7.875	5.9
KKGBe4	USD	7.52	+0.72	8.500	8.8
RU_01_2806	USD	7.37	-	12.75	23.9
RU_02_3003	USD	7.15	-	5.00-7.50	25.6
KKGBe2	USD	7.00	0	11.000	3.4
PKKRe1	USD	6.96	-0.10	9.625	5.6
BRKZe2	USD	6.61	-0.14	7.375	9.3
KKGBe3	USD	5.71	-0.03	10.125	2.8
BTASe2	USD	5.31	-0.03	10.000	2.9
KZTOe1	USD	4.17	-0.03	8.500	2.0
BRKZe1	USD	4.14	-0.06	7.125	3.2
Ifo bonds	USD	3.97	-0.10	4.38-5.50	8.1-9.4
Ifo bonds	EUR	2.56	+0.75	7.13	0.7

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 August 11 specialized trades on primary additional floatation of **common shares of Valut-tranzit-Bank OJSC** (Karaganda) were continued in KASE's trade system. The seller by making two deals floated **1,028,000 shares at KZT270.00** per share for a total amount of **KZT277,560,000.00**. One member of KASE – broker-dealer company, took part in the trades. The additional floatation to be held from 11:30 a.m. till 1:00 p.m. of Almaty time by open trade method with payment by the scheme T+0 and will be continued on working days **until August 31, 2004**.

## Purchase and sale sector

In purchase-sale sector a total of 131 deals to the amount of **\$25,587.2 th.** or KZT3,465.4 m. were made during the analyzed period at KASE. In comparison with the previous period (109 deals, \$20,939.9 th. or KZT2,852.4 m.) turnover of the sector increased by 22.2%.

During the analyzed period deals were made by KASE's 15 members on 32 instruments 22 of which were bonds. At that, 23.6% of gross-turnover (27.9% on purchasing transactions, and 19.3% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 11 members of "P" and "H" categories were interested in 33 securities, 22 of which were bonds. Stake of pension assets was 4.2% of gross-turnover, including 4.5% on purchasing transactions and 4.0% on sale transactions.

Corporate bond market was characterized by falling of trade volume by 36.1% (by \$3,532.9 th.) while number of deals and instruments, which brokers worked with, has not changed. Bonds of Bank TuranAlem JSC of the fourth issue (BTASb4) were traded most actively, their stake was 25.1% of the whole corporate bond turnover. The securities were traded with price falling and growth of yield to maturity for purchaser from 7.50% to 7.70% APR. The second place belonged to ATFBb3 (4 deals, 15.3% of the market), which brokers were not interested in last week. Weighted average price of these bonds grew by 0.36% that resulted in falling of their yield from 8.30% to 8.22% APR. Among previous week's favorites only second issue bonds of KOSTANAI MINERALS JSC remained on leading positions (KZASb2, 10 deals, 12.3% of the market). Demand for these securities has weakened and as the result their weighted average price fell within 7 days by 0.25%, and yield grew from 9.16% to 9.25% APR.

During the analyzed period 14 bonds involved into deals out of 22 ones grew in price, and 8 of them fell, that evidences about the high demand for corporate instruments. Price of BTASb2 fell most of all (by 5.38%), their yield grew from 8.21% to 9.50% APR. Price of KZIKb4 grew most of all (by 6.77%). Their yield as the result of the only deal fell from 6.89% to 5.94% APR.

Peculiarity of the analyzed period in this sector is predominant growth of the traded bonds yield. This did not happen for a long time already. Yields of 12 instruments grew, and yields of only 8 instruments fell. Index KASE\_BY grew within 7 days by 2.05%. However analysts of IRBIS do not consider it a long-term tendency. Main influence upon the index was made by growth of yield on demand quotations for KKGBe4, BTASb1, and also by changing of the rate of BTASb2. As the result value of the index went back to descending channel, which was formed within May 1 – July 15 of this year and, in all probability, in the future it will change within the frameworks of this tendency.

Capitalization of stock exchange's corporate bond market fell within the week by \$7.9 m. to **\$3,605.5 m.** High devaluation rate of tenge against dollar made the key influence upon the dynamics of this indicator (see reference in the beginning of the review).

### Results of the trades in bonds within August 11 – 17 (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Almaty Kus OJSC	ALKSb2	10.4000	0	10.5000	10.0500
ARNA OJSC	ARNAb1	9.5000	89.1	9.5000	9.5000
Alliance-Bank JSC	ASBNb1	10.8484	0	10.0000	9.5000
Alliance-Bank JSC	ASBNb2	8.5000	0	9.5021	8.5019
Astana-Finance JSC	ASFib2	9.0001	9.3	9.0001	9.0001
Astana-Finance JSC	ASFib3	*8.5606	0	8.6000	8.0000
Astana-Finance JSC	ASFib4	*9.8000	509.3	9.5000	*9.8000
ATFBank JSC	ATFBb2	9.4500	84.8	9.4500	9.4500
ATFBank JSC	ATFBb3	8.0000	955.6	8.0000	8.5000
Development Bank of Kazakhstan JSC	BRKZb1	8.6000	0	9.1000	6.1000
Development Bank of Kazakhstan JSC	BRKZe1	5.7612	0	5.5436	4.3865
Development Bank of Kazakhstan JSC	BRKZe2	6.6018	0	7.3724	6.8347
BTA Mortgage JSC	BTAIb1	10.2000	148.4	10.2000	10.2000
Bank TuranAlem JSC	BTASb1	*8.0339	0	9.9000	8.4000
Bank TuranAlem JSC	BTASb2	9.5000	147.5	9.5000	9.5000
Bank TuranAlem JSC	BTASb3	7.6300	0	7.9970	6.5000
Bank TuranAlem JSC	BTASb4	*7.7000	1,569.5	7.5000	*7.7000
TuranAlem Finance B.V.	BTASe2	6.7848	0	6.7891	5.3241
TuranAlem Finance B.V.	BTASe3		0	8.5365	7.6547
Bank CenterCredit JSC	CCBNb1	8.8416	0	10.3251	8.0000
Bank CenterCredit JSC	CCBNb2	9.2000	0	10.8000	8.0000
Bank CenterCredit JSC	CCBNb3	8.8000	0	9.5000	6.8500

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**Results of the trades in bonds within August 11 – 17**

(% APR, unless otherwise specified)

<b>Issuer</b>	<b>Bond code</b>	<b>On the last deal</b>	<b>Volume, th, USD</b>	<b>Purchase</b>	<b>Sale</b>
Chimfarm JSC	CHFMb1	*10.0000	0	10.3000	9.5000
BANK CASPIAN JSC	CSBNb2	9.7475	0	9.7500	8.1000
BANK CASPIAN JSC	CSBNb3	8.7587	0	9.3000	8.1000
BANK CASPIAN JSC	CSBNb4	8.5000	0	8.6000	8.2000
Eurasian bank JSC	EUBNb1	8.0000	0	8.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb	*8.0408	45.0	*8.0408	*8.0408
Halyk savings bank of Kazakhstan JSC	HSBKb2	*9.3049	0	9.6665	7.4957
Halyk savings bank of Kazakhstan JSC	HSBKb3	7.4000	0	7.3000	6.9913
Halyk savings bank of Kazakhstan JSC	HSBKb4	8.3500	13.5	8.3500	8.3500
INTERGAS CENTRAL ASIA CJSC	INCAb1	7.0000	0	7.0192	4.0826
Karazhanbasmunai OJSC	KARMB2	7.0000	0	8.2000	5.6000
Kazkommertsbank JSC	KKGBb2	7.4000	0	8.5000	7.0000
Kazkommertsbank JSC	KKGBb3	6.5534	0	7.2000	6.5000
Kazkommertsbank JSC	KKGBe2	8.0000	0	10.0000	7.0000
Kazkommerts International B.V.	KKGBe3	7.0123	0	6.8483	5.7255
Kazkommerts International B.V.	KKGBe4	7.8113	0	9.5275	7.6966
Mining and smelting concern Kazakhaltyn JSC	KZALb1	*8.6000	157.5	*8.6000	*8.6000
NAC Kazatomprom	KZAPb1	*7.1000	111.7	*7.1000	*7.1000
KOSTANAI MINERALS JSC	KZASb2	*9.2000	766.8	*9.2000	9.3000
Kazakhstan Mortgage Company JSC	KZIKb1	6.5000	5.8	6.0000	6.5000
Kazakhstan Mortgage Company JSC	KZIKb2	7.9791	0	8.3003	5.3488
Kazakhstan Mortgage Company JSC	KZIKb3	7.5000	1.5	7.5000	7.5000
Kazakhstan Mortgage Company JSC	KZIKb4	*5.9400	81.6	*5.9400	*5.9400
Kazakhstan Mortgage Company JSC	KZIKb6	7.1800	75.4	7.1800	7.1800
Kazpost JSC	KZPSb1	8.5048	0	8.7000	5.8000
KazTransCom OJSC	KZTCb1	8.2000	200.4	8.0000	8.2000
KazTransOil JSC	KZTOe1	5.7349	0	5.6618	4.1852
JB LARIBA-BANK JSC	LARIB1		0	10.7500	7.7500
Mangistau distributing electricity network company OJSC	MREKb1	*9.0000	70.3	*9.0000	*9.0000
Nurbank OJSC	NRBNb1	10.0000	0	10.0100	7.0400
Nurbank OJSC	NRBNb2	7.6704	0	7.0000	6.6300
Nurbank OJSC	NRBNb3	8.0000	0	9.2000	7.2000
Corporation "Ordabasy" OJSC	ORDBb1	*12.2988	0	12.1000	12.0000
PetroKazakhstan Finance B.V.	PKKRb1	*6.8842	0	7.8031	6.9616
Food contract corporation JSC	PRKRb1		0	7.0000	6.5000
RG Brands JSC	RGBRb3	9.7500	415.8	9.7523	9.7523
ROSA JSC	ROSAb1	10.0100	148.7	10.0000	10.0100
TEMIRBANK OJSC	TEBNb	9.5000	0	10.7000	9.2000
TEMIRBANK OJSC	TEBNb2	10.0000	0	11.0000	8.0000
TEMIRBANK OJSC	TEBNb3	8.7000	0	9.0000	8.4000
Tsesnabank JSC	TSBNb1	9.5000	0	10.5000	8.5000
TEXAKABANK OJSC	TXBNb1	12.5000	0	11.5000	8.5000
TEXAKABANK OJSC	TXBNb2	11.2000	641.8	10.6000	11.2000
UST-KAMENOGORSK BATTERY FARM OJSC	UKPFb1	12.6000	0	13.0000	10.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1	*10.0000	0	10.0000	8.0000
Valut-tranzit-Bank JSC	VTBNb1	*11.8979	0	12.8500	11.2577
Security corporation Sary-Arka Sarbazy LLP	VTSKb2	9.0000	0	9.4770	8.8939
TEXHO-LIFE JSC	VTTHb1	9.0000	0	9.4802	8.9471
Kazyuvelirprom JSC	VTZLb1	9.3000	0	9.3216	9.0721
<b>TOTAL</b>	<b>71</b>		<b>6,249.3</b>		

Share market this time was notable with almost double growth of the turnover (by \$8,180.2 th. or 73.3%) while number of deals grew from 67 to 89. Major peculiarity of the sector is falling of the rate of KZMS 2 times that made the key influence upon the behavior of KASE\_Shares index (see table in the beginning of the review). Demand quotations of TEBN fell from 1,015 to 695 tenges per security. It's impossible to explain the considerable negative dynamics of the price of sector's most interesting securities – common shares of Corporation Kazakhmys JSC. It just should be noted that this change was fixed only on direct deals on the considerable shareholding consisting of 28,292 shares.

The second peculiarity is the active trade in common shares of Ust-Kamenogorsk titanium-magnesium combine JSC at KASE (UTMK, 29.5% of share turnover). All 9 deals in them were direct, they were made on August 13 and 17 with participation of the only member of KASE, which operates various accounts of its clients, that resulted in the final falling of weighted average day rate of shares by 0.47%.

Rates of following securities fell: VTBN (by 0.03%), KKGBp (by 25.8%), ORDB (by 2.2%) and VTBNp (by 18.5%). Rate of BTAS remained on its former level, and rates of other shares grew (ALKS – by 28.9%, VTZL – by 28.6% and ZERD – by 3.3%).

Capitalization of stock exchange's share market fell within the analyzed period by \$432.4 m. to **\$2,943.4 m.**, that is explained by falling of the rate of KZMS and devaluation of tenge against dollar.

#### Results of the trades in shares within August 11 – 17

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th. USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*13.00	23,717,876	2,004.7	*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
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Alliance-Bank JSC	ASBN	11,505.00	0	0	11,500.00	12,500.00
Astana-Finance JSC	ASFI	700.01	0	0	770.00	1,155.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp	1,001.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem JSC	BTAS	*12,809.56	1,171	110.9	*12,809.56	*12,809.56
Bank TuranAlem JSC	BTASp	12,832.80	0	0	15,832.80	18,000.00
Bank CenterCredit JSC	CCBN	216.72	0	0	195.00	250.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	175.00	0	0	175.00	256.50
CHARALTYN JSC	HRLT	3.50	0	0	3.50	5.00
Halyk savings bank of Kazakhstan JSC	HSBK	110.00	0	0	110.00	163.38
Halyk savings bank of Kazakhstan JSC	HSBKp	*166.10	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	80.00	120.00
Kazkommertsbank JSC	KKGB	160.00	0	0	155.00	232.50
Kazkommertsbank JSC	KKGBp	89.00	4,100,000	2,698.8	90.00	89.00
Corporation Kazakhmys JSC	KZMS	*2,100.00	44,735	730	4,500.00	*2,100.00
Kazakhtelecom JSC	KZTK	*4,177.50	0	0	5,650.00	8,475.00
Kazakhtelecom JSC	KZTKp	*1,800.00	0	0	1,908.00	2,862.09
KAZZINC JSC	KZZN	1,050.00	0	0	1,000.00	1,500.00
Nurbank OJSC	NRBNp6	10,500.00	0	0	8,600.00	12,900.00
Corporation Ordabasy JSC	ORDB	*2,000.00	107,195	1,864.3	2,590.00	*2,000.00
Corporation Ordabasy JSC	ORDBp	*985.00	0	0	1,100.00	1,430.00
Temirbank JSC	TEBN	1,000.00	0	0	1,015.00	1,040.00
Temirbank JSC	TEBNp		0	0	676.00	1,014.00
Tsesnabank JSC	TSBN	1,050.00	0	0	700.00	1,050.00
Tsesnabank JSC	TSBNp	1,000.00	0	0	1,000.00	1,500.00
TEXAKABANK OJSC	TXBN		0	0	18,000.00	20,000.00
Ust-Kamenogorsk titanium-magnesium combine JSC	UTMK	*3,560.00	225,847	5,704.6	*3,560.00	3,142.50
Valut-tranzit-Bank JSC	VTBN	*350.00	2,177,594	4,838.6	*350.00	270.00
Valut-tranzit-Bank JSC	VTBNp	*350.00	87,427	206.8	360.00	270.00
Kazyuvelirprom JSC	VTZL	*270.00	514,406	921.4	*270.00	210.00
Kazyuvelirprom JSC	VTZLp	*236.50	0	0	200.00	300.00
Zerde OJSC	ZERD	*1.30	30,474,752	257.7	*1.30	1.00
<b>TOTAL</b>	<b>39</b>		<b>61,451,003</b>	<b>19,337.9</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 all at CS trade floors of KASE** (including primary floatation sector) a total of 133 deals amounting to **\$27,640.0 th.** (KZT3,742.9 m.) were concluded during the analyzed period. During the previous period this indicator was \$23,272.8 th. (KZT3,171.0 m.).

## SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE total volume of 68 deals reached **KZT5,366.2 m.** (\$39,656.6 th.) during the analyzed period. Corresponding figure of the previous period – KZT9,340.0 m. (\$68,667.7 th.).

Parameters of Exchange's transactions in GS within August 11 – 17

(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		
<b>Discounted (KZT): National Bank's notes</b>						
<b>90.8% (94.8%) of purchase and sale sector's turnover</b>						
less than 8	0.90	1.20	0.90	1.11 (0.68)	349.9	4
8 - 14	1.00	1.20	1.00	1.14 ( -)	294.9	3
15 - 28	1.30	4.00	4.00	1.39 ( -)	138.6	4
29 - 36	1.50	1.70	1.50	1.57 (2.88)	299.6	3
64 - 91	3.20	3.52	3.50	3.47 (2.80)	334.8	5
92 - 181	2.00	4.11	3.51	4.01 (3.72)	552.7	13
182 - 364	3.67	5.21	4.01	4.08 (4.38)	2,902.3	25
Total					4,872.8 (8,858.6)	57 (66)
<b>Coupon (KZT): MEOKAM-36, 48</b>						
<b>9.2% (4.7%) of purchase and sale sector's turnover</b>						
less than 730	4.78	4.78	4.78	4.78 (5.20)	234.4	1
731 - 1095	5.48	5.69	5.69	5.58 (5.75)	52.5	2
1096 - 1460	5.54	6.01	6.01	5.83 ( -)	206.5	8
Total					493.4 (436.9)	11 (9)
<b>GRANDTOTAL</b>					<b>5,366.2 (9,340.0)</b>	<b>68 (76)</b>

This sector's conjuncture has not changed. Turnover's structure has been maximally deformed in favor of short discount bonds. Notes of tallest issues are most tradable of them, they are bought at auctions mainly by banks and then they are resold at the stock exchange to pension funds. This is precisely the reason, on which leading banks acted as notes sellers at KASE, and pension assets management companies were their counteragents on deals.

Despite the considerable growth of the primary market's turnover, the secondary market was less active. One of the reasons of that is spending of banks' free money for the work with US dollar. In this market's segment there was an increased rate dynamics, and speculations with dollar promised to traders the higher profitability than the work with GS.

It also should be noted that due to growth of repo "overnight" rates brokers' interest in the shortest bonds fell a little bit. It resulted in falling of their prices and promoted to growth of their yield. Yield of longer bonds is still gradually falling.

**The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **100.0%**, last week - 99.3%.

## FOREIGN SECURITIES MARKET

In **international financial organizations (IFO) bonds purchase and sale sector** at KASE on August 17 the only deal in euronotes of International bank for reconstruction and development DE0001282705 was made for a total of KZT9,067,134.07, yield of securities to maturity for purchaser was 2.56% APR. The deal was made with pension assets participation.

This sector of KASE market experiences bad times in latest years. The previous deal was made in the same bonds on July 12 of this year for a total of KZT9,036,101.26. Specialists of IRBIS consider these deals interrelated for they were made by the same participants. Stock exchange's member, who bought the bonds on July 12, closed the position opened before, using the compulsory quotation of the market-maker, with positive price difference of 31 tiyns.

In **foreign government securities (FGS) purchase and sale sector** on August 11 at KASE trades in bonds of foreign debt of Russian Federation of two issues were opened (see previous review). Despite the uninterrupted quoting of the mentioned securities at the stock exchange by their market-maker, no deal have been made. At closing of the trades on August 17 best quotations of bonds were fixed on the level of:

- on RU\_01\_2806 (XS0088543193) – 146.0000 / 160.0000 % of bonds face value without accumulated interest (8.29 / 7.37 % APR to maturity);
- on RU\_02\_3003 (XS0114288789) – 90.0000 / 100.0000 % of bonds face value with accumulated interest (8.07 / 7.16 % APR to maturity).

Judging on minimal dynamics of quotations, market-maker of these euronotes did not demonstrate striving for improve offer parameters in this week in order to move the market to making of deals. Anyway, demand of other stock exchange's members for these bonds was absent in KASE trade system.

In the opinion of analysts of IRBIS these bonds will hardly arouse interest of market's participants for they do not seem to be rather attractive on the background of other instruments of similar investment quality, which are offered at KASE. Besides, only broker-dealer companies' clients and the companies are able at present to buy these bonds. Securities are unavailable for Kazakhstan banks and pension market's subjects because of their rather low credit ratings.

## **KASE'S NEWS**

By the decision of KASE's Board **since August 12 of 2004** trades over common (KZ1C05020218; MMGZ) and preferred (KZ1P05020213; MMGZp) **shares of Mangistaumunaigas OJSC** (Almaty), listed under category "B" of KASE listing are suspended. Trades are suspended till the meeting of the Exchange Council. The trades have been interrupted on the basis of Subparagraph 2, Paragraph 1, Article 33 of the KASE's Listing rules (the Rules). According to subparagraph 2 of the Rules, trades over securities may be suspended if an initiator of listing admission fails to comply with information disclosure standards and breaks other obligations set by the Rules and listing agreement.

By the decision of KASE's Board **since August 13 of 2004** trades over common (SYRG) and preferred (SYRGp) **shares of PetroKazakhstan Oil Products** (Shymkent), listed under category "B" of KASE listing are suspended. The trades suspended according to Article 33 of the Listing Rules on the basis of:

- Cancellation certificate issued by Agency for Supervision of Financial Market and Financial Organizations (AFN) dated August 2, 2004, #A3740 about annulment of emission of the Company's shares in connection with its reorganization into limited liability partnership;
- A letter from PetroKazakhstan Oil Products OJSC dated August 11, 2004, #493-F;
- A letter from Central Securities Depository CKSC dated August 10, 2004, #24/2095.

According to Article 20 of the Listing Rules, the Board of KASE has a right to suspend trades over securities, while de-listing decision is the sole authority of the Exchange Council.

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

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