

# WEEK OF STOCK MARKET OF KAZAKHSTAN

September 8 – 14

## Money market indicators as of September 14 and change for the period

Term	Currency	Rate	Trend
<b>"Overnight" on autorepo at KASE(TONIA)</b>			
1 day	KZT	3.30	+2.85
<b>Repo opening at KASE (WA, % APR)</b>			
1 day	KZT	3.00	+2.55
3 days	KZT	4.00	-
7 days	KZT	3.86	+1.75
14 days	KZT	3.73	+2.23
28 days	KZT	8.20	+5.91
45 days	KZT	9.59	-
<b>KIBOR (indicative, % APR)</b>			
1 week	KZT	4.50	-0.50
2 weeks	KZT	5.25	-0.50
1 month	KZT	6.00	-0.50
2 months	KZT	6.75	-0.50
3 months	KZT	7.50	-0.50

## Stock market indicators as of September 14 and their change for the period

Index	Value	Trend
<b>Shares of "A" listing</b>		
KASE_Shares	196.56	+3.66%
<b>Corporate bonds of "A" listing</b>		
KASE_BP	162.43	+0.47%
KASE_BC	122.90	+0.33%
KASE_BY	7.71	-0.94%
<b>Euronotes of Kazakhstan</b>		
KASE_EP	155.24	+0.93%
KASE_EC	105.37	+0.67%
KASE_EY	3.36	-17.08%

US dollar = **135.65** tenge at official rate for the end of the period.  
 US dollar = **135.55** 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 14.3% APR.**

## Investment attractiveness of stock exchange financial instruments since September 8 till September 14

Financial instrument	Currency of trans-n	Yield, % value	% APR trend	Coupon, % APR	Term, years
<b>Non-indexed instruments denominated in tenge</b>					
TXBNb2	KZT	10.36	-0.54	11.00	5.8
UKTCb1	KZT	10.00	+1.92	9.00	2.1
UKPFb1	KZT	10.00	0	14.00	3.0
VTZLb1	KZT	9.07	+0.06	10.00	9.2
VTTHb1	KZT	8.94	0	10.00	8.2
VTSKb2	KZT	8.89	0	10.00	7.2
CS repo*	KZT	8.65	+1.07	-	0.003-0.1
TXBNb1	KZT	8.50	0	15.00	2.0
BTAIb1	KZT	8.00	0	10.00	6.3
HSBKb3	KZT	7.37	-0.63	9.00	4.8
EUBNb1	KZT	7.00	0	7.00	4.2
ARNAb1	KZT	7.00	0	13.00	1.0
ATFBb3	KZT	7.00	0	8.50	4.2
HSBKb5	KZT	6.67	0	5.00	2.7
KKGBb3	KZT	6.50	0	7.00	2.4
PRKRb1	KZT	6.50	-0.08	8.00	4.7
MEOKAM	KZT	5.62	-0.12	5.68-6.09	1.01-8.1
INCAb1	KZT	4.01	-0.06	-	0.2
MEKKAM, notes*	KZT	3.83	+0.60	-	0.01-0.93
GS repo*	KZT	1.57	+0.62	-	0.003-0.08
<b>Instruments indexed on inflation</b>					
TSBNb1	KZT	9.51	+0.58	9.00	2.7
ASFIb4	KZT	9.23	-0.24	9.00	6.7
KZASb2	KZT	9.11	+0.11	8.80	4.8
KARMb2	KZT	8.51	+0.01	8.60	4.3
KZALb1	KZT	8.50	0	9.00	4.8
CSBNb4	KZT	8.50	-0.01	7.50	6.8
NRBNb3	KZT	7.74	-0.04	8.00	2.8
BTASb4	KZT	7.64	-0.16	8.00	9.8
KZIKb6	KZT	7.02	+2.02	7.29	6.6
HSBKb4	KZT	7.00	0	8.50	5.8
CCBNb3	KZT	6.98	-1.37	12.60	5.7
BTASb3	KZT	6.50	0	8.00	9.2
KZIKb2	KZT	5.33	-0.01	8.30	9.1
KZIKb3	KZT	5.00	0	7.50	9.6
KZIKb4	KZT	5.00	0	7.00	9.6
KZIKb1	KZT	5.00	0	11.25	1.2
<b>Instruments indexed on devaluation of tenge to US dollar</b>					
ORDBb1	USD	13.32	+1.32	11.00	0.9
VTBNb1	USD	10.94	-0.02	10.00	2.1
ALKSb2	USD	10.37	+0.24	10.00	1.9
HSBKb	USD	10.00	+2.21	11.80	2.8
NRBNb1	USD	9.86	+2.59	8.50	0.7
HSBKb2	USD	9.71	+2.73	8.00	2.7
ASBNb1	USD	9.60	+0.10	9.00	5.3

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**Investment attractiveness of stock exchange financial instruments since September 8 till September 14**

Financial instrument	Currency of trans-n	Yield, % APR value	trend	Coupon, % APR	Term, years
TEBNb	USD	9.00	0	9.50	1.0
BTASb1	USD	8.45	+0.05	12.00	4.5
TEBNb2	USD	8.26	+0.26	11.00	4.0
CCBNb1	USD	8.10	+0.10	12.00	1.3
ATFBb2	USD	8.00	-0.10	9.00	2.3
BTASb2	USD	8.00	0	9.00	5.6
LARlb1	USD	7.75	0	7.75	1.0
NRBNb2	USD	7.63	-1.97	9.00	6.8
KKGBb2	USD	7.00	0	8.00	5.2
ARU060.003	USD	6.70	+0.01	8.60	2.1
AST048.006	USD	6.56	0	8.50	2.8
ART060.004	USD	6.50	-0.75	8.50	3.7
AST048.005	USD	6.37	+0.01	8.50	2.1
AST036.004	USD	6.18	+0.01	8.31	1.1
BRKZb1	USD	6.10	0	8.50	2.4
KZAPb1	USD	6.06	+1.03	8.50	2.6
ASU036.003	USD	6.06	+0.04	9.80	0.3
VKU036.002	USD	5.50	0	8.50	1.0
<b>Instruments indexed on devaluation of tenge to US dollar with protection from strengthening of tenge against dollar</b>					
CHFMb1	USD	9.50	0	10.00	2.4
ROSAb1	USD	9.50	0	11.00	2.6
RGBRb3	USD	9.00	-0.71	10.00	3.4
MREKb1	USD	8.50	0	13.00	2.6
CSBNb3	USD	8.50	+0.33	8.75	6.3
ASBNb2	USD	8.49	-0.01	8.50	2.2
KZPSb1	USD	8.33	+1.97	8.00	3.7
TEBNb3	USD	8.20	-0.20	9.00	8.1
CSBNb2	USD	8.20	+0.10	9.50	5.8
KZTCb1	USD	8.00	0	8.00	5.9
CCBNb2	USD	8.00	0	10.00	4.6
ASFib3	USD	8.00	0	7.00	4.2
ASFib2	USD	6.50	0	9.00	0.6
<b>Non-indexed instruments denominated in foreign currency</b>					
RU_01_2806	USD	7.82	+0.05	12.75	23.8
KKGBe4	USD	7.69	0	8.500	8.6
RU_02_3003	USD	7.49	-0.06	5.00	25.6
KKGBe2	USD	7.18	+0.18	11.000	3.3
PKKRe1	USD	7.10	+0.16	9.625	5.4
BTASe3	USD	7.01	-0.13	7.875	5.8
BRKZe2	USD	6.28	-0.14	7.375	9.2
KKGBe3	USD	5.61	-0.03	10.125	2.7
BTASe2	USD	5.39	+0.16	10.000	2.7
KZTOe1	USD	4.19	+0.10	8.500	1.9
IFO bonds	USD	3.98	+0.02	4.38-5.50	8.0-9.2
BRKZe1	USD	3.66	-0.02	7.125	3.1
ENU07.05	USD	2.89	-	11.125	2.7
IFO bonds	EUR	1.84	+0.03	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 September 8 specialized trades on primary additional floatation of **common shares of Valut-Tranzit-Bank JSC** (Karaganda) were continued in Kazakhstan Stock Exchange's (KASE) trade system. The seller by making two deals floated **606,060 common shares** of Valut-Tranzit-Bank JSC at **KZT 270.00** per share for a total of **KZT163,636,200.00**. A single trader participated in the trades. The additional floatation is 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 September 30, 2004

## Purchase and sale sector

In purchase-sale sector a total of 81 deals to the amount of **\$19,758.5 th.** or KZT2,682.1 m. were made during the analyzed period at KASE. In comparison with the previous period (74 deals, \$27,105.4 th. or KZT3,681.6 m. turnover of the sector decreased by 27.1%.

During the analyzed period deals were made by KASE's 18 members on 32 instruments 17 of which were bonds. At that, 17.2% of gross-turnover (12.0% on purchasing transactions, and 22.5% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 15 members of "P" and "H" categories were interested in 28 securities, 11 of which were bonds. Stake of pension assets was 24.5% of gross-turnover, including 44.2% on purchasing transactions and 4.7% on sale transactions.

Corporate bond market still demonstrates falling of activity. During the analyzed week volume of deals fell by \$3,773.9 th. i.e by one third. Number of deals grew almost three times and range of bonds involved into deals increased from 11 to 17. Nevertheless, there is no true liquidity in this sector. KZASb2 are the leaders due to direct deals of one broker. The same concerns BTASb4, their stake was 26.1% of the week's corporate bonds turnover. As the whole, at present from 30% to 70% of exchange's bond turnover is formed by contractual deals while number of their participants is very limited. Turnover of the classical trading is minimal.

As regards prices the market has not changed. Prices of 13 bonds among 17 ones involved into deals grew, prices of three bonds fell and price of one bond remained the same. As analysts of IRBIS assumed, securities' yield to maturity for purchaser fell again. This tendency was observed in parameters of deals as well as in the dynamics of KASE\_BY index. Judging on concluded deals, yield of 9 instruments fell, and yield of 6 instruments grew. Detailed information is given in the table.

### Results of the trades in bonds within September 8 – 14

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Almaty Kus OJSC	ALKSb2	10.4000	0	11.0000	10.8500
ARNA OJSC	ARNAb1	*9.5000	0	9.5000	7.0000
Alliance-Bank JSC	ASBNb1	10.8484	0	9.6000	10.1000
Alliance-Bank JSC	ASBNb2	*8.9300	0	9.5021	8.5119
Astana-Finance JSC	ASFib2	9.4539	0	9.0000	6.5000
Astana-Finance JSC	ASFib3	*8.5606	0	8.6000	8.0000
Astana-Finance JSC	ASFib4	9.2999	227.5	9.2000	9.2999
ATFBank JSC	ATFBb2	9.4500	0	10.5000	8.0000
ATFBank JSC	ATFBb3	8.0000	0	9.0000	7.0000
Development Bank of Kazakhstan JSC	BRKZb1	8.4500	0	9.1000	6.1000
Development Bank of Kazakhstan JSC	BRKZe1	5.7612	0	5.3368	3.6694
Development Bank of Kazakhstan JSC	BRKZe2	6.6018	0	7.0602	6.4589
BTA Mortgage JSC	BTAIb1	10.2000	0	10.2000	8.0000
Bank TuranAlem JSC	BTASb1	*8.0339	0	9.9000	8.7000
Bank TuranAlem JSC	BTASb2	*8.5000	0	9.5000	8.0000
Bank TuranAlem JSC	BTASb3	7.6300	0	7.9973	6.5000
Bank TuranAlem JSC	BTASb4	*7.6409	2,307.1	6.0000	7.6700
TuranAlem Finance B.V.	BTASe2	6.7848	0	6.5177	5.7510
TuranAlem Finance B.V.	BTASe3		0	7.6518	7.2217
Bank CenterCredit JSC	CCBNb1	8.8416	0	10.2298	8.4000
Bank CenterCredit JSC	CCBNb2	9.2000	0	10.8000	8.0000
Bank CenterCredit JSC	CCBNb3	8.3500	0	9.9886	6.9867
Chimfarm JSC	CHFMb1	*10.2000	0	10.2000	9.5000
BANK CASPIAN JSC	CSBNb2	9.7475	0	9.7500	8.4500
BANK CASPIAN JSC	CSBNb3	8.4958	179.6	8.4958	8.4958
BANK CASPIAN JSC	CSBNb4	8.4968	57.1	8.4968	8.5067
Eurasian bank JSC	EUBNb1	8.0000	0	8.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb	10.0000	962.6	10.0000	10.0000
Halyk savings bank of Kazakhstan JSC	HSBKb2	9.7098	12.2	9.7082	9.7098
Halyk savings bank of Kazakhstan JSC	HSBKb3	8.0000	0	7.0000	8.0000
Halyk savings bank of Kazakhstan JSC	HSBKb4	8.3500	0	9.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb5		0	9.0000	7.5145
INTERGAS CENTRAL ASIA CJSC	INCAb1	7.0000	0	7.0190	4.0112
Kazakhstanbasmunai OJSC	KARMB2	8.5059	37.5	8.2000	8.5059
Kazkommertsbank JSC	KKGBb2	7.4000	0	8.5000	7.0000
Kazkommertsbank JSC	KKGBb3	6.5001	0	7.2000	6.5000
Kazkommertsbank JSC	KKGBb2	8.0000	0	10.0000	8.1000

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## Results of the trades in bonds within September 8 – 14

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
Kazkommerts International B.V.	KKGBe3	7.0123	0	6.7692	5.6193
Kazkommerts International B.V.	KKGBe4	7.8113	0	9.5347	7.6927
Mining and smelting concern Kazakhaltyn JSC	KZALb1	9.0000	0	9.5000	8.5000
NAC Kazatomprom	KZAPb1	8.3300	0	9.0000	6.0788
KOSTANAI MINERALS JSC	KZASb2	*9.0000	2,368.0	*9.0000	9.5000
Kazakhstan Mortgage Company JSC	KZIKb1	6.5000	0	8.0000	5.0000
Kazakhstan Mortgage Company JSC	KZIKb2	7.9791	0	8.3004	5.3326
Kazakhstan Mortgage Company JSC	KZIKb3	7.5000	0	7.5000	5.0000
Kazakhstan Mortgage Company JSC	KZIKb4	6.9000	0	7.0000	5.0000
Kazakhstan Mortgage Company JSC	KZIKb6	7.1000	193.0	6.9000	7.1000
Kazpost JSC	KZPSb1	8.5000	134.4	8.3000	8.5000
KazTransCom OJSC	KZTCb1	8.2000	0	8.2000	8.0000
KazTransOil JSC	KZTOe1	4.1861	1,199.4	4.1861	4.1861
JB LARIBA-BANK JSC	LARIB1		0	10.7500	7.7500
Mangistau distributing electricity network company OJSC	MREKb1	*9.0000	0	9.5000	8.5000
Nurbank OJSC	NRBNb1	9.8609	12.0	7.2500	10.2500
Nurbank OJSC	NRBNb2	9.6000	0	7.3000	8.0000
Nurbank OJSC	NRBNb3	8.1000	0	9.2000	8.4500
Corporation "Ordabasy" OJSC	ORDBb1	13.3000	747.0	13.3000	14.9999
PetroKazakhstan Finance B.V.	PKKRe1	*6.8842	0	7.7822	7.3500
Food contract corporation JSC	PRKRb1		0	7.5000	6.5000
RG Brands JSC	RGBRb3	9.0000	13.0	9.0022	9.0022
ROSA JSC	ROSAb1	10.0100	0	10.0000	9.5000
TEMIRBANK OJSC	TEBNb	9.5000	0	10.4999	9.0000
TEMIRBANK OJSC	TEBNb2	10.0000	0	11.0000	9.0000
TEMIRBANK OJSC	TEBNb3	8.7000	0	8.8000	8.2000
Tsesnabank JSC	TSBNb1	9.6800	306.5	9.4000	9.6800
TEXAKABANK OJSC	TXBNb1	11.5000	0	11.5000	8.5000
TEXAKABANK OJSC	TXBNb2	10.6800	28.6	10.0000	10.6800
UST-KAMENOGORSK BATTERY FARM OJSC	UKPFb1	*12.5000	0	12.5000	10.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1	10.0000	38.2	10.0000	10.0000
Valut-Tranzit-Bank JSC	VTBNb1	*12.0316	0	12.5811	10.9510
Security corporation Sary-Arka Sarbazy LLP	VTSKb2	9.0000	0	9.4774	8.8897
TEXHO-LIFE JSC	VTTHb1	9.0000	0	9.4807	8.9440
Kazyuvelirprom JSC	VTZLb1	*9.1000	0	9.3217	9.0706
<b>TOTAL</b>	<b>72</b>		<b>8,823.8</b>		

Share market, as well as bond market, was not active. Volume of deals fell by 24.6% or by \$3,573.0 th. Most interesting peculiarity of the period is transactions in common shares of Kazakhtelecom JSC (KZTK), which brokers were not interested in for the last seven months. The stake of these securities was 32.5% of turnover of KASE's secondary share market. KZTK gave the first place only to the traditional favorite – VTBN (34.1% of turnover). Alas, results of analyzing transactions made in KZTK make doubt about their market origin. More than only 8 concluded deals looked like a part of "hidden" repo transactions, as the result of which shareholding consisting of 26,800 securities did not change its owner. Price level chosen by participants for making these deals differed from the rate of seven-month prescription, and as the result KZTK fell within the week in weighted average day price by 5.6%.

For the other favorite of the market – common shares of Valut-Tranzit-Bank JSC (VTBN) – price change was opposed. Weighted average day rate of these securities grew within the week by 8.1% that does not reflect any tendencies for since the beginning of 2003 rate of VTBN fluctuates within KZT200.00 – KZT350.00. Only once – in November of 2003 – there was fixed a deal at KASE, according to which these shares had been bought at KZT479.00.

Judging on concluded deals, major tendency of the week in this segment was falling of prices. Rate of ALKS fell by 23.1%, ATFBp – by 7.4%, ATFBp8 – by 8.9%, BTAS – by 20.8%, HSBK – by 43.0%, KZMS – by 14.9% and ORDBp – by 4.6%. Weighted average day rate of following securities (except VTBN) grew: ORDB (by 28.0%). Other shares rates have not changed (see table).

KASE\_Shares index locally grew by 3.66% mainly due to growth of demand price for common shares of Corporation Kazakhmys JSC and Tsesnabank JSC. However it's not a tendency for lately dynamics of the index is characterized by the grown volatility in the horizontal channel, which has the width of about 10 full points.

The curious thing in the sector is a direct deal made in privileged shares of Valut-Tranzit-Bank JSC (VTBNp) on September 10. By making this deal a shareholding consisting of 320 shares was resold at KZT31,250.00 per a security that exceeded usual rate of VTBNp 89 times. As it has been found out the participant of the deal (the only one) confused the number of securities and their price while forming the bid in KASE's trade system that resulted in corresponding consequences. For example, one of them is growth of capitalization of exchange's share market on September 10 from \$3,577.5 m to \$5,605.8 m with corresponding falling to the previous level on September 13. On the reason that participant of direct deal, strictly speaking, cares only about the sum of transaction, this transaction was not annulled. This did not let exchange's specialists exclude data on the deal from databases and from calculation of market's indicators. This case, in the opinion of analysts of IRBIS, graphically characterizes narrowness of Kazakhstan share market and its non-market origin.

#### Results of the trades in shares within September 8 – 14

(KZT per share, unless otherwise specified)						
Issuer	Security code	Last price	Volume, shares	Volume, th. USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*10.00	3,321,698	244.7	*10.00	*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	ALKZ	*300.00	0	0		350.00
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	1,023.00	50,000	374.7	1,023.00	1,001.00
ATFBank JSC	ATFBp8	1,001.00	100,000	737.3	1,010.00	1,001.00
Bank TuranAlem JSC	BTAS	*12,801.00	1,100	103.8	*12,801.00	*12,801.00
Bank TuranAlem JSC	BTASp	*12,832.80	0	0	15,832.80	18,000.00
Bank CenterCredit JSC	CCBN	*200.00	151,464	223.1	*200.00	*200.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	*319.00	0	0	175.00	256.50
CHARALTYN JSC	HRLT	3.50	12,285,715	317.2	3.50	3.50
Halyk savings bank of Kazakhstan JSC	HSBK	110.00	75	0.1	110.00	110.00
Halyk savings bank of Kazakhstan JSC	HSBKp	*205.00	1,960	2.5	*205.00	160.00
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	0	0	85.00	127.50
Corporation Kazakhmys JSC	KZMS	3,700.00	17,152	468.2	3,700.00	3,700.00
Kazakhtelecom JSC	KZTK	5,700.00	80,400	3,554.3	6,600.00	5,700.00
Kazakhtelecom JSC	KZTKp	*1,800.00	0	0	1,902.18	2,846.55
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	*2,590.00	29,091	474.1	2,590.00	2,000.00
Corporation Ordabasy JSC	ORDBp	1,050.00	64,936	501.8	1,100.00	1,050.00
Temirbank JSC	TEBN	*1,137.00	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	1,000.00	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	0	0	3,750.00	5,250.00
Valut-Tranzit-Bank JSC	VTBN	*350.00	1,563,231	3,723.6	360.00	310.00
Valut-Tranzit-Bank JSC	VTBNp	*350.00	48,386	190.1	31,250.00	320.00
Kazyuvelirprom JSC	VTZL	*210.00	0	0	200.00	300.00
Kazyuvelirprom JSC	VTZLp	*205.00	0	0	200.00	300.00
Zerde OJSC	ZERD	*1.00	2,607,002	19.2	*1.00	*1.00
<b>TOTAL</b>	<b>40</b>		<b>20,322,210</b>	<b>10,934.7</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 83 deals amounting to **\$20,962.9 th.** (KZT2,845.7 m.) were concluded during the analyzed period. During the previous period this indicator was \$28,158.6 th. (KZT3,824.8 m.).

#### Changes in KASE's trade lists

Since September 10, 2004 by the decision of KASE's Board common inscribed shares (KZ1C27930428) of **Kazorgtehnika OJSC** (Almaty) of the second emission were admitted into "Non-listing securities" sector of KASE. **KTTH** trade code is assigned. Quotation accuracy in the trade system is two decimal points. Shares are

quoted in Kazakhstan tenge. Common shares of Kazorgtekhnik OJSC have been circulating in the Non-listing securities sector under second admission category since October 23, 2001. On July 1, 2004, the shares were excluded from the trade lists because of absence of quotations and deals. The register of shareholders is maintained by Register-Center JSC (Almaty). Primary activities: servicing, repair, assembling and setting up of trade technological, refrigerating equipment.

## SECTOR OF GOVERNMENT SECURITIES (GS)

In **GS purchase and sale sector** of KASE total volume of 65 deals reached **KZT11,235.5 m.** (\$82,797.9 th.) during the analyzed period. Corresponding figure of the previous period – KZT10,054.6 m. (\$74,011.8 th.).

The market has not changed much. In spite expectations, notes floatation held by the National Bank on September 10 did not influence considerably upon GS liquidity. Recently the popular scheme, in which banks bought notes at auction and resold them at once to pension funds, and now it was not in effect (the stake of these deals was only 19% of note turnover). In the opinion of analysts of IRBIS, it's partially concerned with the limited tenge liquidity of banks in the analyzed period, and in some degree with the fact that the stake of notes purchasing by second tier banks at the mentioned auction was not big – only 53% of floated bonds fell to the stake of primary agents.

Nonetheless, short GS are still most popular instrument of exchange's floor. Under the influence of banks' limited tenge liquidity their prices fell a bit that resulted in predominant growth of the yield of MEKKAM and notes to maturity for a purchaser (see table). Yield of mid-term bonds had negative dynamics, however their market was too narrow to speak about tendencies.

### Parameters of Exchange's transactions in GS within September 8 – 14

(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): MEKKAM, National Bank's notes</b>				<b>91.0% (82.4%) of purchase and sale sector's turnover</b>		
8 - 14	1.88	1.88	1.88	1.88 (2.04)	25.8	1.00
15 - 28	1.75	1.75	1.75	1.75 (1.50)	99.9	2.00
37 - 42	2.50	3.00	2.50	2.75 (2.43)	103.7	4.00
43 - 56	2.90	4.94	4.94	3.59 (2.57)	1,193.1	9.00
64 - 91	3.27	3.28	3.28	3.28 (2.80)	309.9	5.00
92 - 181	3.07	4.00	3.90	3.66 (3.99)	306.0	11.00
182 - 364	3.10	5.00	3.83	3.92 (3.80)	8,185.2	26.00
Total					10,223.6 (8,288.6)	58 (51)
<b>Coupon (KZT): MEOKAM-60, 72</b>				<b>4.7% (17.6%) of purchase and sale sector's turnover</b>		
1461 - 1825	4.01	6.60	6.00	5.51 (5.79)	327.8	5
1826 - 2190	5.60	5.60	5.60	5.60 (5.82)	202.8	1
Total					530.5 (1,766.0)	6 (25)
<b>Euronotes of Kazakhstan (USD)</b>				<b>4.3% (-) of purchase and sale sector's turnover</b>		
*962	2.89	2.89	2.89	2.89 (-)	481.4	1
Total					481.4 (-)	1 (-)
<b>GRANDTOTAL</b>					<b>11,235.5</b>	<b>65 (76)</b>
					<b>(10,054.6)</b>	

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

**The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **95.9%**, last week - **99.8%**.

## FOREIGN SECURITIES MARKET

In **foreign government securities (FGS) purchase and sale sector** no deals were made. At closing of the trades on September 14 best quotations of bonds were fixed on the level of:

- on **RU\_01\_2806** (US78307AAE38) – 151.6000 / 153.0000 % of bonds face value without accumulated interest (7.90 / 7.81 % APR to maturity);
- on **RU\_02\_3003** (US78307ACZ49) – 95.7500 / 96.7000 % of bonds face value with accumulated interest (7.57 / 7.49 % 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 September 10, 2004, **Pension assets management company Ak-Niet CJSC** (PAMC Ak-Niet CJSC, Almaty) is excluded from KASE membership under "K" and "P" categories. The decision has been made on the basis of resolution of the Board of Kazakhstan agency for financial market

and financial organizations regulation and supervision (AFN) dated August 21, 2004 #239. According to the decision, AFN recalled the license of PAMC Ak-niet CJSC for conduction of broker and dealer activity at securities market.

## **KASE'S NEWS**

The decision of KASE's Board resumed trades over common (KZ1C05020218; MMGZ) and preferred (KZ1P05020213; MMGZp) shares of Mangistaumunaigas OJSC (Aktau), listed under category B of the official listing. The decision will be put in effect since **September 10, 2004**. The decision was based on corrections Mangistaumunaigas had done to meet Listing Rules requirements. Trades over Mangistaumunaigas securities were suspended on August 12, 2004 according to sub-paragraph 2 of paragraph 1, article 33 of KASE's Listing Rules – suspension of trades related to violation of information disclosure standards and other obligations set by the Listing Rules and Listing Agreement.

By the decision of KASEs Board **since October 1, 2004** Kazakhstan Financial Company OJSC (Almaty) has been deprived of market-maker's status over common shares (KZ1C44930010, official "A" listing, KZMS) of Corporation Kazakhmys JSC (Zhezkazgan). The reason is a statement submitted by Kazakhstan Financial Company OJSC about volunteer resigning of market-maker status. Currently, another broker dealer company, TuranAlem Securities JSC performs market-maker services over shares of Corporation Kazakhmys JSC.

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

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