

WEEK OF STOCK MARKET OF KAZAKHSTAN

August 17 - 23

Money market indicators as of August 23 and change for the period

Term	Currency	Rate	Trend
"Overnight" on autorepo onKASE(TONIA)			
1 day	KZT	3.52	+0.97
Repo opening on KASE (WA, % APR)			
1-2 days	KZT	3.72	+0.95
5 days	KZT	3.22	-
8 days	KZT	5.89	-
10 days	KZT	6.00	-
28 days	KZT	7.00	-1.50
KIBOR (indicative, % APR)			
1 week	KZT	4.83	+0.83
2 weeks	KZT	5.75	+0.75
1 month	KZT	6.42	+0.42
2 months	KZT	7.17	+0.17
3 months	KZT	8.00	0

Stock market indicators as of August 23 and change for the period

Index	Value	Trend
Shares of "A" listing		
KASE Shares	1,757.88	+3.88
Corporate bonds of "A" listing		
KASE_BP	197.33	+0.17
KASE_BC	130.56	+0.05
KASE_BY	7.04	+0.002

US dollar = **124.66** at official rate for the end of the period.
US dollar = **124.76** at weighted average rate of the Exchange for the end of the period.
Rate of tenge devaluation against dollar for the period at the exchange's rate – **45.2% APR**.

SHARE MARKET

News

By decision of Exchange council of Kazakhstan stock exchange (KASE) dated August 18, it was refused to **Company Kazovoshprom JSC** (Kapshygay) of inclusion of its **KZ1C53940017 issue common shares** into official list under "B" category. This decision was taken after the consideration of Resolution of Listing commission of KASE, comments of representatives of the issuer and its financial consultant, in the role of which **NOMAD FINANCE JSC** (Almaty) acted. According to item 3 of article 18 of Listing rules, decision on inclusion of securities into official list of the stock exchange or on transfer of securities from one listing category into another is taken by the simple majority from the total number of votes of Exchange council's members. Collection of the less number of votes means a refuse of listing or transfer. 1 member of Exchange council voted for the inclusion of shares of Company Kazovoshprom JSC, against – 9, with 5 abstainers. The specified issue was registered by Agency of Republic of Kazakhstan for regulation and supervision of financial market and organizations dated March 30, 2006 and inserted into the state register of securities under the code A5394. The issue consists of 26,474,862 shares, out of which as of July 1, 2006 13,502,180 were offered for total of KZT540,087 th. Primary activities of the company are storage, production, processing and realization of agricultural goods, trade-intermediate activity.

On August 18 the meeting of Exchange council of KASE took place, at which the question on violations of term of accordance of information about listing companies and their activity by admission initiators, who did not provide with information and data about planned terms of its accordance. Taking into account of the letter of **KAZSYNC JSC** (hereinafter – the Company) dated August 11, 2006 #50-05-3815 with the request to exclude its common shares from the official KASE list of "A" category, in which the reasons, which affected the terms of preparation of the annual report, consistent of financial statements for year 2005 and quarterly reports for the first and the second quarters of year 2006, and data on shares and shareholders of the Company as of January 1, April 1 and July 1, 2006, Exchange council took a decision to **delay the consideration of the question on de-listing of (ID – KZ1C23420017) shares of the Company up to the next meeting.**

Changes in trade lists

By decision of Exchange council of KASE **since August 21 KZ1C00690012 issue** under the code IBBN common shares of **Industrial Bank of Kazakhstan (Shymkent) have been excluded from the official list of KASE of "B" category.** This decision was taken in connection with non-compliance by Industrial Bank of Kazakhstan with regulations of sub-items 2) and 3) of item 4) of Resolution of Managing commission of Agency of Republic of Kazakhstan for regulations and supervision of financial market and financial organizations (AFS) "About requirements to issuers and their securities, accepted (having accepted) for circulation on the stock exchange" dated March 15, 2004 # 63 (hereinafter – the Resolution), sub-items 7–1) of item 1 of article 11 of Listing rules and in correspondence with sub-items 3) and 5) of item 1 of article 20 of Listing rules of KASE. According to the above-mentioned documents, shareholders equity of the issuer, whose securities are in the official list of the stock exchange under the category subsequent to the highest one, cannot be less that authorized capital. According to non-audited financial statements, presented by Industrial Bank of Kazakhstan, while it was authorized capital at KZT1.0 bn., the company's shareholders equity made the negative value – minus KZT498,680 th., that breaks the specified requirements.

In compliance with item 4.2 of Contract about listing of corporate issuers securities dated March 10, 2004, made between Industrial Bank of Kazakhstan and KASE, the auditor's report on financial statements of the bank for year 2005 must be presented to the stock exchange according as it has been prepared, not later than July 1, 2006. According to the letter of Industrial Bank of Kazakhstan JSC, dated June 20, 2006 # 2/20/06, as of the date, specified by the bank it was still being carried on negotiations with the auditor firm Deloitte & Touche on the question of audit making of the bank's financial statements for year 2005. As it was specified in the above-mentioned letter, the date of accordance of auditor's report to the stock exchange would be informed after signing the contract with the auditor firm Deloitte & Touche.

Inasmuch, according to non-audited data of the bank's activity in year 2005, the loss in size of 1.6 bn. was fixed, there also appears a possibility that on data of financial statements for year 2005 the indicator of the bank's shareholders equity will have negative value.

In compliance with sub-item 5) of item 1 of article 20 of Listing rules, change for worse of a listing company's indicators, on the basis of which the decision on listing of its securities was taken, is the ground for consideration by Exchange council the question on de-listing of these securities.

According to data of non-audited of the bank, its financial indicators for year 2005 got worse meaningfully within year 2003, on the base of which the decision on inclusion of the specified securities into KASE official list of "B" category was taken. Exchange council had taken this decision before the Resolution took effect.

Common shares of Industrial Bank of Kazakhstan JSC had been included into official KASE list of "B" category under the code IBBN since March 16, 2004. The primary exchange trades in these shares were held on November 23, 2005. Within the whole period of trades in IBBN in purchase and sale sector no deals were made. As a subject of repo on KASE, these shares were not used.

By decision of Stock exchange's council of KASE **since August 21 KZ1C50510011 issue common shares of Charaltn JSC (Semipalatinsk) have been excluded from KASE's official "B" listing category.** This decision was taken in accordance with subparagraph 2) of paragraph 1 of Article 20 of Listing Regulation on the basis of Charaltn JSC's letter without date without number with request of exclusion of its common shares from KASE's "B" category official list, and copy of extraction from system of register of shareholders of common shares of company, according to which the holder of all offered shares as of August 1 2006 was the firm Eurasia Gold INC (earlier – Eurasia Gold corp., Toronto, Ontario province, Canada). Common shares of Company were included into KASE's official "B" listing category on November 26 of 2003 under **code of HRLT.** First stock trades on these shares were held on November 27 2003. During all the time of stock's trades on HRLT it was made 66 deals (1,200,900,197 shares) to the total of KZT4,042.5 m. (\$30.1 m.) price varied from 2.10 to 4.35 tenge per share. The last deal was made on May 30 2006 by the price of 3.00 tenge per share. As subject of repo HRLT were used on KASE in 82 operations. Here 164 deals were made with them to the total sum of borrowing KZT6,230.3 m. (\$46.8). Primary activity of company are – making the exploration works, mining and testing of precious metals, including gold; purchasing, gathering, processing and realization of geological and other information, not forbidden by legislation of Republic of Kazakhstan, and other.

By decision of exchange Council of KASE, **since August 21 KZ1C37080013 (TXBN) issue common shares of TEXAKABANK JSC have been excluded from KASE official list of "A" category.** The specified decision was taken in accordance with sub-item 2) of item 1 of article 20 of Listing rules of KASE, on the basis of the following documents:

- letter of TEXAKABANK JSC dated August 4, 2006 # 3087-4/209 with the request to exclude its common shares from KASE official list of "A" category;
- letters of RG Securities JSC dated August 4, 2006 # 441 about refuse of the status of market maker on common shares of TEXAKABANK JSC;
- copy of the extract from the shareholders register system TEXAKABANK JSC's common shares as of July 24, 2006, according to which the holder of 80.0% from the total number of the offered common shares as of the specified date was Shareholders commercial Savings bank of Russian Federation OJSC (Russia, Moscow), 19.349% – the citizen of the USA Gregory Noul Stewder, 0.646% – the citizen of Republic of Kazakhstan I. Gekko, 0.005% – other holders –RG Securities JSC (the nominal holder) and physical entity – the citizen of Republic of Kazakhstan.

Common shares of TEXAKABANK JSC had been included in official KASE list of "A" category under TXBN code since March 7, 2003. The primary exchange trades in these shares were held on March 14, 2003. Within the whole period of the exchange trades in TXBN 8 deals (86 shares) were made for total of KZT2,826.3 th. (\$23.1 th.). The price was verified from KZT30,900.00 to KZT100,000.00 per a share, the last deal was held on August 17, 2006 at the maximum price. As a repo subject on KASE, these shares were not used.

By decision of Stock exchange's council of KASE dated August 18, 2006 **KZ1C53590010 issue common and KZ1P53590116 issue preferred shares of MAG JSC (Almaty)** were included into KASE's official "B" listing category under codes of **MAG_** and **MAG_p**, correspondingly. Trades opening in mentioned bonds on KASE will be announced later. Almaty Investment Management JSC (Almaty) performed as the financial consultant on introducing its shares to the organized market. The only issue of MAG JSC's shares was registered by AFS on

January 9, 2006 and consists of 210,000 of announced shares, including 157,500 common and 52,500 preferred shares. Issue is included into State register of securities under number A5359. As of July 1 2006 all shares are offered. Register system of securities JSC (Almaty) makes the directing of system of register of shareholders of MAG JSC. Main activities of MAG JSC – investments into building of living and commercial objects of municipal infrastructure, their realization, making building, repairing, installation works, production and realization of building materials.

Primary market sector

No deals were made in this sector of Kazakhstan stock exchange (KASE) during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 173 deals amounting to \$8,093.8 th. or KZT1,004.3 m. were made in shares during the analyzed period on KASE. In comparison with the previous period (August 10-16, 102 deals, \$50,363 th. or KZT6,173.8 m.) turnover of the sector has decreased by 6.2 times. In principle, market had entered its usual level of activeness. As it was mentioned in the previous review, the anomalous high value of shares turnover on KASE in the previous period was conditioned by series of deals with common shares of Bank TuranAlem (BTAS) to the stake of which it came 90.5% of shares' market turnover (\$45,595.4 th.)

During the week, 3.5% of deals in quantitative expression and 7.2% in volumetric expression were nego. In the previous period these indicators were 17.6% and 72.1%.

During the analyzed period deals were made by KASE's 23 members on 19 instruments. At that, 23.5% of gross-turnover (46.4% on purchasing transactions, and 0.6% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 22 members of "P" and "H" categories were interested in 16 shares. Stake of pension assets was 12.5% of gross-turnover, including 0.4% on purchasing transactions, and 24.7% - on sale transactions. So the activeness of companies of pension assets management continues to grow while shares purchasing.

Weighted average daily prices of 84% of names of shares involved into deals grew, prices of 16% – fell, prices of 0% – remained unchanged. Last week these indicators were: 63%, 38%, 0%. In the described period shares prices changed positively in the range from 1.0% (ASBNp1) to 83.5% (TSBNp) and in the average totaled 26.5%, negative change – from 5.9% (ATFB) to 37.4% (KZZN), in the average – 18.7%.

The described price dynamics shows that while autumn is coming closer the exchange market of shares is more and more gravitates towards growth on the positive results of activities of listing companies by the totals of the first half-year. It is concerning first of all the large banks. The quotations of their common shares at the present time make KASE_Shares index go up by zigzag, increasing after each fall to a little bit higher position, than at the previous "wave".

During the analyzing week the average weighted rate of BTAS (Bank TuranAlem JSC) increased by 14.7%, KKGB (Kazkommertsbank JSC) – by 13.7 (at that participants made 50 deals on KASE, and only one was nego), HSBK (Halyk savings bank of Kazakhstan JSC) – by 3.5%. The preferred shares of Kazkommertsbank JSC (KKGBp) turn attention to themselves, which by results of 15 deals increased by 37.6%. And preferred shares of Tsesnabank JSC (TSBNp) just surprised, because their average weighted rate increased during seven days by 83.5%.

Information about delisting of TEXAKABANK JSC's shares (TXBN, see above) did not influence negatively on their rate, because this instrument never differed by its liquidity on KASE. Much more influence on the market had another negative news – about arrival to the stock of the letter by KAZZINC JSC with request of exclusion of its common shares from official list Of KASE of "A" category (see above) and corresponding reaction of Exchange council. The market instantly reacted by sudden decrease of KZZN price. If during June, July and two first decades of August the average weighted price of this instrument was kept upper than 12 th. tenge, despite absence of the financial statements of the issuer for year 2005 and more late periods, then on August 22 the rate of KZZN decreased on the open market to 5,600.00 tenge per paper, and by nego deal on august 23 - by 8,136.00 tenge. By separate deals of open market the price of KZZN on august 22 was going down by 4,510.00 tenge.

It must be noted that KAZZINC if one of the "inveterate" infringers of listing requirements of KASE in part of opening the information about its activity and shareholders. The explanations as regards this stated in correspondence of plant with exchange seem weak (however KAZZINC doesn't refuse its guilt over KASE). Evidently the true reason of infringements is absence of interest of big shareholder of company in presence of KAZZINC shares on the organized market of republic, which in their time were bring out by initiative of government of Kazakhstan wit objective of selling the state shareholder of company on the open market.

Thus to all appearances our market soon will loose one more liquid stake instrument, from increase in price of which the event of price boom began.

Detailed data about trades in shares are given in the table.

Results of share trades on KASE within August 17 - 23 (including nego deals)

Share code on KASE	Price, KZT per share:		Volume of deals th. USD	Num- ber of deals	Best for the period:					
	on the last deal:				bid	offer				
	min.	max.								
ALKZ		2,600.00	100.00	2,600.00	2,000.00	2,500.00				
ALKZp		100.00	80.00	100.00	200.00					
AMGZ		75,000.02	33,000.00	130,000.00	75,000.00	99,000.00				
AMGZp		37,000.00	10,500.00	48,000.00	20,000.00	75,000.00				
ASBN	33,000.00	37,000.00	37,000.00	+23.33	11,000.00	47,500.00	73.0	11	37,000.00	33,000.00
ASBNp1	12,650.00	14,500.00	12,650.00		12,650.00	16,900.00	106.0	4	14,500.00	12,650.00
ASFI		7,500.00	7,500.00		785.00	11,500.00			8,100.00	12,149.00
ATFB	8,000.00	9,100.00	8,000.00	-5.88	1,103.00	15,710.00	22.5	3	9,100.00	8,000.00
ATFBp		3,050.29	1,250.00	3,600.00					2,800.00	4,200.00
ATFBp8		2,600.00	1,085.00	3,600.00					2,400.00	2,600.00
AZNO		9,500.00	9,200.01	16,000.00					9,200.00	11,900.00
BTAS	100,500.00	115,000.00	110,000.00	+10.00	20,145.60	190,000.00	209.4	3	115,000.00	100,500.00
CCBN	1,575.00	1,800.00	1,800.00		200.00	2,400.00	54.9	7	1,800.00	1,575.00
CHFM		1,188.00	600.00	1,650.00					1,500.00	2,250.00
CSBN		3,310.00	184.00	4,000.00					3,299.00	3,300.00
CSBNp		600.00	200.00	700.01					467.00	700.01
GLOT	6,000.00	6,000.00	6,000.00		1,500.00	6,000.00	8.7	1	8,250.00	6,000.00
HSBK	310.00	320.00	320.00	+6.67	38.00	420.00	75.1	2	320.00	310.00
HSBKp		141.00	141.00	187.00					173.00	200.00
HSBKp1		200.00	169.00	200.00					173.00	200.00
KANT		1,450.00	400.10	1,800.00					1,450.00	2,175.00
KIBN	225.00	225.00	225.00		150.00	230.00	16.6	2	225.00	225.00
KKGB	840.00	1,000.00	960.00	+6.67	181.00	1,800.00	3,810.8	50	1,490.00	840.00
KKGBp	350.00	600.00	350.00	+1.45	139.00	600.00	107.3	15	600.00	350.00
KZCR		30,000.00	1,000.00	50,000.00					25,000.00	40,000.00
KZCRp		1,000.00	1,000.00	1,000.00					3,000.00	
KZIS	35,000.00	36,000.00	36,000.00		15,750.00	82,500.00	20.1	3	36,000.01	35,000.00
KZTC		13,125.00	1,450.00	16,000.00					9,000.00	13,500.00
KZTCp		2,000.00	2,000.00	9,000.00					1,600.00	2,400.00
KZTK	27,000.00	34,500.00	31,000.00	+14.81	9,137.00	50,000.00	99.8	11	34,500.00	27,000.00
KZTKp	11,200.00	15,000.00	15,000.00		5,850.00	26,000.00	28.6	4	15,000.00	11,200.00
KZZN	4,510.00	13,000.00	8,136.00	-37.42	3,000.00	18,500.00	1,586.5	30	13,000.00	4,500.00
MMGZp		10,000.00	1,000.00	21,250.00					9,000.00	12,300.00
NFBN		1,450.00	1,321.00	1,486.20					1,321.00	1,981.50
NRBN		50,109.59	25,650.00	62,160.00					44,000.00	65,120.00
NRBNp6		27,000.00	22,000.00	27,000.00					32,000.00	38,475.00
ORDB		4,000.01	2,000.00	4,400.00					4,000.00	4,400.00
ORDBp		2,000.00	1,500.00	2,100.00					2,100.00	2,300.00
ORNK		2.00	1.00	2.00					2.00	3.00
PDES		850.00	655.00	14,325.00					970.00	1,440.00
RAHT		1,270.00	100.00	3,000.00						3,900.00
ROSA		603.32	574.59	680.69					570.00	650.00
TEBN	3,000.01	3,750.00	3,550.00	-5.33	801.00	4,855.00	140.2	10	3,750.00	2,100.00
TEBNp		1,147.00	952.00	1,315.00					1,145.00	1,100.00
TSBN		1,800.00	1,000.00	2,550.00					1,800.00	2,099.99
TSBNp	1,530.00	2,110.00	2,110.00		1,000.00	2,110.00	1,614.6	4	3,000.00	1,530.00
TXBN	55,000.00	55,000.00	55,000.00		30,900.00	100,000.00	1.3	1	55,000.00	49,999.99
UTMK		35,000.00	3,435.00	38,250.00					28,000.00	32,000.00
VTBN	299.00	300.00	299.00	+6.79	225.00	530.00	83.1	7	300.00	250.00
VTBNp	270.00	375.00	375.00	+1.35	270.00	395.00	35.2	5	853.00	1.00
ZERD		1.00	0.80	1.70					0.80	1.10
ZNGR									0.10	
ZNGRp									0.01	
53							8,093.8	173		

Notes: if no deals were made in the period (volume = 0) the last price of successful trades is given. Trends are given relative to the last deal of the previous month (July 9 – August 9, 2006). If deals were not made in the previous month the trend is not calculated. Full list of issuers' symbols is available at http://www.kase.kz/instruments/nzb_code.htm

CORPORATE BOND MARKET

News

By decision of KASE's Board since August 18 trades in **KZPC1Y05B980 issue bonds of RG Brands JSC** (Almaty) (KASE's official "A" listing category, RGRBb4; KZT1, KZT1,500.0 m.; August 7, 2006 – August 7, 2011, semiannual coupon 8.0% APR, 30/360) have been opened in KASE's secondary market sector. It is the first issue of bonds in the frames of RG Brands JSC's bonds program, registered by AFS on March 16, 2006 for the amount of KZT5,0 bn., and fourth issue of internal company's bonds, having passed through the listing procedure on KASE. **RG Securities JSC** (Almaty) executes market maker's functions on the bonds. Minimal volume of compulsory quotation for the market-maker is 2,060,000 bonds. These bonds have been included

into KASE's official "A" listing category since August 7, 2006. RG Securities JSC (Almaty) acted as the consultant of the issuer while introducing its bonds to the organized market.

By decision of KASE's Board **since August 18** trades in **KZPC2Y10C119 issue subordinate bonds of Daughter mortgage organization of the joint stock company TuranAlem BTA Ipoteka JSC** (Almaty) (KASE's official "A" listing category, BTAIb12; KZT100, KZT1,0 bn; August 4, 2006 – August 4, 2016, semiannual coupon, indexed on inflation rate, 7.00% APR, 30/360) will have been opened in KASE's secondary market sector. It is the second issue of bonds in the frames of the third Daughter mortgage organization of the joint stock company TuranAlem BTA Ipoteka JSC's bonds program, registered by AFS on June 2, 2006 for the amount of KZT50.0 bn., and twelfth issue of internal bank's bonds, having passed through the listing procedure on KASE. **Daughter organization of the joint stock company Bank TuranAlem TuranAlem Securities JSC** (Almaty) executes market maker's functions on the bonds. Minimal volume of compulsory quotation for the market-maker is 20,600 bonds. These bonds have been included into KASE's official "A" listing category since August 4, 2006. General Asset management JSC (Almaty) acted as the consultant of the issuer while introducing its bonds to the organized market.

By decision of KASE's Board **since August 23** trades in **KZ2CKY23B672 issue infrastructure bonds of Doszhan temir zholly (DTZh) JSC** (Almaty) (KASE's official "A" listing category, DTJLb1; KZT1,000.00, KZT30,0 bn; August 2, 2005 – August 2, 2028, annual coupon, indexed on inflation rate, 9.45% APR for the second year of circulation, 30/360) will have been opened in KASE's secondary market sector. Since August 23 2006 **BCC Invest JSC - daughter organization of Bank CenterCredit JSC** (Almaty) executes market maker's functions on the bonds with minimal volume of compulsory quotation for the market-maker 2.060 bonds. By decision of KASE's Administration since August 22 First Investment JSC was deprived the status of market-maker on mentioned bonds. The decision was accepted according to point 16 article 5 of internal KASE's document "Rules of activity of market-makers" based on the application of market-maker. These bonds have been included into KASE's official "A" listing category since August 7, 2006.

Changes in trade lists

By the decision of KASE's Council dated August 18 **KZPC1Y05C145 bonds of Alliance Leasing JSC** (Almaty) (KZT1, KZT 2,5 bn.5 years, semi-annual coupon, 9.50% APR, 30/360) were included into KASE's official "A" listing category under **ALLZb1** code. The pointed issue of bonds is the first in frames of the first bonds' program of Alliance Leasing JSC, registered be AFS on July 12 2006 to the total of KZT5,0 bn., and first issue of internal bonds of company, having passed the listing procedure on KASE. **Financial company Alliance Capital JSC** (Almaty) acted as the financial consultant of the issuer to bring the shares to the organized market.

By the decision of KASE's Council dated August 18 **KZPC2Y07C024 bonds of Kazakhstan Kagazy JSC** (Almaty oblast, Karasay region, Abay village) (KZT1, KZT 3,5 bn.7 years, indexed by inflation rate semi-annual coupon, 9.00% APR for the first coupon period, 30/360) were included into KASE's official "A" listing category under **KKAGb3** code. The pointed issue of bonds is the second in frames of the first bonds' program of Kazakhstan Kagazy JSC, registered be AFS on March 24 2006 to the total of KZT10,0 bn., and first issue of internal bonds of company, having passed the listing procedure on KASE. **Financial company Alliance Capital JSC** (Almaty) acted as the financial consultant of the issuer to bring the shares to the organized market.

By the decision of KASE's Council dated August 18 **KZ2C0Y05C168 bonds of Holding group ALMEKS JSC** (Almaty) (KZT1, KZT8,0 bn.5 years, annual coupon, 8.00% APR, 30/360) were included into KASE's official "A" listing category under **ALMXb1** code. **Halyk savings bank of Kazakhstan JSC** (Almaty) acted as the financial consultant of the issuer to bring the shares to the organized market.

By the decision of Kazakhstan stock exchange's (KASE) Council dated August 18 **KZ2C0Y03C130 bonds of MAG JSC** (Almaty) (KZT1,000.00, KZT3,250.0 m., 3 years, semi-annual coupon, 12.0% APR, 30/360) were included into KASE's official "B" listing category under **MAG_b1** code. **Almaty Invest Management JSC** (Almaty) acted as the financial consultant of the issuer to bring the shares to the organized market.

The mentioned decision of Exchange board took effect **since August 22**. Information about opening of trades in the bonds on KASE will also be given later.

Primary market sector

On August 18 the specialized trades on offering of **KZ2C0Y05C101 issue bonds of Central Asia Cement JSC** (Temirtau) (KASE's official securities list of "A" category, CACMb1; KZT1, KZT2.7 bn.; August 7, 06 – August 7, 11; semiannual coupon, 9.00% APR; 30/360) in KASE trade system has taken place. The issuer was planning to offer the entire registered volume of the issue. The subject of trading was net price of bonds (without accumulated interest), expressed in percentage from face value of the security to the fourth figure after comma. Bids for participation in offering were submitted by close method from 11:30 a.m till 13:00 p.m. (ALT). Only

limited market bids were accepted on the trades. Method of bid satisfaction for purchase – at clamed price. The issuer satisfied the bids, in which prices were higher or equal to the cut-off price. In the latter case, the preference was given to bids, having submitted to the trade system of KASE earlier. Scheme of computations – T+0. 5 members of KASE, who had submitted 12 limited bids for purchase of 1,130,240,000 bonds, took part in trades. To the moment of bids submitting period expiration, all orders were active. Thus, demand at trades made 41.9% from the announced volume for the offering. Net price in submitted bids varied from 89.0022% (12.00% APR to maturity for purchasers) to 96.9428% (9.79% APR and in weighted average expression made 96.5824% (9.89% APR). In total volume of demand 91.3% was controlled by bids of the pension funds of Kazakhstan, 2.5% - by bids of broker-dealer companies and 6.2% - by bids of their clients.

By results of the trade the issuer set the cut off price at the rate of **96.9049%**, which corresponds to the yield of bonds to maturity for a buyer at the rate of **9.80% APR**, and at this price fully satisfied nine bids of four members of KASE for purchase of **710,240,000 bonds**. Net price varied from 96.904% (9.80% APR) to 96.9428% (9.79% APR) and in weighted average expression made 96.9145% (9.80% APR). The sum of borrowing at that totaled **KZT690,278,741.76**, and the issuer offered 26.3% from the planned volume of the issue. By the results of offering 88.9% of bonds were redeemed by pension funds of Kazakhstan at the expense of pension assets, 1.2% - by broker-dealer companies and 9.9% - by their clients.

Secondary market sector (purchase and sale)

A total of 61 deals amounting to \$49,173.6 th. or KZT6,113.1 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (August 10-16, 42 deals, \$33,085.0 th. or KZT4,056.3 m.) turnover of the sector has increased by 48.6%. At that 4.9% of deals in quantitative expression and 11.0% in volumetric expression were nego. In the previous period these indicators were 4.8% and 0.7% correspondingly.

During the analyzed period deals were made by KASE's 25 members on 28 instruments. At that, 35.0% of gross-turnover (49.1% on purchasing transactions, and 20.9% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 19 members of "P" and "H" categories were interested in 26 instruments. Stake of pension assets was 42.0% of gross-turnover, including 25.6% on purchasing transactions, and 58.4% - on sale transactions.

Weighted average daily net prices of 13 bonds grew, prices of 12 bonds – fell. Net price of TEBNb3 remained unchanged (prices of DTJLb1 and KZIKb14 were nothing to compare with). At that CCBNb9 bonds seemed re-buy on KASE, net-price of which had grown by 15.4%. No obligations seemed re-sold. Yield to maturity for buyer on made deals decreased on this week by 14 obligations, increased by 12.

Thus, the corporate bonds market continues to keep the balanced position and it is hard to mark out something especial on it.

Detailed data on corporate bond market is given in trades results table.

Results of bond trades within August 17 - 23 (including nego deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Num-ber of deals	Best for the period:	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
AKFIb1			10.20		10.20	10.20			10.20	
ASBNb1	8.50	9.25	8.50		8.50	10.50	1,195.7	2	8.50	9.25
ASBNb2	8.10	8.10	8.10	-0.40	3.85	9.52	655.1	2	8.10	8.10
ASBNb3	9.00	9.20	9.20		7.50	10.75	665.7	2	9.00	9.20
ASBNb4			8.10		7.00	8.99			8.10	7.80
ASBNb5			7.00		7.00	7.00			7.00	6.50
ASBNb6			8.50		8.50	8.50			8.70	8.49
ASFIb3			8.60		8.48	8.60			8.60	6.60
ASFIb4			12.13		9.35	12.13			9.50	7.50
ASFIb5	9.00	9.00	9.00	-2.16	8.73	11.16	115.1	1	9.00	9.00
ASFIb6			9.50		8.50	9.80			9.70	7.70
ASFIb7			9.50		9.00	11.80			10.50	8.50
ASFIb8			8.50		8.00	8.50			8.10	6.10
ASFIb9			10.30		9.00	10.30			9.00	8.00
ATFBb2			8.50		7.50	9.20			9.00	8.00
ATFBb3			8.08		6.10	8.25			8.08	7.64
ATFBb4			8.16		8.00	8.60			8.21	8.16
ATFBb5			8.63		7.55	10.09			8.57	8.00
ATFBe1			6.27		6.27	6.27			7.50	5.50
ATFBe2			7.70		7.70	7.70			7.50	5.50
ATFBe4									8.25	6.25
BRKZb1	8.00	8.00	8.00		7.10	8.50	33.0	2	8.00	8.00
BRKZe1			5.76						6.83	4.84
BRKZe2			6.60						6.44	5.74

To be continued on the page 7

Continued of table

Results of bond trades within August 17 - 23 (including nego deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Num- ber of deals	Best for the	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
BRKZe3								6.61	6.07	
BRKZe4								6.84	6.41	
BTAIb1			8.51		8.45	9.00		8.50	6.50	
BTAIb10			6.99		6.99	6.99		9.00	7.00	
BTAIb11								8.50	6.50	
BTAIb12								7.50	5.50	
BTAIb2			8.50		7.97	8.50		8.50	6.50	
BTAIb3			8.30		7.28	8.30		8.30	6.30	
BTAIb4	8.70	9.00	8.70	-0.10	8.25	10.00	1,233.6	7	8.70	9.00
BTAIb5			8.45		8.30	8.96		8.90	6.90	
BTAIb6			10.09		9.00	10.09		10.00	8.00	
BTAIb7			8.60		8.45	9.00		8.90	7.90	
BTAIb8			8.20		7.55	10.70			6.50	
BTAIb9			8.10		8.00	8.51			6.50	
BTASb1	11.00	11.00	11.00	+0.50	6.50	11.33	58.2	2	11.00	11.00
BTASb2			8.12		7.90	10.00		10.10	9.10	
BTASb3	7.50	8.00	8.00		6.50	8.50	2,007.2	2	7.50	8.00
BTASb4			7.50		7.00	9.42		8.50	6.50	
BTASb5			8.50		7.40	8.50		8.50	6.50	
BTASb7			7.00		6.85	7.00		7.00	6.00	
BTASe2			6.78					7.24	4.72	
BTASe3								7.25	6.66	
BTLZb1			8.20		8.20	8.50		8.20	6.20	
CCBNb10			6.20		6.20	8.25		8.20	6.20	
CCBNb11			6.00		6.00	8.02		8.00	6.00	
CCBNb12			7.80		7.80	7.93		7.80	5.80	
CCBNb13			8.30		8.30	8.30		8.30	6.30	
CCBNb2			8.50		7.00	8.70		8.49	7.00	
CCBNb3			9.00		8.95	9.00		9.00	7.00	
CCBNb4			8.00		6.00	9.12		8.00	6.00	
CCBNb5			7.78		7.00	8.00		8.00	6.00	
CCBNb6			8.00		6.50	9.24		8.00	6.50	
CCBNb7			9.10		7.00	9.40		9.10	7.10	
CCBNb8			8.50		8.20	8.60		8.60	7.50	
CCBNb9	7.50	7.60	7.60		7.50	8.00	1,833.8	2	7.50	7.60
CHFMb1			9.00		9.00	9.73		9.00	7.00	
CSBNb2			9.30		8.50	9.30		9.70	8.10	
CSBNb3			9.30		8.50	9.30		9.30	8.50	
CSBNb4			9.87		7.00	9.87		9.70	8.50	
CSBNb5			9.10		8.30	9.10		9.10	8.30	
CSBNb6			9.30		7.30	9.35		9.16	8.60	
DTJLb1	9.00	9.00	9.00		9.00	9.00	8,398.1	1		
EUBNb1			6.50		6.50	7.42		8.00	6.00	
EUBNb2			6.00		6.00	6.00		6.00	5.50	
EUBNb3			8.20		8.00	8.20		8.50	7.00	
FRMPb1			7.40		7.00	7.45		7.30	6.00	
GLOTb1			9.50		9.49	10.00		10.00	8.00	
HSBKb	9.40	9.40	9.40	-0.30	7.00	9.70	46.7	1	9.40	9.40
HSBKb10			6.10		6.10	7.75		7.15	5.80	
HSBKb11			7.30		7.30	7.75		7.85	6.00	
HSBKb2	9.40	9.40	9.40	-0.30	7.10	9.70	32.5	1	9.40	9.40
HSBKb3			8.80		6.90	8.80		8.80	6.80	
HSBKb4			9.03		9.00	9.03		9.00	7.00	
HSBKb5			7.30		6.90	7.30		7.50	5.50	
HSBKb7			8.00		7.00	8.50		8.50	7.66	
HSBKb8			8.06		6.60	9.09		7.70	6.60	
HSBKb9			8.10		6.00	8.10		7.72	6.00	
HSBKe1			7.00					7.50	5.50	
JGOKb2			8.00		8.00	8.00		8.50	7.00	
KARMB2			5.50		5.50	7.60		7.50	5.50	
KASSb1			9.50		8.99	9.50		9.50	7.50	
KASTb1			8.90		8.90	9.00		9.00	7.00	
KASTb2								9.00	7.00	
KATrb1	12.00	12.00	12.00		11.00	15.00	2.5	1	12.00	12.00
KIBNb1			11.00		8.50	11.50		11.00	9.50	
KKAGb1			11.00		7.15	11.17			10.41	
KKAGb2			10.00		9.50	10.00		10.00	9.00	
KKGBb2			6.25		6.25	9.70		8.25	6.25	
KKGBb3			6.50		5.10	7.00		6.73	5.00	
KKGBb4			7.42		7.35	7.42		7.70	6.00	

To be continued on the page 8

End of table

Results of bond trades within August 17 - 23 (including nego deals)

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Num- ber of deals	Best for the	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
KKGBb5	7.50	7.50	7.50		7.50	7.80	2,085.5	4	7.50	7.50
KKGBe2			7.50		7.50	7.50			8.00	6.00
KKGBe3			6.17						6.00	4.00
KKGBe4			7.96						7.72	6.44
KKGBe5									7.87	6.85
KKGBe6									6.99	5.62
KRZHb1			12.00		10.00	12.00			10.00	9.00
KZALb1			11.00		8.21	11.19			11.30	9.30
KZAPb1			8.50		6.50	9.45			8.00	6.00
KZASb2			8.70		8.00	9.10			8.70	6.70
KZIKb10									6.50	4.50
KZIKb11									8.00	6.00
KZIKb12			7.20		6.80	7.74			7.23	6.00
KZIKb14	3.00	3.00	3.00		3.00	3.00	13.4	1	3.00	3.00
KZIKb2			6.70		6.00	8.00			8.00	6.00
KZIKb3			7.70		6.30	8.43			8.00	7.50
KZIKb4			6.91		6.80	8.00			8.00	6.00
KZIKb5			6.50		6.50	7.20			7.00	5.00
KZIKb6	7.19	7.19	7.19	0	6.20	7.20	286.8	1	7.19	7.19
KZIKb7			7.00		5.00	7.10			7.00	5.00
KZIKb9									6.00	4.00
KZNHb2			10.79		9.90	11.00			10.80	9.00
KZPSb1			8.90		6.85	8.90			8.90	6.90
KZTCb1			8.10		7.50	8.20			8.10	7.50
MREKb1			8.75		8.50	9.00			8.50	7.50
MREKb2			8.75		8.75	9.05			9.05	8.07
NFBNb1			10.00		9.00	10.00			10.00	10.00
NRBNb2			9.50		7.99	9.65			9.40	9.00
NRBNb3			8.10		7.75	8.26			8.15	7.65
NRBNb4			8.25		7.80	8.38			8.25	7.75
NRBNb5	8.50	8.50	8.50		8.30	8.50	8,079.7	2	8.30	8.50
ORNKb1			9.98		9.80	10.00			10.00	9.50
PDESb1	7.00	11.00	9.70	-0.30	7.00	11.00	896.0	8	7.00	11.00
PRKRb1			8.08		8.00	8.82			9.00	7.00
PRKRb2			8.00		7.10	8.07			8.50	8.00
RGBRb3			8.10		8.00	8.10			8.10	7.50
RGBRb4									8.00	6.00
ROSAb1			10.00		9.77	10.00			9.98	8.00
ROSAb2			9.50		9.50	9.50			9.50	7.50
TEBNb2			14.00		13.50	18.35			16.00	14.00
TEBNb3	9.00	9.00	9.00		8.37	9.00	487.2	1	9.00	9.00
TEBNb4			9.00		9.00	9.00			12.00	10.00
TEBNb5			9.20		9.00	9.50			9.00	8.00
TEBNb6			9.00		9.00	9.10			9.00	8.00
TEBNb7			8.90		8.90	9.00			8.90	8.00
TEBNb8	8.70	8.70	8.70		8.55	8.70	9,880.8	2	8.70	8.70
TEBNb9			9.00		9.00	9.00			9.00	8.00
TSBNb1			9.50		8.50	10.50			9.50	7.50
TSBNb2	9.00	10.50	9.00		9.00	10.50	9,344.6	4	9.00	10.50
TSBNb3			9.50		8.00	9.50			9.50	8.50
TSBNb4									9.30	7.40
TSBNb5			10.00		10.00	10.52			10.00	8.00
TSNAb1	10.71	10.71	10.71		10.71	10.71	787.2	1	10.70	10.71
TSSMb1			9.05		8.80	9.30			9.05	8.80
TXBNb2			9.70		8.51	10.00			9.50	8.00
TXBNb3			9.00		8.90	9.65			9.50	8.80
UKPFb1	10.90	11.00	11.00	+1.00	10.00	12.50	88.1	2	10.90	11.00
UKTCb1			7.37		7.37	12.71			4.22	3.54
ULBAb1			8.00		8.00	8.00			8.00	7.50
US_JPM_e1			8.75		7.21	9.15			9.66	7.65
US_MER_e1			8.27		7.77	12.30			8.52	8.08
VITAb4	9.33	9.33	9.33	-0.11	8.80	10.89	21.0	1	9.33	9.33
VITAb5	9.49	9.49	9.49	+0.09	9.30	9.60	446.8	1	9.40	9.49
VTBNb1	11.00	11.00	11.00		9.50	12.35	73.1	1	10.00	11.00
VTBNb2			9.00		8.70	9.00			9.00	8.40
VTBNb3	9.93	10.80	9.93		8.50	11.44	339.5	2	9.50	10.80
VTBNb4	10.50	10.50	10.50		9.00	10.50	66.6	4	9.50	10.50
ZIG_b1			8.00		8.00	8.05			8.00	6.10
162							49,173.6	61		

Notes: if no deals were made in the period (volume = 0), yield at the last successful trades is given. Trends are given in percentage points relative to the last deal of the previous month (July 9 – August 9, 2006). If deals were not made in the previous month the trend is not calculated. Full list of issuers symbols is available at http://www.kase.kz/instruments/nzb_code.htm

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

On August 17 repeated auction on additional offering of government long-term treasury obligations of the Ministry of finance of Kazakhstan was held in KASE's trade system by method of specialized trades **MEUKAM-120 of the first issue** (KZKDKY020011, MUM120_0001; KZT1.000, KZT11,3 bn., May 31, 06 – May 31, 16, fixed annual coupon 5,50% APR, 30/360), on which Ministry of finance was planned to attract **14,0 bn. tenge**. The subject of trades was net income of bonds. Applications for participation in trades were given by the close method with limitation of noncompetitive orders in size of 30% from the announced volume of issue. It was planned to satisfy applications on the announced price – for limited applications and for average weighted price – for market applications. Payment for purchased bonds was made by scheme T+0.

10 primary dealers had participated in trades, which were KASE's members of "K" category. Through these market subjects investors gave 18 applications (all limited), from which for the time of confirmation expires all orders had left active. Total volume of applications (volume of demand) had reached KZT26,133.6 m. Demand had exceeded the offered volume of bonds by 1.9 times. Net price in limited and active by the deadline of giving applications orders varied from 94.2573% (6.30% APR) to 100.0000% (5.4967% APR), and in average weighted expression was equal to 96.8530% (5.9266 APR). In total volume of active applications to the stake of pension market subjects was 26.3%, to the stake of Kazakhstan banks – 65.3%, their clients – 7.3%, to the stake of broker-dealer companies – 1.1%.

By the totals of trades issuer made cut-off at the level **100.0000%** and satisfied applications for purchasing **8,959,000 bonds to the total sum of attraction by KZT9,064,392,680.56**. Net price of satisfied applications was **100.0000% (5.4967 APR)**. All made deals will be executed. By results of specialized trades whole volume of bonds are purchased by client of Kazakhstan bank. Taking into account the offering of given bonds, the total volume of issue of MEUKAM-120 (KZKDKY020011) made **20,266,142 bonds** on the total of face value **KZT20,266,142,000.00**.

Secondary market sector (purchase-sale)

For the examine period total volume of 26 deals made on KASE reached **KZT21,554.9 m.** (\$172,862.9 th.). Last week the volume of this sector did not exceed KZT16,199.3 m. or USD131,900.9 th. with 22 deals. Stake of stock's turnover in the general volume of Kazakhstan secondary market of GS on comparable operations on sale-purchase on the analyzing week had set **100%** (on the previous – 69.9%). More detailed data are given in the table.

Parameters of Exchange's transactions in GS within August 17 - 23

(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				78.2% (61.6%) of purchase and sale sector's turnover		
less than 8	2.00	2.99	2.99	2.40 (,,,-)	5,349.6	6
15 – 28	3.00	3.66	3.25	3.23 (3.58)	11,503.3	8
Total					16,853.0 (9,983.1)	14 (7)
Coupon (KZT): MEUKAM-120, MEOKAM – 84				21.8% (38.3%) of purchase and sale sector's turnover		
1461 - 1825	5.25	5.57	5.25	5.39 (5.33)	840.9	4
more than 2191	5.50	5.50	5.50	5.50 (4.29)	3,848.2	3
Total					4,689.1 (6,211.0)	7 (11)
Coupon (USD): bonds of Atyrau region, Astana				0.03% (4.6) of purchase and sale sector turnover		
less 730	0.00	2.50	1.00	1.43 (1.68)	5.3	4
Total					5.3 (1.7)	4 (4)
Euronotes of Kazakhstan(USD):				0.03% (-) of purchase and sale sector turnover		
less 730	7.00	7.00	7.00	7.00(-)	7.53	1
Total					7.5 (0)	1 (0)
GRANDTOTAL					21,554.9 (16,199.3)	26 (22)

MEMBERS OF KASE

By the decision of KASE's Council dated August 18 **Astana-Finance JSC** (Astana) and **Almaty Financial Center JSC** (Almaty) have been admitted to KASE's membership under the following categories:

- "K" – with the right to participate in trades in government securities circulating (traded) on KASE, including securities of domestic executive bodies;

- **"P"** – with the right to participate in trades in corporate (including foreign) securities included in KASE's official securities list, and also securities of international financial organizations and foreign governmental securities admitted to circulation (trading) on KASE;
- **"H"** – with the right to participate in trades in corporate securities admitted to circulation (trading) in "Non-listing securities" sector of KASE's Trade system, and state blocks of shares of privatized organizations.

By the decision of KASE's Council dated August 18 **Managing company ORDA Capital JSC** (Shymkent) and **Accumulating pension fund Kazakhmys JSC** (Zhezkazgan) have been admitted to KASE's membership under the following categories:

- **"K"** – with the right to participate in trades in government securities circulating (traded) on KASE, including securities of domestic executive bodies;
- **"P"** – with the right to participate in trades in corporate (including foreign) securities included in KASE's official securities list, and also securities of international financial organizations and foreign governmental securities admitted to circulation (trading) on KASE.

KASE NEWS

On August 18 the meeting of Exchange Council of KASE took place, at which the question on accordance for acceptance initiators the extra terms of submission to KASE the information of listing companies and their activities was considered, inasmuch as this issue has not been regulated by Listing rules.

As a result, Exchange Council took a decision to provide the following acceptance initiators with the extra term **up to October 1, 2006**:

- Mining and Smelting concern Kazakhaltyn JSC (official list of "A" category) – the report for 6 months of year 2006, inclusive the consolidate financial statements;
- KRTD ZANGAR JSC (official list of "A" and "B" categories) – auditor's report on financial statements for year 2005;
- KazAgroTrade+ LLP (official list of "B" category) – the report for 6 months of year 2006, inclusive the consolidate financial statements for year 2006;
- PAVLODARENERGOSERVICE JSC (official list of "A" category) – auditor's report on financial statements for year 2005;
- Ust-Kamenogorsk Poultry Fabrics (official list of "A" category) – the report for 6 months of year 2006, inclusive the consolidate financial statements for year 2006;
- Ulbynsk metallurgic plant JSC (official list of "A" category) – auditor's report on financial statements for year 2005;
- Fund of development of small entrepreneurship JSC (official list of "A" category) – auditor's report on financial statements for year 2005.

At the meeting of Exchange Council of Kazakhstan stock exchange (KASE), the question on sanctions with respect to the following companies, which presented financial statements with violations of the fixed terms, was considered: Corporation Ordabasy JSC, Ornek XXI JSC and Transstroy most JSC. Exchange Council took a decision not to apply penalty sanctions to the above-mentioned companies.

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