

WEEK OF STOCK MARKET OF KAZAKHSTAN

December 14-27

Money market indicators as of December 27 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo with GS (TONIA)			
1 day	KZT	1.22	-0.61
Autorepo opening with GS (WA, % APR)			
1 day	KZT	1.22	-0.62
7 days	KZT	5.95	–
14 days	KZT	6.00	–
KIBOR (indicative, % APR)			
1 week	KZT	6.00	+0.67
2 weeks	KZT	6.50	+0.60
1 month	KZT	7.08	+0.58
2 months	KZT	7.75	+0.58
3 months	KZT	8.17	+0.50

Stock market indicators as of December 27 and change for the period

Index	Value	Trend
KASE_Shares	2,334.51	+6.72
KASE_BP	201.01	-0.03
KASE_BC	129.74	-0.29
KASE_BY	7.39	+1.92

US dollar = **127.94** at official rate for the end of the period.
US dollar = **127.75** at weighted average rate of the Exchange for the end of the period.

Speed of strengthening of tenge to dollar for the period at exchange's rate totaled **4.6% APR**.

SHARE MARKET

Main news of the market

On December 15 Halyk saving bank of Kazakhstan JSC (further in this block – Bank) **had announced about finishing of stabilization actions in the frames of global offer of GDR**. In the spread press-release Bank had announced about receiving a notification from Credit Suisse Securities (Europe) Limited, acting as the Manager on price stabilization of global depository receipts (GDR) within the frameworks of the Global Offer, that stabilization actions have been completed and all **4,250,000 GDR were sold in full volume**. Organizers of GDR issue will not use option, in accordance with which Holding company Almex JSC must purchase GDR that were bought at the market as a result of stabilization actions. **Total number of the Global Offer totaled 46,750,000 GDR or USD748 m., including an additional GDR offer**. Remind, that on December 14 the Bank had announced the price of offering of GDR in size **US\$16.00** per each receipt.

Press-service of Kazakhstan holding of state assets management Samruk JSC (Holding Samruk JSC) had spread on December 15 the press-release about parameters of satisfying the applications on purchasing of common named shares **KZ1C12280417** of Kazakhtelecom JSC (Astana). We'll remind that within the period of November 30 – December 10, 2006 in all departments of Kazpochta JSC were accepted the applications on purchasing of the mentioned-above shares from the unlimited number of physical persons. The price range of selling was determined from 25,000 tenge to 33,000 tenge per one share. For selling were given 4.6% voting shares (497,597 papers) of Kazakhtelecom JSC. As it follows from press-release, 90% form selling portfolio (447,837 papers) was decided to sell by the signing among population on the non-organized market and 10% (49,760 papers) – on the organized market, including among pension funds. Totally in the frames of offering of the state shareholding among population were submitted 6,841 bids. 6,477 bids were admitted for consideration. The Declarant canceled 364 bids in connection with submission of the repeated bids. The total number of shares by the bids admitted made 2,943,575 copies, which exceeds the offer 6.5 times. Conclusion of purchase and sales contracts and signing of other documents, needed to make purchase of shares, will be executed in the offices of Kazpost JSC, which are admitting bids within the period of December 18 to 28 2006, besides Sunday. he holding Samruk JSC on the basis of recommendations of the financial consultant – Investment financial house Resmi JSC confirmed parameters of bids satisfaction, they are published in press and on the web-site of KASE.

By the decision of Kazakhstan stock exchange's (KASE) Board **since December 15, 2006 common shares KZ1C37560014** (trade symbol – DNBK) of **Danabank JSC** (Almaty) **have been included in the representative list for calculation of KASE_Shares index**. After the adopted decision out of 45 shares, included at present in KASE's official "A" listing category, **40 securities** are in the representative list for the mentioned index calculation.

Bank TuranAlem JSC (Kazakhstan) had redeemed 52.19% shares of Temirbank JSC (Kazakhstan). About this it is said in the press-release spread by the Bank TuranAlem JSC (further in this block – BTA) on December 20. Objective of purchase of share holding is an increase of market share of BTA group in the retail banking. By the words of chairman of Board of BTA S.Mameshtegi "It is easier for a big bank to attract resources, it is more competitive. Our priority tasks will be the creation of the general system of strategic and operation management, reduction of system risks, increase of transparency and correspondingly, the international rating of BTA Group". Purchase of the controlling voting share holding from existing shareholders of Temirbank JSC till the end of 2006 had been planned within the frameworks of the new strategy of BTA, approved at September meeting of bank's board of directors.

By the decision of the Board of KASE since **December 20, 2006** **Almaty Investment Management JSC** (Almaty) on the basis of its application **has been assigned a status of the specialist in preferred shares KZ1P35970816** (KASE's official "A" listing category, ATFBp8) of **ATFBank JSC** (Almaty) with minimal volume of compulsory quoting at the rate of 10,000 monthly estimate indicators. According to the same decision of the Board of KASE the named company has been deprived of market maker status on named securities since December 20, 2006.

By decision of KASE's Board **since December 20, 2006** trades in **common shares KZ1C46390015** (trade symbol - ASZS) of **Astana Gas Service JSC** (Almaty) have been opened in KASE's secondary market sector. Quotation accuracy of ASZS in KASE's trade system is second decimal figure of share's price expressed in Kazakhstan tenge. Shares have been included into KASE's category "B" official listing on August 4, 2006. Daughter organization of the joint stock company Bank TuranAlem TuranAlem Securities JSC (Almaty) acts as the financial consultant of the issuer while introducing his shares on the organized market.

By decision of KASE's Board **since December 22, 2006** trades in **common shares KZ1C36110019** (trade symbol - EXBN) of **Eximbank JSC** (Almaty) have been opened in KASE's secondary market sector. Quotation accuracy of ASZS in KASE's trade system is second decimal figure of share's price expressed in Kazakhstan tenge. BCC Invest JSC – daughter organization of Bank CenterCredit JSC (Almaty) acts as the market-maker on shares. Minimal volume of compulsory quotation for market-maker is set at size 1000 monthly payment indicators. Shares have been included into KASE's category "A" official listing on December 12, 2006.

By decision of KASE's Board **since December 27, 2007** **are suspended trades over following securities of Valut-Transit-Bank JSC** (Karaganda), being in KASE's category "B" official list:

- preferred shares KZ1P33290118 (VTBNp);
- indexed on devaluation rate of tenge to US dollar secured bonds KZ2CKY05B380 (VTBNb2; KZT1, KZT1.4 bn.; December 22, 04 – December 22, 09, semi annual coupon indexed on inflation rate, 10.00% APR for the current period);
- bonds KZPC1Y05B618 (VTBNb3; KZT1,000, KZT4.6 bn.; June 7, 05 – June 7, 10, semi annual coupon indexed on inflation rate, 9.00% APR for the current period);
- bonds KZPC2Y07B612 (VTBNb4; KZT1, KZT1.4 bn.; June 7, 05 – June 7, 12, semi annual coupon indexed on inflation rate, 9.50% APR for the current period).

The given decision was accepted based on resolution of Board of Agency of Republic of Kazakhstan of regulation and supervision over financial market and organizations (further – AFS) **"About recall of the license on conduction of banking and other operations, made by banks, in national and foreign currency, given to Joint stock company Valut-Transit-Bank" dated December 26, 2006 #315**. Trades in common shares KZ1C33290012 (VTBN) were stopped by decision of KASE's Board since October 16, 2006 due to blocking of them in the system of registration of Central depository of securities JSC (Almaty).

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 645 deals amounting to \$469,859.6 th. or KZT60,102.9 m. were made in shares during the analyzed period on KASE. In comparison with the previous period (December 7-13, 273 deals, \$81,141.4 th. or KZT10,386.2 m.), which was three working days shorter, turnover of the sector has increased 5.8 times. At that, 41.9% of deals in quantitative expression and 89.7% in volumetric expression were nego. In the previous period these indicators were 26.7% and 91.9% correspondingly.

During the analyzed period deals were made by KASE's 35 members on 39 instruments. At that, 1.2% of gross-turnover (0.5% on purchasing transactions, and 1.9% - on sale transactions) went through the accounts of pension market's subjects. Through the accounts of depot, registered on physical persons, for the week had left only 16.0% of the exchange's gross-turnover of shares (16.8% - on purchase operations and 15.3% - on sale operations). During the previous period KASE's 24 members of "P" and "H" categories were interested in 26 shares. Stake of pension assets was 0.1% of gross-turnover (including 0.03% on purchasing transactions, and 0.1% - on sale transactions), to the stake of physical persons – 40.7% (including 40.5% on purchase operations and 40.9% - on sales operations).

It is not excluded that the significant decrease of activity of physical persons while working with shares on KASE during the analyzed period had become the corollary of changes in normative base of KASE. We'll remind that since December 11, 2006 had taken an effect the change 7 in internal document of KASE "Regulations about membership fees and exchange takings", by which KASE had canceled the benefits on commission fees from nego deals of CS purchase and sale deals, made on behalf of, owing to and within the interests of physical persons. The change was included in order to decrease the stakes of nego deals on behalf of, owing to and within the interests of physical persons and exclusion of the opportunity of possible abuses while making such deals.

In the analyzed week weighted average daily prices of 46% of names of shares involved into deals grew, prices of 41% – fell, prices of 5% – remained unchanged. Prices of ASZS, EXBN, LNAT were nothing to compare with. Corresponding indicators of the previous period: 42%, 54% and 4%. In the described period shares prices changed positively in the range from 3.0% (NRBNp6) to 68.8% (TEBNp), negative change – from 0.1% (AMGZp) to 85.0% (ALKZ).

As a whole market of shares continues to create the positive impression. KASE_Shares index confidently keeps the ascending channel, formed on the market in the beginning of November, to the end of analyzed period had closely come to historically maximum values. After closing of trades on December 27 the change of the given indicator for the last 30 days corresponded to yield 224.5% APR, since the beginning of the current year- 264.8% APR, and for the last 365 the index had grown by 244.7%. At the same time, on the describing week the Center of commercial realty had spread the message in which it is said that in Almaty the prices for habitation during year 2006 had grown by 80%. Comparing the given data it is easy to notice that the main competitor of the stock market of the country in the view of investment objects – is the market of realty – currently do not seem such attractive.

The main growth of KASE_Shares index in the analyzed period was provided by the increase of rate of last-time favorites of the market. So historically maximum on the open market due to positive dynamics of prices in London were noted RDGZ (Exploration Production KazMunayGas JSC) and HSBK (Halyk saving bank of Kazakhstan JSC). Changes in staff of shareholders of Temirbank JSC (see above) had pushed the prices of its common and preferred shares also to the historical maximums. The public offering of state stake of Kazakhtelecom JSC (see above) had supported the rate of common shares of the company, but only on the opened market. The particularity of the period – over prices of common shares of banks the prices of “prefers” went up, including – converted to common (HSBKp1, CSBNp, KKGBp, NRBNp6). So the market of shares had demonstrated the price positive and relatively good liquidity. It was interesting to work on it.

Detailed results of trades in shares on KASE during the analyzing period are given in the table

Results of share trades on KASE within December 14-27 (including nego deals)

Share code on KASE	Price, KZT per share:		on the last deal: price	trend, %	for last 365 days:		Volume of deals th. USD	Num-ber of deals	Best for the period:	
	min.	max.			min.	max.			bid	offer
ALKZ	300.00	500.00	300.00	-85.0	100.00	2,800.00	283.4	5	500.01	300.00
AMGZ			104,000.00		37,500.00	130,000.00			95,000.00	100,000.00
AMGZp	74,929.90	74,999.99	74,929.90	-0.1	16,150.00	75,000.00	10,946.0	4	74,999.99	74,929.90
ASBN	45,000.00	47,950.00	45,000.00	-6.6	11,000.00	49,014.70	43.4	2	47,950.00	45,000.00
ASBNp1	12,540.00	12,985.00	12,895.00	-7.2	10,000.00	16,900.00	9,811.3	76	13,850.00	1,500.00
ASFI	7,872.72	8,547.00	8,547.00	-16.6	1,500.03	11,500.00	50,164.3	7	8,547.00	7,872.72
ASZS	3,681.66	3,681.66	3,681.66		3,681.66	3,681.66	2,681.3	2	3,681.66	3,681.66
ATFB	9,000.00	9,900.00	9,800.00	+3.2	4,450.00	15,710.00	17,303.3	11	9,950.00	9,000.00
ATFBp	2,800.00	3,057.96	2,800.00		1,391.00	4,200.00	710.4	2	3,057.96	2,800.00
ATFBp8	1,500.00	1,700.00	1,550.00	-3.1	1,085.00	4,150.00	32,205.3	97	2,000.00	1,500.00
AZNO			9,200.00		9,200.00	16,000.00			10,000.00	10,000.00
BTAS	79,330.00	150,000.00	100,000.00	-13.0	23,000.00	190,000.00	54,252.2	56	150,000.00	79,330.00
CCBN	1,018.00	1,800.00	1,040.00	-28.3	222.00	2,400.00	16,161.8	40	1,800.00	1,018.00
CHFM			1,000.00		1,000.00	1,650.00			800.00	1,200.00
CSBN	2,850.00	4,400.00	4,400.00	+37.5	701.00	4,700.00	132.2	8	4,450.00	2,850.00
CSBNp	700.01	900.00	900.00		255.00	900.00	130.2	11	900.00	700.01
DNBN			1,030.33						4,000.00	6,000.00
EXBN	2,000.00	2,350.00	2,000.00		2,000.00	2,350.00	10,918.7	4	2,350.00	2,000.00
GB_KZMS			3,530.00		2,966.16	3,530.00			2,750.00	3,110.00
GLOT			5,600.00		1,500.00	7,500.00			5,600.00	8,000.00
HSBK	475.00	620.00	585.00	+18.2	135.00	620.00	2,652.2	63	620.00	465.00
HSBKp			180.00		141.00	180.00			210.00	200.00
HSBKp1	200.00	300.00	290.00		169.00	300.00	746.0	8	360.01	200.00
KANT	1,450.01	1,450.01	1,450.01		400.10	1,800.00	79.3	1	1,450.01	1,450.01
KIBN	225.00	225.00	225.00	+50.0	150.00	230.00	0.8	1	225.00	225.00
KKGB	1,182.00	1,450.00	1,380.00	+15.0	250.00	1,800.00	13,661.9	37	1,490.00	1,182.00
KKGBp	265.00	360.00	265.00	+3.9	100.00	600.00	1,334.8	22	370.00	250.00
KZCR	20,000.00	20,000.00	20,000.00		1.00	50,000.00	15.6	3	20,000.00	20,000.00
KZCRp			1,000.00		1,000.00	1,000.00			3,000.00	
KZIS	26,000.01	26,000.01	26,000.01		15,750.00	82,500.00	42.7	1	26,000.01	26,000.01
KZTC	11,100.00	18,200.00	11,100.00	-33.5	1,450.00	21,000.00	271.5	21	18,200.00	11,100.00
KZTCp			1,600.00		1,600.00	9,000.00			1,600.00	1,999.00
KZTK	25,000.00	37,900.00	25,125.00	-21.5	22,500.00	50,000.00	346.0	10	37,900.00	25,000.00
KZTKp	8,000.00	11,000.00	11,000.00	+15.8	7,000.00	26,000.00	495.2	15	11,001.00	8,000.00
KZZN	4,700.00	7,000.00	7,000.00	+7.7	3,996.00	18,500.00	73.8	4	7,000.00	4,700.00
LNAT	2,088.00	2,088.00	2,088.00		2,088.00	2,088.00	24,339.4	7	2,088.00	2,088.00
MMGZp	10,000.00	15,000.00	10,000.00	-27.5	1,050.00	21,250.00	581.6	3	15,000.00	9,000.00
NFBN			1,390.00		1,321.00	1,739.60			2,000.00	3,000.00
NRBN	59,000.00	59,000.00	59,000.00	+7.3	25,650.00	62,160.00	299.8	1	59,000.00	55,000.00
NRBNp6	36,000.00	40,000.00	38,000.00	+3.0	22,000.00	40,000.00	31.5	7	40,000.00	30,000.00

To be continued on the page 4

Continued of table

Results of share trades on KASE within December 14-27 (including nego deals)

Share code on KASE			on the last deal:		Price, KZT per share:		Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.	price	trend, %	for last 365 days: min.	max.			bid	offer
ORDB			4,000.00		2,700.00	4,400.00			4,000.00	4,400.00
ORDBp	2,600.00	2,600.00	2,600.00	+23.8	1,700.00	2,600.00	668.7	1	2,600.00	2,300.00
ORNK			3.00		1.00	3.00			3.00	3.00
PDES			1,050.00		655.00	14,325.00			1,010.00	1,039.00
RAHT			3,001.00		600.00	3,500.00			2,000.00	
RDGZ	10,700.00	17,140.09	16,800.00	+11.3	10,700.00	17,140.09	8,202.0	59	17,150.00	10,700.00
ROSA			570.01		570.01	800.00			570.00	855.00
TEBN	4,200.00	5,000.00	5,000.00	+11.5	811.00	5,000.00	192,779.5	27	5,000.00	4,200.00
TEBNp	1,140.44	1,390.00	1,350.00	+68.5	785.95	1,390.00	1,133.9	8	1,390.00	1,140.44
TMLZ	5,057.00	5,345.00	5,345.00	-3.2	4,000.00	6,472.22	14,528.8	5	5,345.00	5,057.00
TSBN	1,870.00	2,000.00	1,900.00	-5.0	1,000.00	2,550.00	112.4	6	2,000.00	1,870.00
TSBNp	1,300.00	2,100.00	2,100.00	+99.3	1,000.00	2,200.00	1,245.8	5	2,100.00	1,300.00
UTMK			26,684.21		5,250.00	38,250.00			28,000.00	38,000.00
UTMKp	2,500.00	3,000.00	3,000.00	0	100.00	29,000.00	41.9	3	3,000.00	2,500.00
ZERD	1.50	1.60	1.60		0.80	1.60	430.7	2	1.60	1.50
ZNGR									0.10	
ZNGRp									0.01	
57							469,859.6	645		

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 (November 13 – December 13, 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

Main news of the market

Since December 15 has taken effect the decision of Kazakhstan stock exchange's (KASE) Council about inclusion of bonds **KZ2C0Y07C321 of ISKE SAT COMPANY JSC** (Almaty) (KZT1,000, KZT1.0 bn., 7 years; semi-annual coupon, 10.0% APR, 30/360) into KASE's official "B" listing category under **ISKEb1** symbol. Information about opening of trades in the bonds on KASE will also be given later. **Centras Securities JSC** (Almaty) acts as the financial consultant of the issuer to bring its bonds to the organized market. The primary activity type of ISKE SAT COMPANY JSC is the production of corrugated cardboard and package.

Since December 21 has taken an effect the decision KASE's Council about inclusion of bonds **KZ2P0Y03C186 of RESMI COMMERCE LLP** (Almaty) (KZT1, KZT1.5 bn., December 21, 06 – December 21, 09; semi-annual coupon, 12.0% APR, 30/360) into KASE's official "B" listing category under **RCSCb1** symbol. Information about opening of trades in the bonds on KASE will also be given later. **Investment Financial House RESMI JSC** (Almaty) acts as the financial consultant of the issuer to bring its bonds to the organized market. Primary activities – investment activities and renting of fixed assets.

By decision of KASE's Board since December 22, 2006 trades in bonds **KZ2CKY04B946 of Dent-Lux JSC** (Almaty) (KASE's category "B" official listing, DNTLb1; KZT1,000; KZT500.0 m.; November 3, 06 – November 3, 10; annual coupon, 12.0% APR for the first 2 years of circulation, further – floating, depending on inflation rate, 30/360) will have been opened in KASE's secondary market sector. Quotation accuracy of DNTLb1 in KASE's trade system is fourth decimal figure of bond's net price expressed in percentage from face value. Bonds have been included into KASE's category "B" official listing on November 3, 2006 **Almaty Investment Management JSC** (Almaty) acts as the financial consultant of issuer while introducing his bonds to the organized market.

By decision of KASE's Board since December 26, 2006 trades in bonds **KZ2C0Y05C275 of Corporation Ordabasy JSC** (Almaty) (KASE's category "A" official listing, ORDBb2; KZT1; KZT12.0 bn.; November 13, 06 – November 13, 11; semi annual coupon, 11.0% APR for the first year of circulation, further – floating, depending on inflation rate, 30/360) will have been opened in KASE's secondary market sector. Quotation accuracy of ORDBb2 in KASE's trade system is fourth decimal figure of bond's net price expressed in percentage from face value. Bonds have been included into KASE's category "A" official listing on November 13, 2006 Daughter organization of the joint-stock company Bank TuranAlem TuranAlem Securities JSC (Almaty) acts as market-maker on bonds on KASE with the minimal volume of compulsory quotation 2,060,000 bonds. Daughter organization of the joint-stock company Bank TuranAlem TuranAlem Securities JSC acts as underwriter of the issue and financial consultant of the issuer while introducing its bonds to the organized market.

Since December 28 by the decision of Board of KASE **KZPC1Y05C285 bonds** (KZT1,000, KZT3.0 bn; 5 years, semi-annual coupon, for the first coupon period is determined according to results of specialized trades, later – indexed on inflation rate, 30/360) of **KazAgroFinance JSC** (Astana) were established as included into KASE's official "A" listing category in accordance with the reductive listing procedure, stated by the article 19-1 of the

Listing rules. The bonds were assigned **KAFib1** number on KASE. Trade opening in mentioned bonds on KASE will be announced later. The named issue of bonds is the first in the frames of the first bond program of KazAgroFinance JSC, registered by Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations on October 12, 2006 for a total of KZT30.0 bn. under C28 number and the first issue of the company's internal bonds, passed through the listing procedure on KASE. Investment Financial House RESMI JSC (Almaty) acted as issuer's underwriter at offering of its bonds. DERBES SECURITIES JSC (Astana) is issuer's financial consultant. Primary activity types of KazAgroFinance JSC are: financial leasing of agricultural machinery and processing equipment at the expense of budget and own funds by means of export financing, crediting of machine-technologic stations (service-centers); crediting of acquisition of spare parts for agricultural machinery of domestic and foreign production; accordance of special-purpose loans for acquisition of production techniques of far-abroad countries, as well as for replenishment of borrowers' working capital. On November 1, 2006 KazAgroFinance JSC was assigned a long-term issuer rating in a foreign and the national currency Baa2/stable from the international rating agency Moody's Investors Service.

Since December 28 by the decision of KASE's Council **KZPC3Y10C117 bonds** (KZT100, KZT1.0 bn.; December 28, 06 – December 28, 16, semi-annual coupon 7.0% APR, 30/360) **of Daughter mortgage organization of the joint stock company Bank TuranAlem BTA Ipoteka JSC** (Almaty, hereinafter and in the title – BTA Ipoteka JSC) **were included into KASE's official "A" listing category under BTAIb13 number**. Trades opening in mentioned bonds on KASE will be announced later. The specified issue of bonds is the third within frameworks of the third bond program of Daughter mortgage organization of the joint stock company TuranAlem BTA Ipoteka JSC, registered by Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations on June 2, 2006 for a total amount of KZT50.0 bn., and the thirteenth issue of the domestic bonds of the company, which passed the listing procedure on KASE.

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 171 deals amounting to \$131,729.1 th. or KZT17,236.8 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (December 7-13, 106 deals, \$52,208.6 th. or KZT6,682.2 m.), which was three days shorter, turnover of the sector has increased 2.6 times. At that 2.4% of operations in the quantitative expression or 4.3% in volumetric were nego. In the previous period these indicators totaled 18.9% and 25.1%.

During the analyzed period deals were made by KASE's 27 members on 56 instruments. At that, 19.4% of gross-turnover (23.1% on purchasing transactions, and 15.7% - on sale transactions) went through the accounts of pension market's subjects. Through the accounts of depot, registered on physical persons, for the week had left 28.8% of the exchange's gross-turnover of corporate bonds (20.4% - on purchase operations and 37.1% - on sale operations). During the previous period KASE's 27 members of "P" and "H" categories were interested in 37 instruments. Stake of pension assets was 5.7% of gross-turnover, including 10.0% on purchasing transactions, and 1.5% - on sale transactions, to the stake of physical persons – 30.7% (28.7% - purchase, 32.7% - sell).

By the totals of the period weighted average daily net prices of 31 bonds grew, prices of 18 bonds – fell, prices of CACMb1, DTJLb1, EUBNb3 remained unchanged, prices of DNTLb1, KONDb1, ORDBb2 and TEBNb11 were nothing to compare with. Re-bought seemed KRZhb1, KKGBb2 and HSBKb10 with increase of net prices by 13.0%, 6.0%, 6.6% correspondingly, while BTASb3 seemed re-sold with decrease of price by 13.5%. Yield to maturity for buyer on made deals decreased during the week of 27 bonds, increased of 25.

The given sector of the market still seems enough even in price relations, which is adequately ids reflected by the dynamics of indexes KASE_B* (see the table in the beginning of the review).

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

Results of bond trades on KASE within December 14-27 (including nego deals; only on bonds on which deals were made)

Bond code on KASE	Yield to maturity for a buyer, % APR:		on the last deal:		for last 365 days:		Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.	yield	trend	min.	max.			bid	offer
	ASBNb3	9.14	9.85	9.14	-0.45	7.50			10.75	1,510.6
ASBNb4	9.58	10.00	9.58	+0.03	8.00	11.50	11,378.5	4	9.58	10.00
ASBNb6	8.70	9.53	9.53	+1.04	8.49	9.53	1,013.7	4	0.00	9.53
ASFib5	11.02	11.02	11.02	-0.20	8.73	11.22	126.4	3	11.02	11.02
ASFib7	9.30	10.95	10.30	-0.65	9.00	11.80	3,151.8	11	9.01	10.95
ASNDb1	11.00	11.00	11.00	+2.00	9.00	11.00	2,344.7	1	11.00	11.00
ATFBb3	8.07	8.08	8.08	+1.22	6.10	8.25	324.4	4	7.92	8.08
BTAIb4	8.76	8.76	8.76	-0.04	8.20	10.00	46.9	1	8.76	8.76

To be continued on the page 6

Continued of table

**Results of bond trades on KASE within December 14-27
(including nego deals; only on bonds on which deals were made)**

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:				period:	
	min.	max.	yield	trend	min.	max.			bid	offer
BTASb1	9.60	10.50	9.60	-1.90	6.50	11.50	1,108.7	2	0.00	10.50
BTASb2	8.50	8.50	8.50	-1.00	7.90	11.20	535.5	2	8.50	8.50
BTASb3	10.90	10.90	10.90		6.50	10.90	109.4	3	10.90	10.90
BTASb5	8.00	8.00	8.00	0	7.40	8.50	183.8	4	8.00	8.00
BTASb7	7.00	7.00	7.00	0	6.85	7.00	1.5	1	7.00	7.00
CACMb1	9.75	9.80	9.76	+0.01	9.75	9.80	2,318.7	5	0.00	9.80
CCBNb10	7.90	7.90	7.90		6.20	8.25	1,798.1	1	7.90	7.90
CCBNb3	8.50	8.50	8.50	-0.50	8.50	9.00	60.9	1	8.50	8.50
CHFMb1	8.05	8.05	8.05	-1.95	8.05	10.00	99.5	2	8.05	8.05
CSBNb4	9.70	9.70	9.70	0	7.00	9.87	87.0	1	9.70	9.70
DNTLb1	12.00	12.00	12.00		12.00	12.00	1,686.1	8	12.00	12.00
DTJLb1	9.00	9.00	9.00	0	7.00	9.04	2,524.0	1	9.00	9.00
EUBNb3	8.20	8.20	8.20	0	8.00	8.20	18,879.3	6	8.20	8.20
GLOTb1	9.50	10.00	9.85	+0.35	9.49	10.00	4,085.2	5	9.50	10.00
HSBKb	9.10	11.60	11.60	+0.31	7.00	11.60	490.6	7	0.00	11.60
HSBKb10	7.49	7.49	7.49		6.10	8.46	4,168.0	1	7.11	7.49
HSBKb2	8.00	9.10	9.10	+0.60	7.00	10.50	90.7	3	0.00	9.10
HSBKb5	7.50	8.00	8.00	+0.50	6.00	8.00	394.4	4	7.50	8.00
HSBKb9	7.57	7.70	7.57		6.00	8.10	208.8	3	7.06	7.70
KASSb1	9.50	9.50	9.50	+0.50	8.80	9.50	67.0	1	9.50	9.50
KASTb2	8.89	8.89	8.89	-1.31	8.89	10.20	1,057.1	2	8.89	9.89
KATRb1	12.00	12.00	12.00	0	10.00	14.00	14.9	3	12.00	12.00
KAZIb1	11.00	11.00	11.00	0	10.70	11.00	3,310.9	2	11.00	11.00
KIBNb1	11.50	11.50	11.50	0	8.50	11.50	188.0	2	0.00	11.50
KKAGb3	9.20	9.20	9.20	0	9.20	9.20	2,791.5	2	9.20	9.20
KKGBb2	7.50	7.50	7.50		6.25	9.67	300.5	1	0.00	8.00
KKGBb5	6.90	7.50	7.50		6.00	7.50	2,011.4	5	0.00	7.50
KONDb1	9.20	9.20	9.20		9.20	9.20	17,775.6	5	9.01	9.20
KRZHb1	7.88	7.89	7.88		7.88	12.00	1,383.2	7	0.00	9.00
KZALb1	10.30	10.30	10.30		9.00	11.25	231.1	1	10.30	10.30
KZIKb14	5.50	5.50	5.50		3.00	5.50	13.0	1	5.50	5.50
KZIKb7	7.00	8.20	7.25	-0.94	5.00	8.20	12,176.3	9	0.00	8.20
KZNHb2	9.85	12.00	9.85	-0.94	9.50	13.50	837.4	4	0.00	12.00
MREKb1	8.50	8.50	8.50		8.50	8.75	87.6	1	8.50	8.50
MREKb2	9.05	9.05	9.05	0	8.75	9.05	530.4	2	9.05	9.05
MREKb3	9.50	9.50	9.50	0	9.50	9.50	2,536.0	1	9.50	9.50
NRBNb3	8.20	8.20	8.20	0	8.10	8.70	8.0	1	8.20	8.20
NRBNb4	8.35	8.35	8.35	+0.10	7.80	8.38	7,253.0	5	8.35	8.35
NRBNb5	8.30	8.30	8.30	0	8.30	8.50	2,922.9	2	8.30	8.30
ORDBb2	10.00	11.50	11.50		10.00	11.50	2,987.9	3	10.00	100.36
ORNBb1	11.00	11.00	11.00	+0.50	9.40	12.00	562.6	1	11.00	11.00
TEBNb11	8.50	8.50	8.50		8.50	8.50	4,087.1	1	8.50	8.50
TSBNb1	9.50	9.50	9.50	0	9.20	10.50	5,848.5	3	9.50	9.50
TSBNb2	10.00	11.00	10.00	-1.00	9.00	11.00	1,411.7	2	10.00	11.00
TSBNb4	9.99	9.99	9.99		9.99	10.01	1,037.1	1	8.40	9.99
TSSMb1	9.05	9.05	9.05	-0.25	8.80	9.50	296.1	1	9.05	9.05
TXBNb3	8.50	10.54	10.54	+1.54	8.50	10.54	3,155.0	3	8.50	10.54
VITAb4	9.20	10.44	9.20	-2.20	8.80	11.80	1,119.9	6	0.00	10.44
56							134,729.1	171		

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 (November 13 – December 13, 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 December 27 of 2006 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-96 of the first issue (KZKDKM960011, MUM096_0001; KZT1,000, KZT18.0 bn., Marsh 30, 06 – March 30, 14, annual coupon 4.30% APR, 30/360), on which Ministry of finance was planned to offer 32,300,000 bonds. 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 70% from the announced volume of issue. Payment for purchased bonds was made by scheme T+0.

9 primary dealers had participated in trades, which were KASE members of "K" category. Through these market subjects investors gave 41 applications (all limited), from which for the time of confirmation expires 34 orders had left active. Total volume of applications (volume of demand) had reached KZT32,044,640,705.99 (115.2% from

the offered volume). Price in applications orders varied from 77.8863% (8.5000 APR) to 100.0000% (4.2972% APR), and in average weighted expression was equal to 82.9246% (7.4216 APR) with 2,613 days (7.3 year) till maturity. In total volume of active applications to the stake of Kazakhstan banks was 89.8%, to the stake of their clients – 7.7%, to the stake of broker-dealer companies – 0.9%, their clients – 1.6%.

By the totals of trades issuer made cut-off at the level **100.000%** and satisfied applications for purchasing **2,854,000 bonds to the total sum of attraction by KZT2,945,018,816.67**. Net price of satisfied applications was **100.0000% (4.2972 APR)**. By results of specialized trades whole volume of bonds are purchased by client of Kazakhstan bank. All deals were executed, and Ministry of finance had offered only 8.8% from the planned volume.

Considering the earlier made offerings the total volume of issue MEUKAM-96 KZDKM960011 made 20,854,000 bonds to the sum of face value KZT20,854,000,000.00.

The evident failure of the issuer while conduction of the described offering was conditioned by unwillingness of Ministry of finance to attract expensive money in the current situation. At the same time, on the background of toughening of monetary-credit policy and all over growth of rates the market participants are in organized way are playing on decrease of price of MEKAM, not wishing in the common case to buy the long papers with negative real arte. It is enough to note that in the end of analyzed period the National bank during offering of its notes with period of circulation 28 days had sold bonds under 4.71% APR, and on December 28 0 under 4.84% APR. Only on that background the offered by Ministry of finance yield of seven-years' bonds MEUKAM unlikely seems attractive.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 114 deals made on KASE did not exceed KZT126,134.7 m. (\$985.9 th.). In the last period, which was three days shorter, the volume of trades in this sector did not exceed KZT7,157.9 m. or USD55.9 th. with 28 deals.

Stake of exchange's turnover in the total volume of Kazakhstan secondary market of GS on comparable operations of purchase and sale was equaled to 55.9% (on the previous – 15.6%).

As it is seen from the provided table, the main energization of the GS market was observed in the sector of notes' of National bank trading. By the opinion of IRBIS's analysts it is conditioned mainly by growing yield of notes on the primary auctions, the frequency of conduction of which increased on the eve of year closing. Investors had thrown to the market the "old" less profitable notes for purchasing of "new" more profitable. Exactly by this reason – because of excess supply – the yield of maturity to buyer of short bonds had increased a little on the secondary market, but anyway could not reach the level of primary offerings in the average weighted expression.

More detailed data about exchange's trades are given in the table.

Parameters of Exchange's transactions in GS within December 14-27

(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				97.3% (76.9%) of purchase and sale sector's turnover		
less 8	2.19	6.09	2.50	3.78 (2.19)	31,708.3	27
8 - 14	3.80	4.32	3.80	3.97 (-)	16,927.1	14
15 - 28	4.10	5.17	4.40	4.53 (4.00)	74,151.5	44
Total					122,786.9	85 (6)
					(5,503.5)	
Coupon (KZT): MEOKAM-36, 48, 60, 72, 84; MEUKAM- 96; 120				2.6% (23.1%) of purchase and sale sector's turnover		
less 730	5.51	6.10	5.88	5.93 (5.91)	678.6	10
731 - 1095	5.91	6.16	6.12	6.08 (6.30)	552.1	5
1096 - 1460	5.90	6.40	6.23	6.28 (6.30)	675.0	5
1826 - 2190	3.75	5.60	5.55	5.56 (-)	818.5	3
more 2191	5.50	5.50	5.50	5.50 (3.79)	611.2	2
Total					3,335.4 (1,653.5)	25 (21)
Euronotes of Kazakhstan (USD)				0.01% (0) of purchase and sale sector's turnover		
less 730	5.37	5.37	5.37	5.37 (-)	7.94	1
Total					7.9 (0)	1 (0)
Coupon (USD):bonds of Atyrau region				0.0004% (0.02%) of purchase and sale sector's turnover		
less 730	5.80	7.70	7.70	6.83 (8.50)	4.43	3
Total					4.4 (1.4)	3 (1)
GRANDTOTAL					126,134.7	114 (28)
					(7,157.9)	

MEMBERS OF KASE

By the decision of the Board of KASE **since December 22, 2006 General Asset management JSC (Almaty) has been temporarily suspended from participation in security trades at KASE**, except for participation with a view to close repo operations opened before. The decision was adopted on the basis of subparagraph 3) of paragraph 27 of the Regulation about membership in light of non payment by General Asset management JSC of monthly membership fees and services of remote access for September-January 2006 as well as commission fees for transactions with securities for October 2006.

Prepared by IRBIS Information agency of financial markets

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

IRBIS agency gives notice that material given above is not an offer or recommendation to sell or buy shares on KASE. Using it by anyone while taking investment decisions does not make IRBIS agency responsible for possible losses, resulting from such the decisions.