

WEEK OF STOCK MARKET OF KAZAKHSTAN

July 24 – 30

SUPPLEMENTAL INFORMATION

US dollar = **120.18** at official rate for the end of the period.

US dollar = **120.19** at weighted average rate of the Exchange for the end of the period.

Judging by the weighted average rate of the KASE main session, USD value in Kazakhstan during the analyzed period hasn't changed.

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

Indicator	Rate	Trend
TONIA	1.59	-1.78
Autorepo GS 7 days	3.94	-1.06
Autorepo GS 28 days	5.10	-4.41
KazPrime-3M	6.85	0

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

Index	Value	Trend
KASE	2,335.89	-1.27
KASE_BP	279.21	-1.56
KASE_BC	169.10	-2.01
KASE_BY	9.98	+0.66

MAIN NEWS OF THE MARKET

July 28 there was meeting of representatives of Agency of Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations with Raiffeisen International Group, on which questions on launching subsidiary bank in Kazakhstan were discussed.

July 28 Standard & Poor's Ratings Services said that it had affirmed its Banking Industry Country Risk Assessment (BICRA) on Kazakhstan in Group 8. At the same time, Standard & Poor's affirmed its estimate of the incidence of gross problematic assets (GPAs) in the Kazakh financial system under a reasonable (but not catastrophic) scenario of economic recession at 35%-50%. Kazakh banks have entered a new phase as the market turbulence lingers on, with asset quality becoming a determinant factor in their creditworthiness, solvency, liquidity, and in the longer-term health of the banking system. We estimate "loans under stress" at 15%-20% for the banking sector and think that this is unlikely to get close to the upper end of the current GPA assessment, even if asset quality woes have not peaked yet. "If we see no signs of recovery--or at least stabilization--in asset quality at banks and of an improvement in their ability to absorb losses, recognize credit losses, and raise the capital they need, we could downgrade our BICRA and GPA assessment in the next couple of quarters," added Ms. Trofimova.

July 29 Legal company German LLP informed KASE by the official letter that from June 4, 2008, it cancelled the trust managing agreement in 100% stake in authorized capital of Karagandy Zharyk LLP (Karaganda). During the period of trust managing the Company fulfilled all its obligations, developed the new investment program and approved the new tariff, which completely covers the cost price and has the investment component. In compliance with the trust managing agreement terms, the founder of trust managing decided to independently implement the investment program, and due to this fact the agreement was cancelled by parties' agreement"- is said in the report.

July 30 Centras Securities JSC (Almaty) informs that on May 16, 2008 the Specialized Financial Court of Almaty in regard of the claim of Centras Securities JSC to BCC Invest JSC – Subsidiary of Bank CenterCredit JSC decided to enforce repo deal execution and collect a money fine. In its decision the Specialized Court of Almaty acknowledged the concluded repo deals as "annulled on the indicated date due to repo transaction failure". Annulment of the agreement entails the consequences, specified by article 403 of the Civil Code of the Republic of Kazakhstan. According to paragraph 1 of this article "upon annulment of the agreement the obligations of the parties end. According to paragraph 4 "The parties may not demand the executed according to the obligation before cancellation or changes of the agreement to be returned, unless otherwise is set by legislation acts or the agreement of the parties". At the same time, according to paragraph 5 of article 403 of the Civil Code of the Republic of Kazakhstan "in case the ground for annulment or alteration of the agreement is a substantial violation of the agreement by one of the parties, the affected party may require for the losses incurred due to annulment or alteration of the agreement to be paid".

July 30 Standard & Poor's Ratings Services said that it assigned its recovery ratings to 44 unsecured debt issues of 21 corporate issuers in Russia, Ukraine, and Kazakhstan. Recovery ratings reflect our estimate of recovery prospects should a payment default occur. The roll-out of recovery ratings in Russia, Ukraine, and Kazakhstan follows three earlier related initiatives: First, the release of our general recovery rating methodology for speculative-grade issuers in June 2007. Second, our assessment of insolvency regimes in Russia, Ukraine, and Kazakhstan. Third, the recent roll-out of recovery ratings in North America and Europe. Although we apply our general recovery methodology universally to all countries, greater uncertainty and weaker legal regimes in Russia, Ukraine, and Kazakhstan raise a number of specific analytical issues. Kazakhstan Temir Zholy Finance B.V entered new issue ratings, based on our assessment of recovery prospects in the event of a payment default and on the issuer credit rating, which assigned recovery rating after default and BB+ debt liability rating.

July 30 Moody's Investors Service has placed the Ba2 long-term bank deposit and Ba2/Ba3 senior and subordinated debt ratings of Alliance Bank on review for possible downgrade. The bank's E+ bank financial strength rating (BFSR) and Not Prime short-term ratings are not affected by the review and have been affirmed.

SHARES MARKET

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 204 deals were made in shares during the analyzed period. Average daily volume made \$4,269.5 th. or KZT513.1 m. and decreased compared to previous period (previous week weighted average volume made \$4,304.8 th. or KZT517.2 m.) by 0.8%. At the same time 2.5% of operations in quantitative and 14.3 % in volumetric expression were nego. In the previous period these indexes made 2.0 % and 3.5 % correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 38 (34) members. In deals 28 (28) denominations of shares were included. At that: 10.6% (39.1%) of gross-turnover of the market – 18.3% (74.9%) on purchasing transactions and 3.0% (3.4%) - on sale transactions were controlled by pension market subjects; 25.6% (4.9%) of gross-turnover of shares – 26.1% (6.5%) - on purchasing transactions and 25.1% (3.3%) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 6.7% (7.5%) of gross-turnover – 1.6% (4.8%) on purchase and 12.1% (10.3%) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 32% (39%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 39% (32%) – fell, prices of 25% (29%) remained unchanged. In the described period shares prices changed positively in the range from 0.10% (NFBN) to 8.70% (VSTN), negative change – from 1.01% (HSBKp1) to 12.00% (NRBN).

During analyzed period KASE index again reached the annual minimum at 2,288.38 point. Total decreasing per week didn't exceed 1.3% (30 points). IRBIS analysts link this decreasing with 2 factors: influence of western markets and influence of world oil prices.

The thing is that western banks announced on regular writing-off their assets. Investors, who received the portion of negative news, began to sell bank's instruments and other financial organizations. As before this sale touched Kazakhstan banks' securities notwithstanding that western writing-offs has no influence on activity of domestic banks.

Falling prices on energy resources on world market also contributed to it. Oil bubble has burst. If a month ago many analysts said that hydrocarbon price would grow to \$200 per barrel, now oil reaches \$80 per barrel. According to IRBIS analysts there is base for such decreasing. At first, USA economy wouldn't able to consume such amount of oil, which was forecast before; secondly, oil prices are pushed now by USD, which began appreciation against basket of world currencies. Besides, announcement of OPEK representatives also have its influence that oil cartel won't reduce production in nearest future.

During next week situation on the market will still depend on events of world economy. In this relation, we expect continuation of KASE index decreasing.

Detailed results of trades in shares on KASE are given in the table.

Results of share trades on KASE, including STF of RFCA within July 24 –30 (only by data of deals, made on the secondary market of KASE by the methods of opened trades)

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:		for last 365 days:				bid	offer		
	min.	max.	price	trend, %					min.	max.
ASBN	18,501.00	18,501.00	18,501.00	0	14,000.00	64,500.00	0.77	1	18,501.00	18,501.00
ASBNp1	12,000.00	12,000.00	12,000.00	-1.6	10,000.00	21,200.00	10.98	3	12,000.00	12,000.00
aZERD	3.51	3.51	3.51		3.51	3.96	482.59	1	3.51	3.51
BTAS	60,800.00	63,072.03	61,000.00	-3.2	850.01	146,000.00	989.31	23	63,072.03	60,800.00
CCBN	1,401.00	1,470.00	1,414.00	+1.0	1,000.00	1,950.00	351.77	14	1,470.00	1,401.00
CHFM	950.00	950.00	950.00		900.00	1,218.00	13.64	1	950.00	950.00
CSBN	5,008.88	5,234.28	5,234.28	+4.5	3,850.00	7,400.00	30.05	2	5,234.28	5,008.88
CSBNp	2,280.00	2,280.00	2,280.00	0	2,001.00	3,000.00	5.48	3	2,280.00	2,280.00
GB_ENRC	2,350.00	2,488.00	2,475.00	-8.5	2,350.00	3,750.00	116.10	7	2,560.00	2,321.00
GB_KZMS	3,248.00	3,250.00	3,248.00	-1.6	2,640.00	4,600.00	14.22	2	3,250.00	3,200.00
HSBK	388.00	405.00	405.00	-2.4	385.00	650.00	3,947.74	30	405.00	388.00
HSBKp1	293.00	295.45	293.00	-1.0	290.00	353.00	46.53	2	295.45	293.00
KKGB	780.00	858.00	856.00	+8.4	600.00	1,255.00	5.05	3	858.00	780.00
KKGBp	350.00	350.00	350.00	-9.1	255.00	440.00	54.24	3	351.00	345.00
KZTK	32,000.00	32,500.00	32,500.00	-4.4	31,500.00	49,500.00	62.07	4	33,999.00	32,000.00
KZTKp	15,000.00	15,800.00	15,000.00	0	14,500.00	24,600.00	253.29	18	15,800.00	15,000.00
MMGZp	12,000.00	12,000.01	12,000.01	0	7,400.00	20,000.00	39.74	2	12,000.01	12,000.00
MREK	2,700.00	2,800.00	2,700.00	0	2,700.00	2,970.00	493.43	4	2,800.00	2,700.00
NFBN	4,910.00	4,910.00	4,910.00	+0.1	3,000.00	6,957.90	78.84	1	4,910.00	4,910.00
NRBN	20,000.00	21,000.00	20,000.00	-12.0	17,500.00	33,000.00	67.23	3	21,000.00	20,000.00
RDGZ	17,500.00	19,300.00	18,400.00	-4.7	15,001.00	24,595.00	1,822.54	52	19,400.00	17,500.00
TEBN	7,000.00	7,000.01	7,000.00	0	4,450.46	9,000.00	5,155.92	9	7,000.01	6,800.00
TEBNp	2,550.00	2,550.00	2,550.00	-8.9	2,200.25	2,900.00	35.65	3	2,550.00	2,550.00
TSBN	1,770.00	1,770.00	1,770.00	0	1,680.01	4,500.00	14.73	1	1,770.00	1,770.00
TSBNp	1,110.00	1,110.00	1,110.00		1,070.00	2,415.00	29.18	1	1,110.00	1,110.00
UTMK	20,000.00	20,000.00	20,000.00		19,000.00	27,010.00	2.50	1	20,000.00	20,000.00
VSTN	322,000.00	350,000.01	350,000.01	+8.7	322,000.00	350,000.01	3,312.44	2	350,000.01	322,000.00
ZERD	3.51	3.51	3.51		3.50	4.39	759.30	2	3.51	3.51
28							18,195.34	198		

Notes: Trends are given relative to the last deal of the previous month (June 23 – July 23, 2008). 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 of corporate bond market

Beginning July 25 bonds KZP12Y10B650 (CCBNb19; KZT100; KZT6.0 bn.; June 27, 08 – June 27, 18, the semi-annual coupon 11 % APR, 30/360) of **Bank CenterCredit JSC** (Almaty) **are included** into KASE category "A" official list. Trade in these bonds on KASE are opened since July 30. Market maker duties on the bonds on KASE will be exercised by BCC Invest JSC – subsidiary of Bank CenterCredit JSC (Almaty) with 23,400 bond minimum mandatory quote volume. The mentioned issue of bonds is the twelfth within the bond program of Bank CenterCredit JSC and the nineteenth issue of the bank's internal bonds listed on KASE. More detailed information of securities issue will be published on the KASE website at <http://www.kase.kz/emitters/ccbn.asp>

Beginning August 11 Asia Broker Services JSC (Almaty) **was released from the market-maker obligations** on KASE on preferred shares, converted in common, KZ1P33870216 (KASE category "A" official list; HSBKp1) of **Halyk Savings Bank of Kazakhstan JSC** (Almaty).

Beginning September 1 Managing company ORDA Capital JSC (Shymkent) based on its application **was assigned the market-maker status** on KASE on the following bonds of **Credit association ORDA credit LLP** (Shymkent), traded in KASE category "B" official list:

- **KZ2C0Y03C312** (ORDKb1; KZT1 000; KZT500.0 m.; 24.10.06 – 24.10.09; the quarterly coupon 12.00 % APR; 30/360);
- **KZ2P0Y05C900** (ORDKb2; KZT1 000, KZT1 500 m.; 26.01.08 – 26.01.13, the semi-annual coupon 12.00 % APR, 30/360).

The minimum volume of the mandatory quotation for the market-maker was set in the size of 2 400 bonds of each issue.

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 86 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$33,181.5 th. or KZT3,988.1 m. and increased in comparison with the previous period (\$27,610.0 th. and KZT3,317.3 m. correspondingly) by 20.2%. In the analyzed period no nego deals on KASE were made. In the previous period, the stake of nego deals on KASE made 6.2% in quantitative expression and 0.6% in volumetric expression.

During the analyzed period (in parenthesis there are comparable indicators of previous week) deals were made by KASE's 23 (25) members on 40 (26) instruments. At that 2.6% (4.2%) of gross-turnover passed through accounts of pension market subjects 3.6% (5.4%) on purchasing transactions and 1.6% (3.0%) on sales operations. 5.6% (27.9%) of exchange's gross-turnover of corporate bonds – 5.0% (23.6%) on purchasing transactions and 6.2% (32.2%) on sale transactions, passed through depo accounts registered on physical persons. At that 30.7% (37.1%) of exchange's gross-turnover – 56.2% (73.8%) on purchase and 5.1% (0.4%) on sales transactions went through accounts of non-residents.

By results of period 14 names of bonds were characterized by growth of average weighted net price on the opened market, 22 – of decrease. Bonds CCBNb19 were traded on KASE for the first time. CCBNb11 (-21.3 %), EXBNb1 (-16.3 %), CCBNb15 (-13.2%), CCBNb3 (-11.5%), CCBNb13 (-11.3%) and CCBNb4 (-8.4 %) seemed re-sold, while bonds DTJLb1 (+10.1 %) and EUBNb4 (+8.5 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 9 bonds, increased for 26.

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

Results of bond trades on KASE, including STF of RFCA within July 24 –30, 08 (only on data of deals , made on secondary market of KASE by the methods of opened 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:				period:	
	min.	max.	yield	trend	min.	max.			bid	offer
aASFIb18	7.95	7.95	7.95		7.95	7.95	67,652.29	4	7.95	7.95
aASFIb20	8.14	8.14	8.14		8.14	8.14	12,038.97	1	8.14	8.14
aASFIb21	8.14	8.14	8.14		8.14	8.14	10,034.43	1	8.14	8.14
aMAG_b1			12.00		11.85	12.26	432.68	1	12.38	18.61
ASFIb6	16.00	16.00	16.00	+1.0	10.00	16.00	3.73	1	16.00	16.00
BTAIb4	18.00	18.00	18.00	0	8.90	106.15	14.85	1	18.00	18.00
BTASb7	7.60	8.60	7.60	0	6.73	14.00	8,519.09	2	7.60	8.60
CACMb1	17.45	17.45	17.45	+0.7	9.75	17.45	14.59	1	17.45	17.45
CCBNb10	12.00	12.00	12.00	+1.5	7.50	12.00	61.37	1	10.50	12.00
CCBNb11	12.00	12.00	12.00		7.50	12.00	107.56	1	10.00	12.00
CCBNb12	11.00	11.00	11.00		7.50	11.00	22.03	1	11.00	11.00
CCBNb13	12.00	12.00	12.00		12.00	12.00	7.96	1	9.50	12.00
CCBNb14	14.90	14.90	14.90	+1.9	7.50	18.00	110.80	1	14.90	14.90
CCBNb15	12.00	12.00	12.00	+2.5	9.20	12.00	50.47	1	9.52	11.93
CCBNb16	11.80	11.80	11.80	+4.8	7.00	12.00	159.13	1	7.00	11.80
CCBNb19	11.00	11.00	11.00		11.00	11.00	50,413.40	6	11.00	11.00
CCBNb2	14.02	14.02	14.02	+0.2	10.00	106.23	42.00	1	14.00	14.02
CCBNb3	20.93	20.93	20.93	+7.9	8.58	20.93	122.85	1	13.00	20.93
CCBNb4	13.00	13.00	13.00		7.50	14.88	253.63	1	13.00	13.00
CCBNb6	14.70	14.70	14.70	+0.7	7.50	16.00	163.62	1	14.70	14.70
CCBNb7	13.00	13.00	13.00	0	7.50	16.30	99.83	1	13.00	13.00
CCBNb8	13.00	13.00	13.00	0	9.66	13.00	46.53	1	13.00	13.00
CCBNb9	14.50	14.50	14.50	+1.5	7.50	14.50	155.68	1	14.50	14.50
CSBNb3	11.50	11.50	11.50		9.30	12.00	1,664.82	1	10.50	11.50
CSBNb6	15.50	15.50	15.50		9.40	16.10	1,219.55	1	11.75	15.50
DNTLb1	12.00	12.00	12.00	0	11.96	12.30	673.56	5	12.00	12.00
DTJLb1	8.47	11.00	9.60	-0.4	7.00	12.00	4,722.92	17	8.47	11.00
EUBNb4	11.50	13.00	11.50		9.00	18.00	4,484.73	9	10.00	13.00
EXBNb1	13.00	13.50	13.00	+4.4	8.62	22.00	582.90	3	13.00	13.50
HSBKb4	8.16	8.16	8.16	-0.8	7.00	10.80	76.33	1	8.06	8.16
KAFIb1	13.00	13.00	13.00	0	6.75	13.00	23.19	1	13.00	13.00
KDTSb1	11.50	11.50	11.50		11.00	12.50	26.29	2	11.50	11.50
KZIKb3	18.60	18.60	18.60		7.88	18.60	94.40	1	18.60	18.60
MREKb2	16.00	16.00	16.00	+1.0	11.00	16.50	18.40	1	16.00	16.00
MREKb3	9.00	9.00	9.00		9.00	9.00	99.05	1	9.00	9.00
NRBNb4	14.50	14.50	14.50	0	9.00	19.50	285.03	1	14.50	14.50
ORDKb1	12.00	14.00	12.00	0	11.99	15.03	30.35	4	12.00	14.00
ROSAb2	13.50	13.50	13.50		9.50	13.50	8.82	1	13.50	13.50
TSBNb3	14.00	14.05	14.05	+1.5	10.00	14.05	646.35	3	14.00	14.05
TXBNb3	14.00	14.50	14.50	+1.4	7.00	14.50	723.38	2	14.00	14.50
40							165,907.54	86		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (June 23 –July 23, 2008). 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.

In the **Debt certificates sector on STF RFCA 1** deal with 35 certificates on shares BMG749471212 (aBM_RECHe1) of Renaissance Capital Holdings Limited (Hamilton, Bermudas) on total amount \$102.5 th. or KZT12.3 m. was made. In comparison with previous period (July 17 – 23, 1 deal with 61 certificates, \$200.2 th. or KZT24.1 m.) sector turnover decreased by 48.8%.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

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

Secondary market sector (purchase - sale)

In the analyzed period total volume of 14 deals made on KASE made KZT3, 702.9 m. (\$30.8 m.). In the previous period (July 17 – 23, 2008) the given indicator was equal to KZT1,104.0 m. or \$9.2 th. with 8 deals. Stake of exchange's turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period made 100.0%.

Parameters of Exchange's transactions in GS within July 24 –30, 2008

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discount (KZT): notes of National Bank					71.6% (63.0%) of purchase and sale sector's turnover	
8 - 14	4.00	5.50	4.00	5.17	680.7	4
64 – 91	6.15	6.15	6.15	6.15	1,971.1	2
Total					2,651.9,(695.5)	6 (3)
Coupon (KZT): MEOKAM –24, 48					28.4% (37.0%) of purchase and sale sector's turnover	
less than 730	9.50	9.50	9.50	9.50 (8.70)	120.9	3
1826 - 2190	8.00	8.00	8.00	8.00 (8.20)	21.4	1
more than 2190	5.70	19.00	19.00	13.61	908.7	4
Total					1,051.0,(408.5)	8 (5)
GRANDTOTAL					3,702.9,(1,104.0)	14 (8)

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