

WEEK OF STOCK MARKET OF KAZAKHSTAN

February 7 - 11, 2011

DATE	INDEX KASE	USDKZT	TONIA	TWINA	KAZPRIME
04.02.2011	1,895.04	146.83	0.1898	0.3900	1.8300
07.02.2011	1,910.60	146.73	0.1701	0.3698	1.8300
08.02.2011	1,920.84	146.65	0.1161	0.3270	1.8000
09.02.2011	1,915.57	146.47	0.0969	0.2910	1.7900
10.02.2011	1,890.53	146.41	0.1554	0.3758	1.7900
11.02.2011	1,872.45	146.43	0.1088	0.3325	1.7900
TREND	-22.6	-0.4	-0.1	-0.1	-0.04
%	-1.2	-0.3	-42.7	-14.8	-2.2

Main news of stock market

On February 8 was announced that a special inter-district economic court of Almaty on January 26, 2011 decided to declare the debtor JSC "VITA" as a bankrupt, informed the press service of Accumulative Pension Fund "Grantum". This decision shall enter into force after fifteen days from the date of delivery of copies of the decision, if it was not appealed or protested. It is reported that the bankruptcy debtor JSC "VITA" was considered by the court on allegations of Accumulative Pension Fund Grantum, insurance companies and other financial institutions.

On February 8 President of the National Bank of Kazakhstan Mr. Grigoriy Marchenko at the online conference of the forum profinance.kz noted that under the current economic situation, there is no question on the devaluation of national currency. At the moment there is a very high probability of strengthening of tenge. There are several reasons, and they are all essential: the rise in prices for oil, metals and grain, stable or increasing exports of these goods, the problem of external debt of the banking sector, foreign direct investment inflows. Moreover, he noted that in practice, in 2010 the presence of the currency corridor tenge to the dollar did not play a significant role. The head of the National Bank also said that the managed float exchange rate of tenge currency will vary depending on supply and demand in the market, gradually reach equilibrium, i.e. "Comfortable" level for the economy and ensure long-term stability in the foreign exchange market. Also, Mr. Marchenko said that increased inflation in January 2011 was due to increases in pensions and scholarships from January 1, 2011, as well as seasonality. In the following months the situation in the consumer market should stabilize. Since the effects of monetary factors on inflation in recent years is the minimum, to solve the problem of inflation only measures the National Bank will be difficult. In this context, National Bank jointly with the Government carries out anti-inflationary policies, he added. We also learned that the National Bank of Kazakhstan for the January 2011 bought 1.8 billion U.S. dollars at the exchange, to prevent the tenge appreciation.

February 9 The National Bank of Kazakhstan reported that:

- in January 2011 has seen an increase in net international reserves of National Bank by 10.4% to \$30.6 billion As indicated, the operations in the domestic currency market and receipt of currency on accounts of the Government in National Bank have been partially neutralized by operations to replenish the National Fund assets, and servicing the external debt of the Government. As a result, net foreign exchange reserves (hard currency) in January 2011 increased by 12.1%, gold assets decreased by 3.3%. During January 2011 the international reserves of the country, including the National Fund assets in foreign currency (preliminary \$ 31.4 billion), increased by 6.3% and amounted to preliminary data, \$ 62.6 billion in monetary base in January 2011 increased by 2.7% due to growth of net foreign assets of the National Bank and was 2,641.5 billion KZT. Narrow monetary base, i.e., monetary base, without taking into account urgent deposits of banks with National Bank, increased by 2.5% to 2,196.3 bln KZT.
- According to preliminary estimates of balance of payments in Kazakhstan, the current account surplus for 2010 totaled \$ 4.9 billion (in 2009 - deficit of \$ 4.2 billion). As indicated, the improvement of the balance of current transactions provides capacity value of commodity exports, associated with the favorable situation in world energy prices. The average for the year 2010 the world price of oil varieties Brent was \$ 79.64 per barrel, or 28.7% more than in 2009 (\$ 61.86 per barrel). As a result, exports of goods increased by 35.8% to \$ 59.7 billion when it's official export of goods totaled \$ 58.9 billion Imports of goods increased by 6.6% to \$ 30.7 billion, of which the official imports - \$ 29 , 3 billion (in 2009 - \$ 28.4 billion). The data of the official import of goods for 4 quarter of 2010 showing a decrease in imports from the Customs Union by 18.9% compared with 3 quarter of 2010.
- In January 2011, the tenge against the U.S. dollar changed in the range 146.78-147.50 KZT

per U.S. dollar. As stated in January 2011 tenge has appreciated by 0.4% and at month-end exchange rate of tenge was 147.87 KZT per U.S. dollar.

- **the total amount of residents' deposits in depository institutions in December 2010 decreased by 0.7% to 7 397.9 billion (from the beginning of the year - an increase of 12.5%).** As noted, corporate deposits decreased by 2.0% to 5,203.0 billion KZT (from the beginning of the year - an increase of 11.2%), deposits of individuals increased by 2.4% to 2,194.9 bln KZT (from the beginning of the year - an increase of 15.9%).
- **the total amount of banks' lending to the economy in December 2010 increased by 1.4% to \$ 7,596.6 billion (from the beginning of the year - a decline of 0.6%).** The volume of credits in national currency increased by 3.0% to 4,383.1 billion KZT (from the beginning of the year - an increase of 11.1%) in foreign currency - has fallen by 0.8% to 3,213.4 billion KZT (from the beginning of the year - a decline of 13.1%). The proportion of tenge loans in December 2010 compared with November 2010 increased from 56.8% to 57.7%.
- **Banks predicts a recovery of loan portfolio quality.** Indicated that about 20% of banks expect that the quality of the total loan portfolio improved slightly, and more than 70% of respondents expect the quality will remain unchanged, and only 6% of banks believe that the quality of loan portfolios deteriorate. In the segment of retail lending growth trend in demand from the population survived, while the growth rate declined slightly. Indicated that in the fourth quarter of 2010, the percentage of bank respondents evaluating the increase in demand for mortgages was about 30%, an increase in demand for consumer loans have 43% of the banks. In the corporate lending segment in the fourth quarter of 2010 continued moderate growth in demand for credit. Indicated that the percentage of bank respondents who indicated an increase in demand from the business, increased to 45%, just over 50% of respondents reported high demand. In 2011, an increase of credit up to 10%.

February 10, Mr. Nursultan Nazarbayev President of the Republic of Kazakhstan instructed till the end of 2011 to implement the program of "National IPO". He said this today during a speech at the congress of the Nur Otan party. "Until the end of this year has to place shares of JSC Samruk-Energo, KEGOC and Kazpost. The next step in 2012-2013 put the stock market shares of national companies KazMunaiGaz, KTZ, Kazatomprom, - said Mr. Nursultan Nazarbayev." The People's IPO provide hundreds of thousands of ordinary Kazakhs hold shares of the largest companies, as well as a new tool for investment and augmenting their savings and wealth, "- he said. Earlier in January this year, Mr. Kairat Kelimbetov, the head of JSC SamrukKazyna Fund of National Welfare, said that the fund have no plans to place assets of its subsidiaries into the stock market in the next two years, since the price of these assets is not attractive, as well as in connection with quite attractive borrowing conditions.

MARKET SHARES

During the study period at KASE on the secondary market sale was concluded 395 deals.

	current week	Trend for	
		1 week	2 weeks
Average daily volume. USD th.	1,483.5	11.0%	45.1%
Average daily volume. KZT m.	217.4	10.9%	45.2%
Stake of nego deals. number (%)	0	+0.001 pp	-0.8 pp
Stake of nego deals. volume (%)	0.2	+0.01 pp	-22.3 pp
KASE members	33	10.0%	0
Number of shares denominations*	16	11.1%	11.1%
Stake of pension funds. gross (%)	0	0	0
on purchase	0		-11.8 pp
on sale	7.9	+7.9 pp	+7.9 pp
Stake of individuals. gross (%)	35.3	-0.1 pp	-19.58 pp
on purchase	30.6	+1.4 pp	-10.0 pp
on sale	39.9	-1.6 pp	-29.1 pp
Stake of nonresidents. gross (%)	23.6	-6.0 pp	+10.1 pp
on purchase	40.6	-1.35 pp	+29.3 pp
on sale	6.7	-10.7 pp	-9.1 ppn

In the described period of falling average daily prices of 4 names of equity instruments involved in the transaction, the growth shown 8 tools, the prices of the four tools have not changed. Adverse change in shares prices in the range of 0.01% (SATC) to 6.05% (GB_KZMS), positive - from 0.48% (CCBN) to 16.06% (BTAS).

Over the past week KASE index decreased by 22.59 points (1.2%) to values of 1,872.45. The greatest influence on the indicator had a price of common shares of companies Kazahmys (-6.1%) and ENRC (-3.2%), which in turn reduces to the background cheaper metals and other raw materials on international markets. Sales of raw assets began against the backdrop of increasing key interest

rates Bank of China (from 5.81% to 6.06% for loans and 2.75% to 3% on deposits). Adversely affected by foreign trade statistics and the UK - the trade deficit reached in December 2010, 10.9 billion euros, this was above the consensus forecast at 10.1 billion euros.

Multidirectional dynamics demonstrated securities of the banking sector in Kazakhstan. While some investors were selling shares of National Savings Bank of Kazakhstan (-3.3%), others are actively purchasing shares Kazkommertsbank (4.4%). Growth of the past was associated with a positive outlook to analysts about the state of Kazkommertsbank this year. Despite the high activity on common shares of Bank CenterCredit (70 transactions totaling 384.7 million KZT) the price for the week virtually unchanged.

More detailed information on share trades at KASE is given in the table below:

Results of share trades on KASE, including STF of RFCA within February 7 - 11, 2011, only by data on 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	Num- Ber of deals	Best for the period:					
	on the last deal:				th.USD	bid	offer			
	min.	max.						min.	max.	
BSUL	630	630	200	658.05	20.40	3	630	630		
BTAS	4.9	6.2	6.2	+24.00	4.3	1300	209.16	69	6.2	4.9
CCBN	652	665.96	659	0	515	779	2,449.24	64	665.96	652
CSBNp	453	487	487	+9.32	409	1437	61.97	2	487	453
GB_ENRC	2320	2500	2430	-3.19	1800	2800	26.99	8	2500	2320
GB_KZMS	3570	3800	3570	-6.05	2155	3800	174.24	13	3800	3570
HSBK	404	445	406	-3.33	250	445	755.92	50	445	404
KKGB	580	616	595	+4.39	356	700	309.74	46	616	580
KZTK	19750	20850	19800	+0.76	11800	20850	360.25	59	20850	19750
KZTKp	9500	9530	9530	+4.73	6000	9530	40.18	6	9530	9499
MREK	1100	1210	1100	0	910	1210	78.54	6	1210	1100
RDGZ	19150	19500	19200	0	15155.01	22500	168.34	9	19500	19150
RDGZp	18950	19300	19011	+0.06	10800	21988.89	1,217.37	34	19300	18950
SATC	71.06	71.07	71.06	-0.01	70	75	35.04	6	71.07	71.06
ZERD	1.38	1.47	1.47	+5.00	0.67	3.3	82.15	5	1.47	1.38
ZERDp	5.2	5.4	5.2		4.6	5.72	0.77	9	5.4	5.2
16							5,990.3	389		

Notes: Trends are given relative to the last deal of the previous 30 days period (January 4 - February 4, 2011). If deals were not made in the previous month the trend is not calculated.

Market of corporate bonds

News of corporate bonds market

From February 7 bond KZP01Y05D931 (ISIN - KZ2C00000214, BRKLb1) JSC DBK-Leasing subsidiary of JSC Development Bank of Kazakhstan (Astana) on the official list of KASE on the category Debt Securities that is rated.

From February 11 international bonds XS0269698246 (NRBNe2) JSC Nurbank (Almaty) on the official list of KASE category Rated Debt securities

During the study period at KASE on the secondary market sale was concluded 98 deals:

	current	Trend for	
	week	1 week	2 weeks
Average daily volume. USD th.	10,994.9	27.4%	0.6%
Average daily volume. KZT m.	1,611.6	27.4%	0.8%
Stake of nego deals. number (%)	0	0	0
Stake of nego deals. volume (%)	0	0	0
KASE members	32	6.7%	33.3%
Number of bonds denominations*	32	8.6%	14.3%
Stake of pension funds. gross (%)	10.0	-5.7 pp	-19.5 pp
on purchase	2.8	-17.4 pp	-8.9 pp
on sale	17.2	+6.1 pp	-30.2 pp
Stake of individuals. gross (%)	30.9	+9.2 pp	+25.7 pp
on purchase	29.7	+8.8 pp	+27.4 pp
on sale	32.0	+9.6 pp	+24.03 pp
Stake of nonresidents. gross (%)	3.5	-5.13 pp	+3.46 pp
on purchase	0.33	-1.12 pp	+0.32 pp
on sale	6.6	-9.13 pp	+6.59 pp

on which. deals were made at KASE

Following the period of growth of average net price on the open market bonds were characterized by 21 items, fall – 8, prices of the 6 tools have not changed. Yield to maturity for a buyer on deals rose during the week for 8 bonds, have declined - in 16, benefits of 5 instruments did not changed.

Positive change in bond yield to maturity in the range from 0.03% (CBH_b1) to 16.61% (KONDb1),

negative - from 0.09% (ATFBe6) up to 7.59% (ZERDb1).

More detailed data on corporate bonds on KASE shown in table.

**Results of bond trades on KASE including STF of RFCA within February 7 - 11, 2011
(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:				bid	offer
	min.	max.	yield	trend	min.	max.				
ABDIb1	31.00	31.00	31.00		31.00	36.00	4.32	1	31.00	31.00
AESOb1	13.00	13.00	13.00		11.80	13.00	430.09	5	13.00	13.00
ATFBe6	6.51	6.51	6.51		6.10	8.76	1,049.83	1	6.51	6.51
BTAIb2	10.00	11.00	10.00	-1.00	10.00	50.90	95.17	3	10.00	11.00
BTAIb5	10.00	11.00	10.00	-1.00	10.00	46.71	268.39	5	10.00	11.00
BTAIb8	10.50	12.00	10.50	-1.50	6.17	61.41	110.00	3	10.50	12.69
BTAIb9	6.80	6.80	6.80	-2.53	6.80	30.00	108.43	5	6.80	6.82
BTASe15							1.68	1		
CACMb1	10.00	10.00	10.00		10.00	34.00	69.74	1	10.00	10.22
CBH_b1	22.41	22.41	22.41		22.38	24.11	1.66	1	22.41	22.52
CCBNb4	6.00	6.00	6.00	0	6.00	9.00	10.14	2	6.00	6.00
CCBNb9	8.00	8.00	8.00		8.00	11.50	6,128.00	1	8.00	8.00
CCBNb3	11.21	12.01	11.80		11.21	12.01	2,042.94	9	11.21	12.01
CSBNb6	13.00	13.00	13.00	0	13.00	19.95	12.01	1	13.00	13.00
CTECb1	15.95	15.95	15.95	0	14.00	16.00	11.49	1	15.95	15.99
ERKAb1	8.85	8.85	8.85		8.85	9.00	548.67	1	8.85	8.85
EUBNb9	9.80	9.80	9.80		8.00	11.00	2,373.31	3	9.00	9.80
EXBNb1	16.50	16.50	16.50		11.35	18.00	2.94	1	16.50	16.50
HSBKb10	9.00	9.00	9.00		9.00	11.20	464.56	1	9.00	9.01
HSBKb12	8.00	8.00	8.00		8.00	10.25	738.36	1	8.00	8.50
KMGZb4	7.87	8.48	7.87		7.87	8.48	19,774.50	5	7.87	8.48
KONDb1	216.66	219.56	219.56		123.07	249.38	6.18	2	729.67	827.02
KZAPe1	4.36	4.36	4.36	-0.17	4.36	4.53	2,575.52	1	4.36	4.36
ORDKb2	12.00	16.00	14.00	+2.00	12.00	16.00	80.79	5	12.00	16.00
RGBRb4	12.16	14.99	14.99	+2.99	12.00	16.00	2,454.20	2	12.07	14.99
RGBRb6	15.30	16.00	15.30		14.00	16.00	231.06	2	15.30	16.35
SKKZb23	5.20	5.20	5.20	+0.10	4.50	6.50	22.22	1	5.20	5.21
TEBNb7	13.00	13.00	13.00	+1.00	12.00	17.64	14.31	1	13.00	13.00
TXBNb4	3.10	6.60	3.10	-3.50	3.10	6.80	13,407.43	9	3.10	6.60
TXBNb5	3.40	3.60	3.60		3.40	6.53	67.49	2	3.40	6.20
US_JPM_e1	10.18	10.18	10.18	+10.18	0.00	10.33	1,533.09	2	5.09	5.09
ZERDb1	5.00	14.00	5.00		5.00	119.00	335.96	19	5.00	17.00
32							54,974.5	98		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous 30 days period (January 4 -February 4, 2011). If deals were not made in the previous month the trend is not calculated.

GOVERNMENT SECURITIES (GS) SECTOR

During the study period, the total volume of 18 inmates at the KASE trades in the secondary market sales amounted to 2,811.8 million KZT (\$ 19.2 million). During the analyzed period involved 12 members of KASE on government securities 8 titles. The share exchange turnover in the total volume of Kazakhstan GS secondary market for comparable sales and purchases in the analyzed period amounted to 100.0%

Parameters of Exchange's transactions in GS within February 7 - 11, 2011

Days till maturity	Yield to maturity for a buyer. % APR.				Volume. m. KZT discounted	Number of deals
	min	max	last deal	weighted average		
Coupon (KZT): MEOKAM, MEUJKAM, MEUKAM, MIUKAM						
100.0% (83.7%) of purchase and sale sector's turnover						
Less 730	1.85	1.85	1.85	1.85	296.85	1
1826 - 2190	4.50	4.50	4.50	4.50	1,060.85	2
Over 2191	5.05	5.30	5.15	5.17	320.35	7
Less 730	2.76	7.19	2.86	2.76	1,130.58	7
Over 1096	4.85	4.85	4.85	4.85	3.13	1
Total					2,811.8,	18
TOTAL					2,811.8	18

WORLD MARKETS

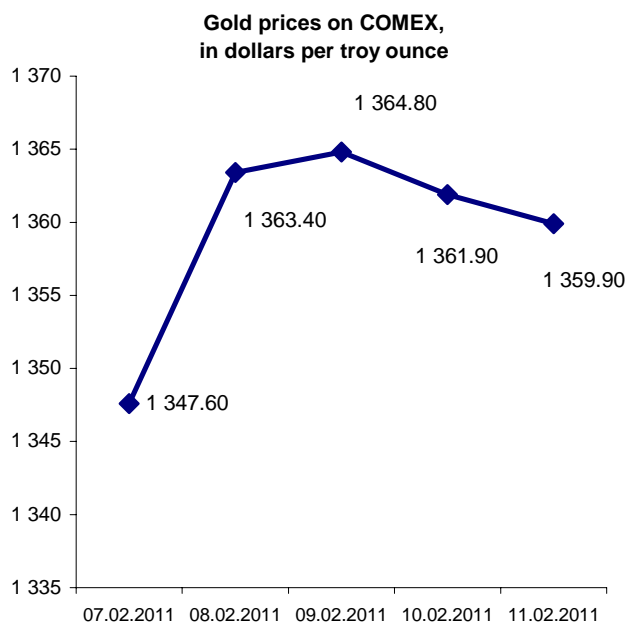
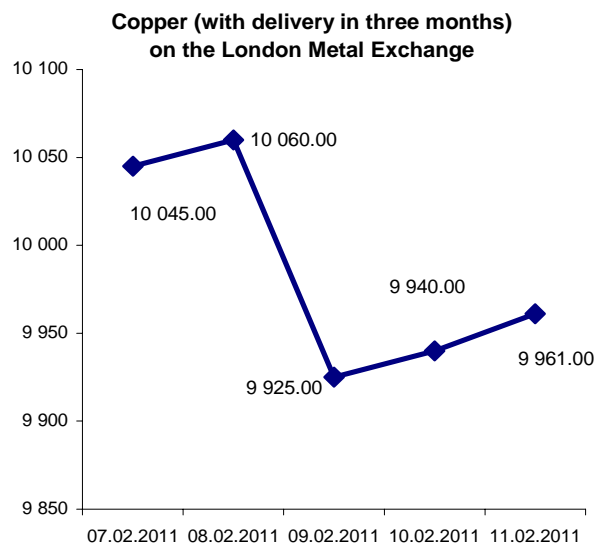
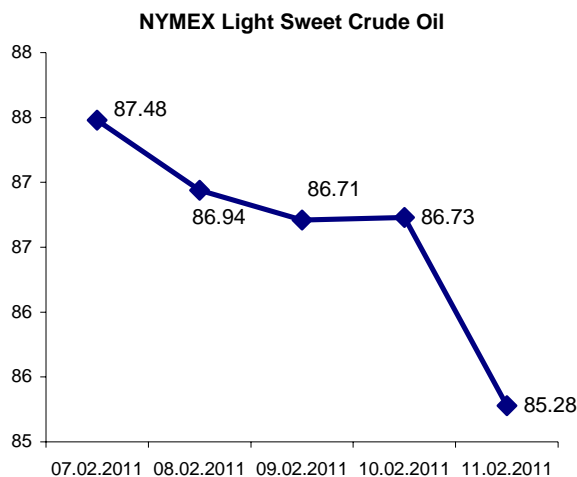
Main news of world markets

From February 9 the National Bank of China has once again raised the key interest rates by 25 basis points because of inflationary risks. Thus, the discount rate on loans in RMB for one year reached a plank in the 6.06% and the rate of annual deposits in yuan - 3%. Earlier, the People's Bank raised rates in late 2010. January 14, 2011 The National Bank of China also raised the reserve requirement on deposits of Chinese banks by 50 basis points also to combat rising inflation; said

decision came into force on January 20.

February 11, Mr. Hosni Mubarak Egyptian President, who ruled the country about 30 years, resigned after 18 days of popular unrest. As pointed out in an appropriate speech Mr. Omar Suleiman the Vice-President on the public channel, Mr. Mubarak handed over power to the Supreme Council of the armed forces of Egypt, which is headed by Mr. Hussein Tantawi Defense Minister. Recall from January 25, 2011 in Egypt, held massive protests and strikes, demanding the overthrow of the regime. On the eve of his retirement Mr. Mubarak gave some presidential powers the vice-president, but in fact retained the presidency until September 2011. The made decision instilled confidence into investors, the level of fear that the fate of supplies through the Suez Canal last week beat all records. Recall that the Suez Canal, approximately 10% of world seaborne trade. Through the channel is transported about 2 million barrels of oil per day, representing about 5% of the total global transit of "black gold". In addition, about 1.1 million barrels a day pass through the Egyptian Sumed pipeline. Earlier, OPEC said it will increase production of oil, if, because of the political crisis in Egypt, the Suez Canal would be blocked completely.

February 11 investors' attention on the European markets is also focused on the message that Mr. Axel Weber, head of the German Bundesbank, will be stepping down a year before expiration. The message investors are perceived with great concern that exerted pressure on the rate of the single European currency, because thus remains an open question, which will succeed Mr. Jean-Claude Trichet as the chairman of the ECB. As it became known, Mr. A. Weber told to Mrs. Angela Merkel German Chancellor that would leave on April 30, 2011, cause of "personal reasons". The head of the Bundesbank showed himself as a fighter against inflation and a supporter of hard-liners in the monetary policy of the ECB.



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