

WEEK OF STOCK MARKET OF KAZAKHSTAN

November 28 - December 2, 2011

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
25.11.11	1,080.47	147.23	5.94	3.48	2.00
28.11.11	1,092.18	147.48	3.5299	1.0496	2.0000
29.11.11	1,097.67	147.72	0.9926	0.3392	2.0000
30.11.11	1,097.56	147.69	0.0987	0.1604	2.0000
01.12.11	1,109.52	147.68	0.1124	0.1720	2.0000
02.12.11	1,134.63	147.59	0.0845	0.1329	2.0000
Trend	54.2	0.4	-5.86	-3.4	0
%	+5.0	+0.2	-98.6	-96.2	0

MAIN NEWS OF KAZAKHSTANI STOCK MARKET

December 1 Republic of Kazakhstan Agency of Statistics reported that:

- **Inflation** in Kazakhstan in November 2011 was 0.6%;
- **Subsistence minimum** in November 2011 amounted to 15,461 tenge;
- **Food prices** in November 2011 compared with November 2010 increased by 10.2%;
- **Prices of manufacturers of industrial products** in November 2011 increased by 0.2%.

December 1 Expert RA Kazakhstan assigned "Caspian Limited" "A" and bonds reliability rating at "A". The positive impact on the Company's rating have high liquidity (as of 31/03/2011 cash ratio was 0.96, acid-test ratio-1.76, current ratio - 1.93) and high rates of return (up to 2010 ROA is 5.8%, ROE – 7.2%, ROS -24.9%). In addition, "Caspian Limited" experienced significant growth in assets (for the period from 2008 to Q1 2011 assets grew by 66 95% or 8 billion) and equity (for the period from 2008 to Q1 2011 grew by 207.96% or 10.7 billion), as well as very high rates of economic activity (in 2010 the turnover of accounts debt amounted to 11 days, accounts receivable - 69 days) - said in a statement. As noted, the presence of long-term contracts with international consortia strengthens the market position of the Company. The Agency has also seen the implementation of new investment projects and the high level of corporate governance. Agency notes that the main factors limiting the rating of the Company, are low diversification of customer base (the main customers of the Company working in the oil and gas sector), foreign exchange risks and dispersed ownership structure.

December 1 the Committee for Control and Supervision of the financial market and financial organizations of National Bank of Kazakhstan reported that:

- **Total assets of banks as of November 1** amounted to KZT 13,015.9 billion, decreasing in October by 19.1 billion or 0.1%;
- **For 10 months of 2011 total assets of insurance (reinsurance) companies** increased by 6.1%, amounting to 01 November this year 364.0 billion tenge;
- **The total amount of pension savings** increased in January-October by 324.4 billion tenge (14.4%), amounting on November 1, 2011 KZT 2,582.6 bln;
- **As of November 1, 2011 the sum of the total assets of mortgage companies** totaled 102.3 billion, decreasing in October by 5.5 billion or 5.1%.

December 1 at the extraordinary general meeting of shareholders of JSC "BTA Bank" held on November 29, 2011 in Almaty, it was reported that Askar Karimullin was elected to the Board of Directors of "BTA Bank" as a representative of "Samruk Kazyna".

Fitch Ratings has affirmed Kazakhstan-based Alliance Bank JSC's (Alliance) Long-term Issuer Default Rating (IDRs) at 'B-' and Viability Rating (VR) at 'cc'. The Outlooks on the Long-term IDRs are Stable. Alliance's IDRs reflect Fitch's assessment of the possibility of support from the Kazakh authorities. This view is primarily based on the bank's ultimate government ownership and the reputational risk of the bank's repeated default. In addition, the agency views positively the apparently greater willingness of the bank's controlling shareholder, the national welfare fund Samruk Kazyna (SK), to help improve the bank's financial standing, compared with another recently restructured bank in Kazakhstan, BTA Bank ('CCC'/f). Fitch also takes into account the smaller potential cost of support for Alliance, relative to BTA, as a result of the much smaller size of its balance sheet (three times less than BTA at end-Q311), negative equity (14 times less) and external debt (four times less). At the same time, Fitch also notes that assistance provided to Alliance to date has so far been insufficient to restore the bank to solvency. Furthermore, the Kazakh authorities have yet to make any clear statements that they would support Alliance in all circumstances, and the current review of

restructuring and/or recapitalisation options at BTA suggests that support would not be automatically extended to Alliance in case of a further deterioration in its financial position. The affirmation of Alliance's 'cc' VR reflects the bank's still very weak stand-alone profile, given the negative equity and pre-impairment losses reported in its unaudited end-Q311 accounts. At the same time, the agency views positively the recent improvements in the bank's solvency and performance. In contrast to BTA, Fitch believes that it is possible, albeit still very challenging, for the bank to restore its viability without requiring further external support.

December 2 results of trading at KASE for January-November 2011 were published:

- **The volume of shares trading at KASE** (excluding transactions in the market of repo operations) amounted to 141.2 billion tenge (equivalent to 967.0 million U.S. dollars) and decreased relative to the corresponding period of 2010 by 48.6% (48.1% in dollar terms);
- **The volume of trading in corporate bonds on KASE** (excluding transactions in the market of repo operations) amounted to 272.2 billion tenge (equivalent to 1,859.9 million U.S. dollars) and increased relative to the corresponding period of 2010 to 20.0% (20.8% in dollar terms);
- **The volume of trades in government securities (GS) on KASE** (excluding transactions in the market repo operations) amounted to KZT 1,042.0 bn (equivalent to 7,114,400,000 U.S. dollars) and decreased relative to the corresponding period of 2010 by 23.2% (22.8% in dollar terms);
- **The volume of trading in repo on KASE** amounted to 11,507.5 billion tenge (equivalent to 78,550,700,000 U.S. dollars) and fell against the same period of last year by 1.8% (1.3% in dollar terms);
- **The volume of trades in foreign currencies at KASE**, including currency swap transactions, amounted to 14,360,400,000,000 tenge (equivalent to 97,995,400,000 U.S. dollars) and increased relative to the corresponding period of 2010 by 2.3% (2.9% in dollar terms);
- **The volume of trading at KASE in all sectors of the market** amounted to 27,326,200,000,000 tenge (equivalent to 186,507,400,000 U.S. dollars) and decreased relative to the corresponding period of 2010 by 1.1% (0.5% in dollar terms).

Stock exchange market

During the study period at KASE on the secondary market sale 137 deals were concluded

	current	change for	
	week	1 week	2 weeks
Average daily volume. USD th.	564.4	1.9 times	10.0%
Average daily volume. KZT m.	83.3	1.9 times	10.3%
Stake of nego deals. number (%)	0	0.01 pp	0
Stake of nego deals. volume (%)	0	0.0001 pp	0
KASE members	28	21.7%	7.7%
Number of shares denominations*	16	14.3%	0
Stake of pension funds. gross (%)	2	1.7 pp	1.7 pp
on purchase	2	1.7 pp	1.7 pp
on sale	2	1.8 pp	0.5 pp
Stake of individuals. gross (%)	42.9	10.2 pp	8.0 pp
on purchase	28.8	16.9 pp	4.4 pp
on sale	57.1	3.5 pp	20.4 pp
Stake of nonresidents. gross (%)	14.2	5.9 pp	3.1 pp
on purchase	25.5	1.3 pp	7.1 pp
on sale	2.8	13.1 pp	0.9 pp

*on which the deals on KASE have been conducted

In the described period falling of average daily prices was detected for one item, growth showed 8 tools involved in the transaction, prices of the 7 instruments have not changed. Negative change in the weighted average share price was at the level of 9.09% (BTAS), positive - from 1.81% (MMGZp) to 13.27% (RDGZp).

Following last week the KASE index managed to interrupt the downward trend and grow by 5% to a value of 134.63 basis points. The main support to the indicator was provided by stocks of commodities. Quotes of the international commodities market persistently climbed up after investors more or less calmed down over the debts of European countries. The European Central Bank continued its active operations in the debt market, thus reducing the fear among the participants.

Papers of the financial sector in the local market grew after the European markets. It was learned that the U.S. Federal Reserve and European Central Bank agreed on several measures of help to banks, which were in deplorable situation because of the debt crisis.

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

Results of share trades on KASE, including STF of RFCA within November 28 – December 2, 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:		Last deal: price	trend,%	for last 365 days:		Volume of deals Th. USD	Num. of deals	Best for The period:	
	min	max			min	max			Demand	Supply,
BSUL	630	630	630	0	630	658.05	16.85	3	630	630
BTAS	0.9	1	1	-9.09	0.5	7.4	2.96	5	1	0.9
CCBN	289.99	289.99	289.99	+3.57	280	670	93.53	1	289.99	289
GB_ENRC	1534.25	1548.49	1548.49	+5.63	1275	2600	3.03	2	1548.49	1471.25
GB_KZMS	2030	2151	2151	+8.66	1780	3800	88.67	12	2151	2000
HSBK	208.5	223	218.1	+4.55	197	445	63.31	5	223	208.5
KASE	5000	5500	5500		3838	5500	716.08	5	5500	5000
KATR	3300	3300	3300		3300	3300	13.63	2	3300	3300
KKGB	230	239.99	230	+4.05	221.05	616	53.14	7	240	230
KZTK	17450	17500	17500	0	16500	20850	108.67	4	17515	17450
KZTKp	12500	12500	12500	0	7490	12500	42.31	1	12500	12500
MMGZp	5565	5565	5565		5100	10450	15.08	1	5599	5500
RDGZ	13600	14950	14800	+8.82	12100	21000	211.31	14	14950	13600
RDGZp	12810	14400	14000	+11.12	12001	20510	1,298.73	65	14400	12740
ZERDp	5.4	5.4	5.4	0	4.6	5.72	25.06	4	5.4	5.4
16							2,822.1	137		

Notes: Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

Corporate bonds market

In this sector of KASE during the analyzed period 50 deals were made.

	current week	Change for	
		1 week	2 weeks
Average daily volume. USD th.	3,511.6	2.6 times	1.6 times
Average daily volume. KZT m.	518.6	2.6 times	1.6 times
Stake of nego deals. number (%)	0	0	0.02
Stake of nego deals. volume (%)	0	0	0.000001 pp
KASE members	20	66.7%	28.6%
Number of bonds denominations*	20	8.0 pp	31.0%
Stake of pension funds. gross (%)	6	5.8 pp	5.8 pp
on purchase	6	5.9 pp	5.9 pp
on sale	6	52.0 pp	10.4 pp
Stake of individuals. gross (%)	54.6	48.3 pp	36.5 pp
on purchase	47.9	46.6 pp	39.4 pp
on sale	61.2	49.9 pp	33.7 pp
Stake of nonresidents. gross (%)	0	0	0
on purchase	0	0	19.3 pp
on sale	0.3	28.5 pp	0.3 pp

* on which deals were made at KASE

Following the period growth of average net price on the open market bonds characterized 13 items, fall – 4, 2 instruments were traded for the first time. Yield to maturity of deals rose in the week for 6 bonds, declined - for 6, remained unchanged – for 6. Positive change in bond yield to maturity was in the range from 0.50% (TEBNb7) to 3,845.3% (KONDb1), negative – from 0.10% (EXBNb2) to 2.00% (CSBNb5)

More detailed data on corporate bonds on KASE is shown in the table below:

Results of bond trades on KASE including STF of RFCA within November 28 – December 2, 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:						Amount of deals, th. USD	Number of deals	best for the	
	on the last deal:			for last, 365 days,:					demand	supply,
	min.	max.	yield	min.	min,	max,				
AESOb1	12.50	12.50	12.50		12.50	13.00	71.76	1	12.00	12.64
ATFBb6	8.50	8.80	8.80	+3.30	5.50	9.00	1,679.79	5	8.50	8.80
BTAIb3	7.00	7.00	7.00		7.00	21.52	20.50	1	7.00	8.00
BTASe11	39.76	39.76	39.76	+5.45	11.24	39.76	43.18	1		
BTTRb1	9.56	9.56	9.56		8.65	10.13	40.02	2	9.56	9.56
CCBNe3	13.78	15.35	13.78	-1.64	6.21	16.35	250.87	4	13.78	15.35
CSBNb10	9.00	9.00	9.00		9.00	9.00	1,579.45	1	9.00	9.00
CSBNb5	6.00	6.00	6.00		6.00	15.00	21.11	2	6.00	8.34
CSBNb6	11.70	11.70	11.70		10.00	14.95	300.24	3	11.50	11.70
DTJLb1	14.35	15.57	14.35		14.35	15.57	2,081.21	3	15.57	15.77
EXBNb2	12.90	12.90	12.90		10.00	18.50	20.81	1	9.00	13.26
KKGBb5	11.70	11.70	11.70		9.50	11.70	505.13	1	11.70	11.70
KKGBe4	8.90	9.00	8.90		7.14	10.80	296.52	2	8.90	10.90
KONDb1	7 146.80	7 146.80	7 146.80		174.65	7 146.80	6.79	1	180 320 860 696	33 666 739 795 495
KZIKb21	8.00	8.00	8.00		8.00	8.00	7,268.47	2	8.00	8.00
ORDKb2	12.00	12.00	12.00	0	12.00	16.02	2.12	1	9.00	12.00
SKKZb22	5.70	5.70	5.70		5.25	6.00	2,479.39	4	5.70	5.70
TEBNb7	15.00	15.00	15.00		12.00	15.00	860.28	11	15.00	15.00
TEBNb8	12.00	12.00	12.00		12.00	12.00	28.47	1	12.00	12.01
TSBNb5	10.00	10.00	10.00	0	8.00	14.00	2.08	3	10.00	10.00
20							17,558.2	50		

Notes: Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

November 29 in the trade system of KASE auction for placement of long-term treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEUJKAM-132 of second release (KZKAKY110047, MUJ132_0002; 1,000 tenge, 29/11/11, 29/11/22, semi-annual coupon, 30/360) was held, for which the Ministry of Finance planned to borrow 14.0 billion tenge. Subject of bargaining was a fixed coupon. The auction was attended by 15 primary dealers, which were members of KASE of category "C". Through these subjects, investors filed 3,624 applications, of which the time expired applications remained active 24 orders. The total amount of active orders (demand volume) was 125,380.0 million tenge and exceeded the suggested volume of 9.0 times. As a result of trade, the issuer granted the application for the purchase of 13,999,987 of bonds to the amount of KZT 13,999,987,000.00 (100.0% of planned volume of placement).

Secondary market sector)

During this period the total volume of 14 deals concluded on KASE amounted to 887.4 million tenge (\$ 6.0 million). In the previous period (November 21-25, 2011) the figure was 80.0 million, tenge (\$ 0.543 million), with 5 transactions. Share of exchange turnover in the overall volume of Kazakhstan secondary market for government securities of comparable sales and purchases in the analyzed period was 100.0% (in the previous period - 100.0%).

Parameters of Exchange's transactions in GS within November 21-25, 2011

Days till maturity	Yield to maturity for a buyer. % APR.				Volume.		last deal
	min	max	last deal	min	max		
Discount (KZT) National Bank notes	11.3% (100%) of purchase and sale sector net turnover						
15 - 28	0.50	0.50	0.50	0.50 (0.50)	99.97		9.00
Total					100.0 (80.0)		9 (5)
Coupon (KZT): MEUKAM, MEOKAM	88.7% (0%) of purchase and sale sector net turnover						
Less than 730	1.33	1.33	1.33	1.33	433.14		1
1461 - 1825	3.70	3.70	3.70	3.70	77.85		3
More than 2191	5.25	5.25	5.25	5.25	276.42		1
Total					787.4 (0)		5 (0)
TOTAL					887.4 (80.0)		14 (5)

WORLD MARKETS

Main news of the world markets

November 28 it became known that the international rating agency Fitch has downgraded the long-term issuer default rating of Portugal in foreign and local currency to 'BB +' from 'BBB-',

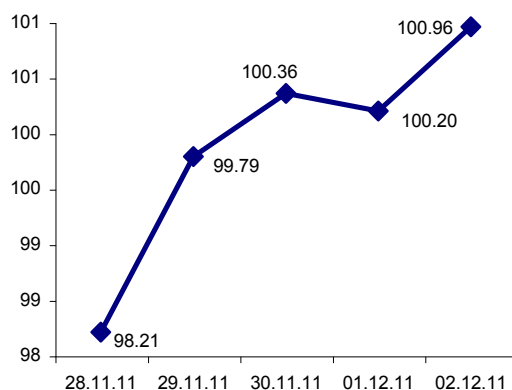
Short-term IDR - to "B" to "F3", outlook - "negative" . As stated by Fitch, this rating action was due to the following factors: significant fiscal imbalances, high levels of debt in all sectors of the economy and unfavorable macroeconomic outlook. We also learned that Fitch downgraded the ratings of the largest banks in Portugal.

November 28 Chicago research firm ShopperTrak reported that sales on "Black Friday" in the U.S. after Thanksgiving rose this year compared to the same day in 2010 by 6.6%, reaching \$ 11.4 billion, which is the largest amount spent by consumers in the country for one day. Total, according to the National Association of Retail Trade, U.S. consumers spent about \$ 52.4 billion over the past weekend at the pre-Christmas shopping.

November 29 Conference Board reported that the increase in consumer confidence in the U.S. in November 2011 was recorded up to 56 points from the revised figure for October of 40.9 points. Analysts had expected less significant increase in up to 44 points.

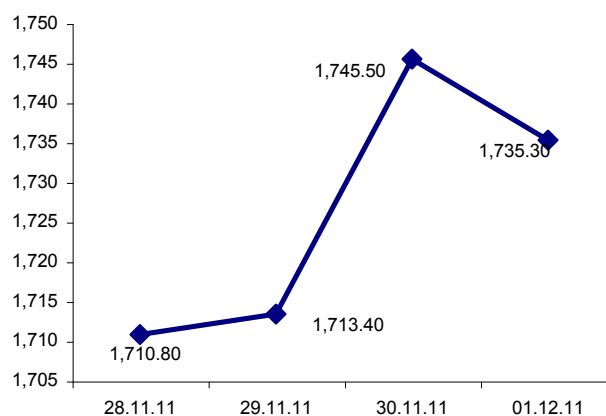
During the meeting, November 29 of finance ministers of the euro area, it was announced that the U.S. Fed, ECB, Bank of Japan, Bank of England, Bank of Switzerland and the Bank of Canada have agreed on coordinated action to provide liquidity of the global financial system. In particular, regulators have decided to lower the cost of providing dollar liquidity in the currency swaps to 50 basis points. This decision takes effect from 05 December 2011, the agreement - until February 1, 2013. As reported by regulators, the purpose of these actions is intended to ease tensions in financial markets and, thus, mitigate the effect of such tensions in the lending of households and businesses and thus help the growth of economic activity.

NYMEX Light Sweet Crude Oil



November 29 euro zone finance ministers agreed to increase the capacity of the European Financial Stability Fund (EFSF), but could not say how much, and decided that they might have to ask the International Monetary Fund for further assistance. As reported, the ministers agreed on a detailed plan that includes insurance the first 20-30% of new bonds issued by countries facing difficulties in financing and the creation of investment funds to attract foreign investors to buy government bonds in the eurozone. Both schemes will come into effect in January, with nearly 250 billion euros of EFSF will be available for use after the second program of funding aid to Greece, said the chairman of the Eurogroup Jean-Claude Juncker at a press conference. However, since China and the largest sovereign wealth funds of other countries are silent about further investment in the euro zone debt, the head of EFSF Klaus Regling said he did not expect that investors will promise to invest large sums of money in the coming days or weeks. He also said that he could not call the final size of the enlarged fund.

COMEX gold price \$ per ounce



November 30 it became known that the international rating agency Fitch Ratings affirmed the highest credit rating of AAA of the U.S., but lowered its rating outlook to "negative". Fitch analysts noted that the decrease in rating outlook was due to reduced confidence in the fact that U.S. lawmakers are able to take timely fiscal measures needed to keep the American economy on a sustainable basis. His "contribution" made and the international rating agency Moody's, which stated it may downgrade subordinated liabilities ratings of 87 banks in 15 EU countries, amid fears that governments do not have enough money to save the holders of the riskier bank debt in the event of a crisis. In particular, the revision of the ratings could affect banks in Spain, Italy, Austria and France.

November 30 it was announced that the People's Bank of China for the first time in 3 years reduced the reserve requirement for commercial banks - by 50 basis points. Action decisions shall take effect from 05 December.

December 1st it became known that the index of business activity in the industrial sector in the U.S. in November 2011 rose to 52.7 points from 50.8 points in October. Analysts had forecast growth rate in November only to 51.5 points.

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Copper (three months supplement)
on London Metal Exchange

