

## WEEK OF STOCK MARKET OF KAZAKHSTAN November 2 - 8

1 US dollar = **142.70** tenge at official rate for the end of the period  
1 US dollar = **143.43** tenge at weighted average rate of the Exchange for the end of the period

### YIELD OF STOCK EXCHANGE INSTRUMENTS

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) during November 2 - 8. In parentheses – figures of previous period. Instruments are given in ascending order, based on their attractiveness.

#### Investment attractiveness of stock exchange instruments from November 2 through 8

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
RENTb	USD	15.04 (14.96)	0 (0)	0 (0)
ALKSb	USD	14.78 (14.85)	0 (0)	0 (0)
KOMBb	USD	13.50 (13.50)	0 (0)	0 (0)
ATFBb	USD	10.95 (10.95)	0 (0)	0 (0)
KZOLb	USD	10.77 (11.06)	60.9 (4.3)	425.9 (30.0)
HSBKb	USD	10.50 (10.50)	0 (0)	0 (0)
KZTOb	USD	10.46 (10.47)	13.9 (0)	97.4 (0)
MEKAVM	USD	*10.20 (7.79)	143.2 (650.7)	1,002.0 (4,562.7)
TMJLb	USD	10.00 (10.00)	0 (0)	0 (0)
Euronotes-4	USD	9.56 (9.01)	1,274.2 (256.4)	8,913.9 (1,797.8)
KKGBb	USD	9.55 (9.83)	0 (0)	0 (0)
Euronotes-3	USD	9.14 (9.15)	1,860.0 (810.6)	13,012.7 (5,683.5)
Euronotes-2	USD	9.04 (9.60)	521.3 (1,421.9)	3,647.2 (9,970.2)
TEBNb	USD	8.46 (8.52)	0 (0)	0 (0)
MEKKAM, notes	KZT	*9.06 (7.66)	1,470.0 (1,865.5)	10,283.8 (13,080.1)
Repo GS	KZT	*3.90 (3.48)	737.7 (2,300.8)	5,161.0 (16,132.3)

**Notes:** yields of KZOLb and KZTOb are calculated as average of deals; for other corporate bonds - as average of bid quotations.

Tenge devaluation rate is estimated at weighted average rate of the main session of KASE in the week by a trend of **29.29% APR**.

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### INDICATORS OF INTERBANK DEPOSIT MARKET

Following is the table of mean values of interbank offering rates (KIBOR), calculated by the quotations put out by the banks in the trade system of KASE. The trend reflects the change of the indicator relative to the last day of previous period. Minimum quotation volume is KZT15 mln. The quotations are indicative meaning that participants do not have to conclude deals on given terms.

#### Indicators of Kazakhstan interbank deposit market as of November 8, 4:00 PM ALT and changes during the week

Term	Currency	Rate	Trend
1 week	KZT	<b>5.25</b>	-0.72
2 weeks	KZT	<b>6.08</b>	-0.63
1 month	KZT	<b>6.83</b>	-0.92
2 months	KZT	<b>8.33</b>	-0.09
3 months	KZT	<b>9.50</b>	+0.29

The decrease in the rates during this period, as it happened in last week, was caused by an excessive liquidity of the second tier banks in tenge. Only during the last two days the rates soared under the influence of a fast growth of the dollar exchange rate. However, this trend did not develop fully, so that it could positively change the results of the week.

### THE SECURITIES SECTOR (SS)

#### Secondary market

During observed period 12 deals amounting to **\$1,994.0 th.** were made in **purchase and sale sector** of the securities on trade floors of the KASE. Relative to previous period (\$7,990.5 th., 22 deals) weekly turnover of the sector decreased 4 times.

In terms of deal volumes **common shares of VALUT-TRANZIT BANK OJSC** (Karagandy, official list of securities, category “B”, VTBN) were the leaders, with their proportion in total turnover of securities reaching 39.5%. Then, common shares of Bank TuranAlem OJSC (Almaty, official list of securities, category “A”, BTAS) - 30.5% of the market. Further, there were coupon bonds of NOC KAZAKHOIL CJSC (Almaty, official list of securities, category “A”, KZOLb) - 21.4% of the market. Volume of deals made in other interments traded during the week were insignificant.

The leading position of VALUT-TRANZIT BANK OJSC common shares during this week is explained by the offering of the seventh issue of shares by the bank (300 th. shares). Therefore, based on the nature of the deals their volumes should be referred to the sector of initial offerings. However, based on the methods adopted at the Exchange, such move is only possible if the issuer offers his securities through special auctions of the KASE.

High liquidity of Bank TuranAlem OJSC common shares, which has almost become a tradition (they were leaders by the volumes in last week and often in previous periods) is mostly, as before, explained by hidden short repo deals conducted in purchase and sale sector.

During the week the price of CCBN rose by 9.0% relative to previous successful trades, KZCR - by 24.9%, VTBN fell by 1.4%. The values of BTAS, SAYH did not change. The yield of KZOLb fell from 11.2999% to 10.7684% APR, that of KZTOb - from 10.5652% to 10.4567% APR.

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

#### Results of the trades in shares from November 2 - 8

USD per share, unless otherwise specified						
Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
Almaty Kus OJSC	ALKS			0	0.15	0.31
Bayan-Sulu OJSC	BSUL	*0.36		0		*1.05
Bank TuranAlem OJSC	BTAS	70.20	70.20	8 650	70.20	70.20
Bank CenterCredit OJSC	CCBN	1.53	1.53	47 500	1.53	1.39
Halyk Bank of Kazakhstan OJSC	HSBK	*0.74		0	0.91	1.82
KAZKOMMERTSBANK OJSC	KKGB	0.70		0	0.25	0.50
TNC Kazchrome OJSC	KZCR	*7.01	7.01	405	7.01	7.01
Kazakhtelecom	KZTK	14.50		0	13.50	16.50
Kazakhtelecom	KZTKp	*8.08		0	8.00	12.00
Rakhat JSC	RAHT			0	*0.42	
AVTOVOKZAL-SAYAKHAT OJSC	SAYH	*7.00	7.00	2	7.00	7.00
SHNOS OJSC	SYRG	1.63		0	1.30	
Temirbank OJSC	TEBN	*1.10		0	0.70	3.62
UKTMK OJSC	UTMK	*50.00		0	5.00	145.00
UKTMK OJSC	UTMKp	28.00		0	5.00	50.00
VALUT-TRANZIT BANK OJSC	VTBN	2.63	2.63	300 000	2.63	2.58
VALUT-TRANZIT BANK OJSC	VTBNp	*3.28		0	1.40	2.52

#### Results of the trades in bonds from November 2 - 8

yield for the buyer in % APR till maturity, unless otherwise specified							
Issuer	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
Almaty Kus OJSC	ALKSb	USD	15.13		0.00	17.13	14.81
AMB CJSC	ATFBb	USD	11.38		0.00	11.37	10.95
Halyk Bank of Kazakhstan OJSC	HSBKb	USD	12.00		0.00	12.62	10.50
KAZKOMMERTSBANK OJSC	KKGBb	USD	12.76		0.00	13.24	9.82
Komirbank OJSC	KOMBb	USD	14.50		0.00	16.50	13.51
NOC Kazakhoil CJSC	KZOLb	USD	10.77	10.91	425.85	10.77	12.25
NOTC KazTransOil CJSC	KZTOb	USD	10.46	10.46	97.38	10.46	10.50
RENATA LLP	RENTb	USD			0.00		*15.05
Temirbank OJSC	TEBNb	USD	11.28		0.00	12.14	8.49
Kazakhstan Temir Joly NSE	TMJLb	USD	10.82		0.00	10.50	10.00

**Notes:** bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode, or the price of direct deals.

**The KASE index** that reflects the changes in the bids on the shares from the official list of the Exchange's securities of the category “A”, including the market capitalization of their issuers, **grew by 0.0144 during the week**, at **106.1858** at November 8 closing. It should be noted here, that the KASE has changed the calculation method of the index again (the most correct method that would reflect the market developments accurately is still being developed) and the figures that were given previously have lost their importance.

**In the securities repo sector** no deals were made during the week. At the end of the period **four** indexed securities repos were opened at the trade floor of the Exchange for a total of **\$2,965.6 th.** Common shares of Bank TuranAlem OJSC and Bank CenterCredit OJSC were used as the object of repo deals.

## Change in the securities lists

From **November 3, 2000**, based on the application of the trade member of the Kazakhstan Stock Exchange (KASE), **common inscribed shares of AVTOVOKZAL-SAYAKHAT OJSC** (Energeticheskii comm., Ili district, Almaty region, KZ1C33400515, trade code - **SAYH**) are admitted into "Non-listing securities" sector with the second admission level.

The announced and paid up authorized capital is KZT8,508,000.00 and divided into 8,508 common shares with KZT1,000.0 face value. Primary activity of AVTOVOKZAL-SAYAKHAT OJSC (English transcript: Sayakhat Bus Terminal) - motor transportation.

## Capitalization

On November 8, 2000 the **capitalization of the companies**, whose shares are traded on the securities exchange market of Kazakhstan, equaled **\$1,248.2 mln** or KZT179.0 bln at tenge to dollar rate of the Exchange, effective on that date. During the week this number increased by **\$8.7 mln** in terms of dollars was caused by a change in the values of the instruments traded during the week, as well as by entering common shares of AVTOVOKZAL-SAYAKHAT OJSC into the trade lists (see above).

**The capitalization of the exchange market of corporate bonds by the best bids**, that are regularly put out by the market-makers of these securities in the trade system of the Exchange, was fixed at **\$130.5 mln** as of November 8, or KZT18,711.95 mln. This indicator grew by \$0.3 mln, which is explained by the growth in the values of the bonds and proves that there are no difficulties in this sector of the market and the issuers have no difficulties. In nominal value (total face value of the bonds that were entered into trade lists of KASE) is estimated at **\$130.9 mln** as of this check date. or **KZT18,770.9 mln**.

## SECTOR OF GOVERNMENT BONDS (GB)

In **GB purchase and sale sector** of KASE total volume of **94 deals** equaled **KZT5,959.3 mln**. In previous week the turnover reached KZT5,017.1 mln with 144 deals made. Based on the figures presented in the table, it can be said that this sector of the market has already reacted to the change in the situation on the currency trade floor of the KASE. Fast growth of the dollar made the investors to restructure their portfolios in favor of bonds indexed by the devaluation. The volume of deals in euronotes of Kazakhstan increase in two last day, and the yield decreased, and it has reflected in the turnover structure. As far as domestic currency bonds concerned, MEKAVM, their proportion in total volume of the transactions decreased from 13.0% to 2.4%. Due to a regular repayment of MEKAVM, the number of securities of this type in circulation is getting smaller.

Parameters of stock exchange transactions in SS from November 2 - 8

(in parentheses are comparable figures of the previous period)							
Days till maturity	Yield to maturity for a buyer, % APR.					Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average			
<b>Discounted GS: MEKKAM-3, 6, 12, notes</b>					<b>24.7% (37.2%) of purchase and sale sector's turnover</b>		
8 - 14	5.47	6.84	6.84	6.02 ( -)	73.29	3	
15 - 28	6.01	7.21	7.21	6.31 (4.98)	129.62	5	
37 - 42	7.01	7.01	7.01	7.01 (7.19)	43.66	1	
43 - 56	7.00	12.97	7.51	8.71 (7.86)	311.57	6	
64 - 91	7.40	7.59	7.59	7.54 (7.72)	79.03	3	
92 - 181	8.00	8.00	8.00	8.00 (8.02)	54.72	3	
182 - 364	8.00	11.99	9.98	10.04 (9.96)	778.06	16	
Total					1,470.0 (1,865.5)	37 (60)	
<b>Discounted indexed GS: MEKAVM-9, 12</b>					<b>2.4% (13.0%) of purchase and sale sector's turnover</b>		
8 - 14	5.70	6.00	5.70	5.85 (7.60)	4.42	2	
92 - 181	8.00	10.01	10.01	10.00 (7.62)	138.80	2	
Total					143.2 (650.7)	4 (17)	
<b>Coupon GS: MEOKAM-24</b>					<b>11.6% (0.2%) of purchase and sale sector's turnover</b>		
638 - 717	13.51	16.51	16.35	16.11 ( -)	690.6	8	
Total					690.6 (12.1)	8 (3)	
<b>Euronotes of Kazakhstan, USD</b>					<b>61.3% (49.6%) of purchase and sale sector's turnover</b>		
*684 - 689	8.85	9.15	8.85	9.04 (9.01)	521.3	10	
**1,420 - 1,426	8.96	9.24	8.96	9.14 (9.15)	1,860.0	12	
***2,343 - 2,349	9.51	9.63	9.52	9.56 (9.60)	1,274.2	23	
Total					3,655.5 (2,488.9)	45 (34)	
<b>SUBTOTAL</b>					<b>5,959.3 (5,017.2)</b>	<b>94 (114)</b>	

**Notes:** for euronotes (\* - second issue, \*\* - third issue, \*\*\* - fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic GS are calculated considering official rate of USD/KZT.

In **GS repo sector 36 deals for a total of KZT1,948.5 mln** were made during the period. Of this number 18 deals (for KZT737.7 mln) were repo opening deals and 18 (KZT1,210.8 mln) were repo closing deals. Last week total turnover of this sector of the market was at KZT6,026.2 mln.

After closing of the trades on November 8 total amount of opened repo equaled KZT970.3 mln. Current weighted average rates as of November 8 (% APR) equaled: for 1 day – 1.70; for 2 days – 2.00; for 3 days – 4.00; for 13 days – 7.50; for 14 days – 6.49; for 15 days – 5.20; for 16 days – 5.50; for 23 days – 7.25; for 28 days – 9.50; for 30 days – 5.50; for 31 days – 6.00.

**Total of 130 deals** amounting to **KZT7,907.8 mln** were made in GB on trade floors of KASE during last period (purchase and sale and repo sector). Last week volume of 190 deals was KZT11,043.4 mln.

In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for GB for comparable operations (including euronotes and repo operations) equaled **63.5%**, for last week it was 74.5%.

## KASE MEMBERS

**From November 3 through 7, 2000**, the member of the Exchange Kazkommerts Securities OJSC (Almaty) was barred from the securities trades at the KASE by the decision of the Board of the Kazakhstan Stock Exchange due to the fact that the NSC suspended the license issued to this company to conduct brokerage and dealing activities on the stock market with the right to handle client accounts as a nominal holder. The license was suspended from November 2 for the violation of a number of NSC regulations and the stock market legislature. After the violations have been removed, on November 8 the license was renewed. Kazkommerts Securities OJSC is one of the leading broker-dealer companies on the organized securities market of Kazakhstan and holds market-maker's status over securities of following issuers: Almaty Kus OJSC (bonds and shares), KAZKOMMERTSBANK OJSC (shares), UKTMK OJSC (shares), SHNOS OJSC (shares), Kazakhtelecom (shares), KAZAKHOIL NOC CJSC (bonds). Due to this incident the market-maker was not able to function during this period at the trade floor of the KASE, and these securities were not quoted.

**From November 20, 2000**, based on the decision of the Board of Kazakhstan Stock Exchange, KBS Securities LLP (Almaty) is released from fulfilling its obligations as the market-maker of common inscribed (KZ1C33291013, trade code - **VTBN**) and preferred inscribed (KZ1P33291018, trade code **VTBNp**) shares of **VALUT-TRANZIT BANK OJSC (Karagandy)**. The release was due to voluntarily rejection of the market-maker status because of the return of the bank's shares from category "A" into category "B" on October 27.

## INFORMATION ON THE COMPANIES

**Almaty Kus OJSC** (Almaty; production and sales of poultry farming products, leasing), in accordance with the listing requirements, provided the Kazakhstan Stock Exchange (KASE) with its financial statements for 9 months of 2000: balance sheet, and income statement. Based on the data of the issuer, following are his results in 9 months of 2000 (please, the table).

### Comparable figures of Almaty Kus OJSC financial and economic activities in 9 months of 2000

(in th. KZT, unless otherwise specified)

Indicator	As of Oct.1,99	As of Oct.1,00	Change, %
Authorized capital (issued)	700,000	1,100,000	+57.1
Authorized capital (paid less withdrawn)	661,237	661,237	0
Shareholders' equity	691,120	699,132	+1.2
Total assets	702,328	1,424,961	+102.9
Net working capital	23,600	55,834	+136.6
Accounts receivable	34,808	713,343	+1,949.4
Accounts payable	11,208	90,166	+704.5
Sales	71,248	94,804	+33.1
Cost of goods sold	35,536	27,465	-22.7
Net income of the period	24,202	1,432	-94.1
Book value of one share, KZT	10.45	10.57	+1.2

Compared to similar period of 1999 growth took place in: **shareholders' equity** of the company - by KZT8.0 mln, or 1.2% as a result of an increase in final amount of undistributed income; **assets** - by KZT722.6 mln, or 102.9%, of which KZT678.5 mln - increase in accounts receivable (advances, given to the suppliers and contractors under the production expansion and reconstruction program - KZT552.1 mln, other accounts receivable - KZT84.1 mln, accounts to be received - KZT42.3 mln); **liabilities** - by KZT714.6 mln, or 64.8 times, of which KZT677.1 mln - on issued bonds (issue volume - KZT635.7 mln, accrued first coupon payments as of reporting date - KZT41.4 mln).

**Sales** grew by KZT23.6 mln, or 33.1% compared to similar period of last year, **cost of goods sold** fell by KZT8.1 mln, or 22.7%, **expenses of the period** increased by KZT50.7 mln, or 5.4 times (KZT44.8 mln came from servicing of the bonds). As a result, **net income** of Almaty Kus OJSC in 9 months of 2000 equaled KZT1.4 mln, which is by KZT22.8 mln, or 16.9 times less than in similar period of last year. Decrease in net income was due to the allocations made to the reserves created in order to pay off the first coupon on the bonds on October 14, 2000.

**Dynamics of some Almaty Kus OJSC indicators during the year 2000 on a quarterly basis and non-accruing sum**

(in th. KZT)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Sales	18,656	41,727	+123.7	34,421	-17.5
Net income	4,100	-2,984	-172.8	316	+110.6

**Corporation Kazakhmys OJSC** (Jezkazgan, extraction and processing of mineral resources, production of cathode copper, generation, transmission and distribution of electrical and thermal energy; scientific and research, design and development works; industrial and civil construction; freight and passenger traffic), in accordance with the listing requirements, provided the Kazakhstan Stock Exchange (KASE) with its financial statements for 9 months of 2000: balance sheet, income and cash flow statements. Based on the data of the issuer, following are his results during reporting period (please the table).

**Comparable figures of Corporation Kazakhmys OJSC financial and economic activities in 9 months of 2000**

(in th. KZT, unless otherwise specified)

Indicator	As of Oct.1,99	As of Oct.1,00	Change, %
Authorized capital (paid)	98,231	98,231	0
Shareholders' equity	30,667,438	60,743,060	+98.1
Total assets	81,227,431	104,851,421	+29.1
Net working capital	-18,170,145	7,279,858	+140.1
Accounts receivable	16,557,211	27,280,342	+64.8
Accounts payable	24,891,217	33,909,964	+36.2
Sales	50,282,788	83,840,300	+66.7
Cost of goods sold	27,158,200	35,430,000	+30.5
Net income of the period	983,381	27,512,900	+2,697.8
Book value of one share, KZT	6,243.96	12,367.43	+98.1

Compared to similar period of 1999: **shareholders' equity** of the company grew by KZT30.1 bln, or 98.1% (final amount of undistributed income - by KZT29.4 bln, reserve capital - by KZT683.2 mln, fund for re-evaluation of fixed assets - by KZT10.2 mln); **assets** grew by KZT23.6 bln, or 29.1% (including, KZT6.0 bln - growth of fixed assets, KZT10.47 bln - accounts receivable, KZT6.8 bln - cash); **liabilities** decreased by KZT6.5 bln, or 12.8% as a result of a decrease in the amount of short-term loans attracted.

**Sales** increased by KZT33.6 bln, or 66.7%, cost of goods sold - by KZT8.3 bln, or 30.5%. **Expenses** of the period decreased by KZT2.1 bln, or 17.9% (including interest payments on the loans by KZT1.6 bln), losses incurred from secondary activities - by KZT5.8 bln, or 64.2%.

As a result, **net income** of the company received in 9 months of the year 2000 increased by KZT26.5 mln, or 28 times relative to similar period of last year, at KZT27.5 bln.

**Dynamics of some Corporation Kazakhmys OJSC indicators during the year 2000 on a quarterly and non-accruing basis**

(in th. KZT)

Indicator	I-2000	II-2000	Change, %	III-2000	Change, %
Sales	29,367.0	28,806.4	-1.9	25,666.9	-10.9
Net income	11,082.3	8,952.4	-19.2	7,478.1	-16.5

Also, Corporation Kazakhmys OJSC informed the Kazakhstan Stock Exchange (KASE) of calling extraordinary shareholders general meeting on December 18 with following agenda: on making changes and amendments to the company's Charter; on making changes and amendments to the Regulations on the company's management; election of the Board of directors members for vacant positions; miscellaneous.

Extraordinary meeting of Corporation Kazakhmys OJSC shareholders will be held at: 106, Pobeda St., Satpaev, Karagandy region. In case of the absence of the quorum the meeting will be held again on December 29 of current year.

**VALUT-TRANZIT BANK OJSC** (Karagandy) informed the KASE about change of its registrar. VALUT-TRANZIT BANK OJSC signed a contract on maintaining its register with previous registrar - **Securities Registration Agency LLP** (Karagandy) due to the fact that the license #09050019, issued on April 25, 1997 on conducting registrar activity issued by National Securities Commission, was renewed.

**Prepared by the agency «IRBIS»**