

WEEK OF STOCK MARKET OF KAZAKHSTAN

May 19 – 25

Money market indicators as of May 25 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	1.06	-0.32
Repo opening at KASE (WA, % APR)			
1 day	KZT	1.11	-0.28
7 days	KZT	2.44	–
31 days	KZT	8.30	–
33 days	KZT	11.04	+3.96
92 days	KZT	8.00	-1.00
KIBOR (indicative, % APR)			
1 week	KZT	2.68	+0.09
2 weeks	KZT	3.13	+0.07
1 month	KZT	4.25	0
2 months	KZT	4.85	-0.07
3 months	KZT	5.75	0

Investment attractiveness of stock exchange financial instruments since May 19 till May 25

Financial instrument	Yield, % APR value	trend	Coupon, % APR	Term, years
Non-indexed instruments denominated in tenge				
UKPFb1	12.30	0	14.00	2.3
ARNAb1	9.43	+2.93	13.00	0.3
CS repo*	9.12	+3.13	–	0.003-0.25
ASBNb4	9.00	–	7.00	2.9
VTTHb1	8.87	0	10.00	7.5
VTSKb2	8.79	-0.01	10.00	6.5
TXBNb2	8.71	+0.08	11.00	5.1
CSBNb6	8.30	-0.70	8.50	10.0
NRBNb4	8.14	+0.03	8.00	3.6
ATFBb4	8.12	-0.14	8.50	9.5
TXBNb1	8.00	0	15.00	1.3
UKTCb1	8.00	0	9.00	1.4
VTZLb1	7.52	0	10.00	8.5
PRKRb1	7.30	-0.02	8.00	4.0
HSBKb3	7.05	+0.01	9.00	4.1
HSBKb7	7.00	0	7.50	9.6
HSBKb5	6.73	+0.46	5.00	2.0
ATFBb3	6.50	-1.85	8.50	3.5
CCBNb5	6.49	-0.01	8.50	2.4
BTAIb1	6.00	0	10.00	5.6
EUBNb1	6.00	0	6.50	3.5
EUBNb2	5.50	0	6.00	6.6
KKGBb3	5.50	0	7.00	1.7
MEOKAM	5.29	+0.34	3.8-8.3	0.26-4.73
MEKKAM, notes*	1.58	-0.50	–	0.01-0.31
GS repo*	1.15	+0.07	–	0.003-0.09
Instruments indexed on inflation				
GLOTb1	10.00	+0.50	10.00	2.9
ASFIb5	9.46	-0.04	9.00	4.7
KZASb2	9.10	0	8.80	4.1
KKAGb1	9.00	0	9.20	4.7
BTAIb4	9.00	0	9.50	5.0
TXBNb3	8.87	-0.03	8.50	6.4
CSBNb4	8.84	-0.01	8.40	6.0
KZALb1	8.70	+0.03	9.70	4.0
VTBNb2	8.66	+0.01	8.80	4.6
TSBNb1	8.50	-0.19	9.00	2.0
CSBNb5	8.33	-0.41	8.50	6.7
ASFIb4	7.75	-1.75	9.00	6.0
NRBNb3	7.55	-0.45	8.00	2.1
BTASb4	7.50	0	8.00	9.1
BTAIb5	7.50	-0.65	8.30	10.0
ASBNb3	7.48	-1.48	8.50	6.4
KZIKb3	7.00	+1.44	8.70	8.9
CCBNb6	6.99	-0.01	9.00	9.6
CCBNb4	6.94	0	9.00	6.3
CCBNb3	6.80	0	12.80	5.0
KKGBb4	6.70	0	7.50	9.8
HSBKb8	6.62	-1.08	7.50	9.9

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Stock market indicators as of May 25 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	287.29	-0.04%
Corporate bonds of “A” listing		
KASE_BP	175.56	+0.08%
KASE_BC	126.51	-0.04%
KASE_BY	7.47	+0.22%

US dollar = **131.69** tenge at official rate for the end of the period.
 US dollar = **131.85** tenge at weighted average rate of the Exchange for the end of the period.
 Rate of tenge devaluation against dollar for the period at the exchange's rate – **61.5% APR**.

Second part of the table

**Investment attractiveness of stock exchange
financial instruments since May 19 till May 25**

Financial instrument	Yield, % APR		Coupon, % APR	Term, years
	value	trend		
BTASb3	6.50	0	9.40	8.5
HSBKb4	6.50	0	8.90	5.1
BTAIb2	6.30	0	9.00	9.4
BTAIb3	6.10	-2.40	8.50	6.6
KARMB2	5.30	0	9.70	3.6
KZIKb7	5.25	-1.50	6.90	6.4
KZIKb2	4.50	-2.00	9.50	8.4
KZIKb4	4.50	0	8.20	8.9
KZIKb6	4.25	-2.38	8.09	5.9
KZIKb5	4.20	-2.50	8.09	3.9
KZIKb1	3.98	-0.95	12.25	0.5
Instruments indexed on devaluation of tenge to US dollar				
ALKSb2	18.99	+4.85	10.00	1.2
TEBNb2	17.55	-0.08	11.00	3.3
BTASb1	11.00	+1.45	12.00	3.7
ORDBb1	11.00	0	11.00	0.2
KKGBb2	10.04	-0.09	8.00	4.5
VTBNb1	9.50	0	9.50	1.3
BTASb2	9.50	0	9.00	4.9
ASBNb1	9.50	0	9.00	4.6
TEBNb	9.00	0	9.50	0.2
HSBKb	8.75	-1.15	11.80	2.1
ARU060.003	8.70	0	8.60	1.3
HSBKb2	8.59	-0.61	8.00	2.0
NRBNb2	8.50	0	9.00	6.1
ATFBb2	8.20	-0.60	9.00	1.6
CCBNb1	7.81	-0.45	12.00	0.6
ART060.004	7.50	0	8.50	3.0
AST048.006	7.00	0	8.50	2.1
AST048.005	6.80	0	8.50	1.4
AST036.004	6.50	0	8.31	0.4
KZAPb1	6.50	0	8.50	1.9
BRKZb1	6.10	0	8.50	1.7
VKU036.002	5.50	0	8.50	0.2
Instruments indexed on devaluation of tenge to USD with protection from strengthening of tenge against dollar				
ROSAb1	9.50	0	11.00	1.9
KZNHb2	9.00	0	10.00	4.7
CSBNb3	8.90	0	8.75	5.5
CHFMb1	8.50	0	10.00	1.7
RGBRb3	8.50	+0.50	10.00	2.7
ASBNb2	8.50	-0.94	8.50	1.4
TEBNb3	8.40	0	9.00	7.4
CSBNb2	8.10	0	9.50	5.0
KZPSb1	8.04	+0.08	8.00	3.0
ASFIb3	8.00	0	7.00	3.5
MREKb1	8.00	0	13.00	1.9
KZTCb1	7.50	-0.56	8.00	5.2
CCBNb2	6.97	-0.01	10.00	3.9
Non-indexed instruments denominated in foreign currency				
KKGBe5	7.48	0	7.875	8.9
KKGBe4	7.48	0	8.500	7.9
BTASe3	7.34	+0.12	7.875	5.0
PKKRe1	7.33	-0.01	9.625	4.7
KKGBe6	6.47	-0.01	7.000	4.5
RU_01_2806	6.47	-0.05	12.75	23.1
RU_02_3003	6.37	+0.01	5.000	24.9
KKGBe2	6.00	0	11.000	2.6
HSBKe1	5.50	0	8.125	4.4
BRKZe2	5.48	+0.13	7.375	8.5
KZTOe1	5.41	+2.06	8.500	1.1
BTASe2	5.15	-0.04	10.000	2.0
KKGBe3	4.72	-0.05	10.125	2.0
Ifo bonds	3.90	-0.14	4.38-5.50	7.4-8.6
BRKZe1	3.77	+0.15	7.125	2.4

The yields of bonds in which deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to the last day of previous period. Securities marked by asterisk are the instruments with less than one year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield calculated on the current coupon rate is given. Term of instrument is shown with regard to the last date of the analyzed period (for bonds – till maturity, for repo instruments – till repo closing date).

THE CORPORATE SECURITIES MARKET (CS)

In CS purchase and sale sector a total of 125 deals amounting to **\$54,988.1 th.** or KZT7,222.4 m. were made during the analyzed period at KASE. In comparison with the previous period (136 deals, \$62,906.0 th. or KZT8,239.6 m.) turnover of the sector has fallen by 12.6%.

During the analyzed period deals were made by KASE's 24 members on 37 instruments. At that, 35.5% of gross-turnover (44.9% on purchasing transactions, and 26.1% - on sale transactions) went through the accounts of pension market's subjects. During the previous period KASE's 25 members of "P" and "H" categories were interested in 46 securities. Stake of pension assets was 44.4% of gross-turnover, including 67.8% on purchasing transactions, and 21.0% - on sale transactions.

Corporate bond market is still growing due to the very high activity of pension funds. In comparison with previous period volume of deals has grown by 13.2% or by \$5,168.3 th. to \$44,389.5 th. Number of deals has fallen from 103 to 82, and number of instruments involved into them – from 34 to 24. Stake of direct deals was 11.0% in quantitative and 8.0% in volumetric expression (7.8% and 6.9% last week).

Five leaders by the volume of transactions were: ASBNb4 (Alliance Bank JSC, 19.6% of bond turnover), BTASb4 (Bank TuranAlem JSC, 19.0%), HSBKb5 (Halyk savings bank of Kazakhstan JSC, 17.0%), ASFib5 (Astana-Finance JSC, 12.0%) and TXBNb3 (TEXAKABANK JSC, 10.9%). In comparison with the previous period only BTASb4 have remained in this list, and the "top" evidences that brokers are interested in new bonds of latest issues most of all. It's strange but the considerable volatility of the rate of tenge against dollar has not brought dollar securities or bonds indexed on tenge devaluation to leading positions by the volume of transactions.

Weighted average dirty prices of 12 bonds out of 24 ones involved into deals grew, prices of 10 bonds – fell (there was nothing to compare prices of two instruments with). KKGBb2 have grown most highly (by 1.0%), HSBKb3 have fallen most deeply (by 4.0%). Judging on results of the period 9 instruments' yields to maturity for a buyer have fallen, yields of 13 instruments have grown that was adequately reflected in the dynamics of KASE_BY index (table in the beginning).

Judging on data shown in the table of investment attractiveness, instruments indexed on inflation rate are most over-bought ones, especially – bonds of Kazakhstan Mortgage Company JSC, which have status of agent ones. The high demand here means that investors consider risks of consumer price growth as the priority risks in Kazakhstan.

The peculiar feature is ALKSb2 (Almaty Kus OJSC), price of which fell down due to negative news about the issuer. This time results of poultry farmers' activity in year 2004 influenced upon the market. According to unconfirmed by auditors financial statement of Almaty Kus OJSC for year 2004 company's equity capital is negative. If this fact is confirmed by an independent auditor securities of Almaty Kus OJSC are to be delisted by KASE. On this reason ALKSb2 offering was considerably prevailing over demand. However specialists of IRBIS expected a deeper falling in comparison with the one, which occurred during this week.

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

Results of bond trade within May 19 – 25

Bond code at KASE	Yield to maturity for a buyer, % APR:				Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.	on the last deal: yield	for last 365 days: trend			bid	offer
ALKSb2	18.00	21.00	21.00	+5.00	56.7	4	18.00	21.00
ARNAb1	9.00	9.50	9.50	-0.50	318.0	3	9.00	9.50
ASBNb1			9.70				12.50	9.50
ASBNb2			9.44				9.50	8.50
ASBNb3			8.96				9.00	8.99
ASBNb4	9.00	9.00	9.00		8,705.9	1	8.50	9.00
ASFib3			8.48				8.60	8.00
ASFib4			9.50				9.50	9.00
ASFib5	9.40	9.50	9.50	0	5,341.9	6	9.40	9.50
ATFBb2			14.50				11.00	8.50
ATFBb3			8.35				8.35	6.50
ATFBb4	8.12	8.12	8.12	0	4,157.6	2	8.12	8.16
BRKZb1			8.50				9.10	6.10
BRKZe1			5.76				3.79	3.97
BRKZe2			6.60				6.09	5.61
BTAIb1			9.50				8.50	6.00
BTAIb2			8.40				8.50	6.30
BTAIb3			8.50				8.30	6.10
BTAIb4							9.50	9.00
BTAIb5			8.15				8.30	7.50
BTASb1	11.00	11.00	11.00		0.6	1	11.00	11.00
BTASb2			10.00				11.00	9.50
BTASb3			7.41				6.55	6.50

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Second part of the table

Results of bond trade within May 19 – 25

Bond code at KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.	on the last deal:		for last 365 days:				bid	offer
			yield	trend	min.	max.				
BTASb4	7.50	7.50	7.50	0	7.28	7.80	8,422.0	14	7.28	7.50
BTASe2			6.78						5.63	5.17
BTASe3									7.56	7.35
CCBNb1			8.26		8.26	21.00			8.43	8.00
CCBNb2			9.20		8.84	9.20			7.98	6.98
CCBNb3			7.86		7.86	9.35			8.00	6.80
CCBNb4			7.98		7.80	8.26			7.94	6.94
CCBNb5			7.85		7.75	7.85			7.69	6.49
CCBNb6			8.00		8.00	8.20			8.00	7.00
CHFMb1			10.00		9.70	10.29			10.00	8.50
CSBNb2			8.12		8.12	9.75			8.90	8.10
CSBNb3	8.90	8.90	8.90	0	8.45	9.30	14.2	1	8.90	8.90
CSBNb4	8.79	9.01	9.01	+0.24	8.00	9.01	13.3	5	8.79	9.01
CSBNb5			8.80		8.20	8.80			8.50	8.50
CSBNb6			9.00		9.00	9.00			8.30	9.00
EUBNb1			8.00		8.00	8.00			6.01	6.00
EUBNb2			6.00		6.00	6.00			7.50	5.50
GLOtB1	10.00	10.00	10.00		10.00	10.00	1,541.2	1	10.00	10.00
HSBkb			9.80		8.00	13.50			10.00	9.50
HSBkb2			9.20		8.26	17.06			9.50	9.20
HSBkb3	7.05	7.06	7.06	+0.01	6.50	9.00	6.5	4	7.05	7.06
HSBkb4			7.62		7.23	8.35			6.60	6.50
HSBkb5	6.73	6.73	6.73		6.70	7.50	7,541.7	1	6.73	6.75
HSBkb7			7.30		7.30	8.00			8.25	7.00
HSBkb8			7.70		7.70	7.70			6.70	6.70
HSBke1			7.00		6.91	7.00			7.50	5.50
KARMb2			7.40		5.31	8.51			6.90	5.30
KKAGb1			9.68		9.50	9.68			10.00	9.00
KKGBb2	10.04	10.04	10.04	+0.29	8.50	13.00	304.5	1	9.03	10.04
KKGBb3			6.50		6.50	6.55			6.50	5.50
KKGBb4									7.60	6.70
KKGBe2			7.50		8.00	15.00			9.00	6.00
KKGBe3			6.17		6.17	6.57			6.26	4.74
KKGBe4			7.96		7.96	7.96			8.50	7.48
KKGBe5									8.28	7.48
KKGBe6									7.54	6.47
KZALb1	8.70	8.71	8.71	+0.01	8.30	10.00	23.3	6	8.70	8.71
KZAPb1			6.90		6.90	8.33			9.50	6.50
KZASb2	9.10	9.10	9.10	0	8.96	9.50	52.4	2	9.14	9.14
KZIKb1			4.93		2.28	7.70			6.00	4.12
KZIKb2			6.50		6.50	9.06			6.50	4.50
KZIKb3	7.00	7.00	7.00		4.50	7.50	740.5	2	7.00	7.00
KZIKb4			6.10		5.00	7.47			7.00	4.50
KZIKb5			6.70		6.60	7.90			6.70	4.20
KZIKb6			6.75		4.51	7.90			6.75	4.25
KZIKb7			6.75		6.35	8.00			6.60	5.50
KZNHb2			10.13		9.75	10.13			9.80	9.00
KZPSb1	7.70	8.30	8.30	+0.50	7.00	8.70	6.7	5	7.70	8.30
KZTCb1			8.00		7.95	9.40			8.20	7.50
KZTOe1	4.80	5.48	5.48		3.87	5.73	523.6	2	4.80	5.48
MREKb1			9.00		8.94	9.50			9.00	8.00
NRBNb2			9.50		7.30	14.00			9.50	8.50
NRBNb3			8.00		8.00	8.70			8.05	7.65
NRBNb4	8.14	8.14	8.14	-0.01	8.10	8.15	1,966.2	2	8.14	8.14
ORDBb1			12.00		11.00	21.00			14.00	11.00
PKKRe1			7.35		7.35	7.35			7.82	7.33
PRKRb1	7.30	7.30	7.30	0	7.30	9.50	7.6	5	7.30	7.30
RGBRb3	8.50	8.50	8.50		8.46	10.25	14.6	1	8.50	8.50
ROSAb1			10.07		9.50	10.50			9.70	9.50
TEBNb			8.66		8.66	11.00			10.50	9.00
TEBNb2	17.55	17.55	17.55	0	10.00	18.50	9.5	5	17.55	17.55
TEBNb3			8.50		8.43	8.99			8.42	8.40
TSBNb1			8.79		8.79	10.11			10.50	8.50
TXBNb1			8.15		8.15	12.50			10.00	8.00
TXBNb2	8.70	8.77	8.77	+0.07	8.51	11.30	14.0	5	8.70	8.80
TXBNb3	8.80	8.91	8.80	-0.10	8.50	9.00	4,607.0	3	8.80	8.91
UKPFb1			13.00		10.50	13.00			13.00	12.30
UKTCb1			10.00		9.35	10.21			10.00	8.00
VTBNb1			10.06		9.56	12.85			12.50	9.50
VTBNb2			9.00		8.70	9.00			9.00	8.91
VTskb2			9.00						9.43	8.80
VTTHb1			9.48		9.48	9.48			9.44	8.87
VTZLb1			7.68		7.68	9.32			7.78	7.52

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44,389.5 82

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 (April 18 – May 18). If deals were not made in the previous month the trend is not calculated.

Share market has reduced its turnover 2.2 times or by \$13,086.1 th. Number of shares involved into deals has grown from 12 to 13, and number of deals – 33 to 43. At that, 58.1% of deals in quantitative expression and 31.8% in volumetric expression were direct. In the previous period these indicators were 63.6% and 29.6% correspondingly.

Peculiarity of the week is absence of big deals in shares, and IRBIS analysts the abrupt falling of the turnover by this (last week a big packet of the eighth issue shares of ATFBank JSC was sold in exchange's secondary market sector). There are three leaders by the volume of transactions, stakes of which in total volume of deals in shares were almost similar: ASBNp1 (45.7% of share turnover), CCBN (43.5%) and ROSA (39.2%). Among them common shares of Bank CenterCredit JSC attract attention. All six transactions in **CCBN** were direct and were made on the same day (May 25). Specialists of IRBIS assume that these deals were, most probably, a part of financial scheme and are hardly concerned with securities market, judging on accounts enabled in transactions. Weighted average price of CCBN fell by 16.6%.

Another interesting thing is connected with common shares of KAZZINC JSC (**KZZN**). As the result of the only made transactions this instrument's weighted average daily price grew 6.7 times to the maximum level – KZT3,700.00 per share. It's notable that the deal was made by open trade method. So, underestimation of KZZN in market-makers' quotations, which is typical for the beginning of this year, is gradually disappearing.

Share market's price parameters were as follows: weighted average daily prices of 2 securities out of 13 ones involved into deals have fallen, prices of 8 securities have grown. Pricew of 3 securities (KKGBp, KZCRp and ALKZp) have not changed. **CCBN** have fallen most deeply (by 16.6%), **KZZN** have grown most highly (6.7 times).

Detailed data is given in the table.

Results of share trade within May 19 – 25

Share code at KASE	Price, KZT per share:		Price, KZT per share:		Volume of deals th. USD	Number of deals	Best for the period:			
	min.	max.	on the last deal:				bid	offer		
			price	trend, %						
ALKS	10.00	11.00	11.00		8.00	13.50	115.3	9	11.00	10.00
ALKSp			10.00		10.00	13.00			10.00	15.00
ALKSp3			10.00		10.00	10.00			10.00	15.00
ALKZ			320.00		320.00	320.00			80.00	
ALKZp	80.00	80.00	80.00		80.00	90.00	0.2	2	80.00	80.00
AMGZ			10,500.00		9,100.00	10,500.00			12,000.00	18,000.00
AMGZp			4,290.00		2,700.00	6,900.00			4,750.00	
ASBN	12,900.00	12,900.00	12,900.00		10,000.00	12,900.00	17.8	2	12,950.00	12,900.00
ASBNp1	12,900.00	12,900.00	12,900.00	+0.78	12,800.00	12,900.00	4,842.6	1	13,000.00	12,900.00
ASFI			831.50		831.50	1,600.00			1,100.00	1,200.00
ATFB			1,000.00		1,000.00	1,000.00			1,205.00	1,500.00
ATFBp			1,000.00		996.00	1,500.00			1,333.33	1,500.00
ATFBp8			1,220.00		996.00	1,300.00			1,270.00	1,905.00
BTAS			15,143.10		12,772.49	20,800.00			17,100.00	22,000.00
BTASp			20,800.00		12,832.80	21,000.00			17,100.00	21,500.00
CA_PKZ_									3,710.31	5,033.88
CCBN	200.00	200.57	200.00	-16.67	185.00	254.35	3,175.7	6	218.00	200.00
CHFM			1,100.00		270.00	1,500.00			900.00	1,350.00
CSBN			171.00		171.00	210.00			171.00	256.50
CSBNp			171.00		171.00	21,978.03			176.00	256.50
GLOT									1,000.00	1,500.00
HRLT			2.90		2.10	3.82			3.50	5.25
HSBK	220.00	220.00	220.00	+10.00	110.00	25,751.08	35.0	2	243.33	220.00
HSBKp			168.30		151.00	13,698.64			144.00	180.00
KANT			299.00		299.00	299.00			280.00	378.00
KKGB			180.01		180.01	232.50			180.00	270.00
KKGBp	139.00	139.00	139.00		89.00	150.00	37.0	5	139.00	139.00
KZCR			1,000.00		1,000.00	1,500.00			1,042.00	
KZCRp	500.00	500.00	500.00		500.00	520.00	0.2	1	500.00	500.00
KZTK			9,000.00		4,500.00	9,000.00			8,700.00	9,000.00
KZTKp			3,000.00		1,800.00	4,100.00			3,100.00	4,500.00
KZZN	3,700.00	3,700.00	3,700.00	+64.44	900.00	3,700.00	7.3	1	3,750.00	3,700.00
NRBN			13,970.00		10,000.00	13,970.00			16,700.00	22,545.00
NRBNp6			11,031.95		10,500.00	11,031.95			11,700.00	15,120.00
ORDB	1,800.00	2,000.00	2,000.00	+11.11	1,215.00	3,000.00	254.7	6	2,000.00	1,800.00
ORDBp			1,400.00		880.00	1,401.00			1,400.00	1,700.00
ROSA	564.96	603.32	564.96		530.62	904.98	2,084.5	4	603.32	564.96
TEBN			810.00		696.00	1,150.00			1,015.00	1,200.00
TEBNp									1,000.00	1,200.00
TSBN			1,000.00		1,000.00	1,000.00			1,000.00	1,500.00
TSBNp			1,000.00		1,000.00	1,000.00			1,000.00	1,500.00
TXBN									18,000.00	20,000.00
UTMK			3,600.00		3,142.50	4,726.86			3,400.00	5,100.00
VTBN			330.00		229.00	415.00			380.00	390.00
VTBNp	347.00	347.00	347.00	+1.76	270.00	31,250.00	16.7	2	365.00	300.00

To be continued on the page 6

Results of share trade within May 19 – 25

Share code at KASE	Price, KZT per share:				Volume of deals th. USD	Number of deals	Best for the period:	
	on the last deal:		for last 365 days:				bid	offer
	min.	max.	price	trend, %				
VTZL			220.00		150.00	280.00	200.00	300.00
VTZLp			255.00		200.00	255.00	200.00	300.00
ZERD	1.50	1.50	1.50	+16.28	1.00	1.50	1.50	1.50
48						10,598.6	43	

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 (April 18 – May 18). If deals were not made in the previous month the trend is not calculated. Issuers' codes: **ALKS** – Almaty Kus OJSC; **ALKZ** – Aluminium of Kazakhstan JSC; **AMGZ** – CNPC – Aktobemunaygas OJSC; **ARNA** – ARNA OJSC; **ASBN** – Alliance Bank JSC; **ASFI** – Astana-Finance JSC; **ATFB** – ATFBank JSC; **BRKZ** – Development Bank of Kazakhstan JSC; **BTAI** – BTA Ipoteka JSC; **BTAS** – Bank TuranAlem JSC or TuranAlem Finance B.V.; **CA_PKZ** – PetroKazakhstan Inc; **CCBN** – Bank CenterCredit JSC; **CHFM** – Chimfarm JSC; **CSBN** – BANK CASPIAN JSC; **EUBN** – Eurasian bank JSC; **HRLT** – CHARALTYN JSC; **HSBK** – Halyk savings bank of Kazakhstan JSC; **KANT** – Kant JSC; **KARM** – Karazhanbasmunay OJSC; **KKGB** – Kazkommertsbank JSC or Kazkommerts International B.V.; **KZAL** – Mining-smelting concern Kazakhaltyn JSC; **KZAP** – NAC Kazatomprom; **KZAS** – KOSTANAY MINERALS JSC; **KZCR** – TNC Kazchrome JSC; **KZIK** – Kazakhstan Mortgage Company JSC; **KZPS** – Kazpost JSC; **KZTC** – KazTransCom JSC; **KZTK** – Kazakhtelecom JSC; **KZTO** – KzTransOil JSC; **KZZN** – KZZINC JSC; **MMGZ** – Mangistaunmunaygas OJSC; **MREK** – Mangistau distributing electricity network company OJSC; **NFBN** – Neftebank OJSC; **NRBN** – Nurbank JSC; **ORDB** – Corporation Ordabasy JSC; **PKKR** – PetroKazakhstan Finance B.V.; **PRKR** – Food contract corporation JSC; **RGBR** – RG Brands JSC; **ROSA** – ROSA JSC; **TEBN** – Temirbank JSC; **TSBN** – Tsesnabank JSC; **TXBN** – TEXAKABANK JSC; **UKPF** – UST-KAMENOGORSK POULTRY FARM OJSC; **UKTC** – AES Ust-Kamenogorsk HS JSC; **UTMK** – Ust-Kamenogorsk titanium-magnesium combine JSC; **VTBN** – Valut-Tranzit-Bank JSC; **VTSK** – Security corporation Sary-Arka Sarbazy LLP; **VTTH** – TECHNO-LIFE JSC; **VTZL** – Kazyuvelirprom JSC; **ZERD** – Zerde OJSC.

Changes in KASE's trade lists

By the decision of KASE's Board since **May 23** indexed on tenge devaluation **bonds of Nurbank JSC** (Almaty) of the first issue (KZ2CKY03A544, NRBNb1; KZT1,000, KZT1,500.0 m.; May 22, 02 - May 22, 05, semi-annual coupon, 8.50% APR) have been excluded from KASE's official "A" listing category **because of redemption**. Bonds were included in KASE's official list on June 5 of 2002. First trades were held on October 29 of that year. During the whole period of bonds circulation at KASE 33 deals (1,972,600 bonds) for KZT1,929.2 m. (\$12,962.6 th.) were made in purchase and sale sector. Bonds' yield to maturity for a purchaser varied at the trades from 6.91% to 13.40% APR in terms of dollar. The last deal was made at the yield of 13.00% APR. In repo sector during circulation period of NRBNb1 no deals were made. According to issuer's information, debt of this issue was served and redeemed in full volume.

SECTOR OF GOVERNMENT SECURITIES (GS)**Primary market sector**

On **May 25** specialized trades on floatation of **MEOKAM-60 of the 26th issue** (KZK2KY050260, MOM060_0026; KZT1,000, May 25, 05 - May 25, 10, semi-annual coupon, 4.05% APR, 30/360) were held in KASE's trade system. Coupon interest was the subject of the trade. Applications for participation were submitted by closed method, limitation on non-competitive bids was 10% from the actual issue volume. Announced issue volume was KZT16.0 bn. and bonds were floated at the face value. It was planned to satisfy bids at cut-off price. Bonds were paid for by 0+0 scheme.

20 primary dealers took part, they were KASE's members of "K" category. Through these subjects investors and primary dealers submitted 147 bids (120 limited and 27 market ones), among which by the time of confirmation period expiration 99 orders were active (81 limited and 18 market ones). Total volume of active bids (demand volume) reached KZT51,238.3 m., including KZT39,323.3 m. on competitive and KZT11,915.0 m. – on non-competitive (market) bids. Demand exceeded the offered volume of bonds 3.2 times. Coupon rate in limited and active by the moment of submitting period expiration bids orders varied from 3.85% APR to 6.00% APR, and in weighted average expression was equal to 4.2795% APR. Stake of pension market subjects in total volume of active bids was 55.30%, stake of Kazakhstan banks – 38.50%, their clients – 5.95%, broker-dealer companies' clients – 0.25%.

By the results of the trades the issue made cutting off at **4.05% APR** coupon rate and accepted for satisfying bids for purchase of 16 m. bonds. According to Central securities depository CJSC (Almaty) all deals on the 26th issue MEOKAM-60 floatation by the end of settlements period had been executed. The actual issue volume was 16.0 m. bonds with the face value of **KZT16.0 bn.**

Secondary market sector

In **GS purchase and sale sector** of KASE total volume of 15 deals reached **KZT2,833.7 m.** (\$21,544.7 th.) during the analyzed period. Corresponding figure of the previous period – KZT8,947.8 m. (\$68,240.2 th.).

Analysts of IRBIS explain the abrupt falling of market's turnover by two reasons: MEOKAM-60 on May 25 and money outflow from pension market subjects' accounts to corporate bonds sector. Reasons of the latter thing are not clear. In all probability, pension funds satisfy need in long GS on the primary market now. Super short notes, which at present are issued by the National Bank, do not interest much them. Besides, within latest two months and, especially, in May there were many new corporate bonds to invest money on the market. So

demand for GS is still falling. In MEOKAM only those deals, on which one can fix growth of the cost, are made, and that's why yields of these bonds for a buyer on medium durations falls. And note market's conjuncture is unchanged while the market itself is narrowing because of National Bank's refusal to issue long securities.

Parameters of Exchange's transactions in GS within May 19 – 25

(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			88.7% (90.5%) of purchase and sale sector's turnover			
less than 8	0.89	0.89	0.89	0.89 (1.60)	1,059.9	3
8 - 14	1.50	1.60	1.60	1.59 (1.54)	234.0	3
15 - 28	2.13	2.90	2.77	2.14 (2.34)	1,213.4	5
43 - 56	2.85	2.85	2.85	2.85 (2.60)	5.0	1
Total					2,512.4 (8,094.5)	12 (32)
Coupon (KZT): MEOKAM – 72, 84			11.3% (9.4%) of purchase and sale sector's turnover			
1461 - 1825	4.50	4.50	4.50	4.50 (4.52)	109.2	1
1826 - 2190	4.10	5.60	5.60	5.59 (5.70)	212.1	2
Total					321.3 (844.9)	3 (8)
GRANDTOTAL					2,833.7 (8,947.8)	15 (41)

The proportion of the Exchange's turnover in total volume of Kazakhstan secondary market of GS on comparable purchase and sale transactions equaled in the analyzed period to **32.2%**, last week – 92.3%. The low level is explained by making a big deal in the 977th issue notes-28 out of exchange on May 20 for a total of KZT4,991.4 m. It's notable that this issue notes were floated on the primary market on the same day. In other words it was resale of securities by a primary agent to another participant out of exchange with 1 tiyn difference that gave the seller KZT500.0 th. or almost USD4 th. profit.

KASE'S NORMATIVE BASE

In connection with the introduction into force the decree of Kazakhstan Agency for financial market and financial organizations regulation and control (FSA) "**On approval of Rules of identifying deals concluded with the purpose of manipulating the market prices**" dated March 26, 2005 #110 (the Decree and Rules) Kazakhstan Stock Exchange (KASE):

- introduced amendments and additions to the decision of the Management Board of KASE "On criterion for classifying securities deals as doubtful" dated November 24, 2004 #149/0, by changing the criterion of deals evaluation to bring into compliance with existing Rules;
- adopted decision about changing the algorithm of calculating weighted average prices on shares published by KASE on daily basis after trades close in the Internet (<http://www.kase.kz/portals/sec/>), regular publication of a file containing weighted average prices for shares calculated under new algorithm **from May 23, 2005** (by results of that day's trades); the algorithm was brought into compliance with the Rules;
- adopted decision about regular publication in the Internet weighted average yield on corporate and government securities traded on KASE by results of every trades in aforementioned instruments as it is done in case with equities, **from May 24, 2005** (by results of that day's trades) in the file in which weighted average equity prices are published; the algorithm for yield calculation specified in the Rules will be used.

The Exchange draws the attention of market participants to the fact that in compliance with the Rules weighted average prices on equities and the Exchange will calculate weighted average bond yields over deals concluded only on KASE by **open trade method** (including specialized trades on securities floatation). Market participants should use parameters in order to determine acceptable equities price or bond yield deviation in case of pre-agreed deals on KASE, concluded in purchase-sale securities sector by **direct trade method**.

As informed previously the Rules and the Decree are available in the Internet under following link http://www.kase.kz/geninfo/post_afn_110.pdf

KASE'S NEWS

By the decision of KASE's Board **since May 23** TuranAlem Securities JSC (Almaty) has been assigned status of market-maker on common shares (KZ1C35970017, ATFB) of **ATFBank JSC** (Almaty). The shares are traded in KASE's official "A" listing category. Minimal volume of compulsory quotation is 1,000 MCI. At present one more market-maker of ATFB – KIB ASSET MANAGEMENT JSC (Almaty) in functioning on the market.

By the decision of KASE's Board **since May 23 of 2005** trades in **bonds of Alliance Bank JSC** (Almaty) of the **fourth issue** (KZPC1Y03B571; ASBNb4; KZT1,000.00, KZT5.0 bn., April 23, 05 – April 23, 08, semi-annual coupon, 7.0% APR, 30/360) are opened in KASE's secondary market sector. This is the first issue made within the frameworks of the first bond program of Alliance Bank JSC, which was registered by Kazakhstan agency for financial market and financial organizations regulation and supervision on April 12 of 2005 for a total of KZT40.0

bn. Bank itself will perform market-maker's functions. Minimal volume of compulsory quotation is 1,900 bonds. Bonds were included in KASE's official "A" listing category since May 11 of 2005.

Prepared by Information agency of financial markets "IRBIS"

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