

# WEEK OF STOCK MARKET OF KAZAKHSTAN

August 2-8

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## SUPPLEMENTAL INFORMATION

US dollar = **124.75** at official rate for the end of the period.

US dollar = **124.53** at weighted average rate of the Exchange for the end of the period.

Speed of devaluation of tenge to dollar for the period at exchange's rate totaled **61.7% APR**.

### Money market indicators as of August 8 and change for the period

Indicator	Rate	Trend
TONIA	5.02	-7.34
Autorepo GS 7 days	9.00	0
KazPrime-3M	8.08	+1.54

### Stock securities' market indicators as of August 8 and change for the period

Index	Value	Trend
KASE_Shares	2,612.54	-3.14
KASE_BP	211.32	+0.01
KASE_BC	130.47	-0.20
KASE_BY	8.03	-0.36

## MAIN NEWS OF THE MARKET

On August 7 agency INTERFAX-KAZAKHSTAN informed with reference on minister of finance of Kazakhstan that part of shares from state shareholdings of Kazakhtelecom JSC (Astana) and Mangistau distributing electric networking company JSC (Aktau) is planned to be sold to population of Kazakhstan in autumn of the current year. In the message is noted that selling of these shares will be conducted on stock exchange. Full text of the message is given in the news of IRBIS.

## SHARES MARKET

### News of shares market

**Since August 7, 2007 Financial company Alliance Capital JSC** (Almaty) on the basis of its application **assigned the status of market maker on common shares KZ1C52350010** (KASE's category "A" official list, ORNK) of **Ornek XXI JSC** (Almaty region), with minimal volume of compulsory quotation in size of 3,000 monthly settlement indicators.

**Since August 15, 2007 VISOR Capital JSC** (Almaty) **on the basis of its application** is exempt from execution of market-maker functions on KASE by **KZ1C35970017 common shares** (KASE's category "A" official list, ATFB) of **ATFBank JSC** (Almaty).

### 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 522 deals amounting to \$32,558.1 th. or KZT4,043.1 m. were made in shares during the analyzed period. In comparison with the previous period (July 26 – August 1, 522 deals, \$61,862.4 th. or KZT7,622.7 m.), turnover of the sector has decreased 1.9 times. During the analyzed period on KASE, 2.3% of operations in quantitative expression and 12.1% in volumetric were nego. In the previous period these indicators made 3.7% and 23.9% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 39 (43) members on 26 (31) instruments. At that: 12.0% (8.8%) of gross-turnover of the market – 3.3% (9.5%) on purchasing transactions and 20.6% (8.2%) - on sale transactions were controlled by pension market subjects; 35.4% (23.8%) of exchange's turnover of shares – 58.9% (24.7%) - on purchasing transactions and 11.9% (23.0%) - on sales transactions went through the depo accounts, registered on physical persons during the week.

In the described period weighted average daily prices of 15.4% (23%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 69.2% (68%) – fell, prices of 15.4% (6%) remained unchanged. In the described period shares prices changed positively in the range from 0.3% (KZTK) to 7.7% (TEBN), negative change – from 0.31% (BTAS) to 17.5% (ATFBp).

Shares market of the analyzed week was in the phase of strong correction, started in the middle of July. It is well-illustrated by behavior of KASE\_Shares index, which for the week decreased by 3.14% to 2,612.54. It seems, that market had overstrained itself on the not valid positive expectations, connected to Alliance Bank JSC and ATFBank JSC. The increase of KASE\_Shares index caused by these expectations in June and first half of July, most likely, turned out to be unfounded. Both banks are currently the companies, characterized by the highest relation of market price to balance cost of common share. Very moderate success of SPO of Alliance Bank JSC

in London and the further fall of rate of shares of bank from the level of actual price of offering on all platforms had cooled down the optimism of our brokers and clearly had showed that there should not be the hope on “Kazakhstan stock miracle”. There is the “Fashion” but also there exist the realities of market, with which are awaiting all investors. And the realities are that three-figure values of yield on our shares market, most likely, are in the past now.

The common negative on the market was intensified by 8%-ge decrease of rate of common and preferred shares of Kazkommertsbank JSC, which as ASBN, had decreased to minimum of year 2007. Analysts of IRBIS concern these decrease with decision of shareholders to significantly grow the authorized capital of the bank, reducing by that the indicator of profitability per one share. The observed decrease – is temporary event, but it had played its role.

On the background of evident decrease of prices of majority of stake instruments, involved into deals, very positively on the week seemed common shares of Temirbank JSC, which increased by 7.7%. It is interesting, that given instrument in the current year was the least subjected to season and speculative fluctuations. Analysts of IRBIS connect it with strong fundamental indicators of the bank, participation of Bank TuranAlem JSC in which is growing steadily.

As a whole it should be said that to beginning of August Kazakhstan shares market had almost finished to throw down the unfounded summer optimism and returned to “approved” spring level of KASE\_Shares near 2600.

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

**Results of share trades on KASE, including STF of RFCA within August 2-8 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:		on the last deal: price	trend, %	for last 365 days:		Volume of deals th. USD	Num-ber of deals	Best for the period:	
	min.	max.			min.	max.			bid	offer
ASAV	48,225.00	48,225.01	48,225.01	0	34,351.00	48,225.25	65.2	3	63,250.00	48,225.00
ASBNp1	19,000.00	19,000.00	19,000.00	-1.0	10,000.00	25,000.00	15.2	1	19,000.00	18,600.00
ATFB	10,600.00	11,000.00	10,700.00	-7.0	7,000.00	14,000.00	90.5	8	11,000.00	10,600.00
ATFBp	3,660.00	3,660.00	3,660.00	-17.5	2,800.00	6,500.00	0.0	1	3,900.00	3,660.00
ATFBp8	4,000.00	4,150.00	4,150.00	-1.7	1,500.00	8,999.00	2.7	2	4,150.00	4,000.00
BTAS	140,000.00	146,000.00	143,000.00	+0.7	90,000.00	157,275.00	1,585.5	22	146,000.00	140,000.00
CCBN	1,900.00	1,935.00	1,901.00	-2.1	510.02	2,050.00	1,173.0	23	1,935.00	1,900.00
CHFM	1,070.00	1,115.50	1,115.50	-8.4	600.00	1,500.75	56.5	3	1,115.50	1,070.00
EXBN	3,050.00	3,050.00	3,050.00	+5.2	2,000.00	3,700.00	0.5	1	3,050.00	3,050.00
EXBNp	1,950.00	1,950.00	1,950.00	-2.5	1,100.00	2,050.00	33.0	4	2,100.00	1,950.00
HSBK	630.00	650.00	645.00	-0.8	260.01	781.00	444.5	15	650.00	630.00
HSBKp1	320.00	330.00	323.00	+0.9	173.00	345.00	7.2	5	330.00	320.00
KIBN	462.00	531.00	462.00	0	150.00	1,150.00	18.5	2	531.00	462.00
KKGB	1,080.00	1,240.00	1,119.94	-6.7	753.00	1,550.00	4,188.0	124	1,240.00	1,080.00
KKGBp	361.00	390.00	372.00	-6.3	100.00	600.00	1,666.5	21	390.00	361.00
KZTC	29,000.00	29,000.00	29,000.00	0	10,000.00	48,000.00	26.3	1	29,000.00	29,000.00
KZTK	47,000.00	49,000.00	47,200.00	+0.3	26,000.00	55,000.00	148.6	4	49,000.00	47,000.00
KZTKp	19,000.00	19,500.01	19,200.00	-1.5	8,950.00	27,100.00	168.1	12	19,500.02	19,000.00
NFBN	6,000.00	6,957.90	6,000.00	0	1,739.60	7,622.50	127.0	6	6,957.90	6,000.00
NRBN	33,000.00	33,000.00	33,000.00	-13.0	28,000.00	62,250.00	39.5	3	33,000.00	33,000.00
RAHT	3,500.00	3,500.00	3,500.00	-12.5	600.00	4,000.00	11.0	1	3,500.00	3,200.00
RDGZ	16,200.00	16,980.00	16,300.00	-3.0	11,260.00	18,399.99	1,090.6	14	16,980.00	16,200.00
TEBN	8,000.00	8,400.00	8,400.00	+7.7	3,000.01	9,000.00	24.5	2	8,400.00	8,000.00
TEBNp	2,610.00	2,780.00	2,725.00	+0.9	1,080.00	3,300.00	16,759.0	37	3,300.00	2,600.00
TSBN	3,900.00	4,000.00	3,950.01	-1.2	1,510.00	4,550.00	373.6	18	4,000.00	3,900.00
UTMK	27,000.00	27,010.00	27,010.00		25,000.00	28,750.00	498.8	3	27,010.00	27,000.00
<b>26</b>							<b>28,614.1</b>	<b>336</b>		

**Notes:** Trends are given relative to the last deal of the previous month (July 1 – August 1, 2007). 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](http://www.kase.kz/instruments/nzb_code.htm)

## CORPORATE BOND MARKET

### News of corporate bond market

**Since August 2 KZP02Y05C295 bonds** (KZT100; KZT10.0 bn. June 7, 07 – June 7, 12; semi-annual coupon, 9.00% APR; 30/360) of **Eximbank Kazakhstan JSC** (Almaty) **have been included into KASE's official "A" listing category under EXBNb2 symbol.** It will be additionally announced on KASE about the opening of the trades with the specified bonds. The mentioned issue of bonds is the second in the frames of bank's first bonds' program.

**Starting from August 3, 2007 trades with KZ2C0Y05C556 bonds** (KASE's category "B" official list, BGSTb1, KZT1,000, KZT3.0 bn.; August 1, 07 – August 1, 12, semi annual coupon, 10.0% APR, 30/360) of **BURLINGAZSTROY JSC** (Astana) are to be opened in KASE's secondary market sector. Astana-Finance JSC (Astan) acts as financial consultant of the issuer while introducing its bonds on the organized market. . Specified bonds were included in KASE's official "B" listing category on August 1, 2007.

By the decision of KASE's Council dated August 3, 2007 **indexed on devaluation rate of tenge to U.S. dollar bonds KZPC2Y02C538** (ASF1b14, KZT100, KZT14.0 bn., 2 years, floating semi annual coupo, 30/360) of **Astana-Finance JSC** (Astana) are considered to be included in KASE's official "A" category in accordance with simplified procedure o listing, set by article 19-1 of Listing rules. It will be additionally announced about the date of coming into effect of this decision of Board, after the issuer pays to KASE the listing fee on specified securities. It will be announced additionally about opening of trades on KASE as well. The given issue of bonds is the second within the frames of sixth bonds' program of Astana-Finance JSC and fourteenth issue of internal company's bonds, having passed the listing procedure on KASE.

**Since August 9 bonds KZ2C0Y05C515** (AGKKb1, KZT1,000, KZT3.0 bn., August 20, 07 – August 10, 12, semi annual coupon, indexed on inflation rate, 8.6% APR for the first coupon period, 30/360) of **Agrarian credit corporation JSC** (Astana) are considered to be included in KASE's official "A" category in accordance with simplified procedure o listing, set by article 19-1 of Listing rules. It will be announced additionally about opening of trades on KASE as well. Kazkommerts Securities JSC (daughter organization of Kazkommertsbank JSC) (Almaty) acts as underwriter of the issuer while offering of its bonds. Main types of activities of Agrarian credit corporation JSC are: organization of network of village credit partnerships and crediting of them, activity connected to selling of loan property and agricultural products, received as maturity of funds provided, consulting and information servicing of credit partnerships, crediting of infrastructure for preparation, processing, storage and selling of agricultural products.

### Primary market sector

On August 8 in the trade system of Kazakhstan stock exchange (KASE) the specialized trades for offering of **KZPC1Y05C285 bonds of KazAgroFinance JSC** (Almaty) (the official list of KASE under "A" category, KAF1b1, KZT1,000, KZT3.0 bn., December 28, 06 – December 28, 11, indexed on the inflation rate semi annual coupon, 8.5% APR for the current period) have been opened. Mentioned issue of bonds is the first within the frames of first bonds' program of KazAgroFinance JSC and first issue of company's internal bonds having passed the listing procedure on KASE. The issuer planned to offer bonds at the sum of **KZT792,429.0 th.** (26.4% from registered volume of issue). Limited and market bids, given by closed method were accepted for trades. **Trades were recognized frustrated because of complete absence of the demand.**

### Secondary market sector (purchase and sale)

A total of 46 deals amounting to \$59,652.8 th. or KZT7,407.6 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (July 26 – August 1, 94 deals, \$143,215.1 th. or KZT17,637.0 m.), turnover of the sector has decreased 3.5 times. In the current period no nego deals were made. In the previous period these indicators were 2.1% and 0.6%.

During the analyzed period deals were made by KASE's 16 (29) members on 24 (30) instruments. At that 4.5% (5.6%) of gross-turnover (8.9% on purchasing transactions) passed through accounts of pension market subjects. 0.3% (4.7%) of exchange's gross-turnover of corporate bonds – 0.4% (2.3%) on purchasing transactions and 0.3% (7.0%) on sale transactions, passed through depo accounts registered on physical persons.

By the totals of the period weighted average daily net prices of 12 bonds grew on the opened market, prices of 11 bonds – fell, BGSTb1 were traded on KASE for the first time. ATFBb4 seemed to be over-bought, net price of which increased by 6.7%, re-sold seemed BTASb7 (-11.2%). Yields of 10 bonds to maturity for buyer on made deals decreased, yields of 12 bonds – grew.

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

### Results of bond trades on KASE, including STF of RFCA within August 2 - 8 (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 period:			
	on the last deal:		for last 365 days:				bid	offer		
	min.	max.	yield	trend						
aMAG_b1	12.00	12.00	12.00		11.69	12.50	102.7	1	11.90	12.00
ASBNb4	14.00	14.00	14.00	+1.00	8.10	14.00	15.1	1	13.00	14.00
ASBNb7	11.00	11.00	11.00		8.50	11.00	5,036.5	1	8.50	11.00
ATFBb3	7.01	7.01	7.01	-0.99	6.10	8.70	0.8	1	7.00	7.01
ATFBb4	7.00	7.00	7.00	-1.20	7.00	8.27	0.9	1	7.00	7.00
BGSTb1	13.00	13.00	13.00		13.00	13.00	21,610.3	3	13.00	13.00
BTA1b14	9.99	10.00	9.99	-0.01	7.30	10.00	10,859.5	3	8.50	10.00
BTASb2	10.10	10.50	10.50		8.50	11.20	29.2	2	10.10	10.50
BTASb7	7.00	8.00	8.00	+1.00	7.00	8.60	16,020.4	5	7.00	8.00
DTJLb1	8.04	8.04	8.04	-1.46	8.04	9.50	2,812.6	1	8.04	9.00
EXBNb1	9.25	9.25	9.25		9.25	9.70	2,116.6	1	9.25	9.25
HSBKb11	7.86	8.50	8.50		7.50	8.50	49.1	3	7.86	8.50
HSBKb7	8.75	9.50	9.50	+0.50	7.00	9.50	56.8	4	7.00	9.50
KASTb2	10.20	10.20	10.20	+0.14	8.40	10.70	48.6	1	10.10	10.20

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**Results of bond trades on KASE, including STF of RFCA within August 2 - 8  
(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
KATrb1	11.50	11.50	11.50	0	10.00	13.00	168.2	5	11.50	11.50
KKGBb2	12.52	12.52	12.52		1.89	12.73	10.8	1	12.28	12.52
KZIKb10	6.50	7.00	7.00		5.50	7.20	30.8	2	6.50	7.00
KZIKb2	8.60	8.60	8.60		6.70	8.60	16.0	1	8.60	8.60
KZIKb7	8.01	8.01	8.01	-0.49	7.00	9.50	240.2	1	8.01	8.01
KZNHb2	11.50	11.50	11.50	0	9.50	13.50	251.0	1	11.50	11.50
KZTCb1	13.20	13.50	13.50	+0.50	8.20	13.50	19.1	2	12.00	13.50
NFBNb1	14.00	14.00	14.00	+0.50	10.00	14.00	32.4	2	14.00	14.00
NRBNb4	13.50	14.00	14.00		8.20	15.00	27.8	2	13.50	14.00
TSBNb4	8.90	8.90	8.90	-0.10	8.50	10.20	97.3	1	8.50	8.90
24							59,652.8	46		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (July 1 – August 1, 2007). 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](http://www.kase.kz/instruments/nzb_code.htm)

## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

On August 8 in KASE's trade system by Ministry of finance of Republic of Kazakhstan was conducted the attempt of offering the governmental short-term treasury liabilities **MEKKAM-3 of 301 issue** (KZW1KM033013, MKM003\_0301; KZT100, August 8, 07 – August 8, 07, actual/actual). On specialized trades Ministry of finance was planned to borrow KZT15,000.0 m. by T+0 scheme. 3 primary dealers participated in trades, who submitted 6 bids (5 limited and 1 market), which had left active till the time of bids' confirmation expire. Total volume of bids (volume of supply) made KZT1,869,548,850.60 (12.5% from offered volume of bonds). Price in limited bids varied from 97.0641% (12.00% APR) to 98.0000% (8.10% APR), making in average weighted expression 97.5246% (10.07% APR). In total volume of demand 47.8% were controlled by bids of one of pension funds of Kazakhstan, 36.5% - by bid of second-tier bank, 15.7% - by bid from broker-deals organization. Studying the parameters of demand, **Finance ministry recognized the auction frustrated** "due to unsatisfactory formed price on submitted applications".

### Secondary market sector (purchase - sale)

In the analyzed period total volume of 7 deals made on KASE totaled KZT834.8 m. (\$6.7 m.). In the previous period (July 26 – August 1) the turnover of the sector had reached KZT11,853.5 m. (\$96.2 m.) with 22 deals. Stake of exchange's turnover in total volume of Kazakhstan secondary market of GS on comparative purchase and sale operations in the analyzed period totaled 6.2%, while in previous it was equal to 53.3%. Pre se, there was no secondary market of GS in the analyzed period.

More detailed data about trades with GS on KASE are given in the table.

### Parameters of Exchange's transactions in GS within August 2-8

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted (KZT): National Bank's notes</b>						
<b>44.3% (70.1%) of purchase and sale sector's turnover</b>						
8 – 14	4.80	4.80	4.80	4.80 (-)	349.4	1
15 - 28	4.97	4.97	4.97	4.97 (-)	20.0	1
Total					<b>369.4 (8,304.1)</b>	<b>2 (10)</b>
<b>Coupon (KZT): MEOKAM-72; MUIKAM-72</b>						
<b>55.7% (29.9%) of purchase and sale sector's turnover</b>						
1096 – 1460	6.30	6.30	6.30	6.30 (7.42)	27.9	1
1826 – 2190	18.39	18.42	18.39	18.40 (-)	437.5	4
Total					<b>465.4 (3,549.4)</b>	<b>5 (12)</b>
<b>GRANDTOTAL</b>					<b>834.8 (11,853.5)</b>	<b>7 (22)</b>

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