

WEEK OF STOCK MARKET OF KAZAKHSTAN

August 9-15

SUPPLEMENTAL INFORMATION

US dollar = **125.50** at official rate for the end of the period.

US dollar = **125.22** 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 **22.4% APR**.

Money market indicators as of August 15 and change for the period

| Indicator | Rate | Trend |
|--------------------|------|-------|
| TONIA | 6.40 | +1.38 |
| Autorepo GS 7 days | 9.00 | 0 |
| KazPrime-3M | 8.20 | +0.12 |

Stock securities' market indicators as of August 15 and change for the period

| Index | Value | Trend |
|-------------|----------|-------|
| KASE_Shares | 2,558.25 | -2.08 |
| KASE_BP | 213.70 | +1.13 |
| KASE_BC | 131.87 | +1.08 |
| KASE_BY | 7.70 | -4.13 |

MAIN NEWS OF THE MARKET

Agency of Republic of Kazakhstan for regulating and supervision over financial market and organizations (AFS) had **renewed the action of license** of Almaty Investment Management JSC for conduction of broker and dealer activities with right of maintenance the clients' accounts as nominal holder, given on September 30, 2005 under # 0401201157, **in connection to removal of reasons, due to which the action of license was stopped**. Earlier it was informed that action of specified license was stopped to six months' term by resolution of Board of AFS dated May 28, 2007 #146 due to abortion of legislation of Republic of Kazakhstan, regulating the activity on market of securities. By decision of Board of Kazakhstan stock exchange (KASE) **since August 16, 2007 Almaty Investment Management JSC (Almaty) was admitted to trades with securities on KASE**. Let us remind that till stoppage of license of AIM in the current year (for the first 4 month of year 2007) was the most active operator of opened exchange shares market, and on the corporate bonds market in given rating it had taken the second position.

Transstroy most JSC (Almaty region) announced about dividends payment on its common and preferred shares for year 2006 in size of KZT93 per share. According to announcement payment of dividends will be conducted since August 10 till December 31, 2007.

SHARES MARKET

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 463 deals amounting to \$87,594.2 th. or KZT10,939.5 m. were made in shares during the analyzed period. In comparison with the previous period (August 2-9, 522 deals, \$32,558.1 th. or KZT4,043.1 m.), turnover of the sector has increased 2.7 times. During the analyzed period on KASE, 1.3% of operations in quantitative expression and 6.0% in volumetric were nego. In the previous period these indicators made 2.3% and 12.1% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 42 (39) members on 32 (26) instruments. At that: 9.9% (12.0%) of gross-turnover of the market – 17.8% (3.3%) on purchasing transactions and 2.0% (20.6%) - on sale transactions were controlled by pension market subjects; 37.7% (35.7%) of exchange's turnover of shares – 15.9% (58.9%) - on purchasing transactions and 59.4% (11.9%) - on sales transactions went through the depo accounts, registered on physical persons during the week.

In the described period weighted average daily prices of 15.6% (15.4%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 78.1% (69.2%) – fell, prices of 3.1% (15.4%) remained unchanged. KMSO were traded for the first time. In the described period shares prices changed positively in the range from 0.2% (TEBNp) to 130.9% (ASZS), negative change – from 0.4% (KZTK) to 71.4% (RMXR).

The given statistical data together with dynamics of KASE_Shares index (table in the beginning of review) are showing that Kazakhstan shares market in full measure is experiencing on itself the influence of so-called world credit crisis or liquidity crisis. It is not strange, because the "support" of our stake exchange market always were the shares of banks. Exactly this category of issuers now is feeling the most discomfort due to suddenly increased roll-over risk (risk of impossibility of refinancing the liabilities while coming of terms of their maturity).

Volume of deals with shares on KASE had increased significantly on the analyzed week mainly due to selling of banks' shares, at that selling to physical entities. By twist of fate the locomotives pulling our market downward were exactly those shares, which recently were bringing the holders much profit. Shares of banks were falling on KASE and all over the world, in great extent providing the amazing correlation of KASE_Shares with the more famous world indexes. It is enough to look once on the table of results of trades with shares on KASE (see below) in order to understand: it was bad for market on the described week.

Studying all available materials concerning crisis, analysts of IRBIS consider that situation in Kazakhstan remains manageable and far from critical. Main indicators of our banks are good enough, and National bank obtains all needed reserves for rendering the adequate support to banking sector in case of worsening of situation and is ready to provide the support to system-making institutions, as minimum. The most disturbance is caused by situation, with which the world crisis of liquidity may delay, the difficult situation on world capital market will become chronicle, as the result of which abilities of local base of funding won't cover the needs of Kazakhstan banks for refinancing of their debt. But there are not more reasons for forecasting of exactly such development of events, than reasons for favorable scenario. So specialists of IRBIS are far from recommendations to investors to sell shares of our banks, especially in case if shares were purchased not for receiving of momentary speculative income.

By opinion of analysts of IRBIS currently the risk that is less disputable in Kazakhstan is currency risk. Now it is hard to suppose that our banks will refuse from massed purchasing of dollars inside the country, because according to estimations of Standard & Poor's within the nearest 12 months Kazakhstan banks each quarter will be needed about \$3 bn. for refinancing aims, and it will be harder than earlier to borrow on world market.

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 9-15 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 |
| ASBN | 47,725.00 | 62,700.00 | 47,725.00 | -1.6 | 11,100.00 | 69,000.00 | 78.0 | 3 | 62,700.00 | 47,725.00 |
| ASBNp1 | 16,300.00 | 17,901.00 | 16,300.00 | -14.2 | 10,000.00 | 25,000.00 | 52.2 | 4 | 17,901.00 | 16,300.00 |
| ASFlp | 10,000.00 | 10,000.00 | 10,000.00 | | 4,001.00 | 10,000.00 | 11,978.9 | 2 | 10,600.00 | 10,000.00 |
| ASZS | 29,742.13 | 29,742.13 | 29,742.13 | | 12,882.94 | 29,742.13 | 11,915.0 | 1 | 29,742.13 | 29,742.13 |
| ATFB | 10,150.01 | 11,000.00 | 10,450.00 | -2.3 | 7,000.00 | 14,000.00 | 267.4 | 17 | 11,000.00 | 10,150.01 |
| ATFBp8 | 4,000.00 | 5,390.00 | 4,000.00 | -3.6 | 1,500.00 | 8,999.00 | 10,549.4 | 15 | 5,390.00 | 4,000.00 |
| BTAS | 130,000.01 | 141,000.00 | 137,000.00 | -4.2 | 90,000.00 | 157,275.00 | 1,504.5 | 21 | 141,000.00 | 130,000.01 |
| CCBN | 1,721.00 | 1,902.00 | 1,730.00 | -9.0 | 510.02 | 2,050.00 | 4,567.1 | 33 | 2,500.00 | 1,721.00 |
| CSBN | 6,500.00 | 7,000.00 | 6,500.00 | -18.8 | 3,100.00 | 8,000.00 | 71.4 | 3 | 7,100.00 | 6,500.00 |
| CSBNp | 2,001.00 | 2,300.00 | 2,001.00 | -13.0 | 700.01 | 3,505.00 | 45.8 | 4 | 2,300.00 | 2,001.00 |
| DNBN | 2,000.00 | 5,060.00 | 2,000.00 | -57.4 | 1,400.00 | 6,727.50 | 275.9 | 21 | 5,060.00 | 1,161.50 |
| EXBNp | 1,950.00 | 1,950.00 | 1,950.00 | 0 | 1,100.00 | 2,050.00 | 54.5 | 5 | 1,950.00 | 1,950.00 |
| HSBK | 630.00 | 635.00 | 635.00 | -1.6 | 260.01 | 781.00 | 2,336.5 | 14 | 635.00 | 630.00 |
| HSBKp1 | 311.00 | 320.00 | 316.00 | -2.2 | 173.00 | 345.00 | 78.3 | 7 | 320.00 | 311.00 |
| KANT | 1,500.00 | 1,750.00 | 1,500.00 | | 1,500.00 | 2,012.50 | 52.6 | 3 | 1,750.00 | 1,500.00 |
| KIBN | 350.00 | 462.01 | 402.00 | -13.0 | 150.00 | 1,150.00 | 65.8 | 4 | 465.00 | 350.00 |
| KKGB | 1,030.00 | 1,250.00 | 1,030.00 | -8.0 | 840.00 | 1,550.00 | 15,902.9 | 171 | 1,250.00 | 1,000.00 |
| KKGBp | 315.00 | 370.00 | 315.00 | -15.3 | 100.00 | 600.00 | 145.8 | 28 | 1,111.00 | 315.00 |
| KMSO | 49,282.00 | 49,282.00 | 49,282.00 | | 49,282.00 | 49,282.00 | 9,654.5 | 6 | 1,000,000.00 | 49,282.00 |
| KZTCp | 4,000.00 | 4,400.00 | 4,000.00 | -10.1 | 1,044.00 | 8,750.00 | 42.3 | 4 | 4,400.00 | 4,000.00 |
| KZTK | 47,000.00 | 49,000.00 | 47,000.00 | -0.4 | 27,000.00 | 55,000.00 | 315.5 | 5 | 49,000.00 | 1,180.00 |
| KZTKp | 18,500.00 | 19,200.00 | 18,500.00 | -3.6 | 8,950.00 | 27,100.00 | 36.3 | 4 | 19,200.00 | 18,500.00 |
| NFBN | 6,000.01 | 6,000.01 | 6,000.01 | 0 | 1,739.60 | 7,622.50 | 47.8 | 1 | 6,000.02 | 6,000.01 |
| RAHT | 3,200.00 | 3,200.00 | 3,200.00 | -8.6 | 600.00 | 4,000.00 | 7.7 | 2 | 3,250.00 | 3,200.00 |
| RDGZ | 15,600.00 | 16,600.00 | 15,890.00 | -2.5 | 11,260.00 | 18,399.99 | 781.1 | 25 | 16,600.00 | 15,600.00 |
| RMXR | 1.00 | 1.00 | 1.00 | -71.4 | 1.00 | 4.95 | 801.5 | 7 | 2.50 | 1.00 |
| TEBN | 8,000.01 | 8,400.00 | 8,000.01 | -4.8 | 3,000.01 | 9,000.00 | 1,405.4 | 9 | 8,400.00 | 8,000.01 |
| TEBNp | 2,601.00 | 2,750.00 | 2,730.00 | +0.2 | 1,080.00 | 3,300.00 | 197.3 | 14 | 2,750.00 | 2,601.00 |
| TMLZ | 5,400.00 | 5,400.00 | 5,400.00 | | 5,058.02 | 5,779.50 | 4,743.7 | 2 | 5,400.00 | 5,400.00 |
| TSBN | 3,700.00 | 4,500.00 | 3,700.00 | -6.3 | 1,510.00 | 4,550.00 | 4,301.5 | 21 | 4,500.00 | 3,700.00 |
| ZERD | 3.96 | 3.96 | 3.96 | -12.0 | 1.10 | 4.50 | 4.0 | 1 | 3.96 | 3.96 |
| 31 | | | | | | | 82,280.6 | 457 | | |

Notes: Trends are given relative to the last deal of the previous month (July 8 – August 8, 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

CORPORATE BOND MARKET

News of corporate bond market

As it was announced earlier, by the decision of Kazakhstan stock exchange's (KASE) Council dated August 3, 2007 **indexed on devaluation rate of tenge to U.S. dollar bonds KZPC2Y02C538** (KZT100, KZT14.0 bn., 2 years, floating semi annual coupon, 30/360) of **Astana-Finance JSC** (Astana) are considered to be included in KASE's official "A" category in accordance with simplified procedure of listing, set by article 19-1 of Listing rules. On KASE bonds were appointed with **ASFib14** symbol. This decision has come into effect **since August 9 2007**, as the issuer paid 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 thirteenth issue of internal company's bonds, having passed the listing procedure on KASE.

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 29 deals amounting to \$21,951.2 th. or KZT2,743.3 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (August 2-8, 46 deals, \$59,652.8 th. or KZT7,407.6 m.), turnover of the sector has decreased 2.7 times. In the current period (the same as in previous) no nego deals were made.

During the analyzed period deals were made by KASE's 15 (16) members on 12 (24) instruments. At that 17.1% (4.5%) of gross-turnover (34.1% on purchasing transactions) passed through accounts of pension market subjects. 0.9% (0.3%) of exchange's gross-turnover of corporate bonds – 0.6% (0.4%) on purchasing transactions and 1.2% (0.3%) on sale transactions, passed through depo accounts registered on physical persons.

By the totals of the period weighted average daily net prices of 6 bonds grew on the opened market, prices of the same amount of bonds – fell. BTASb7 seemed to be over-bought, net price of which increased by 11.9%, not any instrument seemed re-sold. Yields of 7 bonds to maturity for buyer on made deals decreased, yields of 5 bonds – grew.

As on several previous weeks, on the described the influence of above mentioned crisis on Kazakhstan market of corporate bonds come to decrease of volume of deals. Instruments of that type are becoming less liquid. On the primary market they seem to be not interesting to investors, striving now to invest into dollar securities, an on secondary market buyers cannot reach the compromise with sellers due to very increased spreads.

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

Results of bond trades on KASE, including STF of RFCA within August 9-15 (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 | min. | max. | | | | |
| ASBNb1 | 12.15 | 12.15 | 12.15 | | 9.00 | 12.15 | 101.6 | 1 | 10.70 | 12.15 |
| ASBNb3 | 8.61 | 8.61 | 8.61 | | 8.03 | 11.80 | 4,655.0 | 1 | 8.61 | 8.61 |
| ASBNb6 | 9.30 | 9.30 | 9.30 | +0.60 | 8.49 | 9.53 | 16.7 | 1 | 9.30 | 9.30 |
| ASBNb7 | 11.00 | 11.00 | 11.00 | 0 | 8.50 | 11.00 | 5,018.2 | 2 | 8.50 | 11.00 |
| ASFib12 | 9.00 | 9.00 | 9.00 | 0 | 9.00 | 9.90 | 16.6 | 1 | 9.00 | 9.00 |
| BRKZe1 | 3.77 | 3.77 | 3.77 | | 3.77 | 3.77 | 13.4 | 1 | 4.78 | 4.38 |
| BTASb7 | 7.00 | 7.60 | 7.00 | -1.00 | 7.00 | 8.60 | 168.4 | 3 | 7.00 | 7.60 |
| EXBNb1 | 9.11 | 9.80 | 9.45 | +0.20 | 9.11 | 9.80 | 6,152.9 | 8 | 9.11 | 9.99 |
| ISKEb1 | 13.20 | 13.20 | 13.20 | | 12.00 | 13.20 | 1,455.9 | 1 | 13.20 | 13.20 |
| KAFib1 | 8.60 | 8.60 | 8.60 | | 8.30 | 8.60 | 4,028.4 | 2 | 8.30 | 8.60 |
| KZIKb7 | 7.99 | 7.99 | 7.99 | -0.02 | 7.00 | 9.50 | 237.5 | 2 | 7.99 | 8.00 |
| TEBNb2 | 14.00 | 14.00 | 14.00 | | 13.50 | 16.00 | 86.6 | 6 | 14.00 | 14.00 |
| 12 | | | | | | | 21,951.3 | 29 | | |

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (July 8 – August 8, 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

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

On August 15 in KASE's trade system by method of specialized trades was conducted the repeated auction for offering of governmental long-term indexed treasury liabilities of Ministry of finance of Republic of Kazakhstan MUIKAM-72 of the first issue ((KZKBKY060019, MUX072_0001; KZT1,000, KZT22.9 bn; June 6, 07 – June 6, 13, annual coupon 0.5% APR + inflation, 30/360), on which Ministry of finance was planned at "dirty" price to offer 15.0 m. bonds. Bids on participation were submitted by closed method with limitation on non-competitive orders in size of 30%. Payment of bonds purchased on trades was made according to T+0 scheme. 4 primary dealers participated in trades, through which investors submitted 30 limited bids. Till the time expired 27 orders left active. Total volume of active bids (volume of demand) had reached **KZT5,041,461,200.00** or 34.6% to offered volume. "Dirty" price on active ids varied from 83.4500% (14.01% APR, here and after in this paragraph are used the forecasted indicators of yield of MUIKAM) to 100.6303% (9.53% APR) and in average weighted expression was equal to 97.1380% (**10.33% APR**). Whole volume of active bids came to the stake of pension market subjects. **By results of trades** the issuer made cut-off at the price **99.5276% (9.78% APR)** and satisfied bids on purchasing of **1,550,000 bonds for amount of KZT1,550,396,600.00**. "Dirty" price in satisfied bids varied from 99.5276% (9.78% APR) to 100.6303% (9.53% APR) and in average weighted expression was equal to **100.0256% (9.67% APR)**. All deals were executed.

Secondary market sector (purchase - sale)

On the described week, the same as on previous, GS exchange secondary market was "on leave", because it had passed through the same problems as corporate bonds market. In the analyzed period total volume of 7 deals made on KASE totaled KZT967.4 m. (\$7.7 m.). In the previous period (August 2-8) the turnover of the sector here was less – KZT834.8 m. (\$6.7 m.) with 7 deals. Participants were limply trade with notes of National bank, which traditionally are applied as instrument of short-term reserving money while expecting of more profitable and more long-term investments.

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 7.1%, while in previous it was equal to 6.2%.

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

Parameters of Exchange's transactions in GS within August 9-15

| Days till maturity | Yield to maturity for a buyer, % APR. | | | | Volume, m. tengge discounted | Number of deals |
|--|---------------------------------------|------|-----------|------------------|------------------------------|-----------------|
| | min | max | last deal | weighted average | | |
| Discounted (KZT): National Bank's notes | | | | | | |
| 100.0% (44.3%) of purchase and sale sector's turnover | | | | | | |
| 15 - 28 | 4.70 | 5.38 | 5.38 | 4.70 (4.97) | 651.2 | 2 |
| 57 - 63 | 5.41 | 7.66 | 7.07 | 6.89 (-) | 120.8 | 3 |
| 182 - 364 | 7.50 | 7.50 | 7.50 | 7.50 (-) | 195.5 | 2 |
| Total | | | | | 967,4 (369,4) | 7 (2) |
| GRANDTOTAL | | | | | 967,4 (834,8) | 7 (7) |

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