

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 2 – 8

SUPPLEMENTAL INFORMATION

US dollar = **120.04** at official rate for the end of the period.

US dollar = **119.95** at weighted average rate of the Exchange for the end of the period.

Speed of tenge devaluation to dollar for the period at exchange's rate made **2.5% APR**.

Money market indicators as of October 8 and change for the period

Indicator	Rate	Trend
TONIA	3.71	+1.66
Autorepo GS 7 days	4.70	+0.70
Autorepo GS 28 days	4.50	-1.50
KazPrime-3M	6.99	-0.01

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

Index	Value	Trend
KASE	1,048.99	-24.54
KASE_BP	255.14	-0.88
KASE_BC	149.97	-1.24
KASE_BY	11.03	-0.09

MAIN NEWS OF THE MARKET

October 2 Standard & Poor's Ratings Services said today that it had affirmed its 'BB+' long-term corporate credit rating on Kazakh oil pipeline operator KazTransOil (KTO). The outlook is stable. The rating on KTO reflects the high strategic importance of the company's operations to its parent company, JSC NC KazMunayGas and the Republic of Kazakhstan. The stand-alone rating on KTO is supported by long-term ship-or-pay contracts with oil producers, the company's favorable debt structure, limited competition from alternative oil export pipelines, and good prospects for oil production and export in Kazakhstan," said Standard & Poor's credit analyst Sergei Gorin. "The company has not yet decided on whether to participate in the Eskene-Kuryk construction project, and a material debt-funded investment in this project could put pressure on KTO's stand-alone credit quality.

October 3 Joint-stock Real Estate Investment Fund Velikaya Stena informed on decision on payment of dividends according to the results of Q3 2008 KZT8,827.6 dividend per common share, of the KZT108,280,000 common dividend fund (90 % of income)), were approved unanimously.

October 3 The National Bank of Kazakhstan disseminated the press release, which informs that the **net international reserves (GFER) of the National Bank, excluding money of the National Fund of the Republic of Kazakhstan, in current prices increased by 0.9 % to \$21,946.3 m.** It is noted in the press release that purchasing of currency on the internal currency market and inflows of currency on the accounts of Government in the National Bank and increase of remains on correspondent accounts of commercial banks in foreign currency in the National Bank were partially neutralized by operations for servicing of external debt of the Government. As a result, net currency reserves (NCR) increased by \$63.7 m., assets in gold increased by \$140.4 m. International reserves of the country as a whole (in current prices), including money of National Funds (by preliminary data \$27,560.8 m.) increased by 2.5 % to \$49,514.0 m. Increase of net internal assets of National Bank in September, 2008 had caused widening of monetary base by 0.2 % or KZT4.0 bn.

October 7 Kazakhmys PLC announces that it has signed a memorandum of understanding with Samruk-Energy JSC ("Samruk-Energy") in which Kazakhmys and Samruk-Energy agree to consider entering into a strategic partnership and joint ownership of the Kazakhmys Power Division. Such a partnership would be expected to bring benefits of access to additional coal resources and greater integration with Kazakhstan's energy development and transmission programs. The memorandum of understanding will allow Samruk-Energy to carry out due diligence on the assets within the Kazakhmys Power Division and, should the partnership proceed, it will be subject to regulatory and shareholder approval. Any transaction will be in accordance with the stated intention of seeking strategic partnerships for these assets.

October 8 Statistics Agency of Republic of Kazakhstan informed that in September 2008 compared with the previous month price index on the primary housing market made 100 %. On the secondary market, reduction in prices over the past month was noted in Kokshetau – 9.3 %, Ust-Kamenogorks – 2.4 %, Pavlodar – 2 %, Almaty - 1.3 %, Astana – 1 %.

SHARES MARKET

News of shares market

Beginning October 6 common shares KZ1C38690018 of Accumulative pension fund GRANTUM (Almaty) under code **GRNT admitted to circulation on KASE in Un-listed securities sector** beginning October 6, 2008. The issue of authorized stock of the company was registered by the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations (AFS) April 21, 2008 and divided into 1,000,000 common shares KZ1C38690018. The main activities of the company are attraction of pension tax and pension payments and investment management of pension assets in the order set by the legislation of the Republic of Kazakhstan.

Beginning October 7 Subsidiary of BTA Bank – BTA Securities (Almaty) **was assigned market maker status on common shares KZ1C49790013 (TMLZ) of Temirleasing** (Almaty) on the basis of its application with the minimum mandatory quotation for market maker has been set in the amount of 3,000 MCI.

Beginning October 14 BCC Invest – Subsidiary of Bank CenterCredit (Almaty) **was released of market maker duties on KASE on common shares KZ1C02890016 (AKFI) of AMF Group** (Aktobe), traded in the KASE official list of the second category.

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 455 deals were made in shares during the analyzed period. Average daily volume made \$7,827.7 th. or KZT939.1 m. and decreased compared to previous period (previous week weighted average volume made \$24,476.6 th. or KZT2 932.8 m.) by 3.1 times. In analyzed period 1.8 % (0.8 %) transactions on KASE in quantitative expression and 15.9 % (0.2 %) in volumetric expression were nego deals.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 39 (37) members. In deals 24 (31) denominations of shares were included. At that: 11.4 % (8.2 %) of gross-turnover of the market – 8.8 % (15.5 %) on purchasing transactions and 14.1 % (1.0 %) - on sale transactions were controlled by pension market subjects; 51.3 % (9.0 %) of gross-turnover of shares – 43.7 % (3.5 %) - on purchasing transactions and 58.8 % (14.4 %) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 12.4 % (5.3 %) of gross-turnover – 10.1 % (4.2 %) on purchase and 14.8 % (6.3 %) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 8 % (16 %) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 75 % (61 %) – fell, prices of 17 % (23 %) remained unchanged. In the described period shares prices changed positively in the range from 1.83 % (ZERD) to 15.83 % (UTMK), negative change – from 3.80 % (CSBN) to 42.05 % (TEBN).

Adoption of long-expected Paulson's plan didn't change the situation on the world markets. The USA economy and along with it the whole world economy weakened and markets are volatilized. The recent events tell that financial sector is rather unstable; investors wait for regular boom bankruptcies. Such moods are admitted by macroeconomic USA data. Besides, evidence of peak crisis situation all over the world is absolute distrust of major and international authoritative players to each other. Interbank credit market has stopped. Deals are concluded very rear as banks are afraid of borrowing money to each other even if contractor is a major financial organization with the high rating.

On this background investors' rather high skepticism rate and market panic only increased. The leading world indexes show record fall. For example, Japanese NIKKEI on Tuesday fell by 10 %. Considering integrity of our market to the world economy, such fate couldn't help coming to our market. KASE index renewed its record of 52 weeks and reached the level on which it had been at the beginning of 2006. Next week, as always, the situation will be totally depend on situation on the world markets and moods of international investors.

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

Results of share trades on KASE, including STF of RFCA within October 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:				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.	price	trend, %				
aHSBKp	145.45	145.45	145.45	-15.79	17.06	1	154.55	135.00
ASBN	8,500.00	11,500.00	8,500.00	-27.35	164.00	12	11,500.00	8,500.00
ASBNp1	8,100.00	8,100.00	8,100.00	-4.14	29.23	1	8,100.00	8,100.00
ASFI	22,728.01	22,728.01	22,728.01	0	293.60	10	22,728.01	22,728.01
BTAS	31,000.00	38,000.00	31,000.00	-20.10	824.77	25	38,000.00	31,000.00
CCBN	870.00	1,250.00	870.00	-24.35	549.68	93	1,250.00	870.00
CHFM	910.00	910.00	910.00		9.25	2	910.00	910.00
CSBN	4,509.22	4,509.22	4,509.22	0	25.37	1	4,509.22	4,509.22
EXBN	1,800.00	1,800.00	1,800.00		17.26	2	1,800.00	1,800.00
GB_ENRC	840.00	1,170.00	840.00	-29.94	134.85	24	1,200.00	840.00
GB_KZMS	850.00	1,430.00	850.00	-39.72	142.11	19	1,430.00	850.00
HSBK	136.36	218.00	136.36	-31.82	265.98	32	218.00	136.36
HSBKp1	175.00	175.00	175.00		145.83	1	175.00	140.00
KIBN	270.00	270.00	270.00		14.84	2	270.00	270.00
KKGB	272.73	418.00	272.73	-31.82	572.97	29	425.00	272.00
KKGBp	181.82	200.00	182.00	-9.00	100.06	6	219.00	181.82
KZTK	24,000.00	31,890.00	24,000.00	-20.00	5,944.77	44	31,890.00	24,000.00
KZTKp	8,200.00	11,998.00	8,200.00	-30.61	1,629.43	19	11,998.00	8,200.00
NRBN	20,000.00	20,000.00	20,000.00	0	8.34	1	20,000.00	20,000.00
RDGZ	8,750.00	11,900.00	9,000.00	-24.37	18,873.19	108	12,050.00	8,750.00
TEBN	4,500.00	5,800.03	4,500.00	-15.09	3,034.84	8	5,800.03	4,500.00
TEBNp	1,500.00	1,650.00	1,500.00		87.60	4	1,650.00	1,500.00
TSBN	1,210.00	1,210.00	1,210.00	-1.63	22.08	1	1,250.00	1,210.00
UTMK	25,500.00	25,500.00	25,500.00	+15.91	2.34	1	25,500.00	25,500.00
ZERD	6.11	6.11	6.11	+1.83	0.43	1	6.11	6.11
25					32,909.89	447		

Notes: Trends are given relative to the last deal of the previous month (September 1 – October 1, 2008). 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

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 79 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$8,759.5 th. or KZT1 051.1 m. and decreased in comparison with the previous period (\$84,647.7 th. and KZT10 140.6 m. correspondingly) by 9.7 times. In the analyzed period no nego deals were made.

During the analyzed period (in parenthesis there are comparable indicators of previous week) deals were made by KASE's 28 (39) members on 40 (57) instruments. At that 40.1 % (15.3 %) of gross-turnover passed through accounts of pension market subjects 35.8 % (20.6 %) on purchasing transactions and 44.4 % (10.0 %) on sales operations. 34.5 % (32.0 %) of exchange's gross-turnover of corporate bonds – 52.6 % (10.0 %) on purchasing transactions and 16.3 % (53.6 %) on sale transactions, passed through depo accounts registered on physical persons.

By results of period 18 names of bonds were characterized by growth of average weighted net price on the opened market, 21 – of decrease. Deals with BTASe3 were made for the first time. KKGBe4 (-33.7 %), KKGBe5 (-25.0 %), RGBRb4 (-17.5 %), KKGBe6 (-14.2 %), ATFBe2 (-13.3 %) and aASFIb7 (-11.6 %) seemed re-sold, while bonds ASFIb10 (+18.3 %), KZIKb3 (+16.6 %), ASBNb6 (+15.0 %) and EUBNb4 (+14.4 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 16 bonds, increased for 21.

Detailed data on corporate bond market is given in trade's results table.

**Results of bond trades on KASE, including STF of RFCA within October 2 – 8, 08
(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
aASFib7	20.00	20.00	20.00		11.80	20.00	18.11	2	20.00	20.00
AGKkb1	10.50	10.50	10.50	-0.65	8.10	16.00	2,657.02	1	9.50	10.50
ASBNb1	25.00	25.00	25.00	-7.00	10.50	111.04	12.26	1	25.00	25.00
ASBNb3	20.00	20.00	20.00		10.11	22.00	32.13	2	20.00	20.00
ASBNb6	20.50	20.50	20.50	-29.50	9.50	50.00	11.50	1	20.50	20.50
ASFib10	11.00	11.00	11.00		9.12	14.00	819.69	1	11.00	12.00
ASFib7	20.00	21.00	21.00	+1.00	11.00	21.00	68.74	5	20.00	21.00
ATFBb4	12.00	12.00	12.00		7.50	15.00	85.08	1	12.00	12.00
ATFBb6	9.00	9.00	9.00	-0.07	6.21	11.00	8,468.43	1	9.00	9.00
ATFBe2	6.00	7.50	7.50		6.00	7.50	56.87	3	6.00	7.50
BTASb2	15.00	15.00	15.00	+0.50	12.00	17.50	13.44	1	15.00	15.00
BTASb4	18.50	19.00	19.00		11.20	47.47	24.25	2	18.50	19.00
BTASb5	8.50	9.00	9.00	+0.50	6.50	9.00	29.33	2	8.50	9.00
BTASe3	13.38	17.41	17.41		13.38	17.41	49.44	3	13.37	18.50
CCBNb2	14.00	14.00	14.00		12.50	106.23	4.18	1	14.00	14.00
CCBNb3	15.00	15.00	15.00		9.00	20.93	357.69	1	15.00	15.00
CSBNb4	14.00	14.00	14.00	+0.50	10.50	14.00	142.95	1	14.00	14.00
CSBNb5	14.00	14.00	14.00		10.00	15.00	646.32	1	14.00	14.00
EUBNb3	13.00	14.25	14.25		9.50	15.00	11,468.80	8	11.00	14.25
EUBNb4	11.00	11.00	11.00		9.00	18.00	29.43	1	11.00	11.00
KAZib2	14.00	14.00	14.00		10.50	14.00	24.72	1	14.00	14.00
KKGBe4	13.89	19.37	19.37		7.59	19.37	26.40	3	13.88	21.64
KKGBe5	14.61	14.61	14.61		7.87	14.61	10.28	1	14.60	21.53
KKGBe6	14.18	28.09	28.09		6.96	28.09	27.06	2	14.16	28.09
KRZHb1	6.80	6.80	6.80		6.80	11.50	499.29	1	6.80	10.00
KZIKb2	19.16	19.16	19.16		11.40	19.16	3.83	1	15.00	19.16
KZIKb3	13.00	13.00	13.00		11.00	18.60	30.97	1	13.00	14.70
KZIKb7	16.22	16.22	16.22	+2.43	11.50	17.60	9,970.00	1	12.00	16.22
KZTCb1	13.00	13.52	13.52		12.50	13.52	96.34	8	13.00	13.52
MREKb2	19.00	19.00	19.00	+1.70	11.00	19.00	33.91	2	18.00	19.00
NRBNb4	14.50	14.50	14.50	+0.20	9.00	19.50	29.33	1	14.50	14.50
ORDBb2	12.00	15.00	15.00	+1.98	9.00	15.00	4,912.85	6	12.00	15.00
ORDKb1	12.20	12.20	12.20	+0.20	11.99	15.03	46.84	1	12.20	12.20
ORDKb2	16.00	16.00	16.00	0	16.00	16.02	275.50	2	16.00	16.00
ORNKb1	15.00	21.00	15.00	-7.00	12.00	34.80	76.45	2	15.00	28.00
RGBRb4	14.00	14.00	14.00		6.31	15.50	291.82	1	13.00	14.00
TMLZb1	12.67	12.67	12.67	+1.67	11.00	12.86	63.73	1	12.67	12.67
TSBNb3	13.50	18.00	13.50	+1.30	11.03	18.00	1,594.37	3	13.50	18.00
US_JPM_e1	17.10	17.10	17.10		16.64	17.10	250.10	1	17.03	17.10
54							406,643.06	184		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (September 1 – October 1, 2008). 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.

In the **Debt certificates sector on STF RFCA** no deals were made.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

October 8 government middle-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan MEOKAM-36 of 68th issue (KZK2KY030684, MOM036_0068; KZT1 000, 08.10.08 – 08.10.11, semiannual coupon) were placed on KASE through specialized trades in the KASE trading system, on which the Ministry of Finance planned to borrow KZT10.0 bn. **The rate of coupon** was the subject of the trade. 6 primary dealers participated in the trades, which were category “K” KASE members. Through these subjects, investors submitted 13 bids (11 limited and 2 markets), which until the bids’ confirmation time expired had left active. Total volume of active bids (volume of demand) made KZT8,048.0 m. (80.5 % from the suggested volume). The rate of coupon in limited active bids, varied from 8.3000 % APR to 9.0000 % APR, making in average weighted expression 8.8773 % APR. In the total volume of active orders the stake of pension market entities constituted for 10.5 %, STB – 74.6 %, broker and dealer companies – 12.4 %, broker and dealer companies clients – 2.5 %. **By the results of trade**, the issuer made cut off price at coupon value **8.4000 % APR** and satisfied bids on purchasing **1 120 000 bonds** at the mount of **KZT1 120 000 000.00** (11.2 % of the planned volume of offering). By the results of auction, 1.8 % of placed bonds were purchased by pension market entities, 44.6 % – STB, 35.7 % – broker and dealer companies, 17.9 % – broker and dealer companies’ clients.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 42 deals made on KASE made KZT15, 541.9 m. (\$129.5 m.). In the previous period (September 25 – October 1, 2008) the given indicator was equal to KZT30,642.9 m. or \$255.7 m. with 58 deals. Stake of exchange's turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period made 100.0 %.

Parameters of Exchange's transactions in GS within October 2 – October 8, 2008

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discount (KZT): MEKKAM, notes of National Bank					1.1 % (73.5%) of purchase and sale sector's turnover	
8 - 14	6.50	6.50	6.50	6.50 (4.41)	49.9	1
15 - 28	7.00	7.00	7.00	7.00 (5.90)	49.8	1
182 - 364	7.70	8.07	7.70	8.04 (7.34)	70.2	2
Total					170.0 (22,524.4)	4 (18)
Coupon (KZT): MUIKAM-72, MEUKAM-96, 120, MEOKAM-24, 36					98.9 % (26.5 %) of purchase and sale sector's turnover	
Less than 730	8.00	8.00	8.00	8.00 (8.46)	5,618.2	15
731 - 1095	7.00	8.40	8.39	7.79 (8.00)	3,254.0	12
1461 - 1825	15.30	19.14	19.14	18.62 (14.15)	4,291.3	6
1826 - 2190	5.50	18.59	5.50	8.26	1,407.0	3
more than 2191	5.50	8.20	8.20	7.10 (7.89)	801.5	2
Total					15,372.0 (8,118.5)	38 (40)
GRANDTOTAL					15,541.9 (30,642.9)	42 (58)

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