

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 23 – 29

SUPPLEMENTAL INFORMATION

US dollar = 119.82 at official rate for the end of the period.

US dollar = 119.81 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 **0.5% APR**.

Money market indicators as of October 29 and change for the period

Indicator	Rate	Trend
TONIA	4.70	+1.14
Autorepo GS 2 days	6.50	–
KazPrime-3M	8.97	+1.27

Stock securities' market indicators as of October 29 and change for the period

Index	Value	Trend
KASE	867.10	-1.68
KASE_BP	244.14	-0.83
KASE_BC	142.00	-0.94
KASE_BY	11.16	-1.92

MAIN NEWS OF THE MARKET

October 23 KazMunaiGas Exploration Production (Astana), announced that **the consolidated volume of production for the first nine months of 2008 amounted to 8,908 thousand tonnes** of crude oil (238.7 kbopd). This is 680 thousand tonnes (8%) more than in the first nine months of 2007. The increase is primarily due to the acquisition of 50% stakes in both JV Kazgermunai LLP (Kazgermunai) and CCEL (Karazhanbasmunai) in April and December 2007 respectively. According to preliminary data, during the first nine months of 2008 the Company supplied 8,638 thousand tonnes of crude oil to customers (231.4 kbopd), including the share in supply from Kazgermunai and Karazhanbasmunai. Out of this amount, 6,698 thousand tonnes (179.4 kbopd) were exported. This is 610 thousand tonnes (9%) more than for the same period last year.

Standard & Poor's Ratings Services made a range of actions in relation to sovereign ratings of Russia and Ukraine:

- **October 23 Standard & Poor's Ratings Services had revised its outlook on the long-term sovereign credit ratings on The Russian Federation to negative from stable.** At the same time, the 'BBB+' long-term foreign currency and the 'A-' long-term local currency ratings were affirmed, as were the short-term ratings of 'A-2'. In addition, Russia's Transfer and Convertibility (T&C) assessment was lowered to 'BBB+' from 'A-'. "The outlook revision reflects the likelihood of a downgrade if costs to the Russian government of the bank rescue operations continue to increase, amid rising capital outflows as confidence in the financial system and the monetary regime declines," Standard & Poor's credit analyst Frank Gill said. "It is difficult at present to determine the ultimate impact on the public sector balance sheet of the banking system bail-out, not least due to the uncertain outlook on asset quality."
- **October 24 Standard & Poor's Ratings Services had lowered its long-term foreign currency sovereign credit ratings on Ukraine to "B" from "B+", and its local currency ratings to "B+" from "BB-".** The "uaAA" national scale rating was also lowered to "uaA+". The outlook is negative. The "B" short-term ratings were affirmed, and the recovery rating on Ukraine's foreign currency debt remains "4". Ukraine's Transfer & Convertibility assessment, which measures the probability of the sovereign restricting access to foreign exchange by non-sovereign debtors, was lowered to "B+" from "BB-". With these actions, the foreign and local currency ratings and the national scale rating on Ukraine were removed from CreditWatch with negative implications, where they were placed on Oct. 15, 2008. "The downgrade reflects the rising cost to the government of a necessary recapitalization of the banking sector against a backdrop of declining growth and heightened exchange rate risk".

October 24 KASE released at its website at: http://www.kase.kz/geninfo/normbase/post_269.pdf the text of **Rules on state registration of issue of corporate bonds and consideration of reports on results of placement and redemption of bonds, and bond issue annulment** (Rules), effective in accordance with resolution No. 125 of the Board of the Agency of the Republic of Kazakhstan for regulation and supervision of financial market and financial organizations of August 22, 2008. The resolution was registered by the Ministry of Justice of the Republic of Kazakhstan September 15, 2008 under No. 5304 effective October 1, 2008.

October 24 Development Bank of Kazakhstan (Astana) provided KASE with an extract from the decision dated October 21, 2008 of the Board of Directors of Fund of Sustainable Development Kazyna (Astana) sole shareholder of the bank. According to the provided document the sole shareholder made the following decision: **to allocate KZT2,954,185,000 of consolidated net income for reserve capital.**

October 28 KASE informed that September 5, 2008 Kazakhstan Stock Exchange (KASE) and ABN AMRO Bank N.V., London Branch entered into a Stock index license agreement (the Agreement). The Agreement entitles ABN AMRO Bank N.V., London Branch to use the main Kazakhstan stock market indicator – KASE Index – for purposes of development and sale of index basket based derivative instruments. KASE Index substituted KASE_Shares Index and has been regularly calculated since October 1, 2007. KASE Index tracks change of prices on stocks included into its representative list with account to capitalization of issuers and stake of free floating stocks. At that, influence of one stock on index value is limited to 15 %.

October 29 KASE released at its website at: http://www.kase.kz/geninfo/normbase/zakon_if.pdf the text of **law # 576-II of Republic of Kazakhstan “On investment funds” dated July 7, 2004**. Text of the law is updated in accordance with law # 72-IV of Republic of Kazakhstan “On inclusion of changes and additions into some legal acts of Republic of Kazakhstan on financial system stability issues” dated October 23, 2008, which is effective since October 24, 2008.

During the analyzed period Kazakhstan government took measures for financial sector stability of the country:

- **October 28 the Prime Minister of Kazakhstan Karim Masimov** informed that in accordance with recommendations of the AFN, **the government appealed to shareholders of the four backbone banks (Allince Bank, BTA Bank, Halyk Bank and Kazkommertsbnak) with an offer for the inflow of additional funds in equity capital of the banks as a measure to strengthen their capital adequacy.** It is anticipated that additional capitalization would be implemented through issuance of common and preferred shares amounting to a total of \$5 bn, which will be redeemed through the National Fund SamrukKazyna. "The Government also plans to discuss similar initiatives with large foreign parties: ATFBank and Bank CenterCredit", - is said in a statement. The term of government participation in the capitals of the banks will be limited, depending on financial market situation. In further government shares will be realized in accordance with market principals.
- **October 29 Alliance Bank** informed that the bank **may offer 16.47 % of unplaced common shares from the total common shares and 19.3 % preferred shares to SamrukKazyna fund** from the bank's capital and later reissue the necessary amount with the purpose SamrukKazyna fund to get 25 % voting shares in the bank's authorized capital. At that, the bank informed that its foreign minority shareholders approved the option of the government. In total the bank plans to borrow \$500 m.
- **October 29 the Chairman of the Board of Kazkommertsbank JSC Nina Zhusupova** informed that during additional shares issue, in which redemption, SamrukKazyna fund will participate, **the bank plans to borrow \$300 m.** Additional issue will be combined: common and preferred shares.
- **October 29 the Chairman of the Board of Halyk Savings bank of Kazakhstan JSC, Grigory Marchenko** informed that **the bank may borrow \$500 m at the expense of additional emission.** At that, Mr. Marchenko specified that government stake will be determined when the bank will get the corresponding offer and after the decision of bank's shareholders meeting. According to him, it will take place in December.
- **October 29** press service of Kazakhstan government informed on the meeting of Prime Minister of Kazakhstan **and the Chairman of the Board of directors of BTA Bank JSC M. Abylazov, during which the last one positively appreciated government's initiation and offered to discuss the possibility of additional bank's capitalization by the government.** In case of adoption, additional capitalization of the bank by the government in the face of SamrukKazyna will be conducted in compliance with the Legislation by means of common shares issue in amount of 25 % of bank stock and additional preferred shares issue.

SHARES MARKET

News of shares market

Beginning October 29, trades in **common shares** KZ1C50770011 (trade code – ATOL) of **Kazakhstan Petrochemical Industries** (Almaty) were opened on KASE secondary market. **Asia Broker Services** (Almaty) will implement the market-maker obligations with the minimum quotation volume in the amount of 3,000 MCI. Chares are included into KASE category "B" official list from January 5, 2004. Upon KASE official list reclassification from September 1, 2008, these shares were included into the third category of the mentioned list. More detailed information on securities and their issuer is published on KASE website at <http://www.kase.kz/emitters/atol.asp>

Beginning November 11, **Kazkommerts Securities (Subsidiary of Kazkommertsbank)** (Almaty) was released from fulfillment of the market-maker obligations on KASE on **common shares** KZ1C51460018 (RDGZ) of **KazMunaiGas Exploration Production** (Astana), traded in KASE first category official list.

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 352 deals were made in shares during the analyzed period. Average daily volume made \$6,977.2 th. or KZT835.8 m. and increased compared to previous period (previous week weighted average volume made \$5,810.8 th. or KZT695.9 m.) by 20.1 %. In analyzed period 3.1 % (1.6 %) transactions on KASE in quantitative expression and 6.8 % (6.4 %) 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 38 (36) members. In deals 24 (22) denominations of shares were included. At that: 1.7 % (31.2 %) of gross-turnover of the market – 3.1 % (51.9 %) on purchasing transactions and 0.2 % (10.5 %) - on sale transactions were controlled by pension market subjects; 11.3 % (26.2 %) of gross-turnover of shares – 10.3 % (16.0 %) - on purchasing transactions and 12.3 % (36.5 %) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 17.4 % (1.3 %) of gross-turnover – 18.6 % (0.1 %) on purchase and 16.2 % (2.5 %) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 25 % (18 %) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 63 % (77 %) – fell, prices of 13 % (5 %) remained unchanged. In the described period shares prices changed positively in the range from 0.04 % (KZIS) to 40.95 % (KKGB), negative change – from 2.29 % (BTAS) to 43.83 % (AMGZp).

Anxieties on world economy recession and also in the USA and Europe last week were the major motivation on the stock markets. Investors continued to sell risk assets from emerging markets, what downgraded quotations of the companies of almost all sectors.

Falling prices on primary goods made corresponding pressures (oil barrel reached \$60). On this background, shares of primary companies are under additional pressures (common shares of EP KazMunaiGaz were falling during the week by 15.6 %, but at the end of the week were closed with zero change, Kazakhmys – minus 7.8 %).

At the same time positive news both form foreign (the USA market grew by 8-10 %) and domestic markets (inflow of government assets in the capital of 4 backbone banks) positively affected quotations of almost all securities of KASE representative list. But forthcoming release of the USA macroeconomic statistic, which is expected to be lower than forecasts, will contribute to the regular wave of sales and fixation of profit on the stock floors.

At the same time KASE index last week fell lower than technical support level at 850 points with aim at 550 points.

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 23 – 29 (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	Number of deals	Best for the period:	
	on the last deal:		for last 365 days:				bid	offer
	min.	max.	price	trend, %				
aASBN	8,200.00	9,020.00	9,020.00		44.69	3	9,020.00	8,200.00
aHSBK	103.00	103.00	103.00	-6.4	17.20	1	103.00	90.00
AMGZp	17,000.00	17,000.00	17,000.00	-43.8	80.45	2	17,000.00	17,000.00
ASBN	7,800.00	12,000.00	12,000.00	+34.7	125.83	13	12,000.00	7,800.00
ASBNp1	6,500.00	9,000.00	9,000.00	+30.4	18.66	2	9,000.00	6,500.00
ASFI	22,728.01	22,728.01	22,728.01	0	70.19	3	22,728.01	22,728.01
ATFB	7,225.00	7,225.00	7,225.00		23.64	2	7,225.00	7,225.00
BTAS	22,000.00	25,520.00	23,000.00	-8.0	11,155.36	26	25,520.00	22,000.00
CCBN	780.00	900.00	780.00	-10.3	432.87	48	900.00	780.00
CSBNp	1,764.23	1,954.82	1,764.23	-9.7	117.01	4	1,954.82	1,764.23
EXBN	1,400.00	1,650.00	1,400.00	-22.2	87.75	3	1,650.00	1,320.00
GB_ENRC	560.00	760.00	560.00	-33.3	59.79	13	760.00	560.00
GB_KZMS	546.00	710.00	600.60	-24.9	130.74	17	660.00	546.00
HSBK	85.00	112.00	109.99	+8.9	335.04	55	112.00	85.00
KKGB	214.00	350.00	350.00	+59.1	496.17	33	350.00	214.00
KKGBp	136.36	145.00	136.36	-6.6	17.28	3	136.36	136.36
KZIS	45,000.00	45,000.00	45,000.00	0	5,438.31	3	45,000.00	45,000.00
KZTK	13,454.55	17,000.00	13,500.00	-22.9	741.20	23	17,500.00	13,454.55
KZTKp	4,600.00	5,000.00	4,999.00	0	19.73	6	5,000.00	4,500.00
ORDB	2,500.00	2,500.00	2,500.00		87.76	4	2,500.00	2,500.00
RDGZ	6,201.00	7,500.00	7,300.00	-3.8	476.75	66	7,500.00	6,200.00
TEBNp	1,000.00	1,000.00	1,000.00	0	29.25	1	1,000.00	1,000.00
TSBN	851.00	945.00	930.00	-4.1	884.42	9	945.00	851.00
UTMK	31,000.00	31,000.00	31,000.00	+21.6	5,128.28	1	31,000.00	31,000.00
24					26,018.35	341		

Notes: Trends are given relative to the last deal of the previous month (September 22 – October 22, 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

News of corporate bond market

Beginning October 23, trades in bonds KZP02Y15C617 (KZT100; KZT10.0 bn.; August 29, 08 – August 29, 23, the semi-annual coupon indexed on the inflation rate, 13.00 % APR for the first circulation year, 30/360) of Eurasian Bank (Almaty) were opened on KASE secondary market sector. Eurasian Capital (Subsidiary of Eurasian Bank) (Almaty) is these bonds market-maker on KASE with the minimum mandatory quotation volume in the size of 23,400 bonds. The mentioned issue is the second within the first bond program of the bank and the fifth issue of the bank's bonds listed on KASE. The mentioned bonds are included into KASE category "A" official list from August 29, 2008, from September 1, 2008 these securities were included the first subcategory of category "Debt Securities without the Rating". More detailed information on securities and their issuer is published on KASE website at <http://www.kase.kz/Emitters/eubn.asp>

KASE started to appraise market value of the following bonds, issued in accordance with the legislation of other states:

- **JPMorgan Chase Bank, National Association** (The city of Columbus, state Ohio, USA) **issue XS0244509963** (US_JPM_e1, KZT13.2 bn.; 14.02.06 - 14.02.16; semiannual coupon indexed to Kazakhstan inflation rate);
- **Merrill Lynch & Co., Inc.** (The city of New-York, USA) **issue XS0240118017** (US_MER_e1, USD100.0 m., 05.01.06 - 11.01.21, floating indexed to level of devaluation of tenge to US dollar semiannual coupon depending on Kazakhstan inflation rate, service in KZT at market maker rate).

The decision was conditioned by absence of regular quotes on the bonds in the Bloomberg information system and huge presence of the bonds in Kazakhstan accumulative pension funds' portfolios (see *KASE news*).

Beginning November 11, Alliance Bank (Almaty) was released from execution of duties of KASE market maker on bonds of Kazakhstan Mortgage Company tradable in the KASE official list of the first subcategory of category Non-rated Debt Securities of the following issues:

- KZPC1Y10B543 (KZIKb11; KZT1 , KZT5.0 bn.; 10.04.05 – 10.04.15, semiannual coupon 6.90 % APR);
- KZPC2Y12B547 (KZIKb12; KZT1 , KZT5.0 bn.; 10.04.05 – 10.04.17, semiannual coupon indexed on inflation, 7.50 % APR as for the current period);

- KZPC4Y10B547 (KZIKb16; KZT1 , KZT5.0 bn., 15.01.07 – 15.01.17, semiannual coupon indexed on inflation, 7.50 % APR as for the current period).

Beginning November 11, Astana-finance (Astana) was released from execution of duties of KASE market maker on bonds KZP01Y10D121 (KATRb2; KZT1 000, KZT11.0 bn.; 04.08.08 – 04.08.18; semiannual coupon indexed on inflation, 17.00 % APR as for the current period; 30/360) of Atameken Agro (Kokshetau) tradable in the KASE official list of the second subcategory of category Non-rated Debt Securities.

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 135 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$9,488.2 th. or KZT1 136.7 m. and decreased in comparison with the previous period (\$12,430.4 th. and KZT1 488.8 m. correspondingly) by 23.7 %. In analyzed period 5.2 % (0 %) transactions on KASE in quantitative expression and 8.6 % (0 %) in volumetric expression were nego deals.

During the analyzed period (in parenthesis there are comparable indicators of previous week) deals were made by KASE's 31 (33) members on 50 (90) instruments. At that 14.1 % (6.7 %) of gross-turnover passed through accounts of pension market subjects 22.9 % (13.0 %) on purchasing transactions and 5.3 % (0.5 %) on sales operations. 17.6 % (36.7 %) of exchange's gross-turnover of corporate bonds – 17.2 % (18.2 %) on purchasing transactions and 17.9 % (55.2 %) on sale transactions, passed through depo accounts registered on physical persons. At that 7.6 % (0.1 %) on sales transactions went through accounts of non-residents

By results of period 23 names of bonds were characterized by growth of average weighted net price on the opened market, 26 – of decrease. Deals with EUBNb5 were made for the first time. CCBNb17 (-18.4 %), BTASb9 (-15.3 %), aHSBKb10 (-13.6 %), aHSBKb11 (-12.2 %), BTASb4 (-11.8 %), KKGBe5 (-8.8 %) and BTASe3 (-8.5 %) seemed re-sold, while bonds ASFib16 (+39.8 %), ORNKb1 (+33.1 %), ORDBb2 (+22.6 %), ASFib11 (+22.1 %), BTTRb1 (+12.4 %), CSBNb6 (+11.3 %) and HSBKb8 (+10.6 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 20 bonds, increased for 28.

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 23 – 29, 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	Number of deals	Best for the period:	
	on the last deal:		for last 365 days:		bid	offer				
	min.	max.	yield	trend					min.	max.
aAPKb3	12.00	12.00	12.00		12.00	12.50	2,071.79	12	0.00	12.00
aHSBKb10	14.00	16.00	14.00		8.20	16.00	22.74	2	14.00	18.00
aHSBKb11	14.00	14.00	14.00		9.50	14.00	11.73	1	14.00	18.00
ASBNb1	25.00	25.00	25.00	-5.0	14.50	111.04	2,036.76	4	25.00	25.00
ASFib11	9.50	9.50	9.50		9.50	16.00	329.24	1	9.50	9.50
ASFib16	10.00	10.00	10.00		10.00	16.00	23.52	1	10.00	10.00
ATFBb3	11.49	11.49	11.49	+1.5	7.51	14.00	4.30	1	11.49	11.49
ATFBe2	20.00	22.00	22.00	+2.5	6.00	22.00	18.81	2	20.00	22.00
BIGRb1	11.00	11.00	11.00	-0.8	9.34	13.50	2,087.21	1	11.00	11.00
BTAIb1	14.50	14.50	14.50	+0.5	7.10	14.50	13.13	1	14.50	14.50
BTAIb3	14.50	14.50	14.50		12.70	14.50	11.69	2	14.50	14.50
BTAIb5	14.12	14.12	14.12	+0.1	9.24	101.34	14.16	1	14.12	14.50
BTASb1	17.50	19.50	19.50	+3.5	10.30	27.33	40.15	2	17.50	19.50
BTASb4	23.00	23.00	23.00	+3.5	11.20	47.47	65.22	1	23.00	23.00
BTASb7	8.60	8.60	8.60	0	6.73	14.00	2.50	1	8.60	8.60
BTASb9	13.00	14.00	14.00	+3.0	9.00	14.00	2,885.10	2	11.00	14.00
BTASe3	22.09	26.57	26.57	+6.7	13.38	26.57	30.12	3	21.97	26.57
BTTRb1	22.06	25.00	22.06	-3.9	6.99	26.00	181.95	2	22.06	25.00
CCBNb17	11.00	17.00	17.00	+6.0	9.00	17.00	55.96	4	9.00	17.00
CCBNb3	15.00	15.00	15.00	0	9.00	20.93	393.95	3	15.00	15.00
CSBNb3	11.00	11.50	11.50	+1.0	9.50	12.00	29.70	2	11.00	11.50
CSBNb5	14.00	14.00	14.00	0	10.00	15.00	651.88	2	14.00	14.00
CSBNb6	11.00	11.00	11.00	-2.2	9.40	16.10	8,346.50	1	11.00	11.95
EKTNb1	14.00	14.00	14.00		11.00	14.11	2,087.05	1	14.00	14.00
EUBNb3	11.00	11.00	11.00	0	9.50	15.00	69.26	2	11.00	11.00
EUBNb5	13.00	13.00	13.00		13.00	13.00	5,106.51	1	11.00	13.00

To be continued on the page 6

Continued of table

**Results of bond trades on KASE, including STF of RFCA within October 23 – 29, 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 period:	
	min.	max.	on the last deal:		for last 365 days:				bid	offer
			yield	trend	min.	max.				
EXBNb1	16.00	16.00	16.00	0	8.61	22.00	94.26	6	16.00	16.00
GLOtB2	15.00	15.00	15.00	0	7.00	15.00	21.81	1	15.00	15.00
HSBKb10	16.00	18.00	16.00	-1.0	8.20	20.00	18.70	2	16.00	18.00
HSBKb11	14.00	16.00	14.00	-2.0	7.50	20.00	21.24	2	14.00	16.00
HSBKb7	16.50	16.50	16.50	+0.5	9.25	16.50	10.83	1	16.50	16.50
HSBKb8	12.00	12.00	12.00	-1.5	9.48	16.00	14.54	1	12.00	15.00
KAFIb1	12.50	12.50	12.50		6.75	13.00	762.10	1	12.50	12.50
KKAGb1	14.75	14.75	14.75	+0.2	10.30	19.00	37.75	1	14.75	14.75
KKGBe4	18.00	21.41	21.41	+3.0	13.89	21.41	1,459.41	4	18.00	21.41
KKGBe5	21.94	23.72	23.72	+2.5	14.61	23.72	15.72	3	21.92	23.72
KKGBe6	27.45	34.39	30.99	+5.6	10.20	34.39	168.17	11	27.45	34.39
KONDb1	3.45	3.45	3.45		3.45	5.03	93.88	1	3.45	3.45
KZIKb7	13.50	18.28	13.80	+0.3	11.50	18.28	333.81	3	13.50	18.28
MREKb2	18.60	18.60	18.60	+1.6	11.00	19.00	22.37	1	18.60	18.60
NRBNb4	13.00	15.00	13.40	+0.9	9.00	19.50	2,296.66	8	13.00	15.00
ORDBb2	7.00	7.00	7.00	-8.0	7.00	15.00	60.88	3	7.00	12.02
ORDKb1	14.00	14.00	14.00	+1.8	11.99	15.03	16.80	3	10.82	14.00
ORDKb2	16.00	16.00	16.00	0	16.00	16.02	166.96	1	16.00	16.00
ORNKb1	10.00	11.01	11.01	-17.8	10.00	34.80	189.07	4	10.00	28.80
RGBRb4	13.00	13.00	13.00	-1.0	6.31	15.50	15.30	1	13.00	13.00
RGBRb6	9.00	9.01	9.01	0	9.00	14.00	1,596.71	2	9.00	9.01
TMLZb1	13.00	13.00	13.00	+0.3	11.00	13.00	24.23	2	13.00	13.00
TSBNb5	16.00	16.00	16.00	-2.0	10.00	20.00	169.74	3	16.00	17.00
TSSMb1	11.90	15.00	13.90	0	1.00	18.00	471.72	7	11.90	15.00
50							34,673.57	128		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (September 22 – October 22, 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 29, government middle-term treasury obligations of the Ministry of Finance of the Republic of Kazakhstan MEOKAM-60 of 27th issue were placed on KASE through specialized trades (KZK2KY050278, MOM060_0027; KZT1 000, 29.10.08 – 29.10.13, semiannual coupon) on which the Ministry of Finance planned to borrow KZT7.0 bn. **Coupon rate** is the subject of the trade. 13 primary dealers participated in the trades, which were category “K” KASE members. Through these subjects, investors submitted 51 bids (42 limited and 9 market) of which until the bids' confirmation time expired 47 bids had left active (38 limited and 9 market) . Total volume of active bids (volume of demand) made KZT30,342.0 m. and exceeded the suggested volume in 4.3 times. The rate of coupon in limited active bids, varied from 7.0000 % APR to 11.0000 % APR making in average weighted expression 9.6672 % APR. In the total volume of active orders the stake of pension market entities constituted for 54.2 %, STB – 15.1 %, clients of STB – 23.6 %, broker and dealer companies – 2.0 %, broker and dealer companies' clients – 5.1 %. **By the results of trade**, the issuer made cut off price at coupon's value at **8.7500 % APR** and satisfied bids on purchasing **7 290 000 bonds** at the amount of **KZT7 290.00 m.** (104.1 % from the planned volume of offering). By the results of auction, 14.0 % of placed bonds were purchased by pension market entities, 27.4 % – STB, 48.1 % - clients of STB, 5.5 % – broker and dealer companies, 5.0 % – broker and dealer companies' clients.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 93 deals made on KASE made KZT12, 774.7 m. (\$106.6 m.). In the previous period (October 16 – 22, 2008) the given indicator was equal to KZT21,518.2 m. or \$179.7 m. with 27 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 23 – 29, 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				69.4 % (94.6%) of purchase and sale sector's turnover		
Less than 8	4.91	4.91	4.91	4.91 (14.73)	50.0	1
8 - 14	3.00	3.00	3.00	3.00 (5.50)	199.9	1
15 – 28	5.76	5.76	5.76	5.76 (5.74)	37.9	1
64 - 91	6.35	6.35	6.35	6.35	53.2	1
92 - 181	6.90	13.00	13.00	8.98 (7.07)	6,559.8	36
182 - 364	7.40	13.00	7.55	10.19 (7.49)	1,961.1	11
Total					8,861.8 (20,346.5)	51 (21)
Coupon (KZT): MEOKAM-24, 36, 48, 72, MEUKAM - 120				30.6 % (5.4 %) of purchase and sale sector's turnover		
Less than 730	7.50	10.00	8.00	8.40 (8.50)	236.8	8
731 - 1095	8.10	9.90	8.10	8.79 (8.50)	2,627.1	20
1826 - 2190	6.15	6.15	6.15	6.15 (7.90)	533.8	7
More than 2191	5.50	7.20	7.20	6.14	515.3	7
Total					3,912.9 (1,171.7)	42 (6)
GRANDTOTAL					12,774.7 (21,518.2)	93 (27)

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