

## WEEK OF STOCK MARKET OF KAZAKHSTAN

October 3-7, 2011

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
30.09.11	1,140.30	147.99	0.4438	0.2612	2.0000
03.10.11	1,116.90	148.19	0.7482	0.8275	2.0000
04.10.11	1,080.20	148.17	0.9999	1.0360	2.0000
05.10.11	1,076.25	148.20	1.7000	2.6900	2.0000
06.10.11	1,091.43	148.34	2.4963	1.7166	2.0000
07.10.11	1,137.16	148.36	2.6591	1.7073	2.0000
<b>Trend</b>	<b>-3.1</b>	<b>0.4</b>	<b>2.2</b>	<b>1.4</b>	<b>0</b>
<b>%</b>	<b>-0.3</b>	<b>+0.25</b>	<b>+499.2</b>	<b>+553.6</b>	<b>0</b>

### MAIN NEWS OF KAZAKHSTANI STOCK MARKET

October 3 Agency of Statistics of Republic of Kazakhstan informed that:

- **subsistence minimum** in September 2011 amounted to 16,844 tenge;
- **inflation** in Kazakhstan in September 2011 was 0.3%;
- **food prices** in September 2011 compared to September 2010 grew by 12%;
- **prices of manufacturers of industrial products** in September 2011 decreased by 1.9%;
- **in September 2011, prices in some segments of the economy changed.**

October 5 in Astana, President of the Board of "Samruk-Kazyna" National Welfare Fund JCS T. Kulibayev introduced the new Chairman of the Board of JSC National Company KazMunaiGaz. Kaigeldy Kabyldin was replaced by Bolat Akchulakov, who previously held the post of general director of Open Company "PSA".

October 6 JSC "Kazkommertsbank" announced the start of execution of court decision on debt collection from ASIA AUTO JCS. September 21, 2011 term of postponement of execution provided to ASIA AUTO JCS by the Specialized Interdistrict Economic Court of East Kazakhstan region of the payment in favor of bank debt on bonds of 522.25 million tenge and the cost of paying the state fee of 15.6675 million tenge has expired. As previously reported, the definition of the appellate panel of judges of the East Kazakhstan Regional Court on September 20, 2010 JSC ASIA AUTO has been granted with stay of execution of the decision of the court for a period of one year, ie until 20 September 2011.

October 6 the results of trading on KASE for first nine months of 2011 were published:

- **The volume of trading in shares on KASE** (excluding transactions in the market of repo operations) amounted to 136.9 billion tenge (equivalent to 938.0 million U.S. dollars) and rose on the corresponding period in 2010 by 2.3 times;
- **The volume of trading in corporate bonds on KASE** (excluding transactions in the market of repo operations) amounted to 233.1 billion tenge (equivalent to 1,595.7 million U.S. dollars) and rose on the corresponding period in 2010 by 1.2 times;
- **The volume of trades in government securities (GS)** on KASE (excluding transactions in the market of repo operations) amounted to 849.3 billion tenge (equivalent to 5,811.0 million U.S. dollars) and decreased relative to the corresponding period of 2010 by 25.6% (25.0% in dollar terms);
- **The volume of trading in repo on KASE** totaled 9,463,400,000,000 tenge (equivalent to 64,728.0 million U.S. dollars) and declined against the same period of last year by 0.1% (0.8% in dollar terms);
- **The volume of trades in foreign currencies on KASE**, including currency swaps, amounted to 11,799,100,000,000 tenge (equivalent of 80,681,900,000 U.S. dollars) and rose on the corresponding period in 2010 by 6.7% (7.5% in dollar terms);
- **The volume of trades at the KASE in all sectors amounted to 22,481,700,000,000 tenge** (equivalent to 153,754,700,000 U.S. dollars) and rose on the corresponding period in 2010 by 2.7% (3.4% in dollar terms).

**October 6 National Bank of Kazakhstan reported that net international reserves of National Bank of Kazakhstan in January - September of this year grew by 15.19% - to \$ 31.921 billion**, according to the National Bank, in September, net foreign exchange reserves fell by 9.96%. Net foreign currency reserves fell in September by 10.17%, gold assets grew by 6.67%. Assets of the National Welfare Fund of the country at the end of September totaled \$ 40.018 billion, in the same time on the beginning of 2011 the National Fund assets were \$ 30.980 billion (up 29.18%).

### Stock exchange market

During the study period at KASE on the secondary market sale 191 deals were concluded

	current	change for	
	week	1 week	2 weeks
Average daily volume. USD th.	423.7	37.2%	30.6%
Average daily volume. KZT m.	62.8	37.6%	33.0%
Stake of nego deals. number (%)	0.01	+0.01 pp	+0.01 pp
Stake of nego deals. volume (%)	0.1	+0.10 pp	+0.10 pp
KASE members	27	17.4%	3.8%
Number of shares denominations*	18	5.9%	28.6%
Stake of pension funds. gross (%)	0	0	0
on purchase	0.0	-0.1 pp	0
on sale	5	+4.6 pp	+4.6 pp
Stake of individuals. gross (%)	54.2	+12.1 pp	-16.0 pp
on purchase	55.9	+6.9 pp	-3.9 pp
on sale	52.6	+17.4 pp	-28.1 pp
Stake of nonresidents. gross (%)	7.4	+7.4 pp	+7.4 pp
on purchase	0.6	+0.6 pp	+0.6 pp
on sale	14.2	-0.1 pp	+14.2 pp

*\*on which the deals on KASE have been conducted*

In the described period falling of average daily prices was detected for nine equities, growth demonstrated two tools involved in the transaction, the price of seven tools have not changed. Adverse change in shares prices was in the range of 0.03% (CAHO) to 7.96% (BTAS), positive - from 4.92% (GB\_KZMS) to 9.15% (GB\_ENRC).

KASE index decrease was less than 1%. The indicator of equity market ended the week at 1,137.16 bps. Beginning of last week was fairly negative, the reason for the sales were fears about the prospects for further economic development of Greece, as well as the downgrade of Italy's sovereign bond rating by agency Moody's. A wave of selling swept to the commodity market. However, the downtrend launched the Bank of England decision to support the economy an additional infusion of funds and data on the growth of employment in the private sector of the U.S.

Active buying on European markets pushed the share prices of Kazakhmys and ENRC to 4.6% and 8.5%. While shares of EP KMG sunk to 3.3%

Securities of the banking sector finished the week in the red zone, which is largely due to the actions of Moody's. The rating company lowered the rating of 12 financial organizations in Great Britain. As a result, the quotations of JSC "Halyk Bank of Kazakhstan", JSC "Kazkommertsbank" and JSC "Bank CenterCredit" sunk by 1.3%, 2% and 3.3%.

More detailed information on share trades at KASE is given in the table below:

**Results of share trades on KASE, including STF of RFCA within October 3-7, 2011, only by data on 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. of deals	Demand	Best for The period: Supply,		
	min	max	Last deal: price	trend,%					for last 365 days: min	max
BSUL	630	630	630	0	630	658.05	20.15	6	630	630
BTAS	1.3	1.59	1.49	-6.88	1.3	22	12.45	6	1.59	1.3
CAHO	37.5	37.5	37.5		37.5	37.51	13.48	1	37.5	37.5
CCBN	329.39	346.33	337.05	-3.29	329.39	670	102.72	6	346.33	329.39
GB_ENRC	1275	1498	1498	+8.55	1275	2600	26.13	8	1590	1270

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**Results of share trades on KASE, including STF of RFCA within October 3-7, 2011, only by data on deals made on the secondary market of KASE by the methods of opened trades):**

Share code on KASE	Last deal:				Price, KZT per share:		Volume of deals	Num. of deals	Demand	Best for The period: Supply,
	min	max	price	trend,%	min	max				
	min	max	price	trend,%	min	max	Th. USD			
GB_KZMS	1780	2050	2040	+4.62	1780	3800	183.57	33	2050	1780
HSBK	220	235.4	227	-1.30	200	445	129.11	19	235.4	220
KASE	4850	4850	4850		3750	6000	29.39	2	4850	4850
KKGB	248	255	254.8	-2.00	246.1	616	119.03	13	255	248
KZTK	17600	18350	17600	-3.96	13500	20850	112.03	12	18500	17600
KZTKp	9000	9001	9000	0	6800	9990	50.90	3	9100	9000
MMGZp	5500	5500	5500	0	5000	10450	13.83	2	5500	5500
MREK	1182	1182	1182	0	1100	3000	7.98	1	1182	1182
RDGZ	12100	13500	13100	-3.33	12100	21000	191.59	21	13500	12100
RDGZp	12100	12700	12500	-5.37	12100	20510	699.15	50	12700	12100
SATC	71.04	71.05	71.05	0	71	72	136.63	4	71.05	71.04
ZERDp	5.4	5.4	5.4	0	4.6	5.72	3.37	1	5.4	5.4
<b>18</b>							<b>1,912.7</b>	<b>190</b>		

**Notes:** Trends are given relative to the last deal of the previous 30 days period (September 5 – October 5, 2011). If deals were not made in the previous month the trend is not calculated.

**Corporate bonds market**

In this sector of KASE during the analyzed period 50 deals were made.

	current week	Change for	
		1 week	2 weeks
Average daily volume. USD th.	7,475.7	53.1%	42.1%
Average daily volume. KZT m.	1 108.3	53.5%	44.6%
Stake of nego deals. number (%)	0	0	0
Stake of nego deals. volume (%)	0	0	0
KASE members	23	27.8%	-3.0 pp
Number of bonds denominations*	18	+2.0 pp	-14.3%
Stake of pension funds. gross (%)	0	0	0
on purchase	18	+18.2 pp	+18.2 pp
on sale	0	0	0
Stake of individuals. gross (%)	8.7	+8.2 pp	-9.0 pp
on purchase	8.2	+7.7 pp	+6.1 pp
on sale	9.2	+8.7 pp	-24.1 pp
Stake of nonresidents. gross (%)	20.9	+20.9 pp	+4.4 pp
on purchase	0.2	+0.2 pp	-21.9 pp
on sale	41.6	-22.6 pp	+30.6 pp

\* on which deals were made at KASE

Following the period growth of average net prices on the open market of bonds characterized six items, fall - 11, the price of one instrument has not changed, 4 tools were traded for the first time. Yield to maturity on deals rose in the week for 10 bonds, declined - in 2, the yield of the three instruments has not changed. Positive change in bond yield to maturity was in the range from 0.04% (AESOb1) to 4.00% (AKFib2), negative - from 0.01% (EUBNb9) to 0.55% (KMGZe1).

More detailed data on corporate bonds on KASE is shown in the table below:

**Results of bond trades on KASE including STF of RFCA within October 3-7, 2011 (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:						Amount	best for the period:		
	on the last deal:		for last, 365 days,:			Of deaks, Th. USD			Number Of deals	demand
	min.	max.	yield	min.	min,		max,			
AESOb1	12.99	12.99	12.99	+0.04	11.80	13.00	30.32	1	12.99	12.99
AKFib2	9.00	9.00	9.00		4.99	9.00	6.68	1	9.00	9.00
BTASe11	29.22	29.22	29.22	-1.91	11.24	31.13	20.41	1		
BTASe7	24.84	28.19	28.19	+1.68	9.67	28.19	61.43	2		
BTTRb1	10.13	10.13	10.13		8.65	10.13	347.10	1	9.55	10.13
EUBNb3	8.00	10.02	10.02	+0.18	8.00	11.00	213.08	4	6.86	10.02
EUBNb9	7.99	8.00	7.99	-0.01	7.96	11.00	6,248.48	3	8.00	8.00
KKGBb5	11.60	11.60	11.60		9.50	11.60	1,588.71	1	11.60	11.60
KKGBe21	13.00	13.00	13.00		13.00	13.00	4,034.02	1	13.00	13.00

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**Results of bond trades on KASE including STF of RFCA within October 3-7, 2011**

**(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:						Amount Of deals, Th. USD	Number Of deals	best for the period:	
	on the last deal:			for last, 365 days,:					demand	supply,
	min.	max.	yield	min.	min,	max,				
KMGZe1	5.77	6.22	5.77	-0.66	3.20	6.44	4,247.18	2	5.77	6.22
KZIKb17	10.80	13.00	10.80		10.00	14.88	6,276.94	12	10.80	13.00
ORDKb2	13.80	13.80	13.80	+1.80	12.00	16.02	36.95	1	13.80	13.80
SKKZb22	5.40	5.75	5.75		5.25	5.89	7,812.74	3	0.00	5.75
SKKZb23	5.70	6.30	5.70		4.50	6.50	2,655.67	4	5.70	6.30
TSBNb5	8.00	8.50	8.50		8.00	14.00	45.70	4	8.00	9.06
TSBNb6	8.50	8.50	8.50		8.50	15.00	15.73	1	8.50	8.50
ZERDb1	16.00	16.00	16.00	0	5.00	54.50	165.60	4	16.00	16.00
ZHMNe1	14.16	14.16	14.16	+2.64	10.43	14.16	3,545.00	3	14.16	14.16
18							37,351.7	49		

Notes: Trends are given relative to the last deal of the previous 30 days period (September 5 – October 5). If deals were not made in the previous month the trend is not calculated.

**GOVERNMENT SECURITIES (GS) SECTOR**

**Primary market sector**

**October 3 in the trade system of KASE specialized buyer auction on placement of long-term treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEUKAM-168 of the first issue (KZKDKY140017, MUM168\_0001; 1000 KZT, 10.3.11, 10.3.25, annual coupon, 30/360) was held, on which the Ministry of Finance planned to borrow 14.0 billion tenge. Subject of bargaining is the coupon rate. 7 primary dealers, who are members of KASE category "K", have participated in trades. Through these subjects, investors filed 13 applications, of which as of the expiration time applications were active 13 orders. Total volume of active bids (demand volume) amounted to 23,100.0 million tenge and exceeded the suggested volume by 2.2 times. As a result of trade, the issuer granted the application to purchase 14,666,666 of bonds in the amount of KZT 14,666,666,000.00 (104.8% of planned volume of placement) under 5.15% per annum.**

**Secondary market sector**

During the study period, the total volume of 34 deals concluded on KASE totaled 15,365.1 million tenge (\$103.6 million). In the previous period (September 26-30, 2011) the figure was 5,288.5 million tenge (\$35.7 million) at 10 transactions. Share exchange turnover in the overall volume of Kazakhstan secondary market for government securities of comparable sales and purchases in the analyzed period was 93.5% (previous period - 100.0%).

**Parameters of Exchange's transactions in GS within October 3-7, 2011**

Days till maturity	Yield to maturity for a buyer. % APR.			Volume.		last deal
	min	max	last deal	min	max	
<b>Coupon (KZT): MEUKAM, MEUJKAM, MEOKAM</b>						
<b>100% (48.0%) of purchase and sale sector net turnover</b>						
Less than 730	2.60	2.60	2.60	2.60	4,948.85	4
731 - 1095	3.00	3.58	3.10	3.19 (3.45)	2,615.54	8
Less than 730	2.60	2.60	2.60	2.60	4,948.85	4
Total					15,365.1 (5,288.5)	34 (10)
<b>TOTAL</b>					<b>15,365.1 (5,288.5)</b>	<b>34 (10)</b>

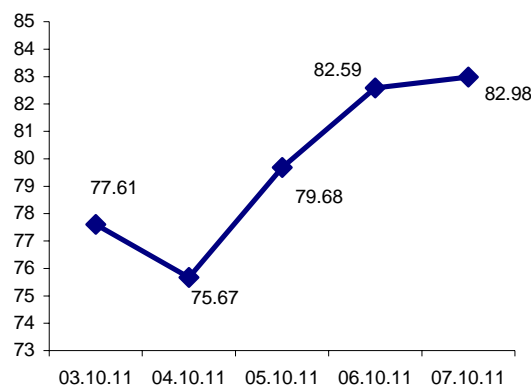
**WORLD MARKETS**

**Main news of the world markets**

**October 3 it was announced that the U.S. consumer income amount in August 2011 compared to the previous month decreased by 0.1%, while consumer spending rose by 0.2%. According to revised data, in July 2011, the amount of revenue compared to the previous month increased by 0.1%, expenditures - 0.7%. Both figures were revised downward by 0.2 and 0.1 percentage points respectively.**

**October 3 forecast on budget deficit of Greece for 2011 was revised from 7.6% of GDP to 8.5% of GDP, in 2012 - from 6.5% to 6.8%. In this recession of the country is projected at 5.5% in 2011 and 2% in 2012, far worse than initial estimates. Against this backdrop, Greece will take additional cost-saving measure in 2011 and 2012 at 6.6 billion euro.**

**NYMEX Light Sweet Crude Oil**



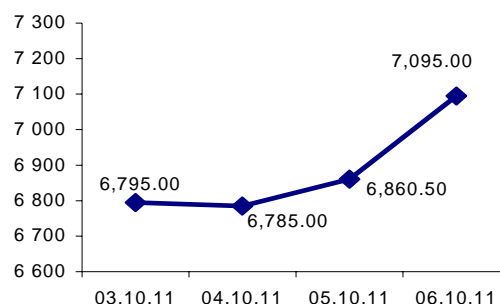
**October 4 Eurogroup head Jean-Claude Juncker said that the next tranche of distress to Greece will not be granted until at least mid-October**, and it will be most likely be done in early November. He, however, assured that Greece will not leave the region of the single currency, its default is also not expected. Later, speaking in the U.S. Congress, the head of the American financial regulator Ben Bernanke said the worsening compared with the June forecast estimate for the growth of the largest world economy in coming quarters. Significant improvements in the labor market, he said, were also not observed. However, Bernanke did not rule out the possibility of new economic stimulus from the Fed, which had strong influence on the bidding.

**October 5th it was announced that European leaders are preparing the program of assistance to banks in connection with the debt crisis.** Director of European Department of International Monetary Fund said that the recapitalization of banks in Europe will need 100 billion to 200 billion euro, adding that it is very, very small amount compared to the total volume of European financial markets, as well as in comparison with the resources of the European Foundation for the updated financial stability.

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**Copper (three months supplement)  
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