

# WEEK OF STOCK MARKET OF KAZAKHSTAN

## April 20 - 26

1 US dollar = **142.15** tenge at official rate for the end of the period  
 1 US dollar = **142.00** tenge at weighted average rate of the Exchange for the end of the period

### Yield of stock exchange financial instruments

Following is the table that allows to compare investment attractiveness of the financial instruments, which were regularly traded or quoted at Kazakhstan stock exchange (KASE) from April 6 through 12. In parentheses – figures of previous period. Instruments are given in descending order, based on their attractiveness.

#### Investment attractiveness of financial instruments at KASE from April 20 through 26

Financial instrument	Currency	Yield, % APR	Volume of deals, mln KZT	Volume of deals, mln USD
MEKKAM, notes	KZT	*15.53 (15.33)	364.5 (776.1)	2,565.9 (5,458.5)
ALKSb	USD	15.00 (–)	48.1 (0)	338.4 (0)
KZT (SS repo)	KZT	*7.44 (7.24)	3,519.0 (2,282.8)	24,773.0 (16,054.7)
KOMBb	USD	13.87 (13.85)	46.2 (4.4)	324.6 (30.9)
KKGBb	USD	12.33 (12.38)	0 (0)	0 (0)
BTAS	USD	11.29 (12.12)	0 (0)	0 (0)
Euronotes-3	USD	11.12 (11.21)	476.5 (625.1)	3,354.3 (4,396.2)
MEKAVM, MGU	USD	*9.32 (9.21)	776.2 (841.5)	5,463.9 (5,918.0)
KZT (SS repo)	USD	*6.18 (7.79)	53.0 (601.2)	373.1 (4,228.1)

**Notes:** Yield of BTAS was calculated for 5 days by bid quotations; for KKGBb as average for offer quotations; KKGBb – average of offer quotations; KOMBb, ALKSb – weighted average of the deals.

Tenge devaluation rate is estimated in the week by a trend of **negative 6.44% APR** (tenge revalued).

The yields, shown here, do not incorporate overhead expenses that are inevitable when conducting operations and fixing profits (commission and tax collections, membership fees etc). Marked by a star are the instruments with less than a year circulation term. Weighted average effective yields are given for them.

### Trades in corporate securities

During observed period total turnover of the sector of private issue securities (PIS) on trade floors of Kazakhstan stock exchange (KASE) equaled **\$956.2 th.**, including: \$617.8 th. on eight deals made in regular trade mode (trades on secondary market) and \$338.4 th. – on twelve deals made at initial auction for additional placement of OJSC “Almaty Kus” bonds. Weekly turnover of PIS grew 6.9 times relative to previous period (\$138.1 th., 11 deals).

#### Results of the trades in shares from April 20 - 26

USD per share, unless otherwise specified						
Issuer	Securities	Close	WA price	Volume	Best bid	Best offer
OJSC «Bank TuranAlem»	BTAS	75.27		0	75.38	77.49
OJSC «Bank CenterCredit»	CCBN	1.27		0	0.91	1.42
OJSC «Halyk Bank of Kazakhstan»	HSBK	2.32		0		2.50
«Kazakhtelecom»	KZTK	28.38		0		24.00
«Kazakhtelecom»	KZTKp	4.00	4.00	300	4.00	4.00
OJSC «Temirbank»	TEBN	7.39		0		7.41
OJSC «UKTMK»	UTMKp	35.00		0		49.50
OJSC «TNC “Kazchrome”»	KZCR	7.00	7.00	25 000	7.00	7.00
OJSC «Mangistaumunaigas»	MMGZp	3.20	3.20	200	3.20	3.20
JSC «Aktobemunaigas»	AMGZp	2.00	2.00	4 270	2.00	2.00
OJSC «Kazzinc»	KZZN	5.39	5.39	20 000	5.39	5.39
JSC «ULBA»	ULBAp			0		*13.00

#### Results of the trades in bonds from April 20 - 26

yield for the buyer in % APR till maturity, unless otherwise specified							
Emitter	Code	Currency	Last	WA	Volume, th. USD	Best bid	Best offer
OJSC «KAZKOMMERTSBANK»	KKGBb	USD	12.66	–	0	13.96	12.58
OJSC «Komirbank»	KOMBb	USD	13.87	13.87	324.59	27.96	13.87
OJSC «Almaty Kus»	ALKSb	USD	14.96	15.00	338.44	15.99	14.96

**Notes:** bid and offer prices are given for the period; if no deals were made during reporting period (volume =0), the last price of successful trades will be given; marked by a star are indicative quotations in Quotation trade system of KASE unlike the bids submitted in regular trade mode. For ALKSb results of initial additional placement are given.

Among the deals made in regular trade mode **coupon bonds of OJSC “Komirbank”** (Ekibastuz, official list of securities, category “A”, **KOMBb**) were the leaders based on the volumes of the deals in monetary terms, and they accounted for 34.0% of total turnover of PIS and 52.5% of trade volume of the secondary market (2 deals, \$324.6 th.).

Compared to previous successful trading day (by the last deal of the period): price of **KZCR** rose 25.6%, **KZTK** – fell 50.0%; **MMGZp** – fell 8.6%, price of **AMGZp** did not change.

**On April 25 the auction for additional placement of coupon bonds of OJSC “Almaty Kus”** (Chapaev of Almaty region, KZ2C3AF64A13, official list of securities, category “A”, trade code ALKSb) was held in trade system of KASE. Additional placement was held **as an open trades** with uninterrupted counter auction mode. OJSC “Kazkommerts Securities” (Almaty) had an exclusive right to make offer bids. As a result of the trades, planned volume was placed fully. Full yield to maturity of the bonds was calculated **on semiannual basis**.

#### Results of initial additional placement of OJSC «Almaty Kus» bonds

Minimum price, % of face value	98.77
Yield at minimum price, % APR	15.40
Maximum price, % of face value	99.60
Yield at maximum price, % APR	14.44
Weighted average price, % of face value	99.11
Weighted average yield, % APR	15.00
Placement volume at face value, USD	340,000.00
Amount raised at actual price, USD	338,442.40

Data on the deals, bid and offer information, as well as description of trade codes are given in the tables.

### Capitalization of the stock market for PIS

For April 26, 2000 total capitalization of the stock market for PIS of Kazakhstan (A+B+N without SBS) equaled **\$1,622.5 mln** or KZT230.4 bln at tenge to dollar rate of the Exchange, effective on that date. Increase in capitalization in terms of dollars relative to the end of previous period by \$112.2 mln was caused by entering common inscribed shares of OJSC “Kazzinc” into trade lists of the Exchange. Bilateral changes in the prices of the shares practically had no effect on the capitalization of the Exchange market.

### Trades in state securities

In **purchase and sale sector** for SS of KASE volume of **53 deals** reached **KZT1,617.1 mln**. In last week the volume equaled KZT2,242.7 mln with 60 deals made. As it can be seen from the table, activity in all sectors of PIS declined noticeably during the week.

#### Parameters of stock exchange transactions in SS from April 20 - 26

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, mln tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted SS: MEKKAM-3, 6, 12, notes of NB</b>				<b>22.5% (34.6%) of purchase and sale sector's turnover</b>		
less than 8	10.94	10.94	10.94	10.94 ( - )	2.0	1
15 – 28	13.13	13.13	13.13	13.13 (12.91)	5.0	1
37 – 42	12.01	13.11	12.01	12.73 ( - )	74.5	6
43 – 56	13.30	13.30	13.30	13.30 (13.52)	73.6	2
57 – 63	13.56	13.56	13.56	13.56 (14.07)	24.5	1
92 – 181	15.98	16.82	16.82	16.51 (16.39)	134.6	5
182 – 364	17.15	17.15	17.15	17.15 (17.24)	50.2	1
Total					364.5 (776.1)	17 (29)
<b>Discounted indexed SS: MEKAVM-12</b>				<b>48.0% (37.5%) of purchase and sale sector's turnover</b>		
182 – 364	9.10	9.94	9.40	9.32 (9.17)	776.2	19
Total					776.2 (841.5)	19 (16)
<b>Euronotes of Kazakhstan, USD</b>				<b>29.5% (27.9%) of purchase and sale sector's turnover</b>		
1,612 - 1,618	10.9544	11.3735	10.9544	11.12 (11.21)	476.5	17
Total					476.5 (625.1)	17 (15)
<b>SUBTOTAL</b>					<b>1,617.1 (2,242.7)</b>	<b>53 (60)</b>

**Notes:** for euronotes volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange. Volumes for indexed domestic SS are calculated considering official rate of USD/KZT.

When analyzing the situation, specialists of IRBIS came to a conclusion that the investors were short of free funds to be invested into SS during observed period. Turnover of the primary market fell by KZT205.7 mln. Decrease in turnover of the secondary market was shown above. At the same time a significant growth in the volume of repo-deals was registered during the week. It seems as if the limits given to the banks to work with financial instruments that are “separated” from the real sector of the economy, were reconsidered lately. Rates of the shortest money do not indicate that there is a deficit of tenge. Demand is low in currency circulation sector, since the banks continue to sell dollars to get some national currency in their accounts. Money is obviously moving away from the sphere of circulation of “clean” financial instruments.

During the period **116 repo deals** were registered for a total of **KZT6,795.0 mln** in **SS repo sector** of KASE. Of this number 61 deals (for KZT3,572.0 mln) were repo opening deals and 55 (KZT3,223.0 mln) were repo closing deals. Growth in the activity of the sector is apparent and it has been observed three weeks in a row now.

After closing of the trades on April 26 total amount of opened repo equaled **KZT2,716.1 mln**. Current weighted average rates as of April 26 (% APR, KZT, unless otherwise specified) equaled:

- 1 day (KZT119.7 mln) – **5.42%**;
- 2 days (KZT389.2 mln) – **6.52%**;
- 3 days (KZT245.0 mln) – **8.00%**;
- 6 days (KZT204.1 mln) – **8.00%**;
- 7 days (KZT152.6 mln) – **7.16%**;
- 8 days (KZT45.3 mln) – **9.00%**;
- 21 days (KZT101.9 mln) – **13.00%**;
- 24 days (KZT1,018.8 mln) – **12.50%**;
- 29 days (KZT98.2 mln) – **5.00%** (in USD);
- 31 days (KZT312.8 mln) – **10.00%**;
- 32 days (KZT28.5 mln) – **13.00%**.

#### Parameters of repo opening deals in SS at KASE from April 20 - 26

(in parentheses – comparable figures for previous period)

Opening date	Term of repo, days	Currency	Amount raised, mln KZT	WA yield, % APR	Number of deals
April 20.00	1	KZT	265.6	6.76	3
April 20.00	32	KZT	28.5	13.00	2
April 21.00	3	KZT	630.2	6.35	12
April 21.00	4	KZT	200.0	6.50	2
April 21.00	5	KZT	204.0	8.00	2
April 24.00	1	KZT	636.0	8.15	9
April 24.00	1	USD	53.0	6.00	2
April 24.00	3	KZT	245.0	8.00	3
April 24.00	8	KZT	45.3	9.00	1
April 25.00	1	KZT	398.8	6.67	6
April 25.00	2	KZT	256.2	6.75	4
April 25.00	7	KZT	37.6	9.00	2
April 26.00	1	KZT	119.7	5.42	3
April 26.00	2	KZT	133.0	6.08	4
April 26.00	6	KZT	204.1	8.00	2
April 26.00	7	KZT	115.0	6.57	4
<b>TOTAL</b>			<b>3,572.0 (2,884.0)</b>		<b>61 (53)</b>

**Total of 169 deals** amounting to **KZT8,412.1 mln** were made **on trade floors of KASE** during last period (purchase and sale and repo sector). Last week volume of 162 deals was KZT7,887.0 mln. Just like in previous period high liquidity of the market was achieved due to repo operations.

In this week **proportion of the stock market turnover** in total volume of deals on Kazakhstani secondary market for SS for comparable operations (including euronotes and repo operations) equaled **74.8%**, for last week it was 78.4%.

#### Information about the companies

According to listing requirements, **OJSC “Corporation Kazakhmys”** (Jezkazgan, official list of securities, category “B”) provided Kazakhstan Stock Exchange (KASE) with its financial statements for 9 months of 1999: balance sheet, income statement, and cash flow statement.

Following are the results of the issuer in 9 months of 1999 (in th. KZT):

Ratio	As of Oct. 1 '98	As of Oct. 1 '99	Change, %
Authorized capital (nominal value)	98,231	98,231	0
Shareholders' equity	37,750,740	30,667,438	-18.8
Total assets	78,906,248	81,227,431	+2.9
Net working capital	-13,119,001	-18,170,145	-38.5
Accounts receivable (net)	15,821,513	16,557,211	+4.6
Accounts payable	24,222,719	24,891,217	+2.8
Sales (services offered)	38,047,063	50,282,788	+32.2
Cost of goods sold (services offered)	28,348,778	27,158,200	-4.2
Net income (loss)	186,765	983,381	+426.5

Compared to similar period of 1998:

- shareholders' equity fell by KZT7.08 bln, or 18.8% (including: total of undistributed income – by KZT7.00 bln, additional unpaid capital – by KZT81.59 mln);
- assets rose by KZT2.32 bln, or 2.9%;
- liabilities – by KZT9.40 bln, or 22.9%.

Sales grew by KZT12.24 bln, or 32.2% relative to nine months of 1998, whereas cost of goods sold fell by KZT1.19 bln, or 4.2%. Expenses of the period grew KZT3.56 bln, or 44.5%.

As a result, net income received during reporting period grew 5.3 times, at KZT983.38 mln, that is by KZT796.62 mln more than during similar period of 1998.

Dynamics of some indicators of OJSC "Corporation Kazakhmys" are shown in the next table on quarterly non-accruing basis (in mln KZT):

Indicator	I-99	II-99	Change, %	III-99	Change, %
Sales	12,596.58	16,207.00	+28.7	21,479.20	+32.5
Net income	-175.05	-3,206.80	-1,731.9	4,365.23	+236.1

According to listing requirements, OJSC "Komirbank" (Almaty, official list of securities, category "A") provided Kazakhstan Stock Exchange (KASE) with its financial statements for the year 1999: balance sheet, income statement, and cash flow statement.

Following are the results of economic and financial activity of the issuer in 1999 (in th. KZT):

Index	As of January 1 '99	As of January 1 '00	Change, %
Authorized capital (nominal value)	1,000,000	1,500,000	+50.0
Shareholders' equity	1,053,690	1,559,653	+48.0
Total liabilities	353,080	3,005,173	+751.1
Total assets	1,406,770	4,564,826	+224.5
Liquid assets	135,383	953,731	+604.5
Loans and deposits	293,069	1,515,271	+417.0
Loans granted	1,105,993	2,017,331	+82.4
Income from operating activities	263,342	589,080	+123.7
General expenses	244,241	562,730	+130.4
Net income	19,101	26,350	+38.0

Calculations based on issuer's data:

Return on equity (ROE), %	1.81	1.69	-6.8
Return on assets (ROA), %	1.36	0.58	-57.5

Compared to 1998 growth has been observed in:

- equity of the bank – by KZT505.96 mln, (including, increase in authorized capital – by KZT500.0 mln, as a result of incorporation of OJSC "Latur Alliance Bank", undistributed income – by KZT23.11 bln, and decrease in accumulations in the funds – by KZT17.15 mln,);
- assets – by KZT3.16 bln;
- liabilities – by KZT2.65 bln;
- operating income – by KZT325.74 mln;
- expenses – by KZT318.49 mln.

Net income of OJSC "Komirbank" in 1999 equaled KZT26.35 mln, that is KZT7.25 mln, or 38.0% more than in 1998.

Dynamics of some of the indicators of OJSC "Komirbank" are shown in the next table on quarterly non-accruing basis (in mln KZT):

Indicator	I-99	II-99	Change, %	III-99	Change, %	IV-99	Change, %
Client deposits	-66.23	137.96	+308.3	-46.40	-133.6	1,072.04	+2,410.4
Operating income	95.65	177.36	+85.4	228.96	+29.1	87.12	-61.9
Net income	1.89	1.50	-20.7	134.18	+8,839.3	-111.22	-182.9

Since Jan.21,00, coupon bonds of OJSC "Komirbank" (trade code: KOMBb) have been traded on non-listing floor of KASE. They were entered into official list of securities of category "A" on Feb.11,00. From March 17 LLP "Tasbaka Asset Management" (Almaty) became a market-maker of registered coupon bonds of the bank. From the beginning of circulation of the bonds on the secondary market (Feb.21, 00) 8 deals were made on trade floors of KASE.

## News

By the decision of the Board of KASE, dated April 24, 2000, OJSC "Bank TuranAlem" was allowed to participate in trades in PIS that were entered into official list of the Exchange(category "P").

The application of OJSC "Bank TuranAlem" and the fact that the license was issued to the bank by the National securities commission of Kazakhstan under #0401100110 to conduct brokerage and dealing activities on the stock market with the right to handle client accounts as a nominal holder became the grounds for the decision.