

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 3 – October 9

Money market indicators as of October 9 and weekly changes

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	4.39	-0.49
Repo opening at KASE (WA, % APR)			
1 day	KZT	4.43	-0.44
7-8 days	KZT	5.94	+0.87
14 days	KZT	6.13	+0.93
29 days	KZT	10.30	+2.53
KIBOR (indicative, % APR)			
1 week	KZT	7.00	-0.17
2 weeks	KZT	8.00	-0.33
1 month	KZT	9.00	-0.67
2 months	KZT	10.00	-0.67
3 months	KZT	11.00	-0.67

Stock market indicators as of October 9 and their weekly change

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	113.89	+1.53%
Corporate bonds of “A” listing		
KASE_BP	130.69	+0.28%
KASE_BC	108.42	+0.27%
KASE_BY	9.15	-1.57%
Euronotes of Kazakhstan		
KASE_EP	143.29	+0.17%
KASE_EC	115.60	+0.01%
KASE_EY	4.21	-1.35%

US dollar = **154.50** tenge at official rate for the end of the period
 US dollar = **154.45** tenge at weighted average rate of the Exchange for the end of the period
 Weekly rate of tenge devaluation at the Exchange's rate – **negative 3.15% APR**

THE CORPORATE SECURITIES SECTOR (CS)

In CS purchase-sale sector a total of 42 deals amounting to **\$17,204.7 th.** or KZT2,658.0m were made. In comparison with the previous period (46 deals, \$11,573.6 th. or KZT1,789.3m) volume of the sector increased by 48.7%. Deals were made by thirteen instruments twelve of which were bonds. Last week brokers were interested in sixteen securities nine of which were bonds.

There is notable activity at corporate bonds market. Prices here were growing. BY the results of the period yield of ALKSb2 fell from 11.94% to 11.66% APR, ASFib1 – from 10.50% to 10.01% APR, BTASb2 – from 10.50% to 10.00% APR, BTASe1 – from 9.76% to 8.00% APR, CCBNb1 – from 10.51% to 10.00% APR, KARMb1 – from 10.97% to 10.20% APR, VTBnb1 – from 11.01% to 10.50% APR. At this there is yield growth of KKGBe3 (from 8.32% to 8.38% APR), KZTKb1 (from 7.50% to 8.00% APR) and ORDBb1 (from 11.62% to 11.80% APR). As regards CCBNb2 and KZAPb1 there have nbeen made first deals, yield on the last deals equaled to 9.66% APR and 8.91% APR correspondingly.

Total prices growth in this market's segment caused growth of its capitalization. By KASE estimation as of October 9 capitalization of corporate bonds market reached **\$899.4m**, having increased within the week by \$2.8m.

Investment attractiveness of stock exchange instruments from October 3 to October 9

Financial instrument	Currency of transaction	Yield, %	APR trend
Instruments denominated in national currency, tenge			
TXBNb1	KZT	15.00	0
CS repo	KZT	*9.92	+0.20
MEOKAM, MEAKAM	KZT	7.81	+0.40
MEKKAM, notes	KZT	*5.35	+0.18
GS repo	KZT	*4.36	-0.29
Instruments indexed by devaluation			
SMGZb1	USD	13.16	-0.56
ASFib2	USD	12.22	+0.38
ORDBb1	USD	11.82	+0.51
ALKSb2	USD	11.76	-0.14
VTBNb1	USD	11.75	+0.81
TEBNb2	USD	10.80	0
KZASb1	USD	10.79	0
KARMb1	USD	10.46	-0.92
CCBNb2	USD	10.01	+0.02
ASFib1	USD	10.01	+0.31
CSBNb1	USD	10.00	0
CCBNb1	USD	10.00	+1.62
BTASb2	USD	9.52	-0.98
TEBNb	USD	9.47	-0.01
ATFBb2	USD	9.28	0
RGBRb2	USD	9.00	0
BTASb1	USD	8.99	-1.28
KZAPb1	USD	8.91	—
SYRGb1	USD	8.43	-0.02
HSBKb2	USD	8.11	0
ALBNb1	USD	8.09	0
HSBKb	USD	8.06	-0.04
KZTKb1	USD	8.00	+0.50
BRKZb1	USD	7.50	-1.13
TMJLb2	USD	7.11	-0.29
ARU060.003	USD	6.57	-0.01
VKU036.002	USD	6.54	-0.20
ASU036.003	USD	5.90	+0.15
KZTOb	USD	5.60	+0.11
VKU036.001	USD	5.30	-0.01
ARU024.002	USD	2.74	-0.08
Instruments, denominated in foreign currency			
KKGBe2	USD	9.20	0
BTASe1	USD	8.47	+0.45
KKGBe3	USD	8.26	-0.13
KZTOe1	USD	7.41	-0.93
ENU07.05	USD	4.54	-0.02
ENU04.10	USD	3.25	-0.15
Supranational bonds	DEM	3.25	-0.13
Supranational bonds	USD	1.10	-0.12

The yields at which the deals have been made are calculated as average of the deals, for other corporate bonds – as average of sale quotations. The correspondent ratio of last week is given in the parentheses. Securities marked by an asterisk are the instruments with less than a year circulation term (for them effective weighted average rate of yield is given).

As regards shares market, there is calm here. The only deal has been made on MMGZp, as the result of which price fell by 44.0%. This decrease of the rate affected capitalization of stock exchange's shares market, which as of October 9 was estimated by KASE at **\$1,444.9m** (KZT223.2bn) and fell within seven days by \$2.6m.

The table shows data on deals, bid and ask in CS purchase and sale sector and also decoding of trade codes.

Results of the trades in shares on October 3 – October 9

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS		0	0	23.80	47.56
Almaty Kus OJSC	ALKSp		0	0	13.91	26.25
Almaty Kus OJSC	ALKSp3		0	0	10.51	10.81
Altynalmas OJSC	ALMSp		0	0		*5,000.00
Astana-Finance OJSC	ASFI	1,014.96	0	0	600.00	1,220.00
AMB OJSC	ATFBp	834.35	0	0	556.99	1,050.26
Bank TuranAlem OJSC	BTAS	*13,063.50	0	0	12,362.40	21,620.02
Bank CenterCredit OJSC	CCBN	*212.00	0	0	135.00	250.00
BANK CASPIAN OJSC	CSBN	170.00	0	0	105.00	210.00
BANK CASPIAN OJSC	CSBNp	170.00	0	0	105.00	210.00
Halyk Bank of Kazakhstan OJSC	HSBK	186.71	0	0	140.00	200.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	143.00	202.00
KAZKOMMERTSBANK OJSC	KKGB	*77.33	0	0	38.63	77.22
KAZKOMMERTSBANK OJSC	KKGBp	44.38	0	0	44.81	89.57
Corporation Kazakhmys OJSC	KZMS	13,878.90	0	0	9,273.00	18,540.00
Kazakhtelecom	KZTK	3,062.00	0	0	2,008.89	4,015.18
Kazakhtelecom	KZTKp	*3,160.08	0	0	1,854.36	3,400.00
Mangistaumunaigas OJSC	MMGZp	*664.14	1,000	4.3		*664.14
TEMIRBANK OJSC	TEBN	1,001.50	0	0	500.00	1,000.00
TEMIRBANK OJSC	TEBNp		0	0	500.00	1,000.00
UKTMK OJSC	UTMK	*5,350.00	0	0	4,481.37	8,956.94
UKTMK OJSC	UTMKp	6,489.00	0	0	3,554.19	7,103.78
VALUT-TRANZIT BANK OJSC	VTBN	200.00	0	0	235.00	440.00
VALUT-TRANZIT BANK OJSC	VTBNp	402.00	0	0	265.00	475.00
Avtokombinat OJSC	Z ABTOKOMB		0	0		450.00
Akku JSC	Z AKKU		0	0		170.00
"SHMO" OJSC	Z CHMUNAI		0	0		750.00
Darbazinskiy karier OJSC	Z DARBKARER		0	0		200.00
Zhualynskaya PAK OJSC	Z JUALAVTO		0	0		450.00
Corporation Kazreklama OJSC	Z KAZREK		0	0	34.30	40.00
AIC Kommesk-omir OJSC	Z KOMESK		0	0		29,500.00
Rosa OJSC	Z ROSA		0	0	120.00	150.00
Sary-arkageologiya OJSC	Z SARIARGEO		0	0		150.00
Shardara-Astyk OJSC	Z SHARDAST		0	0		150.00
Uigentas-Astyk OJSC	Z UGENASTK		0	0		300.00
Zerde OJSC	ZERD	*1,404.00	0	0		*6.50
TOTAL	36		1,000	4.3		

Results of the trades in bonds from October 3 – October 9

(% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1		0	12.1952	8.0891
Almaty Kus OJSC	ALKSb2	*11.6624	927.9	*11.6624	11.9076
Astana-finance OJSC	ASFib1	10.0138	304.9	10.0138	10.0138
Astana-finance OJSC	ASFib2		0	12.4978	13.1758
AMB OJSC	ATFBb2		0	9.7035	9.2835
Development Bank of Kazakhstan OJSC	BRKZb1	8.6350	0	9.7853	7.4973
Bank TuranAlem OJSC	BTASb1	10.8333	0	9.3002	10.2750
Bank TuranAlem OJSC	BTASb2	10.0035	9,992.8	9.5029	10.5044
TuranAlem Finance B.V.	BTASe1	8.0004	1,962.4	8.0004	8.4770
Bank CenterCredit OJSC	CCBNb1	10.0027	98.1	10.0027	10.0027
Bank CenterCredit OJSC	CCBNb2	9.6624	233.3	9.6624	10.4971
BANK CASPIAN OJSC	CSBNb1	10.2069	0	11.0000	10.0000
Halyk Bank of Kazakhstan OJSC	HSBKb	11.0249	0	10.4998	8.1057
Halyk Bank of Kazakhstan OJSC	HSBKb2		0	9.8022	8.1140
Karazhanbasmunai OJSC	KARMB1	10.1981	61.3	10.1981	10.9678

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
KAZKOMMERTSBANK OJSC	KKGBe2		0	10.8017	9.2000
KAZKOMMERTS INTERNATIONAL B.V.	KKGBe3	*8.3839	1,122.7	8.2558	8.2590
NAC Kazatomprom	KZAPb1	8.9120	21.3	8.9120	8.9120
DAGOK Kustanaiasbest OJSC	KZASb1	12.5047	0	12.3802	10.8853
Kazakhtelecom	KZTKb1	8.0000	578.1	8.0000	8.0000
NOTC KazTransOil CJSC	KZTOb	7.9010	0	8.5063	5.6400
NOTC KazTransOil CJSC	KZTOe1	8.6708	0	8.1777	7.4100
Corporation "Ordabasy" OJSC	ORDBb1	11.8015	680.5	11.8015	11.8390
RG BRANDS OJSC	RGBRb2	10.8311	0	11.9983	9.0044
SHAHARMUNAIGAS OJSC	SMGZb1	13.7234	0	19.0033	13.3316
HOP OJSC	SYRGb1	10.8001	0	9.9998	8.4396
TEMIRBANK OJSC	TEBNb	10.4876	0	10.4889	9.4781
TEMIRBANK OJSC	TEBNb2	10.9815	0	11.2029	10.8041
Kazakhstan Temir Joly RSE	TMJLb2	8.0010	0	8.7021	7.1973
TEXAKABANK OJSC	TXBNb1	15.5000	0	17.0000	15.0000
VALUT-TRANZIT BANK OJSC	VTBNb1	10.5000	1,217.0	10.4963	12.7638
TOTAL	31		17,200.4		

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, or the price of direct deals and indicators received with its using.

In the repo sector of CS 25 deals were made in the total amount of **\$4,201.8 th.** (KZT648.8m). Of them 15 deals (in the amount of \$2,370.4 th.) repo opening and 10 deals (in the amount of \$1,830.6 th.) – repo closing. Last week volume of deals in this sector amounted to \$2,462.1 th. (KZT380.7m).

In all CS trade floors of KASE (including SBS sale sector and primary floatation) a total of 67 deals amounting to **\$21,405.7 th.** (KZT3,306.9m) were concluded within the analyzed period. Last period volume of 59 deals equaled to \$18,399.1 th. (KZT2,845.0m).

Changes in the trade lists

By the decision of Kazakhstan stock exchange's (KASE) Board dated October 9 of 2002 **coupon eurobonds for presenter Development Bank of Kazakhstan CJSC** (Astana) of the first issue (XS0155792186, \$100m, October 10, 02 – October 10, 07, semi-annual coupon 7.125% APR), have been included into KASE official "A" listing category **since October 10 of 2002.**

By the decision of KASE Council bonds have been assigned trade code **BRKZe1**. Quotation accuracy in the stock exchange's trade system is four decimal figures.

Status of market maker of BRKZe1 at KASE has been given on the basis of submitted application of Halyk Bank of Kazakhstan OJSC (Almaty). Minimal volume of compulsory quotation for the market-maker is USD3,000 in the debt's nominal expression.

Trades in the eurobonds at KASE are opened since October 10 of 2002.

More detailed information about the issuer and his securities will be published on the web-сайте of Kazakhstan stock exchange <http://www.kase.kz/emitters/> in the nearest future.

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE (including euronotes of Kazakhstan) a total volume of 86 deals did not exceed **KZT5,735.8m** (\$37,128.7 th.). Corresponding figure of the previous week – KZT5,146.5m (\$33,290.2 th.).

Parameters of Exchange's transactions in GS from October 3 till October 9

(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		
Discounted (KZT): notes 42.8% (52.9%) of purchase and sale sector's turnover						
Less than 8	4.00	4.68	4.68	4.08 (4.91)	56.2	2
8 – 14	4.09	4.61	4.09	4.42 (4.96)	232.0	6
15 – 28	4.62	6.03	4.96	4.92 (5.07)	647.1	12
29 – 36	5.00	5.29	5.00	5.21 (5.22)	248.9	3
43 – 56	5.50	6.00	5.54	5.57 (5.55)	1,068.4	8
57 – 63	5.57	5.60	5.57	5.57 (5.66)	157.1	4
64 – 91	5.63	5.63	5.63	5.63 (5.68)	45.9	2
Total					2,455.6 (2,724.8)	37 (36)
Coupon (KZT): MEOKAM-24, 36, MEAKAM 48.6% (19.4%) of purchase and sale sector's turnover						
less than 730	5.72	8.08	7.20	7.29 (7.35)	1,491.2	33
731 - 1095	7.95	8.13	7.97	8.00 (8.10)	394.0	7
1826 - 2190	8.17	8.60	8.17	8.57 (8.24)	905.2	3
Total					2,790.4 (998.8)	43 (17)
Euronotes of Kazakhstan (USD) 8.5% (27.6%) of purchase and sale sector's turnover						
*729 - 735	3.21	3.29	3.21	3.25 (3.40)	195.6	2
**1652 - 1653	4.44	4.55	4.55	4.54 (4.56)	294.2	4
Total					489.8 (1,422.9)	6 (15)
GRANDTOTAL					5,735.8 (5,146.5)	86 (68)

Notes: for euronotes (* – third issue, ** – fourth issue) volumes of the deals are calculated at weighted average USD/KZT rate of the Exchange.

In GS repo-transactions sector 264 deals were made for a total of **KZT50,215.4m** (including automatic repo sector) during the period. Of this number 130 deals (for KZT25,372.2m) were repo opening deals and 134 (KZT24,843.2m) were repo closing deals. Last period the turnover of this market sector equaled KZT57,061.4m. After closing of the trades on October 9 total amount of opened at KASE repo reached KZT11,870.4m. Parameters of automatic repo market are given in the table.

Major parameters of automatic repo market from October 3 through October 9

(in parentheses – comparable figures of previous period)

Instrument (currency, term or repo)	Yield, % APR					Volume, m KZT	Number of deals	Portion, %
	on first deal	min	max	at last deal	weighted average			
KZT_001	4.50	0.50	5.50	4.00	4.25 (4.55)	21,251.0	91	88.9 (84.1)
KZT_002	2.00	2.00	2.00	2.00	2.00 (–)	100.0	1	0.4 (–)
KZT_007	5.00	4.20	5.00	4.50	4.85 (5.00)	1,425.0	10	6.0 (7.1)
KZT_014	5.20	4.50	6.45	6.45	4.97 (5.24)	732.0	9	3.1 (6.1)
KZT_028	5.50	5.20	6.50	6.50	5.28 (5.54)	401.0	6	1.7 (2.7)
TOTAL						23,909.0 (25,981.0)	117 (125)	100.0

Total of 350 deals were made at trade floors of KASE amounting to **KZT55,951.2m** in GS on trade floors of KASE during the week (purchase-sale and repo sector). The previous period volume of 405 deals equaled KZT62,208.0m. This week **the proportion of the Exchange's turnover** in total volume of deals on Kazakhstani secondary market for GS for comparable operations did not exceed **89.5%**, for last week it was 92.5%.

INFORMATION ON ISSUERS

DAGOK Kustanaiasbest OJSC (Zhetikara, Kostanai oblast), whose bonds are circulating under stock exchange's official "A" listing category, informed KASE with official letter about the fact that in May of 2002 the company made agreement for maintaining of securities holders register with **Register-Center LLP** (Almaty, license of the National Bank of Kazakhstan for conducting activity on maintaining of securities holders register dated December 29 of 2001 #0406200212). The former company's registrar was Kazregister LLP (Almaty).

VALUT-TRANZIT BANK OJSC (Karaganda) informed KASE about stoppage of authorities of the bank's Board of directors' member N. Beskova on the basis of her application.

International agency Standard & Poor's Ratings Services changed outlook of the rating of **NC Kazakhstan Temir Zholy CJSC** to "positive" from "stable". At this, long-term rating of borrowings in foreign and national currency was confirmed by the agency on the level "BB". Among reasons of outlook changing S&P calls

auspicious outlook of sovereign Kazakhstan ratings.

"The ratings reflect the lack of regulatory transparency, the low quality of KTZ's fixed assets and the need for significant investment in the rail sector, the possible effects of restructuring, and the threat of competition to some of KTZ's revenue streams in the longer term", - says the press-release of S&P.

KASE NEWS

By the decision of Kazakhstan stock exchange's (KASE) Council **since October 3 of 2002** trades in inscribed coupon indexed unsecured bonds of National atomic company Kazatomprom CJSC (Kazatomprom CJSC, Almaty) of the first issue (KZ2CKY05A523; KZT2.3bn; KZT100; April 1, 02 – April 1, 07; semi-annual coupon 8.5% APR) are opened at Kazakhstan stock exchange.

The bonds have been included into KASE official "A" listing category since April 1 of 2002. Trade code – **KZAPb1**. Quotation accuracy in KASE trade system is four decimal figures of bond's price expressed as percentage of the face value.

Status of market-maker of KZAPb1 at KASE has been given, on the basis of submitted application, to **Fondoviy service CJSC** (Almaty). Minimal volume of compulsory quotation for the market-maker is 4,000 bonds.

On May 28 of 2002 the specialized trades on primary floatation of the mentioned bonds were held, at which there were made four deals for purchasing of 3,000,000 securities on the yield to maturity for a purchaser, which equaled to 9.3001% APR.

By the decision of Kazakhstan stock exchange's (KASE) Board dated October 9 of 2002 on the basis of stock exchange's Council of the same date **inscribed coupon indexed bonds of local executive body of Astana city of the fourth (KZZ4KY030048) and the fifth (KZZ4KY040054) issues** have been admitted for circulation at KASE **since October 10 of 2002**.

The mentioned securities have been assigned trade codes **AST036.004** and **AST048.005** correspondingly. Quotation accuracy in KASE trade system is four decimal figures.

Status of bonds' market-maker at KASE according to the submitted application was given to **Fondoviy service CJSC** (Almaty). Minimal volumes of compulsory quotation for the market-maker are 4,000 bonds on each issue.

Bonds were issued in non-documentary form and have the face value of KZT100. Announced volume of the fourth issue – **KZT1,633.0m**. Circulation term is 3 years. Announced volume of the fifth issue is **KZT967.0m**. Circulation term is 4 years.

Bonds are offered at the face value at KASE specialized trades. After the results of these trades, there is set the single interest rate on each bonds issue, which is to be agreed with the Ministry of finance of Kazakhstan.

Bonds circulation starts since the date, which follows the day of money transfer to the issuer's account (payment day) and stops three working days before interest payment and (or) bonds redemption.

Bonds redemption is made by the issuer in tenge at indexed on maturity date face value on the date, which was fixed as maturity date for corresponding issue.

Imposing of interest rate starts since the day, which follows the day of money transfer by the financial agent to the issuer's account for bonds purchased by investors at primary floatation, and is made during the whole circulation term, including maturity date, at the interest rate, which is determined by the results of specialized trades. Interest is imposed in tenge of bond's face value, indexed to devaluation (revaluation) of KZT to USD at the official rate, which is set by the National Bank of Kazakhstan on interest payment date. Interest payment on bonds is made by the issuer twice a year – on 182 th. and 365 th. days of corresponding bonds circulation year according to time basis **actual/365** (actual number of days in the month, 365 days in a year). The last interest payment date clashes with bonds maturity day.

The issuer has the right to make prescheduled bonds redemption with interest payment while their actual being in circulation in the next period of interest imposing.

Register on bonds is maintained by Central depository of securities CJSC (Almaty). The issuer's financial consultants are Fondoviy service CJSC (Almaty), Astana-finance OJSC (Astana), CAIFC Company CJSC (Almaty). Juridical consultant of the issue and the issuer is KAZAKHSTAN LEGAL GROUP LLP. The issuer's financial agent is KASE.

According to the resolution of the Government of Kazakhstan **"About local investment projects and borrowings by local executive body of Astana city for 2002 "** dated September 3 of 2002 № 968 and decision of Mslikhat of Astana city dated June 26 of 2002 #174/32-II, money, which may be received from bonds floatation, will be used for financing of four local investment projects: KZT1.0bn for building of municipal

lodging on the left bank of Ishim river, KZT270m – for building of addition for 700 educational places and reconstruction of Kazakh school-gymnasium #4, KZT967m – for building of the first turn of vodno-zeleniy boulevard of the new administrative center of Astana and KZT363m – for building of air line of electricity transmission "AL-110 кВ Airport–HS-2".

Prepared by the agency IRBIS