

WEEK OF STOCK MARKET OF KAZAKHSTAN

October 16 – October 22

Money market indicators as of October 22 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo at KASE(TONIA)			
1 day	KZT	7.24	-12.22
Repo opening at KASE (WA, % APR)			
1-2 days	KZT	7.16	-10.81
7 days	KZT	5.44	-1.18
14 days	KZT	5.40	-2.47
28 days	KZT	5.87	-1.67
KIBOR (indicative, % APR)			
1 week	KZT	8.00	+1.00
2 weeks	KZT	9.00	+1.25
1 month	KZT	9.00	+1.00
2 months	KZT	10.00	+1.25
3 months	KZT	10.00	+1.00

Stock market indicators as of October 22 and their change for the period

Index	Value	Trend
Shares of “A” listing		
KASE_Shares	133.92	+0.18%
Corporate bonds of “A” listing		
KASE_BP	148.17	+0.18%
KASE_BC	121.69	+0.12%
KASE_BY	7.41	-0.16%
Euronotes of Kazakhstan		
KASE_EP	148.77	-1.89%
KASE_EC	109.31	-2.66%
KASE_EY	4.30	+38.68%

US dollar = 147.66 tenge at official rate for the end of the period.

US dollar = 147.80 tenge at weighted average rate of the Exchange for the end of the period.

Rate of tenge devaluation for the period at the Exchange's rate – 36.9% APR.

THE CORPORATE SECURITIES MARKET (CS)

In purchase-sale sector a total of 40 deals amounting to \$7,879.4 th. or KZT1,161.7 m. were made during the analyzed period at Kazakhstan stock exchange (KASE). In comparison with the previous period (41 deals, \$19,424.6 th. or KZT2,863.5 m.) volume of the sector decreased 2.5 times. As results of the analysis show, it's impossible to explain the significant change of trade volume during the last two weeks in the view of market factors' effect.

During the analyzed period deals were made by KASE's 10 members on 15 instruments 9 of which were bonds. At that, 21.9% of gross-turnover (34.7% on purchasing transactions and 9.1% - on sale) were made at the expense of pension market's subjects. During the last week KASE's 15 members of “P” and “H” categories were interested in 20 securities, 13 of which were bonds. Stake of pension assets was 25.3% of gross turnover, including 25.3% on purchasing transactions, 25.3% – on sale transactions.

At corporate bonds market range of instruments involved into deals significantly decreased. Traders preferred domestic bonds. More than 76% of the turnover were controlled just by two securities: KZIKb2 and CSBNb2. According to the made deals yield of ASFIb2 decreased within the week from 10.50% APR to 10.10% APR, KZIKb2 – from 7.70% to 7.45% APR, TXBNb1 – from 12.50% to 11.60% APR. Within the same period yield of CSBNb2 rose from 9.64% to 9.70% APR, HSBKb3 – from

Investment attractiveness of stock exchange financial instruments since October 16 till October 22

Financial instrument	Currency of transaction	Yield, % APR value	trend
Instruments denominated in KZT			
UKPFB1	KZT	14.00	0
ARNAb1	KZT	12.00	0
TXBNb1	KZT	11.60	-0.90
TXBNb2	KZT	11.00	0
HSBKb3	KZT	9.00	0
CCBNb3	KZT	8.91	+0.05
CS repo*	KZT	7.84	-1.27
GS repo*	KZT	7.84	+3.75
KZIKb2	KZT	7.53	+1.31
MEOKAM, MEAKAM	KZT	5.42	-0.77
MEKKAM, notes*	KZT	5.12	+0.33
KZIKb1	KZT	5.00	0
Instruments indexed on devaluation			
VITAb3	USD	17.18	+6.97
ASFIb2	USD	10.44	-0.06
RGBRb3	USD	10.20	-0.30
ALKSb2	USD	10.05	0
ORDBb1	USD	10.00	0
CSBNb2	USD	9.68	+0.53
VTBNb1	USD	9.42	-1.04
BTASb2	USD	9.00	0
NRBNb2	USD	9.00	–
KZASb1	USD	9.00	0
ASBNb1	USD	8.52	0
BTASb1	USD	8.50	0
TEBNb3	USD	8.50	0
KZNHb1	USD	8.27	–
LARIB1	USD	8.26	+0.51
CSBNb1	USD	8.20	0
CCBNb1	USD	8.00	0
CCBNb2	USD	8.00	0
TEBNb2	USD	8.00	0
HSBKb	USD	7.91	-0.04
HSBKb2	USD	7.61	0
TEBNb	USD	7.56	-0.01
KKGBb2	USD	7.00	0
ALBNb1	USD	7.00	0
ART060.004	USD	6.50	0
NRBNb1	USD	6.13	+0.09
ATFBb2	USD	6.00	-1.10
BRKZb1	USD	6.00	-0.49
KZPSb1	USD	5.94	-2.56
KZAPb1	USD	5.93	-0.05
AST048.006	USD	5.64	+0.01
AST048.005	USD	5.61	+0.15
ART060.003	USD	5.60	-1.40
KZTKb1	USD	5.50	-1.25
TMJLb2	USD	5.33	-0.05
SYRGrb1	USD	5.25	0
AST036.004	USD	5.16	+0.14
ASU036.003	USD	5.05	+0.03
VKU036.002	USD	5.01	+0.01
KARMB1	USD	5.00	0
VKU036.001	USD	4.00	0
Instruments denominated in foreign currency			
KKGBe4	USD	8,19	-0,05
BTASe3	USD	7,97	-0,14
KKGBe2	USD	7,00	0
BTASe2	USD	6,91	-0,14
KKGBe3	USD	6,17	-0,73
KZTOe1	USD	4,86	-0,05
BTASe1	USD	4,46	-0,11
BRKZe1	USD	4,00	0
ENU07.05	USD	3,31	–
ENU04.10	USD	2,83	–
IFO bonds	EUR	1,67	+0,02

The yields of bonds at which the deals have been made are calculated as average of the deals, for other bonds – as average of sale quotations. Trends are given relative to previous week. Securities marked by asterisk are the instruments with less than a year circulation term (for them effective weighted average rate is given). On bonds with floating coupon forecasted yield is given.

8.50% to 9.00%, VITAb3 – from 14.00% to 21.36% APR. Yield of ARNAb1 and TXBNb2 remained on the same level. First deals in KZNHb1 were made during the week, yield for purchaser on the last of them was 10.76% APR to maturity. As well as in previous period, the resulting change of corporate bonds' yield in index expression was close to zero (table in the beginning of the review, KASE_BY) in presence of scheduled growth of prices. In other words, this sector of stock exchange's market was calm, and no interesting events occurred here. Capitalization of the sector decreased within 7 days by \$0.3 m. (mainly due to changing of tenge's rate relative to dollar's one) and equaled by October 22 to \$2,157.5 m.

Shares market is still calm. 6 were involved into deals, and rate of only two of them changed: VTBN (grew by 6.8%) and KZMS (fell by 1.4%). Falling of the rate of KZMS and tenge relative to dollar influenced upon capitalization of shares market, which decreased within 7 days by \$11.7 m. and equaled by October 22 to \$2,258.6 m.

The tables show data on deals, bid and ask in CS purchase and sale sector, including SBS, and also decoding of trade codes.

Results of the trades in bonds within October 16 – October 22 (% APR, unless otherwise specified)

Issuer	Bond code	On the last deal	Volume, th, USD	Purchase	Sale
DB Alfa-Bank OJSC	ALBNb1	8.9999	0	10.0024	6.9998
Almaty Kus OJSC	ALKSb2	10.5000	0	12.8475	10.0501
ARNA OJSC	ARNAb1	11.9999	69.9	11.9999	11.9999
Alliance-Bank OJSC	ASBNb1	11.4999	0	11.4991	8.5201
Astana-finance OJSC	ASFib2	10.0956	476.3	10.0956	10.5000
ATFBank OJSC	ATFBb2	7.0998	0	8.9984	6.0029
Development Bank of Kazakhstan JSC	BRKZb1	6.1975	0	9.0006	6.0013
Development Bank of Kazakhstan JSC	BRKZe1	5.0843	0	6.9774	3.9957
Bank TuranAlem OJSC	BTASb1	9.5796	0	10.0000	8.5000
Bank TuranAlem JSC	BTASb1	9.5796	0	10.0000	8.5000
Bank TuranAlem OJSC	BTASb2	9.0000	0	10.4984	9.0018
Bank TuranAlem JSC	BTASb2	9.0000	0	10.4984	9.0018
TuranAlem Finance B.V.	BTASe1	6.4226	0	5.7948	4.8085
TuranAlem Finance B.V.	BTASe2	8.2954	0	7.5773	6.9796
TuranAlem Finance B.V.	BTASe3		0	8.6781	7.9711
Bank CenterCredit OJSC	CCBNb1	12.2713	0	10.5987	8.0047
Bank CenterCredit OJSC	CCBNb2	10.8663	0	10.8897	8.0035
Bank CenterCredit OJSC	CCBNb3	10.2052	0	10.4979	8.9117
BANK CASPIAN JSC	CSBNb1	9.2992	0	10.4999	8.2001
BANK CASPIAN JSC	CSBNb2	9.7003	1,171.1	9.4939	9.7003
Halyk Bank of Kazakhstan OJSC	HSBKb	8.4509	0	10.7801	7.9112
Halyk Bank of Kazakhstan OJSC	HSBKb2	*9.3049	0	9.6702	7.6092
Halyk Bank of Kazakhstan OJSC	HSBKb3	9.0000	251.6	9.0000	9.0000
Karazhanbasmunai OJSC	KARMB1	6.4989	0	7.9958	5.0032
KAZKOMMERTSBANK OJSC	KKGBb2	8.0000	0	8.5162	6.9999
KAZKOMMERTSBANK OJSC	KKGBe2	7.0658	0	9.9967	6.9999
Kazkommerts International B.V.	KKGBe3	6.8973	0	7.8229	6.1744
Kazkommerts International B.V.	KKGBe4	8.7780	0	8.6563	8.1929
NAC Kazatomprom	KZAPb1	8.0237	0	8.8020	5.9837
DAGOK Kustanaiasbest JSC	KZASb1	10.1036	0	11.9968	9.0046
Kazakhstan Mortgage Company CJSC	KZIKb1	6.9000	0	8.0008	5.0042
Kazakhstan Mortgage Company CJSC	KZIKb2	7.4500	4,821.4	7.3800	7.7000
KAZNEFTEHIM LLP	KZNHb1	*10.7577	81.4	5.8905	*10.7577
Kazpost OJSC	KZPSb1	8.5048	0	8.7959	5.9822
Kazakhtelecom	KZTKb1	6.7474	0	7.4963	6.0006
KazTransOil CJSC	KZTOe1	6.6926	0	6.0561	5.2007
JB LARIBA-BANK OJSC	LARib1		0	10.7494	10.3108
Nurbank OJSC	NRBNb1	8.5000	0	8.9457	6.1871
Corporation "Ordabasy" OJSC	ORDBb1	10.0000	0	11.0000	10.0000
RG BRANDS OJSC	RGBRb3	10.4972	0	10.7000	10.2000
PetroKazakhstan Oil Products JSC	SYRGb1	6.4978	0	7.9955	5.5045
TEMIRBANK OJSC	TEBNb	10.4996	0	9.0608	7.5651
TEMIRBANK OJSC	TEBNb2	10.9983	0	10.9992	8.0000
TEMIRBANK OJSC	TEBNb3		0	9.0000	8.5047
NC KTZh CJSC	TMJLb2	7.4122	0	8.1458	5.3759
TEXAKABANK OJSC	TXBNb1	11.6000	22.4	11.6000	11.6000
TEXAKABANK OJSC	TXBNb2	11.0000	63.0	11.0000	11.0000
UKBF C.JSC	UKPFb1		0	15.5000	14.0000
VITA OJSC	VITAb3	*21.3610	200.1	13.1779	*21.3610
VALUT-TRANZIT BANK OJSC	VTBNb1	10.4612	0	10.6010	9.4208
TOTAL	50		7,157.1		

Results of the trades in shares during October 16 – October 22

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*10.00	120,000	8.2	*10.00	*10.00
Almaty Kus OJSC	ALKSp	*14.80	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Astana-finance OJSC	ASFI	1,014.96	0	0	700.00	1,050.00
ATFBank JSC	ATFB	*1,000.00	0	0	1,000.00	1,500.00
ATFBank OJSC	ATFBp	999.00	0	0	1,000.00	1,500.00
ATFBank JSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem OJSC	BTAS	15,373.19	0	0	13,302.00	19,832.85
Bank CenterCredit OJSC	CCBN	*210.00	0	0	210.00	220.00
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	171.00	256.50
Halyk Bank of Kazakhstan OJSC	HSBK	120.00	52	0.04	160.00	120.00
Halyk Bank of Kazakhstan OJSC	HSBKp	150.00	0	0	160.00	180.00
Halyk Bank of Kazakhstan OJSC	HSBKp7	180.00	0	0	160.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	65.79	0	0	65.03	96.96
KAZKOMMERTSBANK OJSC	KKGBp	103.49	0	0	73.90	110.18
Corporation Kazakhmys JSC	KZMS	*4,100.00	7,542	209.9	*4,100.00	4,050.00
Kazakhtelecom`	KZTK	3,566.88	0	0	2,956.00	4,407.30
Kazakhtelecom	KZTKp	1,472.11	0	0	1,478.00	2,203.65
TEMIRBANK OJSC	TEBN	1,035.00	200,020	1,353.8	1,035.00	1,000.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
TEXAKABANK OJSC	TXBN		0	0	9,086.00	13,629.00
UKTMC OJSC	UTMK	*6,147.00	0	0	4,138.40	6,170.22
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	*350.00	841,116	1,965.7	*350.00	327.85
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	37,716	115.3	*450.00	*450.00
TOTAL	31		1,206,446	3,652.9		

Notes: bid and offer prices for the period are given; if no deals were made during reporting period (volume =0), the last price of successful trades is given; marked by the 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-transactions sector of CS 18 deals were made in the total amount of **\$3,233.9 th.** (KZT477.4 m.) during the described period. 9 deals of them (in the amount of \$1,250.5 th.) were repo opening and 9 deals (in the amount of \$1,983.4 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$6,375.2 th. (KZT939.2 m).

In all at CS trade floors of KASE a total of 58 deals amounting to **\$11,113.3 th.** (KZT1,639.0 m) were concluded within the analyzed period. During the previous period volume of 79 deals reached \$25,799.8 th. (KZT3,802.7 m).

Changes in KASE's trade lists

As was informed previously, by the decision of KASE's Council dated October 10, 2003 common inscribed shares (KZ1C37561510; KZT1.0 m., KZT1,000.00) of DANABANK OJSC (Pavlodar) have been included into KASE's official "B" listing category. At KASE the shares have been assigned trade code DNBK. The mentioned decision of the Exchange Council came in force **since October 17 of 2003** as the issuer paid the entrance and the first annual listing fees for the securities and made the Agreement about listing with KASE. The date of opening the trades in the shares at KASE will be announced later. In the trade system of KASE the shares will be quoted in tenge with the accuracy of 2 decimal figures. Paid authorized capital of DANABANK OJSC as of July 1 of 2003 was equal to KZT763,000,000. The bank has registered a total of six shares issues, which at present are in effect. Within the framework of all issues there were issued 1,000,000 common inscribed shares with total face value of KZT1,000,000,000. All shares of the bank have been issued in non-documentary form and have the single NIN - KZ1C37561510. Dividends on the bank's common shares were not paid within the period of its existence. The bank's shareholders register is maintained by FONDOVIY CENTER CJSC (Almaty, license #0406200253). More detailed information about the shares and their issuer will be published in KASE's web-site (www.kase.kz) in the nearest future.

SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE a total volume of 51 deals reached **KZT2,088.0 m.** (\$14,156.6 th) during the analyzed period. Corresponding figure of the previous period – KZT4,176.9 m (\$28,347.0 th.). Judging on the volume of transactions, liquidity at the secondary GS market continues to fall quickly. The reason is deficit of free tenge on banks' correspondent accounts, which periodically appears during two weeks and is accompanied by the high level of rates at the market of shortest money. As the result – an insignificant activation of trade in MEKKAM and National Bank's notes, yield of which was mainly growing due to falling of prices, which was caused by excessive offer. On the described background mid-term bonds continue to grow in price. Ministry of finance decreased volume of borrowing at the primary market that resulted in growth of demand and falling of yield in the secondary circulation sector. Liquidity at the market of euronotes of

Kazakhstan sovereign debt is still absent.

Parameters of Exchange's transactions in GS within October 16– October 22

(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): MEKKAM, National Bank's notes				44.3% (15.3%) of purchase and sale sector's turnover		
less than 8	5.50	5.50	5.50	5.50 (-)	3.0	1
15 - 28	5.20	6.50	5.20	6.03 (4.47)	188.3	3
37 - 42	4.45	4.81	4.45	4.75 (-)	121.3	3
43 - 56	3.86	8.57	3.86	4.92 (4.76)	158.0	4
57 - 63	6.00	6.00	6.00	6.00 (-)	9.9	1
64 - 91	5.13	5.18	5.13	5.16 (4.99)	99.0	2
92 - 181	2.86	5.07	4.97	4.69 (2.16)	287.4	6
182 - 364	1.04	5.14	5.14	3.74 (5.10)	57.9	2
Total					924.8 (640.0)	22 (18)
Coupon (KZT): MEOKAM-24, 36, 48, 60, MEAKAM, MEIKAM				51.4% (82.1%) of purchase and sale sector's turnover		
less than 730	5.30	10.07	5.66	5.57 (5.71)	272.6	5
731 - 1095	3.87	7.00	5.70	4.97 (5.69)	583.7	9
1096 - 1460	6.11	6.46	6.11	6.14 (6.40)	47.1	3
1461 - 1825	6.02	6.17	6.10	6.08 (6.11)	170.8	5
Total					1,074.3 (3,429.0)	22 (24)
Euronotes of Kazakhstan (USD)				4.3% (-) of purchase and sale sector's turnover		
*356 - 361	2.69	3.12	2.69	2.83 (-)	85.1	5
**1281 - 1284	3.25	3.36	3.36	3.31 (-)	3.9	2
Total					88.9 (0)	7 (0)
TOTAL					2,088.0 (4,176.9)	51 (43)

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

In GS repo-transactions sector 508 deals were made for a total of **KZT48,889.8 m** (including automatic repo sector) during the period. Of this number 258 deals (for KZT25,288.5 m.) were repo opening deals and 250 (KZT23,601.2 m.) – repo closing deals. During the previous period volume of transactions of this type was equal to KZT61,552.6 m. After closing of the trades on October 22 total amount of opened at KASE repo reached KZT18,458.9 m.

Major parameters of automatic repo market on opening deals within October 16 – October 22

(in parentheses – comparable figures of previous period)

Instrument (currency, term of repo)	Yield, % APR				Volume, m KZT	Number of deals	Portion, %
	on first deal	min	max	at last deal			
KZT_001	6.00	1.00	20.00	4.00	6.29 (3.59)	12,540.0	132 66.2 (79.7)
KZT_002	3.00	3.00	5.50	5.50	4.67 (-)	150.0	2 0.8 (-)
KZT_007	10.00	5.00	10.00	5.20	6.52 (5.91)	1,255.0	15 6.6 (1.0)
KZT_014	11.00	4.30	11.00	5.35	6.44 (4.93)	1,886.0	19 10.0 (6.7)
KZT_028	7.00	5.00	8.70	5.00	6.80 (6.53)	3,107.0	42 16.4 (12.6)
TOTAL						18,938.0 (26,350.0)	210 (201)

Total of 559 deals were made at trade floors of KASE in GS amounting to **KZT50,977.7 m** during the analyzed period. During the previous period volume of 476 deals reached KZT65,729.5 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **92.5%**, last week - 94.6%.

KASE'S MEMBERS

By the decision of KASE's Board **starting from October 21 of 2003** Pension Assets Management Company Ak-niet CJSC (PAMC Ak-niet CJSC, Almaty) has been debarred from trading in governmental and corporate-issued securities, circulating at KASE. The decision was made on the basis of corresponding letter of PAMC Ak-niet CJSC dated October 20, 2003 and on the basis of decree of the Board of directors of the National Bank of Kazakhstan dated June 17 of 2003 #211 about abeyance of license validity for conducting activities dealing with investment management of pension assets, that was given to PAMC Ak-niet CJSC.

Prepared by Information agency of financial markets "IRBIS"

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: 720117, fax: 720670