

# WEEK OF STOCK MARKET OF KAZAKHSTAN

January 15 – 21

Money market indicators as of January 21 and change for the period

Term	Currency	Rate	Trend
<b>“Overnight” on autorepo at KASE(TONIA)</b>			
1 day	KZT	2.73	-0.13
<b>Repo opening at KASE (WA, % APR)</b>			
1-2 days	KZT	2.79	-0.07
7 days	KZT	3.23	-0.06
28 days	KZT	4.43	-1.00
40 days	KZT	13.01	-
<b>KIBOR (indicative, % APR)</b>			
1 week	KZT	6.00	+1.00
2 weeks	KZT	6.75	+1.75
1 month	KZT	7.50	+1.50
2 months	KZT	8.25	+1.25
3 months	KZT	9.00	+1.00

Stock market indicators as of January 21 and their change for the period

Index	Value	Trend
<b>Shares of “A” listing</b>		
KASE_Shares	151.97	+5.02%
<b>Corporate bonds of “A” listing</b>		
KASE_BP	157.17	+0.50%
KASE_BC	124.99	+0.37%
KASE_BY	7.37	-1.30%
<b>Euronotes of Kazakhstan</b>		
KASE_EP	151.96	+0.25%
KASE_EC	109.58	+0.18%
KASE_EY	3.44	-3.44%

US dollar = **140.50** tenge at official rate for the end of the period.  
 US dollar = **139.80** 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 – **negative 64.2% APR.**

## THE CORPORATE SECURITIES MARKET (CS)

### Primary floatation sector

On January 15 and 16 of 2004 next specialized trades on primary additional floatation of **indexed on inflation level mortgage bonds of Kazakhstan Mortgage Company CJSC** (Almaty) of the third issue (KZ2CKY10A986, KASE’s official “A” listing category, KZIKb3; KZT1, KZT5.0 bn.; December 1, 03 – April 1, 14, semi-annual coupon with floating rate, for the first half-year – 8.3% APR, 30/360) were held in KASE’s trade system. Trades were held on bonds’ quotations in dirty prices with satisfaction of bids at cut-off price. The floatations were successful. Demand volume varied from 2.4% to 43.6% of announced volume of the additional floatation. According to results of the trades the issuer sold 750 m. bonds for KZT747,696,750.00 at forecasted (calculated by parameters of the first coupon period) 8.50% APR to maturity for purchaser. After conducting of nine specialized stock exchange’s trades (on December 4, 10, 12, 18, 19, 25, 26 of 2003, January 15 and 16 of 2004) Kazakhstan Mortgage Company CJSC floated among investors 3,515,000,000 bonds (70.3% of the registered volume) at the forecasted 7.80 – 8.50% APR. Sum of the borrowing was KZT3,515,384,509.04 (about \$25.0 m. at the current stock exchange’s rate). Weighted

Investment attractiveness of stock exchange financial instruments since January 15 till January 21

Financial instrument	Currency of transaction	Yield, %	APR trend
<b>Non-indexed instruments</b>			
UKPFb1	KZT	14.00	0
TXBNb1	KZT	12.50	+2.00
TXBNb2	KZT	11.00	-0.13
YASYb1	KZT	10.00	+0.17
VTZLb1	KZT	9.95	+0.01
CS repo*	KZT	9.81	+1.60
MEOKAM,	KZT	9.71	+1.93
MEAKAM			
HSBKb3	KZT	8.50	+1.00
INCAb1	KZT	8.02	+0.07
ARNAb1	KZT	8.00	0
UKTCb1	KZT	8.00	0
EUBNb1	KZT	7.00	-0.14
MEKKAM, notes*	KZT	5.00	+0.09
GS repo*	KZT	4.54	+2.61
<b>Instruments indexed on inflation</b>			
CCBNb3	KZT	8.50	-1.78
KZIKb3	KZT	8.50	+0.35
BTASb3	KZT	6.50	-0.30
KZIKb1	KZT	6.00	0
KZIKb2	KZT	5.45	-1.92
<b>Instruments indexed on devaluation</b>			
VITAb3	USD	11.00	+0.20
ALKSb2	USD	10.47	+0.30
ORDBb1	USD	10.29	+0.07
RGBRb3	USD	10.20	-0.30
VTBNb1	USD	9.64	+0.23
CSBNb2	USD	9.15	0
TEBNb2	USD	9.06	+0.08
ASBNb1	USD	9.05	+0.16
TEBNb3	USD	9.00	+0.50
ASBNb2	USD	9.00	+0.33
CCBNb1	USD	8.85	+0.85
BTASb2	USD	8.70	+0.26
KZTCb1	USD	8.61	-0.45
KARMB2	KZT	8.60	+0.10
BTASb1	USD	8.54	+0.50
CSBNb1	USD	8.26	0
ASFIb3	USD	8.00	0
HSBKb	USD	8.00	0
CCBNb2	USD	8.00	0
LARlb1	USD	7.75	0
KZTKb1	USD	7.73	-0.15
ASFIb2	USD	7.50	-2.50
TEBNb	USD	7.19	-0.32
HSBKb2	USD	7.00	0
BRKZb1	USD	7.00	-0.96
KKGBb2	USD	7.00	0
KZASb1	USD	7.00	-1.00
ALBNb1	USD	7.00	0
TMJLb2	USD	6.96	+0.40
ATFBb2	USD	6.87	-1.55
NRBNb1	USD	6.82	+0.61
KZAPb1	USD	6.61	+0.19
ART060.004	USD	6.50	-3.16
NRBNb2	USD	6.25	+0.02
AST048.005	USD	6.01	+0.15
AST048.006	USD	6.01	+0.19
SYRGb1	USD	5.99	+0.52
AST036.004	USD	5.96	+0.15
KZPSb1	USD	5.76	-0.02
ASU036.003	USD	5.61	+0.09
ARU060.003	USD	5.59	-2.54
VKU036.002	USD	5.50	-1.31
VKU036.001	USD	5.00	-0.81

average forecasted yield of securities to maturity for purchaser based on all conducted floatations is 8.38% APR.

**On January 19 of 2004** specialized trades on primary additional floatation of **privileged shares of VALUT-TRANZIT BANK OJSC** (Karaganda) were continued in KASE's trade system. According to results of the day the seller offered by two deals **370,370 privileged shares at KZT270.00** per security for a total of **KZT99,999,900.00**. The only member of KASE bought the shares.

**In purchase-sale sector** a total of 52 deals to the amount of **\$19,628.4 th.** or KZT2,769.4 m. were made during the analyzed period at KASE. In comparison with the previous period (70 deals, \$24,672.1 th. or KZT3,512.0 m.), volume of the sector decreased by 20.4%. During the analyzed period deals were made by KASE's 15 members on 24 instruments 13 of which were bonds. At that, 36.5% of gross-turnover (59.4% on purchasing transactions, and 13.6% - on sale transactions) were made at the expense of pension market's subjects. During the last period KASE's 18 members of "P" and "H" categories were interested in 26 securities, 17 of which were bonds. Stake of pension assets was 23.1% of gross-turnover, including 11.2% on purchasing transactions and 35.1% on sale transactions.

The market did not change fundamentally during the week. Analysts of IRBIS consider the decrease of the sector's turnover as a working fluctuation of this indicator. Besides, some outflow of money from the secondary CS market caused additional floatation of bonds of Kazakhstan Mortgage Company CJSC. The very quick strengthening of tenge against dollar did not promote to activation of trade in bonds either. Holders of dollar instruments preferred to keep from active actions until rate's stabilization.

Corporate bonds were traded with descending activity during the week. Market was supported by new securities of Karazhanbasmunai OJSC, which were indexed on inflation and devaluation level of tenge. Despite the contradictory terms of these bonds issue, they were favorites at the stock exchange. Volume of three deals reached USD9,467.5 th., i.e. the half of the whole turnover of KASE on shares and bonds at the secondary market.

Dynamics of yield was contradictory. Yield of following instruments rose according to made deals:

- ALKSb2 – from 10.05% to 10.47% APR;
- BTASb1 – from 8.50% to 8.54% APR;
- HSBKb3 – from 8.00% to 8.50% APR;
- INCAb1 – from 7.95% to 8.02% APR;
- KARMB2 – from 8.50% to 8.60% APR;
- KZIKb3 – from 8.30% to 8.50% APR;
- TXBNb1 – from 12.00% to 12.50% APR.

Within the same period yield of CCBNb1 fell from 10.00% to 8.85% APR, KZTCb1 – from 8.50% to 8.30% APR, TEBNb3 – from 8.999% to 8.996% APR. Yield of ASBNb2, BRKZb1 and TXBNb2 almost did not change.

Judging on the mentioned data, one can say about predominant decreasing of corporate instruments' prices at KASE. However index KASE\_BY (table in the beginning of the review) shows the counter dynamics proving development of traditional tendency of yield falling. This is explained by the fact that behavior of prices and quotations of market-makers at KASE was different. Under the influence of quick strengthening of tenge against dollar market-makers played for increasing of dollar securities' cost (precisely these bonds form value of KASE\_BY). On quite known reasons this demand was not satisfied that resulted in contradictory dynamics of indicators.

Capitalization of corporate bonds market rose within 7 days by \$62.3 m. and by January 21 it reached \$2,603.5 m. This indicator changed due to including of bonds of Kazkommertsbank JSC (Almaty) of the third issue in KASE's trade lists (see below).

At shares market nothing interesting occurred, except falling of KZMS by 32.1%. This falling was fixed in the only deal of minimal volume (110 shares), which, moreover, was direct one. Within 7 days price of ALKZ at KASE rose by 2.0%, KTTH – 11.8 times, KZTKp – by 39.3%. At the same time KZCR fell by 5.9%, BTAS – by 5.2%. Rate of other shares did not change. Capitalization of shares market decreased within the week by \$204.1 m. to \$2,388.8 m. Main reason of this change was decrease of the cost of KZMS.

Financial instrument	Currency of transaction	Yield, % APR	
		value	trend
<b>Instruments denominated in foreign currency</b>			
KKGBe2	USD	7.42	0
KKGBe4	USD	7.29	-0.22
BRKZe2	USD	6.60	+0.02
BTASe3	USD	6.55	-0.38
BTASe2	USD	5.25	-0.24
KKGBe3	USD	5.13	-0.02
KZTOe1	USD	4.78	-0.36
BRKZe1	USD	4.17	+0.07
ENU04.10	USD	3.96	-0.20
ENU07.05	USD	3.49	+0.02
BTASe1	USD	3.36	-1.27
IFO bonds	USD	2.72	-1.36
IFO bonds	EUR	2.22	-0.05

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.

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 January 15 – 21**

(% APR, unless otherwise specified)

<b>Issuer</b>	<b>Bond code</b>	<b>On the last deal</b>	<b>Volume, th, USD</b>	<b>Purchase</b>	<b>Sale</b>
DB Alfa-Bank OJSC	ALBNb1	8.9999	0	10.0000	7.0000
Almaty Kus OJSC	ALKSb2	10.4686	6.9	10.4686	10.4953
ARNA OJSC	ARNAb1	*12.5000	0	11.0000	8.0000
Alliance-Bank OJSC	ASBNb1	11.5000	0	11.5000	9.5800
Alliance-Bank OJSC	ASBNb2	9.0000	711.4	9.0019	9.0019
Astana-finance OJSC	ASFib2	10.0000	0	10.5000	7.5000
Astana-finance OJSC	ASFib3	8.3000	0	9.0000	8.0000
ATFBank JSC	ATFBb2	8.4185	0	9.0000	7.8449
Development Bank of Kazakhstan JSC	BRKZb1	*7.0000	92.4	*7.0000	*7.0000
Development Bank of Kazakhstan JSC	BRKZe1	5.4938	0	6.3585	4.4792
Development Bank of Kazakhstan JSC	BRKZe2	6.8448	0	7.3726	6.7787
Bank TuranAlem JSC	BTASb1	*8.5435	5.9	*8.5435	*8.5435
Bank TuranAlem JSC	BTASb2	*8.7377	0	8.9948	8.7000
Bank TuranAlem JSC	BTASb3	7.4130	0	7.2746	6.4998
TuranAlem Finance B.V.	BTASe1	4.6312	0	4.6719	3.6068
TuranAlem Finance B.V.	BTASe2	6.7848	0	7.7643	6.1551
TuranAlem Finance B.V.	BTASe3		0	8.0348	6.5517
Bank CenterCredit OJSC	CCBNb1	*8.8540	6.4	*8.8540	*8.8540
Bank CenterCredit OJSC	CCBNb2	10.8000	0	10.8000	8.0000
Bank CenterCredit OJSC	CCBNb3	10.1000	0	9.0929	8.5000
BANK CASPIAN JSC	CSBNb1	9.0000	0	10.2000	8.5000
BANK CASPIAN JSC	CSBNb2	9.4995	0	9.7500	9.1500
Eurasian bank JSC	EUBNb1	7.5000	0	8.0000	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb	8.8090	0	10.8000	8.0000
Halyk savings bank of Kazakhstan JSC	HSBKb2	*9.3049	0	9.7672	7.0000
Halyk savings bank of Kazakhstan JSC	HSBKb3	8.5000	1,078.9	8.5000	8.5000
INTERGAS CENTRAL ASIA CJSC	INCAb1	8.0195	70.6	7.0232	8.0195
Karazhanbasmunai OJSC	KARMB2	8.6000	9,467.5	8.6000	8.6000
KAZKOMMERTSBANK OJSC	KKGBb2	7.4987	0	8.5000	7.0000
KAZKOMMERTSBANK OJSC	KKGBe2	9.6554	0	8.5502	7.4214
Kazkommerts International B.V.	KKGBe3	5.8950	0	6.6883	5.1394
Kazkommerts International B.V.	KKGBe4	8.7780	0	7.8041	7.5098
NAC Kazatomprom	KZAPb1	8.0237	0	9.0000	7.0100
DAGOK Kustanaiasbest OJSC	KZASb1	7.9999	0	9.9997	6.9997
Kazakhstan Mortgage Company CJSC	KZIKb1	7.9999	0	9.0000	6.0000
Kazakhstan Mortgage Company CJSC	KZIKb2	7.3677	0	7.5005	5.9189
Kazakhstan Mortgage Company CJSC	KZIKb3	8.3000	0	8.5000	8.4677
Kazpost OJSC	KZPSb1	8.5048	0	8.7000	5.8200
KazTransCom OJSC	KZTCb1	8.3000	1,253.8	8.3000	9.6542
Kazakhtelecom	KZTKb1	8.4998	0	9.9597	8.4603
KazTransOil CJSC	KZTOe1	5.0361	0	6.2714	4.7857
JB LARIBA-BANK OJSC	LARib1		0	10.7500	7.7500
Nurbank OJSC	NRBNb1	8.5000	0	9.5000	7.0200
Nurbank OJSC	NRBNb2		0	9.2100	6.3300
Corporation "Ordabasy" OJSC	ORDBb1	10.9999	0	11.0000	10.6304
RG BRANDS OJSC	RGBRb3	10.5000	0	10.7026	10.2025
PetroKazakhstan Oil Products JSC	SYRGB1	7.5001	0	8.4997	6.7493
TEMIRBANK OJSC	TEBNb	10.4996	0	8.4864	7.5051
TEMIRBANK OJSC	TEBNb2	9.1074	0	11.0000	10.1677
TEMIRBANK OJSC	TEBNb3	8.9959	2,096.1	8.9959	8.9959
NC KTZh CJSC	TMJLb2	8.5978	0	10.0001	7.0100
TEXAKABANK OJSC	TXBNb1	12.5000	429.6	12.5000	12.5000
TEXAKABANK OJSC	TXBNb2	11.0000	869.6	11.0000	11.4791
UKBF CJSC	UKPFb1	*16.0801	0	15.5000	14.0000
AES Ust-Kamenogorsk HS OJSC	UKTCb1		0	10.0000	8.0000
VITA OJSC	VITAb3	*14.0001	3.6	*14.0001	*14.0001
VALUT-TRANZIT BANK OJSC	VTBNb1	9.3753	0	10.6401	9.9920
VALUT-TRANZIT ZOLOTO OJSC	VTZLb1	10.0858	0	10.1939	9.9491
YASSY OJSC	YASYb1	12.5000	0	12.9999	10.0001
<b>TOTAL</b>	<b>59</b>		<b>16,092.7</b>		

## Results of the trades in shares within January 15 – 21

(KZT per share, unless otherwise specified)

Issuer	Security code	Last price	Volume, shares	Volume, th USD	Purchase	Sale
Almaty Kus OJSC	ALKS	*10.00	0	0	10.00	10.99
Almaty Kus OJSC	ALKSp	*10.00	0	0	10.00	15.00
Almaty Kus OJSC	ALKSp3	10.00	0	0	10.00	15.00
Aluminium of Kazakhstan JSC	ALKZ	*100.00	28,121	20.0	*100.00	*100.00
CNPC – Aktobemunaigas OJSC	AMGZ	*5,161.45	0	0	6,100.00	9,100.00
Astana-finance OJSC	ASFI	1,000.11	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 OJSC	ATFBp8		0	0	1,000.00	1,500.00
Bank TuranAlem JSC	BTAS	14,540.49	2,175	223.7	14,540.49	14,540.49
Bank CenterCredit OJSC	CCBN	*200.00	654,360	925.9	210.00	194.10
BANK CASPIAN JSC	CSBN	171.00	0	0	171.00	256.50
BANK CASPIAN JSC	CSBNp	171.00	0	0	175.00	256.50
CHARALTYN JSC	HRLT	3.50	0	0	3.50	3.60
Halyk savings bank of Kazakhstan JSC	HSBK	*120.00	0	0	160.00	165.00
Halyk savings bank of Kazakhstan JSC	HSBKp	*167.20	0	0	160.00	180.00
Halyk savings bank of Kazakhstan JSC	HSBKp7	152.10	0	0	160.00	180.00
KAZKOMMERTSBANK OJSC	KKGB	96.80	0	0	100.00	150.00
KAZKOMMERTSBANK JSC	KKGBp	103.49	0	0	96.00	125.82
Kaztorgtekhnik OJSC	KTTH	*8,249.00	8,122	483.8	8,495.00	*8,249.00
TNC Kazchrome OJSC	KZCR	*1,000.00	1,807	12.9	*1,000.00	*1,000.00
Corporation Kazakhmys JSC	KZMS	*2,850.00	110	2.2	*2,850.00	*2,850.00
Kazakhtelecom	KZTK	3,566.88	0	0	4,000.00	4,194.00
Kazakhtelecom	KZTKp	*2,050.00	155	2.3	*2,050.00	*2,050.00
TEMIRBANK OJSC	TEBN	1,015.00	150,005	1,100.9	1,037.42	1,015.00
TEMIRBANK OJSC	TEBNp		0	0	680.00	1,015.00
Tsesnabank OJSC	TSBN		0	0	700.00	1,050.00
TEXAKABANK OJSC	TXBN		0	0	18,000.00	20,000.00
UKTMC OJSC	UTMK	*6,145.00	0	0	4,000.00	5,871.60
UKTMC OJSC	UTMKp	3,000.00	0	0	2,500.00	3,750.00
VALUT-TRANZIT BANK OJSC	VTBN	350.00	3,314	8.3	350.00	350.00
VALUT-TRANZIT BANK OJSC	VTBNp	*450.00	296,745	684.3	*450.00	320.00
Zerde OJSC	ZERD	*1.00	10,089,815	71.4	*1.00	*1.00
<b>TOTAL</b>	<b>33</b>		<b>11,234,729</b>	<b>3,535.7</b>		

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 sector of CS repo-transactions 41 deals were made in the total amount of \$27,579.3 th. (KZT1,783.7 m.) during the described period. 18 deals of them (in the amount of \$5,312.2 th.) were repo opening and 23 deals (in the amount of \$22,267.2 th.) – repo closing. During the previous week volume of deals in this sector amounted to \$10,709.4 th. (KZT1,524.6 m.).

In all at CS trade floors of KASE a total of 99 deals amounting to \$53,205.2 th. (KZT5,400.8 m.) were concluded during the analyzed period (including primary floatation sector and repo sector). During the previous period this indicator was \$35,381.5 th. (KZT5,036.6 m.).

### Changes in KASE's trade lists

By the decision of KASE's Board dated January 15 of 2004 bonds of Kazkommertsbank JSC (Almaty) of the third issue (KZ2CKY03B062; KKGBb3, KZT15,000, KZT7,500.0 m.; January 15, 04 – January 15, 07; semi-annual coupon 7.0% APR) have been recognized as included in KASE's official "A" listing category. The decision took effect since January 15 of 2004, because the issuer paid listing fee for these bonds. Quotations accuracy of KKGBb3 in KASE's trade system is four decimal figures of bond's clean price expressed as percentage from the face value. Trades in the securities at KASE have been opened since January 19 of 2004. Status of market-maker of KKGBb3 at KASE, on the basis of submitted application, has been given to RG Securities LLP (Almaty). Minimal volume of compulsory quotation is 120 bonds.

### SECTOR OF GOVERNMENT SECURITIES (GS)

In GS purchase and sale sector of KASE total volume of 62 deals reached KZT11,187.4 m. (\$79,233.7 th.) during the analyzed period. Corresponding figure of the previous period – KZT22,037.1 m. (\$154,927.7 th.). Volume in this sector decreased first of all because investors lost interest in the work with MEOKAM. Their

turnover decreased significantly. Market's participants preferred to invest free money into the shortest bonds, which were traded on the same yield level, and rather high liquidity at the market of euronotes of sovereign debt is explained by quick strengthening of tenge against US dollar. Attempt to sell MEOKAM at growing price succeeded only in rare cases. Their holders had no possibility to sell them at falling prices. It also should be noted that events at the currency market did not promote to active work of banks with government bonds. During the analyzed week mentioned above reasons caused the significant changing of the structure of GS turnover at KASE (see the table).

#### Parameters of Exchange's transactions in GS within January 15 – 21

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discounted (KZT): National Bank's notes</b>				<b>75.6% (47.1%) of purchase and sale sector's turnover</b>		
15 - 28	4.05	4.43	4.40	4.42 ( -)	120.0	6
29 - 36	4.18	4.61	4.61	4.32 ( -)	146.0	3
43 - 56	4.01	4.80	4.80	4.15 (4.00)	54.7	2
92 - 181	4.00	5.02	4.70	4.82 (4.83)	95.9	4
182 - 364	4.00	5.13	5.05	5.03 (4.96)	8,042.2	29
Total					8,458.9 (10,374.1)	44 (44)
<b>Coupon (KZT): MEOKAM-36, 72</b>				<b>5.6% (36.2%) of purchase and sale sector's turnover</b>		
less than 730	5.20	5.20	5.20	5.20 (8.56)	56.3	1
731 - 1095	5.14	6.38	6.38	5.75 (9.33)	203.8	2
1826 - 2190	6.10	6.10	6.10	6.10 (6.11)	361.3	5
Total					621.4 (7,985.7)	8 (50)
<b>Euronotes of Kazakhstan (USD)</b>				<b>18.8% (10.2) of purchase and sale sector's turnover</b>		
*272	3.89	4.21	3.89	3.96 (4.16)	251.3	3
**1191 - 1195	3.46	4.25	4.25	3.49 (3.47)	1,855.8	7
Total					2,107.1 (2,256.5)	10 (8)
<b>TOTAL</b>					<b>11,187.4</b>	<b>62 (107)</b>
					<b>(22,037.1)</b>	

**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** 687 deals were made for a total of **KZT85,406.5 m.** (including automatic repo sector) during the period. Of this number 345 deals (for KZT41,093.4 m.) were repo opening deals and 342 (for KZT44,313.1 m.) – repo closing deals. During the previous period volume of transactions of this type was equal to KZT76,522.2 m. After closing of the trades on January 21 total amount of opened at KASE repo reached KZT20,759.6 m.

#### Major parameters of automatic repo market on opening deals within January 15 – 21

(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	4.50	0.50	20.00	2.00	4.40 (1.81)	34,508.0	285 89.8 (93.0)
KZT_002	3.00	3.00	3.00	3.00	3.00 ( -)	192.0	2 0.5 ( -)
KZT_003	6.25	5.00	6.25	5.00	6.02 (3.37)	1,155.0	3 3.0 (0.4)
KZT_007	3.50	3.00	5.00	3.00	3.72 (3.17)	759.0	15 2.0 (2.6)
KZT_028	5.20	4.00	5.50	4.30	4.68 (4.13)	1,821.0	18 4.7 (1.5)
<b>TOTAL</b>					<b>38,435.0 (35,409.0)</b>	<b>323 (200)</b>	<b>100.0</b>

**Total of 749 deals were made at trade floors of KASE in GS** amounting to **KZT96,593.9 m** during the analyzed period. During the previous period volume of 535 deals reached KZT98,559.2 m. **The proportion of the Exchange's turnover** in total volume of deals on Kazakhstan secondary market for GS for comparable operations equaled to **99.7%**, last week - 90.1%.

## KASE'S NEWS

By the decision of the KASE's Board dated January 21, 2004 the date on which amendments #1 (Amendments) to the Rules of repo transaction making (the Rules) coordinated with the National bank of the Republic of Kazakhstan on December 31, 2003 is postponed till **March 1 of 2004**. This is the matter of amendments approved by the decision of KASE's Board on December 3, 2003, according to which parties involved in exchange trades are prohibited to roll over the validity term of a repurchase agreement, which is entered into under direct method, in case if an underlying security is excluded from the list of securities admitted to circulation at KASE. Initially, Amendments were introduced since January 1, 2004. The decision of the Exchange Board dated January 21 the concerning postponement of carrying Amendments into effect resulted from late forwarding of the updated Rules due to fault of a technical nature made by KASE employees (the document was forwarded via email to KASE members only on December 31, 2003). In compliance with article 9

of the Decree about membership, “the exchange can not require its members to follow internal documents, the content of which it was not brought to their notice.” We would also like to remind that by interlocutory judgment dated January 14, 2004 made by Batyrbayev K. A., the judge of the Specialized inter-district economic court of Almaty city, concerning cautionary judgment in regards to writ of Tau Securities LLP (Almaty) against KASE, the validity of Amendments mentioned above, as well as that of Amendments #2 to Rules are temporarily interrupted.

By the decision of KASE’s Board **since January 30 of 2004** TuranAlem Securities JSC (Almaty) has been deprived of status of the specialist of bonds of Kazakhtelecom (Astana) of the first issue (KZ2CUY03A347; KASE’s official "A" listing category; KZTKb1; \$100.0, \$25.0 m.; March 13, 2001 – March 13, 2004, semi-annual coupon 10.00% APR) and euronotes of KazTransOil CJSC (Astana) of the first issue (XS0132391938; KASE’s official "A" listing category; KZTOe1; \$150.0 m.; July 6, 2001 – July 6, 2006, semi-annual coupon 8.5%APR). The reason for the adoption of the decision was statement of TuranAlem Securities JSC about volunteer resigning of the status of specialist of the mentioned securities. At present, functions of the specialist of KZTOe1 at KASE are fulfilled by Kazkommerts Securities OJSC (Almaty), which also works on KZTKb1.

By the decision of KASE’s Board **since January 20 of 2004** MONEY EXPERTS JSC (Almaty) has been assigned status of market-maker of indexed on tenge devaluation level bonds of NURBANK OJSC (Almaty) of the first issue. Minimal volume of compulsory quotation for the market-maker is 1,800 bonds.

**Prepared by Information agency of financial markets “IRBIS”**

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