

# WEEK OF STOCK MARKET OF KAZAKHSTAN

November 1 – 7

## SUPPLEMENTAL INFORMATION

US dollar = **120.92** at official rate for the end of the period.

US dollar = **120.71** at weighted average rate of the Exchange for the end of the period.

Speed of strengthening of tenge to dollar for the period at exchange's rate totaled **11.1% APR**.

### Money market indicators as of November 7 and change for the period

Indicator	Rate	Trend
TONIA	5.04	+2.03
Autorepo GS 7 days	7.00	-0.50
Autorepo GS 14 days	8.00	+0.50
Autorepo GS 28 days	9.00	+0.50
KazPrime-3M	9.55	+0.76

### Stock securities' market indicators as of November 7 and change for the period

Index	Value	Trend
KASE	2,551.84	-3.37
KASE_BP	214.16	+1.31
KASE_BC	129.45	+1.37
KASE_BY	8.92	+6.51

## MAIN NEWS OF THE MARKET

By the decision of Exchange council of Kazakhstan stock exchange (KASE) dated October 31 of 2007, **since January 1 of 2008, the rate of commission fees** on "market" (open, not direct) purchase-sale deal with corporate securities (CS) that are in the official KASE list (excluding securities that are included in the state share holding, sold through KASE) **decreases from 0.015 % to 0.01 % of sum of deal from each of its side**. Simultaneously, since January 1 of 2008, **the zero rate of KASE commission fees on "market" deals, made on accounts of natural persons, is abolished**. Instead of this benefit, KASE abolishes the minimal sum of commission fee to the size of 0.5 MCI for this group of investors, and also introduces the scale of fixed rates of its commission fees (KZT100 – from a deal to the sum of less than one million tenge, KZT200 - from a deal to the sum between one and three million tenge, 0.01% of the sum of deal – for deals to the sum of more than five million tenge). The specified system of commission fees of KASE will be operating on the special trading floor of the regional financial center of Almaty city as well.

**Since November 1** Moody's Investors Service took rating actions on six Kazakh banks to reflect the negative impact of the continued credit and liquidity crisis on these banks' credit risk profiles. External debt of these bank is estimated by agency at \$40 bn. Mentioned rating activities were undertaken in relation to next banks:

- Kazkommertsbank – The BFSR is downgraded to D- from D; the outlook on the BFSR is negative. The global local currency deposit ratings are downgraded to Ba1/NP from Baa2/P-2. The foreign currency deposit ratings are unchanged at Ba1/NP. The foreign currency senior unsecured debt rating is downgraded to Ba1 from Baa2. The foreign currency subordinated debt rating is downgraded to Ba2 from Baa3, and the foreign currency junior subordinated debt rating is downgraded to Ba3 from Ba1. The outlook on all of the bank's deposit and debt ratings is stable.
- Bank TuranAlem – The BFSR is unchanged at D-; the outlook on the BFSR is changed to negative from stable. The global local currency deposit ratings are downgraded to Ba1/NP from Baa3/P-3; the foreign currency deposit ratings are unchanged at Ba1/NP. The foreign currency senior unsecured debt rating is downgraded to Ba1 from Baa3. The foreign currency subordinated debt rating is downgraded to Ba2 from Ba1, and the foreign currency junior subordinated debt rating is downgraded to Ba3 from Ba2. The outlook on all of the bank's deposit and debt ratings is stable.
- Halyk Bank – The BFSR is unchanged at D; the outlook on the BFSR is changed to negative from stable. The global local currency deposit ratings are downgraded to Baa3/P-3 from Baa2/P-2; the foreign currency deposit ratings are unchanged at Ba1/NP. The foreign currency senior unsecured debt rating is downgraded to Baa3 from Baa2. The outlook on all of the bank's deposit and debt ratings is changed to negative from stable.

- Alliance Bank – The BFSR is unchanged at E+; the outlook on the BFSR is stable. The global local currency deposit ratings are unchanged at Ba2/NP; the foreign currency deposit ratings are unchanged at Ba2/NP. The foreign currency senior unsecured debt rating is unchanged at Ba2. The foreign currency subordinated debt rating is unchanged at Ba3, and the foreign currency junior subordinated debt rating is unchanged at B2. The outlook on all of the bank's deposit and debt ratings is changed to negative from stable.
- Bank CenterCredit – The BFSR is unchanged at D-; the outlook on the BFSR is changed to negative from stable. The global local currency deposit ratings are unchanged at Ba1/NP. The foreign currency deposit ratings are unchanged at Ba1/NP. The foreign currency senior unsecured debt rating is unchanged at Ba1. The foreign currency subordinated debt rating is unchanged at Ba2, and the foreign currency junior subordinated debt rating is unchanged at Ba3. The outlook on all of the bank's deposit and debt ratings is changed to negative from stable.
- TemirBank – The BFSR is unchanged at E+; the outlook on the BFSR is stable. The global local currency deposit ratings are downgraded to Ba2/NP from Ba1/NP; the foreign currency deposit ratings are downgraded to Ba2/NP from Ba1/NP. The foreign currency senior unsecured debt rating is downgraded to Ba2 from Ba1. The foreign currency subordinated debt rating is downgraded to Ba3 from Ba2. The outlook on all of the bank's deposit and debt ratings is changed to negative from stable.

By the decision of Exchange council of Kazakhstan stock exchange (KASE) dated October 31 of 2007, **amendments in the internal document of KASE "Method of securities' valuation"** ("Method") are moved. Amendments that take effect since November 1 of 2007 have been adjusted with the Agency of the Republic of Kazakhstan for regulating and supervision over financial market and organizations on August 27 of 2007. More detailed information apropos of this will be published by KASE in the near future.

By decision of Board of Kazakhstan stock exchange (KASE) dated November 5, 2007 **the additions into the inner document of KASE "Regulations of trades and work of System of confirmation"** (The Regulation), which will take effect **since November 15, 2007, was inserted**. It is specified by the addition that trades, conducted by the method of continuous counter auction, are putting into wait mode, during which they are conducted by Frankfurt trades method, in case if these shares are indicated in Appendix 1 of Regulations or are included into representative list for calculation of shares market index (KASE index).

**On November 6 Moody's Investors Service** placed to the list for possible downgrading the ratings of notes of BTA DPR Finance Company, being the subsidiary of Bank TuranAlem JSC and ratings of notes of Kazkommerts DPR Company, being the subsidiary of Kazkommertsbank JSC.

## SHARES MARKET

### *News of shares market*

By the decision of Expert Council of special trading floor of the regional financial center of Almaty city (STF RFCA) dated October 31 of 2007, common shares **KZ1C49190016** of **PAVLODARENERGO JSC** (Pavlodar) **were included in the official list of STF RFCA ("C" category) by the term 3**, under aPDEN symbol. Date, on which the mentioned decision of Expert Council will take effect, will be announced additionally after payment of listing fees for these securities by the issuer. It will be announced additionally about opening of trades on STF RFCA as well. Daughter organization of Bank CenterCredit JSC - BCC Securities LLP (Almaty) is financial consultant of the issuer. The main activities of the company – production and distribution of thermal energy in Pavlodar, production and distribution and distribution of electrical energy in Pavlodar region, delivery of electrical power beyond Pavlodar region. KZ1C49190016 common shares were admitted to circulation in "Non-listing securities" of KASE since May 21 of 2007 under PDEN symbol.

By the decision of Expert Council of special trading floor of the regional financial center of Almaty city (STF RFCA) dated October 31 of 2007 **shares of "E" class ISIN – KYG772521491** of **Russia Renaissance Fund SPC** (Road-Town), issued under segregated portfolio of most liquid shares of Russian issuers who were included into representative list for calculation of Morgan Stanley Capital International Renaissance index, **were included in the official list of STF RFCA ("C" category) by the term one**. Date, on which the mentioned decision of Expert Council will take effect, will be announced additionally after payment of listing fees for these securities by the issuer. It will be announced additionally about opening of trades on STF RFCA as well. Main activities of the company are creation of segregated portfolios of securities, additional classes and shares series within segregated portfolios with the goal of raising investments.

**Since November 14, 2007** BCC Invest – daughter organization of Bank CenterCredit JSC (Almaty) is exempt from execution of market-maker functions on KASE on **KZ1C00400016** (KKGB) common shares (KKGB) of Kazkommertsbank (Almaty) that are traded in the KASE's official list category "A".

## Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

## Secondary market sector (purchase and sale)

A total of 462 deals amounting to \$65,291.6 th. or KZT7,895.5 m. were made in shares during the analyzed period. In comparison with the previous period (October 24-31, 596 deals, \$102,643.0 th. or KZT12,399.4 m.), turnover of the sector has decreased by 36.4%. During the analyzed period on KASE, 3.5% of operations in quantitative expression and 14.1% in volumetric were nego. In the previous period these indicators made 3.0% and 8.1% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 36 (38) members on 26 (33) instruments. At that: 6.6% (12.0%) of gross-turnover of the market – 9.2% (13.7%) on purchasing transactions and 4.0% (10.3%) - on sale transactions were controlled by pension market subjects; 9.9% (19.0%) of exchange's turnover of shares – 11.5% (15.1%) - on purchasing transactions and 8.3% (22.9%) - on sales transactions went through the depo accounts, registered on physical persons during the week.

In the described period weighted average daily prices of 46% (61%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 46% (24%) – fell, prices of 8% (12%) remained unchanged. In the described period shares prices changed positively in the range from 1.63% (CSBN) to 38.88% (ASBN), negative change – from 0.67% (TEBN) to 23.94% (KANT).

As it was supposed by analysts of IRBIS earlier, KASE index had continued its working fluctuations in the limits of horizontal channel at the rates 2,500 – 2,700 points. Decrease of basis rate of FRS of USA was unable to change the image of Kazakhstan market of stake instruments. The reason for it were still strong local factors, holding the market from significant fluctuations to one or other side.

Main news of the week had become the reconsideration by Moody's agency of credit ratings and (or) their prognosis of six large Kazakhstan banks (see above). Because the market before time had worked the effect of decrease of solvency of banks at the background of global liquidity crisis, the given fact did not have direct and strong influence on rate of shares. However on the internal dollar market was felt some nervousness in form of increased demand for American currency.

Common shares of Exploration Production KazMunayGas JSC (RDGZ) had continued their growth, and still are the leaders of liquidity. Continuing increase of prices for oil on world commodity exchanges and also active actions of government of Kazakhstan for restructuring of this strategic branch have the favorable effect on rate of given shares. Cost of one share had reached KZT19,900 on trades on November 7, which is the record value since circulation start of these shares on secondary market. Moreover, equivalent to tenge cost of GDR on London stock exchange had reached KZT21,177.36 per share, which is by 6.4% higher than their cost in Kazakhstan.

Forecast of analysts of IRBIS to the future week remains the same: the market will continue its working movement in the limits of horizontal channel of KASE index, described above. Signals of FRS about reluctance of further decrease of arte yet is excluding the influence of some exogenic factors to the local conjuncture. Market, more likely, will observe the information, coming from Kazakhstan. In this connection insignificant changes of tendencies are improbable in nearest future.

Detailed results of trades in shares on KASE are given in the table.

### Results of share trades on KASE, including STF of RFCA within November 1 - 7 only by data of deals, made on the secondary market of KASE by the methods of opened trades)

Share code on KASE	min. max.		on the last deal:		4Price, KZT per share:		Volume of deals th. USD	Num-ber of deals	Best for the period:	
	min.	max.	price	trend, %	for last 365 days:	min.			max.	bid
ASBN	23,610.00	23,610.00	23,610.00	+38.9	11,100.00	69,000.00	16.4	2	27,000.00	17,050.00
ATFB	9,300.00	9,300.00	9,300.00	+1.6	7,650.00	14,000.00	59.2	2	9,300.00	9,300.00
ATFBp	4,550.00	5,101.40	5,101.40	+24.4	2,800.00	6,500.00	632.6	10	5,101.40	4,500.00
ATFBp8	5,299.00	5,457.97	5,457.97	+3.0	1,500.00	8,999.00	210.4	6	5,457.97	5,299.00
BTAS	82,000.00	93,500.01	82,500.00	-17.5	850.01	157,275.00	3,845.2	70	93,500.01	8,200.01
CCBN	1,300.00	1,510.00	1,400.00	-6.2	1,000.00	2,050.00	4,148.9	25	1,820.00	1,300.00
CSBN	5,305.00	6,100.00	6,100.00	0	3,383.00	8,000.00	163.8	3	6,100.00	5,305.00
EXBN	2,600.00	2,900.00	2,600.00	-10.3	2,000.00	3,700.00	29.6	2	2,900.00	2,600.00
EXBNp	2,000.00	2,000.00	2,000.00	0	1,100.00	2,200.00	59.5	4	2,000.00	2,000.00
HSBK	550.00	550.01	550.00	-10.6	300.00	781.00	60.5	7	585.00	550.00
HSBKp1	295.00	330.00	316.00	+7.1	200.00	345.00	70.0	13	330.00	295.00

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**Results of share trades on KASE, including STF of RFCA within November 1 - 7 only by data of deals, made on the secondary market of KASE by the methods of opened trades)**

Share code on KASE	min. max.		on the last deal: price trend, %		4Price, KZT per share: for last 365 days: min. max.		Volume of deals th. USD	Num-ber of deals	Best for the period: bid offer	
	KANT	800.00	1,050.00	800.00		800.00			2,012.50	27.2
KIBN	320.00	368.00	368.00	+15.0	110.00	1,150.00	29.4	2	368.00	320.00
KKGB	700.00	779.99	750.00	-6.3	650.00	1,550.00	2,435.1	82	779.99	700.00
KKGBp	320.00	355.00	340.00	-1.7	190.00	499.00	807.7	17	80,500.00	320.00
KZCR	23,600.00	23,600.00	23,600.00		20,000.00	31,250.00	0.2	1	23,600.00	23,600.00
KZTCp	2,800.00	2,800.00	2,800.00	+3.7	1,044.00	8,750.00	1.2	1	2,800.00	2,800.00
KZTK	36,000.00	41,000.00	36,000.00	-5.3	28,000.00	55,000.00	1,062.5	6	41,000.00	36,000.00
KZTKp	15,800.00	24,000.00	20,700.00	+33.5	8,950.00	27,100.00	518.5	31	82,522.00	15,500.00
LNAT	8,700.00	8,700.00	8,700.00	-13.0	1,649.44	9,999.00	43.5	4	8,800.00	8,690.00
PDES	1,090.51	1,090.51	1,090.51	+18.5	843.03	1,100.00	2,067.3	1	1,090.51	1,058.00
RDGZ	18,200.00	19,900.00	19,900.00	+13.7	11,501.00	19,900.00	15,466.0	123	19,900.00	18,200.00
TEBN	4,450.46	7,866.00	7,450.00	-0.7	3,550.00	9,000.00	23,982.6	10	7,866.00	4,450.46
TEBNp	2,400.00	2,760.00	2,400.00	-4.0	1,114.01	3,300.00	136.7	11	2,760.00	2,400.00
TSBN	2,650.00	2,650.00	2,650.00	-0.4	1,510.00	4,550.00	8.8	1	2,651.00	2,650.00
UTMK	27,000.00	27,000.00	27,000.00	0	25,000.00	28,750.00	218.0	8	27,000.00	27,000.00
<b>26</b>							<b>56,100.7</b>	<b>446</b>		

**Notes:** Trends are given relative to the last deal of the previous month (October 1 - 31, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers' symbols is available at [http://www.kase.kz/instruments/nzb\\_code.htm](http://www.kase.kz/instruments/nzb_code.htm)

## CORPORATE BOND MARKET

### News of corporate bond market

By decision of Expert council of STF RFCA dated October 31 **bonds KZ2CKY05B794** (aPDENb1; KZT100, KZT8.0 bn.; July 10, 07 – July 10, 17, semi annual coupon 9.00% APR for the first circulation year, further – floating, depending on inflation rate) of **PAVLODARENERGOSERVICE JSC** were included into **official list of STF RFCA ("C" category) under term 3** (see *News of shares market*).

By the decision of Expert Council of special trading floor of the regional financial center of Almaty city (STF RFCA) dated October 31 of 2007, **BMG749471212 certificates** (\$3,784; \$98,384.0 th.; February 28, 07 - February 28, 09; dividend on common shares of commercial savings Bank of Russian Federation OJSC, 30/360) of **Renaissance Securities Trading Limited** (Bermuda Islands) **were included in the official list of STF RFCA ("C" category) by the term one**. On STF RFCA are admitting 5,286 certificates with volume 20,002,224 US dollars. Certificates were issued under provided asset in the form of common shares of Joint stock commercial Savings Bank of Russian Federation OJSC. The specified provided asset does not give the right to the certificate holders to participate in the activities of Joint stock commercial Savings Bank of Russian Federation OJSC. Date, on which the mentioned decision of Expert Council will take effect, will be announced additionally after payment of listing fees for these securities by the issuer. It will be announced additionally about opening of trades on STF RFCA as well.

**Since November 1, 2007** in representative list for calculation of KASE\_BC, KASE\_BP and KASE\_BY indexes have been included the next securities:

- bonds **KZ2C0Y05C515** (KASE's category "A" official list, AGKKb1, KZT1,000, KZT3.0 bn; August 10, 07 – August 10, 12, semi annual coupon 8.6% APR, 30/360) of **Agrarian credit corporation JSC** (Astana);
- bonds **KZPC2Y03C346** (KASE's category "A" official list, ASAVb2, KZT1,000; KZT2.0 bn; 3 years; semi annual coupon 8.3% APR for the first coupon period, further – floating, depending on inflation rate; 30/360) of **AZIA AVTO JSC** (Ust-Kamenogorsk);
- bonds **KZPC1Y10C590** (KASE's category "A" official list, HSBKb12, KZT10,000, KZT10.0 bn.; October 9, 07 – October 9, 17, semi annual coupon indexed on inflation rate, 11.0% APR for the first coupon period; 30/360) of **Halyk savings bank of Kazakhstan JSC** (Almaty);
- bonds **KZPC4Y10B547** (KASE's category "A" official list, KZIKb16, KZT1, KZT5.0 bn.; January 15, 07 – January 15, 17, semi annual coupon indexed on inflation rate, 7.50% APR for the current coupon period; 30/360) of **Kazakhstan Mortgage Company JSC** (Almaty);
- bonds **KZPC2Y05B988** (KASE's category "A" official list, RGBRb5, KZT1, KZT1.5 bn.; October 19, 07 – October 19, 12, semi annual coupon 8.0% APR; 30/360) of **RG Brands JSC** (Almaty);

- bonds **KZPC3Y07B982** (KASE's category "A" official list, RGBRb6, KZT1, KZT2.0 bn.; October 19, 07 – October 19, 14, semi annual plant 8.0% APR; 30/360) of **RG Brands JSC**.

After the decision was taken, out of 200 corporate bonds, currently included in KASE's official "A" listing category, **179 securities** are in the representative list for the mentioned indexes calculation.

**Since November 1, 2007** by the decision of Kazakhstan stock exchange's (KASE) Council **KZ2P0Y05C439 bonds** (KSMKb1; KZT1,000, KZT1,300.0 m.; March 20, 07 – March 20, 12; semi annual coupon indexed on inflation rate, 11.30% APR for the current coupon period, 30/360) of **KSMK-3 LLP** (Almaty) **have been transferred from "B" category to "A" category of KASE's official list**. The mentioned bonds have been traded on KASE since March 21, 2007. By decision of KASE's board since November 1, 2007 BCC Invest JSC – daughter organization of Bank CenterCredit JSC (Almaty) on the basis of its application assigned the status of market-maker on mentioned bonds of KSMK-3 LLP with minimal volume of compulsory quotation in size of 2,200 bonds.

By the decision of Kazakhstan stock exchange's (KASE) Board dated November 5 of 2007 **international bonds of fifth tranche of Kazakhstan Bank of Development** (Astana), planned to offering in limits of bonds' program of bank for total amount of \$2.0 bn., **have been recognized as included in KASE's official "A" listing category** in accordance with simplified listing procedure, set by the article 19-1 of Listings rules. The **BRKZe5** symbol was appointed to the bonds on KASE. Date from which the decision takes effect will be announced later after appearing of given securities as objects of civil rights and payment of listing fee for these bonds by the issuer. Information about opening of trades in the bonds on KASE will be given additionally. Planned volume of issue is - \$550,000,000. ISIN will be appointed after holding of signing for bonds.

**Since November 5 KZ2P0Y03C665 bonds** (KZT1,000; KZT5.0 bn.; July 12, 07 – July 12, 10, semi annual coupon 9.0% APR, 30/360) of **Akmola Kurylys Materials LLP** (Astana) **have been included in KASE's official "B" listing category** under code of **AKKMb1**. Date on trades opening on the mentioned bonds on KASE will be announced additionally. Astana-Finance JSC (Astana) acts as financial consultant of the issuer while the bonds are placed on organized market. Main types of activities of Akmola Kurylys Materialdary LLP are – capital building, repair and exploitation of industrial and habitation buildings, constructions; technical inventory of habitation and non-living objects; architectural projecting of buildings and constructions; building of automobile roads of all categories. More detailed information about the issuer and securities issue will be published on KASE's web site at <http://www.kase.kz/emitters/akkm.asp>

**Since November 6 bonds KZPP1Y05C357** (KZT1,000; KZT1.3 bn.; 5 years; semi annual coupon indexed on inflation rate, 30/360) of **KSMK-3 LLP** (Almaty) **have been included in KASE's official "A" listing category** under **KSMKb2** symbol. It will be announced additionally about opening of trades on KASE as well. The mentioned issue of bonds is the first in the frames of first bonds' program of KSMK-3 LLP, registered by Agency of Republic of Kazakhstan for regulating and supervision over financial market and organizations on November 30, 2006 for the total amount of KZT8.0 bn. and second issue of company's bonds, having passed the listing procedure on KASE. BCC Invest JSC – daughter organization of Bank CenterCredit JSC (Astana) acts as financial consultant of the issuer while introduction of its bonds to organized market. The detailed information about the issue of securities will be published on KASE's website at <http://www.kase.kz/emitters/ksmk.asp>.

**Since November 6 bonds KZ2C0Y05C713** (KZT1; KZT1.0 bn.; 5 years; semi annual coupon; 12.0% APR, 30/360) of **Airport Sary-Arka JSC** (Karaganda region) **have been included in KASE's official "B" listing category** under **ARSAb1** symbol. It will be announced additionally about opening of trades on KASE as well. Kazkommerts Invest JSC (Almaty) acts as financial consultant of the issuer while introduction of its bonds to organized market. Main types of activities of Airport Sary-Arka JSC are – airport and land servicing of air crafts and air passengers, technical and service operation of air crafts, provision of rights for conduction of commercial activities in airport for providing of services to air crafts and air passengers. More detailed information about issuer and securities is published on the web site on KASE at <http://www.kase.kz/emitters/arsa.asp>

**Since November 14, 2007 BCC Invest – daughter organization of Bank CenterCredit JSC** (Almaty) is **exempt from execution of market-maker functions on KASE on KZ2C0Y05C440 (GLOTb2) bonds of GLOTUR** (Almaty) that are traded in the KASE's official list category "A".

### **Primary market sector**

**On November 2**, in Kazakhstan stock exchange's (KASE) trading system, specialized trades on additional offering **KZPC1Y10C590 bonds** (official KASE category "A" list, HSBKb12, KZT10,000, KZT10.0 bn.; October 9, 07 – October 9, 17, semi-annual coupon indexed on inflation rate, 11.00% for the first coupon period, 30/360) of **Halyk savings bank of Kazakhstan JSC** (Almaty) were held. On trades, the issuer had planned to offer the bonds with total face value of **KZT3,268.4** (32.7% of registered volume of the issue). The subject of trades was bonds net price (without accumulated interest), expressed in percents from the indexed face value of the

security. Two KASE's member took part in the trades, who submitted five bids for purchase of **730,000 bonds**. Thus, demand on trades exceeded the supply 2.2 times. Net prices in the submitted applications varied from 79.6473% (15.00% APR) to 99.9837% (11.00% APR), having totaled **88.8404% (12.97% APR yield to maturity)** in weighted average terms. By the results of trades the issuer set the cut-off price at **99,9837%**, which corresponds to the yield to maturity **to the rate of 11.00% APR and has fully satisfied four bids, having offered by this the entire planned volume. At that, the sum of borrowing totaled KZT3,290,836,839.69**. All deals have been executed.

### **Secondary market sector (purchase and sale)**

A total of 35 deals amounting to \$31,100.5 th. or KZT3,762.9 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (October 24-31, 82 deals, \$133,542.8 th. or KZT16,134.6 m.), turnover of the sector has decreased 4.3 times. In the analyzed period no nego deals were made. In the previous period 7.3% operations in quantitative expression and 1.6% in volumetric were nego.

During the analyzed period deals were made by KASE's 14 (15) members on 14 (45) instruments. At that 23.4% (19.3%) of gross-turnover passed through accounts of pension market subjects 44.8% (31.3%) on purchasing transactions, and 2.0% (7.4%) on sales operations). 11.4% (24.4%) of exchange's gross-turnover of corporate bonds – 22.4% (19.2%) on purchasing transactions and 0.4% (29.6%) on sale transactions, passed through depo accounts registered on physical persons.

By results of period 8 names of bonds were characterized by growth of average weighted net price on the opened market, 5 – of decrease, price of one security remained unchanged. TEBNb2 (-7.4%) and NFBNb1 (-7.0%) seemed re-sold, while re-bought were ASFIb9 (+18.2%), NRBnb2 (+11.1%) and ASFIb8 (+8.0%). Yield to maturity for buyer on deals made decreased during the week for 8 bonds, increased for 6.

Detailed data on corporate bond market is given in trades results table.

#### **Results of bond trades on KASE, including STF of RFCA within November 1 - 7 (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:						Volume of deals th. USD	Number of deals	Best for the period:	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
ASELb1	13.00	13.00	13.00	0	13.00	13.00	330.6	1	13.00	13.00
ASFIb3	11.93	11.93	11.93	+2.9	8.10	11.93	13.8	1	9.00	15.00
ASFIb4	15.00	15.00	15.00	0	9.48	15.50	14.0	1	11.00	15.00
ASFIb8	9.00	15.00	13.00	-2.5	8.10	15.50	68.5	3	9.00	15.00
ASFIb9	9.00	15.00	13.00	-2.5	7.50	15.50	64.6	3	9.00	15.00
ATFBb4	8.50	8.50	8.50	0	7.00	10.00	1.7	2	8.50	8.50
KAZIb2	12.00	12.00	12.00	0	10.10	12.00	0.9	1	12.00	12.00
KIBNb3	14.00	14.00	14.00	0	13.94	14.00	495.6	1	14.00	14.00
NFBNb1	13.99	13.99	13.99	+2.0	10.17	14.00	598.3	1	13.99	13.99
NRBNb2	14.50	19.50	14.50	-4.5	8.20	19.50	62.4	7	14.50	19.50
ORDBb2	12.46	12.46	12.46	+0.3	10.00	13.50	166.7	1	12.46	12.46
ORDKb1	12.00	12.00	12.00	0	11.99	13.00	264.7	2	12.00	14.00
TEBNb2	16.00	16.00	16.00	+10.0	6.00	16.00	56.6	4	16.00	16.00
TSBNb2	10.74	12.00	10.74	-1.2	10.00	12.00	1,765.0	3	10.74	12.00
14							3,903.5	31		

**Notes:** Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (October 1-31, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers symbols is available at [http://www.kase.kz/instruments/nzb\\_code.htm](http://www.kase.kz/instruments/nzb_code.htm)

## **GOVERNMENT SECURITIES (GS) SECTOR**

### **Primary market sector**

**On November 1**, in trade system of KASE the repeated auction on floatation of **government long-term treasury bonds of the Finance Ministry of the Republic of Kazakhstan MEUKAM-120 of the first issue** (KZKDKY020011, MUM120\_0001; KZT1,000, KZT20,980.4 m. May 31, 06 – May 31, 16, annual coupon, 5.50% APR, 30/360) were held by specialized trades method, on which Ministry of finance was planned to offer 5,000,000 bonds. The subject of trade was the "net" price of bonds. Bids for participation in trades were submitted by closed method with limitation on non-competitive bids in size of 70% from announced volume of issue. Payment of bonds purchased on trades was made at T+0 scheme. 6 primary dealers participated in trades, who had submitted 31 limited bids, from which to the time expired 19 orders had left active. Total volume of bids (volume of demand) made 14,840,581,828.89 and exceeded the suggested volume 4.5 times.

Net price in limited and active orders varied from 55.6637% (15.00% APR) to 84.8442% (8.00% APR), making in average weighted expression 63.7978% (12.5597% APR). In total volume of active bids to the stake of pension market subjects came 63.5%, to the stake of Kazakhstan banks – 28.9%, to the stake of clients of broker-dealer companies – 7.6%. **By results of trades** the issuer made cut-off at net price 70.3512% (11.00% APR) and satisfied bids for purchasing of **5,000,000 bonds** for amount of **KZT3,760,354,215.21**. Net price in satisfied bids varied from 70.3512% (11.00% APR) to 84.8442% (8.00% APR), making in average weighted expression 72.9002% (10.4159% APR). By results of specialized trades 20.0% bonds were redeemed by one of pension market subjects, 76.0% - by Kazakhstan bank, 4% - by broker-dealer organizations. All deals were executed by results of trades. Considering earlier held offerings full volume of issue of MEUKAM-120 (KZKDKY020011) made **25,980,427 bonds** for amount of face value **KZT25,980,427,000.00**.

**On November 6**, in trade system of KASE the auction on floatation of **government short-term treasury liabilities of the Finance Ministry of the Republic of Kazakhstan MEKKAM-6 of the 180-th issue** (KZK1KM061808, MKM006\_0180; KZT100, November 6, 07 – May 6, 08, actual/actual) were held by specialized trades method, on which Ministry of finance was planned to borrow KZT14,000.0 m. The subject of trade was price of bonds. Bids for participation in trades were submitted by closed method with limitation on non-competitive bids in size of 70% from announced volume of issue. Payment of bonds purchased on trades was made at T+0 scheme. 8 primary dealers participated in trades, who had submitted 24 bids (22 limited and 2 market), from which to the time expired 19 orders (17 limited and 2 market) had left active. Total volume of bids (volume of demand) made KZT17,571.9 m. and exceeded the suggested volume 1.3 times. Price in limited and active orders varied from 93.4914% (13.9999% APR) to 97.5740% (5.0000% APR), making in average weighted expression 94.7911% (9.2345% APR). In total volume of active bids to the stake of pension market subjects made 38.8%, to the stake of second-tier banks (STB) – 43.2%, to the stake of clients of STB – 14.2%, to the stake of broker-dealer organizations – 3.8%. **By results of trades** the issuer made cut-off at price 95.4981% (9.4801% APR) and satisfied bids for purchasing of **66,374,900 bonds** for amount of **KZT6,363,519,293.60**. Price in satisfied bids varied from 95.4981% (9.4801% APR) to 97.5740% (5.0000% APR), making in average weighted expression 95.8724% (8.6579% APR). By results of auction 60.3% from total volume of bids were redeemed by STB, 39.7% - by their clients. All deals have been executed.

### **Secondary market sector (purchase - sale)**

In the analyzed period total volume of 16 deals made on KASE made KZT4,911.1 m. (\$40.6 m.). In the previous period (October 24-31) the given indicator made KZT2,132.2 m. or \$17.6 with 5 deals. Stake of exchange's turnover in total volume of Kazakhstan GS secondary market on comparative operations of purchase and sale in the analyzed period made **100.0%**, as on previous week. More detailed data about trades with GS on KASE are given in the table.

#### **Parameters of Exchange's transactions in GS within November 1 - 7**

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
<b>Discount (KZT): MEKKAM</b>					<b>90.2% (75%) of purchase and sale sector's turnover</b>	
182 - 364	7.70	9.36	9.36	<b>8.16 (9.36)</b>	4,432.3	3
Total					<b>4,432.3 (1,599.6)</b>	<b>3 (3)</b>
<b>Coupon (KZT): MEOKAM-72, 60</b>					<b>25.0% (100.0%) of purchase and sale sector's turnover</b>	
less 730	5.50	9.00	5.50	8.53	15.5	3
more 2191	9.00	11.00	10.02	9.96	463.4	10
Total					<b>478.9 (532.6)</b>	<b>13 (2)</b>
<b>GRANDTOTAL</b>					<b>4,911.1 (2,132.2)</b>	<b>16 (5)</b>

#### **Prepared by IRBIS Information agency of financial markets**

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