

WEEK OF STOCK MARKET OF KAZAKHSTAN

April 30 – May 7

SUPPLEMENTAL INFORMATION

US dollar = **120.48** at official rate for the end of the period.

US dollar = **120.50** at weighted average rate of the Exchange for the end of the period.

Speed of tenge appreciation to dollar for the period at exchange's rate made **5.2% APR**

Money market indicators as of May 7 and change for the period

Indicator	Rate	Trend
TONIA	0.34	-4.16
Autorepo GS 2 days	0.50	–
Autorepo GS 7 days	3.77	-1.23
Autorepo GS 28 days	6.07	-2.93
KazPrime-3M	8.90	-0.10

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

Index	Value	Trend
KASE	2 622.34	+1.31
KASE_BP	250.06	+0.89
KASE_BC	150.17	+1.00
KASE_BY	9.93	-2.03

MAIN NEWS OF THE MARKET

April 30 The Ministry of Economy and Budget Planning of Kazakhstan republic spread press release, in which expressed its point of view about forecast reviewing of country ratings from “stable” to “negative” by agency Standard & Poor's. According to announcement **The Ministry of Economy and Budget Planning (MEBP) totally disagrees with the position of the agency on reviewing of forecast of independent ratings and discussed its position with Standard and Poor's analysts during negotiations.** MEBP considers that S&P agency proceeded from the most skeptic expectations of short term development of situation, not taking medium-term factors into account, which testifies on potential of further stable development of Kazakhstan economy. At the same time, S&P's forecast relative to Kazakhstan economic growth doesn't coincide with government forecast and the current trend – by prescheduled evaluation, GDP growth in the Q1 of the current year made 5.3%. MEBP claims that risk of assets quality worsening of the bank system is under constant control of appropriate authorized organs, which doesn't expect problems appearing with foreign debt payment by Kazakhstan banks this year.

April 30 Federal Reserve system (FRS) of USA made a decision to decrease the basic interest rate "overnight" from 2.25% to 2% APR. Since September 2007, the basic rate, which formed 5.25% APR before, decreased 7 times already. The new level of stake will be the lowest since November 2004. American CB also decreased the rate by 0.25% to 2.25% APR. The rate, by which banks loan assets through discount window of FRS, traditionally exceeds "overnight" rate. "The significant relief of monetary policy today, along with continuing measures on stimulating of market liquidity, in the course of time, should help to moderate growth in aggregate – is said in the announcement by the results of FRS USA meeting. – The Committee will continue to follow economic and financial changes and will act as it is needed for stable economic growth and monetary stability". "The Committee considers that inflation will become more moderate during next quarters, it will be connected with expected prices evening on energy resources and raw, with pressure decreasing, conditioned by the level of recourses using. It is necessary to continue watching for development of situation with inflation" – is said in the announcement of FRS USA, at the same time it is indicated that uncertainty in inflation perspective relation "is still high".

Since May 1, new demands of Agency of Republic of Kazakhstan for regulating and supervision over financial market and organizations (AFS) to minimal amount of reserve capital of second tier banks came into effect. **Since May 1 of current year the minimal amount of bank's reserve capital should form the amount not less than 2% of its loan portfolio**, which is under classification in accordance with republic Legislation (earlier the minimal amount of bank's reserve capital was formed the amount not less than 5% of volume of bank's assets). This document was approved with the aim to cover possible expenses of bank's activity and increase of financial stability of commercial banks.

May 4 KASE was informed that on April 29, 2008 Special Inter-district Economic Court (SMES) of Almaty for purposes of securing a claim of BCC Invest JSC – Subsidiary Bank CenterCredit JSC to Kazakhstan Stock Exchange (KASE) made a **decree on suspension of concordance with the Agency of the Republic of Kazakhstan on Regulation and Supervision of Financial Market and Financial Organizations (AFS) on amendments to KASE internal documents "Regulations on Membership" and "Rules on Repo Transactions Execution", made by the Exchange Council decision of April 24, 2008, and on suspension of effect of the indicated amendments.** The indicated decree of Almaty SMES is subject to execution from the day it is made. Let us remember that by the KASE Council decision of April 24, 2008 changes and additions No. 10 to "Regulations on Membership" and changes No. 7 to "Rules on Repo Transactions Execution" were approved, and made effective April 28, 2008. The detailed information about renewed documents is available at <http://www.kase.kz/geninfo/normbase>

May 4 Statistics agency of Kazakhstan republic informed that inflation in Kazakhstan in April 2008 made 0.9% compared to 0.6% in March. Inflation in annual expression (April 2008 to April 2007) increased by 19.1%, in average annual expression (January-April 2008 to January-April 2007) made 18.8%. In January-April 2008 inflation increased from 3.1% to 3.4% for the same period of 2007.

May 5 The National Bank of Kazakhstan disseminated the press release, which informs that **the net international reserves of the National Bank, excluding money of the National Fund of the Republic of Kazakhstan, in current prices increased over April 2008 by 7.6% to \$20,720.9 m.** In the press-release is noted that purchasing of currency on internal currency market and inflows of currency on the accounts of Government in National Bank and also increase of remains on correspondent accounts of second tier banks in foreign currency in National Bank were partially neutralized by operations for servicing of external debt of the Government. As the result, net currency reserves (NCR) increased by \$1,609.1 m., assets in gold decreased by \$150.5 m. as result of decrease of its price on the world markets by 7.4%. International reserves of the country as a whole (in current prices), including money of National Funds (by preliminary data \$23,300.4 m.) made \$44,027.1 m. Growth to previous month made 3.9%. Decrease of net internal assets of National Bank in April, 2008 had caused the stipulation of monetary base by 2.8%.

May 6 ATFBank JSC (Almaty) informed about completing the USD500 m. 370 days syndicated lend attraction. UniCredit Markets and Investment Bank, operating via Bank Austria, and Raiffeisen Zentralbank Osterreich AG, and ING Bank N.V., DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, First Gulf Bank acted as the leading organizers as well as other creditors from Southeastern Asia, Europe, USA, Canada and Near East. ATFBank JSC intends to finance clients' trading projects with the attracted funds.

SHARES MARKET

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 280 deals were made in shares during the analyzed period. Average daily volume made \$3,823.8 th. or KZT460.6 m. and decreased compared to previous period (previous week weighted average volume made \$4,576.1 th. or KZT551.3 m.) by 16.5 %. At the same time 8.2% of operations in quantitative expression and 8.3% in volumetric were nego. In the previous period these indexes made 0.7% and 7.4% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 36 (33) members. In deals 23 (31) denominations of shares were included. At that: 5.8% (15.2%) of gross-turnover of the market – 6.6% (14.2%) on purchasing transactions and 4.9% (15.3%) - on sale transactions were controlled by pension market subjects; 25.3% (10.1%) of gross-turnover of shares – 35.3% (7.9%) - on purchasing transactions and 15.3% (12.2%) - on sales transactions went through the depo accounts, registered on physical persons during the week. At that 25.5% (27.2%) of gross-turnover – 48.6% (37.9%) on purchase and 2.4% (16.4%) on sales transactions went through accounts of non-residents.

In the described period weighted average daily prices of 35% (19%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 39% (52%) – fell, prices of 26% (29%) remained unchanged. In the described period shares prices changed positively in the range from 0.04% (BTAS) to 34.29% (aUTMK), negative change – from 0.20% (HSBK) to 11.76% (KZTKp).

By the results of the week KASE index demonstrated insignificant growth by 1.31 points to 2,622.34. This index continues to move within its horizontal range. There is no any precondition that it will come off this range.

Last week BTA bank JSC made a report for year 2007. The published results were not surprise for the market, as a result, the rate of BTA bank JSC common shares hadn't changed for the week. Bank's plans to increase its deposit base by 40% in 2008 looks very optimistic for the current moment. Investors will still be waiting for new facts, concerning more problematic banks of Kazakhstan (in particularly, comprehensive data about quality of loan portfolios, real paying capacity of building companies and also about paying capacity of natural persons). The only thing in which we are sure is that problems with foreign financing won't let banks to repeat the growth of previous years. And darkly thing is how much the quality of assets of Kazakhstan banks in this hard time will be hurt.

Still the optimal way out from this situation for most is selling of Kazakhstan banks to foreign investors by the example of ATF Bank JSC or Bank CenterCredit JSC. The thing that these banks are better now is recent borrowing of major \$500 m. syndicated loan by ATF Bank JSC from banking syndicate with Unicredit Group at the head. (see above). Detailed information about deal is not announced yet. the only thing is known that this deal along with recent borrowing of \$500 eurobonds by Halyk Savings Bank of Kazakhstan JSC are the hugest and successful examples of borrowing foreign debt capital in Kazakhstan this year.

Daughter organization of joint stock company Bank TuranAlem Temirbank JSC is now considers as a challenger for selling as well as other major banks. It is known that, many international banks now negotiate with representatives of Kazakhstan bank system.

Oil producing company Exploration Production KazMunaiGas JSC made report for 1-st quarter of current year. The results were very positive (for example, the volume of explored oil increased by 25%), what can explain the growth of RDGZ auctions by 7.5%. Increasing prices for energy resources and active policy of the company for consolidation of oil and gas assets in Kazakhstan, now give optimism to investors.

The slight growth of KASE index is possible next week, which can be made at the expense of exploration sector of exchange market.

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

Results of share trades on KASE, including STF of RFCA within April 30 – May 7 (only by data of deals, made on the secondary market of KASE by the methods of opened trades)

Share code on KASE	on the last deal:				Price, KZT per share:		Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.	price	trend, %	for last 365 days:				bid	offer
					min.	max.				
ASBN	19,500.00	19,500.00	19,500.00	-4.2	14,000.00	67,970.00	24.30	1	19,500.00	19,500.00
ASFip	13,650.00	13,650.00	13,650.00	0	5,305.00	14,500.00	22.68	1	18,200.00	13,650.00
aUTMK	27,000.00	27,000.00	27,000.00		20,105.00	27,000.00	145.66	5	27,000.00	27,000.00
BTAS	65,611.01	68,000.00	66,000.00	0	850.01	157,275.00	334.80	16	68,000.00	65,611.01
CCBN	1,450.00	1,500.00	1,470.00	-1.3	1,000.00	2,050.00	594.34	22	1,540.00	1,140.70
CHFM	990.00	990.00	990.00		900.00	1,500.75	0.81	1	990.00	990.00
CSBN	5,272.50	5,273.00	5,272.50	0	5,150.00	8,000.00	243.99	10	5,273.00	5,272.50
GB_ENRC	2,970.00	3,118.50	3,000.00	-4.8	2,600.00	3,465.00	75.77	5	3,118.50	2,970.00
GB_KZMS	3,801.00	4,100.00	4,000.00	+5.3	2,640.00	4,105.00	131.50	6	4,100.00	3,801.00
HSBK	500.00	502.00	501.00	-0.2	402.00	740.00	92.85	11	505.00	500.00
HSBKp1	321.00	321.00	321.00	0	290.00	353.00	92.72	7	321.00	321.00
KKGB	942.00	965.00	951.00	-2.0	600.00	1,400.00	843.50	8	965.00	940.00
KKGBp	370.00	370.00	370.00	-6.3	255.00	499.00	55.33	2	370.00	370.00
KZIS	57,000.00	57,000.00	57,000.00	-0.9	57,000.00	73,600.00	29.36	1	57,000.00	55,000.00
KZTK	31,700.00	32,000.00	31,800.01	+0.6	31,500.00	50,500.00	132.57	7	32,000.00	31,700.00
KZTKp	15,000.01	16,200.00	15,000.01	-11.8	14,500.00	24,750.00	53.39	3	16,200.00	15,000.00
LNAT	8,700.00	8,700.00	8,700.00		1,649.44	9,999.00	28.23	1	8,725.00	8,700.00
MMGZp	9,500.00	12,998.99	12,998.99	+36.8	7,500.00	16,400.00	289.57	31	12,998.99	9,500.00
NFBN	4,920.00	4,920.00	4,920.00	+0.4	2,530.00	6,957.90	812.20	4	4,920.00	4,920.00
RDGZ	19,900.00	21,900.00	21,550.00	+4.8	13,000.00	24,595.00	9,359.13	105	21,900.00	19,900.00
TEBN	7,000.00	7,095.00	7,000.00	+8.0	4,450.46	9,000.00	459.15	2	7,095.00	7,000.00
TSBN	1,850.00	1,860.00	1,850.00	-8.4	1,680.01	4,500.00	57.73	3	1,860.00	1,850.00
UTMK	27,000.00	27,000.00	27,000.00		27,000.00	28,750.00	145.66	5	27,000.00	27,000.00
23							14,025.25	257		

Notes: Trends are given relative to the last deal of the previous month (March 29 – April 29, 2008). 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

CORPORATE BOND MARKET

News of corporate bond market

Beginning May 6 in the sector of KASE secondary market trades are open with **bonds KZ2C0Y05C481** (CHFMb2; KZT1,000, KZT3.0 bn.; 01.04.08 – 01.04.13, semiannual coupon, 15 % APR for the first circulation year, further – floating, depending on the inflation rate; 30/360), of **Chimpharm JSC** (Shymkent). VISOR Capital JSC (VISOR Capital) (Almaty) will take responsibility of market-maker on mentioned bonds on KASE

with minima volume of obligatory quotation in amount of 2,400 bonds. These bonds are included in category "A" official list of KASE since April 1, 2008. Detailed information about securities issue and their issuer is available at KASE website at <http://www.kase.kz/emitters/chfm.asp>

Beginning May 16 Finance Company Alliance Capital JSC (Almaty) on the base of its claim, **was released from fulfillment of market maker duties** on KASE on the following bonds of **Kazakhstan Kagazy JSC** (Almaty region), tradable in the official list of KASE of category "A":

- KZ2CKY05B448 (KKAGb1; KZT1, KZT4.0 bn.; 18.02.05 – 18.02.10, semiannual coupon indexed to inflation rate, 13.00 % APR as for the current period);
- KZPC1Y05C020 (KKAGb2; KZT1, KZT3.5 bn.; 07.04.06 – 07.04.11, semiannual coupon indexed to inflation rate, 12.00 % APR as for the current period);
- KZPC2Y07C024 (KKAGb3; KZT1, KZT3.5 bn.; 22.08.06 – 22.08.13, semiannual coupon indexed to inflation rate, 12.00 % APR as for the current period).

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 71 deals were made in bonds during the analyzed period on KASE. The weighted average volume made \$2,711.3 th. or KZT326.5 m. and decreased in comparison with the previous period (\$8,022.3 th. or KZT966.2 m. correspondingly) by 3.0 %. In the analyzed period no nego deals were made. In the previous period the stake of nego deals in quantitative expression made 6.4%, in volumetric – 0.01%.

During the analyzed period deals were made by KASE's 20 (23) members on 30 (32) instruments. At that 33.0% (10.2%) of gross-turnover passed through accounts of pension market subjects 64.0% (19.6%) on purchasing transactions and 2.0% (0.8%) on sales operations. 36.3% (16.8%) of exchange's gross-turnover of corporate bonds – 7.9% (6.8%) on purchasing transactions and 64.6% (26.9%) on sale transactions, passed through depo accounts registered on physical persons. 8.33%(0.48%) of exchange's sale transactions turnover came to stake of non-residents.

By results of period 19 names of bonds were characterized by growth of average weighted net price on the opened market, 11 – of decrease. VITAb5 (-18.0 %), aATFBb4 (-13.1 %), CCBNb14 (-9.7 %) and EXBNb2 (-7.4 %) seemed re-sold, while bonds KDTSb1 (+35.3 %), ASFIb10 (+30.2 %), CCBNb7 (+11.9 %), ASFIb7 (+11.7 %) and EKTNb1 (+8.3 %) seemed re-purchased. Yield to maturity for buyers on deals made decreased during the week for 19 bonds, increased for 10.

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

Results of bond trades on KASE, including STF of RFCA within April 30 – May 7, 08 (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	Num-ber of deals	Best for the period:					
	on the last deal:				bid	offer				
	min.	max.								
aATFBb4	13.00	13.00	13.00	10.00	13.00	15.45	1	13.00	13.00	
ASELb1	13.01	13.01	13.01	13.00	13.04	13.64	1	13.01	13.01	
ASFIb10	9.50	9.50	9.50	9.12	14.00	259.66	1	9.50	9.50	
ASFIb4	16.00	16.00	16.00	0	9.48	16.00	85.81	1	16.00	16.00
ASFIb5	14.30	14.30	14.30	0	9.50	15.50	124.66	1	14.30	14.30
ASFIb7	15.00	15.00	15.00	-2.5	10.68	17.52	17.06	1	15.00	15.00
ATFBb3	11.50	11.50	11.50	-2.0	6.70	13.50	18.63	1	11.50	11.50
ATFBb4	14.50	14.50	14.50	0	7.00	15.00	170.53	1	12.50	14.50
BTAIb4	15.50	15.50	15.50	-0.9	8.80	106.15	406.93	1	15.50	16.00
BTASb1	16.10	16.11	16.11	+1.1	9.00	27.33	215.98	2	16.10	16.40
BTASb7	8.00	8.00	8.00	-0.6	6.73	13.50	1,005.73	1	8.00	8.00
CCBNb14	16.00	16.00	16.00	+2.0	7.50	16.00	12.54	1	16.00	16.00
CCBNb7	12.00	16.00	12.00	-4.3	7.50	16.30	2,383.76	8	12.00	16.00
DNTLb1	12.00	12.00	12.00	0	11.96	12.30	86.14	1	12.00	12.00
DTJLb1	8.50	8.50	8.50	0	7.00	12.00	28.20	2	8.50	8.50
EKTNb1	11.50	11.50	11.50	11.50	13.82	125.31	1	11.50	11.50	
EXBNb1	22.00	22.00	22.00	0	9.11	22.00	32.76	3	19.00	22.00
EXBNb2	20.00	21.00	21.00	+2.0	12.00	21.00	42.22	3	12.05	21.00
HSBkb9	11.00	12.70	11.00	-1.5	7.72	13.50	25.82	2	11.00	12.70
IKBkb1	16.00	16.00	16.00	-9.0	16.00	25.00	434.42	2	16.00	16.00
KDTSb1	11.00	11.00	11.00	9.50	11.00	20.85	1	11.00	11.00	
KZIKb3	17.60	17.60	17.60	7.88	17.60	17.96	1	17.60	17.60	

To be continued on the page 5

Continued of table

**Results of bond trades on KASE, including STF of RFCA within April 30 – May 7, 08
(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	Num- ber of deals	Best for the period:	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
KZIKb5	14.05	14.05	14.05	-1.6	11.40	15.65	18.82	1	12.00	14.05
NRBNb4	13.50	13.50	13.50		9.00	19.50	15.19	1	13.50	13.50
NRBNb6	13.20	13.20	13.20	0	13.20	14.00	7,129.21	1	5.36	10.10
ORDKb1	15.00	15.00	15.00	+1.5	11.99	15.00	25.23	2	15.00	15.00
ORNKb1	18.05	19.85	19.85	+2.0	6.35	26.85	31.60	2	18.05	19.85
TXBNb2	12.00	12.00	12.00	-0.2	8.76	13.50	353.97	5	12.00	12.00
VITAb4	26.00	29.00	29.00	+1.0	10.00	29.00	157.16	11	26.00	29.00
VITAb5	18.21	29.00	29.00	+6.0	9.50	29.00	281.08	11	18.21	29.00
30							13,556.35	71		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (March 29 – April 29, 2008). 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.

In the **Debt certificates sector on STF RFCA** no deals in the analyzed period were made.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

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

Secondary market sector (purchase - sale)

In the analyzed period total volume of 61 deals made on KASE made KZT31,438.8 m. (\$261.2 m.). In the previous period (April 24 – 29, 2008) the given indicator was equal to KZT11,578.2 m. or \$96.1 th. with 23 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 91.6%.

More detailed data about trades with GS on KASE are given in the table.

Parameters of Exchange's transactions in GS within April 30 – May 7, 2008

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Discount (KZT): notes of National Bank					84.6% (78.9%) of purchase and sale sector's turnover	
Less than 8	8.02	8.02	8.02	8.02	50.0	2
8 - 14	8.00	11.00	10.00	10.86 (8.45)	26,536.8	21
Total					26,586.8,(9,136.0)	23,(9)
Coupon (KZT):MEOKAM-48, MUIKAM 72,84 GTL-72					15.4% (21.1%) of purchase and sale sector's turnover	
less than 730	8.20	8.20	8.20	8.20 (9.50)	351.8	4
731 – 1095	8.22	8.25	8.23	8.23 (9.70)	337.1	4
1826-2190	14.56	14.56	14.56	14.56	787.2	13
More than 2191	16.87	18.94	18.94	18.09	3,375.8	17
Total					4,852.0,(2,442.2)	14,(14)
GRANDTOTAL					31,438.8,(11,578.2)	23,(23)

Prepared by IRBIS Information agency of financial markets

67, Aiteke bi str., Almaty, Kazakhstan; info@kase.kz; tel.: (8 727) 272 01 17, 237 53 05; fax: (8 727) 237 53 22

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