

KAZAKHSTAN STOCK MARKET

July 1 - 7, 2010

SUPPLEMENTAL INFORMATION

US dollar = 147.25 at official rate for the end of the period.

US dollar = 147.49 at weighted average rate of the Exchange for the end of the period

Speed of KZT devaluation to USD for the period at exchange's rate made 9.5% p.a.

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

Indicator	Rate	Trend
TONIA	0.19	-0.11
Autorepo GCB 2 d.	0.20	-0.11
Autorepo GCB 7 d.	0.33	-2.7
Autorepo GCB 28 d.	0	-10.0
KazPrime-3M	2.00	0

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

Index	Value	Trend
KASE	1,365.08	-2.1
KASE_BP	363.63	+0.41
KASE_BC	301.06	+0.3
KASE_BY	14.10	-0.4

MAIN NEWS OF THE MARKET

July 1 it became known that the President of the Republic of Kazakhstan signed the Code of the Republic of Kazakhstan "On Customs Affairs in the Republic of Kazakhstan". According to the Minister of Finance of the Republic of Kazakhstan, Mr. Bolat Zhamishev, the provisions of the Code will be reduced list of documents required for customs declaration, from 10 to 3 items. Abolish customs clearance and customs control of goods originating in the territory of the Member States of the Customs Union, as well as goods imported from third countries into the territory of the Member States of the Customs Union and acquired in the prescribed manner the status of the goods of the Customs Union. Also, there was signed the **Law of the Republic of Kazakhstan "On making amendments and addenda to some legislative acts of the Republic of Kazakhstan on matters of customs regulation and taxation,** aimed at bringing the number of legislative acts of the Republic of Kazakhstan in compliance with the Code" On Customs Affairs in the Republic of Kazakhstan. Also, the president of Kazakhstan has signed the **Law of the Republic of Kazakhstan "On introduction of the Code of the Republic of Kazakhstan" On Customs Affairs in the Republic of Kazakhstan, the setting time of application of the Code "On Customs Affairs in the Republic of Kazakhstan,** as well as providing certain transitional provisions.

July 1 Agency of the Republic of Kazakhstan on Statistics reported that:

- **Inflation in Kazakhstan in June 2010 amounted to 0.2%.** Prices for food products and paid services for the past month increased by 0.1%, non-food goods - by 0.5%.
- **subsistence minimum in June 2010 was KZT13,965.** The subsistence minimum in the average per capita, calculated on the basis of minimum standards of consumption of basic foodstuffs, in June 2010 compared with the previous month increased by 6.8%, June 2009. - On 4.3%.
- **prices of enterprises-manufacturers of industrial products in June 2010 decreased by 5.6%.** In June 2010 compared to May, prices in the mining industry decreased by 8.3%, manufacturing - by 0.7% in the production and distribution of electricity, gas and water - remained unchanged.

July 7 it became known that, in accordance with the Board of the FSA on June 25, 2010 # 97 decided to Invalidation previously issued consents LLP Dynasty- A to Mr. Turganaliyev Eltinzhil Rahmattulaevich, Mr. Akhmetov Bakhytzhon Ashimzhanovich to acquire a big shareholder of Joint - Stock Company Insurance Company "Nomad Insurance.

July 1st National Bank of Kazakhstan informed that since July 1, 2010 the official refinancing rate of the National Bank of Kazakhstan is set at 7.0% per annum. As indicated by the results of May 2010 annual inflation was 7.0%. The report stated that in the third quarter of 2010 it is expected that annual inflation will remain almost at the current level - within 6.8-7.0%. In this regard, the most appropriate is to maintain the official refinancing rate at the same level of 7.0%. At the same time the level will remain weak positive in real terms.

July 1 AFN described the provisions in the legislation of the Republic of Kazakhstan on issues of insurance. June 25, 2010 the second reading of the Law of the Republic of Kazakhstan "On making amendments and addenda to some legislative acts of the Republic of Kazakhstan on issues of insurance." The law is in accordance with the Plan of Legislative Work of the Government of the Republic of Kazakhstan in 2009 and the Concept of development of the financial sector of the Republic of Kazakhstan for 2007-2011. The main purpose of the Act is to adopt further measures aimed at the development of life insurance and insurance market infrastructure, establishing the legal framework of insurance mediation; introduction of consolidated supervision in the insurance market, forming a complete database of insurance statistics.

July 1 Moody's Investors Service downgraded the long-term deposit ratings in foreign and local currency senior unsecured debt rating in foreign and local currency JSC Nurbank to "B3" from "B2". The outlook on the deposit and debt ratings has been changed to "stable" from "negative". At the same time, the financial strength rating (BFSR) JSC Nurbank at E + and short-term deposit ratings in foreign and local currency Not-Prime also been confirmed. According to analysts of agency, Mr. Maxim Bogdashkin in the medium term JSC Nurbank will likely continue to face serious pressures remain tight credit conditions in Kazakhstan, and the bank will be difficult to overcome the effects of the global financial crisis without external support. At the same time, plans for new shareholders to increase the bank capital at the end of 2010 will be to maintain a stable outlook on both ratings.

July 1 Moody's Investors Service downgraded the bank financial strength rating (BFSR) JSC Tsesnabank to E from E + and long-term deposit foreign currency rating to Caa1 from B3, informed the agency. The outlook on deposit rating was changed to "stable" from "negative"; forecast financial strength rating is "stable". At the same time, short-term deposit rating Tsesnabank in foreign currency Not-Prime has been confirmed. As indicated, downgrade Tsesnabank "reflects Moody's concern that the bank is working with a very low level of economic capital due to poor asset quality and significant problem loans. The downgrade also reflects the concern of rating agencies that the main bank's profit - which excludes one-time income from sources such as trade and foreign exchange earnings - is not sufficient to cover possible losses on new loans.

July 2 the World Bank during the third annual Astana Economic Forum said that the successes of Kazakhstan in the management of the crisis are impressive. The World Bank notes that the Government and National Bank of the Republic of Kazakhstan to ensure a high level of liquidity, motivation and social support to prevent collapse of the financial system, a protracted recession and rising unemployment. It is noted that the crisis did not prevent Kazakhstan to continue structural reform of the budgetary system, education and eliminate administrative barriers to business, which is an important contribution to the future of the country. Reportedly, however, the World Bank is optimistic on the prospects of Kazakhstan to restore the status of the rapidly growing economy and achieving the ambitious targets set in the Strategy-2020.

July 2 it became known that the government of Kazakhstan has extended the ban on the export of motor spirit, kerosene and gas oil to November 1, 2010. This is determined by Government of the Republic of Kazakhstan from June 30, 2010 # 676 "On Amending Resolution of the Government of the Republic of Kazakhstan dated 28 May 2010 # 487". Text regulations published in the official press.

July 2 it became known that the government of Kazakhstan has established preferential tariffs on the import of cars by individuals for personal use. This is determined by Government of the Republic of Kazakhstan from July 1, 2010 # 682 "On issues of movement of cars by individuals for personal use. As indicated, the Government of Kazakhstan has decided to declare at customs cars for personal use, imported into the territory of the Republic of Kazakhstan, individuals are paid flat rates of customs duties and taxes.

July 2 was published on KASE trades in the first six months of 2010:

- **the volume of trading in shares on KASE (excluding transactions in the market repo transactions) amounted to KZT32.8 billion (equivalent to 222.9 million U.S. dollars) and decreased relative to the corresponding period of 2009 to 77.0% (to 77.3% in dollar terms).**
- **The amount of corporate bond trading at KASE (excluding transactions in the market repo transactions) amounted to KZT90.9 billion (equivalent to 617.0 million U.S. dollars), and decreased relative to the corresponding period of 2009 to 59.9% (to 60.9% in dollar terms).**
- **the volume of trading in government securities (GS) on KASE (excluding transactions in the market repo transactions) amounted to KZT756.3 billion (equivalent of U.S.\$5,136.9 million) and grew up on the corresponding period of 2009 to 47.1% (on 47.2% in dollar terms).**

- **The amount of foreign currency trading on KASE, including currency swap transactions, amounted to KZT6,201.7 billion (equivalent to 42,126.8 million U.S. dollars) and rose on the corresponding period of 2009 to 38.7% (32.8% in dollar terms).**
- **Trading volume on KASE in all sectors was KZT13,472.4 billion (equivalent to 91,530.6 million in US dollars) and grew up on the corresponding period of 2009 to 19.4% (to 15.1% in dollar terms).**

July 2nd Vice-Premier of the Republic of Kazakhstan Mr. Umirzak Shukeyev in a speech at the III Astana Economic Forum said that Kazakhstan intends to end of 2010 to join the World Trade Organization. He noted that Kazakhstan hopes for support from foreign partners. He also noted that the establishment of a customs union and single economic space will not impede the entry of the republic into the WTO.

July 3 in Astana, has completed its work III Astana Economic Forum "Sustained economic growth in post-crisis period, sends today's press office of the Association of Eurasian Economic Club of Scientists". As indicated, during the forum was held 17 meetings and panel sessions, which resulted in the signing of memorandums and agreements on cooperation. **The forum was to reach agreement with the European Investment Bank on the financing of investment projects in Kazakhstan in the amount of 1.5 billion euros.** Also, the results of the session "The Formation of the global energy and environmental strategy" has been signed **an agreement establishing a joint venture LLP Kazredmet between the company Laterra Amity Co LTD (Japan) and JSC" Center of the Earth Sciences, Metallurgy and Enrichment Holding Parasat** . As pointed out by the International Partnership Conference "Human Resources Management" was adopted: the recommendation to use common criteria for evaluating the effectiveness of managerial training, to establish a working group to develop common requirements to prepare managers for their work abroad, recommendations for use of the Internet, in particular the Internet Platform InWEnt Global Campus, to establish business contacts. Also, Kazakhstan's Center for the PPP was signed several memoranda of understanding and cooperation. In particular, the **head of Kazakhstan's Center PPP Mr. Bolat Smagulov signed with a colleague from the Republic of Poland Mrs. Irene Herbst Memorandum of Understanding and Cooperation.**

July 7, in accordance with the Board of the FSA on 30 June 2010 # 99 decided to cease of the previously issued consent JSC Ordabasy Corporation for the purchase of a big shareholder of Joint-Stock Company "Insurance Company" Amanat insurance " .

July 7, in accordance with the decision of the Board of the FSA on 25 June 2010 # 88 by "Oil Insurance Company", Mr. J.K. Alzhanov, Mr. T.K. Alzhanov, Mr. N.E. Sarkisov, Mr. S.E. Sarkisov withdrawn permission from the November 11, 2009 # 18 on the establishment of insurance (reinsurance) JSC TO JSC Oil Insurance Company "life insurance" NSC Life " , due to expiry.

July 5 in Astana, in the presence of Russian President Mr. Dmitry Medvedev and President of the Republic of Kazakhstan Nursultan Nazarbayev, an **agreement was signed on funding the construction of the third unit Ekibastuz GRES-2.** Thus, in the Republic of Kazakhstan launched a large-scale investment projects of JSC "Ekibastuz-2, whose shareholders are JSC" Samruk-Energy "and JSC" INTER RAO UES, through its long-term funding from the Eurasian Development Bank (EDB) and the State Corporation Bank for Development and Foreign Economic Affairs (Vnesheconombank). The project envisages construction of a third unit Ekibastuz GRES-2 installed capacity of 500 MW. Eurasian Development Bank and Vnesheconombank on an equal footing would provide a multi-15-year loan worth 770 million U.S. dollars. Total project cost - about \$ 800 million.

7 July it became known that the Customs Code of the Customs Union between Belarus, Russia and Kazakhstan came into force on July 6, 2010. As indicated in the relations between the three countries he will apply from July 6 of this year, and in relations between Russia and Kazakhstan in effect since July 1, 2010. Also from July 6, between three countries formed a single customs territory. The Heads of State of the Customs Union agreed on the need to foster the development of agreements on forming single economic space among the three countries. All arrangements for SES should be developed to January 1, 2011. Customs duties on crude oil and petroleum products to Belarus will be removed automatically, regardless of when the documents on the CES will sign and ratify Russia and Kazakhstan. Heads of EurAsEC states signed a new version of the statute of the court community. Under the new statute, the Court of the EurAsEC will be able to adjudicate disputes and economic problems that arise in the functioning of the Customs Union. He will also be able to make decisions binding, including, in cases against the Commission of the Customs Union.

7 July it became known that JSC Stock Center became the new registrar of JSC Atameken-Agro.

July 1 it became known that the President of the Republic of Kazakhstan signed the Law of the Republic of Kazakhstan "On Ratification of the Protocol on the procedure for levying indirect taxes in the performance of work, providing services in the Customs Union." In addition, the head of state signed the Law of the Republic of Kazakhstan "On Ratification of the Customs Union Agreement on Sanitary Measures," "On Ratification of the Agreement on Customs Union veterinary and sanitary measures" and "On ratification of Agreement of the Customs Union of the Plant Quarantine."

SHARES MARKET

Market news

In this sector of KASE during the analyzed period, no deals were made. Trades on placement of shares weren't made.

Primary market sector

In this sector of KASE during the analyzed period, no deals were made. Trades on placement of shares weren't made.

Secondary market sector (purchase and sale)

A total of 166 deals were made in shares during the analyzed period.

	current	Trend for	
	week	1 week	2 weeks
Average daily volume. USD th.	1,097.5	-52.5%	-59.4%
Average daily volume. KZT m.	161.8	-52.5%	-59.2%
Stake of nego deals. number (%)	0	0	-0.8pp
Stake of nego deals. volume (%)	0	0	-22.4pp
KASE members	29	-9.4%	-12.1%
Number of shares denominations*	14	-17.6%	-22.2%
Stake of pension funds. gross (%)	0.0	0	0
on purchase	22.7	-49.1pp	+10.8 pp
on sale	0	0	0
Stake of individuals. gross (%)	32.2	+20.4pp	-22.6pp
on purchase	28.2	+21.0pp	-12.5pp
on sale	36.3	+19.7pp	-32.8pp
Stake of nonresidents. gross (%)	3.7	-0.3pp	-9.8pp
on purchase	2.4	+0.2pp	-8.9pp
on sale	5.0	-0.8pp	-10.8pp

*on which deals were made at KASE

In the described period weighted average daily prices of 4 items of equity instruments involved in the transaction, the fall – 7, prices of 3 instruments did not changed. Positive change in shares prices in the range from 4.29% (ZERD) to 14.46 (AMGZp), negative - from 0.07% (RDGZ) to 18.75% (KKGBp).

More detailed data on share trades on KASE shown in table below.

Results of share trades on KASE, including STF of RFCA within July 1 - 7, 2010, only by data on deals made on the secondary market of KASE by the methods of opened trades)

Share code on	Price. KZT per share:				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.	price	trend. %	min.	max.				
KASE			28500		18000	28500	77.42	1	28500	28500
AMGZp	28500	28500	28500		480	4250	1.74	2	500	490
BTAS	500	500	500	0	340	955	2.62	4	531	525
CCBN	525	526	525	-6.25	550	800	994.57	1	770	770
EXBN	770	770	770	0	1550	2800	13.68	8	2120.01	1800
GB_ENRC	1800	2006.4	1830	-11.59	127.28	400	69.76	10	300	280
HSBK	280	300	293	-3.62	110.92	180	976.40	1	180	176.4
HSBKp	180	180	180		290	740	6.84	4	396	379
KKGB	379	396	380	-0.16	95	341	0.93	1	200	195
KKGBp	195	195	195		11800	23000	440.05	32	16000	14000
KZTK	14000	14460	14150	-0.04	16000	24300	401.76	11	17000	16010
RDGZ	16010	16700	16500	0	10800	21988.89	1,078.91	83	13000	10800
RDGZp	10800	13000	12600	+6.78	0.67	7.2	310.56	7	1	0.73
ZERD	0.73	1	0.73	+4.29	4.01	5.7	14.92	1	5.5	5.5
ZERDp	5.5	5.5	5.5	0						
14							4,390.2	166		

Notes: Trends are given relative to the last deal of the previous 30 days period (May 30 – June 30, 2010). If deals were not made in the previous month the trend is not calculated.

MARKET OF CORPORATE BONDS

News of corporate bonds market

From July 1, at KASE trading resumed following bonds from a subsidiary of Joint Stock Company "BTA Bank"-JSC Temirbank (Almaty): KZ2C0Y20A641 (TEBNb3), KZP01Y20B553 (TEBNb4), KZP01Y17B559 (TEBNb6), KZP07Y20B550 (TEBNb10), KZP08Y25B557 (TEBNb11), KZP02Y15C336 (TEBNb13), KZP03Y19C336 (TEBNb14), KZP04Y19C334 (TEBNb15), KZP05Y20C339 (TEBNb16), KZP06Y20C337 (TEBNb17).

July 7 it became known that from 08 July KASE will resume trading following bonds from a subsidiary of Joint Stock Company "BTA Bank"-JSC Temirbank (Almaty): KZP04Y19B559 (TEBNb7) and KZP05Y16B552 (TEBNb8).

July 7 bonds KZ2CKY07A792 (TXBNb2) Subsidiary Bank of JSC Russian Savings Bank (Almaty) are excluded from the official list of KASE in connection with the expiration of the treatment. Also, these bonds are excluded from the list of representative indices KASE_BY, KASE_BP and KASE_BC.

Primary market sector

In this sector of KASE during the analyzed period deals were not made. Bidding offerings were not made.

Secondary market sector (purchase and sale)

A total of 81 deals were made in bonds during the analyzed period on KASE.

	current	Trend for	
	week	1 week	2 weeks
Average daily volume. USD th.	4,98.4	+13.0%	-62.1%
Average daily volume. KZT m.	619.1	+13.0%	-61.9%
Stake of nego deals. number (%)	0	-0.01pp	0
Stake of nego deals. volume (%)	0	-0.05pp	0
KASE members	24	+14.3%	0
Number of bonds denominations*	25	-19.4%	-10.7%
Stake of pension funds. gross (%)	37.1	+30.6pp	+7.6pp
on purchase	71.4	+58.3pp	+59.7pp
on sale	2.9	+2.8pp	-44.5pp
Stake of individuals. gross (%)	4.5	-27.8pp	-0.7pp
on purchase	3.6	-3.4pp	+1.2pp
on sale	5.3	-52.1pp	-2.7pp
Stake of nonresidents. gross (%)	0	0	0
on purchase	0.19	+0.2pp	+0.18pp
on sale	0	0	0

on which. deals were made at KASE

Following the period of growth of average net price on the open market bonds were characterized by 21 items, fall - 3. Yield to maturity for a buyer on deals rose during the week for 5 bonds have declined - in 12. Positive change in bond yield to maturity in the range from 0.04% (BTAIb2) to 9.14% (BTAIb5), negative - from 0.02% (BTAIb9) up to 36.00% (ZERDb1).

More detailed data on corporate bonds on KASE shown in table.

Results of bond trades on KASE including STF of RFCA within July 1 - 7, 2010 (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	
	on the last deal:		for last 365 days:		period:					
	min.	max.	yield	trend	min.	max.			bid	offer
ATFBb7	8.10	8.10	8.10	0	7.10	9.74	123.24	1	8.10	8.10
BTAIb2	48.70	48.70	48.70	+0.04	30.25	53.00	207.91	2	47.38	48.70
BTAIb5	46.69	46.71	46.71		34.00	51.00	430.93	4	45.42	46.71
BTAIb9	7.40	7.42	7.40	-0.02	7.00	45.00	81.64	4	7.40	7.42
CCBNb9	9.00	9.00	9.00		9.00	27.83	8.87	1	9.00	9.00
CSBNb3	9.00	9.00	9.00		7.50	16.94	12.43	1	9.00	9.00
CTECb1	15.00	15.00	15.00		12.50	20.00	14.04	1	15.00	15.00
EUBNb3	11.25	11.25	11.25	0	11.00	22.00	1.29	2	11.25	11.25
HSBKb10	10.15	10.15	10.15		10.00	14.50	44.38	4	10.15	10.15
HSBKb14	7.50	7.50	7.50	0	6.50	12.06	10.56	1	12.63	12.63

To be continued on the page 6

Continued of table

**Results of bond trades on KASE including STF of RFCA within July 1 - 7, 2010
(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.				
HSBkb7	8.00	8.00	8.00		8.00	19.00	9.01	1	8.00	8.00
KASSb1	11.00	12.00	12.00		11.00	18.25	28.48	2	11.00	12.00
KONDb1	140.10	141.06	140.10		55.84	259.62	5.86	2	225.04	230.08
KZIKb18	12.00	12.00	12.00		11.50	13.50	8.74	1	12.00	12.00
KZIKb20	8.00	10.00	8.00		7.00	10.00	41.54	2	8.00	10.70
MREKb3	8.00	8.00	8.00	-2.00	7.00	17.00	9.16	1	8.00	8.00
NFBnb1	36.00	36.00	36.00	0	16.75	36.00	11.01	1	36.00	36.00
NRBnb2	15.00	15.00	15.00		14.00	27.60	5.14	1	15.00	15.00
ORDKb2	14.00	14.00	14.00	0	14.00	16.00	140.41	3	14.00	14.00
RGBRb4	14.00	14.00	14.00		13.70	35.00	8.61	1	14.00	14.00
TMLZb1	24.00	28.45	28.45		24.00	49.99	27.13	3	24.00	28.45
TSBnb2	13.00	13.00	13.00		13.00	25.00	8.86	1	13.00	13.00
US_JPM_e1	9.78	10.33	9.78		4.87	10.33	6,883.50	3	-0.66	-0.26
VITAb5	124.50	124.50	124.50	0	22.82	134.00	4.89	2	124.50	124.50
ZERDb1	78.00	115.00	78.00	-36.00	10.00	119.00	33.78	11	78.00	115.00
25							8 161.4	56		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous 30 days period (May 30 – June 30, 2010). If deals were not made in the previous month the trend is not calculated.

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

In this sector of KASE during the analyzed period deals were not made. Bidding offerings were not made.

Secondary market sector (purchase)

During the monitoring period, the total volume of 25 prisoners at KASE transactions amounted to 5,813.6 million (\$39.4 million). In the previous period (June 24 – 30, 2010) this figure amounted to KZT12,206.8 million (\$82.8 million), with 30 transactions. The share exchange turnover in the total volume of Kazakhstan secondary market transactions for comparable sales in the analyzed period amounted to 100.0% (in the previous period – 85.9%).

Parameters of Exchange's transactions in GS within July 1- 7, 2010

Days till maturity	Yield to maturity for a buyer. % APR.				Volume. m. tenge discounted	Number of deals
	min	max	last deal	weighted average		
Coupon (KZT): MEOKAM. MEUKAM. MEUJKAM, MAOKAM 100.0% (87.5%) of purchase and sale sector's turnover						
731 - 1095	7.00	7.00	7.00	7.00 (3.42)	167.48	1
1096 - 1460	4.20	4.20	4.20	4.20 (4.70)	768.38	4
1461 - 1825	4.90	5.05	4.90	4.97	1,559.35	5
1826 - 2190	5.65	6.00	5.70	5.77	2,643.17	9
over 2191	5.70	6.30	6.00	6.13 (6.20)	675.18	6
Total					5,813.6 (10,686.1)	25 (24)
TOTAL					5,813.6 (12,206.8)	25 (30)

Prepared by IRBIS Information agency of financial markets

85. Maulenov st.. office 93. 83; Almaty. Kazakhstan; igor@kase.kz. dm@kase.kz. info@kase.kz.

Tel.: +7 (727) 250 88 21. 250 88 14. fax: +7 (727) 237 53 39.

IRBIS agency gives notice that material given above is not an offer or recommendation to sell or buy shares on KASE. Using it by anyone. while taking investment decisions does not make IRBIS agency responsible for possible losses resulting from such the decisions.