

## WEEK OF STOCK MARKET OF KAZAKHSTAN

March 12-16, 2012

Date	Index KASE	USDKZT	TONIA	TWINA	KazPrime
11.03.2012	1,237.36	147.99	0.17	0.14	2.00
12.03.2012	1,237.54	147.93	0.26	0.22	2.00
13.03.2012	1,251.72	147.95	0.14	0.24	2.00
14.03.2012	1,275.65	147.73	0.13	0.22	2.00
15.03.2012	1,280.74	147.51	0.12	0.18	2.00
16.03.2012	1,267.63	147.72	0.06	0.18	2.00
<b>Trend</b>	<b>30.27</b>	<b>-0.27</b>	<b>-0.11</b>	<b>0.04</b>	<b>0</b>
<b>%</b>	<b>+2.4</b>	<b>-0.18</b>	<b>-65.0</b>	<b>+28.7</b>	<b>0</b>

### MAIN NEWS OF KAZAKHSTANI STOCK MARKET

**March 12 press service of the Government reported that in 2012 seven thousand participants of Employment Programme 2020 will get micro-credits.** "In order to increase the economic activity of citizens by organizing their own business, Employment Programme-2020 provides a set of measures to develop rural business. It is planned that in 2012 approximately 7,000 participants will receive micro-loans", - was stated in the message. According to the Labor Ministry, this year in the second direction of the Programme "Promotion of entrepreneurship in rural areas" 6543 people will get free education on entrepreneurship worth 343.4 million tenge, 6,912 participants will get microcredits worth 9,535.4 million tenge. In addition, for the development of engineering infrastructure on 1934 projects of Program participants 2,472,300,000 tenge were provided.

**March 12 Republic of Kazakhstan Agency on Statistics reported that in January-February 2012 in Kazakhstan production of coal, natural gas and metal ores increased.** Physical volume index of industrial output amounted to 102.8%. In January-February 2012 compared to the same period in 2011 production of coal, natural gas and metal ores increased. Production of chemical, metallurgical industry, machinery and petroleum products rose. The increase in production was observed in 13 regions. Reduction was noted in Atyrau, West Kazakhstan and Mangystau regions.

**March 13 the Department of Public Relations of Sovereign Wealth Fund "SK" JCS reported that most of the preparatory work on the program "The People's IPO" will be held in the first half of 2012 - "SK".** Samruk-Kazyna JCS approved the Plan on organization of informational work on program "The People's IPO" in 2012, according to which the work is expected in two areas: first area is information and education campaign among the population, second - advertising and marketing work, which will begin from August 15 - JSC "KazTransOil". Thus, from 09 April this year across the country will 200 public lectures and 625 seminars, including remote villages, will be organized.

**March 13 Minister of Economic Development and Trade of the Republic of Kazakhstan Bakhytzhn Sagintayev reported that the placement of shares of JSC "KEGOC" under the "People's IPO" is proposed to be postponed for 2013.** IPO of JSC "KazTransOil" to be held in 2012, JSC "KEGOC" - moved to 2013. The Minister said that these companies are currently in collaboration with international consultants completing the work on preparing the necessary documentation for the offering.

**March 13 Agency on Statistics of the Republic of Kazakhstan reported that:**

- The volume of capital investments in January-February 2012 in Kazakhstan grew by 5.5%. Short-term economic indicator in January-February 2012 to January-February 2011 amounted to 104.6%
- Gross domestic product, according to operative data, in January-December 2011 amounted to KZT 27,300.6 billion in current prices. Compared with the corresponding period in 2010, real GDP grew by 7.5%. In the GDP share of manufacturing goods was 43.1%, services - 51.9%.
- The volume of capital investments in January-February 2012 amounted to 457.2 billion tenge, which is 5.5% more than during the same period last year.
- Industrial Output in January-February 2012 in Kazakhstan grew by 2.8%
- Industrial Output in January-February 2012 amounted to KZT 2,625.1 bln at current prices, 2.8% more than in January-February 2011.
- In the mining and quarrying industry production rose by 0.2%, processing industry - 7.6%, electricity, gas, steam and air conditioning - by 7.5%. In water supply, sewerage system, control over the collection and distribution of waste production decreased by 11.6%.

- The volume of gross output of products (services) of agriculture in the January-February 2012 amounted to 118.0 billion tenge, which is less than 5.4% in January-February 2011.
- The volume of cargo turnover in January-February 2012 amounted to 72.9 billion ton-kilometers (based on an assessment of turnover of individual entrepreneurs engaged in commercial transportation), and increased by 18.3% compared with the corresponding period in 2011.
- The volume of retail sales for the period amounted to 602.3 billion tenge (without recourse to public supply) and increased by 11.5% compared with January-February 2011.
- The volume of wholesale trade for the period amounted to 1,310.8 billion KZT and increased by 15.5% compared with January-February 2011.
- Scope of services for the provision of food and beverages during the reporting period amounted to 27.2 billion tenge, an increase of 11.5% compared with January-February 2011.
- Foreign trade turnover of Kazakhstan in January 2012 totaled \$ 10.9 billion, having increased by 97.8% compared with January 2011. Foreign trade turnover of Kazakhstan in January 2012 amounted to \$10,934.0 million and in comparison with January 2011. increased by 97.8%, including export - U.S. \$ 8,263.9 million (2.1 times) and import – 2,670.1 million USD (53.4% more)
- The volume of retail trade in January-February 2012 increased in comparison with the corresponding period the previous year by 11.5% to 602.3 billion tenge. The volume of sales of goods by trading enterprises constituted in January-February 2012 KZT 329.4 billion or 11.6% more than in January-February 2011.
- In January 2012 the mutual trade of the Republic of Kazakhstan with the countries of the Customs Union was 1,475.5 million U.S. dollars, or 12.9% more than in January 2011, including exports - 487.5 million U.S. dollars (4.5% less), import - 988.0 million USD (24.1% more). In the export structure of the Republic of Kazakhstan is dominated by mineral products (43.4% of total exports to the Customs Union), metals and metal products (31.8%), chemical products (12.0%).
- The number of transactions in housing in the January-February 2012 amounted to 22,883. In February 2012 the number of registered transactions of housing was 12,984 and compared with the previous month increased by 31.2%. The number of transactions in housing, January-February 2012 compared with the corresponding period of last year increased by 15%.
- In the economy of the republic in February 2012 (estimated) 8.6 million people were employed. Against the same period last year, their number increased by 416.1 thousand people or 5.1%. Number of employees in that period amounted to 5.8 million people (67.6% of total employment). The number of unemployed in February 2012 was estimated at 500.2 thousand people, the unemployment rate - 5.5%. Officially, at the end of February 2012 57.6 thousand people were registered at employment offices of the Ministry of Labour and Social Protection of the Republic of Kazakhstan (excluding the participants of Employment Programme 2020). The proportion of registered unemployed was 0.6% of the economically active population (in February 2011 - 0.6%). It is estimated that in February 2012 level of hidden unemployment rate was 0.5% of the economically active population
- Average per capita nominal income of the population in January 2012, according to preliminary data, amounted to 46,780 tenge, an increase over the corresponding period of 2011 by 18.1. As stated, real income for the period increased by 11.5%. Leading position in the size of per capita income in January 2012 was taken by Atyrau, Almaty and Astana, where the figure exceeded the average national level by 2.4 -1.7 times. The most low-income regions in January 2012 included the South Kazakhstan, Zhambyl and Almaty region, in which the value of income amounted to 62.2 - 80.1% of the national level. However, the highest rates of growth of real money incomes of population were found in Kostanay and Almaty regions.

**March 15 deputies of the Senate of the Parliament of the Republic of Kazakhstan adopted the Law "On making amendments and addenda to the Law of the Republic of Kazakhstan "On Republican Budget for 2012-2014"**. Revised forecast of the national budget revenue is defined at KZT 5,236.9 billion, with growth of 485.9 billion tenge compared with the approved budget. Expenditures of state budget are provided in amount of 6,017 billion KZT with a growth of 507.2 billion tenge. Budget deficit will amount to 779.8 billion or 2.5% of GDP.

**March 15 deputies of the Senate of the Parliament of the Republic of Kazakhstan adopted the Law "On making amendments and addenda to the Law of the Republic of Kazakhstan "On guaranteed transfer from the National Fund of Kazakhstan for 2012-2014"**. The bill provides for an increase in 2012-2013 in the size of the guaranteed transfer from the National Fund to the national budget by 15%, or 180 billion, up to KZT 1,380 billion.

**March 16 press-service of JSC "NC "KazMunayGas" reported that the administrative and managerial personnel of KMG was reduced by 23%**. Board of Directors decided to establish a working group on restructuring of KMG Group of companies. "We must define 5-6 business-directions. All non-core assets that do not fall under these categories must be submitted to the competitive environment or reduced.

**March 16 the press service of the rating agency "Expert RA Kazakhstan" JSC reported the agency has assigned the reliability rating of insurance company "Oil Insurance Company" JCS of A "high level of reliability"**. Reportedly, the factors exerting a positive influence on the rating of "Oil Insurance Company", were low core loss insurance diversified insurance portfolio structure (Herfindahl-Hirschman index for 9 months of 2011 - 0.19), high values of the current liquidity and liquidity of the refined net of insurance (on 01.10.2011 - 150% and 107%, respectively), low values of the net loss ratio and combined ratio net loss (for 9 months of 2011 32% and 89.8% respectively (calculated by the method of "Expert RA Kazakhstan")), experience of large payments (the largest payment of property insurance in the amount of 193.3 million tenge), a diversified investment portfolio (on 01/10/2011 Herfindahl-Hirschman index - 0.11).

## Stock exchange market

### Secondary market sector

During the study market period at KASE on the secondary market sale 218 deals were concluded

	current	change for	
	week	1 week	2 weeks
Average daily volume. USD th.	814.1	-6.7%	-40.4%
Average daily volume. KZT m.	120.3	-6.9%	-40.4%
Stake of nego deals. number (%)	0.01	-0.01 pp	-0.01 pp
Stake of nego deals. volume (%)	0.2	-0.1 pp	+0.1 pp
KASE members	28	+7.7%	-9.7%
Number of shares denominations*	19	+18.8%	+5.6%
Stake of pension funds. gross (%)	5.4	+5.4 pp	+5.4 pp
on purchase	1.6	+1.6 pp	+0.64 pp
on sale	9.1	+9.0 pp	+9.1 pp
Stake of individuals. gross (%)	46.3	+24.3 pp	+4.9 pp
on purchase	40.0	+21.1 pp	+20.7 pp
on sale	52.5	+27.5 pp	-10.9 pp
Stake of nonresidents. gross (%)	7.3	-19.4 pp	-1.1 pp
on purchase	10.8	-3.9 pp	+3.8 pp
on sale	3.8	-34.9 pp	-5.9 pp

\*on which the deals on KASE have been conducted

In the described period fall of average daily prices was detected for 4 instruments, growth was demonstrated by 10 instruments involved in the transactions; prices of 5 instruments have not changed. The negative change in the weighted average share price was fixed at the levels from 0.31% (BSUL) to 12.86% (BTAS), positive - from 0.75% (GB\_KZMS) to 51.70% (KZTC).

Detailed information on share trades at KASE is given in the table below:

**Results of share trades on KASE, including STF of RFCA within March 12-16, 2012, only by data on deals made on the secondary market of KASE by the methods of opened trades):**

Share code on KASE	Last deal:		Price, KZT per share:		Volume of deals Th. USD	Num. of deals	Best for The period: Demand Supply,			
	min	max	price	trend,%				for last 365 days: min	max	
BSUL	640.00	640.00	640.00	-0.31	629.99	642.00	60.7	4	640.00	640.00
BTAS	0.61	0.61	0.61	-12.86	0.20	6.22	0.0004	1	0.89	0.61
CCBN	251.00	262.00	262.00	+2.34	233.00	607.31	216.0	8	262.00	251.00
GB_KZMS	2,262.00	2,350.00	2,262.00	+0.76	1,780.00	3,501.00	47.4	10	2,355.00	2,262.00
HSBK	228.00	244.50	240.00	+3.45	185.01	386.00	532.2	35	244.50	228.00
HSBKp	176.98	176.98	176.98		153.64	185.24	0.05	1	176.98	176.98
KASE	4,900.00	4,900.00	4,900.00		4,500.00	5,500.00	9.9	1	4,900.00	4,900.00
KKGB	226.00	240.00	240.00	+3.00	185.00	535.00	89.6	11	240.00	226.00
KKGBp	148.00	148.00	148.00	0	142.00	225.00	20.1	2	148.00	148.00
KZTC	3,746.99	3,823.50	3,746.99		2,500.00	3,823.50	369.7	3	3,901.00	3,746.99
KZTK	24,375.00	24,600.00	24,375.00	-2.11	16,800.00	27,999.98	164.1	14	24,600.00	24,375.00
KZTKp	20,000.00	20,690.00	20,500.01	+2.50	7,490.00	22,888.00	320.3	24	20,690.00	20,000.00
MMGZp	5,500.00	5,500.00	5,500.00		4,000.01	10,450.00	1.1	1	5,500.00	5,000.00
RDGZ	15,580.00	18,000.00	16,900.00	+9.39	12,100.00	20,350.00	858.6	37	18,001.00	15,550.00
RDGZp	11,150.00	12,600.00	12,460.00	+8.35	11,000.00	19,900.00	590.4	58	14,000.00	11,150.00
SATC	50.00	50.00	50.00	0	49.99	72.00	50.8	1	50.00	50.00
TEBNp	770.00	770.00	770.00		500.00	900.00	36.6	1	770.00	770.00
TSBN	670.00	670.00	670.00	0	670.00	942.85	9.9	1	670.00	670.00
ZERDp	5.38	5.39	5.39	0	5.00	5.56	13.5	3	5.39	5.38
<b>19</b>							<b>3,391.0</b>	<b>216</b>		

**Notes:** Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## Corporate bonds market

### Secondary market sector

In this sector of KASE during the analyzed period 47 deals were made.

	current	Change for	
	week	1 week	2 weeks
Average daily volume. USD th.	5,276.1	+21.5%	-48.1%
Average daily volume. KZT m.	779.8	+21.4%	-48.1%
Stake of nego deals. number (%)	0	0	-0.02 pp
Stake of nego deals. volume (%)	0	0	-0.01 pp
KASE members	28	0	-6.7%
Number of bonds denominations*	17	+4.0%	-15.0%
Stake of pension funds. gross (%)	34.3	-3.7 pp	+34.3 pp
on purchase	49.4	-10.6 pp	+49.4 pp
on sale	19.2	+3.1 pp	+8.5 pp
Stake of individuals. gross (%)	0.2	-0.5 pp	+0.1 pp
on purchase	0.2	-0.2 pp	+0.1 pp
on sale	0.1	-0.9 pp	-0.03 pp
Stake of nonresidents. gross (%)	0	0	0
on purchase	6.1	-0.2 pp	-93.9 pp
on sale	0	0	0

\* on which deals were made at KASE

Following the period, growth of average net price on the open market of bonds characterized 12 names of bonds, fall - 4 names, 1 instrument was traded for the first time. Yield to maturity rose in the week for 8 bonds, declined - for 8 bonds. Positive changes in bond yield to maturity were in the ranges from 0.25% (RPKRb2) to 2.25% (KKGBb6), negative - from 0.0005% (ATFBe3) to 5.74% (CBH\_b1).

More detailed data on corporate bonds on KASE is shown in the table below:

**Results of bond trades on KASE including STF of RFCA within March 12-16, 2012 (only on data of deals . made on secondary market of KASE by the methods of open trading):**

Bond code	Yield to maturity for a buyer. % APR:						Amount		best for the	
	on the last deal:			for last, 365 days,:			of deals, th. USD	Number of deals	period:	
	min.	max.	yield	min.	min,	max,			demand	supply,
ATFBb5	4.00	6.64	6.64		4.00	9.00	226.8	3	4.00	7.00
ATFBe3	4.00	4.00	4.00		4.00	7.99	40.6	2	4.00	4.00
CBH_b1	17.00	20.50	17.00		17.00	40.02	44.0	2	17.00	20.50
CSBNb11	7.95	7.95	7.95		7.50	7.95	13,030.3	2	7.50	7.95
EUBNb3	10.30	10.30	10.30		8.00	10.80	1,747.3	7	10.30	10.30
EUBNb5	8.45	8.45	8.45		8.00	8.45	7.3	1	7.50	8.45
EXNBb2	7.00	7.01	7.01	+0.01	7.00	18.50	17.2	15	7.00	7.01
KKGBb4	11.50	11.50	11.50	+0.6	10.40	12.50	691.3	1	11.50	11.50
KKGBb6	10.25	10.25	10.25		8.00	10.25	1,973.0	2	10.25	10.25
KKGBb7	11.25	11.25	11.25		11.25	11.25	1,986.9	1	11.25	11.25
KKGBb15	9.65	13.69	9.65		7.72	13.69	499.4	3	9.65	13.69
KKGBb24							22.0	1	26.13	26.13
KKGBb8	9.91	9.91	9.91		9.01	11.16	4,856.9	2	9.91	9.91
KZAPe1	3.35	3.35	3.35	-0.3	3.35	5.47	1,106.6	1	3.35	3.35
ORDKb2	15.00	15.00	15.00	-1.0	12.00	16.00	13.4	1	15.00	15.00
PRKRb2	5.25	5.50	5.25		5.00	7.33	104.1	2	5.25	6.00
ZERDb1	13.00	13.00	13.00		10.00	17.00	13.5	1	11.00	13.00
<b>17</b>							<b>26,380.5</b>	<b>47</b>		

**Notes:** Trends are given relative to the last deal of the previous 30 days period. If deals were not made in the previous month the trend is not calculated.

## GOVERNMENT SECURITIES (GS) SECTOR

### Primary market sector

March 14 at KASE trade system specialized trades on placement of medium-term treasury bills of the Ministry of Finance of the Republic of Kazakhstan MEOKAM-60 of release 43 (KZK2KY050435, MOM060\_0043; 1000 tenge, 14/03/12, 03/14/17, 30/360) were held, on which the Ministry of Finance planned to involve KZT 15,000.0 mln. The subject of bargaining is the coupon rate. In the auction was attended by 11 primary dealers, which were members of KASE. Through these subjects, investors have filed 38 applications, of which by the expiry time 29 warrants were active. The total amount of active applications (demand volume) amounted to KZT 19,272.0 mln. Coupon submitted by active bids ranged from 4.00% to 5.50%, in average terms, amounting to 4.8046% per annum. **As a result of trade, the issuer granted the application for the purchase of 13,333,333 of bonds in the amount of KZT 13,333,333,000.00 (88.9% of the planned volume of placement) at 4.20% per annum.**

### Secondary market sector)

During the period, total volume of 21 deals made on KASE was 5,955.8 million tenge (\$40.1 million). Share exchange turnover in the overall volume of Kazakhstan secondary market for government securities of comparable sales and purchases in the analyzed period was 100.0%.

#### Parameters of Exchange's transactions in GS within March 12-16, 2012

Days till maturity	Yield to maturity for a buyer. % APR.				Volume, mln. KZT on discount	Number of deals
	min	max	last deal	weighted average		
Coupon (KZT): MEUKAM, MEOKAM, MEUJKAM				100.0% (90.6%) of purchase and sale sector net turnover		
Less than 730	1.39	2.74	2.74	1.58 (0.95)	632.2	2
1826 - 2190	4.50	4.50	4.50	4.50 (4.50)	519.8	1
More than 2191	4.00	5.28	5.24	4.75 (4.74)	4,803.8	18
Total					5,955.8 (9,961.8)	21 (39)
<b>TOTAL</b>					<b>5,955.8 (9,961.8)</b>	<b>21 (39)</b>

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