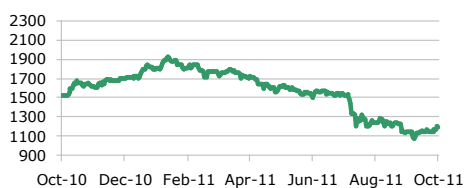


# WEEKLY UPDATE

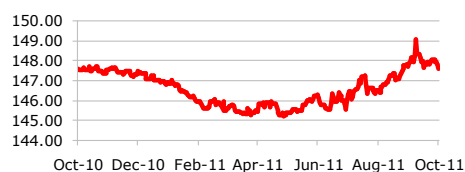
October 31, 2011



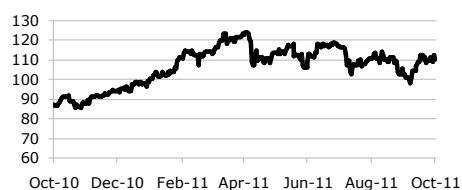
— KASE index



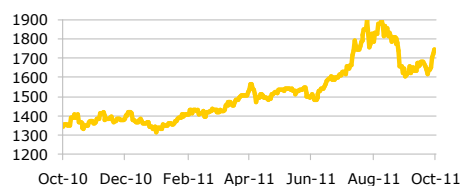
— KZT/USD



— Brent oil



— Gold spot



## Economics

*Banking system's net foreign assets are 91% up in September*

*Kazakhstan may place Eurobond up to \$1bn next year*

*BAE Systems' stake in Air Astana may be diluted*

*KazAgro to cooperate with Turkish companies on agricultural technologies*

## Banks

*Liquidity growth in the banking sector is registered in September*

## Oil and gas

*Dragon Oil to reach 100,000 bopd in 2015*

*KMG NC's oil production slumps 4% YoY in 9M2011*

## Metals and mining

*Kazakhmys reported solid 9M2011 production results*

*Zhao Bin increased stake in Kryso Resources to 7%*

*Kentor Gold: encouraging drill results at the Jervois project*

*Altynalmas received \$100mln loan from the Eurasian Development Bank*

*Kazatomprom's plant started shipping fuel pellets to China*

## Construction

*Steppe Cement: Initiation of research coverage*

## Global Markets

*International bonds*

*Domestic bonds*

## KASE FX Market

## International Stock Exchanges

## Calendar of events

## Stock recommendations

2

2

3

4

4

5

5

5

5

5

6

6

7

7

7

7

7

8

8

9

12

13

16

18

19

19

## Economics

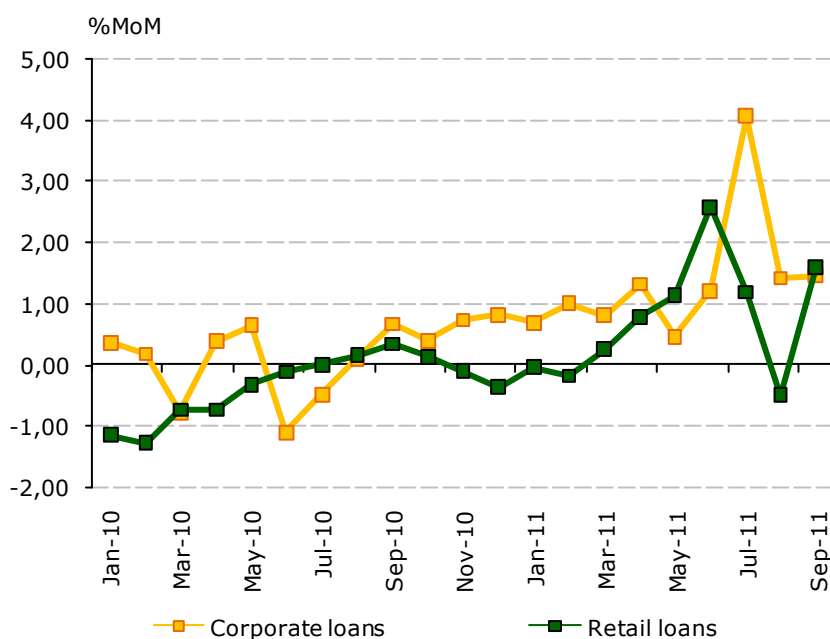
### Banking system's net foreign assets are 91% up in September

Banks increased their net foreign asset position to \$6.66bn at end-September from \$3.48bn a month earlier. Banking credit grew 1.7% (+\$944mn) in September after a seasonal drop in August.

Lending and the purchase of foreign assets was financed by the sale of domestic assets and an increase in deposits. The holding of "other claims on the NBK" -- the notes of the NBK -- was \$1.05bn down. On the funding side, deposits rose \$2bn. Lending growth was led by both retail and corporate lending, \$255mn and \$689mn, respectively. Banks continued to expand credit to the transportation, food processing, agriculture, telecom and trade, shrank loans to construction.

Tenge deposit rates went up by 0.3 percentage points for corporate and retail customers to 3% and 8.6%, respectively, reversing the trend of the past several months. Lending rates for short-term loans for corporate customers grew 0.6-0.8 percentage points. The rates on long loans declined.

**Figure 1. Lending recovered in September, MoM change**



Source: NBK

**Figure 2. Second tier banks, September 2011, eop**

	KZT bn	USD bn	ΔMoM, USDmn	%MoM	%YtD	%YoY
<b>Bank's balance sheet (main accounts)</b>						
Foreign assets	3,097	20.9	2820	15.6	12.4	-7.6
Foreign liabilities	2,194	14.8	-93	-0.6	-5.0	-28.1
Reserves	993	6.7	142	2.2	12.5	22.1
Other claims to the NBK (notes)	577	3.9	-1059	-21.3	-12.6	-1.5
Corporate loans	7,158	48.4	699	1.5	13.1	13.0
Retail loans	2,399	16.2	257	1.6	7.0	6.0
Current accounts	2,811	19.0	1397	7.9	35.9	38.4
Time deposits	5,057	34.2	845	2.5	8.0	2.7
<b>Loans to economy</b>						
KZT loans	5,325	36.0	1104	3.2	21.5	32.0

FX loans	3,096	20.9	-160	-0.8	-3.7	-9.5
Corporate loans	6,158	41.6	689	1.7	12.4	15.4
Retail loans	2,263	15.3	255	1.7	6.9	6.8
Industry	966	6.5	52	0.8	34.9	34.6
Food processing	262	1.8	30	1.7	39.3	52.8
Agriculture	314	2.1	16	0.8	8.5	13.2
Construction	1,507	10.2	-37	-0.4	9.5	5.5
Transportation	383	2.6	365	16.4	51.8	84.7
Telecom	50	0.3	2	0.6	-1.2	-3.5
Trade	1,707	11.5	67	0.6	-6.3	-2.1
Other	3,493	23.6	480	2.1	13.2	15.4
<b>Deposits</b>	8,560	57.9	2029	3.6	16.7	16.1
<b>Corporate deposits</b>	5,990	40.5	1656	4.3	16.5	13.7
Corporate current accounts in KZT	2,192	14.8	133	0.9	25.9	53.6
Corporate time deposits in KZT	2,049	13.9	300	2.2	14.1	11.4
Corporate current accounts in FX	968	6.5	1022	18.5	57.1	17.5
Corporate time deposits in FX	781	5.3	201	4.0	-20.9	-37.4
<b>Retail deposits</b>	2,571	17.4	373	2.2	17.1	22.1
Retail current accounts in KZT	251	1.7	28	1.7	10.8	21.8
Retail time deposits in KZT	1,253	8.5	80	0.9	23.5	38.0
Retail current accounts in FX	34	0.2	-2	-0.9	17.4	14.1
Retail time deposits in FX	1,033	7.1	267	4.0	11.6	7.3

Source: NBK

Gaziz Seilkhanov

### **Kazakhstan may place Eurobond up to \$1bn next year**

On October 27, the Deputy Minister of Finance, Mr. Dalenov, was quoted to say that Kazakhstan may place Eurobond up to \$1bn to cover its budget deficit. The Deputy Minister told Bloomberg that since the sukuk market is "narrow", Eurobond is likely to be issued first followed by a sukuk. Having retired its last Eurobond in 2007, the prospective Eurobond would be Kazakhstan's debut issue in almost a decade. The government expects the budget deficit to stand at around \$5.1bn in 2012 compared to \$4.9bn this year.

In our view, this is a good news for the Kazakhstan's bond market since the sovereign issue in foreign currency would be become a benchmark for corporate as well as sukuk markets. Currently, the market generally looks at issues of semi-sovereign issuers like Development Bank of Kazakhstan for the benchmark, which evidently reflect not only country risks, but also some issuer-specific risks as well.

Bakytzhan Khochshanov

## ***BAE Systems' stake in Air Astana may be diluted***

As of October 21, the number of currently active sell orders has increased to the week before. Some of the sell quotes are at or above the HF yield curve, which reflects the transactions of the past thirty days. There were two primary placements of T1.5bn and T15.3bn with maturity about 1 and 16 years, respectively. The aggressive sell orders at the short maturities posted at the beginning of last week were cancelled or executed. In the last seven days, there were a number of cancelled buy orders above the HF yield curve, while there is only one active buy order at the moment. In our view such dynamics reflect the well-established up trend on government bond yields due to the change in the global sentiment and an elevated level of volatility in commodity and equity markets.

On October 25, managing director of the Sovereign Welfare Fund "Samruk-Kazyna" (the Fund), Mr. Peter House announced that Air Astana airline will issue additional shares as part of the People's IPO program. The company is one of Tier One companies to list their shares in 2Q-3Q2012. Current 51% stake of the Fund in Air Astana will not be diluted, as the government wants to keep its controlling stake in the airline company. Mr. House noted that currently negotiations are underway with another major shareholder of Air Astana, BAE Systems, whose ownership of the company will decrease following the additional share placement.

Additionally Mr. House said that oil pipeline company KazTransOil and national electric grid operator KEGOC are the two most likely candidates to issue their shares to the public first. KazTransOil is "less volatile, has predictable cash flow pattern and public is not dependent on their tariffs", which makes it a suitable candidate to list its shares first, according to Mr. House.

Recall that Tier One companies - KazTransOil, KEGOC and Air Astana - will go public in 2Q-3Q2012, Tier Two companies - KazTransGas, KazMorTransFlot and Samruk-Energo - in 2013, while the third tier - Kazakhstan Railways and KazTemirTrans - are to issue their shares to the public in 2014-2015. After 2015, the government may also list shares of NC KazMunaiGas and NC Kazatomprom. In each of the IPO's, the government plans to sell 5-15% of equity stakes.

*Mariyam Zhumadil*

## ***KazAgro to cooperate with Turkish companies on agricultural technologies***

On October 25, the national holding KazAgro planned to hold a meeting the same day with the representatives of Turkish companies from agricultural machinery, logistics and other sectors. The companies wanted to discuss the terms of their investments, while KazAgro was interested in adopting grain processing, irrigation and greenhouse construction and other agricultural technologies used by the Turkish companies. In 2005-11 KazAgro purchased agricultural equipment from the producers of this country for a total of \$13mn.

The national holding KazAgro is one of the main state agencies through which the government conducts its policy to develop the agricultural sector. In 2010 the holding via its various subsidiaries has provided around \$1.7bn in loans to the sector, while for the past five years the total amount of loans exceeded \$6.5bn.

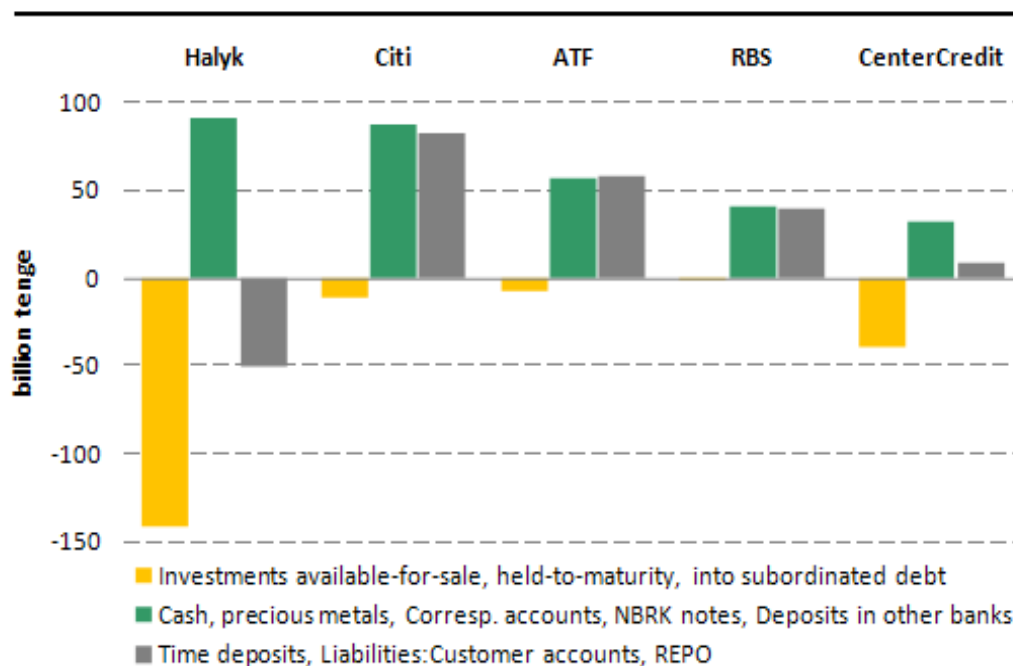
*Bakytzhan Khochshanov*

## Banks

### Liquidity growth in the banking sector is registered in September

In September, liquid assets of the banking sector continued to grow and reached 20.3% of assets. The sector experienced a minor spike in lending – a 1.6% increase, according to our estimates of loan portfolio. Liquidity increased mostly due to a decrease in investment portfolio and partly due to balance sheet growth of foreign-held banks. We believe that a growing preference for liquidity reflects the heightened volatility in the FX market and in the tightly linked with it liquidity market. Credit growth was driven, as before, by a group of aggressive mid-size banks with access to relatively cheap funding. In September, a few large banks also contributed to the credit growth.

Fig. 2. Changes in September: liquidity growth, investment portfolio contraction



Source: Financial Supervision Committee, NBRK

The full report will become available [here](#) shortly.

Bakai Madybaev

## Oil and gas

### Dragon Oil to reach 100,000 bopd in 2015

Last week, Dragon Oil announced that on the basis of comprehensive review of the current performance and production potential of Cheleken contract area it plans to reach a production target of 100,000 bopd in 2015. By the end of this year the company expects to achieve a production rate of 70,000 bopd while the current average production is 67,000 bopd. To achieve its long-term target Dragon will deploy up to three jack-up rigs, additional platform-based rigs, construct new platforms and execute a range of infrastructure projects. The company plans to spend \$1bn on infrastructure in 2012-2015.

Miramgul Maralova

### KMG NC's oil production slumps 4% YoY in 9M2011

According to the operating results for 9M2011 published last week, KMG NC's oil and gas condensate production was 15.7mn tons, down 4% YoY. Gas production was flat YoY, at 2.1mn tons. The volume of oil transportation through the network of main oil pipelines increased to 50.4mn tons (+3% YoY). The consolidated volume of oil refined (incl. Rompetrol Group) stood at 11.4mn tons, slightly higher (+0.3%) than in the corresponding period last year. Based on preliminary unaudited results, KMG NC's revenue in

January-September 2011 grew to T2,030bn (\$13.8bn), or by 22% YoY. Net profit in the reported period increased by 10% to T306.6bn (\$2.08bn).

Miramgul Maralova

## Metals and mining

### Kazakhmys reported solid 9M2011 production results

Last week Kazakhmys announced solid 9M2011 production results. The company's copper cathode equivalent production in 3Q2011 declined by 3.4% QoQ to 74kt, while in 9M2011 production declined by 6% YoY to 227kt. Despite 0.8% YoY increase in ore extracted during January-September 2011, the production of concentrate continued to fall, as copper grades across all mines declined by 8.2% YoY to just 1.01%. Copper rod production amounted to 24kt for 9M2011, in line with our full year estimate of 35kt. Production of zinc concentrate fell by 15.9% QoQ to 38.1kt and by 9.9% YoY to 113.7kt due to the lower grades of metal in ore mined. Gold production declined by 16.9% QoQ to 40.7kt and by 13.3% YoY to 110.6kt due to lower grades at Artemyevsky mine and lower output at Abyz mine. At Kazakhmys Power net power generated increased by 16.3% QoQ to 2804 GWh and by 18.2% YoY to 9199GWh on the back of continued domestic demand growth and increased sales to Russia. Additionally management noted that currently negotiations are being held for 2012 off-take agreements, which may be evidence of continued demand for copper.

**Our view.** The announcement is largely in line with the company's production guidance and market expectations. The miner is on track to achieve its full year production guidance of 300kt - copper cathode equivalent, 150kt - zinc in concentrate, 12000koz - silver, 150koz - gold. Kazakhmys shares surged by 9.4% on the day of the announcement, while FTSE 100 index rose by 2.89% and the other large cap copper mining stocks rose by 8-9% on average. We believe that Kazakhmys stock price appreciation is rather linked to the improvement of market sentiment rather than the company's production results. We have Kazakhmys under research coverage with a 12-month target price of 1500GBP and a Buy recommendation. We have issued a more detailed note on the production report to our clients, which can be found at <http://eng.halykfinance.kz/research/Equity-research>.

**Table 1. Summary of 3Q2011 and 9M2011 production results**

	3Q2011	3Q2010	QoQ %	9m2011	9m2010	YoY %
<i>Kazakhmys Copper</i>						
Ore extracted, kt	8466	8570	(1,2)	25003	24806	0,8
Copper cathode equivalent, kt	74	77	(3,4)	227	242	(6,0)
Copper rod, kt	8	9	(11,0)	24	27	(10,8)
Average copper grade, %	1,00	1,02	(2,0)	1,01	1,10	(8,2)
Zinc in concentrate, kt	38	45	(15,9)	114	126	(9,9)
Average zinc grade, %	3,82	4,58	(16,6)	3,98	4,57	(12,9)
Silver, koz	3091	3591	(13,9)	9864	10305	(4,3)
Average silver grade, g/t	17,18	20,05	(14,3)	17,85	20,06	(11,0)
Gold, koz	41	49	(16,9)	111	128	(13,3)
Average gold grade by product, g/t	0,60	0,72	(16,7)	0,67	0,76	(11,8)
Average gold grade primary, g/t	1,24	1,27	(2,4)	1,26	1,24	1,6
<i>Kazakhmys Power</i>						
<i>Ekibastuz GRES-1</i>						
Net power generated, GWh	2804	2411	16,3	9199	7784	18,2
Net dependable capacity, MW	2157	2128	1,4	2189	2153	1,7
Electricity tariff, KZT/kWh	5,48	4,40	24,5	5,40	4,51	19,7
<i>Captive power stations</i>						
Net power generated, GWh	1239	1237	0,2	4146	4146	-
Net dependable capacity, MW	873	883	(1,1)	860	869	(1,0)
External sales, GWh	470	463	1,5	1745	1524	14,5
Electricity tariff, KZT/kWh	3,50	2,70	29,6	3,50	2,70	29,6

Sources: Company data, Halyk Finance estimates

Mariyam Zhumadil

## ***Zhao Bin increased stake in Kryso Resources to 7%***

According to the regulatory filing, on October 26 Guotai Junan Securities, one of the largest investment banks in China on behalf of its client Zhao Bin increased its stake in Kryso Resources to 7%. Recall that on October 14, Zhao Bin crossed 3% ownership threshold, and another investment company, Altus Resource Capital Limited on October 17 increased its stake in Kryso Resources to 3%. Kryso shares rose by 5% on October 27 reaching a 52-week high of 23.25GBP and since October 14 surged by 29%. China Nonferrous Metals is Kryso's largest shareholder with 27.5% stake, and 52% of the company's shares are in the free float.

**Our view.** We believe that the increased interest of the Chinese investors in Kryso Resources shows that the stock may become likely acquisition target in the near term. However the acquisition premium is already priced in, we believe. We do not have Kryso under research coverage.

*Mariyam Zhumadil*

## ***Kentor Gold: encouraging drill results at the Jervois project***

On October 25, Kentor Gold announced results of the drilling program at its multi-metal Jervois project. The results are encouraging as significant copper and silver intersections were encountered at its Green Parrot and Bellbird deposits. Individual copper assay grades of over 6-8% were recorded. The best intercept at Green Parrot was of 4.3m with the following metals grades: 1.7% Cu, 8.49% Pb, 1.02% Zn, 362 g/t Ag and 0.06g/t Au, and of 1.7m with 17.9% Pb. At Bellbird deposit the best intercept was of 3.4m with the following metal grades: 6.39% Cu, 45.6 g/t Ag and 0.12 g/t Au. The results confirm existence of significant mineralization below known Jervois resources. The company plans to issue updated resource estimate "within the next few weeks".

**Our view.** The announcement is neutral for the stock. We expect the publication of the updated resource estimate to be a stock price catalyst. We do not have Kentor Gold under research coverage.

*Mariyam Zhumadil*

## ***Altynalmas received \$100mln loan from the Eurasian Development Bank***

Eurasian Development Bank (EDB) announced on October 25 that it lent \$100mln to JSC Altynalmas for refurbishment and modernization of the existing gold processing plant and the infrastructure at the company's Akbakai mining complex. Located in Zhambyl region (Kazakhstan), Akbakai project has planned processing capacity of 1.4mln tons of gold ore with total project cost estimated at \$150mln. The complex processes the ore mined from Akbakai, Svetinskoye, Beskempir and Kariernoje deposits. The company plans to complete the refurbishment of the processing facilities this year and to create a modern mining complex at the site by the end of the next year. In 2009 production from Akbakai mining complex amounted to 18,000 ounces of gold, or 2.5% of Kazakhstan's total gold production.

**Our view.** The announcement is positive for Altynalmas. The modernization of Akbakai mining complex will allow the company to process more efficiently. The social significance of the project for the local community in terms of reduced unemployment will be beneficial for the company's image in the region in the eyes of the authorities and the population. These soft benefits, however, are difficult to estimate in monetary terms.

*Mariyam Zhumadil*

## ***Kazatomprom's plant started shipping fuel pellets to China***

On October 29, Ulba Metallurgical Plant (UMP), a subsidiary of Kazatomprom, announced it shipped first fuel pellets for French-type nuclear reactors to China. The announcement was made on the day of the plant's 62nd anniversary, when UMP's CEO addressed the staff of the plant. UMP produces fuel pellets for nuclear reactors as well as beryllium, tantalum, and other accompanying metals.

Before 2008 UMP produced pellets for Russian-type reactors, VVER and RBMK, but when Russia began producing own fuel, UMP's pellet production came to a halt. The shipment of pellets to China is a result of negotiations with Areva back in 2009. According to the agreement, UMP may supply French-type reactors with up to 1,200 tons of per year of fuel pellets across Asia, of which 400 tons are in China.

---

The announcement is positive for Kazatomprom's credit as the re-commencement of production of fuel pellets further diversifies the company's product mix and lowers the risks. KAP shares are not listed, while its \$500mn bonds with maturity in May 2015 now trade at 4.69%YTM.

*Bakytzhan Khochshanov*

## **Construction**

### ***Steppe Cement: Initiation of research coverage***

Last week Halyk Finance initiated formal research coverage of Steppe Cement (AIM: STCM), one of the largest Kazakhstani cement producers with two operating plants in Karaganda region - Central Asia Cement and Karcement. The report can be found at [eng.halykfinance.kz/research/equity-research](http://eng.halykfinance.kz/research/equity-research).

*Mariyam Zhumadil*



## Global Markets

### Interest Rates, %

Kazakhstan		Russia		Ukraine	
NBK ref. rate	7.50	CBR ref. rate	8.25	NBU discount rate	7.75
KAZPRIME	2.00	MOSPRIME	6.76	Ukr Interbank Weighted Rate	19.20
Europe		USA		UK	
ECB ref. rate	1.50	Discount rate	0.75	Minimum lending rate	0.50
LIBOR EUR 3M	1.53	LIBOR USD 3M	0.43	LIBOR BP 3M	0.99
Japan		China		Korea	
Basic discount rate	0.30	Base Rate	6.56	Official rate	3.25
Liber JPY 3M	0.20	Shanghai interbank rate	5.65	KORIBOR	3.57
Belarus					
NBRB ref. rate	35.00				

### Exchange Rates

Country <sup>1</sup>	Ticker	Spot					3M Forward impl. yield, %			Volatility %	
		28-Oct	Change, %				28-Oct	Change		Impl <sup>3</sup>	Hist*
Kazakhstan	USDKZT	147.59	(0.3)	(0.2)	1.2	0.0	1.5	(1.7)	(0.6)	4.8	2.5
Russia	USDRUB	29.808	(4.1)	(6.0)	8.8	(3.0)	5.9	(20.0)	(30.4)	15.7	15.3
Ukraine	USDUAH	8.0035	(0.0)	0.0	0.4	0.7	55.0	(3.5)	25.4	9.5	2.2
Belarus	USDBYR	8550.0	0.0	10.3	183.7	183.9	n/a	n/a	n/a	n/a	69.8
Euro <sup>2</sup>	EURUSD	1.4147	1.8	4.5	(4.5)	2.7	(0.3)	6.9	15.9	13.5	13.1
UK <sup>2</sup>	GBPUSD	1.6130	1.1	3.6	(3.5)	2.3	(0.4)	4.3	13.0	9.6	9.1
Japan	USDJPY	75.820	(0.6)	(1.0)	(6.6)	(7.3)	(0.6)	(2.5)	(4.3)	10.1	10.9
China	USDCNY	6.3600	(0.4)	(0.5)	(2.0)	(4.8)	(0.5)	(2.4)	(2.1)	3.2	2.0
Korea	USDKRW	1104.9	(3.7)	(5.6)	3.1	(2.1)	1.4	(17.1)	(31.6)	14.6	12.7
Canada	USDCAD	0.9917	(1.5)	(4.0)	4.9	(3.5)	0.9	(6.2)	(18.0)	11.5	12.8
Australia <sup>2</sup>	AUDUSD	1.0700	11.0	4.7	17.4	4.0	(4.3)	11.1	28.9	15.3	17.9
Turkey	USDTRY	1.7444	(4.9)	(6.3)	14.7	21.0	8.9	(23.5)	(27.6)	15.8	15.3
India	USDINR	48.766	(2.5)	0.0	10.3	9.7	4.2	(12.8)	(6.0)	10.5	8.7
Brazil	USDBRL	1.6721	(5.8)	(9.2)	6.1	(2.9)	8.7	(28.9)	(49.3)	18.1	21.8
UAE	USDAED	3.6729	0.00	0.0	(0.0)	0.01	(0.0)	(0.0)	0.0	0.5	0.0
Malaysia	USDMYR	3.0697	(2.50)	(3.01)	3.67	(1.18)	(0.0)	(10.8)	(18.2)	10.1	8.7

<sup>1</sup>Source: Bloomberg Price Source: BGN, except for Kazakhstan, and Ukraine CMPN (Composite New York)

<sup>2</sup>negative value of forward yield means depreciation

<sup>3</sup>3M ATM Implied volatility, %

\*the annualized st.d. of the relative change of closing price for the 90 most recent trading days.

### Inflation

Country	2010	Last month available	Last Month	12M
Kazakhstan	7.8	Sep 11	0.30	8.70
Russia	8.8	Sep 11	0.00	7.20
Ukraine	9.1	Sep 11	0.10	5.90
Belarus	9.9	Sep 11	8.90	60.70
Eurozone	2.2	Sep 11	0.80	3.00
UK	3.7	Jul 11	0.00	4.40
Japan	0.0	Aug 11	0.20	0.20
China	4.6	Sep 11	0.50	6.10
USA	1.4	Aug 11	0.30	3.60
Korea	3.5	Sep 11	0.10	4.30
Canada	2.4	Aug 11	0.30	3.10
Australia	2.7	Jun 11	0.90	3.60
Turkey	6.4	Sep 11	0.75	6.15
India	9.5	Aug 11	-	8.99
Brazil	5.9	Sep 11	0.53	7.31
UAE	1.7	Sep 11	0.36	0.09
Malaysia	2.1	Sep 11	0.20	3.40

## Stock Market Indices

Index	28-Oct	1W,%	1M,%	6M,%	1Y,%	Impl.Vol <sup>1</sup>	Hist.Vol <sup>2</sup>
MSCI World	1254	5.0	11.7	(9.7)	2.7	n/a	29.1
NASDAQ 100	2401	2.8	8.1	(0.1)	12.8	23.9	32.2
S&P 500	1285	3.8	11.6	(5.8)	8.6	22.5	32.6
DJ Industrial	12231	3.6	11.1	(4.5)	10.1	20.6	29.1
Russel 2000	761	6.8	16.7	(12.1)	8.6	32.1	46.0
Russel 3000	760	4.2	12.2	(6.9)	8.6	n/a	34.3
FTSE 100	5702	3.9	9.3	(6.1)	0.4	19.6	29.0
DAX	6346	6.3	13.8	(15.5)	(3.8)	26.6	39.2
CAC 40	3349	5.6	11.8	(18.5)	(12.7)	26.3	38.4
Nikkei 225	9050	4.3	5.0	(8.1)	(3.4)	20.4	21.1
Shanghai SE comp	2473	6.7	3.4	(15.0)	(17.3)	n/a	20.3
Hang Seng	20019	11.1	11.1	(15.6)	(13.8)	26.8	33.7
India (BSE)	17805	6.1	8.3	(7.0)	(10.7)	44.1	23.6
Malaysia (KLSE)	190	3.5	9.7	(3.0)	1.6	n/a	15.5
KOSPI	1929	5.0	12.0	(12.0)	1.1	n/a	34.8
Indonesia (JCI)	3830	5.8	9.0	0.3	5.3	n/a	32.6
Thailand (SET)	973	6.2	4.5	(11.0)	(1.4)	n/a	30.3
Pakistan (KSE 100)	11562	0.3	(0.6)	(4.1)	8.7	n/a	18.9
KASE	1190	3.9	3.8	(30.6)	(22.1)	n/a	35.5
RTS	1610	10.5	17.8	(20.6)	1.7	n/a	42.0
Czech (PX)	968	3.9	3.6	(23.3)	(16.9)	n/a	30.8
Hungary (BUX)	17600	1.0	12.7	(27.2)	(23.8)	40.2	35.7
Poland (WIG)	2409	4.5	10.4	(17.3)	(8.7)	34.1	35.3
Romania (BET)	4665	2.5	8.4	(21.2)	(12.0)	n/a	31.2
ISE National 100	57042	0.4	(3.3)	(17.6)	(17.0)	n/a	32.2
Argentina (Merv)	3015	7.8	19.9	(11.5)	2.0	n/a	40.2
Brazil (LBOV)	59513	7.7	11.7	(10.0)	(15.4)	n/a	34.2
Chile (IPSA)	4327	4.8	10.9	(10.3)	(11.4)	n/a	31.0
Mexico	36709	4.8	9.8	(0.7)	3.8	n/a	26.9
Colombia (IGBC)	13527	0.2	5.0	(6.0)	(13.6)	n/a	21.9
Egypt (EGX)	4340	1.8	6.0	(13.3)	(35.2)	n/a	n/a
UAE (ADSMI)	2472	1.1	(2.5)	(8.1)	(12.3)	n/a	8.7
South Africa (JALSH)	32894	4.6	8.4	0.2	9.0	n/a	22.3

<sup>1</sup>3M put implied volatility,%

<sup>2</sup>the annualized st.d. of the relative change of closing price for the 90 most recent trading days.

## Commodities, USD

	Unit	28-Oct	1W,%	1M,%	6M,%	1Y,%	YTD,%	1Y Futures, %	Impl <sup>1</sup>	Hist <sup>2</sup>
Brent	bbl	109.9	0.3	7.2	(11.2)	26.1	15.5	(2.8)	33.7	30.1
Copper	mt	8,174.5	14.4	12.8	(12.5)	(0.6)	(13.5)	0.0	57.8	39.1
Lead	mt	2,075.5	9.3	3.4	(16.5)	(16.4)	(17.5)	2.1	39.7	43.9
Zinc	mt	1,973.0	10.1	2.1	(12.9)	(21.8)	(20.7)	2.4	39.3	34.6
Nickel	mt	19,684.0	4.8	6.4	(26.5)	(13.9)	(19.8)	0.3	41.8	42.8
Aluminium	mt	2,229.5	5.5	0.4	(20.1)	(6.5)	(11.1)	2.3	28.4	24.1
Uranium	lb	52.0	(0.5)	(0.1)	(6.7)	(1.4)	(18.1)	2.8	n/a	15.1
Ferroalloy	mt	2,645.5	0.0	0.0	(11.1)	(7.7)	(7.7)	n/a	n/a	n/a
Steel	mt	530.0	(0.1)	(4.3)	(7.8)	(5.4)	(13.6)	n/a	n/a	17.7
Natural gas	MMBtu	3.9	2.5	(2.9)	(24.0)	(20.8)	(23.0)	5.1	36.8	24.4
Gold	t oz	1,747.2	6.8	8.0	12.0	29.2	22.0	0.3	24.4	28.1
Silver	t oz	35.3	13.1	17.1	(27.4)	46.7	13.3	0.2	50.5	58.5
Wheat	mt	236.8	2.0	0.9	(27.4)	(21.2)	(24.7)	11.6	36.6	41.2
Corn	mt	257.9	0.9	3.8	(2.2)	20.6	16.5	3.4	32.3	34.5
Sugar	mt	576.5	(1.2)	7.6	12.5	18.1	10.1	(5.1)	37.1	37.0
Soybean	mt	450.4	0.4	(0.8)	(11.2)	4.1	(6.5)	2.3	22.0	21.0
Rough rice	mt	374.0	1.7	2.5	4.3	n/a	11.8	4.3	17.5	24.1

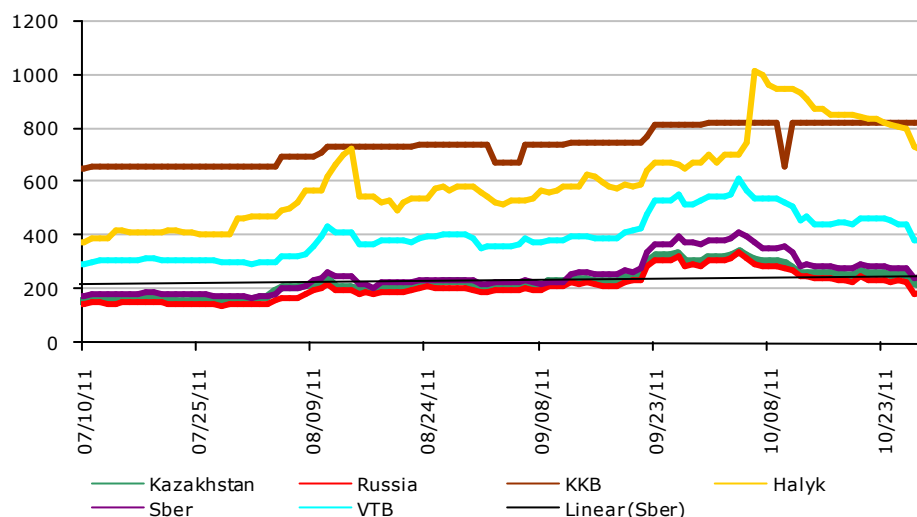
<sup>1</sup>put implied volatility,%

<sup>2</sup>the annualized st.d. of the relative change of closing price for the 90 most recent trading days

### 5-year CDS spreads, bps

Sovereign	28-Oct	1W	1M	6M	1Y	Corporate	28-Oct	1W	1M	6M	1Y
USA	38	(3)	(14)	(7)	1	KKB	825	0	13	267	56
UK	73	(10)	(17)	16	19	Halyk	661	0	158	294	189
Germany	76	(14)	(28)	33	43	DBK	181	(28)	(35)	(34)	(69)
France	160	(27)	(19)	85	93	SBER	247	(39)	(128)	93	62
Japan	96	(28)	(45)	18	42	VTB	383	(82)	(136)	125	53
China	118	(33)	(49)	48	58	Bank of Moscow	471	(29)	56	171	100
Malaysia	123	(33)	(46)	49	54	Kookmin Bank	199	(5)	(43)	87	94
South Korea	125	(30)	(56)	30	46	Unicredit	337	(53)	(116)	182	201
Indonesia	177	(68)	(98)	43	46	RBS	288	(10)	(9)	120	173
Thailand	165	(26)	(53)	51	77	Citi	206	(28)	(52)	84	65
Kazakhstan	219	(45)	(91)	74	54	HSBC	132	(23)	(6)	54	66
Russia	190	(48)	(106)	62	46	Deutsche	156	(33)	(20)	68	62
Ukraine	689	(111)	(121)	265	158	BNP Paribas	194	(39)	(42)	97	105
Czech	109	(17)	(44)	30	25	Credit Agricole	196	(34)	(42)	66	79
Hungary	499	(18)	(12)	252	208	Natixis	230	(18)	(30)	99	93
Poland	220	(25)	(64)	73	99	Barclays	178	(39)	(48)	67	72
Portugal	968	(129)	(171)	363	651	Raiffeisen	238	(1)	(12)	100	65
Greece	3,137	(2,519)	(2,565)	1,982	2,467	Erste	258	(47)	(62)	136	111
Romania	336	(44)	(95)	106	39	UBS	159	(21)	(36)	73	67
Turkey	225	(42)	(61)	77	91	Credit Suisse	123	(35)	(50)	37	31
Argentina	845	(165)	(199)	259	228	Bank of China	258	(9)	(55)	151	130
Brazil	134	(28)	(56)	29	35	China Dev. Bank	278	(8)	(56)	170	150
Chile	103	(27)	(39)	44	37	Mizuho Corp. Bank	149	(39)	(58)	28	79
Mexico	130	(29)	(58)	32	25						
Colombia	136	(25)	(51)	36	36						
UAE	125	(1)	22	24	26						
South Africa	159	(21)	(41)	41	38						

Source: Bloomberg Price Source:CBGN (Composite New York), except for DBK, Bank of Moscow, Mitsubishi UFJ and Halyk bank CMAN (CMA New York)



Source: Bloomberg Price source: CBGN(Composite New York) except for Halyk CMA New York

## International bonds

For the third week in a row, yields on most bond issues continued their decline. The restructured banks showed largest declines, with quoted bid-ask yields for BTA'2018 and Alliance'2017 decreasing by 280-263bp and 280-255bp, respectively. Such overall decline of the yields, in our view, is due to the Greek bailout agreement reached on EU summit last week.

### Yerulan Mustafin

Issuer	Issue size, mn	Curr	Coupon		Issue date	Matur date	Price		YTM,%		1W change YTM, bps		6M change YTM, bps		Credit Rating, Fitch Moody's S&P
			Type	%			Bid	Ask	Bid	Ask	Bid	Ask	Bid	Ask	
Alliance Bank	615	USD	Fix	10.5	Mar-10	Mar-17	77.7	81.0	16.9	15.9	(280)	(255)	568	472	B- Caa2 B-
ATF Bank	100	USD	Var	10.0	Nov-06	n/a	81.3	86.0	10.7	10.1	(12)	(22)	n/a	n/a	N.R. B2 NR
ATF Bank	350	USD	Fix	9.0	May-06	May-16	97.6	99.0	9.7	9.3	(5)	12	193	172	BBB Ba3 NR
ATF Bank	450	USD	Fix	9.3	Feb-07	Feb-14	99.6	101.0	9.4	8.8	(6)	(6)	276	238	BBB Ba3 NR
ATF Bank	200	USD	Fix	9.3	Apr-05	Apr-12	100.0	101.1	9.2	6.6	(1)	(10)	397	191	BBB Ba3 NR
BTA Bank	2082	USD	Var	10.8	Aug-10	Jul-18	55.2	56.6	26.7	26.0	(289)	(263)	1577	1517	B- Caa2 N.R.
BTA Bank	497	USD	Fix	7.2	Aug-10	Jul-25	26.5	29.8	29.1	26.3	(148)	(146)	1746	1479	CC Caa3 N.R.
CenterCredit	500	USD	Fix	8.6	Jan-07	Jan-14	100.6	102.1	8.3	7.6	(37)	(49)	31	(17)	B B2 N.R.
DBK	150	USD	Fix	6.0	Mar-06	Mar-26	76.0	110.2	9.0	5.0	(0)	0	0	0	BBB- Baa3 BBB
DBK	100	USD	Fix	6.5	Jun-05	Jun-20	85.2	110.4	9.0	5.0	0	0	100	100	BBB- Baa3 BBB
DBK	100	USD	Fix	7.4	Nov-03	Nov-13	100.7	108.6	7.0	3.0	0	1	101	101	BBB- Baa3 BBB
DBK	777	USD	Fix	5.5	Dec-10	Dec-15	103.0	105.4	4.7	4.1	(71)	(81)	27	(24)	BBB- Baa3 BBB
EDB	500	USD	Fix	7.4	Sep-09	Sep-14	106.2	107.5	5.1	4.6	(48)	(46)	80	57	BBB A3 N.R.
Halyk Bank	700	USD	Fix	7.3	May-07	May-17	101.5	103.4	6.9	6.5	0	(3)	33	5	BB- Ba3 B+
Halyk Bank	300	USD	Fix	7.8	May-06	May-13	101.5	103.0	6.7	5.7	(44)	(86)	209	138	BB- Ba3 B+
Halyk Bank	500	USD	Fix	9.3	Apr-08	Oct-13	104.5	105.7	6.7	6.1	(56)	(60)	186	142	BB- Ba3 B+
Halyk Bank	500	USD	Fix	7.3	Jan-11	Jan-21	96.4	98.3	7.8	7.5	(37)	(25)	83	60	BB- Ba3 B+
INTERGAS	600	USD	Fix	6.4	May-07	May-17	104.6	106.7	5.4	5.0	(23)	(42)	13	(12)	BB+ Baa3 BB
INTERGAS	250	USD	Fix	6.9	Nov-04	Nov-11	99.9	100.3	28.4	(37)	1633	(2714)	2711	(3642)	BB+ Baa3 BB
KazAtomProm	500	USD	Fix	6.3	May-10	May-15	104.0	105.3	5.0	4.6	(31)	(30)	54	27	BBB- Baa3 N.R.
Kazkom	750	EUR	Fix	6.9	Feb-07	Feb-17	80.7	83.7	12.0	11.1	(33)	(46)	395	318	B- B2 B
Kazkom	500	USD	Fix	7.5	Nov-06	Nov-16	81.2	83.1	12.6	12.0	(63)	(58)	487	440	B- B2 B
Kazkom	350	GBP	Fix	7.6	Feb-07	Feb-12	99.2	100.4	10.0	5.8	(157)	(136)	372	(25)	B- B2 B
Kazkom	400	USD	Fix	7.9	Apr-04	Apr-14	94.1	95.5	10.7	10.0	(102)	(73)	379	327	B- B2 B
Kazkom	500	USD	Fix	8.5	Apr-03	Apr-13	97.5	99.4	10.4	8.9	(61)	(89)	352	231	B- B2 B
Kazkom	250	USD	Var	8.5	Jun-07	Jun-17	67.4	72.2	15.7	14.0	(9)	(4)	597	445	CC B3 CCC+
Kazkom	500	USD	Fix	8.0	Nov-05	Nov-15	82.6	85.1	13.8	12.9	(19)	(24)	647	560	B- B2 B
Kazkom	200	USD	Var	6.8	Jul-06	Jul-16	69.9	72.8	16.1	15.0	(27)	19	620	522	CC B3 CCC+
Kazkom	100	USD	Var	9.2	Nov-05	n/a	62.5	69.3	12.4	11.1	(6)	6	283	n/a	CC Caa1 CCC
Kazkom	300	USD	Fix	8.5	May-11	May-18	82.3	84.3	12.6	12.0	(59)	(54)	n/a	n/a	B- B2 B
KazTemZhol	350	USD	Fix	7.0	May-06	May-16	106.4	107.8	5.4	5.0	(64)	(62)	62	46	BBB- Baa3 BBB-
KazTemZhol	700	USD	Fix	6.4	Oct-10	Oct-20	105.9	107.1	5.5	5.4	(36)	(33)	(28)	(35)	BBB- Baa3 BBB-
KazakhGold	200	USD	Fix	9.4	Nov-06	Nov-13	100.0	102.1	9.9	8.7	(162)	(82)	(63)	(139)	WD N.R. N.R.
KMG	1400	USD	Fix	8.4	Jul-08	Jul-13	106.9	108.0	4.0	3.4	(105)	(107)	95	49	BBB- Baa3 BBB-
KMG	1600	USD	Fix	9.1	Jul-08	Jul-18	121.7	122.9	5.2	5.0	(60)	(58)	(26)	(34)	BBB- Baa3 BBB-
KMG	1500	USD	Fix	11.8	Jul-09	Jan-15	121.7	122.9	4.5	4.1	(86)	(84)	10	(12)	BBB- Baa3 BBB-
KMG	1500	USD	Fix	7.0	May-10	May-20	110.5	111.6	5.4	5.3	(55)	(47)	(34)	(40)	BBB- Baa3 BBB-
KMG	1250	USD	Fix	6.4	Nov-10	Apr-21	106.8	108.0	5.4	5.3	(55)	(52)	(39)	(48)	BBB- Baa3 BBB-
Tengizchev	1100	USD	Fix	6.1	Nov-04	Nov-14	102.7	104.3	5.1	4.6	(9)	(12)	n/a	n/a	BBB- Baa2 N.R.
Temirbank	60.8	USD	Fix	14.0	Jun-10	Jun-22	111.3	115.1	12.1	11.5	(4)	(1)	124	72	NR N.R. B
ZhaikMunai	450	USD	Fix	10.5	Oct-10	Oct-15	98.0	102.5	11.1	9.7	(210)	(109)	251	136	N.R. B3 B

Price source: CBBT (Composite Bloomberg Bond Trader), BVAL, BGN, KAZA

## Domestic bonds

As in previous weeks, over the past week the yields for most issues did not change with few exceptions. The bid and ask quotes of CenterCredit's Apr'17 issue were changed from 8.9% to 7-3% respectively, while the quotes for its Dec'23 issue were widened from 10% to 11-7%.

In our view, the bonds of Becker&K with maturity in February 2016 stay reach with bid and ask quotes of 7% and 3% respectively. We think the securities are reach because despite private ownership and relatively small business size, Becker's yields are roughly at the same level as those of semi-sovereign issuers like SWF Samruk-Kazyna (6-2%) and the state-owned utility MREK (7-3%).

*Bakytzhan Khochshanov*

### Fixed coupon

Debt Instrument	Issue size, bn KZT	Coupon Rate, %	Rem Life, years	Last Trade			Current Bid*		Current Ask*	
				Price	YTM, %	Date	Price	YTM, %	Price	YTM, %
Almaty Energy Distribution B1	0.9	15.0	3.7	105.7	12.9	2011-10-25	105.6	13.0	111.8	11.0
ATF Bank B4	4.5	8.5	3.1	98.6	9.0	2011-07-07	98.7	9.0	109.8	5.0
BankCenterCredit B17	5.0	8.5	0.5	102.3	6.0	2011-06-06	99.7	9.0	101.9	5.0
BankCenterCredit B19	6.0	11.0	6.7	116.5	7.8	2011-09-13	115.2	8.0	140.6	4.0
BankCenterCredit B21	8.0	8.0	3.1	n/a	n/a	n/a	99.9	8.0	111.5	4.0
BankCenterCredit B23	10.0	11.0	13.1	n/a	n/a	n/a	107.2	10.0	144.9	6.0
Becker&K B1	8.0	10.0	4.3	107.5	n/a	2011-07-27	110.9	7.0	127.8	3.0
CentAsian PE Co. B1	20.0	12.5	7.1	93.2	14.0	2011-06-27	93.4	14.0	102.3	12.0
Corporation Tsesna B2	8.0	9.0	5.2	n/a	n/a	n/a	95.9	10.0	104.2	8.0
CS Development B1	6.0	8.0	6.9	n/a	n/a	n/a	90.2	10.0	99.9	8.0
DBK-Leasing B1	5.0	8.0	4.3	106.6	6.3	2011-08-04	105.5	6.5	122.2	2.5
Ekibastusz GRES-1 B1	10.0	12.0	3.2	111.1	7.9	2011-10-26	108.1	9.0	120.3	5.0
Eurasian Bank B6	5.0	11.0	3.8	99.7	11.1	2010-01-13	n/a	n/a	n/a	n/a
Eximbank B1	10.0	9.0	2.0	93.4	12.5	2011-08-25	88.9	15.5	95.6	11.5
Eximbank B2	10.0	9.0	0.6	97.6	13.0	2011-10-19	97.7	13.0	99.9	9.0
Food Contract Corp B2	15.0	8.0	1.4	101.0	7.3	2011-06-17	98.7	9.0	103.9	5.0
Food Contract Corp B3	15.0	10.5	1.3	104.1	7.0	2011-10-28	104.1	7.0	104.1	7.0
Food Contract Corp B4	22.0	9.0	3.9	110.9	n/a	2011-08-16	102.3	8.3	117.1	4.3
Halyk Bank B13	5.0	13.0	7.0	114.9	10.0	2011-10-14	104.6	12.0	126.5	8.0
Halyk Bank B17	15.0	8.0	7.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Halyk Bank B7	4.0	7.5	3.2	98.1	8.0	2010-07-07	97.3	8.5	108.8	4.5
Halyk Bank B9	3.0	7.5	3.7	96.8	8.5	2011-08-26	90.9	10.5	96.9	8.5
Kaz Mortgage Co B11	5.0	6.9	3.4	100.6	6.7	2011-07-01	91.1	10.0	102.8	6.0
Kaz Mortgage Co B18	5.0	11.0	1.1	101.0	10.1	2011-09-08	102.5	8.5	106.8	4.5
Kazakhs Kagazy B4	12.0	12.0	1.8	103.7	10.8	2009-10-30	n/a	n/a	n/a	n/a
Kazcat B1	5.0	10.0	1.2	93.6	16.0	2011-10-17	90.9	19.0	94.8	15.0
KazInvestBank B5	4.0	10.0	3.7	n/a	n/a	n/a	103.0	9.0	109.5	7.0
Kazkommertsbank B9	35.0	9.0	4.4	n/a	n/a	n/a	103.7	8.0	120.2	4.0
KazTransCom B2	3.0	10.0	0.7	99.6	11.0	2010-12-08	101.3	13.0	102.6	11.0
KZACI B2	1.5	10.0	0.1	85.7	26.5	2010-11-17	n/a	n/a	n/a	n/a
Logicom B2	1.7	11.0	2.2	99.9	11.0	2011-09-29	98.1	12.0	105.9	8.0
Mangys Power Distr B3	0.7	12.0	0.1	101.3	n/a	2011-08-08	100.3	7.0	100.6	3.0
Mangys Power Distr B4	0.5	12.0	0.5	104.7	8.0	2011-01-12	102.3	7.0	104.5	3.0
Mangys Power Distr B5	0.8	16.0	1.3	116.7	7.0	2011-02-04	110.9	7.0	116.3	3.0
Mangys Power Distr B6	0.8	16.0	2.4	121.9	8.0	2011-02-01	119.7	7.0	130.1	3.0
Orda Credit B2	1.5	12.0	1.2	99.9	12.0	2011-10-28	99.9	12.0	99.9	12.0
RG Brands B5	1.5	8.0	0.9	97.2	10.0	2011-04-06	99.1	9.0	100.9	7.0
RG Brands B6	2.0	8.0	2.9	82.9	15.0	2011-08-31	83.7	15.0	92.6	11.0
Samruk-Kazyna B22	75.0	5.9	5.9	101.2	5.7	2011-10-24	99.5	6.0	121.6	2.0
Samruk-Kazyna B23	75.0	6.5	8.9	105.6	5.7	2011-10-06	99.9	6.5	131.8	2.5
Sberbank B4	5.0	9.0	5.8	115.9	6.0	2011-02-18	109.4	7.0	131.9	3.0
SevKazEnergo B1	8.0	12.5	8.2	105.345	11.5	2011-05-30	113.7	10.0	126.7	8.0
Tema & C B2	1.2	13.0	1.5	n/a	n/a	n/a	101.4	12.0	107.2	8.0
Temirbank B10	4.5	6.8	5.1	71.9	12.0	2011-03-17	67.3	13.0	91.8	9.0
Temirbank B11	4.0	6.8	10.1	99.9	9.0	2009-11-03	69.9	12.0	99.9	8.0
Temirbank B13	8.0	8.0	0.5	88.4	15.0	2009-12-03	76.5	12.0	99.9	8.0
Temirbank B14	6.0	9.5	4.5	102.5	9.0	2009-07-09	72.8	12.0	99.9	8.0
Temirbank B15	6.0	8.0	14.5	76.2	15.0	2009-02-04	72.8	12.0	99.9	8.0
Temirbank B17	6.0	8.0	5.5	99.9	8.0	2011-02-01	72.2	12.0	99.9	8.0
Temirbank B3	2.2	8.0	10.9	62.6	14.8	2011-02-02	62.9	15.0	81.1	11.0

Debt Instrument	Issue size, bn KZT	Coupon Rate, %	Rem Life, years	Last Trade			Current Bid*		Current Ask*	
				Price	YTM, %	Date	Price	YTM, %	Price	YTM, %
Temirbank B4	5.0	9.0	3.7	93.7	9.0	2006-01-12	73.4	12.0	99.9	8.0
Temirbank B7	3.0	8.5	3.6	60.1	14.8	2011-03-28	59.8	15.0	79.1	11.0
Tsesna Astyk B1	3.0	9.0	0.1	90.0	28.6	2011-05-10	n/a	n/a	n/a	n/a
Tsesna Bank B2	3.0	9.0	0.8	99.9	9.0	2011-07-07	101.1	7.5	102.6	5.5
Tsesna Bank B7	4.0	7.5	15.7	99.9	7.5	2010-07-14	86.7	9.1	103.7	7.1
VTB Bank (Kazakhstan B1)	15.0	7.0	3.1	106.1	5.0	2011-07-28	105.7	5.0	108.7	4.0

\*As of 8/26/2011, Source: KASE

## Floating coupon

Debt Instrument	Issue Size, bln KZT	Coupon Rate, %	Rem Life, years	Last trade			Current Bid*		Current Ask*	
				Price	YTM, %	Date	Price	YTM, %	Price	YTM, %
ABDI Company B1	9.0	8.8	1.2	76.4	29.0	5/30/2011	n/a	n/a	n/a	n/a
Agri Credit Corp.B1	3.0	8.9	0.8	99.8	8.5	7/8/2011	100.3	8.5	103.3	4.5
AMF Group B2	0.7	8.7	4.3	101.1	9.0	10/3/2011	101.0	9.0	116.5	5.0
AtamekenAgro B2	11.0	11.8	6.8	105.2	10.2	3/2/2011	107.6	10.2	130.5	6.2
ATF Bank B5	13.0	10.6	0.6	102.5	n/a	8/11/2011	100.9	9.0	103.1	5.0
ATF Bank B6	13.0	8.8	2.3	103.2	7.4	8/10/2011	99.6	9.0	108.2	5.0
ATF Bank B7	15.0	10.1	0.01	102.5	3.2	6/22/2011	100.1	4.5	100.2	0.5
BankCenterCredit B10	3.0	9.1	3.9	96.3	8.7	3/29/2011	99.3	10.0	113.2	6.0
BankCenterCredit B11	2.0	9.6	4.2	98.9	8.0	6/6/2011	95.4	11.0	109.2	7.0
BankCenterCredit B13	4.0	9.1	4.5	107.8	7.7	10/14/2011	106.6	8.0	123.5	4.0
BankCenterCredit B14	5.0	9.1	4.9	100.0	9.1	6/13/2011	99.2	10.0	116.1	6.0
BankCenterCredit B15	3.0	9.1	5.5	100.9	8.9	10/21/2011	112.6	7.0	134.2	3.0
BankCenterCredit B18	5.0	9.6	11.1	100.0	9.6	9/13/2011	97.3	10.0	128.9	6.0
BankCenterCredit B20	3.5	9.8	12.0	91.5	11.1	10/28/2011	92.1	11.0	122.5	7.0
BankCenterCredit B22	12.0	9.8	8.1	n/a	n/a	n/a	131.6	5.0	168.1	1.0
BankCenterCredit B6	1.3	10.1	3.2	94.6	10.0	5/6/2011	100.2	10.0	111.7	6.0
BankCenterCredit B7	2.0	9.6	3.6	98.7	10.0	8/27/2011	98.8	10.0	111.5	6.0
BankCenterCredit B8	2.0	10.0	3.8	100.0	10.0	3/28/2011	99.7	10.1	113.0	6.1
Batys Transit B1	18.8	8.6	7.4	92.1	10.1	10/7/2011	95.0	9.6	118.1	5.6
BTA Ipoteka B10	14.0	10.1	6.4	27.2	34.5	12/3/2009	n/a	n/a	n/a	n/a
BTA Ipoteka B11	10.0	6.5	4.8	66.0	17.0	9/9/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B2	1.5	9.9	3.0	91.4	11.0	4/5/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B3	2.0	9.4	0.1	100.6	7.0	9/8/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B5	4.0	9.4	3.5	70.0	21.1	6/21/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B7	4.0	9.4	0.7	80.0	32.5	6/21/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B8	7.0	9.0	1.8	66.0	34.3	9/9/2011	n/a	n/a	n/a	n/a
BTA Ipoteka B9	4.0	8.5	4.3	66.0	20.5	9/9/2011	n/a	n/a	94.0	10.2
Caspian Beverage B1	0.5	12.0	1.4	82.3	28.3	10/27/2011	82.2	28.5	85.9	24.5
Delta Bank B1	3.0	10.1	0.9	87.0	22.4	6/20/2011	n/a	n/a	n/a	n/a
ERKA B1	2.5	10.0	2.0	103.7	8.0	10/13/2011	n/a	n/a	n/a	n/a
Eurasian Bank B2	3.0	7.5	0.1	101.2	6.0	2/4/2011	n/a	n/a	n/a	n/a
Eurasian Bank B3	10.0	9.1	1.4	98.8	10.0	10/26/2011	98.7	10.0	101.5	8.0
Eurasian Bank B4	10.0	7.8	2.8	98.5	10.0	9/23/2011	n/a	n/a	n/a	n/a
Eurasian Bank B5	10.0	7.8	11.8	84.9	10.0	8/26/2011	n/a	n/a	n/a	n/a
Eurasian Bank B7	5.0	8.3	7.2	101.6	8.0	10/21/2011	101.6	8.0	113.3	6.0
Eurasian Bank B8	15.0	7.7	12.0	122.4	10.0	8/28/2009	105.8	9.0	122.4	7.0
Eximbank B3	10.0	9.5	3.7	96.5	10.0	2/14/2011	98.5	10.0	104.7	8.0
Halyk Bank B10	5.0	6.6	4.0	86.6	10.5	5/27/2011	87.5	10.5	100.3	6.5
Halyk Bank B11	4.0	6.4	4.5	91.1	10.5	12/7/2010	90.0	9.1	104.9	5.1
Halyk Bank B12	10.0	10.6	5.9	100.4	10.5	9/19/2011	n/a	n/a	n/a	n/a
Halyk Bank B8	4.0	9.5	3.4	96.4	9.0	10/12/2010	97.4	10.5	109.4	6.5
Imstalcon B3	4.0	13.0	5.9	n/a	n/a	n/a	84.7	15.0	91.9	13.0
Imstalconb2	4.4	10.6	4.9	99.3	8.8	10/11/2010	98.9	11.0	106.7	9.0
Jairem GOK B2	3.9	9.1	1.4	99.8	8.9	1/21/2011	100.5	9.9	108.6	4.1
JP Morgan E1	1.3	7.7	4.3	102.3	5.1	2/7/2011	102.0	4.6	110.2	2.6
Kaspi Bank B5	3.5	9.3	0.2	100.7	7.0	9/22/2011	100.2	8.5	100.6	6.5
Kaspi Bank B8	6.0	10.3	7.2	130.4	9.0	6/23/2010	126.1	6.0	141.3	4.0
Kaz Mortgage Co B12	5.0	7.5	5.4	84.4	11.3	8/15/2011	82.4	12.0	97.0	8.2
Kaz Mortgage Co B16	5.0	7.5	5.2	89.4	10.0	6/6/2011	86.4	11.0	102.1	7.0

Debt Instrument	Issue Size, bln KZT	Coupon Rate, %	Rem Life, years	Last trade			Current Bid*		Current Ask*	
				Price	YTM, %	Date	Price	YTM, %	Price	YTM, %
Kaz Mortgage Co B17	10.0	9.0	4.6	93.5	10.8	10/6/2011	91.2	11.5	96.4	10.0
Kaz Mortgage Co B19	5.0	11.0	1.7	101.8	10.0	7/22/2011	100.7	10.5	107.2	6.5
Kaz Mortgage Co B2	3.0	9.4	1.9	104.7	7.1	7/1/2011	101.7	8.5	109.1	4.5
Kaz Mortgage Co B20	8.0	11.0	4.1	106.7	9.1	9/16/2011	100.0	11.0	106.7	9.0
Kaz Mortgage Co B21	10.0	8.5	7.2	102.8	8.0	7/11/2011	92.4	10.0	102.7	8.0
Kaz Mortgage Co B3	5.0	9.6	2.4	103.4	8.2	6/3/2011	99.4	10.0	108.2	6.0
Kaz Mortgage Co B4	5.0	9.1	2.4	97.8	10.0	6/6/2011	98.3	10.0	107.1	6.0
Kaz Mortgage Co B8	5.0	8.7	2.9	96.5	10.0	7/19/2011	97.0	10.0	107.4	6.0
Kazakhs Kagazy B2	3.5	13.0	14.4	1.1	1330.4	3/30/2011	n/a	n/a	n/a	n/a
Kazakhs Kagazy B3	3.5	13.0	16.4	65.4	24.2	7/15/2010	n/a	n/a	n/a	n/a
KazakhTelecom B2	45.5	9.4	8.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
KazInvestBank B1	1.3	10.4	1.1	99.6	n/a	8/8/2011	n/a	n/a	n/a	n/a
Kazkommerts Invest B1	4.0	12.0	3.9	94.3	16.0	11/24/2009	94.1	14.0	100.0	12.0
Kazkommertsbank B5	5.5	9.5	3.9	96.9	10.5	10/28/2011	96.9	10.5	96.9	10.5
Kazkommertsbank B6	10.0	8.7	5.9	103.3	8.0	9/8/2011	97.8	10.0	117.2	6.0
Kazkommertsbank B7	10.0	7.7	7.0	85.2	10.5	12/31/2010	85.4	10.7	105.5	6.7
Kazkommertsbank B8	10.0	9.1	7.5	84.8	12.0	4/19/2011	88.2	11.5	103.3	8.5
KazMunaiGas NC B2	120.0	8.9	8.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a
KedenTransServis B1	5.0	8.4	0.4	100.0	10.3	10/12/2011	n/a	n/a	n/a	n/a
Ordabassy B2	12.0	8.0	0.01	71.5	n/a	10/10/2011	n/a	n/a	n/a	n/a
PavlodarEner B1	8.0	9.4	5.7	90.6	10.0	8/3/2010	97.4	10.0	106.3	8.0
Real-Invest B1	5.0	11.6	1.6	102.4	10.0	9/20/2011	102.3	10.0	108.4	6.0
Sat & C B1	15.0	10.4	3.2	98.3	n/a	7/27/2011	101.0	10.0	106.6	8.0
Sberbank B3	3.0	10.8	0.01	100.9	4.0	9/14/2011	100.0	5.0	100.1	1.0
Sberbank B5	5.0	10.0	7.8	118.3	7.0	7/28/2011	112.4	7.2	141.9	3.2
Temirbank B18	10.0	9.8	8.4	87.9	n/a	8/5/2011	76.6	15.0	94.6	11.0
Temirleasing B1	0.5	10.8	0.4	88.0	19.5	11/25/2010	n/a	n/a	n/a	n/a
Tort Kudyk B1	2.0	13.6	0.01	100.5	0.5	10/19/2011	100.1	4.5	100.2	0.5
Tsesna Bank B5	3.0	9.4	2.7	98.6	10.0	10/27/2011	98.6	10.0	103.3	8.0
Tsesna Bank B6	4.0	9.4	4.1	103.1	8.5	10/4/2011	103.1	8.5	110.3	6.5

\*As of 9/9/2011

Source: KASE

## KASE FX Market

Date	Session	Volume*of major transactions against market trend, \$mn	Range, KZT/USD	KASE spot <sup>2</sup> , KZT/USD	1M NDF <sup>3</sup> , KZT/USD
March (Total)	All	2,730			
April (Total)	All	630			
May (Total)	All	0			
June (Total)	All	-920			
July (Total)	All	-260			
August (Total)	All	-850			
1-5 September	All	0			
6 September	Morning	-100	146.92-.95	146.91	146.88
7-8 September	All	0			
9 September	All	-40	147.1-.12	147.11	147.35
12 September	Morning	-400	147.25-.38	147.31	147.35
13-19 September	All	0			
20 September	Morning	-70	147.35-.38	147.35	147.38
21 September	Morning	-70	147.37-.43	147.38	147.47
22 September	Morning	-250	147.48-.53	147.50	147.8
23 September	Morning	-250	147.63-.71	147.68	147.9
26 September	Morning	-150	147.76-.80	147.78	148,05
27-28 September	Morning	0			
29 September	Morning	-170	147.85-.88	147.87	148.13
30 September	Morning	-400	147.95-.05	147.87	148.15
September (Total)	All	-1900			
3 October	Morning	-250	148.18-.23	148.19	148.23
4 October	Morning	0			
5 October	Morning	-60	148.05-.26	148.20	148.35
6 October	Morning	-190	148.34-.36	148.34	148.53
7 October	Morning	-50	148.39-.40	148.36	148.63
10 October	Morning	-140	148.44-.11	148.24	148.63
11-17 October	Morning	0			
18 October	Morning	100	147.94-.85	148.89	148.08
19-20 October	Morning	0			
21 October	Morning	-200	148.03-147.90	148.00	148.10
24 October	Morning	0			
25 October	Morning	60	147.92-.97	147.96	148.18
26-31 October	Morning	0			

Source: <sup>1</sup>HF estimates, <sup>2</sup>KASE, <sup>3</sup>BGC Note: \*Positive volume numbers indicate fx purchases of a large contrarian trader; negative – fx sales;



## KASE

Stock	Ticker	24.10.2011-28.10.2011			Change, %			Ave daily vol 26W, KZT mn	Mkt cap, \$mn	52-week low	52-week high
		Last KZT	price, KZT	Weekly weighted average price, KZT	Volume, last week, KZT mn	1W	1M				
ENRC	GB_ENRC	1610.0	1599.1	16.0	7.3	16.7	(28.4)	1.5	14052	1275.0	2600.0
Kazakhmys	GB_KZMS	2400.0	2289.7	16.6	18.8	23.1	(26.2)	4.3	8707	1780.0	3800.0
KazMunaiGaz	RDGZ	15180.0	14572.8	397.4	6.2	12.0	(21.6)	9.6	7225	12100.0	21000.0
Halyk Bank	HSBK	217.0	220.8	50.9	2.4	(5.7)	(40.7)	4.5	1924	197.0	445.0
Kazkommertsbank	KKGB	250.0	249.2	27.6	-	(3.8)	(50.9)	3.1	1321	240.0	616.0
KazakhTeleCom	KZTK	17700.0	18152.4	128.6	(2.5)	(3.4)	(10.2)	62.8	1310	13500.0	20850.0
SAT & Company	SATC	71.0	71.0	10.2	(0.01)	(0.01)	(0.1)	56.6	565	71.0	72.0
Halyk Bank p	HSBKp	168.4	-	-	-	-	(9.1)	0.1	445	168.4	185.2
BTA Bank	BTAS	1.3	1.0	0.9	(7.1)	(18.8)	(69.8)	0.7	390	1.0	9.5
Temirbank	TEBN	2.7	-	-	-	-	(99.5)	0.1	366	2.7	500.0
BankCenterCredit	CCBN	315.0	318.6	37.8	(1.6)	(9.6)	(39.0)	7.8	347	311.0	670.0
Atameken-Agrp	KATR	3300.0	3300.0	0.2	-	-	-	0.01	201	3300.0	3300.0
AktobeMunaiGaz p	AMGZp	25000.0	-	-	-	-	-	0.6	160	18000.0	25200.0
Kazkommertsbank p	KKGBp	148.0	-	-	-	-	(34.2)	1.5	125	144.0	230.0
Tsesna Bank	TSBN	800.0	800.0	4.1	(7.5)	(11.4)	(7.5)	1.7	111	800.0	942.9
KazakhTeleCom p	KZTKp	12200.0	11598.3	47.6	15.1	35.6	24.5	2.9	100	7405.0	12200.0
Eximbank	EXBN	1090.0	-	-	-	(0.01)	(0.01)	0.01	72	1090.0	1090.0
Delta Bank	NFBN	1375.0	-	-	-	-	5.8	0.1	65	1375.0	1375.0
Khimpharm	CHFM	1500.0	-	-	-	-	42.9	0.3	52	1050.0	1560.0
KazTransCom	KZTC	2600.0	-	-	-	-	(0.8)	0.3	42	2510.0	2620.0
MangystauMunaiGaz p	MMGZp	5500.0	5500.0	0.1	-	-	(40.2)	0.3	41	5100.0	10450.0
KZACi p	KAZIp	315.0	-	-	-	-	(11.3)	0.3	32	290.0	390.0
Rakhat	RAHT	1000.0	-	-	-	-	-	0.01	24	1000.0	1300.0
Kazcat	ZERD	1.1	1.1	0.8	-	-	(22.5)	0.4	22	1.1	2.5
Temirbank p	TEBNp	660.0	-	-	-	-	32.0	0.3	22	500.0	900.0
Mangystau Power Distr	MREK	1299.0	-	-	-	9.9	18.1	0.4	18	1100.0	3000.0
Tsesna Bank p	TSBNp	900.0	-	-	-	-	3.4	0.1	15	900.0	900.0
Eximbank p	EXBNp	1100.0	-	-	-	-	5.2	8.5	15	1100.0	1300.0
Velikaya Stena	VSTN	115455.0	-	-	-	(3.8)	(20.4)	0.5	10	115455.0	120000.0
Tort Kudyk	TKUDp	9.0	-	-	-	-	-	4.3	5	9.0	9.0
Ust'-Kam TMC p	UTMKp	4440.0	-	-	-	-	-	0.5	3	4400.0	5399.0
Khimpharm p	CHFMp	1500.0	-	-	-	-	114.3	0.1	1	1500.0	1500.0
Altius Holdings Inc	CA_ALHO	1.0	-	-	-	-	-	0.01	1	1.0	410.7

Source: KASE

## International Stock Exchanges

Over the past week in our international list of equities for every stock that fell, four stocks gained. Stocks of miners and oil producers surged following the positive market reaction to the agreement reached on Greece bailout during the EU summit last week. As copper advanced 14.4% over the week hitting \$8000/t, shares of copper miners - Kazakhmys (+18.7%) and Ivanhoe mines (21.7%) gained. Equities of uranium producers - Cameco (+18.0%) and Uranium One (+33.5%) were the winners thanks to the improvement of investor sentiment on global demand for energy. Among the mid- and small-cap stocks the most significant changes were experienced by Frontier Mining (+16.1), Tethys Petroleum (+12.1%), Kryso Resources (+19.5%) and Hambeldon Mining (+13.8%). Since the beginning of the year shares of Kryso Resources gained 46.3% on the increased probability of the company being acquired by Chinese investors.

Mariyam Zhumadil

Stock	Ticker	Crcncy	Last	Volume of trade, 5d avg, USD '000	Mkt cap, USD mn	1W%	1m%	YTD%	1Y %	52-week low	52-week high	Primary Exchange
Ivanhoe Mines	IVN US	USD	20.99	50934	15502	23.8	34.9	(8.4)	(7.5)	12.1	29.29	NYSE
Ivanhoe Mines	IVN CN	CAD	20.78	26740	15476	21.7	29.3	(9.7)	(9.8)	12.9	28.98	TSX
ENRC	ENRC LN	GBP	700.00	2121214	14537	6.4	20.8	(33.2)	(19.6)	509.0	1127.0	LSE
Kazakhmys	KAZ LN	GBP	1017.00	4000572	8753	18.7	21.0	(37.0)	(22.7)	700.0	1700.0	LSE
Cameco	CCJ US	USD	22.61	64797	8924	12.5	22.6	(44.0)	(27.0)	16.7	44.81	NYSE
Cameco	CCO CN	CAD	22.47	56086	8943	11.0	18.0	(44.2)	(28.8)	17.6	44.28	TSX
KMG E&P GDR	KMG LI	USD	17.02	6437	7171	5.7	10.7	(14.2)	(1.0)	13.1	24.93	LSE
Centerra Gold	CG CN	CAD	19.53	13260	4650	(1.0)	1.7	(1.6)	(4.0)	14.0	23.72	TSX
Dragon Oil	DGO LN	GBP	563.00	784372	4644	8.8	17.6	4.6	27.4	387.8	614.00	LSE
Halyk bank	HSBK LI	USD	6.05	1597	1979	0.8	(3.2)	(39.8)	(34.9)	5.1	12.58	LSE
Uranium One	UUU CN	CAD	3.03	27651	2925	33.5	36.5	(37.0)	(27.3)	1.9	7.02	TSX
SouthGobi Resources	SGQ CN	CAD	8.09	434	1494	12.5	25.2	(33.6)	(25.9)	5.5	16.64	TSX
Kazakhtelecom ADR	KZTA GR	EUR	6.70	n/a	1554	0.0	(3.7)	11.7	34.0	4.1	6.96	STU
KKB GDR	KKB LI	USD	3.25	459	1266	6.6	(8.5)	(45.4)	(44.9)	3.0	8.70	LSE
Zhaikmunai GDR	ZKM LI	USD	8.05	1464	1489	(2.4)	2.8	(34.6)	(24.1)	6.9	13.60	LSE
BTA bank	BTA LX	USD	4.40	n/a	314	(6.2)	(18.2)	n/a	n/a	3.4	21.63	LX
Hunnu Coal	HUN AU	AUD	1.79	2449	475	0.3	5.9	34.1	79.0	1.0	1.80	ASE
Max Petroleum	MXP LN	GBP	14.88	81730	243	6.3	10.2	(18.5)	(28.3)	10.0	27.75	LSE
Tethys Petroleum	TPL CN	CAD	0.65	226	171	12.1	18.2	(59.6)	(57.2)	0.4	1.97	TSX
Tethys Petroleum	TPL LN	GBP	40.50	913	170	11.0	10.2	n/a	n/a	28.5	65.00	LX
Victoria Oil & Gas	VOG LN	GBP	3.95	66626	160	2.3	16.2	(29.5)	(0.3)	2.9	6.95	LSE
Kentor Gold	KGL AU	AUD	0.10	178	110	6.6	4.3	(46.1)	(39.6)	0.1	0.20	ASE
Steppe Cement	STCM LN	GBP	34.50	19667	100	3.8	13.1	(35.5)	(16.9)	30.5	56.50	LSE
Frontier Mining	FML LN	GBP	4.18	8902	125	16.1	52.0	(44.3)	(34.5)	2.7	8.38	LSE
Chagala Group GDR	CHGG LI	USD	3.10	n/a	66	0.0	0.0	(8.8)	3.3	2.7	4.00	LSE
Jupiter Energy	JPR AU	AUD	0.59	54	73	(2.5)	6.4	5.4	21.9	0.5	1.17	ASE
Hambeldon Mining	HMB LN	GBP	4.13	8532	49	13.8	13.8	(43.2)	(18.2)	3.1	8.50	LSE
Kryso Resources	KYS LN	GBP	24.50	63874	105	19.5	46.3	46.3	53.1	12.1	24.50	LSE
Caspian Energy	CEK CN	CAD	0.11	30	39	0.0	5.0	(52.3)	(4.5)	0.1	0.28	TSX
BMB Munai	KAZ US	USD	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	NYSE
Shalkiya Zinc GDR	SKZ LI	USD	0.15	n/a	46	0.0	(5.6)	0.7	37.3	0.1	0.35	LSE
Alhambra Resources	ALH CN	CAD	0.44	23	46	0.0	29.4	(53.7)	(32.3)	0.3	1.20	Venture
Cent.Asia Resources	CVR AU	AUD	0.04	39	27	8.6	(5.0)	31.0	15.2	0.0	0.06	ASE
Manas Petroleum	MNAP US	USD	0.20	11	33	(2.5)	(7.1)	(67.5)	(61.0)	0.2	0.70	OTC BB
Sunkar Resources	SKR LN	GBP	n/a	n/a	32	n/a	n/a	n/a	n/a	10.0	52.25	LSE
Orsu Metals	OSU CN	CAD	0.15	2	23	0.0	(12.1)	(57.4)	(44.2)	0.1	0.38	TSX
Alliance bank GDR	ASBN LX	USD	0.14	0	7	101.4	(21.9)	(90.7)	n/a	0.0	1.53	LX
Orsu Metals	OSU LN	GBP	9.50	271	24	(1.3)	1.3	(56.3)	(44.1)	9.3	26.50	LSE
Roxi Petroleum	RXP LN	GBP	2.88	1792	28	0.0	0.0	(51.0)	(41.0)	2.6	13.25	LSE
Caspian Oil & Gas	CIG AU	AUD	0.01	7	10	(12.5)	(22.2)	0.0	(12.5)	0.0	0.02	ASE
Aurum Mining	AUR LN	GBP	3.25	1246	6	0.0	3.8	(43.5)	(79.7)	1.4	16.50	LSE
Caspian Services	CSSV US	USD	0.11	0	6	0.0	0.0	(26.7)	(42.1)	0.1	0.25	OTC BB
KZ Kagazy GDR	KAG LI	USD	0.09	0	9	0.0	80.0	(64.0)	(35.7)	0.0	0.25	LSE
Caspian Holdings	CSH LN	GBP	0.30	27	2	0.0	0.0	(51.6)	(34.8)	0.3	0.69	LSE

All quotes in local currency, unless otherwise noted  
Sources: Bloomberg, Halyk Finance; \*last price

## Calendar of events

Date	Sector	Event	Source/company
October	Oil&gas	Drilling of the first pre-salt well (Emba B prospect)*	Max Petroleum
5-Nov	Macro	Monetary survey of the NBK, International reserves and assets of the National Fund	NBK
5-Nov	Macro	Financial market situation in August. Press-release	NBK
5-Nov	Metals&mining	3Q 2011 financial results	Centerra Gold
7-Nov	Metals&mining	3Q 2011 financial results	Uranium One
10-Nov	Metals&mining	3Q 2011 production report	ENRC
10-Nov	Metals&mining	3Q 2011 results	Ivanhoe Mines
14-Nov	Oil&gas	3Q 2011 financial results	KMG EP
15-Nov	Oil&gas	3Q 2011 financial results	Tethys Petroleum
15-Nov	Oil&gas	2Q 2012 financial results	BMB Munai
15-Nov	Banks	3Q 2011 financial results	Bank CenterCredit
17-Nov	Banks	3Q 2011 financial results	Alliance Bank
20-Nov	Oil&gas	3Q 2011 financial results	Dragon Oil
20-25 Nov	Banks	Asset quality report on banks	NBK
25-Nov	Macro	Monetary survey of the banking sector	NBK
25-Nov	Banks	3Q 2011 financial results	BTA Bank
30-Nov	Banks	3Q 2011 financial results	Kazkommertsbank
5-Dec	Macro	Monetary survey of the NBK, International reserves and assets of the National Fund	NBK
5-Dec	Macro	Financial market situation in August. Press-release	NBK
16-Dec	Oil&gas	3Q 2011 financial results	Zhaikmunai
17-Dec	Oil&gas	1H 2012 financial results	Max Petroleum
20-25 Dec	Banks	Asset quality report on banks	NBK
25-Dec	Macro	Monetary survey of the banking sector	NBK

\* estimated dates

## Stock recommendations

Company	Ticker	Crcny	Last Price	12M Target Price	Recommendation	Analyst
<b>Oil &amp; gas</b>						
KazMunaiGas EP GDR	KMG LI	USD	17.0	31	buy	10/17/2011 Maralova
Max Petroleum	MXP LN	GBp	14.9	42,0	buy	9/12/2011 Maralova
Zhaikmunai	ZKM LI	USD	8.1	11,2	buy	9/8/2011 Maralova
Tethys Petroleum	TPL CN	CAD	0.7	1,3	buy	9/7/2011 Maralova
Tethys Petroleum	TPL LN	GBp	40.5	86,0	buy	9/7/2011 Maralova
Jupiter Energy	JPR AU	AUD	0.6	1,8	buy	10/12/2011 Maralova
Chagala Group GDR	CHGG LI	USD	3.1	4,2	buy	9/9/2011 Maralova
<b>Metals &amp; mining</b>						
Ivanhoe Mines	IVN US	USD	21.0	19.8	Buy	10/5/2011 Zhumadil
Ivanhoe Mines	IVN CN	CAD	20.8	20.9	Buy	10/5/2011 Zhumadil
ENRC	ENRC LN	GBp	700.0	980	buy	8/22/2011 Zhumadil
Kazakhmys	KAZ LN	GBp	1017.0	1500	buy	9/1/2011 Zhumadil
Centerra Gold	CG CN	CAD	19.5	13,5	sell	8/2/2011 Zhumadil
Uranium One	UUU CN	CAD	3.0	4,9	buy	9/16/2011 Zhumadil
Sunkar Resources	SKR LN	GBp	11.9	none	sell	10/7/2011 Zhumadil
<b>Banks</b>						
Kazkommertzbank GDR	KKB LI	USD	3.3		under review	Madybaev
<b>Construction</b>						
Steppe Cement	STCM LN	GBp	34.5	32	hold	10/27/2011 Zhumadil

## Disclaimer

© 2011 Halyk Finance, a subsidiary of Halyk Bank. For contact details see the information on Halyk Finance website [www.halykfin.kz](http://www.halykfin.kz) or contact Halyk Finance office. All rights reserved. This document and/or information has been prepared by and, except as otherwise specified herein, is communicated by Halyk Finance.

This document is for information purposes only. Opinions and views expressed in this document do not necessarily represent the opinions and views held by Halyk Finance, or other subsidiaries of Halyk Bank. The differences of opinion stem from different assumptions, sources information, criteria and methodology of valuation. Information and opinions expressed herein are subject to change without notice; and neither Halyk Finance, or Halyk Bank, or any of its subsidiaries or affiliates are under any obligation to keep them current.

This document is not an offer or an invitation to engage in investment activity. It cannot be relied upon as a representation that any particular transaction necessarily could have been or can be effected at the stated price. This document does not constitute an advertisement or an offer of securities, or related financial instruments. Descriptions of any company or companies or their securities or the markets or developments mentioned herein are not intended to be complete. Views and opinions expressed in this document cannot substitute for the exercise of own judgment and do not attempt to meet the specific investment objectives, financial situation or particular needs of any specific investor.

The information and opinions herein have been arrived at based on information obtained from sources believed to be reliable and in good faith. Such sources have not been independently verified; information is provided on an 'as is' basis and no representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness, reliability, merchantability or fitness for a particular purpose of such information and opinions, except with respect to information concerning Halyk Finance and its affiliates.

The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Options, derivative products and futures are not suitable for all investors and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results. Foreign-currency denominated securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or the price of, or income derived from, the investment.

Halyk Finance and its affiliates, directors, representatives, employees, or clients may have or have had interests in issuers described herein. Halyk Finance may have or have had long or short positions in any of the securities or other financial instruments mentioned herein at any time and may make a purchase and/or sale, or offer to make a purchase and/or sale, of any such securities or other financial instruments at any time, as principal or agent.

Halyk Finance and its affiliates may act or may have acted as market maker in the securities or other financial instruments described herein, or in securities underlying or related to such securities. Employees of Halyk Finance or its affiliates may serve or have served as officers or directors of the said companies. Halyk Finance and its affiliates may have or have had a relationship with or have provided investment banking, capital markets, advisory, investment management, and/or other financial services to the relevant companies. Halyk Finance relies on information barriers to avoid the appearance of conflict of interests within Halyk Finance or in its relations with clients, other issuers, and external investors.

The information herein is not intended for distribution to the public and may not be reproduced, redistributed or published, in whole or in part, for any purpose without the written permission of Halyk Finance. Neither Halyk Finance nor any of its affiliates accepts any liability whatsoever for the actions of third parties in this respect. This information may not be used to create any financial instruments or products or any indices. Neither Halyk Finance, nor its affiliates, nor their directors, representatives, or employees accept any liability for any direct or consequential loss or damage arising out of the use of any information herein.

### Macro

**Sabit Khakimzhanov, 7 (727) 244-6541**  
[Sabitkh@halykbank.kz](mailto:Sabitkh@halykbank.kz)

**Gaziz Seilkhanov, 7 (727) 330-0157**  
[Gazizs@halykbank.kz](mailto:Gazizs@halykbank.kz)

### Financial Sector. Fixed Income Securities

**Bakytzhan Khochshanov 7 (727) 2446-984**  
[BakytzhanH@halykbank.kz](mailto:BakytzhanH@halykbank.kz)

**Yerulan Mustafin, +7 (727) 244-6986**  
[ErulanM@halykbank.kz](mailto:ErulanM@halykbank.kz)

### Equity Research

**Timur Omoev, 7 (727) 330-0153**  
[tomoev@halykbank.kz](mailto:tomoev@halykbank.kz)

**Mariyam Zhumadil 7 (727) 244-6538**  
[MariyamZh1@halykbank.kz](mailto:MariyamZh1@halykbank.kz)

**Miramgul Maralova 7(727) 244-6538**  
[MiramquIM@halykbank.kz](mailto:MiramquIM@halykbank.kz)

**Bakai Madybaev 7 (727) 330-0153**  
[BakaiM@halykbank.kz](mailto:BakaiM@halykbank.kz)

### Address

Halyk Finance  
 19/1, Al-Farabi Ave., Nurlly-Tau Business Center, Suite 3b  
 Almaty, Republic of Kazakhstan, 050013  
 Tel. +7 (727) 259 0467  
 Fax. +7 (727) 259 0593

**eng.halykfinance.kz**

### Bloomberg

**HLFN**