

UZBEKISTAN COMPOSITE INDEX

Avesta Investment Group informs about the changes in the calculation of Uzbekistan Composite Index (UCI) based on the trading results at the RSE "Toshkent" during the latest 12 months between July 1, 2009 and June 30, 2010. This index is the first of its kind which can be used to determine general direction of the development in the stock market in Uzbekistan and it is a convenient benchmark both for local and foreign investors entering the market in Uzbekistan.

Taking into account that during the last quarter the number of issuers listed at RSE "Toshkent" has sharply increased, Avesta Investment Group specialists have decided to calculate 2 types of indexes – UCI-Core and UCI-Broad, starting from the third quarter of 2010.

The former index will reflect the market dynamics based on key issuers, included into the "A" and "B" categories of the listing at RSE "Toshkent". The latter index will cover issuers included into all ("A", "B", "C" and "D") categories of the listing at RSE "Toshkent", and will reflect the general market dynamics.

To be included into the "A" and "B" categories of the listing, an issuer is required to have a charter capital no less than 2 mln USD equivalent calculated at the exchange rate announced by the Central Bank of the RUz. In addition, an issuer should have positive financial results during the last three and two finished fiscal years, respectively.

To be included into the "C" and "D" categories of the listing, an issuer is required to have a charter capital no less than 400 000 USD equivalent calculated at the exchange rate announced by the Central Bank of the RUz. In addition, an issuer should have positive financial results during the last two and one finished fiscal years, respectively.

UCI-Core is calculated based on the share prices of 32 issuers – 17 banks, 3 energy sector companies, 2 companies from each of insurance, construction, metallurgy, trade and food processing industries, as well as 1 company from each of machine-building and transportation industries. Moreover, 14 issuers are included into the "A" category of the listing, and the remaining 18 issuers are included into the "B" category of the listing.

UCI-Broad is calculated based on the share prices of 52 issuers, including the ones which are part of UCI-Core. Thus, 14 issuers are included in the "A" category of the listing, 18 issuers – in the "B" category, 19 issuers – in the "C" category and 1 issuer – in the "D" category.

Based on trading results during the last 12 months, each issuer was assigned their respective weight in UCI-Core and UCI-Broad calculation.

UCI-Core

The highest weight (over 13.8%) in UCI-Core was assigned to OJSCB "Hamkorbank", and it is followed by OJSC "Toshkent univermagi" (over 12.8%) and OJSCB "Kapitalbank" (almost 10.3%). The least (allowed) weight – 0.1% was assigned to 7 issuers as there was no trading activity with their respective shares during the last 12 months.

During the last 12 months, total trading volume with the shares of issuers included into UCI-Core calculation made up 27.5 bln UZS, while the number of transactions was equal to 283. To compare, total trading volume with the shares of all issuers was equal to 64.0 bln UZS and the number of transactions – 3 950.

**Trading results of issuers included into UCI-Core calculation
during a period from 01.07.09 till 30.06.10**

Issuer	Region	Industry	Number of transactions	Number of shares	Average-weighted price	Trade volume, UZS
OJSCB "Kapitalbank"	Tashkent city	Bank	19	506 377	10 157	5 143 083 600
OJSCB "Aloqabank"	Tashkent city	Bank	14	50 175 537	100	5 017 553 700
OJSCB "Uktambank"	Kashkadarya	Bank	17	2 940 989	1 000	2 940 989 000
OJSCB "Qishloq Qurilish Bank"	Tashkent city	Bank	15	11 367 065	254	2 889 048 604
OJSCB "Hamkorbank"	Andijan	Bank	45	24 447 171	103	2 506 653 789
OJSCB "Ipak Yuli"	Tashkent city	Bank	13	24 988 760	100	2 498 876 000
OJSCB "Samarkand"	Samarkand	Bank	5	33 605	50 500	1 697 052 500
POJSCB "Universal bank"	Ferghana	Bank	5	9 353	100 012	935 416 000
SJSIC "Kafolat"	Tashkent city	Insurance	5	585 127	1 369	801 324 515
OJSC "Surkhonoziqovqatsanoati"	Surkhandarya	Food processing	1	3 568	208 761	744 857 642
POJSCIB "Turkiston"	Tashkent city	Bank	10	571 069	1 001	571 774 000
POJSEB "Trastbank"	Tashkent city	Bank	11	523 440	1 013	530 252 190
OJSCB "Turon"	Tashkent city	Bank	10	527 061	1 000	527 061 000
SJSIC "Uzagrosugurta"	Tashkent city	Insurance	2	201 080	1 400	281 504 962
JSC "Dori-Darmon"	Tashkent city	Trade	5	549 875	409	224 906 690
JSCMB "Ipoteka-Bank"	Tashkent city	Bank	14	61 769	1 041	64 288 910
OJSCB "UzPSB"	Tashkent city	Bank	23	25 480	2 231	56 851 400
OJSC "Toshkentdonmahsulotlari"	Tashkent city	Food processing	9	287 280	125	35 967 400
OJSCB "Agrobank"	Tashkent city	Bank	3	9 184	1 000	9 184 000
OJSC "Toshkent univermagi"	Tashkent city	Trade	52	8 779	530	4 652 870
OJSCB "Savdogar"	Tashkent city	Bank	1	12 605	100	1 260 500
OJSC "Almalyk MSE"	Tash. reg.	Metallurgy	1	741	1 250	926 250
JSPO "Uzmetkombinat"	Tash. reg.	Metallurgy	1	96	3 125	300 000
OJSC "Uztemiryo'lkonteyner"	Tashkent city	Transportation	1	300	1 000	300 000
OJSC "Energota'mir"	Tashkent city	Energy	1	36	1 300	46 800
OJSCB "Mikrokreditbank"	Tashkent city	Bank	0	0	0	0
POJSCB "Ravnaq-bank"	Tashkent city	Bank	0	0	0	0
OJSC "Akhangarancement"	Tash. reg.	Construction	0	0	0	0
OJSC "Uzbekenergota'mir"	Tashkent city	Energy	0	0	0	0
OJSC "Agregat zavodi"	Tashkent city	Machine-building	0	0	0	0
OJSC "Savdoenergo"	Tashkent city	Energy	0	0	0	0
OJSC "Uzbekgidroenergokurilish"	Tashkent city	Construction	0	0	0	0
Total:			283			27 484 132 322

UCI-Broad

The highest weight (over 12.2%) in UCI-Broad was assigned to JV OJSC "Uzkabel", and it is followed by OJSCB "Hamkorbank" (over 11.7%) and OJSC "Toshkent univermagi" (almost 10.6%). The least (allowed) weight – 0.1% was assigned to 19 issuers as there was no trading activity with their respective shares during the last 12 months.

It should be noted that when including JV OJSC "Uzkabel" into UCI-Broad calculation, we have faced with a certain difficulty – very sharp share price increase within a very short time period. In particular, during the whole 2008 and the first half of 2009, the company shares have been traded at a price equal to their par value – 1 500 UZS per share. However, in the second half of 2009, several transactions were executed at a price equal to 70 USD per share, or an equivalent of over 100 000 UZS per share. Price had increased by more than 69 times.

In our opinion, this situation was caused by ineffective pricing at RSE "Toshkent". To cope with this in the case of UCI-Broad calculation, we have made a decision to change the announced par value of JV OJSC "Uzkabel" shares (1 500 UZS per share) to a new value –

100 000 UZS per share. In our opinion, this new value is the most fair par value, as average weighted price of these shares during the last 12 months exceeds 100 000 UZS per share.

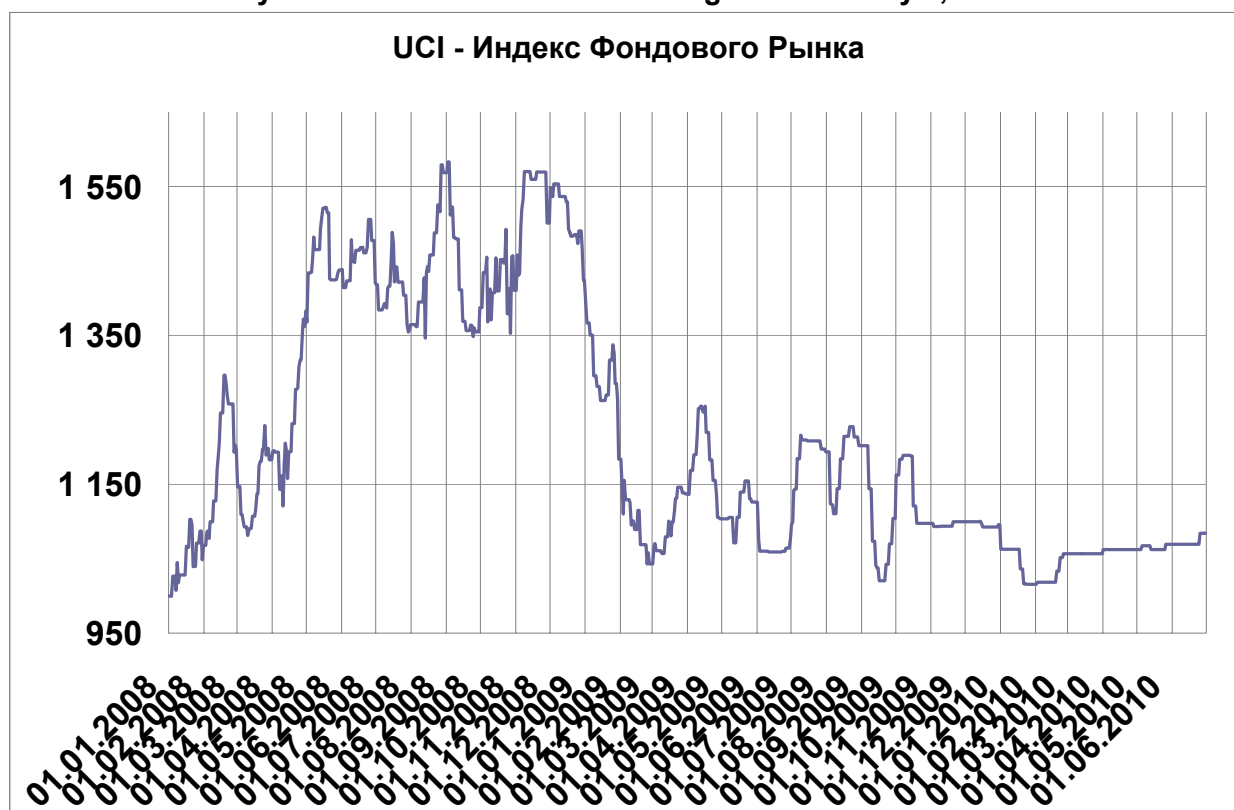
During the last 12 months, total trading volume with the shares of issuers included into UCI-Core calculation made up 43.2 bln UZS, while the number of transactions was equal to 313.

Trading results of issuers included into UCI-Core calculation during a period from 01.07.09 till 30.06.10

Issuer	Region	Industry	Number of transactions	Number of shares	Average-weighted price	Trade volume, UZS
JV OJSC "Uzkabel"	Tashkent city	Machine-building	7	147 236	104 566	15 395 952 154
OJSCB "Kapitalbank"	Tashkent city	Bank	19	506 377	10 157	5 143 083 600
OJSCB "Aloqabank"	Tashkent city	Bank	14	50 175 537	100	5 017 553 700
OJSCB "Uktambank"	Kashkadarya	Bank	17	2 940 989	1 000	2 940 989 000
OJSCB "Qishloq Qurilish Bank"	Tashkent city	Bank	15	11 367 065	254	2 889 048 604
OJSCB "Hamkorbank"	Andijan	Bank	45	24 447 171	103	2 506 653 789
OJSCB "Ipak Yuli"	Tashkent city	Bank	13	24 988 760	100	2 498 876 000
OJSCB "Samarkand"	Samarkand	Bank	5	33 605	50 500	1 697 052 500
POJSCB "Universal bank"	Ferghana	Bank	5	9 353	100 012	935 416 000
SJSIC "Kafolat"	Tashkent city	Insurance	5	585 127	1 369	801 324 515
OJSC "Surkhonoziqovqatsanoati"	Surkhandarya	Food processing	1	3 568	208 761	744 857 642
POJSCB "Turkiston"	Tashkent city	Bank	10	571 069	1 001	571 774 000
POJSEB "Trastbank"	Tashkent city	Bank	11	523 440	1 013	530 252 190
OJSCB "Turon"	Tashkent city	Bank	10	527 061	1 000	527 061 000
SJSIC "Uzagrosugurta"	Tashkent city	Insurance	2	201 080	1 400	281 504 962
OJSC "Uzsuvloyiha"	Tashkent city	Services	1	157 470	1 500	236 205 000
JSC "Dori-Darmon"	Tashkent city	Trade	5	549 875	409	224 906 690
JSCMB "Ipoteka-Bank"	Tashkent city	Bank	14	61 769	1 041	64 288 910
OJSCB "UzPSB"	Tashkent city	Bank	23	25 480	2 231	56 851 400
OJSC "Foykon"	Tashkent city	Finance	3	175 000	234	40 900 000
OJSC "Namangan Dori-Darmon"	Namangan	Trade	2	372 421	104	38 731 784
OJSC "Toshkentdonmahsulotlari"	Tashkent city	Food processing	9	287 280	125	35 967 400
OJSCB "Agrobank"	Tashkent city	Bank	3	9 184	1 000	9 184 000
OJSC "Uzpakhtamash"	Tashkent city	Machine-building	6	2 178	3 125	6 806 300
OJSC "Toshkent univermagi"	Tashkent city	Trade	52	8 779	530	4 652 870
JSC "Uzneftgazqazibchiqarish"	Tashkent city	Energy	1	1 432	1 750	2 506 000
OJSCB "Savdogar"	Tashkent city	Bank	1	12 605	100	1 260 500
OJSC "Avtotexxizmat"	Tashkent city	Machine-building	8	108	11 000	1 188 000
OJSC "Almalyk MSE"	Tash. reg.	Metallurgy	1	741	1 250	926 250
JSPo "Uzmetkombinat"	Tash. reg.	Metallurgy	1	96	3 125	300 000
OJSC "Uztemiryo'lkonteyner"	Tashkent city	Transportation	1	300	1 000	300 000
OJSC "Delta Qurmah"	Tashkent city	Construction	2	56	4 176	233 856
OJSC "Energota'mir"	Tashkent city	Energy	1	36	1 300	46 800
OJSCB "Mikrokreditbank"	Tashkent city	Bank	0	0	0	0
POJSCB "Ravnaq-bank"	Tashkent city	Bank	0	0	0	0
OJSC "Akhangarancement"	Tash. reg.	Construction	0	0	0	0
OJSC "Uzbekenergota'mir"	Tashkent city	Energy	0	0	0	0
OJSC "Agregat zavodi"	Tashkent city	Machine-building	0	0	0	0
OJSC "Savdoenergo"	Tashkent city	Energy	0	0	0	0
OJSC "Uzbekgidroenergokurilish"	Tashkent city	Construction	0	0	0	0
OJSC "Hamroh invest"	Tashkent city	Finance	0	0	0	0
OJSC "Stroitel'niy trest-159"	Tashkent city	Construction	0	0	0	0
OJSC "Uzlitineftgaz"	Tashkent city	Energy	0	0	0	0

OJSC "Oloy dehqon bozori"	Tashkent city	Trade	0	0	0	0
OJSC "Fargona elektr tarmoqlari"	Ferghana	Energy	0	0	0	0
OJSC "Namangan-Avtotexxizmat"	Namangan	Machine-building	0	0	0	0
OJSC "Aviasozlar dehqon bozori"	Tashkent city	Trade	0	0	0	0
OJSC "Sergeli-Avtotexservis"	Tashkent city	Machine-building	0	0	0	0
OJSC "Muzrabod pakhta"	Surkhandarya	Cotton processing	0	0	0	0
OJSC "Djarkurgan pakhta"	Surkhandarya	Cotton processing	0	0	0	0
OJSC "Texnolog"	Tashkent city	Machine-building	0	0	0	0
OJSC "Bagdad donmahsulotlari"	Ferghana	Food processing	0	0	0	0
Total:			313			43 206 655 416

Dynamics of the UCI index starting from January 1, 2008



Dynamics of the change of the UCI index during the period from 01.07.09 till 30.06.10

	12 months	6 months	3 months	1 month	1 week
Change, %	+0,59%	-1,06%	+2,63%	+1,38%	+1,38%
Min, points	1 015,61	1 015,61	1 062,26	1 069,57	1 069,57
Max, points	1 227,45	1 084,30	1 084,30	1 084,30	1 084,30

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